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PRESS RELEASE

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Indiana Experiences One of the Highest Poverty Rate Increases in the Country in 2010

Indianapolis, IN—The release of Income, Poverty, and Health Insurance Coverage by the U.S. Census Bureau provides a look at just how damaging the recent recession and jobless recovery have been as more Americans are now living in poverty (\$18,310 for a family of three in 2010). Data released today from the Current Population Survey shows that Indiana's poverty rate has increased from 13.1 percent in 2007-2008 to 16.2 percent in 2009-2010.¹ This increase is not only statistically significant, but is the sixth highest increase in poverty rate in the country.

Additionally, Indiana now has a higher poverty rate than all of its neighboring states, except Kentucky whose poverty rate is 17.4 percent (Illinois-13.7, Michigan-14.8, Ohio-14.3, and Wisconsin-10.3).² Indiana has the 14th highest poverty rate in the country. "Indiana is considered to be faring the recession better than our neighboring states due to our ability to amass a state surplus, however, these new poverty numbers show this is not the case. Indiana's poverty rate is higher than those of our neighboring states and more Hoosiers are struggling to support their families and make ends meet," said Lisa Travis, Program Manager with the Indiana Institute for Working Families.

The number of Hoosiers in poverty has grown substantially since 2000, when 7.7 percent of the state's population earned less than poverty. Ten years later the poverty rate has skyrocketed by 8.5 percentage points to reach 16.2 percent. One in six Hoosiers lived in poverty in 2010, up from 1 in every 13 persons in 2000.

"Maybe now is the time to consider putting that state surplus to use to give Hoosiers the hand up they need to get out of poverty including increasing access to work supports and education and job training needed to obtain jobs that pay higher wages," said Travis.

Poverty has become more prevalent in Indiana than in the nation as a whole in 2010, as the national poverty rate stands at 15.1 percent. The nation's poverty rate in 2010 was the highest since 1993 and is up about a percentage point from 14.3 percent in 2009. Nationwide, 46.2 million people were in poverty, up from 43.6 million in 2009, according to the Census Bureau this is the fourth consecutive annual increase in the number of people in poverty.

¹ Due to the smaller sample size of the CPS, all state numbers are two-year averages. One-year estimates will be available in the coming weeks from the American Community Survey.

² Ibid.

While detailed state level data will not be available for a few more weeks, there are some national demographic data that are startling.

- The percent of children living in poverty increased 1.3 percentage points, to reach 22 percent.
- The poverty rate for African Americans increased by 1.6 percentage points to hit 27.4 percent
- The poverty rate for Hispanics was 26.6 percent, an increase of 1.3 percentage points.

In addition to the demographic poverty data, the Census Bureau also released income data. They report that the real median household income was \$49,445 in 2010, a 2.3 percent decline from 2009. Since 2007, the year just prior to the recent recession, median household income has declined by 6.4 percent from \$51,965 and is 7.1 percent below the median household income peak of \$52,388 that occurred in 1999.

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Indiana Institute for Working Families

The Indiana Institute for Working Families (Institute) is a program of the Indiana Community Action Association, Inc. (IN-CAA). The Institute was founded in 2004 and is the only statewide program in Indiana that combines research and policy analysis on federal and state legislation, public policies, and programs impacting low-income working families with organized education and outreach. The goal of the Institute is to promote data-driven research and public policy that result in opportunities for Hoosier families to achieve and maintain economic self-sufficiency. The Institute fulfills its mission by focusing its work activities in the following areas: Public Policy; Research and Analysis; Education and Outreach; and National, Statewide, and Community Partnerships. To learn more, please visit: www.incap.org/iwvf.html.

Indiana Community Action Association (IN-CAA)

The Indiana Community Action Association, Inc. (IN-CAA) is a statewide not-for-profit membership corporation, incorporated in the State of Indiana in 1970. IN-CAA's members are comprised of Indiana's 23 Community Action Agencies (CAAs), which serve all of Indiana's 92 counties. IN-CAA envisions a state with limited or no poverty, where its residents have decent, safe, and sanitary living conditions, and where resources are available to help low income individuals attain self-sufficiency. IN-CAA serves as an advocate and facilitator of policy, planning and programs to create solutions and share responsibility as leaders in the War Against Poverty. IN-CAA's mission is to help the state's CAAs address the conditions of poverty through: training and technical assistance; developing models for service delivery; and providing resources to help increase network capacity. For more information about IN-CAA, please visit IN-CAA's web site at: www.incap.org.