New American Community Survey shows rise in poverty and unemployment; decreased income in Wisconsin
More children than elderly are living in poverty

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Madison, Wis.—New American Community Survey (ACS) data released recently showed poverty in Wisconsin has increased from 10.2 percent in 2005 to 13.2 percent in 2010. Between 2009 and 2010, the state’s poverty rate grew from 12.4 percent to 13.2 percent, which means that approximately 731,500 of Wisconsin residents are living below the poverty threshold. The 2010 national poverty rate is 15.3 percent.

“The most recent estimates show a continued increase in poverty in Wisconsin since 2008,” says Katherine Curtis, demographic specialist with UW-Extension and assistant professor of community and environmental sociology at the UW-Madison. “Poverty in the state is the second highest since poverty data have been collected.” The highest was 15.7 percent in 1959, and the lowest state poverty rate was 8.7 percent in 1979 and again in 1999.

The poverty rate for children under 18 years old has increased from 13.9 percent in 2005 to 19.1 percent in 2010, increasing by roughly 2.4 percentage points in the last year. In contrast, poverty among the state’s residents age 65 and older has remained virtually unchanged during the past decade, at 7.4 percent in 2000 and 7.1 percent in 2010.

“Historically, poverty in Wisconsin was higher among the older population than the child population,” says Curtis. “However, elderly poverty rates have dramatically declined since the 1970s, while child poverty rates have increased over the same period. As a result, poverty rates for children today are nearly three times higher than for the elderly.”

“The child population is dependent on the working age population,” says Curtis. “This means children are impacted when the working age population experiences economic hardships like losses in jobs, losses in hours worked, and declines in wages.”

Median household income for Wisconsin has decreased from $57,302 in 1999 (2010 adjusted dollars) to $49,001 in 2010. At the same time, unemployment rates have increased since 2000 from 4.7 percent to 8.9 percent.

Taking a closer look at the 23 counties in Wisconsin with data available from the ACS data release, the percent of people living in poverty has increased in all reported counties between 2000 and 2010. Fond du Lac, Rock and Eau Claire counties had the largest increases in the past decade for the percentage of people living below the poverty line (6.7 percent, 6.8 percent, 7.1 percent increases, respectively). Twenty-two of the counties reported increases in child poverty over the past decade. Most notably, Wood, Fond du Lac, Marathon, and Jefferson counties reported increases of at least 12 percentage points. The largest decreases in median household income over the past decade were reported for Washington, Rock, Jefferson and Racine counties ($14,183, $12,802, $11,760 and $11,510 decreases, respectively). The largest increase in unemployment rate was reported for St. Croix County, growing from 2.6% in 2000 to 9.9% in 2010.

Continuing past trends, racial minorities in Wisconsin face harsher economic conditions. The ACS data show 9.8 percent of non-Hispanic white residents were living in poverty in 2010. By comparison, 38.5 percent of African American residents, 27.6 percent of Hispanic residents, 28.8 percent of American Indian, and 21.1 percent of Asian
residents were living in poverty. Unemployment was also higher for racial minorities. Unemployed non-Hispanic whites were at 7.8 percent, as compared to 22.3 percent of African Americans, 14 percent of Hispanics, and 19.7 percent of American Indians. Asian residents were the exception at 7.3 percent.

Wisconsin’s neighboring states are experiencing similar economic conditions. Wisconsin’s total poverty rate (13.2 percent) is comparable to Illinois (13.8 percent), lower than Michigan (16.8 percent), but higher than Minnesota (11.6 percent). Child poverty in Wisconsin (19.1 percent) falls between the low of 15.2 percent in Minnesota and the high of 23.5 percent in Michigan. Median household income has decreased during the past ten years for all neighboring states, with Michigan reporting the largest decrease (-22.3 percent) followed by Wisconsin (-14.5 percent).

The ACS data are not Census 2010 data, which also have been released recently. Starting with the 2010 Census, the decennial census no longer collects data on detailed social, economic and housing characteristics. These types of data have been collected on an ongoing basis by the ACS since 2005 and are now released annually instead of every ten years.

The ACS uses a series of monthly samples to produce annual updates. In the simplest sense, they are averages based on surveys collected over a period of one, three or five years. For large areas (population of 65,000 or more) the ACS produces one-year estimates. For areas with a population less than 65,000 but more than 20,000, users will need to look for three-year estimates. The smallest geographies, those with under 20,000 persons, will be limited to five-year estimates.

The 2010 ACS one-year estimates for Wisconsin are now publicly available online at http://factfinder2.census.gov/faces/nav/jsf/pages/searchresults.xhtml?refresh=t. Data for all counties are scheduled for release in December 2011.

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