Monthly and Average Monthly Poverty Rates by Selected Demographic Characteristics: 2013

Household Economic Studies

Current Population Reports

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Issued March 2017
P70BR-145

INTRODUCTION

Poverty rates are key economic indicators often used by policymakers to evaluate economic well-being and make comparisons across sectors of the population.

This report presents monthly and average monthly poverty rates for the United States in 2013 based on data collected from the 2014 Panel of the Survey of Income and Program Participation (SIPP). In addition, it examines how monthly and average monthly poverty rates vary across demographic groups.

The SIPP is a longitudinal survey which provides monthly data on family composition and economic well-being. Compared to other surveys such as the Current Population Survey (CPS) and the American Community Survey (ACS) which provide annual measures of poverty, the SIPP allows for the examination of poverty on a monthly basis. This facilitates the analysis of changes in poverty rates over time, as well as the duration of poverty spells.

Poverty statistics presented in this report adhere to the standards specified by the Office of Management and Budget's Statistical Policy Directive 14. The U.S. Census Bureau uses a set of money income thresholds that vary by family size and composition to determine who is in poverty. If a family's total pretax cash income is less than that family's threshold in a given month, then that family and every individual in it are considered to be in poverty. The poverty thresholds are updated annually

WHAT IS SIPP?

The Survey of Income and Program Participation (SIPP) is a nationally representative panel survey administered by the U.S. Census Bureau that collects information on the short-term dynamics of employment, income, household composition, and eligibility and participation in government assistance programs. It is a leading source of information on specific topics related to economic well-being, family dynamics, education, wealth and assets, health insurance, child care, and food security. Each SIPP panel follows individuals for several years, providing monthly data that measure changes in household and family composition and economic circumstances over time. For more information, please visit the SIPP Web site at <www.census.gov/sipp>.

POVERTY MEASURES USED IN THIS REPORT	
Monthly Poverty Rate	Percent in poverty in a given month using monthly income and a monthly threshold.
Average Monthly Poverty Rate	Percent in poverty using monthly income and a monthly threshold over a given reference period—in this case, the percentage of individuals with monthly income below their monthly poverty thresholds calculated using all months of the calendar year.

to allow for changes in the cost of living using the Consumer Price Index (CPI-U). They do not vary geographically.

RESULTS

Monthly Poverty Rates

Figure 1 presents monthly poverty rates for 2013.[1] Monthly poverty rates serve as a valuable supplement to estimates of annual poverty rates. While annual

[1] Some of the monthly fluctuations in poverty rates for February reflect the reported pay schedule of respondents with earnings and the fact that fewer weeks of earnings are recorded in the month of February. In the case of children, fluctuations in weekly pay reflect the pay schedules of any employed adult family members.
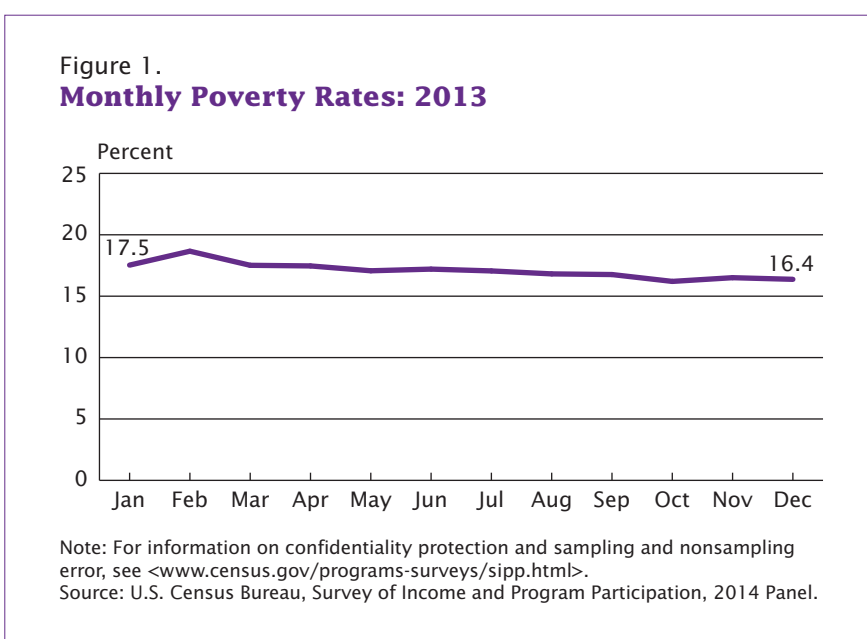
Figure 1.
Monthly Poverty Rates: 2013

Note: For information on confidentiality protection and sampling and nonsampling error, see <www.census.gov/programs-surveys/sipp.html>.
Source: U.S. Census Bureau, Survey of Income and Program Participation, 2014 Panel.

Table 1.
Average Monthly Poverty by Selected Characteristics: 2013
(Numbers in thousands)

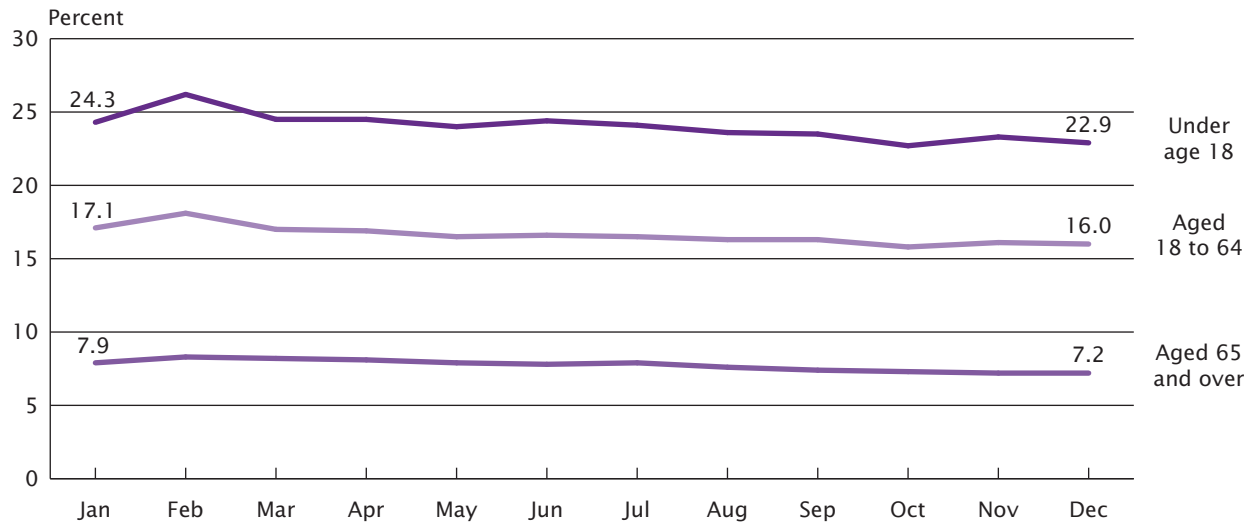| Characteristic	Total	In poverty			
		Number	90 percent C.I.[1] (±)	Percent	90 percent C.I.[1] (±)
All people	**310,275**	**53,040**	**1,091**	**17.1**	**0.4**
Race and Hispanic Origin[2, 3]					
White	241,494	37,225	901	15.4	0.4
White, non-Hispanic	193,037	23,852	672	12.4	0.3
Black	40,123	10,593	460	26.4	1.1
Hispanic.	53,287	14,621	601	27.4	1.1
Non-Hispanic.	256,988	38,419	847	14.9	0.3
Age					
Under 18 years	73,074	17,538	558	24.0	0.8
18 to 64 years	193,814	32,173	694	16.6	0.4
65 years and over	43,387	3,330	196	7.7	0.5
Sex					
Male.	151,607	24,074	562	15.9	0.4
Female.	158,669	28,966	684	18.3	0.4
Family Status					
In married-couple families	185,456	15,132	784	8.2	0.4
In families with a male householder, no wife present	10,129	1,713	211	16.9	1.9
In families with a female householder, no husband present	52,450	19,213	695	36.6	1.2
Unrelated individuals.	62,240	16,981	486	27.3	0.7

[1] A 90 percent confidence interval (C.I.) is a measure of an estimate's variability. The larger the confidence interval in relation to the size of the estimate, the less reliable the estimate.

[2] Federal surveys, including the 2014 SIPP Panel, give respondents the option of reporting more than one race. These data can be shown in two ways: (1) as mutually exclusive from other race groups, which may be denoted by "alone" or (2) not mutually exclusive with other race groups, denoted by "alone or in combination with other race groups." These tables show race using the first method.

[3] Since Hispanics may be any race, data in this table for Hispanics overlap data for racial groups. Data users should exercise caution when interpreting aggregate results for these groups because they consist of many distinct subgroups that differ in socioeconomic characteristics, culture, and recency of immigration.

Source: U.S. Census Bureau, Survey of Income and Program Participation, 2014 Panel. For information on confidentiality protection and sampling and nonsampling error, see <www.census.gov/programs-surveys/sipp.html>.

Figure 2.
Monthly Poverty Rates by Age: 2013

Percent

Source: U.S. Census Bureau, Survey of Income and Program Participation, 2014 Panel. For information on confidentiality protection and sampling and nonsampliong error, see <www.census.gov/programs-surveys/sipp.html>.

poverty rates reflect longer-term income deficits, monthly poverty rates reflect short-term income deficits that people are more likely to experience. For the year 2013, the monthly poverty rate for the total population declined from 17.5 percent in January to 16.4 percent in December.[2]

Figure 2 presents monthly poverty rates for 2013 across age groups. Children under age 18 had higher monthly poverty rates than adults aged 18 to 64 for every month in

2013, while adults aged 65 or older consistently had lower monthly poverty rates than the working-age population aged 18 to 64.

Over the course of 2013, monthly poverty rates declined for children and adults aged 18 to 64, by 1.4 and 1.1 percentage points, respectively. The monthly poverty rate for adults aged 65 and older declined from 7.9 percent to 7.2 percent.

Average Monthly Poverty Rates

While monthly poverty rates are calculated individually in each month of the calendar year, average monthly poverty rates provide an annual summary measure of the number and percentage of people who experienced poverty during a given year.

As shown in Table 1, the average monthly poverty rate in 2013 was 17.1 percent. Non-Hispanic Whites had a lower average monthly poverty rate (12.4 percent) than Blacks and Hispanics.[3] The average monthly poverty rate for females (18.3 percent) was 2.4 percentage points higher than the average monthly poverty rate for males in 2013 (15.9 percent).

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[2] The estimates in this report (which may be presented in the text, figures, and tables) are based on responses from a sample of the population and may differ from the actual values because of sampling variability and other factors. As a result, apparent differences between the estimates for two or more groups may not be statistically significant. All comparative statements have undergone statistical testing and are significant at the 90 percent confidence level, unless otherwise indicated.

[3] Federal surveys, including the SIPP 2014 Panel, give respondents the option of reporting more than one race. These data can be shown in two ways: (1) as mutually exclusive from other race groups, which may be denoted by "alone" or (2) not mutually exclusive with other race groups, denoted by "alone or in combination with other race groups." The figures, tables, and text in this report show race using the first method. Since Hispanics may be of any race, data for Hispanics are not mutually exclusive with race. Data users should exercise caution when interpreting aggregate results for these groups because they consist of many distinct subgroups that differ in socioeconomic characteristics, culture, and recency of immigration.

In 2013, individuals in married-couple families had an average monthly poverty rate that was 8.7 percentage points lower than those living in families with a male householder (no wife present) and 28.4 percentage points lower than families with a female householder (no husband present). The average monthly poverty rate for female householders (36.6 percent) was 19.7 percentage points higher than the rate for male householders (16.9 percent).

Unrelated individuals (individuals not living with any other relative), had an average monthly poverty rate of 27.3 percent in 2013.

THE ACCURACY OF ESTIMATES

For further information on the source of the data and accuracy of the estimates including standard errors and confidence intervals, go to <www.census.gov/programs-surveys/sipp/tech-documentation/source-accuracy-statements.html> or contact Mahdi S. Sundukchi of the Census Bureau's Demographic Statistical Methods Division at <mahdi.s.sundukchi@census.gov> or Faith Nwaoha-Brown of the Census Bureau's Demographic Statistical Methods Division at <faith.n.nwaoha.brown@census.gov>. Additional information on the SIPP can be found at the following Web sites: <www.census.gov/programs-surveys/sipp/> (main SIPP Web site), <www.census.gov/sipp/workpapr/wp230.pdf> (SIPP Quality Profile), and <www.census.gov/programs-surveys/sipp/guidance/users-guide.html> (SIPP User's Guide).

USER COMMENTS

Additional information on poverty statistics can be found by contacting the SIPP survey team at <census.sipp@census.gov> or 1-888-245-3076. For further information on the content of this report, contact Ashley Edwards of the Census Bureau's Social, Economic, and Housing Statistics Division at <ashley.edwards@census.gov> or 301-763-2458.

SUGGESTED CITATION

Fontenot, Kayla, Lewis H. Warren, and Abinash Mohanty, "Monthly and Average Monthly Poverty Rates by Selected Demographic Characteristics: 2013," *Current Population Reports*, P70BR-145, U.S. Census Bureau, Washington, DC. 2017.