



# NEWS RELEASE

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## **AZ Policies Have Improved Education, Child Care and Health Care for Working Families**

*Children's Action Alliance report calls for continued policies to support struggling families.*

Phoenix, AZ – Children's Action Alliance (CAA) today reported that Arizona's investments in education, child care and health care paid off for many Arizonans in recent years. The recently updated *The State of Working Arizona* shows that, prior to the recent economic downturn, Arizona was closing many of the gaps the state had struggled with for years, including the earnings gap between men and women and between Anglos and Hispanics and the income gap between Arizona and the national average.

"The bottom line is that public policies matter in the lives of everyday Arizonans," said CAA President and CEO Dana Wolfe Naimark. "A higher minimum wage puts more food on the table. Expanded health care coverage results in healthier children. We call upon all of our elected officials to use their leadership for families during these tough economic times. Budget cuts and policy reversals can rob us of our recent gains."

Changes in public policy have made important differences for Arizona's families. Specifically:

- Arizona's minimum wage law, passed by voters in 2006, led to higher wages for the state's lowest income workers and brought our state's median wages and incomes close to the U.S. average.
- KidsCare health coverage increased the rate of Arizona children with health insurance – even at a time when employer-based coverage was dropping.

*The State of Working Arizona* analyzes Census Bureau data trends through 2007. The publication was released today in conjunction with the *State of Working America 2008/2009* by the Economic Policy Institute.

The report highlights the critical importance of education for Arizonans. People with high school diplomas or a GED are twice as likely to be employed as high school dropouts, but only half as likely to be employed as someone with a bachelor's degree or other higher degree.

(more)

Educational achievement also makes a difference in wages, and this difference has increased over time. In 1979, the difference in the median wage for someone possessing a bachelor's or higher degree versus someone with less than a high school diploma was \$8.73. By 2007, the difference had grown to \$13.10.

### **Real Challenges Remain**

The report identifies two particular areas where Arizona still needs to improve: child poverty and supports for low-income working families. One in five Arizona children lives below the federal poverty level. Nearly half of all Arizona children live in low-income families (twice the poverty level), which is well above the national rate of 39.4%. And even with both parents working, low-income families have virtually nothing left at the end of the month to cover expenses such as clothing, school supplies, and personal items.

### **Recommendations to Strengthen Arizona's Families**

The report includes four public policy recommendations to further strengthen working families.

1. Continue to invest in education, workforce development and training that result in higher paying jobs with benefits while offering Arizona employers access to a more skilled workforce.
2. Strengthen child care subsidies to help more hardworking families afford child care that is safe and educational while parents are at work.
3. Provide statewide support for the Earned Income Tax Credit program to reach the 20-25% of Arizonans who meet the criteria but don't apply for the refundable federal credit.
4. Streamline eligibility processes and continue outreach for children who qualify for AHCCCS and KidsCare health coverage to improve the continuity of health care for thousands of uninsured low-income children.

Copies of the publication are available online at [www.azchildren.org](http://www.azchildren.org) or by calling Children's Action Alliance at 602-266-0707.

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*Children's Action Alliance is a non-profit, non-partisan organization dedicated to promoting the well-being of all of Arizona's children and their families through research, policy development, media campaigns and advocacy. For more information, please visit the CAA website at [www.azchildren.org](http://www.azchildren.org).*

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