

 The New York Times Printer 

August 30, 2006

## Census Figures Show Scant Improvement in City Poverty Rate

By [SAM ROBERTS](#)

Despite New York City's economic rebound from 9/11 and the national recession, the proportion of city residents who live below the federal poverty level — about one in five — has not budged in the last five years, according to census figures released yesterday.

The stagnant poverty rate, coming at a time of relative prosperity, suggests that wealth has not trickled down to the city's poorest, and has raised concerns among experts and policy makers, including Mayor [Michael R. Bloomberg](#), who has singled out reducing poverty as a goal of his second term. By one measure, poverty dipped slightly from 2004 to 2005, but Mr. Bloomberg acknowledged that the decline was “statistically not significant.”

The new data on income and employment were collected separately, in the Current Population Survey and the new American Community Survey, and the [Census Bureau](#) cautioned against extended comparisons and analyses with surveys from earlier years. That left even more latitude than usual for interpretation and ambiguity.

The census statistics also show that New York is the only state in which both the median household income and the poverty rate surpassed the national average last year, an anomaly that suggested growing inequality in some categories and reflected vast disparities within the metropolitan area itself.

Once again, Manhattan recorded the biggest income gap of any county in the country, although the chasm narrowed slightly since 2000. The top fifth of earners reported making \$330,244 — about 41 times more than the \$8,019 of the bottom fifth.

Among the nation's largest counties, Somerset in New Jersey ranked fourth in median household income (\$88,532), and Morris, Nassau, Rockland and Suffolk were all among the top 10. The Bronx was third-lowest (\$29,228) and remained the poorest urban county in the country. More than half of Bronx households headed by a woman and including young children live below the poverty level.

No city in metropolitan New York made the nation's top 10 in median income, but several were among its poorest. Newark, at \$30,711, ranked seventh from the bottom, just below New Orleans, among the biggest cities. Buffalo was third from the bottom. Among America's smaller cities, Camden, N.J., at \$18,007, had the lowest median income in the nation and the highest proportion of poor people — 44 percent.

At the same time, New Jersey's median income was again the highest of any state's. Maryland edged Connecticut for second place. New York ranked 15th.

Since 2000, median income has declined in all three states. Only two counties in the metropolitan area — Cape May in New Jersey and Sullivan in New York — recorded significant gains. Across the country, only two states recorded significant gains.

In 2005, according to the American Community Survey, the poverty rate was 13.8 percent in New York State, 8.3 percent in Connecticut and 8.7 percent in New Jersey. In the city, the overall poverty rate remained at just over 19 percent, but compared with a year earlier, it appeared to have increased among the elderly and decreased among children younger than 18. In Queens, poverty rates declined.

Statewide, New York ranked 17th in the share of children who are poor (more than 19 percent), and was tied with Texas for 8th in the share of elderly who are poor (nearly 13 percent).

In New York City, median household income — the middle number on the scale — remained about the same since 2004, at \$43,434. But the mean, or average, income rose, suggesting greater gains among the well-to-do. Manhattanites recorded the biggest income gains. About 5 percent of households in the city reported incomes of \$200,000 or more; 13 percent reported making less than \$10,000.

“With median income in New York City you have to be careful,” said Steve Malanga, a senior fellow at the Manhattan Institute, a conservative research group. “We’ve been seeing big income gains in a few very wealthy industries, and a few studies have suggested that the gains are not coursing through the entire city economy.”

Given the steady influx of poor immigrants, he expressed surprise that the poverty rate was unchanged.

“The city has been a fairly good place for the foreign-born to come and improve their fortunes,” Mr. Malanga said. “However, even as they do that we have a steady stream of foreign-born who come here and begin their life in poverty — a constant replenishment of the ranks of

impoverished foreigners.”

He estimated that “about 30 percent basically live below the poverty level their first year in New York,” but that many “are finding their way out of poverty in 5 to 10 years.”

But he added that the competition from immigrants for lower-paying jobs also meant “that people who are here without a high school diploma are finding it even more difficult to pull themselves out of poverty.”

Mr. Bloomberg seemed to concur. “New York City is a city where more and more people want to come,” he said. “Some people that come, come with wealth. Some people that come, come with simply aspirations. And we are an immigrant community. We’re always going to have people coming in who have come here leaving everything back where they came from except what’s inside them. And that’s a way to start up the ladder.”

The mayor, whose commission on reducing poverty is expected to report next month, said: “You cannot go and make real progress if you just worry about opinion and say, ‘I’ve got to do everything for everybody.’ That’s just not possible. What we’re trying to do is to focus on groups.”

Mark Levitan, senior policy analyst for the Community Service Society, a liberal research and advocacy group, said the new figures were “telling us that we have growing inequality — income is rising in the middle of the distribution, but it’s not trickling down. We’ve gone from a jobless recovery to a recovery where wage increases can’t match the rate of inflation.”

Mining the Current Population Survey, Dr. Levitan said he found that the poverty rate among households with children headed by a woman, which had declined from 56 percent a decade ago to 39 percent in 2001, had risen again to 49 percent — an increase not evident from the American Community Survey figures.

What he could conclude with absolute certainty, he said, was that the poverty rate is “stagnant overall.”

Trudi Renwick, senior economist with the Fiscal Policy Institute, a liberal watchdog group, agreed. “It’s flat, or down only very slightly in the city, despite tremendous economic growth,” she said.

“We have a picture — and you can place all kinds of value judgments on it — of stability with a lot of these numbers,” said Joseph J. Salvo, director of the Department of City Planning’s

population division. “That can be seen as encouraging, and discouraging.”

Yesterday’s release of the American Community Survey, an annual version of the census long-form questionnaire, also plumbed employment patterns.

It found that in New York, women earned 79.4 percent of what men did, above the national average and slightly higher than in New Jersey and Connecticut.

New York is tied with Colorado for first in the highest proportion of people working in the information industry (3.5 percent). Connecticut ranks first in the proportion of people in management, business and finance (16.3 percent).

*Sewell Chan contributed reporting for this article.*

[Copyright 2006 The New York Times Company](#)

---

[Privacy Policy](#) | [Search](#) | [Corrections](#) | [XML](#) | [Help](#) | [Contact Us](#) | [Work for Us](#) | [Site Map](#)