

# POVERTY PROFILE 2007

## EDUCATION AND POVERTY

### Highlights

- A higher level of education decreases the risk of poverty.
- Still, many people living in poverty have more than a high school education

After-tax low income cut-offs are used to measure poverty in this bulletin, unless otherwise noted. For details on methodology and data sources, see the bulletin *Methodology, Definitions and Information Sources*.

## EDUCATION CAN REDUCE THE RISK OF POVERTY

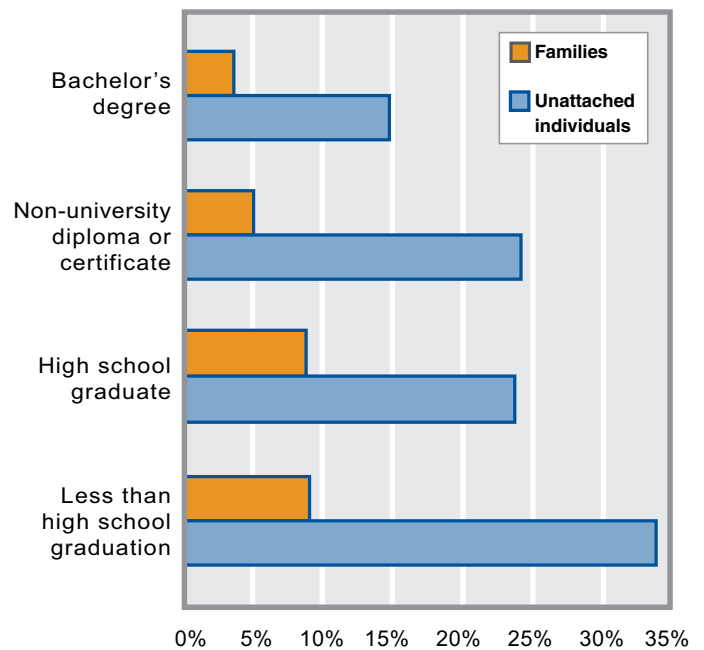
Poverty rates vary widely by level of education. For families of two or more people, poverty rates are highest when the major income earner (MIE) has less than a high school diploma. Poverty rates are lowest for those with a university degree.

The same holds true for unattached individuals. Their poverty rates, however, are much higher than those of families across all levels of education.

## FAMILY TYPE PLAYS A KEY ROLE

When we look at poverty rates by family type and education level, we see that each family type is better off with higher levels of education.

### Poverty rates tend to be higher when education levels are lower



Poverty rate (%), 2007

Note: Poverty rates for families are based on the highest level of education of the family's major income earner.

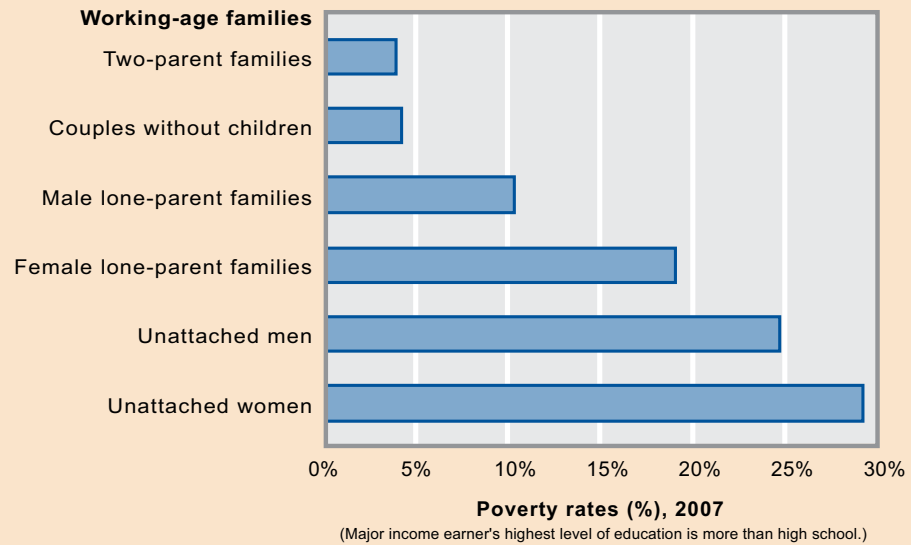
However, no matter how high the level of education, poverty rates are greatest for unattached persons and lone-parent families – the same pattern we see when looking at family type alone.

## MANY OF THOSE LIVING IN POVERTY HAVE MORE THAN A HIGH SCHOOL EDUCATION

A higher level of education decreases the risk of poverty. Yet when we look at the MIEs of poor working-age families, we find that just over half have more than a high school education.



## Poverty rates vary by family type, even when the major income earner has more than a high school education



The same holds true for poor working-age unattached persons. A good education is not necessarily a guarantee against poverty.

### Number of poor working-age families by highest level of education, 2007

Education level	Families	Unattached individuals
Less than high school graduation	105,000	230,000
High school graduate	91,000	114,000
More than high school	261,000	636,000
Unknown	46,000	160,000

Note: Poverty rates for families are based on the highest level of education of the family's major income earner.

[www.ncwcnbes.net](http://www.ncwcnbes.net)

May 2010

## HIGHER POVERTY RATES FOR WOMEN

When a woman is the MIE in a family, the families tend to have higher poverty rates than those with a male MIE who has the same education.

Looking at working-age families in particular, when the MIE's highest level of education was less than high school in 2007, the poverty rate was:

- 5% for families with a male MIE compared to 27% for families with a female MIE; and
- 48% for unattached men compared to 60% for unattached women.

The gender gap gets smaller as the level of education increases.