

Family size (persons)	Annual cash income thresholds to poverty ¹	
	Nonfarm	Farm
1.....	\$1,540	\$1,080
2.....	1,990	1,390
3.....	2,440	1,710
4.....	3,130	2,190
5.....	3,685	2,580
6.....	4,135	2,895
7.....	4,635	3,245
8.....	5,135	3,595
9.....	5,635	3,945
10.....	6,135	4,295
11.....	6,635	4,645
12.....	7,135	4,995
13 or more.....	7,635	5,345

¹ Incomes for family sizes from 1 through 6 are weighted average composites resulting from the range of thresholds estimated by the Department of Health, Education, and Welfare. Incomes for family sizes larger than 6 are uniform extensions of the thresholds for smaller families, by the Office of Economic Opportunity.

Although there is no avoiding the acknowledged imperfections of this arbitrary classification of poverty, its quality and usefulness far exceed the \$1,500 and \$3,000 poverty thresholds for one person and two or more person households, respectively, which were common references in pre-Orshansky poverty literature. New definitions with better reference points in expenditure patterns and with regional differences will probably develop during the next few years, but the current figures in this analysis are based on this pattern, which is, not what will be.

Based on 1964 cash incomes and the basic principles of classification just described, in March 1965 the poor comprised—

5.3 million unrelated individuals, over half of whom were 65 or older; and

29.0 million persons living together in 6.8 million families, of which over one-fifth were headed by persons 65 or older.

In tables 2-7, the general characteristics of these poor are shown in such detail, by age, sex, and color of head, by relationship to each other, and by degree of urbanization, as to require only a few additional textual stresses. One general qualifying fact should be pointed out at this time: 1.3 million poor persons were members of 0.4 million families reporting zero or negative incomes characteristic of businessmen and farmers. Three-quarters of these were not living on farms. The numbers seem consistent with those one might expect of a national society of 47.7 million families, containing large numbers of self-employed subject to the swings and wounds of competitive fortune. These 1.3 million poor persons may have been transiently poor, as some poor were no doubt transiently nonpoor in 1964. They have not been excluded from the totals of poverty groups in this discussion.

An interesting illustration of the flux of factors causing poverty is the decline in the nonwhite percentage of all poor persons with advancing age. This is not because age confers affluence on the nonwhite, but because, when measured by cash income, it imposes poverty on the white, so that the proportion on nonwhite poor in the total aged poor is diluted.