

## Latino Income and Poverty in 2018: A Snapshot of the Census Current Population Survey

On September 10, 2019, the U.S. Census Bureau released new data measuring poverty and income in the United States during 2018, the second year of the Trump administration. The data show that national poverty rates decreased slightly from 2017, while household income increased slightly. On average, American households saw an increase of 0.9% in income between 2017 and 2018, up to \$63,179. The number of Americans living in poverty fell by 1.4 million 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 0.1% from \$51,389 in 2017 to \$51,450 in 2018; while encouraging, this is still drastically lower than the national median. The modest increase in Hispanic income builds on increases achieved in 2017. Additionally, the number of Latinos living in poverty fell by nearly 290,000 between 2017 and 2018. Yet, Latinos are still more likely to live in poverty than non-Hispanic Whites in the United States. Although Hispanics are seeing gradual year-over-year progress in income growth, the lag behind the national average suggests that they are not sharing in America's prosperity. The recent data show that gaps in income are beginning to narrow, but more work is needed to protect these gains and 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 2018 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 2018.

- Hispanic median income increased by approximately \$61 between 2017 and 2018, up to \$51,450. This continues a gradual annual increase in median household income for Latinos.<sup>2</sup>
- Hispanic median income increased by an estimated 0.1% between 2017 and 2018, less than the income increase from 2016 to 2017.<sup>3</sup>

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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 number of Latinos who rose out of poverty in 2018 declined from 2017.

- The Hispanic poverty rate dropped by an estimated 0.8 percentage points between 2017 and 2018, down from 18.3% to 17.6%.<sup>4</sup>
- In total, approximately 290,000 Latinos were lifted out of poverty in 2017, compared to the 321,000 Latinos who were lifted out of poverty in 2016.
- Latinos accounted for approximately 21% of the total population that was lifted out of poverty between 2017 and 2018.<sup>5</sup>

The Hispanic child poverty rate continued to decline in 2018.

- The Hispanic child poverty rate continued to decline from 25% in 2017 to 23.7% in 2018.<sup>6</sup>
- An estimated 4.4 million Latino children lived in poverty in 2018, approximately 207,000 less children than in 2017.<sup>7</sup> Nonetheless, roughly 20% less children were lifted out of poverty between 2017 and 2018 than were lifted out of poverty between 2016 and 2017.

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

- The Latino poverty rate (17.6%) is higher than the national average (11.8%) and is almost twice the poverty rate (10.1%) of non-Hispanic Whites in 2018.<sup>8</sup>
- Similarly, the Hispanic child poverty rate (23.7%) is nearly 7.5 percentage points higher than the national average for children (16.2%).
- Hispanic median income is still considerably less than the national average of \$63,179 in 2018.<sup>9</sup>

## Policy Considerations

While the continued improvement in Hispanic income and poverty is encouraging, a slowdown in income growth is alarming and indicates that Latinos continue to struggle. The 2018 Census Bureau data make 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 dangerous effects of the Trump policy agenda. Hispanic families are feeling a financial squeeze, seeing only slight income gains in 2019.

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

- Adequately funding federal anti-poverty programs and maintaining their structures.
- 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 and expanding access to refundable tax credits.
- Reinforcing 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 American 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 collective economic strength of our nation.

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All sources accessed September 2019.

1 Semega, Jessica, et al., "Income and Poverty in the United States: 2018." September, 2019. Accessed on September 10, 2019. <https://www.census.gov/content/dam/Census/library/visualizations/2018/demo/p60-266/p60-266.pdf>.

2 Ibid.

3 Ibid.

4 Ibid.

5 Ibid.

6 Ibid.

7 Ibid.

8 Ibid.

9 Ibid.