



PRESS RELEASE

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CONTACT: Gerry Bradley, Research Director, New Mexico Voices for Children
505-244-9505 ext. 23 (p), 505-264-0074 (c), gbradley@nmvoices.org

OR: Sharon Kayne, Communications Director, New Mexico Voices for Children
505-244-9505 ext. 30 (p), 505-401-8709 (c), 505-244-9509 (f), skayne@nmvoices.org

Report: N.M. Among States with Highest Income Inequality Gap between New Mexico's richest and poorest is 6th largest in nation

ALBUQUERQUE—New Mexico ranks sixth among the states – but it's not for a good measure. A national study shows that income inequality grew significantly between the richest and poorest, and even the richest and middle-income families, from the late 1990s to the mid-2000s. The study, "Pulling Apart," by the Center on Budget and Policy Priorities and the Economic Policy Institute, will be released April 9.

The richest New Mexicans have average incomes eight times as large as the poorest. Since the late 1990s, the average income of the richest New Mexico families increased from \$91,571 to \$118,608, while incomes for the poorest families stagnated.

Nationally, the wealthiest Americans saw their incomes rise by about 9 percent during this time period, while the lowest wage-earners actually saw their income decrease by 2.5 percent. Although the income inequality gap varies by state, no state showed a decrease. The report blames economic trends and government policies for the widening gap.

"Unfortunately, as the economy slows we can expect that low- and moderate-income families will be hit hard," said Gerry Bradley, Research Director for New Mexico Voices for Children, a statewide child advocacy organization. "Policies that the state put in place in 2007 – raising the minimum wage, creating the state Working Families Tax Credit, and increasing unemployment benefits – were good policies and will help some, but it's like a garden hose compared to the tidal wave-impact of the economy," he added.

The full report, press release, and state fact sheets are available under embargo at: <http://www.cbpp.org/4-9-08sfp.htm>. These materials will remain under embargo until 12:01am (EDT) on Wednesday, April 9.

The report authors will be available for comment on a national conference call on Tuesday, April 8, 12:30pm (EDT). Reporters may register for the conference call at <http://www.cbpp.org/confcall.htm>.

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2340 Alamo SE, Suite 120, Albuquerque, NM 87106; 505-244-9505 (p);

www.nmfiscalpolicyproject.org