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**REAL INCOME IS LOWER, MILLIONS MORE PEOPLE LIVE IN
POVERTY AND LACK HEALTH INSURANCE UNDER BUSH
ADMINISTRATION, DESPITE 2005 INCOME GAINS**

Washington, D.C. – New data released today by the Census Bureau show a slight gain in income and no significant change in the poverty rate in 2005. However, after five years of the Bush administration, the income of the typical American household is almost \$1,300 lower after inflation, 5.4 million more Americans live in poverty, and the ranks of those without health insurance have increased by 6.8 million.

Inflation-adjusted median household income rose to \$46,326 in 2005, down from \$47,599 in 2000. The proportion of Americans living in poverty was 12.6 percent in 2005, 1.3 percentage points higher than the 11.3 percent reported in 2000. The number of Americans without health insurance increased to 46.6 million in 2005, up from 39.8 million in 2000.

“Today’s Census report confirms that most working families have not been able to make much economic progress in the last year and they still have not made up the ground lost since President Bush took office,” said **Sen. Jack Reed (D-RI)**, Ranking Democrat on the **Joint Economic Committee**. “Slow job growth and stagnant wages during the Bush administration have left families with lower incomes, made it easier to fall into poverty and harder to escape, and contributed to the growing number of Americans without health insurance. The President’s policies have simply not produced broadly shared prosperity or greater economic opportunity for working families.”

Key findings from the Census report include the following:

INCOME

- **The typical American household’s real (inflation-adjusted) income rose a modest 1.1 percent from \$45,817 in 2004 to \$46,326 in 2005.** Despite the gain in 2005, real median household income has declined by \$1,273 during the Bush administration’s first five years.
- **The real income of American households has declined since 2000 across the income distribution.** Since 2000, real income has declined by 7.5 percent for the poorest fifth of households and by 1.0 percent for the richest fifth of households.
- **Median household income has decreased since 2000 among Americans of different races.** Since President Bush took office, median income has declined by 1.8 percent among white, non-Hispanics; by 8.0 percent among blacks; and by 4.3 percent among Hispanics.

- **The real median earnings of both male and female full-time, full-year workers declined between 2004 and 2005.** Since 2004 the median earnings of full-time, full-year working women declined by 1.3 percent (falling from \$32,285 to \$31,858 in 2005 dollars) and the median earnings of full-time, full-year working men declined by 1.8 percent (falling from \$42,160 to \$41,386 in 2005 dollars). The female-to-male earnings ratio was unchanged at 0.77.

POVERTY

- **The poverty rate in 2005 was 12.6 percent, statistically unchanged from its level of 12.7 percent in 2004.** Since 2000, the poverty rate has increased by 1.3 percentage points. There were nearly 37 million people in poverty in 2005, an increase of 5.4 million during the Bush administration. The Census defines the poverty line for a family of four as \$20,144 in 2005.
- **More than one in 6 American children lives in poverty.** The poverty rate for children under 18 years old was 17.6 percent in 2005, statistically unchanged from the previous year. While the number of children living in poverty has increased by 11.3 percent during the first five years of the Bush administration, the number of children receiving Temporary Assistance for Needy Families (TANF) has declined by 15.5 percent over the same time period, according to the Department of Health and Human Services.
- **The poverty rate was 24.7 percent for blacks in 2005 and 21.8 percent for Hispanics,** very high poverty rates compared with that of the population as a whole.

HEALTH INSURANCE

- **The number of uninsured Americans rose to 46.6 million in 2005—1.3 million more than in 2004.** More Americans are now without health insurance than at any point since the Census Bureau began collecting comparable data starting in 1987. Since 2000, the number of uninsured Americans has grown by 6.8 million.
- **The percentage of Americans with employment-based health insurance fell to 59.5 percent in 2005, down slightly from 59.8 percent in 2004.** Employment-based coverage is the largest component of the U.S. health insurance system. The percentage of Americans with employment-based coverage has not been this low since 1993.
- **The percentage of people without health insurance increased in all income groups, but the greatest increase was for those with incomes between \$50,000 and \$75,000.** The percentage of people without health insurance increased from 13.0 percent in 2004 to 14.1 percent in 2005 for those with incomes between \$50,000 and \$75,000. The uninsured rate held relatively steady at 24.4 percent for those with incomes of less than \$25,000, while the rate for those with incomes of \$75,000 or more rose 0.3 percentage points to 8.5 percent.
- **The number of uninsured children under 18 years of age increased by 400,000 between 2004 and 2005.** Even with the prior enrollment success of the State Children's Health Insurance Program, the percentage of uninsured children increased from 10.8 percent in 2004 to 11.2 percent in 2005. The number of all uninsured non-elderly adults over 18 years of age also increased, rising by 945,000 from 2004 to 2005.
- **Enrollment in Medicaid remained constant in 2005 at 13.0 percent of the population.** Without Medicaid coverage of the poorest Americans, the number of people without health insurance would almost certainly be higher.

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.