CENSUS NUMBERS ON POVERTY DID NOT RISE
15 percent of all Americans are poor; 21.9 percent of children

NEW YORK CITY – The good news in the newly released Census income, poverty, and health insurance coverage estimates for 2011 is that for the first time in five years, the poverty rates for all Americans and for children did not rise. However, poverty rates remain stubbornly high at 15 percent for all Americans and 21.9 percent for children. That’s the take-away from the US Census Bureau’s release of its annual data this week, according to researchers at the National Center for Children in Poverty (NCCP).

“While we have a long way to go, this report offers some hope that low-income families may soon begin to see some improvement in their circumstances,” says Curtis Skinner, PhD, director of Family Economic Security at NCCP, which is part of Columbia University’s Mailman School of Public Health. “Especially encouraging is evidence of growth in the number of low-income workers who have found year-round, full-time jobs.”

Some other key points from the data:

- Children are much more likely than adults to live in families in deep poverty, with incomes less than half of the official poverty threshold. In 2011, 9.4 percent of related children under 18 and 11.8 percent of children under 6 lived in these very poor families. Almost 44 percent of American children live in families with incomes less than twice the poverty line.

- The stable poverty rates are likely to be explained in part by a slight reduction in the national unemployment rate and an increase in the number of employees working full-time and year-round.

- The new data also reveal a decline of 1.5 percent in inflation-adjusted, median household income since 2010. The decline was particularly pronounced in households with householders between 55 and 64 years of age, a group that has been hard hit by high long-term unemployment rates.

- Meanwhile, the distribution of income favored high-income households in 2011, worsening the nation’s already-high income inequality. The share of total income going to the richest fifth of American households rose by 1.6 percent from 2010, and the share going to the richest 5 percent rose by 5.3 percent. Income shares for all other households declined or were stable.

- The Census report notes that America’s low-income families would have been much worse off without important federal and state work and income supports, such as Unemployment Insurance, the Supplemental Nutrition Assistance Program (SNAP), and the Earned Income Tax Credit. Using an alternative poverty measure that takes
these resources into account, the Census Bureau finds that Unemployment Insurance benefits kept 2.3 million people out of poverty in 2011 and the Earned Income Tax Credit reduced the number of poor children by three million.

“The Census data underscore the critical importance of protecting and strengthening our social safety net,” says Skinner. “Congressional versions of the still-pending Farm Bill would make deep cuts in the nutrition title funding the food stamp and school lunch programs. These cuts would do very little to balance budgets while exacting a great price from America’s most vulnerable families.”

“We know what we need to do as a nation to lift millions of Americans out of poverty: create new living-wage jobs, maintain a strong safety net for the unemployed and those who cannot work; and invest in high-quality education and health care in early childhood to give the next generation a solid foundation of healthy and productive lives.”

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The National Center for Children in Poverty (NCCP) is one of the nation’s leading public policy centers and is dedicated to promoting the economic security, health and well-being of America’s low-income families and children. Part of Columbia University’s Mailman School of Public Health, NCCP uses research to inform policy and practice with the goal of ensuring positive outcomes for the next generation.