

EXHIBIT L (Revised)  
Circular No. A-46

DEFINITION OF POVERTY FOR STATISTICAL PURPOSES

For the years 1959-1968 the statistics on poverty contained in the Census Bureau's Current Population Reports, Series P-60, No. 68, shall be used by all Executive departments and establishments for statistical purposes. For the years 1969 and thereafter, the statistics contained in subsequent applicable reports in this series shall be used.

A number of Federal agencies have been using statistical series on the numbers of persons and families in poverty, and their characteristics, in analytical and program planning work. The basis for these series has been the classification of income data collected by the Bureau of the Census in accordance with a definition of poverty developed by the Social Security Administration.

The Bureau of the Census series continues the Social Security Administration definition for the base year, 1963, except that the differential between poverty levels for farm and nonfarm families is reduced from 30 percent to 15 percent. Annual adjustments in the Census series are based on changes in the average annual total Consumer Price Index (CPI) instead of changes in the cost of the U. S. Department of Agriculture's Economy Food Plan.

The establishment of this standard data series does not preclude departments and agencies from more detailed analyses or from publication of tabulations for specialized needs although, where applicable, totals must agree with totals published by the Bureau of the Census. Other measures of poverty may be developed for particular research purposes, and published, so long as they are clearly distinguished from the standard data series.

The poverty levels used by the Bureau of the Census were developed as rough statistical measures to record changes in the numbers of persons and families in poverty, and their characteristics, over time. While they have relevance to a concept of poverty, these levels were not developed for administrative use in any specific program and nothing in this Circular should be construed as requiring that they should be applied for such a purpose.

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