

POVERTY TRENDS IN CHICAGO, ILLINOIS

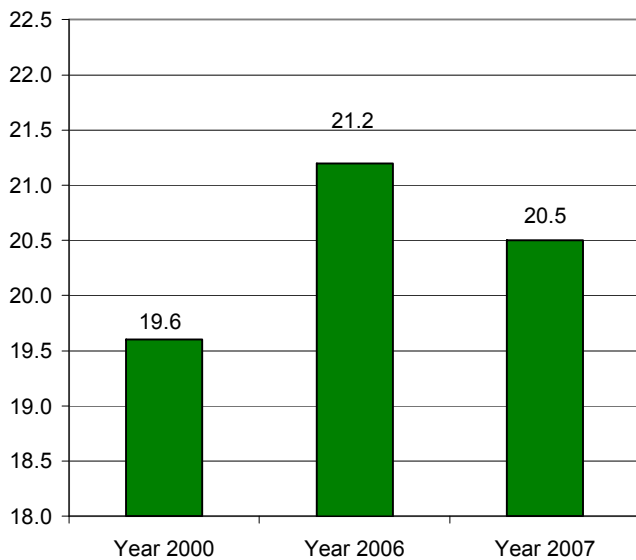


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Poverty limits the ability of individuals and families to meet their basic needs, robs them of their dignity, and compromises the stability of entire communities, counties, and states. Yet newly released 2007 data from the U.S. Census Bureau reveal that this hardship continues to be a reality for millions of people in Illinois. These data reinforce the urgency for a comprehensive vision and plan to end poverty in our state.

Poverty and Child Poverty

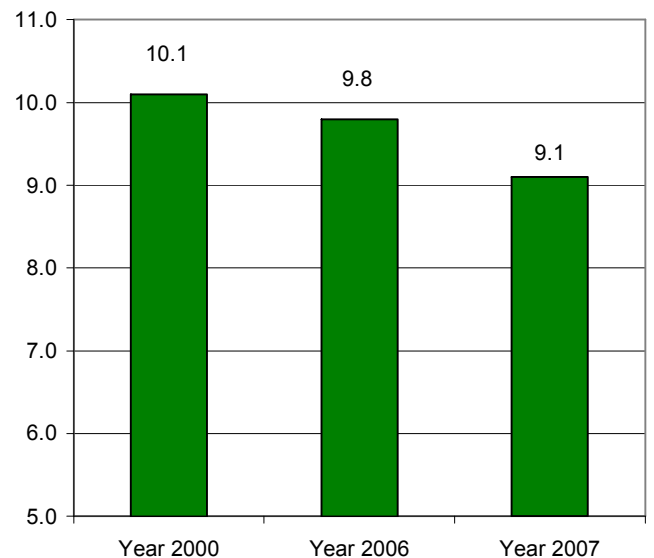
In Chicago, 550,580 people live below the poverty line, a poverty rate of 20.5%. The poverty rate has declined from 21.2% in 2006* and has risen from 19.6% in 2000.*



Children are particularly vulnerable to poverty. 201,748 children live below the poverty line in Chicago, a child poverty rate of 30.6%. The child poverty rate has declined from 31.1% in 2006* and has risen from 28.1% in 2000.

Extreme Poverty

Extreme poverty, living on an annual income of less than half the poverty line (below \$10,325 for a family of four), affects 244,498 people in Chicago, an extreme poverty rate of 9.1%. The extreme poverty rate has declined from 9.8% in 2006* and has declined from 10.1% in 2000. Those living in extreme poverty are often in unsafe living conditions and struggle to meet the most basic of their needs.



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At Risk of Poverty

In addition to the 550,580 people who are poor in Chicago, 554,636 people, an additional 20.6%, are at risk of falling into poverty. These individuals, often called low income, have family incomes that fall between the official poverty line and twice the poverty line. This leaves them dangerously close to the edge, where just one event, such as an illness or job loss, can push them into poverty.

Median Household Income

The median household income in Chicago is \$45,505 meaning half of all households in Chicago have incomes higher and half have incomes lower than this amount.

Median household income has risen \$1,056 since 2006* and has declined \$2,559 since 2000 (when adjusted for inflation).

What is Poverty?

Poverty is defined by the federal government using food cost as a basis:

2007 Poverty Guidelines

Size of Family Unit	The Poverty Line	Half the Poverty Line	Twice the Poverty Line
1	\$10,210	\$5,105	\$20,420
2	\$13,690	\$6,845	\$27,380
3	\$17,170	\$8,585	\$34,340
4	\$20,650	\$10,325	\$41,300

Experts agree: the current poverty line fails to give an accurate picture of what families need to achieve a decent, though modest, standard of living. Estimates that take into account the local cost of living reveal that it takes \$49,521 for a family of four to make ends meet in Chicago (*The Self-Sufficiency Standard for Illinois*, in 2008 dollars).

There Are Solutions!

With news of persistent poverty and difficult economic conditions, it is easy to get discouraged about our ability to address poverty. Yet there are real solutions and hopeful new efforts to eliminate poverty and hardship in Illinois.

Last week, the governor signed into law the *Commission on the Elimination of Poverty*, which will create a substantive plan to cut the number of Illinoisans in extreme poverty in half by the year 2015. The plan will address specific issues that have a direct role in poverty, including housing, health care, nutrition, employment, education, transportation, child care, and income supports.

Such a concerted, deliberate effort can help make strong, safe, and stable communities across Illinois that are poverty free.

For further analysis and comments on poverty trends, implications, and solutions, contact us:

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Data Source Explanation:

The data in this fact sheet are derived from the U.S. Census Bureau's *American Community Survey* and from the *2000 Decennial Census*. The *American Community Survey* recently released data on 2007 income and poverty, which is the most current data available, for geographies with populations over 65,000.

For more information on the *American Community Survey*, visit www.census.gov/acs/www/.