A Job-Loss Recovery Hurts Children Most

Statistics tell an alarming story

New York City – Although children account for less than a quarter of the total population in the U.S., they make up more than a third of the poor population. They also account for a disproportionate share – 36 percent in 2010 – of the population that lives in deep poverty, that is, in families with incomes equivalent to less than half of the poverty threshold, which is $22,113 for a family of four with two related children.

While this week’s Census report on poverty, income, and health insurance came as no surprise to researchers at the National Center for Children in Poverty (NCCP), a research center based at Columbia University’s Mailman School of Public Health, it was nonetheless alarming.

“Until we as a nation really make a commitment to tackling the problem of sky-high unemployment, we’re going to continue to see these high poverty rates,” says Curtis Skinner, PhD, head of Family Economic Security at NCCP. “Although the recession officially ended in June 2009, what we’re seeing is even worse than a jobless recovery – it’s a job-loss recovery. The new Census data show that the number of American workers with earnings fell by 1.6 million in 2010, the first calendar year following the recession. This number rose for all other comparable years following recessions dating back to 1969.”

The Census data also reveal that:

– at 22 percent, the child poverty rate is now the highest it has been since 1993 and almost six percentage points higher than it was in 2000. Only three years have recorded higher child poverty rates dating back to 1965.

– the poverty rate for black children is now almost forty percent (39.1 percent) and the rate for Hispanic children is 35 percent. For both children and adults in these groups, poverty rose the fastest in percentage point terms between 2009 and 2010. In the course of the Great Recession and its aftermath, black and Hispanic workers have endured particularly high, double-digit unemployment rates.

– more than one-quarter (28.1 percent) of children living in families with a single father and nearly one-half (46.9 percent) of children living in families with a single mother, are poor.

“The Census data underscore the critical importance of strengthening our frayed social safety net,” says Skinner. “Extending unemployment benefits due to expire at the end of this year is absolutely essential to keeping more families with unemployed parents from slipping into poverty. With more people out of work and cut off from employer-sponsored health insurance, it is also vital that states and the federal government support the Medicaid and Child Health Insurance programs – lifelines for poor children and their families.”
NCCP says that childcare subsidies are critical to helping low-income parents get and keep the jobs they need to make ends meet. Subsidies also help their children access stable, good quality care to support their development and learning.

Yet a number of states are cutting back drastically on their subsidy programs. “This is dangerously short-sighted and will do very little to close state budget gaps,” says Skinner. “Given what we know about the damaging effects of poverty on children’s prospects for school success and good health outcomes, a failure to reverse these trends will reduce the life opportunities of growing numbers of children. That would be a tragedy for our children and an irresponsible disinvestment in the future of our nation.”

The National Center for Children in Poverty (NCCP) is the nation’s leading public policy center dedicated to promoting the economic security, health and well-being of America’s low-income families and children. Part of Columbia University’s Mailman School of Public Health, NCCP uses research to inform policy and practice with the goal of ensuring positive outcomes for the next generation.

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