

Women and Poverty: Illinois and the United States

Women are more likely to live in poverty than men in spite of gains in educational attainment and workforce participation. Census data from the 2010 American Community Survey paint a sobering portrait of how women in Illinois have fared through the recession and into the recovery. In 2009 unemployment and poverty rates jumped and median income plummeted as the full effects of the recession began to be realized. In 2010 conditions became even worse—female unemployment rose and poverty rates were the highest in over 20 years. Although median earnings increased for women in Illinois in 2010, the gender wage gap persists. Still, in keeping with a recent trend, more women than men are earning college and graduate degrees both nationally and in Illinois. Women must continue to further their education to increase their earnings so that they and their families can enter the middle class.

Women in Poverty

Nationally the number of people living in poverty is the highest it has been since poverty rates began to be recorded over 50 years ago. In 2010 more than [one in six Americans](#) lived below the federal poverty line, which is just [\\$22,314 for a family of four](#). The numbers are only slightly better in Illinois, where the poverty rate is [13.8 percent](#), or almost one in seven. And between [2007](#) and [2010](#), nearly a quarter-million Illinoisans slipped into poverty. Although Illinois's poverty rate remained high in 2010, it was statistically unchanged [from 2009](#), stagnating as opposed to rising with the national rate.

Women make up a disproportionate number of the people living in poverty both nationally and in Illinois. Indeed, in Illinois [15 percent of women lived below the poverty line](#) as compared with 12.6 percent of men. For female heads of households, the disparity is even greater—[28.5 percent of female heads of households with no husbands present](#) in Illinois lived in poverty in 2010. And for single mothers with children under 18 in Illinois, the rate rises to [38.2 percent](#)—[one-in-five families in Illinois are headed by a single mother](#).

These high numbers, however, are likely *underestimates*. The federal poverty measure is calculated by using [outdated methodology](#) that fails to consider adequately people's economic needs today. One attempt to get more accurate numbers is the [Supplemental Poverty Measure](#) (SPM), which takes into account rising costs of basic goods, out-of-pocket medical costs, and the effects of public benefits programs. SPM data put the poverty rate in the United States at 16 percent, a full percentage point higher than the official measure. Because the SPM takes into account certain public benefits for low-income children, the supplemental child poverty rate is substantially lower than the official child poverty rate. While the SPM may show the positive impact that government programs such as the school lunch programs have on alleviating poverty, the SPM still fails to calculate accurately the level of income that families need to survive at a basic standard of living. The SPM perpetuates an

outmoded understanding of subsistence narrowly defined by the cost of basic goods, which have been consistently outpaced by actual living standards ([pages 4, 6](#)). The self-sufficiency index, widely considered to be a more accurate estimate of what people need to get by, is roughly 200 percent of the federal poverty measure. The SPM, by contrast, raised the poverty threshold by only \$2,000 for a family of four. The most recent self-sufficiency calculations for Illinois (from 2009) are that there were [652,000 more households](#) in poverty in Illinois than were counted in the census.

Education

Worsening poverty has not discouraged women from furthering their education. A higher proportion of both women and men earned college and graduate degrees in 2010 than in any of the past five years both nationally and in Illinois. Continuing a trend, however, women were more likely than men to achieve higher levels of education. This has continued to the point that women as a group are actually more educated than men both [nationally](#) and [in Illinois](#). For example, in 2010 in Illinois, 48.5 percent of women had some college or an associate degree as compared with 41.8 percent of men; 14.5 percent of women, but only 10.1 percent of men, had a bachelor's degree.

Income

The number of men and women in Illinois over 16 with earnings decreased substantially between [2009](#) and [2010](#). Women's median earnings, however, increased almost \$1,000 in Illinois in that time while men's median earnings remained statistically unchanged. This increase, while potentially meaningful, has done little to close the overwhelming gender wage gap in Illinois, where women working full-time year-round have earned a median income of about [\\$10,000 less](#) than men for the past five years. And the wage disparity only grows with education level. For those with graduate degrees, the average difference in income between men and women in Illinois is [almost \\$30,000](#). Compounding the problem, women tend to be concentrated in low-wage occupations to begin with. The gender wage gap, combined with occupational segregation, resulted in a [poverty rate of 8.8 percent](#) for females who were heads of household in Illinois *and who worked full-time, year-round*.

Unemployment

The gender wage gap continues to affect women even when they lose their jobs. Because Unemployment Insurance is based on former income, women receive much less than men in benefits. And female unemployment has been rising of late. The early part of the recession may have been dubbed a "mancecession" because of the heavy losses in male-dominated industries such as construction and manufacturing, but the last year has been [disproportionately hard on women](#). In Illinois the unemployment rate rose almost a full percentage point between [2009](#) and [2010](#) to 11.4 percent. The reason for this rise: an increase in *women's* unemployment and statistically unchanged male unemployment. Women's unemployment also rose nationally by a full percentage point between [2009](#) and [2010](#), but it was accompanied by a rise in male unemployment.

Public Assistance

High poverty rates driven by the recession have led to increased demand for public benefits. As a result of increased need and [policy improvements](#), the number of people served by the Temporary Assistance for Needy Families (TANF) program, a cash assistance program for very poor families, has increased in Illinois. In [July 2011](#) (the latest TANF numbers available), the total number of families receiving TANF rose by 780 to 45,481. The expansion of TANF helped in reducing hardships for families who needed help the most and in placing them on a path to self-sufficiency. However, the expansion has not been nearly enough to meet the full range of need in Illinois or to keep pace with an unemployment rate that [was 9.5 percent in July 2011](#) and has continued to rise.

The number of people receiving food stamps has also increased since the recession began. Last year [11 percent of all households in Illinois](#) were enrolled in the Supplemental Nutrition Assistance Program (SNAP, formerly the Food Stamp Program). Because SNAP funds and other nonincome supports and tax credits are not included in income calculations of the federal poverty measure, the success of this program in alleviating poverty is not visible in the census data. The newly released SPM data, however, show that when SNAP is added to calculations, the national poverty rate decreases by 2 full percentage points ([table 3a](#)). For youths, the SPM calculations showed a decrease of 3 percent in the poverty rate due to SNAP benefits. In Illinois public assistance programs such as SNAP and TANF have been critical in alleviating poverty, and Illinois must recommit to funding a safety net that can expand during difficult economic times to help the neediest families and individuals.

Women and the Census Data

With poverty numbers at an all-time high (regardless of how poverty is measured) and unemployment for women continuing to rise, 2010 was especially challenging for women and their children. Low median income, the persistence of the gender wage gap, and rising unemployment have all contributed to the high rate of female poverty in Illinois and around the country. Public assistance programs such as SNAP and TANF have helped mitigate some of the worst effects of the recession, but these programs face potential disinvestment on the state and federal level, [where cuts are being disingenuously justified in the guise of deficit reduction](#). Although women in Illinois did see an increase in earnings coupled with rises in educational attainment, too many women remain unable to lift their families out of poverty, much less earn a family-sustaining wage. The census data highlight the unique hardships that women in Illinois face and show just how difficult the recession and the recovery have been on women in particular.

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