



Michigan League FOR Human Services

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Holidays ringing hollow for more Michigan families *Higher rents, lower income means more at the margin falling into poverty*

Fewer Michigan families have economic reasons to celebrate this holiday season with nearly one in every 10 households falling below the poverty line. Instead, those families will be scraping by as a result of declining income and rising energy and health care costs.

A report released today by the Michigan League for Human Services, *Michigan's Changing Face of Poverty: More Families Slide Into Troubled Times*, documents the growth in economic woes with a 21 percent jump in the state's family poverty rate since 2001.

"Unfortunately, the holidays will find more families in Michigan deciding what they will give up to cover the rent. These are very difficult choices, especially at a time when other people are indulging and celebrating," said Ann Marston, president and CEO of the League, a statewide nonprofit, nonpartisan advocacy group for low-income citizens.

In 2006, 9.6 percent of households fell below the poverty line, which was \$16,242 for a single parent with two children. That's up from 7.9 percent of households in poverty in 2001. Especially hard hit are single-mother families: 39 percent lived in poverty in 2006, up from 33 percent in 2001.

Poverty in Michigan is jumping faster than in most other states. Michigan's total poverty rate increased 3 percentage points from 2000-2001 to 2005-2006, the sixth-highest increase in the country.

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Factors driving the trend include:

- Households earning less in Michigan in 2006 than they did in 2001 when adjusted for inflation, with the median Michigan income now below the national average;
- Rent and utilities eating up bigger shares of income with more than half of renters paying at least 30 percent of their income on housing in 2006, up from 39.8 percent in 2001;
- Stagnating incomes combined with rent and utilities rising faster than inflation.

“We’re hearing more and more stories about food pantries, food banks and holiday food basket programs that are overwhelmed with requests,” said Sharon Parks, vice president for policy. “It’s just a cold reality that as many of us get ready to celebrate, others in Michigan will be struggling to pay the rent and keep the heat on.”

For families to find out if they qualify for Food Assistance call the toll-free Center for Civil Justice Food and Nutrition Program Helpline at 1-800-481-4989.

The League is a nonprofit, nonpartisan statewide policy and advocacy group for low-income citizens. It has more than 1,500 individual and organizational members from business, labor, human service professionals, faith-based organizations and concerned citizens.

The full report can be found at www.milhs.org.