

NEWS RELEASE

Legal Services of New Jersey
100 Metroplex Drive at Plainfield Avenue
P.O. Box 1357
Edison, New Jersey 08818-1357

Contact: Harvey Fisher
Phone: (732) 529-8430
Fax: (732) 572-0066
E-mail: hfisher@lsnj.org

March 22, 2011

NEW JERSEY'S ESCALATING PHENOMENON: POVERTY

EDISON – There are more people in New Jersey living in or on the edges of poverty than in the combined total populations of Boston, Baltimore, Cincinnati and Pittsburgh. A study made public today by the Poverty Research Institute of Legal Services of New Jersey paints a grim picture of poverty's growing grip in New Jersey, the second wealthiest state in the nation. There are 1,922,000 Garden State residents in poverty or teetering on the brink of the federally-defined poverty threshold. That's almost a quarter of the total population, including more than a half million children.

Poverty is rampant in New Jersey and getting worse. That's the crux of the just-released fifth annual report by the Poverty Research Institute of Legal Services of New Jersey. It offers a sweeping view of the hard numbers and detailed analysis of the depths of poverty in a state that is second only to Maryland in having the highest average median household income. "The numbers in this latest compilation are simply stunning, and terribly troubling," says Melville D. Miller Jr., president of Legal Services. "In the wake of the Great Recession, New Jersey poverty is markedly worse by every measure. For the sake of the two million people affected, almost 600,000 of them children, society – and its government – simply must provide more help, more care, and more protection."

— MORE —

Behind the statistics are the faces of people trying to stay afloat on very limited incomes. In North Brunswick, for example, there's Asel. She and her children – an autistic five-year-old boy and a seven-year-old girl – virtually every month are scraping to get by on the \$13,144 the 37-year-old woman receives annually in custody payment from the kids' father and federal disability benefits for the boy. There are times for the family when just being able to afford food becomes hairy. "Right now I'm surviving and counting every penny," she says. "I told my kids we are having a hard time. Just thinking about it, I get stressed very badly."

In Newark, there's Felice, who soon turns 50. She is recovering from a brain aneurism, and dealing with painful shoulder, hip and knee problems as she admittedly battles recurring thoughts of suicide to end her nearly constant rush of anxiety over not having enough from her monthly income of \$1,042 to pay the rent or even enough left over for food. Locked in poverty, she says her life is "very depressing. I do a lot of crying. I don't understand why this has happened to me – what did I do?"

The Poverty Research Institute report shows that children, the elderly, African-Americans, Hispanics, and single moms are among the most hurting financially. And there are slightly more white New Jerseyans, 280,000, in the poverty ranks than African-Americans or Hispanics. Asel, the woman with two children in North Brunswick, has an income level that is even several thousand dollars below what the federal government defines as poverty. She is not alone. There were nearly 800,000 or 9.4 percent of all New Jerseyans like Asel living below 100 per cent of the federal poverty level – defined and set at \$17,600 in 2008 for a family of three, \$10,400 for a single person, \$14,000 for a couple, and \$21,200 for a family of four.

— MORE —

There are experts who say the situation for poor people is even worse than the Census figures show, because the real cost of living in the various communities of the Garden State far exceeds what the federal government defines as poverty thresholds. Felice, the Newark woman, too, is not alone. She falls into a category of people said to be on the brink of poverty. They are those with incomes below 200 percent or double the federal poverty threshold. In New Jersey there are nearly two million such individuals – 22.5 percent of all the residents in the Garden State.

One of the most poignant findings of the Poverty Research Institute’s 169-page report, entitled, “Poverty Benchmarks 2011: Assessing New Jersey’s Progress in Combating Poverty,” zeros in on the number of homes in New Jersey in which the inhabitants “experienced low food security.” In short, people in 355,000 or 11.1 percent of all the households in the state in 2009 were torn at times with the anxiety of not knowing where their next meal might come from or whether they could feed their kids adequately.

Some of the major statistical points underscored in the Poverty Research Institute’s report include:

- 1,922,000 or 22.5 percent of all New Jerseyans live below 200 percent of the federal poverty level, which amounted to \$35,200 in 2008 for a family of three.
- 799,000 or 9.4 percent of all New Jerseyans live below 100 percent of the federal poverty level, which amounted to \$17,600 in 2008 for a family of three.
- 591,000 or 29.2 percent of all New Jersey children live below 200 percent of the federal

— MORE —

poverty level. A total of 273,000 or 13.5 percent were below 100 percent of the poverty level.

- 292,000 or 25.9 percent of all New Jersey's elderly live below 200 percent of the poverty level. A total of 89,000 are below 100 percent of the poverty threshold.
- 206,000 or 18.1 percent of all African Americans live below 100 percent of the poverty standard, including 81,000 children.
- 262,000 or 18.3 percent of all Latinos live below 100 percent of the poverty level, including 111,000 children.
- 280,000 or 5.4 percent of all white residents are 100 percent below the federal poverty level, including 68,000 children.

Much of the poverty is centered in the state's urban areas, but there are pockets or enclaves of poverty in just about every one of the state's 566 municipalities, the report notes. It points out that many people are in the throes of poverty because they do not make enough at their jobs, are sidelined with disabilities or other major medical problems, have low education levels or have other confining issues. As one of the report's authors, Shivi Prasad, puts it, "Through this report, the Poverty Research Institute is striving to stimulate awareness of the plight of people living in poverty and also challenge preconceptions about the nature of poverty. People are poor sometimes because they don't have a choice."

While recognizing the precarious economic times, the report calls for a number of funding and requirement changes. But its overriding message is that there needs to be a more comprehensive or central-based government operation for providing, coordinating and

overseeing help for the poor. That point is stressed by Zane Kratzer, another of the report’s authors. “Currently, we have a patchwork of agencies and programs dealing with people in poverty. We need a comprehensive approach to tie the efforts together. This report calls on the State to make work accessible for those who need supports; make certain that those who are working are not living in poverty; provide supports for those who cannot work; and strengthen the commitment to ensure that all New Jerseyans are able to meet their most basic needs.”

Poverty Benchmarks 2011 not only keys in on significant Census findings for New Jersey as a state, but also provides similar statistics for each of the state’s 21 counties. Beginning today (March 22) the full report can be seen at <http://www.lsnj.org/PDFs/budget/Benchmarks2011.pdf>.

Individuals who deal regularly with various aspects of poverty will be part of a panel today commenting on the report at the New Jersey State Museum in Trenton, from 10 a.m. to 1 p.m. The speakers at the public event include Ray Castro of New Jersey Perspective, Arnold Cohen of the Housing and Community Development Network of New Jersey, Adele LaTourette of the New Jersey Anti-Hunger Coalition, and Maura Sanders and Josh Spielberg of Legal Services.

Legal Services of New Jersey, located in Edison, is the coordinating office for the state’s system of Legal Services programs, which provide essential legal aid in civil matters to low-income people in all twenty-one counties in New Jersey. To help reduce the legal needs of those in poverty, the Poverty Research Institute, established by Legal Services in 1997, conducts systemic research on the incidence, effects and other aspects of poverty in the state, and the relationships among poverty, work and public policy, and makes its findings available to the public.

#