

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.

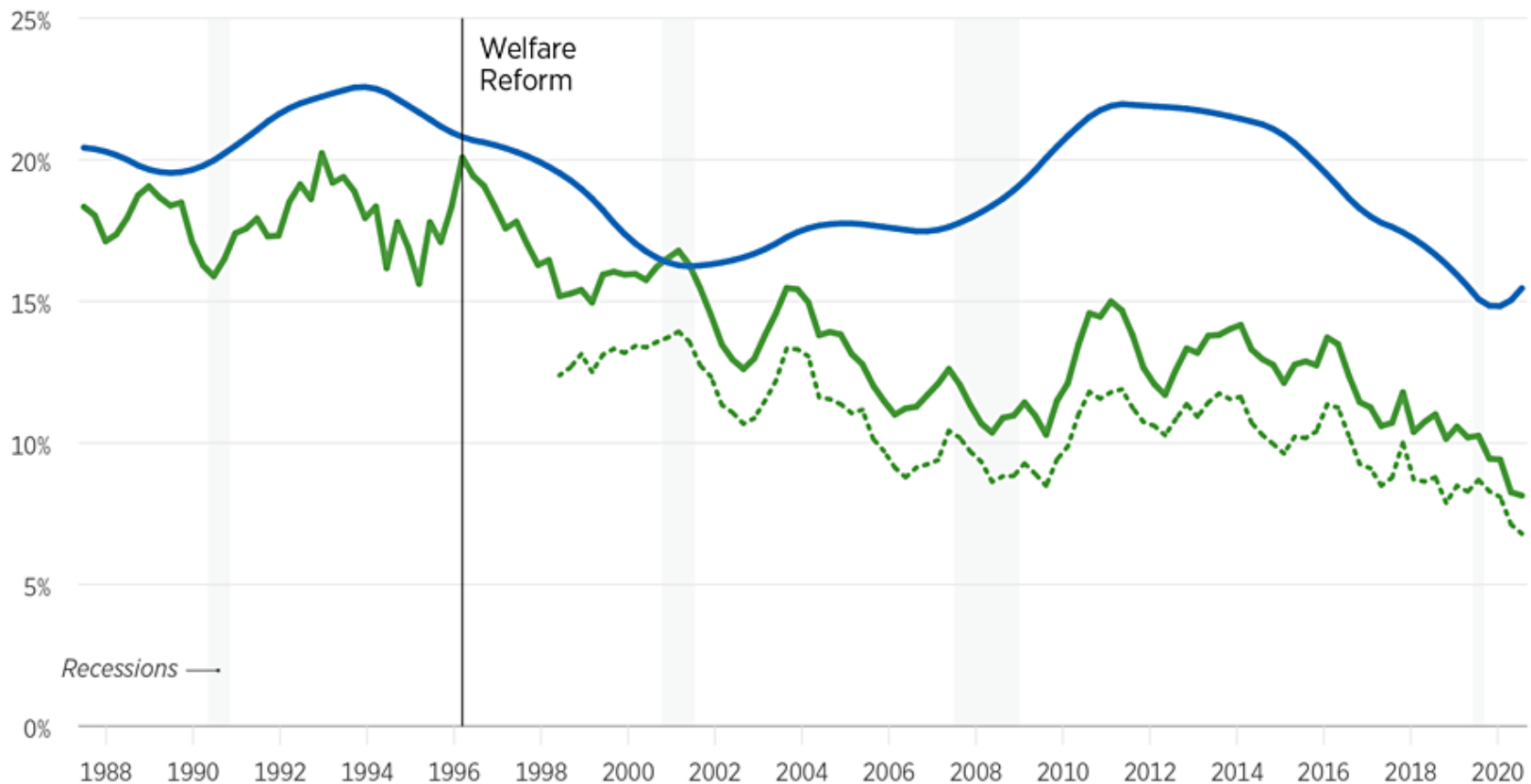
The expenditure-based poverty measure used in this report:

- is likely to include the spending enabled by uncounted income,
- includes cohabiting partners in the family, and
- corresponds more closely to actual living conditions.

Child Poverty Rate

- Official “money income”-based
- Expenditure-based
- Expenditure-based, including subsidized housing and school meals

PERCENTAGE OF CHILDREN IN POVERTY



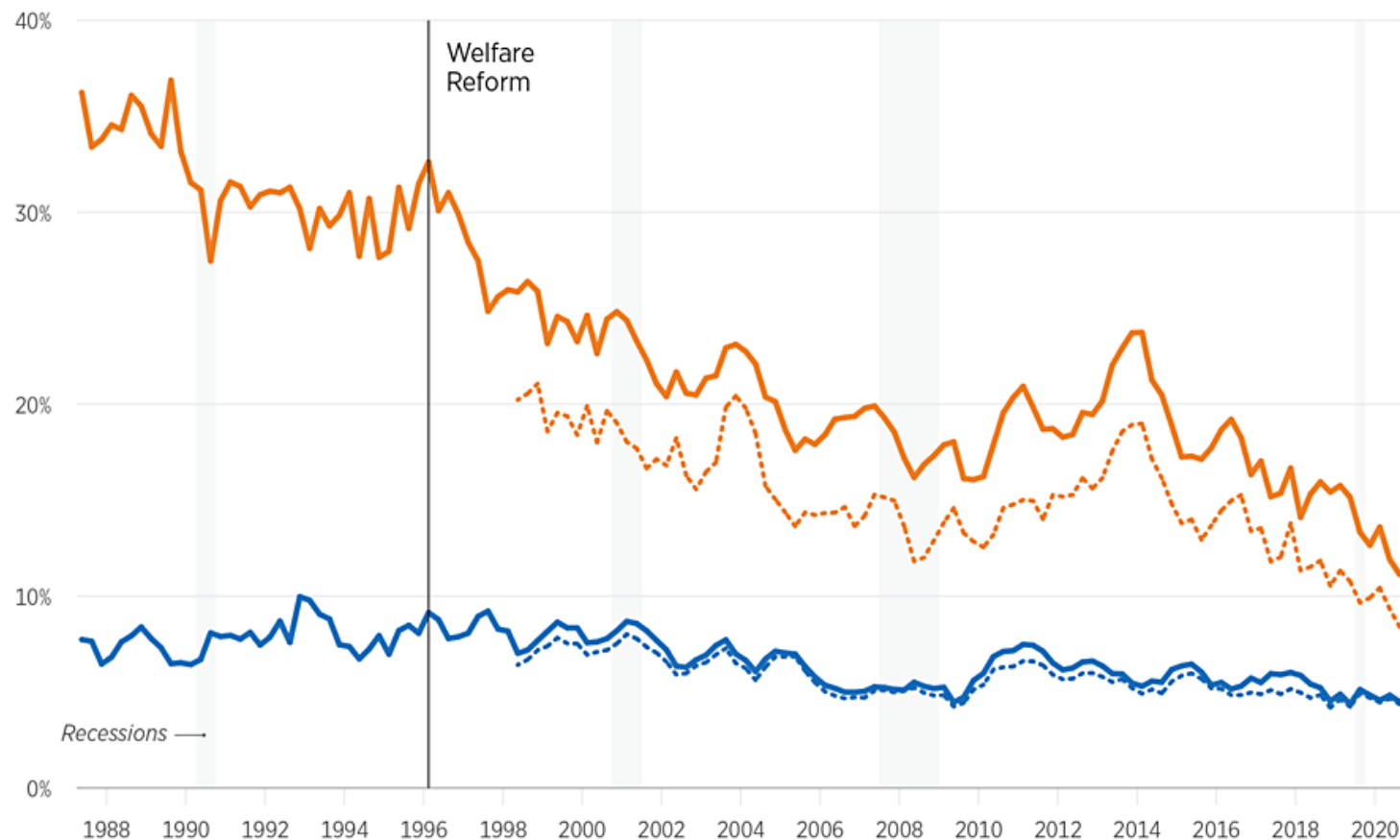
NOTE: Expenditure-based poverty rates are presented as a rolling four-quarter average for all households whose final interview occurred during the current quarter or any of the previous three quarters. The official money income-based poverty rate is presented on a comparable basis.

SOURCE: Author's calculations based on data from: microdata from the Bureau of Labor Statistics Consumer Expenditure Survey; U.S. Department of Housing and Urban Development, "Picture of Subsidized Households," <https://www.huduser.gov/portal/datasets/assthsg.html> (accessed March 9, 2022); the *Federal Register*; and U.S. Census Bureau, "Historical Poverty Tables: People and Families-1959 to 2020," Table 3, <https://www.census.gov/data/tables/time-series/demo/income-poverty/historical-poverty-people.html> (accessed March 10, 2022).

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

- Unmarried with children
- - - Unmarried with children, including subsidized housing and school meals
- Married with children
- - - Married with children, including subsidized housing and school meals

PERCENTAGE OF FAMILIES IN POVERTY



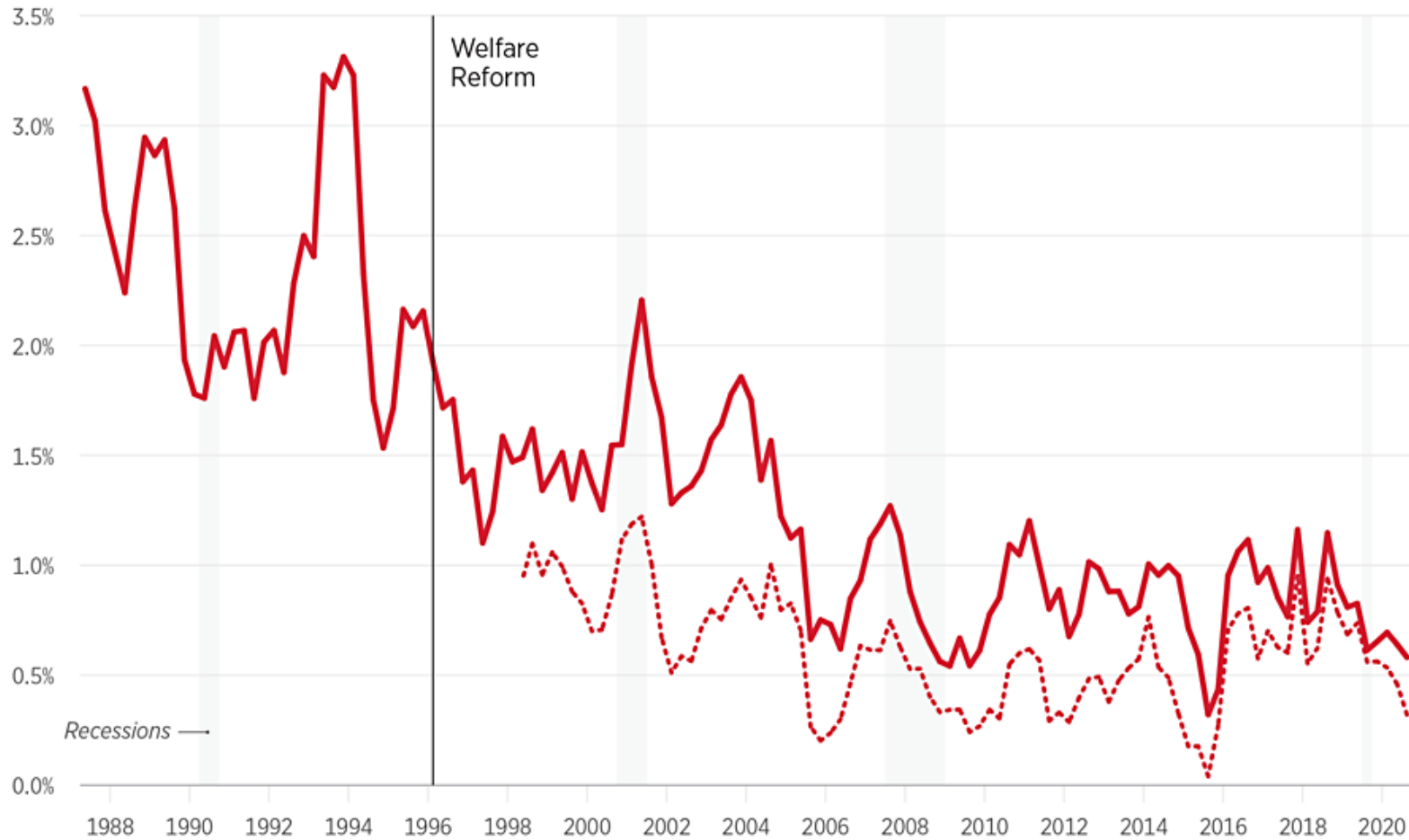
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Deep Child Poverty Rate

— Expenditure-based
 - - - Expenditure-based, including subsidized housing and school meals

PERCENTAGE OF CHILDREN IN DEEP POVERTY



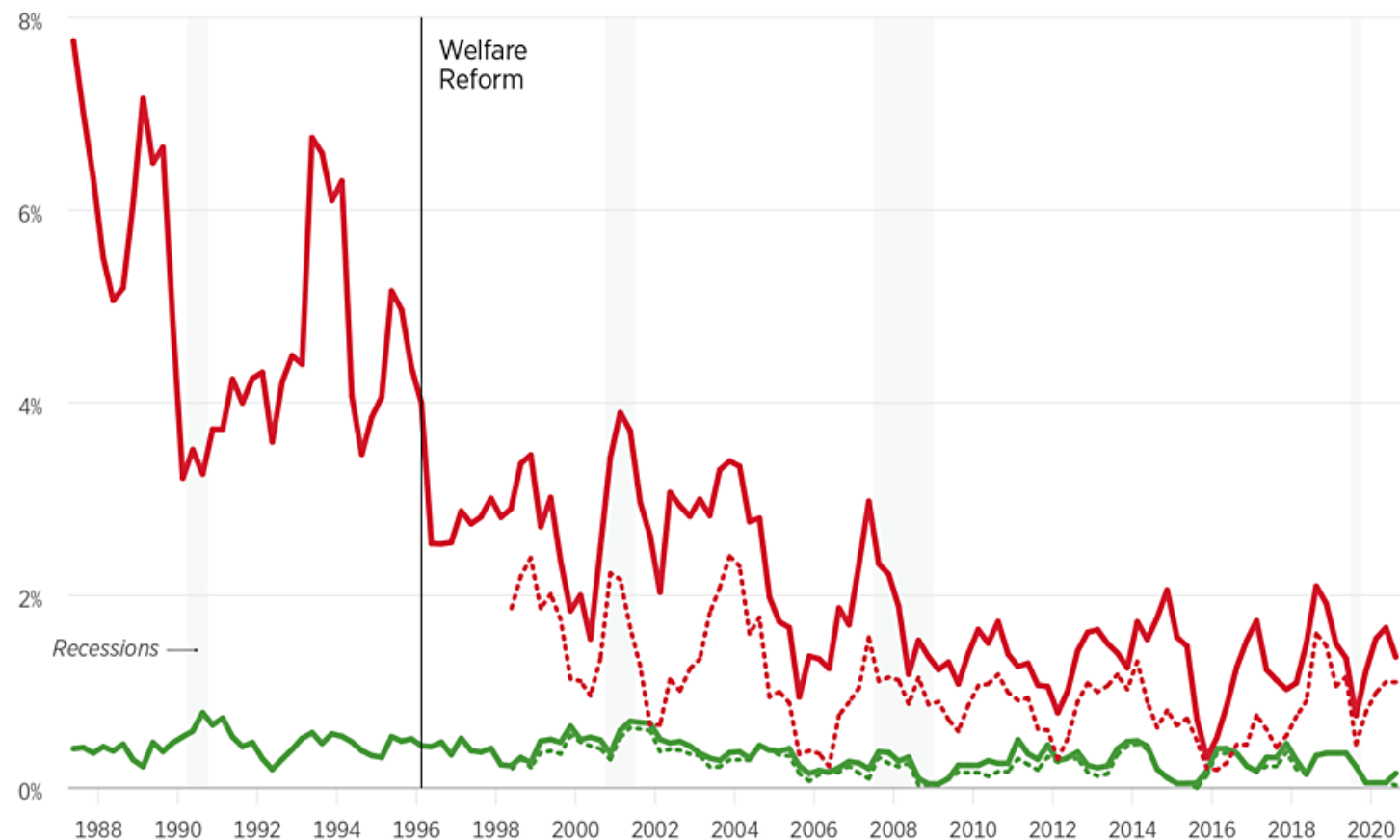
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Expenditure-Based Deep Poverty Rates for Families with Children, by Marital Status

- Unmarried with children
- - - Unmarried with children, including subsidized housing and school meals
- Married with children
- - - Married with children, including subsidized housing and school meals

PERCENTAGE OF FAMILIES 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.

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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.