

**FOR IMMEDIATE RELEASE**

**PRESS RELEASE**

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### **Poverty Remains Flat, But Income Inequality Increases**

**Indianapolis, IN—** Today the U.S. Census Bureau released the Current Population Survey (CPS) data for health insurance, poverty and income in 2011. The CPS is based on a sample size of 100,000 Americans—a much smaller sample size than the upcoming American Community Survey (ACS) of 3,000,000 Americans. Release date for ACS is set for September 20<sup>th</sup>. Additionally, the anti-poverty effect of particular low-income work-support programs (such as the Earned Income Tax Credit, Unemployment Insurance, and the Supplemental Nutrition Assistance Program) will be available in November.<sup>1</sup> Therefore, “because the ACS is a more robust survey, the Institute will wait until that data is released to report on statewide comparisons and historical trends”, said Derek Thomas, Senior Policy Analyst at the Indiana Institute for Working Families.

At the same time, the CPS does provide some important national indicators worth highlighting:

- **POVERTY:** U.S. poverty rate remains flat. Data from 2011 show a slight downtick from 15.1 percent in 2010 to 15.0 percent in 2011.<sup>2</sup> Almost half (46.9 percent) of children 5 years old and younger live in families earning less than 200 percent of the federal poverty level. Additionally, one-quarter of children 5 years old and younger live in poverty (less than 100 percent of federal poverty levels). For black and Latino children, the rate is much higher—42.7 and 36 percent, respectively.
- **WAGES:** Real Median Household Income declined (for the second year in a row) by 1.5 percent to \$50,054.
- **INCOME INEQUALITY:** The top 5 percent of earners saw a 5.6 percent increase in wealth distribution. The highest quintile of earners also saw a 1.6 percent increase. At the same time, the lowest quintile saw no significant changes, the second quintile saw a 1.6 percent decrease, the middle quintile saw a 1.9 percent decrease and the fourth quintile saw a 1.6 percent decrease. Overall, income inequality increased by 1.6 percent—representing the first annual increase since 1993.
- **HEALTH INSURANCE:** The percentage of uninsured Americans dropped by about 1.5 million including over 300,000 children under the age of 18—from 16.3 percent in 2011 to 15.7 in 2010. The largest demographic increase was among 26-34 year olds, benefitting from the Affordable Care act’s provision to allow children up to the age of 26 to remain on their parents’ insurance plan. According to the survey, the number of uninsured in Indiana is 12 percent.

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<sup>1</sup> The Institute will be available to answer questions and/or provide more information regarding the separate data sets. See the Census Bureau’s press release here: [http://www.census.gov/newsroom/releases/archives/income\\_wealth/cb12-172.html](http://www.census.gov/newsroom/releases/archives/income_wealth/cb12-172.html)

<sup>2</sup> These changes are not statistically significant. This is the first non-statistically significant increase in three years.

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#### **ABOUT THE 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 conducts research and promotes public policies to help Hoosier families achieve and maintain economic self-sufficiency. The Institute 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 education and outreach. The Institute achieves its work by focusing its activities in the following areas: Public Policy: Research and Analysis; Education and Outreach; and National, Statewide, and Community Partnerships. To learn more about the Institute, please visit: [www.incap.org/iwff.html](http://www.incap.org/iwff.html)

#### **ABOUT THE 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: [www.incap.org](http://www.incap.org)

The real median earnings of men and women who worked full time, year round declined by 2.5 percent between 2010 and 2011

After 3 consecutive years of increases, neither the official poverty rate nor the number of people in poverty were statistically different from the 2010 estimates (Figure 4 and Table 3).<sup>3</sup>

in 2011, children under 18 represent 35.