



National Center for Children in Poverty
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For Immediate Release

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NCCP STATEMENT: PRESIDENT OBAMA'S SPEECH ON JOB CREATION

In a speech Dec. 8, President Barack Obama outlined three main areas to promote job creation, including tax incentives and support for lending to small businesses, investing in infrastructure, and initiatives to promote energy efficiency projects and green jobs.

The National Center for Children in Poverty (NCCP) supports the President's proposals targeting job creation and growth. As research consistently shows, families need an income of about twice the federal poverty level to make ends meet. Looming job loss and unemployment means that more families and children are being pushed to the margin and lack the necessary resources to provide even the most basic necessities. Any effort made on the part of government to stimulate and promote job growth is a good thing for families currently struggling during these difficult times.

NCCP also supports President Obama's proposal to extend relief in the Recovery Act to increase unemployment insurance benefits, increase subsidies to purchase health insurance through COBRA, and provide additional relief to states and localities to prevent layoffs. These are important steps to help families maintain their increasingly compromised financial footing as they search for employment. However, it is too early to tell whether these measures will be sufficient to meet the increased burden on families, states and localities.

The president acknowledged the increased pressures on the social safety net and the fact that some components are working. The question is, For how long? A social safety net that has been largely neglected by the federal government and often undermined by states and localities as they seek to find savings and meet budget shortfalls may crumble under the increases in SNAP (food stamps), Medicaid, and TANF enrollments.

In the last year alone, all 50 states reported increases in SNAP/food stamp participation. Between September 2008 and September 2009 the number of people enrolled rose to a record 37,175,938, (an increase of 680,035 individuals from August 2009, the prior record level), and an increase of nearly 5.6 million people compared with September 2008. Medicaid enrollments increased by nearly five percent between December 2006 and December 2008 (the most recent year for which data are available) suggesting that more adults and children are turning to this public health insurance program.

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Regardless of how they are calculated, TANF recipient (families, adults, or children), caseloads are on the rise. Putting people back to work by focusing on job creation and growth is one of the most important steps the federal government can take. But without concurrent attention to shoring up the safety-nets necessary to support families experiencing serious economic setbacks, job creation efforts may be only half as effective in getting these families back on track and out of poverty.

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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.