

Newarkers struggle as their income slips

Census shows slight decline for city residents as nation's rises 1.3%

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Belinda Scott works a full-time and a part-time job at two Newark social service agencies to support her two teenage children, but she still makes less than \$40,000 a year, with no health insurance.

"That I have no health care benefits is the greatest challenge. If there is a crisis, there's nothing there to help," Scott said yesterday. "It makes me feel exasperated and frustrated. I leave one job and go to another. I'm still trying to be an involved parent, and it's very stressful."

Scott's situation is similar to that of many workers in the state's largest city. Despite living in a state with the second highest median household income in the country, the income for Newark residents fell slightly to \$34,452 in 2007 from \$34,521 the previous year, according to numbers released yesterday by the U.S. Census Bureau. New Jersey's median income is \$67,035.

Although the decrease is statistically small, the stagnation contrasts with the median income of the country climbing 1.3 percent between 2006 and 2007. And it illustrates how middle-class workers like Scott are being left behind as only low-wage and high-paying professional services jobs show growth, said Kate Atkins, executive director of the Garden State Alliance for a New Economy.

"She's the perfect example of what these wages mean," Atkins said. "We see an hourglass economy where there is growth at the top in the financial and high-tech sector, the top of the scale, and what we are missing is manufacturing jobs. We are losing the middle."

According to a report from the New Jersey Department of Labor and Workforce Development, industries such as construction and manufacturing will see a net decrease of about 5,900 jobs by 2014. Meanwhile, jobs with lower salaries such as transportation and warehousing are expected to grow.

Newark Deputy Mayor for Economic Development Stefan Pryor said the fact that the change in the median income was statistically slight in a slumping economy is a good sign.

"The question is whether we can grow those sectors," that provide middle-income wages, said Pryor.

Pryor said the city is attempting to help promote growth across many sectors. For example, the administration has focused on job growth at the seaport and airport and on getting Newark corporations to hire more residents.

"We are working hard to create jobs for people at every skill level, whether it's the airport or the seaport or positions with our corporate partners. The seven-year trend is positive. A one-year blip does not a trend make," he said.

The percentage of full-time, year-round workers making less than \$25,000 also decreased to 29.5 percent in 2007 from 33 percent in 2006.

Still, said Atkins, even as worker productivity increased this decade, the poverty trends are not encouraging.

"Working people did not share the economy's recovery in the last business cycle and are at risk of being hit first and worst as we enter an economic downturn," he said.

Scott said the future for her and her children is daunting.

"How can I go back to school? I don't have the time," Scott said. "Things are not the way they were 25 years ago. It's like you have to make \$100,000 now to survive."

