

# Race, Ethnicity, and Citizenship

## The Impact on Making Ends Meet 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

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OVERLOOKED & UNDERCOUNTED 2018 | BRIEF 3

# Race, Ethnicity, and Citizenship

## The Impact on Making Ends Meet in New York City

By Diana M. Pearce, PhD • October 2018

**DIRECTOR, CENTER FOR WOMEN'S WELFARE**

**UNIVERSITY OF WASHINGTON SCHOOL OF SOCIAL WORK**

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# 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](http://www.unitedwaynyc.org/self-sufficiency-2018).

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**Race, Ethnicity, and Citizenship: The Impact on Making Ends Meet in New York City (Overlooked and Undercounted 2018 Series)**

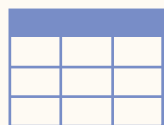
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# How did we calculate this data?



## 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

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**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.

**API.** The abbreviation API is used in some of the tables and figures for Asian and Pacific Islander householders.

**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](http://www.unitedwaynyc.org/self-sufficiency-2018).

# Introduction

Two in five New York City working-age 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 as a benchmark. The Standard measures how much income is needed to meet families’ basic needs at a minimally adequate level, including the essential costs of working, 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 discusses how race/ethnicity, citizenship, and language affect the ability of families in New York City to reach the Self-Sufficiency Standard, documenting the disproportionate burden of inadequate income born by people of color in New York City.** The widening income inequality that characterizes American society is particularly visible within New York City.


- People of color are disproportionately more likely to have inadequate incomes, particularly Latinx.
- Nativity and citizenship further divides the city: foreign-born householders have higher income inadequacy rates than native-born householders, especially when Latinx, and especially if they are not citizens.
- The returns from work effort and education are consistently lower for people of color, resulting in higher levels of income inadequacy compared to their White counterparts.

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## There are 905,063 households living below the Self-Sufficiency Standard in New York City



**78%** of NYC householders below the Standard are persons of color



**56%** of NYC householders below the Standard are foreign born



**35%** of NYC householders below the Standard struggle with English

# Income Inadequacy by Race/Ethnicity

People of color comprise less than two-thirds of New York City's households, and yet they account for almost four out of five households with inadequate income (78%); ***almost half of these households below the Standard are Latinx.***

Overall two-fifths of households in New York City have income that is inadequate to meet the rising cost of living. While all racial/ethnic groups have inadequate income, **people of color disproportionately experience income inadequacy.**

Latinx-headed households, regardless of race, have the highest income inadequacy rate of all racial/ethnic groups in New York City—56% of Latinx households lack sufficient income (see [Figure A](#)).

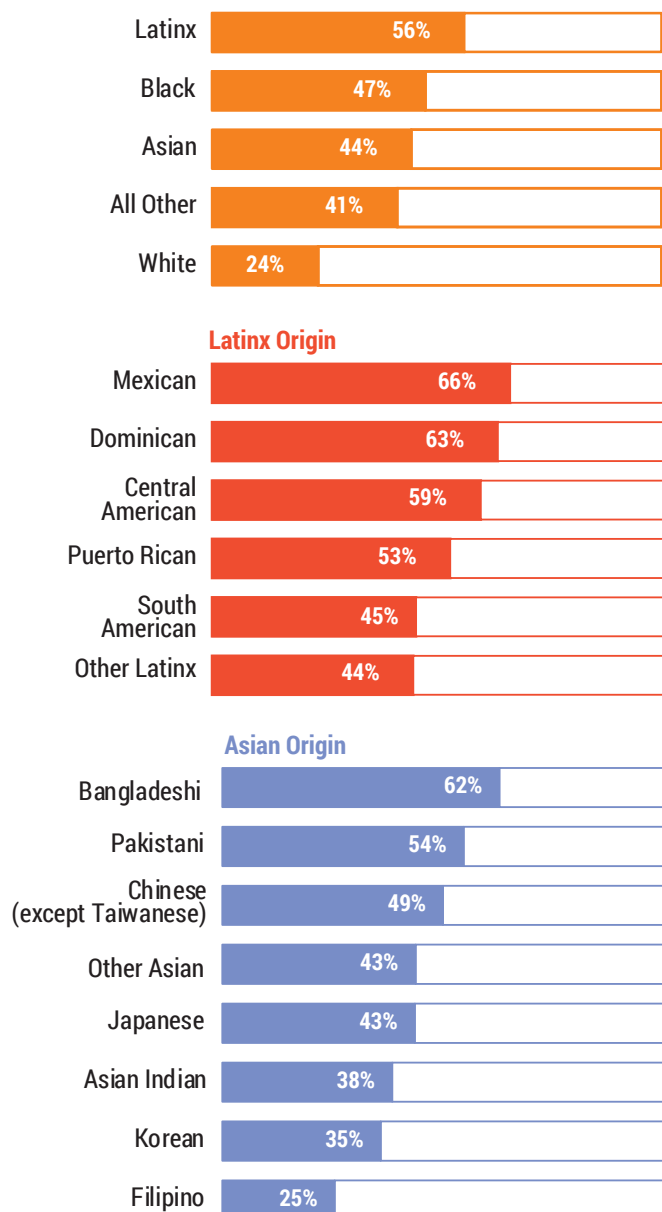
- Of the largest Latinx subgroups, householders of Mexican origin are most likely to be struggling to get by, as two-thirds lack sufficient income.
- While householders with origins from South America have the lowest income adequacy rate of the Latinx subgroups analyzed (45%), they are still more likely to lack adequate income compared to all households in New York City.
- Puerto Ricans have an income inadequacy rate closer to the middle for Latinxs at 53%, but this is significantly higher than other native-born (non-Puerto Rican) Latinxs, who have an income inadequacy rate of 39%.

Just under half (47%) of African American households in New York City struggle to meet their basic needs.

While 44% of Asian and Pacific Islander households have inadequate income, the Asian and Pacific Islander subgroups differ substantially.

- Among the largest Asian subgroups, Bangladeshi households have the highest rate of inadequate income at 62%. However, they account for only 6% of all Asian and Pacific Islander households below the Standard.

**Figure A. Income Inadequacy Rate by Race/Ethnicity of Householder\* and Country of Origin: NYC 2016**



\* 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.  
 Note: Latinx refers to Hispanic/Latinx ethnicity, regardless of race. Therefore, all other racial/ethnic groups are non-Hispanic/Latinx.  
 Source: U.S. Census Bureau, 2016 ACS 1-Year Public Use Microdata Sample.



- In contrast, households with Filipino origins experience income inadequacy at a rate similar to White households (25% vs. 24%).

Under a quarter (24%) of White households lack adequate income in New York City—the lowest rate of all major racial/ethnic groups in New York City. The income inadequacy rate for White households is half the rate experienced by Latinx households.

The combined All Other category (see sidebar for definition) have rates of income inadequacy close to the city-wide average at 41%.

### Race/Ethnicity by Borough

Households of color are more likely to be struggling throughout all New York City boroughs. However, the contrast in income inadequacy rates between race/ethnic groups is greater in some boroughs.

- Latinx households in Brooklyn (Excluding Northwest) experience income inadequacy at a rate that is 26 percentage points greater than White households (59% vs. 33%).
- In contrast, while Latinx households in North Manhattan are below the Standard at about the same rate as in Northwest Brooklyn (60% vs. 59%), White households in North Manhattan are income insufficient at a rate about half that of White households in Northwest Brooklyn (18% vs. 33%). Thus, in North Manhattan, the income inadequacy rate for Latinx households is 42 percentage points higher than White households (60% vs. 18%).

More characters of households below the Self-Sufficiency Standard by borough are available to explore with our interactive data tool at [www.unitedwaynyc.org/self-sufficiency-2018](http://www.unitedwaynyc.org/self-sufficiency-2018).

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**IN NORTH MANHATTAN, THE INCOME INADEQUACY RATE FOR LATINX HOUSEHOLDS IS 42 PERCENTAGE POINTS HIGHER THAN WHITE HOUSEHOLDS.**

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### Race/Ethnicity Definitions

This study combines the Census Bureau's separate racial and ethnic classifications into a single set of categories. In the American Community Survey questionnaire, individuals identify if they are ethnically of Hispanic, Latinx, or Spanish origin and separately identify their race/races (they can indicate more than one race). Those who indicate they are of Hispanic, Latinx, or Spanish origin (regardless of their race category) are coded as Latinx in this study, while all others are coded according to their self-identified racial category.

The result is five mutually exclusive racial and ethnic groups:

- Latinx or Hispanic (referred to as Latinx),
- Asian, Native Hawaiian, and Other Pacific Islander (referred to as Asian and Pacific Islander or API),
- Black or African-American (referred to as Black),
- White, and;
- American Indian, Alaska Native, Some Other Race, and Two or More Races (referred to as All Other). Individuals identifying in these categories are combined due to the small population sizes in the sample. As this is still a small group, results by All Other races are often dropped in analysis due too small sample size (e.g., by borough). When analysis divides the population into White and non-White, this group is included in the latter category.

### Race/Ethnicity By Family Household Composition

**Married couples, without children, have the lowest rates of income inadequacy, while single mothers are generally highest, within and across race/ethnicity groups.** The different distribution of household type and gender by race/ethnicity contribute to the higher rates of income inadequacy among New York City households of color. As **Figure B** shows, single-mother households consistently have the highest rates of income inadequacy within each racial group. At the same time, within household-type groups, racial and ethnic differences persist, with Latinxs consistently having the highest

rates of income inadequacy for each household type.

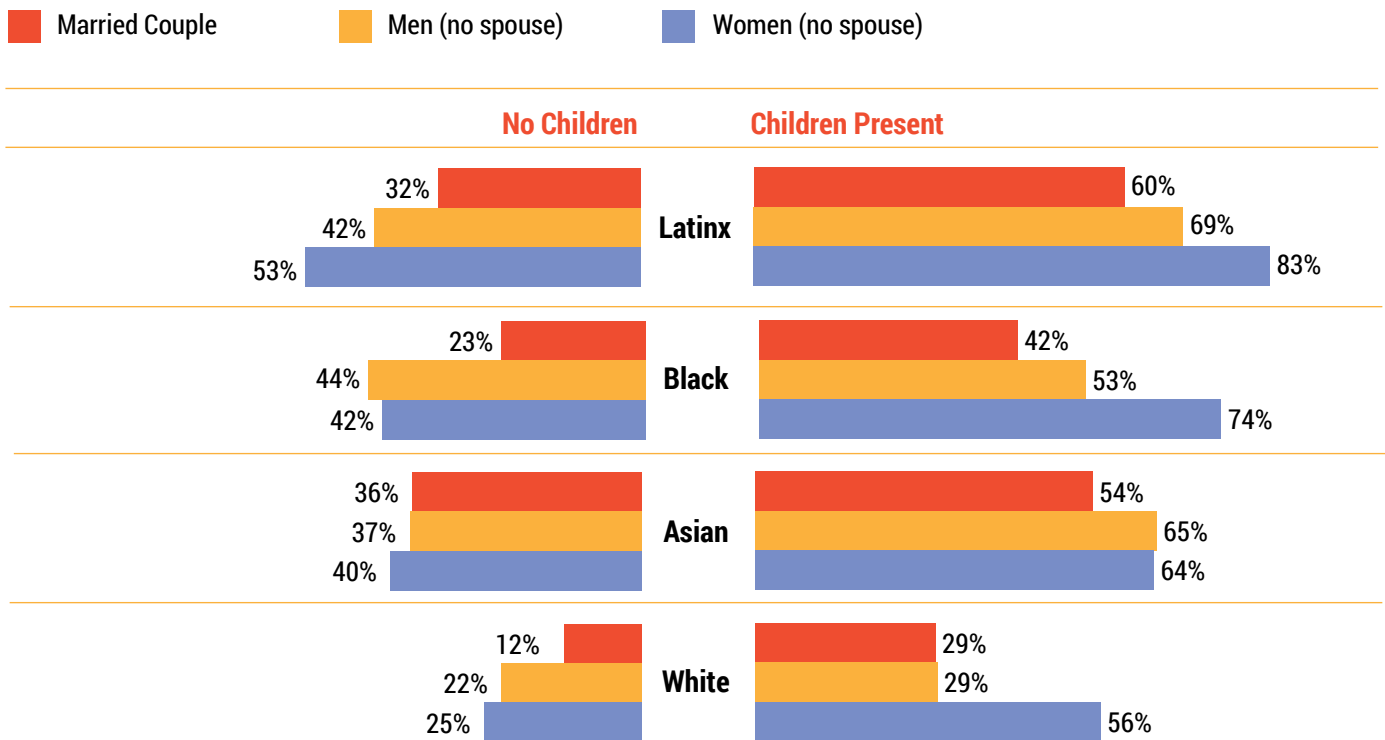
- Households without children.** The proportion of married-couple households in New York City with insufficient incomes ranges from 12% for White households to 36% for Asian and Pacific Islander households. Men with no spouses have higher rates, ranging from 22% for White households to 44% for Black households. Women with no spouses have the highest rates, ranging from 25% for White women-maintained households to 53% for Latina women-maintained households.
- Households with children.** Married-couple households with children have rates of income insufficiency that range from 29% among White households to 60% among Latinx households. Among single-father households, the rates are the same or somewhat higher for most race/ethnic groups, ranging from 29% for White single-father households to 69% for Latino single fathers. For single-mother households, the rates are much higher: the proportion of income inadequacy

ranges from a low of 56% for White households up to 83% for Latina households. Put another way, **within each race/ethnic group, single-mother households have income inadequacy rates that are 10 to 33 percentage points higher than married-couple households with children of the same race/ethnicity.**

The presence of children increases income inadequacy across all race/ethnic groups. However, Latinx married-couples without children still have higher income inadequacy rates than White married-couples with children (32% vs. 29%).

Overall, **the combination of being a woman, having children, and solo parenting is associated with the highest rates of income inadequacy and is exacerbated for single mothers of color, particularly Latinas.** Over four out of five single Latina mothers lack sufficient income and across all race/ethnic groups single mothers face income inadequacy rates five to seven times that of White married-couples without children.

**Figure B. Income Inadequacy Rate by Race/Ethnicity of Householder\* and Household Type: New York City 2016**



\* 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.

Note: Latinx refers to Hispanic/Latinx ethnicity, regardless of race. Therefore, all other racial/ethnic groups are non-Hispanic/Latinx.

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

# Race/Ethnicity, Education, and Work Experience

The disproportionately higher rates of income inadequacy for people of color is at times characterized in the media or by politicians as due to differences in education or work patterns. Below is a comparison of the rates of income inadequacy by education levels and race/ethnicity as well as by work patterns and race/ethnicity. *Higher levels of educational attainment and work effort result in substantially lower levels of income inadequacy for all groups. However, the return on education and work effort are lower for people of color resulting in higher levels of income inadequacy.*

## Educational Attainment

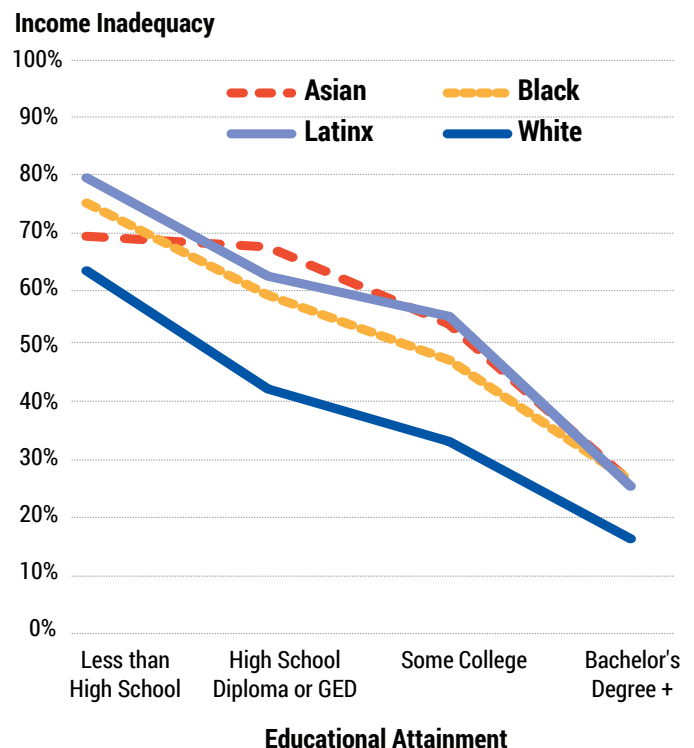
When a householder lacks a high school diploma, income inadequacy rates are high (see [Figure C](#)).

- However, Latinx householders with less than a high school education experience an income inadequacy rate that is 17 percentage points higher than White householders who lack a high school degree (80% vs. 63%).
- As educational attainment increases, the differences in income inadequacy rates between race/ethnic groups narrows, although households of color continue to have higher income inadequacy rates at each level. The difference in income inadequacy rates for householders with a high school diploma or GED ranges from 67% for Asian and Pacific Islander householders to 42% for White householders—a 25 percentage point difference. Once householders have a bachelor's degree or higher this difference shrinks to a difference of ten percentage points (26% for Asian householders vs. 16% for White householders).
- Note that for householders with the highest level of educational attainment, college degrees or more, differences in income inadequacy between different race and ethnic groups among people of color disappear (all 25%–26%), while White householders continue to have lower income inadequacy rates (16%).

Overall, White householders in New York City are far more likely to have a college education or higher, with 69% falling into that category, while only 3% have less than a high school education. On the other hand, only 22% of Latinx households

have a bachelor's degree or higher and 23% lack a high school diploma. Thus the impact on overall inadequacy rates are the result of a combination of differential rates by race/ethnicity, and the differential [distribution of educational attainment by race/ethnicity](#).

**Figure C. Income Inadequacy Rate by Educational Attainment and Race/Ethnicity of Householder\*: NYC 2016**



\* 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.  
 Note: Latinx refers to Hispanic/Latinx ethnicity, regardless of race. Therefore, all other racial/ethnic groups are non-Hispanic/Latinx  
 Source: U.S. Census Bureau, 2016 ACS 1-Year Public Use Microdata Sample.

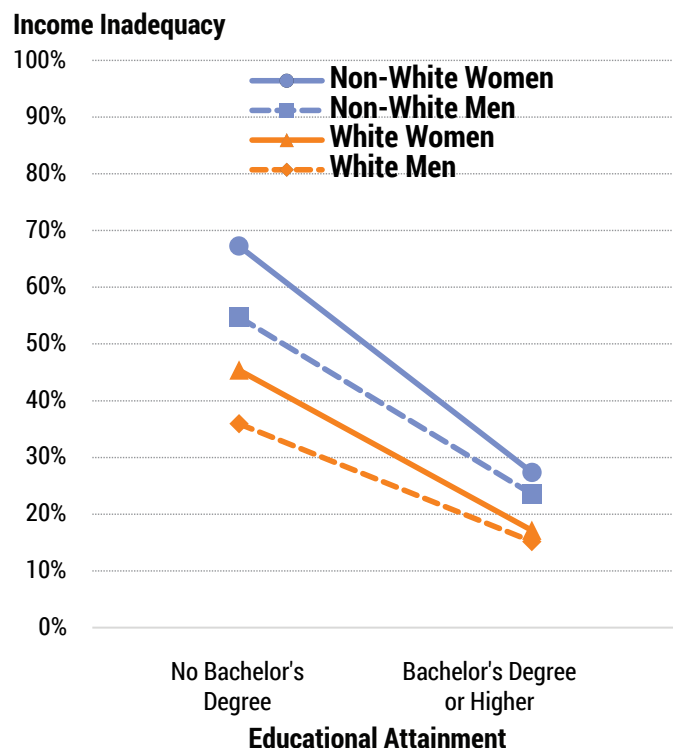
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## WHILE INCREASED EDUCATION LOWERS INCOME INADEQUACY RATES, AT EACH EDUCATIONAL LEVEL, INCOME INADEQUACY RATES ARE HIGHER FOR PEOPLE OF COLOR.

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Differences in returns to education are even more extreme when examined by gender as well as race. **Figure D** shows that **women and people of color must have considerably more education than men or their White counterparts to achieve the same levels of self-sufficiency.** For example, women of color have income inadequacy rates that are substantially higher than White men regardless of educational attainment: 31 percentage points higher for those without a bachelor's degree and 12 points higher for those with a bachelor's degree.

**Figure D. Income Inadequacy Rate by Educational Attainment, Race/Ethnicity, and Gender of Householder\*:**  
NYC 2016



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

## Work Effort

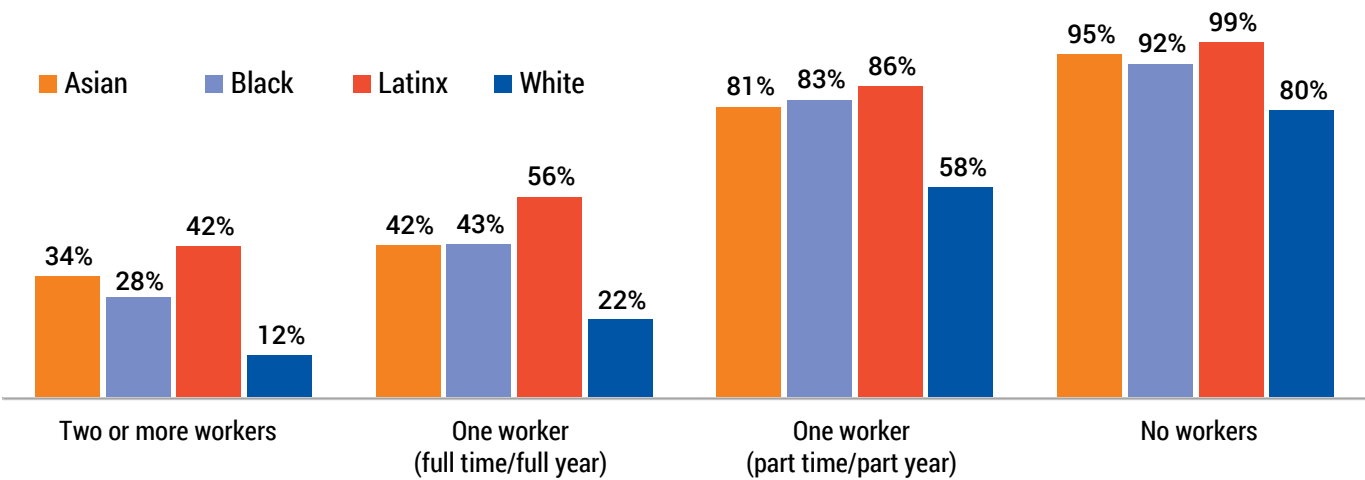
Like education, **the returns from work effort are consistently lower for people of color, resulting in higher levels of income inadequacy despite similar levels of work effort compared to their White counterparts.** Overall, work effort is high in New York City: among households with insufficient income over half (53%) have one employed worker and almost a third have two or more workers (31%). Only about 7% of all working-age households in New York City have no current workers, and **even among New York City households with incomes below the Standard, only 16% of households lack any employed adults.** ("No workers" means that no adults worked during the year; adults may be in training, seeking employment, or laid off as well as not in the labor force.)

Notably, the impact of having one or more workers in a household varies significantly by race and ethnicity (see **Figure E**).

- When there are two or more workers in a household the rate of income inadequacy is 12% for White households, 28% for Black households, 34% for Asian and Pacific Islander households, and 42% for Latinx households. Even with two or more workers, Latinx households have income inadequacy rates that are 30 percentage points higher than comparable White households.
- Compared to households with two or more workers, households with just one full-time, year-round worker, have higher rates of income inadequacy among all race/ethnic groups. With one full-time, year-round adult worker, the rate of income inadequacy ranges from 22% for White households up to 56% for Latinx households.
- If there is only one worker, and that worker is employed less than full time year round, 58% of White households, 81% of Asian and Pacific Islander households, 83% of Black households, and 86% of Latinx households lack sufficient income.
- Among (the relatively few) New York City households with no workers (no-one working during the year), the rate of income inadequacy further increases to 80% for White households,



Figure E. Income Inadequacy by Number of Workers and Race/Ethnicity of Householder\*: NYC 2016



\* 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.  
Note: Latinx refers to Hispanic/Latinx ethnicity, regardless of race. Therefore, all other racial/ethnic groups are non-Hispanic/Latinx. All workers over age 16 are included in the calculation of number of workers in household. A worker is defined as one who worked at least one week during the previous year.  
Source: U.S. Census Bureau, 2016 ACS 1-Year Public Use Microdata Sample.

92% for Black households, 95% for Asian households, and nearly all Latinx households (99%). Note that this group does not include adults that are disabled or elderly. As the Standard is designed for working age families, and thus includes the costs of working (such as child care and transportation), the elderly and disabled are excluded from this dataset (see Technical Brief).

Thus, even with the same numbers of workers in a household, the disadvantages associated with being a person of color is associated with higher levels of income inadequacy compared to White households.

Wage rates, controlling for hours, clearly contribute to the higher income inadequacy rates for households of color (see Table 1). Compared to the median hourly wage of White householders, the median hourly wage of non-White householders ranges from 51% of the White wage for Latinx householders to 70% for Asian/Pacific Islander householders. While the range of median wages across all groups is much less (\$12 to \$15 per hour) among those below the Standard, there is still a wage gap, such that householders of color have median hourly wages that are still only 79% of White householders for Asian and Pacific Islander householders to 93% of White householders' median wages for Black householders.

Table 1. Median Hourly Pay Rate of Working Householders\* by Race/Ethnicity: NYC 2016

	ALL HOUSEHOLDERS	BELOW STANDARD	ABOVE STANDARD
Latinx	\$18	\$12	\$27
% of White	51%	80%	67%
Black	\$22	\$14	\$29
% of White	63%	93%	74%
Asian	\$24	\$12	\$35
% of White	70%	79%	89%
White	\$34	\$15	\$40

\* 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.  
Note: Latinx refers to Hispanic/Latinx ethnicity, regardless of race. Therefore, all other racial/ethnic groups are non-Hispanic/Latinx. All workers over age 16 are included in the calculation of number of workers in household. A worker is defined as on who worked at least one week during the previous year.  
Source: U.S. Census Bureau, 2016 ACS 1-Year Public Use Microdata Sample.

Education, Work & Gender

The next brief in the *Overlooked and Undercounted* series further explores education and work experience.

To learn more, visit [www.unitedwaynyc.org/self-sufficiency-2018](http://www.unitedwaynyc.org/self-sufficiency-2018) to download all briefs in this series.

# Citizenship & English Proficiency

New York City is a cultural hub of diverse immigrant populations. Nearly half of New York City households (45%) are headed by foreign-born householders and about one in five (19%) by non-citizens. *Citizenship and English proficiency are protectors against income insufficiency for immigrant households, yet not enough to bring income adequacy rates to the same level as native-born citizens.*

## Nativity

Foreign-born householders have higher income inadequacy rates than native-born householders, especially when Latinx, and especially if they are not citizens. While one-third of native-born New York City households have inadequate income, 43% of naturalized citizens and 57% of non-citizens lack adequate income.

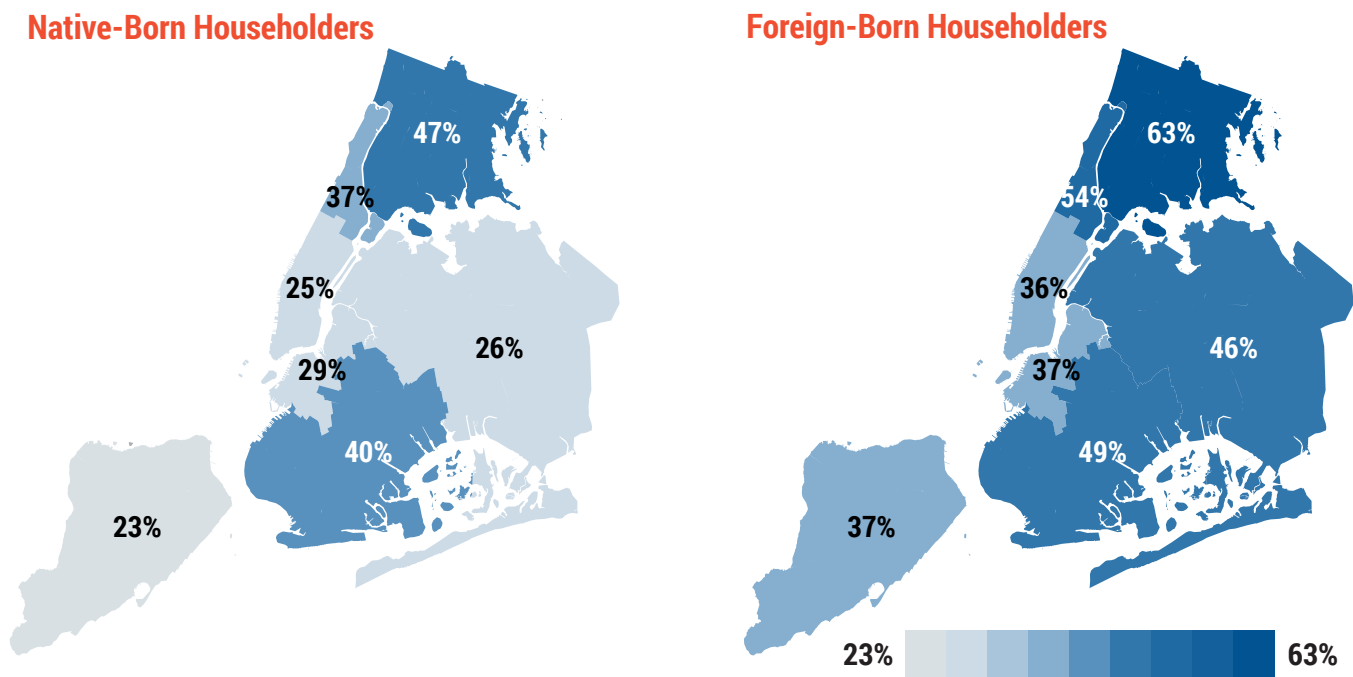
Immigrant households are more likely than native-born households to have inadequate income across all boroughs in New York City:

- Nearly a third (32%) of immigrant households live in Queens which also has the largest difference in income adequacy between native born and

immigrant households. While overall 38% of households in Queens are below the Standard, the rate is 26% for native-born householders and 46% for immigrant householders.

- Brooklyn (Excluding Northwest) has the second largest immigrant population in the city. Nearly half (49%) of immigrant households are below the Standard in Brooklyn (Excluding Northwest) compared to 40% of native-born households who are below the Standard.
- Immigrants in South Manhattan have the lowest rate of income inadequacy (36%) of any borough in New York City, but the rate is still higher than the rate of native-born householders, 25% of whom have incomes below the Standard.

Figure F. Income Inadequacy Rate by Nativity of Householder\* and Borough: NYC 2016



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

## FOREIGN-BORN NEW YORKERS ACCOUNT FOR OVER HALF (56%) OF NEW YORK CITY HOUSEHOLDS WITH INADEQUATE INCOME.

Overall, due to the high rates of income inadequacy for immigrants, foreign-born New Yorkers account for over half (56%) of New York City households with inadequate income.

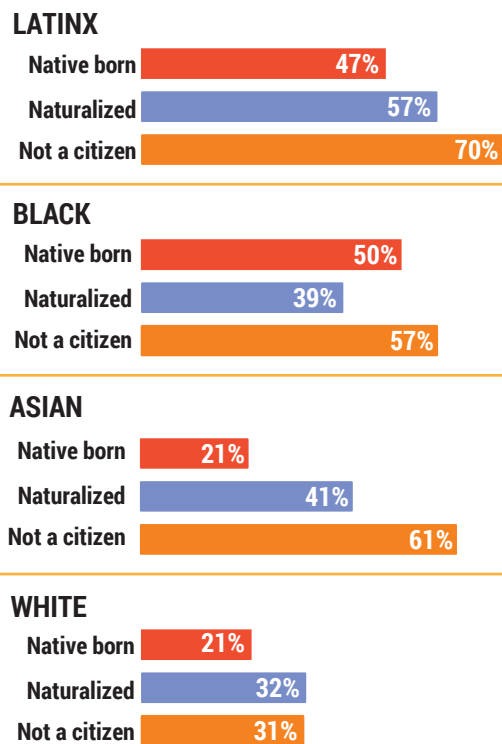
### Nativity by Race/Ethnicity

As detailed throughout this brief, Latinx households are more likely to experience income inadequacy than any other race/ethnic group. One factor that contributes to these high rates is citizenship status: in New York City, less than half of Latinx householders are native born. How do rates of income inadequacy among Latinxs compare by citizenship status? (see [Figure G](#)).

- Among Latinxs, native-born householders have the lowest rate of income insufficiency, which at 47% is close to the rate for non-Latinx non-citizen householders (50%). In New York City, nearly two-thirds of native-born Latinx householders are Puerto Rican. As shown in [Figure A](#) previously, over half of Puerto Rican households have incomes below the Standard. However, income inadequacy rates for native-born Latinx householders who are not Puerto Rican is lower at 39%.
- For foreign-born Latinxs, income inadequacy rates are even higher: nearly three-fifths of naturalized citizen Latinx householders lack adequate income (57%) while over two thirds of non-citizen Latinx householders lack adequate income (70%).

While Latinx householders (excluding Puerto Ricans, who are native-born) are the largest percentage of immigrants in New York City (31%), Asian householders are more likely to be foreign born (81% versus 56% Latinx). The same differentials by citizenship status hold for Asian householders; however citizenship is a larger protector of income adequacy for Asian households compared to Latinx households.

**Figure G. Income Inadequacy Rate by Citizenship Status of Householder\*: NYC 2016**



\* 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.

Note: Latinx refers to Hispanic/Latinx ethnicity, regardless of race. Therefore, all other racial/ethnic groups are non-Hispanic/Latinx.

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

- While 44% of Asian households in New York City have inadequate income to meet their needs, native-born Asian householders have the same inadequacy rates as White householders (21%).
- However, among naturalized Asian householder in New York City the income inadequacy rate is 41%.
- Among non-citizen Asian householders in New York City, 61% lack adequate income—**40 percentage points higher than Asian householders born in the United States**. In contrast, being native born only lowered income inadequacy rates for Latinx householders by 23 percentage points.

**Black householders, on the other hand, are the only race/ethnic group to experience increased income inadequacy rates if native born (50% native born vs. 39% naturalized).** Additionally,

while the number of native-born Black and Latinx householders is nearly identical, native-born Black householders are more likely to have inadequate income than native-born Latinx householders (50% vs. 47%), despite the higher income inadequacy rate of Puerto Ricans.

Language

Even in a diverse area such as New York City, English proficiency is key to the ability to make an adequate income. **Householders who do not speak English well have twice the rate of income inadequacy (66%) compared to those who do speak English well (33%).** Among households without an English proficient householder, the income inadequacy rates vary in New York City from 53% in Staten Island to 77% in Northwest Brooklyn.

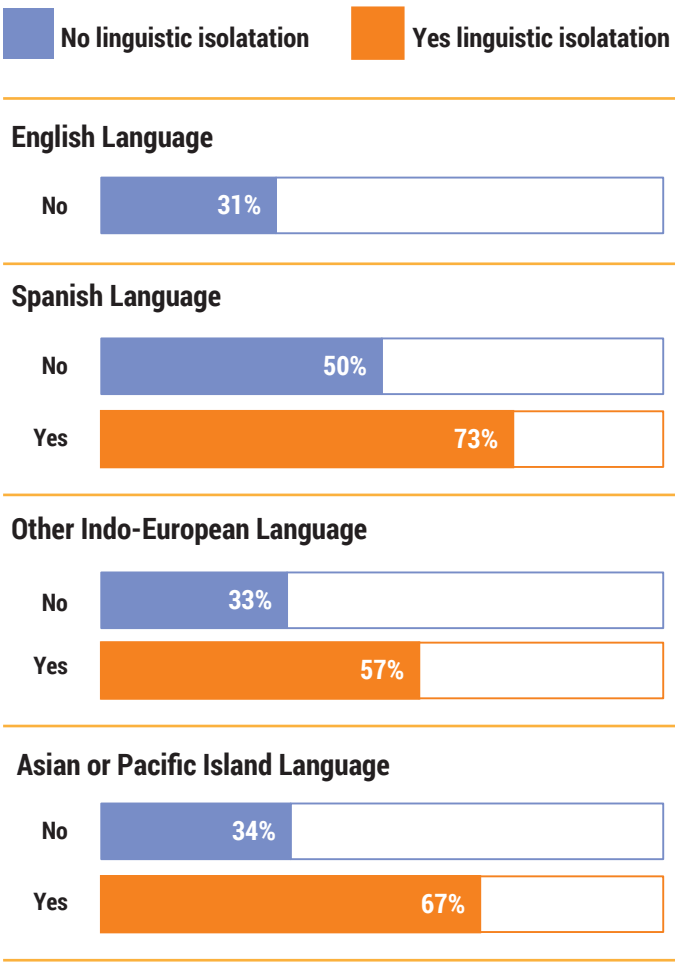
**Linguistic Isolation.** Households are identified as being linguistically isolated if *all* household members over 14 years of age speak a language other than English and speak English less than very well.

Additionally, there are over 286,000 households in New York City that are linguistically isolated, meaning that no one over age 14 speaks English well AND has a household language other than English. Over two-thirds (68%) of linguistically isolated households are income insufficient. Among Spanish-speaking households, if they are linguistically isolated, 73% have insufficient incomes (see [Figure H](#)). In contrast, households in which the only household language is English have an income inadequacy rate of 31%.

- If they are not linguistically isolated (at least one person over 14 speaks English very well), Spanish-speaking households have an income inadequacy rate of 50%, but if they are linguistically isolated, the income inadequacy rate increases to 73%.
- Among households who primarily speak an Asian or Pacific Islander language, 34% have inadequate income if they are not linguistically isolated, compared to 67% who are linguistically isolated.

Within New York City boroughs, income inadequacy rates for households that are linguistically isolated

Figure H. Income Inadequacy Rate by Linguistic Isolation and Household Language: NYC 2016



\* Linguistically isolated households have no members over 14 who speaks English very well.  
Source: U.S. Census Bureau, 2016 ACS 1-Year Public Use Microdata Sample.

range from 63% in Brooklyn (Excluding Northwest) and Queens to 79% and 80% in the Bronx and South Manhattan. Overall, over a third of linguistically isolated households below the Standard live in Queens. Another quarter of linguistically isolated households are located each in the Bronx and Brooklyn (Excluding Northwest).

HOUSEHOLDERS WHO DO NOT SPEAK ENGLISH WELL HAVE TWICE THE RATE OF INCOME INADEQUACY (66%) COMPARED TO THOSE WHO DO SPEAK ENGLISH WELL (33%).



# Conclusion

Diversity characterizes New York City, with nearly two-thirds of households (63%) headed by a person of color and 45% of households headed by a person born outside the United States. Yet, persons of color are over represented among households with income below the Standard—over three-fourths (78%) are headed by a person of color and over half (56%) are foreign born. Across family composition, educational attainment, and work status, people of color experience high income inadequacy rates. The disparities in income sufficiency is even more pronounced in certain boroughs—in North Manhattan the income inadequacy rate for Latinx households is 42 percentage points higher than White households. The next brief of the *Overlooked and Undercounted* series will explore further the double jeopardy faced by women of color.

## 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](http://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

## 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](http://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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