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**NEW REPORT SHOWS SHARE OF POOR NOW SPLIT 50/50 BETWEEN CITY AND SUBURBS**  
*NUMBER OF POOR LIVING IN CHICAGO SUBURBS HAS SKYROCKETED, UP 95% SINCE 1990*

**CHICAGO, IL, September 5, 2013** – The Social IMPACT Research Center, a program of Heartland Alliance, released a [report](#) today that found the share of poverty between the city and the suburbs in the Chicago region is now an even 50/50, up from a 66/34 split between the city and suburbs in 1990. The report points to declining wages, a decrease in labor force participation, slower educational gains, and demographic shifts in the suburbs as some of the complex forces behind this growth in suburban poverty and recommends a close examination of social services infrastructure as well as state policy changes to fight poverty in the suburbs.

Nationwide, the number of people in poverty in the suburbs has now surpassed the number of people in poverty in central cities. Cities have long been thought to be home to the most and worst poverty. However, in the past several decades, the suburbs have experienced the greatest growth in poverty. In 1990, about one third of the Chicago region's poor population lived in the suburbs. By 2011, the share of the region's poor population living in the suburbs grew to half, meaning nearly equal numbers of people experiencing poverty live in the suburbs as in Chicago.

“There has been tremendous growth in poverty in the Chicago suburbs over the past twenty years,” said report author Amy Terpstra. “To give you a sense of scale, between 1990 and 2011, the number of people living in poverty in the suburbs increased 95%, far outpacing the population growth rate in the suburbs of 29%. That's compared to a 1% increase in the number of poor people living in the city over the same time period.”

Poverty growth in the suburbs impacted all demographic groups:

- **Children were especially hard hit** – the child poverty rate in the suburbs increased by 88% between 1990 and 2011, while in Chicago it decreased by 3%.
- **All racial and ethnic groups experienced poverty rate increases in the suburbs.** Meanwhile, in Chicago poverty rates for three racial and ethnic groups increased less than it did for their suburban counterparts and even decreased for native-born Latinos.
- **In the suburbs today, native-born whites comprise the largest share of the poor population (36%).** Native born blacks comprise 20%, native born Latinos 18%, and foreign born of any race 22%.

When it comes to economic factors related to poverty, including labor force participation, wages, income, and educational attainment, the suburbs experienced less favorable changes or fewer gains than Chicago from 1990 to 2011:

- **Labor force participation rates increased by 3% in Chicago but decreased by 3% in the suburbs from 1990 to 2011.**

- In all three of the largest industries in the Chicago region – professional and related services, retail trade, and manufacturing, **wages increased significantly more for Chicago workers than for suburban workers from 1990 to 2011** –53% in Chicago compared to 35% in the suburbs in professional and related services; 39% in Chicago compared to 22% in the suburbs in manufacturing; and 31% in Chicago compared to 18% in the suburbs in retail trade.
- Following a period of comparable growth in the 1990s, **suburban median household income fell 17% from 2000 to 2011, while Chicago’s median household income fell less, 13%, in the same time period.**
- While educational attainment remained higher in the suburbs, **Chicago residents achieved greater gains in educational attainment than suburban residents from 1990 to 2011.** Chicago also saw a major increase in the percentage of the population with college degrees or higher, skyrocketing by 62% in 2011, or from 24% to 39%. However, the suburban increase was only 28%, increasing from 34% to 43%.

It’s important to note that in the Chicago region, poverty rates in Chicago are still higher than they are in the suburbs (24% vs. 11%), although the increase in the poverty rate in the suburbs has been much greater than in the city between 1990 and 2011 (57% vs. 4%). As research sheds light on this trend of an increasing number of people in poverty in the suburbs, decision makers need to keep in mind that poverty anywhere is detrimental not only to people experiencing it, but to our region’s economic vitality as a whole.

“If suburban communities want to fight poverty, they need to be taking a close look at two things: infrastructure, and state policy changes. Community leaders need to ask, ‘Do we have the social services infrastructure people need here in the suburbs to move out of poverty, and if not, how do we bring those services here?’” said Samantha Tuttle, Director of Policy and Advocacy at Heartland Alliance. “At a state level, advocates concerned about this issue are working for an increase in the minimum wage, employer-sponsored retirement savings, adequate funding for human services and safety-net programs, and a fair tax structure.”

**READ THE FULL REPORT HERE:** <http://www.scribd.com/doc/165723923/Poverty-Matters-It-s-Now-50-50-Chicago-region-poverty-growth-is-a-suburban-story>

**The Social IMPACT Research Center** at Heartland Alliance conducts applied research in the form of evaluations, data services, and studies for nonprofits, foundations, governments, companies, advocacy groups, coalitions, and the media to help them inform and improve their work. We are experts on issues related to poverty, housing, homelessness, employment, human services, health and nutrition, education, and asset development. For more information, visit: [www.socialimpactresearchcenter.org](http://www.socialimpactresearchcenter.org) or follow us on Twitter at <https://twitter.com/IMPACTHeartland> or like us on Facebook at <https://www.facebook.com/social.impact.research>

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**CONTACT:** Allyson Stewart  
 Communications Coordinator, Heartland Alliance  
[alstewart@heartlandalliance.org](mailto:alstewart@heartlandalliance.org)  
 312.870.4940