

# MAINE STATE LEGISLATURE

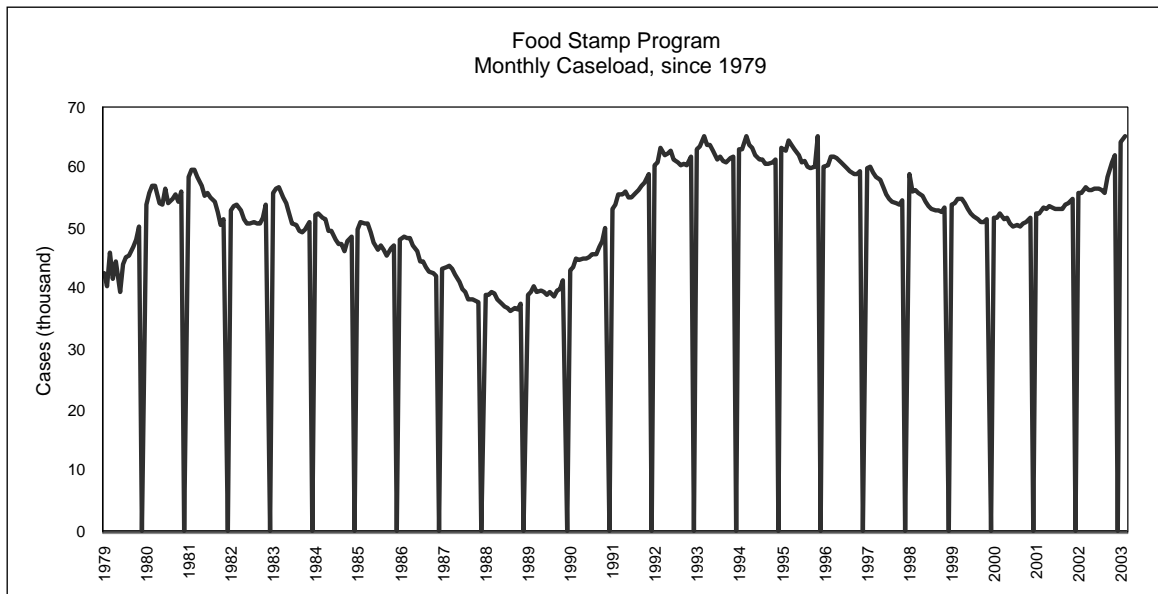
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# 2002 Annual

## Report Card on Poverty in Maine



April 2003  
Maine State Planning Office



## ***1. Summary & Highlights***

### **A. Poverty Measures**

**Poverty Level:** The poverty rate in Maine is slightly below the national average. However, the 2000 census shows that Maine's poverty rate rose slightly (from 10.8% to 10.9%). Maine has 7000 more people living below the poverty line now than 10 years ago. Regionally, within Maine, the poverty rate varies from as high as 19% in Washington County to a low of 7.9% in Cumberland County.

**Regional Shift:** Maine's most rural counties still have the highest rates of poverty overall. However, a new pattern is emerging. Between 1990 and 2000, there was an identifiable shift in the distribution of persons below the poverty level, largely toward more urban counties.

**Food Stamp Program Enrollment:** The average annual enrollment increased by nearly 8,000 individuals (4,000 households) in 2002. After a slight dip in mid summer, enrollment began to rise sharply in the fall.

**Transfer Payments:** The portion of household income derived from transfer payments rose again in 2000. Though a greater portion of income in Maine is typically from transfer payments due to the larger portion of elderly in the population (hence a higher portion receiving social security, railroad retirement, and other benefits), Maine's dependence on transfer payments accelerated in the mid 1990's and has remained much higher than the national average since.

**Insured:** The number of people without health insurance is rising. In spite of progressive programs in Maine that have enabled many to obtain health insurance and led to a higher rate of insured in Maine than the national average, the proportion of Maine residents without insurance is increasing and now is almost at the national level.

**Other indicators remain relatively unchanged.** Measures of homelessness and food insecurity show little change.

### **B. Contributing Factors**

**Income:** Income in Maine has lagged behind the nation for decades. In 1999, the income gap narrowed to 91% of the national average, but has declined since. In 2001, Maine ranked 40<sup>th</sup> in per capita and median household income, at 87% of the national level.

**Income Disparity:** Income data from the 2000 Census data showed that more Maine households have low incomes and fewer are in high-income categories than the national average. A third of Maine households had incomes below \$25,000 in 1999,

compared to only 28% nationally. At the other extreme, only 12% of Maine households (compared to 22.5% nationally) had income in excess of \$75,000.

**Earnings:** Earnings have been flat. Average annual pay measured by the US Dept. of Labor shows slight improvement in 2001. The average wage in Maine stands at 80% of the national level, up from a record low 79% the previous year.

**Employment:** Stagnant job growth has been is the key factor slowing income growth. The average annual employment in 2002 dropped for the second year in a row. Labor force growth has been flat since 2000. Fewer people are entering the labor force. Labor supply is key to job growth.

The unemployment rate in Maine has increased for the past 2 years, though still below the national average. The overall lack of growth in the labor force and people unable to find a job leaving the labor force have kept the unemployment rate lower

Mass layoffs also contributed to slowing growth in earnings. For some workers, sidelined by cyclical events the income loss is temporary. Those displaced by downsizing or the demise of firm or industry frequently find new jobs with lower pay.

**Economic Structure:** In 2001, half of Maine workers were employed in jobs where the average annual pay is less than \$30,000. Even in a time of flat job growth, jobs in retail trade and other lower paying industries continued to grow between 2000 and 2002 while jobs in manufacturing declined and jobs in other relatively higher paying industries remained unchanged.

**Transfer Payments:** Federal data sources show the number of Maine residents receiving government benefits from nearly all federal programs (TANF the only major exception) has increased since 2000.

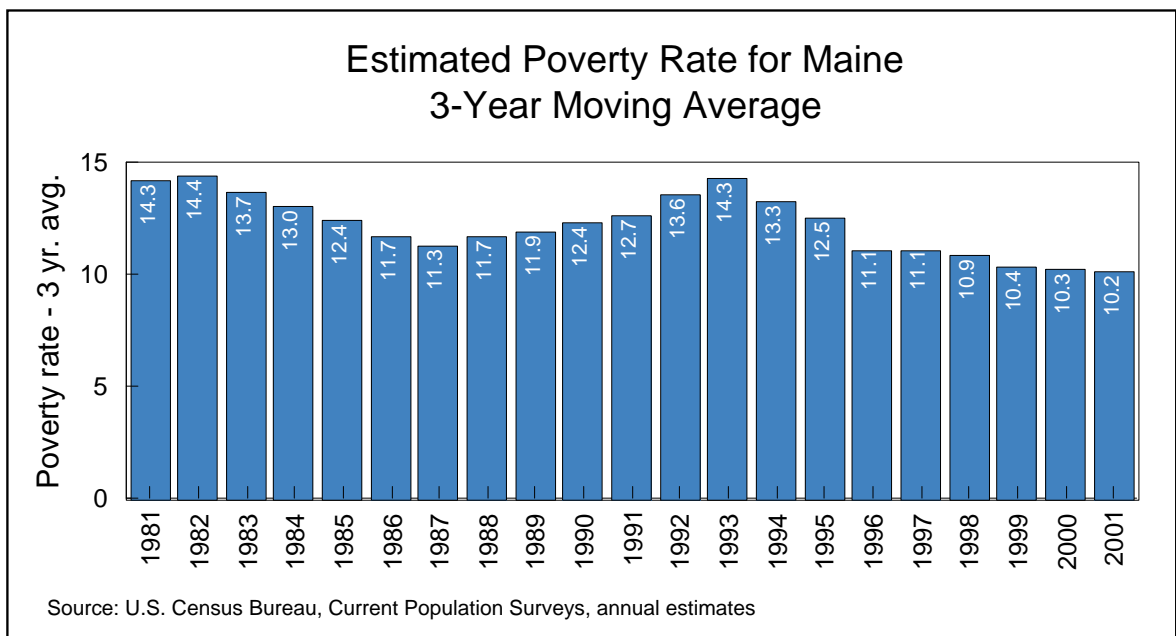
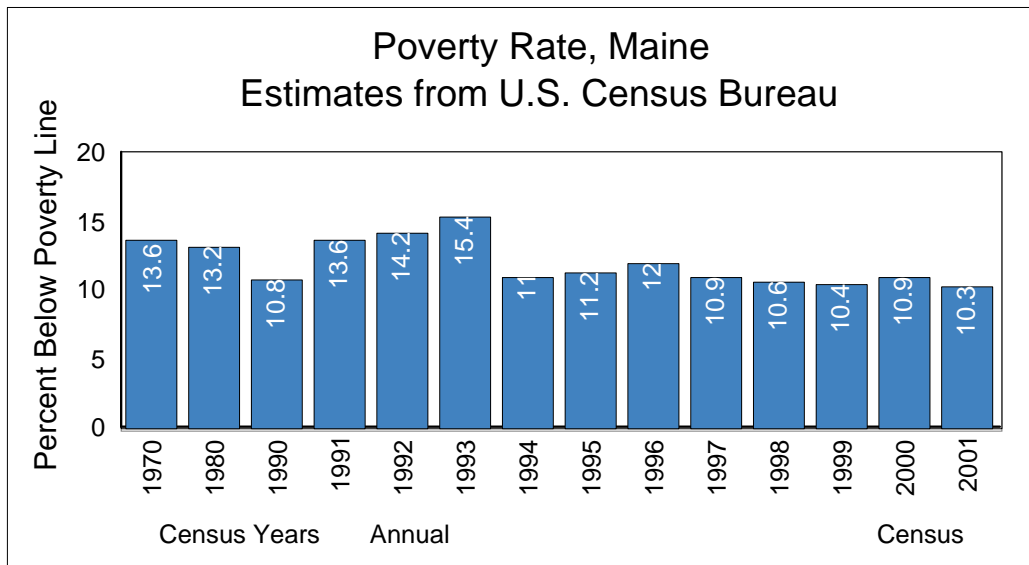
The average monthly benefit in income-based programs (social security, retirement programs, unemployment, disability benefits, etc.) continues to lag behind the average benefit nationally, and can be expected to do so as long as earnings in Maine lag behind the national average. Though cost of living increases keep recipients from slipping further into poverty, most are not as well off as their counterparts in other parts of the country.

Benefits from need-based programs, such as Food Stamps and Supplemental Security Income (SSI) lag behind the national average but the gap narrowed in 2001, suggesting a growing need pushing benefits upward.

## 2. Measures of the Extent of Poverty

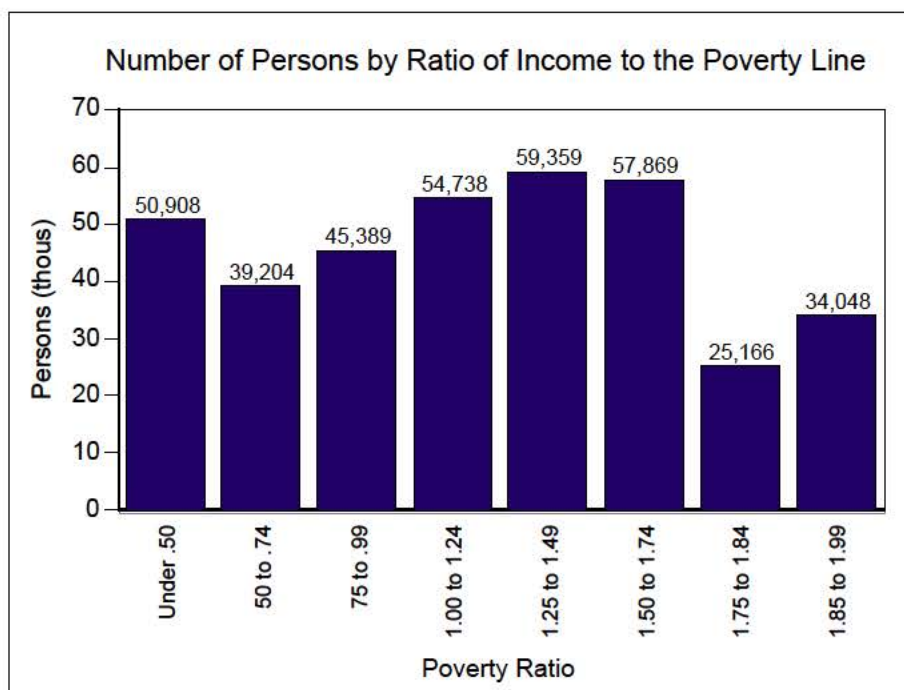
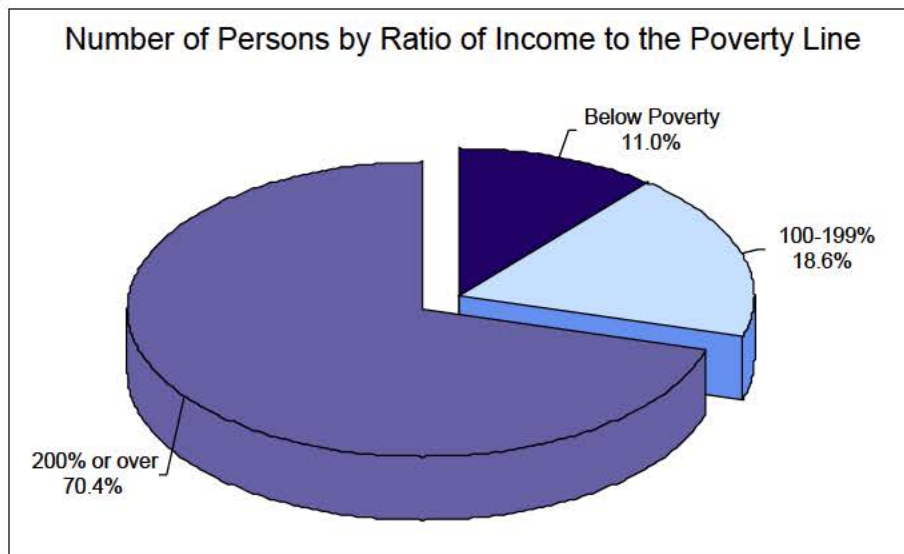
### A. Poverty Estimates

The latest estimates of poverty released by the Census Bureau for 2001 shows the overall poverty rate in Maine to be holding consistently below the national average (10.3% compared to 11.5% nationally). However, the method used by the Census Bureau to estimate the poverty rate in years between the decennial census yields estimates of poverty that are conservatively low. For instance, the 2000 census showed that Maine's poverty rate stood at 10.9% while the bureau's estimates indicated 9.8%.



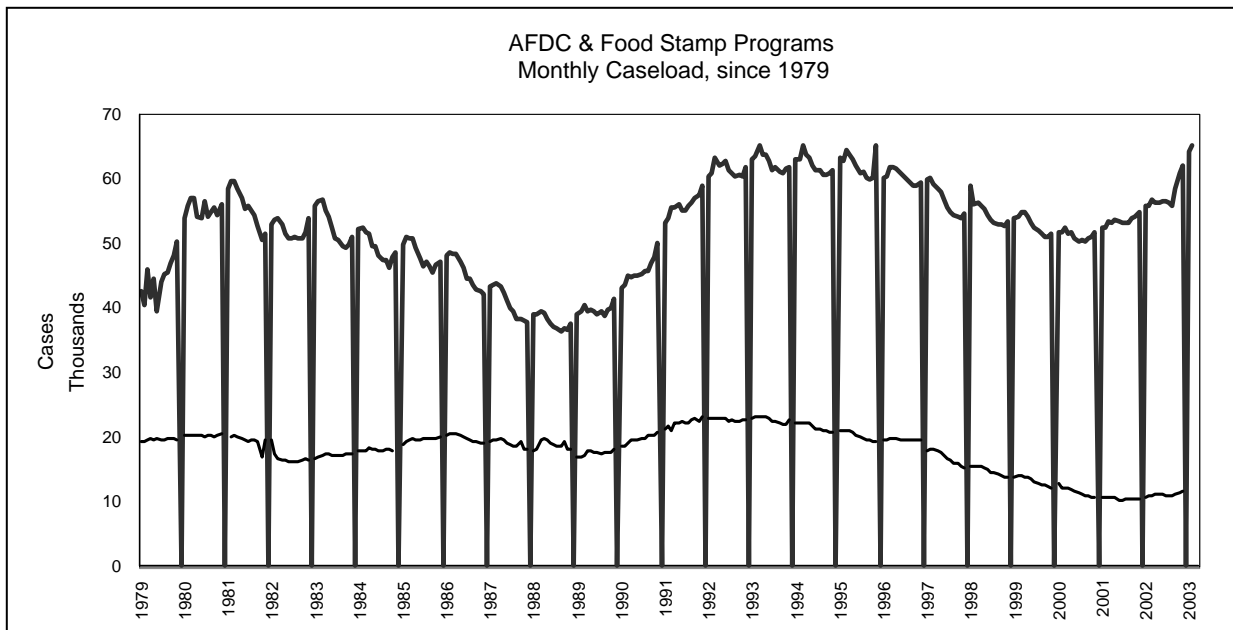
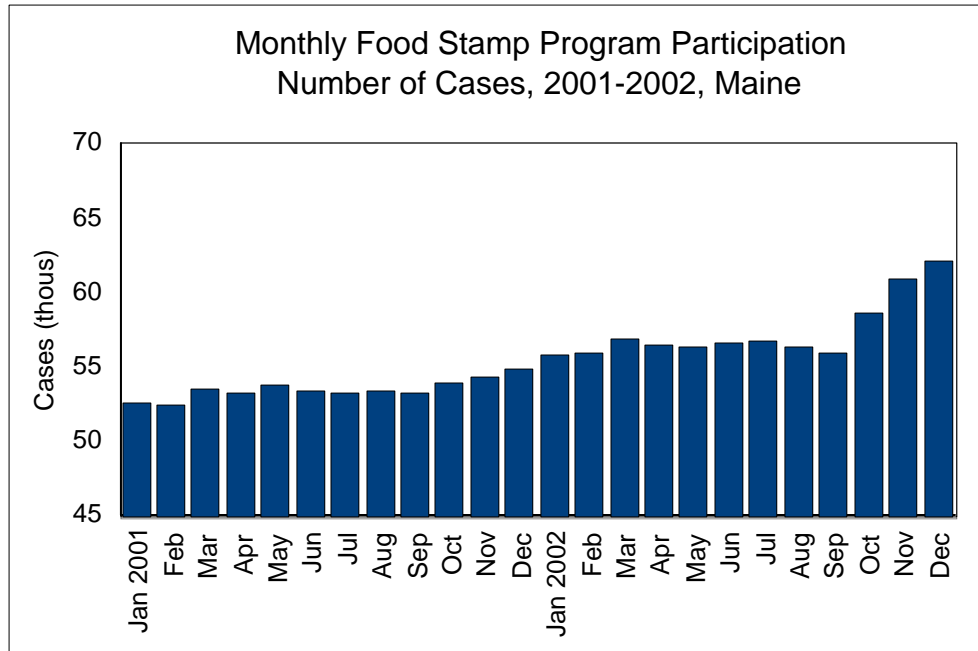
The federal poverty level itself is a “bare bones” income figure below which individuals will have difficulty achieving even the most basic “lower level standard of living.” The decennial censuses provide additional detail about the conditions of poverty. One of the most useful data items is the ratio of income to the poverty level. The ratio shows not only how poor the poor are, but also the portion of the population whose income lies within a short distance of the poverty level, i.e., the near poor. In general, most persons with income that is below 185 – 200% of the poverty level have inadequate resources to meet basic needs.

Nearly 30% of Maine’s population had income below 200% of the federal poverty guideline according to the 2000 Census. This amounts to 367,000 individuals.



## B. Food Stamp Program Enrollment

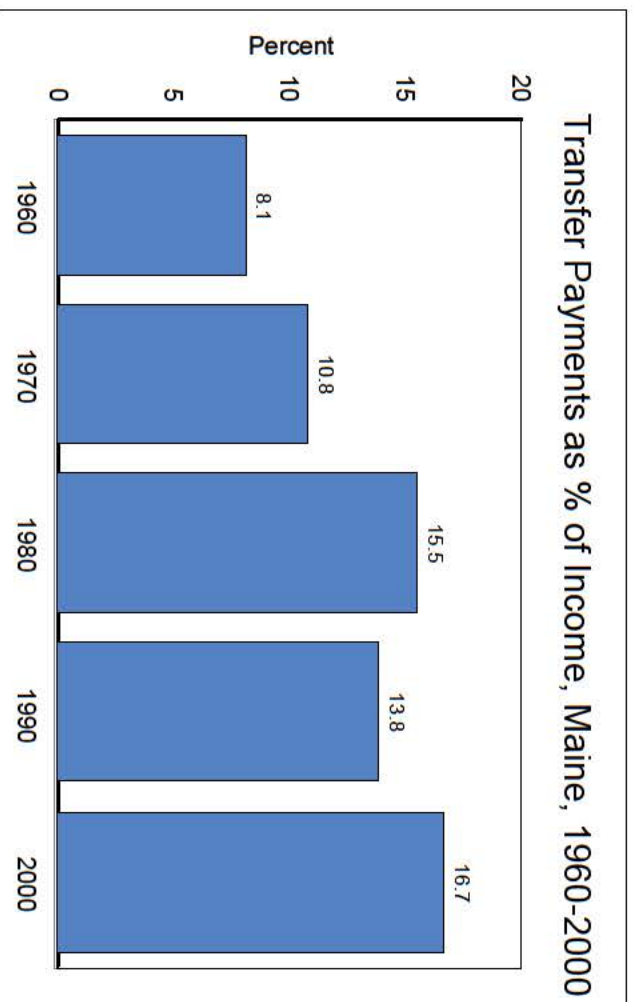
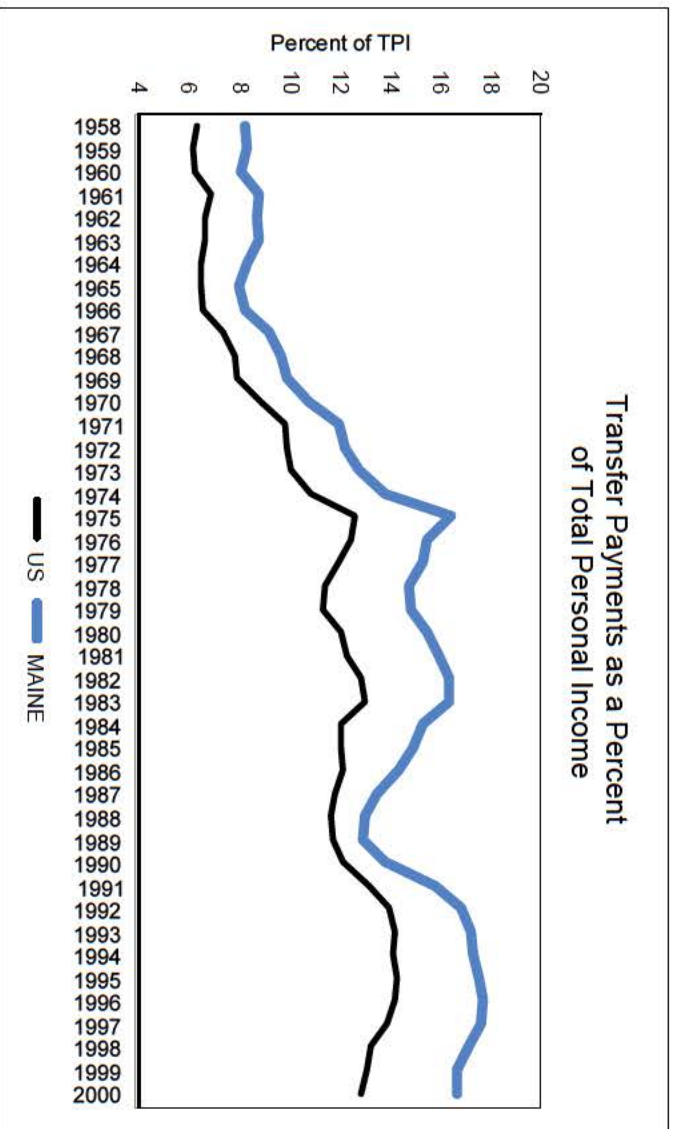
Food Stamp Program Participation continued to increase in 2002. An annual average of 8000 more people were enrolled in 2002 compared to 2001.



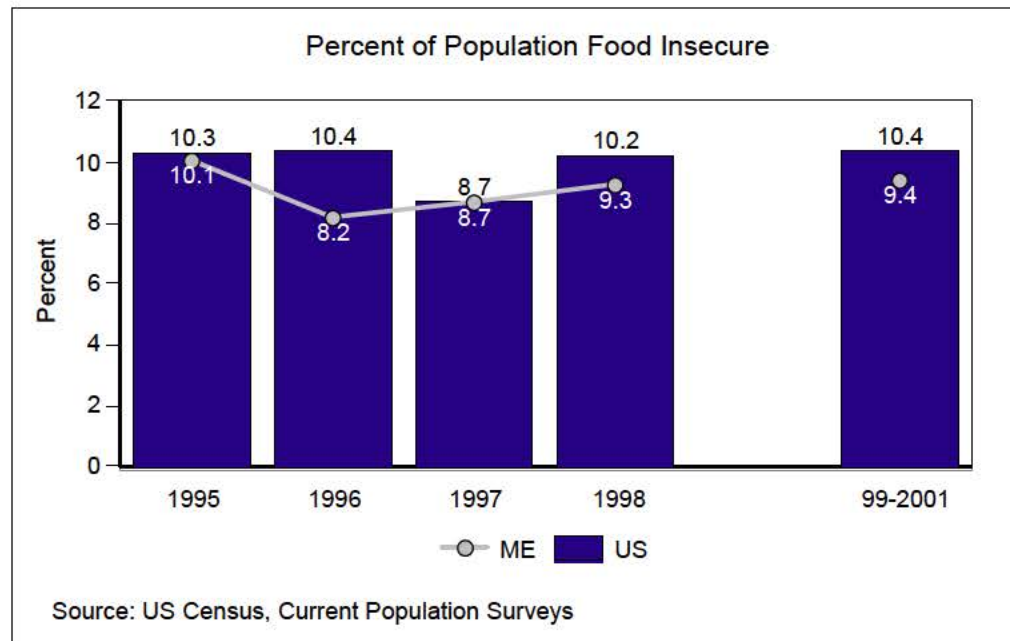
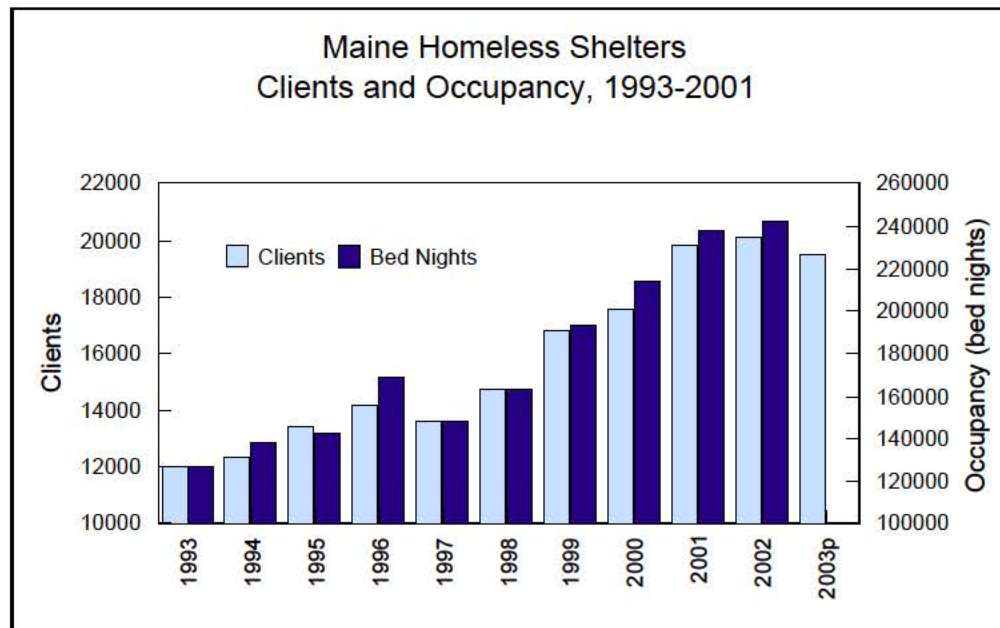
Note: Historic data in this graph for the AFDC program was replaced by TANF in more recent years.



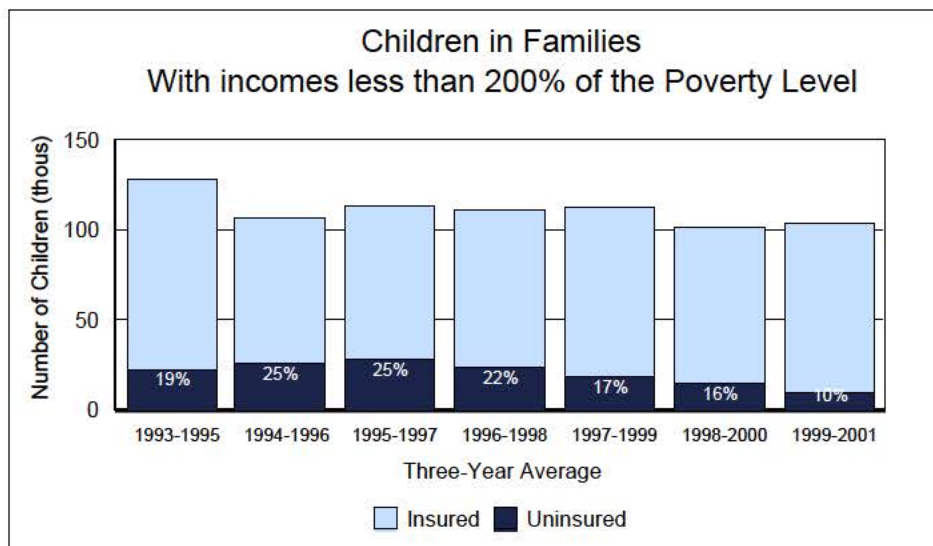
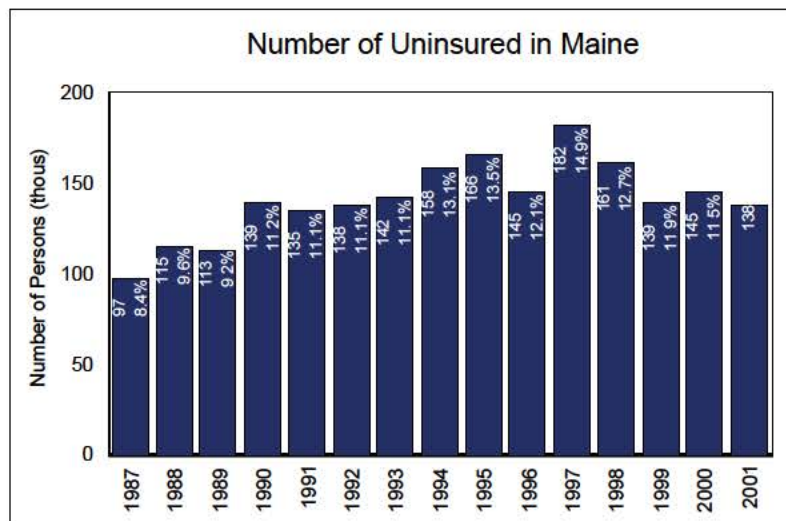
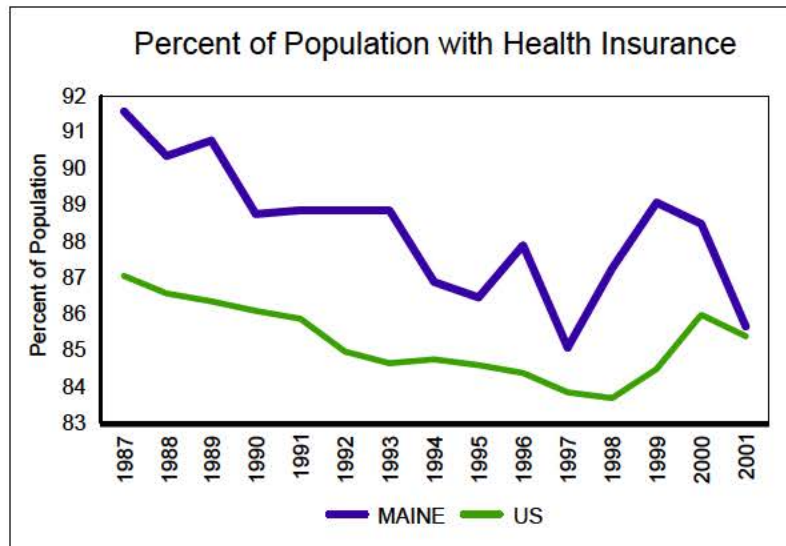
### C. Portion of Income derived from Transfer Payments



#### D. Other indicators of Need

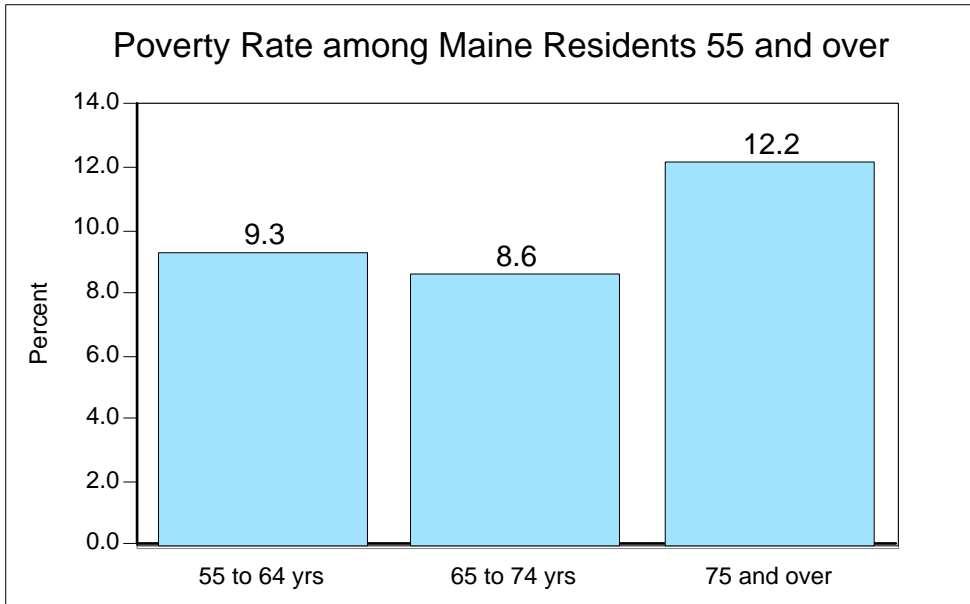


NOTE: New data does not correspond with data for previous years. The system of measuring food security has changed. See note at back of this report

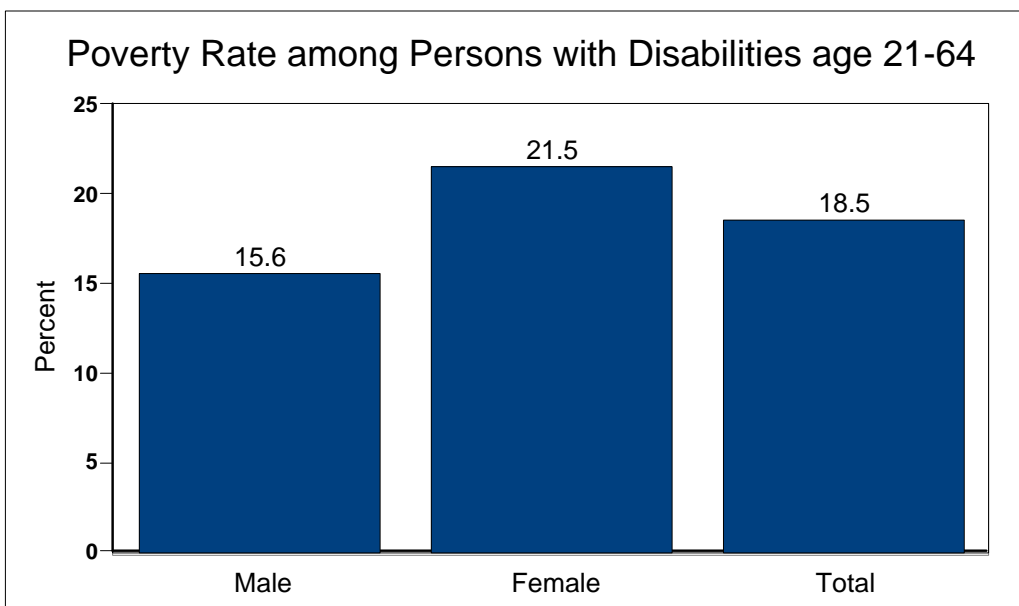


## E. Special Populations and Poverty

### Elderly

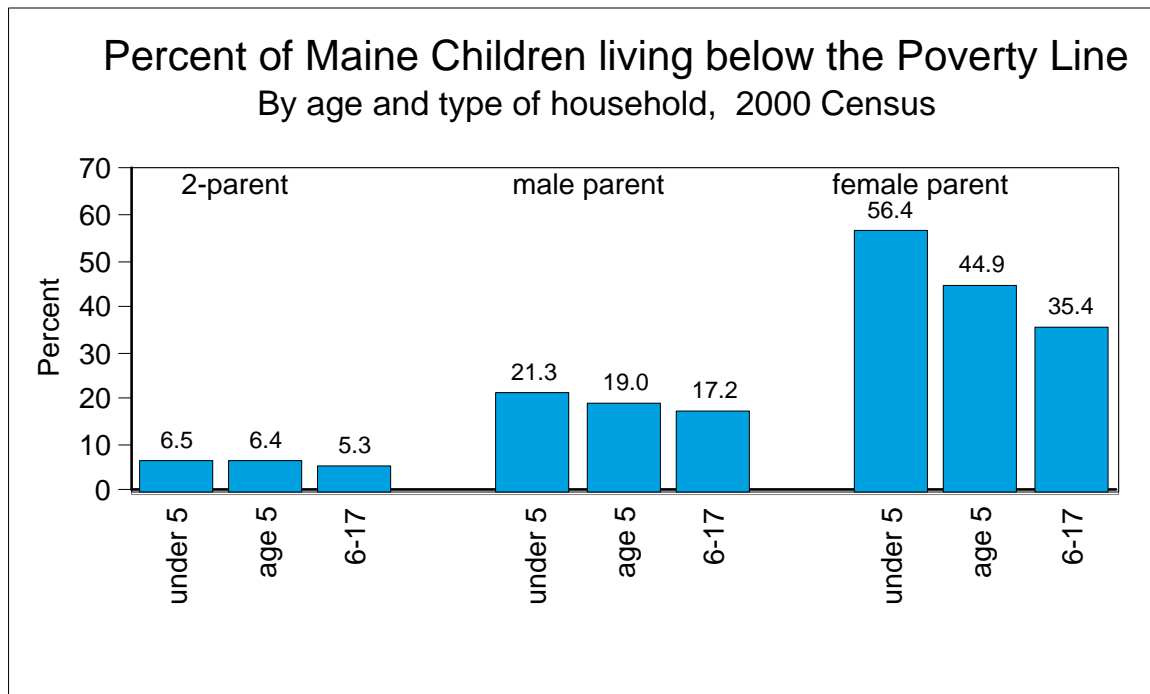
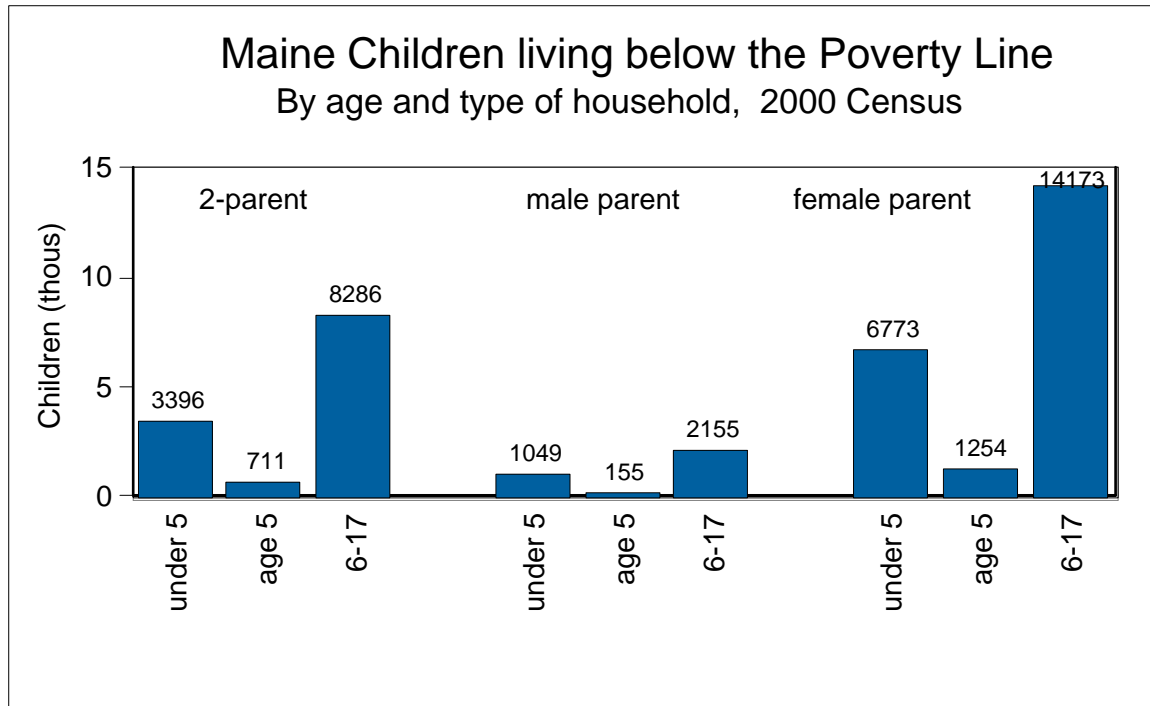


### Non-elderly adults with a disability



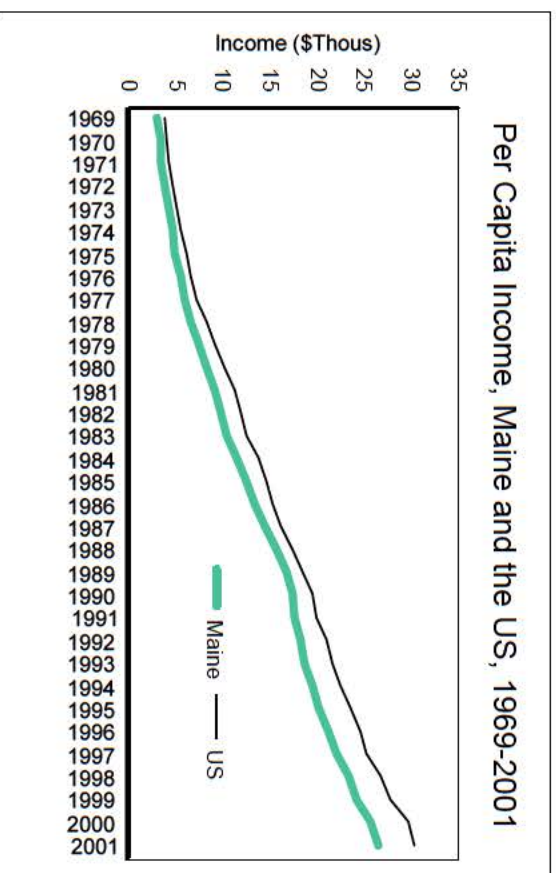
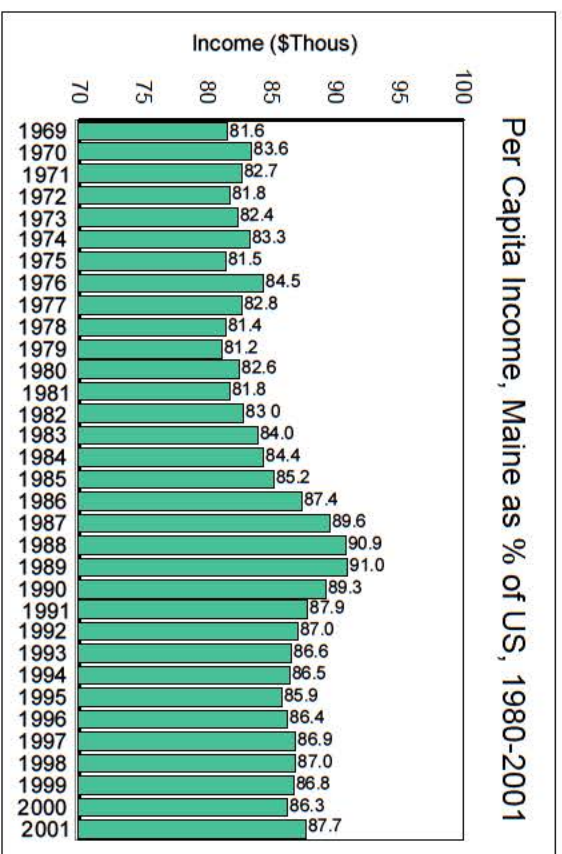
## Children

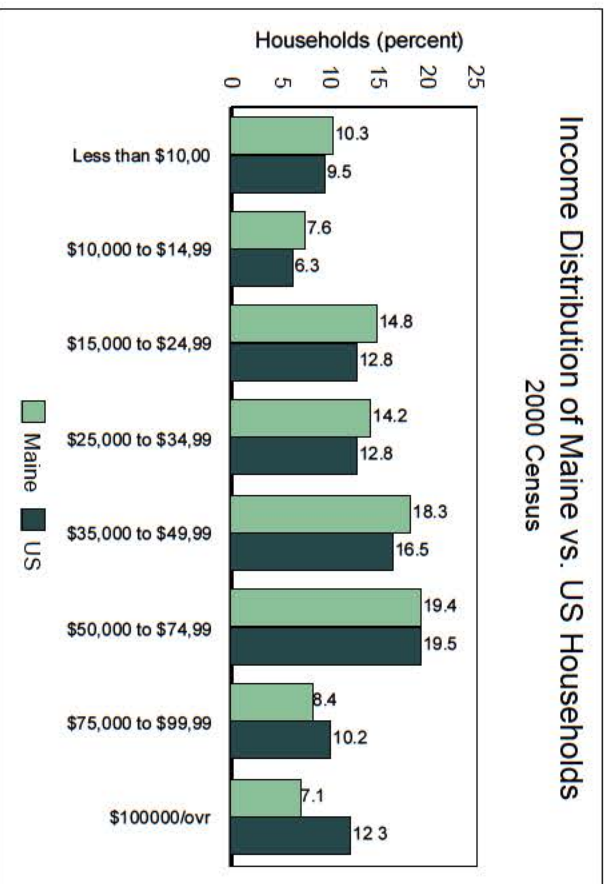
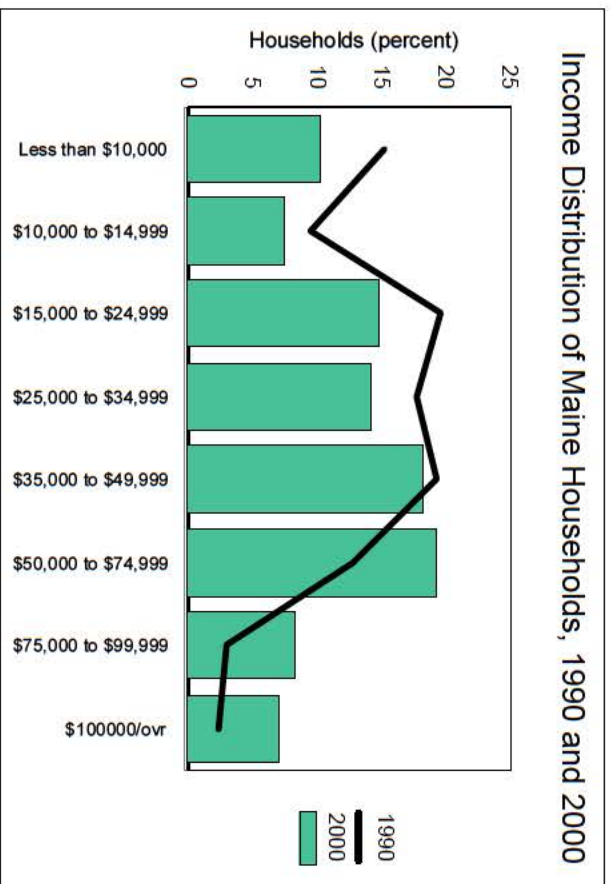
38,000 children in Maine live in households with income below the poverty line. The vast majority live in single parent homes, most in homes with a single female parent.



### 3. *Conditions Contributing to Poverty – Economic Indicators*

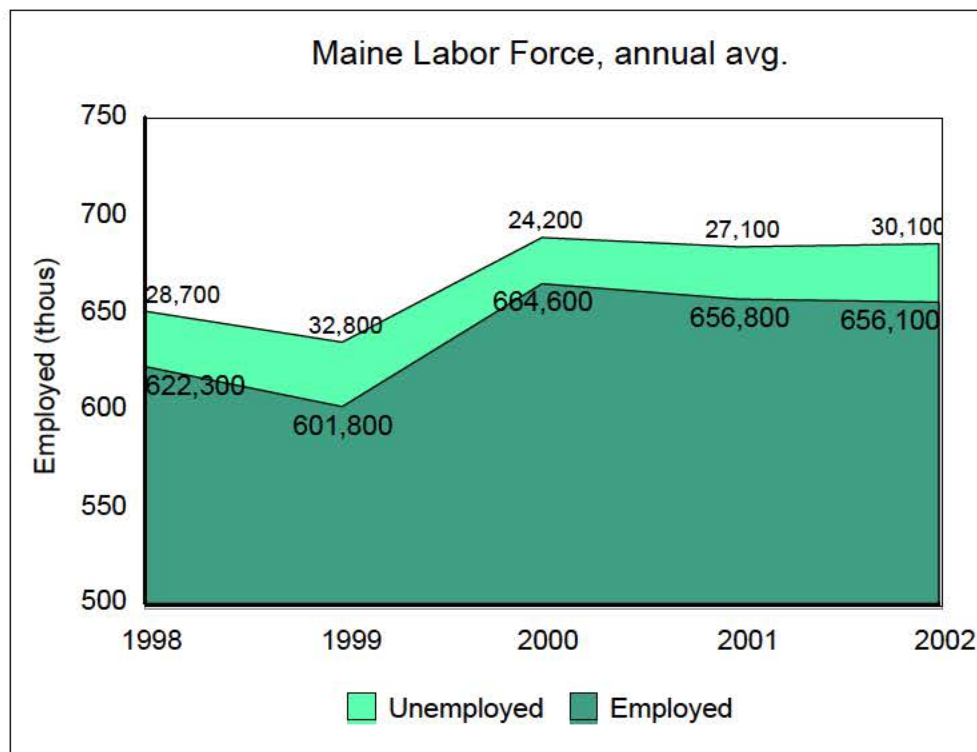
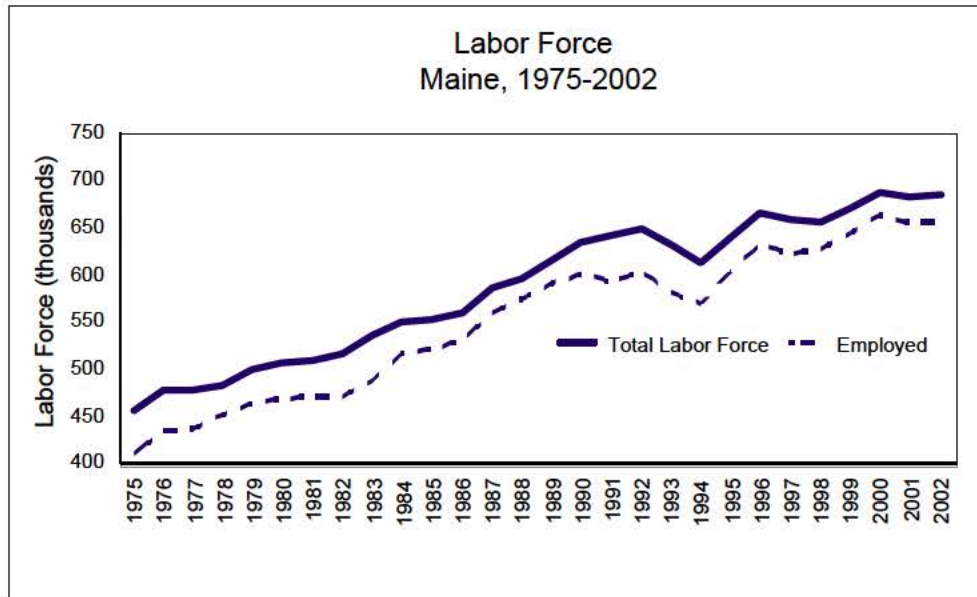
#### A. Income Distribution and Disparity



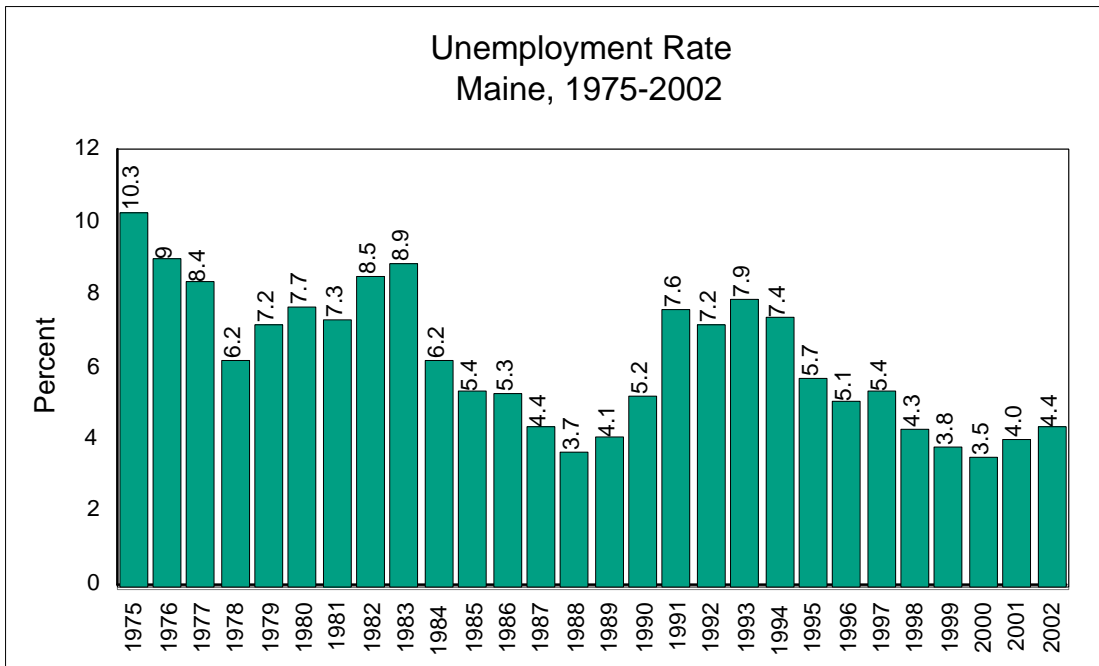
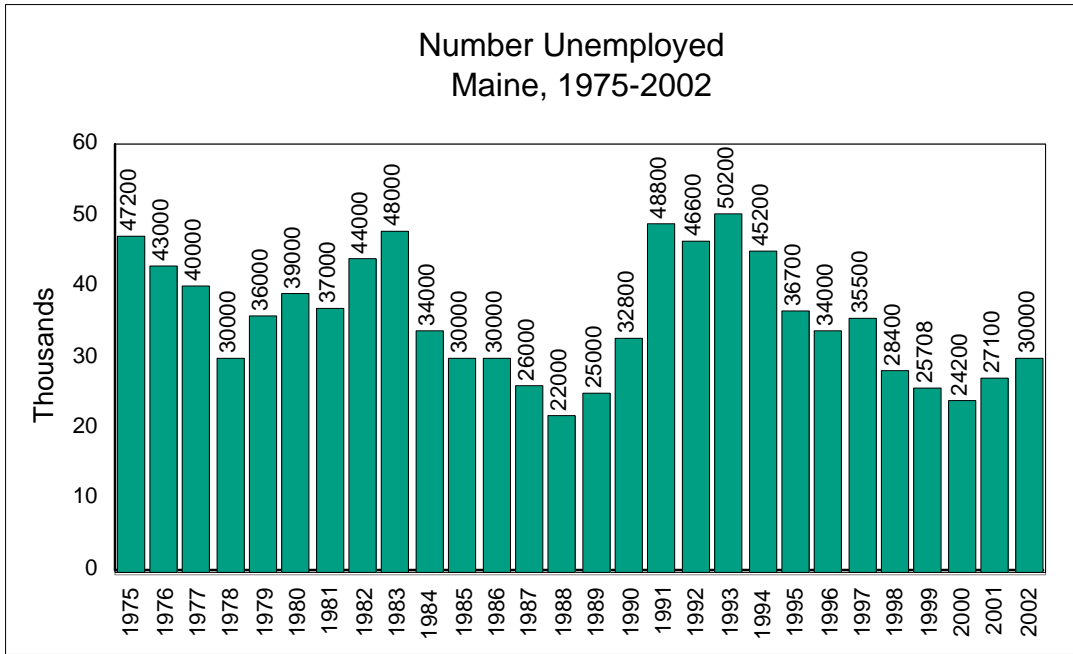




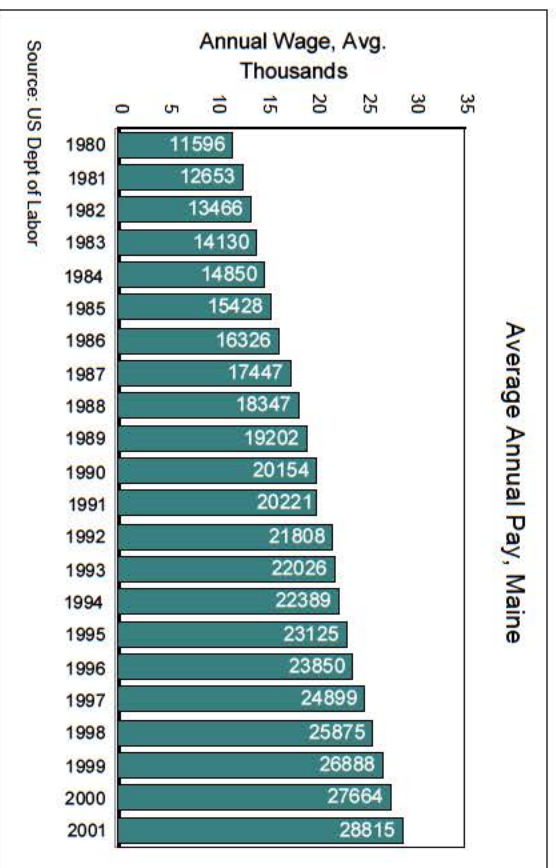
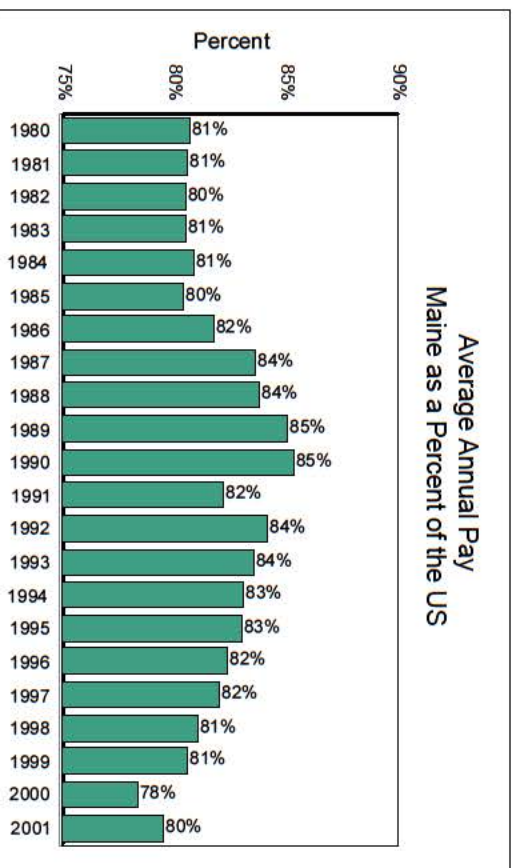
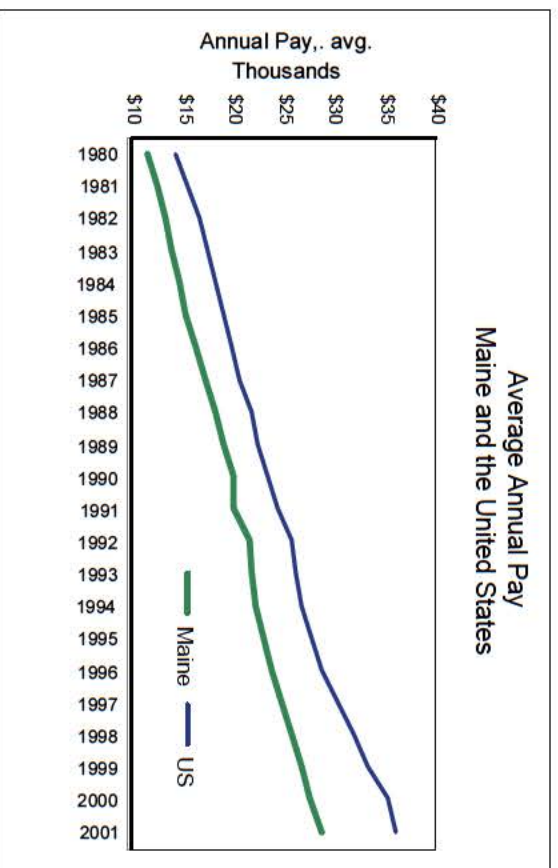
## B. Employment and Unemployment





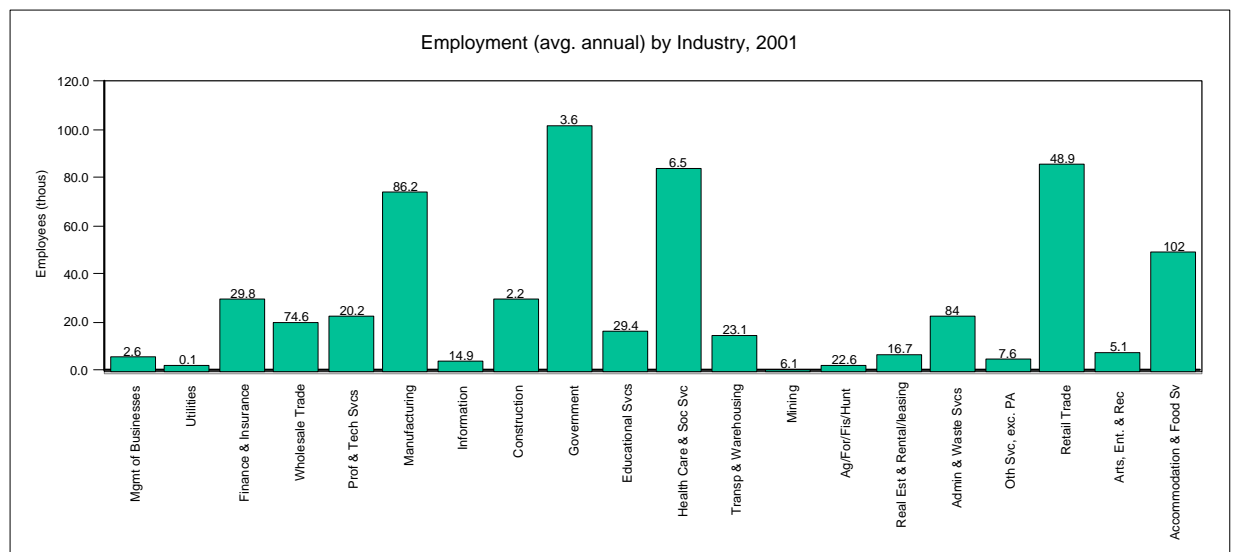


## C. Earnings

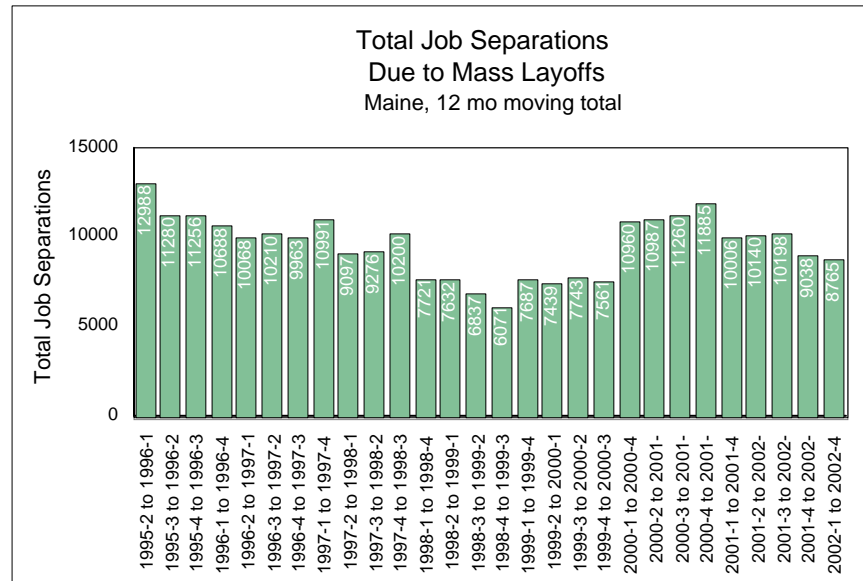


## D. Relationship of Economic Structure and Earnings

The US Department of Labor recently adopted a new system of classifying industries, commonly referred to as “NAICS”, or North American Industry Classification System. Previously the old system, which divided industries into ten categories had been used in this report. The US Bureau of Labor Statistics began to use the new 20-sector system is used for the annual pay survey this year. The new NAICS categories are substantially different from the previous ten and are not comparable.

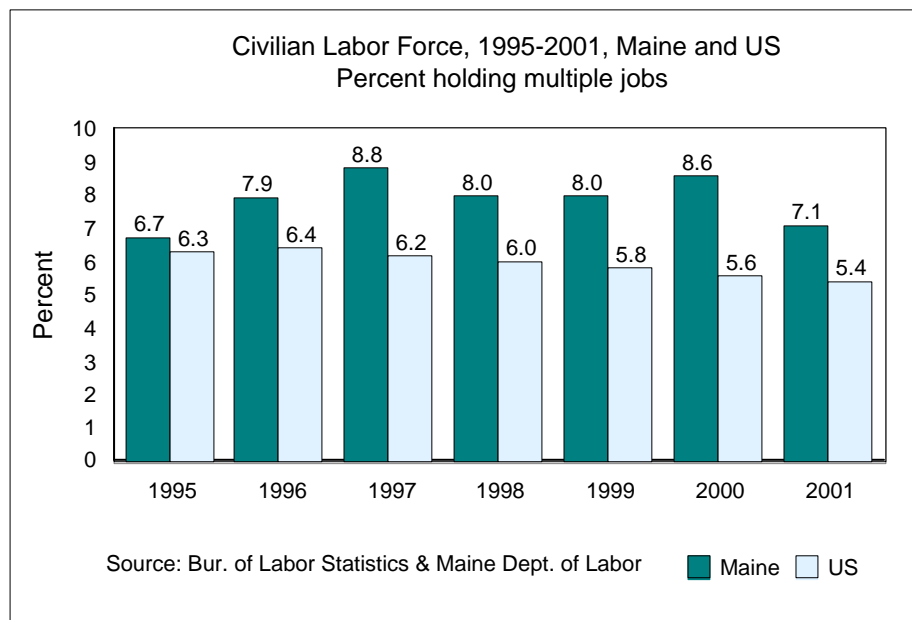


## Mass Layoffs

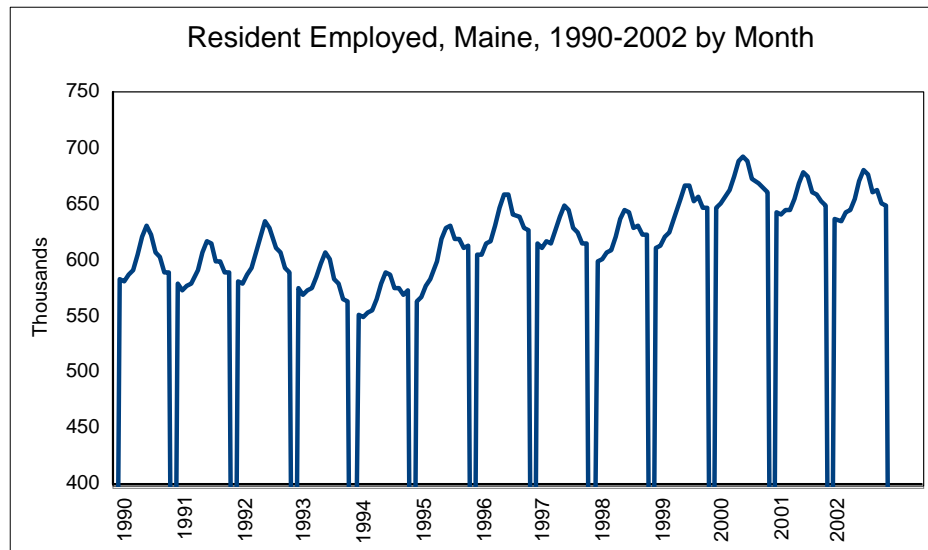


NOTE: 2002 data (last bar) is for 3 quarters only. Data for the third quarter of 2002 is suppressed.

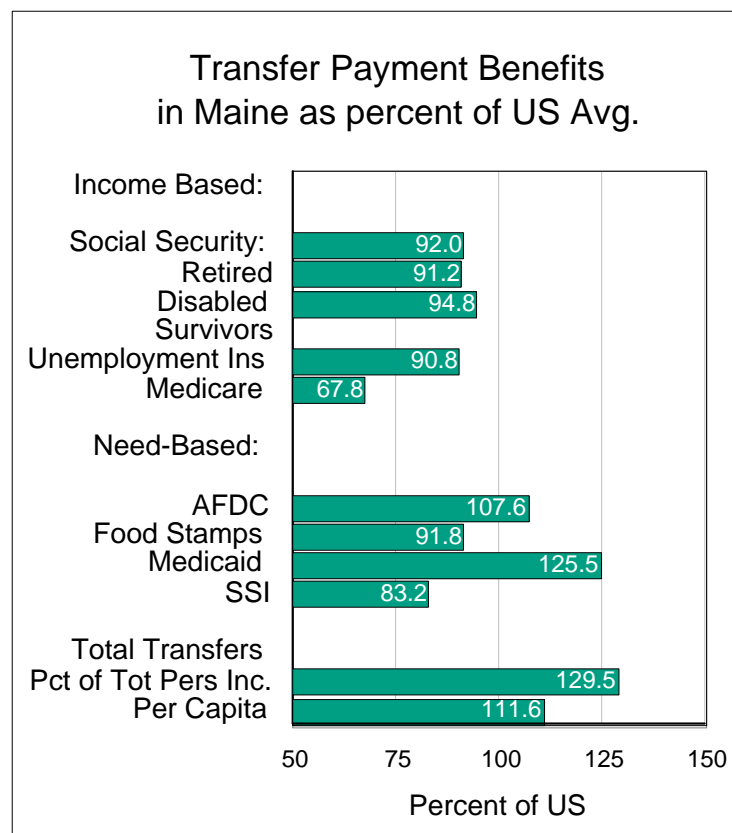
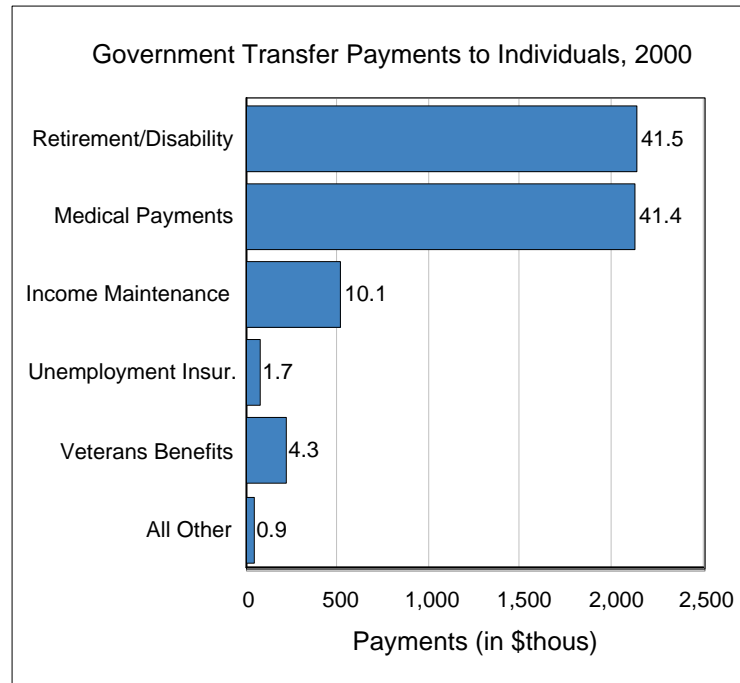
## Multiple Job Holdings



## Seasonality



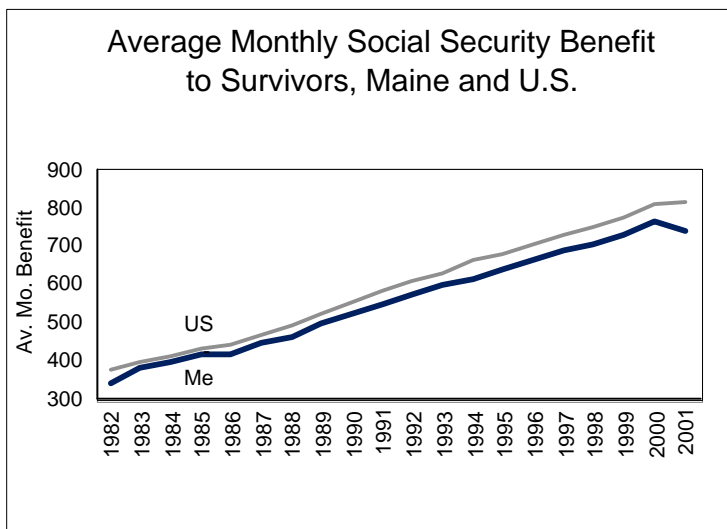
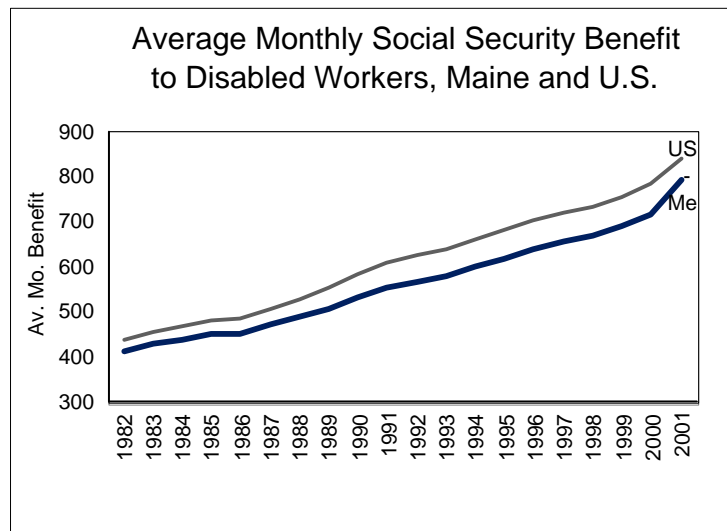
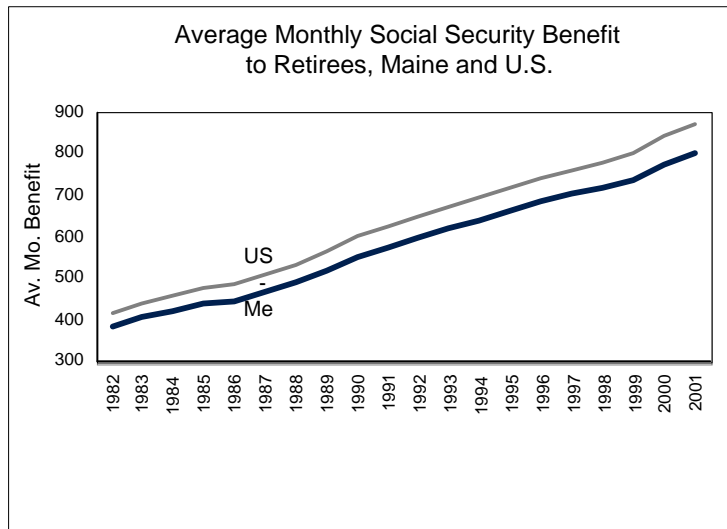
#### 4. Adequacy of Transfer Payments



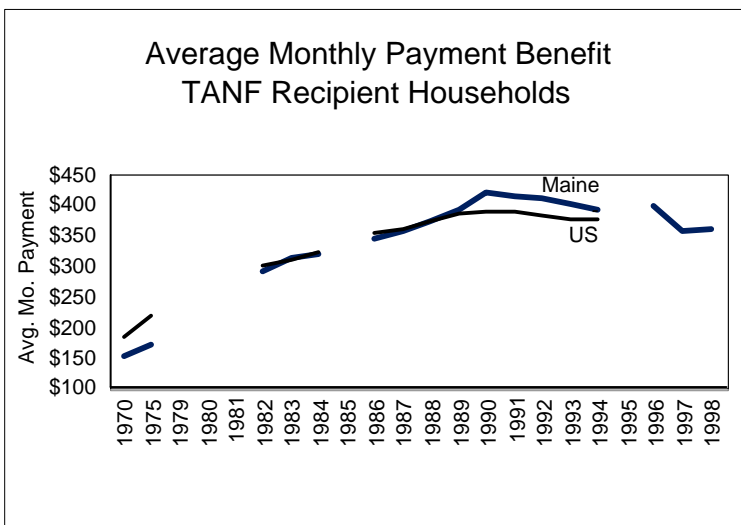
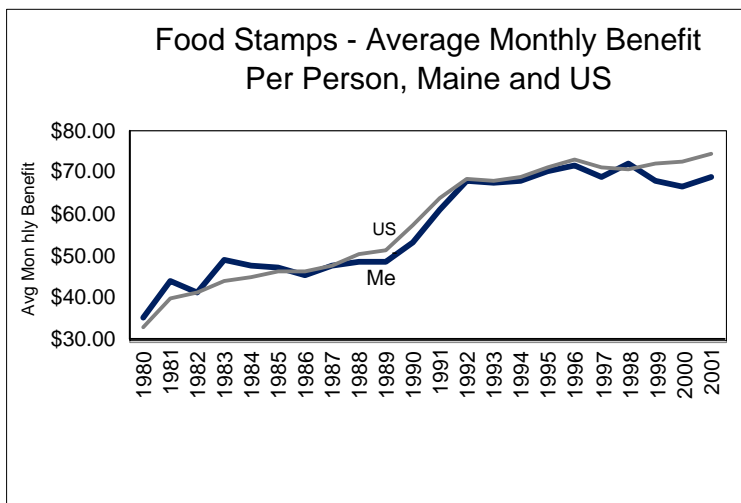
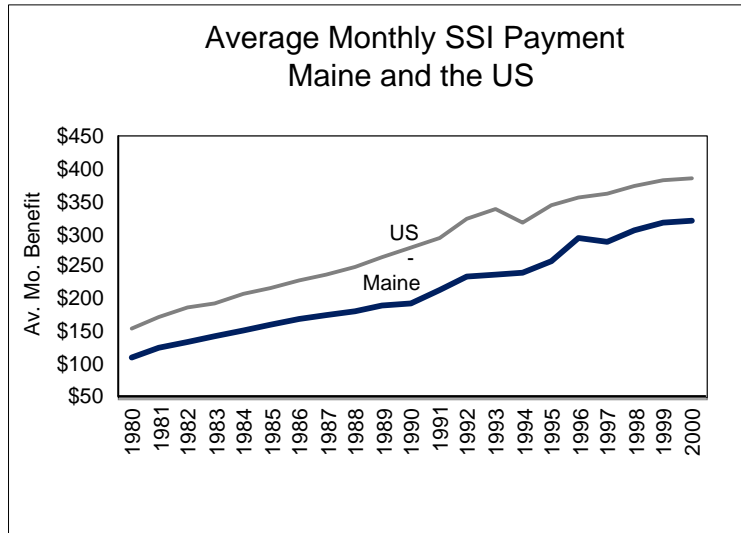
<b>Income Transfer Programs - Avg. Monthly Benefit</b>			
	Maine	US	Me:US Ratio
<u>Income Based Benefits:</u>			
Social Security Programs (2001)			
Retired	\$805	\$875	92.0
Disabled	\$743	\$815	91.2
Survivors	\$797	\$841	94.8
Unemployment Ins.(2001)	\$216	\$238	90.8
Medicare,avg. annual (2000)*	\$3,723	\$5,489	67.8
<u>Need-Based Benefits:</u>			
AFDC/TANF (1999)*	\$467	\$434	107.6
Food Stamps (2000)	\$67	\$73	91.8
Medicaid (1998)*	\$4,394	\$3,501	125.5
SSI (2000)	\$322	\$387	83.2
Total Transfer Payments:			
Pct of Tot Pers Inc. (2000)	16.7	12.9	129.5
Per Capita (2000)	4,233	3,792	111.6
* Data not available to update from last year.			

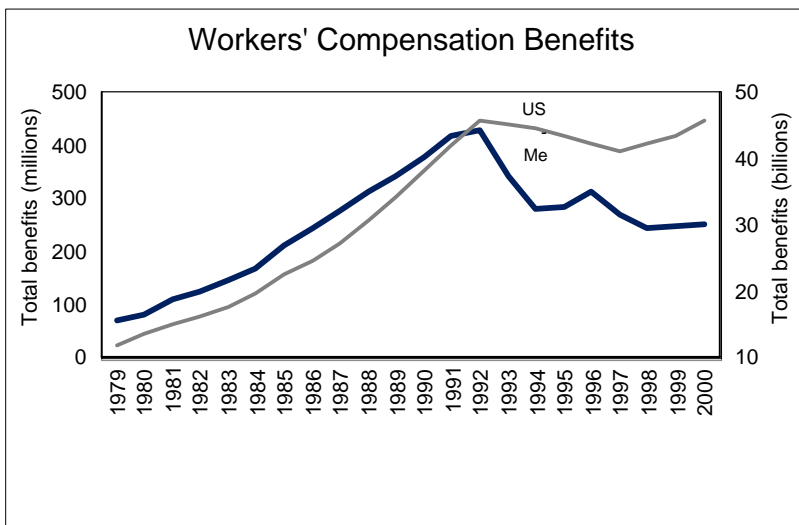
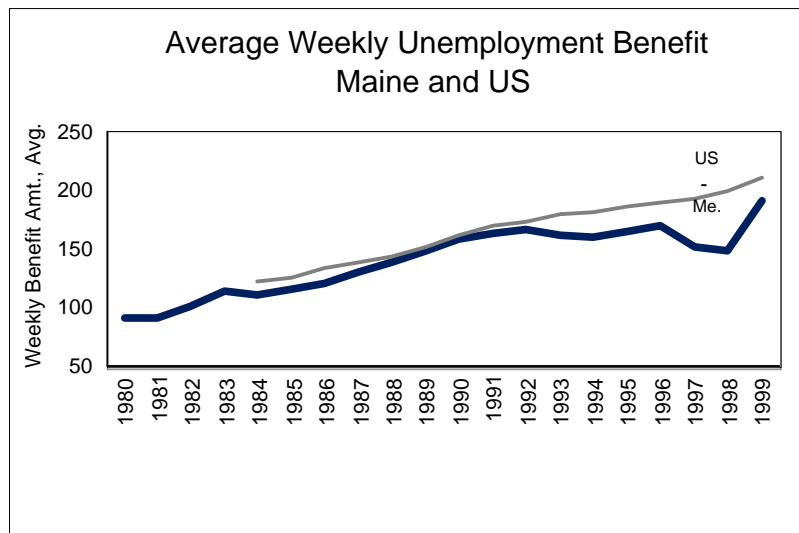
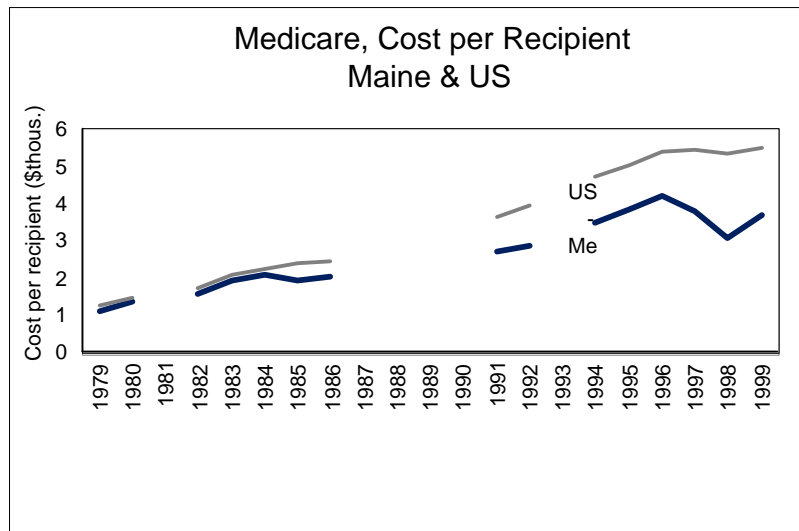
NOTE: The national data for a number of the programs tracked in this section of the Report Card have not been updated at this time.

## Comparison of Benefits, Maine and the US

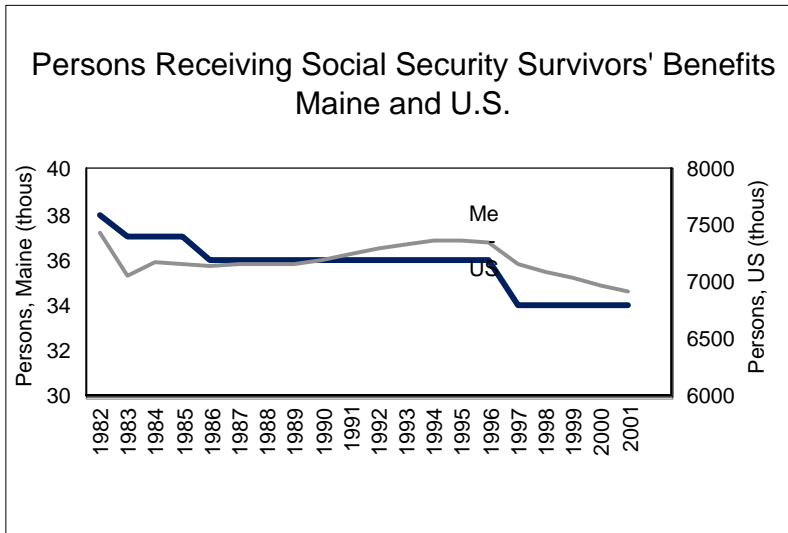
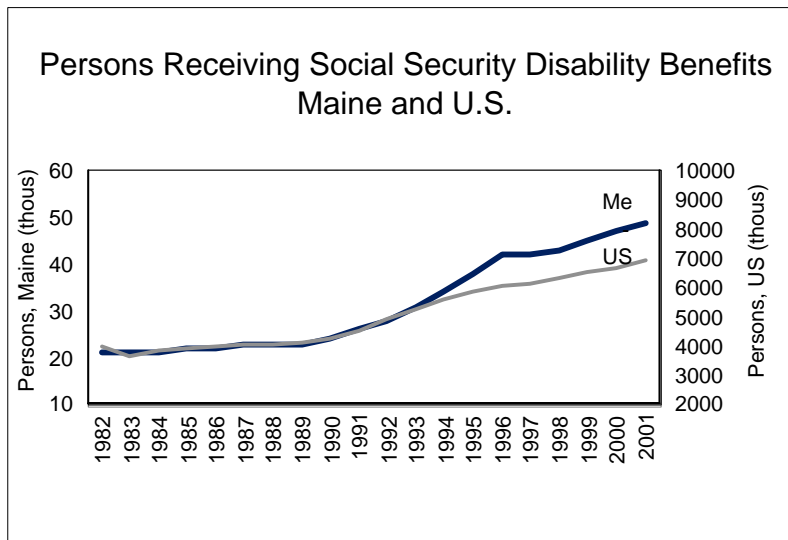
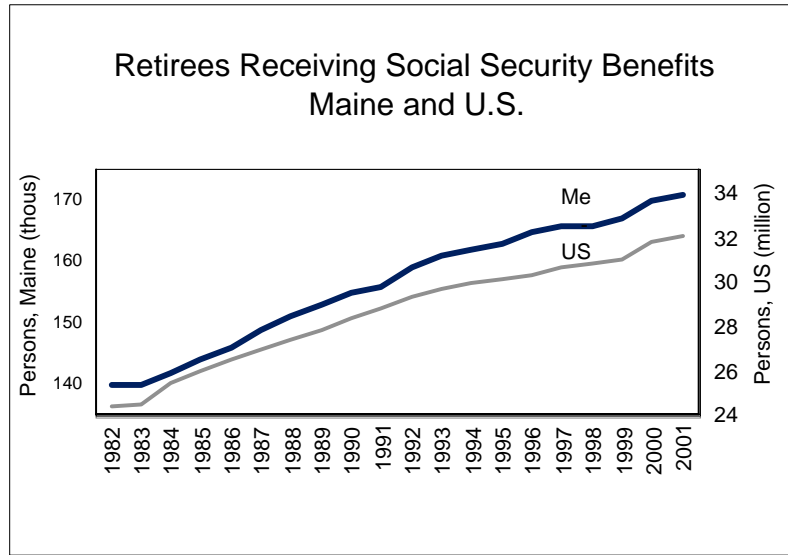




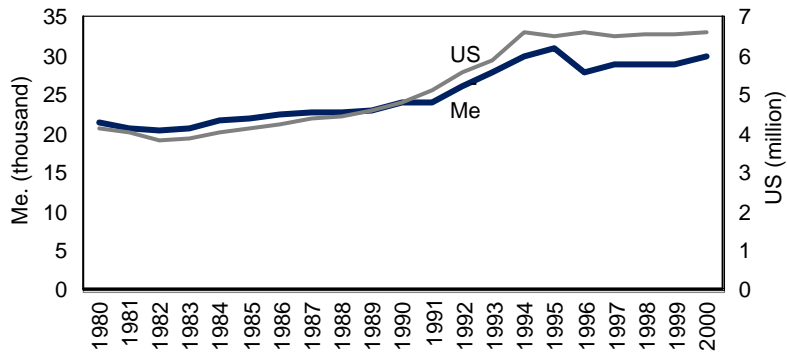




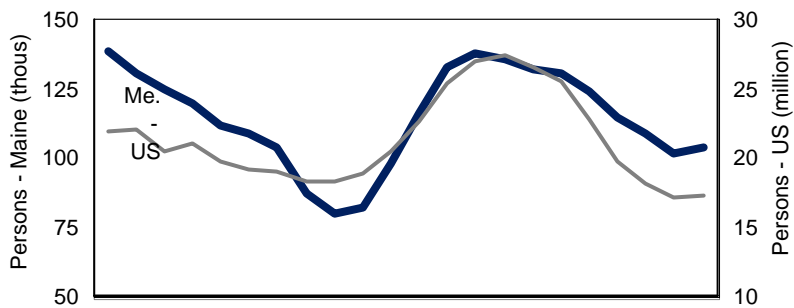
## Participation Trends



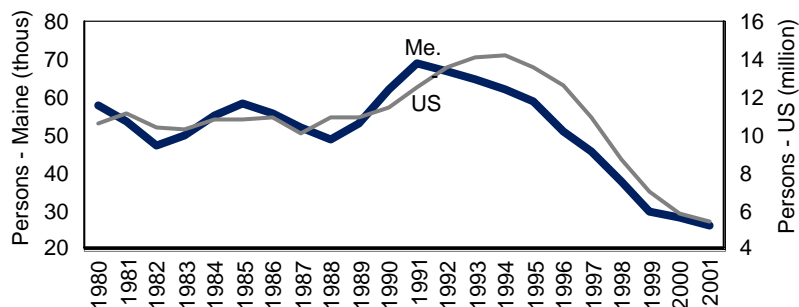
### SSI Recipients, Maine and U.S.



### Persons Receiving Food Stamps Maine and the U.S.

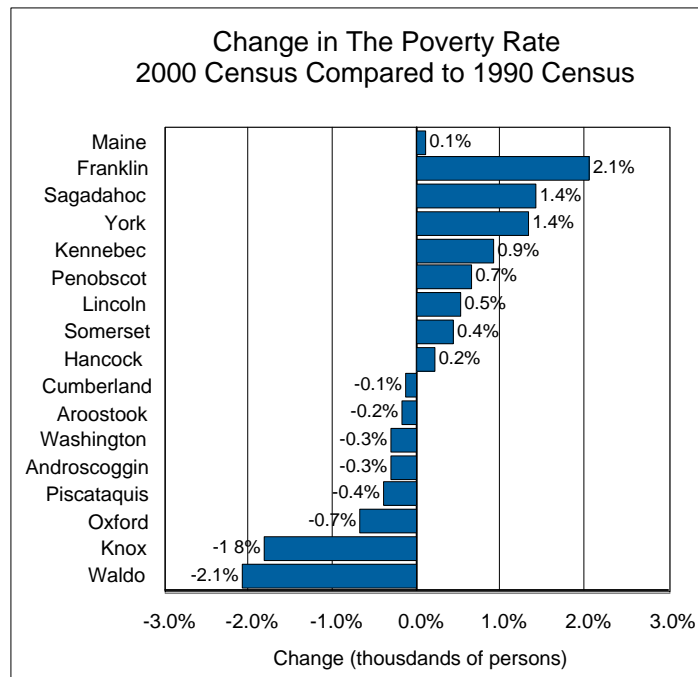
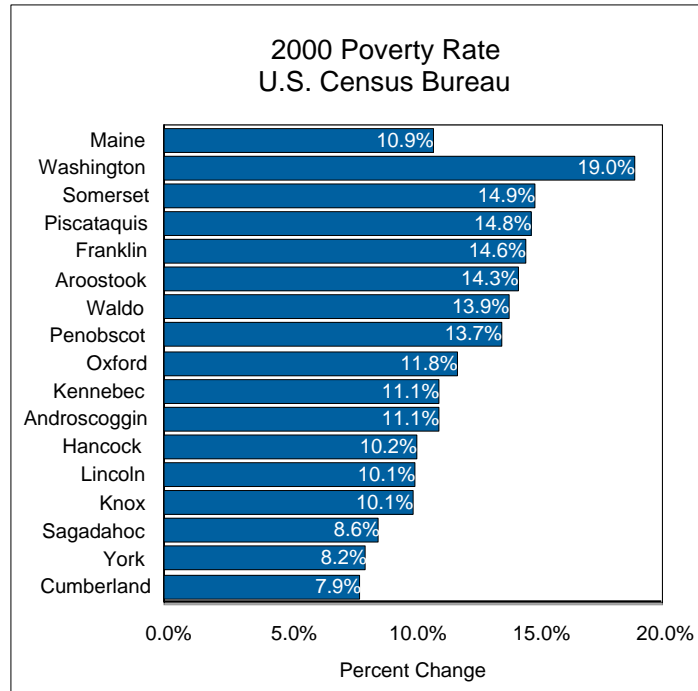


### Persons Receiving TANF(AFDC) Maine and the U.S.

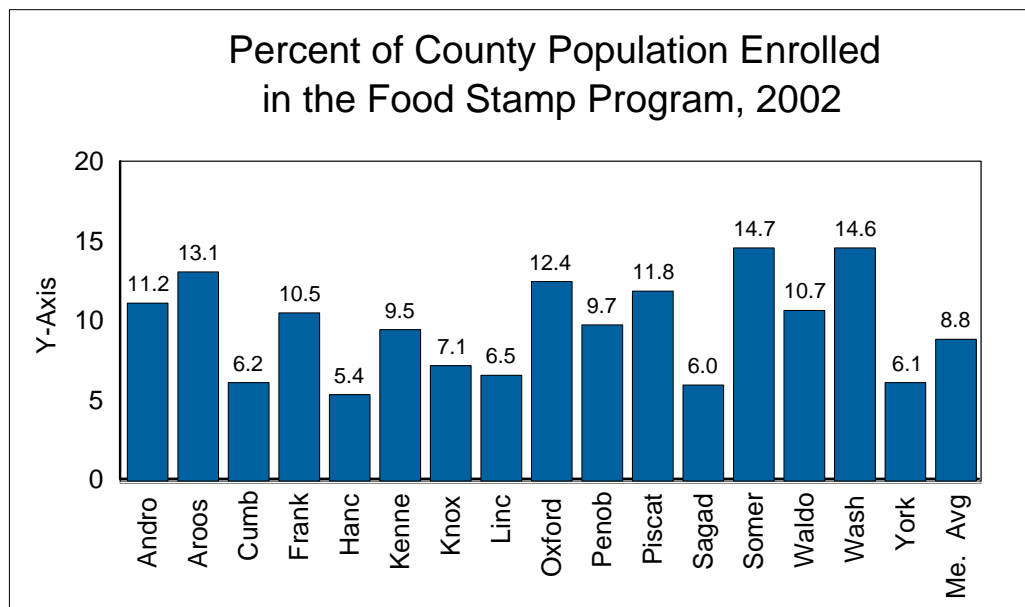
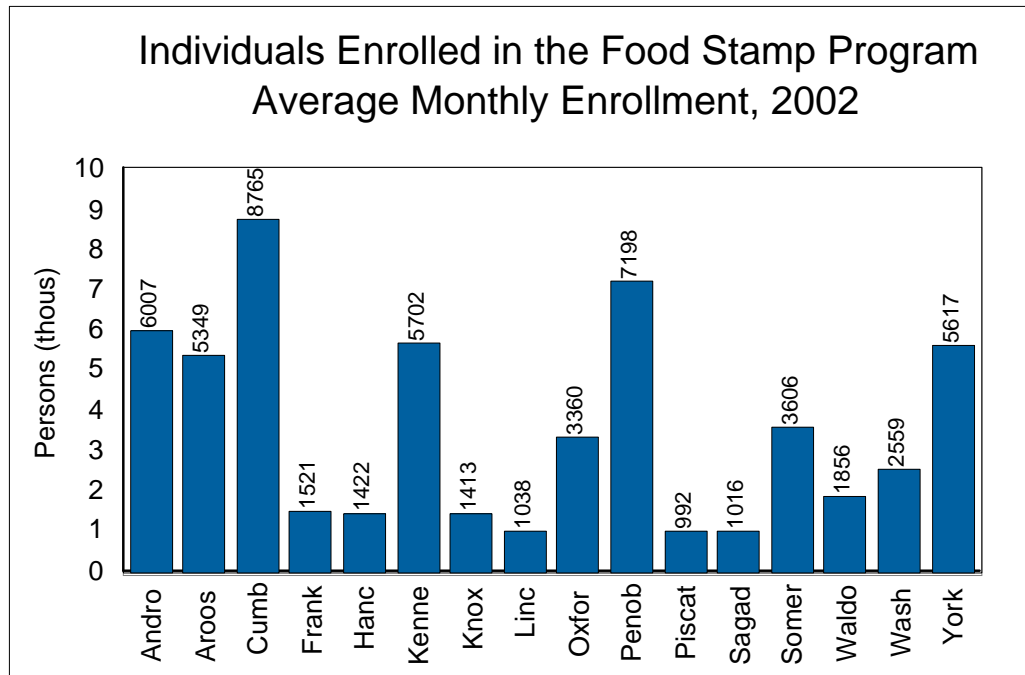


## 5. Regional Disparities

### A. Poverty Level



## B. Food Stamp Program Enrollment



USDA Food Stamp Program  
Participation by County  
Annual Average Number of Cases and Persons Enrolled in the Program

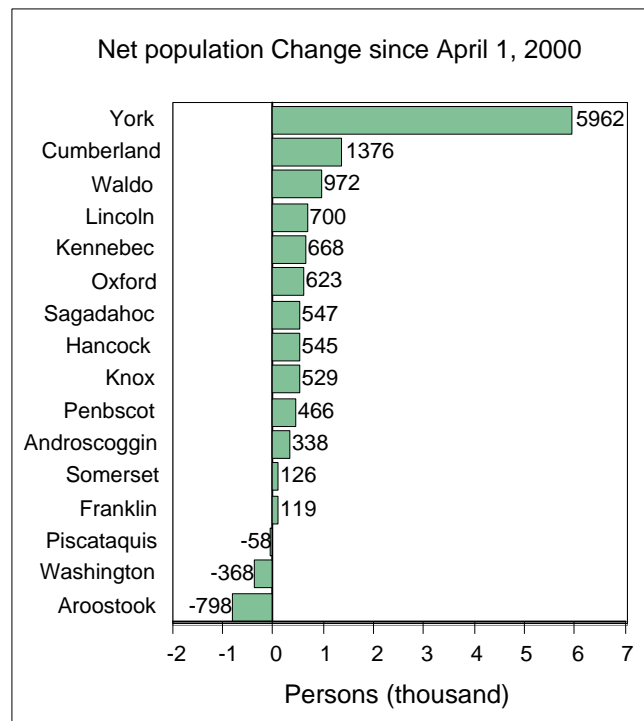
Table 1 Number of Households (Cases) Enrolled

County	1979	1980	1981	1982	1983	1984	1985	1986	1987	1988	1989	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002
Andro	4098	4755	5069	4863	4934	4755	4870	4696	4233	3999	4277	5029	6005	6626	6696	6588	6426	6208	5585	5459	5305	5132	5559	6007
Aroos	4729	5755	5556	5198	5327	5045	4959	4805	4588	4429	4385	4042	5335	5901	5975	5994	6081	5796	5470	5194	4997	4802	5094	5349
Cumb	8149	9826	9354	8639	8542	7650	7294	6601	5802	6258	6707	6945	8995	9881	10032	9978	9740	9376	8691	8348	7944	7746	8154	8765
Frank	794	1058	1190	1181	1194	1258	1394	1405	1215	1076	1130	1285	1514	1619	1587	1593	1555	1525	1530	1474	1407	1384	1481	1521
Hanc	1725	2123	2051	1942	1997	1927	1885	1787	1556	1348	1290	1405	1614	1727	1673	1646	1654	1803	1639	1420	1380	1302	1305	1422
Kenne	3707	5031	5403	4881	5099	4822	4650	4346	3886	3661	3820	4237	5153	5887	6062	5961	6042	5946	5583	5488	5318	5101	5346	5702
Knox	1400	1719	1691	1593	1579	1425	1366	1328	1179	1092	1166	1351	1547	1744	1767	1710	1621	1566	1494	1339	1297	1235	1303	1413
Lin	789	1014	1037	996	967	825	768	740	625	546	698	703	924	1040	1143	1178	1154	1152	1079	1027	969	914	954	1038
Oxford	2232	2943	2922	2729	2656	2455	2503	2390	2066	1872	1922	2390	2850	2974	3046	3066	3065	2889	2716	2626	2622	2820	3020	3360
Penob	4272	5597	5636	5460	5683	5395	5327	5192	4890	4697	4453	4968	5991	6715	7094	7263	7596	7477	7074	6908	6761	6503	6752	7198
Piscat	581	722	822	795	786	714	719	720	662	595	602	699	888	982	995	957	1017	1000	934	916	919	917	922	992
Sagad	571	939	1011	944	876	825	867	813	697	641	614	687	901	1025	1071	1080	1115	1032	1006	973	951	919	941	1016
Somer	2290	2756	2945	2861	2928	2777	2737	2585	2366	2220	2373	2662	3339	3635	3613	3699	3742	3662	3618	3470	3344	3195	3313	3606
Waldo	1598	2043	2026	1851	1788	1646	1649	1564	1402	1323	1361	1562	1964	2140	2232	2184	2134	2106	1969	1890	1767	1661	1679	1856
Wash	3056	3441	3387	3266	3203	3090	2885	2737	2472	2217	2258	2464	2771	2953	2976	2930	2894	2836	2725	2642	2563	2472	2481	2559
York	4491	5926	5719	5254	5206	4665	4444	3984	3527	3324	3722	4607	6043	6708	6709	6559	6448	6188	5720	5557	5383	5125	5190	5617
Maine	44894	55420	55844	52139	52719	46478	48307	46883	40878	37904	39754	45754	55963	61542	62657	62376	62306	60401	56674	54740	52916	51326	53504	57419

Table 2 Number of Persons Enrolled

County	1979	1980	1981	1982	1983	1984	1985	1986	1987	1988	1989	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002
Andro	10570	11790	12235	11763	11750	11136	11290	10835	9500	8870	9409	11067	13114	14464	14267	13856	13187	12290	10986	10567	10091	9480	10578	11623
Aroos	13681	16809	14746	14218	14130	12742	12259	11806	10718	10010	9665	10276	11944	13012	13046	12808	12537	11706	10785	9889	9325	8901	9202	9712
Cumb	20185	23418	22081	20434	20200	18006	16659	15001	12725	11540	12521	15340	19455	21044	21363	21026	20002	18767	17551	16426	15334	14566	15239	16448
Frank	2285	2830	3115	3117	3150	3331	3632	3624	3084	2616	2628	3029	3665	3844	3679	3673	3580	3433	3357	3114	2925	2789	3076	3108
Hanc	4986	5655	5372	5202	5276	4995	4796	4483	3789	3170	2968	3285	3880	4133	3980	3857	3692	3510	3240	2933	2839	2600	2591	2780
Kenne	9891	12982	13505	12444	12924	11890	11338	10441	9066	8304	8432	9432	11511	12949	13231	12959	12929	12405	11555	10963	10272	9814	10263	11083
Knox	3779	4410	4290	4127	4168	3657	3560	3278	2951	2608	2755	3211	3994	4314	4256	3960	3585	3397	3048	2781	2651	2499	2653	2831
Lin	2307	2883	2906	2526	2448	2316	2112	1941	1525	1371	1488	1781	2358	2548	2805	2804	2576	2596	2380	2236	2065	1872	2019	2191
Oxford	6029	7543	7267	6926	6760	6177	6125	5920	5001	4371	4623	5676	6793	7080	7100	6915	6573	6327	5889	5664	5465	5561	6167	6814
Penob	11825	15190	15062	14894	14923	14145	13673	13258	11773	10423	10088	12047	14828	16200	16886	15777	16997	16237	15057	14362	13660	12841	13389	14080
Piscat	1523	2043	2293	2237	2232	1951	1994	1943	1709	1472	1406	1795	2319	2637	2576	2374	2430	2303	2049	1920	1888	1812	1844	2042
Sagad	1997	2431	2573	2204	2262	2144	2211	2016	1651	1511	1374	1571	2103	2405	2516	2529	2512	2394	2201	2112	2008	1909	1981	2106
Somer	6796	7550	7737	7798	8143	7602	7359	6764	6054	5435	5739	6479	8220	8872	8749	8713	8531	8316	8053	7454	7034	6569	6852	7474
Waldo	4579	5733	5647	5189	4992	4570	4602	4081	3762	3503	3491	3964	4998	5426	5509	5285	5072	4871	4462	4199	3838	3542	3585	3878
Wash	8339	8910	8864	8739	8725	7948	7344	6915	6189	5475	5485	6040	6776	7113	7033	6759	6491	6149	5770	5434	5096	4948	4852	4962
York	12995	14948	14665	13637	13468	11733	10908	9561	8200	7523	8460	10860	14247	15491	15471	14936	14377	13445	12414	11849	11188	10268	10408	11328
Maine	122163	144217	140074	135221	135967	124350	120115	112089	97872	88182	91314	105800	130110	141504	142505	139312	135787	128146	118805	111824	105669	99792	104700	112459

### C. Population Shifts and Trends



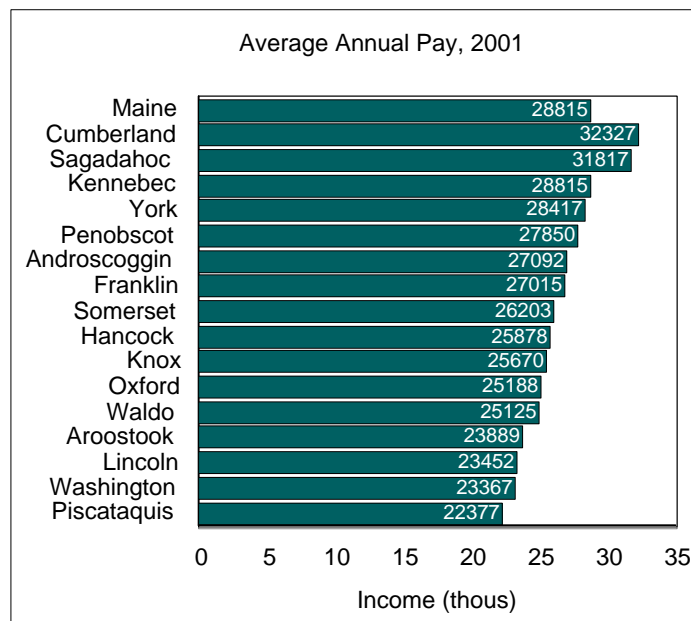
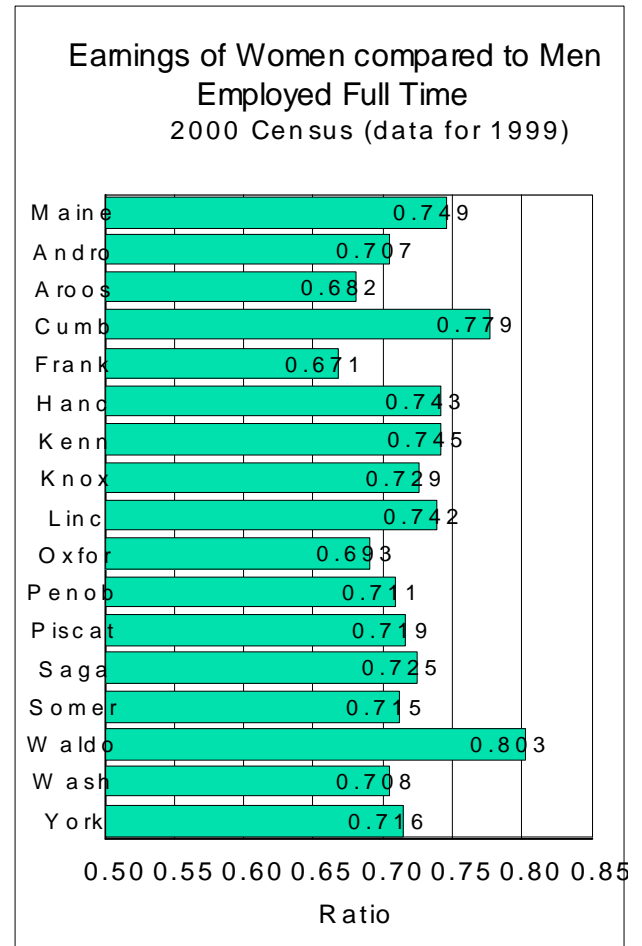
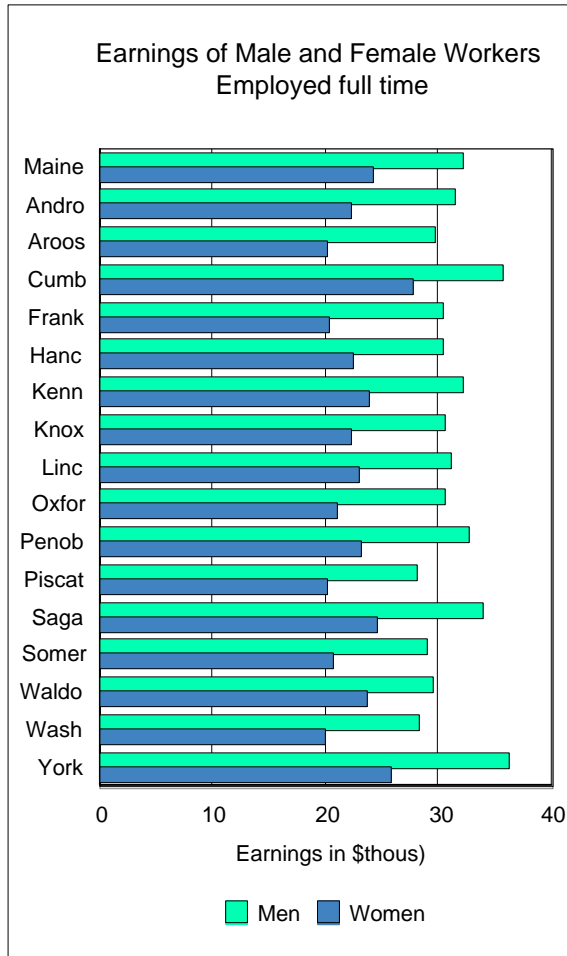
**Number of Residents by Age and Sex Reported f, 1980, 1990 and 2000 Decennial Censuses**  
**(Data for 1990 Taken from the Modified Age, Race and Sex File which Revised the Published Numbers)**

COUNTY	1980 Total Pop	1990	2000	Net Change:		Pct chg	
				1980-1990	1990-2000	Since 1980	1990-2000
Androscoggin	99657	105259	103793	5602	-1466	4136	-1.4
Aroostook	91331	86936	73938	-4395	-12998	-17393	-15.0
Cumberland	215789	243135	265612	27346	22477	49823	9.2
Franklin	27098	29008	29467	1910	459	2369	1.6
Hancock	41781	46948	51791	5167	4843	10010	10.3
Kennebec	109889	115904	117114	6015	1210	7225	1.0
Knox	32941	36310	39618	3369	3308	6677	9.1
Lincoln	25691	30357	33616	4666	3259	7925	10.7
Oxford	48968	52602	54755	3634	2153	5787	4.1
Penobscot	137015	146601	144919	9586	-1682	7904	-1.1
Piscataquis	17634	18653	17235	1019	-1418	-399	-7.6
Sagadahoc	28795	33535	35214	4740	1679	6419	5.0
Somerset	45028	49767	50888	4739	1121	5860	2.3
Waldo	28414	33018	36280	4604	3262	7866	9.9
Washington	34963	35308	33941	345	-1367	-1022	-3.9
York	139666	164587	186742	24921	22155	47076	13.5
Statewide	1124660	1227928	1274923	103268	46995	150263	3.8

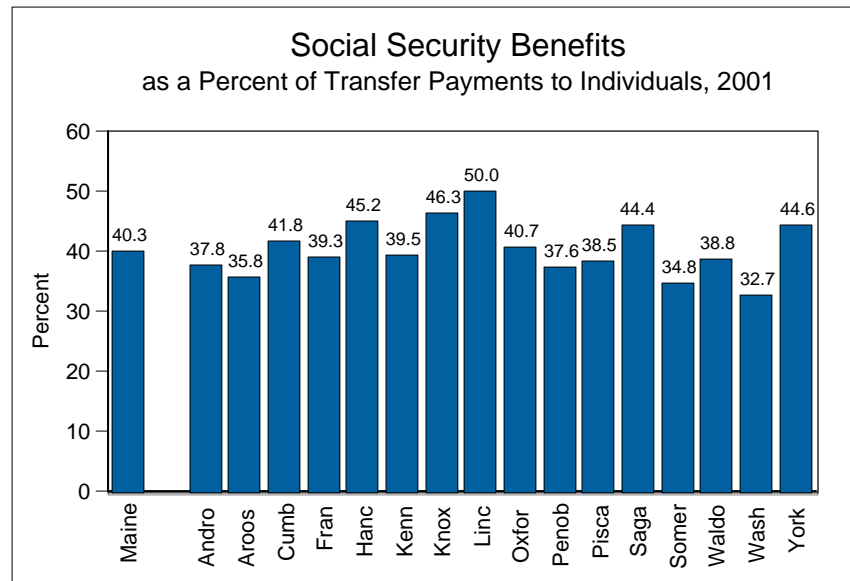
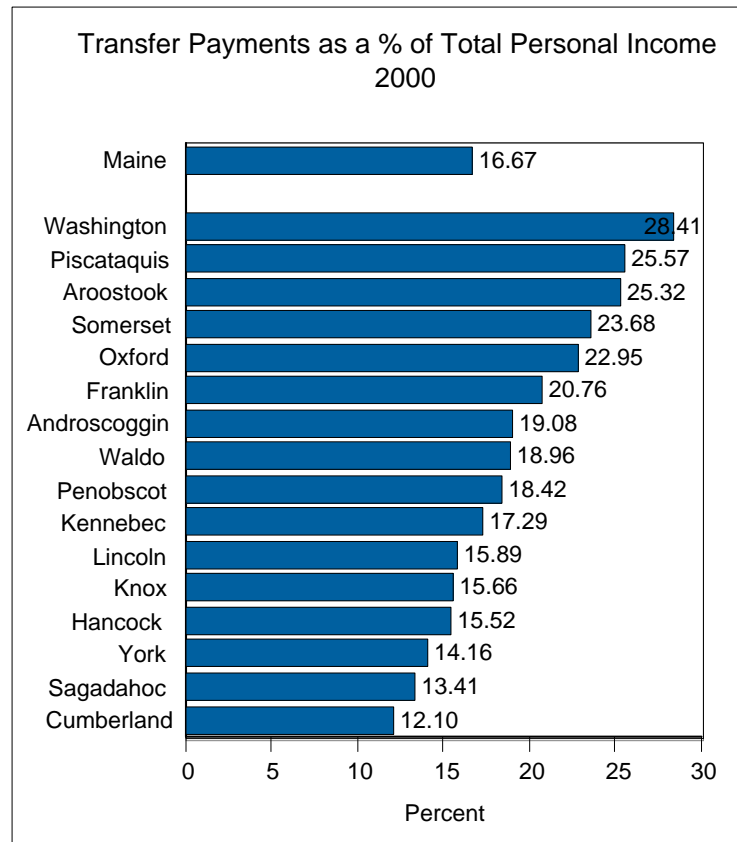


## D. Economic Factors

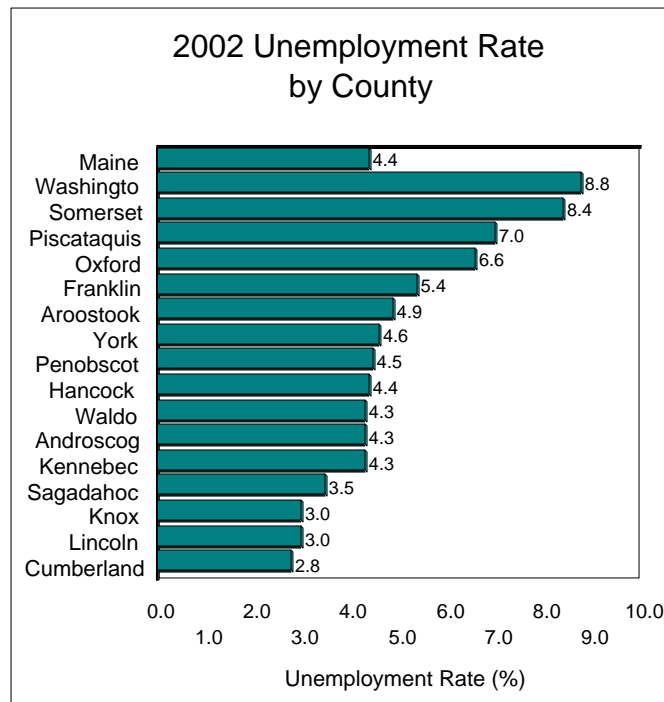
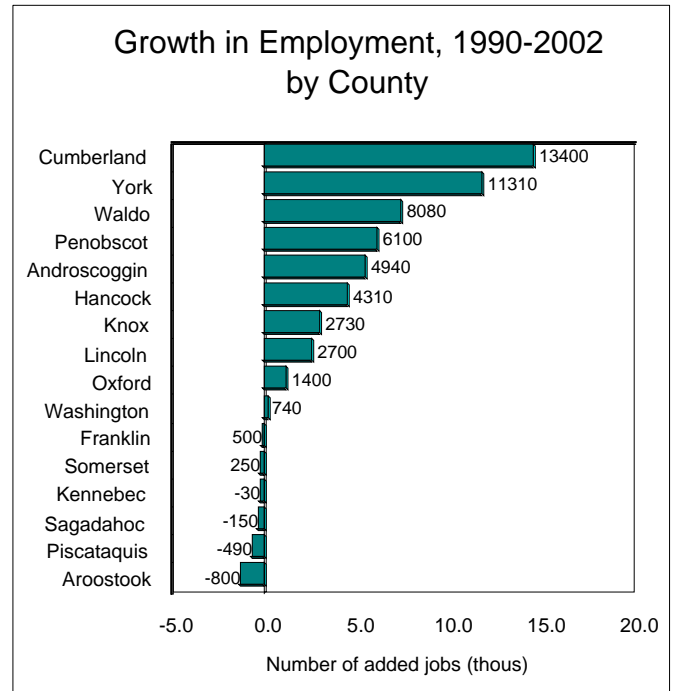
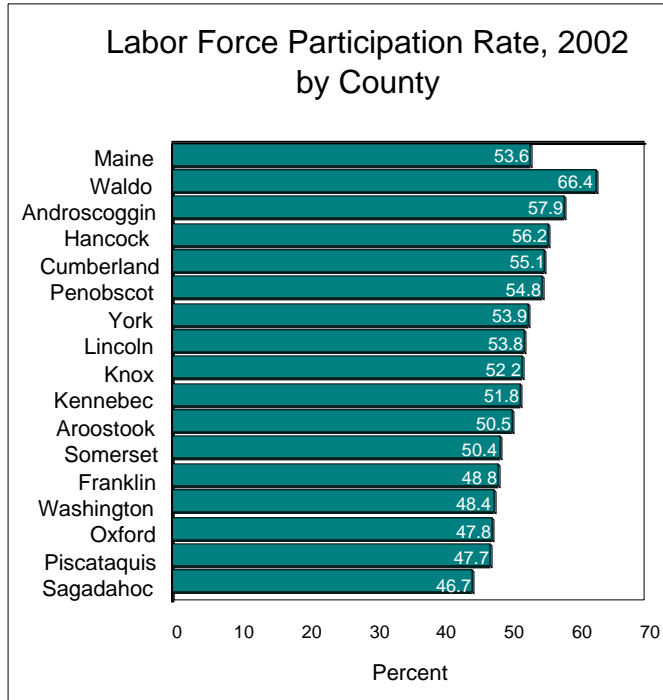
### Income and Earnings



## Transfer Payments



## Labor Force Participation, Employment and Unemployment



## End Notes

**Community Food Security:** The statistics on food insecurity and hunger in the U.S. are based on a survey measure developed by the U.S. Food Security Measurement Project, an ongoing collaboration among Federal agencies, academic researchers, and private commercial and nonprofit organizations. The measure was developed over the course of several years in response to the National Nutrition Monitoring and Related Research Act of 1990 (NNMRR).

After 1998 data for states was not published annually in the survey. State level data was once again provided in 2001, but as a 3-year average, combining the survey results for the past 3 years (1999-2001). ERS believes that the 3-year average is more reliable due to the small sample size in the annual surveys and the high margins of error they create. Due to the changes in measurement, 2001 state level food security statistics cannot be compared directly with those of previous years.

**Income Distribution:** Income data by quintile for Maine has not been available from the Census Bureau since 1990 though the disparity among quintiles is estimated nationally each year. The Center for Budget and Policy Priorities computed income by quintile for states that are based on moving 3-year averages. The data from this source was included 2 years ago. No new figures are available until the detailed information from the 2000 Census becomes available.

**Adequacy of Transfer Payments:** In 2000, participation rates were included along with benefit level data. This has been continued. However, consistent annual data for some of the programs (TANF and Medicaid) has become unavailable.

**Non-Governmental Services:** The search continues for a reliable and consistent measure of services provided by private agencies. Anecdotal information indicates that such nonprofit entities fill a major gap for people who do not qualify for or choose not to accept public forms of assistance. Food pantries and soup kitchens represent one group of such services for which a method of collecting consistent data is under consideration.

**Risk Populations:** Data for at risk populations has been lacking for intercensal years. The three risk populations identified include elderly and disabled, children, and working low-income adults. Data from the 2000 census has been included in this report.

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