

Board of Directors

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**STATEMENT BY ROBERT GREENSTEIN,
EXECUTIVE DIRECTOR,
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ON THE NEW CENSUS BUREAU DATA ON
POVERTY, INCOME, AND HEALTH INSURANCE**

The new Census figures are disappointing for the fifth year of an economic recovery — showing a significant decline in poverty for people over 65 but *no* significant decline in poverty for children or adults aged 18 to 64, and only a modest improvement in median income. In 2006, the poverty rate remained higher, and median income for non-elderly households remained \$1,300 lower, than in 2001, when the last recession hit bottom. It is virtually unprecedented for poverty to be higher and the income of working-age households lower in the fifth year of a recovery than in the last year of the previous recession.

The new figures are the latest evidence that the economic growth of the past few years has been very uneven, with the gains concentrated among the highest-income Americans. Too many low- and middle-income families are not sharing in the gains. These figures are inconsistent with claims that the policies of recent years have produced an outstanding economic track record.

Number of Uninsured Children Climbs by 600,000

Perhaps of greatest concern, the number of Americans without health insurance increased by 2.2 million in 2006, and the number of uninsured children jumped by more than 600,000. The steady progress of recent years in reducing the number of uninsured children stalled in 2005 and began to reverse in 2006, in part because funding available for states to increase the number of children enrolled in the State Children's Health Insurance Program (SCHIP) grew scarcer.

This is particularly noteworthy because the President has vowed to veto legislation that the House and Senate passed (in different versions) that would resume progress in this area and shrink the number of uninsured children by 3 to 4 million. In addition, on August 17, the Administration unveiled a controversial new policy that would force many states to cut back their SCHIP programs, forcing up to several hundred thousand more children into the ranks of the uninsured. The sobering data on the rising number of uninsured children should prompt the President to rethink his positions on children's health insurance.

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