

# Poverty Report

## November 2011

### Catholic Conference of Ohio, Department on Social Concerns

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#### Background: Catholic Teaching on Poverty

People of faith are called to be instruments of God's great love for all persons, especially those most in need.

#### [Compendium of the Social Doctrine of the Church](#)

Pontifical Council for Justice and Peace, 2005

"In Christ the Lord, the Church indicates and strives to be the first to embark upon the path of the human person, and she invites all people to recognize in everyone — near and far, known and unknown, and above all in the poor and the suffering — a brother or sister "for whom Christ died" (1 Cor 8:11; Rom 14:15). (*Compendium of the Social Doctrine of the Church* #105).

"...[T]he preferential option for the poor ... is an option, or a special form of primacy in the exercise of Christian charity, to which the whole tradition of the Church bears witness. It affects the life of each Christian inasmuch as he or she seeks to imitate the life of Christ, but it applies equally to our *social responsibilities* and hence to our manner of living, and to the logical decisions to be made concerning the ownership and use of goods. Today, ...this love of preference for the poor, and the decisions which it inspires in us, cannot but embrace the immense multitudes of the hungry, the needy, the homeless, those without health care and, above all, those without hope of a better future. (*Compendium of the Social Doctrine of the Church* #182).

#### [A Place at the Table](#)

***A Catholic Recommitment to Overcome Poverty and to Respect the Dignity of All God's Children:  
A Pastoral Reflection of the U.S. Catholic Bishops, 2002***

"Our social doctrine is expressed and enriched by the Church's broad experience. Across the globe, our Church puts faith into action by feeding the hungry, sheltering the homeless, educating the young, caring for the sick, welcoming the stranger, providing access for persons with disabilities, and working for greater justice and peace. The Catholic Church is the largest non-governmental provider of education, health care, and human services in our nation. We are helping families and communities to combat hunger and homelessness, overcome poverty and dependency, build housing, resist crime, and seek greater justice. Catholic schools are among the best anti-poverty programs, offering first-rate education, moral truth, and discipline in communities across our nation. We welcome and resettle many refugees fleeing conflict and repression. We offer relief and development in more than eighty countries...

Our efforts to serve and stand with the poor recognize and build on the essential roles and responsibilities of four institutions. In a sense, the table we seek for all rests on these four institutions, or legs: (1) what families and individuals can do, (2) what community and religious institutions can do, (3) what the private sector can do, and (4) what the government can do to work together to overcome poverty.

A first leg of the table is what *families and individuals* are called to do. Every person has a responsibility to respect the dignity of others and to work to secure not only their own rights but also the rights of others...

A second leg of the table is the role and responsibility of community organizations and faith-based institutions. These institutions can help families make good choices and overcome discrimination and other obstacles. They can confront structures of injustice and build community, and they can demand accountability from public officials...

A third leg of the table is *the marketplace and institutions of business, commerce, and labor*. The private sector must be not only an engine of growth and productivity, but also a reflection of our values and priorities, a contributor to the common good. Examples of greed and misconduct must be replaced with models of corporate responsibility...

A fourth essential leg of the table is the role and responsibilities of *government*—a means to do together what we cannot accomplish on our own. In the Catholic tradition, government has a positive role because of its responsibility to serve the common good, provide a safety net for the vulnerable, and help overcome discrimination and ensure equal opportunity for all. Government has inescapable responsibilities toward those who are poor and vulnerable, to ensure their rights and defend their dignity. Government action is necessary to help overcome structures of injustice and misuse of power and to address problems beyond the reach of individual and community efforts. Government must act when these other institutions fall short in defending the weak and protecting human life and human rights.” (*A Place at the Table*, USCCB 2002)

### **USCCB President Archbishop Timothy Dolan**

[\*Letter to Bishops on the Economic Situation\*](#), September 2011

“This is not time to make excuses or place blame. It is a time for everyone to accept their own personal and institutional responsibility to help create jobs and to overcome poverty, each in accord with their own abilities and opportunities. Individuals and families, faith-based and community groups, businesses and labor, government at every level, all must work together and find effective ways to promote the common good in national and economic life.”

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### **Catholic Charities USA President Rev. Larry Snyder, 9/14/2011**

“The U.S. Census Bureau’s report on poverty in America is reflective of the devastating reality in which Catholic Charities USA operates every day. **With 170 agencies throughout the country, our network of service providers served over 10 million people in 2010, an increase of 12.1% over 2009.** That the U.S. Census Bureau has found that the national poverty rate has climbed to 15.1% comes as no surprise to us.

“What we must remember as we look at these statistics is that every number represents a face. With one out of every six Americans now living in poverty, we must recognize that it may be your neighbor, the person shopping beside you at the grocery store, or your child’s friend from school. These aren’t just numbers.

“Today’s report is further evidence that the United States of America needs comprehensive reform of the nation’s service delivery system. This reform should be focused on innovative solutions to the individual needs of the now 46.2 millions of Americans living in poverty, the highest number in 52 years. To truly respond to these staggering numbers we need a system that is market driven, results oriented and locally controlled, enabling the country to permanently make a difference in the lives of those living in poverty, and establishing accountability for the investment of taxpayer dollars.

“Catholic Charities USA is hopeful that today’s release of the U.S. Census Bureau’s report will help to draw the attention of American policymakers to the moral obligation we have as a country to address this growing crisis.”

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### **Ohio Catholic Charities, Hospitals & Service Programs**

Seventy-Six Catholic Charities Service programs served over 606,000 needy Ohioans in 2010. This was an increase of 5% over 2009 (575,000 served). Since 2008, there has been a 13% increase in our clients served.

In addition, our St. Vincent DePaul Societies, diocesan sponsored emergency services programs and parish based feeding programs helped thousands of persons and families in need.

Ohio Catholic sponsored hospitals reported over \$777 million in unreimbursed charitable services in 2010.

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## Ohio Statistics from the US Census Bureau 2010 (released 9/2011)

More than one out of every 7 Ohioans lived in poverty in 2010, including 213,000 Ohioans who fell into poverty last year.

Ohio reflects a national trend: in 2010, 46.2 million Americans lived in poverty, up 2.6 million from 2009. The Census Bureau reports that this is the largest number living in poverty in the 52 years in which estimates have been published.

Ohioans make nearly \$7,000 less than they did a decade ago (in inflation adjusted median income) and approximately \$4,000 less since the start of the great recession in 2007. Among states, Ohio had the 10th largest median income decline over the past decade.

Over the same period incomes were declining, real prices for basic necessities increased — 9 percent for rent, 82 percent for gasoline, 3 percent for food, 22 percent for electricity, 49 percent for tuition, school fees and child care, and 21 percent for medical care.

Employers are also providing fewer benefits for their workers. The impact of this is clearest for health coverage. An estimated 60.2 percent of Ohioans had employer-provided health coverage in 2010, down from 65.3 percent in 2007 and 72.5 percent in 2000. Nearly 1.3 million fewer Ohioans have employer-sponsored health insurance than in 2000, prior to previous recession, from which Ohio has never fully recovered. This decrease in employer-sponsored health insurance is the primary cause for a shrinking number of Ohioans with health coverage.

Almost one in every seven people living in Ohio had no health coverage in 2010, an increase of 2.6 percent since this recession and nearly 4 percent over the last decade.

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## National Statistics from the US Census Bureau 2010 (released 9/2011)

- Record numbers of people are poor and without health insurance.** One out of every six Americans, or [46.2 million](#), lived in poverty in 2010. This is an increase of almost 3 million since 2009, and it's now the highest number of people living in poverty since the Census started keeping track 52 years ago. Similarly, the number of Americans living without health insurance set a record high in 2010 at [49.9 million](#), up from 49 million in 2009.
- More than a third of our population is living on a low income.** In 2010, [103.6 million people](#) were living below \$44,000 for a family of four (two times the federal poverty line).
- Income inequality increased from 2009 to 2010.** Households in the bottom 20 percent by income saw their incomes fall by 4.5 percent, more than six times as much as the households in the top quintile.
- Young people are being harmed in this recession.** More young adults (age 25-34) are moving in with their parents: [5.9 million](#) young adults lived with their parents in 2010, up from 4.7 million before the recession. If you look at only the young adults' income (instead of their parent's income), the poverty rate among this group would be 45.3 percent. Households headed by a young person (age 15-24) saw the largest income decline of any age group as [their income fell by more than 9 percent](#) in the last year.
- Racial and ethnic disparities widened in 2010.** Poverty rates among African Americans and Hispanics, [27.4 and 26.6 percent](#) respectively, are more than double that of whites, which is now [9.9 percent](#), up from 9.4 percent in 2009. African Americans and Hispanics also saw their [incomes decline steeply](#) from 2009 to 2010.
- More than one out of every five children is living in poverty.** For African American children, the poverty rate is [nearly 40 percent](#), a stark contrast with the poverty rate among white children, which was [12.4 percent](#) in 2010.
- Some good news: Poverty did NOT significantly rise among seniors.** This is a testament to the effectiveness of programs such as Social Security, which kept more than [20 million people](#), including nearly 14 million seniors, out of poverty last year.
- The percentage of people receiving health insurance from their employers continues to decline.** Approximately [1.5 million Americans](#) lost their employer-sponsored health insurance in 2010. Yet programs such as Medicaid stepped up, covering 48.6 million people, and it mitigated the number of Americans who lost health coverage.

**9. Safety net programs give needy families a leg up when they fall on hard times.** Unemployment insurance, which provides critical support to the jobless and stimulates economic activity, kept [3.2 million Americans](#) out of poverty in 2010. An alternative poverty measure that tracks the impact of the earned income tax credit shows that the EITC kept [5.4 million people](#), including 3 million children, from slipping below the poverty line last year.

**Nearly half, 48.5%, of the population lived in a household that received some type of government benefit in the first quarter of 2010.** Those numbers have risen since the middle of the recession when 44.4% lived households receiving benefits in the third quarter of 2008.

The share of people relying on government benefits has reached a historic high, in large part from the deep recession and meager recovery, but also because of the expansion of government programs over the years. ([See a timeline on the history of government benefits programs here.](#))

Means-tested programs, designed to help the needy, accounted for the largest share of recipients last year. Some 34.2% of Americans lived in a household that received benefits such as food stamps, subsidized housing, cash welfare or Medicaid (the federal-state health care program for the poor).

Another 14.5% lived in homes where someone was on Medicare (the health care program for the elderly). Nearly 16% lived in households receiving Social Security.

**10. Poverty affects everyone:** While 15.1 percent of Americans lived in poverty last year, this number is only a snapshot. Throughout 2009, close to a quarter of Americans (23.1 percent) spent at least two months in poverty, and only [7.3 percent](#) were in poverty the whole year. This tells us that the poor are not a static group and that widespread economic insecurity can push families into poverty for short spells. What’s more, these trends affect all of us. More people in poverty mean fewer consumers for American goods and services, which slows our economic growth and costs us jobs. More people in poverty means less worker productivity, higher health costs, and a less-educated workforce to build the jobs and industries of the future.

<b>2011 Federal Poverty Guidelines</b>						
Persons in Family or Household	90%	100%	150%	185%	200%	250%
1	\$9,801	\$10,890	\$16,335	\$20,147	\$21,780	\$27,225
2	\$13,239	\$14,710	\$22,065	\$27,214	\$29,420	\$36,775
3	\$16,677	\$18,530	\$27,795	\$34,281	\$37,060	\$46,325
4	\$20,115	\$22,350	\$33,525	\$41,348	\$44,700	\$55,875
5	\$23,553	\$26,170	\$39,255	\$48,415	\$52,340	\$65,425
6	\$26,991	\$29,990	\$44,985	\$55,482	\$59,980	\$74,975
7	\$30,429	\$33,810	\$50,715	\$62,549	\$67,620	\$84,525
8	\$33,867	\$37,630	\$56,445	\$69,616	\$75,260	\$94,075
For each additional person, add	\$3,438	\$3,820	\$5,730	\$7,067	\$7,640	\$9,550

**Supplemental Poverty Measures (SPM)**

Researchers believe that the official poverty level under-reports the number of persons in poverty. Additional measures such as the [Supplemental Poverty Measure for the United States](#) and [Measure of America](#) take account of in-kind benefits received by families and nondiscretionary expenses that they must pay. The SPM also employs a new poverty threshold that is updated with information on expenses for food, clothing, shelter, and utilities that families face.

The 2010 results showed higher SPM poverty rates than the official measure for most groups.



