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1.7 Million More Children in the US Live in Low-Income Working Families Today Than in Midst of Great Recession

State and federal policies that focus simultaneously on children and their parents can help more families enjoy the nation's growing prosperity

BALTIMORE – About 1.7 million more children live in low-income working families today than during the Great Recession, according to the newly released 2015 *KIDS COUNT*[®] *Data Book* from the Annie E. Casey Foundation. In 2013, one in four children, 18.7 million, lived in a low-income working family in the United States. Nearly a third of children are living in families where no parent has full-time employment. And even when parents are working full time, wages and benefits are often not sufficient to adequately support a family. In Montana, there has been a slight increase in the percentage of children living in high poverty areas from six percent to seven percent.

The 2015 *Data Book*, which focuses on key trends in child well-being in the post-recession years, measures child well-being in four domains: economic well-being, education, health, and family and community. The Casey Foundation report finds that the rising tide of recovery, with both increased employment and more concentrated wealth, has left pockets of low-income, struggling communities and families. This is of dire urgency, as we know that a child who is raised in poverty is more likely to become an adult in poverty, and that kids succeed when families succeed.

“Although we are several years past the end of the recession, millions of families still have not benefited from the economic recovery,” said Patrick McCarthy, president and CEO of the Casey Foundation. “While we’ve seen an increase in employment in recent years, many of these jobs are low-wage and cannot support even basic family expenses. Far too many families are still struggling to provide for the day-to-day needs of their children, notably for the 16 million kids who are living in poverty. We can and must do better: we can make policy choices to lift more families into economic stability.”

Montana rankings for the 2015 *Data Book*

Since last year’s report, Montana’s overall ranking improved one spot from 31st in the US, to 30th. The real story lies in the improvement of the state’s rank in children’s health. For the previous two years, Montana was ranked 50th in the United States, which was cause for deep concern. This year, the state has moved up to 47th. The state has seen significant gains in

the areas of the number of children with health insurance coverage, and decreased rates of teen substance abuse rates. In addition, there has been improvement in the child and teen death rate, with 26 fewer deaths for children (ages 1-19) in 2013, than in 2010.

In other domains, there have been mixed results. For example, the rank for economic well-being has improved to the 20th spot. Some of the drivers for improvement between this year and last: fewer households struggling with high housing costs, and fewer teens that are not in school or working.

Education on the other hand has slipped overall, a big factor being that there are fewer children attending preschool. This is significant as high quality early education lays a foundation for future learning and development. And, while 8th grade math proficiency and on-time high school graduation improved, 4th grade reading proficiency showed some declines.

Poverty is Persistent in Many Neighborhoods

Despite being several years into the economic recovery, approximately one in five children lives in poverty in Montana.

- Approximately 47,000 children live in poverty in Montana; the same number of children as in 2008.
- At 21 percent in 2013, the rate of child poverty is still several percentage points higher than before the recession, when it was 17 percent.

Recovery sidesteps children of color

Race is one of the strongest factors influencing a child's economic stability. Data show the economic recovery of the past several years has bypassed many children of color. "The national averages belie the stark reality that millions of children, particularly African Americans, Latinos, and American Indians live on the precipice of poverty. Today, as the economy recovers, we see a widening gap between the living standards of many children of color and other kids," said Laura Speer, associate director for policy reform and advocacy.

Solutions that provide opportunity for all children

National and state level policies have proved that investments in health and education can create lasting positive differences for children. The Children's Health Insurance Program (CHIP), which provides low-cost health insurance coverage to children, was implemented 15 years ago and has drastically reduced the number of children without health insurance. In Montana, there has been a 30 percent decrease in the overall number of children without health insurance coverage since 2008. However, while only 10 percent of Montana children are currently uncovered, the rate is twice as high among American Indian children. Increasing

access to health insurance is crucial in insuring all children have a fair chance at a healthy start.

Further, while Montana has seen slight improvements in child and teen death rate, the state needs to continue to improve by enacting policies in the areas of traffic safety, suicide prevention and substance abuse prevention.

In terms of increasing economic security for families with children, tax credits (such as the Earned Income Tax Credit) and food stamps (also known as the Supplemental Nutrition Program or SNAP) have helped lift people out of poverty. However, even with these resources, millions of low-income families still struggle with meeting their families' basic needs.

The Casey Foundation offers a number of recommendations to make good on the promise of opportunity for all children. The Foundation promotes a two-generation strategy that simultaneously addresses the needs of children while at the same time providing tools and resources to their parents. Three critical strategies include:

- Provide parents with multiple pathways to get family-supporting jobs and achieve financial stability.
- Ensure access to high-quality early childhood education and enriching elementary school experiences.
- Equip parents to better support their children socially and emotionally and to advocate for their kids' education.

The Casey Foundation recommends policies that promote higher pay, paid sick leave, flexible scheduling and expanded unemployment benefits that will result in higher family income, reduced parental stress and an increased capacity of parents to invest in their kids. Detailed recommendations can be found in the 2014 report, [Creating Opportunity for Families: A Two-Generation Approach](#).

The 2015 Data Book will be available July 21 at 12:01 a.m. EDT at www.aecf.org. Additional information is available at <http://datacenter.kidscount.org>, which also contains the most recent national, state and local data on hundreds of indicators of child well-being. The Data Center allows users to create rankings, maps and graphs for use in publications and on websites, and to view real-time information on mobile devices, <http://mobile.kidscount.org>.

The Annie E. Casey Foundation creates a brighter future for the nation's children by developing solutions to strengthen families, build paths to economic opportunity and transform struggling communities into safer and healthier places to live, work and grow. For more



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