

The New York Times

Wednesday, August 29, 2007

New York's Gap Between Rich and Poor Is Nation's Widest, Census Says

By [SAM ROBERTS](#)

From 2005 to 2006, the rich grew richer in the New York region and the poor, over all, remained poor, producing the widest income gap of any major metropolitan area, according to census figures released yesterday.

In the counties of New York, New Jersey and Connecticut that make up the metropolitan area, the top one-fifth of earners made nearly 20 times what the bottom fifth earned, according to the first such detailed measure of local income inequality by the [Census Bureau](#).

"New York stands out, ahead of Los Angeles, San Francisco and other large metros, which attract both high- and low-income people," said William H. Frey, a demographer at the [Brookings Institution](#).

In Manhattan, the disparity was especially wide. The wealthiest 20 percent of Manhattanites made nearly 40 times more than the poorest 20 percent — \$351,333, on average, compared with \$8,855, a bigger gap than in any other county.

Even so, Manhattan's wealthiest were outdone by residents of suburban Fairfield County, Conn. There, the top fifth made \$362,103, and the top 5 percent earned \$746,726. That compared with \$710,116 for the top 5 percent of Manhattan earners and \$415,442 for the top 5 percent in the New York region as a whole — also the highest of any major metropolitan area.

In New York City, the actual number of poor people counted by the census increased from 2005 to 2006, in part because the latest tally included residents of

shelters and similar group housing. But among families and their children — categories not affected by the counting change — the poverty rate appeared to have declined slightly since a peak in 2004.

In Manhattan, the poverty rate among children dropped sharply — to 27 percent from 32.5 percent. City officials boasted about the decline. But one reason for it may be that poor children's parents can no longer afford housing in Manhattan, and they are being replaced by wealthier youngsters.

Over all, the poverty rate in the city was 19.1 percent, about where it had been for the previous six years, which meant that about one in five New Yorkers lived below the official poverty line, defined by the federal government as \$20,650 for a family of four.

Median income in the city barely budged, to \$46,480 in 2006, statistically only slightly higher than the adjusted \$44,835 recorded the year before.

Reflecting the region's vast income disparities, New York was again the only state in which both the poverty rate and the median household income surpassed the national average.

New Jersey had the second highest household income, at \$64,470, behind Maryland. But the poverty rate in Camden, N.J., at 35.6 percent, was also among the nation's highest.

On a different measure, median family income, Connecticut led the nation at \$78,154. But the poverty rate in Hartford was 30.3 percent.

In the South Bronx, just across the Harlem River from Manhattan, the poverty rate among children was 54 percent.

At \$59,281, the metropolitan area slipped from 9th to 10th in median household income, with Seattle leapfrogging ahead. Metropolitan New York ranked 4th among whites, 10th among blacks, 12th among Asians and 25th among Hispanics in median income.

New York City's steady poverty rate was in contrast to a national decline. Analysts as diverse as Steve Malanga of the Manhattan Institute, a conservative

research group, and David R. Jones of the Community Service Society, a liberal advocacy group, agreed that competition for low-wage jobs in the city, many of them filled by immigrants, depressed their income.

“We haven’t seen much movement at all in terms of diminishing poverty,” said Mr. Jones, the society’s president.

Mr. Malanga, a senior fellow at the institute, cited some declines — in the poverty rate for families, to 16.3 percent in 2006 from 16.7 percent the year before, and among households headed by women, to 30.4 percent from 31.2 percent. But he agreed that the city’s “economic rebound has tended to be at the high end, and our poverty levels are not going down as fast as at the national level.”

Commenting on the decline in the number of poor people in Manhattan, Joel Berg, executive director of the New York City Coalition Against Hunger, said, “It is clear that low- and middle-income New Yorkers are being priced out of Manhattan and that poor people are being driven to the outer boroughs and the suburbs.”

The poverty rate rose in Rockland and Putnam Counties, but it was unclear how much of the increase was attributable to the change in how the numbers were counted.

The census also measured the proportion of people without health insurance coverage. The number declined in New York, to 13.2 percent, and in Connecticut, to 10.4 percent, and rose slightly in New Jersey, to 14.6 percent.