

Jersey's poor

Despite high incomes, poverty rises

MORE NEW Jersey residents are living in poverty, and median household income is declining. That was the sobering news from this week's report from the U.S. Census Bureau.

While the national recession officially ended in 2009 and the stock market has been hitting record highs all year, the report indicated that the improving economic picture is not benefiting average New Jerseyans.

The figures showed that the state's poverty rate rose from 10.8 percent of the population in 2012 to 11.4 percent in 2013. At the same time, the national poverty rate was decreasing. Median household income in New Jersey dropped by 0.7 percent to about \$70,000 a year.

While the trends were going in the wrong direction, the news was not all bad. The state's poverty rate increased, but it is still about three percentage points below the national rate of 14.5 percent. And despite the drop in household income, New Jersey income levels are third in the nation and are well above the national average of \$52,000.

At the same time, some social service organizations argue that New Jersey is actually doing worse than what the official census data indicate.

A report earlier this month from the United Way of Northern New Jersey said 38 percent, or 1.2 million, state households have difficulty meeting basic economic needs. The report focused on families struggling with the costs of housing, food, transportation, child care and health care despite earning more than the federal poverty threshold. One such

woman in that category told The Record that she works two jobs and still has trouble making ends meet.

No matter how the latest data are interpreted, a more pertinent question is: Will the state economy improve by year's end or in the coming year?

Signs are mixed. New Jersey had added 21,000 jobs through July, but the state Labor Department reported Thursday that the state lost 900 jobs in August and that the unemployment rate slightly increased to 6.6 percent. The federal rate is 6.1 percent. This summer's closing of three casinos in Atlantic City, combined with a fourth that may close later this year, is not going to help New Jersey's jobs picture.

An overall problem is the state's continuing shift away from manufacturing. As older plants close and others shift jobs overseas, employment opportunities for less-educated workers become limited. Modern technology also allows many companies to operate without as many workers as they had a generation ago. One positive development, analysts say, was a recent \$1-an-hour increase in the state's minimum wage.

New Jersey families continue to do well when compared with the rest of the nation, but some of that is illusionary. The state's high income levels are somewhat mitigated by New Jersey's very high cost of living.

Fighting poverty is not usually a hot topic in Trenton. That should change. It's time for New Jersey lawmakers to put politics aside and explore ways to ensure that all families in the state are able to meet basic needs.

