

## City's poverty rate jumps past 20%

Mayor Michael Bloomberg reacts as new census data show 2010 was a miserable year for the city's poor and working class with median family income plummeting.

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New York City's poverty rate jumped to 20.1% in 2010 from 18.7% in 2009 and median family income plummeted 6% to \$53,593 as the aftershocks of the Great Recession reverberated throughout the five boroughs.

New figures released Thursday by the U.S. Census Bureau paint a picture of broad suffering for the city's poor and working classes as they try to claw their way back out from the worst economic collapse since the 1930s.

"We're entering new territory," said David Jones, president of the Community Service Society of New York. "The economic sense of losing ground is palpable, particularly for young people who, even if they try hard, can't seem to get any entry point into the economy."

Mayor Michael Bloomberg blamed the recession, which technically ended in mid-2009, for the city's worsening poverty. "When the economy slows down, there are fewer jobs," he said at a City Hall press conference. "People pay less, tip less, whatever. That certainly filters all the way down."

The mayor added that "the city has one of the strongest safety nets in the country." His aides pointed out that the official poverty statistics don't account for earned income tax credits, food stamps, Section 8 rent subsidies and some public health subsidies people receive.

"All these things need to be captured in order to know what extent families have the resources to meet their needs," said Mark Levitan, the city's director of poverty research. But mayoral aides also said the administration would "double down" its fight against poverty in light of the new data. The mayor recently unveiled a \$127 million initiative to help young minority men become productive members of society.

Some 1.6 million New Yorkers were living in poverty last year, the Census Bureau's American Community Survey showed. The poverty line in 2010 for a family of four was \$22,314. The bureau reported last week that 15.1% of Americans, or 46.2 million people, lived below the poverty line last year, the highest number in the 52 years it has put out the data.

Mr. Jones hypothesized that the increase in the poverty rate was due to a combination of unemployed New Yorkers exhausting jobless benefits and those with jobs being forced to trade down to lower-paying positions.

The jump can also be attributed to the fact that most of the jobs being added in the city are in sectors that pay below average wages, and to an increase in the portion of the workforce working part time involuntarily, said James Parrott, chief economist at the Fiscal Policy Institute, a liberal think tank.

"It reflects a further weakening in the labor market despite the so-called recovery," Mr. Parrott said.

The poverty rate was highest for families with children headed by single mothers, jumping to 41.1% last year, from 38.8% in 2009. For single moms like Tiffany Tyler, 2010 was tough. She lost her job as a maintenance worker at the city Department of Parks and Recreation and has been struggling to get by on \$176 a week in unemployment benefits for the past year.

“That just doesn’t cut it,” she said. “I’m really living week by week with this small amount of money that I’m trying to do so much with.”

Ms. Tyler looks for work every day, submitting applications at stores and online, but has yet to land a new job. She wants to go to school to become a nurse, but is too busy job-hunting and fighting off eviction.

“I go to sleep wondering whether I’m going to be evicted,” she said.

Ms. Tyler is far from alone. The American Community Survey data show employed working-age New Yorkers decreased to 55.8% of the population last year from 57.1% the year earlier.

And it shows that more New Yorkers were forced to take advantage of government safety nets. The portion of New Yorkers on food stamps rose to 19.3% last year, from 17.2% the year earlier. The share of New Yorkers relying on government-sponsored health coverage rose to 38.4% from 36.7%, while the percentage of those with private health insurance fell to 54.6% from 57.2%.

In addition to the decline in family income, there was also a steep drop, of 4.6% to \$48,743, in median household income, which tends to be more volatile because it includes income of people who are not related.

The data also showed a decline in population of more than 200,000 people between 2009 and 2010, but the drop is based on weights set to the 2010 census count, which the city has already announced it is challenging.

In a telephone interview before reviewing the data, Mr. Levitan said the data appeared to be “an echo of what we saw in the U.S.-wide data that the Census Bureau released last week.”

He said the city would come out with its own report early next year that takes into account a much broader definition of poverty. The city figures reflect the higher cost of living in the five boroughs as well as the various safety nets like food stamps and rent assistance that can add to a household’s income.

“I’m not saying things are good, but it’s important to understand that we’re looking at a [Census Bureau] measure that in some important ways is very uninformative.”

Nevertheless, Mr. Jones, of the Community Service Society, said it was clear that the city economy was not working for many. And he said the impact could soon spill over to the broader population, with increased crime and decreased real estate values possible.

“We have to recognize a lot of people have stakes in this beyond the suffering of people who are very poor,” he said. “A lot of infrastructure in New York gets endangered if we don’t pay attention to this.”

*Shane Dixon Kavanaugh contributed to this article.*