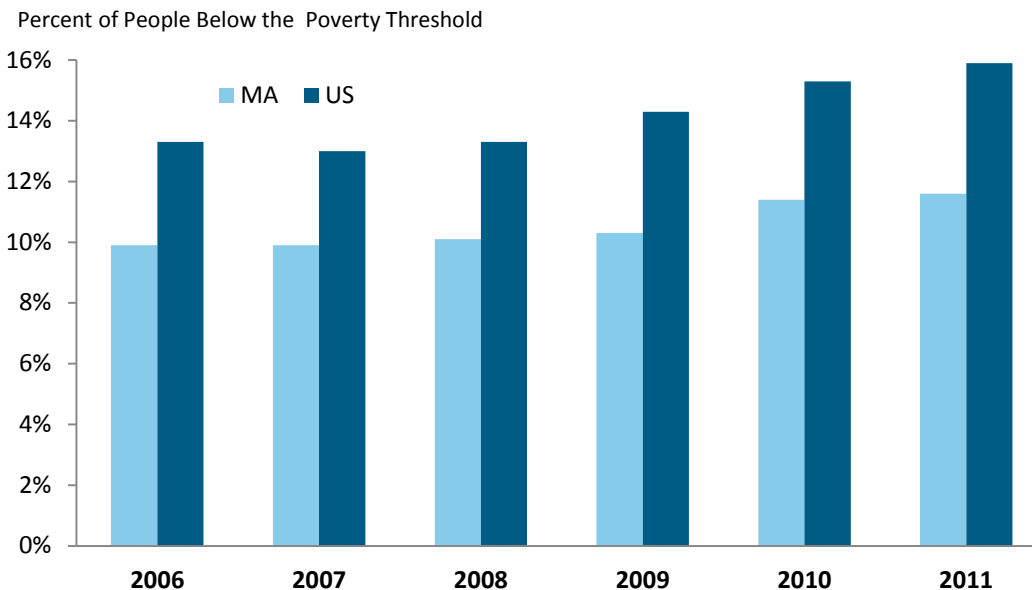


## 2011 Poverty Rate Remained Level in Massachusetts While Rising Nationwide

New data released today by the Census Bureau from its American Community Survey (ACS) show that the poverty rate in Massachusetts remained at roughly the same level as in 2011. The poverty rate measures the percentage of people who live in households with incomes below the poverty threshold. In 2011, this threshold was \$11,484 for an individual and a little over \$22,800 for a family of four. *(The ACS data released today provide more reliable state-level measures of poverty than Census data released last week. See the end of this fact sheet for detail on how the Census Bureau measures changes in the poverty rate.)*

- The overall poverty rate in Massachusetts was 11.6 percent in 2011. This does not represent a significant difference from its 2010 level of 11.4 percent.
- In contrast, the overall U.S. poverty rate did show a significant increase, from 15.3 percent in 2010 to 15.9 percent in 2011.
- Since the start of the recession in 2007 the rate of poverty in Massachusetts has risen from 9.9 to 11.6 percent. Although the rate remained basically level this year after showing a significant increase last year, the fact that the poverty rate remains above 10 percent some two years after the end of the recession reflects the slow recovery.

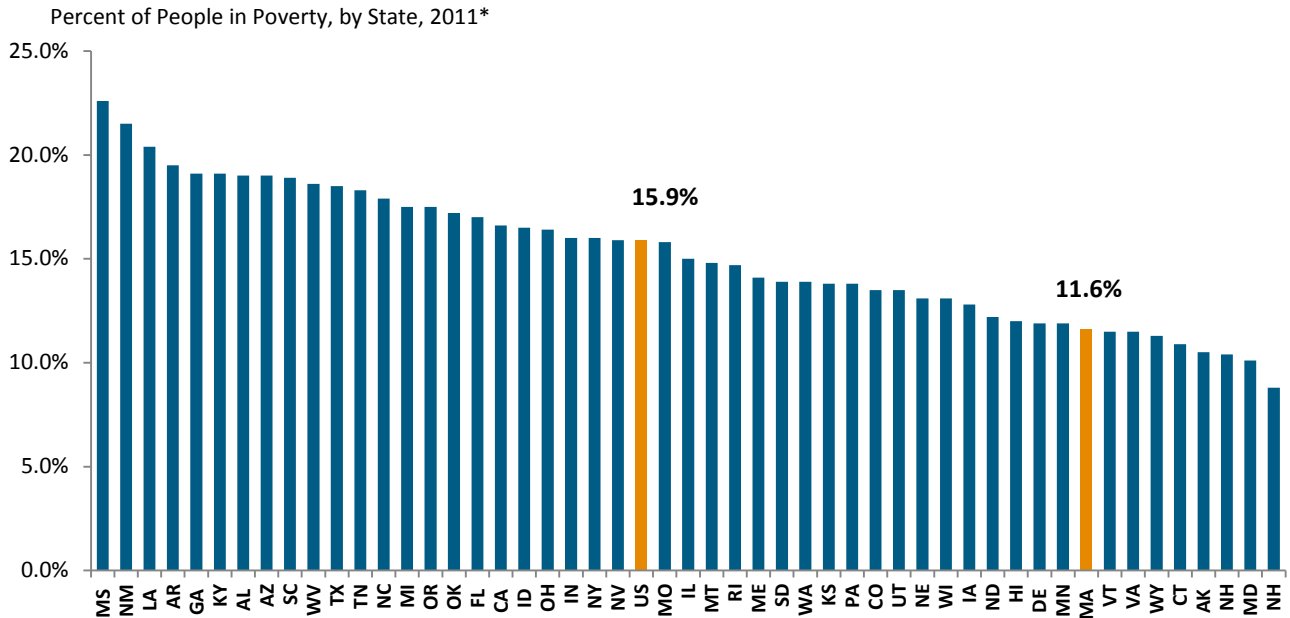
### The Massachusetts Poverty Rate Did Not Change in 2011, as U.S. Poverty Rose



Source: U.S. Census Bureau, American Community Survey 2006-11

The new data also show that Massachusetts continues to rank near the bottom of states when it comes to overall poverty rate. While it is impossible to rank states precisely, because of overlapping margins of error for state poverty rates, Massachusetts does fall in the 12 states with the lowest rates of overall poverty (for a discussion of child poverty, see [here](#).)

### Massachusetts Ranks Among the States with the Lowest Poverty Rates



Source: U.S. Census Bureau, 2011 American Community Survey

\*Due to the size of the margin of error for some state poverty rates, precise ranking is not always possible. However Massachusetts does fall in the 12 states with the lowest poverty rates.

### Measuring Poverty

To determine the poverty rate the Census Bureau counts all money income earned by a family before taxes – in other words, non-cash benefits such as Medicaid and Supplemental Nutrition Assistance Program (SNAP) benefits are excluded, as are tax liabilities and credits. The federal poverty threshold varies depending on the size and composition of the family and is updated each year for inflation. For 2011, the poverty threshold was about \$11,484 for a single person under the age of 65 and a little over \$22,000 for a family of four (thresholds for individuals and couples over the age of 65 are somewhat lower). The poverty thresholds do not vary by geography and thus do not reflect differences in cost of living among states. The Census Bureau has begun to provide national-level data using an alternate poverty measure that takes into account taxes (including the value of the Earned Income Tax Credit) and non-cash support such as Supplemental Nutrition Assistance Program (SNAP) benefits. For more discussion see [here](#).

### Note on Statistical Significance

The ACS data come from surveys of a random sample of households and thus one cannot be certain that the estimate produced by the sample reflects the actual rate for the entire population. Results will vary from one sample to another to a certain extent, depending on sample size and the particular characteristic that is being measured. When comparing two measures – for instance, the poverty rate in two different years or two different states – it is important to consider how this sampling variability

affects the difference between the two measures. If the difference between the two rates would occur due to variability less than 10 times out of 100, then we can say that we have a 90 percent level of confidence that the difference between the two rates reflects a true difference and is not due to this potential variation. In other words, the chance that the difference between the two estimates is simply the result of random chance is less than 10 percent. While different levels of confidence (e.g., 95 or 99 percent) can be used to measure significance, the 90 percent level is typically used when analyzing ACS data, and that is the measure we use here when defining a difference as significant. For more on calculating levels of confidence and testing for significance, see Appendix 4 in the ACS user guide [user guide](#).