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Poverty, income figures stay persistently unchanged in Census report

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The number of Americans living in poverty last year stayed stuck at 46.5 million people, as did the national poverty rate of 15 percent, according to Census Bureau statistics taken from its 2012 Current Population Survey.

While the percentage of people without health insurance declined from 15.7 percent in 2011 to 15.4 percent in 2012, because of population growth the number of uninsured stayed virtually the same at 48 million.

After accounting for inflation, the nation's median household income of $51,000 was not statistically different from year-before figures.

In the past half-century, the poverty rate had climbed to the 15 percent mark just three times: in 1982 and 1993 as well as the past three years starting in 2010.

During a teleconference Tuesday at which the numbers were released, David Johnson, chief of the Census Bureau's Social, Economic, and Housing Statistics Division, said household incomes have neither approached the 2007 pre-recession peak nor the all-time high achieved in 1999.

But since 2007, the lowest-earning 20 percent of the U.S. population "fell much further" than the highest-earning 20 percent, Johnson said -- more than 3 percent for the poorest families, and just 0.5 percent for the richest.

"What we've found is that there's a great isolation of the poor in the sense that in the neighborhoods they're not mixed in, and often the only people that they're knowing and the other people that they're going to school with are also poor," said Clark Massey, president of A Simple House, which works with poor families often living in government-run housing projects or government-subsidized housing in Kansas City, Mo., and Washington.

In a telephone interview Monday from Kansas City with Catholic News Service, Massey said poor Americans are "not seeing examples of people working 9-to 5-jobs. They're not seeing marriages that are working." On the other half of the equation, "the greatest problem I see is that the wealthier upper or middle class, they're distant from the poor. They're in suburban neighborhoods," he added. "There's a great lack of information between the two, that they don't know a lot about each other."

Massey said, "There's a huge segment of the population that's homeless. We don't think of them as homeless. They're sleeping on couches." He explained: "The government prioritizes moms with kids. Men tend to be homeless ... and the moms are in the projects with their kids." The men going from dwelling to dwelling to sleep on the couch is a phenomenon Massey called "couch surfing."

He said he sees families that have been poor for generations.

"In the biggest cities, it's almost impossible to get out of poverty," he added. "If we got one of our young men

into a $15-an-hour job, that would be a windfall for him. But in Washington, you can't rent an apartment or take care of your kid on $15 an hour. In Kansas City, (with) a $10-an-hour job you can rent an apartment. There's more mobility."

Poverty rates remain highest with African-Americans and Hispanics, at 27.2 percent and 25.6 percent, respectively. Only 9.7 percent of whites live in poverty, and 11.7 percent of Asian-Americans.

The Census Bureau developed a statistic called the Supplemental Poverty Measure, which factors in the effect of income transfers in poverty rates. An example of an "income transfer" is the earned income tax credit, a federal income tax credit for low- to moderate-income working individuals and families.

Under this measure, the U.S. poverty rate would be 16.1 percent -- with higher rates among seniors and working-age Americans, but lower among minors.

The biggest change in the Supplemental Poverty Measure is the effect of Social Security, which cuts the poverty rate by 8.3 percentage points. Refundable tax credits alleviate poverty by 2.9 percentage points; Supplemental Nutrition Assistance Program benefits, by 1.1 points; and Supplemental Security Income, by 1.1 points.

Out-of-pocket medical costs raise the poverty rate by 3.4 percentage points, and work expenses raise it 1.7 points.

Massey told CNS that the poor his agency serves keep looking for ways to get by financially from one month to the next.

"This is the way people have been living for years and years. Food stamps every month. Salvation Army every month. We call it the hustle. They hustle to make it," he said. "As far as I can tell, it's intergenerational. A very common conversation for us to have is the Salvation Army may help you with a bill every six months or so. When they come to see us, they'll update us on all the other orgs that have been helping them."

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