

NEWS RELEASE

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FOR IMMEDIATE RELEASE

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NEW JERSEY POVERTY RATE HITS DOUBLE DIGITS

EDISON – According to new data released today by the U.S. Census Bureau, New Jersey’s poverty rate reached 10% in 2009-10, the highest it has been since 1993-94. “It is clear from today’s poverty data that the recession has not ended for many, and it continues to have a devastating effect for many children, families and individual adults,” said Melville D. Miller, president of Legal Services of New Jersey (LSNJ), reflecting on the estimate that 32,266 additional New Jerseyans fell into poverty in the first calendar year after the official end of the recession. “Most disturbing,” he added, “is that the rate of poverty continues to increase, with the rate of increase now near a record high, at an astonishing 8%.”

“Statewide poverty increased from 9.3% in 2008-09 to 10.0% in 2009-10,” according to Anjali Srivastava, co-director of the LSNJ Poverty Research Institute. (See Chart 1.) “This continues a trend of increasing poverty since 2004-05. The data provide an initial statewide estimate this month. The Census Bureau will release more detailed information, including county poverty rates, from the American Community Survey on September 22, when the LSNJ PRI will conduct further analysis.”

The federal poverty threshold, which varies by the number and ages of household

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members, was \$22,113 for a two-adult, two-child household in 2010. “The number of the most desperately poor,” noted Srivastava, “those with incomes below half the poverty level, increased from an estimated 377,926 (4.4% of the population) in 2009-10 to 436,419 (5%) in 2009-10. Looking at New Jerseyans in true poverty, those living with incomes below the real cost of living,” she continued, “the numbers increased from 2,089,569 (24.3%) to 2,143,699 (24.8%).” Single year estimates for 2010 and detailed information about child poverty, including differences by race and ethnicity, will be part of the September 22 release.

According to LSNJ PRI co-director Allan Lichtenstein, “Unemployment was at 9.7% in New Jersey during March 2010, the month the poverty information was collected, compared to 8.4% in March 2009. The percentage of unemployed has remained above 9% for the past 27 months, with the July 2011 rate at 9.5%.”

“Today’s data also show that the percentage of New Jerseyans who lacked health insurance, which remains high, continues to be higher among those in poverty than the general population,” according to Shivi Prasad, senior researcher and policy analyst at LSNJ PRI. “In 2009-2010, 278,923 low-income people – 32.10% of the population group – were uninsured, compared to 15.6% (1,347,965) among the entire population.”

“Combined with data on food security released by the Department of Agriculture earlier this month, today’s data show that New Jersey’s residents made vulnerable to poverty’s harms need protection,” said Miller. “Food insecurity, defined by the USDA as occurring when, at some point during a year’s time, a household did not have enough

food for an active, healthy lifestyle for all family members, was at 12.1% in New Jersey for years 2008-2010; this figure represents a continued increase in three-year averages since the 7.7% rate in 2004-06. This is more evidence of the need for sustained government funding for anti-poverty programs.” (See Chart 3.)

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 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. LSNJ’s Poverty Research Institute provides a detailed report on poverty and state responses every year in its *Poverty Benchmarks* report series. This and other reports are available on the web at <http://www.lsnj.org/PRI.aspx>.

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SEE CHARTS ON THE FOLLOWING PAGES

Chart 1: New Jersey Poverty Rate

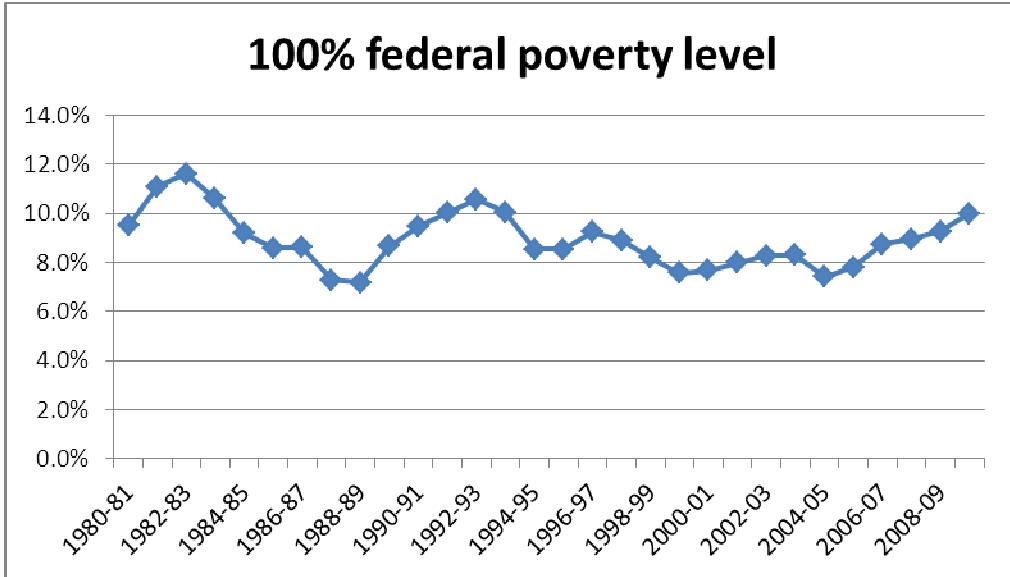


Chart 2: Percentage Change in Two Year Averages of Poverty Rates

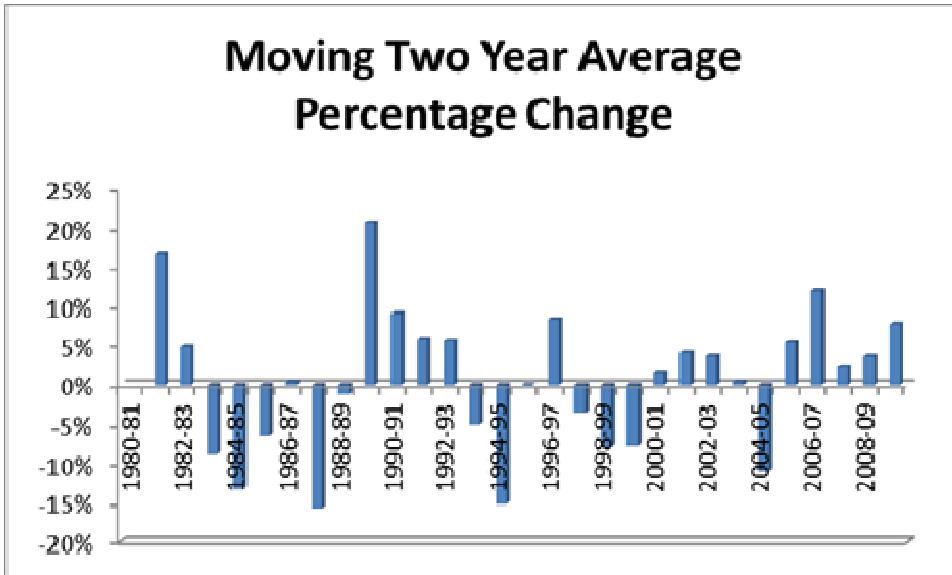


Chart 3: Percentage of New Jersey Households with Low Food Security, Three Year Averages

