

## READING BETWEEN THE LINES

### Women's Poverty in the United States, 2010

The Census Bureau poverty data for 2010 show the largest number of poor people in the 52 years that poverty has been measured, 46.2 million, and the highest overall poverty rate, 15.1%, since 1993.<sup>1</sup> The growth in poverty in 2010 reflects the continuing impact of the great recession that began in 2007 and that officially ended in June 2009. Since unemployment has remained high in 2011, the poverty rate may increase again this year.

There has been a large gender poverty gap in every year since the official poverty standard was created. In 2010, adult women were 29 percent more likely to be poor than adult men, with a poverty rate of 14.5% compared to a 11.2% rate for adult men. There were 17.2 million poor adult women compared to 12.6 million poor adult men.

The Census Bureau has done little to publicize the gender poverty gap. While its annual poverty reports highlight poverty rate differences based on categories such as age and race, the Bureau has resisted giving similar attention to poverty rate differences based on gender. As the lack of attention to gender distorts the public perception of poverty in this country, this Legal Momentum report focuses on women's poverty, using the detailed poverty information that the Census Bureau makes available on its website.<sup>2</sup> The Census statistics reveal a deep gender gap in poverty rates, even when factors such as work experience, education, or family structure are taken into account.

#### POVERTY RATES FOR ADULT WOMEN AND MEN IN 2010

	Women	Men	Increased incidence of poverty among women compared to men
All adults (18 or above)	14.5	11.2	29%
Age 65 or above	10.7	6.7	60%
Single parents	40.7	24.2	68%
Worked	7.7	6.3	22%
Not High School grad	29.4	23.4	26%
High School grad only	17.3	12.4	40%
College less than 4 yrs	12.3	9.3	32%
College 4 yr degree	5.0	4.3	16%

### Overall Poverty

Poverty is measured by comparing annual income with the federal poverty standard which the federal government updates annually for inflation. In 2010, the official poverty guidelines were \$10,830 for an individual, \$14,570 for a family of 2, \$18,310 for a family of 3, and \$22,050 for a family of 4.

Adult women were 29 percent more likely to be poor than adult men in 2010, with a poverty rate of 14.5% compared to 11.2% for men. About one of every seven women was poor, compared to about one of every nine men. Aged women were 60 per cent more likely to be poor than aged men.

While the gender poverty gap has been persistently large, it has become smaller. The 1.29 ratio of women's poverty rate to men's poverty rate in 2010 was the lowest since at least 1987, and perhaps the lowest ever.

### Work Experience

Work outside the home reduces the likelihood of being poor for both men and women. However, women who worked outside the home in 2010 were 22 percent more likely to be poor than men who worked outside the home, with a poverty rate of 7.7% compared to 6.3% for men.

### Education

While education reduces the likelihood of being poor for both men and women, women are more likely to be poor than men with the same level of education. In 2010, at every education level women were again more likely to be poor than men.

### Single Parents

The 37.1% poverty rate for single parents in 2010 was 4.2 times the 8.8% poverty rate for married parents. However, comparing married parents with all solo parents gives a misleading impression of the significance of family structure by concealing the sharp difference in poverty rates between solo fathers and solo mothers. The 40.7% poverty rate for solo mother families was 68 percent greater than the 24.2% rate for solo father families.

## **BEYOND THE SIMPLE NUMBERS**

### Child Care Costs

Poverty is measured based on gross income, rather than on income net of child care expenditures, perhaps because mothers were much less likely to be in the paid labor force when the poverty standard was formulated in the 1960's. If poverty were measured based on income net of child care expenditures so as to exclude income that is unavailable for other basic needs, many more women (and men) would be counted as poor. In 2006, the most recent year for which this data is available, child care expenditures for employed mothers with child care costs averaged \$115 a week.<sup>3</sup>

## **Hardship**

Poverty is strongly associated with hardship. A 2001 study by the Economic Policy Institute found that about 30% of those below the poverty line experienced critical hardship, defined as being evicted, having utilities disconnected, doubling up in others' housing due to lack of funds, or not having enough food to eat; and that an additional 30% to 45% experienced other serious hardships.<sup>4</sup> In 2009, 43% of poor households were found by the federal government to be "food insecure."<sup>5</sup>

## **International Comparisons**

Many studies have found that poverty rates in the United States are much higher than in other rich countries. One study concluded that the United States had the highest poverty rate for female-headed households among the 22 countries studied, 30.9% compared to the 10.5% average for the group.<sup>6</sup> This study defined poverty as an income less than 50% of the median income and was based on national income surveys conducted in the early 1990's. In another study reporting on poverty rates for single persons in twenty three high income countries, the United States had the largest gender poverty gap.<sup>7</sup> Our own recent study found that in the mid-2000s the poverty rate for single mothers in the United States was almost twice the average rate in the other 15 high income countries in the study.<sup>8</sup>

The exceptionally high poverty rate for single mothers in the United States is not the result of below average work effort. In a study of single mothers' employment rates (full or part time) in eight rich countries in the mid-1990's, the 69% employment rate for single mothers in the United States was the highest rate and was twenty percentage points higher than the 49% average employment rate for single mothers in the other seven countries (United Kingdom, Australia, Netherlands, Germany, Norway, Finland, Denmark).<sup>9</sup> In a study reporting on average annual hours worked by poor single parents around 2000, the 1,087 average hours of work for poor single parents in the United States was the highest total, and almost twice the 582 average in the other six countries (Canada, Netherlands, Austria, Germany, Belgium, Ireland).<sup>10</sup>

One reason for the exceptionally high poverty rates in the United States seems to be that the U.S. invests less in social welfare programs: in 2000 the United States spent less than 3% of Gross Domestic Product on social assistance to the non-elderly, and this was less than half the spending on the non-elderly by Canada and Great Britain; less than a third of the spending by Germany, the Netherlands, and Belgium; and less than a fourth of the spending by Finland and Sweden.<sup>11</sup> The United States also has much less generous parental leave than other rich countries and far less public support for child care.<sup>12</sup>

## **Rising Living Standards**

There is a broad consensus that poverty should be defined relative to contemporary living standards and consequently that any poverty line must be revised periodically. However, the official U.S. poverty line has not been adjusted in response to the rise in real income and the changes in general living standards since it was formulated over 40 years ago. If the poverty standard were adjusted to

reflect the 30% increase in real household median income since 1967, many more women (and men) would be counted as poor.

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Founded in 1970 as NOW Legal Defense and Education Fund, Legal Momentum is the nation's oldest legal advocacy organization dedicated to advancing the rights of women and girls. Legal Momentum occupies a unique position as a multi-issue organization dedicated solely to women's rights. It is a national leader in developing and implementing litigation, advocacy, and public education strategies to open and expand opportunities for women, and to ensure that all women can build safe and economically secure lives for themselves and their families. Among its many and historic contributions to the advancement of women's rights, Legal Momentum was instrumental in the passage of the Violence Against Women Act (VAWA) and the Freedom of Access to Clinic Entrances Act (FACE).

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<sup>1</sup> The Census Bureau's report of key poverty statistics for 2010 is included in *Income, Poverty, and Health Insurance Coverage in the United States: 2010*, U.S. Census Bureau, P60-239 (2011). This report is available at <http://www.census.gov/prod/2011pubs/p60-239.pdf>.

<sup>2</sup> Detailed Census poverty data for 2010 is available at <http://www.census.gov/hhes/www/cpstables/032011/pov/toc.htm>.

<sup>3</sup> For child care expense data, see U.S. Census Bureau, *Table 6 Average Weekly Child Care Expenditures of Families with Employed Mothers that Make Payments, by Age Groups and Selected Characteristics: Summer 2006*, available at <http://www.census.gov/population/www/socdemo/child/tables-2006.html>.

<sup>4</sup> Boushey & Gunderson, *When Work Just Isn't Enough*, EPI Briefing Paper (June 2001), available at <http://www.epinet.org/briefingpapers/hardshipsbp.pdf>.

<sup>5</sup> United States Department of Agriculture, *Household Food Security in the United States 2009* (2010), at Table 2, available at <http://www.ers.usda.gov/Publications/ERR108/ERR108.pdf>.

<sup>6</sup> Pressman, *Explaining the Gender Poverty Gap in Developed and Transitional Economies*, Luxembourg Income Study Working Paper No. 243 (Sept. 2000), available at <http://www.lisproject.org/publications/liswps/243.pdf>.

<sup>7</sup> Pamala Wiepking & Ineke Maas, *Gender Differences In Poverty: A Cross-National Research*, Luxembourg Income Study Working Paper No. 389 (Oct.. 2004). In six of these countries, single men actually had somewhat higher poverty rates than single women.

<sup>8</sup> Legal Momentum, *Poverty Rates for Single Mothers Are Higher in the U.S. than in Other High-Income Countries* (2011), available at <http://www.legalmomentum.org/our-work/women-and-poverty/resources--publications/single-mothers-poverty-higher-us.pdf>.

<sup>9</sup> Mia Hakovirta, *The Income Sources Of Single Parents: A Comparative Analysis*, Luxembourg Income Study Working Paper No. 282 (Nov. 2001), available at <http://www.lisproject.org/publications/liswps/282.pdf>.

<sup>10</sup> Timothy Smeeding, *Poor People in Rich Nations: The United States in Comparative Perspective*, Luxembourg Income Study Working Paper No. 419 (Oct. 2005), available at <http://www.lisproject.org/publications/liswps/419.pdf>.

<sup>11</sup> Timothy Smeeding, *Public Policy and Economic Inequality: The United States in Comparative Perspective*, Luxembourg Income Study Working Paper No. 367 (Feb. 2005), available at <http://www.lisproject.org/publications/liswps/367.pdf>.

<sup>12</sup> Jane Waldfogel, "What Other Nations Do: International Policies Toward Parental Leave and Child Care," *The Future of Children* 11(4): 99–111 (2001), available at [http://www.futureofchildren.org/information2826/information\\_show.htm?doc\\_id=79378](http://www.futureofchildren.org/information2826/information_show.htm?doc_id=79378).