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INCREASE CHILD CARE, HIGHER EDUCATION ASSISTANCE
AND SERVICE SECTOR PAY TO COMBAT POVERTY
23 million kids in low-income families have parents in the workforce

New York City – More than 80 percent of the children in America’s low-income families have at least one parent who works, and after a decade of decline, the proportion of children living in low-income families is rising again, a trend that began in 2000, despite high levels of employment.

The National Center for Children in Poverty (NCCP) says that about 23 million American kids are growing up in low-income working families – families that struggle to make ends meet, parents who worry daily about how to pay the bills, put food on the table and afford needed medical care, let alone get ahead.

On average, says NCCP, families need an income equal to about two times the federal poverty level ($20,650 for a family of four) to meet their most basic needs. Families with incomes below this level are referred to as low income: $41,300 for a family of four; $34,340 for a family of three; and $27,380 for a family of two.

“Even in families with a working parent or parents, children can suffer the consequences of economic insecurity,” says Jane Knitzer, EdD, director of the NCCP. “If these children do not succeed the growth and prosperity of our country is threatened.”

Fifty-six percent of all children in low-income families have at least one parent who works full time and year-round; 25 percent of children in low-income families have at least one parent who works part-time, or full-time, part of the year. About 17 percent of children in America live in families with incomes below the poverty level; 25 percent of the U.S. labor force works in jobs that pay poverty-level wages, according to NCCP.

“Surely, as a country, we can do better,” says Nancy Cauthen, PhD, deputy director of NCCP, who points to her organization’s statistics that show – not surprisingly – higher education to be a leading indicator of economic security. “The better educated we are as a society, the more likely it will be that our children succeed.”

So what can be done?

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“First, our state and federal policymakers can use good data to make informed decisions that help lead America out of poverty,” says Cauthen. And that’s precisely why NCCP continues its research work to advance solutions to strengthen families.

NCCP recommends raising pay, especially in the service industries. Another suggestion: help low-income working parents with child care costs. “Despite the expansion of child care subsidies in the ’90s, coverage rates are still low, especially for families with incomes above the poverty level,” says Cauthen. “To maintain employment, working parents and especially those enrolled in higher education need affordable, stable child care arrangements for their children and yet, over the past six years, 25 states have reduced child care subsidies.”

NCCP also recommends increasing access to financial aid for low-income students – a 2004 Urban Institute study found that, in the past decade, federal resources for higher education have primarily benefited higher-income families.

For NCCP’s 2007 demographic fact sheets on America’s low-income families, access: www.nccp.org/publications/fact_sheets.html.

The National Center for Children in Poverty 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.