

Bureau of the Census Statistical Brief

Poverty Areas

In 1990, more than 1 in 5 Americans — or 52 million — lived in a “poverty area.” Poverty areas are census tracts or block numbering areas (BNA’s) where at least 20 percent of residents were poor in 1989. (See the box on page 2 for a definition of census tracts and BNA’s). Just over two-thirds of poverty area residents lived in a metropolitan area. In some of these areas, poverty was especially widespread, as 40 percent or more of residents were poor. About 1 in 25 Americans lived in such a tract or BNA, known as an “*extreme* poverty area.”

Most residents of poverty areas were *not* poor.

Poverty areas have high concentrations of poor persons. But that doesn’t mean that *everyone* living in them is poor. In fact, the majority of the Nation’s poverty area residents (69 percent) were *above* the poverty line in 1989.

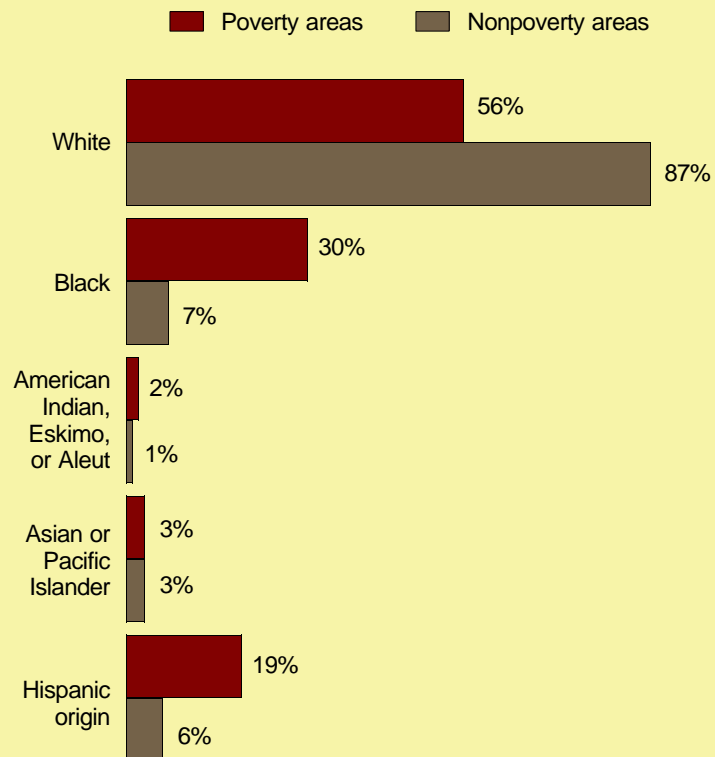
Poverty areas had a different racial and ethnic makeup than the rest of the United States.

As the graph below shows, Whites made up more than half of the

population living in poverty areas. However, they comprised a higher proportion of those living outside such areas. This was not the case for Blacks and Hispanics. Four times as many Blacks and three

Although Blacks and Hispanics Comprised Relatively Large Shares of the Poverty Area Population, the Majority Was White

Percent distribution of persons living inside poverty areas and percent distribution of those living outside poverty areas, by race and Hispanic origin: 1990



Note: Persons of Hispanic origin may be of any race.



SB/95-13
Issued June 1995

U.S. Department of Commerce
Economics and Statistics Administration
BUREAU OF THE CENSUS

times as many Hispanics lived in poverty areas than lived outside them.

In poverty areas, earnings were lower

Workers living in poverty areas earned an average of only \$15,521 during 1989, much less than the \$23,122 earned by those living outside such areas. At the same time, persons in poverty areas were over three times more likely than non-poverty area adults to have received public assistance income that year (10 percent compared with 3 percent).

.... and unemployment was higher.

Unemployment in poverty areas was more than twice as high as in nonpoverty areas (12 percent versus 5 percent). In addition, those in poverty areas were more likely not to have worked at all in 1989 (38 percent compared with 27 percent). Conversely, persons in nonpoverty areas were more apt to have worked year-round, full-time (43 percent versus 30 percent).

Families maintained by women with no husband present were more prevalent in poverty areas

Families in poverty areas were nearly twice as likely as those elsewhere to have a female householder (29 percent versus 13 percent) and less likely to be maintained by a married couple (65 percent compared with 83 percent).

.... as were very large families.

One in twenty-five poverty area families consisted of seven or more persons. In nonpoverty areas, only about 1 in 75 families were that large.

Poverty area householders were less educated.

For 29 percent of poverty area householders, high school was the highest level of education completed; the same was true of a similar proportion of their counterparts who lived outside poverty areas. But poverty area householders were less apt to have furthered their education. For instance —

- Fifteen percent had attended college without obtaining a degree.
- Ten percent more had a bachelor's as their highest degree earned.

The corresponding proportions for householders residing outside poverty areas were higher: 21 and 25 percent, respectively.

Self-care and mobility limitations were more common in poverty areas

Eleven percent of persons in poverty areas had a self-care or mobility limitation. In other words, they had been suffering from a health condition for at least the last 6 months which made it difficult for them to take care of personal needs (such as bathing or dressing) or go outside the home alone. The corresponding rate in nonpoverty areas was 6 percent.

.... as were impoverished homeowners.

Poor homeowners, rather scarce outside poverty areas (where they made up about 5 percent of all homeowners), were considerably more prevalent inside poverty areas, where they comprised 15 percent.

For many in poverty areas, rent took a real bite out of income.

Almost 1 in every 4 renters living in poverty areas spent at least half their 1989 household income on gross rent (contract rent plus the cost of utilities) in comparison to only 16 percent elsewhere.

Nearly half the Nation's poverty area population lived in the South.

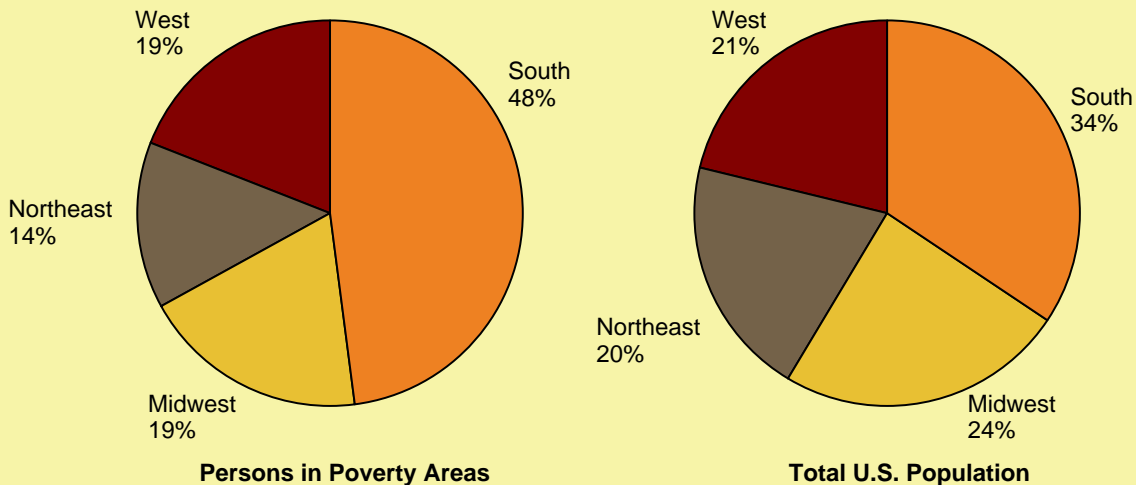
The South, home to 34 percent of the Nation's total population, contained 48 percent of its poverty area residents (see graph on the next page). This was because 30 percent of Southerners lived in poverty areas — the highest percentage of any region. The corresponding rate was 19 percent in the West, 17 percent in the Midwest, and 15 percent in the Northeast.

Census Tracts and BNA's Defined

Census tracts are small, statistical subdivisions of a county (or statistically equivalent entity). They usually have between 2,500 and 8,000 residents and do not cross county boundaries. All metropolitan counties are subdivided into census tracts. In many *nonmetropolitan* counties, however, local census committees have not established census tracts. Such counties are instead subdivided into block numbering areas (BNA's), which are comparable to census tracts in population.

The South Contained a Disproportionately Large Share of the Nation's Poverty Area Population

Percent distribution of persons living in poverty areas and percent distribution of entire U.S. population, by region: 1990



Special file provides more extensive information on poverty areas.

The data in this Brief come from *Poverty Areas in the United States*, a CD-ROM recently released by the Census Bureau. To illustrate how this CD can be used to analyze poverty areas of individual cities, let's take a look at the District of Columbia. The file reveals that —

• One in three District residents (188,514) lived in a poverty area; nearly 1 in 25 (25,957) resided in an *extreme* poverty area. The map on the back shows which of the city's census tracts were poverty areas in 1989 and which were extreme poverty areas.

• More than 88 percent of the residents in DC poverty areas were Black. Another 8 percent were White, while the remaining 4 percent were persons of other races.

• About one-third of the city's families (41,490) lived in poverty areas. Most (57 percent) were maintained by a woman with no husband present. The remainder were either headed by a married couple (35 percent) or a man (9 percent).

• Mean earnings in 1989 were much lower in DC's poverty areas than in its nonpoverty areas (\$18,321 versus \$30,260).

• Residents of poverty areas were more likely than those living elsewhere in the city to have received public assistance income in 1989 (11 percent compared with 3 percent).

• The unemployment rate in the District's poverty areas was more than double that in the rest of the city (12 percent versus 5 percent).

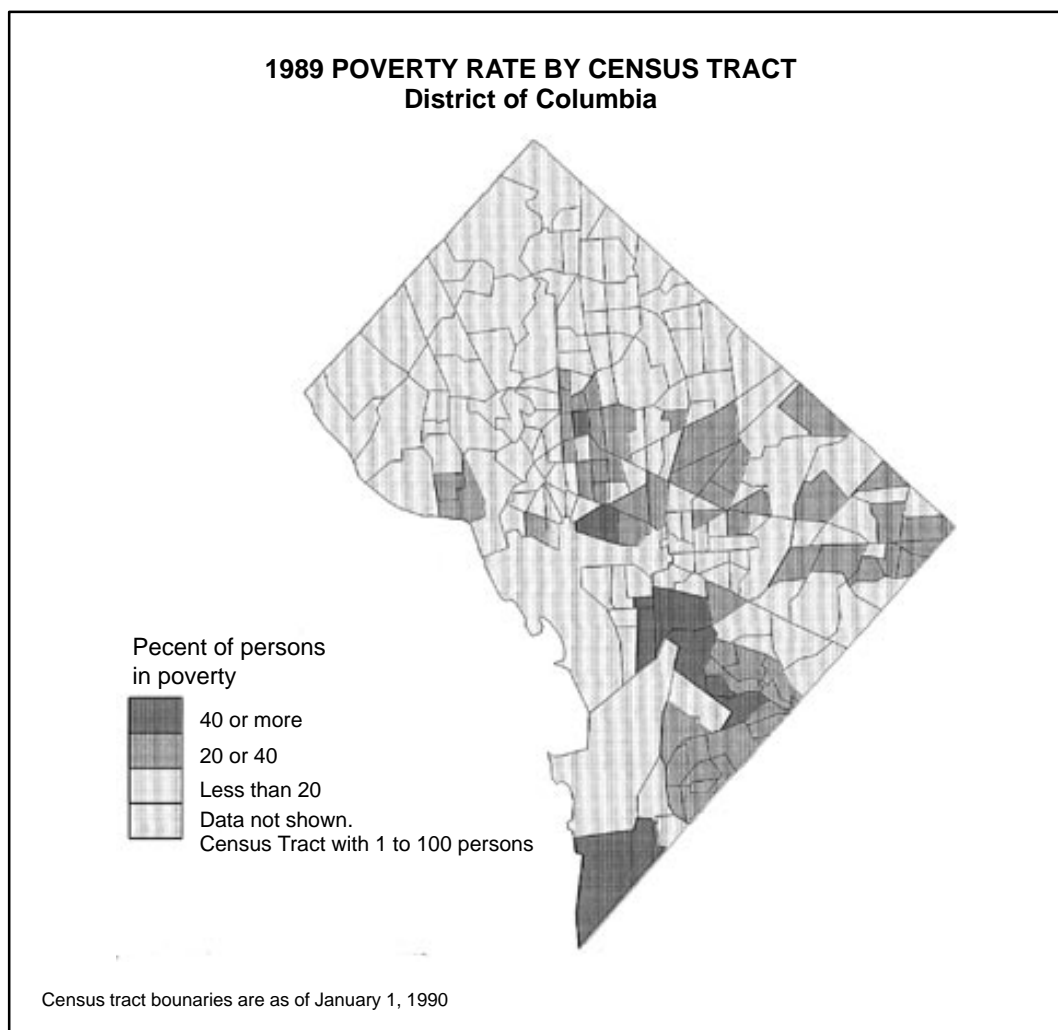
• One-quarter (24.9 percent) of family renters in poverty areas spent at least half their 1989 household income on gross rent. The

same was true of only 17 percent of their counterparts elsewhere in the District.

More information:

The *Poverty Areas in the United States*, Subject Summary Tape File (SSTF) 17 compact disc contains detailed 1990 census data on persons living in poverty areas, extreme poverty areas, and outside poverty areas. It has a wealth of demographic and socioeconomic data on all three groups. (Topics covered include those discussed in this Brief.)

Statistics are provided for the entire Nation, as well as each region, division, State, county, metro area, and metro area central city. The file also allows one to identify which census tracts in each of these geographic entities were poverty areas (i.e., at least 20 percent of residents poor), which were extreme poverty areas (i.e., 40 percent or more poor), and which



were neither. The SSTF 17 CD-ROM is available for \$150. Call Customer Services (301-457-4100) to order.

Contacts:

Poverty areas —
Leatha Lamison-White



Statistical Briefs —
Robert Bernstein
301-457-1221

This Brief is one of a series that presents information of current interest. It examines data from the 1990 census. A complete

description of statistical quality and limitations of census sample data is included in both the technical documentation for the SSTF 17 CD-ROM and in the introduction and appendices of the 1990 census printed reports.

The poverty statistics presented in this Brief are based on a poverty definition originated by the Social Security Administration in 1964 and later modified by Federal inter-agency committees in 1969 and 1980. The definition is prescribed by the Office of Management and Budget as the standard to be used

by Federal agencies for statistical purposes. For more information about the poverty definition, see Appendix B, Definition of Subject Characteristics of any 1990 census report or appendix B on the SSTF 17 CD-ROM.