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## **New Census Data: Missourians Struggle in Face of Economic Decline** *Assistance Helps Keep Struggling Families Afloat*

New Census Bureau data released today highlight the increase in poverty and the plight of Missouri's middle class following the economic recession. Unemployment and poverty have risen, while median household income has fallen. As Missouri families struggle to make ends meet and provide for their children, government services have kept even more Missourians from falling into poverty.

"The recession has hit Missourians hard," said Ruth Ehresman, Director of Health and Budget Policy for the Missouri Budget Project. "Today's census data shows just how many Missourians are struggling to meet their basic needs."

Since 2007, poverty has increased for all Missourians. Families with children under 18, and particularly young families with children under the age of 5 have been particularly hard hit, with family poverty rates of 17.5% and 21.6% respectively. As a result, more than 1 in 5 children now live in poverty.

The struggles Missourians face are also reflected in household incomes. Median household income has fallen significantly to \$44,301, and 27.8% of Missouri households now make less than \$25,000, making it harder for families to make ends meet. Unemployment reached 10% in 2010.

The number of people living in poverty underscores the critical role of federal assistance, including unemployment insurance, expanded food stamps, and tax credits for middle- and low-income households. Such assistance has long-term impacts that can help break the cycle of poverty.

"Boosting the incomes of the poorest families has a significant impact on children's educational performance and increases those children's earnings as adults," continued Ehresman. "Unemployment insurance, the earned income tax credit, and nutrition assistance are effective in keeping people out of poverty both now and in the future."

To avoid worsening poverty and undermining the economy's future, Congress must also take a balanced approach to deficit reduction that relies on both responsible cuts and ways to increase revenue. Reductions in Medicaid and other critical supports for struggling families would cut help as they continue to weather this difficult economy.

"As bad as poverty is today, unemployment insurance, nutrition assistance, and tax credits for middle and low-income households kept many more Missourians from falling below the poverty line in 2010," said Ehresman.

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*The Mission of the Missouri Budget Project is: To advance public policies that improve economic opportunities for all Missourians – particularly low and middle-income families – by providing reliable and objective research, public education and advocacy. More information is available at [www.mobudget.org](http://www.mobudget.org).*