Rutgers Center for Law, Inequality and Metropolitan Equity (CLiME) Issue Brief

# Child Poverty In Essex County 2000-2015

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## Issue Brief: Child Poverty in Essex County 2000-2015

This issue brief discusses our findings from an empirical analysis of changing child poverty patterns in Essex County, New Jersey between 2000 and 2015. The number of children living in poverty in Essex County has increased over the past 15 years, and in some places, quite dramatically. Increasing numbers of Essex County's poor children live in neighborhoods of extreme poverty. There are also preliminary signs that child poverty has spread into formerly no- or low-poverty neighborhoods.

Child poverty is becoming more concentrated. CLiME's analysis of Census data shows that 52.5 percent of Essex County's poorest children live in census tracts where the concentration of child poverty exceeds 40 percent—double the rate in 2000. Child poverty is also spreading. High child poverty rates that had been historically concentrated in Newark are suburbanizing beyond central city limits, and increasing even in some of the county's wealthier municipalities.

The State of New Jersey is a bastion for localism or home rule, with 565 municipalities in one of the nation's smallest states. As residents and scholars of New Jersey, we know that its localism is both a product and a consequence of class and racial distinctions.

In many ways, Essex County is a bellwether of New Jersey localism and its ensuing economic inequality. With 22 municipalities, Essex County is home to Newark, the state's largest city, with a median household income of \$33,139 and a population that is over 85 percent people of color (50% Black, 36% Hispanic)[1]. Just six miles away from Newark is Millburn, a township with a median household income of \$165,603 and a population that is 11 percent people of color (8% Asian)[2]. Within the 129 square miles of Essex County, New Jersey residents can live in completely different worlds.

Child poverty is often used as an indicator for the socioeconomic wellbeing of a region. A child is considered to be living in poverty if the child's family falls under the poverty threshold, as defined by the U.S. Census Bureau, which is \$16,337 for a family of one adult and one child, and \$24,036 for a family of two adults and two children. The purpose of this report is to investigate how child poverty is distributed in Essex County and how it has changed over time, using data from the U.S. Census Bureau's 2000 Census and 2011-2015 American Community Survey 5-year estimates[3].

While the total number of Essex County's **children in poverty** has increased by 19 percent over the last fifteen years, this growth varies greatly by locality. The highest numbers of children in poverty are in the county's anchor city of City of Newark, which has 63 percent of the County's total. High rates of child poverty are found in Newark (42%) and its inner ring suburbs of Irvington (35%), East Orange (30%), and Orange (37%).

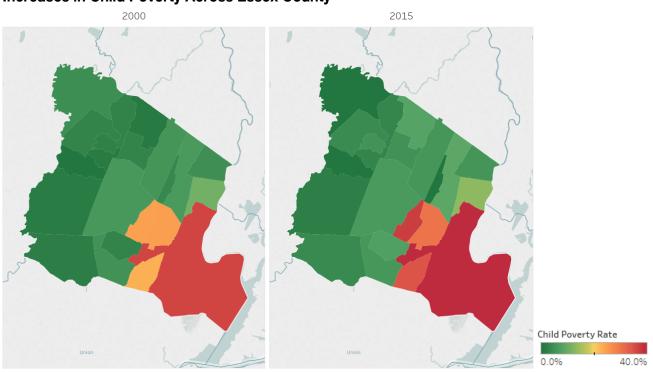
While child poverty is becoming more concentrated in Newark and its inner ring suburbs, child poverty rates are also significantly growing in Essex County's suburbs. **Child poverty rates** grew by over 50 percent in South Orange, Millburn, Livingston, Cedar Grove, and Verona.

Highly **concentrated child poverty** has grown in Newark, and is spreading to its inner ring suburbs. In 2000, there were 41 Essex County census tracts where child poverty rates were greater than 40 percent, with 88 percent of them located in the City of Newark (36), followed by Irvington (3), East Orange (1), and Orange (1). By 2015, this type of extremely concentrated child poverty had spread to even more census tracts in the communities of Newark (45), followed by Irvington (7), East Orange (4), and Orange (2).

Highly concentrated poverty is doubly challenging for households living in these areas, because not only are they struggling to make ends meet in their own situation, but their neighborhood imposes even greater barriers to mobility. Neighborhoods with highly concentrated poverty have higher crime rates, higher rates of chronic illness, and poorer school outcomes. Additionally, neighborhood social capital limits access to resources for greater opportunity.

# **Findings**

- 1. In Essex County, the child poverty rate has increased from 20.5 percent to 24.4 percent. In the City of Newark, where two-thirds of the County's poor children live, over 40 percent of children live in poverty.
- 2. While child poverty has remained concentrated in Essex County's largest municipalities, it is spreading.
- 3. While Essex County's smallest municipalities have very low child poverty, many have seen their child poverty rates increase by more than *50 percent* since 2000.
- 4. Inner-ring suburbs of Orange, East Orange, and Irvington have seen the largest increases in child poverty.
- 5. Poor children increasingly live in areas with high concentrations of poverty; meaning most of the people around them are also poor.



### Increases in Child Poverty Across Essex County

To view the fully interactive maps in this report, please click here.

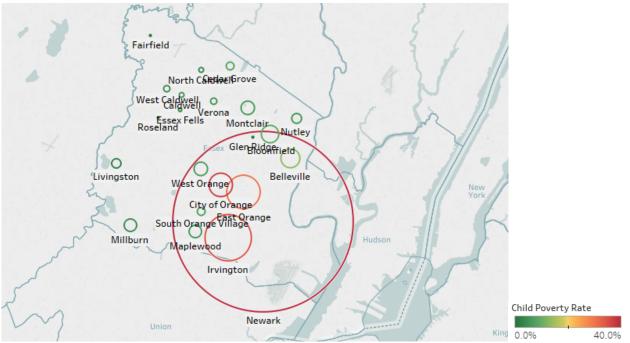
#### In Essex County, the child poverty rate has increased.

Rates of child poverty increased by 19 percent in Essex County, which equates to more than five thousand additional poor children than it had in 2000.

Table 1: Children in Poverty in Essex County			
	2000	2015	
Number of children in poverty	41,358	46,420	
Percentage of children in poverty	20.5%	24.4%	

**Child poverty has remained concentrated in Essex County's largest municipalities.** Ninety percent of the County's poor children live in either Newark, Irvington, East Orange or Orange.

#### 2015 Child Poverty Concentration



To view the fully interactive maps in this report, please click here.

#### Most small municipalities in Essex County have very low rates of child poverty.

Seventeen of the 21 municipalities in Essex County have child poverty rates of less than 10 percent.

#### Some municipalities have seen increases in child poverty rates of more than 50 percent.

While child poverty rates increased in virtually all parts of Essex County, six municipalities saw increases of more than 50 percent: Irvington, South Orange, Milburn, Livingston, Cedar Grove, and Verona.

#### Inner-ring suburbs have had the largest increases in child poverty.

The inner-ring suburbs of Irvington, Orange, and East Orange have seen the largest increases in child poverty. Irvington and Orange suffered losses in overall child population while their population of children living in poverty grew.

Table 2: Trends in Child Poverty in Irvington 2000-2015				
	2000	2015	Change	
Number of children	16,423	13,988	-14.8%	
Number of children in poverty	3,761	4,868	29.4%	
Percentage of children in poverty	22.9%	34.8%	52%	

The City of Orange saw nearly identical patterns in growth and decline as Irvington, albeit on a smaller scale.

Table 3: Trends in Child Poverty in Orange 2000-2015			
	2000	2015	Change
Number of children	8,680	7,390	-14.9%
Number of children in poverty	2,139	2,737	28%
Percentage of children in poverty	24.6%	37.4%	52%

Unique in Essex County, East Orange saw increases in its child poverty rate even as it decreased its numbers of children in poverty.

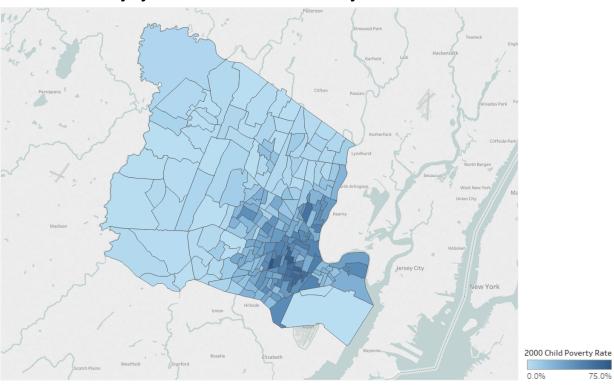
Table 4: Trends in Child Poverty in East Orange 2000-2015				
	2000	2015	Change	
Number of children	19,109	14,618	-23.5%	
Number of children in poverty	4,727	4,326	-8.4%	
Percentage of children in poverty	24.7%	30.4%	23%	

#### Poor children increasingly live in census tracts with high concentrations of child poverty.

Researchers have found that at certain thresholds, concentrated poverty in neighborhoods has negative outcomes for individuals[4]. These "concentration effects" increase when neighborhoods have greater than 20 percent household poverty. *The majority of Essex County's poorest children (52.5%) live in census tracts where the concentration of child poverty exceeds 40 percent.* This is double what it was in 2000 (26.6%).

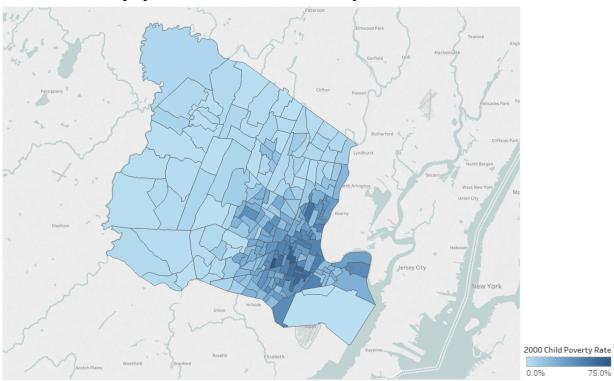
Table 5: Share of Children in Poverty who live in Census Tracts with Concentrated Poverty			
	2000	2015	
Tract < 10% child poverty	9.8%	6.7%	
Tract > 20% child poverty	75.2%	85.0%	
Tract > 30% child poverty	44.2%	77.6%	
Tract > 40% child poverty	26.1%	51.2%	
Tract > 50% child poverty	14.3%	29.7%	

In other words, more than half of the County's children are living in areas where it is hardest to overcome placebased disadvantage. In 2015, 85 percent of poor children in Essex County, or nearly 21 percent of all children in Essex County, both poor and non-poor, live in census tracts where concentrated poverty is demonstrated to impact their access to opportunity.



# 2000 Child Poverty by Census Tract in Essex County

## 2015 Child Poverty by Census Tract in Essex County



To view the fully interactive maps in this report, please <u>click here</u>.

	2015 Estimate Children in Poverty				
	Total Children	2015 ACS Estimates		2000 Census	
		Number	%	Number	%
Essex County	162,129	46,420	24.4%	41,358	20.5%
Newark city	71,039	29,597	42.3%	26,907	36.6%
Irvington township	14,086	4,868	34.8%	3,761	22.9%
East Orange city	14,618	4,326	30.4%	4,727	24.7%
City of Orange	7,390	2,737	37.4%	2,139	24.6%
Belleville township	7,301	945	13.1%	843	10.9%
Bloomfield township	9,796	856	8.8%	618	6.3%
West Orange township	10,574	659	6.3%	614	6.0%
Montclair township	9,749	539	5.6%	520	5.49
Maplewood township	7,104	408	5.8%	324	4.9%
Nutley township	5,671	302	5.4%	260	4.49
South Orange Village township	3,466	250	7.3%	96	2.6%
Millburn township	6,594	240	3.6%	86	1.49
Cedar Grove township	2,366	187	7.9%	18	0.8%
Verona township	3,008	144	4.9%	79	2.6%
Livingston township	7,660	138	1.8%	87	1.29
West Caldwell township	2,302	85	3.7%	70	2.5%
Caldwell borough	1,374	70	5.1%	27	2.0%
North Caldwell borough	1,856	53	2.9%	40	2.49
Essex Fells borough	597	16	2.7%	6	0.9%
Fairfield township	1,783	-	0.0%	63	4.2%
Glen Ridge borough	2,482	-	0.0%	73	3.3%
Roseland borough	1,313	-	0.0%	-	0.0%

Metropolitan equity is the idea that all parts of a region are relevant to the distribution of opportunity in any part of that region. While our county's fierce localism may attempt to create divisions between poor black Newark families and wealthy white Millburn families, it is only a matter of miles that separate the two, and we are bound by shared infrastructure, tax dollars, county services, and commuting patterns. As child poverty grows within the county, and highly concentrated poverty spreads throughout the county, it is imperative that we work together to address child poverty and the inequality that affects all residents of Essex County.

# Methodology

To assess trends in child poverty, we looked at the following variables at the city and census tract level using the 2000 Census and the 2011-2015 Five Year American Community Survey Estimates:

- (1) Number of children below age 18
- (2) Poverty Status in the past 12 months for children under 18, number and percent of total children.

Due to the at-times high margin of error (MOE) at the census tract level for 2015 ACS estimates, we have reported MOE in the online, interactive forms of these maps.

## References

- [1] Statistics are per the 2011-2015 American Community 5-Year Estimates by the U.S. Census.
- [2] Statistics are per the 2010 U.S Census data, which is the most recent data available for Millburn.
- [3] 2000 Census data has been normalized to 2015 census tract boundaries, allowing for direct comparisons of change at the census tract level between 2000 and 2015. While we thought it important to include the many small municipalities in our analyses, it is important to note that their 2015 estimates have high margins of error.
- [4] George C. Galster, <u>"The Mechanism(s) of Neighborhood Effects: Theory, Evidence, and Policy</u> <u>Implications.</u>" Presentation at the ESRC Seminar, St. Andrews University, Scotland, UK, 4–5 February 201

The Rutgers Center on Law, Inequality and Metropolitan Equity (CLiME) is committed to studying the role of law and policy in encouraging or inhibiting opportunity based on place. This Issue Brief begins a series of CLiME Issue Briefs, periodically analyzing regional data that is relevant to issues of place-based inequality and metropolitan equity. For the full interactive view of the maps in this report, please <u>click here</u>. For more information, contact clime@andromeda.rutgers.edu

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