For Richer or Poorer

WHAT NEW YORKERS WANT IN THE NEXT MAYOR

Major Findings from The Unheard Third 2013
The Community Service Society of New York (CSS) is an informed, independent, and unwavering voice for positive action on behalf of more than 3 million low-income New Yorkers. CSS draws on a 170-year history of excellence in addressing the root causes of economic disparity. We respond to urgent, contemporary challenges through applied research, advocacy, litigation, and innovative program models that strengthen and benefit all New Yorkers.

In 2013, New York City voters are electing a new mayor and a slate of new City Council members. CSS is committed to ensuring that the voices of low-income New Yorkers—who make up one-third of the city’s electorate—are a part of the political debate. During the 2013 election season, CSS has sponsored public candidate forums, issued a voter guide detailing the positions of the candidates, and widely disseminated the findings of The Unheard Third, our annual survey of low-income New Yorkers. These efforts have helped to raise the visibility of issues of concern to our constituents, and to put the candidates on record with their plans to help low-income New Yorkers and the working poor.

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www.cssny.org

About the Authors

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Lake Research Partners conducts the survey annually for CSS.

www.cssny.org/vote2013
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For Richer or Poorer:
WHAT NEW YORKERS WANT IN THE NEXT MAYOR

Major Findings from The Unheard Third 2013

This mayoral election is shaping up as a referendum on whether or not New Yorkers agree with the argument put forward by the Democratic candidate that New York has become a tale of two cities, one prospering and one struggling to survive. Do voters want the next mayor to make economic advancement for those left behind a centerpiece of his agenda? And if so, what could the next mayor actually do to help low-income New Yorkers get ahead? In our annual survey, The Unheard Third 2013, we put these questions to New Yorkers—including those in the bottom third of incomes as well as those better off. How worried are voters about widening inequality? Where do New Yorkers stand on the proposals being debated about jobs, housing, and the schools? How much appetite do voters really have to combat poverty on the scale needed to have an impact? And do the early fall victories and polling leads for more progressive candidates reflect the views of mostly Democratic primary voters, or reveal a deeper sea-change in attitudes that could unite voters and become the new mainstream?

We found a surprising level of agreement across incomes on what have come to be some of the defining issues of this year’s mayoral race. New Yorkers, at every income level, overwhelmingly agree that the wealthy have benefited most from the Bloomberg years. Sixty-three percent point to the wealthy as having gained the most while only seven percent say the poor, a perception shared by low-income New Yorkers with moderate and higher-income respondents. Just 16 percent think the middle class has benefited the most. These findings come at a time when the city’s poverty rate remains stubbornly high at 21.2 percent, a level that has not declined to its pre-recession rate of 18.5 percent, while those in the top of the income distribution have bounced back and seen their incomes rise.

Do voters want the next mayor to make economic advancement for those left behind a centerpiece of his agenda?

Recent job growth has been concentrated in low-paid sectors. In the 2008 recession and recovery that followed, the city experienced a net loss of 33,900 jobs in high and middle-wage industries compared to a net gain of nearly 102,000 jobs in industries where average wages fall below $36,600, not enough to bring a family of three above twice the federal poverty level. The loss of better-paid jobs and the standard of living they made possible is weighing on the public’s mind. Our survey found that three out of four New Yorkers are worried about a disappearing middle class, and less than half (46 percent) think it’s now possible for poor people to climb up the rungs of the economic ladder. This represents a growing pessimism over last year, when just over half of New Yorkers thought the poor had a shot at upward mobility.

Given these widespread concerns, it is perhaps not surprising that voters across the income divide broadly agree on a set of policies to invest in education, create more affordable housing, and spur the kind of job growth that widens economic opportunities. Some differences emerge along partisan lines. Yet, even across parties, we

found high levels of support among both Democrats and Republicans for a number of specific proposals that would defy the conventional wisdom about expected Republican views.

In the charts that follow, findings reported by income category are for all respondents in the sample. Findings reported by party identification include only respondents who said they were currently registered to vote.

For details on how the survey was conducted see page 17.
New Yorkers overwhelmingly believe that the Bloomberg Administration benefited wealthy New Yorkers the most.

Thinking of the policies of Mayor Bloomberg’s administration, who has benefited the most: the poor, the middle class, or wealthy New Yorkers?

Since the start of the recession, there has been a net loss of high and middle-wage jobs, with job growth concentrated in low-wage industries.

Net employment changes, December 2007 through March 2013

LOSSES GAINS

-27,300 High-Wage Jobs (More than $73,136 per year)

-6,600 Middle-Wage Jobs (Between $36,568 and $73,136 per year)

Low-Wage Jobs (Less than $36,568 per year) +101,900

Source: Quarterly Census of Employment and Wages (QCEW) for average wage by industry, Current Employment Statistics (CES) for employment data. NOTE: (1) Start of Recession is December 2007 and data is through March 2013; (2) “Low-Wage” is 200% of federal poverty level for a family of three. “High-Wage” is 400% of federal poverty threshold for a family of three. Based on analysis by Michelle Holder and Aparva Mehrotra, Community Service Society.
Nearly three-quarters of New Yorkers are worried about a disappearing middle class, with close to half saying they are very worried.

A majority of New Yorkers, across income groups, feel it is not possible for the poor to make it into the middle class, with all income groups expressing more pessimism than one year ago.

How possible is it for poor people to make it into the middle class these days, very possible, somewhat possible, not very possible, or not possible at all?

How worried are you about a disappearing middle class in New York City? Are you very worried, somewhat worried, a little worried, or not at all worried? (Split sampled question)
WHAT NEW YORKERS WANT

Jobs with Upward Mobility

Consistent with their shared worries about the disappearing middle class, a wide majority of voters, across income and party lines, want to see the next mayor focus on growing middle-income jobs, as compared to attracting high-paid professions or low-wage industries. That would mean broadening the Bloomberg administration’s signature efforts drawing high-tech jobs at one end of the spectrum, and championing tourism, mega-developments, and sports complexes, which add mostly low-wage retail and hospitality jobs at the other end. New Yorkers also overwhelmingly want to extend the new sick leave law to provide all workers employed in firms with fewer than 15 workers with at least five paid sick days. We found real intensity to this support, with 68 percent of low-income and 61 percent of moderate and higher income respondents saying they strongly favored expanding the law. Support crosses party lines, with 78 percent of Democrats and 60 percent of Republicans in favor of requiring employers of all sizes to provide paid sick time.

Democrats, independents, and Republicans alike favor creating jobs by making a large public investment in upgrading infrastructure, post-Hurricane Sandy, even if it will increase the debt. Across parties, voters favor the idea by a margin of at least two to one, though the intensity of support is greater among Democrats, with 57 percent strongly in favor of this job creation strategy, compared to 46 percent of Republicans who strongly favor it. While voters are split on whether or not to give large businesses tax breaks and rezoning to spur development and job growth, support increases dramatically—from both Democrats and Republicans—when these incentives are tied to requirements for local hiring, paying better wages or creating more affordable housing.

Across party lines, more than 70 percent of voters favor incentives for large businesses when low-income residents gain more in return—a jump of at least 24 percentage points over incentives with no strings attached.

Across income and party lines, New Yorkers overwhelmingly want the next mayor to focus on growing middle-income jobs.

Thinking about economic growth, do you think the next mayor should focus MOST on growing higher-paying professional jobs, middle-income jobs, or low-wage jobs?

**Q:** A new law was recently passed in New York City that will require employers with 15 or more workers to provide at least 5 paid sick days a year to their employees. Do you favor or oppose expanding the new law giving workers the right to 5 paid sick days a year to cover all workers, regardless of how large or small their employer is, or are you unsure? And is that strongly or not so strongly?

New Yorkers across income and party lines support expanding the new law to require paid sick days for all workers.
New Yorkers strongly favor making a large investment in infrastructure to create jobs, even if it would increase the debt.

Hurricane Sandy caused significant damage to New York City. Do you favor or oppose making a large investment of public funds to create jobs by upgrading our transportation systems, fixing or replacing aging infrastructure, and protecting coastal areas? (Split sampled question)...even if it will increase the debt?

Though mention of debt erodes support slightly, voters of all parties still favor a large public works program by at least two-to-one.

Hurricane Sandy caused significant damage to New York City. Do you favor or oppose making a large investment of public funds to create jobs by upgrading our transportation systems, fixing or replacing aging infrastructure, and protecting coastal areas? (Split sampled question)...even if it will increase the debt?
New Yorkers are divided on giving large businesses tax breaks and zoning changes to spur development, but support jumps with accountability that links tax breaks to better wages, local hiring, and affordable housing.

**Q:** Do you favor or oppose giving large businesses tax breaks and rezoning as a way to increase jobs and spur development in the city? (Split sampled question)

...only if there are requirements that they provide benefits like the hiring of local residents, paying better wages, or creating more affordable housing?

**Q:** Do you favor or oppose giving large businesses tax breaks and rezoning as a way to increase jobs and spur development in the city? (Split sampled question)

**Across party lines, support for business tax breaks and rezoning rises dramatically when incentives are tied to requirements.**

**Q:** Do you favor or oppose giving large businesses tax breaks and rezoning as a way to increase jobs and spur development in the city? (Split sampled question)

...only if there are requirements that they provide benefits like the hiring of local residents, paying better wages, or creating more affordable housing?
New Yorkers are willing to personally pay more taxes to connect out-of-school and out-of-work youth to jobs and expand and improve high school career and technical education.

Please tell me how willing you would be to pay a little more in taxes personally to do each of the following?

Create a city program to train and provide jobs to young people who are out of school and not working.

Expand and improve high school career and technical education that prepares students for good paying jobs in growing industries.
WHAT NEW YORKERS WANT

A Change in Education Policies

Majorities of voters across ideological lines say they want to change course rather than continue Bloomberg’s school policies. But Democrats are much more likely to say they want a change in approach (71 percent) compared to Republicans (56 percent) and independents (60 percent). Sharper partisan differences emerge on the best way to improve public schools. Democrats and independents want to invest more in schools in poor neighborhoods by reducing class size and increasing teacher training and pay. Seventy-nine percent of Democrats prefer investing in neighborhood schools over just 14 percent who prefer Bloomberg’s “market” approach that emphasizes closing low-performing schools and opening new schools, including charters, to foster competition and give parents more choice. Republicans are split between the two approaches. Across the income spectrum, however, a wide majority of New Yorkers—more than two-thirds—prefer investing in schools serving poor neighborhoods over the market strategy.

A wide majority of New Yorkers—more than two-thirds—prefer investing in schools serving poor neighborhoods over the market strategy.

We also asked about the specific proposal for expanding early childhood education that has been a key plank in the Democratic candidate’s platform. How willing are New Yorkers—in particular high earners—to personally pay more in taxes to provide universal pre-Kindergarten programs? Very willing, it turns out. Three out of four voters overall say yes—including 61 percent of the highest income respondents—who say they are very willing to pay a little more. This proposal also draws support across party lines, though again backing is strongest among Democratic voters, with at least eight out of ten willing to increase their own taxes to pay for universal pre-K.

New Yorkers across incomes and party lines want to change course when it comes to education.

Q: When it comes to education and policies implemented by the Bloomberg administration, do you think we should continue in the same direction as the Bloomberg administration, or change and try another approach?

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But they disagree on the best way how. Democrats and independents want to invest more in schools in poor neighborhoods, while Republicans are divided, some wanting even more choice, and others increased investment.

Q: Which of the following do you think is the best way to improve public schools?

- INVEST more in schools in poor neighborhoods to reduce class size and increase training and pay for teachers.
- Close low-performing schools and open new public schools, including charter schools to give parents more CHOICE and foster competition.

New Yorkers across income and party lines would pay more in taxes to make pre-K programs available to all children.

Q: Please tell me how willing you would be to pay a little more in taxes personally to make pre-Kindergarten programs available for all children. (Split sampled question)
WHAT NEW YORKERS WANT

An Affordable Place to Live

With rent burdens now eating up a staggering two-thirds of income, on average, for poor New Yorkers in unsubsidized units,\(^2\) eight-year waiting lists for public housing, and a record number of over 50,000 people living in homeless shelters, it is hard to think about alleviating poverty in New York City without talking about affordable housing. Bloomberg era policies failed to stem the tide of rising homelessness, but 156,352 affordable housing units\(^3\) were preserved or added, largely fulfilling the mayor’s 10-year plan for 165,000 units by 2014. The Bloomberg administration also launched the Center for Economic Opportunity (CEO) to pilot and evaluate initiatives aimed at reducing poverty, including the Young Men’s Initiative designed to improve the education and job prospects for young black and Latino males.

To what extent do New Yorkers want to see such poverty fighting efforts scaled up by the next mayor? By a more than two-to-one margin, voters say they are willing to pay more in taxes to create large-scale programs to reduce poverty and homelessness in New York City. We found agreement across income lines, but differences by party. Seventy-seven percent of Democrats and 68 percent of independents are willing to pay more in taxes to increase affordable housing for low-income New Yorkers. Roughly two-thirds of New Yorkers say they are not at all willing to see their taxes go up to tackle poverty and homelessness on a broad scale. The findings are similar when it comes to paying more taxes to expand affordable housing for low-income New Yorkers. While the majority of every party also say they would willingly pay more taxes to increase affordable housing for low-income New Yorkers, Democrats support this idea with greater intensity. Again, a notable minority of Republicans disagree. Almost a third are not at all willing to increase their taxes to create more low-income housing.

By a more than two-to-one margin, voters say they are willing to pay more in taxes to create large-scale programs to reduce poverty and homelessness in New York City.

\(^2\) See “Making the Rent: Before and After the Recession,” by Victor Bach and Tom Waters, CSS Policy Brief, June 2012, p. 3.

New Yorkers—across income—are willing to personally pay more in taxes to create large-scale programs to reduce poverty and homelessness. Republicans split, though a majority are willing.

Q: Please tell me how willing you would be to pay a little more in taxes personally to do each of the following?

Create large-scale programs to reduce poverty and homelessness in New York City

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<th>LESS WILLING</th>
<th>SOMEWHAT WILLING</th>
<th>VERY WILLING</th>
<th>SOMEWHAT WILLING</th>
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<tbody>
<tr>
<td>TOTAL</td>
<td>28%</td>
<td>17%</td>
<td>38%</td>
<td>68%</td>
</tr>
<tr>
<td>LOW INCOME</td>
<td>27%</td>
<td>14%</td>
<td>42%</td>
<td>71%</td>
</tr>
<tr>
<td>MODERATE - HIGH INCOME</td>
<td>29%</td>
<td>19%</td>
<td>36%</td>
<td>68%</td>
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Across income and party, a majority are willing to pay more in taxes to develop more affordable housing for low-income New Yorkers.

Q: Please tell me how willing you would be to pay a little more in taxes personally to do each of the following? (Split sampled question)
New Yorkers across income lines worry about widening inequality in the city, with more than a third saying they are very worried. Democratic voters are most worried.

Q: How worried are you about widening inequality between the wealthy and the poor in New York City? Are you very worried, somewhat worried, a little worried, or not at all worried? (Split sampled question)
The next mayor, whoever is elected, will face serious fiscal challenges in negotiating long overdue labor contracts covering all municipal unions, from teachers to uniformed services. Given that reality, it is important to note that many of the proposals that draw widespread support and could make a real difference for low-income New Yorkers are budget neutral. For example: windfall gains from increasing zoning density can be captured with requirements to include more affordable housing units; developments given multi-million dollar tax breaks can be required to hire locally and pay living wages; paid sick days can be expanded to cover all workers; and existing business incentives can be redirected to attract more middle-wage industries and launch public works projects—all without additional city spending.

In other cases, the voters express a willingness to take on more debt or pay higher taxes to tackle urgent problems like extending access to early childhood education to all children or creating good-paying jobs upgrading our aging infrastructure to withstand extreme weather events.

Our findings point to a growing concern about economic inequality and an emerging new consensus on ways to address it. What accounts for the shift in the public mood? Some will point to Occupy Wall Street, the resonance of its message to the 99 percent and the starkness of the income extremes, especially in New York City. Others will stress the long-run stagnation of middle class wages while college, housing and health care costs have continued to rise, making most of us feel poorer. Another factor is the changing demographics of the city. New York City’s electorate has shifted from a white majority in the 1980s to the present when minorities make up a majority of potential voters.

To these reasons I would add another possibility. Perhaps the deepest recession since the nineteen thirties and the limping recovery with persistent high unemployment has created a new empathy with those at the bottom.

Following the Great Recession, we may see a new appetite for measures to promote upward mobility and widen middle class prosperity.

With so many middle and higher income New Yorkers personally hit by fear of job loss for themselves and their families, and seeing how hard it is for their own grown children to launch careers, economic struggles hit home. Those who previously blamed the poor for their plight, may now be more likely to see economic forces and government action—or inaction—at fault. Following the Great Depression we saw the enactment of a New Deal. Following the Great Recession, we may see a new appetite for measures to promote upward mobility and widen middle class prosperity. Both are linked to the recognition that what local businesses need to succeed is not more business-friendly tax cuts but a long line of customers at the cash register who can afford to buy their goods. Whatever the cause, in other years, rhetoric about two Americas or two New Yorks has not gained much traction with the public. This year appears to be different.
The Unheard Third, the Community Service Society’s annual survey of low-income New Yorkers, is the only public opinion poll in the nation to regularly chronicle issues facing low-income individuals and families. The Unheard Third tracks the concerns and hardships of New York City’s low-income residents and their views on what programs and policies would help them get ahead. Developed and administered in collaboration with Lake Research Partners, a leading national polling firm, The Unheard Third also surveys middle- and higher-income New Yorkers to see where their priorities and concerns converge—and diverge—from those of low-income New Yorkers.

The findings from The Unheard Third reinforce our belief that public policy aimed at this population must, in part, be guided by the life experiences and ideas of New Yorkers living in poverty. CSS uses the survey to inform and guide our research, direct service programs, and policy recommendations.

CSS aims to distribute its annual survey as widely as possible, to ensure that the voices of low-income New Yorkers are heard by politicians, community leaders, the media, researchers, and the public. CSS staff frequently brief legislators and not-for-profit organizations about the findings from The Unheard Third. CSS staff also seek input from labor, government, nonprofit, and civic leaders as they develop the survey each year to ensure its usefulness in addressing key issues.
HOW THE SURVEY WAS Conducted

The Community Service Society designed this survey in collaboration with Lake Research Partners, who administered the survey by phone using professional interviewers. The survey was conducted from July 22 to August 16, 2013.

The survey reached a total of 1,475 New York City residents, age 18 or older, divided into two samples:

- 932 low-income residents (up to 200% of federal poverty standards, or FPL) comprise the first sample:
  - 486 poor respondents, from households earning at or below 100% FPL
  - 446 near-poor respondents, from households earning 101% - 200% FPL
- 543 moderate- and higher-income residents (above 200% FPL) comprise the second sample:
  - 333 moderate-income respondents, from households earning 201% - 400% FPL
  - 210 higher-income respondents, from households earning above 400% FPL
- This year’s survey also included an oversample of 250 cell phone interviews among adult residents at up to 400% FPL.

Telephone numbers for the low-income sample were drawn using random digit dial (RDD) among exchanges in census tracts with an average annual income of no more than $40,000. Telephone numbers for the higher income sample were drawn using RDD in exchanges in the remaining census tracts. The data were weighted slightly by gender, age, region, immigration status, education, and race in order to ensure that it accurately reflects 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. Also, in the combined totals, the sample is weighted by telephone status. Interviews were conducted in English, Spanish, and Chinese.

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 +/- 3.2%. The margin of error for the higher income component is +/- 4.2%.