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Study: 37 Percent of NJ Households Can't Afford Basic Needs

1-17-17



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Charlene O'Brien is a 38-year-old single mom with a full-time career training educators. She's involved in her community, raising two young sons. She's a very real picture of the financial hardship plaguing New Jersey's working poor.

"Once a hardship hits you, it's hard to recover," she said.

In O'Brien's case it took just one major life event, a divorce, to keep her from staying afloat. She's part of a growing group of residents struggling to make ends meet, as outlined in a new [United Way](#) study.

O'Brien is [ALICE](#) — Asset Limited, Income Constrained, Employed.

"There was a point in time where I was on food stamps and I was eligible. As soon as I became employed, I was not eligible for anything and it was just cut off. So you have to pick yourself up, you gained a job, you gained employment but you're still picking yourself up," she said.

"They typically just earn too much to be eligible for a lot of the safety net programs that are out there. But yet it's not enough to be able to live, I don't want to say comfortably because it's not about comfort, it's about being able to live without worry," said Rebecca Zydel, O'Brien's boss and friend.

The latest ALICE study finds that 1.2 million or 37 percent of households in New Jersey can't afford basic needs. And the percentage is climbing, up 31 percent from just over 600,000 households in 2007 to more than 800,000 in 2014.

"It says we have a systemic problem in this country and

that it has to be looked at holistically. It's not just about minimum wage although that may be a factor here. We have to look at supports for ALICE," said John Franklin, CEO of [United Way of Northern New Jersey](#).

The CEO of United Way of Northern New Jersey tells NJTV the cost of living for ALICE in New Jersey has grown by 23 percent while inflation over the same period has grown 14 percent.

"More than half the jobs in New Jersey — 52 percent — are paying less than \$20 an hour, most between \$10 and \$15. And when you add into that that a lot of these are part-time or split shifts, how do you put your kid in child care if you're working split shifts?" Franklin asked.

"They need before care, they need after care, they need to go to school, they want to be involved in extracurricular activities. The food alone that they eat as growing boys is astronomical," O'Brien said.

The United Way estimates it costs a single adult just over \$24,000 a year to survive, and roughly \$64,000 for a family of four with two children — that's more than double the U.S. poverty level.

"I think there's a misconception about families or people who struggle. That they are not working hard enough or there's something that's not enough and I would say that's just not the case," Zydel said.

The United Way tells me its focus is on tackling rising child care costs and transportation issues. O'Brien just hopes the right people are listening so real change will come as so many residents are just one missed paycheck away from becoming ALICE.

Chasing the Dream: Poverty and Opportunity in America is a multi-platform public media initiative that provides a deeper understanding of the impact of poverty on American society. Major funding for this initiative is provided by The [JPB Foundation](#). Additional funding is provided by [Ford Foundation](#).

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