

News from the Fiscal Policy Institute . . .

For Immediate Release,
Tuesday, September 25, 2001

Contacts:
Frank Mauro or Trudi Renwick, 518-786-3156

Despite good economic times of the last several years, 2.5 million New Yorkers continue to live in poverty.

New York's official poverty rate fell from 14.1% in 1999 to 13.4% in 2000, but more than 2.5 million New Yorkers continue to have incomes below the official poverty thresholds, according to the new income and poverty statistics released by the U.S. Bureau of the Census this morning. While the national poverty rate fell to 11.3%, the lowest since 1979, New York's poverty rate remained almost a full percentage point above its lowest ever recorded poverty rate of 12.6% in 1989. (Note: Statewide poverty rates were not published by the Census Bureau prior to 1980.)

In 1989, New York's poverty rate was 12.6%, slightly below the national poverty rate of 12.8%. In 2000, New York's poverty rate (13.4%) was still more than two percentage points higher than the national rate (11.3%). (See Figure 1.)

Since 1989, median household income in New York has gone from \$3,492 above the U.S. median to \$495 below. (See Figure 2.) New York's median household income grew by 2.7% from \$40,431 in 1998-99 to \$41,504 in 1999-00. (The Census Bureau recommends that state-level estimates of median income use two-year moving averages.) Both New York's and the national medians have grown over the past few years but while the median income nationally reached an all-time high in 1999 and 2000, New York's median income, expressed in inflation-adjusted 2000 dollars, is still below the level achieved in 1989.

New York continues to rank as one of the states with the highest percentage of poor people. In 2000, nine states had higher poverty rates — New Mexico, Montana, and seven Southern states. (See Figure 3.) No other Northern industrial state had a poverty rate as high as New York's and all of our neighboring states had significantly lower poverty rates. (See Figure 4.) Connecticut's poverty rate was third lowest in the nation at 6.3% while New Jersey's poverty rate was 10th lowest at 8.1%.

New York's child poverty rate for 2000 was a disturbing 18.9% — 11th highest in the nation. The poverty rate among New York's single parent families was 39%. 12.2% of New York's senior citizens had incomes below the official poverty threshold.

The Census Bureau also released poverty estimates for ten major Combined Metropolitan Statistical Areas (CMSAs). The central cities of the New York-Northern New Jersey - Long Island CMSA had a poverty rate of 19%. This was almost four times as high as the poverty rates (5.2%) in this metro area's suburban areas.

Figure 1: New York's poverty rate is now almost 20% higher than the national poverty rate.

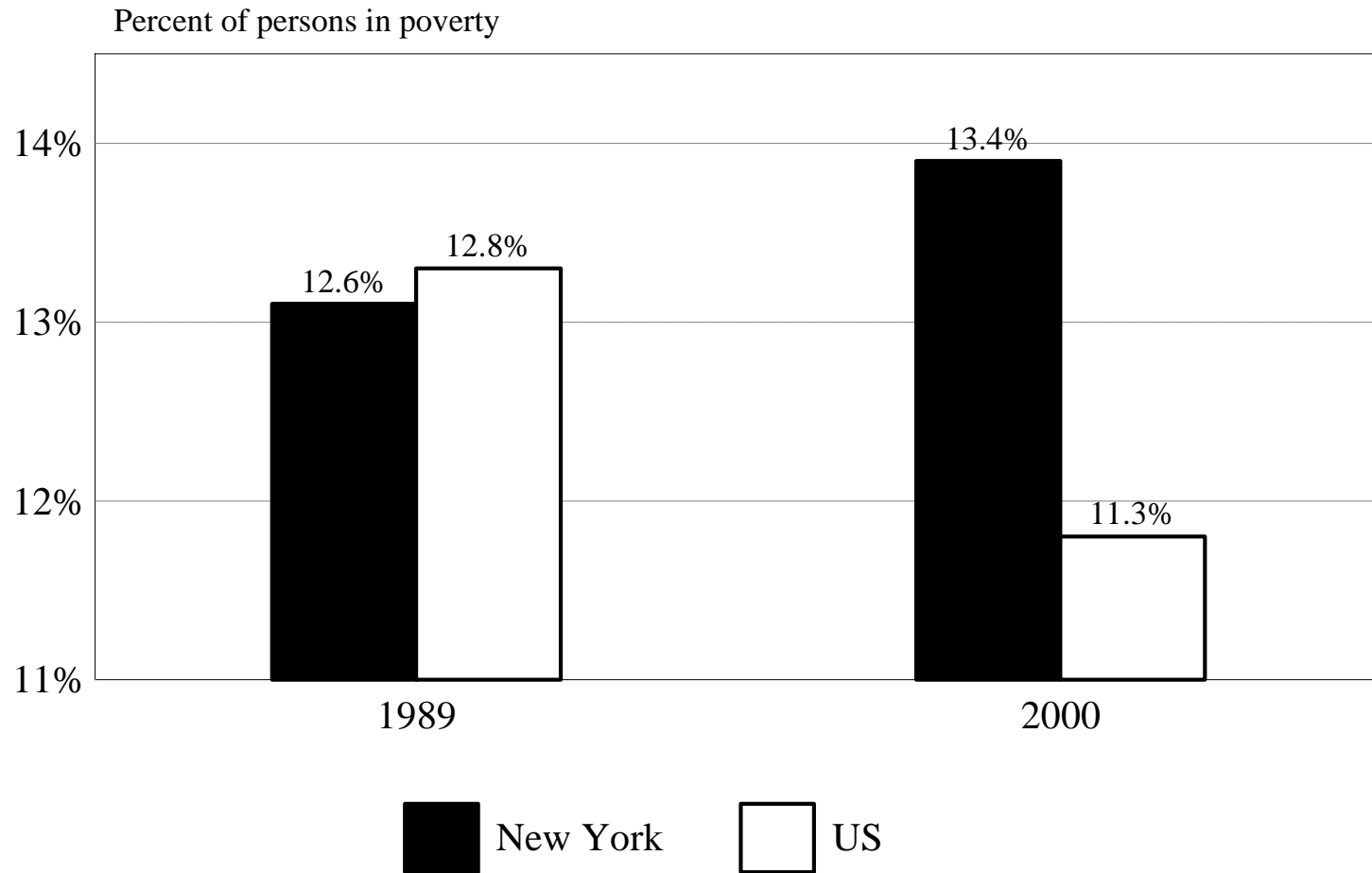
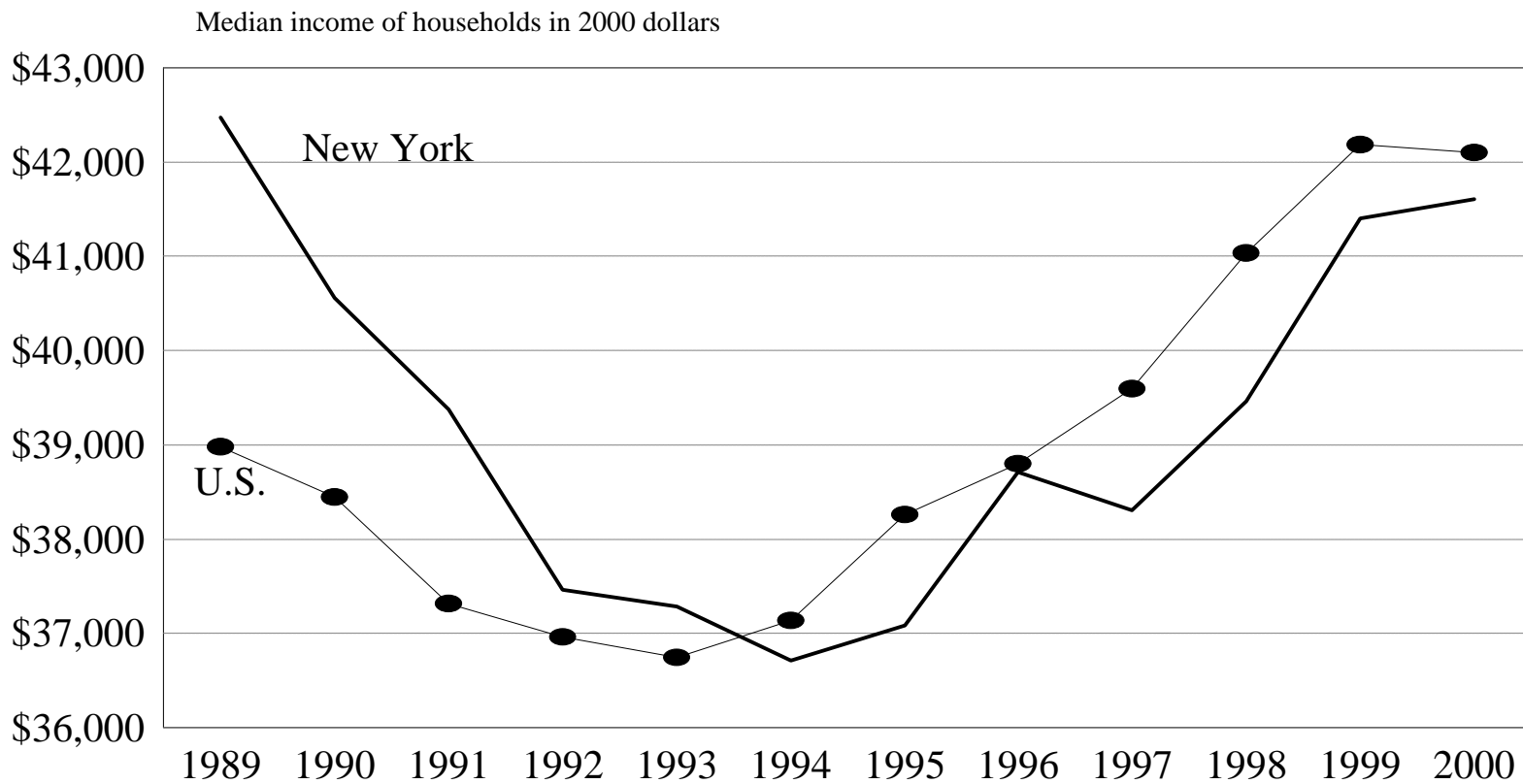


Figure 2: Since 1989, median household income in New York has gone from \$3,492 above the U.S. median to \$495 below.



Source: U.S. Bureau of the Census

Figure 3: Poverty Status by State in 2000

| | Total Population (in thousands) | Number of People Below Poverty Level (in thousands) | Standard Error | People Below Poverty Level | Rank | Standard Error |
|-----------------|------------------------------------|--|-------------------|-------------------------------------|-----------|-------------------|
| United States | 275,917 | 31,139 | 535 | 11.3% | | 0.19 |
| Arkansas | 2,699 | 486 | 55 | 18.0% | 1 | 1.83 |
| Louisiana | 4,316 | 753 | 86 | 17.4% | 2 | 1.81 |
| New Mexico | 1,823 | 306 | 36 | 16.8% | 3 | 1.78 |
| Montana | 894 | 142 | 17 | 15.9% | 4 | 1.76 |
| Oklahoma | 3,277 | 504 | 62 | 15.4% | 5 | 1.73 |
| Texas | 21,012 | 3,085 | 196 | 14.7% | 6 | 0.87 |
| Tennessee | 5,570 | 814 | 106 | 14.6% | 7 | 1.77 |
| Alabama | 4,334 | 613 | 80 | 14.1% | 8 | 1.71 |
| West Virginia | 1,744 | 243 | 31 | 13.9% | 9 | 1.67 |
| New York | 18,818 | 2,528 | 152 | 13.4% | 10 | 0.76 |
| Idaho | 1,291 | 168 | 22 | 13.0% | 11 | 1.57 |
| Mississippi | 2,855 | 369 | 49 | 12.9% | 12 | 1.62 |
| California | 35,376 | 4,559 | 245 | 12.9% | 13 | 0.65 |
| North Carolina | 7,686 | 935 | 95 | 12.2% | 14 | 1.16 |
| Arizona | 5,039 | 611 | 78 | 12.1% | 15 | 1.46 |
| Kentucky | 3,885 | 457 | 66 | 11.8% | 16 | 1.6 |
| Illinois | 12,574 | 1,458 | 123 | 11.6% | 17 | 0.92 |
| Georgia | 7,961 | 901 | 114 | 11.3% | 18 | 1.35 |
| Wyoming | 477 | 52 | 8 | 10.9% | 19 | 1.59 |
| Oregon | 3,192 | 342 | 55 | 10.7% | 20 | 1.64 |
| Florida | 15,458 | 1,648 | 128 | 10.7% | 21 | 0.79 |
| Vermont | 564 | 60 | 11 | 10.6% | 22 | 1.77 |
| South Carolina | 3,636 | 377 | 63 | 10.4% | 23 | 1.64 |
| Ohio | 11,880 | 1,209 | 113 | 10.2% | 24 | 0.9 |
| Massachusetts | 6,408 | 649 | 74 | 10.1% | 25 | 1.09 |
| Michigan | 10,203 | 1,028 | 99 | 10.1% | 26 | 0.93 |
| North Dakota | 583 | 58 | 10 | 9.9% | 27 | 1.6 |
| Washington | 5,405 | 526 | 89 | 9.7% | 28 | 1.57 |
| Hawaii | 1,092 | 106 | 20 | 9.7% | 29 | 1.71 |
| Utah | 2,203 | 211 | 31 | 9.6% | 30 | 1.32 |
| South Dakota | 672 | 64 | 11 | 9.5% | 31 | 1.5 |
| Kansas | 2,461 | 233 | 40 | 9.5% | 32 | 1.53 |
| Wisconsin | 5,004 | 459 | 76 | 9.2% | 33 | 1.46 |
| Pennsylvania | 12,268 | 1,097 | 104 | 8.9% | 34 | 0.81 |
| Nebraska | 1,582 | 139 | 25 | 8.8% | 35 | 1.48 |
| Delaware | 750 | 65 | 12 | 8.7% | 36 | 1.55 |
| Rhode Island | 859 | 74 | 15 | 8.6% | 37 | 1.69 |
| Indiana | 5,433 | 459 | 81 | 8.4% | 38 | 1.43 |
| Maine | 1,165 | 97 | 19 | 8.3% | 39 | 1.58 |
| Nevada | 1,839 | 151 | 26 | 8.2% | 40 | 1.37 |
| New Jersey | 8,520 | 687 | 76 | 8.1% | 41 | 0.86 |
| Alaska | 608 | 49 | 9 | 8.1% | 42 | 1.38 |
| Colorado | 3,890 | 307 | 54 | 7.9% | 43 | 1.34 |
| Missouri | 5,191 | 406 | 76 | 7.8% | 44 | 1.41 |
| Virginia | 6,809 | 520 | 89 | 7.6% | 45 | 1.26 |
| Maryland | 4,794 | 362 | 72 | 7.6% | 46 | 1.44 |
| Iowa | 2,706 | 192 | 38 | 7.1% | 47 | 1.34 |
| Connecticut | 2,991 | 189 | 44 | 6.3% | 48 | 1.43 |
| Minnesota | 4,515 | 266 | 55 | 5.9% | 49 | 1.19 |
| New Hampshire | 1,108 | 53 | 15 | 4.8% | 50 | 1.28 |

Figure 4: New York's poverty rate is much higher than the poverty rates in any of its neighboring states.

