Official US poverty rate remains high, middle class incomes decline

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Data released by the U.S. Census Bureau today show that, after increasing since 2008, the poverty rate for the U.S. remained stable at 15 percent between 2010 and 2011. Poverty is greatest among children (21.9 percent), compared with seniors (8.7 percent) and working-age adults (13.7 percent).

While poverty remained unchanged, the median annual household income declined for the second year in a row, to $50,054, down 1.5 percent from 2010.

In Washington state, the estimated poverty rate increased from 11.5 percent (774,000 residents) to 12.5 percent (854,000 residents) between 2010 and 2011.

Researchers at the West Coast Poverty Center at the University of Washington note that the data released by the Census Bureau is just one way of measuring economic need. Because it relies on an outdated formula to determine the minimum income needed to survive, the poverty rate likely underestimates the number of impoverished Americans, the researchers said.

In 2011, a family of two working-age adults and two children was considered poor if its annual income fell below $22,811. But the poverty line does not take into account issues like geographic variation in the cost of living or the value of government benefits like food stamps.

"The poverty rate is useful for comparing trends over time, but it doesn't do a good job of setting a bar for how much money families need to get by," said Jennifer Romich, director of the West Coast Poverty Center and an associate professor at the UW School of Social Work. "In spite of its imperfections, what the poverty measure does tell us is that over 46 million people are living with incomes below a very low threshold."

The data released today give a preliminary view of poverty variations across states. In the greater northwest area, poverty increased in some states and decreased in others. Washington continues to have lower poverty rates than California and Oregon, which had 2011 poverty rates of 16.9 percent and 14.4 percent, respectively.

The poverty rate for Washington State continues to be well above pre-recession levels. "Since it usually reflects unemployment, the poverty rate won't decrease until after unemployment drops significantly," said Marieka Klawitter, an associate professor at the UW Evans School of Public Affairs and an affiliate of the West Coast Poverty Center.

The Census Bureau will release more accurate state-level estimates and estimates for large cities and counties on Sept. 20, followed by a report in November that will include a more complete picture of income, expenses and the cost of living.

Provided by University of Washington

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