NEWS RELEASE

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FOR IMMEDIATE RELEASE

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CENSUS RELEASE REVEALS PLIGHT OF CHILDREN IN POVERTY AND WORKERS

EDISON – "They are the innocent bystanders," says Legal Services of New Jersey (LSNJ) president Melville D. Miller, Jr., about the ever-increasing number of New Jersey children growing up in poverty.

The latest Census and other statistics show that children are among the biggest victims in the mushrooming ranks of people in poverty in the Garden State. And the figures released Thursday by the Census, while showing a significant increase, may actually understate by some 50 percent the magnitude of children in poverty, according to LSNJ officials.

The nearly 300,000 children in poverty cited by the Census more realistically may be slightly more than 600,000 – or about one of every three of the state's 2 million residents below 18 years of age, LSNJ said.

"This is an enormous and unacceptable problem," says Miller. "Children cannot fight for themselves. And the numbers have been increasing in almost every one of New Jersey's 21 counties."

"Children are among our most vulnerable residents, and studies confirm that growing up in poverty could have long-term consequences on their health and development," notes Anjali Srivastava, co-director of the LSNJ Poverty Research Institute (PRI), which now is in the process of preparing for distribution early next year its annual overall study on poverty in New Jersey, the *Poverty Benchmarks* series.

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The Census figures apply to those New Jerseyans calculated to be below 100 percent of the federal threshold for defining poverty, which, for example, amounts to just \$22,113 for a family of four with two children. Many authorities have long maintained that, given New Jersey's very high cost of living, 200 percent of the federal poverty level is a much better gauge and marker of true poverty in the state. At that true poverty benchmark, far more people would fall into the ranks of the impoverished, including a family of four with an annual income of slightly more than \$44,000.

The dichotomy between a 100 percent or 200 percent calculation for defining poverty also comes into play when assessing the number of the working poor and unemployed in the Garden State.

The Census reported that, between 2008 and 2010, about an additional 105,000 New Jerseyans 18 to 64 years of age fell into poverty. But PRI Researchers point out that, during the same two-year period, the increase in the number of men and women in that working age bracket in true poverty was much closer to 195,000.

"Over the past two years, working age adults have seen a greater rate of increase in poverty than even children, a population that has historically been much more vulnerable, reaching more than 21 percent last year," states Zane Kratzer, PRI senior researcher and policy analyst. "Of course, the impact can likely be attributed to the recession and its lingering effects."

It is clear that jobs and sufficient wages to get people out of poverty are lacking. Statistics show that that, among those 16 and older who were in poverty, more than a third worked at various times during the year. Essentially, there has been a growth in the ranks of the working poor – people who gain jobs with incomes that put little dent in getting out of poverty. That, coupled with declining median household income rates in more than half of New Jersey's 21 counties and the 9 percent or more unemployment rates, reflect the continuing downward movement of New Jerseyans from the ranks of the middle class to the doors of poverty.

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Still, what has happened to children is perhaps the most disconcerting, says Miller, LSNJ president. And whether the statistics are viewed from the standpoint of 100 percent of the poverty level or 200 percent, the results tell a grim story.

From 2008 to 2010, the percentage of children below 100 percent of the poverty threshold went from 12.5 percent to 14.5 percent. There were about 250,000 children in poverty in 2008 and by last year that had risen to 295,000. And looking at the marker for true poverty, about 27 percent of the state's children were below 200 percent of the federal poverty level in 2008. By last year, that had increased to a little more than 30 percent. In actual numbers, there were some 543,000 children in poverty two years ago. By the end of last year that had increased to almost 620,000.

Legal Services of New Jersey 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 21 counties of New Jersey. The LSNJ Poverty Research Institute, established in 1997, conducts systemic research on the incidence, effects and other aspects of poverty, in an effort to increase awareness and understanding, identify solutions, and thereby reduce the legal and other problems of those in poverty. Its annual *Poverty Benchmarks*, a detailed report on poverty and state responses, will be released early next year.

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