



POVERTY IN CALIFORNIA

November 2006

➤ **Poverty has held steady in California in recent years.**

After peaking at over 18 percent in 1993 and declining to under 13 percent in 2001, the poverty rate in California held fairly steady at just over 13 percent between 2002 and 2005. Nevertheless, it remained higher in 2005 than in the rest of the nation: 13.2 percent versus 12.5 percent.

➤ **Poverty in California today is high compared to poverty in the late 1960s.**

Between 1969 and 1993, poverty grew from 9 percent to 18 percent. And the decline in poverty during the late 1990s was not enough to reverse the effects of that growth. At over 13 percent, the poverty rate in 2005 remained well above levels of the late 1960s and the 1970s (see figure on page two).

➤ **Latinos and African Americans have higher poverty rates than other groups.**

The poverty rate for Latinos and African Americans is about 20 percent, substantially higher than poverty for Asians (12%) and more than twice that for whites (8%). For Latinos living in families with foreign-born heads, the poverty rate is much higher (22%) than for U.S.-born Latino families (16%). Poverty is also high among Native Americans (15%) and immigrant families from the Southeast Asian countries of Vietnam, Cambodia, and Laos (19%).

➤ **Poverty rates are particularly high among children.**

Poverty rates are higher for children under 18 (19%) than for adults ages 18-64 (12%) and much higher than for the elderly, ages 65 and older (8%). Among children living in single-mother families, 42 percent are poor.

➤ **Most poor families in California are working.**

Work participation among the poor in California has increased over the past three decades and has been substantially higher than in the rest of the nation. About 31 percent of poor families have a worker employed full-time, and another 39 percent have a worker employed part-time.

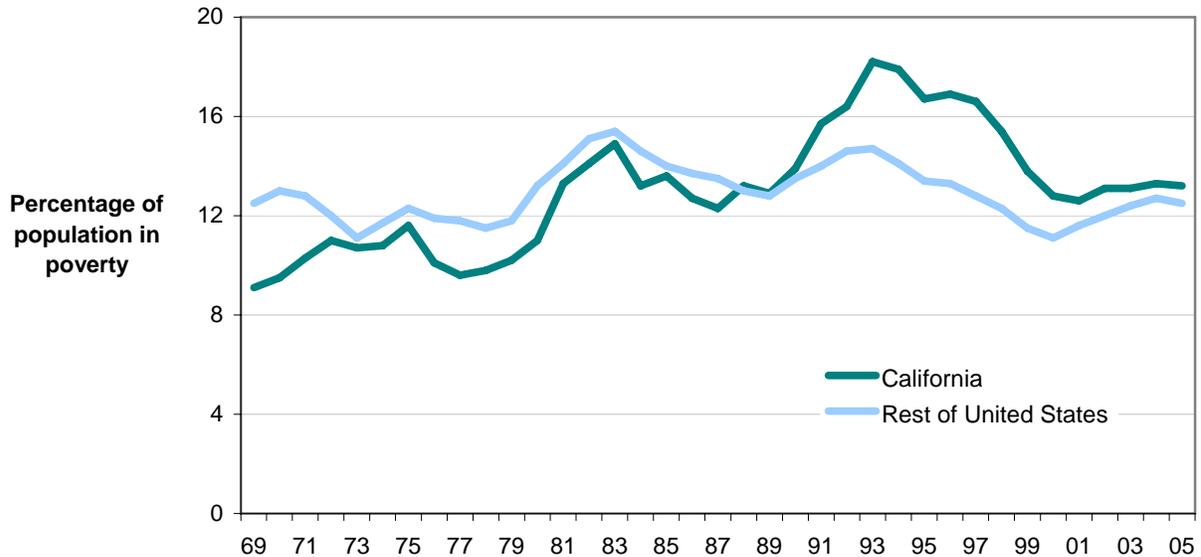
➤ **Poverty varies considerably across California's counties.**

Several counties in the San Francisco Bay area have relatively low poverty rates of under 10 percent: Contra Costa, Marin, Napa, San Mateo, Santa Clara, Solano, and Sonoma (see table on page two). Counties of the Southern San Joaquin Valley have very high poverty rates of over 20 percent: Fresno, Kern, Kings, and Tulare. The poverty rate in Los Angeles County is 16 percent.

➤ **California's high cost of living is not reflected in official poverty measures.**

Poverty is officially measured by comparing family income to a nationally determined threshold and does not take into account regional differences in cost of living. The poverty threshold was \$19,806 for a family of four in 2005. However, the U.S. Department of Housing and Urban Development (HUD) estimates the two-bedroom fair market rent in San Francisco to be \$18,468 annually. Even for Los Angeles County, the HUD estimate for rent (\$13,488) is more than two-thirds of the poverty threshold.

Poverty Rates in California and the Rest of the Nation, 1969-2005



Poverty Rates in California's Counties, 2005

	Poverty (%)		Poverty (%)		Poverty (%)
Alameda	12	Marin	6	San Mateo	7
Alpine (1)	12	Mariposa (1)	12	Santa Barbara	12
Amador (1)	12	Mendocino	18	Santa Clara	8
Butte	20	Merced	18	Santa Cruz	12
Calaveras (1)	12	Modoc (3)	19	Shasta	13
Colusa (2)	20	Mono (1)	12	Sierra (5)	8
Contra Costa	8	Monterey (4)	13	Siskiyou (3)	19
Del Norte (3)	19	Napa	7	Solano	9
El Dorado	8	Nevada (5)	8	Sonoma	9
Fresno	21	Orange	9	Stanislaus	14
Glenn (2)	20	Placer	6	Sutter	10
Humboldt	16	Plumas (5)	8	Tehama (2)	20
Imperial	22	Riverside	11	Trinity (2)	20
Inyo (1)	12	Sacramento	14	Tulare	23
Kern	21	San Benito (4)	13	Tuolumne (1)	12
Kings	21	San Bernardino	15	Ventura	10
Lake	20	San Diego	11	Yolo	16
Lassen (3)	19	San Francisco	12	Yuba	13
Los Angeles	16	San Joaquin	15		
Madera	17	San Luis Obispo	15		

Notes: For some counties, poverty rates are calculated for county groups as denoted by the numbers in parentheses. For example, Del Norte, Lassen, Modoc, and Siskiyou Counties are aggregated in county group 3.

Source: PPIC calculations using U.S. Census Bureau, Current Population Survey, Annual Demographics Files for trends, and the American Community Survey (2005) for racial/ethnic, child, county, and working-poor statistics.