

## Poverty in the U.S.: Current Facts

“The obligation to provide justice for all means that the poor have the single most urgent economic claim on the conscience of the nation...As individuals and as a nation, therefore, we are called to make a fundamental “option for the poor.” The obligation to evaluate social and economic activity from the viewpoint of the poor and the powerless arises from the radical command to love one’s neighbor as one’s self.”

U.S. Conference of Catholic Bishops, *Economic Justice for All*, 1986

### U.S. POVERTY: Overview

- In 2005, 37 million people in the United States were living in poverty. To determine how many people are poor, the U.S. Census Bureau uses an arbitrary “poverty line” based on family size: \$20,650 for a family of four with two children, \$17,170 for a family of three, \$13,690 for a family of two with no children, and \$10,210 for a person over 65 or living alone.<sup>1</sup>
- While the federal poverty line for a family of four is \$20,650, a study conducted by the Catholic Campaign for Human Development shows that most Americans believe it takes closer to \$35,000 annually to adequately feed, house, and clothe a family of four.
- A 2005 study by researchers at Penn State found that 7 million of those considered poor can be classified as “working poor” who work at jobs that do not pay enough for them to live on. The study found that working poor are found in every state, and that in 17 states, the working poor totals more than 50 percent of the working age population.<sup>2</sup>
- After rising for four years in a row, the poverty rate in 2005 remained the same as in 2004, at 12.6 percent. The number of people living in extreme poverty, or having incomes below half the poverty line, remained the same in 2005 as the year before, at 15.6 million people, which is the highest level on record since data first became available in 1975.<sup>3</sup>
- The rate of poverty in the U.S. is the highest in the developed world, more than twice as high as that in most other industrialized nations.<sup>4</sup>
- Even while the poverty rate in the U.S. has been increasing, the number of millionaire households grew 8% in 2005, to 8.9 million. This was an increase of 700,000 new millionaire households since 2004.<sup>5</sup>

### POVERTY: Children

- The number of families in poverty in 2005 remained the same as the previous year, at 7.7 million. The family poverty rate, however, decreased from 10.2 percent in 2004 to 9.9 percent in 2005.<sup>6</sup>
- More than one out of six children in the U.S. are poor under the U.S. Census Bureau guidelines. 17.6% of all of America’s children were poor in 2005, a total of 12.9 million.<sup>7</sup>
- Children under the age of six have been particularly vulnerable to poverty. In 2005, the poverty rate for related children under six living was 20%, or 4.8 million children, up from 19.8% or 4.7 million children in 2004. Of children under six living in families with only a female householder--with no father present--more than 1 out of 2, or 52.9%, were in poverty, more than 5 times the rate of their counterparts in married-couple families.<sup>8</sup>

Sources: <sup>1,6,7</sup>U.S. Census Bureau 2005, 2007; <sup>2</sup>“Number of Working Poor Families Growing in America,” 2005, <http://www.psu.edu/ur/2005/povertyatlas.html>; <sup>3,8</sup>CCHD Poverty in America Awareness Month 2007; <sup>4</sup>“37 Million Poor Hidden in the Land of Plenty,” <http://observer.guardian.co.uk/world/story/0,,1712965,00.html>; <sup>5</sup>CNN.com, “Top Ten Millionaire Counties,” March 29, 2006



## POVERTY: Food

- In 2005, 40 percent more Americans were participating in the Food Stamp program than in 2000.<sup>9</sup>
- More than 35 million Americans are living in households that experience food insecurity. This number has greatly increased since 1999, when only 31 million people were classified as food insecure.<sup>10</sup>
- Despite these rapid rises, the 2007 Farm Bill threatens to reduce spending for food programs for the poor in the U.S. People of faith and advocates for the poor are asking Congress to ensure that food programs remain a priority in the 2007 bill.<sup>11</sup>

## POVERTY: Health

- The number of people without health insurance rose from 45.3 million people in 2004 to 46.6 million people in 2005. This was an increase from 15.6 percent in 2004 to 15.9 percent in 2005.
- From 2004 to 2005, the percentage of people covered by employment-based health insurance decreased from 59.8 percent to 59.5 percent.
- The percentage of children under 18 without health insurance increased between 2004 and 2005, from 10.8 percent to 11.2 percent. The number also increased, from 7.9 million in 2004 to 8.3 million in 2005. Children in poverty were more likely to be uninsured than other children, with 19 percent of poor children uninsured in 2005.<sup>12</sup>

## POVERTY: Housing

- Up to 3.5 million people, including 1.35 million children, experience homelessness each year.
- In a 2005 survey of 25 U.S. cities, the U.S. Conference of Mayors found that families with children made up 33% of the homeless population, a significant increase from previous years (U.S. Conference of Mayors, 2005).<sup>13</sup>
- While the U.S. Department of Housing and Urban Development defines housing as affordable if it does not consume more than 30 percent of a family's income, an estimated 12 million renters and homeowners are now paying more than 50 percent of their annual incomes for housing. Families with one full-time, minimum wage worker are unable to afford local rent for a two-bedroom apartment anywhere in the U.S. The "cost burden" of unaffordable housing means that families may find it difficult to afford basic necessities such as food, clothing, transportation and medical care because of high housing costs.<sup>14</sup>

Sources: <sup>9,11</sup> Food Research and Action Center (FRAC) News Digest, National Anti-Hunger Organization's Statement On the 2007 Farm Bill Reauthorization; <sup>10,12</sup> CCHD Poverty in America Awareness Month 2007; <sup>12</sup> U.S. Census Bureau, Income, Poverty and Health Insurance Coverage in the United States: 2005; <sup>13</sup> National Law Center on Homelessness and Poverty, 2004; <sup>14</sup> U.S. Department of Housing and Urban Development, 2006.

**Each January, the Catholic Campaign for Human Development (CCHD), which is part of the U.S. Conference of Catholic Bishops, sponsors Poverty in America Awareness Month. Visit the CCHD website at <http://www.usccb.org/cchd/focusonpoverty.shtml> to get involved in the campaign.**

