

**3.1 MILLION
NEW YORKERS
ARE CALLING
FOR A CHANGE.**

**Community
Service
Society** | Fighting Poverty
Strengthening
New York

**THE UNHEARD
Third** 
2008

A SURVEY OF LOW-INCOME NEW YORKERS

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The Community Service Society of New York (CSS) is an informed, independent, and unwavering voice for positive action that serves the needs of low-income New Yorkers. CSS draws on a 160-year history of excellence in addressing the root causes of economic disparity through research, advocacy, and innovative program models that strengthen and benefit all New Yorkers.

THE UNHEARD THIRD 2008: WORKING HARD, FALLING BEHIND

The Unheard Third 2008 is the seventh annual report by the Community Service Society of New York (CSS), the city's leading voice on behalf of low-income New Yorkers. The only survey of its kind nationally, *The Unheard Third* tracks the concerns and hardships of the city's low-income residents—who comprise a third of voting-age citizens in New York City—and their views on what programs and policies would help them get ahead. CSS also surveys moderate- and higher-income city residents to see where their concerns converge—and diverge—from those of low-income New Yorkers.

There are 3.1 million low-income New Yorkers living at 200 percent of the federal poverty level or below—totaling 37 percent of our city's population. They have incomes of less than \$35,000 for family of three, and they are struggling to get by in one of the most expensive cities in the nation. The majority of low-income New Yorkers live in households that include at least one worker. They are our child care workers, laborers, security guards, and hospital and nursing home aides—workers who are protecting the health and security of our city, yet struggle to meet the basic needs of their families.

The Unheard Third 2008 reveals a city in which poverty persists, even among those who are working. Two thirds of low-income, full-time workers experienced at least one hardship—and one third of these individuals faced three or more hardships, such as being unable to pay their rent or mortgage, going hungry, and forgoing medical care because of cost or lack of insurance. These hard-working New Yorkers are extremely vulnerable in this economic downturn. *The Unheard Third* survey highlights just how vulnerable they are.

This survey was conducted in June and July 2008. We expect New Yorkers are now experiencing anxiety and hardships at much higher levels than what is described here. The hardships

and worries uncovered in this 2008 survey underscore the importance for policy makers of ensuring that policies to help New York recover from the economic downturn target the long-term needs of low- and moderate-income New Yorkers. For low-income New Yorkers, the current economic downturn will likely mean higher rates of unemployment, reductions in working hours, and an increase in hardships as they struggle to meet their basic needs.

***The Unheard Third 2008* reveals a city in which poverty persists, even among those who are working. Two thirds of low-income, full-time workers experienced at least one serious hardship, such as being unable to pay their rent, going hungry, or forgoing medical care.**

The Unheard Third 2008 should sound a cry of alarm among policy makers and advocates. In this time of economic crisis, in order to ensure our city is a place where all New Yorkers can thrive regardless of race, income, or immigration status, we need the political will to enact policies that increase income security, preserve access to affordable housing, expand access to health coverage, create subsidized and supportive work opportunities for those most disadvantaged by the downturn, and increase skills across the board—including basic skills such as GED credentials and ESOL—so all New Yorkers can improve their lives as the economy rebounds. The return on this investment is a stronger, smarter workforce that can drive the shifting global economy and strengthen the social and economic fabric of our city. These times call for action.

HOW THE SURVEY WAS CONDUCTED

The Community Service Society (CSS) in collaboration with Lake Research Partners designed this survey, which Lake Research Partners administered by phone using professional interviewers. The survey reached a total of 1523 New York City residents. There were 1015 *low-income respondents* (up to 200% of the federal poverty standard or approximately \$35,000 annually for a family of three) and 508 *moderate- and higher-income respondents* (above 200% of the federal poverty standard), age 18 or older. The survey was conducted from June 8 to July 3, 2008.

Among the low-income sample, there were 529 “*poor*” respondents (earning at or below 100% of the federal poverty standard) and 486 “*near-poor*” respondents (earning between 101% and 200% of the federal poverty standard). The sample also included 203 “*moderate-income*” respondents (earning between 201% and 400% of poverty) and 305 “*higher-income*” respondents (earning above 400% of poverty).

Telephone numbers were drawn using random digit dial (RDD). The data were weighted slightly by gender, age, region, party identification, immigration status, education, and race in order to accurately reflect the demographic configuration of these populations. In the combined totals, respondents in the low-income sample were weighted down to reflect their actual proportion among all residents.

In interpreting survey results, all sample surveys are subject to possible sampling error; that is, the results of a survey may differ from those which would be obtained if the entire population were interviewed. The size of the sampling error depends upon both the total number of respondents in the survey and the percentage distribution of responses to a particular question. The margin of error for the low-income component is +/- 3.1%. The margin of error for the higher-income component is +/- 4.3%.

UNDERSTANDING THE SURVEY: INCOME GROUPS IN THE UNHEARD THIRD

Name of Income Group	% of 2008 Federal Poverty Level (FPL)	Income Range for a Family of Three	Number of Survey Respondents
Low-Income:	200% FPL or less	Less than \$35,200	1015
Poor	100% FPL or less	Less than \$17,600	529
Near-Poor	101–200% FPL	\$17,600–\$35,200	486
Moderate-Income	201–400% FPL	\$35,200–\$70,400	203
Higher-Income	More than 400% FPL	More than \$70,400	305

THE UNHEARD THIRD

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HARDSHIPS

Most low-income households in New York City are working—close to two thirds¹ of low-income households include a worker.

The state of these working poor New Yorkers is fragile; low-income New Yorkers who are working *full time* continued to experience significant economic, health, food, and housing hardships in 2008. For instance, 28 percent of low-income, full-time workers were unable to fill a prescription, while 21 percent did not get or postponed medical care. One third of all low-income New Yorkers experienced one or both of these health hardships in the last year.

Over the last several years, low-income New Yorkers were more likely to go hungry or skip meals, but were no more likely to receive food assistance from family, friends, or charities. Of concern, less than half of eligible recipients below the poverty level—which is approximately \$17,600 for a family of three—reported receiving food stamps. Expanding food stamp enrollment will bring much needed stimulus to many of New York’s poorest neighborhoods. Each dollar increase in federal food stamps translates into about \$1.73² of additional economic activity, most of which is spent locally—often in communities with high levels of unemployment and poverty.

The signs of growing economic insecurity are also present among moderate-income New Yorkers. New Yorkers with incomes between 201 percent and 400 percent of the poverty level (which translates to approximately \$35,000 to \$70,000

annually for a family of three) are also now experiencing a range of hardships—37 percent experienced at least one economic hardship and 27 percent experienced at least one health hardship in the past year. As the recession deepens, the economic stresses moderate-income New Yorkers experience are likely to increase.

RESPONDING TO THE NEEDS OF THE UNHEARD THIRD: ACCESS TO BENEFITS

For low-income families facing multiple hardships, public benefits such as food stamps, public assistance, Medicaid, and housing assistance can mean the difference between security and crisis. CSS works to ensure that New Yorkers have access to the public benefits for which they are eligible. In 2008, CSS launched a new Center for Benefits and Services to house a broad array of services to assist low-income New Yorkers and the community-based organizations who serve them. The Center offers one-on-one benefits counseling to help individual clients access government programs intended to mitigate their hardships, as well providing in-depth information and technical assistance regarding public benefits and housing programs to social service providers across the city.

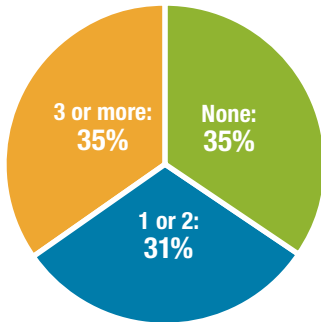
In its first year, the Center assisted 322 clients (preventing 167 evictions), trained or offered consultations to 1,021 social service providers, and provided comprehensive updates on more than 70 public benefit programs to the 1000+ subscribers to the Center’s *Benefits Resource Manual*.

1. CSS analysis of Housing Vacancy Survey data shows that 65 percent of low-income households had at least one worker, householder age 25-64. *The Unheard Third 2008* data on page 2 confirm these citywide data.

2. Mark Zandi, chief economist and co-founder, Moody’s Economy.com, 7/24/08 testimony before U.S. House of Representatives Committee on Small Business. <http://www.house.gov/smbiz/hearings/hearing-07-24-08-stimulus/Zandi.pdf>.

The vast majority of low-income New Yorkers faced hardships in 2008.

Multiple Hardships for Low-Income Respondents (≤ 200% FPL)



Hardships:

Economic

- 31% Cut back on buying back-to-school supplies and clothes
- 16% Had hours, wages or tips reduced
- 16% Lost job
- 8% Received assistance from charity/religious/community organization

Food

- 21% Often skipped meals because there wasn't enough money to buy food
- 18% Received free food or meals from family or friends
- 18% Went hungry because there wasn't enough money to buy food
- 16% Received free food or meals from a food pantry, soup kitchen, or meal program

Health

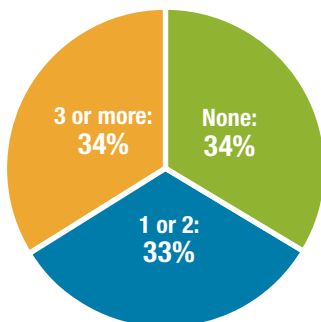
- 27% Needed to fill a prescription but couldn't because of a lack of money or insurance
- 19% Not gotten or postponed getting medical care or surgery because of a lack of money or insurance

Housing

- 24% Fell behind in rent or mortgage in the last year
- 18% Had either the gas, electricity, or telephone turned off because the bill was not paid
- 12% Moved in with other people even for a little while because of financial problems
- 4% Stayed at a shelter, in an abandoned building, an automobile, or any other place not meant for regular housing even for one night because didn't have enough money for a place to live

Hardship levels are similarly high even for low-income New Yorkers who are working full time.

Multiple Hardships for Low-Income Full-Time Workers (≤ 200% FPL)



Hardships:

Economic

- 37% Cut back on buying back-to-school supplies and clothes
- 17% Had hours, wages or tips reduced
- 15% Lost job
- 6% Received assistance from charity/religious/community organization

Food

- 18% Often skipped meals because there wasn't enough money to buy food
- 17% Received free food or meals from family or friends
- 14% Went hungry because there wasn't enough money to buy food
- 9% Received free food or meals from a food pantry, soup kitchen, or meal program

Health

- 28% Needed to fill a prescription but couldn't because of a lack of money or insurance
- 21% Not gotten or postponed getting medical care or surgery because of a lack of money or insurance

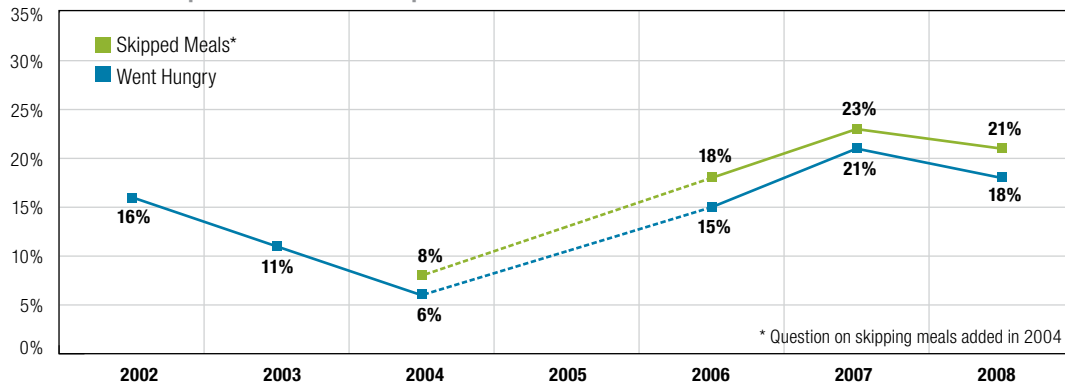
Housing

- 27% Fell behind in rent or mortgage in the last year
- 21% Had either the gas, electricity, or telephone turned off because the bill was not paid
- 13% Moved in with other people even for a little while because of financial problems
- 3% Stayed at a shelter, in an abandoned building, an automobile, or any other place not meant for regular housing even for one night because didn't have enough money for a place to live

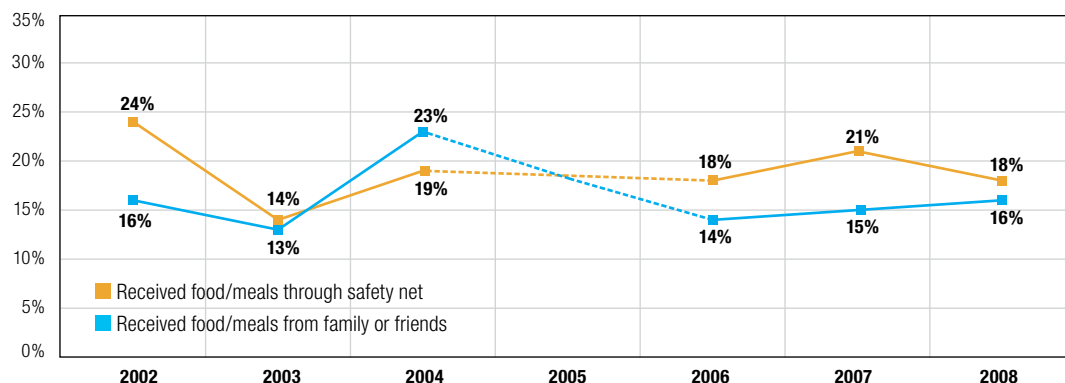
HARDSHIPS CONTINUED...

Low-income respondents increasingly have gone hungry or skipped meals...

Food Hardships for Low-Income Respondents



... yet their rates of receiving food from friends, family, or charities have not risen correspondingly.



Note: 2005 omitted due to data limitations.

COST OF LIVING AND THE POVERTY LINE IN NYC

There are more than 3 million low-income New Yorkers earning less than about \$35,000 a year for a family of three. Most respondents in our survey think this threshold is inadequate to ensure a reasonable standard of living in New York City. When asked how much money a family of three needs a year **to make ends meet and participate fully in their community**, respondents gave the following answers:

- Nearly six in ten low-income New Yorkers said a family would need more than \$40,000 per year, with 24 percent saying a family would need more than \$60,000 a year.
- More than eight in ten moderate-income New Yorkers said a family would need more than \$40,000 per year, with 43 percent of respondents saying a family would need more than \$60,000 a year.
- The vast majority of higher-income New Yorkers said a family would need more than \$60,000 per year to make ends meet, with more than half of these respondents saying a family would need more than \$80,000 per year.

High levels of hardships for low-income and, to some extent, moderate-income families demonstrate this disconnect between what New Yorkers say it takes to make ends meet and their actual incomes.

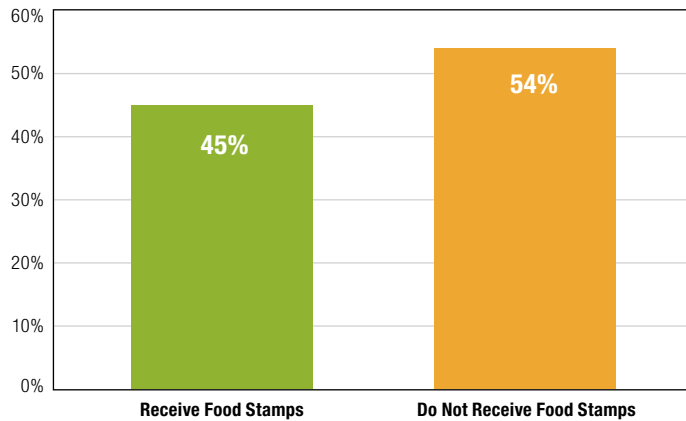
Respondents were also asked to estimate how much money a family of three needs per year **to be just above the poverty line**. Responses were as follows:

- Nearly half (47%) of low-income respondents believe a New York City family of three needs to earn more than \$40,000 per year in order to be above the poverty line, while another 31 percent believe that between \$20,000 and \$40,000 per year is needed.
- Moderate-income New Yorkers set the threshold higher—nearly two thirds (64%) of these respondents believe a family of three needs to be above \$40,000 per year, with 29 percent of the sample responding that greater than \$60,000 per year is needed.
- Higher-income New Yorkers unsurprisingly cited even higher figures—nearly eight in ten (77%) of respondents believe at least \$40,000 per year is needed for a family of three to be above the poverty line. Nearly half (44%) of higher-income respondents believe that more than \$60,000 is needed.

Nearly all respondents across all incomes believe that a family of three must earn at least \$20,000 a year to be just above the poverty line in New York City—with many placing the line at two or three times this figure. The federal poverty level for a family of three, however, is only \$17,600 per year. By New Yorkers' own calculations, far more New York City families are struggling to make ends meet than are officially considered poor.

Unfortunately, less than half of eligible New Yorkers below the federal poverty line reported receiving Food Stamps.

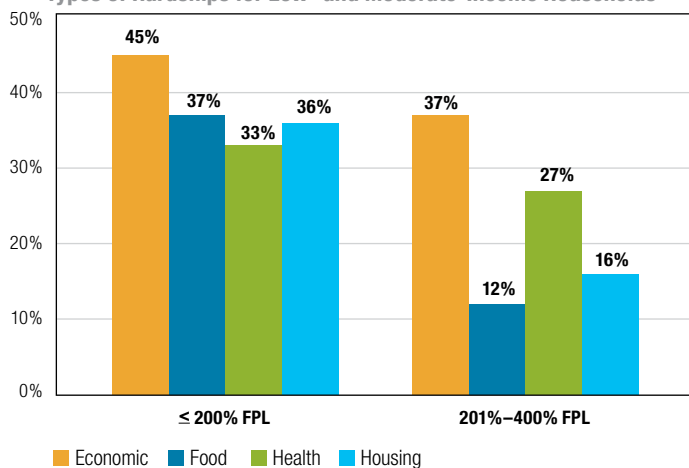
Q: Are you or anyone in your household currently receiving this assistance: Food Stamps?



Note: We did not determine Food Stamp eligibility in our survey. However, by eliminating immigrants from this analysis of households below 100% FPL we are confident that nearly all respondents included in this table are eligible for Food Stamps.

Large numbers of low- and moderate-income New Yorkers face food, health, economic, and housing hardships.

Types of Hardships for Low- and Moderate-Income Households



NATIONAL HARDSHIPS, CSS ELECTION EVE POLL

On November 3, 2008, in collaboration with Lake Research Associates, CSS conducted a national poll of 1200 likely voters. The purpose of the poll was to assess the impact of the recession across the nation, and to understand Americans' support for a range of policy proposals to strengthen the economy. The poll captured a sample of Americans diverse in political affiliation, geography, income, race/ethnicity, and religion—including 388 respondents with household income below \$40,000 per year (approximately 200 percent of poverty for a family of four) and 720 respondents with household income above \$40,000 per year.

This national election eve poll revealed that in the prior six months Americans with household incomes below \$40,000 per year experienced significant economic hardships:

- 21 percent had trouble paying for food;
- 19 percent went into credit card debt;
- 18 percent had trouble getting or paying for health care;
- 17 percent lost a job;
- 17 percent had their wages or hours reduced;
- 16 percent had trouble getting or paying for prescription drugs;
- 11 percent fell behind on rent or mortgage payments;
- 31 percent had trouble paying for gas;
- 23 percent lost substantial savings or investments.

Detailed findings from this election eve poll, *“Economic Stimulus for the Rest of Us,”* are available on our website at www.cssny.org

SAVINGS AND DEBT

Low-income New Yorkers—even those working full-time—lack savings to fall back on in case of an emergency. More than half of low-income New Yorkers report less than \$500 in savings, leaving them vulnerable to personal bankruptcy or homelessness in the event of losing their jobs or confronting a major health problem. Low-income Latinos showed the lowest levels of savings among racial/ethnic groups—44 percent of low-income Latinos had no savings at all to fall back on, compared to 33 percent of low-income Blacks and 25 percent of low-income Whites. Even moderate-income New Yorkers have little savings to fall back on if an emergency strikes—one in four of those between 201 percent and 400 percent of the poverty level report less than \$500 in savings.

RESPONDING TO THE NEEDS OF THE UNHEARD THIRD: FINANCIAL COACHING

Fueled by our findings on low savings and limited access to banking and credit among low-income New Yorkers, CSS launched The Financial Coaching Corps in 2008 to boost the financial capabilities of our constituents. Volunteers from the Retired and Senior Volunteer Program (RSVP) are trained to serve as financial coaches, helping clients master core areas of financial literacy: budgeting, saving, banking, debt, and credit. Over a series of intensive, one-on-one sessions, coaches work with clients to set budgets and financial goals; review and correct credit reports; and obtain any public benefits and tax credits for which they are eligible. In the first year of the program, volunteers based at CSS served more than 100 clients. More than 20 volunteers have been trained and will offer services at community-based organizations throughout the city, greatly expanding the reach of this program in its second year.

New Yorkers across income report high levels of debt. The type of debt we experience, however, varies greatly by income. Nearly half of all New Yorkers face credit card debt. Low-income New Yorkers report the highest level of medical debt—more than one in five low-income New Yorkers report medical debt, as do 17 percent of moderate-income New Yorkers. This is great cause for concern as across the country medical debt is a leading cause of personal bankruptcy filings.³ At the other end of the spectrum, higher-income New Yorkers are more likely than low- and moderate-income respondents to have “good debt,” such as a mortgage.

Given high levels of debt and limited levels of savings among low- and moderate-income New Yorkers, it is not surprising that New York City households spent their tax returns and/or “stimulus checks” on basic necessities, such as food, paying utility bills, and paying off debts—rather than buying consumer goods, as was the intent of the federal policy concerning stimulus checks. Also contrary to the intent of the federal stimulus payments, higher-income New Yorkers were most likely to use their tax returns and/or tax rebates for savings or to pay off debt.

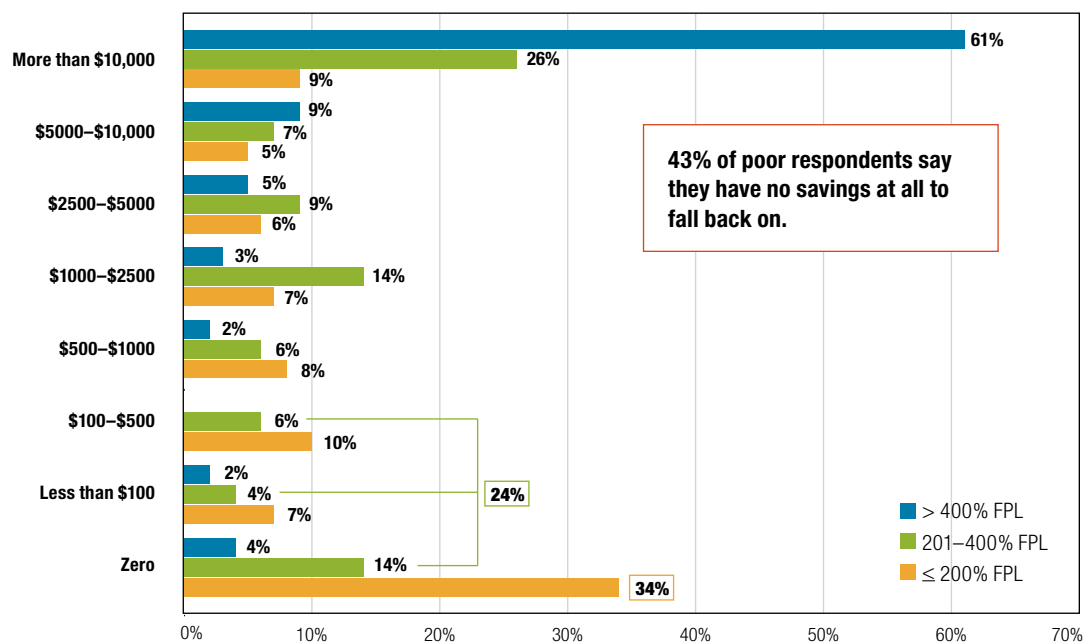
Limited access to financial services at a bank is an additional barrier the lowest-income respondents face to accumulating wealth—one third of poor New Yorkers never use financial services at a bank. There is a racial disparity to this finding as well: low-income Latinos are twice as likely as low-income Whites to never use financial services at a bank.

3. http://www.consumeraffairs.com/news04/2005/bankruptcy_study.html

One third of low-income New Yorkers report having no savings. About 1 in 4 moderate-income respondents report less than \$500 in savings.

Q: If tough times were to hit you and your family, how much money in savings do you currently have to fall back on?

Low-income Latinos (44%) are much more likely than Whites (25%) and Blacks (33%) to report having no money in savings.



New Yorkers are united in having debt—although the type of debt varies greatly by income.

Q: Of these, please tell me which types of debt you have.

		Low-Income ≤ 200% FPL	Moderate-Income 201-400% FPL	Higher-Income > 400% FPL
Good Debt:	Student loans	12%	18%	15%
	Mortgage	10%	19%	44%
	Car loan	7%	12%	16%
Bad Debt:	Tax	8%	7%	8%
	Credit card	40%	52%	43%
	Child support back payments	3%	2%	—
	Medical bills	22%	17%	9%
	Rent or mortgage back payments	17%	6%	4%

SAVINGS AND DEBT CONTINUED...

Low-income New Yorkers used their tax rebates/returns for basic needs, such as food. Moderate-income respondents were most likely to pay off debts.

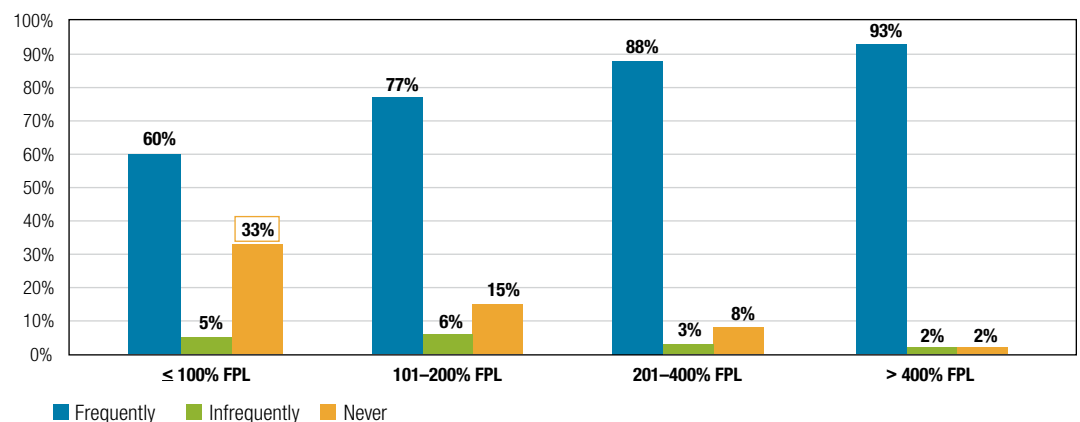
Q: I'll read you a list and please tell me how you used the money you got back. You can say more than one.

Almost 4 in 10 poor respondents say they used their tax rebate to pay for food.

	Low-Income ≤ 200% FPL	Moderate-Income 201-400% FPL	Higher-Income > 400% FPL
To pay for food	34%	21%	10%
To pay off debts	31%	36%	33%
To pay for utility bills	30%	24%	14%
To make house or rent payments	28%	13%	17%
Put in savings	25%	23%	45%
To buy clothes	18%	16%	9%
To pay for gasoline and energy	15%	11%	10%
To pay off back rent or back utilities	15%	7%	—
To buy things like appliances and furniture	13%	16%	9%
To pay for education	11%	11%	9%
To pay for medical expenses, medical bills, or medical debt	13%	9%	6%
For a vacation	5%	9%	9%
Help pay for purchasing a house or apartment	5%	7%	3%
To purchase a car/make car payments/car repairs	6%	2%	6%
Other	3%	4%	8%

One third of poor New Yorkers never use financial services at a bank.

Q: How often do you use financial services at a bank, such as savings or checking account services?



Note: "frequently" includes the respondents who selected "every week," "a few times a month," or "or once a month"; "infrequently" includes respondents who selected "several times a year" or "once a year."

WORRIES

When this citywide poll was conducted in Summer 2008, low- and moderate-income New Yorkers expressed significant worries about the current recession (which had yet to reach full force). They showed the highest levels of anxiety about keeping up with their housing costs, losing their jobs, and paying for rising gas and home heating prices.

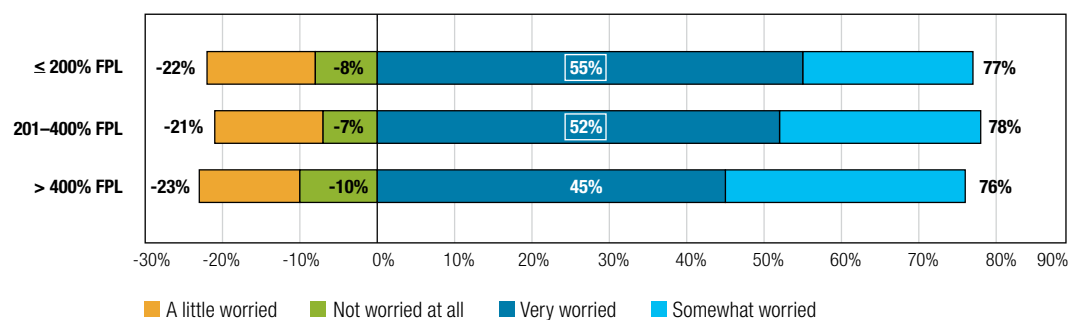
When asked how often they worry about their family’s expenses and bills, New Yorkers below the federal poverty level said they were constantly worried; they worried all of the time or most of the time. More than half of low-income working mothers indicated that they worried all of the time. In addition, the majority of low- and moderate-income New Yorkers do not feel secure about meeting their future health needs or their future retirement needs.

Low-income Black, Latino, and foreign-born New Yorkers are generally more worried about the current recession, making ends meet, and future health and retirement needs than their White and native-born counterparts.

Anxiety is on the rise during this period of great economic instability, and these worries have most likely increased across all income bands since the time of the survey. It is essential that elected officials understand and respond to the worries voiced by low- and moderate-income New Yorkers by findings solutions that help people stay in their homes, find jobs, and access affordable health care.

The majority of low- and moderate-income New Yorkers are very worried about the current economic recession.

Q: How worried are you about the current economic recession?



Latinos are more likely than the sample as a whole to say they are very worried (6 in 10 Latinos of all income groups are very worried; 8 in 10 are worried). In addition, 62% of foreign-born respondents below 400% FPL are very worried, compared to 50% of native-born respondents.

WORRIES CONTINUED...

Low-income New Yorkers are most worried about housing costs or losing their homes.

Q: What are you most worried about?* (Asked only of those who said they were very or somewhat worried about the current economic recession.)

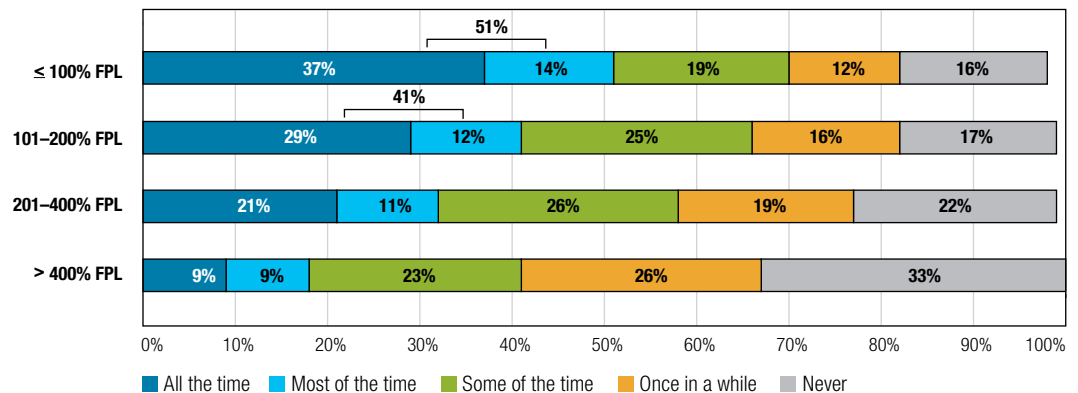
Almost 3 in 10 low-income Blacks who are worried about the current recession say they are most worried about keeping up with housing costs or losing their homes (29%).

	Low-Income ≤ 200% FPL	Moderate-Income 201-400% FPL	Higher-Income > 400% FPL
Keeping up with housing costs or losing your home	23%	15%	7%
Losing your job	13%	17%	16%
Rising gas and home heating prices	15%	18%	9%
A secure retirement	5%	10%	18%
Rising health care costs	9%	7%	7%
Expenses related to your child, child care or tuition	9%	9%	6%
Higher taxes	9%	6%	6%
Stock market decline	3%	5%	12%
Debt payments	6%	5%	6%
Other	5%	8%	10%

*Respondents asked to pick only one

Nearly half of low-income respondents worry all or most of the time that their family income will not be enough to meet expenses and bills.

Q: How often do you worry that your total family income will not be enough to meet your family's expenses and bills?

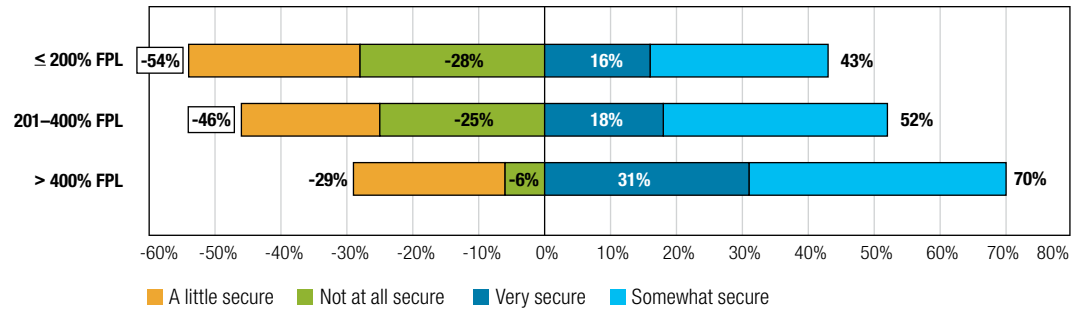


51% of low-income working mothers* say they worry all of the time about having enough to meet their family's expenses and bills.

* low n

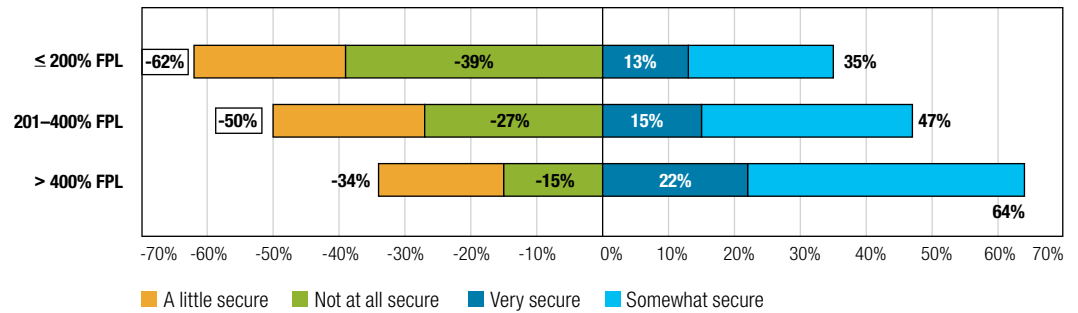
Approximately half of low- and moderate-income New Yorkers say they do not feel secure about meeting future health needs.

Q: Thinking about the future, how financially secure do you feel to meet future health needs?



A majority of low- and moderate-income New Yorkers also feel insecure about their future retirement needs.

Q: Thinking about the future, how financially secure do you feel to meet future retirement needs?



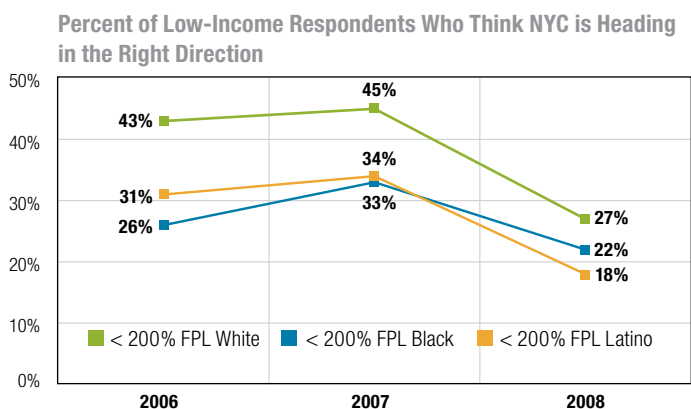
RIGHT DIRECTION OR WRONG TRACK?

The majority of low-income New Yorkers believe the city is headed in the wrong direction—with far greater numbers reporting they feel this way than in recent years past. This finding is not surprising given the hardships and worries of low-income New Yorkers, coupled with heightening economic insecurity for the nation.

There is also a racial dimension to how New Yorkers across income experience New York City. Black and Latino New Yorkers are less likely than their White counterparts to say that the city is heading in the right direction; in fact, the majority of low- and moderate-income Black and Latino respondents say that New York City is on the wrong track.

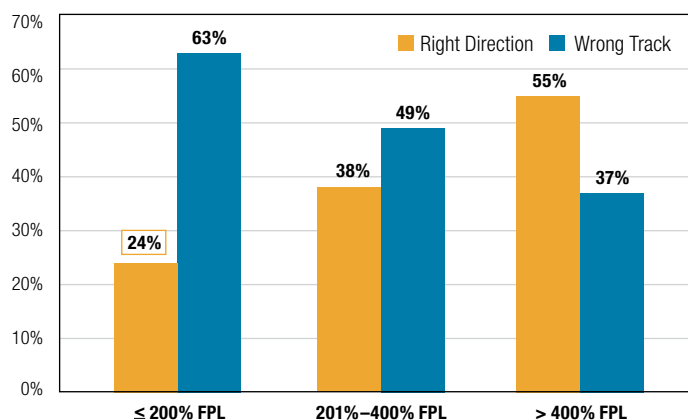
Low-income New Yorkers across race/ethnicity are much less likely to think NYC is headed in the right direction than in years past.

Q: Generally speaking, do you think things in New York City are going in the right direction or do you feel things have gotten pretty seriously off on the wrong track?



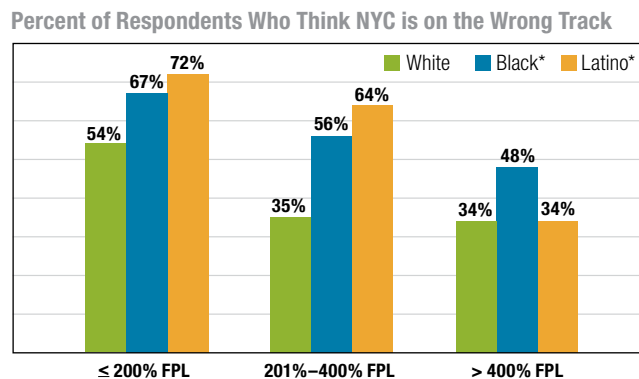
Only 1 in 4 low-income New Yorkers say things in NYC are going in the right direction.

Q: Generally speaking, do you think things in New York City are going in the right direction or do you feel things have gotten pretty seriously off on the wrong track?



Black and Latino respondents are more likely than Whites to say NYC is headed in the wrong direction.

Q: Generally speaking, do you think things in New York City are going in the right direction or do you feel things have gotten pretty seriously off on the wrong track?



*Small n size for 201-400% and >400% Black and Latino samples

LOW-WAGE WORK

New York City's low-income residents report strong work histories, and many report multiple workers within their households. Sixty-seven percent of low-income respondents report working steadily since high school, and 72 percent of low-income couples who are married or living together report that one or both partners was working at the time of the survey. Low-income New Yorkers are not struggling because they are not working.

In *The Unheard Third 2008*, significant numbers of low- and moderate-income New Yorkers reported losing their jobs and having their wages and hours reduced. Underemployment was also a problem among low-income workers. When we asked those who were working part time whether they wanted more hours, 69 percent responded that they were looking for more work. For those who were not working at the time of the survey, we asked about their barriers to finding a job. More than one third of all low-income unemployed respondents cited health problems as their top barrier to employment, followed by lack of education or training.

Low-income respondents are struggling because many essential jobs—including many non-unionized child care workers, home health aides, food service workers, retail workers, and security guards—do not pay enough to sustain a family in New York City. These jobs contribute to the health, safety, and economic vitality of our families, communities, and city, but their fundamental nature is different than higher-income jobs, and not simply because of the wage differential: low-wage jobs are much less likely than higher-wage jobs to offer employees crucial work benefits such as health insurance, paid sick leave, and access to education and training.

Only 54 percent of low-income, *full-time* workers received employer-sponsored health insurance for themselves, as opposed to 83 percent of higher-income, full-time workers. Likewise, only 51 percent of low-income, *full-time* workers

received paid sick leave, compared to 74 percent of higher-income, full-time workers.

Low wages and limited employer-sponsored benefits lead to high levels of hardships and worries among New York City's working poor.

RESPONDING TO THE NEEDS OF THE UNHEARD THIRD: CREATING OPPORTUNITIES FOR LOW-WAGE WORKERS

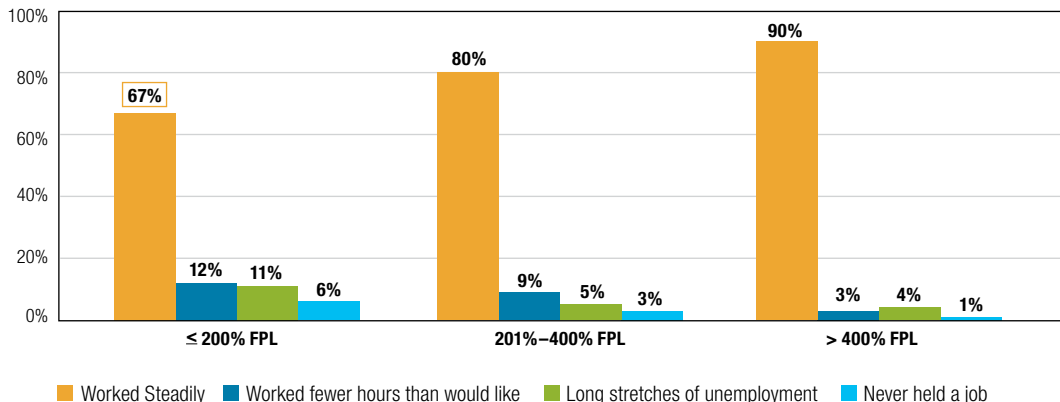
CSS research and advocacy on behalf of unemployed, underemployed, and low-wage workers helped to secure \$29 million in the NYS 2010 budget for new and enhanced workforce development programs that respond to the economic crisis.

- The Career Pathways program, which was conceived by CSS, funds education and job training programs linked to careers in high-growth sectors of the economy, as well as integrated support services that enable participants to advance to higher levels of education, training, and employment. An additional \$10 million was allocated for the program in its second year.
- A \$5 million pilot transitional jobs program, based on a comprehensive proposal by CSS and Community Voices Heard, will provide temporary, subsidized jobs in high-growth industries, such as child care, human services, health care, transportation, and construction. The program combines education and training, support services, and job placement services aimed at TANF-eligible adults, with targets for the formerly incarcerated.
- The \$7 million Health Care Jobs Subsidy Program will subsidize outreach workers to help low-income individuals access public health insurance and preventative care. The program is based on the transitional jobs proposal developed by CSS.
- The \$7 million Green Corps Jobs Subsidy Program, also based on the CSS transitional jobs proposal, will provide subsidized employment that links TANF-eligible individuals to job training, basic education, and career opportunities in high-growth energy efficiency and environmental conservation industries.

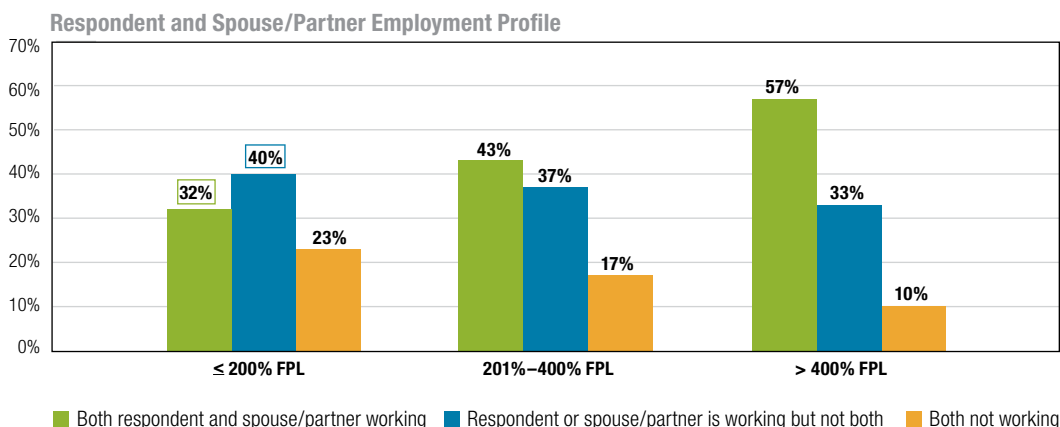
LOW-WAGE WORK CONTINUED...

Two thirds of low-income New Yorkers have worked steadily since high school. Very few have never worked.

Q: Since leaving high school, would you say you have generally worked steadily, worked fewer hours than you would like to, had long stretches of unemployment, or have you never held a job?



Among low-income couples who are married or living together, 7 in 10 include at least one worker.



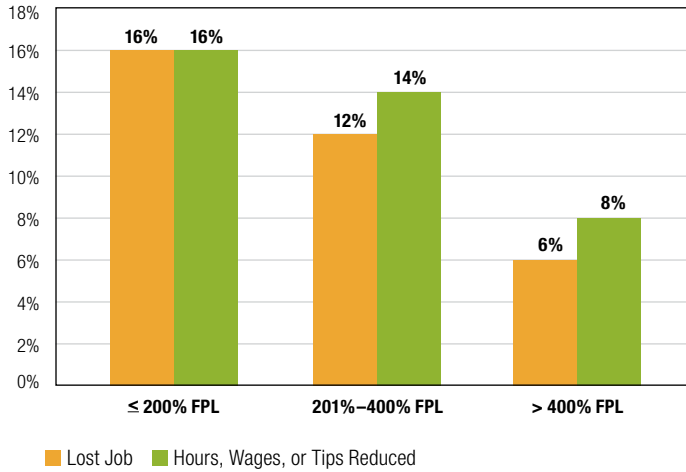
WORKER OPTIMISM DESPITE ECONOMIC INSECURITY

Low-income workers remain optimistic about both their current job and their future job prospects—despite suffering high levels of hardships and worries, and despite more than half of them reporting that their current job is not part of a career track. The majority of low-income workers believe they will receive a raise at their current job within the next year and that their current job will help them get a better job in the next three years. Low-income workers also report high levels of job satisfaction: approximately seven in ten low-income workers report they are satisfied with their jobs, and a similar number report that they are proud to work for their employers.

These findings further debunk myths about what it means to be low-income. Low-income workers like working, they want to work, and they are innately optimistic about their future career prospects even though they face what many would describe as insurmountable obstacles—low-wage jobs, low rates of workplace benefits, and high rates of hardships. The high levels of motivation among low-income workers should serve as a reminder to policy-makers and workforce development organizations that these workers both want to and believe they can climb the employment ladder. Public and private investment should build on this momentum by providing low-income workers with the education, skills, and paid hands-on experience they need to advance.

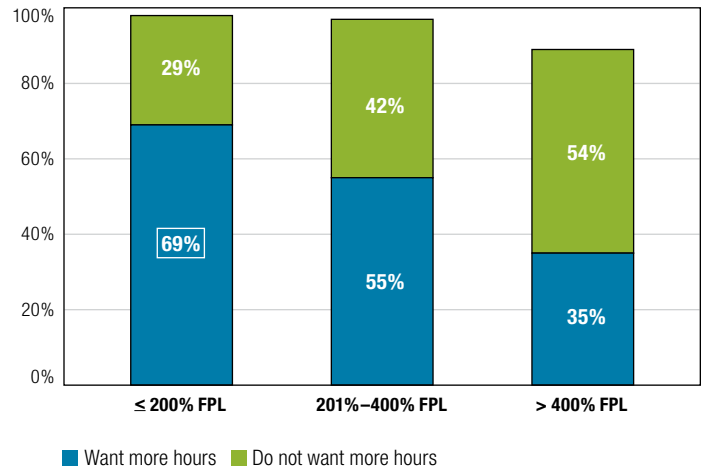
Significant numbers of low- and moderate-income respondents reside in households where someone lost their job and/or had hours, wages, or tips reduced in the last year.

Q: In the last year, have you or any member of your household: lost your job? had your hours, wages, or tips reduced?



The struggle to make ends meet includes the struggle to secure more hours. More than two thirds of low-income part-time workers would like to be working more hours.

Q: Would you like to be working more hours or would you not like to be working more hours? (Asked of part-time workers only)



In all, 1 in 4 low-income respondents saw their household income decline due to job loss and/or a reduction in wages, hours, or tips.

Health problems, followed by lack of education and training, are the top employment barriers for low-income New Yorkers.

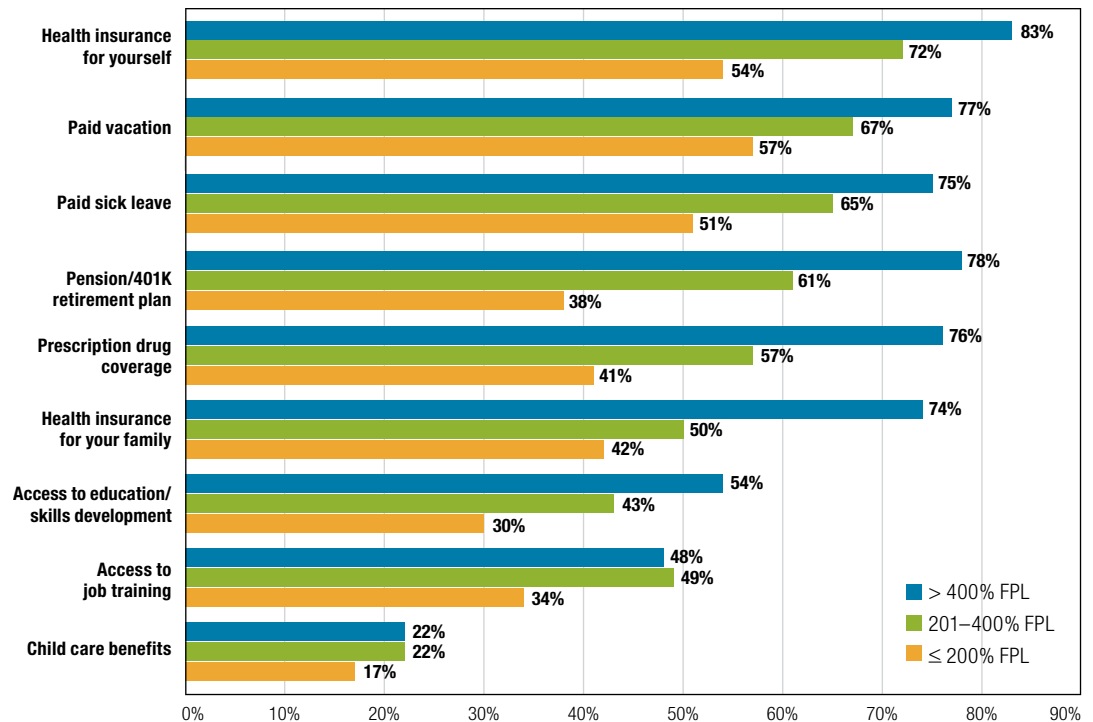
Q: Of these, please tell me which factors you think make it the most difficult for YOU to find a job. You can choose more than one. (Asked of unemployed only)

	Poor ≤ 100% FPL	Near-Poor 101%-200% FPL
You have health problems	39%	37%
You don't have enough education or training	31%	27%
You have been out of the job market/hard to re-enter	26%	17%
You don't have enough prior experience	25%	25%
You don't know the right people	24%	28%
There are not enough jobs	13%	6%
You have limited English skills	10%	6%
You don't have transportation to get to a job	10%	4%
Your family responsibilities and child care	8%	21%
You are having trouble because of your race/ethnicity	8%	5%
You are afraid to lose public health insurance such as Medicaid because you would earn too much	7%	6%

LOW-WAGE WORK CONTINUED...

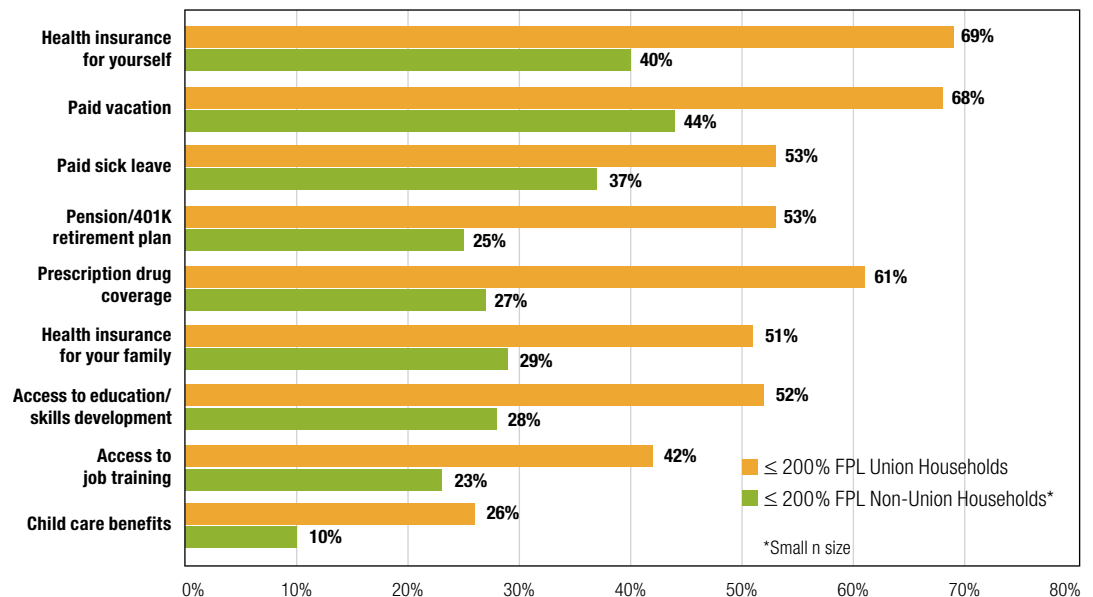
Low-income full-time workers are much less likely to report receiving benefits and job training from their employers than moderate- and higher-income workers.

Q: Which of the following benefits, if any, do you receive from your employer? (Full-time workers only)



Low-income union households are more likely than their non-union counterparts to receive a range of employer-sponsored benefits, access to job training, and educational opportunities.

Q: Which of the following benefits, if any, do you receive from your employer? (Asked only of those who are employed part-time or full-time)



UNION JOBS ARE BETTER JOBS

Income alone does not determine which workers are likely to receive employer-sponsored benefits. For low-wage workers, union representation is a major factor: low-wage union households receive employer-sponsored benefits such as health insurance and access to job training at much higher rates than their non-union counterparts.

These findings are consistent with national evidence showing that union workers earn higher wages and receive employer-sponsored benefits at

higher rates than non-union workers in the same position.⁴ Better wages and benefits mean fundamentally better jobs for union members.

Given the higher rates of employer-sponsored benefits, it is not surprising that union members in our survey demonstrate lower hardship levels than non-union households. For instance, 38 percent of non-union low-income households experienced a food hardship in the last year, compared to 27 percent of low-income households with a union member.

4. See Schmitt, Waller, et al., *Unions and Upward Mobility for Low-Wage Workers*, August 2007, available at <http://www.mobilityagenda.org/home/file.axd?file=2009%2f1%2fUnionsandUpwardMobility.pdf>

HEALTH CARE

Between 2000 and 2007, health insurance premiums increased on average by 81 percent while median worker earnings increased by just 11 percent.⁵ In other words, the cost of health premiums rose seven times faster than wages. The rising cost of health care, in New York and across the nation, has led to declining offers and acceptances of employer-sponsored insurance. In New York City, *The Unheard Third* survey graphically reveals this trend, showing that the percent of low-income, full-time workers receiving employer-sponsored insurance has declined since 2002.

Over time, New Yorkers are reporting increases in health care interruptions. In 2008, approximately one in three low-income respondents went all or part of the year without health insurance. Low- and moderate-income immigrants were twice as likely to report going without health insurance for the entire year. Regardless of income, immigrants are more than twice as likely as native-born New Yorkers to report not having any health coverage in the last year.

Significant numbers of low-income respondents, including those working full time, also faced health hardships in the last year: 27 percent needed to fill a prescription but could not, and 19 percent postponed or went without medical care.

Given the decline in employer-sponsored coverage, rising cost of insurance, increase in health care interruptions, and high

incidence of health hardships, it is not surprising that low-income New Yorkers rate health insurance for themselves and their families as the top government benefit they need to get ahead. Within this group, near-poor respondents also rank health insurance first, while poor respondents cite housing assistance as their top need, followed by health insurance.

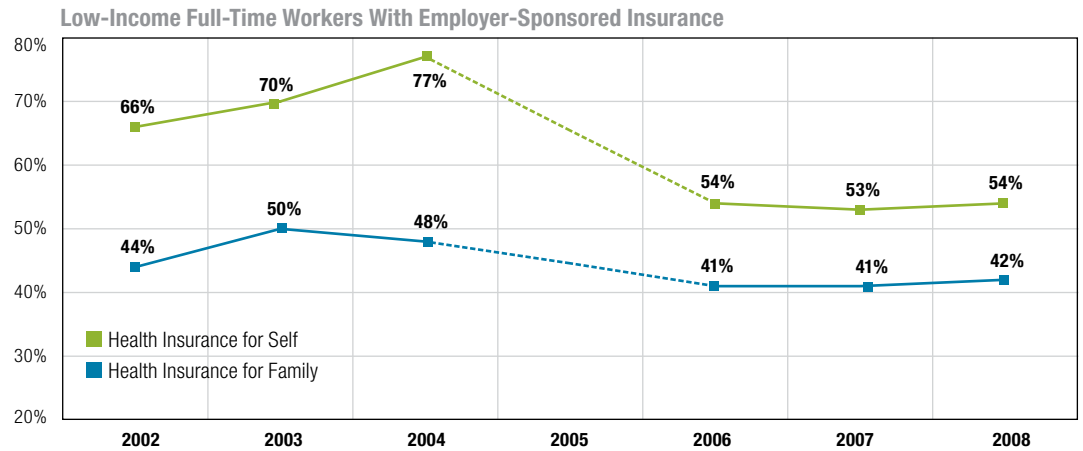
RESPONDING TO THE NEEDS OF THE UNHEARD THIRD: CSS'S CORNERSTONE FOR COVERAGE PLAN

Low-income respondents to *The Unheard Third* tell us that health insurance for themselves and their families is the top government benefit they need to get ahead. In response to this call for action, CSS has unveiled a detailed proposal for achieving affordable, high-quality health care coverage in New York State within five years. The plan, called Cornerstone for Coverage, is centered on expanding New York State's successful Child Health Plus and Family Health Plus programs. The plan will expand access to insurance to everyone through an affordable, progressive sliding fee-scale that is based on detailed actuarial analyses and extensive research on what New York families can afford. The plan offers comprehensive benefits, includes coverage for immigrants, and is open to participation by unions and employers. CSS's plan is influencing the health reform debate and is being actively discussed by New York State policy makers.

5. Families USA. Premiums vs. Paychecks: A Growing Burden for New York's Families. October 2008.

HEALTH CARE CONTINUED...

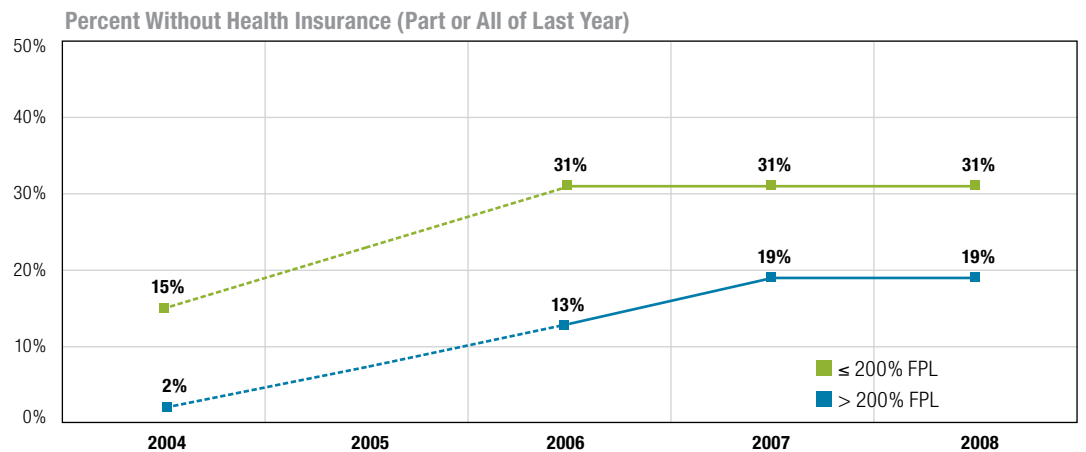
Since 2002, the percent of low-income full-time workers in NYC receiving employer-sponsored insurance for themselves and for their family has declined.



Note: 2005 omitted due to data limitations.

New Yorkers across income report a rise in health care interruptions since 2004.

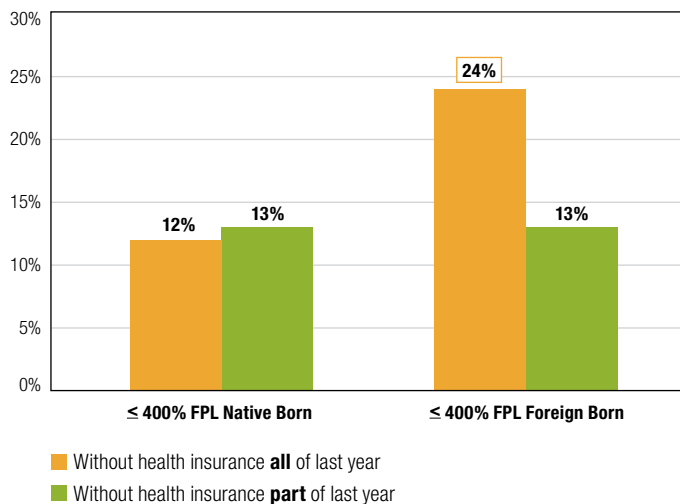
Q: Thinking about your own situation—at any time in the last year have you been without health insurance coverage?



Note: 2005 omitted due to data limitations.

Low- and moderate-income immigrants are twice as likely to report having no health insurance for all of last year compared to native-born respondents in the same income bands.

Q: Thinking about your own situation—at any time in the last year have you been without health insurance coverage?



HEALTH CARE AND ELECTION EVE POLL

As part of our election-eve poll (see page 7 for a more detailed description), voters across income identify health reform as the most effective way to stimulate the economy. When asked to identify the most effective way to stimulate the economy and help American families, health care again tops the response list—with even greater numbers of respondents across income supporting this alternate framing. More detailed findings from the national poll can be found at *Economic Stimulus for the Rest of Us* available on our website at www.cssny.org.

Low-Income New Yorkers report health care is the top government benefit they need to get ahead. Poor respondents cite housing assistance as the support most needed.

Q: Of the following government benefits, which would be the MOST important in helping you and your family get ahead? (1st and 2nd responses combined)

	Poor < 100% FPL	Near-Poor 101-200% FPL	All Low-Income ≤ 200% FPL
Health Insurance for you and your family	34%	41%	37%
Housing Assistance	36%	29%	33%
Lower Taxes	32%	38%	35%
Job Training	28%	23%	26%
Vocational/Higher Education	20%	22%	21%
Basic Education/GED	16%	12%	14%
Subsidized Child Care	5%	7%	6%
English Language Training	7%	3%	5%

POLICIES TO ADVANCE ECONOMIC SECURITY

During this historic election year, we polled New Yorkers on their support for a range of progressive federal policy proposals.

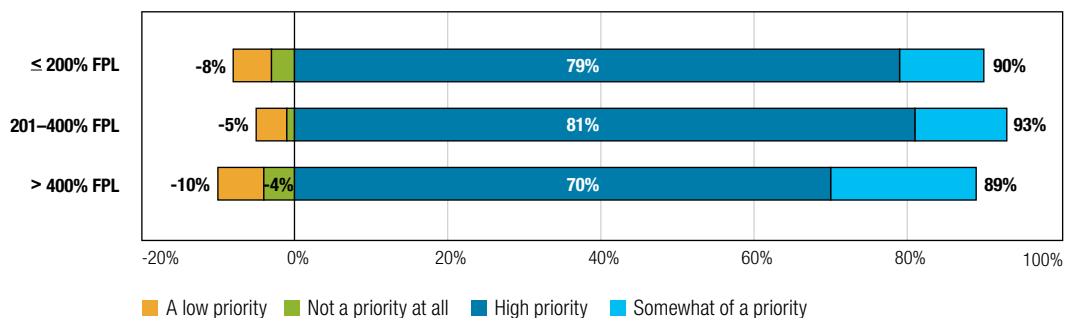
Across income and political affiliation, New Yorkers voiced support for the following policies:

- Making affordable health insurance for everyone a priority
- Increasing the minimum wage to \$9.50 per hour by 2011 and indexing it for inflation
- Reforming the unemployment insurance system
- Providing universal child care coverage for a family of four earning under \$40,000 per year

The strength of support for making universal health care coverage a priority and increasing the minimum wage—which approximately nine in ten low- and moderate-income New Yorkers support—underscores shared values among New Yorkers: we believe that all Americans should have access to health care and that the wage floor should be increased.

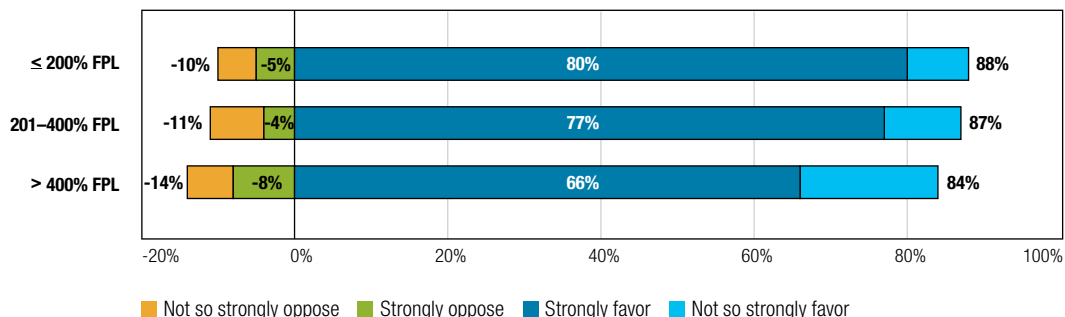
New Yorkers across income overwhelmingly support the federal government making affordable health insurance for everyone a priority.

Q: Do you think affordable health insurance for everyone should be a high priority, somewhat of a high priority, a low priority, or not a priority at all for the federal government?



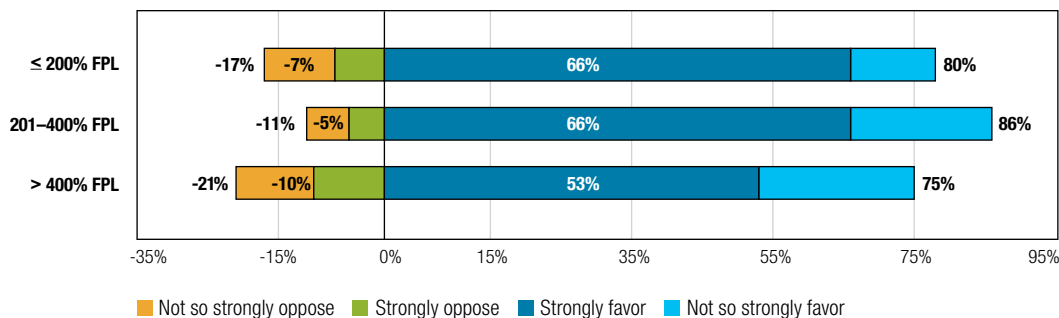
More than two thirds of New Yorkers across income bands say they strongly favor raising the minimum wage to \$9.50 per hour by 2011.

Q: Please tell me if you favor or oppose this proposal for the federal government: Raising minimum wage to \$9.50 per hour by 2011 and increasing it for inflation every year after that.



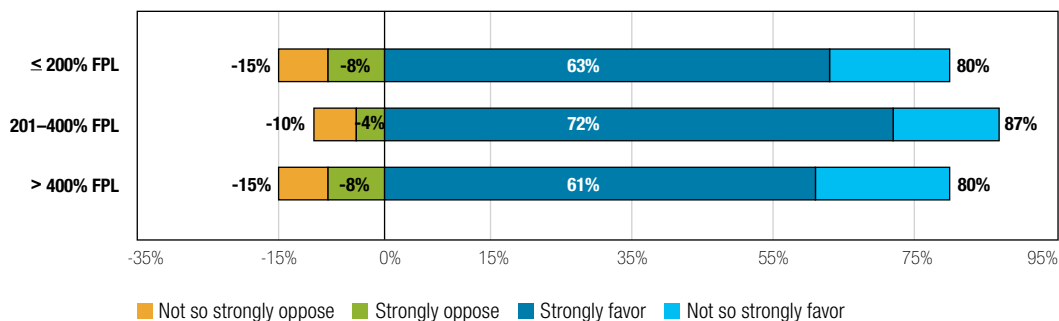
A majority of New Yorkers strongly favor reforming our unemployment insurance system.

Q: Please tell me if you favor or oppose this proposal for the federal government: Expanding unemployment benefits to part-time workers and to workers who lose jobs due to compelling family circumstances.



Over 6 in 10 New Yorkers strongly favor universal child care for low-income families.

Q: Please tell me if you favor or oppose this proposal for the federal government: Guaranteeing child care assistance based on ability to pay for a family of four making less than \$40,000 per year.



This federal policy agenda is supported by New Yorkers across the political spectrum.

Support for Federal Policy Proposals

	% Favor		(%) Strongly Favor			
	Republican	Independent	Democrat	Democrat		
Raising minimum wage to \$9.50 per hour by 2011 and increasing it for inflation every year after that	69%	(60%)	85%	(71%)	91%	(79%)
Expanding unemployment benefits to part-time workers and to workers who lose jobs due to compelling family circumstances	69%	(48%)	78%	(60%)	83%	(65%)
Guaranteeing child care assistance based on ability to pay for a family of four making less than \$40,000 per year	66%	(49%)	80%	(59%)	87%	(72%)
Making affordable health insurance for everyone a high federal priority	74%	(50%)	87%	(70%)	96%	(85%)

DEMOGRAPHICS AND ADDITIONAL FINDINGS

DEMOGRAPHICS OF THE SURVEY POPULATION AND LOW-INCOME NEW YORKERS

	Low-Income Respondents (The Unheard Third 2008)	New York City Low-Income Residents (US Census 2007 and HVS 2008)
Population	1015 low-income survey respondents (529 poor, 486 near-poor).	3.1 million low-income New Yorkers (1.5 million poor, 1.6 million near-poor)
Race	34% Latino 31% Black 24% White 7% Asian	32% Latino 29% Black 30% White 11% Asian
Birth Status	60% native born 38% foreign born	60% native born 40% foreign born
Education	22% less than a high school degree 36% high school degree 35% some college or more	36% less than a high school degree 31% high school degree 33% some college or more
Work Status	67% of households have at least one worker	65% of households have at least one worker (householders 25-64)

THE UNHEARD THIRD 2008: ADDITIONAL FINDINGS

For further findings from the 2008 survey, please see the following publications available on our website at www.cssny.org:

- *“Raising the Voice of Low-Income Women: Findings from the Community Service Society’s Unheard Third Survey.”* March 23, 2009.
- *“Union Jobs are Better Jobs.”* January 22, 2009.
- *“Economic Stimulus for the Rest of Us: Results From a National Election-Eve Poll of 1200 Likely Voters.”* December 10, 2008.
- *“Heeding the Voices of Low-Income New Yorkers: Public Presentation of the Community Service Society’s Unheard Third Survey.”* December 4, 2008.
- *“Food Briefing.”* November 19, 2008.
- *“Low Wage Work Briefing.”* November 5, 2008.
- *“The Other Financial Crisis: New Yorkers are Struggling and Worried as they Watch Wall Street Collapse.”* September 19, 2008.
- *“Economic Security and Federal Priorities: A Call to Presidential Candidates During the National Conventions.”* August 21, 2008.

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