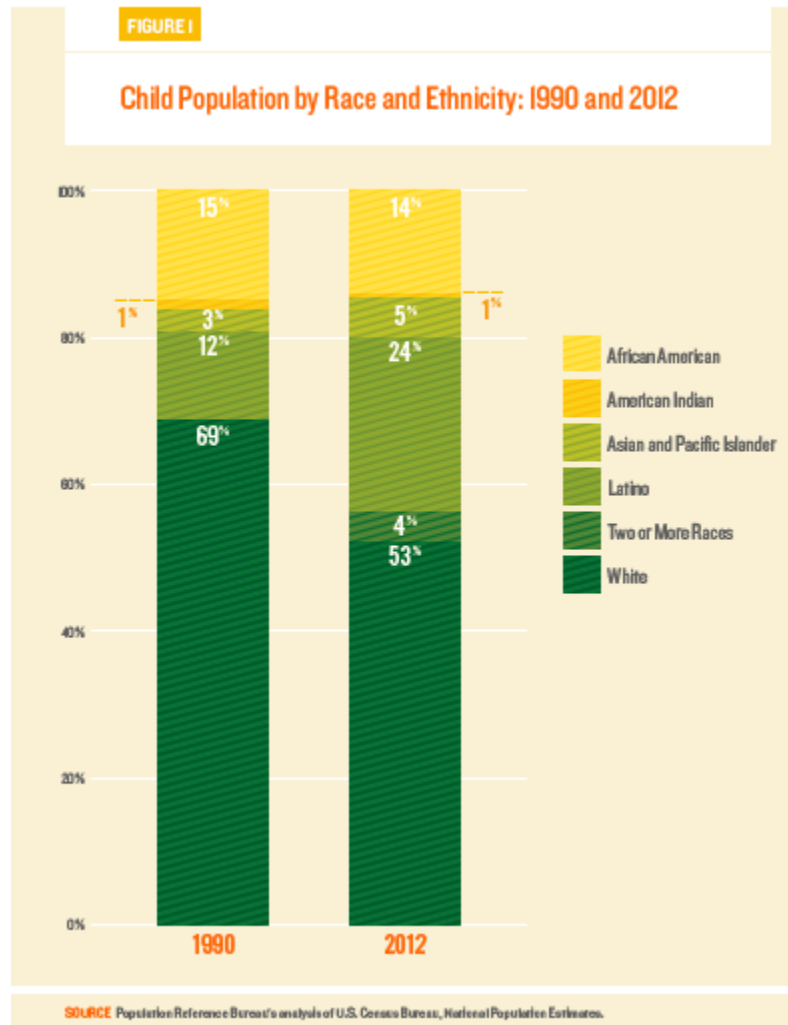


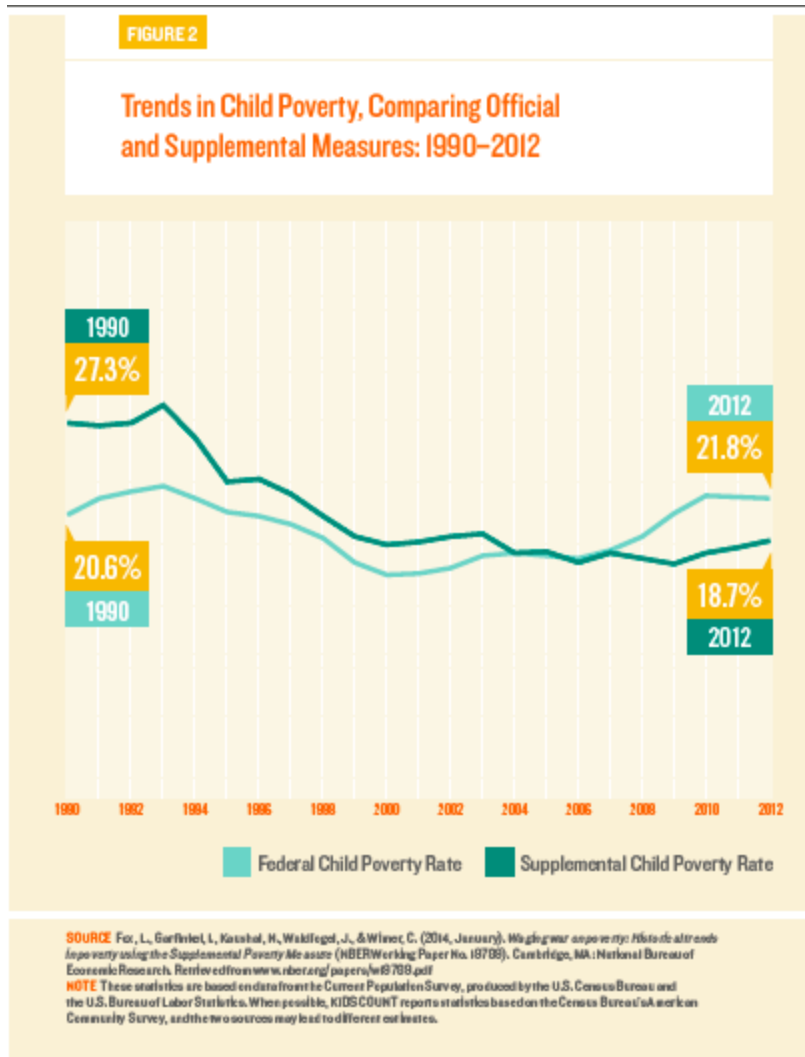
Children's Well-Being

With one indicator of a society's health being how it treats its most vulnerable members, we will look at some measures that show how we are treating a particularly vulnerable and important group, our children. The next figure shows momentous changes in the ethnic diversity of our children in the United States:



Source: Kids Count Data Book, 2014, State Trends in Child Well-Being, The Annie E. Casey Foundation.

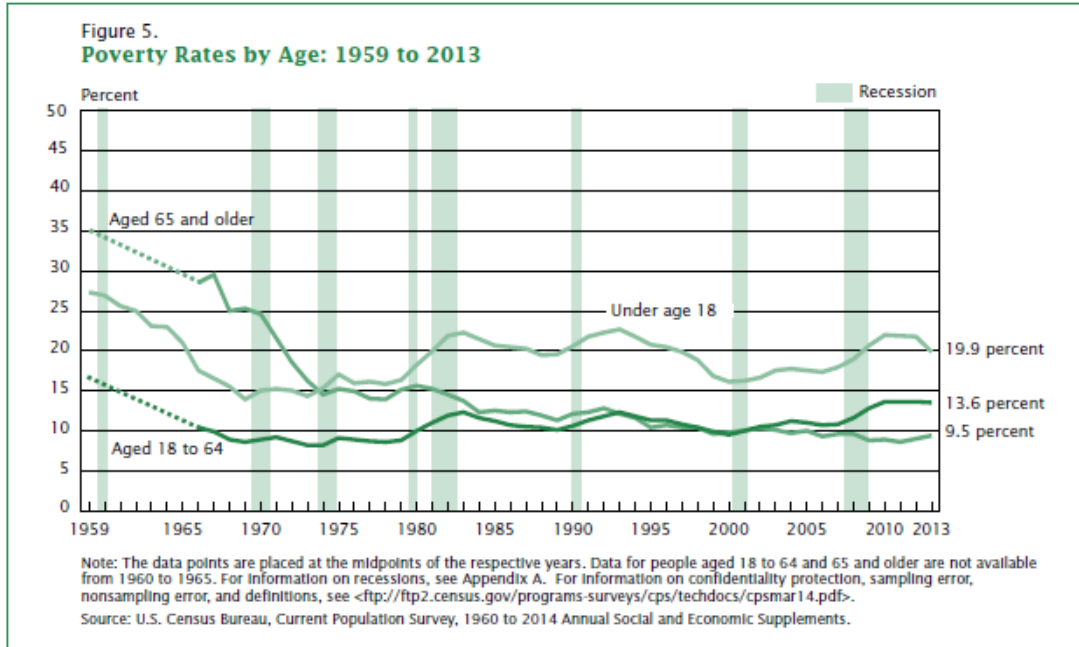
It is greatly concerning that still today about one in five of our children live in poverty as shown in the next figure:



Source: Kids Count Data Book, 2014, State Trends in Child Well-Being, The Annie E. Casey Foundation.

We can also see the significant contribution of anti-poverty initiatives. The supplemental measure of poverty trends down over time. This supplemental measure incorporates expenses and in-kind income more broadly than the traditional federal measure.

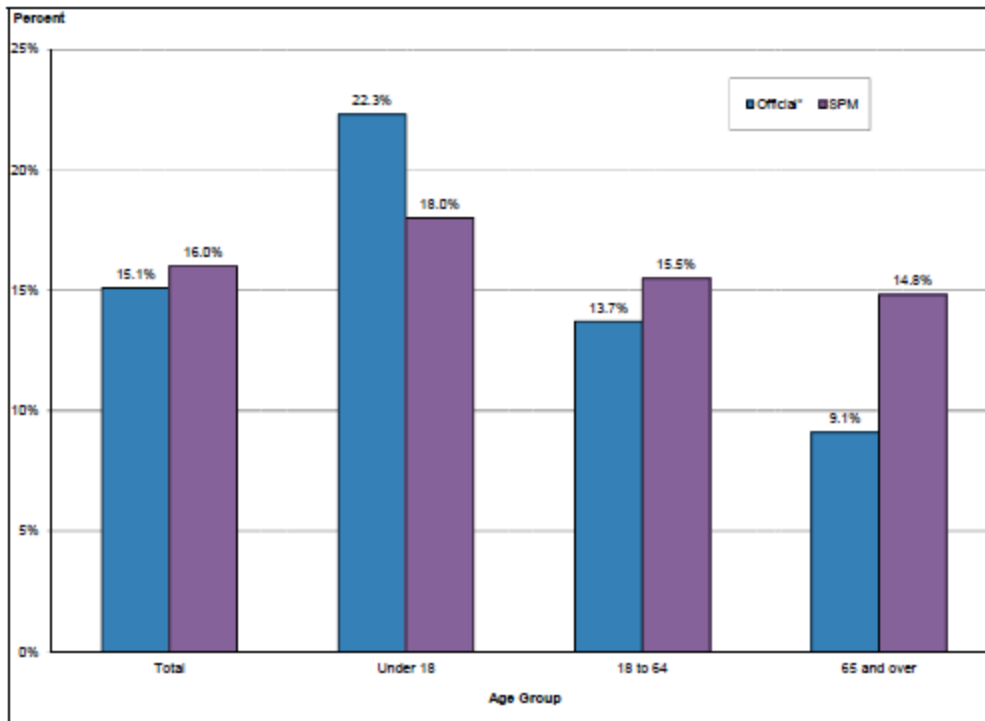
Now considering recent changes, it is good to see in the next figure that the federal child poverty rate fell in 2013, though this is from a high peak during the recent recession. The federal child poverty rate of 19.9% in 2013 is still of great concern. It significantly exceeds the poverty rate of other age groups:



Source: Income and Poverty in the United States: 2013, U.S. Census Bureau, September 2014.

A notable success shown in this figure is the on-going reduction in federal poverty rates for those aged 65 and older to 9.5% in 2013, largely due to Medicare and social security. This is in contrast to child federal poverty rates, which increased significantly in the 1980s, declined in the 1990s, and then increased again to prior high levels in the 2000s. The disparity in poverty levels between children and those aged 65 and over is less marked when the supplemental poverty measure (SPM) is used. Among other factors the SPM incorporates medical costs (higher for the older group), and in-kind benefits such as supplemental nutrition assistance which favor children. The effect of using the SPM rather than the official poverty measure is shown in the following figure:

Figure 9. Poverty Rates Under the “Official”^{*} and Research Supplemental Poverty Measures, by Age: 2012
(Percent poor)

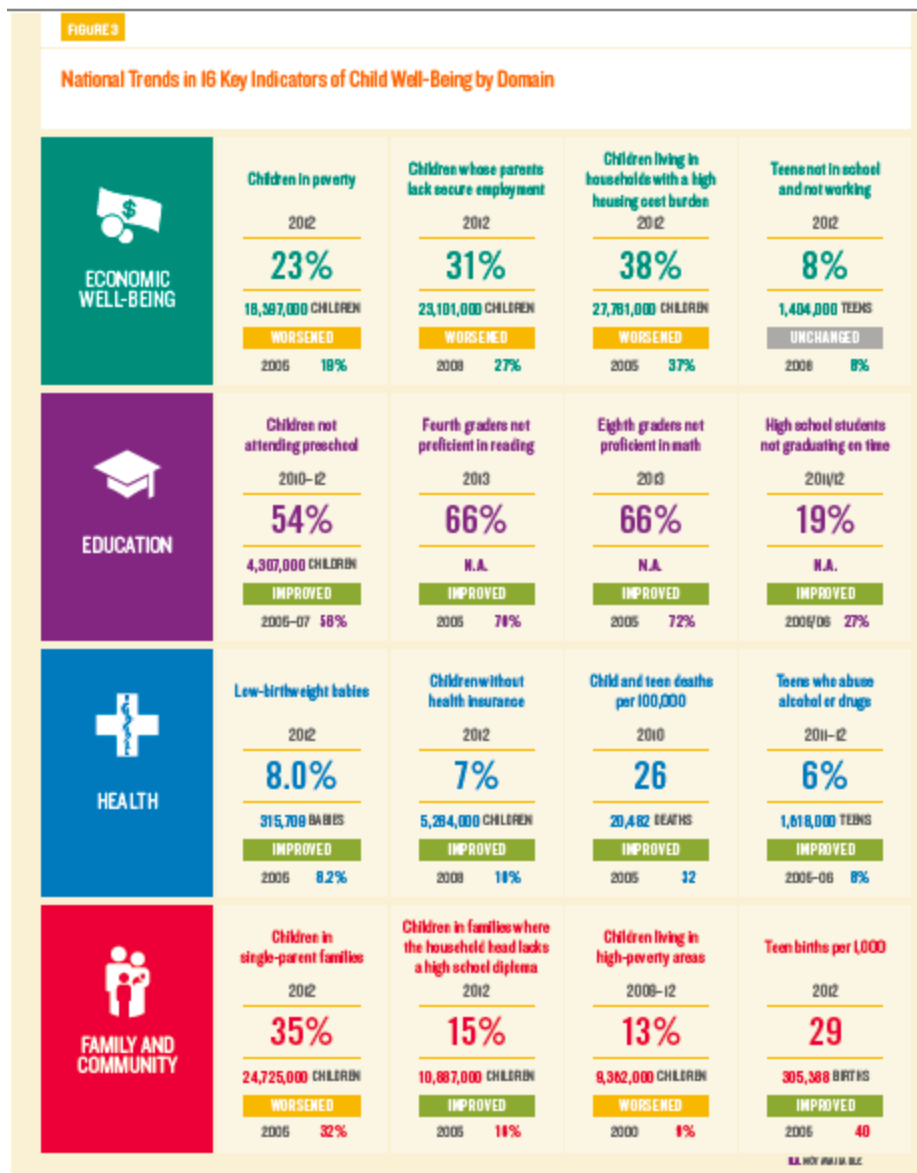


Source: Figure prepared by the Congressional Research Service (CRS), based on Kathleen Short, *The Research SUPPLEMENTAL POVERTY MEASURE: 2012*, U.S. Census Bureau, P60-247, Washington, DC, November 2013 <http://www.census.gov/prod/2013pubs/p60-247.pdf>.

* Differs from published “official” poverty rates as unrelated individuals under age 15 are included in the universe.

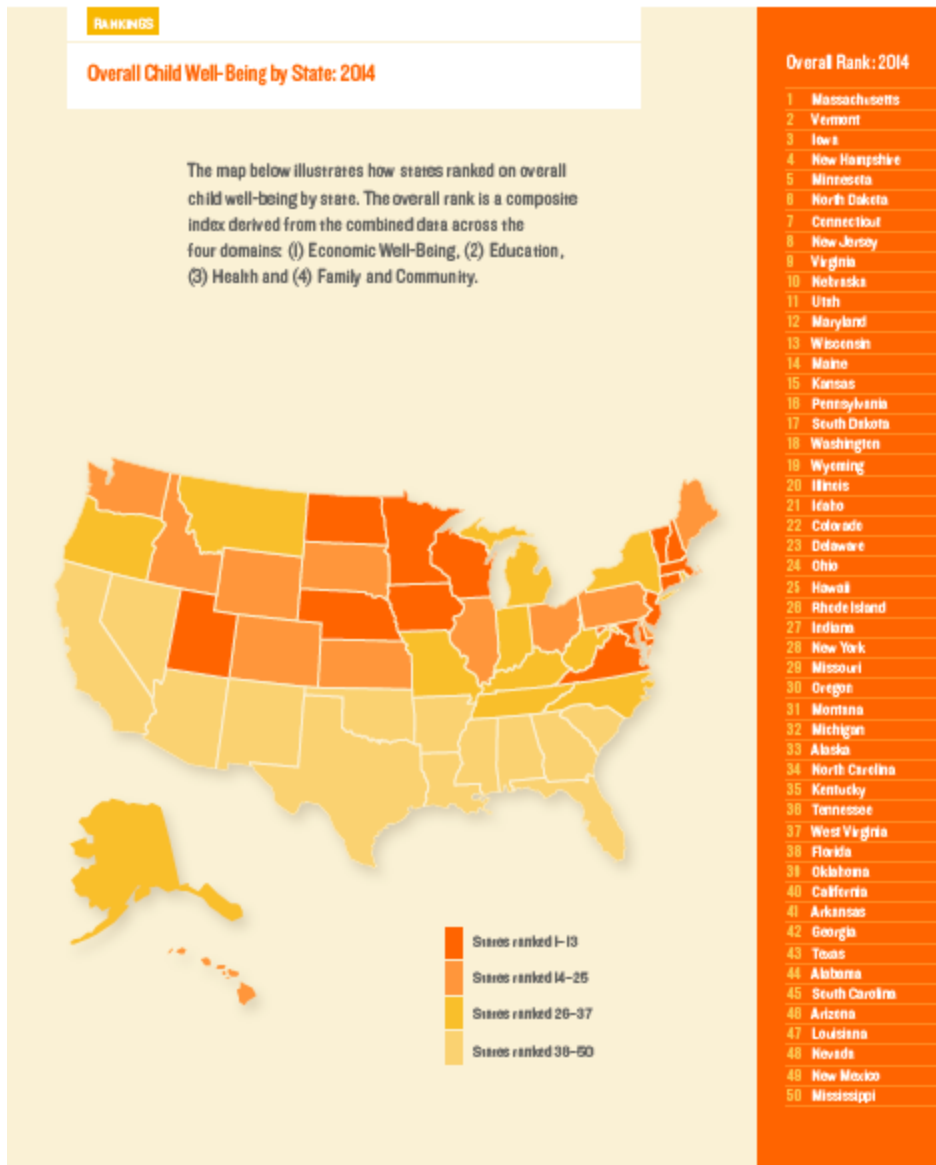
Source: Congressional Research Service Report for Congress, *Poverty in the United States: 2013*, September 25, 2014.

Sixteen key indicators of child well-being confirm that we have been losing ground on the economic front, though it is good to see progress on the education and healthcare fronts as shown in the next figure:



Source: Kids Count Data Book, 2014, State Trends in Child Well-Being, The Annie E. Casey Foundation.

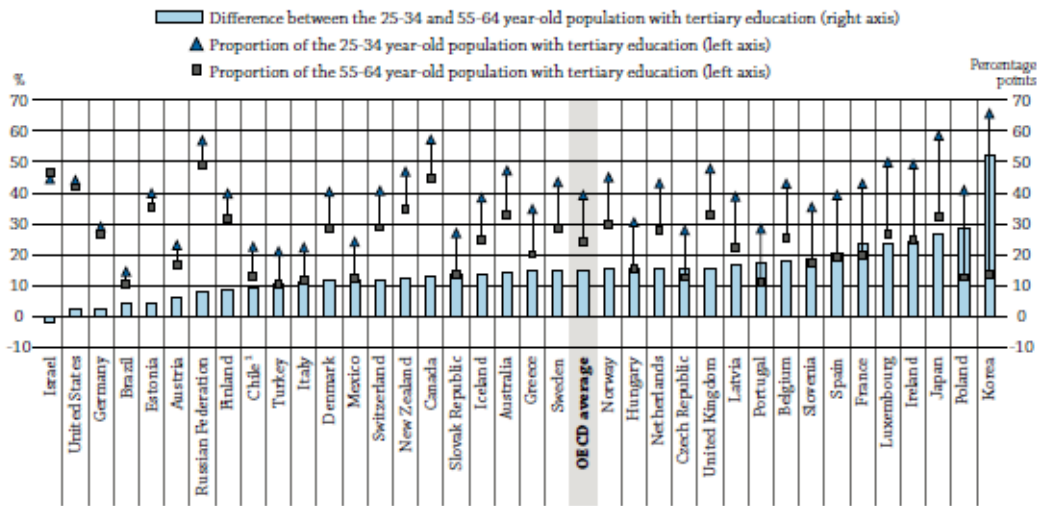
Not surprisingly there are wide variations by state, from Massachusetts with the greatest child well-being, to Mississippi with the lowest child well-being as shown in the next figure:



Source: Kids Count Data Book, 2014, State Trends in Child Well-Being, The Annie E. Casey Foundation.

Of concern also is the slowing pace of tertiary educational attainment (this refers to education after high school), with the United States second lowest among a group of countries in rate of improvement as shown by the bars in the next figure:

Chart A1.3. Percentage of younger and older tertiary-educated adults (2012)
 25-34 and 55-64 year-olds, and percentage-point difference between these two groups



1. Year of reference 2011.
 Countries are ranked in ascending order of the percentage-point difference between the 25-34 and 55-64 year-old population with tertiary education.
 Source: OECD, Table A1.3a. See Annex 3 for notes (www.oecd.org/edu/eag.htm).
 StatLink <http://dx.doi.org/10.1787/888933114989>

Source: Education at a Glance 2014, OECD Indicators, OECD.

We have much opportunity to strengthen the circumstances and prospects of our next generation with almost one in five children currently living in poverty. This goes to the heart of our commitment to community. One important step is to reduce the chasm of inequality in our country through public policy that addresses: educational inequities, needed progressive taxation levels, an increased minimum wage, and corporate governance to curb excessive senior level compensation.