

Report: Morris too expensive for 25% of its households

MICHAEL IZZO @MIZZODR

Rising costs are putting basic necessities out of reach for 37 percent or 1.2 million New Jersey households, according to the United Way ALICE Report released by United Way of Northern New Jersey.

“ALICE — Asset Limited, Income Constrained, Employed; Study of Financial Hardship” shows that the minimum costs to survive in New Jersey rose by 23 percent since 2007, outpacing the rate of inflation of 14 percent. The report finds that it costs a single adult \$24,300 to survive annually and \$64,176 for a family of four with two children under the age of five.

The result is that New Jersey saw its ALICE population grow by 29 percent from 629,982 in 2007 to 823,829 in 2014. ALICE represents those living above federal poverty, but below a basic cost of living for housing, food, child care, health care and transportation. Combined with those in poverty, households not making ends meet grew from 913,474 to 1.2 million during that time span.

Based on the 2014 data, 25 percent of Morris County's nearly 180,000 households are under the ALICE threshold. Twenty percent are ALICE and 5 percent of those Morris households live in poverty, according to the report.

That's a jump from 19 percent of households under the ALICE threshold in 2007. At that time, 4 percent of the county's population fell below the poverty line, meaning the number of ALICE families is increasing at a higher rate than the poverty level in Morris.

Morris County's 500,000 residents fair better cumulatively compared to state averages.

The median household income of just over \$100,000 is nearly \$30,000 more than the state average of about \$72,000, though cost of living is higher in Morris than many counties. The unemployment rate of 5.7 percent is below the state average of 7.5 percent.

Morris' 20 percent ALICE household and 5 percent

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poverty rate are also well below the state averages of 26 and 11 percent, respectively.

But those numbers don't tell the whole story. Some towns in the county are struggling more than others.

According to the report, in 2014, only 64 percent of Dover residents had health insurance coverage, the lowest in Morris County. The second lowest is Victory

Gardens at 74 percent, followed by Wharton (77 percent) and Morristown (78 percent).

Among Netcong's more than 1,400 residents, only 49 percent of households are above the ALICE threshold, meaning more than half of households in the borough either live in poverty earn more than the federal poverty level, but less than the basic cost of living for the county. Dover is close behind at 52 percent.

With 52 percent of jobs statewide still paying less than \$20 an hour or \$40,000 annually if full-time, wages for most service jobs are not keeping pace with rising costs. The three most numerous jobs in the state — retail sales, cashiers and laborers — all have median wages that declined to less than \$12 an hour, the minimum it takes for a single adult to survive according to the report. In addition, projections show that many of these occupations will be replaced by technology in the next decade.

“Costs are far outpacing wages for most service jobs and there's been no way for families to catch up no matter how hard they are working,” said United Way ALICE Project Director Stephanie Hoopes, the report's lead author and researcher.

The report, which examines the trends from 2007 to 2014, reveals some progress — that New Jersey grew the number of jobs paying more than \$30 an hour in 2014 to account for one-third of all jobs in the state. But the report also outlines big barriers to progress, including the automation of low-wage jobs, the growth in the senior population, institutional bias and vulnerability to natural disasters.

In addition to releasing this third statewide report for New Jersey, United Way measured the state against 13 others where it has studied the ALICE population and found some alarming statistics:

» New Jersey has the third largest percentage increase in the number of ALICE households, close behind Connecticut and Maryland.

» New Jersey has the second highest average Household Survival Budget for a family of four with \$64,176. Connecticut has the highest at \$70,788. New York has the third highest budget at \$62,472.

» New Jersey and Connecticut are tied for the second highest increase in the cost of necessities at 23 percent. Maryland saw basic needs grow in cost by 26 percent.



» New Jersey has the second lowest percentage of jobs paying less than \$20 an hour at 52 percent. It ranges from a high of 71 percent in Idaho to a low of 49 percent in Connecticut.

Go to www.UnitedWayALICE.org for more information and data about ALICE in local communities. County-by-county survival and stability budgets for six family sizes are also available at www.spaa.newark.rutgers.edu/united-way-ALICE.

Staff Writer Michael Izzo: 973-428-6636; mizzo@GannettNJ.com