NEWS RELEASE

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Census Data: Poverty Still Worse in CT Than at Beginning of the Recession

City & county poverty, income, and uninsured estimates reported

At the start of the Great Recession, Connecticut experienced the largest increase in child poverty of any state in the nation, rising from 7.9% in 2007 to 9.3% in 2008. New data released today by the US Census Bureau’s American Community Survey show that the official end of the Great Recession has had no real impact for the most vulnerable children in our state, who experienced a net increase in poverty from 2008 to 2012 (with no statistically significant change from 2011 to 2012). More than one out of every seven Connecticut children lived in poverty in 2012, an increase of more than 17% since 2008.

“Given what we know about the link between child poverty, decreased educational opportunity, and lower lifetime earnings, these numbers bode poorly not only for the children living in need but also for the long-term economic health of our state,” said Ellen Shemitz, Executive Director of Connecticut Voices for Children.

Among Connecticut children under age 18, 14.8% (117,000 children) lived in families with incomes under the Federal Poverty Level in 2012, up from 12.6% in 2008. This compares with an overall increase in poverty in the state from 9.3% in 2008 to 10.7% (372,000 residents) in 2012. (In 2012, the federal poverty threshold was $23,283 for a two-parent household with two children.)

According to Shemitz, “Child poverty reflects policy choices made at the local, state and federal levels. Our success in dramatically decreasing poverty among the elderly demonstrates how well we can bend the curve when we want to. To bend the curve in child poverty, we need to make strategic investments in programs and services that work: quality early childhood education, targeted parenting support, universal access to health care, and tools that provide economic security.”

Connecticut Voices highlighted Connecticut’s state Earned Income Tax Credit (EITC) as an effective measure that helps lift low-income working families out of poverty. In 2012, Connecticut taxpayers began to receive the benefits of the state EITC – over 180,000 households received the new credit, which can only be claimed by people who earn income through work. The federal version of the EITC, started by President Nixon and greatly expanded by President Reagan, lifts more children out of poverty than any other federal program, according to a report by the Center on
Budget and Policy Priorities. The state version of this credit for low-income workers is intended to help offset Connecticut’s regressive tax system and high cost of living, and to reward work.

“The state EITC continues to improve financial security for low-income families working hard to reach the middle class,” said Matthew Santacroce, Policy Analyst at Connecticut Voices for Children. “It is critical that the state maintain strong support for this credit, which benefitted workers in every city and town in Connecticut last year.”

“It is clear that investments in early childhood education pay off in the long term, particularly for low-income children,” said Sharon Langer, Senior Policy Fellow at Connecticut Voices. “We look forward to working with the new Connecticut Office of Early Childhood to help create a more accessible, affordable, and streamlined early care and education system.”

Estimates of poverty rates varied significantly across Connecticut’s cities: Bridgeport (25.3%), Danbury (9.3%), Hartford (38.0%), New Britain (24.1%), New Haven (26.1%), Norwalk (10.3%), Stamford (7.7%), and Waterbury (24.9%). The percentage of children under 18 in poverty in Connecticut cities was also reported for Bridgeport (37.6%), Danbury (11.0%), Hartford (53.1%), New Britain (31.0%), New Haven (37.9%), Norwalk (13.0%), Stamford (9.7%), and Waterbury (40.0%). Poverty estimates for 2012 are only available at this time for cities with populations over 65,000. There were no statistically significant changes in poverty or median household income estimates for Connecticut cities between 2011 and 2012.

The American Community Survey also provided poverty estimates for Connecticut’s counties and Congressional districts. There were no statistically significant changes in the poverty rate or median household income in Connecticut counties between 2011 and 2012. (See attached fact sheet for details on county and Congressional district estimates. Since Congressional district data are based on boundaries of the 113th Congress, after redistricting in 2012, no comparisons over time are available for these districts.)

Statewide, the poverty rates for Hispanics (27.6%) and African Americans (24.0%) were dramatically higher than the rate for White, non-Hispanic residents (5.8%).

With the establishment of the Child Poverty Council by state legislation in 2004, Connecticut became the first state in the nation to set a goal of reducing child poverty -- by half by 2014. In 2003, the baseline year for the poverty reduction goal, 10.8% of Connecticut’s children in families (“related children”) had incomes below the poverty line. The state set a goal of reducing the poverty rate to only 5% of children in 2014. Connecticut’s poverty rate for children in families (14.8% in 2012) has significantly worsened over the last decade (the 2001 rate was 9.7%). To meet the goal of reducing child poverty to 5% within the next several years, state policymakers will need to take urgent action, according to Connecticut Voices.

Nationwide, the American Community Survey showed that an estimated 15.9% of all Americans (48.8 million) lived in poverty in 2012, unchanged from the 2011 rate. Among children under 18, 22.6% (16.4 million) were under the poverty line in 2012, statistically unchanged from the 2011 rate. Median household income in the U.S. was $51,000, which was not statistically different from income in 2011.

“As inequality continues to grow in Connecticut we need to look at all of the contributing factors—state and federal programs and taxes, the federal minimum wage, and employers that need to offer higher wages and benefits,” said Jillian Gilchrest, Policy Director at the Connecticut
Association for Human Services. “Poverty and inequality should be at the forefront of policy makers’ minds when they are making decisions, like the proposed cuts to SNAP or the President’s plan to improve and expand early childhood education. We need to have a long-term strategy to improve the conditions for our most at risk children and families, to change the trajectory of poverty in Connecticut and our nation.”

Edith Pollock Karsky, Executive Director of the Connecticut Association for Community Action, Inc. (CAFCA), the state association for Connecticut's 11 Community Action Agencies, said, "As the state struggles to rebuild its economy, the number of clients coming through our doors for assistance continues to climb, many of whom have never asked for assistance before. These poverty estimates are a stark reminder that too many individuals and families are at or near the poverty level and need our help now more than ever.”

“Despite the belief that the economy is recovering, it’s troubling to learn that poverty levels did not improve in Connecticut between 2011 and 2012,” commented Mary Pat Healy, Executive Director of the Bridgeport Child Advocacy Coalition. “In a region with tremendous wealth, too many families in our community struggle to meet their children’s most basic needs. More than a third of Bridgeport’s children live below the federal poverty line, and one-quarter of the population in the city lacks health insurance. This is a grave injustice. As a community, we need to come together to recognize the crisis in our midst and provide families with the health, income, education and other supports they need.”

Median household income in Connecticut was $67,276 in 2012. This was a decline from the income level at the beginning of the recession in 2008, when the median household income was $73,075. However, the 2012 income estimate was not statistically different from the 2011 estimate.

Uninsured
For the fifth year, the U.S. Census Bureau released state-, city-, county- and Congressional district-level estimates for health insurance coverage in Connecticut from the American Community Survey. An estimated 3.8% of children under 18 (30,000) were uninsured at the time of the 2012 survey, a significant increase from the 2.9% rate in 2011, though significantly lower than the 2008 rate of 4.6%. In Connecticut, an estimated 9.1% (322,000) of all people in Connecticut were without health insurance at the time of the survey. This was not significantly different from the 2008 or 2011 rates.

Estimates for Connecticut city residents who were uninsured at the time they were surveyed for the American Community Survey in 2012 ranged from 11.7% in New Britain to 23.4% in Bridgeport. There were statistically significant increases in the uninsured rates for all residents and for children in Waterbury, as well as an increase in uninsured children in Norwalk. There were statistically significant increases in the uninsured rate among all residents and among children in New Haven County between 2011 and 2012. In addition, there was a significant increase in the rate of uninsured children in Fairfield County over this period.

“The apparent increase in uninsured children over this one-year period is concerning and surprising, given that we’ve seen thousands more uninsured children enrolling in the HUSKY health insurance program,” said Sharon Langer, Senior Policy Fellow at Connecticut Voices. “We’re encouraged that there are fewer uninsured children since the beginning of the recession, and we need to ensure that eligible, uninsured children are enrolled in HUSKY or through the private health plans that will become available in 2014 through federal health reform.”
Statewide, the uninsured rate for Hispanics (19.5%) and African Americans (13.8%) was substantially higher than the rate for White, non-Hispanic residents (6.1%).

“The ACS census report gives us a portrait of the uninsured in our state and once again highlights where efforts need to be concentrated so next month’s opening of Access Health CT can benefit all residents who need and want health insurance coverage,” said Frances G. Padilla, president, Universal Health Care Foundation of Connecticut. “This is the state’s opportunity to level some of the disparities we see and our foundation stands ready to help in making sure the next phase of the Affordable Care Act brings much-needed relief to hard-working families.”

Nationwide, there was improvement in uninsured rates. In 2012, 14.8% (45.6 million) of Americans were uninsured at the time they were surveyed, according to the American Community Survey, a significant drop from 15.1% in 2011. Among children in the U.S., an estimated 7.2% (5.3 million) were uninsured, down from 7.5% in 2011.

Connecticut Voices for Children is a research-based think tank that works to advance policies that benefit the state’s children, youth and families (ctvoices.org).

More about these data
This news release and fact sheet, along with links to additional national, state, and local data on demographic, social, and housing indicators from the American Community Survey are available on the CT Voices website at www.ctvoices.org.

For the fifth year, the US Census Bureau has included a question in its annual American Community Survey (ACS) on health insurance coverage. The question asks whether the person is currently covered by any type of insurance. The results are not directly comparable to data from the Current Population Survey (CPS), released on Tuesday, September 17, which asked whether respondents were uninsured for the entire previous year. The sample size for the ACS is much larger than the CPS, so 2012 estimates of insurance status are currently available through the ACS for cities and counties with population greater than 65,000. CPS estimates of the uninsured are available only at the national and state levels.

See the attached CT Voices fact sheet for detailed survey results for Connecticut, its counties, Congressional districts, and cities; evaluation of the statistical significance of changes in local, state, and national estimates; and background on the measures. Note: Unless a change in Census estimates over time is statistically significant, it is not accurate to say that poverty has increased or declined in a city, county, or state.

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