



**Wider
Opportunities
for Women**

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NEW REPORT SHOWS NEARLY HALF OF AMERICANS ARE LIVING WITHOUT ECONOMIC SECURITY

Federal Budget Cuts, Growth of Low-Wage Work Threaten Economic Stability of Families, Especially Women-Headed Households and Families of Color

WASHINGTON, DC -- As the Congressional Super Committee announces its inability to reach an agreement that would protect federal programs from severe budget cuts, a new report on family economic security shows that 45 percent of Americans unable to cover their basic expenses. The new report, based on a comprehensive analysis of economic and demographic data by Wider Opportunities for Women (WOW), finds many families are living without economic security even when household breadwinners are working. With 25 million Americans and their families struggling to find jobs or full-time work and many newly created jobs concentrated in low-wage industries, the findings suggest that federal budget cuts to programs like job training, career and technical education, unemployment insurance, and child care programs – all of which could face cuts without Congressional action - could compound the crisis facing American families.

According to the report, [*Living Below the Line: Economic Insecurity and America's Families*](#), 55 percent of all children, and a startling 77 percent of African American and Hispanic children, are living in families without economic security. Additionally, 43 percent of all households and 62 percent of African American and 66 percent of Hispanic households have incomes that fail to reach economic security. Although workers in dual income families have the highest rates of economic security, more than one in five of these families are still unable to make ends meet.

“This is a wake-up call for Congress, for our state policy-makers, really for all of us,” said Donna Addkison, President and CEO of Wider Opportunities for Women. “Nearly half of our nation’s families cannot cover the costs of basic expenses even when they do have a job. Under these conditions, cuts to unemployment insurance, financial aid for post-secondary education, job training, even child care assistance and other programs families are relying on right now would push them from crisis to catastrophe.”

The Basic Economic Security Tables™ (BEST) Index, [released this April by WOW](#), calculates the incomes families need to cover basic expenses, including child care, housing, health care, transportation, and savings. The measure shows single workers need \$30,012 a year – nearly twice the federal minimum

wage – to be secure. Single parents require nearly twice that income (\$57,756) to support two children, while dual-income households with two children require \$67,920.

WOW's analysis finds that the growth of low-wage jobs aggravates financial challenges for working families. The *BEST* shows jobs created in the coming years will not provide economic security wages to the majority of workers who do not have four-year college degrees. Fewer than 13 percent of jobs expected to be created by 2018, based on US Department of Labor projections, are likely to provide economic security to a single parent raising two or more children. A small majority of new jobs are expected to pay economic security wages for single workers without children, and approximately 43 percent of the new jobs will pay economic security wages for two workers raising two young children.

Recent economic data also show women are facing increasing unemployment, older women are facing higher rates of long-term unemployment and many women with jobs earn wages far below what they need to support their families. Forty-two percent of all women, 63 percent of African American women and 66 percent of Hispanic women lack economic security. Very few families headed by single moms—only 18 percent—are living with economic security. Only nine percent of Hispanic single moms and 12 percent of African American single moms are able to cover their families' expenses at current income levels.

“The majority of American families rely on women's incomes, but women face alarmingly high levels of economic insecurity for themselves and for their families,” said Addkison. “For the sake of our families, our communities and our economy, we must act now. Preparing women for and employing women in family-sustaining jobs must be national priorities if we are going to work ourselves out of this economic meltdown.”

Without a proposal from the Congressional Super Committee, federal programs are all at risk of devastating cuts. *Living Below the Line* suggests cut to jobs training programs, Pell grants, career and technical education, unemployment insurance, child nutrition programs and child care assistance would deepen the crisis many families are already facing. Investments in job training and job creation programs that rehire or retain teachers and first responders, employ construction workers and open doors for would-be entrepreneurs proposed in the American Jobs Act may offer a needed lifeline for American families by creating jobs in industries that offer family-sustaining wages.

The full report is available at: <http://www.wowonline.org/LivingBelowtheLine.asp>

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