

NEW DATA SHOW ECONOMIC RECOVERY HAS NOT BENEFITED CHILDREN NCCP Responds to Release of Annual Census Data on Poverty

August 29, 2006

Today the U.S. Census Bureau released new data showing that in 2005, the child poverty rate in the U.S. remained at 18%. The National Center for Children in Poverty (NCCP) is deeply troubled that despite economic growth, the overall trend since 2000 has been a dramatic increase in the number of children living in poverty—there were 1.3 million more poor children in 2005 compared to 2000. As we mark the anniversary of Hurricane Katrina—and subsequent empty promises to confront poverty with bold action—NCCP urges policymakers to make a commitment to improving the lives of our nation’s youngest citizens.

Despite growth in the economy in recent years, the new Census data reveal that many Americans have not benefited from the recovery. American workers and their families are simply not getting ahead—the *New York Times* reports this week that the inflation-adjusted median hourly wage has declined since 2003.

Two-thirds of children living in poverty have at least one parent who is employed. But work at low wages is not always enough to support a family. It takes a full-time job at \$9.60 an hour just to reach the poverty level for a family of four, which is \$20,000 a year. Research shows that a family living at the poverty level can’t meet their children’s basic needs; it takes an income of twice this level for a family to be minimally self-sufficient.

Children whose families experience financial insecurity are at greater risk of struggling in school, having social and emotional problems, and being in poor health. Unless these problems are addressed, children who grow up in poverty are likely to struggle as adults—both in the labor force and as parents. This is not healthy for these individuals, nor for our nation.

Today’s Census Bureau numbers underscore the need for an intensified commitment to developing policy solutions that explicitly address the needs of children. NCCP recommends two major strategies:

- **Make work pay**
Research is clear that poverty is the greatest threat to children’s well being. Strategies that help parents succeed in the labor force help children. Policies such as expanded earned income tax credits and regular increases in the minimum wage are critical to supporting income growth for low-wage workers. Such workers also need access to benefits that higher-wage earners take for granted, such as health insurance and paid sick leave.
- **Support parents and their young children**
To thrive, children need nurturing families and quality early learning experiences. Programs that target families with infants and toddlers, such as Early Head Start, have been shown to improve children’s cognitive development and their behavior, as well as parenting skills. Investments in preschool for 3- and 4- year-olds are just as critical. High-quality early childhood experiences can go a long way toward closing the achievement gap between poor children and their more well-off peers.

NCCP will conduct further analysis of the Census data in the coming weeks. Visit www.nccp.org to learn more about child poverty.

To speak with someone at NCCP, contact Sarah Fass at (646) 284-9692 or fass@nccp.org.

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.