

What the data tell us

Saint Paul City Council June, 2016











MINNESOTA COMPASS | mncompass.org



#### **Today's presentation**

- 1. Background & definitions
- 2. Age
- 3. Household composition
- 4. Race, ethnicity, and immigration
- 5. Jobs
- 6. Other measures of economic distress

#### **In Saint Paul**

Over 64,000 people live in poverty

that is 22% of the population

and includes 23,000 children



## 64,000 in poverty in Saint Paul

• Would fill up Xcel Energy Center 3.5 times



Would be the <u>12th</u> largest city in Minnesota

23,000 children in poverty in Saint Paul

Enough to fill

333

school busses





#### What do we mean by "poverty"?

# Not Enough



#### What do we mean by "poverty"?

1955 U.S. Department of Agriculture (USDA)
Food Consumption survey shows that
food = roughly 1/3 of household income

1964 Social Security Administration uses the USDA study to designate initial poverty thresholds

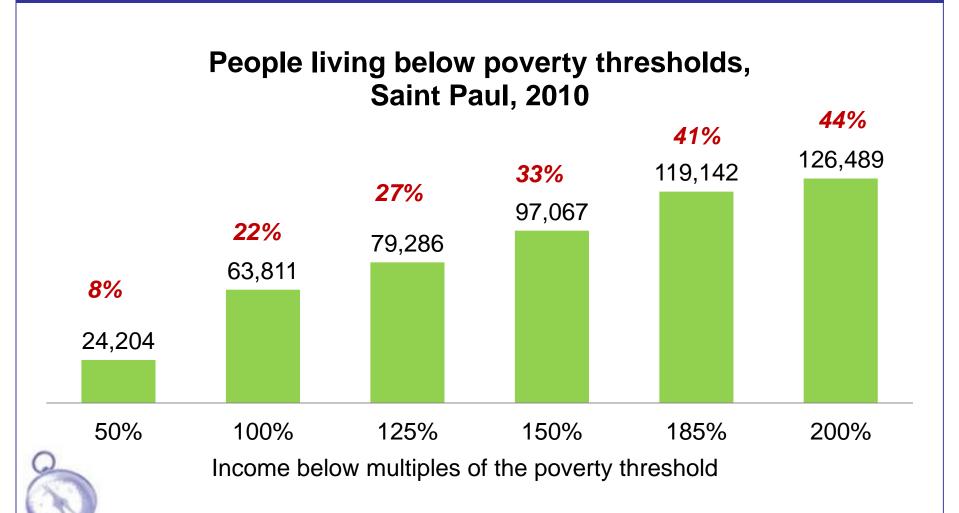
Since then Thresholds are updated annually for inflation. The thresholds are adjusted for family size, but not region of country

# Poverty Thresholds, 2014

Size of family unit	Weighted average thresholds
One person (unrelated individual)	\$12,071
Under 65 years	\$12,316
65 years and over	\$11,354
Two people	\$15,379
Householder under 65 years	\$15,934
Householder 65 years and over	\$14,326
Three people	\$18,850
Four people	\$24,230
Five people	\$28,695
Six people	\$32,473
Seven people	\$36,927
Eight people	\$40,968
Nine people or more	\$49,021

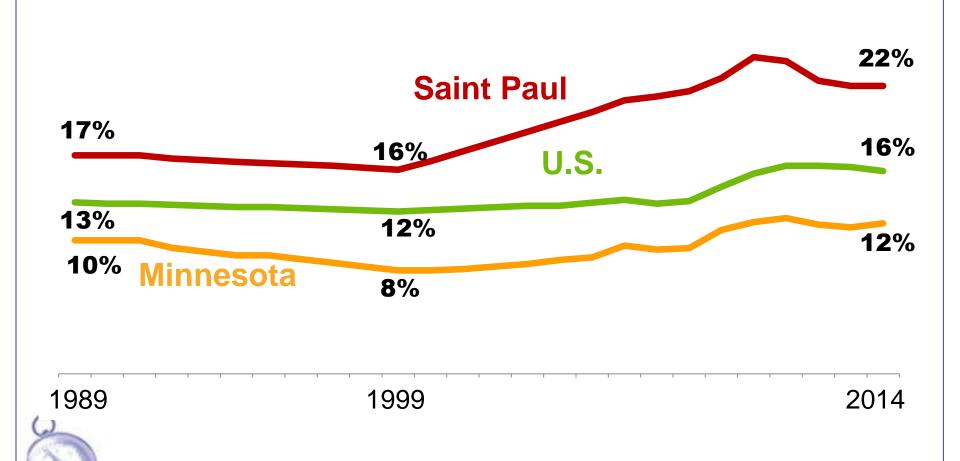
Source: U.S. Census Bureau

## People are struggling all along the lower end of the income continuum





#### ...but the trends in poverty are not



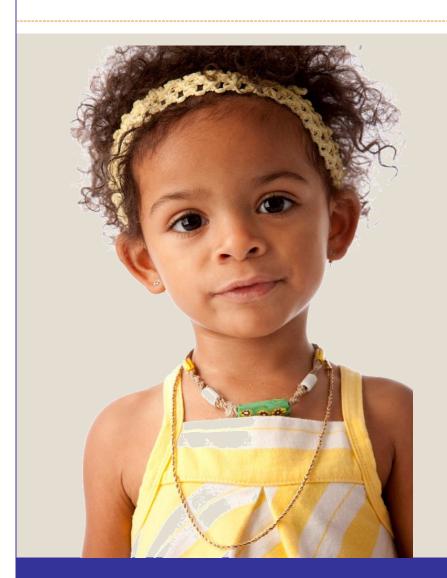


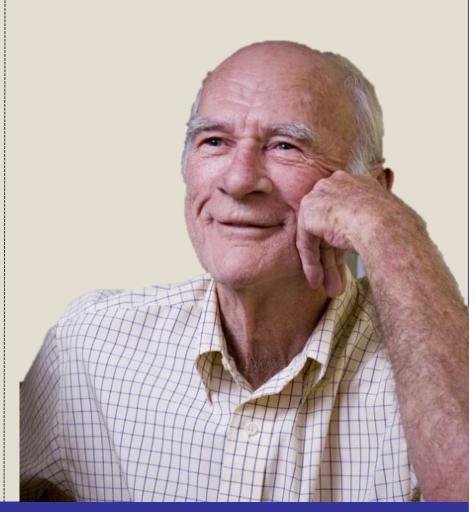
#### What does 'Minnesota's 8th largest city' look like?

- 1. Background & definitions
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#### Age







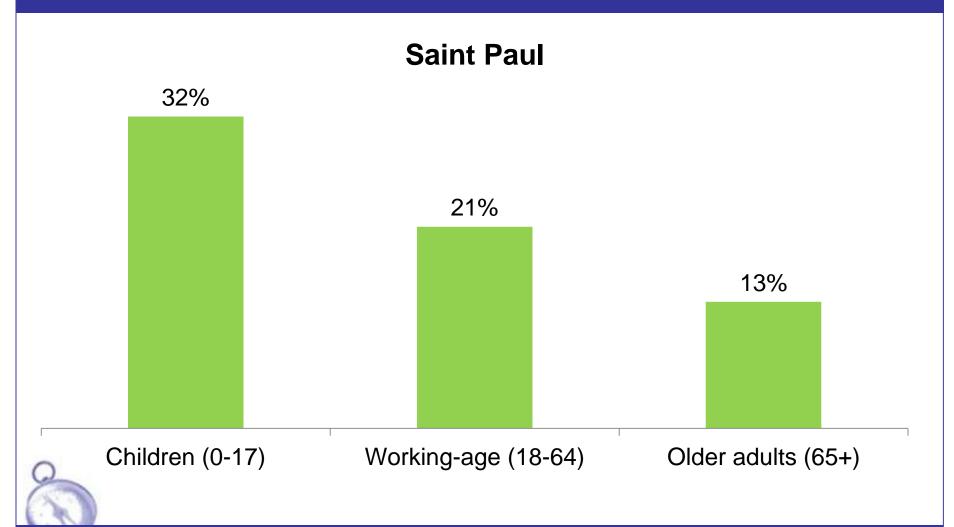
#### **Question #1**



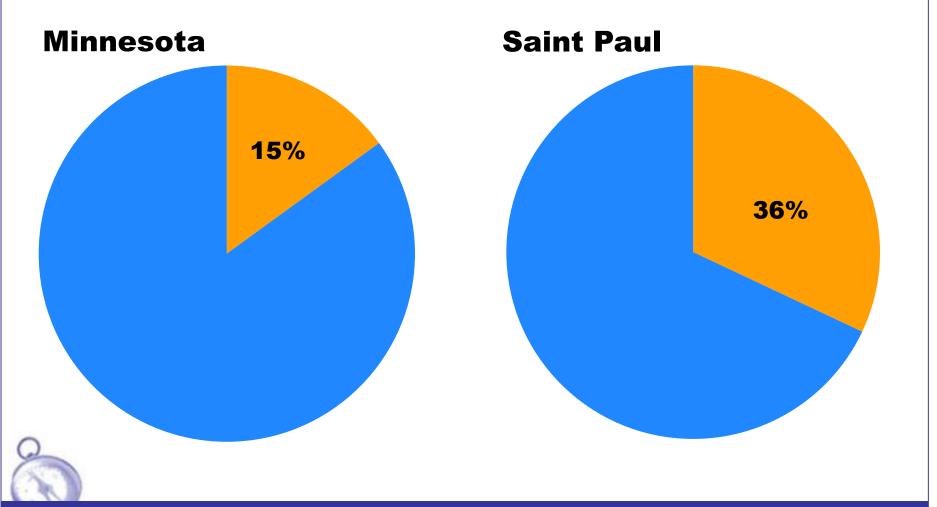
# Poverty rates are highest among:

- A) Children (0-17)
- B) Working-age adults (18-64)
- C) Older adults (65+)

#### Poverty rates are highest among children



## Poverty rates are especially high for children in Saint Paul



#### **Question #2**



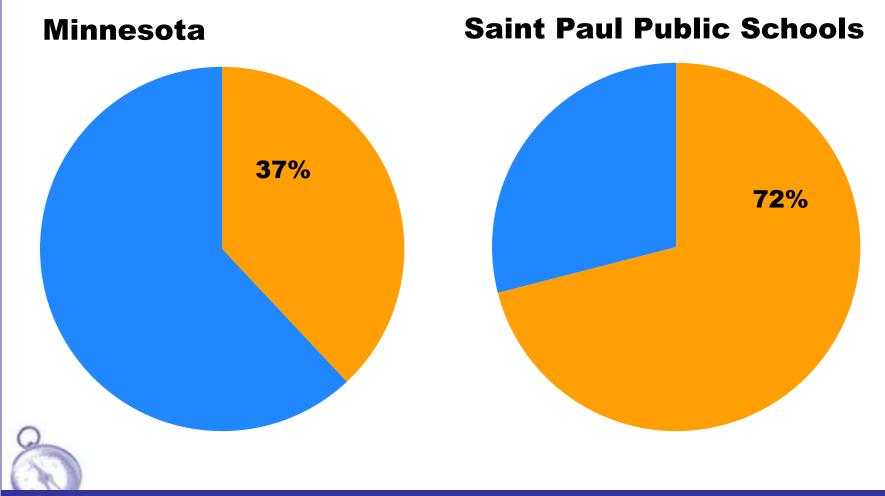
K-12 Students can qualify for Free or Reduced Price Lunch if their family income is up to 185% of the Poverty Level.

How many students attending the Saint Paul Public Schools qualify?

- **A) About 35%**
- **B) About 50%**
- **C)** About 70%
- **D) About 90%**



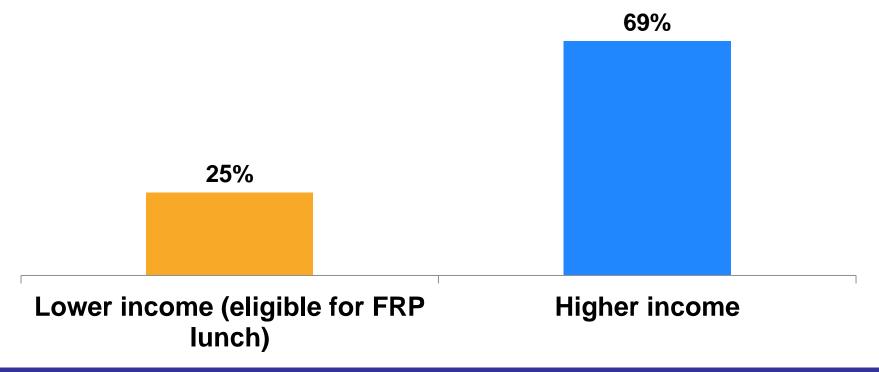
# Students eligible for Free or Reduced Price Lunch (up to 185% of poverty)



#### This has real consequences for students

#### 3rd grade students achieving reading standards

All public schools, including charters, in the City of St. Paul, 2016



Source: Wilder Research analysis of Minnesota Department of Education data

www.mncompass.org

#### Poverty and Age in Saint Paul: Some implications

 Efforts need to target younger people (without ignoring others)

 Support closing the educational <u>income</u> gap (not just the race gap)

#### What does 'Minnesota's 8th largest city' look like?

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#### **Question #3**



# Single parents can provide just as well for their kids as two-parent families

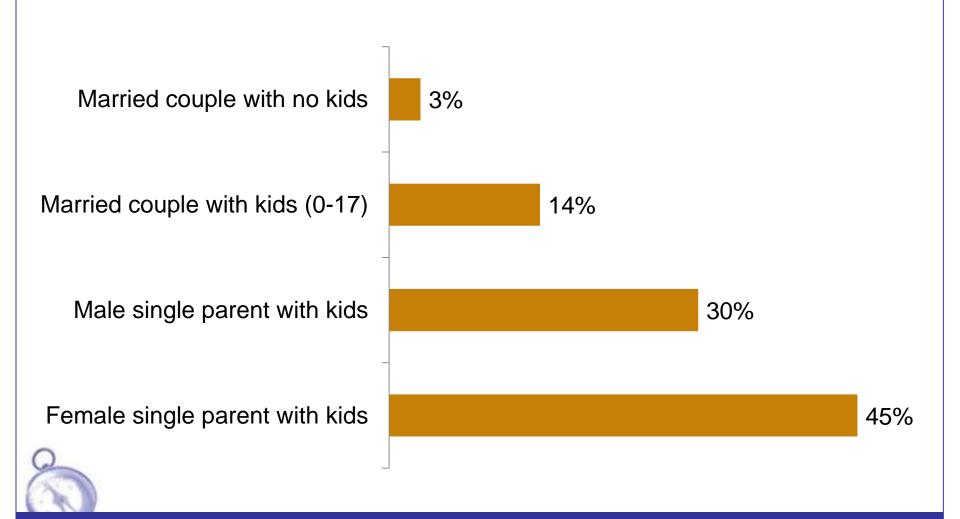
- A) True
- B) False



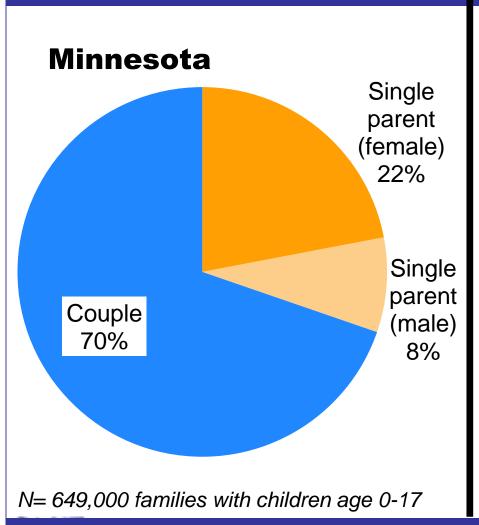
# True, single parents can provide economically stable households

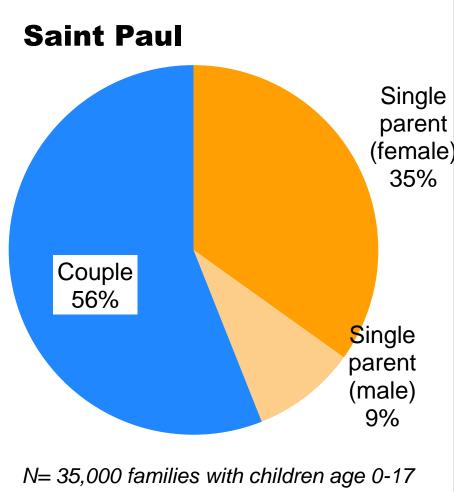
False, single parents are much more likely to be in poverty

# Poverty rate of families in Saint Paul by household type



## In Saint Paul a relatively high proportion of all families with children are headed by single-parents





### Poverty and Household Composition in Saint Paul: Some implications

- If economic distress causes single parent families
   (divorce, teen parenthood), then we need to end poverty
   as a way of supporting families
- If single parenthood causes poverty, then we need to support families as a way of ending poverty
- Either way, many single parents need help



#### What does Minnesota's 8th largest city look like?

- 1. Background & definitions
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- 4.Race, ethnicity, and immigration
- 5. Jobs
- 6. Other measures of economic distress

#### **Question #4**



In terms of race, ethnicity, and immigration, Saint Paul is the most diverse city in Minnesota

- A) True
- B) False



### Saint Paul is <u>among</u> the state's most diverse cities

	City	Percent Of Color		City	Percent Foreign Born
1	Brooklyn Center	54%	1	Worthington	30%
2	Brooklyn Park	50%	2	Brooklyn Center	23%

3

4

5

6

8

9

10

44%

40%

37%

29%

28%

27%

26%

26%

Brooklyn Park

Columbia Heights

Richfield

Hopkins

St. Paul

Shakopee

Minneapolis

**Eden Prairie** 

22%

21%

19%

18%

16%

16%

15%

14%

St. Paul

Richfield

**New Hope** 

Maplewood

Burnsville

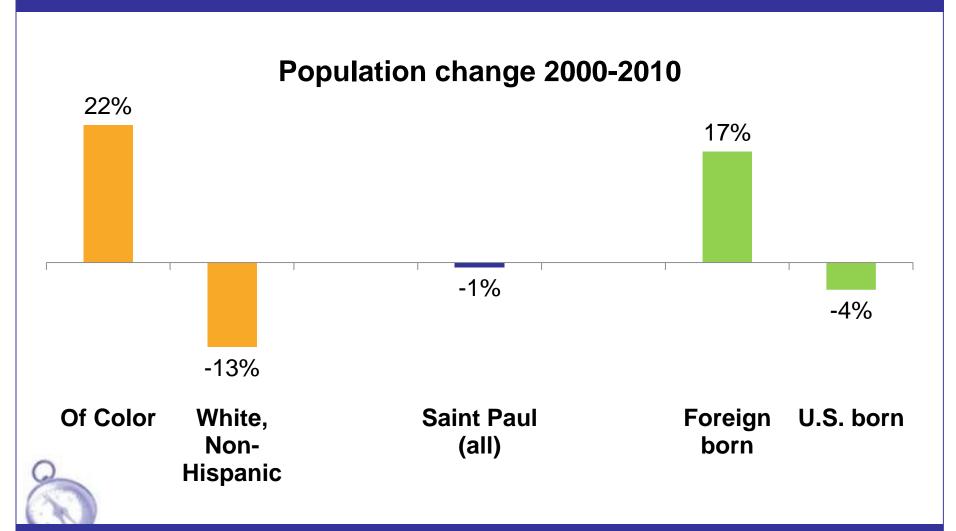
Shakopee

10

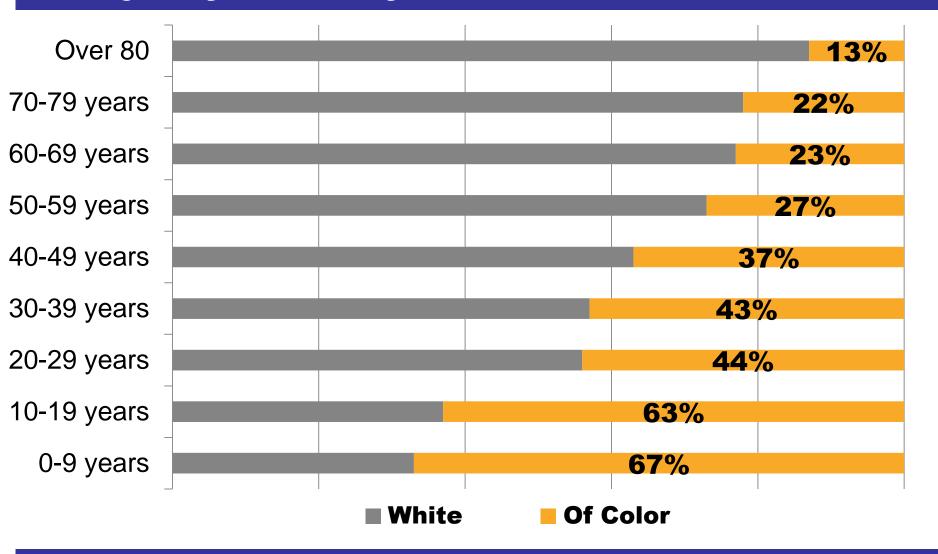
Fridley

Minneapolis

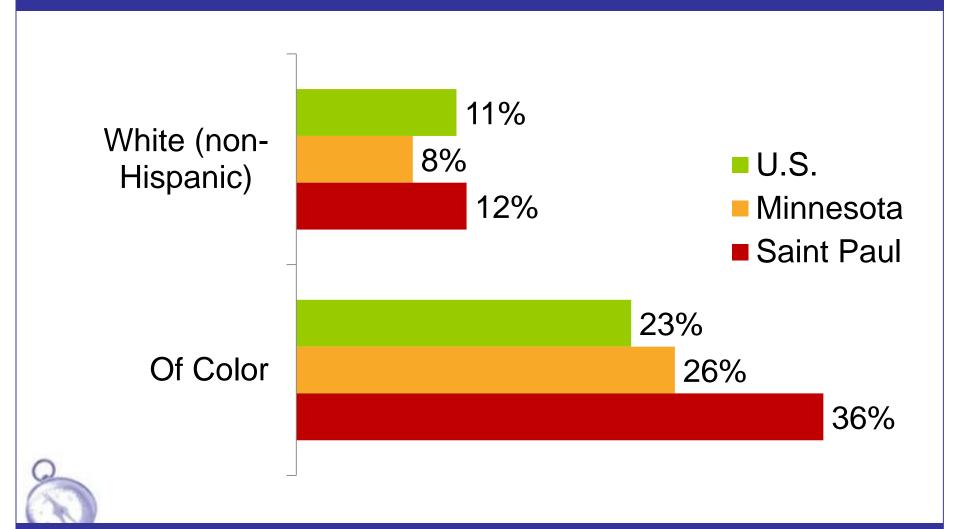
## Where would Saint Paul be if it were not for its growing diverse populations?



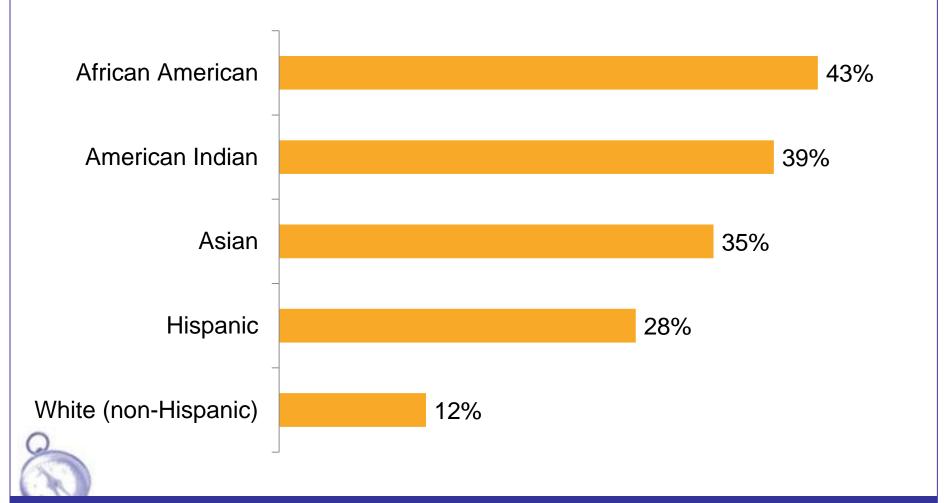
#### Saint Paul's children are already "majority minority"



# Nationally, the poverty rate among populations of Color is 2X that of non-Hispanic Whites. In MN and St. Paul: 3X

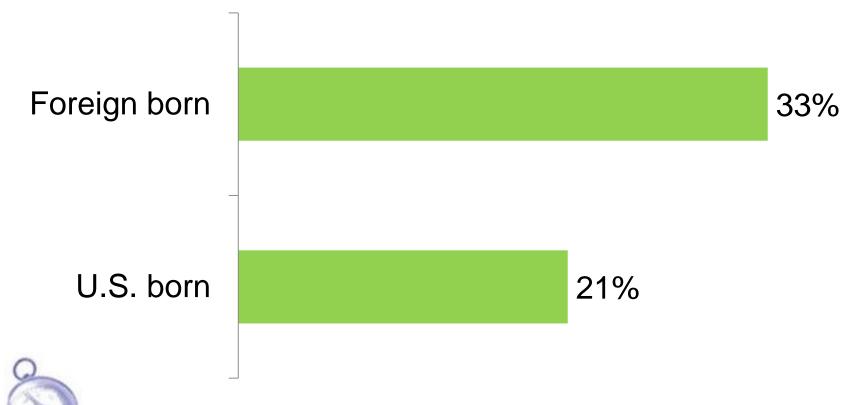


## Poverty rates vary by race & ethnicity in Saint Paul



#### Immigrants are more likely to be in poverty





### Poverty and Race, Ethnicity, and Immigration in Saint Paul: Some implications

- Services and solutions need to be culturally appropriate
- Efforts to design new policy and other interventions need to be inclusive



#### (We've come a long way...)

- 1. Background & definitions
- 2. Age
- 3. Household composition
- 4. Race, ethnicity, and immigration
- 5.Jobs (& job skills)
- 6. Other measures of economic distress

## Jobs and job skills





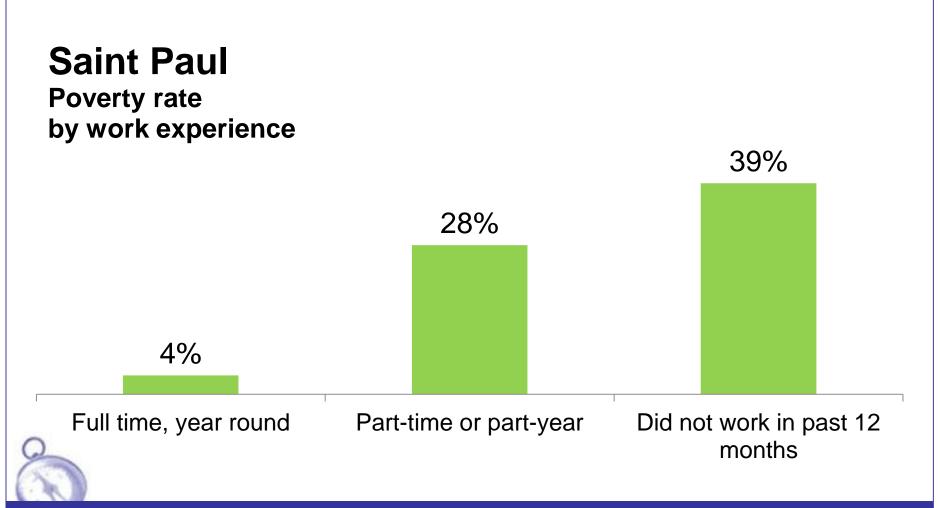
#### **Question #5**



# The best anti-poverty program is a good job

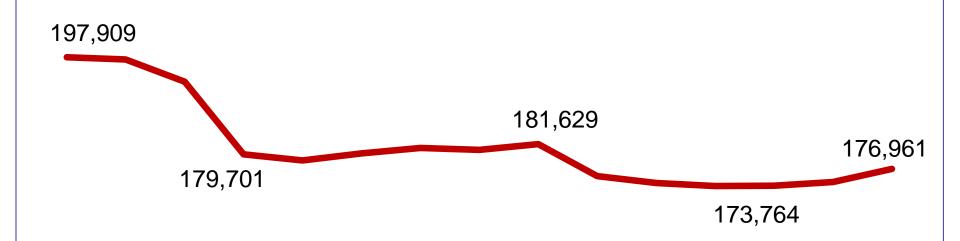
A) True
B) False

# Poverty is rare among Saint Paul residents with full-time year-round jobs



## Hard time to cure poverty through jobs

#### **Jobs in Saint Paul**

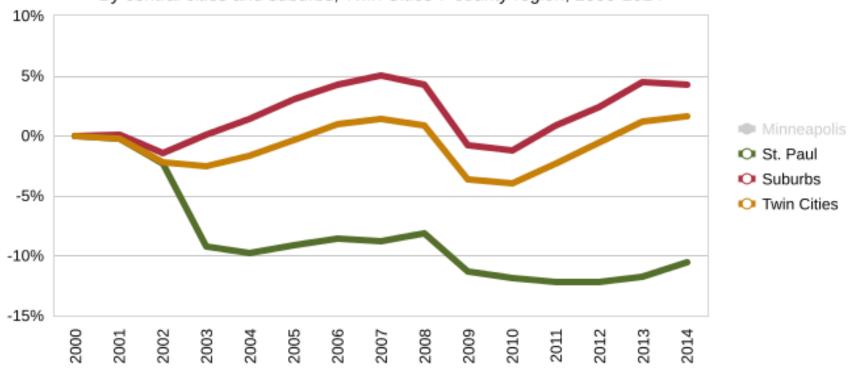


2000 2001 2002 2003 2004 2005 2006 2007 2008 2009 2010 2011 2012 2013 2014

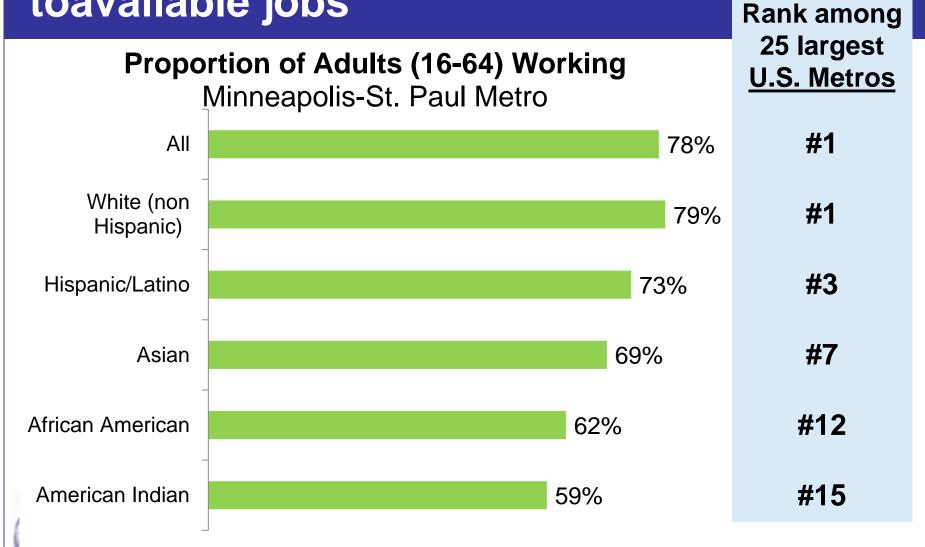
# Jobs have recovered in the region, but still lag in St. Paul

#### Percent change in jobs since 2000

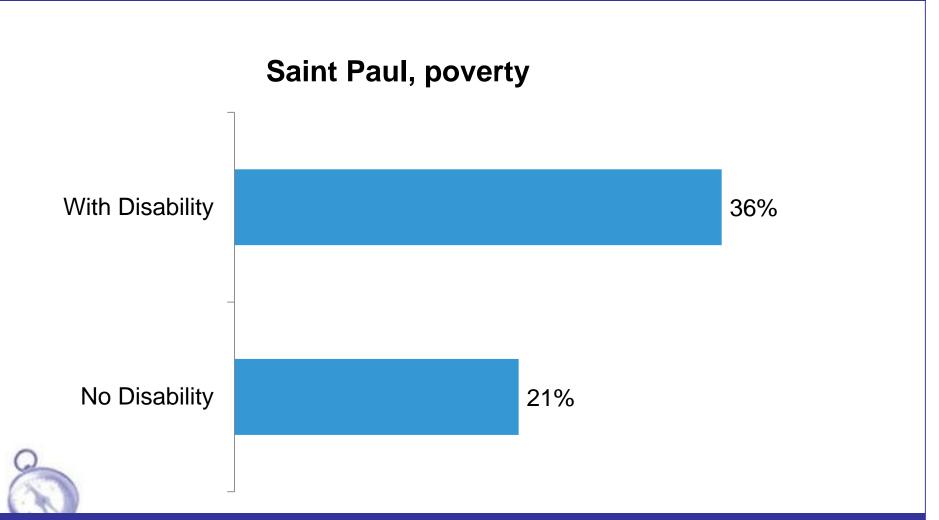




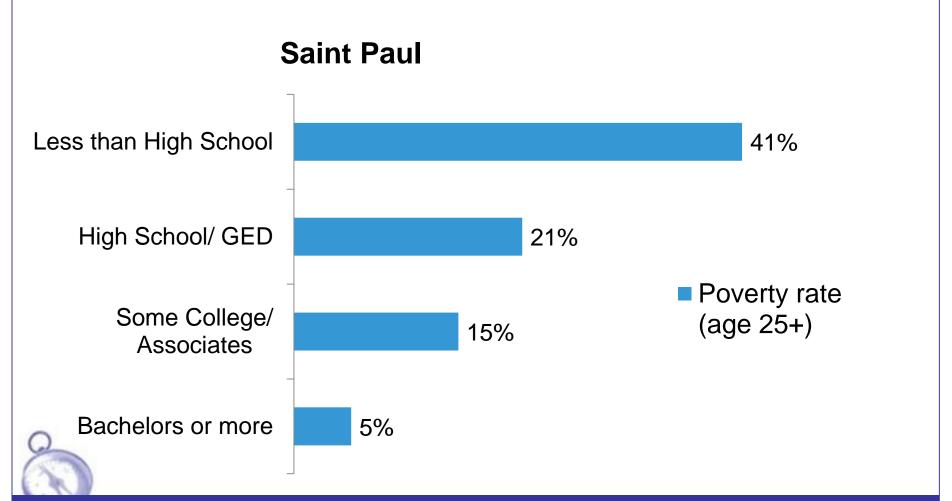
# Not everyone has equal access toavailable jobs



## The poverty rate is much higher for those with disabilities



## Education provides a buffer against poverty



#### Poverty and Jobs in Saint Paul: Some implications

- Developing job opportunities in Saint Paul is a central part of ending poverty in Saint Paul
- Connecting people to jobs both in Saint Paul and elsewhere via accessible transportation is also part of the equation
- Skill building, including formal education, is a big part of ending poverty



## (Getting closer to lunch!)

- 1. Background & definitions
- 2. Age
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- 5. Jobs
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## Stable housing is a challenge

39% of St. Paul households are housing cost burdened (paying 30%+ of their income on housing)

....including 53% of all renters

1,787 people were identified as literally homeless in Ramsey County at the time of Wilder's last statewide survey (October 22<sup>nd</sup>, 2015)

#### **Question #6**

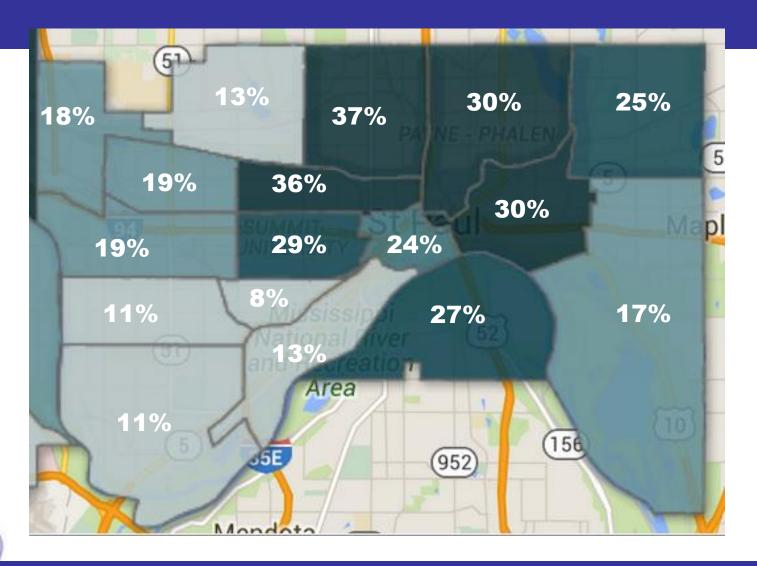


# All Saint Paul neighborhoods are experiencing about the same level of poverty

- A) True
- B) False

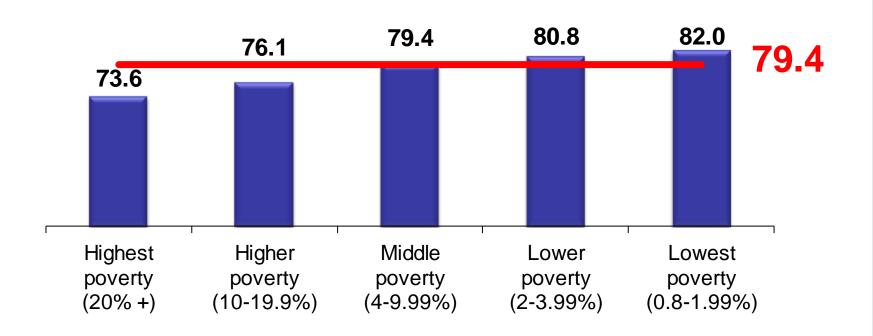


### Poverty is concentrated in certain areas



# Life expectancy is higher in areas where poverty rate is lower

#### **Twin Cities 7-county region**







## **Today's presentation**

- 1. Poverty rates rose in the recession, and have yet to go back down
- 2. Children have particularly high rates
- Single parent households have very high poverty rates
- Immigrants and populations of color have higher rates of poverty
- 5. Jobs & job skills are keys to ending poverty
- 6. Poverty is concentrated in certain areas of Saint Paul

# Thank you for your dedication to ending poverty in Saint Paul

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