



POVERTY FACTSHEET - 2010

DEFINING POVERTY

Poverty is often times defined in economic terms: a lack of income or resources to meet the basic needs of life. The following is the 2009 Poverty Guidelines from the US Department of Health and Human Services that defines income levels:

Persons in family	Poverty Guideline 100%	Poverty Guideline 200%
1	\$10,830	\$21,660
2	\$14,570	\$29,140
3	\$18,310	\$36,620
4	\$22,050	\$44,100
5	\$25,790	\$51,580
6	\$29,530	\$59,060
7	\$33,270	\$66,540

*For families with more than 7 persons, add \$3,740 for each additional person.

As an agency that confronts the effects of poverty on a daily basis, we recognize that poverty is not merely a simple income formula. **Poverty is a lack of opportunities, access, assets, and means to participate fully in our society.**

THE EFFECTS OF POVERTY

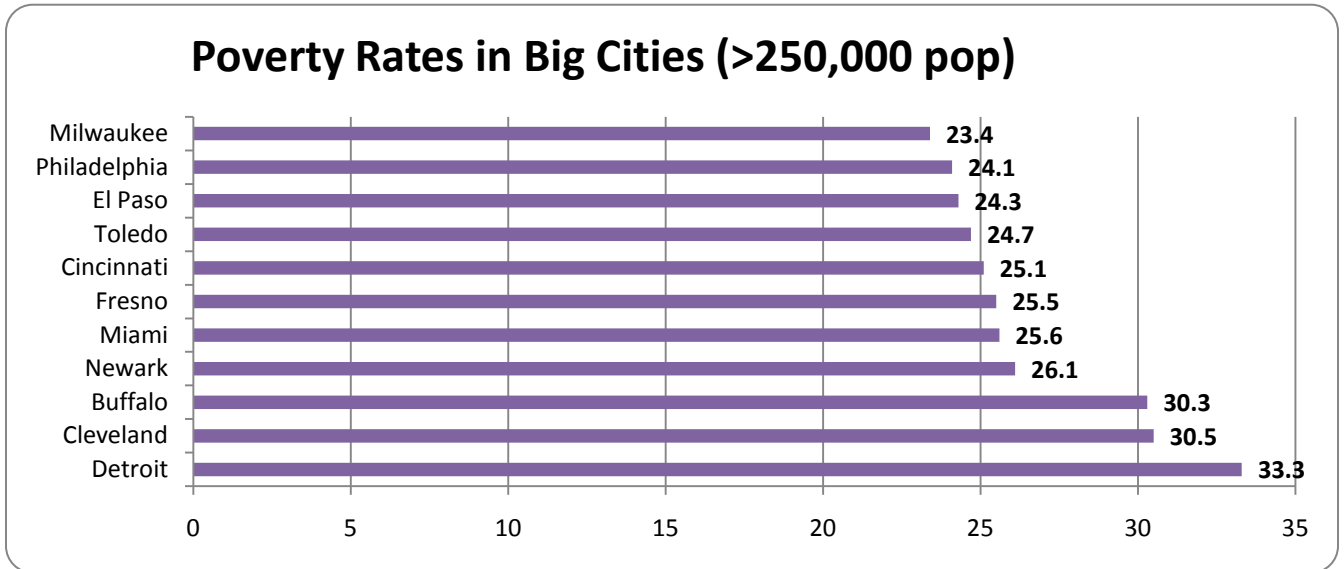
Poverty is a serious issue in Milwaukee County. It is a problem that extends into every arena of society and affects many social and economic problems. Poverty is intimately related to inadequate nutrition, food insecurity, exposure to environmental toxins, family and street violence, residential instability, mental health issues, decreased educational attainment, and decreased access to employment opportunities among other detrimental issues.¹ The local economy weakens because when individuals are faced with the aforementioned problems, they are also less likely to be well-educated and trained for an increasingly globalized economy. Without a strong employment pool, private sector businesses lack incentive to stay in our community and provide much-needed jobs to *all* of our residents.

Above all, poverty is dangerously cyclical. Decades of research has shown that children who grow up poor are less likely to escape poverty in their lifetime.



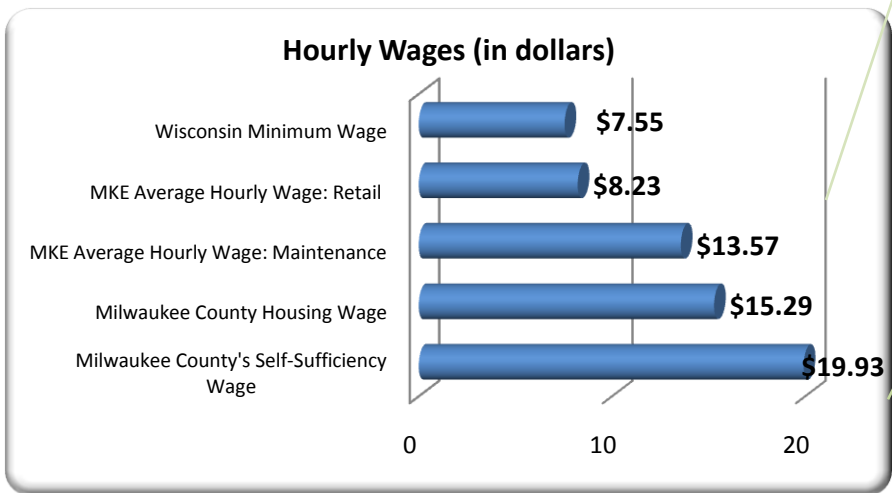
POVERTY IN MILWAUKEE

According to the U.S. Census Bureau, Milwaukee ranks 11th in poverty rates among US cities with a population of at least 250,000. Approximately 23.4% of Milwaukeeans live in poverty and the rate increases to 31.9% for children under the age of 18ⁱⁱ. These estimates from the 2008 American Community Survey however, were projected before the effects of the recession had been captured.



Unemployment is certainly one indicator of poverty. In Milwaukee County, the Local Area Unemployment rate was approximately 9.3% in December 2009ⁱⁱⁱ. In the City of Milwaukee, this rate increases to 11%^{iv}. However, this alone does not explain the high percentages of poverty. There is still a very large population of people in poverty that are employed. A look at typical wages in the Milwaukee area helps to understand this discrepancy^v:

The **housing wage** is the amount a full time worker must earn to afford a two-bedroom, fair-market apartment at \$795 per month.



The **self-sufficiency wage** is an estimate of how much income a family would need to cover basic costs such as housing, food, childcare, transportation and taxes – without needing public assistance.

POVERTY PROFILE: MILWAUKEE'S INNER CITY

Poverty is complex and strikes across all groups. However, the incidence of poverty is more likely to exist in some groups than others. Below are some snapshots of poverty indicators in Milwaukee's most impoverished neighborhoods as defined by the City of Milwaukee's Neighborhood Stabilization Program.^{vi} This data was collected as a part of the 2009 - 2010 Community Relations – Social Development Commission Community Needs Assessment.

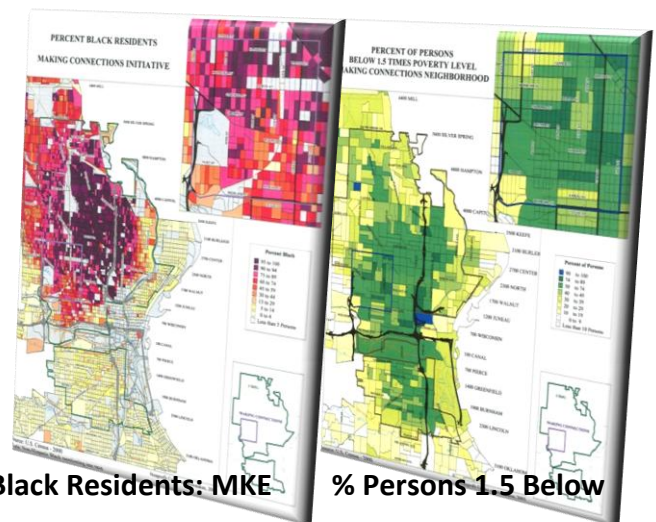
Education

Response	Living in Poverty	NOT in Poverty	Total
Less than High School	73%	27%	100%
High School Diploma / GED	64%	37%	100%
Some College	53%	47%	100%
Apprenticeship Program	44%	56%	100%
Associate Degree	41%	59%	100%
Bachelor's Degree	17%	83%	100%
Master's / PhD	18%	82%	100%

Race/Ethnicity

Living in Poverty	Response	NOT in Poverty
43%	African American	16%
1%	Asian American	2%
22%	Hispanic / Latino	9%
3%	Native American	1%
24%	Caucasian	70%
8%	Multi-Racial / Other Race	2%
100%*	Total	100%

* Due to rounding, percentage does not sum to 100%



% Black Residents: MKE

% Persons 1.5 Below

Employment Status - Employment status has a strong association with poverty status. More people that are not employed (i.e., unemployed, retired, disabled, or others) live in poverty compared with those who are employed. Sixty-eight percent of those not employed live in poverty, compared with 57% of part-time workers and only 30% of full-time workers.

Gender – Women in Milwaukee tend to have higher incidence of poverty than men. Among the respondents in poverty, 71% are women and 29% are men. Forty percent of those living in poverty are single mothers, and they seem to be more likely than others to live in poverty. Seventy-five percent of single mothers reported to be living in poverty, compared with 46% of all others.

Homeownership - Homeowners appear less likely than renters or others to be living in poverty. Among homeowners, 34% live in poverty. Among renters and others, 65% live in poverty.

POVERTY CYCLES: A MAJOR PROBLEM

It has been established that individuals born into poverty are more likely to remain in poverty throughout their lifetime. The important question naturally unfolds: What are the barriers that keep Milwaukee families in poverty? In the preliminary results of the 2009 -2010 Community Relations – Social Development Commission Community Needs Assessment, Milwaukee County residents in poverty answered this very question. The top three barriers indicated by respondents included lack of jobs/employment (mentioned by 60% of respondents), education-related barriers (23%), and personal issues (14%), including laziness, apathy, and criminal records.

Other barriers, as generated from the Community Needs Assessment, include alcohol & drug abuse, unhealthy family relationships, economic hardships, poor neighborhood conditions, community violence, ineffective poverty reducing programs, ineffective government policies, lack of poverty reducing programs, and systemic racism and discrimination.

THE COMMISSION RESPONSE

SDC is committed to providing low-income residents in Milwaukee County with access to services and the opportunities that will aide in their quest to move out of poverty. We recognize that there is no one way to move out of poverty, which is why we offer a variety of programs that target the specific needs of clients. Below is a portfolio of services provided by SDC in the Milwaukee community.

Education	Head Start, GED/HSED Testing, Competency Based Diploma Program
Economic & Employment Support	BEST, Ways to Work, W-2 Eligibility & Assessment
Asset Development & Preservation	Milwaukee Asset Building Coalition (MABC), Tax Assistance, Weatherization, Neighborhood Improvement Program (NIP)
Youth & Family Strengthening	Senior Companions, Youth and Family Development Program(s), Community Justice Initiative Program, Healthy Relationships & Marriage Enhancement Program
Safety Net	Energy Assistance, Family Support Center, Transitional Living Center, Food Service, Prescription Assistance Referral Service

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ⁱ Source: National League of Cities Council on Youth Education, and Families. 2009. "A City of Platform for Strengthening Families and Improving Outcomes for Children and Youth."

ⁱⁱ Source: Milwaukee Journal Sentinel. September 28, 2009. "City is 11th poorest in nation"

ⁱⁱⁱ Bureau of Labor Statistics Data, Local Area Unemployment Statistics database

^{iv} ibid

^v Bureau of Labor Statistics. Highlights of Milwaukee-Racine-Waukesha, WI National Compensation Survey October 2008

^{vi} Community Relations – Social Development Commission Community Service Block Grant Needs Assessment, preliminary results generated from the Center for Urban Initiatives and Research at the University of Wisconsin – Milwaukee in January 2010. Report forthcoming.