

# Michigan child poverty surges

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Some 23.5 percent of children in the state of Michigan were officially living in poverty in 2010, according to new figures from the American Community Survey (ACS.) Close to 17 percent of the state's population as a whole lived below the poverty line last year. The population survey is conducted annually by the US Census Bureau to supplement the official decennial census.

In Michigan's largest city, Detroit, more than half of all children and nearly 40 percent of all residents were living below the poverty level.

It is derisory to describe the government's threshold—about \$22,000 for a family of four and \$11,000 for a single person under 65—as a “poverty level”; “subsistence level” might be a better phrase. A more accurate measure of the poor in the US would include all those living under twice the official poverty line, or about \$44,000 for a family of four.

Over the past 10 years, the prevalence of children and adults in poverty in Michigan has risen far more quickly than in the US as a whole. According to the Michigan League for Human Services, the non-profit that issues the state's annual Kids Count Data Book, child poverty in Michigan rose by a staggering 64 percent between 2000 and 2009, compared to an 18 percent average rise nationwide.

Between 2000 and 2009, the Michigan child poverty rate went from 14 percent to 23 percent, according to the group. During the same period, the national rate for child poverty went from 17 percent to 20 percent. Thus, in a decade, Michigan has gone from substantially below the national average to an above-average percentage of children in poverty. The devastation of the incomes of auto workers' families, carried out with the complicity of the United Auto Workers, is a major factor in this process of immiseration.

The increase in child poverty can also be gauged by the increase in the number of children qualifying for federally subsidized lunch at school. For 2009-2010, students from families making at or below 130 percent of the poverty level, or \$28,665 for a family of four, qualified for free school meals.

Almost 80 percent of children in Detroit are in households with income below this level (a more accurate indicator of the real poverty rate), and all children in the district now get free meals on school days under a federal pilot program that eliminates paperwork for districts that have such disastrous rates of poverty.

According to the *Detroit Free Press*, more than half of all school districts in the state experienced a 50 percent or greater increase in enrollees under the income guidelines for the school lunch program in the 2009-2010 school year.

Dearborn Heights, a suburban Detroit district home to both working class and middle class families, increased its participation by nearly 700 percent, from 250 to nearly 2,000 students since 2006. Utica, another Detroit suburb, increased its participation by 3,500 students, more than doubling the previous total.

Even wealthier suburbs such as Birmingham, Bloomfield Hills and West Bloomfield saw dramatic increases over the four-year period. In the three districts, 2,695 students qualified for subsidized lunch in 2009-2010, up from 1,157 in the 2006-2007 school year.

Virtually every figure points to the accumulating social calamity in Michigan. In 2010, median household income in the state fell to \$45,413, about 1.4 percent *below* the 2010 national median of about \$50,000. In 2000, median income in the state was significantly *higher* than the national average. The decline in median income over the past decade was greater in Michigan than in any other state in the country, showing the broad effect of the destruction of manufacturing jobs in particular.

Detroit now has the lowest median income of major cities included in initial ACS data reporting—just \$25,787. The largest drop in median income in Michigan last year occurred in Flint, once a center of auto production, where median income dropped 17.3 percent from 2009. Flint's 2010 median income of \$22,682 is roughly equivalent to the poverty threshold for a four-person family of \$22,314.

Between June 2000 and August 2010, a total of 859,000 jobs were lost in Michigan. This was more half of the country's total employment decline of 1.5 million jobs. The auto industry eliminated 65 percent of its jobs in the state over the period. There were just 123,900 workers in the auto and auto parts manufacturing sectors in late 2010, down from 352,210 in June 2000.

Manufacturing jobs are bleeding from everywhere in the state. For example, in the Saginaw-Bay City area, auto-related manufacturing jobs made up about 85 percent of the manufacturing jobs lost, according to the data from the state's Bureau of Labor Market Information and Strategic Initiatives.

In Saginaw County, in 2005, 13,640 people held manufacturing jobs, compared to 9,687 at the end of 2009.

There is no let-up in the assault on working class living standards. The elimination of General Assistance for unemployed childless adults in Michigan occurred 20 years ago. Under President Bill Clinton's welfare "reform" of the mid-1990s, cash welfare benefits for poor families were slashed nationwide. In 1996, there were more than 178,000 average monthly welfare caseloads in the state. Today, there are less than half that number.

In a punitive move against the poor, in a few days the state of Michigan will stop sending cash benefits to all children and adults in families who have received more than 48 months of cash benefits in their lifetime. This will occur despite continuing high and long-lasting unemployment throughout the state.

The new law signed this week by Michigan Governor Rick Snyder will plunge 30,000 to 40,000 Michigan children into abject poverty in the coming weeks. The state has estimated 13,600 families will be cut off under stricter enforcement of the state's four-year lifetime limit on cash welfare benefits.

The figure of 20,000 children already homeless in the state could double or triple, as the cash assistance is the only income Department of Human Services (DHS) grant recipients receive to pay their rent.

Nearly half of the families losing benefits, 6,000, are in Wayne County, which is dominated by the city of Detroit. Other Michigan counties where with more than 200 families losing benefits are Genesee (Flint) with 1,533, Muskegon with 600, Oakland (Pontiac and Metro Detroit's northern suburbs) with 385, and Saginaw with 371.

Though the bill was passed by both houses of the Michigan legislature this summer, and largely along party lines, the new enforcement strictures introduced under a Republican governor simply increase enforcement of a current four-year state limit signed by Democratic Governor Jennifer Granholm in 2007. At that time, Granholm shortened by one year the five-year federal lifetime limit imposed in 1996 under Clinton's "Personal Responsibility and Work Opportunity Act."

## **Detroit resident speaks out**

*The World Socialist Website* recently spoke to Chenella Dickson, a supporter of the Committee against Utility Shutoffs (CAUS) in Detroit. She explained the difficulties of surviving on welfare benefits even under the current program. Since 1979, the value of the maximum public assistance grant has dropped from 23 percent below the poverty threshold to 66 percent below the poverty threshold.

A young family being cut off under the new Michigan

legislation has likely been living at just 34 percent of the poverty level for a substantial period of time. And now, even the \$80 annual clothing allowance for the 124,000 children on welfare is being eliminated.

Ms. Dickson commented: "Do I know people who are going to be affected by this cut off of welfare? I know many people you should talk to. I have some grown children, and I have another child in elementary school living at home. So, yes, I am in excess of 48 months because my disability has made it difficult to work over the years. I have had a medical condition that keeps me from working, but I keep getting denied SSI [federal-state] disability benefits.

"I have received a letter from DHS telling me that because of the medical restrictions I am under, I'm going to be exempted from the cut on Saturday. But that does not mean that I won't be hurting. I can barely live on what I get now.

"I am never able to keep up with my bills. I've been on a DTE [the giant Michigan-based utility company] budget program for years. Last year, my budget was \$138 and I'm barely able pay the current bill much less try to make up for past due amounts. The bill goes up, but the DHS benefits do not.

"This year, they cut the clothing allowance for the children. What does that mean for my child? It means no shoes, winter coat, underwear, socks, basic stuff. I will not be up to provide for my family."

In the unlikely event that a parent finds a full-time job, many children still will be in poverty. The minimum wage of \$7.40 per hour for 40 hours a week year round brings a working single parent with two children to *11 percent below* the miserable federal poverty threshold.

Most states provide child care assistance to families at 200 percent of poverty (\$34,570 for a family of three) or even higher. Michigan provides minimal child care subsidies only for families with incomes roughly at 130 percent of poverty (\$22,470 for a family of three) or below, adding to the misery of many families.



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