Child Poverty Has Been Cut in Half Since 1996 Welfare Reform

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What is Child Poverty?

According to the official poverty measure, 16.1 percent of children are poor. However, the average child deemed poor by the government:

• has ample food to eat every day;
• receives medical care whenever needed; and
• lives in an uncrowded home in good repair, with heat and AC.
• The home is replete with modern luxury electronics.
• The household has at least one vehicle.
Contrasting Poverty Measures

The official poverty measure:
• drastically undercounts welfare, off-the-books earnings, and even earnings reported to the IRS;
• excludes cohabiting partners from the family; and
• does not correspond well to actual living conditions.

The expenditure-based poverty measure used in this report:
• is likely to include the spending enabled by uncounted income,
• includes cohabiting partners in the family, and
• corresponds more closely to actual living conditions.
CHART 1

Child Poverty Rate

PERCENTAGE OF CHILDREN IN POVERTY

Welfare Reform

Recessions

0% 5% 10% 15% 20% 25%


NOTE: Expenditure-based poverty rates are presented as a rolling four-quarter average for all households whose final interview occurred during the current quarter or any of the previous three quarters. The official money income-based poverty rate is presented on a comparable basis.

Expenditure-Based Poverty Rates for Families with Children, by Marital Status

PERCENTAGE OF FAMILIES IN POVERTY

NOTE: Expenditure-based poverty rates are presented as a rolling four-quarter average for all households whose final interview occurred during the current quarter or any of the previous three quarters.

CHART 3

Deep Child Poverty Rate

PERCENTAGE OF CHILDREN IN DEEP POVERTY

NOTE: Expenditure-based poverty rates are presented as a rolling four-quarter average for all households whose final interview occurred during the current quarter or any of the previous three quarters.

Expenditure-Based Deep Poverty Rates for Families with Children, by Marital Status

NOTE: Expenditure-based poverty rates are presented as a rolling four-quarter average for all households whose final interview occurred during the current quarter or any of the previous three quarters.

Summary

Child poverty under the official poverty measure does not resemble poverty in the sense in which the term is ordinarily understood.

According to the better expenditure-based poverty measure:
• child poverty has been cut in half since welfare reform, and
• deep child poverty has been virtually eliminated.

Reject policies that threaten to erode this tremendous progress.