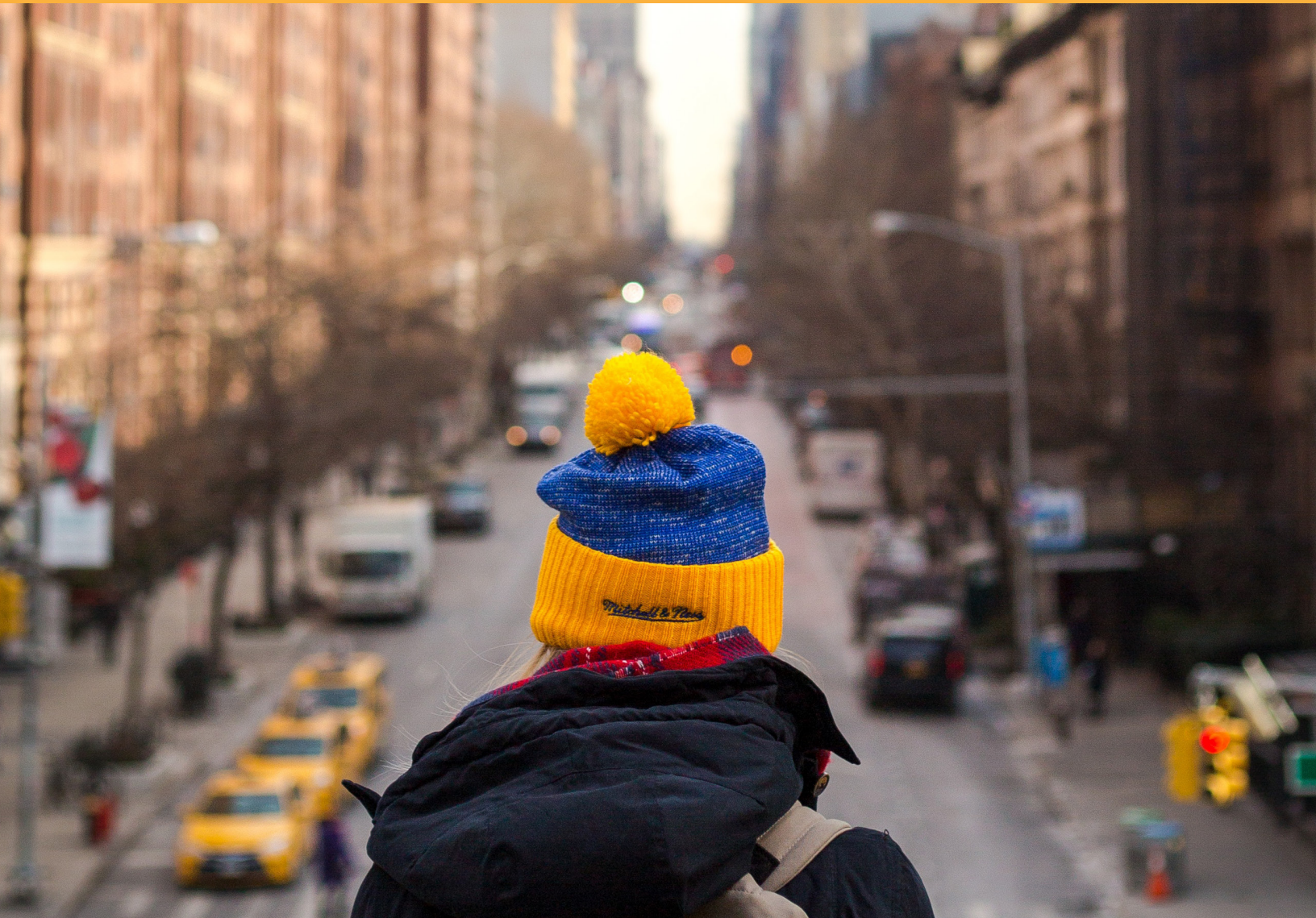


A City Evolving

How Making Ends Meet has Changed in New York City

Prepared for Women's Center for Education and Career
Advancement & United Way of New York City

With Support from The New York Community Trust & City Harvest





Women's Center for Education and Career Advancement

THE WOMEN'S CENTER FOR EDUCATION AND CAREER ADVANCEMENT (WCECA) is a 48-year-old nonprofit organization committed to the goal of economic security for all New York City women and families. Through innovative technology resources, work readiness programs and career services, we have advocated for socially just public policies and opportunities. The Women's Center targeted low-income workers with serious barriers to workforce participation and helped them build competencies and develop strategies for setting and meeting lifetime career and economic goals for themselves and their families. Having served more than 40,000, WCECA now works to define financial self-sufficiency, utilizing research, technology and training to inform public policy and services for New York City's working poor. For more information on WCECA, call (212) 964-8934 or go to www.wceca.org.

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OVERLOOKED & UNDERCOUNTED 2018 | BRIEF 2

A City Evolving

How Making Ends Meet has Changed in New York City

By Diana M. Pearce, PhD • November 2018

**DIRECTOR, CENTER FOR WOMEN'S WELFARE
UNIVERSITY OF WASHINGTON SCHOOL OF SOCIAL WORK**

Prepared for Women's Center for Education and Career Advancement &
United Way of New York City

With support from The New York Community Trust and City Harvest

About Overlooked and Undercounted

To develop strategies to ensure New York City households reach economic security requires data that defines how much is enough and which households are struggling. This brief series reveals the “overlooked and undercounted” of New York City, describing which families are struggling to make ends meet. This analysis is based on the Self-Sufficiency Standard, a realistic, geographically specific, and family composition-specific measure of income adequacy, and thus a more accurate alternative to the official poverty measure. Over the last 22 years, calculation of the Self-Sufficiency Standard has documented the continuing increase in the real cost of living, illuminating the economic crunch experienced by so many families today.

The Self-Sufficiency Standard was first calculated in 1996 by Diana Pearce and was originally designed to measure progress of workforce program participants towards the goal of economic self-sufficiency. Since then, it has been used in a wide variety of settings, to evaluate programs, analyze policy impacts, guide clients’ career choices, provide expert testimony in court cases and legislative initiatives, and to document the nature and extent of true poverty. The Standard has now been calculated in 41 states plus the District of Columbia and is housed at the University of Washington’s Center for Women’s Welfare.

In 2000, Merble Reagon, Executive Director at the Women’s Center for Education and Career Advancement (Women’s Center), initiated the development of the first New York City Self-Sufficiency Standard report, after realizing that the thousands of women they had trained and placed in jobs, were not earning enough to sustain their families’ basic needs. To keep the issues and facts at the forefront of the public policy discussion, under Merble’s initiative, the Women’s Center arranged for the updates of The Self-Sufficiency Standard for New York City in 2004, 2010, and 2014. This series of briefs updates the 2014 report, ***Overlooked and Undercounted: The Struggle to Make Ends Meet in New York City***.

As with all Self-Sufficiency Standard reports, this one was authored by Dr. Diana M. Pearce and produced by the Center for Women’s Welfare at the University of Washington.

Explore Online. All briefs in this series are available online, along with interactive maps, dashboards, and a data file of tables by borough. Explore more at www.unitedwaynyc.org/self-sufficiency-2018.

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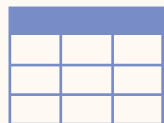
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How did we calculate this data?



STEP 1: CALCULATE THE SELF-SUFFICIENCY STANDARD

The Self-Sufficiency Standard for New York City 2018 defines the amount of income necessary to meet the basic needs of New York City families, differentiated by family type and where they live. The Standard measures income adequacy, and is based on the costs of basic needs for working families: housing, child care, food, health care, transportation, and miscellaneous items, plus taxes and tax credits. It assumes the full cost of each need, without help from public subsidies (e.g., public housing or Medicaid) or private assistance (e.g., unpaid babysitting by a relative or food from a food pantry). An emergency savings amount to cover job loss is also calculated separately. The Standard is calculated for over **700 family types** for all New York City boroughs plus sub-borough areas.



STEP 2: CREATE A DATASET OF NYC HOUSEHOLDS

To estimate the number of households below the Self-Sufficiency Standard for New York City, this study uses the 2016 American Community Survey (ACS) 1-year Public Use Microdata Sample (PUMS) by the U.S. Census Bureau. The ACS is an annual survey of the social, housing, and economic characteristics of the population.



Sample Unit. The sample unit for the study is the household, not the individual or the family. This study includes all persons residing in households, including not only the householder and his/her relatives, but also non-relatives such as unmarried partners, foster children, and boarders and takes into account their income.

The Self-Sufficiency Standard assumes that all adult household members work and includes all their **work-related costs** (e.g., transportation, taxes, child care) in the calculation of expenses. Therefore, the population sample in this report **excludes household members not expected to work and their income**. This includes: adults over 65 and adults with a work-limiting disability. A work-limiting disability exists if the adult is disabled and is not in the labor force or receives Supplemental Security Income or Social Security income.



For example, a grandmother who is over 65 and living with her adult children is not counted towards the household size or composition; nor is her income (e.g., from Social Security benefits) counted as part of household income. Households that consist of only elderly or adults with work-limiting disabilities are excluded altogether for the same reasons. Households defined as “group quarters,” such as individuals living in shelters or institutions, are also not included. In total, this study includes **2,257,674 New York City households**.

STEP 3: COMPARE HOUSEHOLD INCOME TO INCOME BENCHMARK

To determine if a household has adequate income to cover each household members’ basic needs, the 2018 Self-Sufficiency Standard for New York City is used. Earnings for each household member are summed and inflated to 2018 dollars to determine total household income. Total household income is then compared to the calculated Standard for the appropriate family composition and geographic location. Regardless of household composition, it is assumed that **all members of the household share income and expenses**. Household income is also compared to the U.S. Census Bureau’s poverty threshold to calculate whether households are above or below poverty.

Household Income



Self-Sufficiency Standard



Adequate Income

Household Income > Self-Sufficiency Standard

OR

Inadequate Income

Household Income < Self-Sufficiency Standard

Glossary of Key Terms

American Community Survey (ACS). The ACS is a sample survey of over three million addresses administered by the Census Bureau. The ACS publishes social, housing, and economic characteristics for demographic groups covering a broad spectrum of geographic areas with populations of 65,000 or more in the United States and Puerto Rico.

Official Poverty Measure (OPM). There are two versions of the OPM. When this study uses OPM to reference the number of households in poverty, we are referring to the thresholds calculated each year by the Census Bureau to determine the number of people in poverty (often referred to as poverty thresholds). When this brief uses the OPM in terms of programs or policy, we are referring to the federal poverty guidelines, developed by the Department of Health and Human Services (HHS), used by federal and state programs to determine eligibility and calculate benefits (often noted as the federal poverty guidelines, or FPG). Note that Census Bureau poverty thresholds vary by household composition, i.e., the number of adults and the number of children in a household, while the HHS poverty guidelines only vary by household size.

Household. The sample unit used in this study is the household, including any unrelated individuals living in the household. When appropriate, the characteristics of the householder are reported (e.g., race/ethnicity, citizenship, educational attainment). When a variable is reported based on the householder it may not reflect the entire household. For example, in a household with a non-citizen householder, other members of the household may be citizens.

Householder. The householder is the person (or one of the persons) in whose name the housing unit is owned or rented or, if there is no such person, any adult member, excluding roomers, boarders, or paid employees.

Income Inadequacy. The term income inadequacy refers to an income that is too low to meet basic needs as measured by the Self-Sufficiency Standard. Other terms used interchangeably in this brief that refer to inadequate income include: “below the Standard,” “lacking sufficient (or adequate) income,” and “income that is not sufficient (or adequate) to meet basic needs.”

Latinx. Latinx refers to Hispanic/Latinx ethnicity, regardless of race. Therefore, all other race/ethnic groups used in this brief are non-Hispanic/Latinx. Note that Latinx is a gender-neutral or non-binary alternative to Latino or Latina for persons of Latin American origin.

Person of Color. Due to smaller sample sizes of some racial/ethnic groups, some analyses in this brief compare White (non-Hispanic/Latinx) householders with non-White householders (including Latinx/Hispanic householders). The text uses the terms non-White and people of color interchangeably to refer to households in which the householder is not White.

Self-Sufficiency Standard (SSS). The SSS measures how much income is needed for a family of a certain composition in a given county to adequately meet their basic needs without public or private assistance.

Single Father/Single Mother. A man maintaining a household with no spouse present but with children is referred to as a single father. Likewise, a woman maintaining a household with no spouse present but with children is referred to as a single mother. Note the child may be a grandchild, niece/nephew, or unrelated child (such as a foster child).

Explore Online

Overlooked and Undercounted 2018 findings are explored through a series of briefs. The series contains six briefs plus policy recommendations, along with interactive maps, dashboards, and a data file of tables by borough. Explore more at www.unitedwaynyc.org/self-sufficiency-2018.

Introduction

Two in five working-age New York City households—over 905,000—lack enough income to cover just the necessities, such as food, housing, health care, and child care. This translates to over 2.5 million men, women, and children struggling to make ends meet in New York City. Yet only a third of that number are poor according to the federal official poverty measure. Consequently, a large and diverse group of individuals and families experiencing economic distress are routinely overlooked and undercounted.

Many of these hidden poor find they earn too much income to qualify for most supports, yet are still struggling to meet their basic needs. To make things even worse, their efforts are exacerbated by the reality that housing, health care, and other living costs are rising faster than wages in New York City.

To document these trends, we use the Self-Sufficiency Standard. The Standard measures how much income is needed to meet families' basic needs at a minimally adequate level, including the essential expenses faced by workers, but without any public or private assistance. Once these costs are calculated, we apply the Standard to determine how many—and which—households lack enough to cover the basics. Unlike the official poverty measure (OPM), the Self-Sufficiency Standard is varied both geographically and by family composition, reflecting the higher costs facing some families (especially child care for families with young children) and the geographic diversity of costs between New York City boroughs.

This brief analyzes the trends over time as documented by the Standard: how the cost of living has increased since 2000 in New York City and how the changes impact which families in New York City are able to reach the Self-Sufficiency Standard.

- New York City has continued to increase in cost, and all boroughs continue to rank among the top 12 most expensive large cities in the country.
- The cost of living according to the Standard has risen at nearly three times the rate of wages, as well as growing faster than official inflation.
- The percentage of households under the Standard has decreased slightly since 2012, but remains high, particularly in lower-cost boroughs.



The costs of basic needs increased at nearly three times the rate of wage increases between 2000 and 2018

The NYC Self-Sufficiency Standard increased 87% on average



How has the Cost of Basic Needs Changed Over Time Compared to Wages and Poverty?

The Self-Sufficiency Standard has been calculated for New York City in 2000, 2004, 2010, 2014, and 2018. Overall, the Self-Sufficiency Standard (i.e. the cost of basic needs) has increased by **87%**, *almost 5% per year on average, between 2000 and 2018*. In contrast, wages have only increased **31%**, *under 2% per year over the same time period*.

In examining the Self-Sufficiency Standard and cost components for a family with one adult, one infant, and one school-age child, we note three trends.

First, although costs increased in all boroughs over the 2000-2018 time period, they did so at different rates, with cost increases ranging from 65% in South Manhattan to 122% in Northwest Brooklyn (see [Figure A](#)). **Housing, child care, and transportation have risen at higher rates, while increases in taxes have been partially offset by increases in tax credits.** In particular:

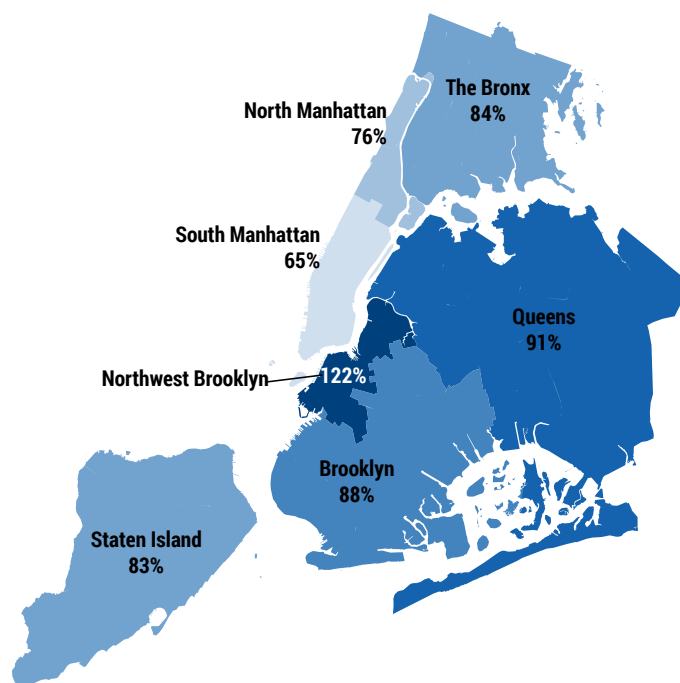
- South Manhattan increased at the lowest rate (65%) of all boroughs, however, as it is the most expensive area, the dollar amount of the increase was still the highest.
- Lower cost boroughs such as Queens and North Manhattan had smaller absolute dollar increases, but higher rates of increase at 91% and 76%.

Second, there is no significant slowing of cost increases during the Great Recession or the recovery after 2009 (see [Figure B](#)). **That is, despite the slowdown in the economy, when many people experienced job loss, decreased hours, and stagnant wages, the cost of living continued to rise in New York City.**

Third, citywide median earnings over the same time period have increased by only 31%. In short, **costs have risen at nearly three times the rate of wage increases over this time period.** Clearly, the fact that cost increases have far outstripped wage increases puts pressure on family budgets. Likewise, even though they are updated for inflation (using the CPI, the Consumer Price Index) the federal poverty guidelines increased by 47%, much less than the actual increase in costs of 87% experienced by low income families. The gap between what families actually require to meet their basic needs, and what is considered officially poor, continues to widen.

Figure A. Percentage Change in the Standard:
NYC 2000 – 2018*

One Adult, One Infant, and One School-age Child



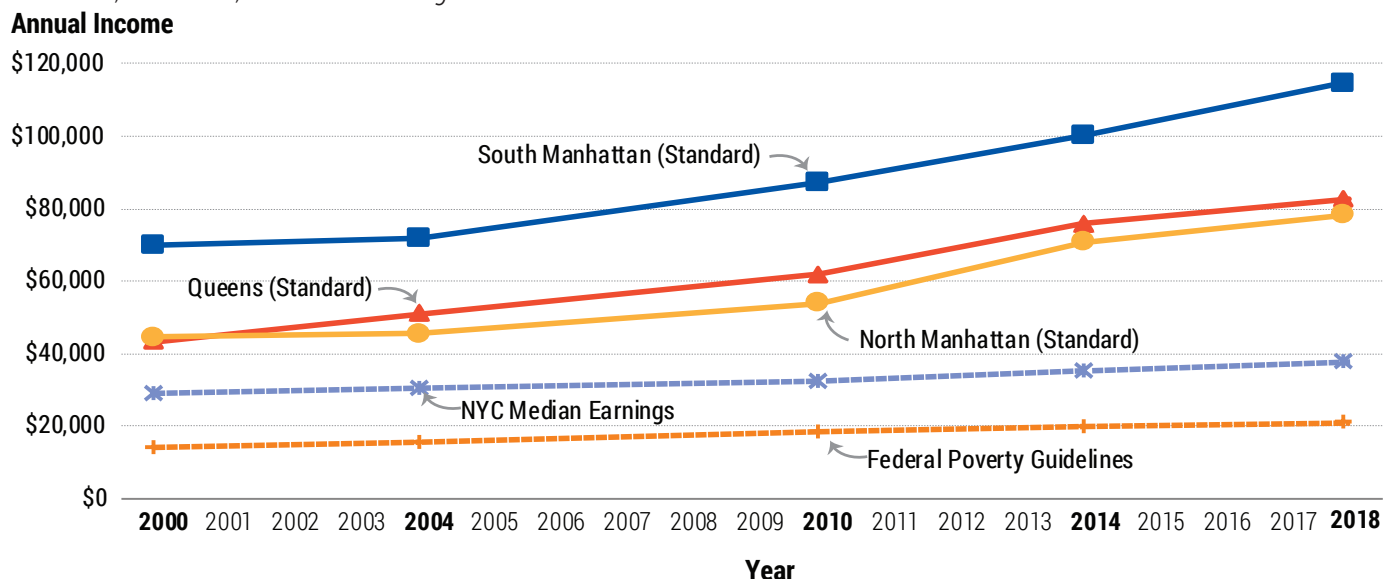
* 2014 is the first year that Brooklyn was calculated for two areas.

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THE GAP BETWEEN WHAT FAMILIES ACTUALLY REQUIRE TO MEET THEIR BASIC NEEDS, AND WHAT IS CONSIDERED OFFICIALLY POOR, CONTINUES TO WIDEN.

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Figure B. The Self-Sufficiency Standard for Select Boroughs Compared to Median Earnings and the FPG: 2000-2018
One Adult, One Infant, and One School-age Child



Variation in Costs

The variation in the rate change of the Standard across boroughs reflects the variation in the individual cost components included in the Standard. Using the same three-person family as above (one adult, one infant, and one school-age child), [Table 1](#) shows the actual cost and percentage of change for each basic need since 2000 in the Bronx and New York City as a whole (data for all boroughs available in appendix). Overall, the Bronx increased by 84%, a similar rate to the city as a whole (87%), but with significant differences in some budget areas.

- Housing was the budget item with the largest increase in the Bronx, rising 111% since 2000, growing from \$740 to \$1,562 per month for a two-bedroom housing unit in the Bronx. Housing costs also increased 111% on average throughout New York City.
- Transportation was the second largest increase in the Bronx and New York City as a whole, with the cost of a transit pass rising by 92%. However, overall this is the smallest item in the Self-Sufficiency Standard budget.
- Child care, a much larger budget item, was close behind at a 91% increase over the last 18 years in both the Bronx and citywide. In dollar terms, the cost of child care increased by \$953 per month since 2000.

Table 1. Percentage Change in the Standard Over Time:
The Bronx, NYC 2000 – 2018
One Adult, One Infant, and One School-age Child

	2000	2018	PERCENT CHANGE 2000-2018	
			The Bronx	NYC
MONTHLY COSTS				
Housing	\$740	\$1,562	111%	111%
Child Care	\$1,048	\$2,001	91%	91%
Food	\$430	\$582	35%	68%
Transportation	\$63	\$121	92%	92%
Health Care	\$315	\$506	61%	39%
Miscellaneous	\$260	\$477	84%	85%
Taxes	\$723	\$1,481	105%	114%
Tax Credits (-)	(\$163)	(\$433)	165%	165%
SELF-SUFFICIENCY STANDARD				
Monthly	\$3,416	\$6,297	84%	87%
Annual	\$40,990	\$75,568		
MEDIAN EARNINGS*				
The Bronx	\$23,113	\$27,167	18%	-
NYC	\$29,079	\$38,118	-	31%

* Bronx County and New York City Median Earnings: U.S. Census Bureau, 2016, American Community Survey 1-Year Estimates, B20002, and Census 2000 Summary File 3, P085, <http://factfinder2.census.gov> (accessed April 4, 2018). Median earnings from 1999 and 2014 updated using the Employment Cost Index (ECI). U.S. Department of Labor, BLS, Employment Cost Index, <http://data.bls.gov/cgi-bin/srgate>, Series CIS102000000000001 (accessed April 4, 2018).

- Food costs increased by 35% in the Bronx, just over half the citywide average of 68%.
- Health care costs in the Bronx increased by 61% since 2000 but have only gone up by 39% across the city.¹

Official Inflation vs. SSS Trend

How much do the increases in the Self-Sufficiency Standard parallel the overall trends in inflation?

Our analysis suggests that **the official measure of inflation underestimates the rising costs of basic needs in New York City**. We examine this question in **Figure C** by comparing the actual increase in the Standard for South Manhattan and Queens to what the numbers would be if we had just updated the 2000 Standard for inflation. The official measure of inflation is used here, which is the U.S. Department of Labor's Consumer Price Index (CPI). The CPI is a measure of the average changes in the prices paid by urban consumers for all goods and services; it is calculated nationally, as well as for regions and large metropolitan areas.

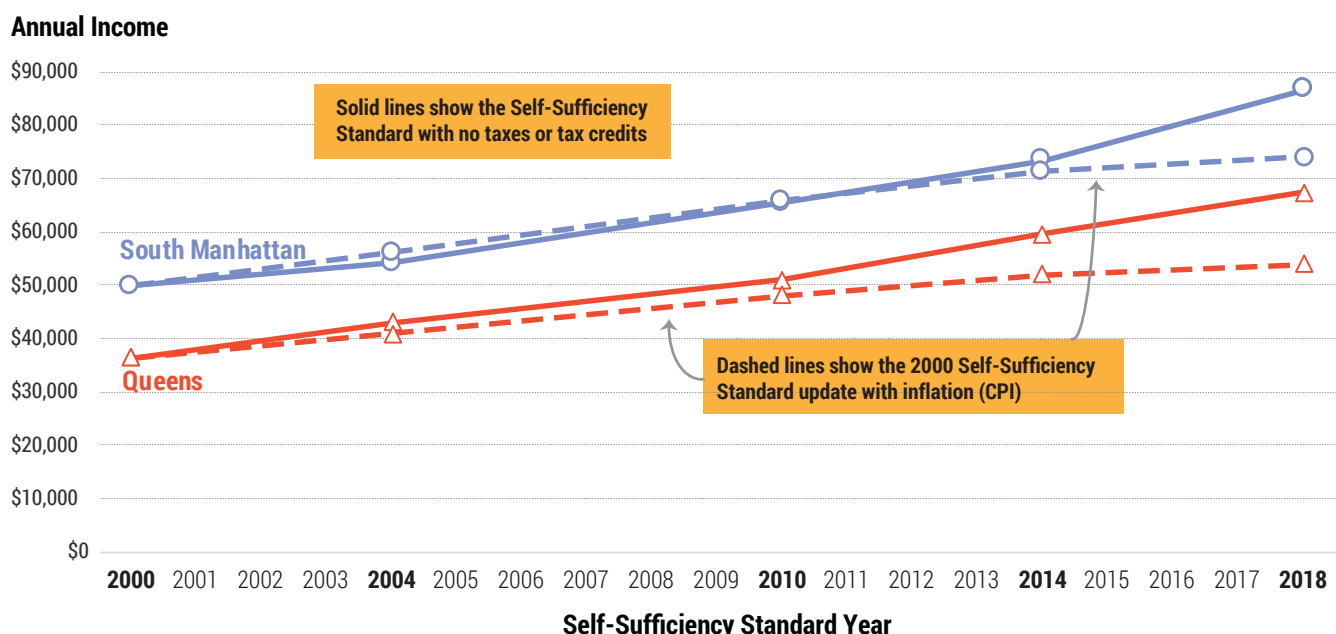
The New York area Consumer Price Index (CPI) increased 48% between 2000 and 2018. When we increase the Queens Standard by this amount

(excluding taxes and tax credits), the CPI-adjusted cost of basic needs in 2018 would be estimated to be about \$54,000 annually. However, the actual 2018 Standard (without taxes and tax credits) for this family in Queens is considerably higher at \$67,000 annually, an 85% increase between 2000 and 2018. The CPI-adjusted Standard is \$13,000 less per year than the actual Self-Sufficiency Standard. Northwest Brooklyn, with a 111% increase over 18 years, shows an even wider gap of \$20,000 between the actual 2018 Standard and the CPI inflation-adjusted figure for 2018.

In sum, **Figure C** demonstrates that the rate of inflation—as measured by the CPI—**substantially underestimates the rising costs of basic needs in New York City**, leaving families thousands of dollars short. This analysis also suggests that assuming that the CPI reflects the experience of households equally across the income spectrum conceals the lived experience of those at the lower end. **For lower-income families, not only have wages stagnated, but the cost of basic needs are rising faster than overall inflation measures indicate, aggravating the real but hidden economic crunch that they are experiencing.**

Figure C. CPI*-Measured Inflation Underestimates Real Cost of Living Increases: A Comparison of the Self-Sufficiency Standard and the Consumer Price Index, 2000-2018

One Adult, One Infant, and One School-age Child: Queens and South Manhattan



U.S. Department of Labor, Bureau of Labor Statistics, Consumer Price Index, "New York-Newark-Jersey City," All Items, 1982-84=100-CUURA101SAO," <http://data.bls.gov/cgi-bin/surveymost?cu> (accessed March 7, 2018).

* Since the CPI does not incorporate taxes or tax credits, these items have been taken out of the Self-Sufficiency Standard for this comparison figure.

How Many Households are Below the Standard?

A similar study for New York City was last conducted in 2014 based on the 2012 American Community Survey.² Over the past four years, the percentage of households with incomes under the Self-Sufficiency Standard has dropped slightly from 42% in the 2014 study to about 40% in the current study, even though the unemployment rate has dropped by about half. This means that 36,793 fewer households were below the Standard in 2016 compared to 2012.

This decrease is over the period from near the depth of the Great Recession (averaging 9.4% in 2012³) to what is considered by many to be normal levels of employment (with an unemployment rate in New York City of 4.8% at the end of 2016⁴). With unemployment rate so low, one would expect to see more households rise above their Standard during this period, but instead we saw a small drop of only about 2% in the number of families below their Standard. **This suggests that the Recession may have accelerated the shift in jobs from those with higher to those with relatively lower wages** (an issue explored in Brief 5 of the Overlooked and Undercounted series).

The overall change of a 2% decrease conceals differences by race/ethnicity and by borough.

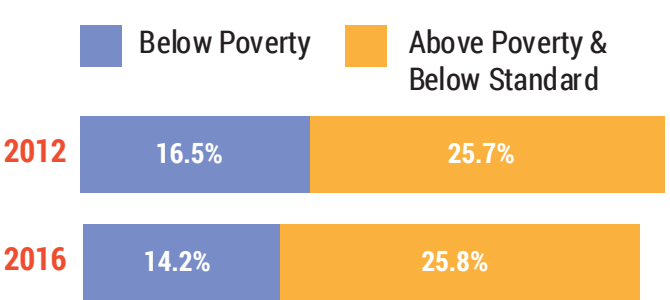
- The highest-cost areas (South Manhattan and Northwest Brooklyn) saw small increases in the number of households below self-sufficiency, while the percentage of income insufficient households in all other areas stayed the same or decreased (see [Table 2](#)). This is leading to a slight

Table 2. Percentage of Households Below the Self-Sufficiency Standard by Borough: NYC 2012 – 2016

BOROUGH	2012	2016	% CHANGE
<i>New York City</i>	42.1%	40.1%	-2.1%
The Bronx	55.6%	55.5%	-0.1%
Northwest Brooklyn	29.2%	30.9%	1.7%
Brooklyn (Excluding Northwest)	49.4%	44.8%	-4.6%
North Manhattan	45.4%	44.1%	-1.3%
South Manhattan	26.7%	28.0%	1.3%
Queens	42.6%	38.4%	-4.2%
Staten Island	29.4%	27.7%	-1.7%

Source: U.S. Census Bureau, 2012/2016 ACS 1-Year Public Use Microdata Sample.

Figure D. Percentage of Households Above Poverty and Below Standard: NYC 2012 – 2016



Source: U.S. Census Bureau, 2012/2016 ACS 1-Year Public Use Microdata Sample.

trend towards convergence across the city, but still with a substantial difference between areas such as South Manhattan and the Bronx.

- While the income inadequacy rates for Black and White householders remained unchanged between this time period, the income inadequacy rate for all other race/ethnic groups decreased. The income inadequacy rate for Latinx householders decreased 5%, Asian and Pacific Islander householders decreased 4%, and all other race householders decreased 9%.

Notably, the number of households below the Census poverty thresholds has decreased from 16.5% to 14.2%, while the total number of households below the Standard has decreased from 42.1% to 40.2% (see [Figure D](#)). This means while the number of families in poverty according to the OPM has decreased, virtually the same percentage of families (25.7% and 25.8%) are above OPM poverty thresholds but below the Standard, and thus remain overlooked and undercounted in both study years.

At the same time, the profile of households with incomes below the Self-Sufficiency Standard has stayed remarkably stable, across a range of

demographic and other characteristics—such as race/ethnicity, number of workers, and so forth—with at most a 1–2% change, well within the range of sampling error.

Two notable exceptions are that of households below the Standard in 2016, fewer have children and their householders are better educated than in 2012. This reflects overall demographic shifts towards more childless households and fewer householders lacking a high school diploma. Both of these changes should have, other things being equal, further decreased the percentage of households below the Standard. Since they did not, the small decrease of 2% is even more remarkable. Clearly other factors—mainly rising costs and stagnating earnings—counteracted the demographic changes.

- First, the percentage of households below the Standard with no children increased by 3.5 percentage points, reflecting in part the overall increase in childless households in New York City of 1.6%. Given that childless households still experience income inadequacy at the same rate (32%) in 2016 as 2012, this should have lowered the income inadequacy rate. At the same time, the income inadequacy rate for households with children decreased four percentage points (from 59% in 2012 to 55% in 2016), which should also lower the overall rate.
- Second, the percentage of households below the Standard with a householder lacking a high school diploma decreased by 4.4 percentage points, contributing to the overall 2.1% decline independent of the improving economy and declining unemployment rate.

The percentage of householders without health insurance had the largest drop of all by over ten percentage points in this period of time. The expansion of health insurance coverage under the Affordable Care Act resulted in decreased uninsured rates throughout New York City.

Table 3. Profile of Households Below the Self-Sufficiency Standard: NYC 2012 and 2016

	BELOW STANDARD		DIFFERENCE
	2012	2016	
HOUSEHOLD TYPE			
No Children	47%	51%	3.5%
Married with Children	25%	24%	-0.7%
Single Mother	23%	21%	-2.0%
Single Father	5%	4%	-0.7%
RACE/ETHNICITY			
Asian	16%	16%	-0.4%
Black	25%	24%	-0.6%
Latinx	36%	36%	-0.2%
White	22%	22%	-0.2%
Other	1%	3%	1.3%
EDUCATIONAL ATTAINMENT			
Less than high school	26%	22%	-4.4%
High school graduate	27%	30%	2.3%
Some college	25%	25%	0.5%
Bachelor Degree +	22%	23%	1.6%
NUMBER OF EMPLOYED WORKERS			
None	17%	16%	-1.6%
One	55%	53%	-1.3%
Two+	28%	31%	2.9%
FOOD ASSISTANCE (SNAP)			
Yes	34%	31%	-2.8%
No	66%	69%	2.8%
HEALTH INSURANCE			
Yes	75%	86%	10.5%
No	25%	14%	-10.5%
HOUSING BURDEN			
Housing > 30% of income	81%	77%	-3.7%
Housing < 30 of income	16%	19%	3.0%
No cash rent	2%	3%	0.7%

Source: U.S. Census Bureau, 2012 & 2016 ACS 1-Year Public Use Microdata Sample.

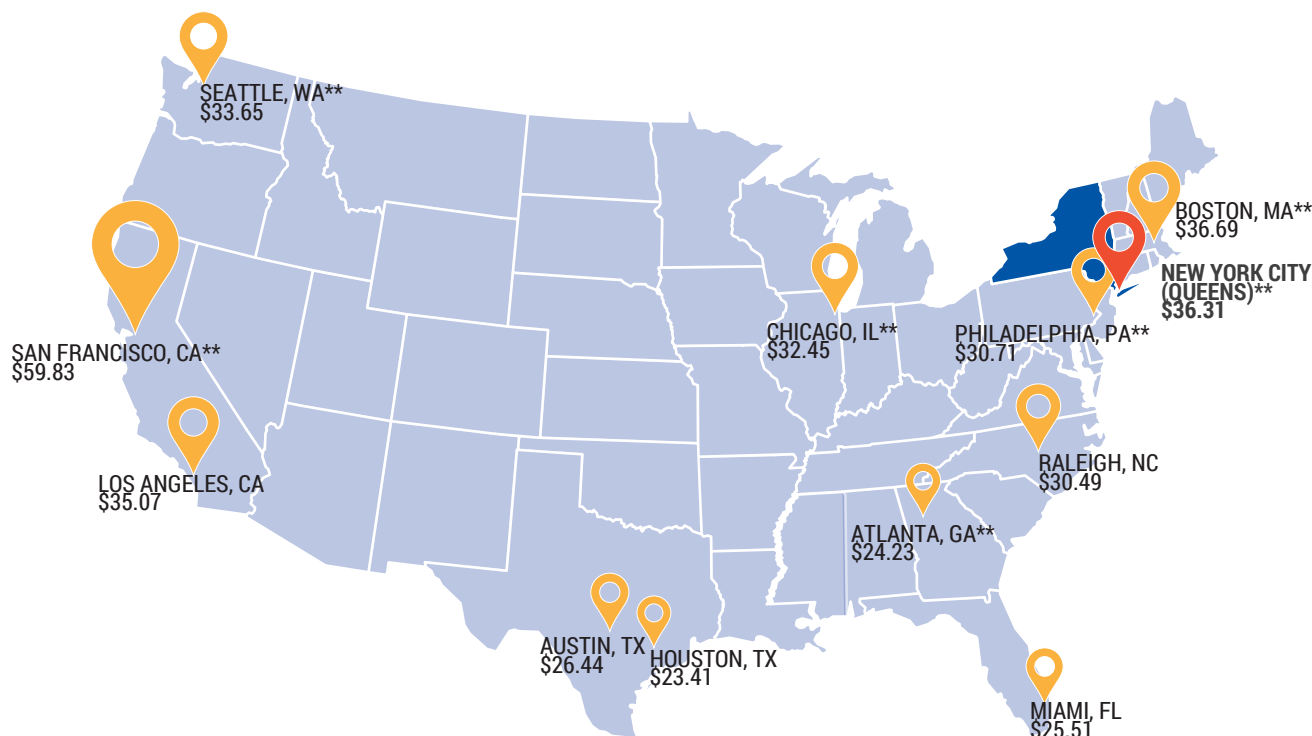
How Does the New York City Standard Compare to Other U.S. Cities?

The Self-Sufficiency Standard required to meet basic needs varies considerably across the United States. South Manhattan is considerably more expensive than almost all U.S. cities. Additionally, while other boroughs are less costly, no matter where a family lives in New York City it will likely be more expensive than most of the nation's major cities.

In [Figure D](#) the Self-Sufficiency Standard for a family with one parent, one preschooler, and one school-age child in Queens is compared to the hourly Self-Sufficiency Standard for the same family type in other major U.S. cities: Atlanta, GA; Chicago, IL; Miami, FL; Raleigh, NC; Boston, MA; Austin, TX; Houston, TX; Philadelphia, PA; Los Angeles, CA; San Francisco, CA; and Seattle, WA.⁵

- The full-time, year-round wages required to meet the Self-Sufficiency Standard in these cities range from a low of \$23.41 per hour (Houston, TX) to a high of \$59.83 per hour (San Francisco, CA), or \$49,437 to \$126,361 annually.
- Queens requires \$36.31 per hour for this family type to meet basic needs and is most comparable in cost to Boston. Queens is also similar in costs to Los Angeles, the second largest city in the U.S.

Figure E. The Self-Sufficiency Standard for Queens, NY Compared to Other U.S. Cities, 2018*
One Adult, One Preschooler, and One School-age Child



*The Self-Sufficiency Standard for each city represents the county in which the city is located. Wages other than Los Angeles, San Francisco, and Queens, are updated from release month using the Consumer Price Index.

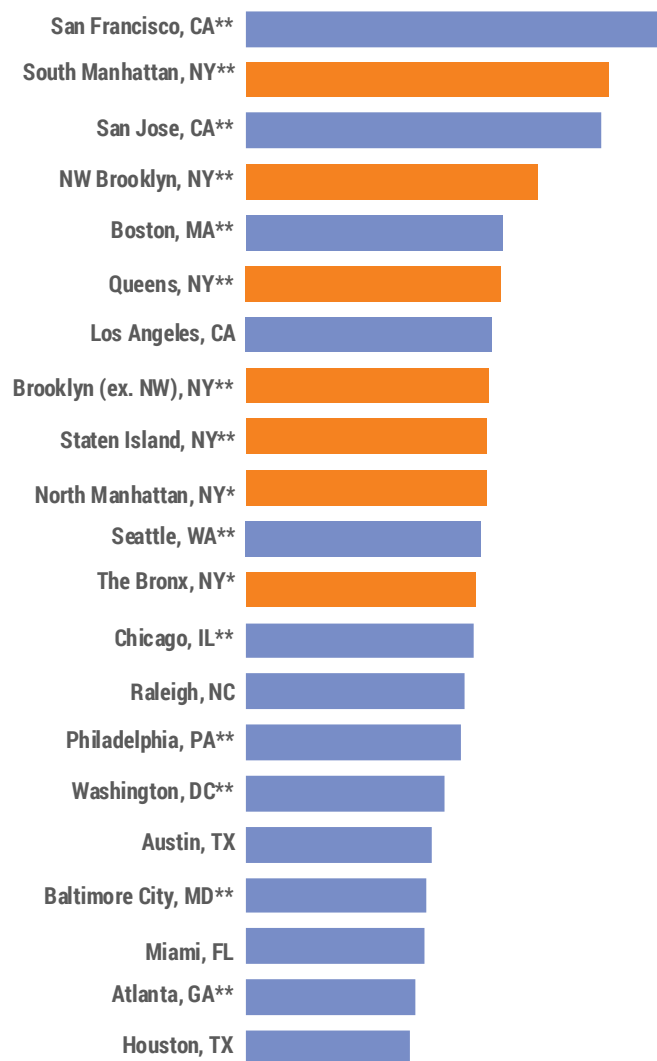
** Wage calculated assuming family uses public transportation.

South Manhattan, with an hourly wage of \$51.65 per hour, is most comparable to San Jose in California as shown in **Figure F**. When we last compared New York City boroughs to other U.S. cities in 2010, the hourly wage for South Manhattan was 50% more than San Francisco (\$43.35 per hour compared to 27.47 per hour for San Francisco). However, it is now about 14% less than San Francisco.

While all the budget items in the Standard vary geographically, housing and child care costs in particular vary considerably.

- For example, a two-bedroom rental costs over \$3,000 in San Francisco compared to about \$1,000 per month in Houston.
- Similarly, child care for a preschooler and a school-age child in San Francisco costs \$2,640 per month, while it is less than half that in Houston for the same children at \$1,247 per month.
- Additionally, public transportation costs are significantly less than the cost of owning and operating a car; thus, in areas where private transportation costs are assumed, the Self-Sufficiency Standard wage reflects higher transportation expenses.

Figure F. The Self-Sufficiency Standard for NYC Boroughs Compared to Other U.S. Cities, 2018*
One Adult, One Preschooler, and One School-age Child



*The Self-Sufficiency Standard for each city represents the county in which the city is located. Where applicable, wages are updated from release month using the Consumer Price Index.

** Wage calculated assuming family uses public transportation.

METHODOLOGY NOTE

Note that the cost data used for the Self-Sufficiency Standard is for 2018, and thus reflects trends up to the present year, such as the Rent Guidelines Board rent freezes in 2016 and 2017.* At the same time, 2016 is the latest demographic dataset available and can only show changes from 2012 through 2016. Although the 2016 dataset does reflect the New York State increase in the state minimum wage (from \$7.25 per hour in 2012 to \$9.00 per hour in 2016), it does not show the impact, for example, of raising the New York City minimum wage in 2017 (to \$10.50–\$11.00 per hour, depending on the size of the employer) or later years' increases.**

* The City of New York Rent Guidelines Board, "Rent Guidelines Board Apartment Orders #1 through #49 (1949 to 2018)", <http://www1.nyc.gov/assets/rentguidelinesboard/pdf/guidelines/aptorders2018.pdf> (accessed May 17, 2018).

** Some New York City human service workers are covered by two "living wage" laws. One covers those working under New York City contracts, with a minimum of \$10/hour (\$11.50 if there is no health insurance), and the other covers employees of receiving financial assistance from the NYC government, provides wages of \$11.50/hour (\$13.13 if no health insurance), as of 2014, adjusted for the CPI since then.

Conclusion

Overall, since the first calculation of the New York City Standard in 2000, the Self-Sufficiency wage has increased across all boroughs and family types, but particularly in boroughs like the Bronx that are lower-cost. And while the Standard is increasing faster than inflation, wages have made remarkably little movement, resulting in a “crunch” for working families in a city that remains more expensive than almost any other city in the country. Over the past four years, the percentage of households under their respective Standard has decreased slightly, but still remains high, especially in lower-cost boroughs. In the following briefs, we explore in more detail the rates of income inadequacy for different subgroups, including by race/ethnicity, gender, education, citizenship, and work effort.

Overlooked and Undercounted 2018

The *Overlooked and Undercounted 2018* findings are explored through a series of research briefs. The series contains six briefs plus key findings, recommendations, and a technical brief, along with interactive maps, dashboards, and a data file of tables by borough. The following briefs, key findings, and more can be explored online at www.unitedwaynyc.org/self-sufficiency-2018.

1. Defining Self-Sufficiency in New York City
2. A City Evolving: How Making Ends Meet has Changed in New York City
3. Race, Ethnicity, and Citizenship: The Impact on Making Ends Meet in New York City
4. Gender and Family Structure: The Impact on Making Ends Meet in New York City
5. Employment, Occupations, and Wages: The Impact on Making Ends Meet in New York City
6. Work Supports: The Impact on Making Ends Meet in New York City

Endnotes

1. However, it should be noted that since 2004 there has been no geographic variation in health insurance costs across New York City boroughs. Additionally, with the passage of the Affordable Care Act, all of New York City is considered one health insurance ratings area.

2. It should be noted that in all cases of demographic analysis, the studies used are the most recent, but two years behind; thus the 2014 New York City study used 2012 Census data, and the current 2018 New York City study uses 2016 data.

3. U.S. Department of Labor, Bureau of Labor Statistics, "Local Area Unemployment Statistics - New York City," <https://www.bls.gov/regions/new-york-new-jersey/data/xg-tables/ro2xglausnyc.htm> (accessed April 4, 2018).

4. Ibid

5. The Self-Sufficiency Wage for each of these places has been updated to current dollars using the Consumer Price Index for the appropriate regions. U.S. Department of Labor, Bureau of Labor Statistics, "All Items, 1982-84=100 - CUURA101SA0," Consumer Price Index, <http://data.bls.gov/cgi-bin/surveymost?cu> (accessed August 23, 2017).

Appendix

Table 4. The Self-Sufficiency Standard Over time by Borough: New York City 2000 – 2018
One Adult, One Preschooler, and One School-age Child

YEAR	MONTHLY COSTS								SELF-SUFFICIENCY STANDARD
	HOUSING	CHILD CARE	FOOD	TRANS.	HEALTH CARE	MISC.	TAXES	TAX CREDITS	MONTHLY COST
THE BRONX									
2000	\$740	\$1,048	\$430	\$63	\$315	\$260	\$723	(\$163)	\$3,416
2018	\$1,562	\$2,001	\$582	\$121	\$506	\$477	\$1,481	(\$433)	\$6,297
Percentage Change	111%	91%	35%	92%	61%	84%	105%	165%	84%
BROOKLYN									
2000	\$801	\$1,048	\$430	\$63	\$315	\$266	\$758	(\$163)	\$3,518
BROOKLYN (EXCLUDING NW)									
2018	\$1,693	\$2,001	\$622	\$121	\$506	\$494	\$1,607	(\$433)	\$6,612
Percentage Change	111%	91%	45%	92%	61%	86%	112%	165%	88%
NW BROOKLYN									
2018	\$2,349	\$2,001	\$622	\$121	\$506	\$560	\$2,093	(\$433)	\$7,819
Percentage Change	193%	91%	45%	92%	61%	111%	176%	165%	122%
NORTH MANHATTAN									
2000	\$686	\$1,048	\$430	\$63	\$592	\$282	\$776	(\$163)	\$3,714
2018	\$1,315	\$2,001	\$965	\$121	\$506	\$491	\$1,582	(\$433)	\$6,549
Percentage Change	92%	91%	124%	92%	-14%	74%	104%	165%	76%
QUEENS									
2000	\$900	\$1,048	\$430	\$63	\$317	\$276	\$742	(\$163)	\$3,613
2018	\$1,839	\$2,001	\$633	\$121	\$506	\$510	\$1,724	(\$433)	\$6,902
Percentage Change	104%	91%	47%	92%	60%	85%	132%	165%	91%
SOUTH MANHATTAN									
2000	\$1,650	\$1,048	\$430	\$63	\$592	\$378	\$1,826	(\$163)	\$5,824
2018	\$2,970	\$2,001	\$965	\$121	\$506	\$656	\$2,806	(\$433)	\$9,593
Percentage Change	80%	91%	124%	92%	-14%	74%	54%	165%	65%
STATEN ISLAND									
2000	\$883	\$1,048	\$430	\$63	\$319	\$274	\$733	(\$163)	\$3,587
2018	\$1,637	\$2,001	\$656	\$121	\$506	\$492	\$1,591	(\$433)	\$6,572
Percentage Change	85%	91%	53%	92%	59%	79%	117%	165%	83%

About the Author

Diana M. Pearce, PhD is on faculty at the School of Social Work, University of Washington in Seattle, Washington, and is Director of the Center for Women's Welfare. Recognized for coining the phrase "the feminization of poverty," Dr. Pearce founded and directed the Women and Poverty Project at Wider Opportunities for Women (WOW). She has written and spoken widely on women's poverty and economic inequality, including testimony before Congress and the President's Working Group on Welfare Reform. While at WOW, Dr. Pearce conceived and developed the methodology for the Self-Sufficiency Standard and first published results in 1996 for Iowa and California. Her areas of expertise include low-wage and part-time employment, unemployment insurance, homelessness, and welfare reform as they impact women. Dr. Pearce has helped found and lead several coalitions, including the Women, Work and Welfare Coalition and the Women and Job Training Coalition. She received her PhD degree in Sociology and Social Work from the University of Michigan.

About the Center for Women's Welfare

The Center for Women's Welfare at the University of Washington School of Social Work is devoted to furthering the goal of economic justice for women and their families. Under the direction of Dr. Diana Pearce, the Center focuses on the development of the Self-Sufficiency Standard and related measures, calculations, and analysis. For more information about the Center call (206) 685-5264. This brief as well as all other state reports, and all Self-Sufficiency Standard datasets, can be found at www.selfsufficiencystandard.org.



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The conclusion and opinions contained within this brief do not necessarily reflect the opinion of those listed above, WCECA, or United Way of New York City. Any mistakes are the author's responsibility.

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