

## Latino Income and Poverty in 2017: A Snapshot of the Census Current Population Survey

On September 12, 2018, the U.S. Census Bureau released new data measuring poverty and income in the United States during 2017, the first year of the Trump administration. The data shows that national poverty rates decreased slightly from 2016, while household income increased. On average, American households saw an increase of 1.8% in income between 2016 and 2017, up to \$61,372. The number of Americans living in poverty fell by 918,000 during this same period, continuing the downward trend since 2014.<sup>1</sup>

While Latinos\* also saw progress, several long-standing inequities remain. A testament to the continued hard work of Latino families, Latino median household income increased by 3.7% from 2016 to 2017, up to \$50,486 but still drastically lower than the national average. The modest increase in income builds from increases achieved in 2016. Additionally, the number of Latinos living in poverty fell by nearly 347,000 between 2016 and 2017. Yet, Latinos are still more likely to live in poverty than Whites, and the median income of Latino households continues to lag behind that of most other Americans. While the recent data shows that these gaps are beginning to narrow, more work is needed to protect these gains and to continue progress in narrowing inequities.

UnidosUS is committed to advocating for policies that allow Latinos to contribute to the economy and share in our nation's economic opportunities. The following is an analysis of the 2017 poverty and income data released by the U.S. Census Bureau, as it relates to the Latino population. The analysis concludes with policy considerations to improve the economic stability of Latino families and all Americans.

### Latino Income and Poverty Figures

Median Hispanic family income further increased in 2017.

- Hispanic median income increased by approximately \$1,786 between 2016 and 2017, up to \$50,486. This continues an annual increase in median household income for Latinos.<sup>2</sup>
- Hispanic median income increased by an estimated 3.7% between 2016 and 2017, less than the increase from 2015 to 2016.<sup>3</sup>

The number of Latinos who rose out of poverty in 2017 declined significantly from 2016.

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\* 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.

- The Hispanic poverty rate dropped by an estimated 1.1 percentage points between 2016 and 2017, down from 19.4% to 18.3%.<sup>4</sup>
- In total, approximately 347,000 Latinos were lifted out of poverty in 2017, compared to the 996,000 Latinos that were lifted out of poverty in 2016.
- Latinos accounted for approximately 38% of the total population that was lifted out of poverty between 2016 and 2017.<sup>5</sup>

The Hispanic child poverty rate continued to decline in 2017.

- In 2017, the Hispanic child poverty rate continued to decline from 26.6% in 2016 to 25%.<sup>6</sup>
- An estimated 4.6 million Latino children lived in poverty in 2017, approximately 251,000 less than in 2016.<sup>7</sup> This is a decrease from the number of children that were lifted out of poverty in 2016.

Latinos are still more likely to live in poverty than other groups.

- The Latino poverty rate, at 18.3%, is higher than the national average of 12.3% and is almost twice the poverty rate (10.7%) of Whites in 2017.<sup>8</sup>
- Similarly, the Hispanic child poverty rate of 25% is nearly 7.5 percentage points higher than the national average for children (17.5%).
- Hispanic median income is still considerably less than the national average of \$61,372 in 2017.<sup>9</sup>

## Policy Considerations

While the continued improvement in data is encouraging, a slowdown in the rate of change is alarming and indicates that Latinos continue to struggle after years of stalled growth. The 2017 Census Bureau data makes it clear that millions of hardworking Latino families continue to struggle to make ends meet and are more likely to live in poverty.

While the data illuminate important benchmarks, the numbers alone provide an incomplete picture and miss the effects of the dangerous Trump policy agenda. Families are feeling a financial squeeze, seeing only slight income gains in 2017. At the same time, the Republican Tax Cuts and Jobs Act has sent corporate profits skyrocketing, and Republicans are continuing to push an agenda that would cut critical programs that lift millions of hardworking families out of poverty and make ends meet.

Considering these findings, we call on elected officials to look at supporting policies that help more American working families gain economic security and stability, including:

- Adequately funding federal anti-poverty programs and maintaining their structure.
- Protecting the progress made by the Affordable Care Act.
- Enacting comprehensive immigration reform and opposing mass deportation.

- Preserving homeownership opportunities for distressed borrowers and keeping rents affordable.
- Putting more money in workers' pockets by restoring the value of the minimum wage, expanding access to refundable tax credits, and ensuring that infrastructure investments result in jobs where they are needed most.
- Enhancing long-term economic security by curbing the growth of predatory lending institutions and increasing access to safe financial products and workplace-based retirement plans.

The Latino community continues to drive economic growth and contribute to our nation's workforce and prosperity. As such, it is critical that our elected officials defend the progress that has been made and not undermine our community's hard-earned gains or the overall our economic strength of our nation.

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All sources accessed September 2018.

<sup>1</sup> Kayla Fontenot et al., "Income and Poverty in the United States: 2017" (Washington, DC: United States Census Bureau, 2018), <https://www.census.gov/content/dam/Census/library/publications/2018/demo/p60-263.pdf>.

<sup>2</sup> Ibid.

<sup>3</sup> Ibid.

<sup>4</sup> Ibid.

<sup>5</sup> Ibid.

<sup>6</sup> Ibid.

<sup>7</sup> Ibid.

<sup>8</sup> Ibid.

<sup>9</sup> Ibid.