

Monthly and Average Monthly Poverty Rates by Selected Demographic Characteristics: 2014

Household Economic Studies

Current Population Reports

By Abinash Mohanty

P70BR-156

December 2018

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 2014. In addition, it examines how monthly and average monthly poverty rates vary across demographic groups. The statistics presented in this report were produced using data from January to June 2015 interviews in the 2014 Panel of the Survey of Income and Program Participation (SIPP).¹ Respondents were asked about their income in calendar year 2014.

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) that provide annual measures of poverty, the SIPP allows for the examination

¹ The Census Bureau reviewed this data product for unauthorized disclosure of confidential information and has approved the disclosure avoidance practices applied to this release. DRB-FY19-ROSS-B0018.

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>.

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 MEASURES USED IN THIS REPORT

Monthly Poverty Rate	Percentage in poverty in a given month using monthly income and a monthly threshold.
Average Monthly Poverty Rate	Percentage 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.

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

RESULTS

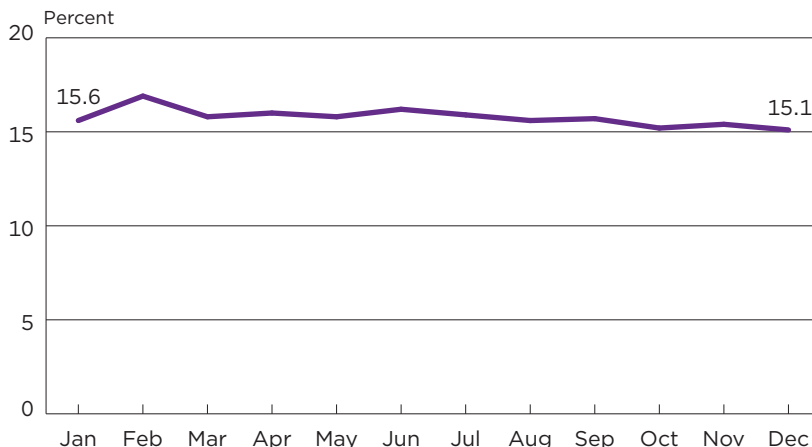
Monthly Poverty Rates

Figure 1 presents monthly poverty rates for 2014.² Monthly poverty rates serve as a valuable supplement to estimates of annual poverty rates. While annual poverty rates reflect longer-term income deficits, monthly poverty rates reflect more frequent short-term income deficits. During 2014, the monthly poverty rate for the total population declined from 15.6 percent in January to 15.1 percent in December.³

² Some of the monthly fluctuations in poverty rates for February reflect that fewer weeks of earnings are recorded in the month of February. In the case of children, fluctuations in weekly pay reflect the employment of any employed adult family members.

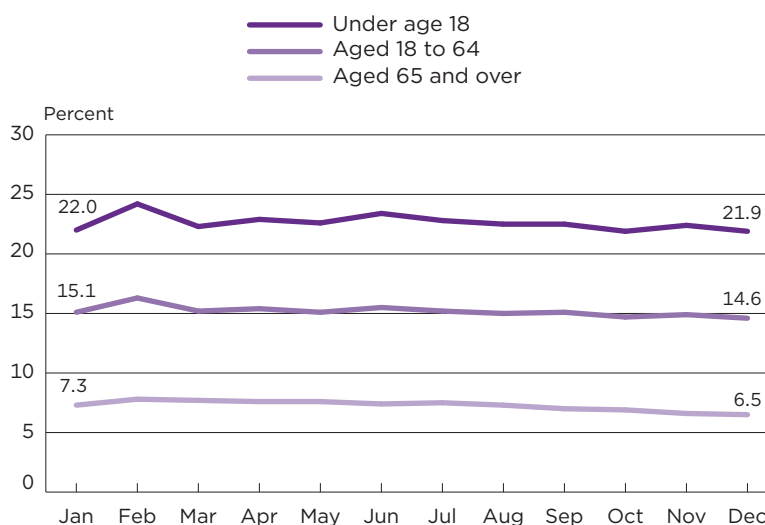
³ The estimates in this report (which may be presented in the text, figures, and tables) are based on responses from a sample of the population and may differ from the actual values because of sampling variability and other factors. As a result, apparent differences between the estimates for two or more 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.

Figure 1.
Monthly Poverty Rates: 2014



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.

Figure 2.
Monthly Poverty Rates by Age: 2014



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.

Figure 2 presents monthly poverty rates for 2014 across age groups. Children under age 18 had higher monthly poverty rates than adults aged 18 to 64 for every month in 2014, 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 2014, monthly poverty rates for adults aged 18 to 64 declined from 15.1 percent in January to 14.6 percent in December, while the monthly poverty rate for adults aged 65 and older declined from 7.3 percent in January to 6.5 percent in December. Monthly poverty rates for individuals under age 18 were not statistically different from January to December.

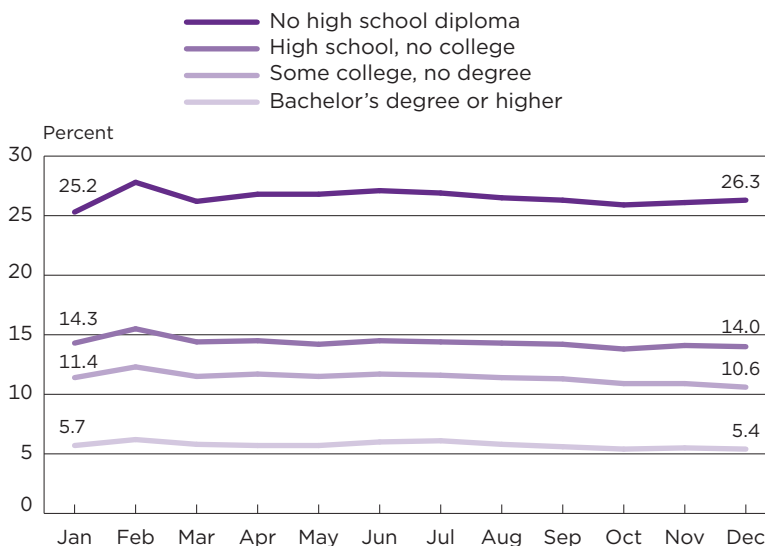
Figure 3 presents 2014 monthly poverty rates by educational attainment for people aged 25 and older. In 2014, individuals without a high school diploma consistently had higher monthly poverty rates than people with advanced levels of education. People with a bachelor's degree or higher had the lowest monthly poverty rates among educational attainment groups.

Over the course of 2014, monthly poverty rates for people with some college education but no degree declined 0.7 percentage points.⁴ In contrast, monthly poverty for people without a high school diploma increased 1.0 percentage point. Monthly pov-

⁴ All percentages shown in this report are rounded to one decimal place but differences between estimates are calculated using unrounded numbers. Therefore, published estimates of the differences may not equal the result of subtracting the rounded numbers.

Figure 3.

Monthly Poverty Rates by Educational Attainment: 2014*



*Includes only persons 25 years and older.

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.

erty rates for those with at least a bachelor's degree and those with a high school diploma but no college were not statistically different from January to December 2014.⁵

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 month over the course of a year.

As shown in Table 1, the average monthly poverty rate in 2014 was 15.8 percent. Non-Hispanic Whites had a lower average monthly poverty rate (11.8 percent) than Blacks and Hispanics, while the average monthly poverty rate for Hispanics (24.4 percent) and Blacks (24.2 percent) were not significantly

⁵ While individuals without a high school diploma experienced the largest percentage point increase in poverty from January to February 2014 (2.6 percentage points), the percent increase in poverty rates across months was not statistically different across educational attainment groups.

Table 1.

Average Monthly Poverty by Selected Characteristics: 2014

(Numbers in thousands)

Characteristic	Total	In poverty			
		Number	90 percent confidence interval ¹ (±)	Percent	90 percent confidence interval ¹ (±)
All people.	312,130	49,182	1,198	15.8	0.4
Race and Hispanic Origin^{2, 3}					
White	242,250	34,939	1,143	14.4	0.5
White, non-Hispanic.	192,323	22,764	907	11.8	0.5
Black	40,447	9,771	545	24.2	1.3
Hispanic.	54,265	13,249	646	24.4	1.2
Non-Hispanic.	257,865	35,934	1,016	13.9	0.4
Age					
Under 18 years	72,587	16,402	603	22.6	0.8
18 to 64 years	194,609	29,518	727	15.2	0.4
65 years and over	44,934	3,263	232	7.3	0.5
Sex					
Male	152,595	22,120	655	14.5	0.4
Female.	159,534	27,062	697	17.0	0.4
Family Status					
In married-couple families	189,278	14,293	935	7.6	0.5
In families with a male family reference person, no spouse present	10,084	1,749	226	17.3	2.2
In families with a female family reference person, no spouse present	53,618	18,396	743	34.3	1.4
Unrelated individuals.	59,150	14,744	472	24.9	0.7
Educational Attainment					
Total, aged 25 and older	209,234	25,435	688	12.2	0.3
No high school diploma	24,557	6,503	372	26.5	1.3
High school, no college.	59,344	8,517	407	14.4	0.6
Some college, no degree	56,955	6,494	357	11.4	0.6
Bachelor's degree or higher.	68,378	3,922	241	5.7	0.3

¹ A 90 percent confidence interval 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 give respondents the option of reporting more than one race. Therefore, two basic ways of defining a race group are possible. A group such as White may be defined as those who reported White and no other race (the race-alone or single-race concept) or as those who reported White regardless of whether they also reported another race (the race-alone-or-in-combination concept). This table shows data using the first approach (race alone). The use of the single-race population does not imply that it is the preferred method of presenting or analyzing data. The Census Bureau uses a variety of approaches. Information on people who reported more than one race, such as White and American Indian and Alaska Native or Asian and Black or African American, is available from the 2010 Census through American FactFinder. About 2.9 percent of people reported more than one race in the 2010 Census. Data for American Indians and Alaska Natives, Native Hawaiians and Other Pacific Islanders, and those reporting two or more races are not shown separately.

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.

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.

different from each other.⁶ The average monthly poverty rate for females (17.0 percent) was 2.5 percentage points higher than the average monthly poverty rate for males in 2014 (14.5 percent).

In 2014, the average monthly poverty rate for individuals in married-couple families⁷ (7.6 percent) was 9.8 percentage points lower than for those living in families with a male family reference person, no spouse present, (17.3 percent) and 26.8 percentage points lower than for those in families with a female family reference person, no spouse present (34.3 percent). Unrelated individuals (individuals not living with any other relative), had an average monthly poverty rate of 24.9 percent in 2014.

Among age groups, children under the age of 18 had the highest average monthly poverty rate in 2014 (22.6 percent). The average monthly poverty rate for

children under the age of 18 was 7.4 percentage points higher than the rate for adults aged 18 to 64 (15.2 percent) and 15.3 percentage points higher than the rate for those aged 65 and above (7.3 percent).

Table 1 also provides average monthly poverty rates for 2014 by educational attainment for people aged 25 and older. The average monthly poverty rate for people without a high school diploma (26.5 percent) was 12.1 percentage points higher than the poverty rate for individuals with a high school diploma who did not attend college (14.4 percent). The average monthly poverty rate for people with a high school diploma and no college education was 8.6 percentage points higher than the poverty rate for individuals with a bachelor's degree or higher (5.7 percent).

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/workpaper/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

Mohanty, Abinash, "Monthly and Average Monthly Poverty Rates by Selected Demographic Characteristics: 2014," *Current Population Reports*, P70BR-156, U.S. Census Bureau, Washington, DC, 2018.

⁶ 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.

⁷ Married-couple families include spouses of opposite sex and same sex.