Who is ALICE?

Useful acronym describing real people

- **Asset**
- **Limited**
- **Income**
- **Constrained**
- **Employed**
Why ALICE?

Provide up-to-date, factual data about an under-recognized population

Provide a standardized set of statistics for grant applications, reporting, inquiry responses, etc.

Determine issues of concern that need to be addressed within our communities
Many ALICE stories

- College students and recent grads – working and tuition debt
- Young families – struggling to pay for child care AND work
- Underemployed – less than full-time work and no benefits
- Military – travel and demanding job
- People with disabilities – less income, more costs
- Family caregivers – for people with disabilities and seniors
- Seniors - loss of income, costs rise, health issues

ALICE moves in and out over time!
Data Sources

U.S. Census & American Community Survey data
U.S. Bureau of Labor
New Jersey Department of Labor and Workforce Development
Poverty Benchmarks, Legal Services of NJ
Monmouth Opinion polls
News reports
The ALICE population in Passaic County

Households with annual income between $20,000 - $50,000

Why these numbers?

- $20,000 = poverty level for family of 4
- $50,000 = minimum required for family of 4 to afford the basics of self-sufficiency (housing, childcare, food, transportation and healthcare)
Passaic County – Overview

Population: 491,000

Households: 156,000

Medium household Income: $57,000

Poverty Rate: 14%

Income is not distributed equally in Passaic County.

**Income Distribution by Quintile**

- $50
- $24
- $15
- $8
- $3

Source: American Community Survey, 2008

**Gini coefficient**
- Passaic County: 47%
- New Jersey: 46%
- United States: 47%
  
  (Manhattan to Mississippi)
ALICE population in Passaic County

- **55%**
- **18%**
- **27%**

Source: American Community Survey, 2008

- less than $20,000: 28,047 HH
- $20,000 - $50,000: 42,468 HH
- over $50,000: 85,018 HH
## Self-sufficiency budget, Passaic County:
### Monthly Costs 2008

<table>
<thead>
<tr>
<th></th>
<th>One Adult</th>
<th>2 Adults + 2 pre-K</th>
</tr>
</thead>
<tbody>
<tr>
<td>Housing</td>
<td>$1,108</td>
<td>$1,141</td>
</tr>
<tr>
<td>Child care</td>
<td>0</td>
<td>1,528</td>
</tr>
<tr>
<td>Food</td>
<td>245</td>
<td>704</td>
</tr>
<tr>
<td>Transportation</td>
<td>57</td>
<td>114</td>
</tr>
<tr>
<td>Health care</td>
<td>133</td>
<td>383</td>
</tr>
<tr>
<td>Miscellaneous</td>
<td>145</td>
<td>387</td>
</tr>
<tr>
<td>Taxes (net)</td>
<td>318</td>
<td>552</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td><strong>$1,916</strong></td>
<td><strong>$4,810</strong></td>
</tr>
</tbody>
</table>

### Self-sufficiency wage
- $10.89/hour
- $22,997/year
- $13.67/hour/adult
- $57,723 total/year

**NOTE:** No allowances are made for clothing, entertainment or travel

Source: Self-Sufficiency Standard for Morris County, NJ, Poverty Research Institute, Legal Services of New Jersey, 2008
Two Workforces for Passaic County, 2000

Source: Regional Economic Accounts, Bureau of Economic Analysis, U.S. Department of Commerce, 2004
Northern NJ - Commuter Patterns

Essex, Hunterdon, Morris, Passaic, Somerset, Sussex and Warren Counties

7 counties are the economic engine of New Jersey: 1.1 million workers

Majority in every county commute – 70% go within the 7 counties
More than 50% of jobs in New Jersey pay less than $20/hour

$20/hr = $40,000/yr
$40/hr = $83,000/yr
$55/hr = $114,000/yr
Minimum wage in NJ: $7.25

Low-skilled jobs projected to grow by 79% in Passaic County

Predicted Employment by Skill Level
2006-2016, top 20 job openings

Source: NJ Dept of Labor and Workforce Development: Community Fact Book, 2010
Top ranked low-skilled occupations in Passaic County by job openings, 2006-16

<table>
<thead>
<tr>
<th>Occupations</th>
<th>Annual Wage, 2006</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cashiers</td>
<td>$20,050</td>
</tr>
<tr>
<td>Retail sales</td>
<td>$25,190</td>
</tr>
<tr>
<td>Waiter and Waitress</td>
<td>$22,380</td>
</tr>
<tr>
<td>Food preparers</td>
<td>$19,050</td>
</tr>
<tr>
<td>Customer service</td>
<td>$35,390</td>
</tr>
<tr>
<td>Laborers and freight</td>
<td>$23,670</td>
</tr>
<tr>
<td>Office clerks</td>
<td>$28,310</td>
</tr>
<tr>
<td>Janitors and cleaners</td>
<td>$25,440</td>
</tr>
<tr>
<td>Childcare worker</td>
<td>$21,910</td>
</tr>
</tbody>
</table>

*Services jobs – need to be there in person - No telecommuting*
Housing Costs in Northern NJ
The largest increase in expenses

The number of households paying more than 30% of their income on housing increased by 66% in the 7 counties from 1990 to 2008.

In 2008, 46% of seniors who owned their own home paid more than 30% of their income on housing.
Housing is Not Affordable for 45% of HH in Passaic County

- **Mortgage**
  - Pay 30%+: 28,638
  - Affordable: 16,514

- **No Mortgage**
  - Pay 30%+: 9,273
  - Affordable: 16,514

- **Rent**
  - Pay 30%+: 28,916
  - Affordable: 28,916
Income is falling behind the cost of living
• Below $50,000: 72% feel they are falling behind
• $50,000-100,000: 64% feel they are falling behind

Two incomes are necessary to meet monthly living expenses (67%)

No savings for emergencies
• Below $50,000: 69% do not have enough savings for 6 months
• $50,000-100,000: 59% do not have enough for 6 months
ALICE households make Tough Choices

ALICE does not plan to have a crisis
With little or no savings, does not have means to overcome:
• Car breakdown
• Medical emergency – personal or family
• House repair
Need for Temporary Assistance
What can YOU do for ALICE?

ALICE is an essential part of our communities – there are benefits for everyone of supporting ALICE.

Encourage and support in your community:

- Data driven policy – use the ALICE data
- More affordable housing
- Quality, affordable child care
- Higher wages (when feasible)
- Temporary assistance
- Savings programs