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STATEMENT BY SEN. JACK REED
ON 2002 CENSUS BUREAU POVERTY AND INCOME DATA
Many Americans Worse-Off than in 2000, says Reed

Washington, D.C. – At a Capitol Hill press conference today, **Senator Jack Reed** (D-RI), member of the Joint Economic Committee, said that the 2002 annual poverty and family income data released today by the Census Bureau shows that the living standards of American families are “deteriorating unacceptably.”

“The typical American family doesn’t need government statistics to know that it is doing worse economically than when President Bush took office, but the latest reports from the Census Bureau paint a vivid picture for us. After a decade of great progress in reducing poverty and raising family incomes, we now see the economic fortunes of many American families deteriorating unacceptably.

“American families are losing ground as median household income declined 1.1 percent in 2002. The typical household has lost more than \$1,400 in income since President Bush took office. More than 34 million Americans live in poverty – 3 million more than two years ago. And this Administration is leaving children behind economically, as more than half a million children have slipped into poverty on the President’s watch.

“It’s no surprise why we are seeing these numbers. Economic growth has been too slow to reverse the loss of 3.3 million private sector jobs during this Administration. We are in what promises to be the most prolonged jobless recovery since the 1930s. This means that working families are experiencing job insecurity and stagnant or falling incomes. People farther down the economic ladder who are struggling to make the transition from welfare to work are faced with a very unwelcoming job market.

“The President’s policies aren’t working because they are focused on the wrong people. Cutting the highest marginal tax rates, working to eliminate the estate tax, and cutting taxes on dividends will do nothing for all but the richest few Americans. President Bush’s economic policies have failed to create jobs or provide adequate assistance to families trying to weather the jobless recovery. Unemployment benefits are inadequate, aid to needy families is falling, and cash-strapped states have had to cut programs that help parents find and keep jobs thanks to the President denying them aid.

“The Bush tax cuts are providing billions of dollars of aid to millionaires while denying tax relief to the families of 12 million low-income children. Legislation to restore the child tax credit benefits that were dropped from this year’s tax bill has been stalled in Congress for over two months. President Bush needs to tell the Republican leadership in Congress to stop dragging their feet and get this done.

“Next week, Senator Biden will introduce legislation to cancel tax cuts for the very wealthiest Americans in order to offset the President’s \$87 billion request for additional funds for rebuilding Iraq. This legislation is about demonstrating sacrifice during a time of war and the President should support it.

“More tax cuts that benefit the wealthiest in this country will only weaken our future economic prospects. The President must act with Congress now to prevent the unraveling of the broadly shared prosperity that we have seen over the past decade. Until the President begins to address the economic concerns of average Americans, we will continue to see more hardship, more hunger and more homelessness,” concluded Reed.

Senator Reed was joined by representatives from the National Urban League and the Coalition on Human Needs.

The Joint Economic Committee, established under the Employment Act of 1946, was created by Congress to review economic conditions and to analyze the effectiveness of economic policy.

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