

Press Release



Measuring Poverty in the United States: Comparing Measurement Methods

ALLISON EDWARDS | MAY 19, 2021

In 2019, 10.5 percent of Americans were classified as poor, the lowest rate since the federal government began publishing such data in 1959. One central question to this claim is: how was this classification determined? In new research, AAF's Director of Human Welfare Policy Tara O'Neill Hayes compares and contrasts various metrics that measure poverty and examines each of their potential shortcomings.

Her central points:

- The Official Poverty Measure estimates roughly how many people are unable to afford basic needs without any (or with very little) government assistance based on income and an average national cost of food in the 1960s, adjusted annually for inflation;
- The Supplemental Poverty Measure uses more of a net income approach to estimate how many people are unable to afford anything besides basic needs after they have received government assistance and paid certain expenses, based on average costs of food, clothing, utilities, and localized housing costs; and
- A consumption-based poverty measure, as opposed to income-based measures, may better gauge material deprivation by assessing what people actually buy or are provided, but the government does not use this type of metric.

[Read the research.](#)