

4-1-2005

## 2005 Report Card on Poverty

Maine State Planning Office

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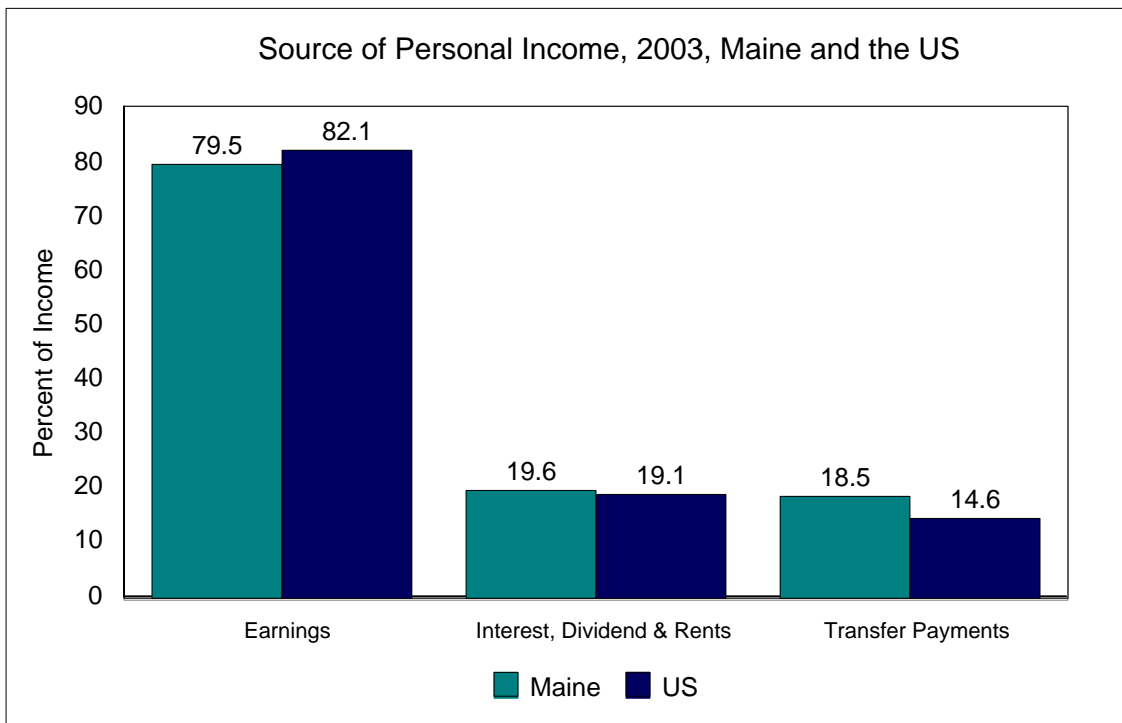
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# 2005 REPORT CARD ON POVERTY



For the 2004 Report Year  
Maine State Planning Office  
April, 2005

## Resolves

### CHAPTER 36

#### H.P. 270 - L.D. 334

Resolve, to Implement the Recommendations of the Commission to Study Poverty  
Among Working Parents with Regard to an Annual Report Card on Poverty

**Sec. 1. Report on poverty. Resolved:** That the State Planning Office shall report annually to the Legislature, beginning on January 1, 1998, on the subject of poverty in this State. The report must include information on poverty among children and adults, regional differences in poverty rates and indicators, conditions responsible for changes from the prior year, expectations for the coming year and the economic condition of the State's communities.

Effective September 19, 1997, unless otherwise indicated.

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### Federal Poverty Guideline

Household Size	1980	1985	1990	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005
1	4,210	5,250	6,280	7,470	7,740	7,890	8,050	8,240	8,350	8,590	8,860	8,980	9,310	9,570
2	5,590	7,050	8,420	10,030	10,360	10,610	10,850	11,060	11,250	11,610	11,940	12,120	12,490	12,830
3	6,970	8,850	10,560	12,590	12,980	13,330	13,650	13,880	14,150	14,630	15,020	15,260	15,670	16,090
4	8,350	10,650	12,700	15,150	15,600	16,050	16,450	16,700	17,050	17,650	18,100	18,400	18,850	19,350
5	9,730	12,450	14,840	17,710	18,220	18,770	19,250	19,520	19,950	20,670	21,180	21,540	22,030	22,610
6	11,110	14,250	16,980	20,270	20,840	21,490	22,050	22,340	22,850	23,690	24,260	24,680	25,210	25,870
7	12,280	16,050	19,120	22,830	23,460	24,210	24,850	25,160	25,750	26,710	27,340	27,820	28,390	29,130
8								27,980	28,650	29,730	30,420	30,960	31,570	32,390
For each additional member:														
Add:	1,170	1,800	2,140	2,560	2,620	2,720	2,800	2,820	2,900	3,020	3,080	3,140	3,180	3,260

SOURCE: published annually in the Federal Register

## 1. Summary and Highlights

### Poverty and Need indicators

The Poverty Rate in Maine hangs stubbornly between 10-12% when the economy remains relatively stable. A third of the population has income at or below the 200% poverty level, generally regarded as the income level necessary to meet the basic needs of a family of three. Though Maine's poverty rate hovers near the national average, and is often slightly below the national average, the portion that is "near poor" in Maine is consistently above the national average.

Maine's relatively good ranking on other factors such as hunger likewise indicate that Maine is less impacted by high levels of extreme poverty and more troubled by a high rate of chronically low income households whose income hovers not far above the poverty line.

Food Stamp Program enrollment reached new heights in the fall of 2004 through the early months of 2005. Enrollment is usually higher in the colder months as households struggle to pay heating bills. The escalation of heating oil prices (up more than a third over the 2003-04 season) undoubtedly contributed to the growth in enrollment.

Homelessness in Maine increased significantly in the 1990s. About 1200 individuals are homeless in Maine on any given night, including 400-500 children. Roughly 10,000 individuals spend time in Maine's shelters throughout the year. The figures for 2004 show a slight drop in the number of clients but an increase in number of bed nights (i.e., the total occupancy) indicating that the average length of stay increased.

### Economic trends

Employment increased in 2004. The number of jobs grew by 9,800. Maine continues to lose manufacturing jobs. Employment in the health care professions is increasing most rapidly.

Labor force growth has remained slow since 2001 when both the labor force and the number working declined. Labor force growth is in part a function of economic strength, i.e., when the demand for workers grows, more people come into the labor force, and when jobs decline, people leave the labor force. Demographic changes are also important. Availability of workers to grow the economy is becoming a concern as Maine's population is aging and the portion of children and young adults is declining.

Unemployment declined from 5.0% to 4.5% annual average between 2003 and 2004. The drop is largely due to only 6,500 new workers entering the labor force while employment grew by nearly 10,000.

Income continues to lag in Maine, though some positive signs are emerging. Per capita income in Maine has increased from 87% of the national average in 2000 to 92% of the national average in 2003.

Earnings have improved slightly relative to the national level since 2000, but still account for a smaller portion of personal income in Maine. Maine households rely more heavily on transfer payments (social security, SSI, food stamps, TANF, etc.) as a source of personal income. Due to the State's older population and attraction to retirees, the portion of income derived from investments such as retirement accounts, interest and dividends and rental income from property is also higher than the national average. The ratio of earned to "unearned" income sources is expected to decline in the coming years as the large population of the "baby boom" generation moves into retirement.

### Regional Differences

Aroostook and Washington Counties have lost population since 2000, while southern and mid coastal areas have had relatively high growth rates. All counties have had a net in-migration since 2000, though for some the number was very small. Seven of the 16 counties have had more deaths than births since 2000.

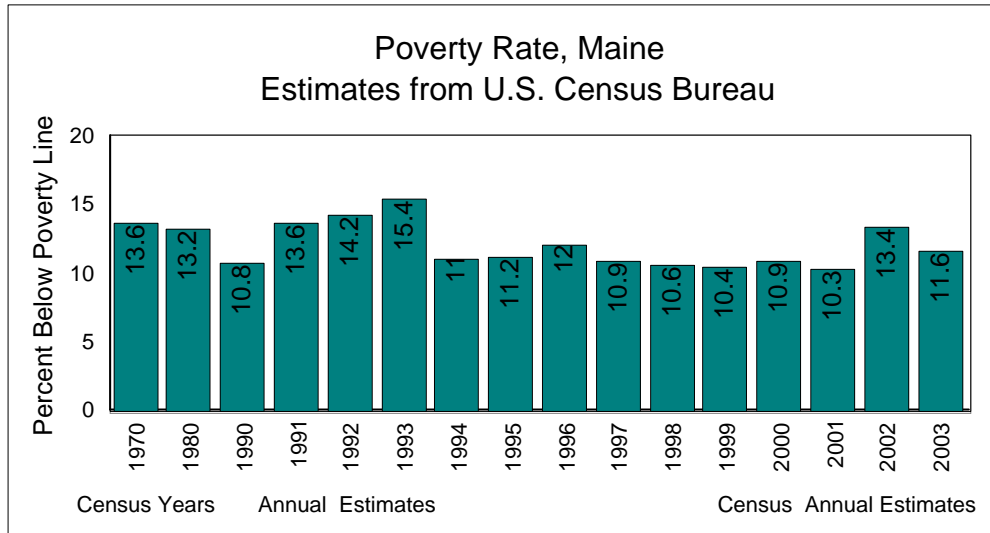
Enrollment in the food stamp program has been increasing in Maine for several years, and increased sharply this past winter as the price of gasoline and heating fuel rose to unprecedented levels. A fifth of the population in Washington and Somerset counties were enrolled in the food stamp program in March 2005. Androscoggin, Oxford, Aroostook and Piscataquis all had rates of 16% or greater, while only 8.3% of Hancock and York residents and 8.9% of Cumberland County residents were receiving food stamps.

The unemployment rate for 2004 in Washington and Somerset Counties was over 8%, compared to 2.8% in Cumberland County and 4.0% in York County, even though all counties except Sagadahoc have gained jobs since 2000.

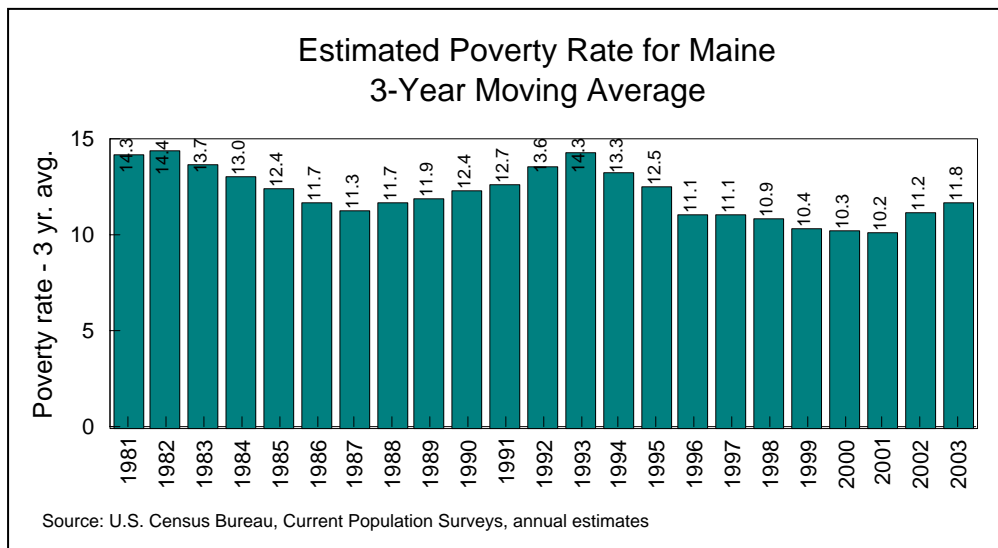
Almost a third of household income in Washington County is derived from transfer payments, compared to 13% in Cumberland County. Earnings per job are \$7000 lower than the state average in Washington and Piscataquis Counties and per capita income is \$6000 less than the state average in these two counties.

## 2. Measures of the Extent of Poverty

### A. Estimates of Poverty

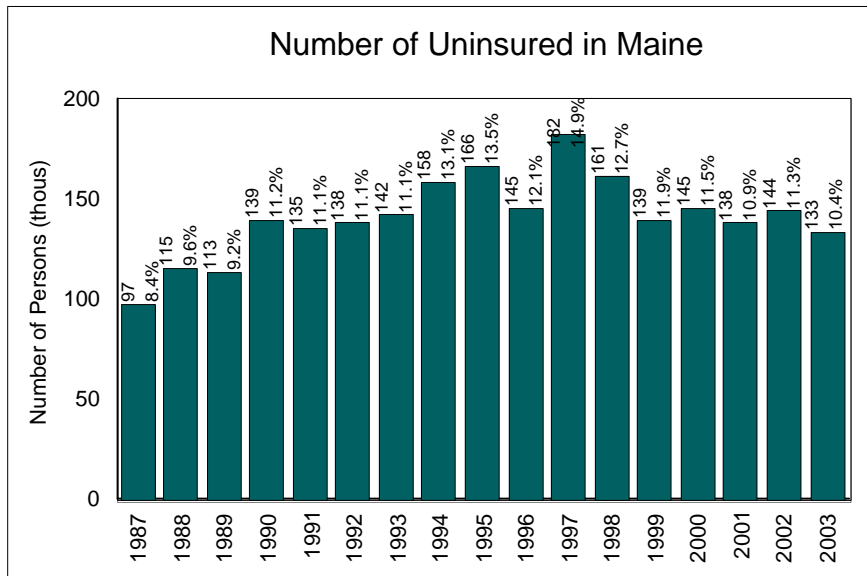
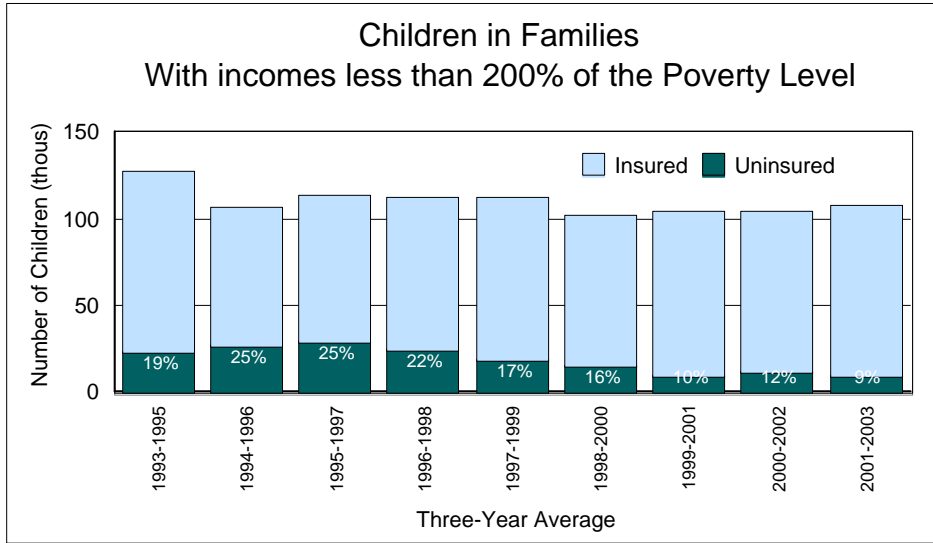


Note: Annual state level estimates have a standard error of +/- 1%.

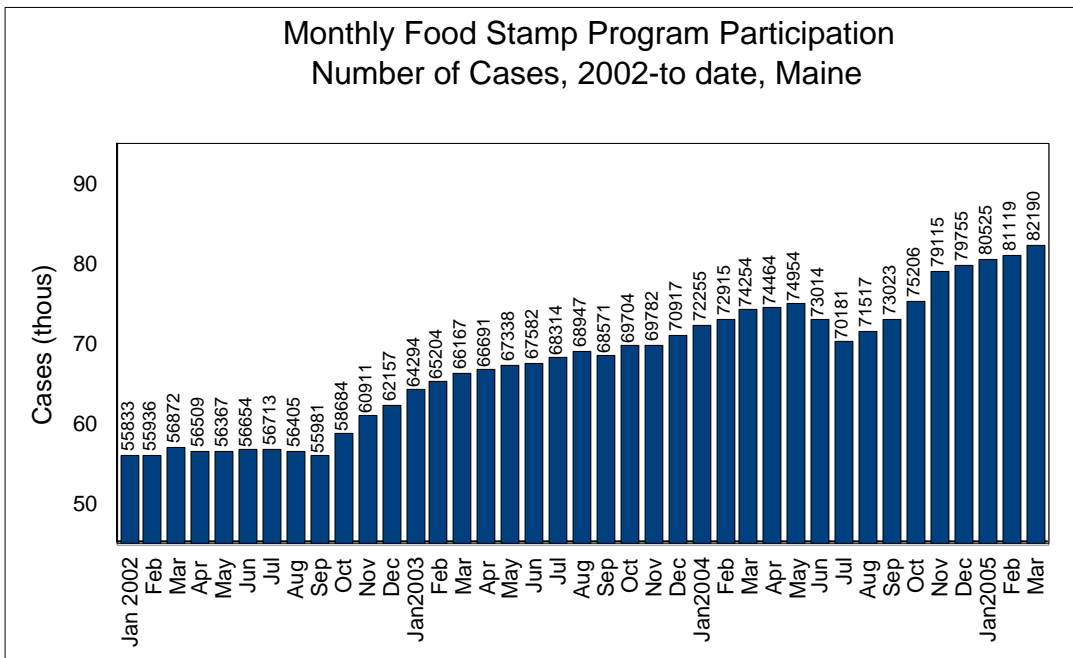
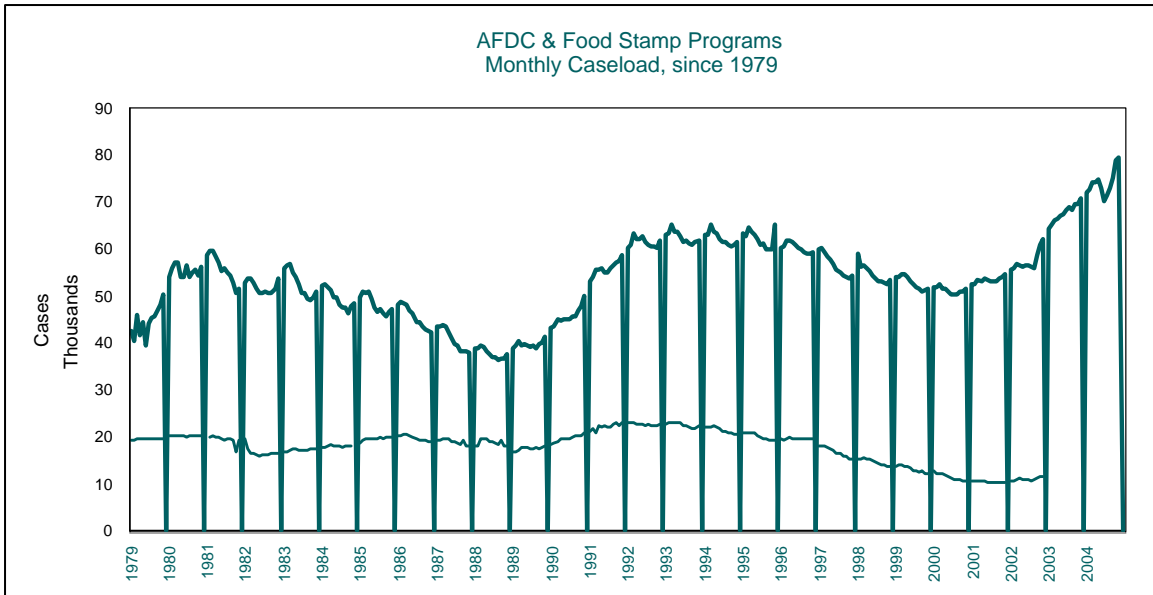


B. Indicators of Need.

i. Uninsured

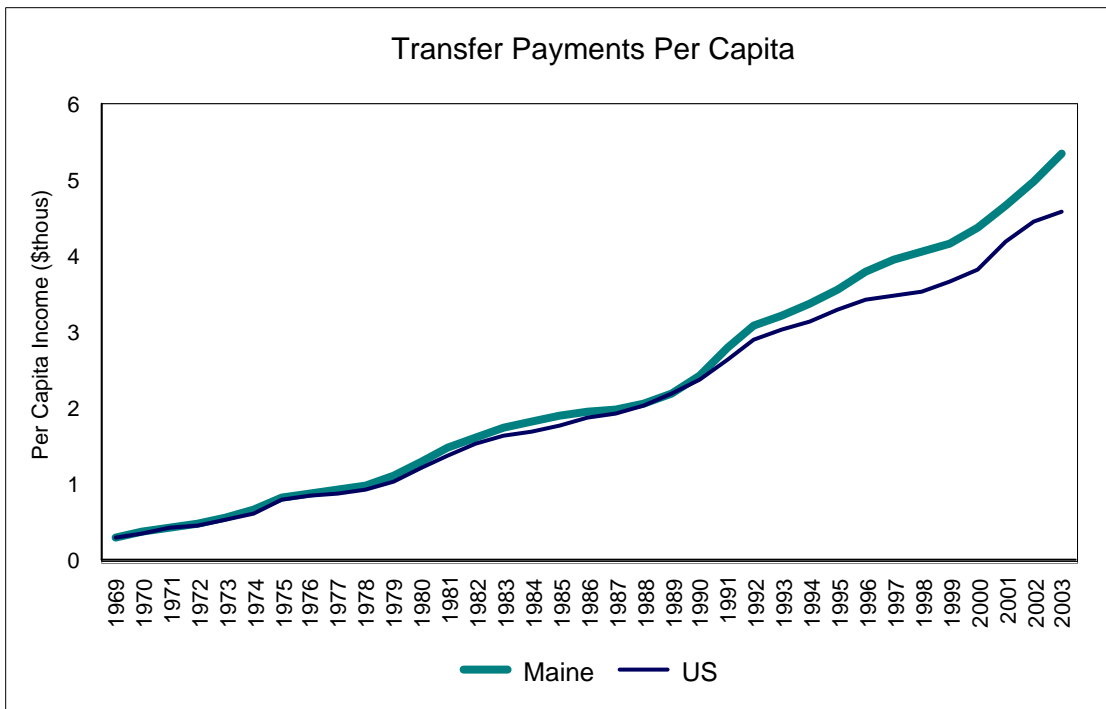
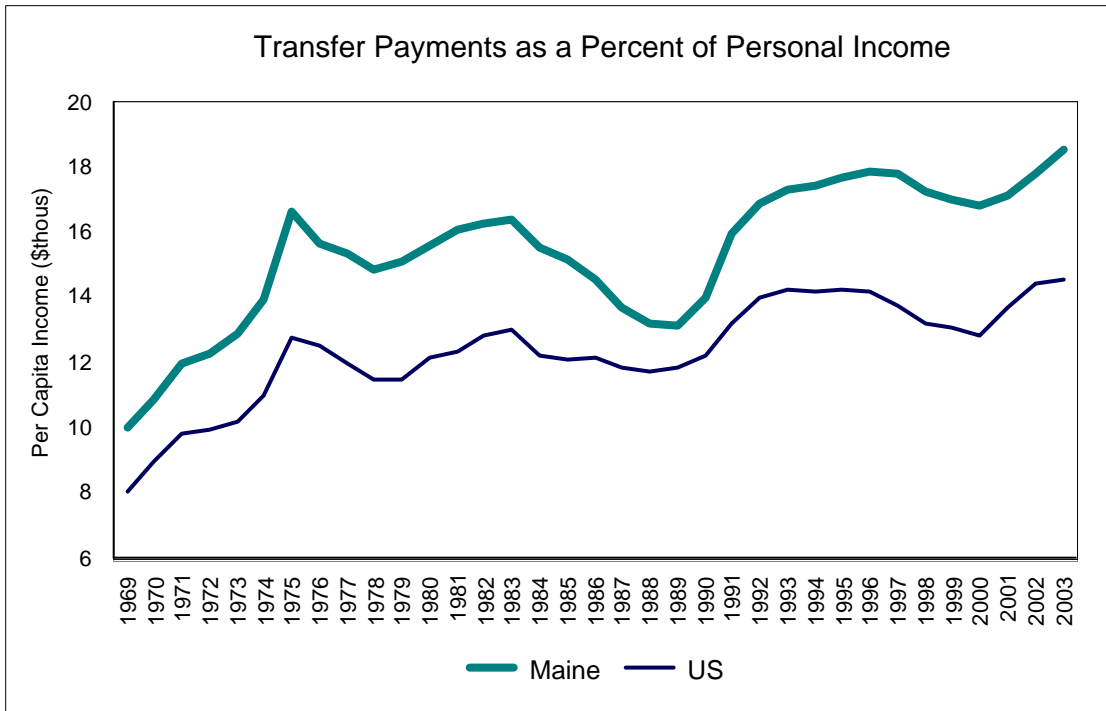


ii. Food stamp program enrollment

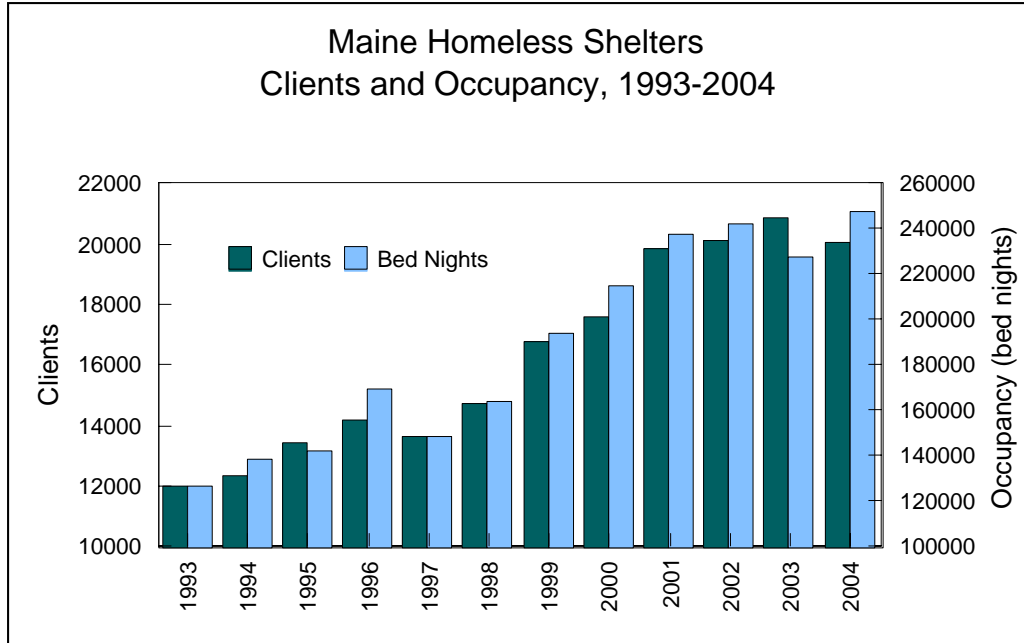




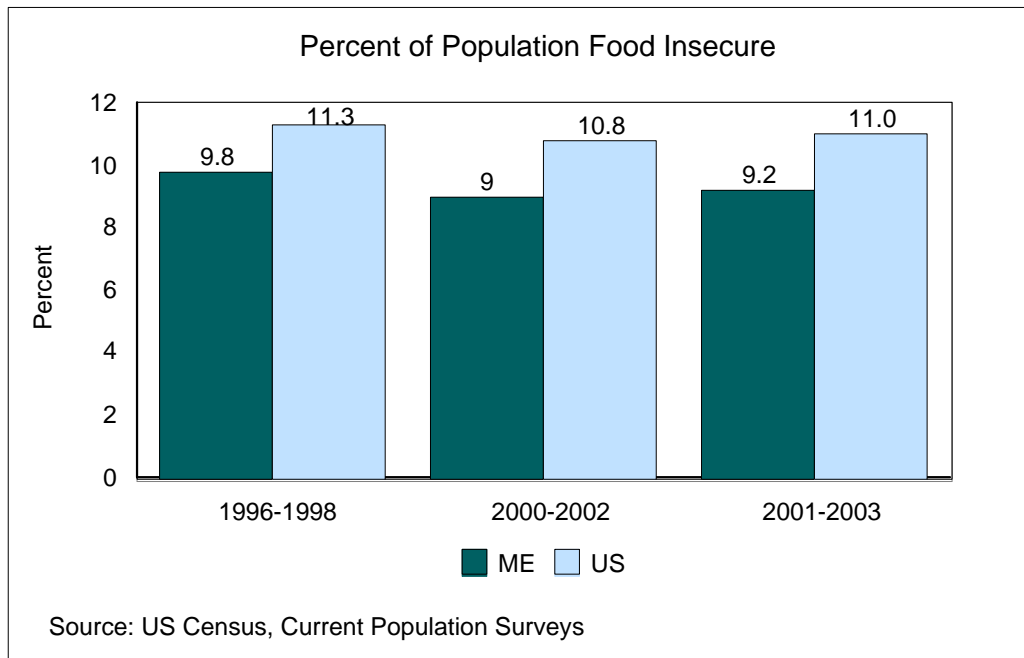
iii. Transfer payments



iv. Homeless population



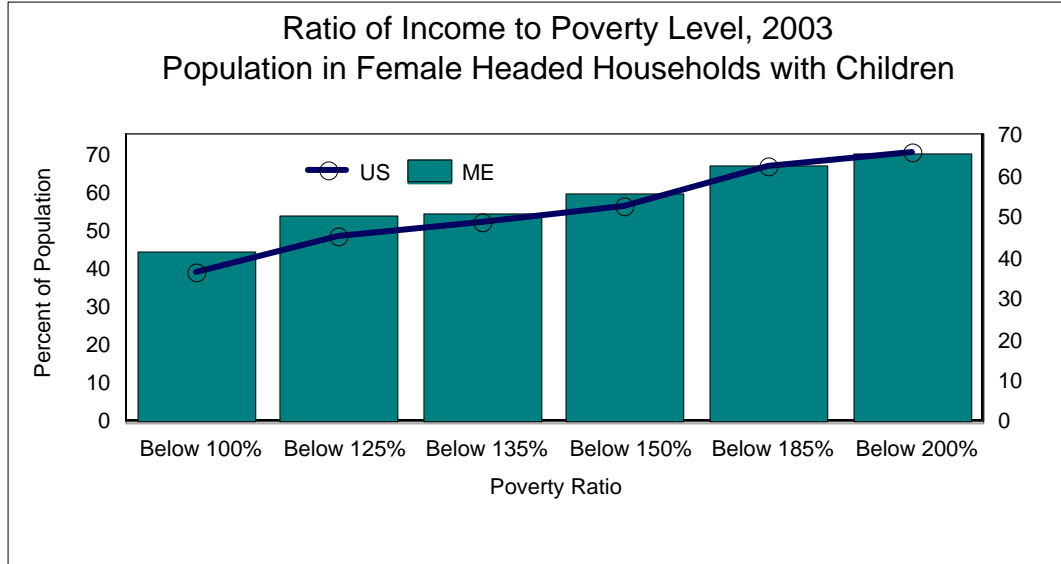
v. Food insecurity

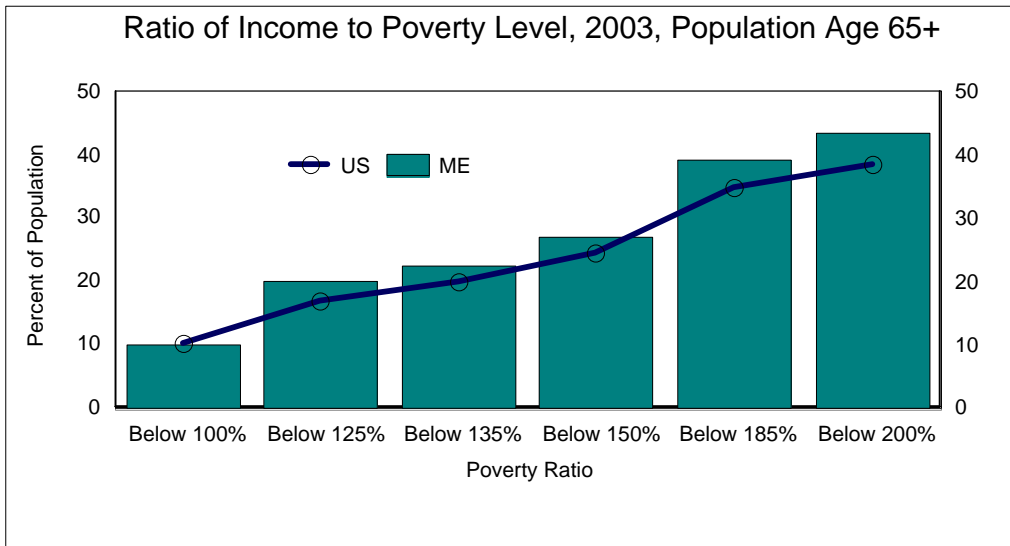
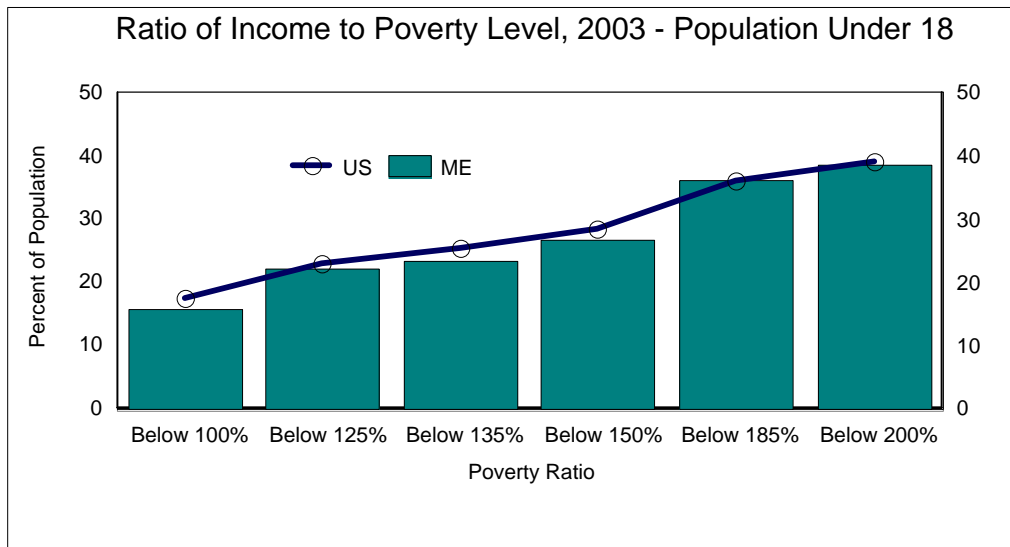
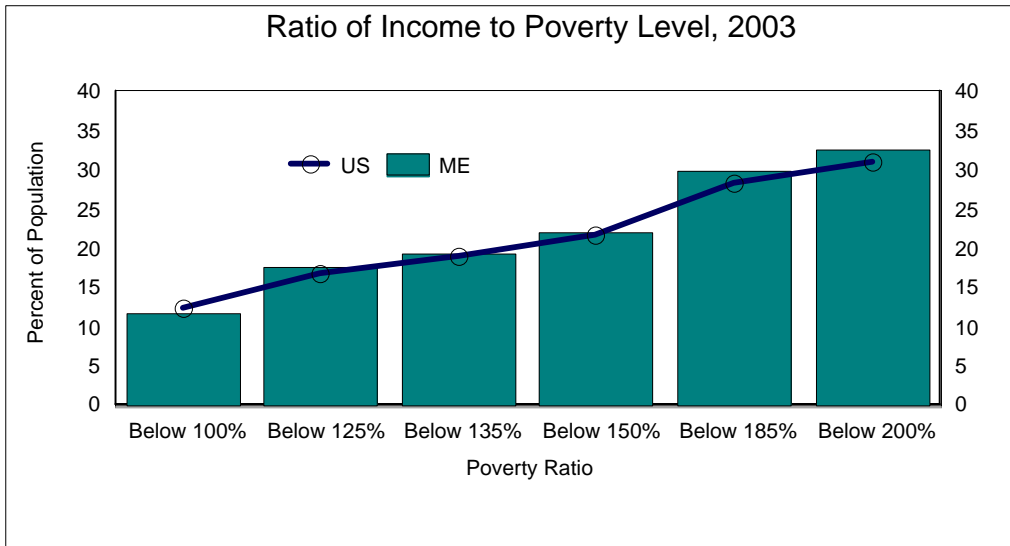


vi. Special populations

**Ratio of Income to Poverty, 2003  
Selected Population Groups**

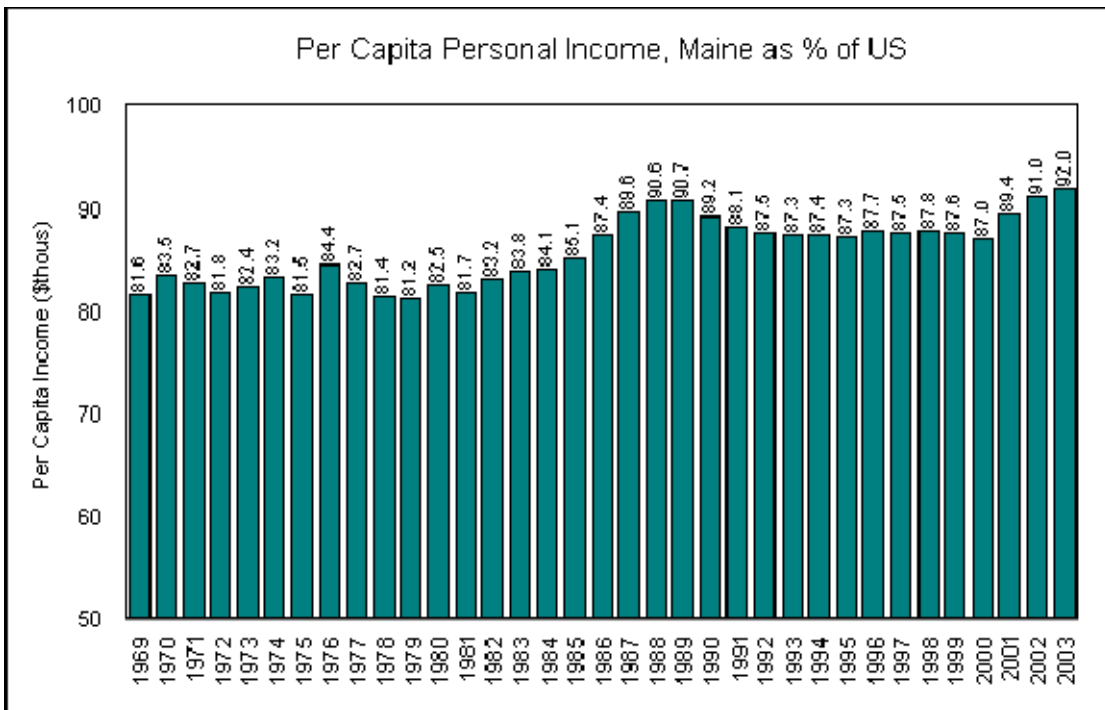
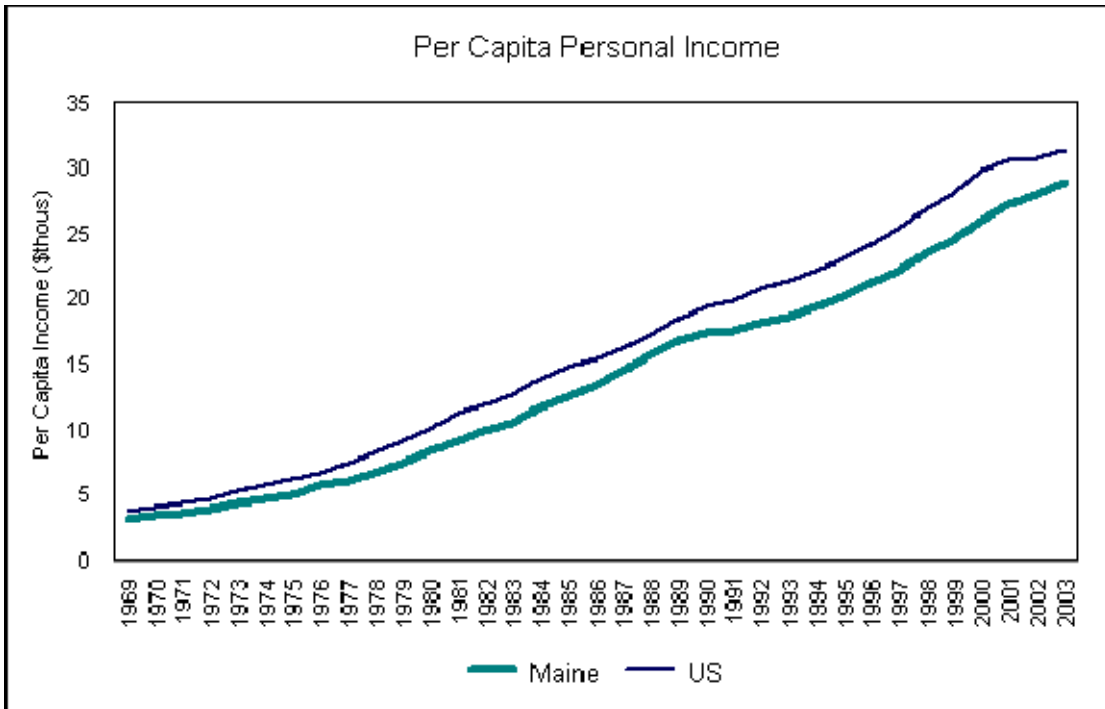
	Below 100%	Below 125%	Below 135%	Below 150%	Below 185%	Below 200%
<b>All ages</b>						
ME	11.6	17.5	19.3	21.9	29.8	32.5
US	12.5	16.9	18.9	21.7	28.3	31.1
<b>Under 18</b>						
ME	15.6	22.0	23.3	26.7	36.1	38.7
US	17.6	23.0	25.4	28.6	36.1	39.1
<b>Age 65+</b>						
ME	10.0	20.0	22.4	26.9	39.1	43.4
US	10.2	16.9	20.0	24.6	34.8	38.7
<b>Population in Female Headed Households with Children</b>						
ME	44.2	53.6	54.3	59.4	66.9	69.8
US	36.7	45.4	48.8	52.7	62.3	65.7



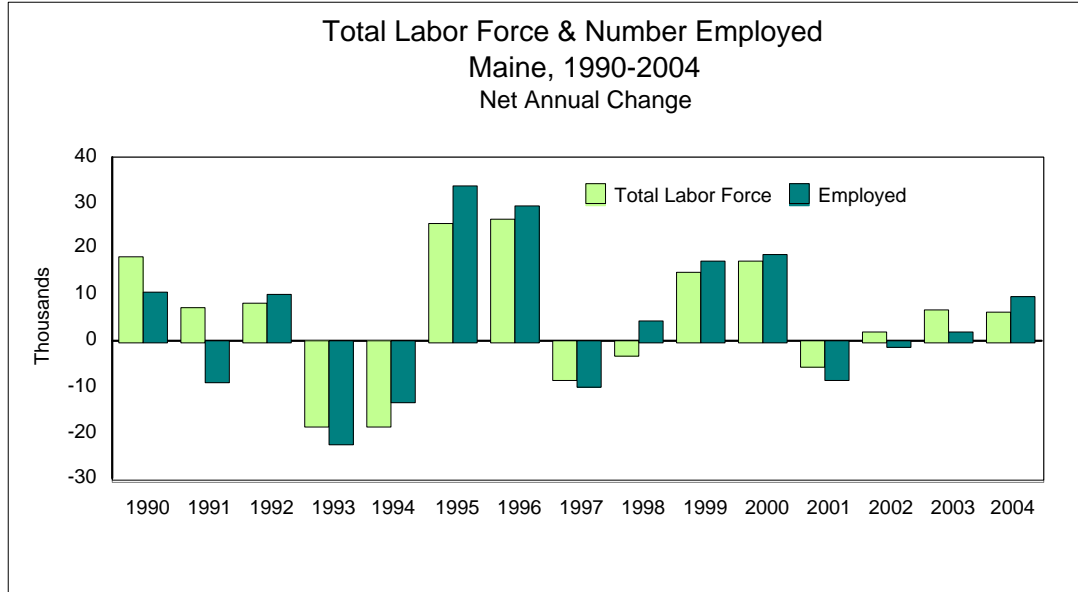
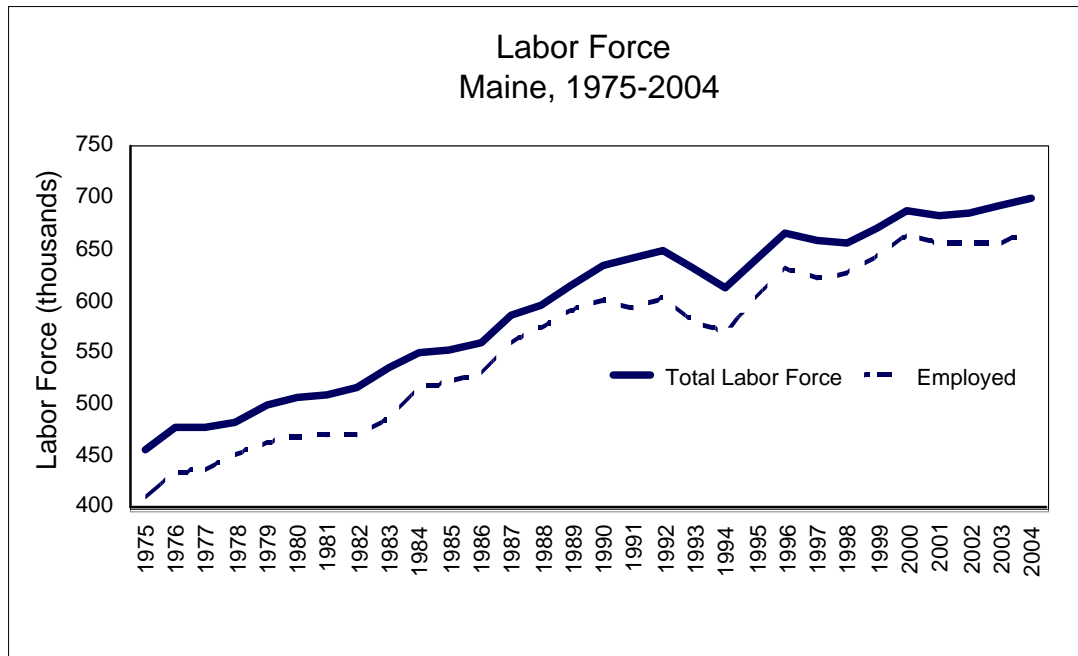


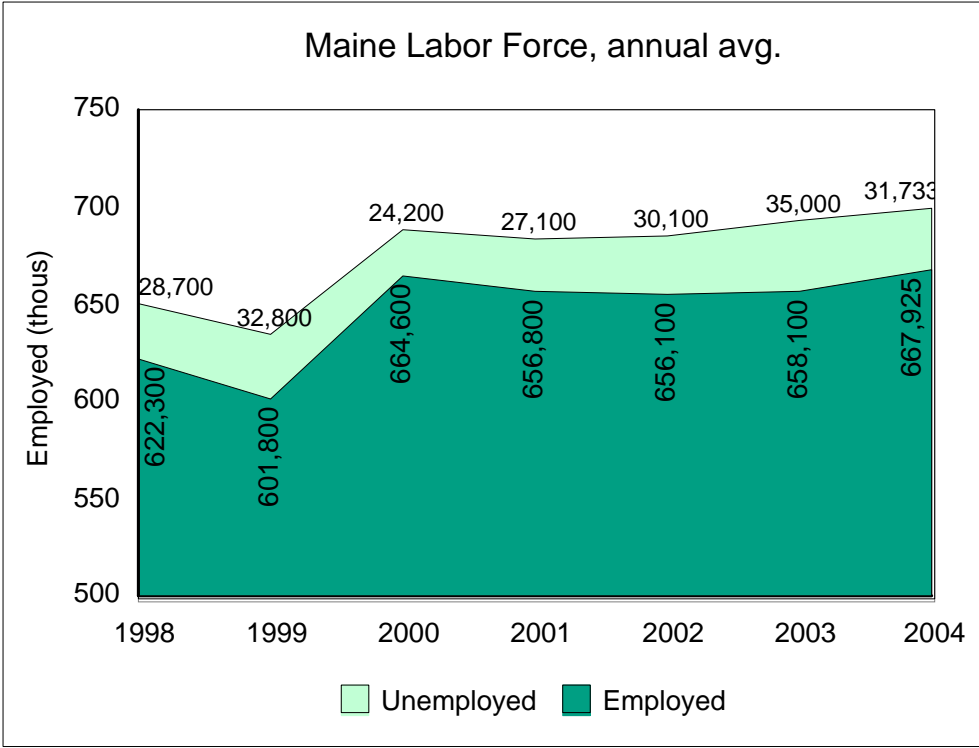
### 3. Conditions Contributing to Poverty

#### A. Income Distribution and Disparity

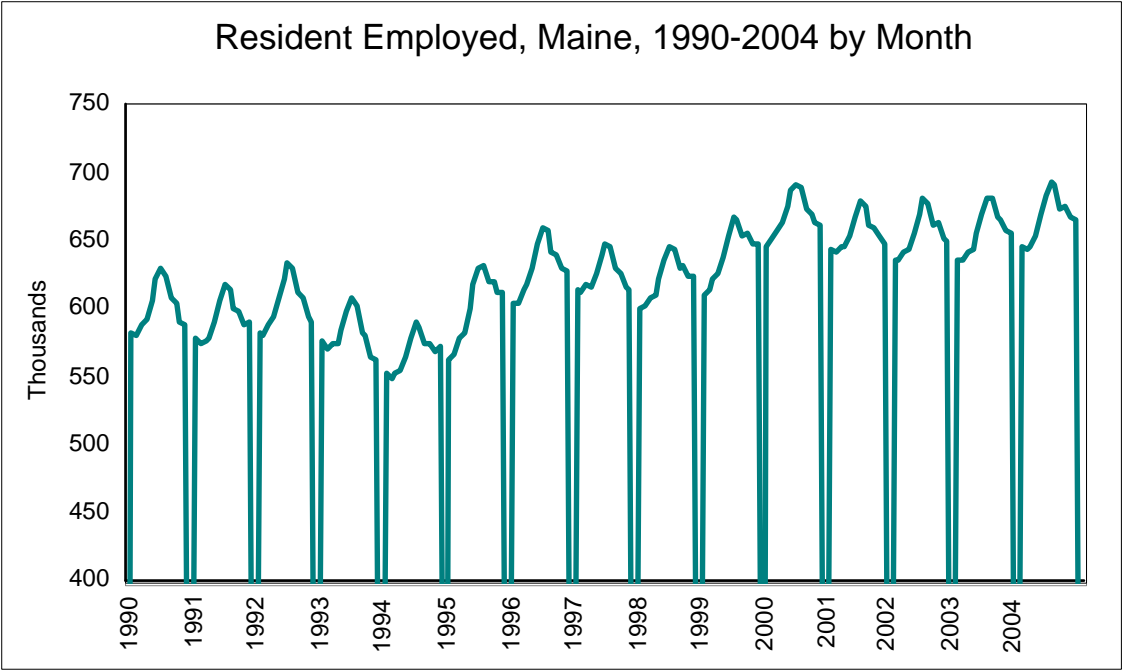


## B. Employment and Unemployment

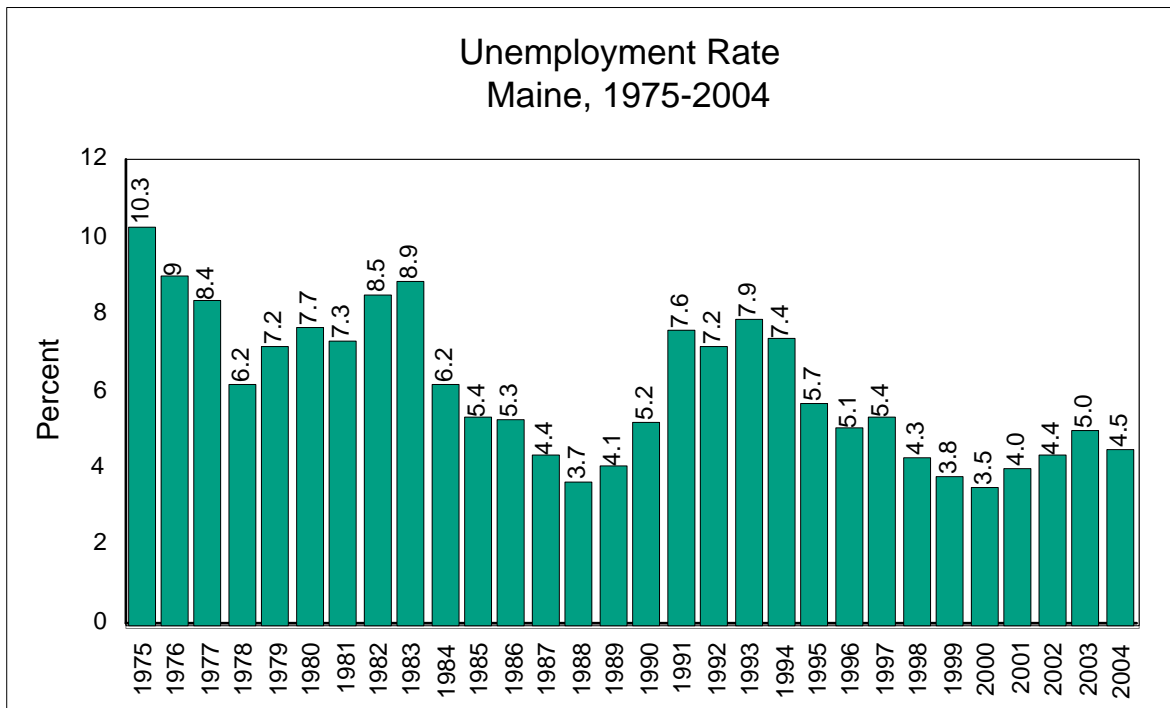
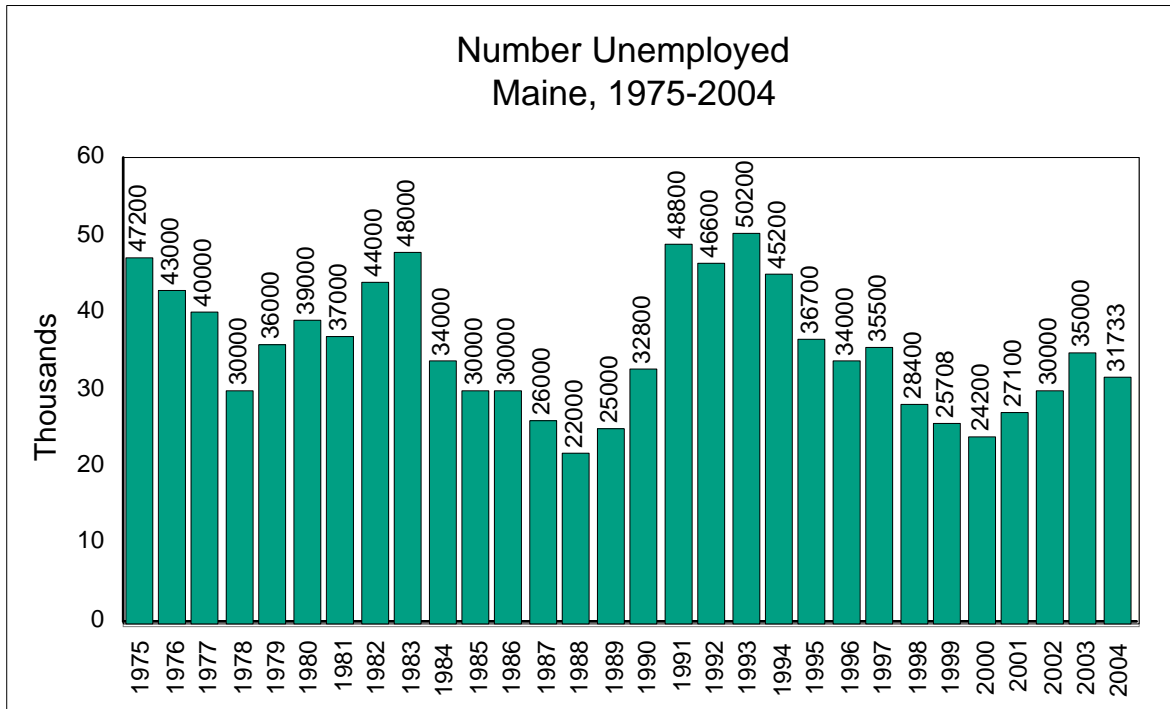




Seasonality:

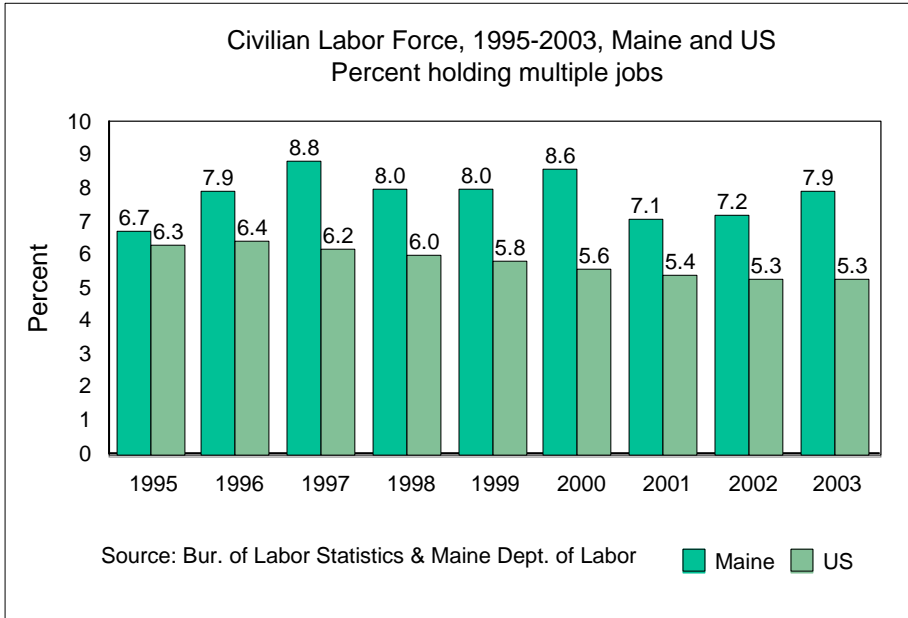


Unemployed:

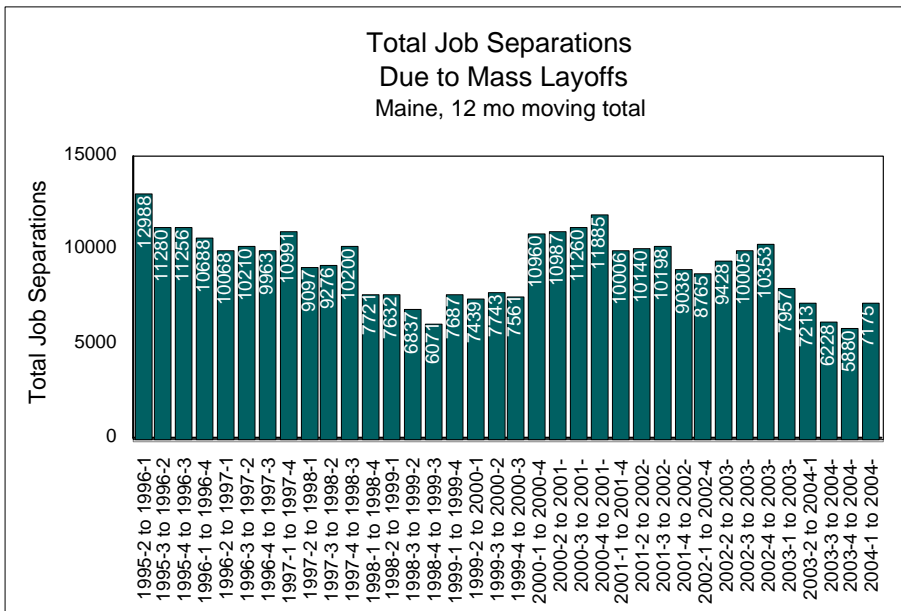




Multiple Jobholders:

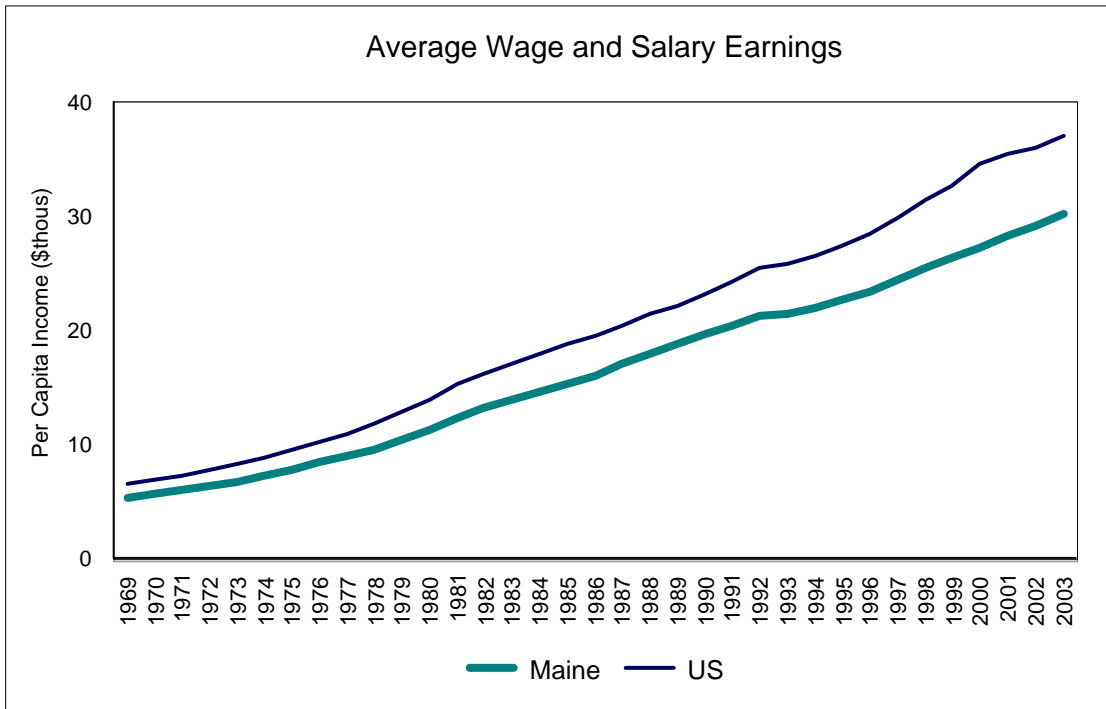
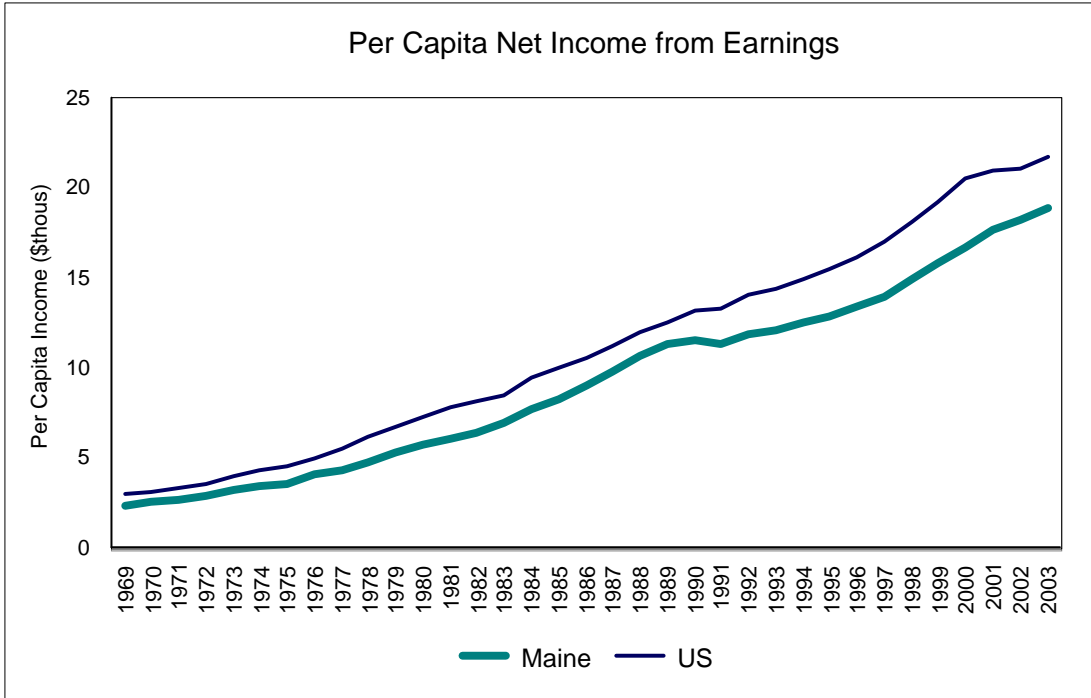


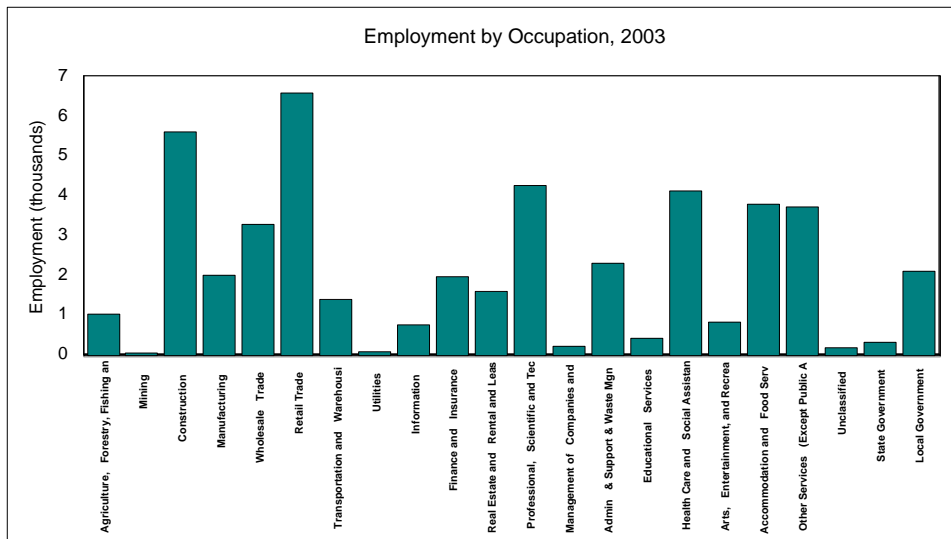
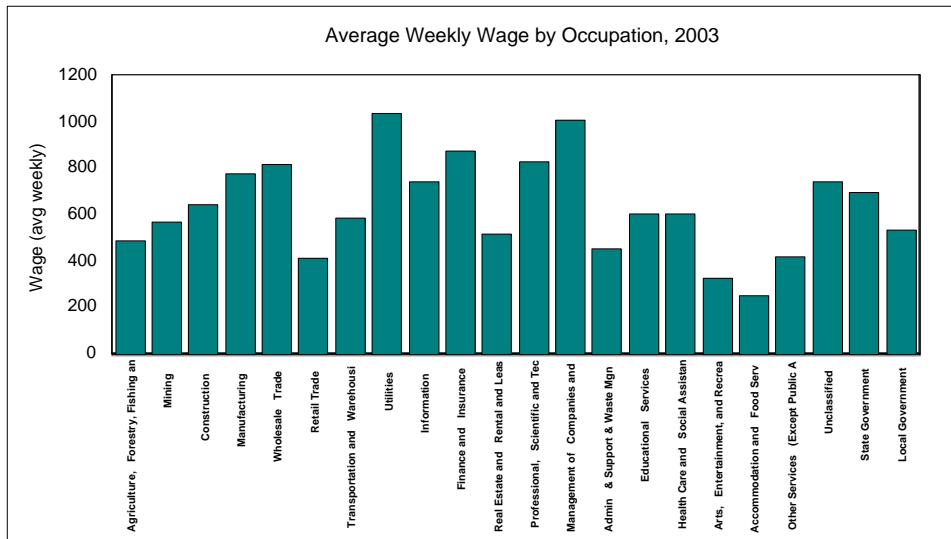
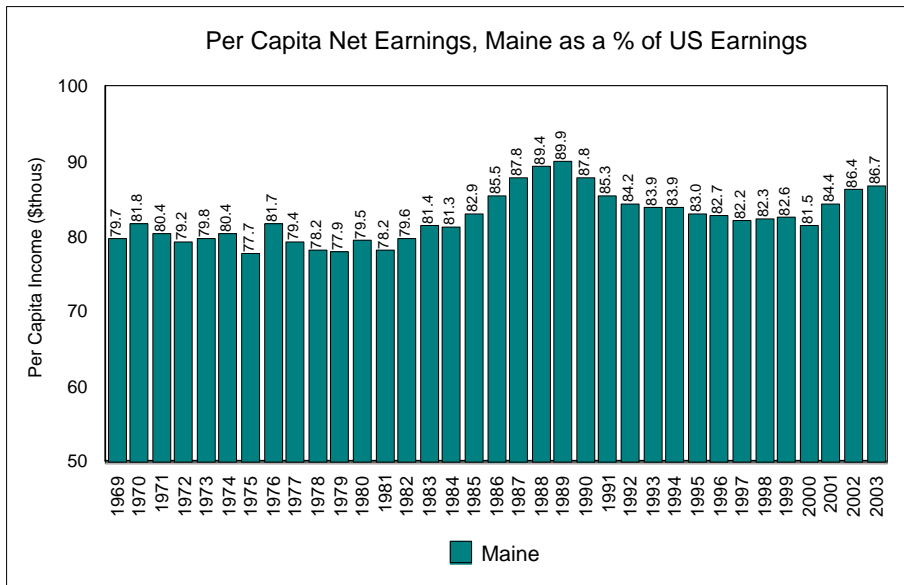
Mass Layoffs:



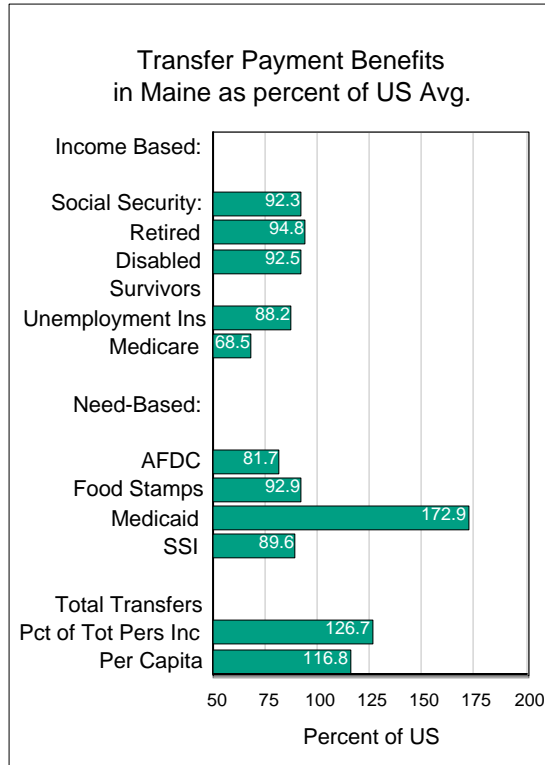
note: third quarter data in 2004 not available due to USDOL disclosure limitations.

C, Earnings





#### 4. Role and Adequacy of Transfer Payments



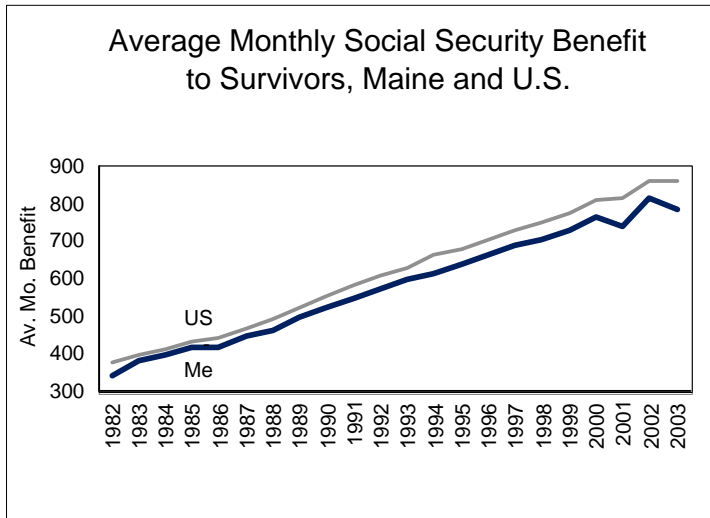
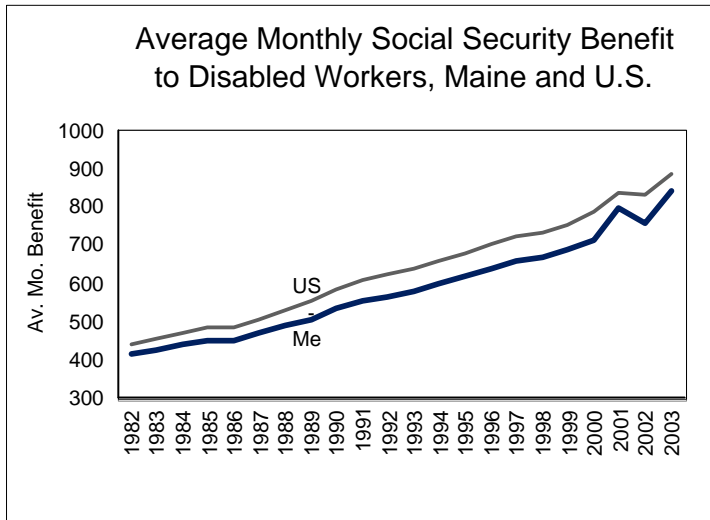
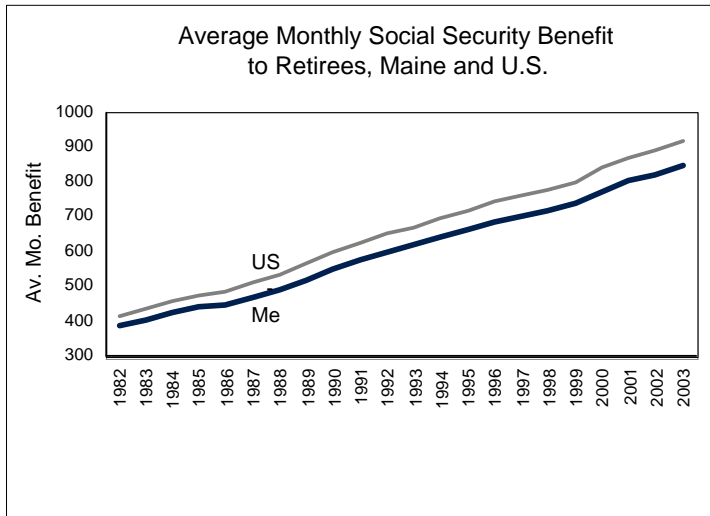
#### Income Transfer Programs - Avg. Monthly Benefit

	Maine	US	Me:US Ratio
<u>Income Based Benefits:</u>			
Social Security Programs (2003)			
Retired	\$851	\$922	92.3
Disabled	\$842	\$888	94.8
Survivors	\$797	\$862	92.5
Unemployment Ins.(2003)	\$231	\$262	88.2
* Medicare,avg. annual (2001)	\$4,110	\$6,003	68.5
<u>Need-Based Benefits:</u>			
TANF (2002)*1	\$416	\$509	81.7
Food Stamps (2002)	\$78	\$84	92.9
* Medicaid (2000)**	\$6,807	\$3,936	172.9
SSI (2002)	\$352	\$393	89.6
Total Transfer Payments:			
* Pct of Tot Pers Inc. (2003)	18.5	14.6	126.7
* Per Capita (2003)	5,364	4,592	116.8

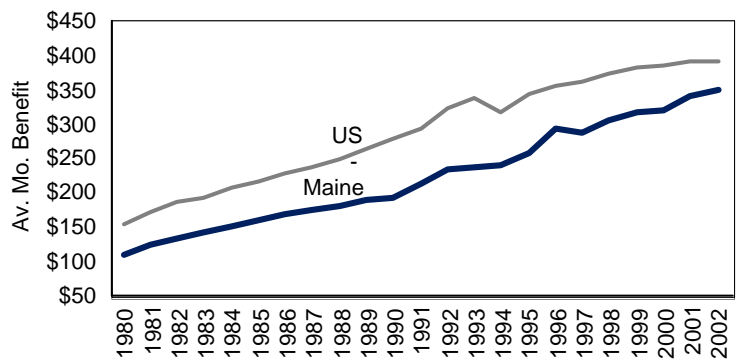
\* Data not available to update from last year.

\*1 TANF figures appear to not be consistent with past figures in this series.

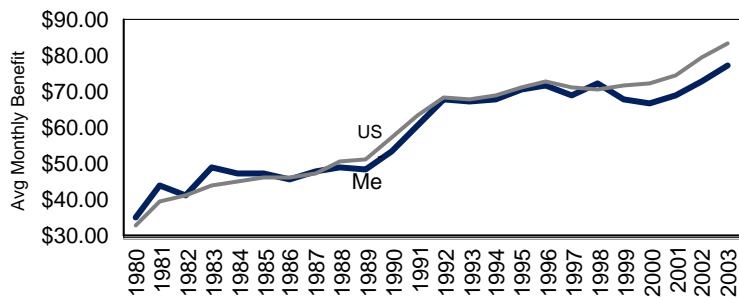
A, Comparison of Benefits – Maine and the US



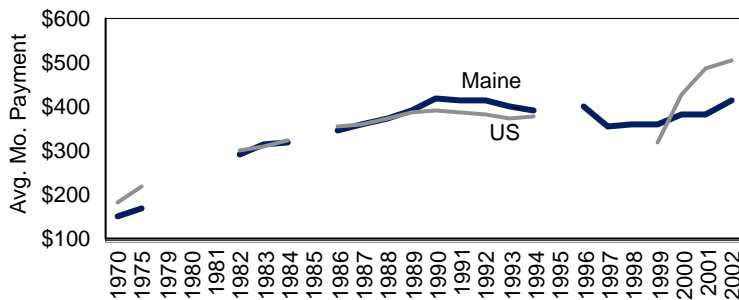
### Average Monthly SSI Payment Maine and the US

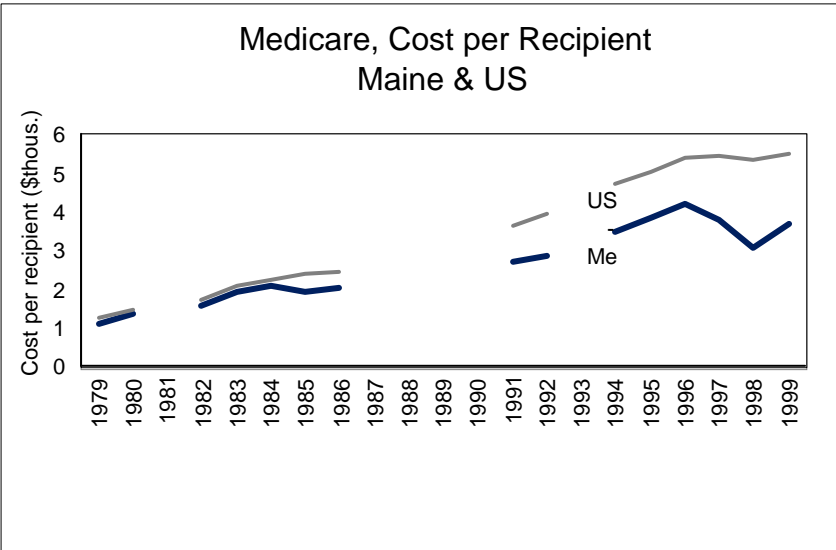


### Food Stamps - Average Monthly Benefit Per Person, Maine and US

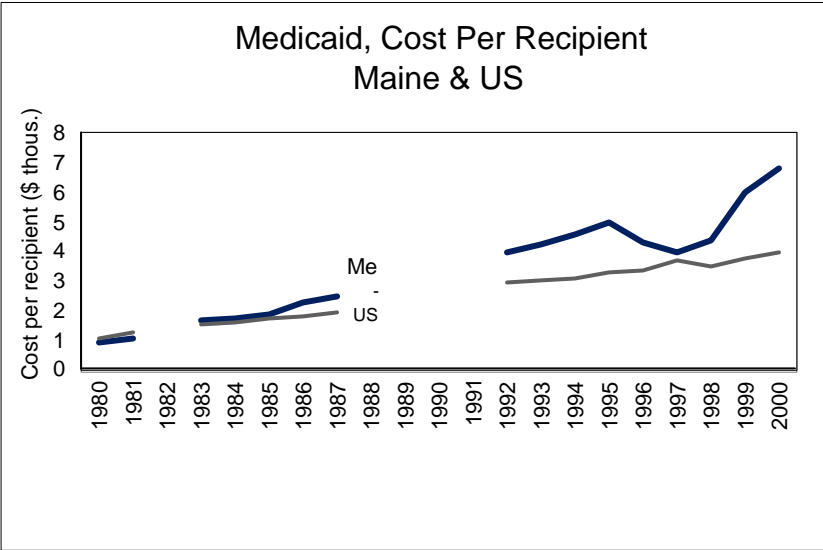


### Average Monthly Payment Benefit TANF Recipient Households

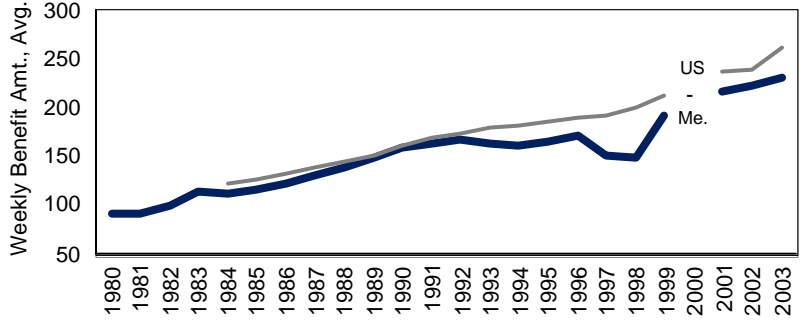




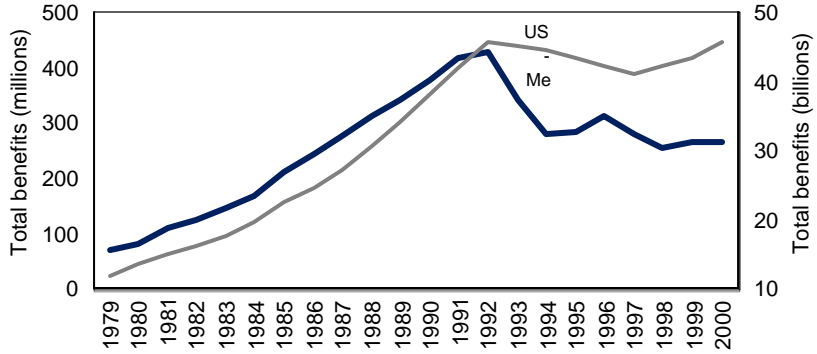
note: Updated Medicare data not yet available



Average Weekly Unemployment Benefit  
Maine and US



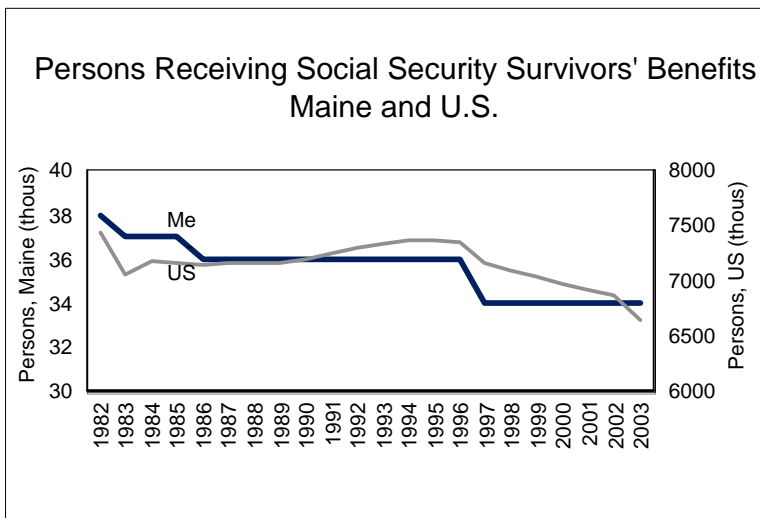
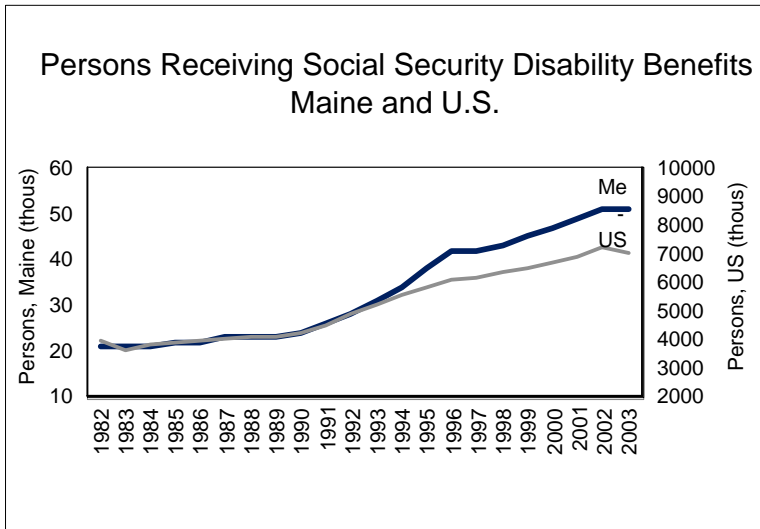
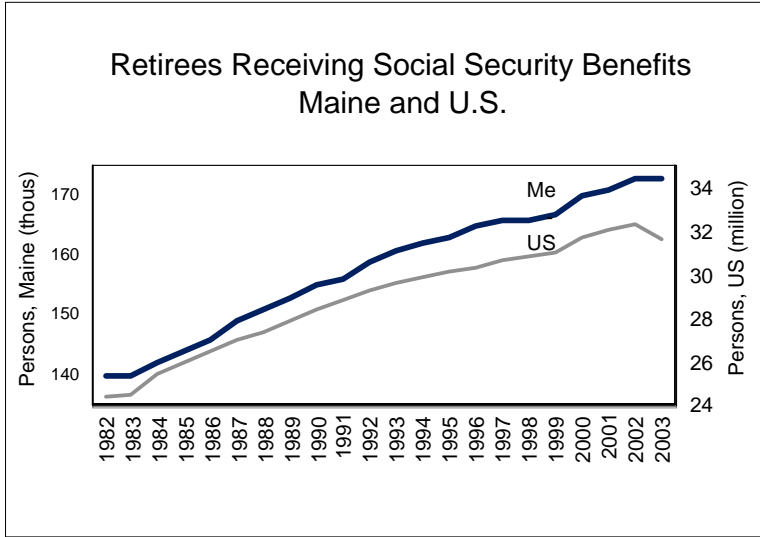
Workers' Compensation Benefits



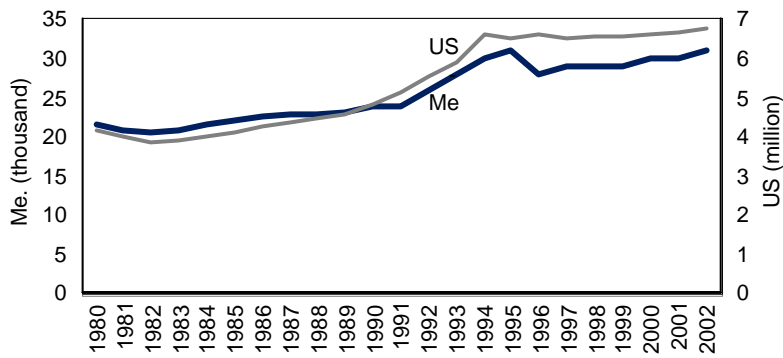
note: Workers' Compensation updates are not yet available



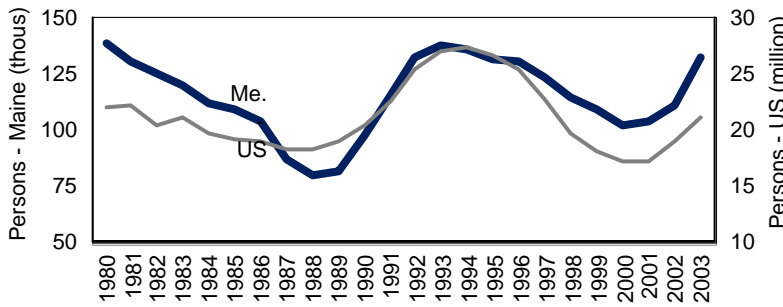
B. Participation Trends



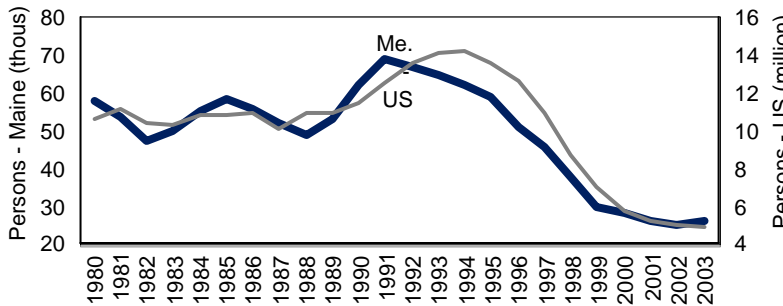
SSI Recipients, Maine and U.S.



Persons Receiving Food Stamps  
Maine and the U.S.

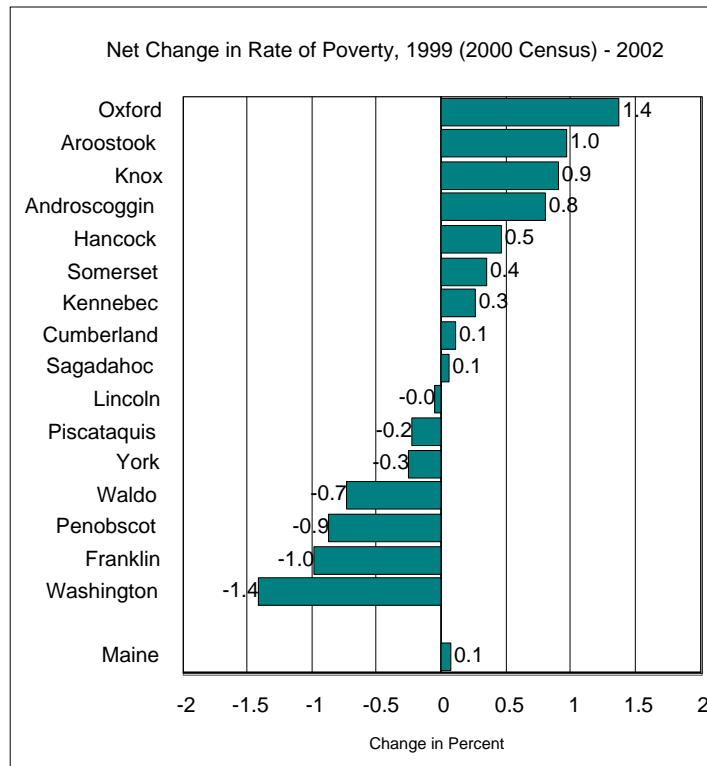


Persons Receiving TANF(AFDC)  
Maine and the U.S.



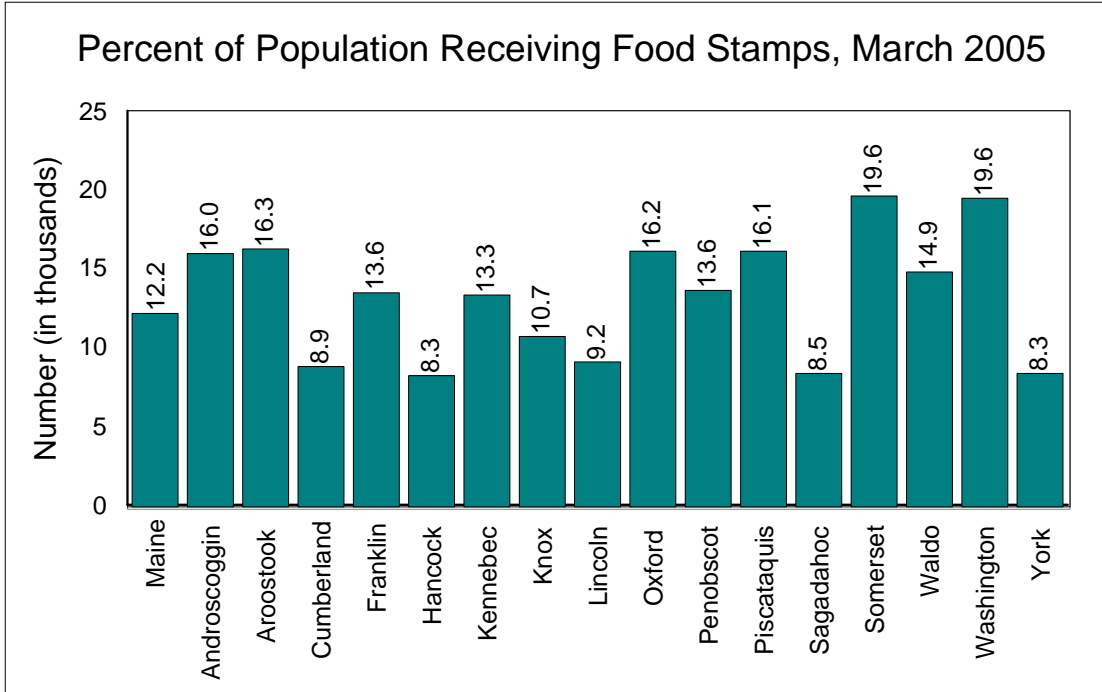
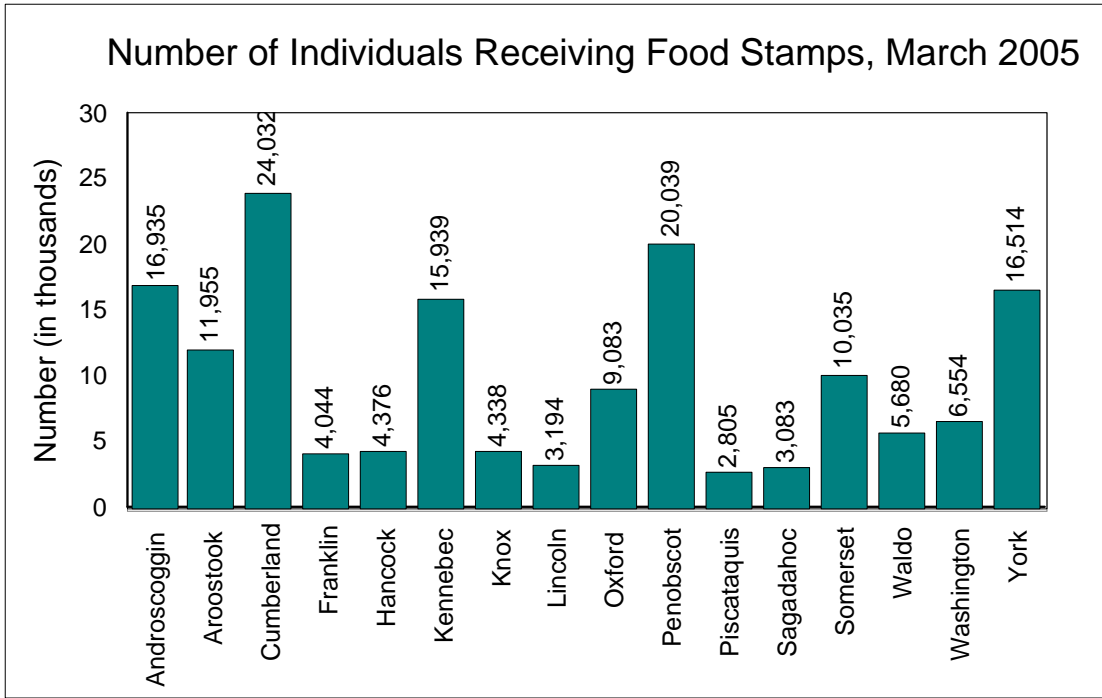
## 5. Regional Disparities

### A. Change in Incidence and Rate of Poverty, 1999 (2000 census) and 2002

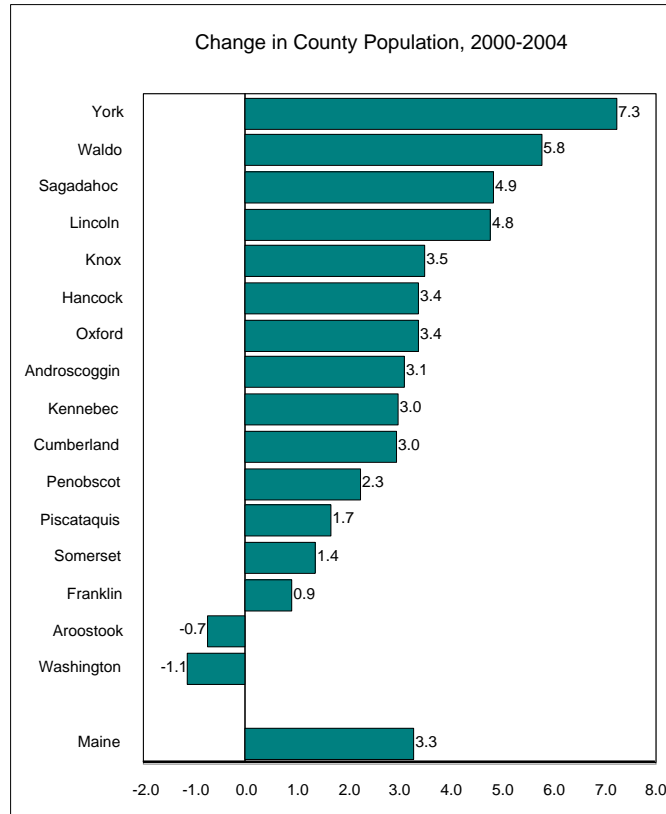


County	Census 2000			Estimate 2002		
	Population	Persons Below Poverty	Poverty Rate	Population	Persons Below Poverty	Poverty Rate
Androscoggin	100,164	11,115	11.1	103,849	12,358	11.9
Aroostook	71,993	10,313	14.3	72,203	11,047	15.3
Cumberland	257,982	20,352	7.9	265,813	21,265	8.0
Franklin	28,268	4,121	14.6	28,831	3,921	13.6
Hancock	50,394	5,159	10.2	51,701	5,532	10.7
Kennebec	113,534	12,637	11.1	117,535	13,399	11.4
Knox	38,292	3,865	10.1	39,618	4,358	11.0
Lincoln	33,269	3,375	10.1	34,782	3,513	10.1
Oxford	53,734	6,353	11.8	55,924	7,382	13.2
Penobscot	138,605	18,956	13.7	142,141	18,194	12.8
Piscataquis	17,011	2,522	14.8	17,377	2,537	14.6
Sagadahoc	34,909	3,014	8.6	36,322	3,160	8.7
Somerset	49,980	7,471	14.9	50,804	7,773	15.3
Waldo	35,704	4,973	13.9	38,167	5,038	13.2
Washington	32,985	6,272	19.0	32,898	5,790	17.6
York	184,069	15,003	8.2	197,899	15,634	7.9
Maine	1,240,893	135,501	10.9	1,280,927	140,902	11.0

B. Food Stamp Program Enrollment

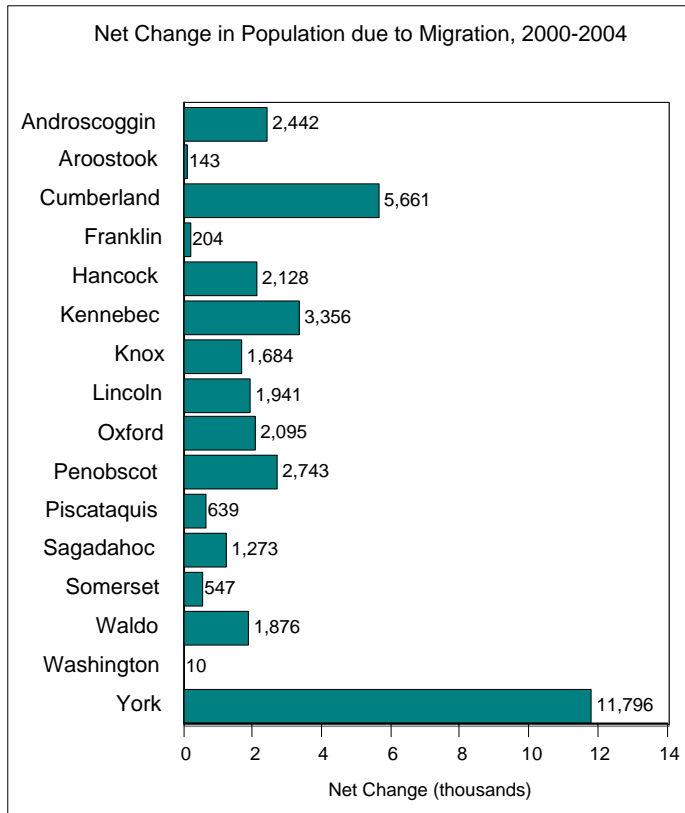
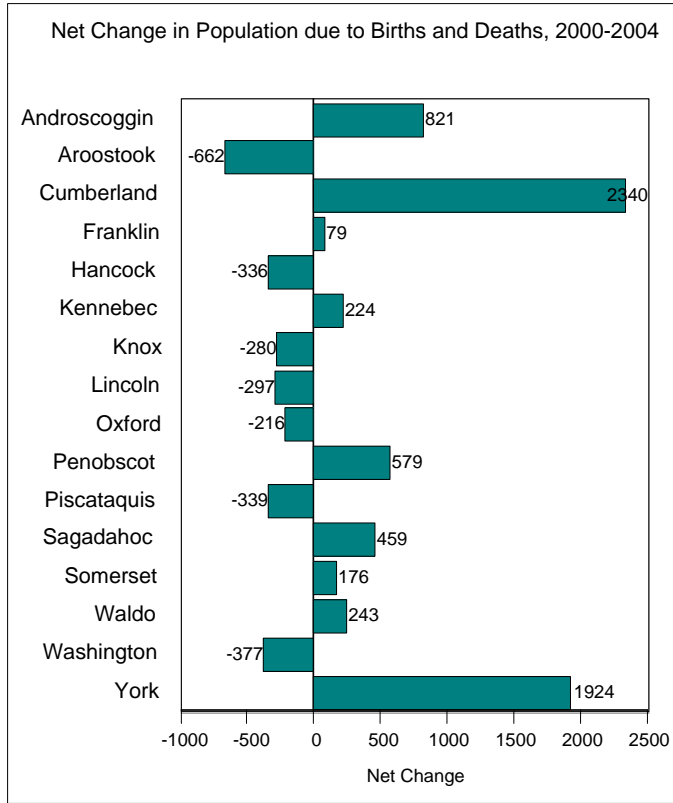


C. Change in Population, Census Population Estimate, 2000 - 2004

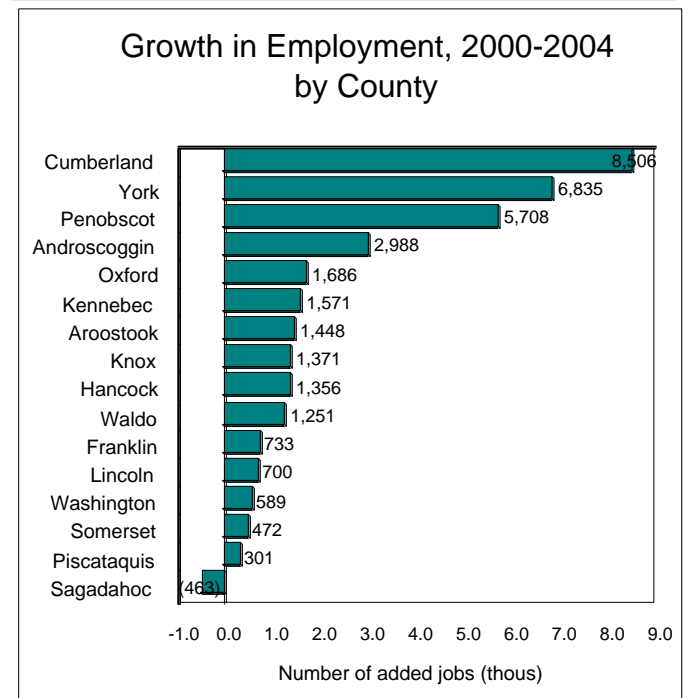
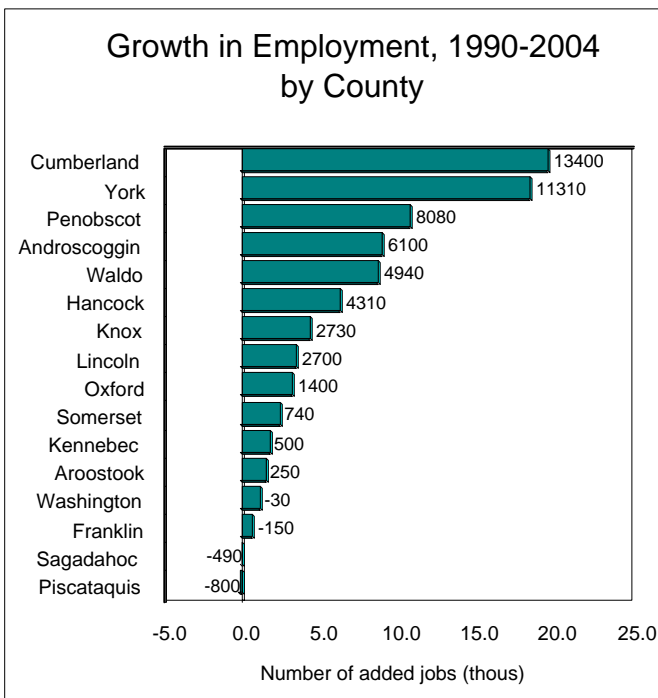
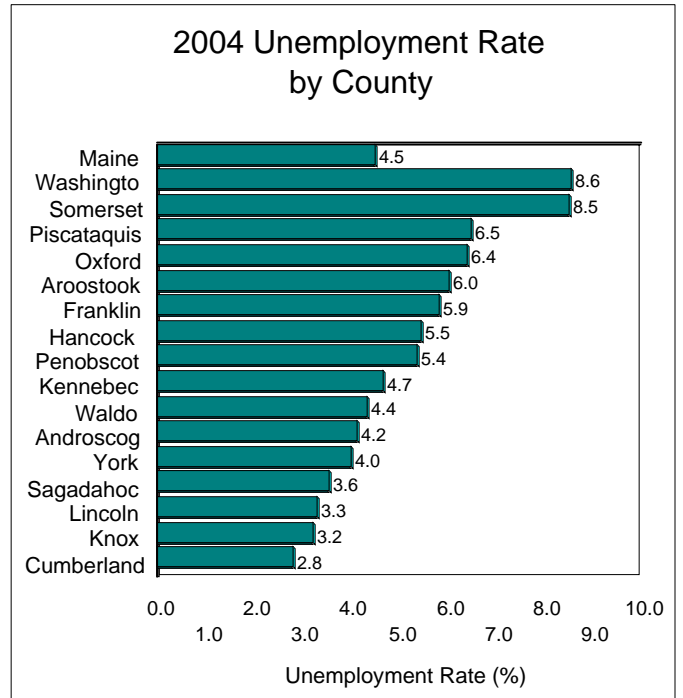
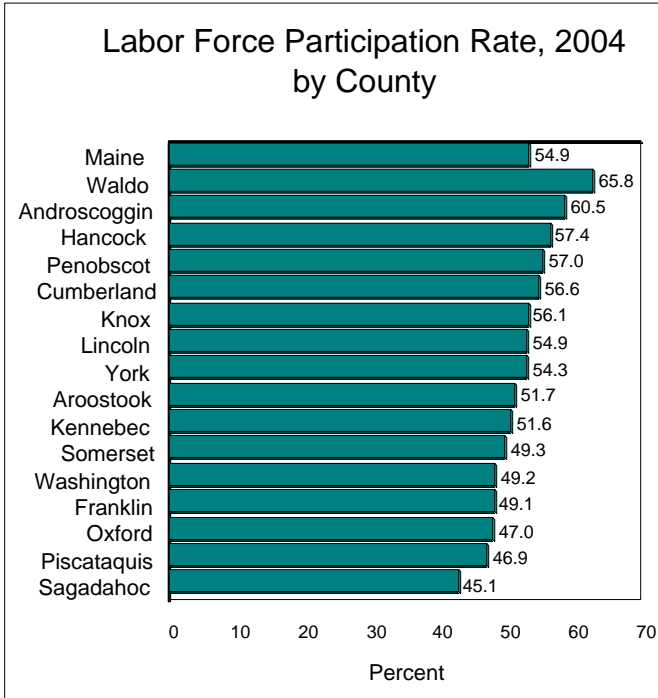


County	Census 2000	Estimate 2003	Net Change	Percent Change
Androscoggin	103,793	107022	3,229	3.1
Aroostook	73,938	73390	(548)	-0.7
Cumberland	265,612	273505	7,893	3.0
Franklin	29,467	29736	269	0.9
Hancock	51,791	53556	1,765	3.4
Kennebec	117,114	120645	3,531	3.0
Knox	39,618	41008	1,390	3.5
Lincoln	33,616	35236	1,620	4.8
Oxford	54,755	56614	1,859	3.4
Penobscot	144,919	148196	3,277	2.3
Piscataquis	17,235	17525	290	1.7
Sagadahoc	35,214	36927	1,713	4.9
Somerset	50,888	51584	696	1.4
Waldo	36,280	38392	2,112	5.8
Washington	33,941	33558	(383)	-1.1
York	186,742	200359	13,617	7.3
Maine	1,274,923	1317253	42,330	3.3

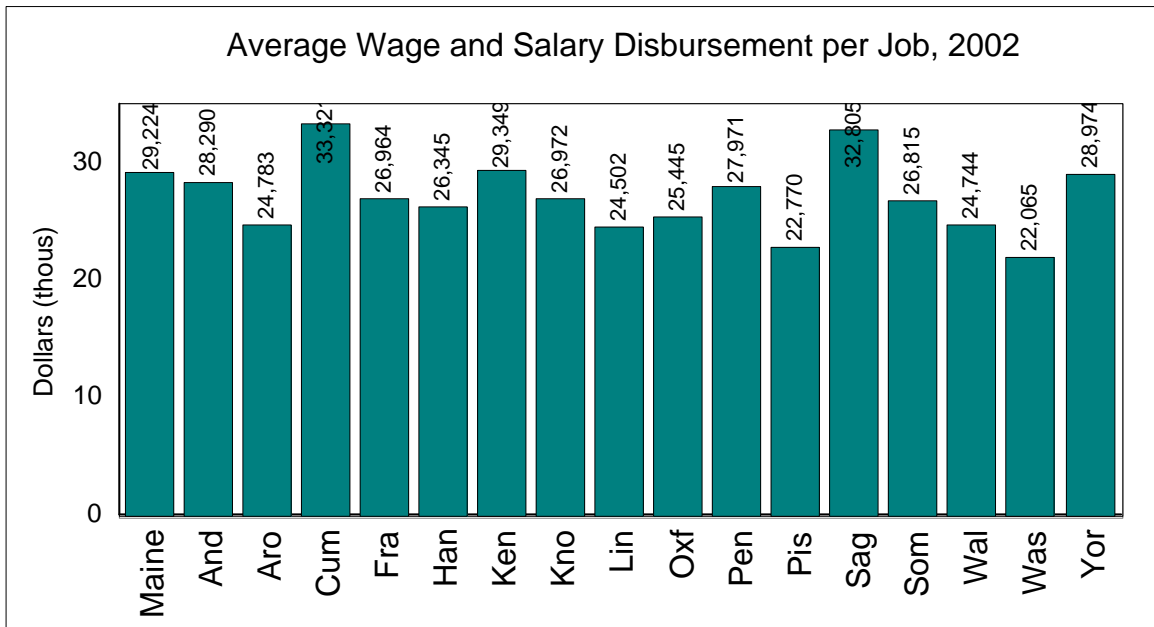
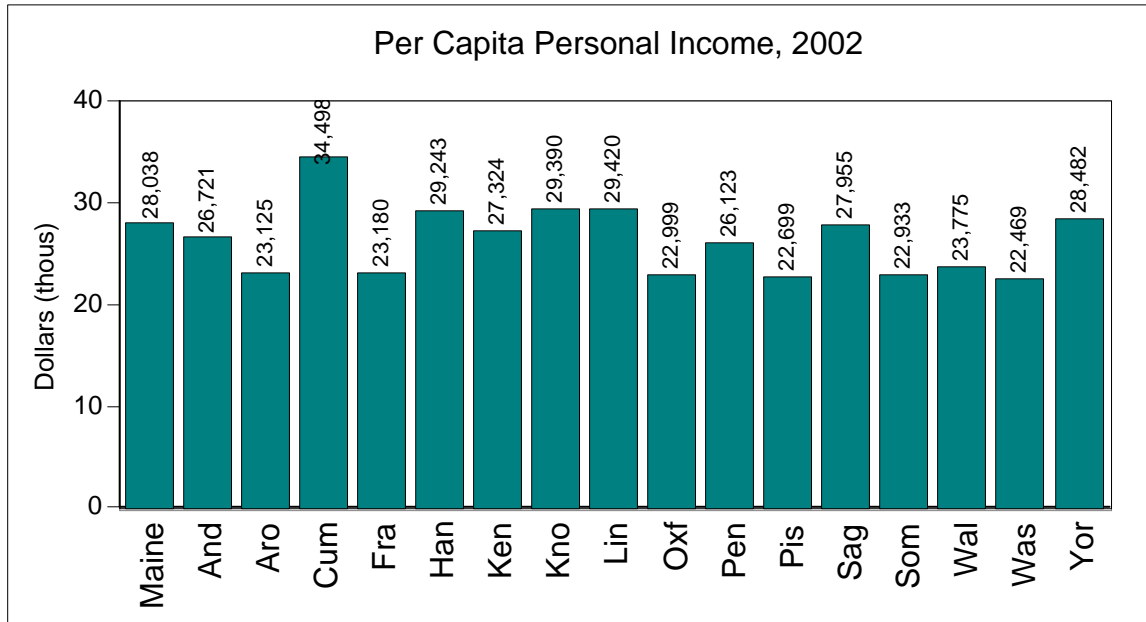
## Components of Population Change, 2000-2004



### D. Labor Force Participation, Employment, Unemployment and Job Growth Trends

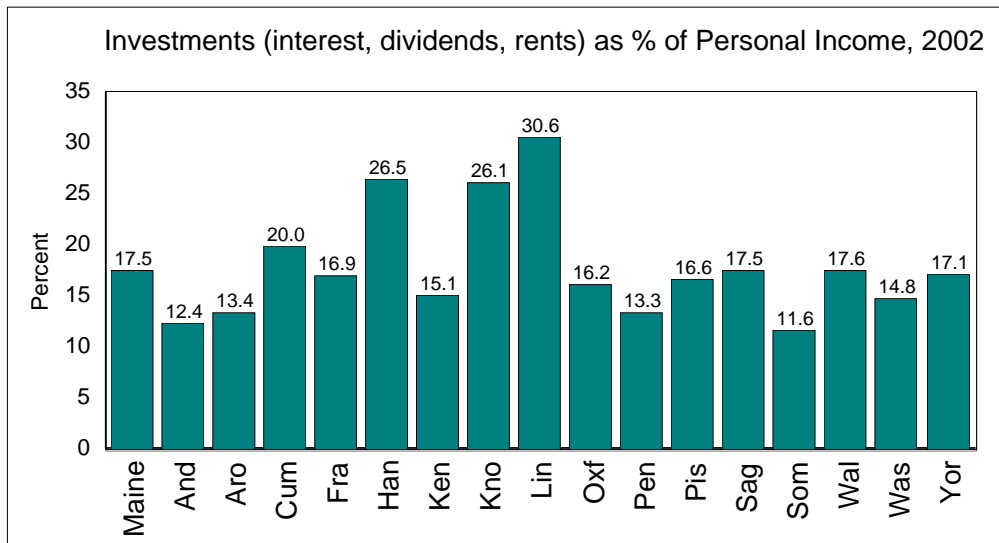
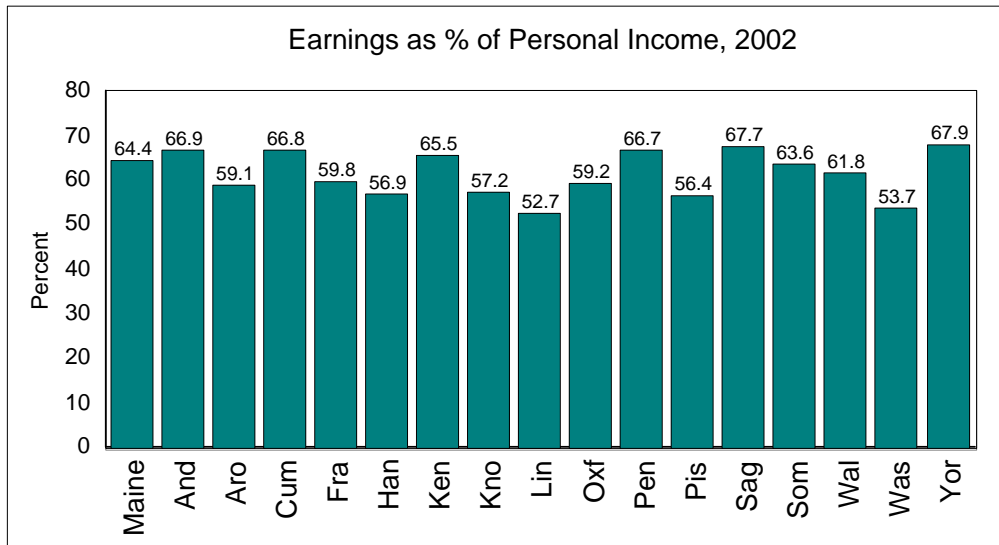
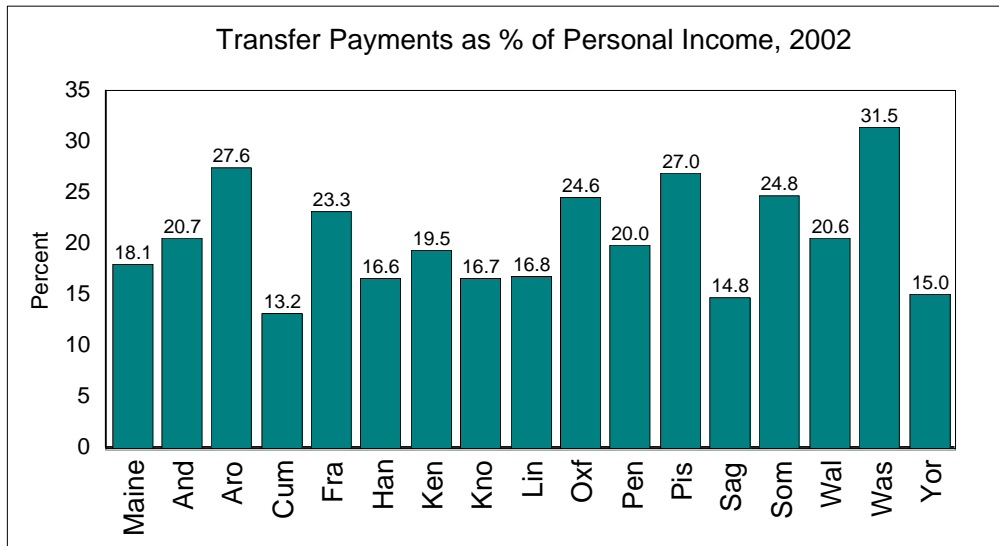


E. Income and Earnings

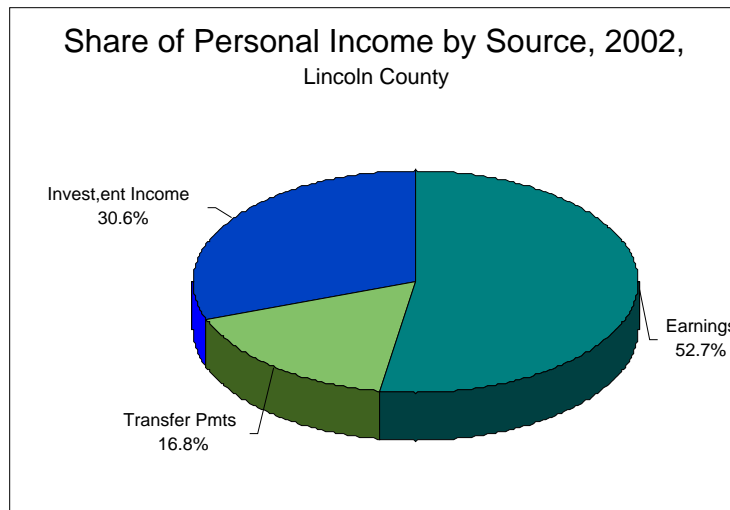
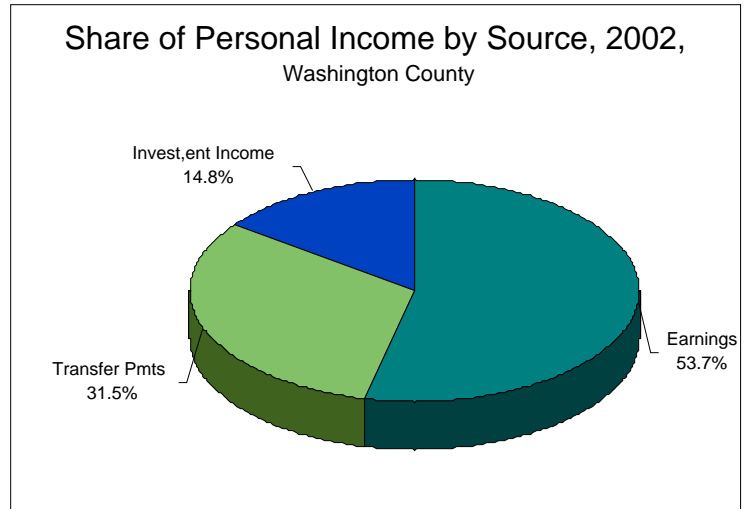
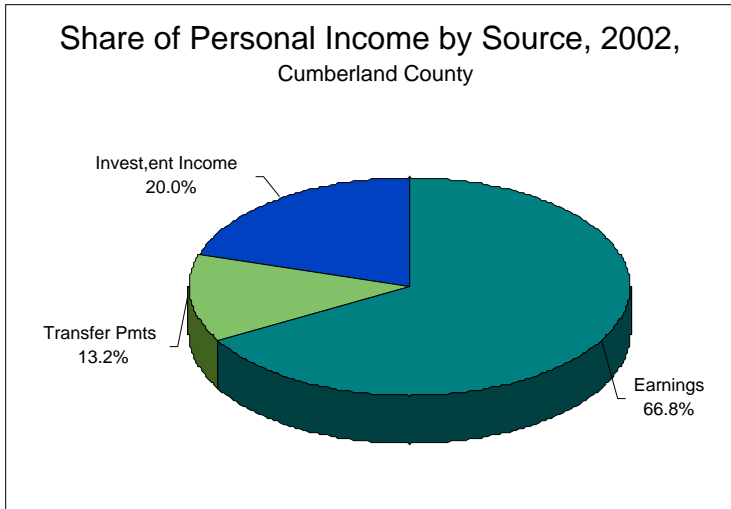
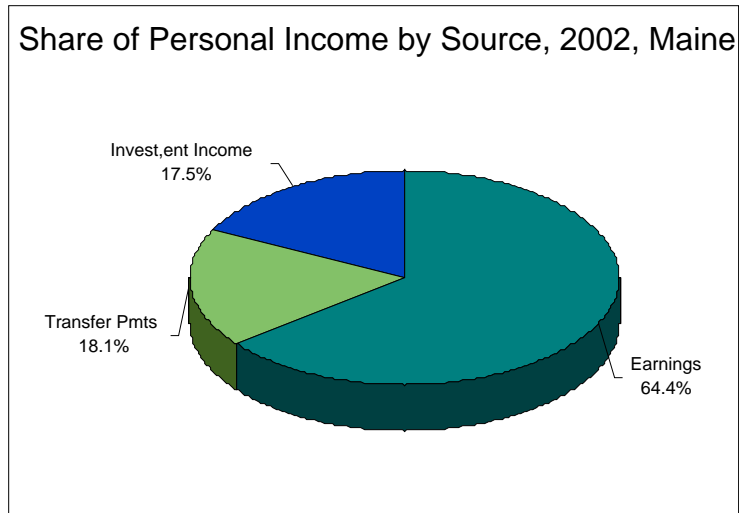




F. Source of Income – Earnings, Investments, Transfer Payments



G. Variability in Income Source by County (Examples of a high income county – Cumberland, low income county – Washington, and retirement county – Lincoln)



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