

August 23, 2006

## Census Data Q and A's

Possibly more than you want to know, but here are answers to questions people posed as part of the Census poverty/income/health insurance data training session on August 17. For more information, please contact Debbie Weinstein, Coalition on Human Needs, [dweinstein@chn.org](mailto:dweinstein@chn.org)

### **Please clarify: which survey am I supposed to use for comparisons with earlier years?**

The Census Bureau recommends the Current Population Survey (CPS) for state comparisons of income and poverty over time. While the American Community Survey (ACS) contains a wealth of data, 2005 is the first year implementing its full sample size of 3 million. In earlier years, the sample was 800,000. The Census Bureau has concluded that ACS state comparisons over time are not as reliable as CPS because of the change in sample size. The release of the 2005 ACS data will not include comparisons with earlier years - that's their way of discouraging you from doing so. You will still be able to find ACS data from 2000 on (for example, go to the ACS 2004 data and click on multi-year profiles:

[http://factfinder.census.gov/servlet/MYPGeoSearchByListServlet?ds\\_name=ACS\\_2004\\_EST\\_G00\\_&lang=en&ts=174309700445](http://factfinder.census.gov/servlet/MYPGeoSearchByListServlet?ds_name=ACS_2004_EST_G00_&lang=en&ts=174309700445).) But if the Census staff are asked, they'll say they recommend the use of CPS for state time comparisons.

Because the CPS sample is relatively small, it is necessary to calculate two-year averages of state data. We'll make it easy, by preparing excel tables for health insurance and poverty (and if possible, income too), using two-year averages taken from the CPS data, and showing comparisons of 2004-2005 to 2000-2001 and 2003-2004. There will be a formula embedded in the table, so when you plug in your state's 2005 number and percentage, it will do the appropriate calculations. We're sending spreadsheets with all population poverty and health insurance. We're working to finish a separate spreadsheet about child poverty, and I'm delighted to report that our friends at the Center on Budget and Policy Priorities help out by creating another one for income. (The latter two may have to come out in a separate email a little later.) They have also helped by inserting a statistical significance column - you plug in the confidence interval that will be in the Census tables in the right spot, and it indicates "yes" or "no" for statistical significance. Very cute.

CPS is also the method of choice for national income and poverty comparisons over time - it goes back for decades, and historic tables are included in the publication to be released on August 29. CPS is also the only source of health insurance data.

However, if you want to compare cities or congressional districts over time, ACS is the only source of data, and the Census Bureau recommends those comparisons. Bear in mind that for previous years, ACS didn't sample places with populations of less than 250,000; starting in 2005, there are places of 65,000 or more. So if you are interested in a small place, you will not be able to find comparison data before 2005.

This year will be the first time the published report does not include any CPS state income and poverty numbers. They will only be available online. That means your ability to use the data makes you extra helpful to reporters who will want to say something about your state. You can help them put the numbers in context. We really hope that poverty finally begins to decline. But people in your state should know if there is more or less poverty than there was in 2001, the first year of the recovery.

### **Is the recommendation to use CPS for state time comparisons written down somewhere?**

Haven't found it yet. Last year's report included this caution about the CPS data: "The Census Bureau recommends using 3-year averages to compare estimates across states and 2-year averages to evaluate changes in state estimates over time." This year, most comparisons across states should be done using ACS. The Census Bureau will supply ranking tables showing comparisons across states for many topics.

**Wait – won't it be very confusing to use an ACS poverty number for my state in comparisons with other states, and a CPS number for time comparisons?**

Well, yes - it would be terribly confusing to have two different poverty numbers - one for comparisons over time and the other not. You have a few common sense choices here. You can stick with CPS for all state comparisons and use ACS for a look at cities, congressional districts, or other places. But also bear in mind that ACS has other data that you might find useful - perhaps not next Tuesday, but eventually. Since CPS doesn't give you such info, there are other uses for ACS at the state level. For instance - people who haven't graduated from high school; grandparents caring for grandkids; school-age children with disabilities; length of commute to work; preschool children in families where every parent works.

Some of your choices may depend on what points you wish to emphasize. For instance, if the ACS ranking tables show that your state is one of the worst for poverty, you might want to say that, according to ACS, your state is 5<sup>th</sup> worst, without ever giving a number or percentage that may not be exactly the same as CPS.

**Will the Aug. 29 release show the number/proportion of children without health insurance by state?**

Yes. It won't be in the published report, though – it will be available online on the 29th. We expect it will look like the 2004 table, HI10, showing insurance or the lack by state for children under age 19, incomes below 200% of the federal poverty line. The 2004 version is available here:  
[http://pubdb3.census.gov/macro/032005/health/h10\\_000.htm](http://pubdb3.census.gov/macro/032005/health/h10_000.htm).

The report itself will include a table by state of all people with/without health insurance, with 2- and 3-year averaging. In the 2004 data report, it was Table 11. You can find it here:  
<http://www.census.gov/hhes/www/hlthins/hlthin04/hi04t11.pdf> Both these tables are drawn from the Current Population Survey (CPS). The American Community Survey does not include any questions about health insurance.

**I've found that there are already quite a lot of data for 2005 on the ACS website, by going to**  
[http://factfinder.census.gov/servlet/DTGeoSearchByListServlet?ds\\_name=ACS\\_2005\\_EST\\_G00\\_&lang=en&ts=173902349332](http://factfinder.census.gov/servlet/DTGeoSearchByListServlet?ds_name=ACS_2005_EST_G00_&lang=en&ts=173902349332)

You are exactly right - that is the link for the first round of 2005 data that was made available on August 15. It includes basic population estimates by race, sex, age, disability, birthplace, citizenship, marital status, veterans' status, how many grandparents living with their grandkids are responsible for their care, how many people say they speak English less than very well, and how many people completed high school. (I'm surely leaving things out.) So far, it does NOT have data about income or poverty, because that data is coming out on August 29. On that date, the same link will show you many more tables on their pull-down menus - with all the newly available data.

The American Community Survey data is quite well laid out - the 2005 data available right now is quite interesting.

**I've tended to stay away from the American Community Survey in the past.**

In a few years, you'll probably like the ACS a lot better. You can get data from small jurisdictions, perhaps identify pockets of poverty more accurately within your state, get much more on subpopulations (race, immigrant status, family type, etc.), and find interesting stuff about housing, commute to work, disability, and lots more. Once there are enough years of full implementation, comparisons over time will get reliable.

**I found a list of the cities and other areas in my state that will have ACS data. But I haven't seen a list of the data that will be available at those levels. Does that include poverty (adults & kids) and median household income?**

Yes, income and poverty data will be available for the areas (cities, congressional districts, counties, school districts, etc.) covered by the ACS this year. They go down to populations of 65,000 or more; last year, areas of 250,000 or more were covered.

**Why do we not want to do comparisons over time before 2000?**

We're emphasizing this relatively short-term comparison mostly because we're trying to tell a story about generally unshared prosperity in the years following the recession that ended in 2000. Since then, we've been in a recovery, but poverty rose each year from 2000 to 2004. There generally is a lag time for the lowest income people to see the benefit of an economic recovery, but it's been longer than usual. Maybe 2005 will finally be the year poverty starts to decline, and that will be good news. But it's important for us to place this result in context – is poverty still higher than it was in 2000-2001? Have median incomes continued to stagnate; have they still lost ground over the past 4 or 5 years?

The comparison to 2000 or 2001 also brings in a “compared to what?” question – starting in 2001, tax cuts were enacted costing hundreds of billions of dollars, with most of the benefits going to the wealthy. If incomes of the poor and of middle-income households have lost ground, these tax cuts can be judged as failing to create a prosperity shared by most Americans. Not to mention that their cost cripples the ability of government to supply services needed by most Americans.

Having said that, there is no objection to long-term comparisons. That's one of the advantages of CPS – it goes back into the 1960s. The Economic Policy Institute has done excellent long-term analyses of poverty and income trends. For example, EPI and the Center on Budget and Policy Priorities did a 20-year look at income inequality in states called *Pulling Apart* ([http://www.epi.org/content.cfm/studies\\_pulling\\_apart\\_2006](http://www.epi.org/content.cfm/studies_pulling_apart_2006)).

**Is there a concern on CHN and CFK's part that we as advocates need to understand how to use the census bureau data in order that we do not take the view that poverty is down? In other words, are you afraid that the data may try to say this?**

We can't emphasize enough that we hope poverty is down. It's shocking that poverty rose from 2000 to 2004 and that most people have seen their incomes erode. It's particularly shocking that during this period there has been a widening gap between the rich and everyone else. Here's a new analysis by the Economic Policy Institute: In 2001, the wealthiest 1 percent had 173 times the wealth of the median (typical) household; by 2004, the wealthiest 1 percent shot up to 190 times median household wealth. (Want a long term comparison? In 1962, the top 1 percent had 125 times the median household's wealth.) See [http://www.epi.org/content.cfm/webfeatures\\_snapshots\\_20060823](http://www.epi.org/content.cfm/webfeatures_snapshots_20060823)

We also emphasize that we educate ourselves and share what we learn with you so that we can use the Census data accurately. That means we report whether poverty is up or down, but we also place that finding in context. We're not afraid of the facts revealed by the new figures; we are worried that some will trumpet any decline in poverty as vindication for policies that still leave most people behind, and that take away funds for education and other services that help all of us move forward.

**Is there poverty and health insurance data for elderly? Or age group breakdown to be able to get at elderly population? Where can I find poverty statistics and health care statistics for the elderly (over 60) in my community?**

At the national level, yes, both for poverty and health insurance – data on those aged 65 and over are easily available in the report that will be published on August 29. For state data, let's take poverty first:

Yes, you can get CPS data online that show people 65 and over below poverty. Here's the link to the 2004 table: [http://pubdb3.census.gov/macro/032005/pov/new46\\_100125\\_06.htm](http://pubdb3.census.gov/macro/032005/pov/new46_100125_06.htm)

That's table Pov46 – we expect the numbering won't change for the 2005 data.

And health insurance – yes, there is state data showing health insurance or the lack by age. The table is HI5 – here's the link to the 2004 version: [http://pubdb3.census.gov/macro/032005/health/h05\\_000.htm](http://pubdb3.census.gov/macro/032005/health/h05_000.htm)

You can't get health insurance data from the Census Bureau below the state level. But there is income and poverty data by age from the American Community Survey, in 2005 for places of 65,000 or more.

**How do you put a spotlight on poverty issues in a climate where business recruitment and retention is the focus; when poverty issues don't bring in business?**

Communities must address poverty so that they can more successfully recruit businesses and increase prosperity for all. One of the prime factors in deciding where businesses should locate is the existence of a trained workforce. Poor people typically have fewer skills. Antipoverty policies would address that problem, and also reduce chronic illness or disability that can reduce worker productivity. Secondly, poor people don't have as much money to buy products that businesses sell. That's why Henry Ford paid his workers enough so they could afford to buy the cars they made.

It's true – simply noting the existence of poverty doesn't help businesses. But using the data to show why education, health care, nutrition, job preparation, and work supports are good investments can create more prosperity.

**On the call, it was referred to as National Poverty & Income Day. Is that correct? And if so, is there a lead organization that sets that. For example, America's Second Harvest focuses on Hunger Awareness Day.**

That was just shorthand – and not too artful, either. There is no particular name for this day; it's just the day the Census Bureau has selected to release data about Income, Poverty and Health Insurance Coverage in the United States. You're right in pointing to the need for a coherent message from folks like us to turn this release into a Poverty and Inequality Awareness Day, or Week, or Month. That's why it's helpful for groups to put out press releases, hold events, write letters to the editor commenting on the coverage of the Census data, and to send copies of what you do to your elected officials.

**With a day-of press release, if the information is only released on 8/29 in the morning, how do you turn around the release to get it out that same day with localized information?**

Swiftly. That's why we're trying to help by telling you as precisely as possible where to find data, and getting you the tables so you can plug in your numbers and be ready fast. But the most important way to be ready is to use the press release outline thoughtfully provided by the Center on Budget and Policy Priorities (<http://www.chn.org/pdf/2006/povdaypressrelease.pdf>) to create your own release in advance. We respectfully suggest you might want to point to continued unacceptably high levels of poverty and continued stagnation or erosion of typical families' income. Urge more investment in education, health care, job training, child care, etc. – and say that the data show that cuts proposed in these areas by Congress and the Bush administration are simply wrongheaded. Or use state or local issue examples. Similarly, you can alert people to the urgent need to provide health insurance for the very high (still growing?) numbers of uninsured. If you are ready with your outline, you can plug in the specifics, perhaps without much need for change, and get out a statement by about noon or 1:00 p.m. that day. Even better, ahead of time try to figure out which local reporters will be covering the Census release, and make sure they know you will have something to say about it. Last bit of advice – keep it simple. If you try to do a very complicated analysis, you won't be ready in time for that day's news cycle. Those analyses are very valuable – but should wait for a later release.

**Is there a way to get in touch with Karen Crompton about the data postcards she was talking about. I really like that idea and would love to get some more information on how to implement the idea and some visuals of their project.**

Yes – it looks great! Here's a link to the postcard: <http://www.chn.org/pdf/2006/utahpostcard.pdf>  
Karen is at Voices for Utah Children, at (801) 364-1182. Email: [Karen@utahchildren.org](mailto:Karen@utahchildren.org)

**How do you talk about a "margin of error" of for example 7% for a county in poverty? Is there a document online that shows how the data percentages are calculated?**

We've put a couple of methodology questions together. The big picture answer (and I'm not a technical expert) is that any sample involves estimates. The smaller the sample, the bigger the possibility exists that the finding (such as percentage of people in poverty) is off – maybe by as much as 7 percent in either direction, to use the example in the question. With the help of the Center on Budget and Policy Priorities, we have included a test for statistical significance in the tables for poverty and health insurance we're providing you. That is, we are doing a calculation to show whether the finding is likely to be better than just chance. This is important if you want to make the claim that poverty went up or down compared with a prior year. If the change from the prior year is not all that large, is it possible it's just a chance fluctuation in the sample? The statistical significance calculation is an agreed-upon way of saying – yep, the difference is large enough that we don't think it could just be chance. Or nope, it isn't. If your state has not had a statistically significant increase or decrease in poverty, it's more accurate to say that poverty is stubbornly static, and that steps need to be taken to make progress at long last.

When you are just using a poverty number or rate, consider using sentences like "The Census Bureau *estimates* that 100,000 people are poor in our city, or 15 percent of the total population."

For an extensive (16 page) description of Census methodology called Accuracy of the Data, try this: <http://www.census.gov/acs/www/Downloads/ACS/accuracy2005.pdf>

**I thought sample sizes were smaller in smaller states. Is a two-year average sufficient for reliable in the smallest states as well as in states like California and NY? Is one year sufficient in the largest states?**

As noted above, last year the Census Bureau recommended two-year CPS averages for comparisons over time, and three-year averages for comparison of the CPS data among states. They don't distinguish between big and small states for this purpose. Most likely, you don't really need to average two years for the largest states. But we're being consistent for all states – that's the approach Census took for last year's data. This year, the ACS sample is so large, it makes sense to use ACS whenever possible for 2005 comparisons among states; multi-year averaging isn't necessary there.

**Are there any plans to take this data down to the Census Tract or Zip Code Tabulation Area?**

Starting in 2008, ACS will begin to provide 3-year estimates for places of 20,000 or more, and in 2010, will provide 5-year estimates for all areas. I don't know if it will be organized by Census Tract or Zip Code, though. The decennial census does provide those breakdowns. For the roll-out of all the ACS breakdowns, see [http://www.census.gov/acs/www/Products/users\\_guide/ACS2005\\_Overview.pdf](http://www.census.gov/acs/www/Products/users_guide/ACS2005_Overview.pdf)

