



Poverty Rate Equals '73 Low, but Reversal is Likely

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The country's poverty rate in 2000 equaled a historic low while median gross income remained at an all-time high, the U.S. Census Bureau reported yesterday, but economists said that in light of the terrorist attacks of Sept. 11, the news was like a vista seen from a rear view mirror.

Half of all American households had incomes above \$42,100 last year, the report said. At the same time, the drop in the poverty rate to 11.3 percent was statistically equivalent to the previous historic low of 11.1 percent in 1973. Poverty rates declined for all racial groups and stayed even or declined among all age groups. But the already-softening U.S. economy during the first nine months of 2001 was convulsed by the events of Sept. 11 and the subsequent concerns of a recession. So while the report shows that the country experienced strong economic growth during the past four years, said Greg Acs, a senior research associate with the Urban Institute, "we're not there anymore." Acs compared it to someone just hearing that the Baltimore Ravens won Super Bowl XXXV in January, and then seeing them lose Sunday to the hapless Cincinnati Bengals. "The world has moved quite a bit in the past nine months," said Acs. "The report shows things were pretty solid in 2000, but it doesn't mean things weren't softening." When it will end, how long it will take and how bad it will be, no one knows.

The census report, based on information from the March 2001 Current Population Survey, found that the number of poor in the country declined to 31.1 million people, a drop of about 1.1 million people from the previous year. A family of four was defined as poor in 2000 if it had an annual income of \$17,603 or less; the poverty line for a family of three was an annual income of \$13,738.

Pennsylvania was one of 10 states and the District of Columbia to show decreases in poverty rates, based on comparisons of 1998-1999 and 1999-2000 figures. Pennsylvania's percentage of people in poverty declined from 10.3 percent to 9.2 percent during those years. The poverty figures are based only on income and do not include income additions such as food stamps, child-care supplements and earned income credit.

"It's good news that the poverty rate is falling," said Berry Friesen, executive director of the Pennsylvania Hunger Action Center. "On the other hand, there are a lot of people above the poverty rate who can't feed their kids."

A report released last week by the Women's Association for Women's Alternatives on self-sufficiency standards for Pennsylvania families found that it costs a Pittsburgh family of four -- two adults, a preschooler and one school-age child -- more than \$44,400 a year to meet its needs without public or private assistance. According to the Delaware County-based nonprofit, "Even though many of these families are not poor according to the official poverty measure, their incomes are inadequate."

The Census Bureau's report also found that blacks and Hispanics set new highs in median household income, at \$30,439 and \$33,447, respectively.

Households of non-Hispanic whites, and Asians and Pacific Islanders matched all-time highs in median household income. The \$42,148 income figure for all households matched a high set in 1999.

Households maintained by women with no husband present had a 4 percent increase in income between 1999 and 2000, to 28,116.