

Wisconsin Poverty Report Summary: 2017

Summary of the 11th Annual Wisconsin Poverty Report

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KEY POINTS

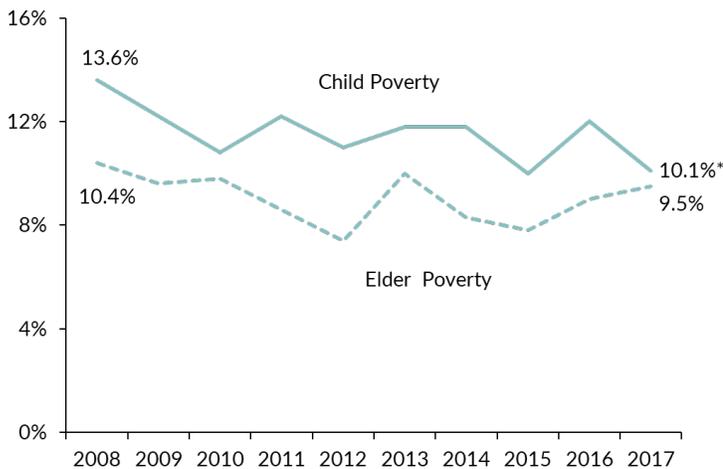
Poverty in Wisconsin fell from 10.8% in 2016 to 10.2% in 2017.

The state's growing economy has had little effect on the poverty rate as rising costs of living, especially in the areas of childcare and medical care, offset gains in earnings and employment. This left Wisconsin's poverty rate in 2017 about the same as it was in 2010.

Child poverty fell while poverty for elders rose in 2017. Child poverty fell from 12.0% in 2016 to 10.1%, and poverty among elders rose from 9.0% to 9.5%, continuing a climb begun in 2015.

TREADING WATER IN 2017: POVERTY DECLINED FOR CHILDREN BUT INCREASED FOR ELDERS

Poverty rates fell for children but rose for elders.



*The change from 2016 was statistically significant.

Poverty rates fell for children but rose for elders in 2017. The poverty rate for families with children fell from 12.0% to 10.1% between 2016 and 2017. This improvement appears to reflect a boost that families with children received from the economy, with parents possibly taking advantage of lower unemployment rates. Meanwhile, older Wisconsin residents (aged 65+), who are more likely to be out of the workforce, saw their poverty rates rise from 9.0% to 9.5% in 2017. This increase may in part be due to growing costs of living, including out-of-pocket medical expenses such as insurance premiums, co-payments for medical services, prescription and over-the-counter drugs, and uninsured medical expenses that present a significant challenge for the low-income elderly.

How Is Poverty Measured?

This document reflects the Wisconsin Poverty Measure (WPM), developed by researchers at the Institute for Research on Poverty at the University of Wisconsin-Madison. The measure identifies whether families have the necessary income to meet their basic needs. It counts families' market income and public cash benefits, in addition to noncash benefits (such as FoodShare) and tax credits. It also deducts necessary expenses such as childcare and medical expenditures and makes adjustments for geographic differences in prices.

The graph to the right shows the 2017 WPM rate of 10.2% is essentially unchanged from 2010 and 2012, the years of the immediate recovery from the Great Recession.

Poverty remains at the same levels as in the immediate recovery from the Great Recession, despite an improving economy.



