

**For Immediate Release**

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**Researchers, Analysts Say Updated Poverty Gauge Long Overdue**  
*Measurement formula unchanged since 1960s*

**New York City** – Researchers and policy analysts at Columbia University’s National Center for Children in Poverty (NCCP) are urging lawmakers to change how poverty is measured in America.

The poverty measure the government uses today was established in the 1960s and was based on research that said families spent about one-third of their incomes on food. To determine the official poverty level, government officials simply multiplied food costs by three. Although the figures are updated annually for inflation, they have otherwise remained unchanged.

The problem with using this method to measure poverty, says NCCP – part of the Mailman School of Public Health at Columbia – is that food now comprises only one-seventh of an average family’s expenses, while the costs of housing, childcare, health care, and transportation have grown disproportionately. The result is that the current poverty level has little bearing on the cost of family necessities.

“Most analysts will tell you that today’s poverty thresholds – about \$21,000 for a family of four – are inhumane low,” says Nancy K. Cauthen, PhD, deputy director of NCCP. When asked how much it takes for a family of four to make ends meet, 70 percent of Americans say \$40,000 or more. And in fact, research consistently shows that, on average, families need an income of about twice the federal poverty level to meet their basic needs.

“The poverty measure created 40 years ago does not account for the vast differences in the cost of living across the country. So poverty in high-cost cities like Boston and San Francisco is measured by the same standard as poverty in rural Kentucky or New Mexico,” explains Cauthen. “A new formula is long overdue.”

Because the federal poverty level has never been adjusted for real changes in the actual cost of living, people who are considered poor today by the official standard are worse

off relative to everyone else, than people considered poor when the poverty measure was established in the '60s. The current federal poverty measure equals about 29 percent of median household income, whereas in the 1960s, the poverty level was nearly 50 percent of median income.

Cauthen points out that most advanced industrialized countries measure poverty quite differently from the U.S. Rather than setting minimum income thresholds below which individuals and families are considered to be poor, other countries measure economic disadvantage relative to the citizenry as a whole, for example, having income below 50 percent of median.

“We are hopeful that Americans will join us in urging our legislators to take a good hard look at how we as a country address poverty – starting with a realistic way to define what it means in today’s terms, not those of the 1960s,” says Cauthen.

For more information about poverty, including frequently asked questions on the topic, access the NCCP website at [www.nccp.org](http://www.nccp.org).

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*The National Center for Children in Poverty (NCCP) is the nation’s leading public policy center dedicated to promoting the economic security, health and well-being of America’s low-income families and children. Part of Columbia University’s Mailman School of Public Health, NCCP uses research to inform policy and practice with the goal of ensuring positive outcomes for the next generation.*