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**POVERTY RATE HIGHER, REAL INCOME LOWER, AND SIX  
MILLION MORE LACK HEALTH INSURANCE DURING THE  
BUSH ADMINISTRATION'S FIRST TERM**

*Washington, D.C.* – New data released today by the Census Bureau show that during the first term of the Bush Administration, income for the typical American household fell by \$1,670, 5.4 million more people slipped into poverty, and 6 million more joined the ranks of the uninsured.

The proportion of Americans living in poverty rose to 12.7 percent in 2004, up from 11.3 percent in 2000. Inflation-adjusted median household income was \$44,389 in 2004, down from \$46,058 in 2000. The number of Americans without health insurance increased to 45.8 million in 2004, up from 39.8 million in 2000.

“Today’s Census reports confirm that the Bush administration’s economic policies have not benefited most working families,” said **Sen. Jack Reed (D-RI)**, Ranking Democrat on the **Joint Economic Committee**. “Lackluster job creation and stagnant wages during the President’s first term pushed millions of adults and children into poverty, left families with lower incomes, and contributed to the growing number of uninsured Americans. Instead of pursuing policies that would help working families, the President has pushed irresponsible tax breaks and proposed Medicaid cuts that would leave more of our poorest and most vulnerable families uninsured. Many Americans are feeling the squeeze of thinner paychecks in the face of soaring gas prices and health care costs, but there’s no relief in sight from this administration.”

Key findings from the Census reports include:

**POVERTY**

- **The poverty rate rose from 12.5 percent in 2003 to 12.7 percent in 2004.** Since 2000, the poverty rate has increased by 1.4 percentage points. There were 37 million people in poverty in 2004, an increase of 5.4 million during the Bush Administration. The Census defines the poverty line for a family of four as \$19,307 in 2004
- **More than one in 6 American children lives in poverty.** The poverty rate for children under 18 years old was 17.8 percent in 2004, up by 0.2 percentage points from the previous year. While the number of children living in poverty has increased by 12.4 percent during the first term of the Bush Administration, the number of children receiving Temporary Assistance for Needy Families (TANF) has declined by 10.9 percent over the same time period, according the Department of Health and Human Services.

- **The poverty rate was 24.7 percent for blacks in 2004 and 21.9 percent for Hispanics**, very high poverty rates compared with that of the population as a whole.

## INCOME

- **The typical American family's real (inflation-adjusted) income remained essentially unchanged from 2003 at \$44,389 in 2004.** Median family income declined by about \$1,670 during the Bush Administration's first term.
- **The real income of American households has declined since 2000 across the income distribution.** Since 2000, real income has declined by 7.9 percent for the poorest fifth of households and by 2.9 percent for the richest fifth of households.
- **Median household income has decreased among Americans of different races.** Since President Bush took office, median income has declined by 2.1 percent among white, non-Hispanics, by 7.4 percent among blacks, and by 5.9 percent among Hispanics.
- **The real median earnings of both male and female full-time, full-year workers declined between 2003 and 2004.** Since 2003 the median earnings of full-time, full-year working women declined by 1 percent (falling from \$31,550 to 31,223 in 2004 dollars) and the median earnings of full-time, full-year working men declined by 2.3 percent (falling from \$41,761 to \$40,798 in 2004 dollars). Because male earnings fell by more than female earnings, the earnings gap closed slightly.

## HEALTH INSURANCE

- **The number of uninsured Americans rose to 45.8 million in 2004 – 860,000 more than in the previous year.** More Americans are now without health insurance than at any point since Census began collecting comparable data starting 1987. Since 2000, the number of uninsured Americans has grown by six million.
- **The percentage of Americans with employment-based health insurance fell to 59.8 percent in 2004, down slightly from 60.4 percent in 2003.** Employment-based coverage is the largest component of the U.S. health insurance system. This is the first time since 1993 that the percentage of Americans with employment-based coverage has dropped below 60 percent.
- **The percentage of uninsured increased from 12.5 percent in 2003 to 13.3 percent in 2004 for those with household incomes between \$50,000 and \$75,000.** For Americans with incomes of less than \$25,000, the uninsured rate held steady at 24.3 percent. The uninsured rate for Americans with incomes of \$75,000 or more was about unchanged at 8.4 percent.
- **The number of uninsured non-elderly adults increased by 950,000 between 2003 and 2004.** The number of children under 18 years of age without insurance remained about constant in 2004 at 8.3 million, primarily due to the continued enrollment success of the State Children's Health Insurance Program (SCHIP) and Medicaid.
- **Enrollment in Medicaid grew by 1.9 million in 2004,** as the enrollment percentage increased from 12.4 percent of the population in 2003 to 12.9 percent in 2004. Without these additions to Medicaid, more Americans would be without health coverage.

*The Joint Economic Committee, established under the Employment Act of 1946, was created by Congress to review economic conditions and to analyze the effectiveness of economic policy.*