



FOR IMMEDIATE RELEASE

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**Persistent Inequalities:
Poverty, Lack of Health Coverage, and Wage Gaps Plague Economic Recovery**

Washington, DC – 2004 marked another year of high poverty among female-headed families, with 28.4 percent, or nearly 3 in 10, of these households living in poverty according to data released today by the U.S. Census Bureau. Poverty has increased for the fourth year in a row, with 5 million additional people falling below the poverty line since 2000.

Between 2003 and 2004, the real median annual earnings of full-time year-round women workers shrank, for the second year in a row, to \$31,223. Nevertheless, the gender wage ratio rose slightly to 76.5 percent, because men's earnings dropped more, by 2.3 percent, to \$40,798. The number of people lacking health insurance in the United States grew by 2 percent between 2003 and 2004, to nearly 46 million people, or 15.7 percent of the population, lacking basic health insurance coverage.

Dr. Heidi Hartmann, President of the Institute for Women's Policy Research, stated, "These low health insurance rates and the persistent wage gap limit women's ability to move out of poverty. Women continue to sacrifice almost a quarter of their earning power every year to gender inequalities in the labor market. We need strong legal protections against discrimination and public policies that reduce poverty, increase wages, and extend health benefits to the uninsured."

Prior IWPR research shows that access to health care promotes job stability and retention among low-wage working mothers. *Women's Work Supports, Job Retention, and Job Mobility* finds that

low-wage working mothers with employer-provided health insurance are nearly three times as likely as those without insurance to retain their jobs over a three-year period. “Government and employers must work together to provide health insurance for all workers,” states Dr. Barbara Gault, Director of Research at IWPR. “By providing workers with adequate health benefits, employers can save money on hiring and training costs and build a more loyal and committed workforce.”

Today’s Census data also show that not only are more people poor and uninsured, but the depth of poverty has increased. Over 40 percent of America’s poor are now in dire poverty, earning only 50 percent or less of the federal poverty threshold. According to Dr. Avis Jones-DeWeever, IWPR Study Director, “Given the high level of need, recent Congressional efforts to cut funding for critical supports like Medicaid and Food Stamps are a major step in the wrong direction. The last thing that struggling families need now are policies that increase the risk of food insecurity while putting more families at risk of medical catastrophe.”

For more information on women’s earnings and the wage gap, see www.iwpr.org.