



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

# UNHEARD THIRD 2008: LOW-WAGE WORK BRIEFING

November 5, 2008

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# Methodology

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. The survey is divided into two samples of 1015 low-income residents (up to 200% of federal poverty standards or approximately \$35,000 annually for a family of three) and 508 higher income residents of New York City (above 200% of federal poverty standards), age 18 or older. The survey was conducted from June 8 to July 3, 2008.

The low-income sample included two populations – **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). We refer to these two groups collectively as “**low-income**”. The higher-income sample also included two populations – **203 “moderate-income” respondents** (earning between 201% and 400% of poverty) and **305 “higher-income” respondents** (earning above 400% of poverty).

Telephone numbers for the low-income sample 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 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.

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%.

# Executive Summary

## Employment profile.

Low-income New Yorkers exhibit steady work histories. They are not low-income because they do not work. Rather, the structure of low-wage employment is different than higher-income jobs.

- Low-income New Yorkers are working jobs with hourly pay and limited employer sponsored benefits.
- Moderate- and higher-income New Yorkers are more likely to be salaried employees with employer sponsored benefits, such as health care and paid sick leave.

## Working Households are Struggling.

Working households are struggling with hardships, limited savings, and debt. Yet they are not accessing public benefits, such as Food Stamps, at high enough rates.

- Low-income New Yorkers who got money back through a tax rebate and/or refund spent the money to pay for basic expenses, such as food.
- More than 1 in 3 low-income full-time workers reported three or more hardships in the last year.
- Even in poor households with 2 or more workers, 4 in 10 report experiencing food hardships in the last year.
- Less than 1 in 4 poor full-time workers reported receiving Food Stamps.

# Executive Summary

## **Union Households.**

Low-income union households are much more likely to receive employer sponsored benefits – such as health care and paid sick leave – as well as access to job training and educational opportunities than their non-union counterparts. Therefore it is not surprising that low-income union households are also less likely to experience economic, food, health, and housing hardships than non-union low-income households.

## **Evaluating Employment and Employment Prospects.**

Low-income workers remain optimistic about both their current job and their future job prospects, despite being economically insecure and generally working in jobs that they do not believe are 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.

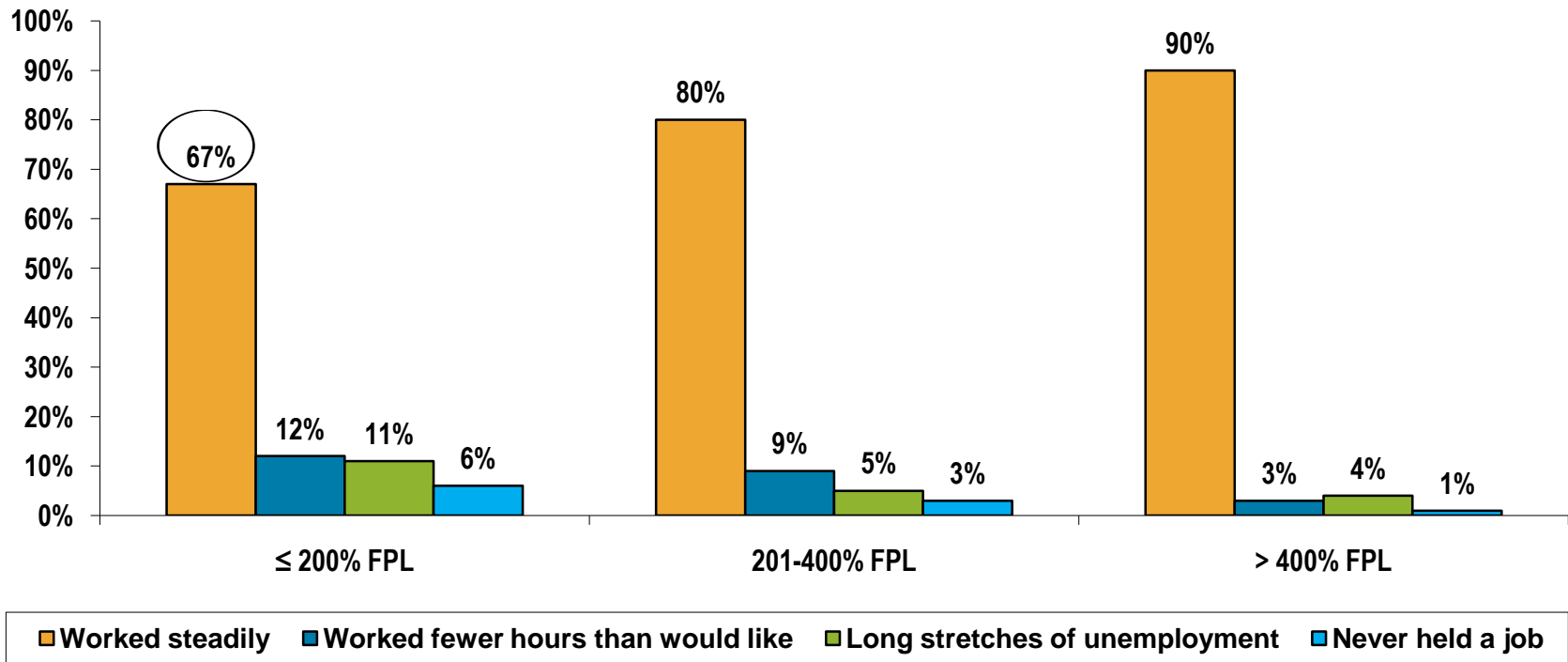
## Part 1: Employment Profile

Low-income New Yorkers exhibit steady work histories. They are not low-income because they do not work.

Rather, the structure of low-wage employment is different than higher-income jobs. Low-income New Yorkers are working jobs with hourly pay and limited employer sponsored benefits. Moderate- and higher-income New Yorkers are more likely to be salaried employees with employer sponsored benefits, such as health care and paid sick leave.

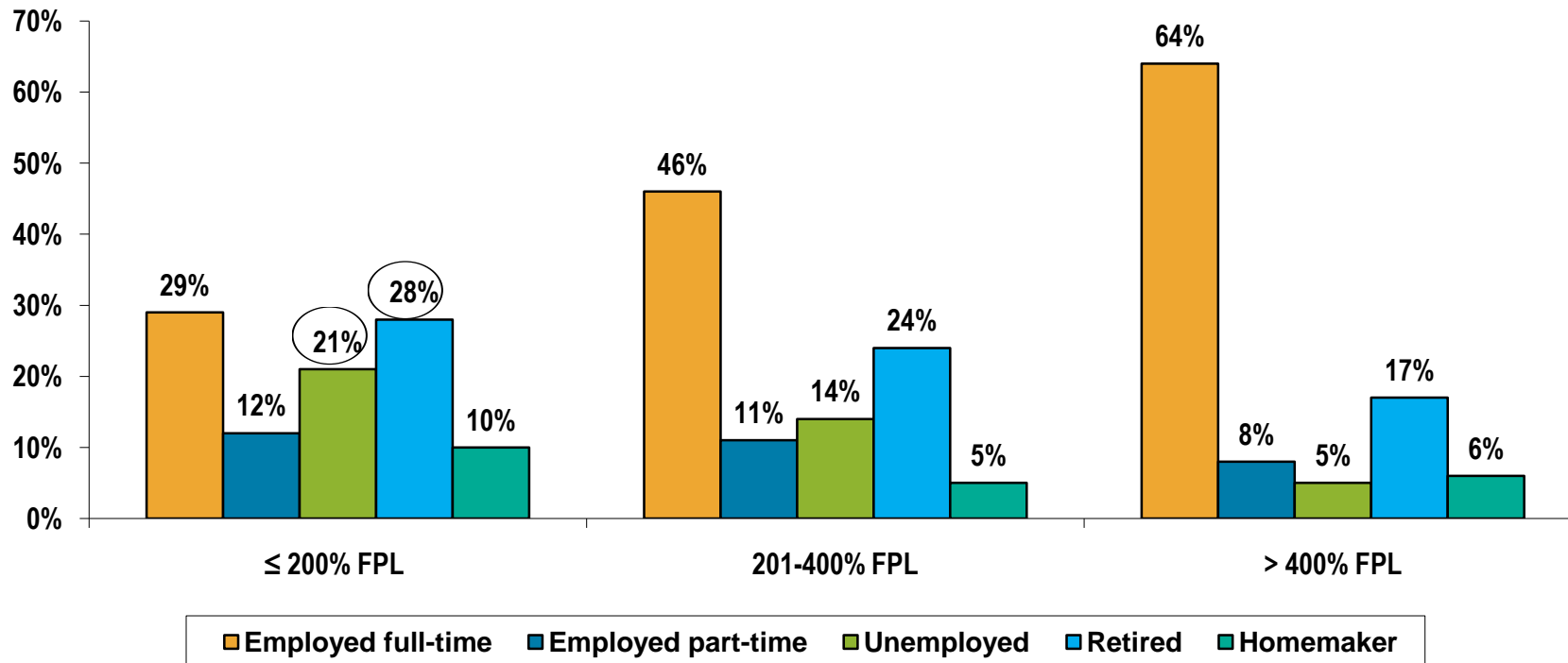
## Two thirds of low-income New Yorkers have worked steadily since high school. Very few have never worked. Moderate- and higher-income New Yorkers also report strong work history.

There are many reasons people aren't working, they are raising children, the economy is bad, or other reasons. 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?



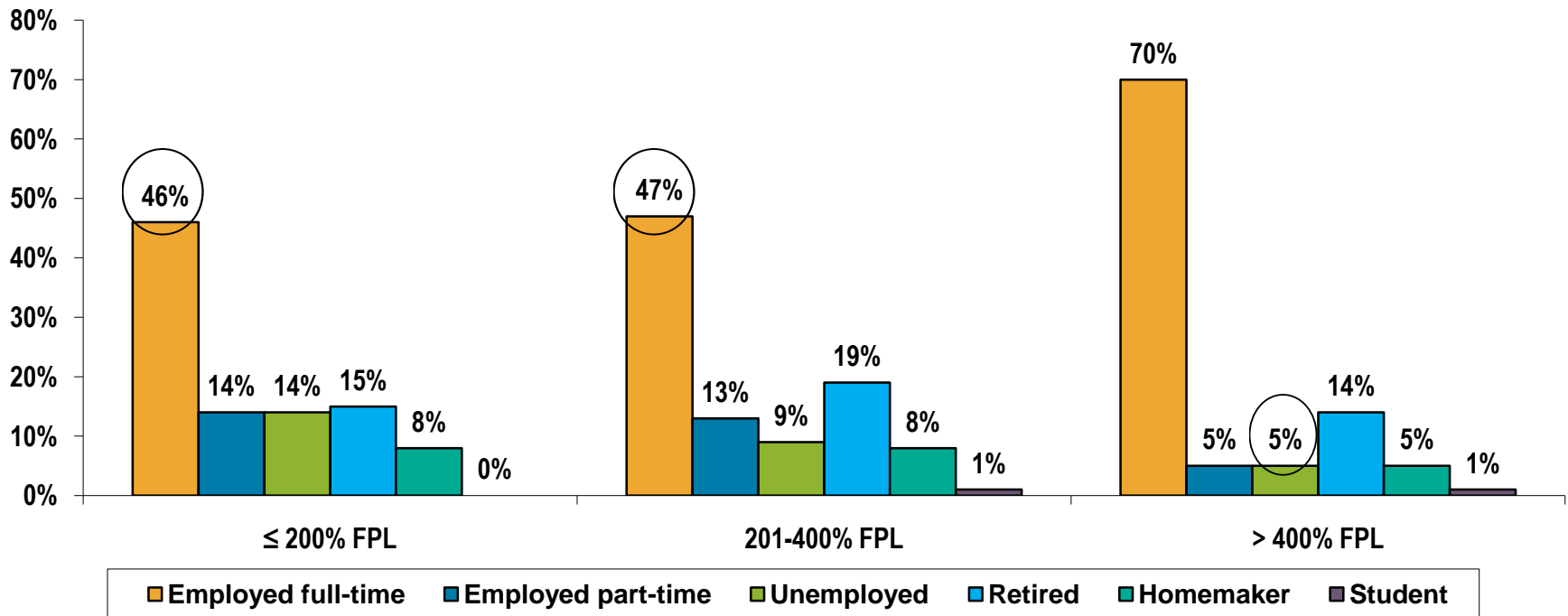
## Nearly 3 in 10 low-income respondents are retirees, while approximately 2 in 10 identify as unemployed. Unemployment rates decrease in higher-income households.

Now I would like to ask you some questions about employment. Are you currently employed full-time, employed part-time, unemployed, retired, or a homemaker?



**Nearly half of low- and moderate-income respondents have a spouse/partner who is working full-time, while the vast majority of higher-income respondents have a full-time working spouse. Spousal unemployment rates are the lowest for higher-income respondents.**

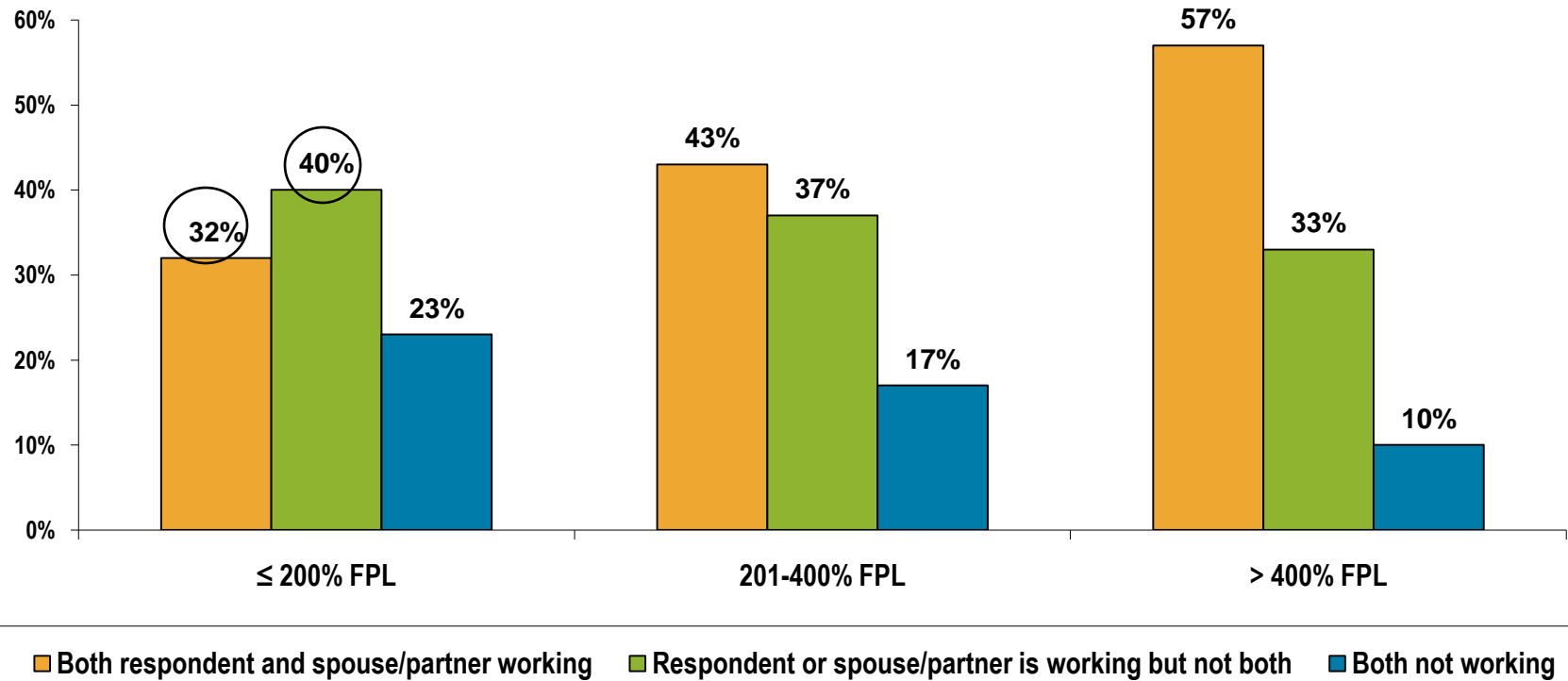
Is your spouse or unmarried partner currently employed full-time, employed part-time, unemployed and looking for work, retired, a homemaker, or a full-time student?



\*includes only respondents with a spouse or unmarried partner

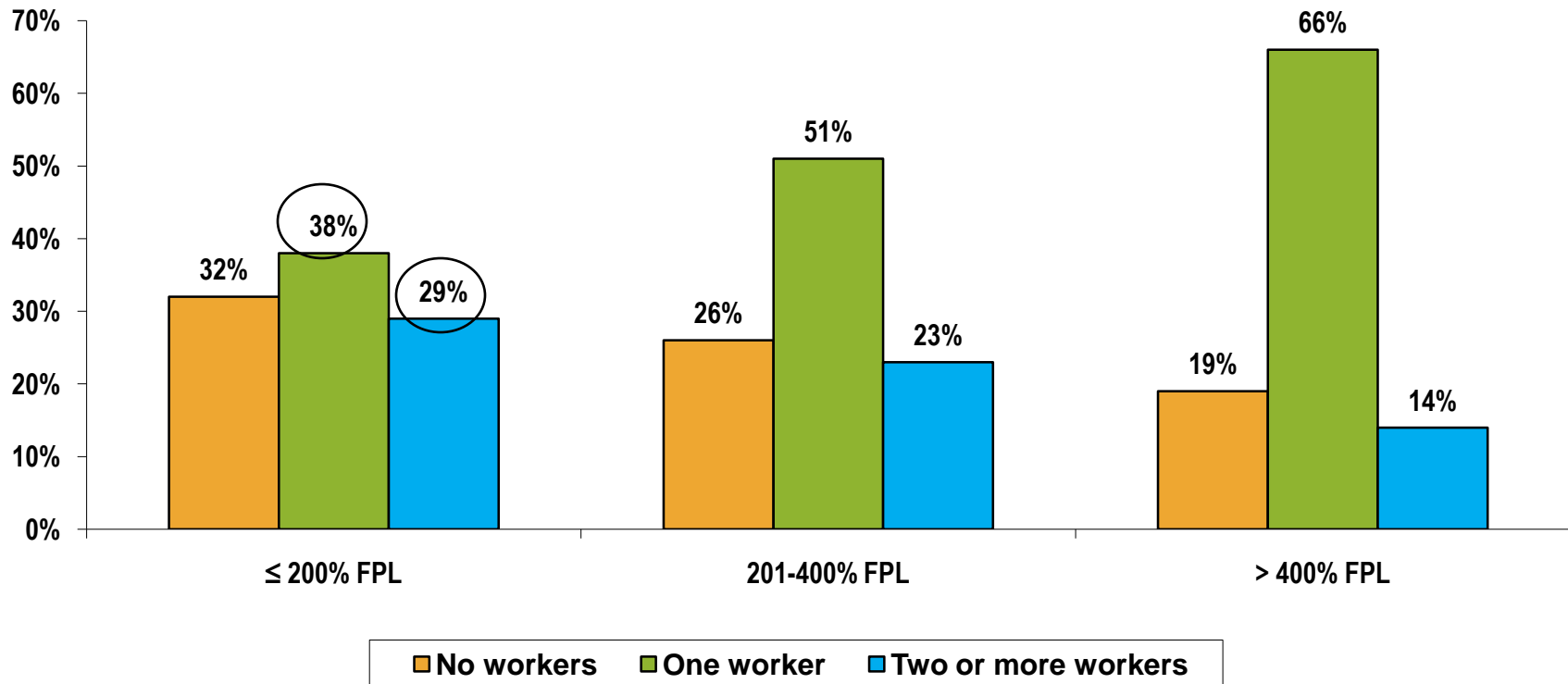
**More than 7 in 10 low-income respondents are working or have a spouse that is working. Across income groups, less than 1 in 4 respondents and their spouses are not working.**

Respondent/Spouse or Partner Employment Profile



## Being low-income is not generally the result of not working. Two-thirds of low-income households have at least one worker, not including the respondent.

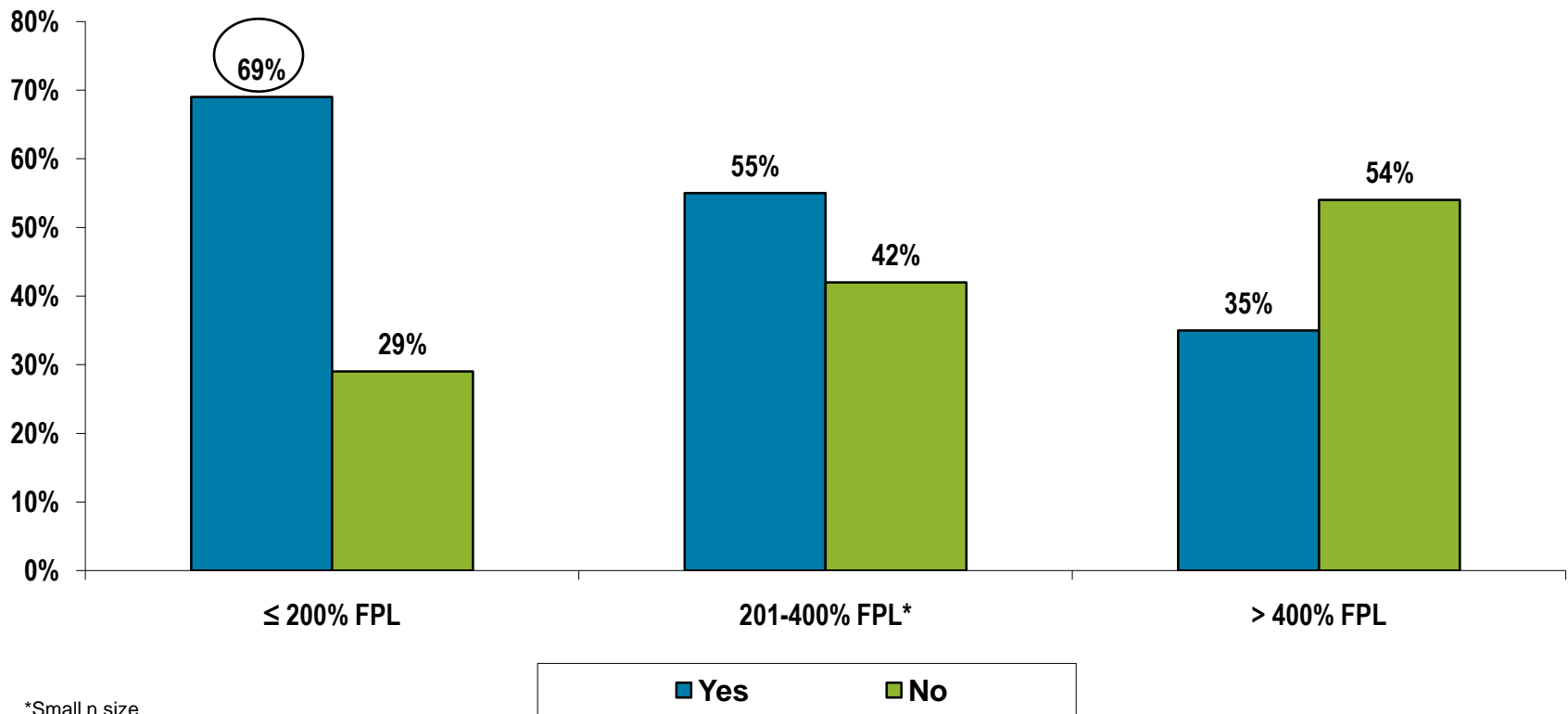
Not including yourself, how many people are there working for pay in your household?



\* asked only of households with more than 1 person

**The struggle to make ends meet includes the struggle to secure more hours. The majority of low-income workers who are working part-time would like to be working more hours. Only one-third of part-time higher-income workers would like more hours.**

Would you like to be working more hours or would you not like to be working more hours? (ASKED OF PART-TIME WORKERS ONLY)



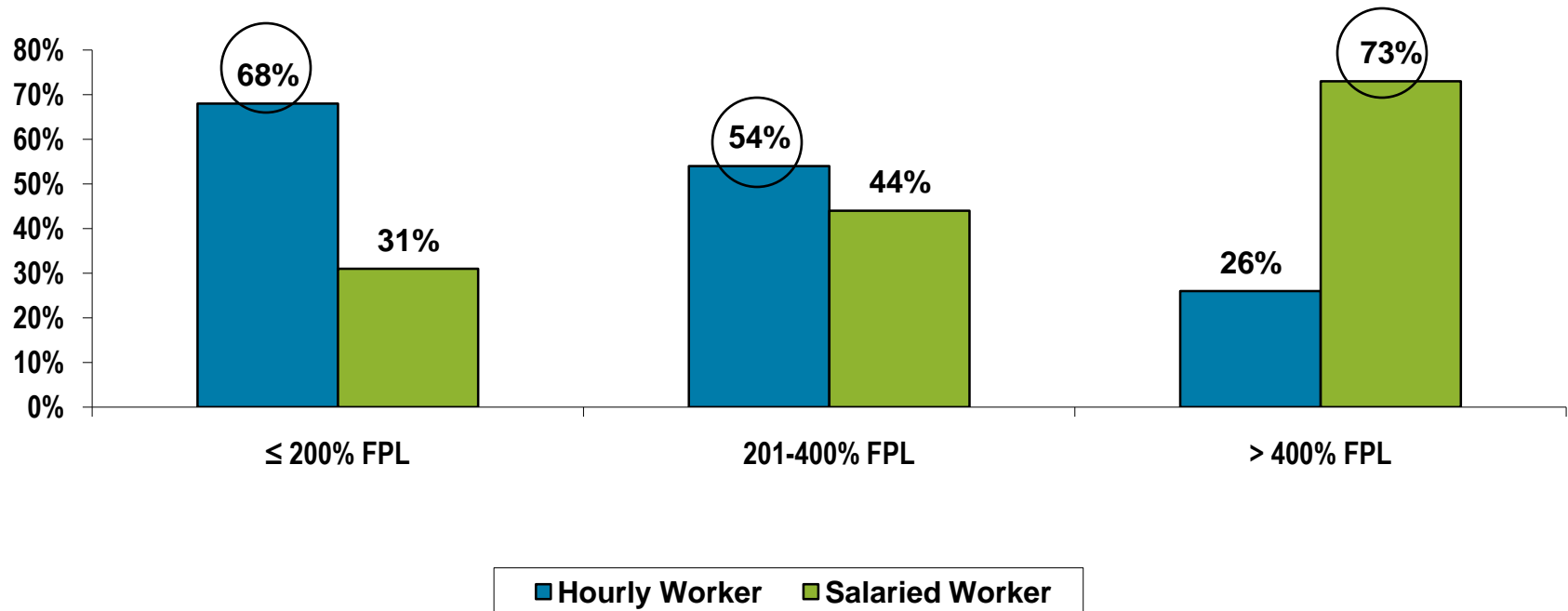
## Health problems are the top employment barrier for low-income New Yorkers. Lack of education and training is the second most prevalent barrier, followed by not knowing the right people.

Here is a list of factors other people have mentioned as reasons their search for a job has been difficult. Of these, please tell me which of these factors you think makes it the most difficult for YOU to find a job: (ASKED OF UNEMPLOYED ONLY)

	≤100% FPL	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 earn too much	7%	6%

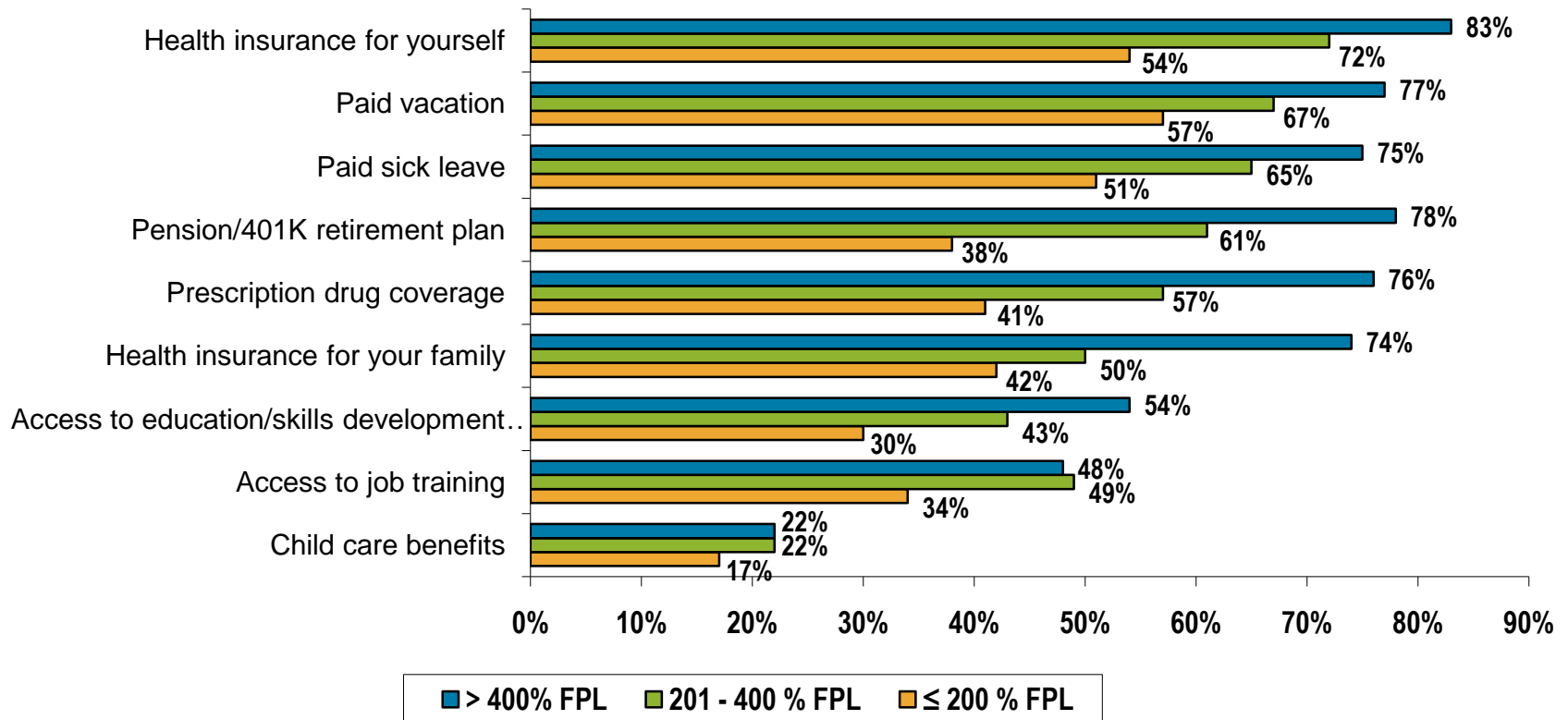
**The majority of low- and moderate-income workers are paid hourly.  
The vast majority of higher-income workers are paid a salary.**

Are you paid on an hourly basis or are you not paid on an hourly basis?



## 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.

Which of the following benefits, if any, do you receive from your employer? (FULL-TIME WORKERS ONLY)



## Part 2: Working Households are Struggling

Working households are struggling with hardships, limited savings, and debt. Low-income New Yorkers who got money back through a tax rebate and/or refund spent the money to pay for basic expenses, such as food. More than 1 in 3 low-income full-time workers reported three or more hardships in the last year.

Even in poor households with 2 or more workers, 4 in 10 report experiencing food hardships in the last year. At the same time, less than 1 in 4 poor full-time workers reported receiving Food Stamps.

**Approximately 1 in 3 low-income residents say they used their tax rebate or refund to pay for food. Moderate-income respondents were most likely to pay off debts, while higher-income respondents were most likely to put the rebate/refund into savings.**

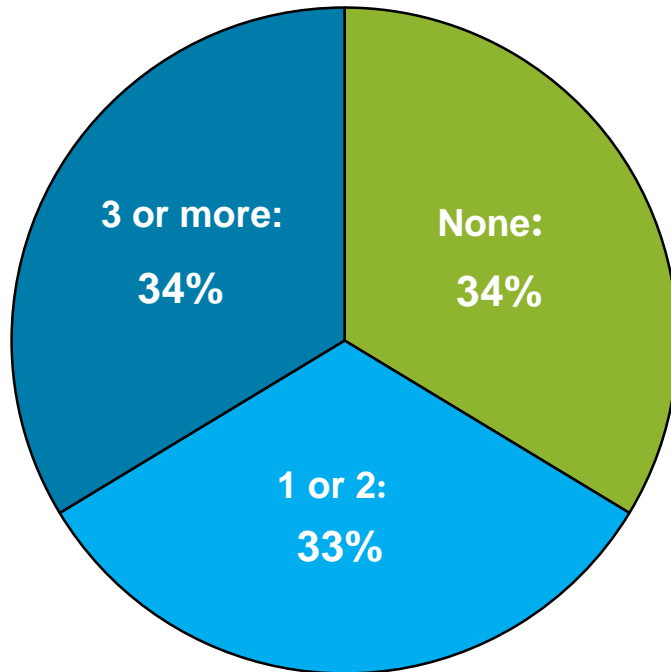
I'll read you a list and please tell me how you used the money you got back. You can say more than one.

Almost 4 in 10 poor respondents ( $\leq 100\%$  FPL) say they used their tax rebate or refund to pay for food.

	$\leq 200\%$ FPL	201-400% FPL	$> 400\%$ 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%

**Hardships:** More than two-thirds of low-income full-time workers faced at least one hardship in the past year. One-third faced 3 or more hardships. 28% went without a needed prescription, while 27% fell behind on rent or mortgage and 18% often skipped meals. 37% cut back on school supplies and clothes.

**Multiple Hardships for  
Low-Income Full-Time Workers  
( $\leq$  200% FPL)**



#### 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 org.

#### 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

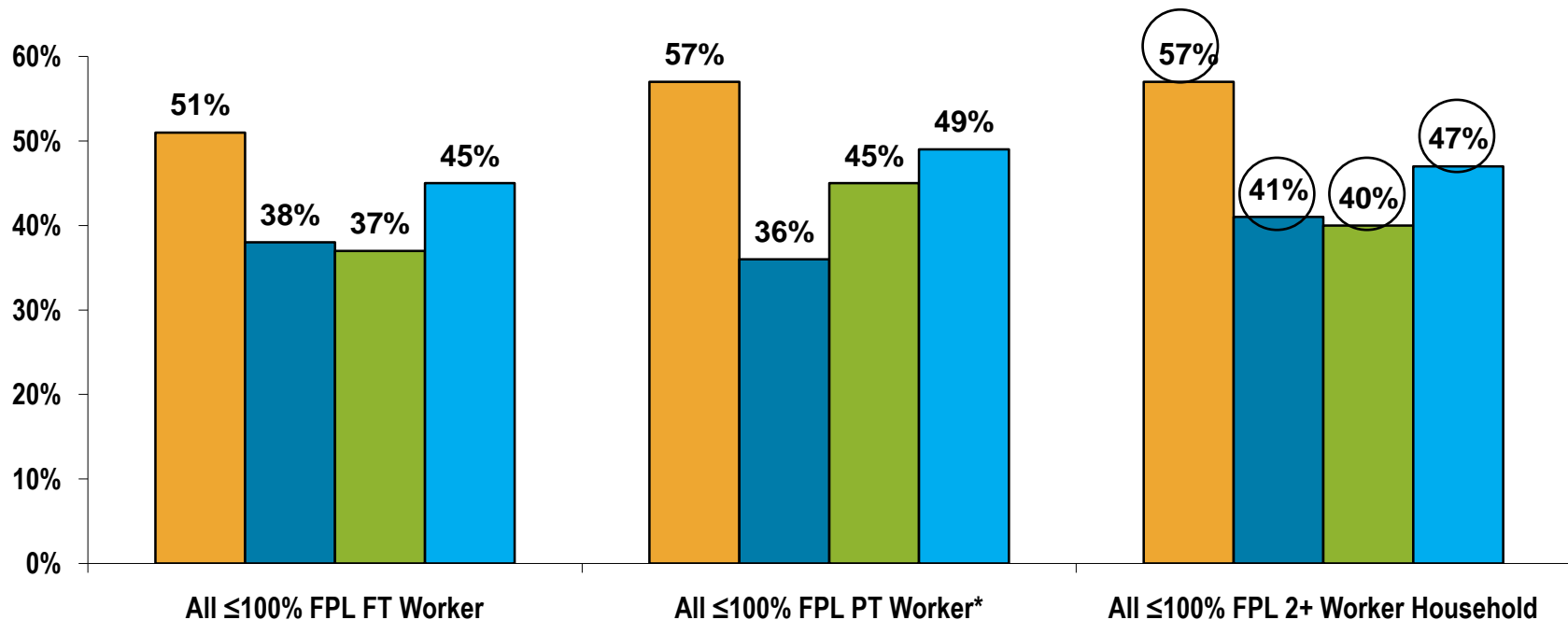
- 28% Needed to fill a prescription but couldn't because of a lack of money or insurance
- 21% Not gotten or postponed getting medical care or surgery because of a lack of money or insurance

#### 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

The majority of poor working households below 100% FPL – where the respondent is working full-time, where the respondent is working part-time, and even where the respondent resides in a household with 2 or more workers – struggle with economic, food, health, or housing hardships.

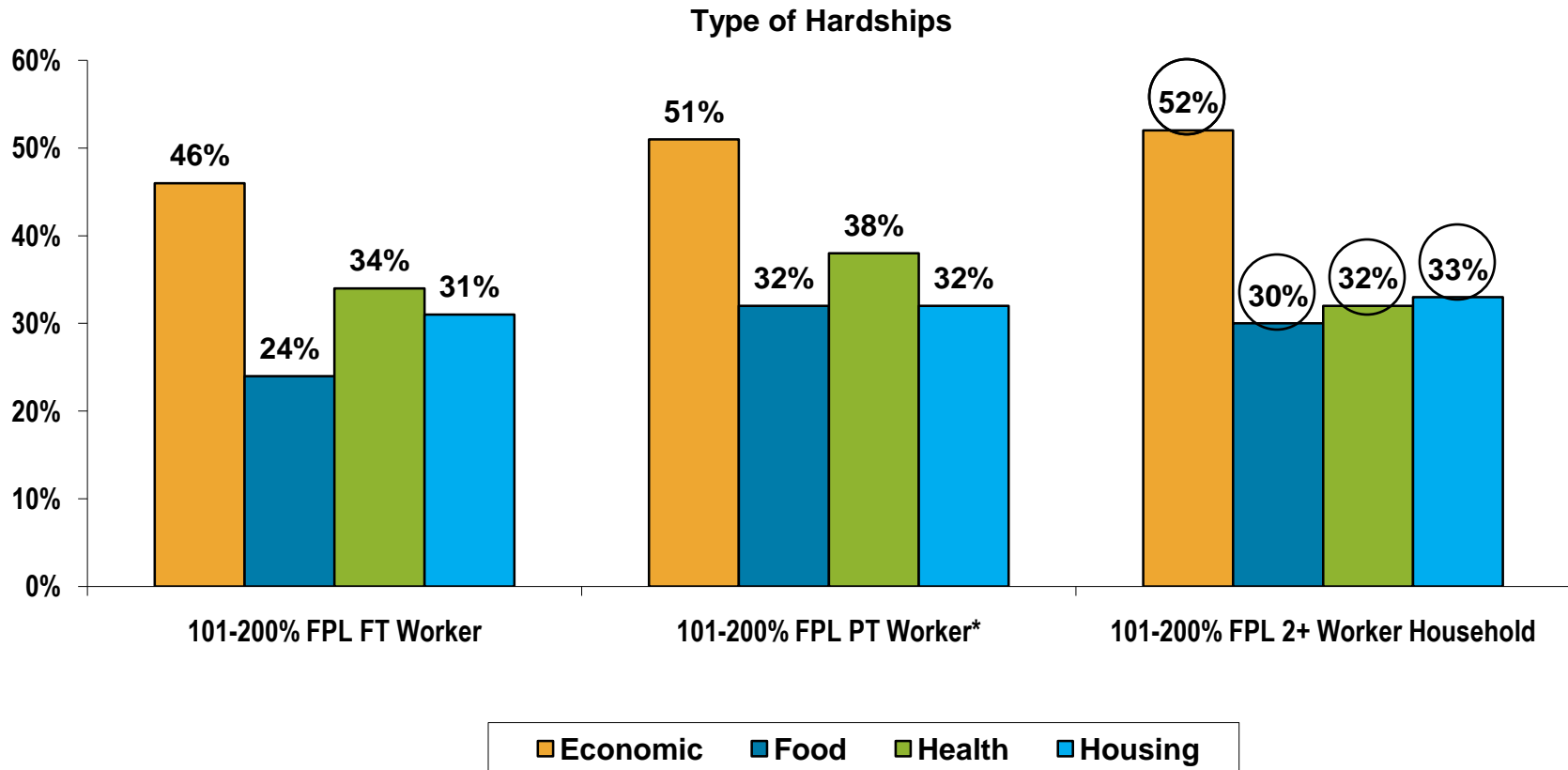
Type of Hardships



■ Economic
 ■ Food
 ■ Health
 ■ Housing

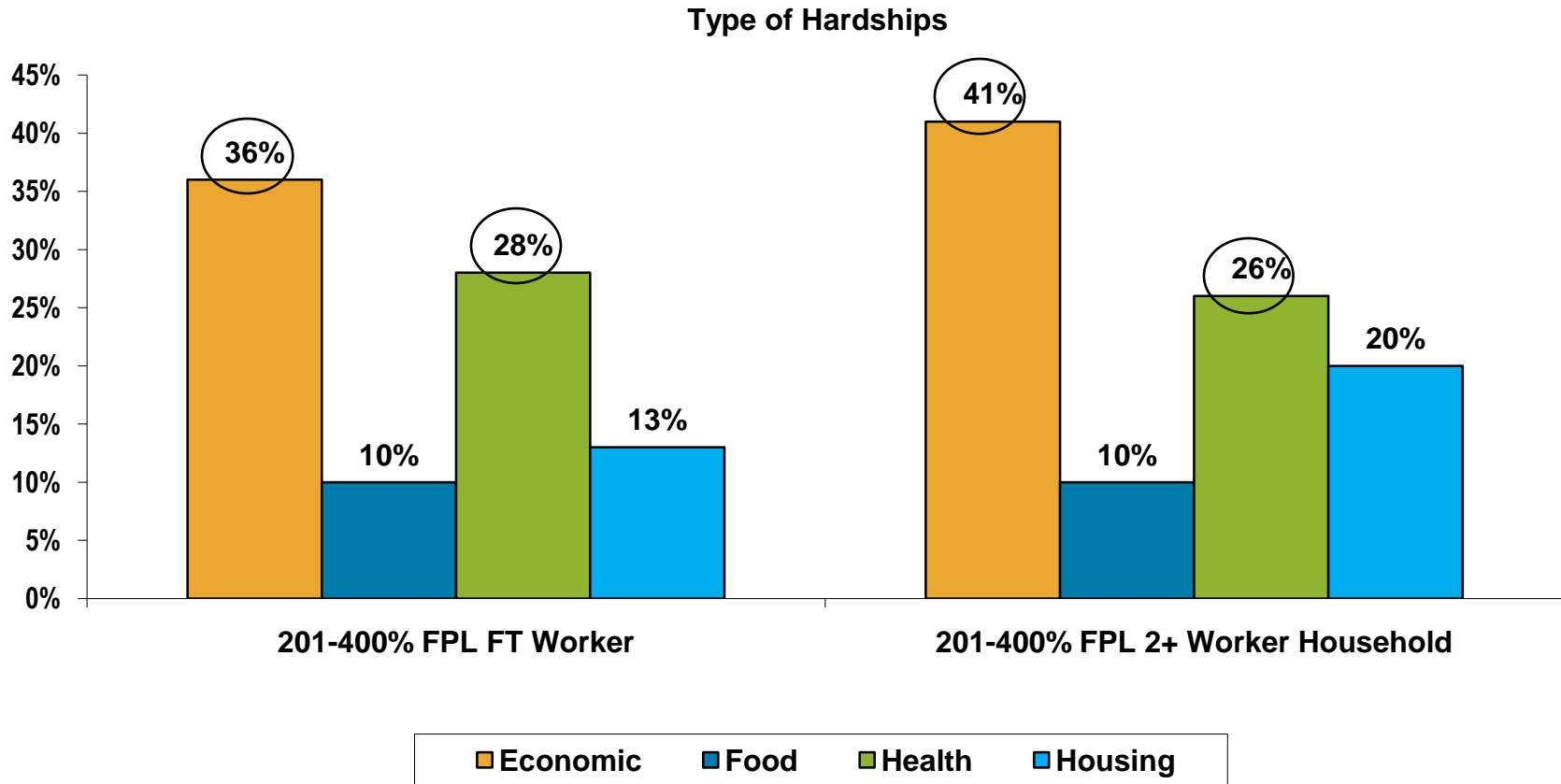
\*Small n size

The majority of near-poor working households earning between 100% and 200% FPL also struggle with economic, food, health, or housing hardships. The situation is consistent for full-time workers, part-time workers, and those residing in a household with 2 or more workers.



\*Small n size

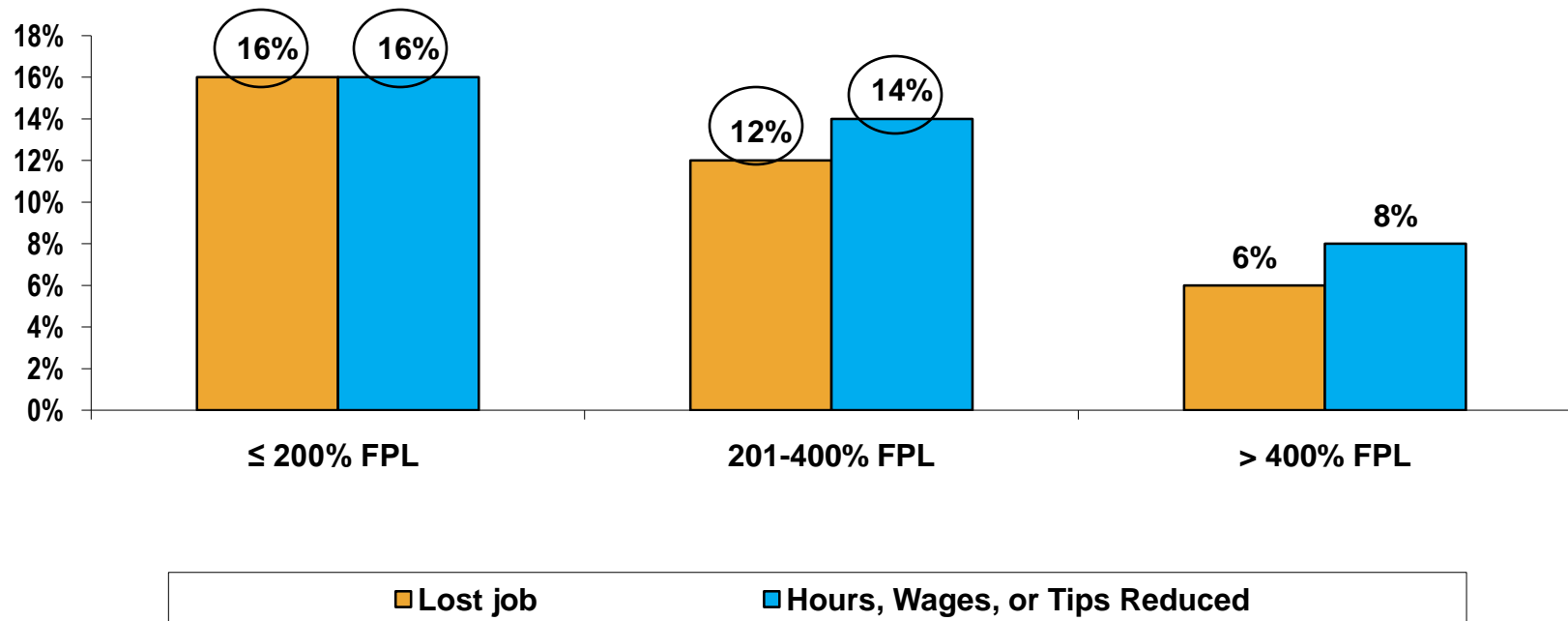
**Approximately 4 in 10 moderate-income full-time workers – as well as respondents in households with 2 or more workers – face economic hardships. Nearly 3 in 10 of these populations face health hardships.**



\*n size for 201-400% FPL PT Worker too small for analysis on its own

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

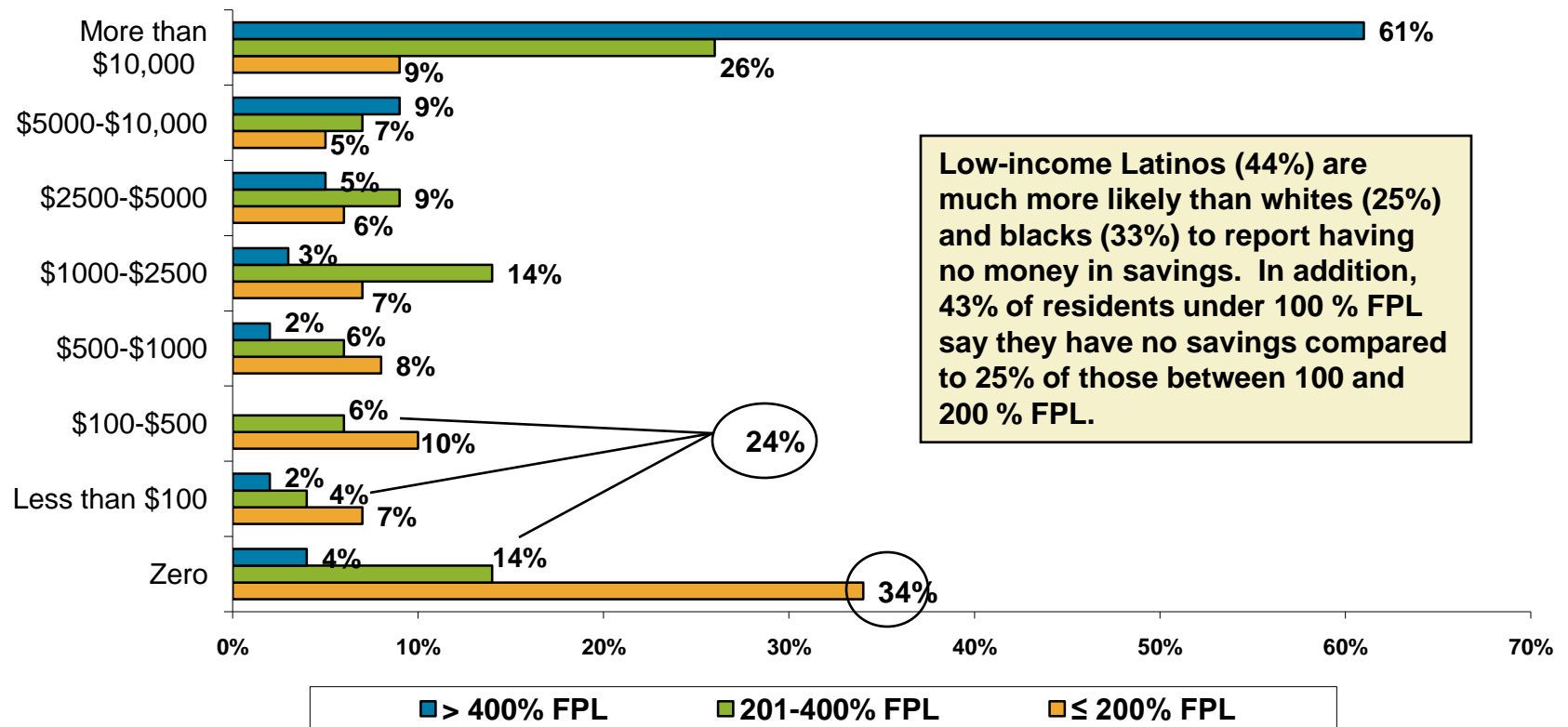
Now I'd like to talk about some of the problems that families have faced making ends meet in the last year. Please tell me if you have experienced some of the same difficulties. In the last year have you or any member of your household: **lost your job? had your hours, wages, or tips reduced?**



\*Small n size for <100% and 101-200% FPL; n size for 201-400% FPL PT Worker too small for analysis on its own

## One-third of low-income New Yorkers report having no savings. About 1 in 4 moderate-income residents say they have \$500 or less.

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



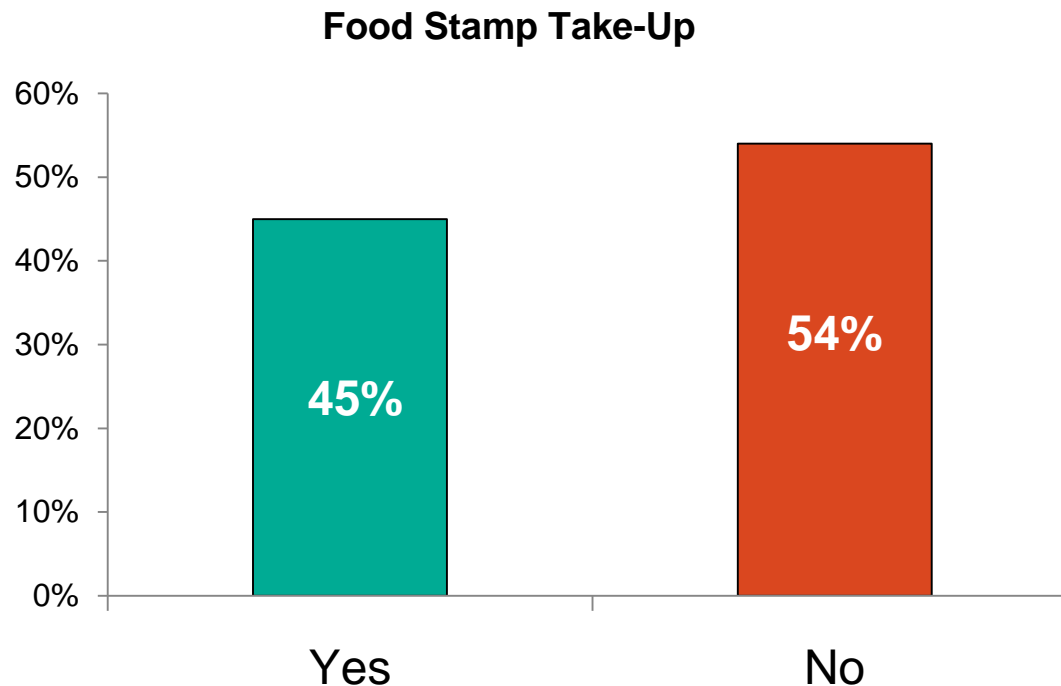
## New Yorkers are united in having debt, although the type of debt varies greatly by income band. Low-income New Yorkers report highest levels of medical debt.

Now let me read you some types of debt. Of these, please tell me which types of debt you have. Do you have...

	≤ 200% FPL	201-400% FPL	> 400% FPL
<b>Good Debt:</b>			
Student loans	12%	18%	15%
Mortgage	10%	19%	44%
Car loan	7%	12%	16%
<b>Bad Debt:</b>			
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%

## Despite nearly all being eligible\*, only 45% of respondents below 100% of the federal poverty line live in a household that receives food stamps.

Please listen carefully to the following programs offering assistance to New Yorkers; for each one tell me if you or anyone in your household are current receiving this assistance. Food Stamps:

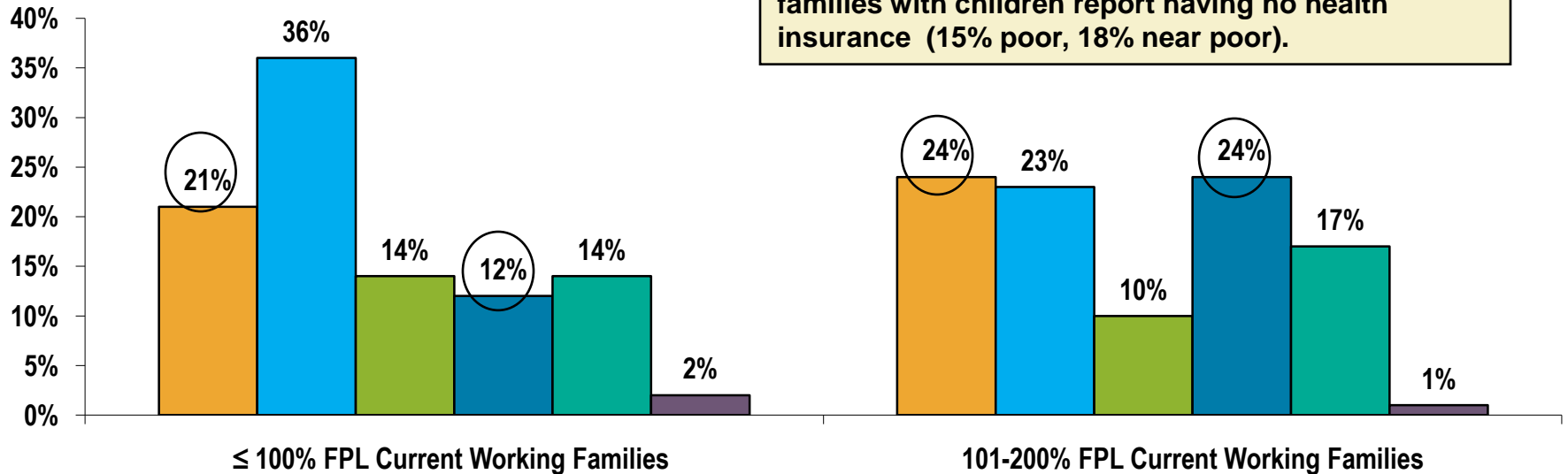


\*Immigrants were not included in this analysis to ensure nearly everyone was eligible for food stamps.

**Approximately 1 in 5 poor working families and 1 in 4 near-poor working families report no health insurance. Many of these families should be eligible for public health insurance.**

Status and source of health insurance for current working families:

Among current working families with children, 55% of those under 100% FPL and 29% of those 101-200% FPL receive Medicaid, Child Health Plus or Family Health Plus for themselves and their families. Troublingly, however, 16% of low-income working families with children report having no health insurance (15% poor, 18% near poor).



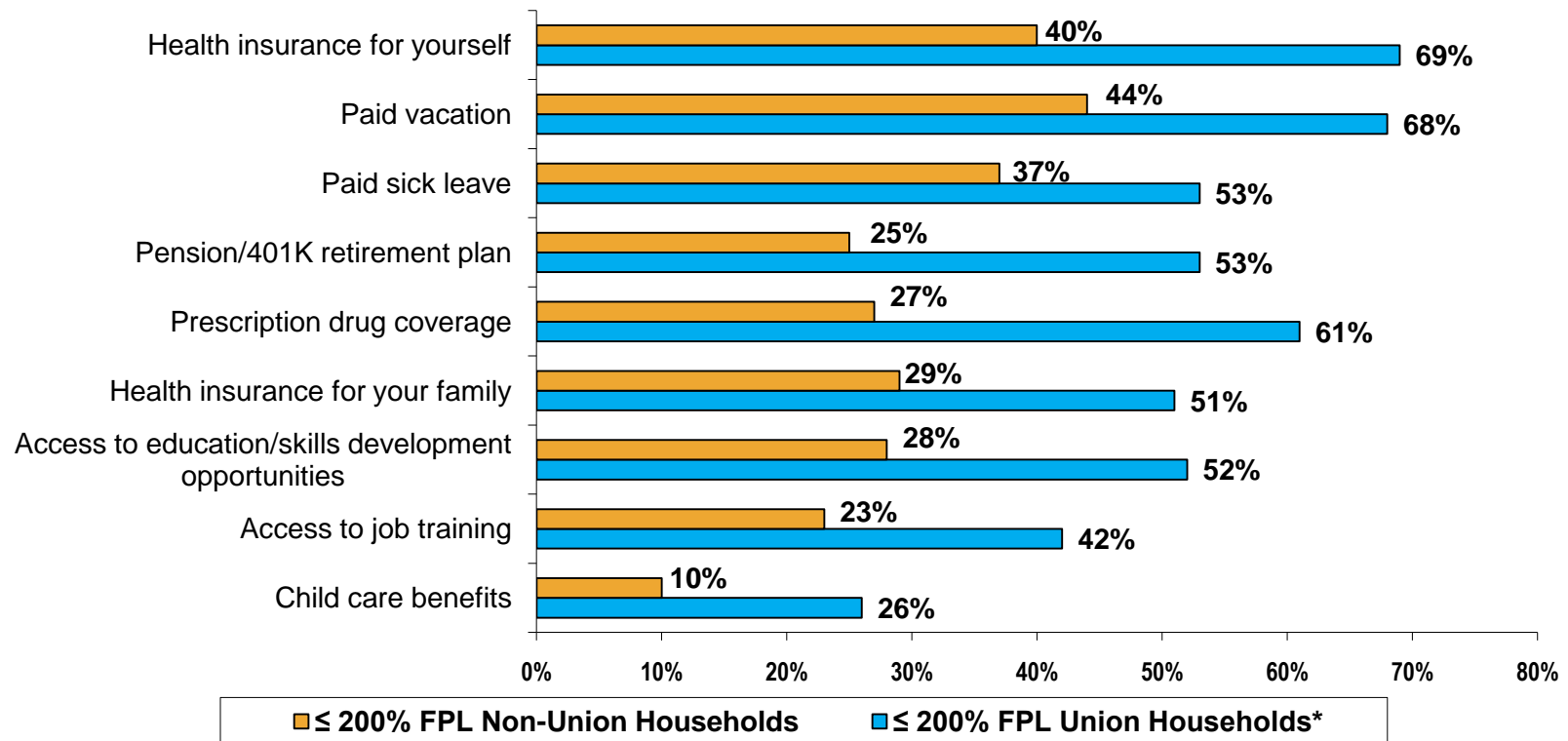
■ No health insurance   
 ■ Medicaid/CHP/FHP   
 ■ Medicare   
 ■ From Job   
 ■ Other   
 ■ Don't know

## Part 3: Union Households

Low-income union households are much more likely to receive employer sponsored benefits – such as health care and paid sick leave – as well as access to job training and educational opportunities than their non-union counterparts. Therefore it is not surprising that low-income union households are also less likely to experience economic, food, health, and housing hardships than non-union low-income households.

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

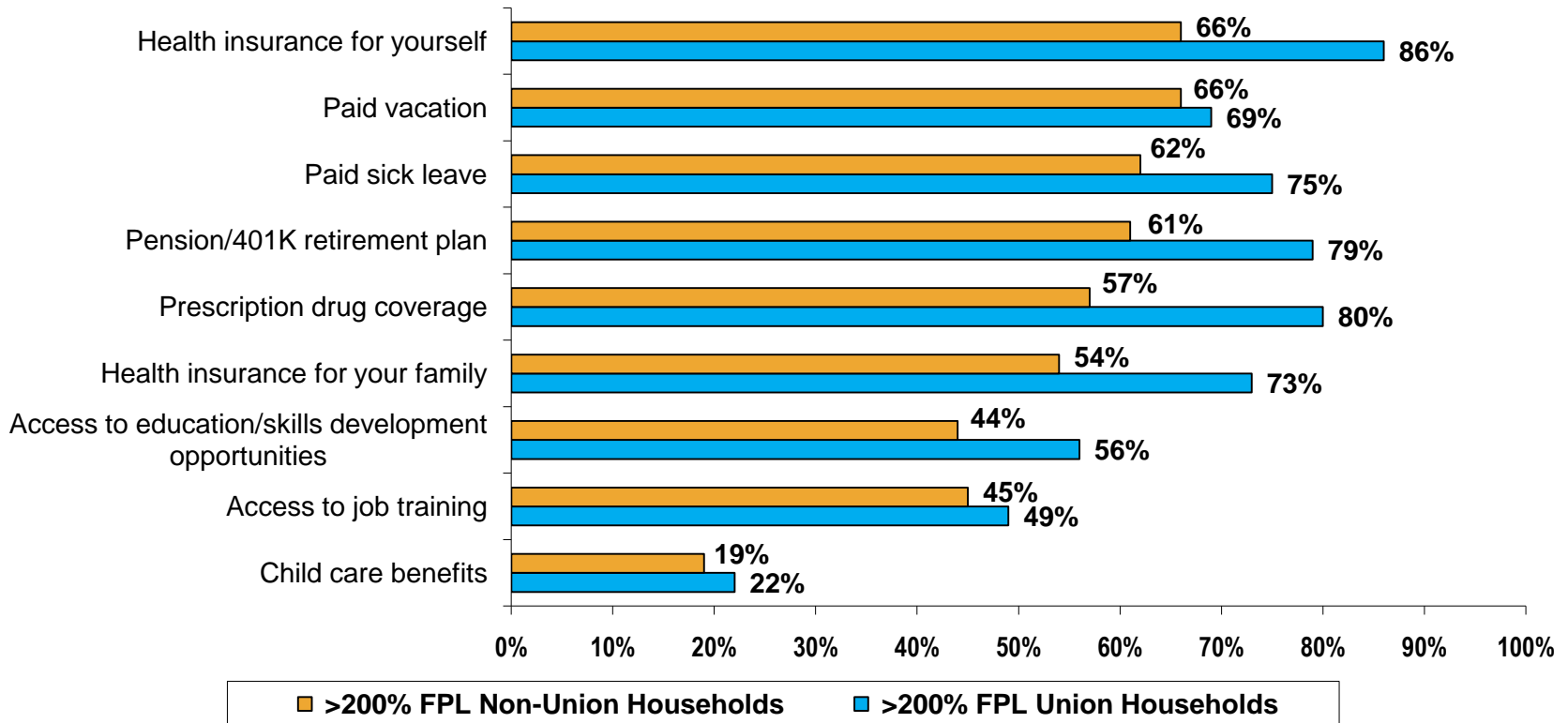
Which of the following benefits, if any, do you receive from your employer? (ASKED ONLY OF THOSE WHO ARE EMPLOYED PART-TIME OR FULL-TIME)



\*Small n size

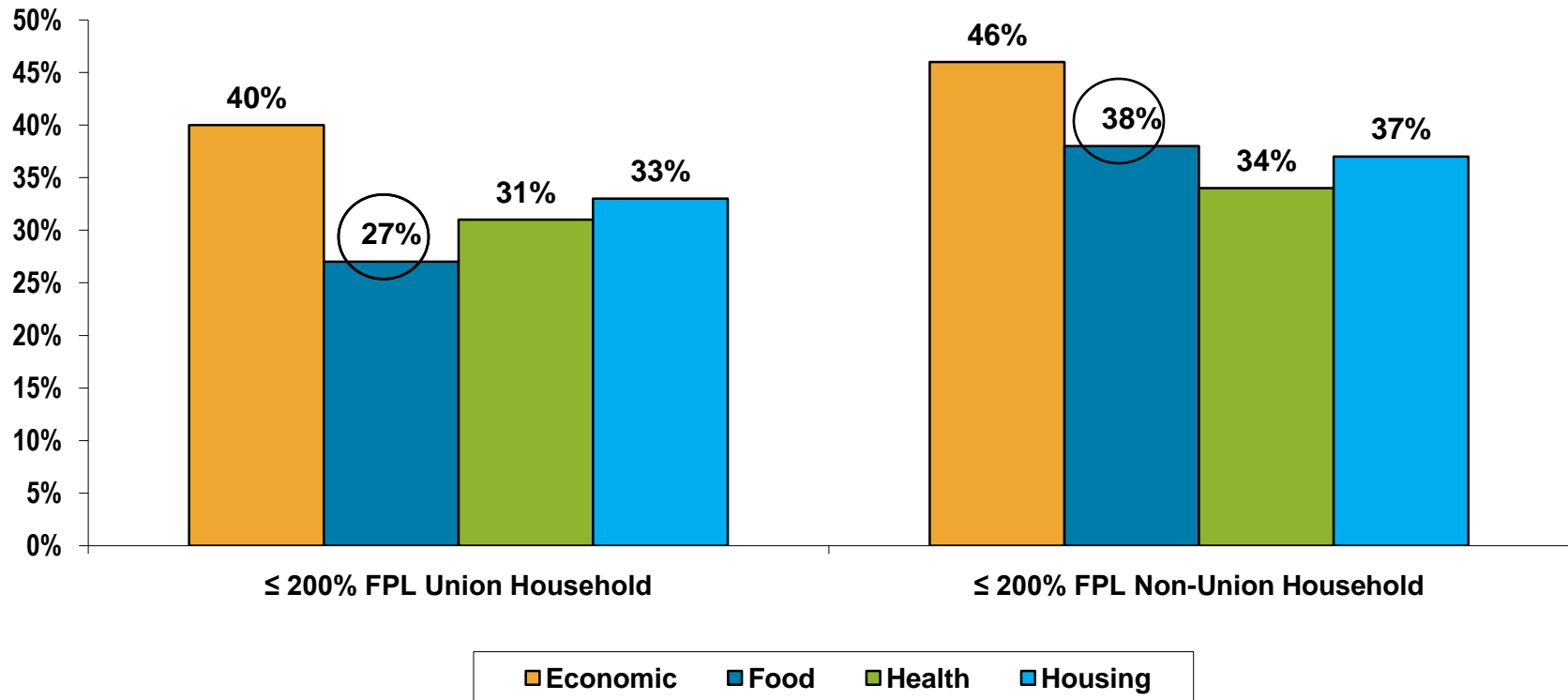
## Among moderate- to higher-income workers, those in union households are more likely to say they receive employer sponsored benefits – including health care, paid sick leave, and retirement savings.

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)



**Among low-income New Yorkers, union households are less likely to experience economic, food, health, and housing hardships than their non-union counterparts. Greatest difference between union and non-union household is the extent of food hardships.**

Type of Hardships

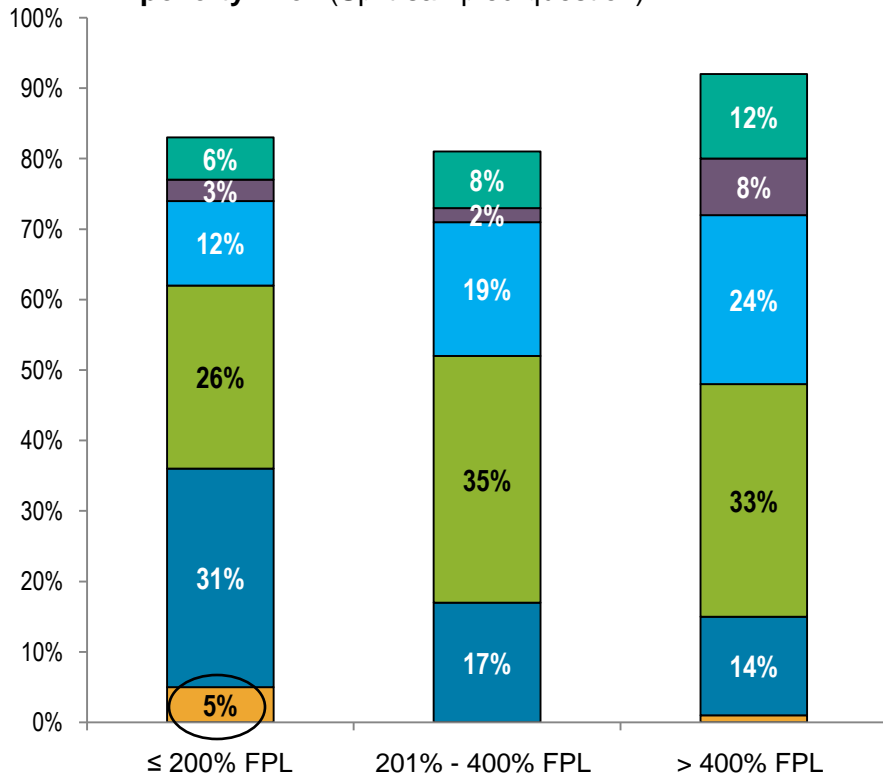


## Part 4: Evaluating Employment and Employment Prospects

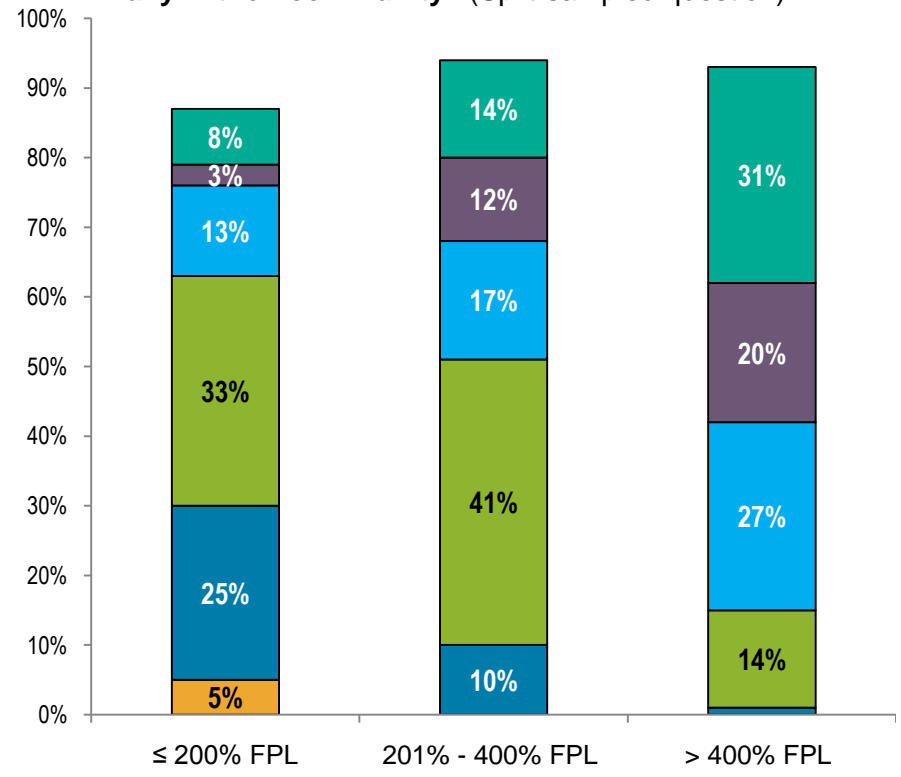
Low-income workers remain optimistic about both their current job and their future job prospects, despite being economically insecure and generally working in jobs that they do not believe are part of a career track. The majority of low-income workers believe they will receive a raise at their current job within the next year and that their current job will help them get a better job in the next three years.

# Uniformly, New Yorkers believe the poverty line to be much higher than it actually is (\$17,600 for a family of 3). When asked how much money a family of 3 needs to make ends meet and participate fully in their community, respondents across income reported even higher levels of income.

In your opinion, how much money do you think a family of three in NYC needs per year to be **just above the poverty line**? (Split-sampled question)



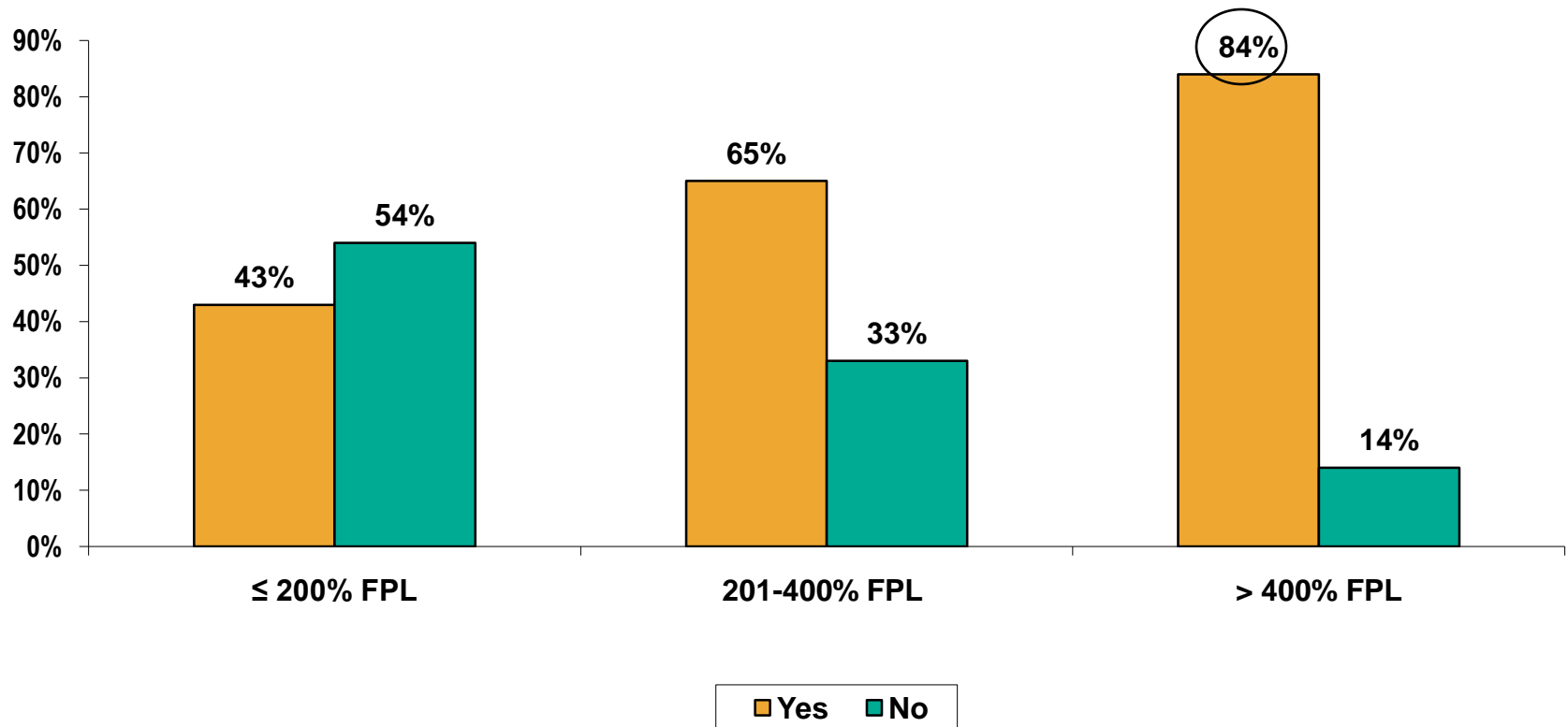
In your opinion, how much money do you think a family of three needs a year to **make ends meet and participate fully in their community**? (Split-sampled question)



■ < \$20,000  
 ■ \$20,000 - \$39,999  
 ■ \$40,000 - \$59,999  
 ■ \$60,000 - \$79,999  
 ■ \$80,000 - \$99,999  
 ■ \$100,000 +

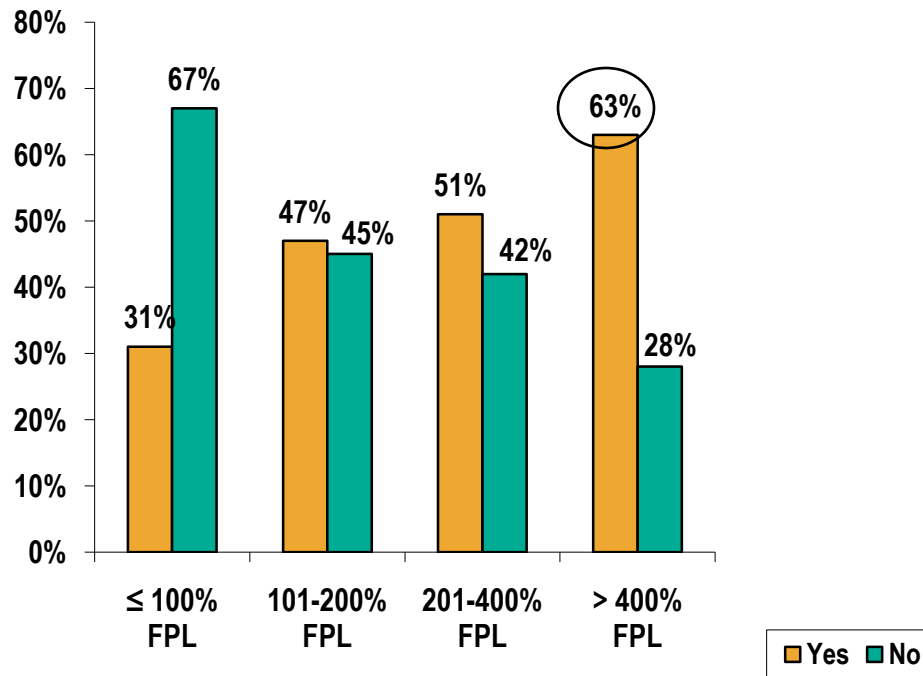
**Workers in the higher income band are most likely to say that their current job is part of an overall career plan or career track. Less than half of low-income workers describe their current job this way.**

Thinking about your current job, is this job part of an overall career plan or career track for you?

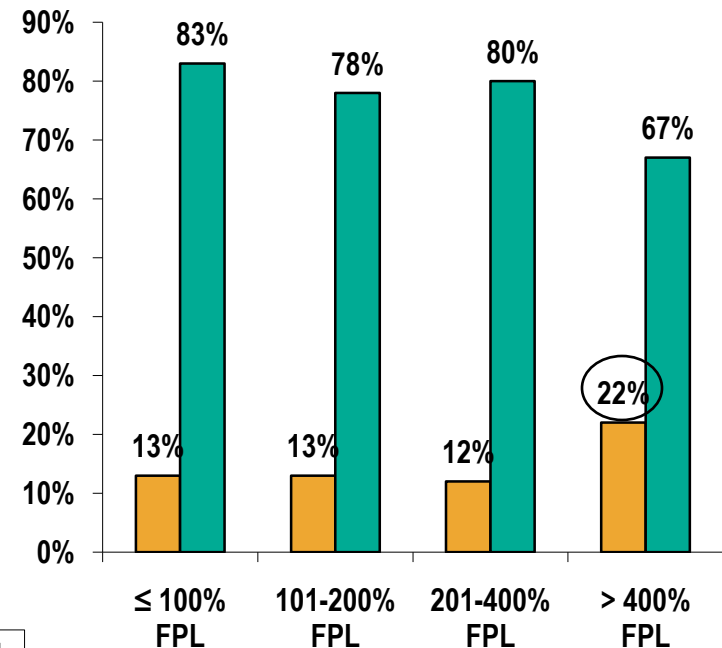


**Higher-income workers were most likely to receive a raise and a promotion at their current job in the past year. Only 3 in 10 workers below 100% FPL received a raise, and only 1 in 10 workers below 400% FPL received a promotion in the past year.**

Thinking about the past year, have you **received a raise** at your current job or have you not received a raise at your current job? (Split-sampled question)

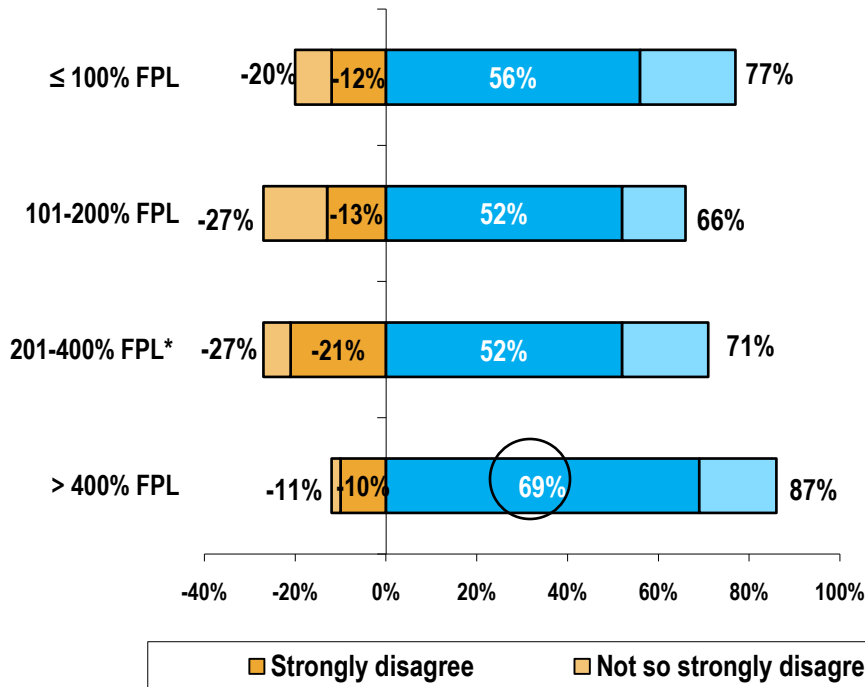


Thinking about the past year, have you **received a promotion** at your current job or have you not received a promotion at your current job? (Split-sampled question)

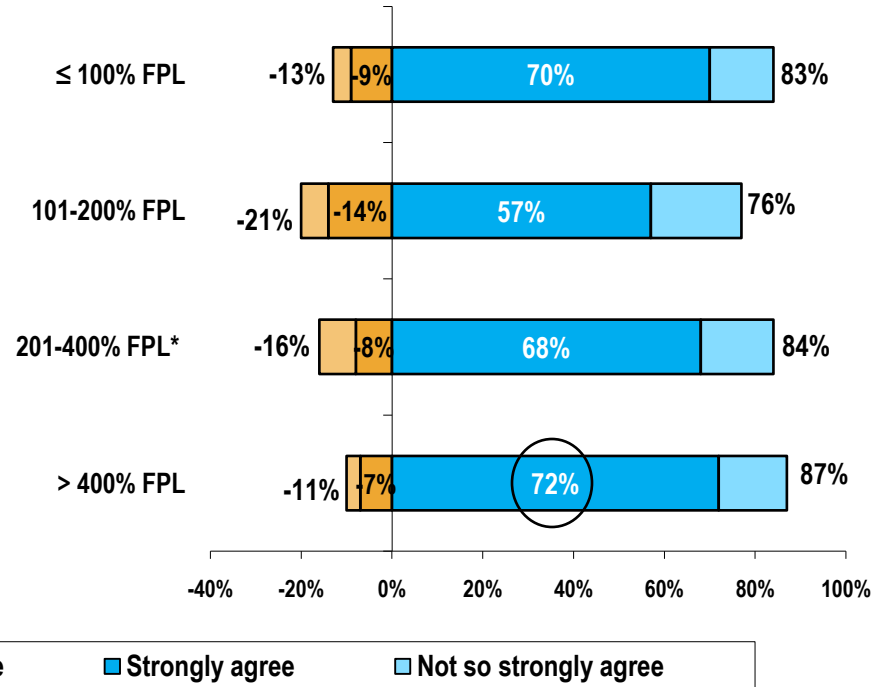


## Workers under 400% FPL are more likely to say they feel respected at their job than to say they feel valued, though intensity is strong for both statements. Higher-income workers above 400% FPL are most likely to voice strong support for feeling both valued and respected at their job.

Now I am going to read you a series of statements that some people had said about their job. Thinking about your own job, for each, please tell me if you agree or disagree with the statement. [If agree/disagree: Ask, is that strongly/not so strongly agree/disagree?] **I feel valued at my job.**



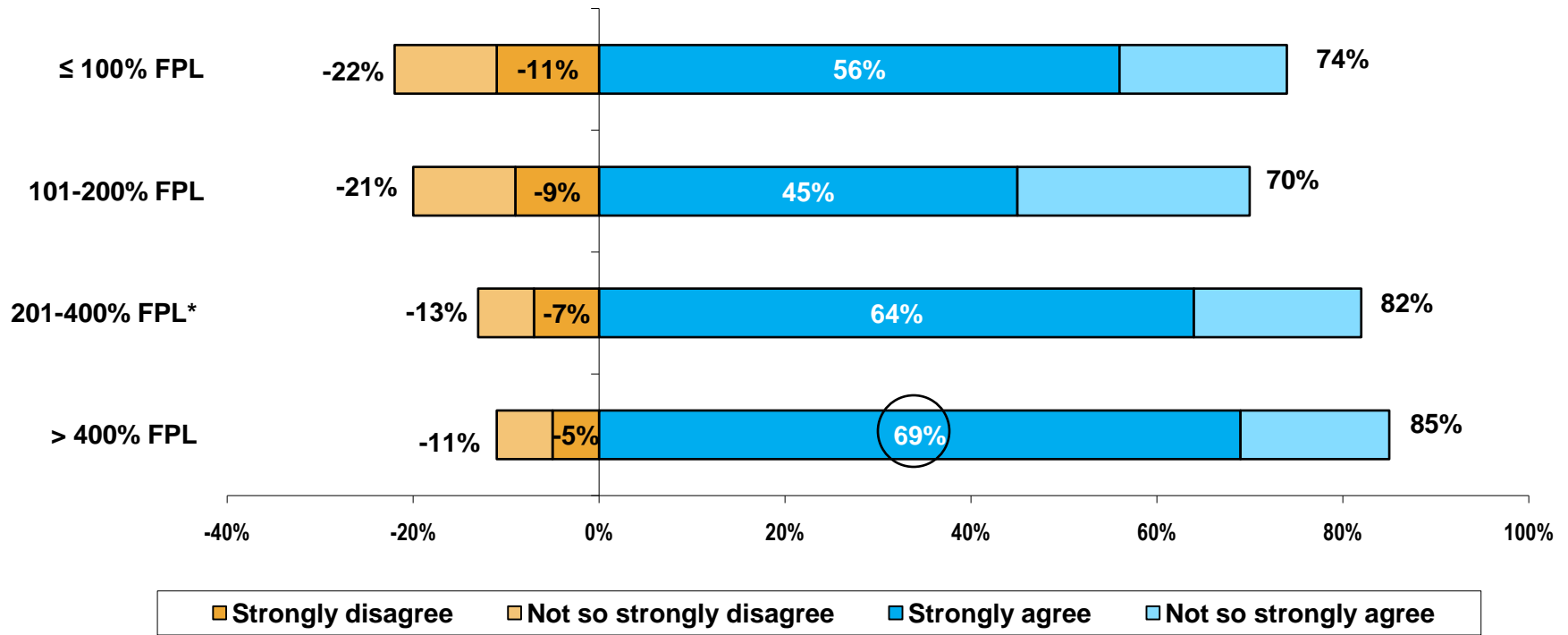
Now I am going to read you a series of statements that some people had said about their job. Thinking about your own job, for each, please tell me if you agree or disagree with the statement. [If agree/disagree: Ask, is that strongly/not so strongly agree/disagree?] **I feel respected at my job.**



\*Small n size

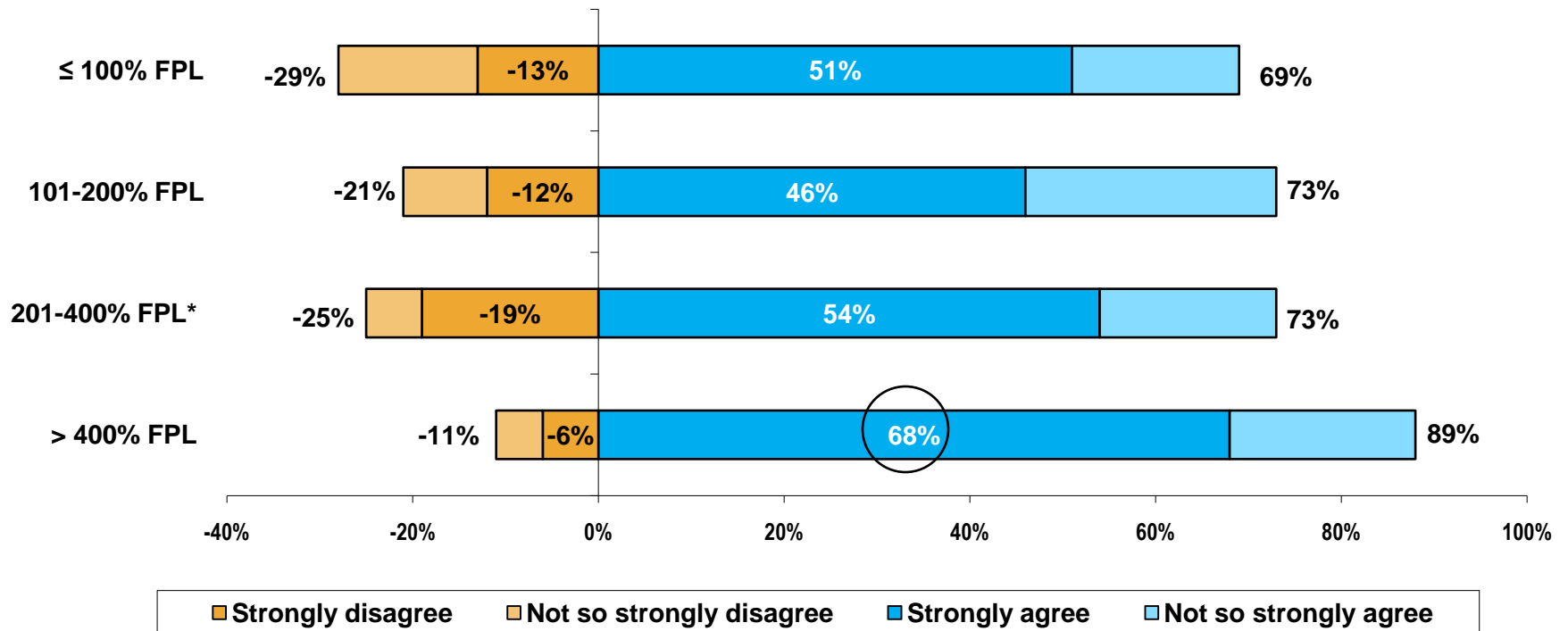
## The majority of workers across income levels agree that they feel proud to work for their employer. Intensity of agreement is strongest for higher-income workers.

Now I am going to read you a series of statements that some people had said about their job. Thinking about your own job, for each, please tell me if you agree or disagree with the statement. [If agree/disagree: Ask, is that strongly/not so strongly agree/disagree?] **I feel proud to work for my employer.**



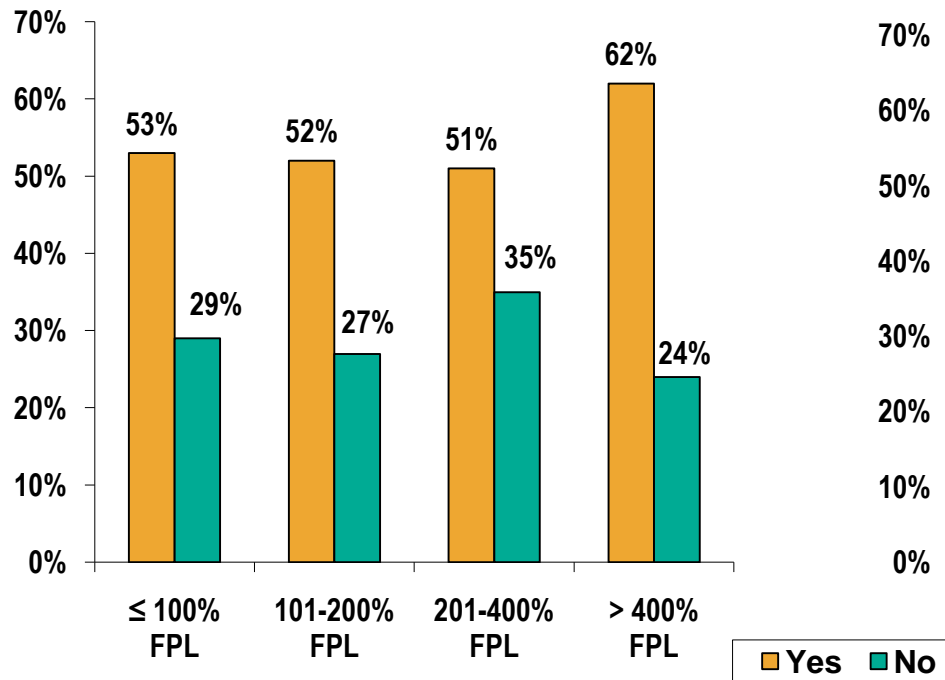
## The majority of workers across income levels agree that they feel satisfied with their current job. Intensity of agreement is strongest for higher-income workers.

Now I am going to read you a series of statements that some people had said about their job. Thinking about your own job, for each, please tell me if you agree or disagree with the statement. [If agree/disagree: Ask, is that strongly/not so strongly agree/disagree?] **I feel satisfied with my current job.**

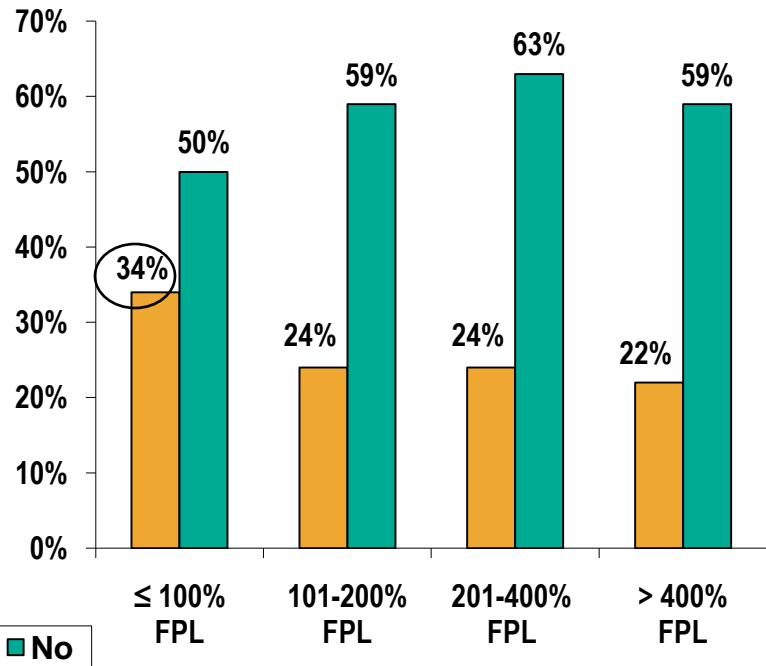


## Workers across income bands are more likely to think they will get a raise than a promotion in the next year. Interestingly, workers in the lowest income band are the most likely to think they will get a promotion.

Now, thinking ahead to the next year, do you think you will be able to **get a raise** at your current job or will you not be able to get a raise at your current job in the next year?

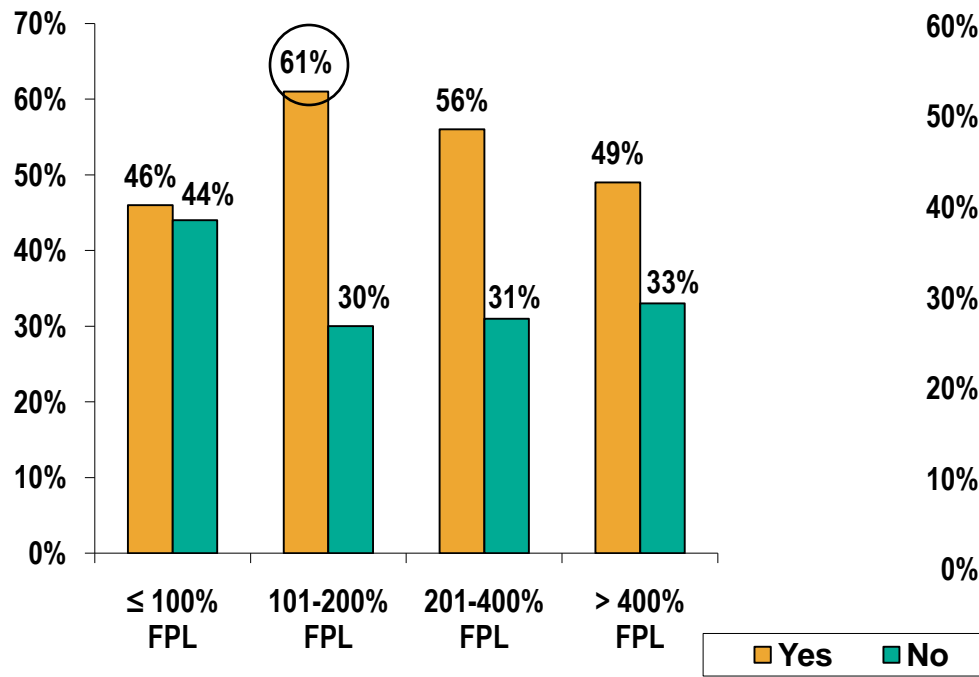


Thinking ahead to the next year, do you think you will be able to **get a promotion** at your current job or do you not think you will be able to get a promotion at your current job in the next year?

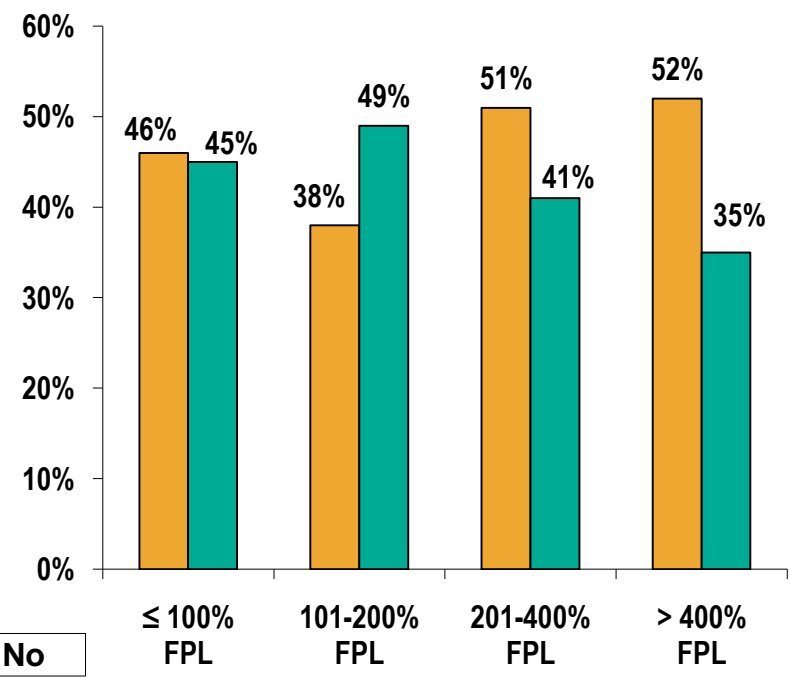


**Approximately half of poor, moderate-income, and higher-income respondents believe they will get a better job or a higher paying job in the next three years. Approximately 6 in 10 near-poor workers think they will get a better job, while only 4 in 10 near-poor workers believe they will get a higher paying job.**

Do you think your current job will help you get **a better job** in the next three years or will your current job not help you get a better job in the next three years? (Split-sampled question)



Do you think your current job will help you get **a higher paying job** in the next three years or will your current job not help you get a higher paying job in the next three years? (Split-sampled question)



# Community Service Society

## [www.cssny.org](http://www.cssny.org)

- ❖ The Community Service Society draws on a 160-year history of excellence in addressing the root causes of economic disparity. CSS is an informed, independent and unwavering voice for positive action that serves the needs of our constituents: low- and moderate-income New Yorkers who are too often left out of the policy conversation.
  
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