

POVERTY AMONG WOMEN AND FAMILIES, 2000-2007: GETTING WORSE EVEN BEFORE THE DOWNTURN

September 2008

Data released by the Census Bureau in August 2008¹ show that poverty remains a women's issue. Women are far more likely to live in poverty than men, and women who head families, Black and Hispanic women, and women over age 65 living alone are especially likely to be poor.

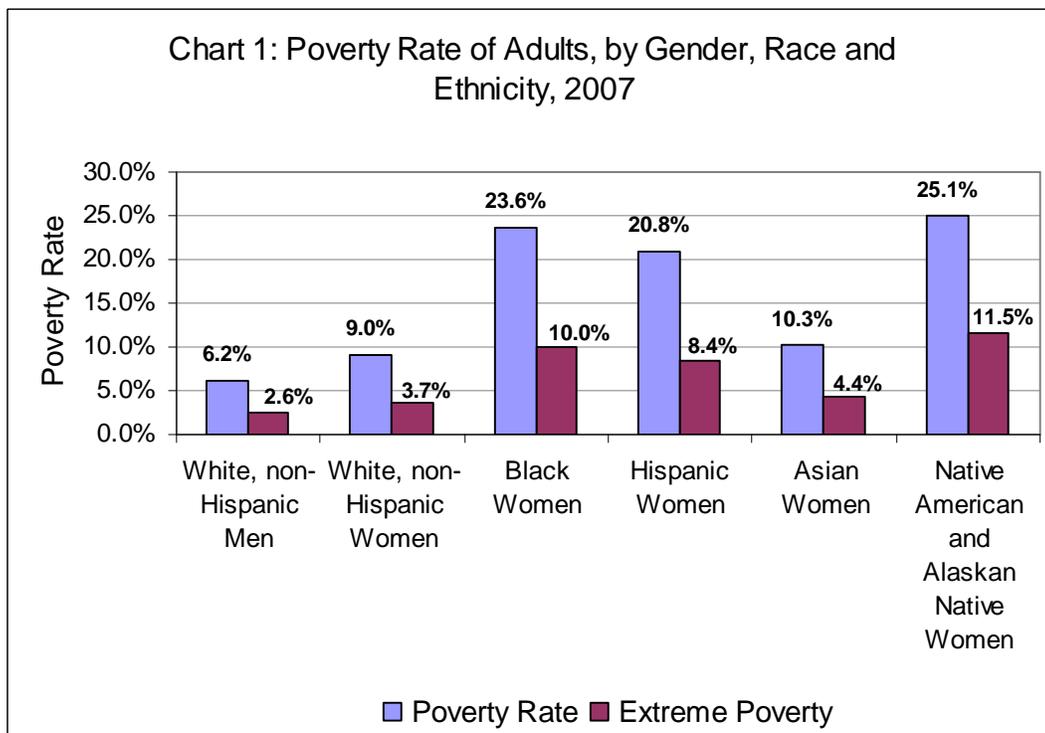
Poor women and their families lost ground during this past business cycle. Poverty among women and children was higher in 2007 than in 2000, at the peak of the last business cycle, despite six years of growth in the overall economy.

The picture that emerges from the Census Bureau data is troubling enough. It is even more worrying that the data reflect conditions in 2007 – before this year's economic downturn.

National Snapshot: Poverty among Women and Children, 2007

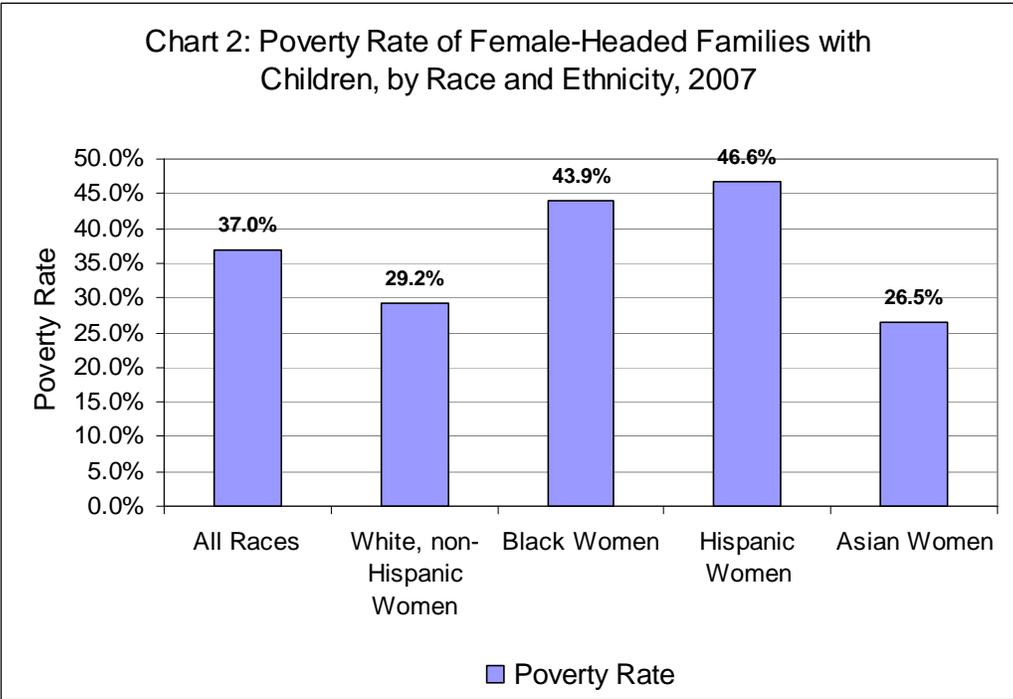
Adult Women

- About one in eight (12.5%) adult women² was poor in 2007; 14.4 million women lived in poverty.
- In 2007, the poverty rate for women (12.5%) was 42% higher than the poverty rate for men (8.8%).
- Women in all racial and ethnic groups experienced higher poverty rates than White, non-Hispanic men.³ Poverty rates were particularly high among Black, Hispanic, and Native American women. More than one in five Black (23.6%), Hispanic (20.8%), and Native American/Alaskan Native (25.1%) women were poor in 2007, as were 10.3% of Asian women and 9% of White, non-Hispanic women. In comparison, 6.2% of White, non-Hispanic men were poor in 2007.
- Almost six million women lived in extreme poverty – defined as having income below 50% of the federal poverty line. Women in all racial and ethnic groups were more likely to live in extreme poverty than White, non-Hispanic men. Extreme poverty was especially prevalent among Native American (11.5%), Black (10%) and Hispanic (8.4%) women.



Single Mothers and Children

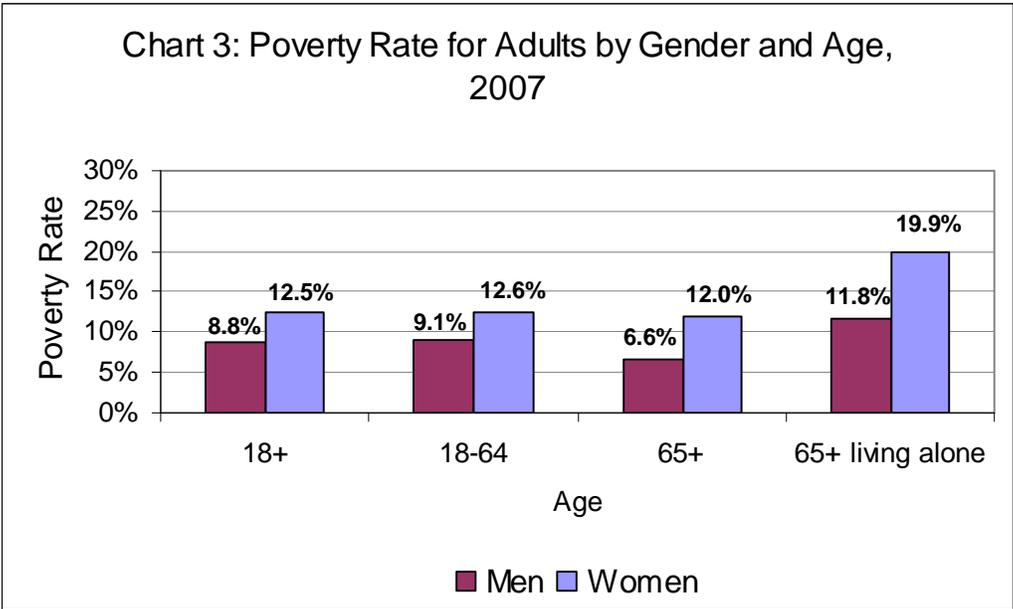
- The poverty rate for female-headed families with children⁴ was 37%, more than twice the rate for male-headed families with children (17.4%) and all families with children (15%).
- More than six in ten (62%) of all poor families with children were headed by women.
- Poverty rates were especially high for Hispanic female-headed families with children (46.6%) and Black female-headed families with children (43.0%).⁵



- Nearly one in five (18%) children was poor. Poverty rates were especially high for Black children (34.5%) and Hispanic children (28.6%).

Women 65 and Older

- The poverty rate for women 65 and older was 12%, over 80% higher than the poverty rate for men 65 and older (6.6%).



- About one in five women 65 and older living alone was poor (19.9%), compared with 11.8% of men 65 and older living alone.
- Black and Hispanic women 65 and older living alone were more than four times as likely to be in poverty as comparable White, non-Hispanic men. Nearly 40% of Black and Hispanic women 65 and older living alone were poor compared to 8.9% of White, non-Hispanic men 65 and older living alone. One-third (33.0%) of Asian, and 16.2% of White, non-Hispanic women 65 and older living alone were poor.

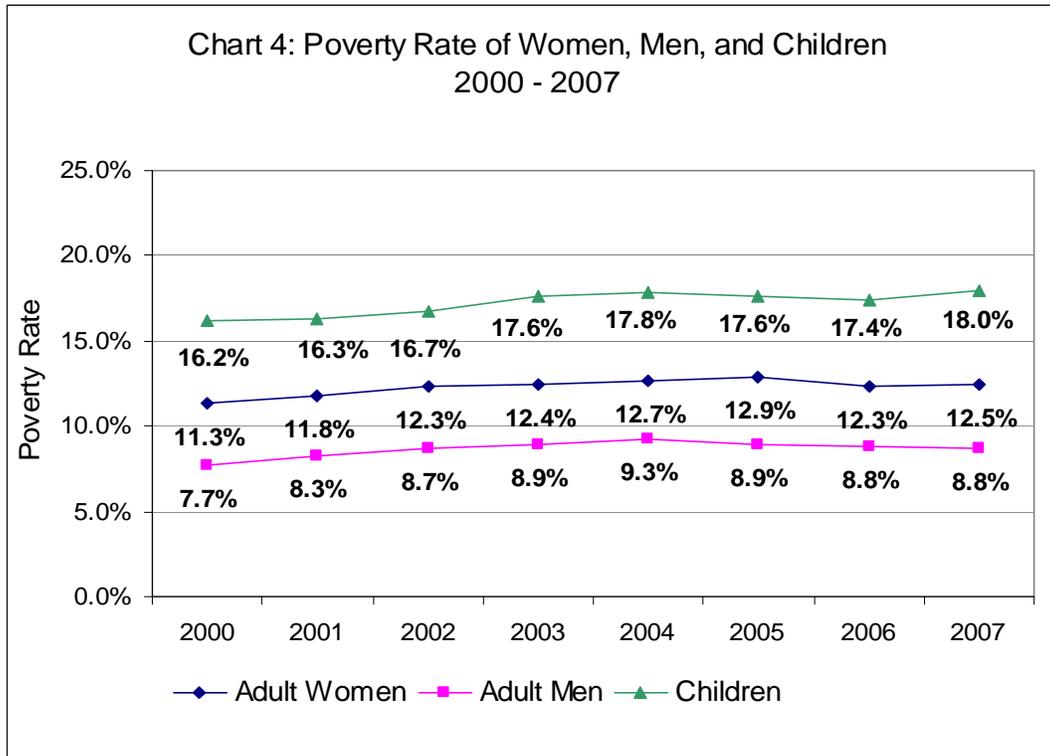
National Trends: Women's and Children's Poverty, 2000-2007

Adult Women

- Poverty among women was higher in 2007 than in 2000, at the peak of the last business cycle, despite six years of overall economic growth. There were 2.5 million more women living in poverty in 2007 than in 2000.
- The poverty rate for women increased from 11.3% in 2000 to 12.5% in 2007. The poverty rate for men during this period also increased, from 7.7% in 2000 to 8.8% in 2007, but was lower throughout the period than the poverty rate for women.
- Black and Hispanic women had substantially higher rates of poverty than White, non-Hispanic women between 2000 and 2007, but among these groups, there was a statistically significant increase in poverty only for White, non-Hispanic women. The poverty rate for White, non-Hispanic women increased from 8.2% in 2000 to 9% in 2007. The poverty rate for Black women was unchanged between 2000 and 2007 (23.6% in both years), and there was no statistically significant difference in the poverty rate for Hispanic women between 2000 (22%) and 2007 (20.8%).

Single Mothers and Children

- The poverty rate for children increased significantly, from 16.2% in 2000 to 18% in 2007.
- Poverty increased significantly among Black children, from 31.2% in 2000 to 34.5% in 2007, and among White, non-Hispanic children, from 9.3% in 2000 to 10.1% in 2007. Hispanic children had a consistently high rate of poverty, 28.4% in 2000 and 28.6% in 2007 (the difference is not statistically significant).



- The poverty rate for female-headed families with children increased from 33% in 2000 to 37% in 2007.
- Black and Hispanic female-headed families with children had substantially higher rates of poverty than White, non-Hispanic female-headed families with children from 2000 to 2007, but poverty increased at a faster rate for White, non-Hispanic, female-headed families with children during this period. The poverty rate for White, non-Hispanic, female-headed families with children rose from 24.6% in 2000 to 29.2% in 2007, an increase of 18.7%. Among Hispanic female-headed families with children, poverty rose from 42.9% in 2000 to 46.6% in 2007, an 8.6% increase. Among Black female-headed families with children, poverty rose from 41.1% to 43.9% in 2007, a 6.8% increase.

Women 65 and Older

- The poverty rate for women 65 and older was statistically unchanged between 2000 (12.2%) and 2007 (12.0%), while the poverty rate for men 65 and older decreased, from 7.5% to 6.6%.
- There was a dramatic decline in poverty for men 65 and older living alone during the period, but a much smaller decline among women 65 and older living alone. The poverty rate for men 65 and older living alone fell from 17.8% in 2000 to 11.8% in 2007, a 33.7% decrease. The poverty rate for women 65 and older living alone fell from 21.3% in 2000 to 19.9% in 2007, a 6.6% decrease. Moreover, the latest trend

shows that poverty is increasing among women over 65 living alone, not simply falling more slowly than for comparable men. Between 2006 and 2007, poverty among women 65 and older rose from 18.6% to 19.9%, while poverty decreased for comparable men from 12.4% to 11.8%.

What Lies Ahead

The 2007 data do not reflect how the economic downturn of 2008 has affected women and their families. As of August 2008, there have been eight consecutive months of job losses. Overall unemployment is up significantly from a year ago, and women's unemployment rate is rising more than twice as fast as men's. The unemployment rate among women who head families reached 9.6% in August 2008, a level not seen for 12 years.⁶ Rising prices for food, energy, child care and other basics⁷ are squeezing family budgets. More than half the states face budget shortfalls and are making cuts in vital services such as health care, education, child care, child support enforcement, and assistance for elderly and disabled people.⁸

Policy makers should not wait until next year's Census report shows exactly how much poverty increased in 2008. Congress and the Administration must provide help to those struggling to make ends meet in this tough economy and develop a long-term strategy to dramatically reduce poverty among women and families.

Census Bureau Poverty Thresholds, 2007

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|--------------------------------|----------|
| One person under 65: | \$10,787 |
| One person age 65 and over: | \$9,944 |
| One adult under 65, one child: | \$14,291 |
| One adult, two children: | \$16,705 |
| Two adults, one child: | \$16,689 |
| Two adults, two children: | \$21,027 |

¹ U.S. Census Bureau's [Income, Poverty, and Health Insurance Coverage in the United States: 2007](#) (August 2008), and Detailed Tables and Historical Tables.

² "Adult" refers to women aged 18 and older.

³ White, non-Hispanic men were chosen as the comparison group because they are the largest racial and ethnic group of men and the least likely to face labor-market discrimination.

⁴ "Children" refers to children under age 18.

⁵ Comparable statistics were not available for Native American/Alaskan Native female-headed households with children under 18. The poverty rate for Native American/Alaskan Native female-headed primary families, with and without children, was 38.3%.

⁶ U.S. Bureau of Labor Statistics, "The Employment Situation: August 2008" (September 5, 2008), and the Bureau of Labor Statistics' table creator.

⁷ U.S. Bureau of Labor Statistics, "Consumer Price Index for All Urban Consumers" (August 14, 2008).

⁸ Elizabeth McNichol and Iris Lav, Center on Budget and Policy Priorities, "29 States Faced Total Budget Shortfall of at Least \$48 Billion in 2009" (August 5, 2008).