Puerto Rico finds itself on the fulcrum between surviving and thriving. It will take will, collaboration, and research to tilt the bar in the right direction.

NADD Meeting March 22, 2016 Caribe Hilton, San Juan, Puerto Rico

Carmen R. Nazario

### THE WELFARE OF CHILDREN AND FAMILIES IN PUERTO RICO

#1. Good morning everyone. Welcome to Puerto Rico. I appreciate the invitation from Dr. Luis Zayas, of UT-Austin, to be part of this panel. Please allow me to offer a special welcome to Dr. Jim Hinterlong, from my school, VCU School of Social Work.

It is an honor to speak before you and a pleasure, although, I am also saddened because of what I will share with you today, the current needs of low-income children and families in Puerto Rico.

- Deep economic crisis since 2006
- Slow rate of population growth 3,725,789 » 3,474,182
- High unemployment 16% » 12.4%
- Low employment 1, 003, 000
- Low participation in the labor force 40.5%
- High poverty
- Increasing outmigration '14= 86, 654 '13=61, 099

## THE SOCIAL AND ECONOMIC CONTEXT IN PUERTO RICO

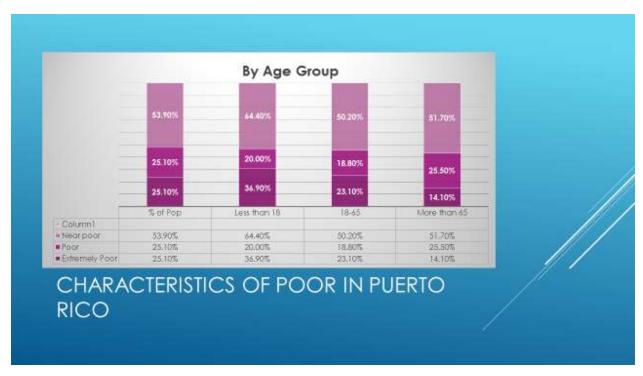
#2. You did not have to come all the way here to learn what is known around the world: that Puerto Rico is immersed in a deep economic crisis, really insolvency, and that it will take a tremendous effort to pull together all the elements necessary to lift this island out of the abyss where it has succumbed and guide it on to the light, and the breeze and the sunshine where we all deserve to be.

When I say abyss I'm not just referring to the economic recession, now in its 10<sup>th</sup> year, or to the unsurmountable debt calculated at over 72 billion dollars. I'm really thinking about the pervasive and insidious predicament that is crushing the Puerto Rican people with the erosion of our traditional values, widespread corruption, and sinister economic inequality, all of which threaten our quality of life. I don't mean to sound dramatic. The truth is that our way of life is not just being threatened, it has already been shattered to the point that people are leaving Puerto Rico at the rate of over 80,000 this past year. Since 2010, Puerto Rican population dropped from 3, 725,789 to 3,474,182 in 2015. I must emphasize, this is net population, after calculating leavers, immigrants and the natural population growth, which is estimated at only 34,000 births minus 30,000 deaths.

Unemployment is down from almost 16% in 2012to 12.4 %. However, there were 1,003,000 people working in January 2016, which is 12, 000 workers less than just one year ago, in January 2015. So, unemployment is down because people are leaving, not because more jobs are being created.

Subject	Extremely Poor	Poor	Near Poor	Total	
# of Persons	25.1%	45.2%	53.9%	3, 686,646	
	925,348	1,658,990	1,987,102		
<18	36.9%	56.9%	64.4%	888,586	
	327,888	505,605	572,249		
18-65	23.1%	41.9%	50.2%	2,256,698	
	521,297	945,556	1,448,800		
> 65	14.1%	39.6%	51.7%	541,362	
	76,332	214,379	279,884		
	CTERISTIC TO RICC	CS OF PC	OOR POPULATION :	3, 686, 646	

#3. And then, there's poverty. Poverty figures have been pretty stable since 2009, with absolute poverty fluctuating between 45% and 49%.



#4. In children, it is estimated at 55 and 56%. In 2012, within a total population of 3.68 million, almost 54%, cumulatively, were extremely poor, poor or near poor. Again, if we look at the children, 56.9% were poor and, within those, 36.9% were extremely poor.

Living Arrangement	Extremely Poor	Poor	Near Poor	Total	
Couple- families	13.7%	32.4%	41.5%	1,838,832	
Female Head	40.6%	60.4%	68.2%	1,121,726	
Other	30.9%	54.9%	63.8%	402,436	
				3,362,194	
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#5. Of the 1,121,726 people living in female- headed- households, sixty eight point two per cent were nearly poor, poor or extremely poor, of which 40.6% were extremely poor.

Educational Attainment	Extremely Poor	Poor	Near Poor	Total
25 and over	19.9%	39.8%	49%	2,426,184
< High School	32.1%	61%	71.7%	728,794
High School+	22.2%	44.9%	55.6%	628,436
Bachelor+	5.3%	12.9%	18.4%	546,263

# CHARACTERISTICS OF POOR IN PUERTO RICO

#6. Let's look at education. Predictably, the largest percentage of poor or near poor lies within adults with less than a high school diploma, over 70% compared to those with a Bachelor's degree, of which 18% are near poor, poor, or extremely poor and those extremely poor fall to 5.3%. So, even in these dire economic circumstances, education does pay.

Nativity	Extremely Poor	Poor	Near Poor	Total
Native	25.3%	45.5%	53.9%	3,580, 675
Foreign born	18%	36.6 %	45.8 %	105, 971

# CHARACTERISTICS OF POOR IN PUERTO RICO

#7. Interestingly, immigrants fare better than natives. In Puerto Rico, immigrants are proportionately less than in the U.S. According to the Puerto Rico Institute of Statistics, 8% of Puerto Rico residents are immigrants while in the U.S. that figure is about 10%. Now, I use these figures loosely. These are estimates. Many immigrants, as all of you know, are undocumented and therefore, very afraid of deportation, resulting in figures that might not reflect the sizeable amount of undocumented immigrants, the vast majority of whom come from the Dominican Republic.

While among the natives 53.9% are nearly poor, poor or extremely poor, 45.8% of the foreign born are near poor, poor or extremely poor. And the extremely poor are 18% while the native extremely poor are 25.3%.

#### **PUBLIC EDUCATION**

OE2013-008

#### **EMERGENCY MEDICAL SERVICES**

OF-2013-009

#### **DRIVER'S LICENSE**

LPR 97-2013

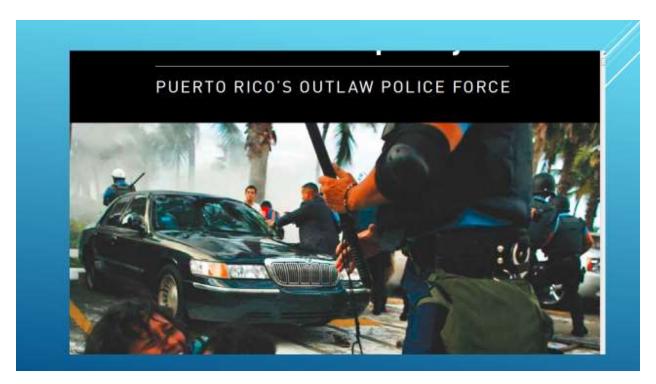
#### **ACCESS TO FINANCIAL SERVICES**

LPR 21-2015

CIVIL RIGHTS/ HUMAN RIGHTS

### IMMIGRANTS HAVE RIGHTS REGARDLESS OF STATUS

#8. Puerto Rico is at the forefront when it comes to official rights of immigrants. In Puerto Rico, immigrants, regardless of status, have the right to free education, free emergency medical care, driver licenses and access to banking services, without fear of deportation. The Office for Women has a special section for immigrant victims of domestic violence and the right to vote for all immigrants, regardless of status, is under consideration.



#9. Nevertheless....Many challenges remain. Many immigrants, particularly Dominicans, are still exploited and oppressed and they suffer as a result of it. After scathing reports from the ACLU and the U.S. Office of Civil Rights, the Police Department is under a federal monitor and undergoing a thorough reform.

Disability Status	Extremely Poor	Poor	Near Poor	Total
With disability	24.9 %	50.1%	60.5%	751,182
No disability	25.2 %	44.0 %	52.2%	2,933,683
Work Status				
Population 18 to 64	23.7 %	42.5 %	50.9%	2,370,158
Worked full- time year- round	1.4%	11.6%	19.9%	761,624
< FT	21.7%	45.8%	55.1%	440,580
Did not work	38.9%	61.5%	69.4%	1,167,954

### RICO

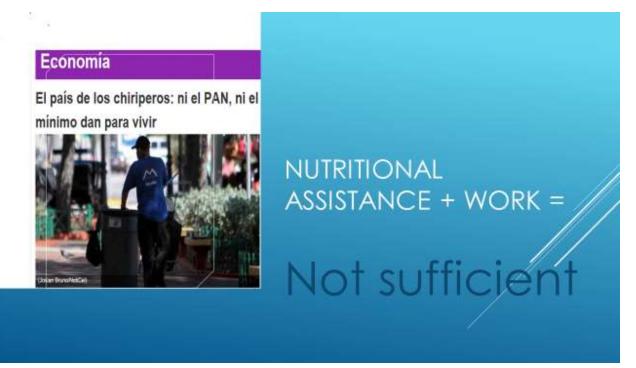
#10. In the disability community, the vast majority, 60%, are nearly poor, poor or extremely poor, but interestingly, perhaps because of assistance programs, the extremely poor percentage is almost identical and even less, than the population without disabilities, at 24.9 %for those with disabilities and 25.2% for those without disabilities.



#11. In 2005, 140 schools out of 1,534 public schools in Puerto Rico, were out of compliance with federal education standards. In 2011, non- compliance was at 87%. By 2012, we were at 91% and had become third worst in the entire United States with 1,321 out of 1,466 public schools out of compliance. So, with 68 fewer public schools, in just 7 years, non-compliance was up from 9% to 91%. And who goes to public schools? The poor.



#12. Relative to social assistance and health care, Puerto Rico does not have parity in health and other social assistance programs. Not in child Care, not in Medicare or Medicaid, not in Public Assistance. We are not eligible for SNAP and not eligible for SSI. Therefore, the aged and persons with disabilities are covered under TANF in addition to the regular TANF population. That is why TANF appears to have wide participation, 75,000 families (5.9% compared to 2.9% in the U.S.). In truth, the real TANF, the old category "C", has less than 10,000 families. The average benefit for the aged is \$64 a month, and about \$208 for a family of 3.



#13. The Nutritional Assistance Program, on the other hand, does have wide participation, about 670 thousand families. The two major groups of beneficiaries are the aged and working families. To qualify for Nutritional Assistance, the maximum income for a family of three is \$599. The family may use 25% of its benefits in cash, still to buy food, in non-certified businesses, due to the scarcity of certified businesses and grocery stores, particularly in rural areas.

- Limited Local Capacity
- Unique social, political, economic and cultural Context
- Difficulties in the institutionalization of effective services and programs

## CHALLENGES TO BUILDING AN EFFECTIVE SUPPORT SYSTEM

#14. What does this all mean? What are the challenges to building an effective support system for low-income families given this time and circumstances?

- We have limited local capacity= the government is broke
- The unique political relationship between Puerto Rico and the U.S. limits Puerto Rican capacity to deal with our economic situation. The U.S. Supreme Court, precisely today, is debating whether Puerto Rico is, either able to device its own instruments to organize its debt, or claim its rights as a territory of American citizens under the U.S. Constitution to have the protection, under Chapter 9 of the U.S. Bankruptcy laws, afforded to the states. Since 1978 Puerto Rico was excluded from Chapter 9.
- We are subject to the U.S. shipping laws having to transport all goods under the American Merchant Marine. Being an island, this increases all our costs. The U.S. Virgin Islands are the only non-continental U.S. port exempted from this law. That exemption, at least temporarily for up to four years, can be granted administratively without an act of Congress.
- Another challenge is the difficulty in the institutionalization of effective services and programs. Every four years the administration changes and we throw away the good with the bad. This political tactic is possible in great measure because there is very little

investigation and documentation of specific needs or effective practices that would compel a government administration to continue with and build upon the accomplishments of its predecessor.

- ldentify the needs
- Understand organization and program Capacity
- Compile and analyze data collected
- Provide information to agencies and the public and increase transparency
- Increase outcome assessment and Accountability
- Stimulate civil society engagement
- Develop coordinated programs and service strategies
- Improve socio-economic outcomes of low-income families

### KEY ELEMENTS OF A STRATEGY ON LOW INCOME FAMILIES

#15. What would be the elements of a strategy on low income families in Puerto Rico? This is not novel. We all know what needs to be done:

- ► Identify the needs
- Understand organization and program capacity
- ► Compile and analyze data
- ▶ Provide information to agencies and the public and increase transparency
- ► Increase outcomes assessment and accountability
- ► Stimulate civil society engagement
- ▶ Develop coordinated programs and service strategies
- ► Improve socio-economic outcomes of low-income families



#16. In order to accomplish that, at least the foundation for such strategy, a group of academics, researchers and representatives of government agencies and civil society have formed the Building Human Services Research Partnerships in Puerto Rico Project.

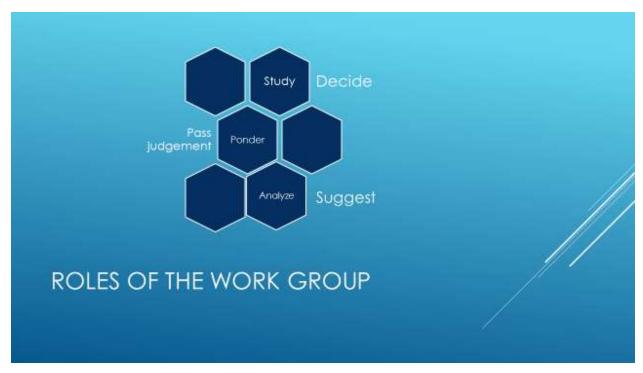


#17. This initiative is a collaboration between the Inter American University of Puerto Rico,

Metro Campus, and the U.S. Administration of Children and Families, Office of Planning Research and Evaluation. Dean Zayas was one of the brain parents of this enterprise and was also a consultant to the Work Group.



#18. The main goal of this initial grant was to develop a culture of research in Puerto Rico. Local researchers feel intimidated by the mélange of federal regulations, or feel powerless, because policies are developed in the U.S. and we have very little influence over what affects us. All expectations for the project have been surpassed. The Project is now in its third year and has fifteen individual studies completed or in process.



#19. The Project is supported by Head Start and TANF funds so the emphasis is related to those programs. Having the Department of the Family at the table as well as the Governor's Office on Head Start collaboration adds a great deal of efficiency to the communication efforts to gain access and to decide on the feasibility of the various studies. Studies are either solicited by RFP or commissioned, based on recommendations from the Work Group.



#20. Meetings are held every two months during which researchers present proposals and status reports to the Work Group. Work Group members pose questions and make suggestions from proposal stage to final editing.



#21. We intend to make a contribution toward better research, for better policies, and better

services...for a better Puerto Rico, and... We intend to make a contribution toward better research, for better policies, and better services...for a better Puerto Rico, and ...



#22. For future generations.

Thank You.