

RECESSION DRIVES UP POVERTY LEVELS AMONG LATINO FAMILIES

The U.S. Census Bureau released the latest poverty statistics on September 16, 2010. The new data for 2009 show record increases in poverty among all Americans, reflecting the job losses associated with the recession. The following is an analysis of growing poverty among Latino* families.

Latino poverty is increasing.

- The Latino poverty rate increased from 23.2% in 2008 to 25.3% in 2009. The poverty rate among all Americans increased from 13.2% in 2008 to 14.3% in 2009 (see Figure 1). Twelve million Latinos were counted as poor in 2009, representing an increase of 1.4 million since 2008.¹ In 2009, a four-person family is considered poor if income fell below \$21,954.²

Poverty is higher among communities of color.

- In 2009, the poverty rate for Latinos was 25.3%, compared to 9.4% for Whites and 25.8% for Blacks.³

High unemployment among Latino workers is the key factor.

- The increase in poverty among Latino families between 2008 and 2009 is due to high unemployment among Latino workers, who are concentrated in hard-hit industries such as construction. Unemployment among construction workers overall averaged 19% for 2009.⁴ The unemployment rate among Latino workers hovered over 12% for most of 2009, compared to approximately 7% to 10% for all workers (see Figure 3).

Latino family income held steady.

- Latino median household income was \$38,039 in 2009, which was not statistically different from its 2008 level. The median household income among White families was \$54,461 and among Black families was \$32,584.⁵

Poverty is highest among Latino children.

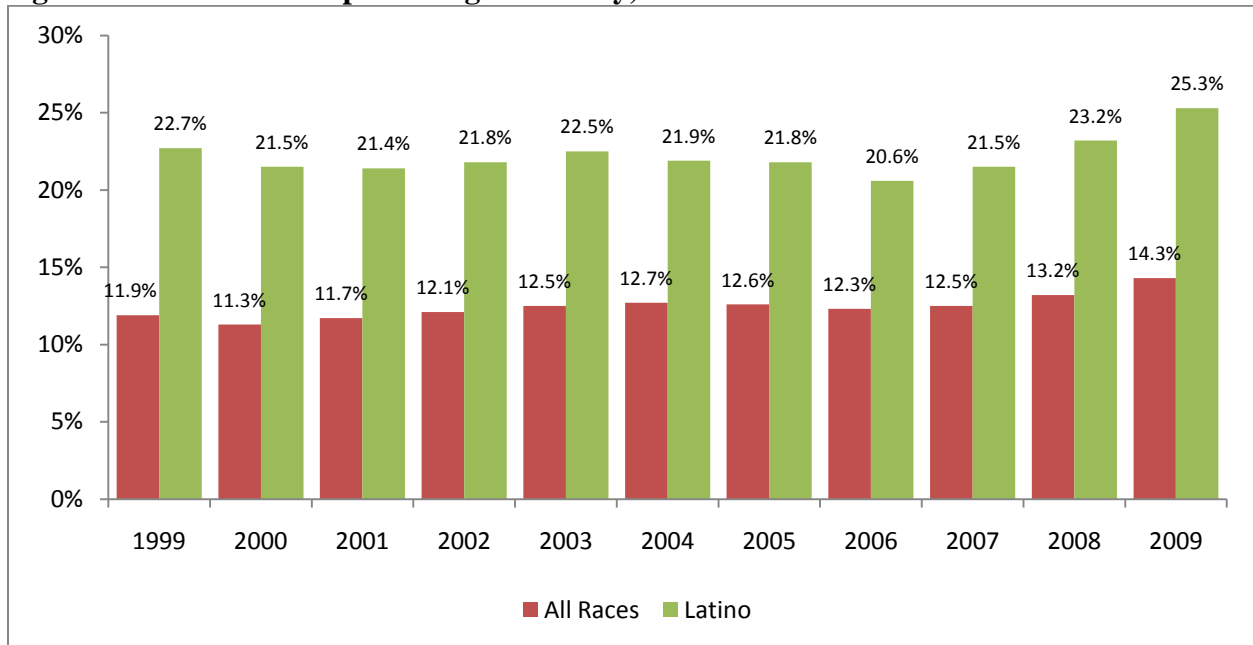
- The Latino child poverty rate was 33.1% in 2009, which is an increase from 30.6% in 2008. The poverty rate of 21.4% among Latino adults was higher than its level in 2008 of 19.3%. (see Figure 2). The share of all poor children who are Latino increased slightly to 36.7% (see Figure 4).

Social Security keeps the majority of Latino seniors out of poverty.

- The poverty rate of all seniors fell between 2008 and 2009. The poverty rate among Latino seniors fell to 18.3% compared to its level in 2008 of 19.3% (see Figure 2). The 18.3% poverty rate among Latino seniors is twice that of all seniors (8.9%). Previous studies have shown that without Social Security, the poverty rate among Latino seniors would be approximately 50%.⁶

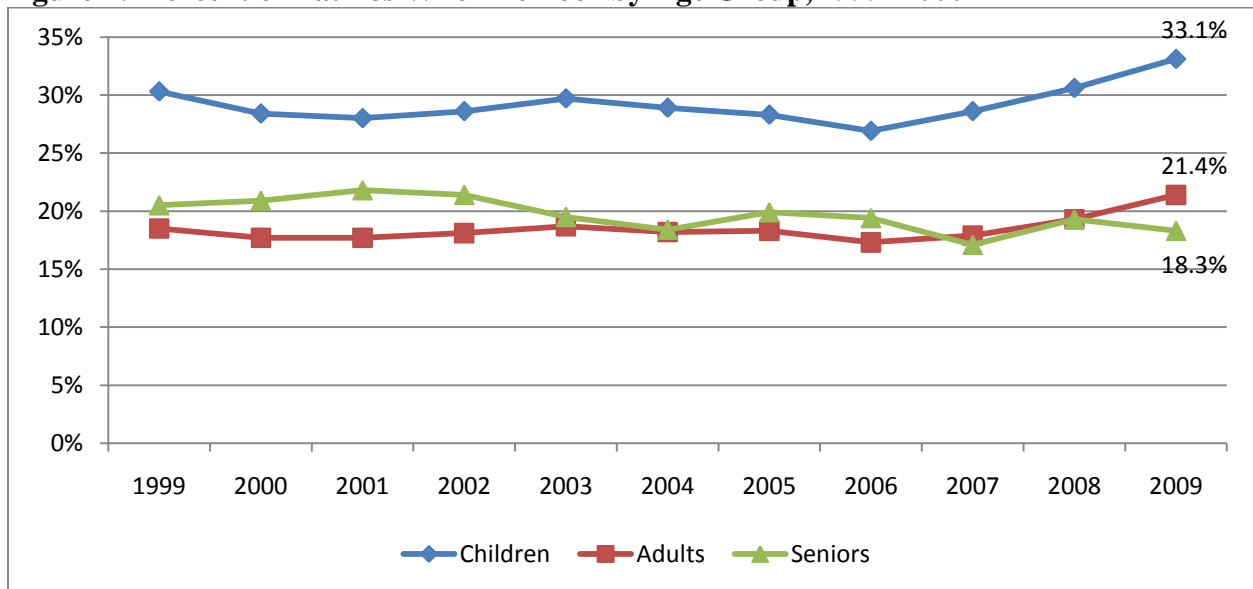
* The terms "Hispanic" and "Latino" are used interchangeably by the U.S. Census Bureau and throughout this document to refer to persons of Mexican, Puerto Rican, Cuban, Central and South American, Dominican, Spanish, and other Hispanic descent; they may be of any race.

Figure 1: Percent of People Living in Poverty, 1999–2009



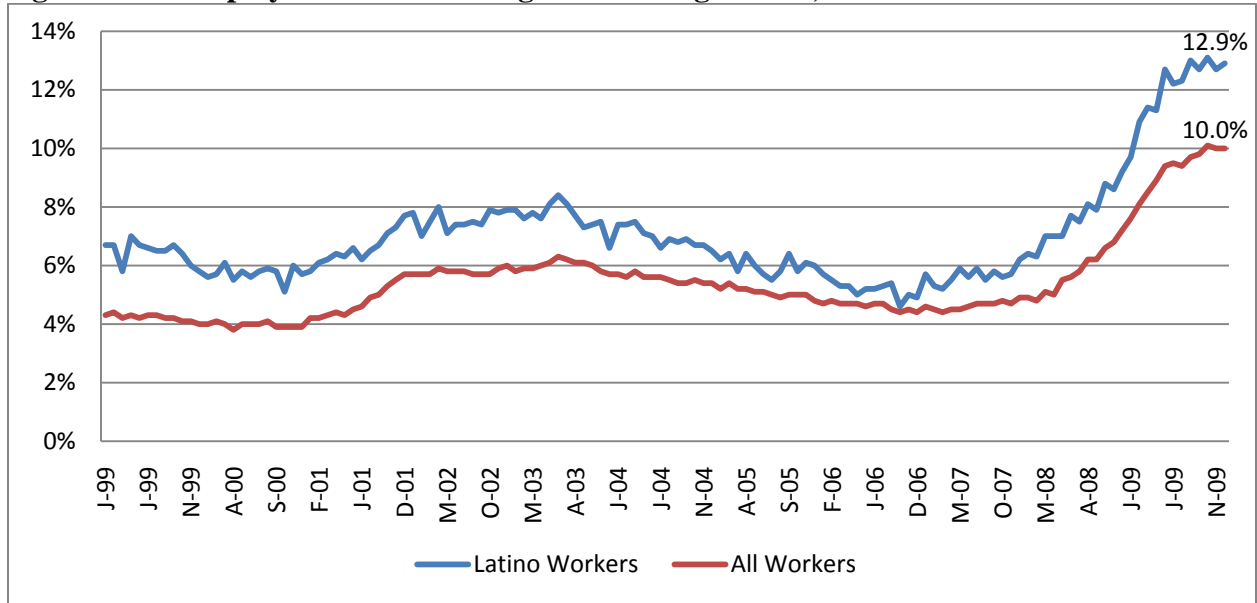
Source: U.S. Bureau of the Census, “Historical Poverty Tables.” *Current Population Survey*. Washington, DC, 2010, <http://www.census.gov/hhes/www/poverty/data/historical/people.html> (accessed September 2010), Table 24.

Figure 2: Percent of Latinos Who Are Poor by Age Group, 1999–2009



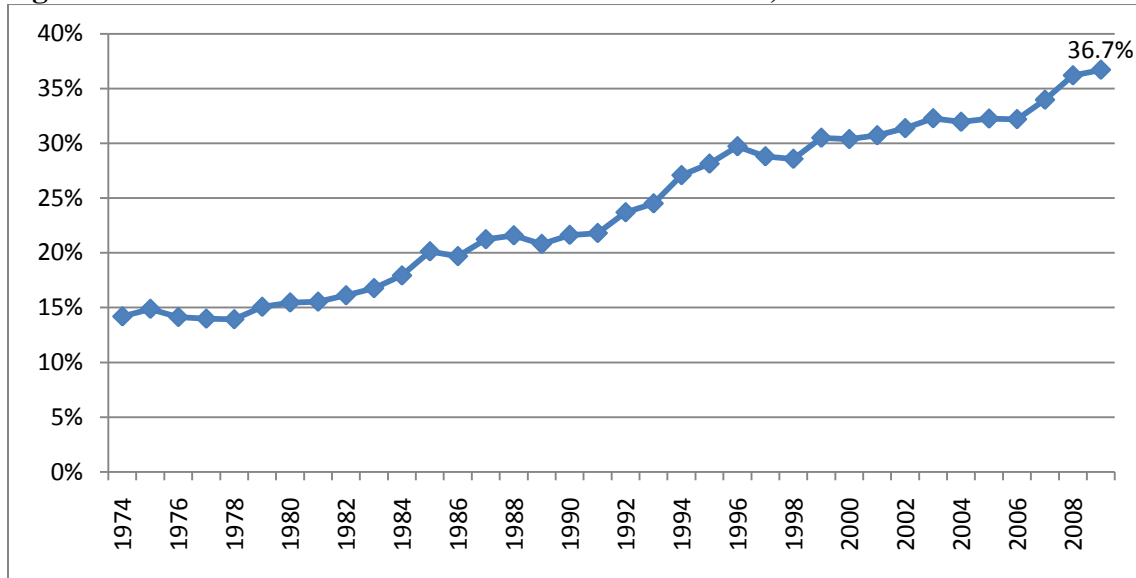
Source: U.S. Bureau of the Census, “Historical Poverty Tables.” *Current Population Survey*. Washington, DC, 2010, <http://www.census.gov/hhes/www/poverty/data/historical/people.html> (accessed September 2010), Table 3.

Figure 3: Unemployment Rate Among Workers Age 16–64, 1999–2009



Source: U.S. Bureau of Labor Statistics, “Data Retrieval: Labor Force Statistics.” *Current Population Survey*. Washington, DC, <http://www.bls.gov/cps/cpsatabs.htm> (accessed September 2010), Tables A-2 and A-3.

Figure 4: Percent of All Poor Children Who Are Latino, 1974–2009



Source: U.S. Bureau of the Census, “Historical Poverty Tables.” *Current Population Survey*. Washington, DC, 2009, <http://www.census.gov/hhes/www/poverty/data/historical/people.html> (accessed September 2010), Table 11.

Endnotes

¹ U.S. Bureau of the Census, “Historical Poverty Tables.” *Current Population Survey*. Washington, DC, 2010, <http://www.census.gov/hhes/www/poverty/data/historical/people.html> (accessed September 2010), Table 3.

² Carmen DeNavas-Walt, Bernadette D. Proctor, and Jessica C. Smith, *Income, Poverty, and Health Insurance Coverage in the United States: 2009*. U.S. Census Bureau. Washington, DC, September 2009, <http://www.census.gov/prod/2010pubs/p60-238.pdf> (accessed September 2010).

³ U.S. Bureau of the Census, “Historical Poverty Tables,” Table 24.

⁴ U.S. Bureau of Labor Statistics, “Data Retrieval: Employment, Hours, and Earnings,” *Current Employment Statistics*. Washington, DC, http://data.bls.gov/PDQ/servlet/SurveyOutputServlet?series_id=LNU04032231&data_tool=XGtable (accessed September 2010).

⁵ Carmen DeNavas-Walt, Bernadette D. Proctor, and Jessica C. Smith, *Income, Poverty, and Health Insurance Coverage*, Table 1.

⁶ Fernando Torres-Gil, Robert Greenstein, and David Kamin, *The Importance of Social Security to the Hispanic Community* (Washington, DC: Center on Budget and Policy Priorities, 2005), <http://www.cbpp.org/cms/?fa=view&id=436> (accessed September 2010).