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Concentration of Children in Poverty in Milwaukee County Neighborhoods

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Concentration of Children in Poverty in Milwaukee County Neighborhoods
November 1995

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Findings

The University of Wisconsin-Milwaukee Employment and Training Institute was asked to provide a detailed demographic analysis of the population on public assistance and the working poor not on public assistance in Milwaukee County. Computerized records of families and individuals receiving Aid to Families with Dependent Children (AFDC), food stamps and medical assistance in 1990, 1993 and 1994 were used to construct a picture of Milwaukee County children on public assistance. The Milwaukee County "working poor" population, including families both on and off public assistance, was examined using 1993 income tax data especially generated by the Wisconsin Department of Revenue, detailing the earnings of single parents and married couples. These data were compared to 1990 U.S. census data for Milwaukee County, while recognizing that the significant census undercount in central city Milwaukee may exaggerate the level of AFDC concentration in some neighborhoods.

1. According to 1993 Wisconsin Department of Revenue income tax returns, working poor families, that is, families with adjusted gross income below the poverty level, are located throughout Milwaukee County. However, in two central city Milwaukee zipcode areas (53205 and 53233) over half of all working families had income below the poverty level. In four additional zipcode areas (53204, 53206, 53208 and 53212) over 40 percent of working families had income below poverty.

2. Among Milwaukee County income tax filers, employed single parents were most likely to be poor. Nearly half (49 percent) of single filers with children had adjusted gross income below $15,000 and 37 percent had income below the poverty level. A total of 19,800 single parents out of 52,888 filing 1993 Wisconsin income tax returns showed adjusted gross income below the poverty level.

3. Over 200,000 women, men and children in Milwaukee County lived in households which received AFDC, food stamps or federal medical assistance from May 1993 through April 1994. The total of 107,105 children living in these families comprised 44 percent of all Milwaukee County youth under age 18, as counted in the 1990 census.

4. In sixteen zipcodes which are predominantly in the City of Milwaukee, nearly two-thirds (64 percent) of all children were in families receiving public assistance in 1993-94, as compared to the total youth counted in the 1990 census. In the central city neighborhoods targeted by the Community Development Block Grant program, three-fourths (76 percent) of the children were in families receiving public assistance.

5. The highest concentrations of poverty are shown for AFDC families with very young children. Within the City of Milwaukee, 64 out of the 218 census tracts showed 90 percent or more of children under age one living in families receiving AFDC the month of March 1990, when compared to the U.S. census count.

6. While teens are far less likely to receive AFDC than young children, 43 Milwaukee census tracts still showed more than half of the teens (ages 15 through 17) receiving AFDC in March 1990. Two census tracts showed 90 percent or more of the teens on AFDC.

7. Nearly all African American women heading families receiving AFDC were concentrated in northside Milwaukee census tracts where 50 percent or more of female-headed households with children were receiving AFDC in March 1990. Hispanic women heading households receiving AFDC in March 1990 were concentrated in two Milwaukee neighborhoods -- the near southside and west of the river on the eastside. Ten census tracts (all but one on the near southside) showed 90 percent or more white female-headed households receiving AFDC in March 1990.
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Concentration of Children in Poverty in Milwaukee County Neighborhoods

Over 200,000 women, men and children in Milwaukee County live in households which received AFDC, food stamps or federal medical assistance in 1993-94 (May 1993 through April 1994). A total of 107,105 Milwaukee County children were in these families receiving public assistance. These children comprised 44 percent of all Milwaukee County youth under age 18, as counted in the 1990 census. In the sixteen zipcodes which are predominantly in the City of Milwaukee,1 nearly two-thirds (64 percent) of all children were in families receiving public assistance and in the central city neighborhoods targeted by the Community Development Block Grant program, three-fourths (76 percent) of the children were in families receiving public assistance.

The two maps below show the concentration of AFDC families and of children receiving AFDC in the month of April 1994 by zipcodes in Milwaukee County.

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1 To obtain some idea of which public assistance clients lived in the City of Milwaukee, those sixteen zipcodes which were predominantly city (80 percent or more of the population) were designated "predominantly City of Milwaukee." Predominantly city zipcodes include 53202, 53203, 53204, 53205, 53206, 53207, 53208, 53210, 53212, 53215, 53216, 53218, 53222, 53224, 53225 and 53233. City zipcodes cover the central city, downtown, and much of the northwest and south side of the city. City zipcodes were further analyzed for the Community Development Block Grant target areas designated by the City of Milwaukee. Ten selected zipcode areas were used to approximate the Community Development Block Grant target area boundaries: 53203, 53204, 53205, 53206, 53208, 53210, 53212, 53216, 53218 and 53233. Individual dots representing AFDC cases and children in families receiving AFDC are distributed randomly on the maps within zipcode areas.
AFDC Cases
Milwaukee County
Source: Computer Reporting Network, April 1994

Within zipcode areas, dots are distributed randomly.

Employment and Training Institute, University of Wisconsin - Milwaukee
Children on AFDC
Milwaukee County
Source: Computer Reporting Network, April 1994

Within zipcode areas, dots are distributed randomly.

Employment and Training Institute, University of Wisconsin – Milwaukee
<table>
<thead>
<tr>
<th>CASEHEADS AND SPOUSE</th>
<th>SUM OF RELATED CHILDREN</th>
<th>TOTAL CASES</th>
</tr>
</thead>
<tbody>
<tr>
<td>CASEHEADS AND SPOUSE</td>
<td>SUM OF RELATED CHILDREN</td>
<td>TOTAL CASES</td>
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<td>CASEHEADS AND SPOUSE</td>
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<td>SUM OF RELATED CHILDREN</td>
<td>TOTAL CASES</td>
</tr>
</tbody>
</table>

**EMPLOYMENT AND TRAINING INSTITUTE UNIVERSITY OF WISCONSIN MILWAUKEE**
A. Concentration of Children on AFDC by Census Tract

In order to examine the concentration of poverty within Milwaukee County, the U.S. Census counts for 1990 were compared to the population of families receiving AFDC in March 1990. This one-time analysis required conversion of AFDC client street addresses to census tracts, after corrections were made for spelling variations and misspellings of Milwaukee County street names. The analysis revealed a significant census undercount of low-income families in central city neighborhoods. (In 52 city census tracts the number of children receiving AFDC exceeded the number of children counted for at least one of the age cohorts.) The maps below display estimates of poverty concentration by census tract, recognizing that the census undercount may exaggerate the level of AFDC concentration in some neighborhoods.

Children Under Age 1: The highest concentrations of poverty were shown for AFDC families with very young children. Within the City of Milwaukee, 64 census tracts showed 90 percent or more of children under age one living in families receiving AFDC the month of March 1990. Eighteen suburban census tracts showed 10 to 30 percent of children under age one receiving AFDC in March.

Children Under Age 5: Over half of pre-school children in central city neighborhoods were living in families receiving AFDC in March 1990. A total of 48 city census tracts showed 90 percent or more of the children under age five receiving AFDC in March.

Children Ages 5 Through 9: A smaller proportion of Milwaukee County families with school-age children receive AFDC than families with very young children. However, the analysis still identified 17 census tracts where 90 percent or more of the children in this age cohort were receiving AFDC in March 1990 and 76 tracts where more than half of the children ages 5 through 9 were receiving AFDC.

Youth Ages 10 through 14: Five Milwaukee census tracts showed 90 percent or more youth ages 10 through 14 receiving AFDC in March 1990 and 64 tracts showed more than half of the youth of these ages receiving AFDC that month.

Youth Ages 15 Through 17: Teens are far less likely as a group to receive AFDC than young children. In March 1990, 43 census tracts still showed more than half of the teens (ages 15 through 17) receiving AFDC and 2 census tracts showed 90 percent or more concentration of teens on AFDC.
AFDC Dependents Under Age 5
As Percent of Cohort Population
Milwaukee County, March 1990

Employment and Training Institute, University of Wisconsin-Milwaukee
AFDC Dependants Age 5 Thru 9
As Percent of Cohort Population
Milwaukee County, March 1990

Employment and Training Institute, University of Wisconsin-Milwaukee
AFDC Dependents Age 10 Thru 14
As Percent of Cohort Population
Milwaukee County, March 1990

Employment and Training Institute, University of Wisconsin-Milwaukee
B. Concentration of Female-Headed Households Receiving AFDC by Census Tract

March 1990 AFDC records on single-parent families headed by women were compared to 1990 U.S. census counts of female-headed households with children. Patterns differed substantially by racial group.

**Black Female-Headed Households:** Nearly all black women heading families receiving AFDC were concentrated in northside Milwaukee census tracts where 50 percent or more of female-headed households with children were receiving AFDC in March 1990. Sixty-one tracts showed 90 percent or more of black female-headed households receiving AFDC that month.

**Hispanic Female-Headed Households:** Hispanic women heading households receiving AFDC in March 1990 were concentrated in two Milwaukee neighborhoods -- the near southside and west of the river on the eastside. Hispanic women receiving AFDC in March made up 90 percent or more of Hispanic female-headed households with children in 11 city census tracts.

**White Female-Headed Households:** White children living in female-headed households were far less likely than black or Hispanic children to live in neighborhoods with heavy concentrations of other children of their race receiving AFDC. Ten census tracts (all but one on the near southside) showed 90 percent or more white female-headed households receiving AFDC in March 1990.
Black Female-Headed Households on AFDC
As Percent of Black Female-Headed Households
Milwaukee County, March 1990

For tracts with 30 or more female-headed black households
Hispanic Female—Headed Households on AFDC
As Percent of Hispanic Female-Headed Households
Milwaukee County, March 1990

For tracts with 30 or more female-headed hispanic households

Employment and Training Institute, University of Wisconsin-Milwaukee
White Female-Headed Households on AFDC
As Percent of White Female-Headed Households
Milwaukee County, March 1990

Employment and Training Institute, University of Wisconsin-Milwaukee
C. U.S. Census Data on Families Living in Poverty

The 1990 U.S. Census provided information on the number of families with related children under age 18 who had incomes below poverty in 1989. While subject to problems of undercount, the data provide useful information on the distribution of single-parent and two-parent Milwaukee County families living in poverty.

The Census reported that 27,163 of the 124,311 Milwaukee County families with children under age 18 lived in poverty. Of 46,315 single parent families with children, almost half (22,706, or 49 percent) lived in poverty. Only 6 percent of married couple families with children under age 18 lived in poverty (4,457 out of 77,996 married couple families). The maps below show the distribution of Milwaukee County families living in poverty by zipcode areas.

*Single Parent Families with Children*
Milwaukee County: 1990 Census

- Living Above Poverty (51%)
- Living In Poverty (49%)

*Two Parent Families with Children*
Milwaukee County: 1990 Census

- Living Above Poverty (94%)
- Living In Poverty (6%)
Single-Parent Families Living in Poverty
Milwaukee County
Source: 1990 US Census

Within zipcode areas, dots are distributed randomly.

Employment and Training Institute, University of Wisconsin—Milwaukee
Two-Parent Families Living in Poverty
Milwaukee County
Source: 1990 US Census

Within zipcode areas, dots are distributed randomly.

Employment and Training Institute, University of Wisconsin—Milwaukee
Employed Families and Individuals with Earnings Below the Poverty Level

To develop a more detailed and accurate profile of the income status of Milwaukee County families and individuals, a special tabulation of 1993 Wisconsin income tax returns was requested from the Wisconsin Department of Revenue. The tabulation provided ranges of adjusted gross income for Milwaukee County individuals filing tax returns as married couples or single persons and by the number of dependents claimed. Individuals filing returns and also claimed as dependents were considered separately. Returns by persons claiming the senior credit available to individuals 65 years and over were excluded from the special tabulations. Earned Income tax Credits (EIC) and aggregate EIC dollars claimed were also detailed by ranges of adjusted gross income (AGI). Results were tabulated by zipcode area, as well as for the City and County of Milwaukee.

The characteristics of Milwaukee County filers are detailed below by type of family and adjusted gross income. Poverty levels were estimated by applying federal criteria for 1995 to adjusted gross income levels and number of dependents.

Profile of Milwaukee County 1993 Income Tax Filers
(Excluding Persons Claiming Senior Credit or Named as Dependent by Other Filer)³

<table>
<thead>
<tr>
<th>Type of Filers</th>
<th>Number of Total Filers</th>
<th>Number with Adjusted Gross Income Below Poverty Level</th>
<th>Number with AGI Above $0 and Below $15,000</th>
<th>% of Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Married with children</td>
<td>79,055</td>
<td>6,338</td>
<td>6,268</td>
<td>8%</td>
</tr>
<tr>
<td>Married without children</td>
<td>50,441</td>
<td>3,972</td>
<td>5,978</td>
<td>12%</td>
</tr>
<tr>
<td>Single with children</td>
<td>52,888</td>
<td>19,800</td>
<td>26,094</td>
<td>49%</td>
</tr>
<tr>
<td>Single without children</td>
<td>164,380</td>
<td>12,411</td>
<td>56,791</td>
<td>43%</td>
</tr>
<tr>
<td>Total</td>
<td>336,744</td>
<td>42,521</td>
<td>105,131</td>
<td>31%</td>
</tr>
</tbody>
</table>

Among the Milwaukee County working population, employed single parents were most likely to be poor. Thirty-seven percent of single filers with children had adjusted gross incomes below the poverty level and nearly half (49 percent) had incomes below $15,000. Only 8 percent of married filers with children had incomes below poverty, similar to the poverty rates for married couples and single persons without dependents.

³ Department of Revenue numbers for single filers have limitations due to problems regarding both persons who are included and persons who are missing from the file. Included are those 1) elderly and estates filing returns as a matter of formality or for unearned income who did not file for the elderly credit, 2) those filing as non-dependents who were dependent, 3) students and other part-time non-residents. Those persons excluded from Department of Revenue file could typically: 1) have unreported income, or 2) claim an exclusion from tax due to income anticipated below the standard deduction (typically students, dependents). Milwaukee County single filers with no dependents and not claimed as a dependent on another form accounted for 154,360 tax returns. Single individual filers also claimed as dependents on another return tallied 27,475 with more than two-thirds of these single dependents showing adjusted gross incomes below $5,000 and 88 percent below $10,000.
Distribution of Working Poor Families by Zipcode Areas

Working poor families, that is, families with adjusted gross incomes below the poverty level, are located throughout Milwaukee County. In two central city Milwaukee zipcode areas (53205 and 53233) over half of all working families had income below the poverty level. In four additional zipcode areas (53204, 53206, 53208 and 53212) over 40 percent of working families had income below poverty. The problem is most serious for single parent families. Over half of all working single parents had incomes below poverty in zipcode areas 53204, 53205, 53206, 53208, 53212 and 53233. The three maps below show the concentration of working families by zipcode area for three populations. (Individual dots represent working families or working poor families. Dots are distributed randomly within zipcode areas.)

1. Working Single Parents: A total of 52,888 non-elderly Milwaukee County tax filers were single persons with dependents. One-third of these filers (32 percent) showed earnings below $10,000; another third showed incomes from $10,000 to $19,999. Spatially, the heaviest concentrations of working single parents were found in central city zipcodes 53205 and 53206.

2. Working Single Parents With Adjusted Gross Income Below the Poverty Level: Thirty-seven percent (19,800 of the 52,888 total) single parents had income below the poverty level. The second map below shows the concentration of "working poor" single parent families by Milwaukee County zipcode area.

3. Two-Parent Working Poor Families: A total of 6,338 of the 79,055 married couples with dependents filing tax returns in Milwaukee County showed adjusted gross incomes below the poverty level. These "working poor" families were located throughout Milwaukee County, with heavy concentrations on the near southside and near northside of Milwaukee.
Within zipcode areas, dots are distributed randomly.
Working Poor Single Parents, CY 1993
Milwaukee County
Source: Wisconsin Department of Revenue

Within zipcode areas, dots are distributed randomly.

Employment and Training Institute, University of Wisconsin - Milwaukee
Two-Parent Working Poor Families, CY 1993
Milwaukee County
Source: Wisconsin Department of Revenue

Within zipcode areas, dots are distributed randomly.

Employment and Training Institute, University of Wisconsin–Milwaukee