

US incomes, poverty rate fall in 2011: official

12 September 2012, by Veronica Smith

US households saw incomes shrink for a second straight year in 2011 as the economy struggles to recover from the Great Recession, but the poverty rate also edged lower, official data showed Wednesday.

The report came less than two months ahead of the November 6 election, with President [Barack Obama](#) in a tight race for re-election against Republican rival Mitt Romney.

Inflation-adjusted median household income was \$50,054, down 1.5 percent from 2010, the [US Census Bureau](#) said in an annual report.

In a measure of how sharp the damage has been from the deep 2008-2009 recession, incomes were 8.1 percent lower than in 2007, and 8.9 percent lower than the 1999 peak before the 2001 recession.

The national poverty rate fell slightly to 15.0 percent from 15.1 percent in 2010, with 46.2 million people, or roughly one in six Americans, living below the poverty line.

The poverty threshold for a household of two adults and two children was \$22,811 last year.

The [Census Bureau](#) explained that part of the dip in the [poverty rate](#), which it said was not "statistically different" from the 2010 estimates, was because more people had found full-time, year-round work.

[Income inequality](#) grew, with incomes falling in the middle class but rising for the top 10 percent of households.

The gender [income gap](#) was virtually unchanged from 2010. The female-to-male earnings ratio was 0.77, meaning women earn 77 cents for every dollar earned by men.

Health insurance coverage improved: the number of people without it fell to 48.6 million from 50.0

million in 2010. The percentage without coverage also fell, to 15.7 percent from 16.3 percent.

The Obama administration seized on the report as an argument for continuation of the Democrats' policies on job creation and health care.

"As we continue to fight back from the worst economic crisis since the [Great Depression](#), the Income, Poverty and [Health Insurance Coverage](#) report released today provides further evidence of how critical it is that we implement policies that benefit and create security for struggling families and our middle class—and not just the wealthiest Americans," said acting US Commerce Secretary Rebecca Blank.

"It is clear that had President Obama not taken swift and aggressive action to grow our economy and create jobs, today's report would have shown much higher poverty rates, lower incomes, and a greater share of the population without health insurance," Blank, whose department produced the report, said in a statement.

The Census's Current Population Survey report is based on a survey of about 100,000 households that is primarily used to collect employment data.

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APA citation: US incomes, poverty rate fall in 2011: official (2012, September 12) retrieved 14 June 2021 from <https://phys.org/news/2012-09-incomes-poverty-fall.html>

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