



Economic Impact Survey 2009: Food Bank Response

How current economic conditions are impacting the emergency food system served by Forgotten Harvest

Feeding America is the nation’s largest domestic hunger-relief organization, serving an estimated 25 million low-income Americans each year through its network of 205 food banks and their 63,000 charitable feeding agencies, including food pantries, soup kitchens, and homeless shelters.

The current recession and the rise in unemployment are having a profound effect on the nation’s food banks. In early September 2009, Feeding America conducted a brief survey of food bank members to learn more about the challenges faced by food banks, their member agencies, and clients served. A total of 176 food banks participated in the survey. What we found was that 99% of all participating food banks reported increases in demand for emergency food assistance over the last year. The average increase in demand across the network from Summer 2008 to Summer 2009 was 30%. However, the increase in need for services over the last year varies across the nation, ranging from 5% in some areas to more than 150% in others. Local economic circumstances, such as plant closings, can have a significant impact on need but it is also clear that high unemployment across the nation – which reached 9.7% in August – is a critical factor in the rising need for emergency food.

It’s becoming increasingly more difficult for many food banks and their agencies to meet the needs of their clients, especially when new clients arrive all the time. Despite the fact that the nation’s food banks delivered 2.63 billion pounds of food between July 2008 and June 2009 – an increase of 21.4% over the prior year --many are struggling to meet this increase in demand.

Here is a snapshot of what Forgotten Harvest has witnessed and reported over the past year in the community it serves.

Estimated increase in demand or need for emergency food assistance:	In the 2009 annual survey that we conduct of all of our 150 agencies, 80% of our agencies said they would be able to distribute more food than we provide, and 26% said they had turned people away, because they did not have enough food to distribute.
--	--



Formerly named
America's Second Harvest®

<p>Local factors impacting changes in demand:</p>	<p>We use federal and state poverty and unemployment data. Following are key points on unemployment and poverty in Southeast Michigan:</p> <ul style="list-style-type: none"> • Per Bureau of Labor Statistics (BLS) data for June 2009: among “Metropolitan Areas” with Census 2000 population at/greater than 1 million: Detroit-Warren-Livonia reported the nation’s highest unemployment rate: 17.1% • Detroit-Warren-Livonia reported nation’s largest jobless rate increase: + 8.1 percentage points year-to-year • 48.2% children under age 18 in City of Detroit live below poverty level. • 13.9% of Wayne + Oakland + Macomb Counties’ population live below poverty level. • Per BLS, unemployment in July 2009 in the Cities of Detroit -- 28.9%, Highland Park -- 36.4% and Pontiac -- 35.1%. • Emergency Assistance in Michigan, per Michigan Department of Human Services: The Food Assistance Program caseload has grown +183% from January 2000 to June 2009 (in June 2009: 731,175 households representing 1,527,902 individuals). • About 100,000 people will exhaust unemployment benefits between May – December 2009. • People who exhaust unemployment benefits may have assets that bar them from qualifying for other government assistance; therefore, emergency food support will continue to be increasingly important for Southeast Michigan’s unemployed and underemployed populations. • Michigan will lag the nation in economic near- and longer-term.
<p>Critical trends contributing to increased need for emergency food:</p>	<p>Unemployment Underemployment Cost of Food Mortgage/Rent Costs Inadequacy of SNAP (formerly Food Stamp) Benefits Cost of Health Care Significant population exhausting unemployment benefits. Many in this population will not qualify for government support programs, because they have assets and, therefore, they may need emergency food support.</p>



Formerly named
America's Second Harvest®

Client trends include:	More requests from existing clients More first-time users More children
The frequency with which the food bank or its agencies had to turn people away:	Frequently

Additional Comments:

Massive automotive industry restructuring affects all levels of our state and local economy.

.....
For further information, please contact:

Anne Ginn
Public Policy Director
Forgotten Harvest
Oak Park, MI
248 967-1500, ext 119
aginn@forgottenharvest.org