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PRESS RELEASE

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Indiana Sees Increase in Child Poverty and Those Who are Severely Poor

Indianapolis, IN—Today the U.S. Census Bureau released American Community Survey (ACS) data. ACS data is based on information collected from January 1, 2010 through December 31, 2010¹ and is a much larger sample size than the Current Population Survey data released by the Census Bureau² earlier this month.

Despite these differences in data sets, ACS data also shows poverty has increased in Indiana. Indiana's poverty rate has increased to 15.3 percent in 2010, up from 14.4 percent in 2009. This mirrors the national poverty rate of 15.3 percent in 2010, up from 14.3 percent in 2009. Indiana is currently tied with Missouri with the 20th highest poverty rate in 2010.

In 2010, 21.7 percent of Hoosier children lived in poverty, ranking Indiana with 21st highest child poverty rate. The number of poor children in Indiana reached 342,172—an increase of 31,141 (or 10 percent) in one year.

This equates to about one out of every five children in Indiana.

Additionally, the ACS data also reveals a growing number of individuals who are severely poor—earning below half of the Federal Poverty Guidelines (FPG)—\$9,155 or less for a family of three. In Indiana, nearly 7 percent of the population was considered severely poor. Additionally, the data shows one out of every three Hoosiers lack the income to be considered self-sufficient—earning less than 200 percent of the FPG (\$36,620 for a family of three in 2010).

In 2010, 29.4 percent of blacks and 28.2 percent of Hispanics lived in poverty. However, minorities are faring better in Indiana than those across the nation, relative to the 2009 ACS data; the poverty rate for blacks decreased by almost 7 percent and the poverty rate for Hispanics also decreased by 3 percent since 2009.

Furthermore, in 2010, senior citizens across the U.S. and in Indiana saw slight decreases in poverty when compared to 2009 ACS data. In Indiana, the senior poverty rate was 6.8 percent, down from 7.9 percent in 2009.

¹ Due to a technical issue, a limited number of products for smaller geographic areas are not available through American FactFinder at this time. However, all Detailed Tables are accessible in the ACS Summary File, through the Census Bureau's FTP site: http://www2.census.gov/acs2010_1yr/summaryfile/. The Census Bureau will release the full set of ACS products for all areas of 65,000 or more in American FactFinder on Tuesday, September 27, 2011.

² Current Population Survey (CPS) data is based on a monthly survey of about 50,000 households conducted by the Bureau of the Census for the Bureau of Labor Statistics.

However, working Hoosiers across the state lost ground as the median income dropped sharply. Indiana's median household income was \$44,613 in 2010, a decline of 3.6 percent from 2009 (\$46,273). Hoosiers also fell further behind the nation earning only 89 percent of the national median household income, which was \$50,046 in 2010.

“The American Dream promises that in our society, anyone can succeed with hard work and persistence. However, this data shows that no matter how hard Hoosiers work, wages are down and they are not going to make enough money to meet their families basic needs such as food, housing, and health care,” said Lisa Travis, Program Manager with the Indiana Institute for Working Families. “We need to help these families, as we can pay for it now or in the long run as children in poverty are more likely to be poor as adults.”

Research shows child poverty costs our society an estimated \$500 billion a year in lost productivity and increased spending on health care and the criminal justice system.³

The Indiana Institute for Working Families plans to do further analysis on this new ACS data and compare it to 2000-2009 data once the Census Bureau weights the data to account for the fact that 2000-2009 ACS data is based on 2000 Census base year data whereas the 2010 ACS data is based on 2010 Census base year data. The Census plans to release this weighted data in Fall 2011.

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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 Institute conducts research and promotes public policies to help 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/iwfw.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.

³ NCCP. “Child Poverty and Intergeneration Mobility.” December 2009. Retrieved on September 22, 2011: http://www.nccp.org/publications/pub_911.html.