

# Counting the Poor: Another Look at the Poverty Profile

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*When the Council of Economic Advisors used annual income of less than \$3,000 to define families living in poverty, it noted that this was a crude and approximate measure. Obviously the amount of cash income required to maintain any given level of living will be different for the family of two and the family of eight, for the person living in a large metropolitan area and a person of the same age and sex living on a farm.*

*An article published in the July 1963 issue of the Bulletin, "Children of the Poor," suggested one way of deriving rough measures of the amounts needed by families of different size. This analysis has now been carried considerably further to define equivalent incomes at a poverty level for a large number of different family types. The Social Security Administration obtained from the Bureau of the Census special tabulations from the March 1964 Current Population Survey classifying families and unrelated individuals as above or below these poverty cutoff points.*

*The method used to derive this variable poverty line is described in the following article, which also gives a summary picture of the groups who fell below the line on the basis of their 1963 incomes. The total number of poor remains about the same as when the cruder measure of income is used, but the composition of the group is notably different.*

*This article deals primarily with families of two or more persons. A subsequent article will analyze the situation of unrelated individuals and of aged persons living in families headed by younger persons. The differences between Negro and white families and individuals will also be examined in more detail.*

*The method of measuring equivalent levels of living that is presented here is still relatively crude. The Division of Research and Statistics is attempting to develop more refined measures based on the relationship of income and consump-*

*tion. Such studies will take time. Until they can be completed, the indexes used here provide a more sensitive method than has hitherto been available of delineating the profile of poverty in this country and of measuring changes in that profile over time.*

A REVOLUTION of expectations has taken place in this country as well as abroad. There is now a conviction that everyone has the right to share in the good things of life. Yet there are still many who must watch America's parade of progress from the sidelines, as they wait for their turn—a turn that does not come. The legacy of poverty awaiting many of our children is the same that has been handed down to their parents, but in a time when the boon of prosperity is more general the taste of poverty is more bitter.

Now, however, the Nation is committed to a battle against poverty. And as part of planning the how, there is the task of identifying the whom. The initiation of corrective measures need not wait upon final determination of the most suitable criterion of poverty, but the interim standard adopted and the characteristics of the population thus described will be important in evaluating the effectiveness of the steps taken.

There is not, and indeed in a rapidly changing pluralistic society there cannot be, one standard universally accepted and uniformly applicable by which it can be decided who is poor. Almost inevitably a single criterion applied across the board must either leave out of the count some who should be there or include some who, all things considered, ought not be classed as indigent. There can be, however, agreement on some of the considerations to be taken into account in arriving at a standard. And if it is not possible to state unequivocally "how much is enough," it should be possible to assert with confidence how much, on an average, is too little. Whatever the level at

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which we peg the concept of "too little," the measure of income used should reflect at least roughly an equivalent level of living for individuals and families of different size and composition.

In such terms, it is the purpose of this paper to sketch a profile of poverty based on a particular income standard that makes allowance for the different needs of families with varying numbers of adults and children to support. It recognizes, too, that a family on a farm normally is able to manage on somewhat less cash income than a family living in a city. As an example, a family of father, mother, two young children, and no other relatives is assumed on the average to need a minimum of \$1,860 today if living on a farm and \$3,100 elsewhere. It should go without saying that, although such cutoff points have their place when the economic well-being of the population at large is being assessed, they do not necessarily apply with equal validity to each individual family in its own special setting.

The standard itself is admittedly arbitrary, but not unreasonable. It is based essentially on the amount of income remaining after allowance for an adequate diet at minimum cost. Under the criteria adopted, it is estimated that in 1963 a total of 7.2 million families and 5 million individuals living alone or with nonrelatives (excluding persons in institutions) lacked the wherewithal to live at anywhere near a tolerable level. Literally, for the 34½ million persons involved—15 million of them children under age 18 and 5 million persons aged 65 or older—everyday living implied choosing between an adequate diet of the most economical sort and some other necessity because there was not money enough to have both.

There are others in need not included in this count. Were one to add in the hidden poor, the 1.7 million elderly and the 1.1 million members of subfamilies—including 600,000 children—whose own income does not permit independent living at a minimum standard but who escape poverty by living in a household with relatives whose combined income is adequate for all, the number of poor rises to nearly 37.5 million persons.

The aggregate income available to the 7.2 million families and 5 million individuals in 1963 was only 60 percent as much as they needed, or about \$11½ billion less than their estimated minimum requirements.

## THE POVERTY PROFILE

From data reported to the Bureau of the Census in March 1964, it can be inferred that 1 in 7 of all families of two or more and almost half of all persons living alone or with nonrelatives had incomes too low in 1963 to enable them to eat even the minimal diet that could be expected to provide adequate nutrition and still have enough left over to pay for all other living essentials. Such a judgment is predicated on the assumption that, at current prices and current standards, an average family of four can achieve an adequate diet on about 70 cents a day per person for all food and an additional \$1.40 for all other items—from housing and medical care to clothing and carfare.<sup>1</sup> For those dependent on a regular pay check, such a budget would mean, for the family of four, total family earnings of \$60 a week.

By almost any realistic definition, individuals and families with such income—who include more than a fifth of all our children—must be counted among our undoubted poor. A somewhat less conservative but by no means generous standard, calling for about 90 cents a day for food per person and a total weekly income of \$77, would add 8.8 million adults and 6.8 million children to the roster. There is thus a total of 50 million persons—of whom 22 million are young children—who live within the bleak circle of poverty or at least hover around its edge. In these terms, though progress has been made, there are still from a fifth to a fourth of our citizens whose situation reminds us that all is not yet well in America.

Who are these people who tug at the national conscience? Are they all social casualties, visited by personal misfortune, like the woman left alone to raise a family? Are they persons who find little opportunity to earn their living, like the aged and the unemployed? Or are they perhaps mainly Negroes and members of other minority groups, living out the destiny of their years of discrimination? These groups, to be sure, are among the poorest of the poor, but they are not alone.

The population groups most vulnerable to the risk of inadequate income have long been identi-

<sup>1</sup> Estimates are based on a per capita average for all 4-person nonfarm families. Costs will average slightly more in small households and less in larger ones. A member of a 2-person family, for example, would need 74 cents a day for food and \$2 a day for other items.

fied and of late much publicized, but they make up only a small part of all the Nation's poor.

Families headed by a woman are subject to a risk of poverty three times that of units headed by a man, but they represent only a fourth of all persons in families classed as poor. Indeed, almost three-fourths of the poor families have a man as the head.

Children growing up without a father must get along on less than they need far more often than children living with both parents. In fact, two-thirds of them are in families with inadequate income. But two-thirds of all the children in the families called poor do live in a home with a man at the head.

Many of our aged have inadequate incomes, but almost four-fifths of the poor families have someone under age 65 at the head. Even among persons who live alone, as do so many aged women, nearly half of all individuals classified as poor have not yet reached old age.

Nonwhite families suffer a poverty risk three times as great as white families do, but 7 out of 10 poor families are white.

And finally, in our work-oriented society, those who cannot or do not work must expect to be poorer than those who do. Yet more than half of all poor families report that the head currently has a job. Moreover, half of these employed family heads, representing almost 30 percent of all the families called poor, have been holding down a full-time job for a whole year. In fact, of the 7.2 million poor families in 1963, 1 in every 6 (1.3 million) is the family of a white male worker who worked full time throughout the year. Yet this is the kind of family that in our present society has the best chance of escaping poverty.

All told, of the 15 million children under age 18 counted as poor, about 5 $\frac{3}{4}$  million were in the family of a man or woman who had a full-time job all during 1963.

#### DEFINING THE POVERTY LINE

Poverty has many facets, not all reducible to money. Even in such terms alone, it will not be possible to obtain unanimous consent to a list of goods and services that make up the *sine qua non* and the dollars it takes to buy them. The dif-

ficulty is compounded in a country such as ours, which has long since passed the stage of struggle for sheer survival.

In many parts of the world, the overriding concern for a majority of the populace every day is still "Can I live?" For the United States as a society, it is no longer whether but how. Although by the levels of living prevailing elsewhere, some of the poor in this country might be well-to-do, no one here today would settle for mere subsistence as the just due for himself or his neighbor, and even the poorest may claim more than bread. Yet as yesterday's luxuries become tomorrow's necessities, who can define for today how much is enough? And in a society that equates economic well-being with earnings, what is the floor for those whose earning capacity is limited or absent altogether, as it is for aged persons and children?

#### Available Standards for Food Adequacy

Despite the Nation's technological and social advance, or perhaps because of it, there is no generally accepted standard of adequacy for essentials of living except food. Even for food, social conscience and custom dictate that there be not only sufficient quantity but sufficient variety to meet recommended nutritional goals and conform to customary eating patterns. Calories alone will not be enough.

Food plans prepared by the Department of Agriculture have for more than 30 years served as a guide for estimating costs of food needed by families of different composition. The plans represent a translation of the criteria of nutritional adequacy set forth by the National Research Council into quantities and types of food compatible with the preference of United States families, as revealed in food consumption studies. Plans are developed at varying levels of cost to suit the needs of families with different amounts to spend. All the plans, if strictly followed, can provide an acceptable and adequate diet, but—generally speaking—the lower the level of cost, the more restricted the kinds and qualities of food must be and the more the skill in marketing and food preparation that is required.<sup>2</sup>

<sup>2</sup> See U.S. Department of Agriculture, *Family Food Plans and Food Costs*, Home Economics Research Report No. 20, November 1962.

Each plan specifies the required weekly quantities of foods in particular food groups for individuals of varying age and sex. The Department regularly publishes cost estimates at United States average prices based on the assumption that all meals are prepared at home from foods purchased at retail. Because no allowance is made for using any food from the home farm or garden, the cost estimates are not applicable to farm families without some adjustment, although the quantities presumably could be.

The low-cost plan, adapted to the food patterns of families in the lowest third of the income range, has for many years been used by welfare agencies as a basis for food allotments for needy families and others who wished to keep food costs down. Often, however, the actual food allowance for families receiving public assistance was less than that in the low-cost plan. Although spending as much as this food plan recommends by no means guarantees that diets will be adequate, families spending less are more likely to have diets falling below the recommended allowances for some important nutrients.

Recently the Department of Agriculture began to issue an "economy" food plan, costing only 75-80 percent as much as the basic low-cost plan, for "temporary or emergency use when funds are low." In January 1964, this plan suggested foods costing \$4.60 a week per person, an average of only 22 cents a meal per person in a 4-person family.<sup>3</sup> For some family members, such as men and teen-age boys, the cost was higher; for others—young children and women, for example—it was less.

The food plan as such includes no additional allowance for meals eaten out or other food eaten

away from home. Meals eaten by family members at school or on the job, whether purchased or carried from home, must still come out of the same household food allowance.

The food costs for individuals according to this economy plan, at January 1964 prices, were used as the point of departure for determining the minimum total income requirement for families of different types. An additional set of poverty income points was computed, using the low-cost plan with its average per capita weekly cost of \$5.90.

### Choosing Representative Family Types

Moving from the cost of food for a family to the total income required entailed three basic steps. First, since the food plans show estimated costs separately for individuals in 19 age-sex classes, and since it is suggested that these be further adjusted for family size, it was necessary to define the family size and composition prototypes for which food costs would be computed. It was then necessary to decide how much additional income to allow for items other than food, and finally how to relate the cash needs of farm families to those of their comparable nonfarm cousins.

In view of the special interest in the economic status of families with children, and because logic suggests that income requirements are related to the number in the family, estimates were made separately for nonfarm families varying in size from two members to seven or more, further classified by sex of head and number of related children under age 18. To allow for the special interest in the aged, the majority of whom live alone or in couples, 2-person families were further classified by age of head as those under age 65 or aged 65 and older, for a total of 58 nonfarm family types. Four additional income cutoffs for male and female unrelated individuals—classified as under age 65 or aged 65 or older—were derived from the standards for 2-person families. With the matching set of economy level incomes for farm residents and, finally, the replication of the entire matrix at the low-cost level, a total of 248 separate income points was derived by which families could be classified.

For obvious reasons, only one age-sex composition grouping could be assumed for each of the

<sup>3</sup> With recommended adjustments for family size, small families are allowed somewhat more and larger families somewhat less, and for all families the actual amounts of food suggested will vary with the sex and age of the members. Even in a 4-person family, the per capita cost will vary slightly from the figure cited, depending upon whether it includes teen-agers with high food requirements or a younger child or an aged member with food needs less than average.

Recent revisions in suggested food quantities to allow for changes in the Recommended Dietary Allowances result in almost no change in the costs of the plans on the average. Foods for men of all ages and girls aged 9-12 cost slightly less than before, and foods for women under age 55 cost slightly more. (See *Family Economics Review* (U.S. Department of Agriculture), October 1964.)

separate family types, but even with this restriction there was still much left to decide. There was no existing cross-tabulation showing family size by number of minor children, let alone by their age. And correspondingly little information was available on the age and sex of adults other than the family head and spouse. The Decennial Census of 1960 does include distributions of families with specified numbers of own children, by ages of youngest and oldest child.<sup>4</sup> For families with more than two children, ages were arbitrarily assigned to the intermediate children, and corresponding food costs for all of them computed from the food plan. Families with a given number of children, who in the original table were arrayed in order of age of youngest child by age of oldest child, were then rearranged in order of ascending cost of food for all their children.

The age constellation chosen for the budget prototype of families with a specified number of children marked the two-thirds point in the distribution of families arrayed by the estimated total food cost for the children. Because food requirements for children increase rapidly with advancing age and the food plan cost is already critically low, this protection was deemed necessary to ensure adequate allowance for growing youngsters. Children tended to be older in families with a female head than in families with a male head, and the larger the family the younger the average age of the children. The average costs as computed therefore vary accordingly.

For example, the per capita weekly food cost for all family members combined, after adjustment for family size, was \$6.00 per person for a 2-person family consisting of a man and a child; it was \$4.30 for a 6-person family of a mother and five children.

Since no data were available to indicate the age and sex of persons in the family other than the head and spouse and own children under age 18, arbitrary assumptions were made. Related children were considered the same as own children for computing food costs, but an additional estimating procedure was devised for other adults. The Decennial Census age and sex distributions of all persons in families classified by number of children were used to derive a composite that would be representative of adult relatives other

<sup>4</sup> Bureau of the Census, *U.S. Census of Population: 1960—Families*, Final Report, PC(2)-4A, 1963.

than the head or wife, and the most suitable individual food costs from the plan were weighted together accordingly.<sup>5</sup>

Generally speaking, in families with both a husband and wife present, the "other" adults tended to be younger than those in families headed by a woman.<sup>6</sup> Male heads tended to be younger than female heads of families of the same size, and the "extra" adults were also younger. Nearly half of all the persons aged 18 or over in the husband-wife families were sons or daughters aged 18-24; only a fifth of the adults in the families with a female head were sons or daughters in this age group.

The family still headed by a husband and wife, if it shares the home, is more likely to have a married child and his or her family living with them. The female head is more likely to be sharing the home with an older person—possibly a parent—or a subfamily consisting of a daughter and her children but no husband. To some extent the data may reflect the fact that a man in the house tends to be designated as the head regardless of age or relationship, but in a mother-daughter combination the mother may be reported as the head, whether in fact it is she who is living with the daughter or the other way around.

The data on family composition are summarized in tables A and B. (Lettered tables on pages 27-29.)

### Income-Food Expenditure Relationship

The food costs computed, the task of translating them into total income requirements still remained. It has long been accepted for individuals as for nations that the proportion of income allocated to the "necessaries," and in particular to food, is an indicator of economic well-being. A declining percentage has been associated with prosperity and higher income, and the rising percentage associated with lower income has been taken as an indicator of stringency.

The fact that larger households tend to spend a larger share of their income for food has not been so readily recognized as an indicator of eco-

<sup>5</sup> See Bureau of the Census, *U.S. Census of Population: 1960—Persons by Family Characteristics*, Final Report, PC(2)-4b, 1964.

<sup>6</sup> In deriving income standards for families with a male head and other adults, the first adult in addition to the head was considered a wife.

conomic pressure because of the assumed economy of scale. Yet, on the whole, larger families are less likely to have diets that satisfy the recommended allowances in essential nutrients. The dearth of data on expenditures of families classified by both size and income has made it difficult to assay the situation, and the fact that as families increase in size the age and sex distribution of the members changes too further obscures the picture.

In its 1955 study of household food consumption, the Department of Agriculture found that the diets of almost a fourth of the 2-person households but about half of the households with six or more members had less than the recommended amounts of calcium—a nutrient found mainly in milk products. Similarly, large households were twice as likely as small households to have diets lacking in ascorbic acid and two and a half times as likely to have diets short in protein. The latter situation is particularly striking because, though lack of protein is far less common in this country than deficiency in other nutrients, it is more telling: Diets too low in protein are more likely than other diets to have deficiencies in other essential nutrients also.<sup>7</sup>

It thus appears that what passes for “economy of scale” in the large family may in part reflect a lowering of dietary standards enforced by insufficient funds. Support for this thesis may be gained from the fact, illustrated later in this report, that families with large numbers of children do indeed have lower incomes than smaller families. Moreover, analysis of recent consumption data suggests that large families, given the opportunity, prefer to devote no larger a share of their income to food than do smaller families with the same per capita income.

The Agriculture Department evaluated family food consumption and dietary adequacy in a 1955 survey week and reported for all families of two or more—farm and nonfarm—an expenditure for food approximating one-third of money income after taxes.<sup>8</sup> Two-person nonfarm families used

<sup>7</sup> U.S. Department of Agriculture, Household Food Consumption Survey, 1955, *Dietary Evaluation of Food Used in Households in the United States*, Report No. 16, November 1961, and *Food Consumption and Dietary Levels of Households of Different Size, United States, by Region*, Report No. 17, January 1963.

<sup>8</sup> See U.S. Department of Agriculture, *Food Consumption and Dietary Levels of Households in the United States* (ARS626), August 1957.

about 27 percent of their income for food, and families with three or more persons about 35 percent. A later study made in 1960–61 by the Bureau of Labor Statistics found for urban families that nearly a fourth of the family’s income (after taxes) went for food. There is less variation by size of family than might have been anticipated, ranging between 22 percent and 28 percent, as the following figures indicate:

Family size	USDA 1955, nonfarm <sup>1</sup>		BLS 1960-61, urban <sup>2</sup>	
	Average per capita income	Percent spent for food	Average per capita income	Percent spent for food
1.....	( <sup>3</sup> )	( <sup>3</sup> )	\$2,967	23
2 or more, total.....	\$1,328	33	1,886	22
2.....	2,036	27	2,750	22
3.....	1,603	31	2,302	22
4.....	1,299	35	1,854	24
5.....	1,067	36	1,512	26
6.....	837	40	1,944	28
7 or more.....	616	46		

<sup>1</sup> Derived from U.S. Department of Agriculture, Food Consumption Survey, 1955, Report No. 1, December 1956.

<sup>2</sup> Derived from Bureau of Labor Statistics, *Consumer Expenditures and Income*, Supplement 3, Part A, to BLS Report No. 237-33, July 1964.

<sup>3</sup> Because of the housekeeping eligibility requirement for this study, the single individuals included are not representative of all persons living alone.

The data suggest that the declining income per person in the larger families may have been responsible for the different rate of spending as well as possibly more efficient utilization of food. Indeed, on more critical examination of the complete income-size distributions, it would appear that, given the same per capita income, the spending patterns appear to converge considerably (tables C and D). Urban families in 1960–61, for example, spending on the average approximately every third of their available dollars for food, are estimated to have had incomes of approximately \$1,000 per person when there were two in the family, \$900 when there were three, \$910 when there were four, \$915 for five, and \$800 for six or more.

Some of the difference in the results of the two studies cited may be attributed to differences in methodology. The questions employed by the Bureau of Labor Statistics to obtain the data on annual food outlays usually have yielded lower average expenditures than the more detailed item-by-item checklist of foods used in a week that serves as a questionnaire for the Agriculture Department. Moreover, since the Department studies are limited to families who have 10 or more meals at home during the survey week, they

leave out some high food spenders represented in the BLS figures. On the other hand, the decreases undoubtedly reflect in part the general improvement in real income achieved by the Nation as a whole in the 6 years elapsed between the two studies.

For the present analysis, the earlier relationship was adopted as the basis for defining poverty—that is, an income less than three times the cost of the economy food plan (or alternatively the low-cost plan)—for families of three or more persons. For families with two members the ratio of 27 percent observed in that study was applied partly because it is generally acknowledged that a straight per capita income measure does not allow for the relatively larger fixed costs that small households face. Moreover, the more recent consumption curves themselves indicate that the 1- or 2-person families, who as a group are less homogeneous in composition, seem to be “out of line” with larger families with respect to the spending pattern.

For 1-person units, for whom the consumption data are hard to interpret because of the heavy representation of aged individuals not shown separately, the income cutoff at the low-cost level was taken at 72 percent of the estimated \$2,480 for a couple, following BLS recent practice.<sup>9</sup> For the economy level, the income cutoff was assumed at 80 percent of the couple's requirement, on the premise that the lower the income the more difficult it would be for one person to cut expenses such as housing and utilities below the minimum for a couple.<sup>10</sup>

As stated earlier, for each family size several income points were developed in relation to the sex of the head and different combinations of adults and children. When weighted together in accordance with the distribution of families of these types in the current population (table F), they yield a set of assumed food expenditures and income that can be compared with the income of families of the same size who spend that amount per person for food, as estimated roughly from the 1960-61 consumption study.

<sup>9</sup> Willard Wirtz, statement in *Hearings Before the Ways and Means Committee, House of Representatives, Eighty-eighth Congress, on Medical Care for the Aged, November 18-22, 1963 and January 20-24, 1963.*

<sup>10</sup> See Mollie Orshansky, “Budget for an Elderly Couple,” *Social Security Bulletin*, December 1960.

Family size	SSA poverty index— economy level (nonfarm)		BLS 1960-61 average (urban) <sup>1</sup> — estimated income corresponding to economy food expenditure
	Per capita food expense	Income	
1.....	( <sup>2</sup> )	\$1,540	( <sup>2</sup> )
2.....	\$240	1,990	\$1,560
3.....	270	2,440	2,475
4.....	260	3,130	3,120
5.....	245	3,685	3,600
6.....	230	4,135	4,020
7 or more.....	210	5,090	( <sup>2</sup> )

<sup>1</sup> Derived from BLS Report 237-38, July 1964.

<sup>2</sup> Not estimated.

It may be mentioned that the low-cost food plan criterion, derived correspondingly, can be taken as a rough measure of the results that would obtain if the income-food ratios in the BLS study were accepted as the guideline and applied to the lower food standard. Inasmuch as the economy plan for many families requires roughly three-fourths as much to buy as does the low-cost plan, multiplying by three the purchase requirement in the low-cost food plan yields approximately the same income point as multiplying the economy-plan cost by four.

#### The Farm-Nonfarm Adjustment

One additional adjustment was made to allow in some degree for the lesser needs of farm families for cash income. Farm families today buy much of their food, in contrast to the situation 40 or 50 years ago when they depended almost entirely on their own production. Yet it was still true in 1955 that about 40 percent of the food items consumed by all farm families—valued at prices paid by any families who did buy them—came from their home farm or garden. On the other hand, the food purchased represented—as it did for nonfarm families—a third of total cash income for the year after deductions for operating expenses.<sup>11</sup>

Farm families generally can count not only some of their food but most of their housing as part of the farm operation. Thus, it was assumed that a farm family would need 40 percent less net

<sup>11</sup> See U.S. Department of Agriculture, *Household Food Consumption Survey, 1955, Food Production for Home Use by Households in the United States, by Region, Report No. 12, January 1958, and Farm Family Spending in the United States, Agriculture Information Bulletin No. 192, June 1958.*

cash than a nonfarm family of the same size and composition.

### The Resultant Standard

The poverty lines thus developed served to classify a representative Bureau of the Census population sample as of March 1964 for comparison of characteristics of poor and nonpoor units in terms of 1963 money income.<sup>12</sup> That is, for the farm and nonfarm population separately, unrelated individuals were classified by age and sex, and families by sex of head, total number of members, and number of related children under age 18. The income of each unit was then compared with the appropriate minimum. The households thus classified as poor and nonpoor were then analyzed for characteristics other than income.<sup>13</sup>

With the information on how the population is divided into units by size and number of children, it is possible to condense the 248 separate criteria into an abbreviated set for families of different size. As table E indicates, the income cutoff points in the economy food plan for nonfarm units would range from \$1,580 for a single person under age 65 to \$5,090 for a family averaging eight members—that is, seven or more persons. At the low-cost level, the corresponding income range runs from \$1,885 to \$6,395. A nonfarm family of husband, wife, and two young children would need \$3,100 or \$3,980.

When applied to the Census income distributions the cutoff points are being related to income before income taxes, although they were derived on an after-tax basis. At the economy level the incomes are so low that for most families of more than two persons and for aged unrelated individuals no tax would be required. By contrast, the

<sup>12</sup> An earlier analysis related to 1961 income, along the same lines but restricted to families with children, was reported in the *Bulletin* for July 1963. For that earlier estimate, since family income data were available only by number of own children, not crossed with total number of persons, it was necessary to make arbitrary assumptions about the additional relatives. The present figures, based on a more refined income grid and incorporating 1960 Census data not previously available on characteristics of families and persons, represent not only an updating but, it is hoped, a refinement.

<sup>13</sup> Acknowledgement is made of the helpful assistance of Bureau of the Census staff in the preparation of the special tabulations for this purpose.

BLS "modest but adequate" budget for a similar family of four in autumn 1959 in 20 large cities ranged from \$4,880 to \$5,870, not including taxes, and from \$5,370 to \$6,570 with taxes included.<sup>14</sup>

### HOW ADEQUATE IS THE STANDARD

The measure of poverty thus developed is arbitrary. Few could call it too high. Many might find it too low. Assuming the homemaker is a good manager and has the time and skill to shop wisely, she must prepare nutritious, palatable meals on a budget that for herself, a husband, and two young children—an average family—would come to about 70 cents a day per person.

For a meal all four of them ate together, she could spend on the average only 95 cents, and to stay within her budget she must allow no more a day than a pound of meat, poultry, or fish altogether, barely enough for one small serving for each family member at one of the three meals. Eggs could fill out her family fare only to a limited degree because the plan allows less than 2 dozen a week for all uses in cooking and at the table, not even one to a person a day. And any food extras, such as milk at school for the children, or the coffee her husband might buy to supplement the lunch he carries to work, have to come out of the same food money or compete with the limited funds available for rent, clothing, medical care, and all other expenses. Studies indicate that, on the average, family members eating a meal away from home spend twice as much as the homemaker would spend for preparing one for them at home. The 20-25 cents allowed for a meal at home in the economy plan would not buy much even in the way of supplementation.

There is some evidence that families with very low income, particularly large families, cut their food bills below the economy plan level—a level at which a nutritionally good diet, though possible, is hard to achieve. Indeed, a study of beneficiaries of old-age, survivors, and disability insurance—limited to 1- or 2-person families—found that only about 10 percent of those spending less than the low-cost plan (priced about a

<sup>14</sup> Helen H. Lamale and Margaret S. Stotz, "The Interim City Worker's Family Budget," *Monthly Labor Review*, August 1960.



third higher than the economy plan) had meals furnishing the full recommended amounts of essential nutrients. Not more than 40 percent had even as much as two-thirds the amounts recommended. Only when food expenditures were as high as those in the low-cost plan, or better, did 90 percent of the diets include two-thirds of the recommended allowance of the nutrients, and 60 percent meet them in full.<sup>15</sup> Few housewives with greater resources—income and other—than most poor families have at their disposal could do better. Many might not do as well.

### VARYING THE REFERENCE POINT

Much of the recent discussion of the poor has centered about an ad hoc definition adopted in 1963. Under this definition a family of two persons or more with income of less than \$3,000 and one person alone with less than \$1,500 were considered poor. At the time, a more refined poverty income test was believed to be desirable. The hope was expressed that, although the statistical magnitude of the problem would undoubtedly be altered by a different measure, "the analysis of the sources of poverty, and of the programs needed to cope with it, would remain substantially unchanged."<sup>16</sup> Since programs are selected on other than purely statistical considerations, this part of the statement is unchallenged. But at least the relative importance of various phases of the poverty question does depend on the criterion used.

The present analysis pivots about a standard of roughly \$3,130 for a family of four persons (all types combined) and \$1,540 for an unrelated individual—a level in itself not materially different from the earlier one. The standard assumes in addition that families with fewer than four persons will, on the average, require less and that larger families will need more, despite the fact that in actuality they do not always have incomes to correspond. The resulting count of the poor therefore includes fewer small families and more large ones, many of them with children. More-

<sup>15</sup> U.S. Department of Agriculture, *Food Consumption and Dietary Levels of Older Households in Rochester, New York*, by C. LeBovit and D. A. Baker (Home Economics Research Report No. 25), 1964.

<sup>16</sup> Council of Economic Advisors, *Annual Report 1964*, chapter 2.

over, the preceding standard treats farm and nonfarm families alike, but the one discussed here assumes a lower cash requirement for families receiving some food and housing without direct outlay, as part of a farming operation. Accordingly, farm families, despite their low cash income, have a somewhat smaller representation in the current count of the poor for 1963 than in the earlier statistic.

The gross number of the population counted as poor will reflect, in the main, the level of living used as the basis. In this respect the old definition and the present one are much alike: Twenty-eight and one-half million persons in families would be called poor today because their families have income less than \$3,000; 29¾ million persons in families would be poor because their family income is considered too low in relation to the number it must support. What is more telling, however, is the composition of the groups selected, for in considerable measure they are not the same.

To the extent that families differing in composition tend also to differ in income, the power of the poverty line to approximate an equivalent measure of need determines how accurately the selected group reflects the economic well-being of families of different composition. It may be that the consistency of the measure of economic well-being applied to different types of families is even more important than the level itself.

TABLE 1.—Persons in poverty status in 1963, by alternative definitions

Type of unit	[In millions]				Total U.S. population
	A <sup>1</sup>	B <sup>2</sup>	C <sup>3</sup>	D <sup>4</sup>	
Total number of persons.....	33.4	34.0	34.5	34.6	187.2
Farm.....	4.9	6.4	5.1	3.2	12.6
Nonfarm.....	28.5	27.6	29.3	31.4	174.6
Unrelated individuals.....	4.9	4.0	4.9	4.9	11.2
Farm.....	.2	1.4	.2	.1	.4
Nonfarm.....	4.7	2.6	4.7	4.8	10.8
Members of family units.....	28.5	30.0	29.6	29.7	176.0
Farm.....	4.7	5.0	4.9	3.1	12.2
Nonfarm.....	23.8	25.0	24.6	26.6	163.8
Children under age 18.....	10.8	15.7	14.1	15.0	68.8
Farm.....	1.8	2.4	2.1	1.5	4.8
Nonfarm.....	9.0	13.3	12.0	13.5	64.0

<sup>1</sup> Under \$3,000 for family; under \$1,500 for unrelated individuals (interim measure used by Council of Economic Advisors).

<sup>2</sup> Level below which no income tax is required, beginning in 1965.

<sup>3</sup> \$1,500 for first person plus \$500 for each additional person, up to \$4,500. See testimony by Walter Heller on the Economic Opportunity Act, *Hearings Before the Subcommittee on the War on Poverty Program of the Committee on Education and Labor, House of Representatives, Eighty-eighth Congress, Second Session, Part 1*, page 30.

<sup>4</sup> Economy level of the poverty index developed by the Social Security Administration, by family size and farm-nonfarm residence, centering around \$3,100 for 4 persons.

<sup>5</sup> Estimated; income-tax cutoff is \$900; Census 1963 income data available only for total less than \$1,000; this figure has been broken into less than \$500 and \$500-999 on basis of 1962 proportions.

Though one may question the merits of a food-income relationship alone as a poverty index, it

TABLE 2.—Incidence of poverty by two measures: Families with 1963 incomes below \$3,000 and below the economy level of the SSA poverty index, by specified characteristics

[Numbers in millions]

Characteristic	Total number of families	Poor—with incomes under \$3,000 <sup>1</sup>		Poor—with incomes below economy level <sup>2</sup>		
		Number	Percent of total	Number	Percent of total	Percentage distribution of all poor families
All families.....	47.4	6.8	10	7.2	15	100
Residence:						
Farm.....	3.1	1.3	43	.7	23	10
Nonfarm.....	44.3	7.5	17	6.5	15	90
Race of head:						
White.....	42.7	6.8	16	5.2	12	72
Nonwhite.....	4.7	2.0	43	2.0	42	28
Age of head:						
14-24.....	2.7	.8	30	.7	26	10
25-64.....	30.6	3.6	12	4.0	13	54
65 and over.....	7.4	1.8	24	1.0	13	14
65 and over.....	6.7	3.1	46	1.5	24	22
Type of family:						
Husband-wife.....	41.3	6.2	15	5.0	12	70
Wife in paid labor force.....	13.4	1.0	8	.9	7	13
Wife not in paid labor force.....	27.9	5.2	19	4.1	15	57
Other male head.....	1.2	.3	23	.2	17	3
Female head.....	4.9	2.3	47	2.0	40	27
Number of persons in family:						
2.....	15.3	4.6	30	2.5	16	34
3.....	9.3	1.5	16	1.0	11	14
4.....	9.4	1.0	10	1.0	10	14
5.....	6.3	.7	11	.9	14	13
6.....	3.5	.4	12	.6	19	9
7 or more.....	3.3	.6	18	1.2	35	16
Number of related children under age 18:						
None.....	19.1	4.7	25	2.4	13	34
1.....	8.7	1.4	16	1.1	12	15
2.....	8.6	1.0	11	1.0	11	13
3.....	5.5	.7	14	1.0	17	14
4.....	2.9	.4	15	.6	23	9
5.....	1.4	.3	18	.5	36	7
6.....	1.2	.3	30	.6	49	8
Number of earners:						
None.....	3.7	2.8	76	2.0	53	27
1.....	20.8	3.9	19	3.3	16	46
2.....	17.3	1.8	10	1.5	9	21
3 or more.....	5.6	.3	6	.4	7	6
Employment status and occupation of head:						
Not in labor force <sup>3</sup> .....	8.8	4.3	49	3.0	34	42
Unemployed.....	1.4	.4	28	.4	28	6
Employed.....	37.2	4.1	11	3.7	10	52
Professional, technical, and kindred workers.....	4.7	.1	3	.1	3	2
Farmers and farm managers.....	1.8	.9	48	.5	29	8
Managers, officials, and proprietors (except farm).....	6.0	.4	6	.3	5	4
Clerical, sales, and kindred workers.....	4.9	.2	6	.2	4	3
Craftsmen, operatives, and kindred workers.....	14.5	1.1	8	1.2	8	17
Service workers, including private household.....	3.0	.7	23	.6	20	8
Laborers (except mine).....	2.3	.7	33	.7	30	10
Work experience of head in 1963: <sup>4</sup>						
Worked in 1963.....	40.7	5.1	13	4.6	11	64
Worked at full-time jobs.....	37.0	3.8	10	3.6	10	50
50-52 weeks.....	30.7	2.1	7	2.0	7	23
Worked at part-time jobs.....	2.8	1.4	49	1.0	36	14
Did not work in 1963.....	6.7	3.7	54	2.6	38	36

<sup>1</sup> Prepared by the Bureau of the Census from P-60, No. 43, *Income of Families and Persons in the U.S., 1963*.

<sup>2</sup> Derived from special tabulations by the Bureau of the Census for the Social Security Administration. For definition of poverty criteria, see text.

<sup>3</sup> Includes approximately 900,000 family heads in the Armed Forces, of whom about 100,000 have incomes under \$3,000.

<sup>4</sup> All work-experience data, including data for year-round, full-time workers, limited to civilian workers.

probably does serve as an interim guide to equivalent levels of living among families in different situations. Additional variables could improve it, as, for example, allowance for geographic variables of community size and region, and indeed further study of the income-consumption patterns themselves. Even as it stands, however, this index is undoubtedly a better leveler than a single income applied across the board.

As a comparison of four different measures of poverty illustrates (table 1), the flat sum of \$3,000 for a family and \$1,500 for an individual would indicate that 33.4 million persons were living in poverty in 1963. One in 7 of them would be a farm resident, and 1 in 3 a child under age 18. The modification of this scale to allow \$1,500 for the first person and \$500 for every additional family member raises the number of the poor to 34.5 million, and the percent who are children to more than 40, but the ratio of 1 in 7 on a farm remains unchanged. Under the economy plan definition, the most complex and differentiated of

TABLE 3.—Incidence of poverty by two measures: Unrelated individuals with 1963 incomes below \$1,500 and below the economy level of the SSA poverty index, by specified characteristics

[Numbers in millions]

Characteristic	Total number	Poor—with incomes under \$1,500 <sup>1</sup>		Poor—with incomes below economy level <sup>2</sup>		
		Number	Percent of total	Number	Percent of total	Percentage distribution of all poor unrelated individuals
All unrelated individuals.....	11.2	4.9	44	4.9	44	100
Residence:						
Nonfarm.....	10.8	4.7	43	4.7	44	97
Farm.....	.4	.2	67	.2	40	3
Race:						
White.....	9.7	4.1	42	4.1	42	83
Nonwhite.....	1.5	.8	56	.8	58	17
Age:						
14-24.....	1.0	.5	47	.5	46	10
25-64.....	5.9	1.8	31	1.9	56	38
65 and over.....	4.3	2.6	62	2.5	59	52
Sex:						
Male.....	4.3	1.4	33	1.4	34	30
Female.....	6.9	3.5	51	3.5	50	70
Earners status:						
Earner.....	7.0	1.8	26	1.8	26	37
Nonearner.....	4.2	3.1	75	3.1	74	63
Work experience in 1963: <sup>3</sup>						
Worked in 1963.....	6.7	1.8	26	1.8	26	36
Worked at full-time jobs.....	5.5	1.1	20	1.2	21	23
50-52 weeks.....	3.7	.5	12	.5	13	19
Worked at part-time jobs.....	1.2	.7	55	.6	54	13
Did not work in 1963.....	4.5	3.1	72	3.9	80	64

<sup>1</sup> Prepared by Bureau of the Census from P-60, No. 43, *Income of Families and Persons in the U.S., 1963*.

<sup>2</sup> Derived from special tabulations by the Bureau of the Census for the Social Security Administration. For definition of poverty criteria, see text.

<sup>3</sup> All work-experience data, including data for year-round, full-time workers, limited to civilian workers.

the standards compared, there are 34.6 million poor—almost the same number as under the \$500 per person modification of the single \$3,000 standard—but the number of poor children, who now represent 43 percent of the population living in poverty, is 1 million greater. As would be expected, the proportion of the poor who live on farms is considerably lower, or only 1 in 11.

Of particular significance is the incidence of poverty among different kinds of families. The uniform \$3,000 test, which designated 9.3 million families as poor in 1962, by 1963 counted 8.8 million, or about 1 out of 5. By contrast, in 1963 the economy plan standard would tag only 1 in 7 families as poor, or 7.2 million all told. Although half the families poor by the \$3,000 income test include no more than two members, 2-person units represent only a third of the families poor according to the economy level definition. In corresponding fashion, only 1 in 8 of the families with less than \$3,000 had four or more children, but among those poor according to the economy level every fourth family had at least four children. Families with an aged head represented more than a third of all the families with less than \$3,000 but only a fifth of those with incomes below the economy plan standard (table 2).

Clearly a profile of the poor that includes large numbers of farm families and aged couples may raise different questions and evoke different answers than when the group is characterized by relatively more young nonfarm families—many of them with several children. Nonwhite families, generally larger than white families, account for about 2 million of the poor units by either defini-

TABLE 5.—Income and family size: Median money income of nonfarm families, 1963, by number of members, number of children, and sex of head

Number of family members	Total	Number of related children under age 18						
		None	1	2	3	4	5 or more	
Male head								
Total.....	\$6,745	\$6,045	\$6,960	\$7,290	\$7,095	\$7,080	\$6,590	\$5,765
2.....	5,400	5,415	(1)	-----	-----	-----	-----	-----
3.....	6,901	8,260	6,450	(1)	-----	-----	-----	-----
4.....	7,490	11,410	8,810	7,000	(1)	-----	-----	-----
5.....	7,390	12,570	9,640	8,680	6,900	(1)	-----	-----
6.....	7,390	(1)	(1)	9,860	8,365	6,865	(1)	-----
7 or more.....	6,870	(1)	(1)	(1)	10,770	8,430	6,590	5,765
Female head								
Total.....	\$3,245	\$4,585	\$3,080	\$2,940	\$2,160	\$2,260	\$1,660	\$2,230
2.....	3,340	3,955	2,115	-----	-----	-----	-----	-----
3.....	3,885	6,480	4,225	2,335	-----	-----	-----	-----
4.....	3,151	(1)	6,000	3,230	1,940	-----	-----	-----
5.....	2,625	(1)	(1)	(1)	(1)	2,050	-----	-----
6.....	2,120	(1)	-----	(1)	(1)	(1)	1,575	-----
7 or more.....	2,575	-----	-----	(1)	(1)	(1)	(1)	2,230

<sup>1</sup> Not shown for fewer than 100,000 families.

<sup>2</sup> Base between 100,000 and 200,000.

tion. Because the total number of families counted among the poor by the economy standard is smaller, however, the nonwhite families make up a larger part of them.

Because the measure of poverty for nonfarm unrelated individuals is almost the same under the economy level definition as under the earlier one—and 1-person households seldom live on a farm—characteristics of the 4.9 million unrelated persons now labeled poor are almost the same as those thus identified earlier (table 3).

## THE INCOME DEFICIT

Before elaborating further on who is poor and who is not, it may be well to assess the magnitude of the poverty complex in dollar terms. Just how much less than the aggregate estimated need is the actual income of the poor? Does it fall short by much or by little?

In the very rough terms that the selected income standard permits, it can be estimated that the 34.6 million persons identified as poor needed an aggregate money income of \$28.8 billion in 1963 to cover their basic requirements. Their current income actually totaled about \$17.3 billion, or only 60 percent of their estimated needs. Some of the deficit could have been—and no doubt was—offset by use of savings. By and large, how-

TABLE 4.—Income deficit of families and unrelated individuals below the economy level of the SSA poverty index, 1963<sup>1</sup>

Type of unit	Dollar deficit (in billions)			Percentage distribution		
	Total	Male head	Female head	Total	Male head	Female head
Total.....	\$11.5	\$6.4	\$5.1	100.0	56.1	43.9
Unrelated individuals.....	3.1	1.0	2.1	27.2	8.5	18.7
Families with 2 or more members.....	8.4	5.4	3.0	72.8	47.6	25.2
With no children under age 18.....	1.8	1.4	.4	15.1	12.4	2.7
With children under age 18.....	6.6	4.0	2.6	57.7	35.2	22.5
1.....	1.0	.6	.4	8.5	4.9	3.6
2.....	1.0	.6	.4	8.9	5.2	3.7
3.....	1.3	.7	.6	11.7	6.2	5.5
4.....	1.0	.6	.4	9.1	5.8	3.3
5.....	1.0	.6	.3	8.5	5.6	2.9
6 or more.....	1.3	.9	.4	11.0	7.5	3.5

<sup>1</sup> For definition of poverty criteria, see text.

ever, it has been well documented that the low-income persons who could benefit most from such additions to their meager resources are least likely to have the advantage of them. And it is not usually the poor who have the rich relatives.

Unquestionably the income of the poor included the \$4.7 billion paid under public assistance programs from Federal, State, and local funds during 1963. In December of that year such payments were going to a total of 7¾ million recipients. Not all persons who are poor receive assistance, but all persons receiving assistance are unquestionably poor. It cannot be said for sure how many of the poor were benefiting from other public income-support programs such as old-age, survivors, and disability insurance, unemployment insurance, veterans' payments, and the like.

Of the total deficit, about \$5 billion represented

TABLE 6.—Persons in poverty in 1963: Total number of persons in units with income below the economy level of the SSA poverty index, by sex of head and farm-nonfarm residence <sup>1</sup>

Type of unit	[In millions]				
	Total	Sex of head		Residence	
		Male	Female	Farm	Non-farm
	Number of persons				
Total.....	34.6	23.5	11.1	3.2	31.4
Unrelated individuals.....	4.9	1.4	3.5	.1	4.8
Under age 65.....	2.4	.9	1.4	.1	2.3
Aged 65 or over.....	2.5	.5	2.1	( <sup>2</sup> )	2.5
Persons in families.....	29.7	22.1	7.6	3.1	26.6
With no children.....	5.3	4.4	.9	.6	4.7
With children.....	24.4	17.7	6.7	2.5	21.9
Adults.....	9.4	7.3	2.1	1.0	8.4
Children under age 18.....	15.0	10.4	4.6	1.5	13.5
Head year-round, full-time worker <sup>3</sup> .....	5.7	5.2	.5	( <sup>4</sup> )	( <sup>4</sup> )
Other.....	9.3	5.2	4.1	( <sup>4</sup> )	( <sup>4</sup> )
	Number of family units				
Total.....	12.1	6.7	5.4	0.9	11.2
Unrelated individuals.....	4.9	1.4	3.5	.2	4.7
Year-round, full-time workers.....	.5	.2	.3	( <sup>2</sup> )	( <sup>2</sup> )
Under age 65.....	.4	.2	.2	( <sup>2</sup> )	( <sup>2</sup> )
Aged 65 or over.....	.1	.2	.1	( <sup>2</sup> )	( <sup>2</sup> )
Other.....	4.4	1.2	3.2	( <sup>2</sup> )	( <sup>2</sup> )
Under age 65.....	1.9	.7	1.2	( <sup>2</sup> )	( <sup>2</sup> )
Aged 65 or over.....	2.5	.5	2.0	( <sup>2</sup> )	( <sup>2</sup> )
Families.....	7.2	5.2	2.0	.7	6.5
With no children.....	2.5	2.1	.4	.3	2.2
Head year-round, full-time worker <sup>3</sup> .....	.4	.4	( <sup>2</sup> )	( <sup>2</sup> )	( <sup>2</sup> )
Other.....	2.1	1.7	.4	( <sup>2</sup> )	( <sup>2</sup> )
With children.....	4.7	3.2	1.5	.4	4.3
Head year-round, full-time worker <sup>3</sup> .....	1.6	1.5	.1	( <sup>2</sup> )	( <sup>2</sup> )
Other.....	3.1	1.7	1.4	( <sup>2</sup> )	( <sup>2</sup> )

<sup>1</sup> For definition of poverty criteria, see text.

<sup>2</sup> Less than 50,000.

<sup>3</sup> One who worked primarily at full-time civilian jobs (35 hours or more a week) for 50 weeks or more during 1963. Year-round, full-time workers exclude all members of the Armed Forces. "Other" workers include members of the Armed Forces living off post or with their families on post.

<sup>4</sup> Not available.

the unmet needs of families headed by a woman. About three-fifths of the total (\$6.6 billion) represented the shortage in income of families with children under age 18 and about 60 percent of this shortage was in the income of families with a man at the head (table 4). It is estimated that \$600 million represented the deficit of poor persons on farms.

Even among the needy, there are some who are worse off than others, and in dollar terms the families consisting of a mother and young children must rank among the poorest. Such families as a group had less than half the money they needed, and the greater the number of children the greater the unmet need: Poor families with a female head and five or more children, including altogether about 1,650,000 children, as a group were living on income less by 59 percent than their minimum requirement. Of the total family units of this type in the population—that is, of all families with female head and five or more children—9 out of 10 were poor. As the following tabulation shows, for both male and female units, those families with the highest poverty rate—the families with several children—tended also to include the poorest poor.

Type of unit	[Percent]			
	Male head		Female head	
	Incidence of poverty at economy level	Income of poor as proportion of required income	Incidence of poverty at economy level	Income of poor as proportion of required income
Total.....	14	64	46	53
Unrelated individual.....	34	57	50	58
Family.....	12	65	40	40
With no children.....	12	64	19	62
With children.....	12	65	55	47
1 or 2.....	8	68	42	53
3 or 4.....	14	66	72	45
5 or more.....	36	62	92	41

For unrelated individuals, among whom are many aged persons, poverty rates are high too, and their income deficits substantial (table 7).

### CHILDREN AND POVERTY

Of all the persons in family units with income below the economy level (that is, disregarding for the moment persons living alone), half were children under age 18. These 15 million youngsters represented more than 1 in 5 of all children living

TABLE 7.—The poverty matrix: Number of families and unrelated individuals (and total number of persons) below the economy level of the SSA poverty index,<sup>1</sup> by sex of head, number of children, and work experience of head in 1963

[Numbers in thousands]

Type of unit	U.S. population		The poor						
	Number of units	Percent	Units				Number of persons		
			Number	Percent	Poverty rate (percent)	Head year-round full-time worker <sup>2</sup>	Other head	Total	Children
All units.....	58,620	100.0	12,100	100.0	21	2,510	9,590	34,580	14,970
Unrelated individuals, total.....	11,180	19.1	4,890	40.4	44	430	4,410	4,890	.....
Under age 65.....	6,910	11.8	2,360	19.5	34	400	1,960	2,360	.....
Aged 65 or over.....	4,270	7.3	2,540	21.0	50	90	2,480	2,540	.....
Families, total.....	47,440	80.9	7,210	59.6	15	2,030	5,180	29,690	14,970
With no children.....	19,120	32.6	2,460	20.3	13	370	2,080	5,340	.....
With children.....	28,320	48.3	4,750	39.3	17	1,660	3,090	24,340	14,970
1.....	8,680	14.8	1,050	8.6	12	270	780	3,060	1,050
2.....	8,580	14.6	980	8.1	11	320	660	3,830	1,950
3.....	5,550	9.5	960	7.9	17	340	620	4,770	2,680
4.....	2,860	4.9	650	5.4	22	290	360	3,960	2,600
5.....	1,430	2.4	520	4.3	36	200	310	3,910	2,580
6 or more.....	1,210	2.1	600	5.0	49	240	370	4,810	3,910
Units with male head.....	46,830	79.9	6,670	55.1	14	2,090	4,580	23,500	10,420
Unrelated individuals.....	4,280	7.3	1,440	11.9	34	240	1,200	1,440	.....
Under age 65.....	3,110	5.3	940	7.8	30	220	720	940	.....
Aged 65 or over.....	1,170	2.0	500	4.2	43	20	480	500	.....
Families.....	42,550	72.6	5,220	43.2	12	1,850	3,370	22,060	10,420
With no children.....	17,070	29.1	2,040	16.9	12	350	1,890	4,400	.....
With children.....	25,480	43.5	3,180	26.3	12	1,500	1,680	17,660	10,420
1.....	7,650	13.0	650	5.4	9	240	420	2,180	650
2.....	7,830	13.4	620	5.1	8	280	340	2,630	1,230
3.....	5,070	8.6	620	5.2	12	300	320	3,280	1,870
4.....	2,600	4.4	460	3.8	18	270	180	2,820	1,820
5.....	1,280	2.2	380	3.2	30	180	260	3,070	1,820
6 or more.....	1,050	1.8	450	3.7	43	220	220	3,590	2,920
Units with female head.....	11,790	20.1	5,430	44.9	46	410	5,020	11,080	4,540
Unrelated individuals.....	6,910	11.8	3,450	28.5	50	240	3,210	3,450	.....
Under age 65.....	3,800	6.5	1,410	11.7	37	180	1,240	1,410	.....
Aged 65 or over.....	3,110	5.3	2,030	16.8	65	60	1,970	2,030	.....
Families.....	4,880	8.3	1,980	16.4	41	180	1,800	7,630	4,540
With no children.....	2,050	3.5	420	3.4	19	20	390	940	.....
With children.....	2,830	4.8	1,570	13.0	55	160	1,410	6,690	4,540
1.....	1,030	1.8	390	3.3	28	30	360	910	390
2.....	750	1.2	360	3.0	48	40	320	1,210	720
3.....	490	.8	340	2.8	70	40	300	1,490	1,010
4.....	260	.4	190	1.6	74	20	170	1,040	770
5.....	140	.2	130	1.1	91	20	110	840	660
6 or more.....	160	.3	150	1.3	93	10	140	1,220	990

<sup>1</sup> For definition of poverty criteria, see text.<sup>2</sup> See footnote 3, table 6.

in families. Because poor families sometimes find it necessary to "double up" in order to cut down their living expenses, about 9 percent of the children in the poor families were designated as "related" rather than "own" children. In other words, they were not the children of the head of the family but the children of other relatives making their home with the family. Among the poor families with a woman at the head, one-seventh of the children were "related" rather than "own," and nearly a third of these related children were part of a subfamily consisting of a mother and children. Among poor families with a male head, 6 percent of the children in the households were children of a relative of the head.

A considerable number of subfamilies that include children are poor—a third of those with a father present and nearly three-fourths of those

with only a mother. But from 50 percent to 60 percent of all subfamilies with inadequate income manage to escape poverty by living with relatives. Counting as poor the children in subfamilies whose own income is inadequate but who live as part of a larger family with a combined income above the poverty level would add 580,000 to the number of children whose parents are too poor to support them even at the economy level. Together with their parents, these children are part of a group of 1.1 million persons under age 65 not included in the current count of the poor, although they would be if they had to rely solely on their own income.

In contrast to this total of 15.6 million needy children, in December 1963 only 3.1 million children were receiving assistance in the form of aid to families with dependent children, the public

program designed especially for them. Because some families stay on the assistance rolls less than a full year, 4 million to 4½ million children received aid during 1963.

Many children receive benefits from other public programs, such as old-age, survivors, and disability insurance and veterans' programs. It is not known at this writing how many of them are numbered among the poor or how many are in families with total income from all sources below the public assistance standards for their State.

Children in poor families with a man at the head are less likely than others to receive help. Such children number more than 10 million, but today the number of children with a father in the home who receive assistance in the form of aid to families with dependent children is less than 1 million, a ratio of not even 1 in 10.

Many of the families with children receiving public assistance undoubtedly swell the ranks of our poorest poor, because even by the limited standards of assistance of their own States—almost all of which allow less than the economy level of income—nearly half of the recipients have some unmet need. For a fourth of the families, according to a recent study, the unmet need came to much as \$30 a month or more.<sup>17</sup>

As would be expected—the larger the family, the more likely it is to include children. Indeed, among families of five or more, almost all have some children, and three-fourths have at least three (table F). The fewer adults in the family, the less opportunity there will be for additional earnings.

The statistics on family income that are generally available do not show detail by both family size and number of children. The figures presented in table 5 do show such data for 1963 for nonfarm families. It is readily apparent that no matter what the family size, the income decreases with increasing number of children at a rate that is not likely to be offset by the fact that children have lower income needs.

Accordingly not only do poverty rates among families vary with family size, but among families of a given size the chances of being poor vary in accordance with the number of children under

age 18. The percentages below show the incidence of poverty—as defined by the Social Security Administration criterion at the economy level—among nonfarm families with specified number of children.

Total number of family members	Children under age 18						
	None	1	2	3	4	5	6 or more
Families with male head:							
3.....	6	8	( <sup>1</sup> )				
4.....	3	6	7	( <sup>1</sup> )			
5.....	2	9	9	11	( <sup>1</sup> )		
6.....	( <sup>1</sup> )	( <sup>1</sup> )	4	14	16	( <sup>1</sup> )	
7 or more.....	( <sup>1</sup> )	( <sup>1</sup> )	( <sup>1</sup> )	10	22	30	42
Families with female head:							
2 <sup>2</sup> .....	14	47					
3.....	9	21	54				
4.....	( <sup>1</sup> )	18	43	73			

<sup>1</sup> Percentage not shown for base less than 100,000.

<sup>2</sup> Head under age 65.

The sorry plight of the families with a female head and children is also evident. It needs no poverty line to explain why two-thirds of the children in such families must be considered poor.

An earlier report cited evidence that women in families without a husband present had more children than in those where the husband was still present.<sup>18</sup> Some of the poor families with children and a female head may well, at an earlier stage, have been members of a large household with a male head and inadequate income.

Finally, since the data both on income and on incidence of poverty relate to the number now in the family, there is an understatement of the relationship between large families and low income: Some of the families currently listed as having only one or two children undoubtedly will have more in the future or have others who are now past age 18 and may no longer be in the home. It is not likely that family income adjusts in equal measure. If anything, it may decline rather than increase as the family grows because it will be more difficult for the mother to work, and many of the families can escape poverty only by having the wife as well as the head in the labor force (table 8).

## AGE AND POVERTY

The figures in table 6 summarize the number of individuals and family units judged to be in pov-

<sup>17</sup> Gerald Kahn and Ellen J. Perkins, "Families Receiving AFDC: What Do They Have To Live On?" *Welfare in Review* (Welfare Administration), October 1964.

<sup>18</sup> See Mollie Orshansky, "Children of the Poor," *Social Security Bulletin*, July 1963.

erty status in accordance with the economy level.

The total number of aged persons among the 34.6 million poor is about 5.2 million, or 1 in 7. A later BULLETIN article will present additional detail, with information on those who are perhaps the poorest of the aged—elderly relatives living in the home of a younger family. Such elderly persons living in a family of which they were neither the head nor the wife of the head in March 1964 numbered about 2.5 million. There probably were a variety of reasons for their choice of living arrangements, but that financial stringency was a major factor is obvious: four-fifths of these elderly relatives had less than \$1,500 in income of their own during 1963, the minimum required for an aged person to live alone. The vast majority of elderly persons designated as "other relatives" were living in a family with income above the poverty level.

Every second person living alone (or with non-relatives) and classified as poor was aged 65 or older, and four-fifths of the aged poor were women. The low resources generally prevailing among this group mean that those who, by choice or necessity, live independently are likely to do so only at the most meager level, even if allowance is made for their using up any savings.<sup>19</sup>

The present analysis indicates that more than 40 percent of all aged men and nearly two-thirds of the aged women living by themselves in 1963 had income below the economy level. Only 1 in 4 of the aged women living alone had income above the low-cost level.

In summary, if to the 2.5 million aged persons living alone in poverty and the 2.7 million living in poor families as aged head, spouse, or relative are added the 1.7 million aged relatives too poor to get by on their own, but not included in the current count of the poor because the families they live with are above the economy level of the poverty index, the number of impoverished aged would rise to almost 7 million. Two-fifths of the population aged 65 or older (not in institutions) are thus presently subject to poverty, or escaping it only by virtue of living with more fortunate relatives.

Among poor individuals under age 65, poverty

<sup>19</sup> See Lenore A. Epstein, "Income of the Aged in 1962: First Findings of the 1963 Survey of the Aged," *Social Security Bulletin*, March 1964, and Janet Murray, "Potential Income From Assets . . .," *Social Security Bulletin*, December 1964.

for some undoubtedly represented only a stage through which they were passing. The poverty rate was high among persons under age 25, half having incomes below the economy level, and dropped to about 1 in 4 for those aged 25-34 (table 8).

Among 2-person families, 16 percent of whom were poor by the economy level criterion, there was also a difference between the situation of those units approaching the last stage in the family cycle and those who were younger. Of all 2-person units, a third had a head aged 65 or older, but of those 2-person units called poor, half had an aged head. Presumably, some of the other units who were currently poor represented young couples who had decided not to delay marriage until they attained the better job status—and income—that they one day hoped to enjoy. But others consisted of a mother with a child, who were suffering the poverty that is likely to be the lot of the family with no man to provide support. The following figures show the rates of poverty, according to the economy level, among the different types of 2-person families.

Family type	Male head		Female head	
	Total number of units (in thousands)	Percent poor	Total number of units (in thousands)	Percent poor
Two adults.....	13,026	14	1,557	22
Head under age 65.....	8,769	10	876	14
Head aged 65 or older.....	4,257	22	681	32
One adult, one child.....	87	( <sup>1</sup> )	618	50

<sup>1</sup> Percentage not shown for base less than 100,000.

## WORK AND POVERTY

The greater overall vulnerability of families headed by a woman is evidenced by the fact that such families, who number only 1 in 10 of all families in the country, account for nearly 1 in 3 of the Nation's poor. Although the inadequate income of the poor families with a female head may be attributed to the fact that few of the family heads are employed, this is not the reason among the families headed by a man. A majority of the men are working, but at jobs that do not pay enough to provide for their family needs. Moreover, of those not at work, most report themselves as out of the labor force altogether rather than unemployed. Yet the rate of unemployment

reported by the poor was more than three times that among the heads of families above the poverty level (tables 8 and 9).

**Current Employment Status**

The employment status of the family heads in March 1964, when the income data were collected, was recorded as shown in the following tabulation.

Employment status of head, March 1964	Male head		Female head	
	Poor family	Nonpoor family	Poor family	Nonpoor family
Total.....	100	100	100	100
In labor force.....	67	88	33	60
Employed.....	60	85	29	57
Unemployed.....	6	3	4	3
Not in labor force.....	33	12	67	40

Detailed analysis of the data for white and nonwhite families will be reserved for a subsequent report, but some highlights seem pertinent here.

Despite the fact that unemployment generally is more prevalent among the nonwhite population than the white, among families whose income marked them as poor there was no difference by race in the total proportion of the men currently looking for work. Among white and nonwhite male heads alike, 6 percent said they were out of a job. Indeed, since fewer among the white heads of families who are poor were in the labor force than was true among nonwhite heads of poor families, the rate of unemployment among those actually available for work was noticeably higher for the former group. What is more significant is that 73 percent of the nonwhite male heads of poor families were currently employed, and more than half of them—42 percent of all the poor—had been employed full time throughout 1963. Among male heads in white families with incomes below the economy level, only 56 percent were currently working, and no more than a third had been year-round full-time workers in 1963.

Unemployment for nonwhite workers is undeniably serious. But the concentration of nonwhite men in low-paying jobs at which any worker—white or nonwhite—is apt to earn too little to support a large family may be even more crucial in consigning their families to poverty at

a rate three times that of their white fellow citizens.

In point of fact, the family of a nonwhite male is somewhat worse off in relation to that of a white male when both are working than when both are not, as the following figures suggest.

Employment status of head, March 1964	Percent of families with male head with income below the economy level	
	White	Nonwhite
All families.....	10	34
Not in labor force.....	25	50
Unemployed.....	22	47
Employed.....	7	31
Year-round, full-time in 1963.....	5	23

This difference does not come as a complete surprise. Earlier analysis of the income life cycle of the nonwhite man suggested that it is only when he and his white counterpart exchange their weekly pay envelope for a check from a public income-maintenance program that they begin to approach economic equality.<sup>20</sup> For most white families, retirement or other type of withdrawal from the labor force brings with it a marked decline in income. Some nonwhite families, however, are then actually not much worse off than when working.

**Work Experience in 1963**

Since it was the annual income for 1963 that determined whether the family would be ranked as poor, the work experience of the head in 1963 is even more relevant to the poverty profile than the employment status at the time of the Current Population Survey.

Among the male heads, only 1 in 3 of those in poor families was a full-time worker all during the year, compared with 3 in 4 of the heads in nonpoor families. Among the female heads, as would be expected, the proportion working full time was much smaller—a tenth among poor families and not a full four-tenths among the nonpoor. All told, the poor families headed by a man fully employed throughout 1963 included 5.2 million children under age 18 and those headed by a fully employed woman worker had half a million. Thus 2 in 5 of all the children growing up in poverty

<sup>20</sup> Mollie Orshansky, "The Aged Negro and His Income," *Social Security Bulletin*, February 1964.





**TABLE 8.—Incidence of poverty in 1963, according to the SSA poverty index: Percent of families and unrelated individuals with 1963 income below specified level,<sup>1</sup> by specified characteristics and race of head—Continued**

[Numbers in thousands; data are estimates derived from a sample survey of households and are therefore subject to sampling variability that may be relatively large where the size of the percentage or size of the total on which the percentage is based is small; as in all surveys, the figures are subject to errors of response and nonreporting]

Characteristic	All units			White			Nonwhite		
	Total number	Percent with incomes below—		Total number	Percent with incomes below—		Total number	Percent with incomes below—	
		Economy level	Low-cost level		Economy level	Low-cost level		Economy level	Low-cost level
Unrelated individuals									
Total.....	11,182	43.9	49.8	9,719	41.8	48.0	1,463	57.5	61.7
Residence:									
Nonfarm.....	10,820	44.0	49.8	9,379	42.0	48.0	1,441	57.4	61.7
Farm.....	362	40.4	49.3	340	38.6	48.0	22	( <sup>1</sup> )	( <sup>1</sup> )
Race:									
White.....	9,719	41.8	48.0						
Nonwhite.....	1,463	57.6	61.8						
Age:									
14-24.....	989	47.6	49.9	873	45.5	47.6	116	<sup>2</sup> 62.5	<sup>2</sup> 65.9
25-34.....	985	26.3	28.6	792	23.3	25.2	203	38.7	42.7
35-44.....	1,000	23.6	25.4	785	19.9	21.8	215	37.1	39.6
45-54.....	1,575	30.5	35.3	1,308	25.9	30.2	267	52.0	59.5
55-64.....	2,352	39.3	43.4	2,024	34.9	39.3	308	67.8	70.4
65 and over.....	4,291	59.3	69.2	3,937	58.0	68.3	354	73.8	78.3
Sex:									
Male.....	4,275	33.7	39.4	3,591	31.3	37.3	684	46.1	50.0
Female.....	6,907	50.3	56.3	6,128	48.1	54.3	779	67.6	72.1
Region:									
Northeast.....	3,119	42.1	47.7	2,778	41.8	47.8	341	44.1	46.5
North Central.....	2,974	45.5	52.7	2,720	44.3	51.6	254	58.9	64.7
South.....	2,830	52.7	57.5	2,164	46.6	51.9	666	72.5	75.7
West.....	2,299	33.3	39.1	2,057	33.8	39.3	202	28.7	37.3
Earners status:									
Earner.....	6,978	26.0	30.4	5,992	23.0	27.4	986	43.8	49.0
Nonearner.....	4,204	73.8	82.0	3,727	72.2	81.2	477	85.7	88.0
Employment status and occupation:									
Not in labor force <sup>3</sup> .....	4,809	66.9	75.5	4,280	65.0	74.4	520	82.0	85.3
Unemployed.....	460	44.5	49.4	387	40.5	45.3	93	60.6	66.2
Employed.....	5,913	25.2	28.9	5,083	22.3	25.9	850	42.2	46.8
Professional and technical workers.....	1,254	28.5	30.8	1,159	28.4	30.7	75	35.6	40.0
Farmers and farm managers.....	131	<sup>2</sup> 42.9	<sup>2</sup> 46.9	121	<sup>2</sup> 39.6	<sup>2</sup> 44.0	10	( <sup>1</sup> )	( <sup>1</sup> )
Managers, officials, and proprietors (except farm).....	445	18.9	23.1	425	17.0	21.5	20	50.0	50.0
Clerical and sales workers.....	1,367	11.6	14.6	1,270	11.2	14.4	97	17.1	17.1
Craftsmen and foremen.....	801	5.8	7.5	789	6.0	7.8	12		
Operatives.....	866	14.4	17.6	727	11.4	14.0	139	29.8	36.5
Service workers, including private household.....	1,171	44.9	51.5	803	40.4	47.4	368	55.6	60.7
Private household workers.....	421	70.2	78.5	223	70.9	79.4	198	<sup>2</sup> 69.4	<sup>2</sup> 78.2
Laborers (except mine).....	398	43.5	47.5	269	42.4	45.3	129	45.8	52.1
Work experience: <sup>3</sup>									
Worked in 1963.....	6,729	26.4	30.8	5,788	23.7	28.0	941	43.7	48.9
Worked at full-time jobs.....	5,564	26.8	23.9	4,864	19.2	22.1	700	32.4	38.0
50-52 weeks.....	3,719	12.8	15.6	3,294	11.5	13.9	425	22.3	29.1
40-49 weeks.....	744	22.9	25.9	650	21.6	24.5	94	( <sup>1</sup> )	( <sup>1</sup> )
39 weeks or less.....	1,101	46.1	50.6	920	44.9	50.0	181	53.9	55.3
Worked at part-time jobs.....	1,165	53.5	63.9	924	47.2	58.9	241	75.3	79.6
50-52 weeks.....	396	49.3	57.1	307	45.9	54.1	89	57.8	64.1
49 weeks or less.....	769	55.7	67.4	617	47.9	61.2	152	84.4	87.7
Did not work in 1963.....	4,453	70.4	78.5	3,931	68.7	77.5	522	82.7	85.0
Ill or disabled.....	974	79.3	86.4	747	76.6	84.9	227	87.2	88.4
Keeping house.....	2,076	71.5	79.8	1,941	70.8	79.5	135	84.8	84.8
Going to school.....	108	<sup>2</sup> 88.6	<sup>2</sup> 88.6	83	( <sup>1</sup> )	( <sup>1</sup> )	23	( <sup>1</sup> )	( <sup>1</sup> )
Could not find work.....	128	<sup>2</sup> 83.3	<sup>2</sup> 87.5	89	( <sup>1</sup> )	( <sup>1</sup> )	39	( <sup>1</sup> )	( <sup>1</sup> )
Other.....	1,169	57.6	68.0	1,071	56.8	67.0	98		
Source of income:									
Earnings only.....	3,838	29.7	32.7	3,111	26.5	29.2	727	43.5	47.5
Earnings and other income.....	3,138	21.3	27.6	2,882	19.2	25.3	256	44.5	52.9
Other income only or no income.....	4,206	73.8	82.0	3,726	72.2	81.2	480	85.8	88.0

<sup>1</sup> For definition of poverty criteria, see text.

<sup>2</sup> Base between 100,000 and 200,000.

<sup>3</sup> Includes members of the Armed Forces.

<sup>4</sup> Not shown for fewer than 100,000 units.

<sup>5</sup> All work-experience data, including data for year-round, full-time workers, limited to civilian workers.

Source: Derived from tabulation of the Current Population Survey, March 1964, by the Bureau of the Census for the Social Security Administration.

were in a family of a worker with a regular full-time job.

It is difficult to say which is the more striking statistic: that 6 percent of the families headed by a male year-round full-time worker were nevertheless poor, or that 25 percent of the families

with a male head who did not have a full-time job all year were poor.

That a man risks poverty for his family when he does not or cannot work all the time might be expected, but to end the year with so inadequate an income, even when he has worked all week

every week, must make his efforts seem hopeless.

Yet, with minimum wage provisions guaranteeing an annual income of only \$2,600, and many workers entitled to not even this amount, it should not be too surprising that in 1963 there were 2 million families in poverty despite the fact that the head never was out of a job, as shown below.

(In millions)

Type of family	All families	Male head	Female head
Total number of poor families.....	7.2	5.2	2.0
With head a year-round, full-time worker.....	2.0	1.8	.2
White.....	1.4	1.3	.1
Nonwhite.....	.6	.5	.1
Other.....	5.2	3.4	1.8
White.....	2.7	2.6	1.1
Nonwhite.....	1.5	.8	.7

Almost all the male heads who had worked full-time all year in 1963 were also currently employed in March 1964 in poor and nonpoor families alike. Among the women year-round full-time workers, only 80 percent of those at the head of families who were poor in terms of their 1963 income were still employed in the spring of the following year, compared with 96 percent of those not poor. Among 1.8 million male heads of families who were poor despite their year-round full-time employment, more than a fifth gave their current occupation as farmers, an equal number were operatives, and nearly a fifth were laborers. Only 3 percent were professional or technical workers. By contrast, among the nonpoor, 1 in 7 of the male family heads working the year around at full-time jobs were currently employed as professional or technical workers and only 4 percent each were farmers or laborers.

Notwithstanding the current stress on more jobs, it is clear that at least for poor families headed by a full-time year-round worker—more than a fourth of the total—it is not so much that more jobs are required but better ones, if it is presumed that the head of the family will continue to be the main source of support and that there will continue to be as many large families. In less than a fifth of the poor families headed by a man working full time the year around was the wife in the paid labor force, and in only about two-fifths was there more than one earner. By contrast, in the corresponding group of nonpoor families, one-third of the wives were working or

in the market for a job, and 55 percent of the families in all had at least one earner in addition to the head (table 9).

Not even for the 5.2 million poor families with a head who worked less than a full year can jobs alone provide an answer. Among the poor, about two-thirds of the male heads who had worked part of the year or not at all in 1963 gave ill health or other reasons—including retirement—as the main reason, rather than an inability to find work. Of the female heads less than fully employed in 1963, about five-sixths gave household responsibilities as the reason; though fewer claimed ill health or disability, they nevertheless outnumbered those who said they had been looking for work. Among the unrelated individuals, only 1 in 6 of the men and 1 in 14 of the women not working the year around gave unemployment as the chief reason. At best it will be difficult to find jobs that a large number of the underemployed heads of poor households can fill, as the following figures indicate.

Work experience of head in 1963	Percentage distribution of units with income below economy level			
	Families		Unrelated individuals	
	Male head	Female head	Male	Female
Total.....	100	100	100	100
Worked all year.....	39	15	21	11
Full-time job.....	35	9	17	7
Part-time job.....	4	6	4	4
Worked part of the year.....	33	28	28	20
Looking for work.....	19	7	11	4
Ill, disabled.....	6	4	4	3
Keeping house.....	8	15	6	6
All other.....	8	2	13	7
Didn't work at all.....	28	58	51	69
Ill, disabled.....	12	10	20	14
Keeping house.....	8	41	4	43
Couldn't find work.....	1	2	4	2
All other.....	15	5	27	10

## OCCUPATION AND POVERTY

The chances of a family's being poor differ not only with the amount of employment of the head but also with the kind of work he does. This is a reflection of the different pay rates and lifetime earnings patterns that workers at different trades can expect. It appears, however, that the association is compounded: Not only do certain occupations pay less well than others, but workers in







the earning capacity of the husband that sets the scale at which the family must live, the poverty rates for families of employed male heads by occupation have been arrayed according to the median earnings (in 1959) of men aged 35-44. This is the age at which, on the basis of cross-sectional data, earnings for the average worker in most occupations are at their peak. Two things are abundantly clear.

In general, the poverty rates for families of men in different occupations are inversely related to the median peak earnings—that is, the lower the average earnings at age 35-44, the greater the risk of poverty for the family. (In some instances, as among families of some of the proprietors, work of the wife and other adults may count as unpaid family labor rather than add earnings to the family income.) The size of the average family with children seems also to vary inversely with earning capacity, in terms of the number of children ever born to the wives aged 35-44 of men employed in these occupations.

The following figures illustrate the patterns separately for white and nonwhite families with male head.

Occupation group	Median earnings of male workers aged 35-44 <sup>1</sup>	Incidence of poverty among families with employed male head <sup>2</sup>	Percent of wives aged 35-44 of employed workers, with specified number of children ever born <sup>3</sup>		
			0-2	3	4 or more
<b>White males:</b>					
Professional and technical workers.....	\$8,015	2	56	23	20
Managers, officials, proprietors, (except farm).....	7,465	5	57	23	20
Sales workers.....	6,325	3	60	22	19
Craftsmen and foremen.....	5,795	4	54	21	25
Clerical and kindred workers.....	5,505	2	61	20	19
Operatives.....	5,075	9	52	20	27
Service workers.....	4,610	8	57	20	23
Nonfarm laborers.....	4,095	15	49	19	33
Farmers and farm managers.....	2,645	26	42	22	36
Farm laborers.....	2,020	43	35	17	48
<b>Nonwhite males:</b>					
Professional and technical workers.....	5,485	12	65	16	19
Managers, officials, proprietors (except farm).....	4,655	21	57	16	27
Clerical and kindred workers.....	4,630	13	61	14	25
Sales workers.....	4,010	(4)	57	16	27
Craftsmen and foremen.....	3,885	21	52	13	35
Operatives.....	3,495	27	51	12	37
Service workers.....	2,970	25	57	13	30
Nonfarm laborers.....	2,825	45	48	11	41
Farm laborers.....	975	70	34	9	57
Farmers and farm managers.....	945	78	27	9	65

<sup>1</sup> In 1959.

<sup>2</sup> Currently employed family heads in March 1964, with 1963 family money income below the economy level in 1963.

<sup>3</sup> Wives of currently employed men at time of 1960 Decennial Census.

<sup>4</sup> Not available.

Source: U.S. Census of Population, 1960: *Occupation by Earnings and Education*, PC(2)-7B; *Women by Number of Children Ever Born*, PC(2)-3A; and Social Security Administration.

For many families a critical point in financial status may be the arrival of the fourth or fifth child. At all occupational levels (except among wives of professional and technical employees) the nonwhite family tends to be larger than the white, but on the average nonwhite families are at a lower economic level than white families in the same occupational class. A more accurate, or at least a narrower, occupational grouping would probably show less difference between the sizes of white and nonwhite families at equivalent economic levels.

Some of the differences in number of children are related to different patterns of age at first marriage. But even among women who married at the same age there remains evidence of a difference in life style among occupational groups, in terms of number of children ever born.

The discussion here centers on children ever born rather than the more common statistic of children present in the home. Use of the latter figure results in serious understatement of the total number of children in large families who may be subject to the risk of poverty before they reach adulthood.

Differences in the two statistics are greater for the low-income occupations, such as nonfarm laborers with their large families, than for high-income occupations, such as professional and technical workers with their smaller families. It appears to be the families with less income to look forward to in the first place who have more children.<sup>21</sup>

The statistics by occupation may throw light on the intergeneration cycle of poverty. It is not necessary here to repeat the admonition that education for our youngsters is a long step up in the escape from poverty. It is of importance, however, that in these days, when children generally are receiving more education than those a generation ago, the degree of upward mobility is affected by social environment as indicated by the occupation as well as by the education of the father. According to a recent report, among children of men with the same educational attainment, those with fathers in white-collar jobs are much more likely than children of fathers in manual and

<sup>21</sup> See also Bureau of the Census, *Current Population Reports*, "Socioeconomic Characteristics of the Population: 1960," Series P-23, No. 12, July 31, 1964.

service jobs or in farm jobs to acquire more years of school training than their parents.<sup>22</sup>

The statistics on occupation and poverty may have even further import. The work history of aged persons currently receiving public assistance might well show that many of the recipients (or the persons on whom they had depended for support) used to work at the same kinds of jobs currently held by many of the employed poor. Earnings too little to support a growing family are not likely to leave much margin for saving for old age. Moreover, such low earnings will bring entitlement to only minimal OASDI benefits.

### IMPLICATIONS

The causes of poverty are many and varied. Because some groups in the population are more vulnerable, however, a cross-section of the poor will differ from one of the nonpoor, measure for measure. The mothers bringing up children without a father, the aged or disabled who cannot earn, and the Negro who may not be allowed to

<sup>22</sup> Bureau of the Census, *Current Population Reports*, "Educational Change in a Generation," Series P-20, No. 132, Sept. 22, 1964.

earn will, more often than the rest of us, know the dreary privation that denies them the good living that has become the hallmark of America.

But there are others thus set apart, without the handicap of discrimination or disability, who cannot even regard their plight as the logical consequence of being unemployed. There are millions of children in "normal" as well as broken homes who will lose out on their chance ever to strive as equals in this competitive society because they are denied now even the basic needs that money can buy. And finally there are the children yet to come, whose encounter with poverty can be predicted unless the situation is changed for those currently poor.

Neither the present circumstances nor the reasons for them are alike for all our impoverished millions, and the measures that can help reduce their number must likewise be many and varied. No single program, placing its major emphasis on the needs of one special group alone, will succeed. Any complex of programs that does not allow for the diversity of the many groups among the poor will to that degree leave the task undone. The poor have been counted many times. It remains now to count the ways by which to help them gain a new identity.



TABLE A.—Composition of families with children: Number of members in families with own children under age 18, by sex of head

Family member's relationship to head	Husband-wife families, by number of children					Families with other male head	Families with female head, by number of children				
	Total	1	2	3 or 4	5 or more		Total	1	2	3 or 4	5 or more
Number of families, total (in thousands)	23,498	7,380	7,528	6,780	1,810	301	1,892	785	510	436	161
Number of persons:											
Total (in thousands)	108,174	24,493	31,826	37,338	14,718	1,110	7,066	2,036	1,760	2,082	1,189
Number per family, total	4.60	3.32	4.20	5.51	8.13	3.69	3.73	2.60	3.45	4.78	7.38
Family head	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Under age 35	.37	.35	.40	.38	.28	.20	.35	.24	.38	.46	.47
Aged 35-64	.57	.53	.56	.59	.61	.61	.59	.65	.58	.52	.52
Aged 65 or over	.05	.10	.04	.02	.03	.14	.05	.09	.03	.01	(1)
Wife of head	.01	.02	(1)	.01	.00	.05	.01	.02	.01	.01	(1)
Relatives under age 18	2.38	1.04	2.01	3.33	5.88	2.07	2.33	1.12	2.09	3.44	6.03
Own children under age 6	.91	.38	.79	1.30	2.08	.44	.60	.18	.49	.99	1.93
Own children aged 6-17	1.44	.62	1.19	2.00	3.73	1.53	1.62	.82	1.51	2.34	3.96
Other	.03	.04	.03	.03	.05	.10	.11	.12	.09	.11	.14
Relatives aged 18-64	.19	.24	.15	.15	.24	.55	.35	.40	.32	.30	.34
Sons aged 18-24	.07	.09	.05	.05	.10	.12	.11	.13	.10	.10	.12
Sons aged 25-64	.01	.02	.01	.01	.01	.04	.03	.04	.02	.01	.01
Daughters aged 18-24	.05	.07	.04	.04	.07	.12	.09	.10	.08	.08	.10
Daughters aged 25-64	.01	.01	(1)	(1)	.01	.11	.02	.03	.02	.01	.01
Other male aged 18-64	.02	.02	.02	.02	.03	.07	.04	.04	.04	.04	.04
Other female aged 18-64	.03	.03	.03	.03	.03	.09	.06	.06	.06	.06	.06
Relatives aged 65 or over	.04	.04	.04	.03	.03	.06	.05	.06	.04	.04	.03
Male	.01	.01	.01	.01	.01	.01	.01	.01	.01	.01	.01
Female	.03	.03	.03	.02	.02	.05	.04	.05	.03	.03	.02

1 Less than .005.

Source: U.S. Census of Population, 1960: Persons by Family Characteristics, PC(2)-4B.

TABLE B.—Composition of families of different sizes: Percentage distribution of persons in families by relationship to head, by total number in family and sex of head

Type of family member	All families	Husband-wife families, by number of persons					Families with other male head	Families with female head, by number of persons				
		Total	2	3	4 or 5	6 or more		Total	2	3	4 or 5	6 or more
Number of families, total (in thousands)	45,149	30,650	12,046	8,451	13,723	5,436	1,295	4,107	1,987	1,014	826	369
Number of persons:												
Total (in thousands)	163,966	146,924	24,045	25,254	59,970	37,654	3,761	13,282	3,984	3,045	3,596	2,657
Percent	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00
Family head	27.53	27.00	50.11	33.47	22.89	14.44	34.41	31.60	49.87	33.33	23.00	13.89
Under age 35	7.02	7.19	7.43	9.90	7.97	3.99	5.18	5.61	5.42	6.77	6.26	3.73
Aged 35-64	12.54	12.47	14.17	14.97	12.79	9.20	13.19	13.16	17.87	15.04	10.85	7.08
Aged 65 or over	4.25	4.09	14.05	5.46	1.52	.89	6.41	5.50	10.79	5.02	2.86	1.69
Wife of head	3.72	3.25	14.46	3.14	.61	.36	9.63	7.33	15.79	6.50	3.03	1.39
Relatives under age 18	24.08	26.87	49.90	33.32	22.78	14.34						
Own children under age 6	38.66	39.00		22.98	46.84	62.17	23.24	39.23	14.64	34.39	51.30	65.26
Own children aged 6-17	13.77	14.50		10.06	18.30	20.70	3.56	8.58	2.91	7.52	11.87	13.77
Other relatives	22.81	23.05		12.18	27.45	38.05	12.31	23.14	10.02	22.86	30.39	33.35
Relatives aged 18-64	2.08	1.45		.74	1.09	3.42	7.37	7.51	1.71	4.01	9.04	18.14
Sons aged 18-24	8.06	5.98		8.23	6.28	7.87	32.30	24.14	26.11	26.81	23.00	19.68
Sons aged 25-64	1.02	1.78		2.23	2.00	2.28	2.39	3.35	2.79	3.78	3.53	3.42
Daughters aged 18-24	1.46	1.32		1.44	1.50	1.79	2.10	2.78	2.01	2.92	3.14	3.31
Daughters aged 25-64	1.21	.80		2.00	.74	.62	4.23	4.92	7.08	5.62	3.75	2.45
Other males aged 18-64	1.08	.60		1.19	.60	.61	6.04	4.98	6.17	5.62	4.39	3.24
Other females aged 18-64	1.07	.70		.68	.65	1.23	7.44	3.42	2.79	3.78	3.81	3.46
Relatives aged 65 or over	1.31	.78		.69	.79	1.34	10.10	4.69	5.27	5.09	4.37	3.80
Total male	1.67	1.15		20.1	1.22	1.20	10.08	5.03	9.39	5.48	2.70	1.13
Total female	.45	.35		.50	.37	.44	2.05	1.13	1.71	1.44	.78	.34
Total	1.22	.80		1.51	.85	.76	8.03	3.90	7.68	4.04	1.92	.79

Source: U.S. Census of Population, 1960: Persons by Family Characteristics, PC(2)-4B.



TABLE F.—Family size and number of children: Percentage distribution of farm and nonfarm families by number of related children and sex of head

[Numbers in thousands]

Number of family members	Total number	Percentage distribution, by number of related children under age 18							
		Total	None	1	2	3	4	5	6 or more
Units with male head									
Nonfarm, number of families.....	43,714		19,813	7,274	7,387	4,749	2,412	1,172	908
1 (under age 65).....	2,980	100.0	100.0						
1 (aged 65 or over).....	1,092	100.0	100.0						
2 (under age 65).....	8,227	100.0	98.2	0.8					
2 (aged 65 or over).....	3,887	100.0	99.8						
3.....	8,170	100.0	35.3	63.9	0.8				
4.....	8,267	100.0	8.1	18.0	73.6	0.3			
5.....	5,510	100.0	2.3	7.3	17.2	73.0	0.2		
6.....	2,870	100.0	.7	2.5	7.6	17.7	71.2	0.3	
7 or more.....	2,711	100.0	.2	.3	2.9	7.0	13.2	42.9	33.5
Farm, number of families.....	3,115		1,532	374	445	319	193	113	137
1 (under age 65).....	127	100.0	100.0						
1 (aged 65 or over).....	76	100.0	100.0						
2 (under age 65).....	622	100.0	98.1	1.9					
2 (aged 65 or over).....	377	100.0	100.0	0					
3.....	496	100.0	52.8	46.4	0.8				
4.....	479	100.0	15.2	20.1	64.7	0			
5.....	353	100.0	1.1	8.5	23.4	67.0	0		
6.....	244	100.0	1.6	1.2	15.2	24.6	57.4	0	
7 or more.....	341	100.0	0	1.2	3.5	6.5	15.5	33.1	40.2
Units with female head									
Nonfarm, number of families.....	11,446		8,715	1,003	720	475	243	144	145
1 (under age 65).....	3,718	100.0	100.0						
1 (aged 65 or over).....	3,027	100.0	100.0						
2 (under age 65).....	1,435	100.0	60.4	39.6					
2 (aged 65 or over).....	678	100.0	94.6	5.4					
3.....	1,097	100.0	34.2	23.3	42.5				
4.....	673	100.0	10.1	18.1	23.0	48.8			
5.....	385	100.0	5.2	5.2	20.2	23.4	46.0		
6.....	198	100.0			8.1	21.7	16.2	54.0	
7 or more.....	236	100.0			2.1	5.9	14.0	16.1	61.9
Farm, number of families.....	344		241	31	27	10	15	1	19
1 (under age 65).....	81	100.0	100.0						
1 (aged 65 or over).....	82	100.0	100.0						
2 (under age 65).....	15	100.0	66.7	33.3					
2 (aged 65 or over).....	46	100.0	84.8	15.2					
3.....	46	100.0	50.0	23.9	26.1				
4.....	16	100.0	31.2	12.5	56.3	0			
5.....	20	100.0	0	30.0	20.0	25.0	25.0		
6.....	12	100.0	0	0	15.4	38.5	46.1	0	
7 or more.....	26	100.0	8.0	0	0	0	16.0	4.0	72.0

Source: Derived from tabulations of the *Current Population Survey*, March 1964, by the Bureau of the Census for the Social Security Administration.