POVERTY TRACKER

Columbia Population Research Center (CPRC)

ROBIN HOOD

MONITORING POVERTY AND WELL-BEING IN NYC

THE STATE OF
POVERTY AND DISADVANTAGE
IN NEW YORK CITY

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We are proud to present the findings from our first annual Poverty Tracker report on "The State of Poverty and Disadvantage in New York City." We created the Poverty Tracker in 2012 in partnership with the Columbia Population Research Center to produce a more detailed and dynamic understanding of not just the scope of poverty and hardship in New York City, but also the nuances of it.

In these pages, you will get a window into the challenges facing vulnerable people across New York City, the dynamics behind economic struggles, and the hardships that come as a consequence of poverty. This data is the result of a unique initiative that follows a representative sample of New Yorkers every few months over a period of years. This approach gives the Poverty Tracker valuable insight into not just the state of poverty in New York City, but also the myriad factors that drive families to fall into and out of poverty over time.

As you will see in this report, the city has made progress in the fight against poverty, particularly for adults. But there is still more work to be done. The poverty rate for New York City remains well above the national poverty rate, and large disparities by race/ethnicity and other demographic characteristics remain pronounced. In addition, one third of New Yorkers continue to face ongoing hardships, like not having enough food to feed their family. These challenges persist even for some households who have earned enough income to move above the official poverty line. The report also shows that many house-holds struggle to achieve permanent mobility out of poverty, falling back into hardship after only a year or two.

Our hope is that the Poverty Tracker data will provide new insights into the lives of New Yorkers in poverty and be used to contribute to critical policy conversations, guide the development of interventions that can make a meaningful difference for families and advance models that resonate beyond the five boroughs. While it's important to acknowledge the progress New York City has made since 2012, we still need new solutions to address the complex challenges of poverty and disadvantage.

Delve into this data and join us in developing a better understanding of the factors and forces that affect poverty and hardship that we are committed to combatting with every tool at our disposal.

Elevate,

Wes

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A GUIDE TO THIS REPORT

This report is broken into six individual sections. The first three sections focus on income poverty, material hardship, and health problems — the core measures of disadvantage tracked in the Poverty Tracker. We present trends since 2012 for each indicator, and also describe which New Yorkers are most likely to suffer from each form of disadvantage. In section 4, we provide similar analyses for the experience of any disadvantage, showing that over half of New Yorkers experience at least one form of disadvantage in any given year. In the "Spotlight," we zero in on the relationship between work, poverty, and other forms of disadvantage, showing that for many New Yorkers, work alone is not enough to protect against various forms of disadvantage.

Sections 5 and 6 present new findings that take advantage of the multiyear nature of the Poverty Tracker — we focus on mobility out of poverty, with a focus on rates of exit out of poverty and what it takes to remain stably out of poverty over time.

INTRODUCTION AND KEY FINDINGS

KEY FINDINGS:

Poverty among adults in New York City **DECLINED STEADILY FROM 23 PERCENT IN 2012 TO 18 PERCENT IN 2017.** Between the same years, the national poverty rate fell from 15 percent to 14 percent — meaning that the poverty rate in New York City is well above the national average, but the gap between the two is narrowing.

In all years between 2012 and 2017, over 30 percent of adults in New York City experienced some form of material hardship such as utility shutoffs, evictions, and inability to afford food or medical care. But, the rate of **MATERIAL HARDSHIP ALSO FELL FROM 37 PERCENT IN 2012 TO 33 PERCENT IN 2017,** suggesting that while the rate of material hardship was persistently high, it became slightly less common among New York City adults.

The prevalence of health problems among New York City adults remained steady between 2012 and 2017 — on average, **ONE IN FIVE NEW YORK CITY ADULTS SUFFERED A WORK-LIMITING HEALTH CONDITION OR RATED THEIR PERSONAL HEALTH AS POOR.**

In all years **BETWEEN 2012 AND 2017, OVER HALF OF NEW YORK CITY ADULTS WERE DISADVANTAGED** (i.e., were in poverty or material hardship or suffered a health problem), but across all demographic groups, the share of New Yorkers who experienced some form of disadvantage declined in these years.

While poverty and hardship became less common among New York City adults, these trends are less clear cut for children. **THE RATE OF POVERTY AMONG CHILDREN IN NEW YORK CITY FELL SLIGHTLY FROM 23 PERCENT IN 2015 TO 19 PERCENT IN 2017, WHILE THE RATE OF MATERIAL HARDSHIP AMONG CHILDREN REMAINED UNCHANGED AT AROUND 40 PERCENT.**

POVERTY TRACKER MEASURES

Launched in 2012, the Poverty Tracker surveys a representative sample of New Yorkers every three months, providing critical information on the dynamics of poverty and other forms of disadvantage in the city. While the core value of the Poverty Tracker is in its ability to shed light on dynamics, the survey also provides a moving portrait of levels of poverty and other forms of disadvantage each year. The Poverty Tracker follows the same households over time, via the web and phone with trained interviewers surveying an adult in each household roughly every three months. As such, the study provides a unique lens on the dynamics of poverty and other forms of disadvantage over time. In addition, the Poverty Tracker moves beyond a focus on simply income poverty alone. While the Poverty Tracker does collect all the data necessary to calculate an accurate measure of income poverty, it also collects data on other core measures of disadvantage, such as material hardships and health problems. We can use these alternative measures to then look at the experience of any disadvantage, and the experience of multiple and overlapping forms of disadvantage. The Poverty Tracker further collects data on a wealth of topics related to New Yorkers' well-being, from assets and debts to program services to spending and consumption.

POVERTY TRACKER MEASURES

INCOME POVERTY

MATERIAL HARDSHIPS

HEALTH PROBLEMS

**DISADVANTAGE**
(INCOME POVERTY + MATERIAL HARDSHIPS OR HEALTH PROBLEMS)

In September, the United States (U.S.) Census Bureau released its annual report on poverty, income, and health insurance in the United States, finding that the official poverty rate in the U.S. fell from 12.7 percent to 12.3 percent from 2016 to 2017, which is down from 15.0 percent in 2012 — the year we launched the Poverty Tracker. The poverty rate measured by the Census' Supplemental Poverty Measure has also fallen since 2012. This report takes a closer look at trends in New York City. We first look at changes in adult and child income poverty, as much as the Census Bureau data would allow for. But we then go further to examine changes in other forms of disadvantage and multiple forms of disadvantage that only the Poverty Tracker can provide. We also examine trends in the rate at which New Yorkers living in poverty are actually able to exit from their disadvantaged circumstances. As such, our goal is to provide a more comprehensive portrait of poverty and disadvantage in New York City, with an eye toward any progress (or lack thereof) made over recent years. Our goal is to make this the first of an annual set of reports on the state of poverty and disadvantage in the city in order to track the progress being made toward the goal of reducing poverty and disadvantage in the city.

THE POVERTY TRACKER ALSO MEASURES:
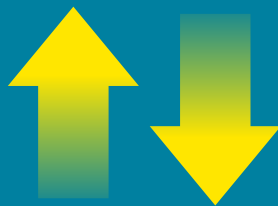
DYNAMICS OF INCOME, HARDSHIPS, AND HEALTH OVER TIME

The data used in this report come from the first two panels of the Poverty Tracker. The first panel, of approximately 2,000 New Yorkers, was recruited at the end of 2012 and was followed for the next two years. The second panel, of approximately 4,000 New Yorkers, was recruited in 2015 and is still being followed. With data from annual surveys across both cohorts, we can describe trends in poverty and other forms of disadvantage from 2012 to 2017. Future reports will enable us to extend this trend analysis to 2018 and beyond.

INCOME POVERTY IN NEW YORK CITY

HIGHLIGHTS

POVERTY DECLINED STEADILY IN NEW YORK CITY FROM 2012 TO 2017

POVERTY WAS HIGHER IN 2017 AMONG THE FOLLOWING GROUPS: WOMEN, BLACK AND HISPANIC ADULTS, THE FOREIGN BORN, THOSE WITH A HIGH SCHOOL DEGREE OR LESS, YOUNGER ADULTS, AND RESIDENTS OF THE BRONX AND BROOKLYN

ROUGHLY ONE IN FIVE OF NEW YORK CITY'S CHILDREN LIVED IN POVERTY IN 2017

While Census data provide annual statistics on official levels of poverty in the city, the Poverty Tracker collects data that allow us to analyze a more comprehensive measure of income poverty, the Supplemental Poverty Measure (or SPM). The SPM defines income more broadly than official statistics, capturing resources that come to families through the tax system or in the form of near-cash benefits like food stamps or housing assistance. The SPM for New York City also reflects a higher poverty line than official statistics do, recognizing that New Yorkers face higher costs of living than people do in other places across the country. Lastly, the SPM captures important expenses faced by many families, such as medical and child care costs, which are ignored in official statistics. See the accompanying text box for a more extended description of the SPM.

The Supplemental Poverty Measure (SPM)

Every year in September, the U.S. government releases the latest results on poverty in the United States using the official poverty measure. The official measure was developed in the 1960s and compared families' total before-tax cash income with a poverty line, or threshold, based on the cost of a minimally adequate diet at the time, and how that cost factored into families' budgets in the same era. With some minor adjustments, this measure has mostly only been updated over time for changes in inflation.

But over time, this formula has become increasingly outdated. Food costs have become less important in family budgets, while things like housing and child care have become more important. A focus on before-tax cash income ignores benefits that many families receive through the tax system, such as the Earned Income Tax Credit, or in noncash form, such as food stamps or housing vouchers. And, importantly in a city like New York, the poverty threshold under the official measure does not vary with costs of living, particularly housing costs, which are notoriously high in the city.

The SPM improves the measurement of poverty on all of these fronts. The poverty threshold is based on contemporary spending not just on food, but on other necessities like clothing, shelter, and utilities. The value of tax credits and noncash benefits is counted as income. And the poverty threshold in places like New York City is higher given its higher than average housing costs. For families who face them, medical and child care costs are subtracted from income. The Poverty Tracker collects all the requisite data necessary to directly calculate the SPM in its sample of New Yorkers, and forms the basis of our income poverty statistics.

Figure 1 shows trends in adult and child poverty in the city using the SPM. For comparison, we also show the national adult SPM poverty rate for the United States, as well as the SPM poverty rate in other large cities (defined as the top 25 non-New York central cities in the Current Population Survey — the national household survey used to calculate the SPM).[1] For children, we only provide estimates back to 2015, as the data underlying trends in child poverty come from our second panel of New Yorkers, who were recruited in 2015. Critically, the second panel was twice as large as the original panel recruited in 2012, allowing us to derive reliable estimates of child poverty and other forms of disadvantage particular to children.

Trends in Poverty for New York City between 2012 and 2017
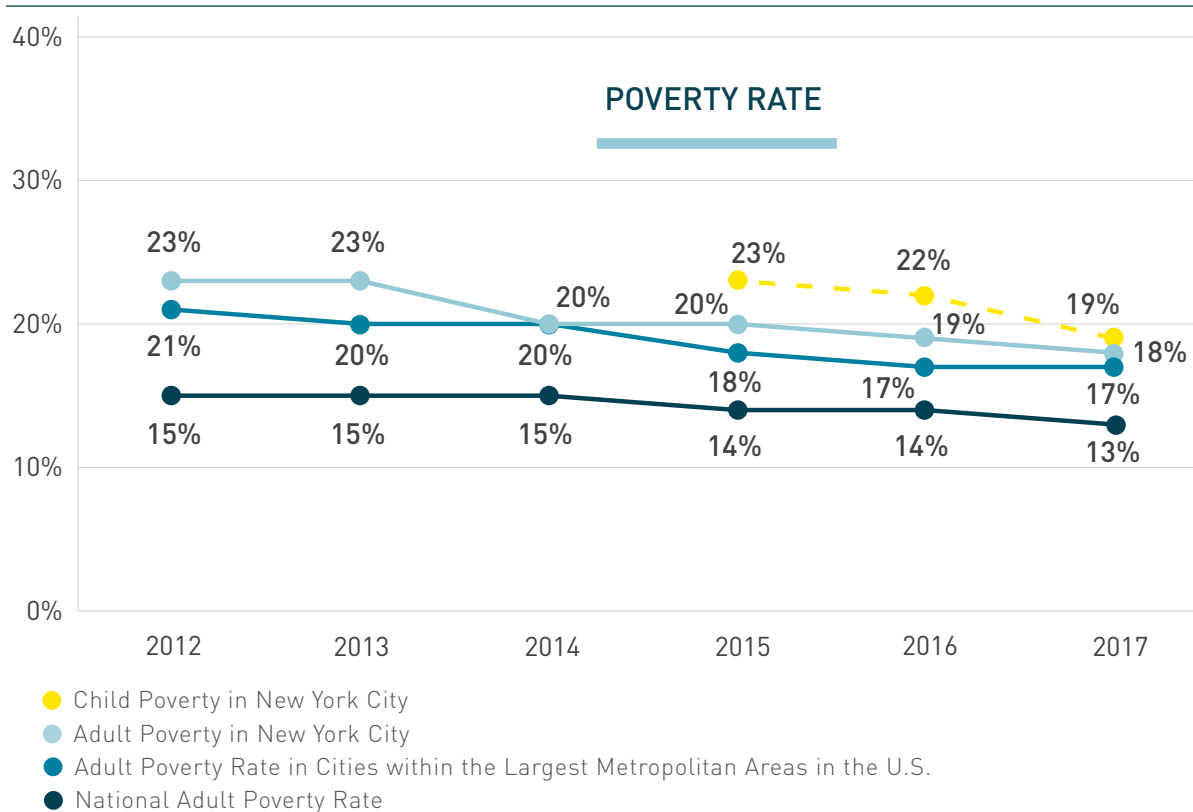
Source: Annual survey data from the first and second Poverty Tracker panels.

There has been a slow and steady decline in poverty among New Yorkers since 2012. SPM poverty among adults was 23 percent in 2012, and that declined to an estimated 18 percent in 2017. In 2017, this translated to 1.3 million adults in New York City who were living in poverty (see Table 1). Nationally, the adult poverty rate only fell from 15 percent to 13 percent between 2012 and 2017. Thus, New York City poverty rates are consistently higher than national rates, but have declined to a greater degree, closing the

[1]See Appendix A for the margins of error around the Poverty Tracker's estimates of the trends in poverty in New York City between 2012 and 2017.

gap somewhat. The New York City SPM poverty rate seems to virtually mirror both the level and trend of the SPM poverty rate in other large cities, which fell from 21 percent to 17 percent between 2012 and 2017. These results suggest that large cities in general fared better in recent years than the nation as a whole. Lastly, though trends should be interpreted with caution, our child poverty estimates also show a modest decline from 2016 to 2017. This translates to roughly 300,000 New York City children living in poverty in 2017.

Table 1

Count of Adults and Children in Various Forms of Disadvantage in 2017

Population Size		
Total		8,600,000
Adults		6,800,000
Children		1,800,000
Poverty		
Adults	18%	1,300,000
Children	19%	300,000
Hardship		
Adults	33%	2,800,000
Children	41%	700,000
Health Problems		
Adults	22%	1,500,000
Disadvantage		
Adults	51%	3,500,000
Children	52%	900,000

Source: 24-month annual survey data from the second Poverty Tracker panel. Numbers are rounded to the nearest 100,000.

Table 2 shows the full distribution of income relative to the poverty line in 2017. Five percent of New York City adults were in deep poverty, or under half the poverty line, while 13 percent were between 51 and 100 percent of the poverty line. Nearly three in 10 (30 percent) New Yorkers were above the poverty line but below twice the poverty line. Another 17 percent were between two and three times the poverty line, while the remaining 35 percent were over three times the poverty line.

Distribution of Adults in New York City by Income Relative to the Poverty Line in 2017

Income Relative to the Poverty Line	Proportion of Adult Population	Number of Adults
Min to 50%	5%	300,000
51% to 100%	13%	900,000
101% to 200%	30%	2,000,000
201% to 300%	17%	1,100,000
301%+	35%	2,300,000

Source: 24-month annual survey data from the second Poverty Tracker panel. Numbers are rounded to the nearest 100,000.

Table 3 provides a portrait of poverty in new york city in 2017

Table 3

Poverty Rates in 2017: For Adults Overall and for Specific Groups

OVERALL	18%
Race	
White Non-Hispanic	10%
Black Non-Hispanic	20%
Hispanic	26%
Gender	
Male	15%
Female	21%
Nativity	
Born in the US	15%
Foreign Born	24%
Education Level	
High School or Less	29%
Some College / Vocational School	14%
College Graduate	8%
Borough Residency	
Manhattan	15%
Brooklyn	21%
Bronx	24%
Queens	16%
Age	
18-35	23%
36-65	15%
66 and older	18%

Source: 24-month annual survey data from the second Poverty Tracker panel.

1 IN 5 ROUGHLY **ONE IN FIVE** BLACK NON-HISPANIC AND HISPANIC ADULTS IN NEW YORK CITY WERE POOR IN 2017, AS COMPARED WITH ONLY ONE IN 10 WHITE NON-HISPANIC ADULTS.

ONLY **8 PERCENT** OF ADULTS WITH A COLLEGE DEGREE WERE POOR IN 2017, AS COMPARED WITH FULLY **29 PERCENT** OF THOSE WITH A HIGH SCHOOL DEGREE OR LESS.

WOMEN WERE MORE LIKELY TO BE IN POVERTY **(21 PERCENT)** THAN MEN **(15 PERCENT)**.

24% POVERTY RATES WERE **HIGHEST** IN THE **BRONX** (24 PERCENT) AND BROOKLYN (21 PERCENT) AND LOWEST IN QUEENS (16 PERCENT) AND MANHATTAN (15 PERCENT).[2]

THE FOREIGN BORN WERE MORE LIKELY TO BE POOR THAN THOSE BORN IN THE US **(24 PERCENT VERSUS 15 PERCENT)**.

YOUNGER ADULTS AGED 18-35 AND ADULTS OVER AGE 65 HAD HIGHER POVERTY RATES **(23 PERCENT** AND **18 PERCENT)** THAN OLDER WORKING-AGE ADULTS (15 PERCENT).

[2]*The Poverty Tracker's sample of Staten Island is not large enough to report borough-level poverty estimates for 2017.*

MATERIAL HARDSHIP IN NEW YORK CITY

HIGHLIGHTS

AS WITH POVERTY, MATERIAL HARDSHIP ALSO DECLINED, BUT ONLY AMONG ADULTS

DEMOGRAPHIC DIFFERENCES IN HARDSHIP RATES LARGELY MIRROR THOSE FOUND FOR POVERTY

ROUGHLY FOUR IN 10 NEW YORK CITY CHILDREN EXPERIENCED A HARDSHIP IN 2017

MATERIAL HARDSHIPS

While income poverty is an important component of disadvantage, the Poverty Tracker also affords us the opportunity to look at what is known in the literature as material hardship, or actual inability to meet routine expenses. As we have shown in the past, material hardship is more prevalent than income poverty and extends relatively far up the income distribution. These measures thus broadly reflect the economic insecurity faced by a wider swath of the population trying to make ends meet. We measure material hardship in five domains: food, housing, bills, medical care, and general financial hardship.

THE FIVE DOMAINS OF MATERIAL HARDSHIP IDENTIFIED IN THE POVERTY TRACKER ARE:

FOOD HARDSHIP: Running out of food or often worrying food would run out without enough money to buy more

BILLS HARDSHIP: Having utilities cut off because of a lack of money

FINANCIAL HARDSHIP: Often running out of money between paychecks or pay cycles

HOUSING HARDSHIP: Having to stay in a shelter or other place not meant for regular housing, or having to move in with others because of costs

MEDICAL HARDSHIP: Not being able to see a medical professional because of cost

As with income poverty, trends for material hardship also show a decline from 2012 to 2017 (Figure 2).[3] Among adults, rates have fallen by four percentage points since 2012, from 37 percent to 33 percent, driven by changes since 2015. Among children we see less evidence of progress, with rates no lower in 2017 than in 2015 at around 40 percent. Unlike with SPM poverty, there are no major national sources of material hardship data that mirror the results presented for New York City in Figure 1. The largest source of data on material hardship is the Survey of Income and Program Participation, but its material hardship questions both are different in their wording and are asked infrequently, making them difficult to align with Poverty Tracker data. The Current Population Survey does have a food insecurity measure that shows a decline of 2.7 percentage points between 2012 and 2017, suggesting declining material hardship at the national level.

Figure 2

Trends in Hardship for New York City between 2012 and 2017
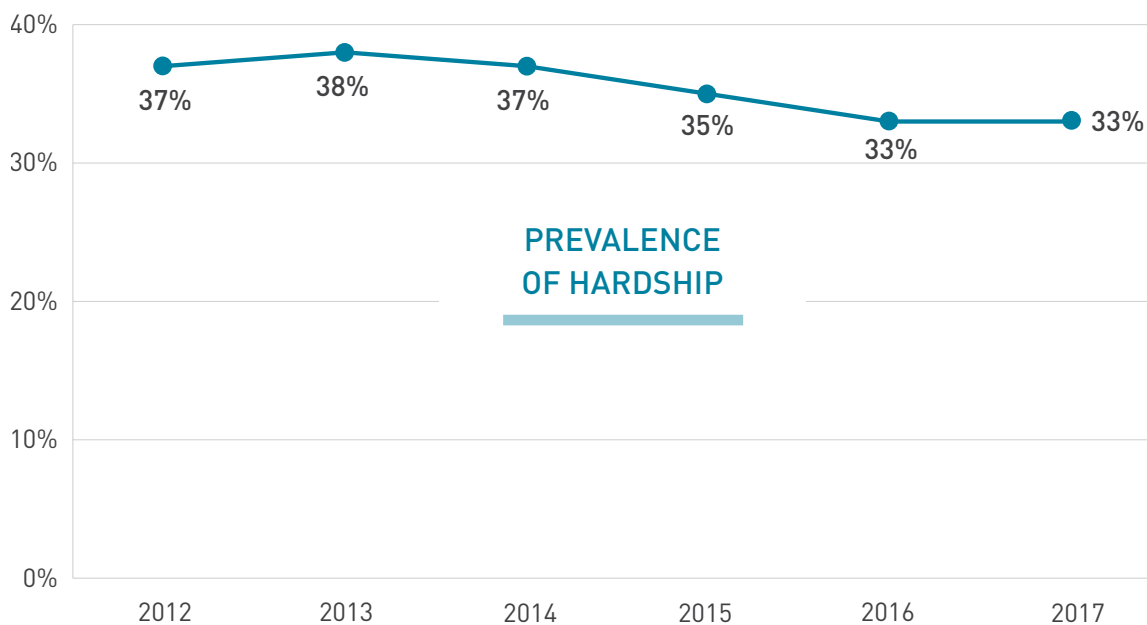
Source: 24-month annual survey data from the second Poverty Tracker panel.

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[3]See Appendix A for the margins of error around the Poverty Tracker's estimates of the trends in hardship in New York City between 2012 and 2017.

Table 4 provides hardship rates among adults in New York City in 2017. The results largely mirror those for poverty. New Yorkers who were black non-Hispanic or Hispanic, female, or foreign born; had lower education levels, live in the Bronx or Brooklyn, and were younger all exhibited elevated levels of hardship.

Table 4

## Rates of Hardship in 2017: For Adults Overall and for Specific Groups

OVERALL	33%
Race	
White Non-Hispanic	18%
Black Non-Hispanic	40%
Hispanic	46%
Gender	
Male	25%
Female	39%
Nativity	
Born in the US	29%
Foreign Born	38%
Education Level	
High School or Less	48%
Some College / Vocational School	37%
College Graduate	25%
Borough Residency	
Manhattan	27%
Brooklyn	36%
Bronx	42%
Queens	28%
Age	
18-35	39%
36-65	32%
66 and older	21%

Source: 24-month annual survey data from the second Poverty Tracker panel.

Hardship of course also varies quite a bit with income. Figure 3 shows hardship rates by income to needs across the income distribution. We determine income-to-needs by dividing a family's resources (used to determine their poverty status) by their poverty threshold. Families with an income-to-needs below one (or 100 percent) are in poverty, while those between 1.01 and 2 have an income between 101 percent and 200 percent of the poverty threshold, and so on. For this analysis, we pool data across all available years. For those in deep poverty, 44 percent experience a hardship, which is slightly higher (51 percent) among the rest of the poor, and is still quite high (51 percent) among those 100 to 150 percent of the poverty line. Hardship rates begin to decline thereafter in a somewhat linear fashion, but even those well above the poverty line exhibit some level of hardship (for example, 16 percent of those over four times the poverty line), emphasizing the fact that economic insecurity is not limited to those New Yorkers in poverty. In additional work, we are exploring potential reasons why such apparently well-off New Yorkers still experience some level of hardship, examining potential factors like mental health challenges, levels of debt, and complex family obligations. This work also suggests that the most common type of hardship experienced by higher-income New Yorkers is medical hardship, which suggests that it may be particularly difficult to afford adequate medical care in New York City.

Figure 3

Rate of Hardship by Income to Needs (SPM)
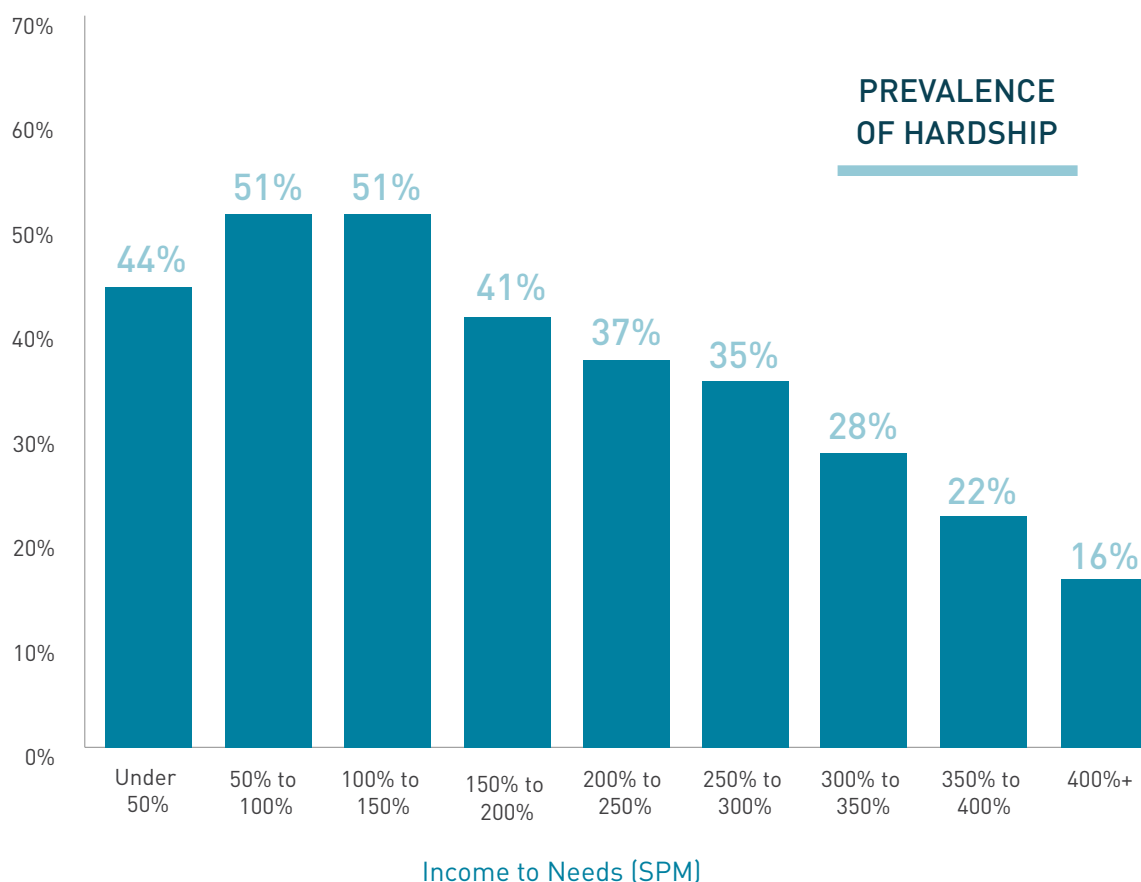
Source: Pooled annual survey data from the first and second Poverty Tracker panels.

The Poverty Tracker also allows us to examine individual types of hardship. For example, in Figure 4, we show hardship rates for each individual domain by poverty status. The poor have elevated levels of all types of material hardship analyzed.

Each Material Hardship by Poverty Status
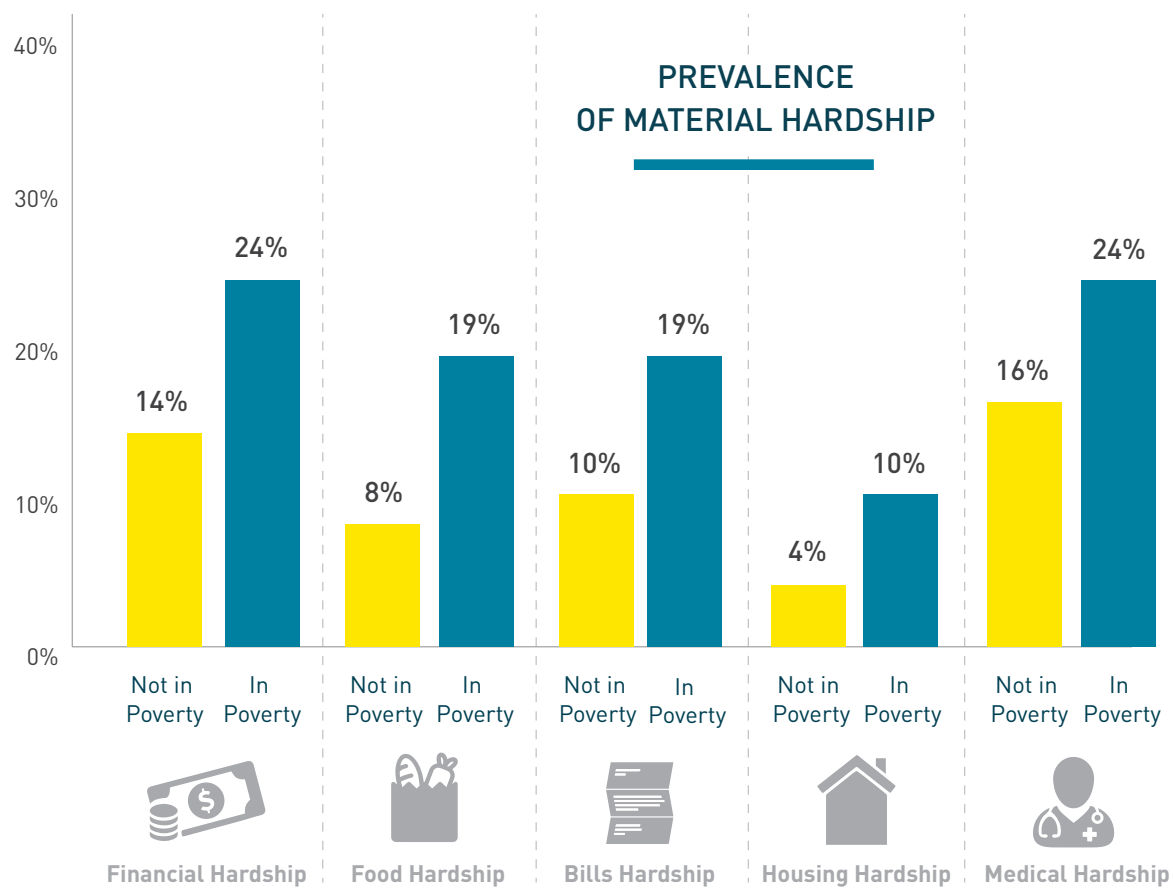
PREVALENCE
OF MATERIAL HARDSHIP

Source: Pooled annual survey data from the first and second Poverty Tracker panels.

HEALTH IN NEW YORK CITY

HIGHLIGHTS

THE PREVALENCE OF HEALTH PROBLEMS REMAINED STEADY OVER TIME, AT AROUND 1/5 OF THE ADULT POPULATION

DEMOGRAPHIC DIFFERENCES TENDED TO BE MORE MUTED FOR HEALTH PROBLEMS IN COMPARISON WITH POVERTY AND HARDSHIP, THOUGH DISPARITIES BROADLY REMAINED

THE ONE EXCEPTION IS BY RESPONDENT AGE, WITH OLDER ADULTS EXPERIENCING GREATER HEALTH CHALLENGES

Another disadvantage faced by New Yorkers that is distinct, though related, to financial disadvantage is in the domain of health. In the Poverty Tracker, a health problem is defined as being in self-reported poor health or having a disability that limits one's work. In contrast to poverty and hardships, the percentage of New York City adults with a health problem is more stable at 21 percent in 2012 and 22 percent in 2017, with slight fluctuations in between (Figure 5).[4]

Trends in Health Problems for New York City between 2012 and 2017
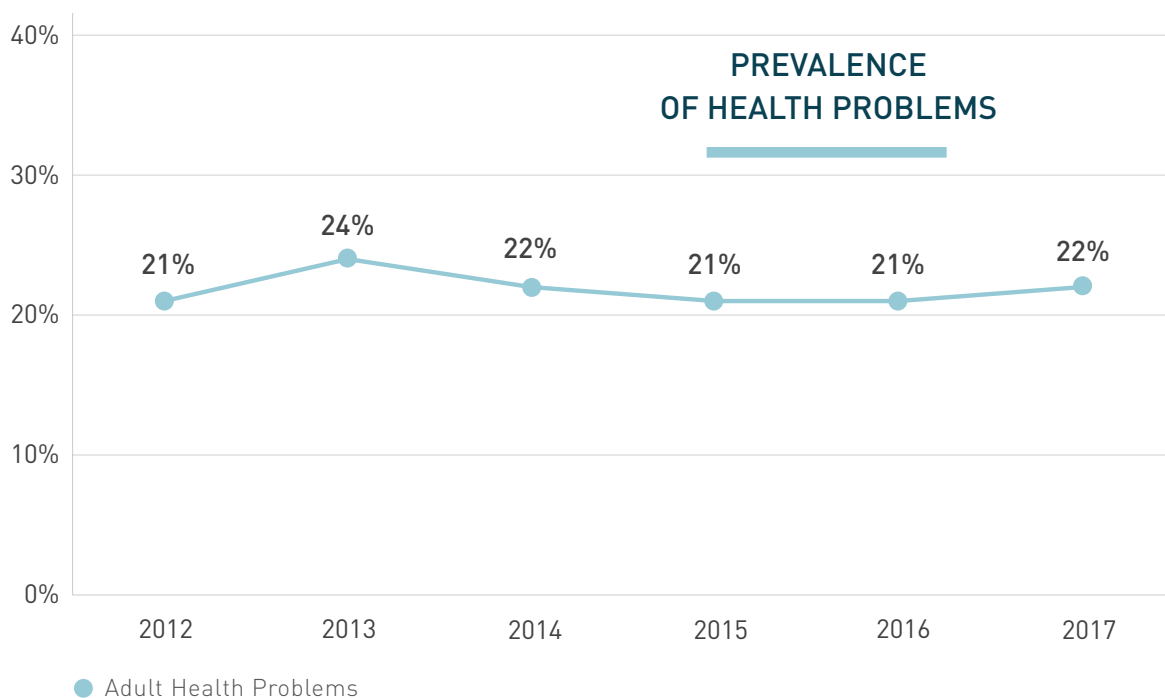
Source: 24-month annual survey data from the second Poverty Tracker panel.

[4]The two questions that inform the Poverty Tracker's measure of health problems — do you have a work-limiting disability and self-reported health — are also asked on the Current Population Survey (CPS) and the National Health Interview Study (NHIS), and estimates of health problems at the national level can be calculated using CPS and NHIS data. Compared with these estimates, the Poverty Tracker finds that health problems are more common in New York City, but the trends in health problems between 2012 and 2017 are similar; that is, relatively stable. The Poverty Tracker also finds elevated rates of health problems compared with the New York City CPS sample, but again the trends in the rate of health problems remain similar. The New York City adults sample in the CPS is smaller than the Poverty Tracker sample, and variations in estimates of health problems across surveys with the same questions are well documented in the health and disability literature (see https://bmjopen.bmj.com/content/bmjopen/8/2/e017828.full.pdf).

The New York City Community Health Survey (CHS) and the Center on Disease Control's national Behavioral Risk Factor Surveillance System (BRFSS) both collect self-reported health data but do not ask about work-limiting disabilities. Compared with the CHS, the New York City sample of the CPS has much lower rates of fair or poor health; the same is true when comparing the NHIS to the BRFSS — fair or poor health is more common in the BRFSS. The sample size of the BRFSS is almost four times the size of the NHIS, and the CHS is over three times the size of the New York City sample of the CPS. The Poverty Tracker's estimate of fair or poor health is in line with the CHS and the BRFSS. In brief, the trends in health problems in the Poverty Tracker are similar to those from other surveys with similar measures — the CPS and the NHIS. The prevalence of health problems in the Poverty Tracker is higher than the CPS and NHIS, but the Poverty Tracker's estimates of comparable measures of health problems (such as fair or poor health) are close to those that come from the BRFSS and CHS.

See Appendix A for the margins of error around the Poverty Tracker's estimates of the trends in health problems in New York City between 2012 and 2017.

Table 5

Prevalence of Adult Health Problems in 2017: For Adults Overall and for Specific Groups

| OVERALL	22%
Race	
White Non-Hispanic	18%
Black Non-Hispanic	24%
Hispanic	26%
Gender	
Male	20%
Female	23%
Nativity	
Born in the US	22%
Foreign Born	21%
Education Level	
High School or Less	37%
Some College / Vocational School	12%
College Graduate	15%
Borough Residency	
Manhattan	17%
Brooklyn	24%
Bronx	26%
Queens	21%
Age	
18-35	10%
36-65	24%
66 and older	39%

Source: 24-month annual survey data from the second Poverty Tracker panel.

Table 5 provides rates of health problems across demographic groups in the city. Racial and ethnic differences were still pronounced, but were smaller than for poverty and hardship. There were virtually no differences by gender, and only small differences by immigrant status. As with poverty and hardship, those with less education and those in the Bronx were more likely to face a health problem. In contrast, however, older adults were much more likely to have a health problem (39 percent among those 66 and older, compared with 24 percent among those age 36-65 and just 10 percent among those 18-35).

As with hardship rates earlier, health challenges also vary with income. Those below 200 percent of the poverty line had elevated levels of health problems in comparison with those above 200 percent (see Figure 6).

Rate of Health Problems by Income to Needs (SPM)
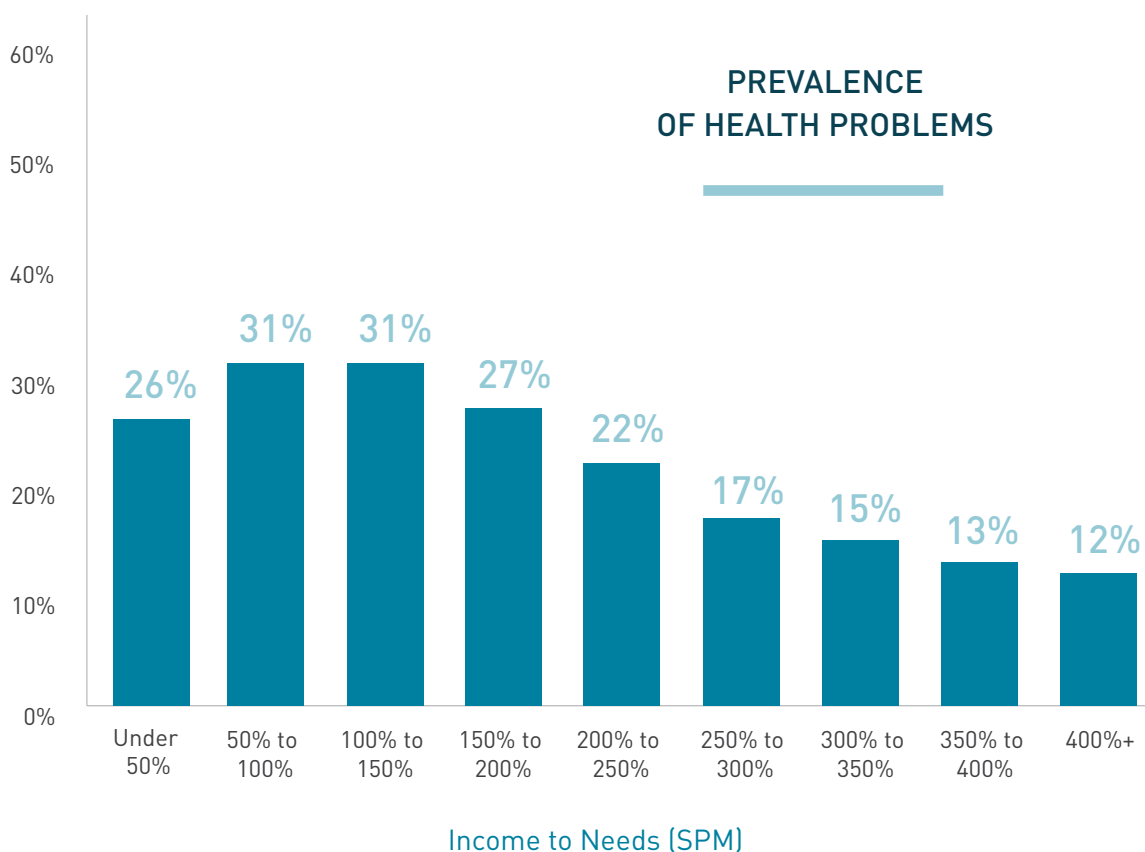
PREVALENCE OF HEALTH PROBLEMS

Source: Pooled annual survey data from the first and second Poverty Tracker panels.

DISADVANTAGE IN NEW YORK CITY

HIGHLIGHTS

AS WITH POVERTY AND HARDSHIP, THE SHARE OF NEW YORKERS EXPERIENCING ANY DISADVANTAGE ALSO DECLINED OVER TIME.

DECLINES IN DISADVANTAGE WERE BROADLY FELT ACROSS DEMOGRAPHIC GROUPS, BUT DISPARITIES BETWEEN DEMOGRAPHIC GROUPS IN THE PREVALENCE OF DISADVANTAGE REMAINED.

So far, we have looked at each component of disadvantage in isolation. In this section we look at the presence of any form of disadvantage — whether income poverty, material hardship, or a health problem. In previous reports, we found that over half of New Yorkers experienced at least one form of disadvantage. Figure 7 shows that this is still the case, but that rates of any disadvantage do appear to be edging downward, at least for adults (falling from 54 percent to 51 percent from 2012 to 2017).[5] Among children, 52 percent were living in a household with some form of disadvantage in each year from 2015 to 2017. Unfortunately, we cannot make comparisons to national data here, as no single data set has trend data on all three measures of disadvantage analyzed here.

<figure>

Figure 7

Trends in Disadvantage for New York City between 2012 and 2017
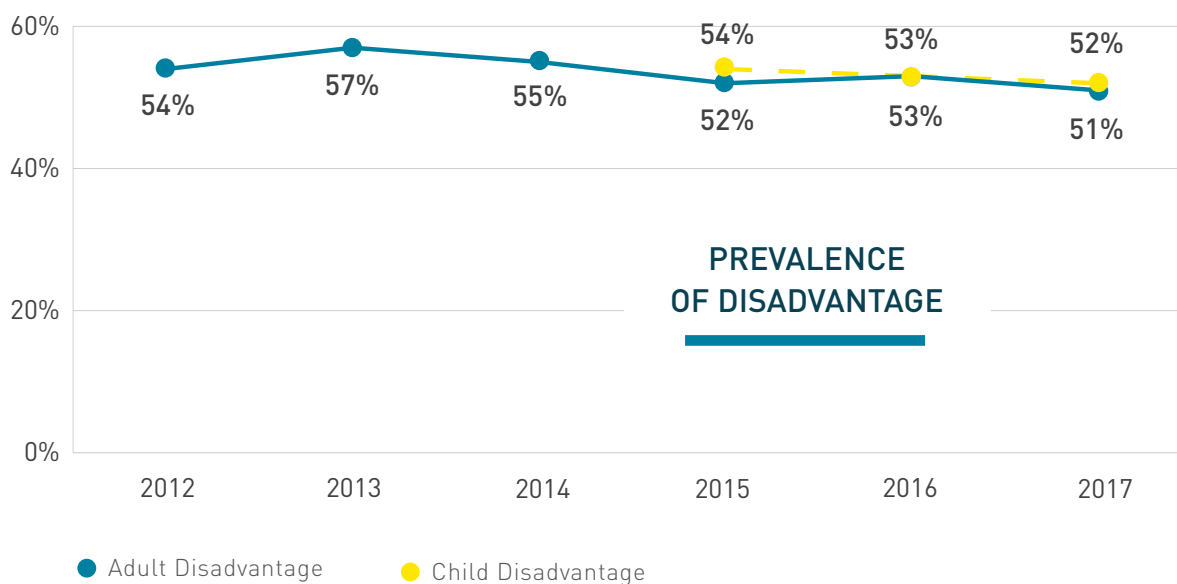
Source: Annual survey data from the first and second Poverty Tracker panels.

</figure>

When considering changes in rates of disadvantage by demographics between 2012 to 2014 and 2015 to 2017 (Table 6), we see that the improvement identified in Figure 7 is widely shared. Most groups experience some decline in the presence of any disadvantage. Groups showing somewhat less change include younger working-aged adults. However, these group differences in declining disadvantage are quite small. The main takeaway from Table 6 is that the decline in disadvantage is broadly shared across the New York City population.

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[5]See Appendix A for the margins of error around the Poverty Tracker's estimates of the trends in disadvantage in New York City between 2012 and 2017.

Table 6

Rates of Any Disadvantages among Adults: For Adults Overall and for Specific Groups

	2012–2014	2015–2017
OVERALL	**55%**	**52%**
Race		
White Non-Hispanic	38%	37%
Black Non-Hispanic	63%	58%
Hispanic	71%	67%
Gender		
Male	49%	45%
Female	61%	58%
Immigration Status		
Born in the US	51%	48%
Foreign Born	60%	59%
Education Level		
High School or Less	70%	68%
Some College / Vocational School	56%	56%
College Graduate	38%	35%
Borough Residency		
Manhattan	51%	45%
Brooklyn	55%	55%
Bronx	65%	62%
Queens	51%	49%
Age		
18-35	54%	52%
36-65	54%	52%
66 and older	60%	54%

Source: Pooled annual survey data from the first and second Poverty Tracker panels.

In sum, the Poverty Tracker data show that the city's residents have enjoyed modest improvements in poverty and hardship in recent years, with less improvement in the city's rate of health problems. Still, just over half of the city experienced at least one of these three forms of disadvantage in 2017.

POVERTY, HARDSHIP, HEALTH AND WORK

It's sometimes said that the best protection against falling into poverty is a job. But, as many New Yorkers know, oftentimes a job isn't enough. While stable jobs with sufficient hours and sufficient pay do protect many people from falling into poverty and hardship, our research on underemployment shows that many working New Yorkers have jobs that don't meet these standards. As a supplement to this report, we examined the relationship between employment and the disadvantages that we study — poverty, hardship, and health problems — as well as the association between changes in labor force participation and stably exiting poverty and disadvantage.

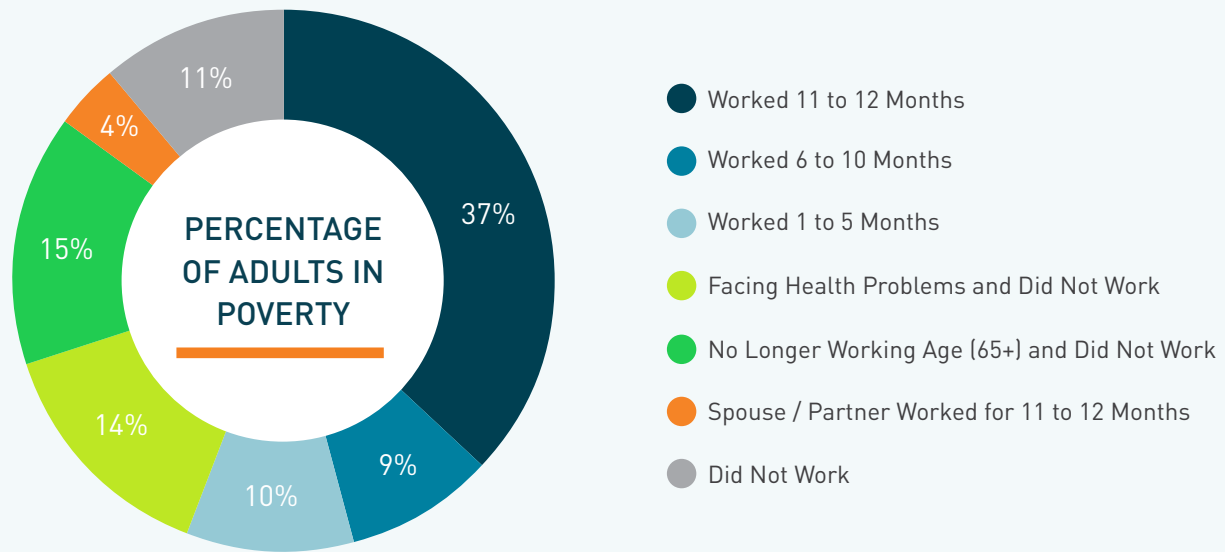## WORKFORCE PARTICIPATION AND INCOME POVERTY

In 2017, the majority of adults living below the poverty line participated in the workforce (see Figure 8). Thirty-seven percent of adults living in poverty worked for 11 or 12 months of the year, while 9 percent worked between six and 10 months and 10 percent worked for one to five months of 2017. There are many reasons an adult may not work, and some of the most common are age, health, and having a spouse who works. We have determined the share of adult New Yorkers in poverty in 2017 who did not work and fell into these groups. Note that an adult could fall into more that one of these groups, but for this analysis, we grouped them first by age, then health, and then by spouse's work.[6] We find that many adult New Yorkers in poverty who did not work were no longer working age (14 percent), had health problems that may have limited their ability to work (15 percent) or had a spouse or partner who worked for 12 months of the year (4 percent). Only 11 percent of adult New Yorkers in poverty did not work and did not fall into one of these categories.

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[6]*Given this order, some elderly individuals in poverty may have a health problem or a spouse that worked, but in this analysis, they're placed in the "no longer working age group." Additionally, some individuals with health problems might have a spouse that worked, but they're placed in the group with health problems.*

Figure 8

The Composition of Adult Population in Poverty by Employment (2017)

PERCENTAGE OF ADULTS IN POVERTY

- ● Worked 11 to 12 Months — 37%
- ● Worked 6 to 10 Months — 9%
- ● Worked 1 to 5 Months — 10%
- ● Facing Health Problems and Did Not Work — 14%
- ● No Longer Working Age (65+) and Did Not Work — 15%
- ● Spouse / Partner Worked for 11 to 12 Months — 4%
- ● Did Not Work — 11%

The fact that such a large share of the adult population in poverty works raises the question, why aren't jobs keeping people out of poverty? The Poverty Tracker collects data on workers' wages and full-time/part-time status, both of which shed light on why a job alone does not guarantee that an individual will not fall below the poverty line. Workers in poverty are much more likely to earn wages below $15 per hour than workers above the poverty line — 56 percent of workers in poverty in 2017 earned wages below $15 per hour compared with 26 percent of workers living above the poverty line. Workers in poverty were also more likely to have part-time jobs than workers living above the poverty line (41 percent versus 15 percent). From our study of underemployment in New York City, we know that many part-time workers would like to work more hours if they could.[7] These results confirm that a job isn't always enough to keep an individual out of poverty. Jobs that are effective at keeping workers out of poverty are those with high wages and sufficient hours.
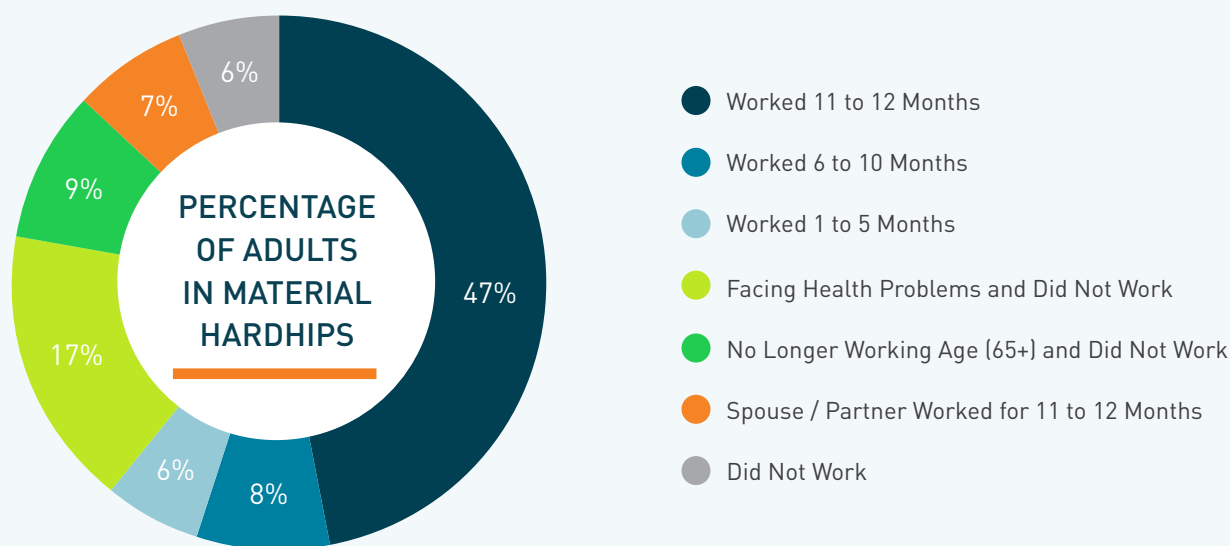
WORKFORCE PARTICIPATION AND HARDSHIP

Like with adults in poverty, a majority of adults in material hardship in 2017 participated in the workforce (see Figure 9). Overall, 61 percent of adults in hardship worked during the year and 47 percent worked for 11 or 12 months of the year. Many adult New Yorkers in hardship in 2017 who did not work faced health problems (17 percent), were older than 64 years old (9 percent), or had a spouse or partner who worked (7 percent). Six percent of adults in hardship did not meet one of these conditions and did not work.[8]

Figure 9

The Composition of Adult Population in Material Hardship by Employment (2017)

- Worked 11 to 12 Months
- Worked 6 to 10 Months
- Worked 1 to 5 Months
- Facing Health Problems and Did Not Work
- No Longer Working Age (65+) and Did Not Work
- Spouse / Partner Worked for 11 to 12 Months
- Did Not Work

WORKFORCE PARTICIPATION AND HEALTH

While working New Yorkers make up the majority of the adult population in poverty and hardship, a smaller share (21 percent) of adult New Yorkers with health problems participated in the workforce in 2017. This makes sense as health problems often limit one's ability to work. Of adult New Yorkers with health problems in 2017, 25 percent did not work and were no longer working age, and 46 percent did not work and were under 65 years old, emphasizing that the limiting nature of health problems is not restricted to those who are of retirement age.

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[8]Note that an adult could fall into more that one of these groups, but for this analysis, we grouped them first by age, then health, and then by spouse's work.

WORKFORCE PARTICIPATION AND EXITING DISADVANTAGE

Just as employment is thought of as a protection against poverty, changes in employment are often thought to move households out of disadvantage. With the Poverty Tracker data, we are able to examine this hypothesis by looking at the changes in workforce participation that coincide with movements in and out of disadvantage (see Figure 10). Note that these results do not answer the question of whether changes in employment cause a movement out of poverty, but rather show the work trajectories of New Yorker who have moved out of poverty versus those who did not.

The orange line in Figure 10 charts the average months worked in 2015, 2016, and 2017 by those who stably exited poverty — that is, were in poverty in 2015 and then were not in poverty in 2016 or 2017. The blue line charts the average months worked for those who were persistently in poverty. Two things stand out from this comparison. First, those who stably exited poverty after 2015 worked one more month, on average, in 2015 than those who were persistently in poverty. Second, those who exited poverty had a slight increase in the average number of months worked that coincided with their exit from poverty in 2016, and that upward trajectory continued into 2017 — altogether showing an average increase of half a month of work between 2015 and 2017. Note, however, that those who exited poverty were in poverty in 2015 despite their workforce participation, reinforcing the need for sufficient pay and access to work hours (and months) for New York City's workforce.

Figure 10

Average Months Worked by Persistence of Poverty

AVERAGE MONTHS WORKED BY PERSISTENCE OF POVERTY

- Stably Exited Poverty
- Persistently in Poverty
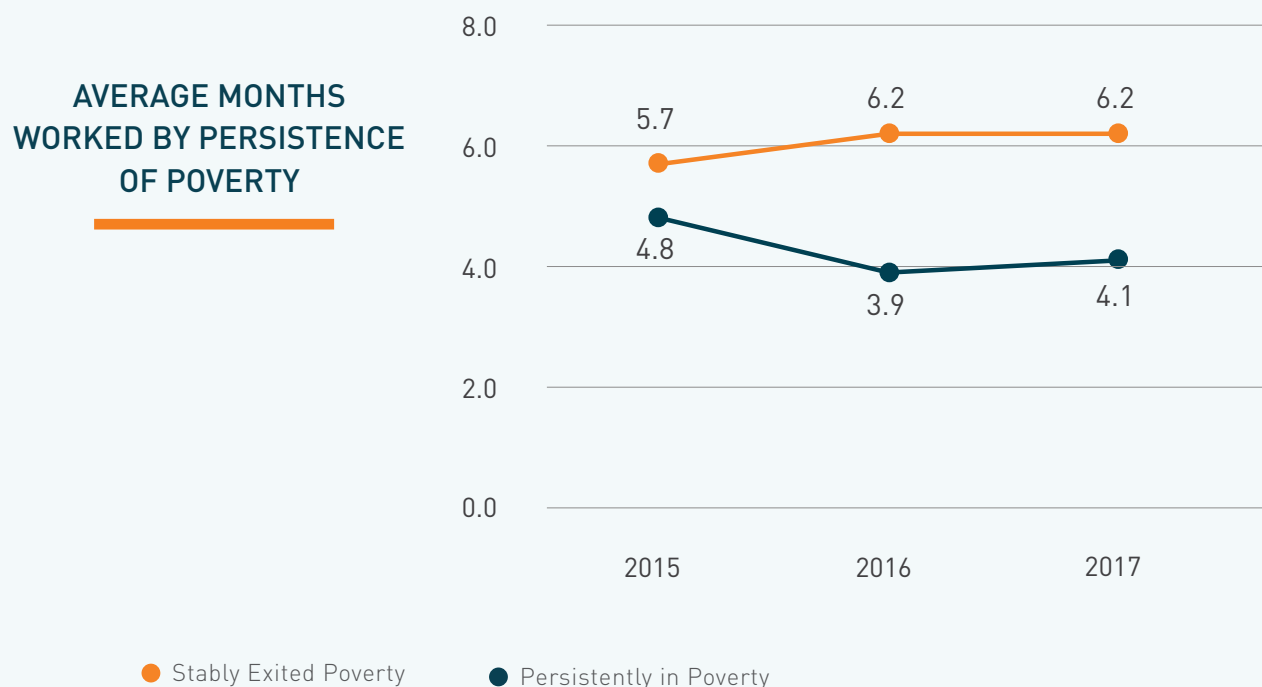
ENTRIES AND EXITS FROM POVERTY, MATERIAL HARDSHIP, AND DISADVANTAGE

HIGHLIGHTS

THE SHARE OF NEW YORKERS WHO REMAIN STABLY OUT OF DISADVANTAGE IS INCREASING SOMEWHAT OVER TIME

OF THE 3.5 MILLION ADULT NEW YORKERS WHO EXPERIENCED DISADVANTAGE IN 2015, 12 PERCENT (OR 422,000) STABLY EXITED DISADVANTAGE IN BOTH THE FOLLOWING YEARS

As noted above, a key strength of the Poverty Tracker data is that it tracks poverty and disadvantage dynamically. Thus, in addition to revealing trends in the experience of various forms of disadvantage, the Poverty Tracker can also be used to show trends in the likelihood that New Yorkers exit and enter states of disadvantage. Table 7 shows the percentage of New Yorkers in four groups: (a) stably above the poverty line from year to year; (b) entering poverty from year one to year two; (c) exiting poverty from year one to year two; and (d) persistently in poverty from year to year. Trends are also shown for hardship, health problems, and any disadvantages.

Table 7

Percentage of the NYC Adult Population That Exits and Enters Poverty, Material Hardship, and Health Problems

	2012-2013	2013-2014	2015-2016	2016-2017
Poverty				
Percentage of NYC Adult Population That Remains above the Poverty Line	62%	64%	70%	69%
Percentage of NYC Adult Population That **Enters** Poverty	13%	12%	12%	10%
Percentage of NYC Adult Population That **Exits** Poverty	15%	16%	11%	13%
Percentage of NYC Adult Population That Remains in Poverty	10%	8%	8%	8%
Material Hardship				
Percentage of NYC Adult Population That does not Experience Hardship	49%	52%	56%	58%
Percentage of NYC Adult Population That **Enters** Hardship	14%	10%	11%	9%
Percentage of NYC Adult Population That **Exits** Hardship	12%	12%	11%	10%
Percentage of NYC Adult Population That Remains in Hardship	24%	26%	22%	23%
Health Problems				
Percentage of NYC Adult Population That does not Face a Health Problem	70%	71%	75%	74%
Percentage of NYC Adult Population That Develops a Health Problem	7%	7%	6%	4%
Percentage of NYC Adult Population That Recovers from a Health Problem	6%	6%	5%	5%
Percentage of NYC Adult Population That Continues to Face a Health Problem	17%	15%	15%	17%
Any Disadvantage				
Percentage of NYC Adult Population That does not Experience Disadvantage	32%	32%	35%	37%
Percentage of NYC Adult Population That **Enters** Disadvantage	13%	12%	14%	9%
Percentage of NYC Adult Population That **Exits** Disadvantage	11%	14%	12%	12%
Percentage of NYC Adult Population That Remains Disadvantaged	44%	43%	39%	42%

Source: Annual survey data from the first and second Poverty Tracker panels.

For SPM poverty, there is an increase in the proportion of New Yorkers who remain stably above the poverty line, from 62 percent to nearly 69 percent. A similar trend is apparent for material hardship, with the percentage stably out of hardship rising from 49 percent to 58 percent across the years in our analysis. For health problems, stability of facing or not facing a health problem both increased slightly, though the magnitude of these changes is comparatively smaller. Together, these changes net out to an increase in the proportion of New Yorkers who do not face any of our three disadvantages year to year, from 32 percent in 2012-13 to 37 percent in 2016-17.

Of course, we care not just about whether people exit disadvantage, but also about whether people stably exit disadvantage. The Poverty Tracker is well suited to this purpose, as we can observe people who start the sample in poverty or other forms of disadvantage and observe what happens to them over subsequent years. In Table 8, we show the percentage of New Yorkers who start our sample experiencing a form of disadvantage and subsequently experience various trajectories over the following two years. This analysis harnesses data from the first and second Poverty Tracker panels. (Note that we are currently following the second cohort through 2019, which will allow for longer-term analyses in future reports.) Two points stick out from Table 8. First, about two-thirds of adults who start the sample in disadvantage report some form of disadvantage in both the years that follow. Second, the persistence of disadvantage varies by type. Looking at specific forms of disadvantage, we see that health is the most persistent — just 15 percent of New York-ers who enter the sample with health problems go on to two years without health problems, and two-thirds continue to experience health problems in both of the following years. Hardship is slightly less persistent than health problems. About 20 percent of New Yorkers experiencing hardship in a given year will stably exit hardship in the following two years, while half will remain in hardship in both of the following years. Compared with the other forms of disadvantage, poverty is the least persistent. Two in five New Yorkers who started the Poverty Tracker in poverty stably exited poverty for both of the following years, while one in five remained persistently below the poverty line. Note that many households in poverty are also in hardship, and while they might move above the poverty line, their experience of hardship is more likely to persist.

With these results, we can determine the number of people who faced a disadvantage in 2015 and stably exited disadvantage by 2017 (see Table 8). Overall, we estimate that 400,000 New Yorkers exited disadvantage between 2015 and 2017. Approximately 600,000 New Yorkers who were poor in 2015 stably exited poverty in both years that followed.

Table 8

## Probability of Exiting Disadvantage for Two Consecutive Years by Each Disadvantage

	What proportion of adults who entered the Poverty Tracker with a disadvantage stably exited that form of disadvantage for two years?				How many New Yorkers who were disadvantaged in 2015 stably exited that form of disadvantage for two years?			
	POVERTY	HARDSHIP	HEALTH PROBLEMS	ANY DISADVANTAGE	POVERTY	HARDSHIP	HEALTH PROBLEMS	ANY DISADVANTAGE
Exited that form of disadvantage for two years	43%	20%	15%	12%	600,000	500,000	200,000	400,000
Exited that form of disadvantage for one year and returned to that form of disadvantage	15%	13%	9%	9%	200,000	400,000	100,000	300,000
Remained in disadvantage for another year and then exited that form of disadvantage	22%	16%	10%	13%	300,000	400,000	100,000	400,000
Did not exit that form of disadvantage	20%	51%	66%	66%	300,000	1,400,000	900,000	2,300,000

Source: Pooled annual survey data from the first and second Poverty Tracker panels.

But which New Yorkers are most likely to stably exit poverty? To better understand this, we ran a series of statistical models predicting the likelihood of stably exiting poverty (see Appendix B for the full results of these models). For the sake of brevity we focus only on the results for poverty here, but similar models are available for each type of disadvantage, and for any disadvantage. Two factors clearly stood out from the models as strong predictors of stable exits, race/ethnicity and education. To illustrate the point, we show the predicted rate of stable exits for six hypothetical New Yorkers, varying by race/ethnicity and education. To highlight the role of race/ethnicity and education, we keep other demographics constant, in this case a hypothetical 36-year-old mother. Hispanics are the most likely to exit stably over the next two years, while black non-Hispanic New Yorkers are substantially less likely to stably exit. Having a college degree is protective, but for our hypothetical black non-Hispanic mother, a college degree only puts them at the same predicted probability of stably exiting poverty as white non-Hispanic and Hispanic mothers with a high school diploma.

Table 9

Predicted Probability of Stably Exiting Poverty among 36-Year-Old Mothers of Different Races / Ethnicities and Levels of Educational Attainment
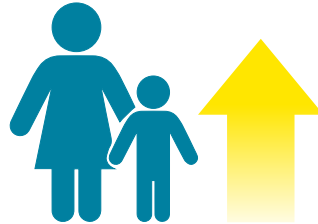
36-Year-Old Mother

HISPANIC	36-year-old **Hispanic** mother with a high school diploma **43%**	36-year-old **Hispanic** mother with a college degree **56%**
WHITE	36-year-old **white** mother with a high school diploma **40%**	36-year-old **white** mother with a college degree **53%**
BLACK	36-year-old **black** mother with a high school diploma **27%**	36-year-old **black** mother with a college degree **40%**

STAYING OUT OF POVERTY

HIGHLIGHTS

THE CHANCES OF FALLING BACK INTO POVERTY DECLINE THE FURTHER ONE GETS ABOVE THE POVERTY LINE
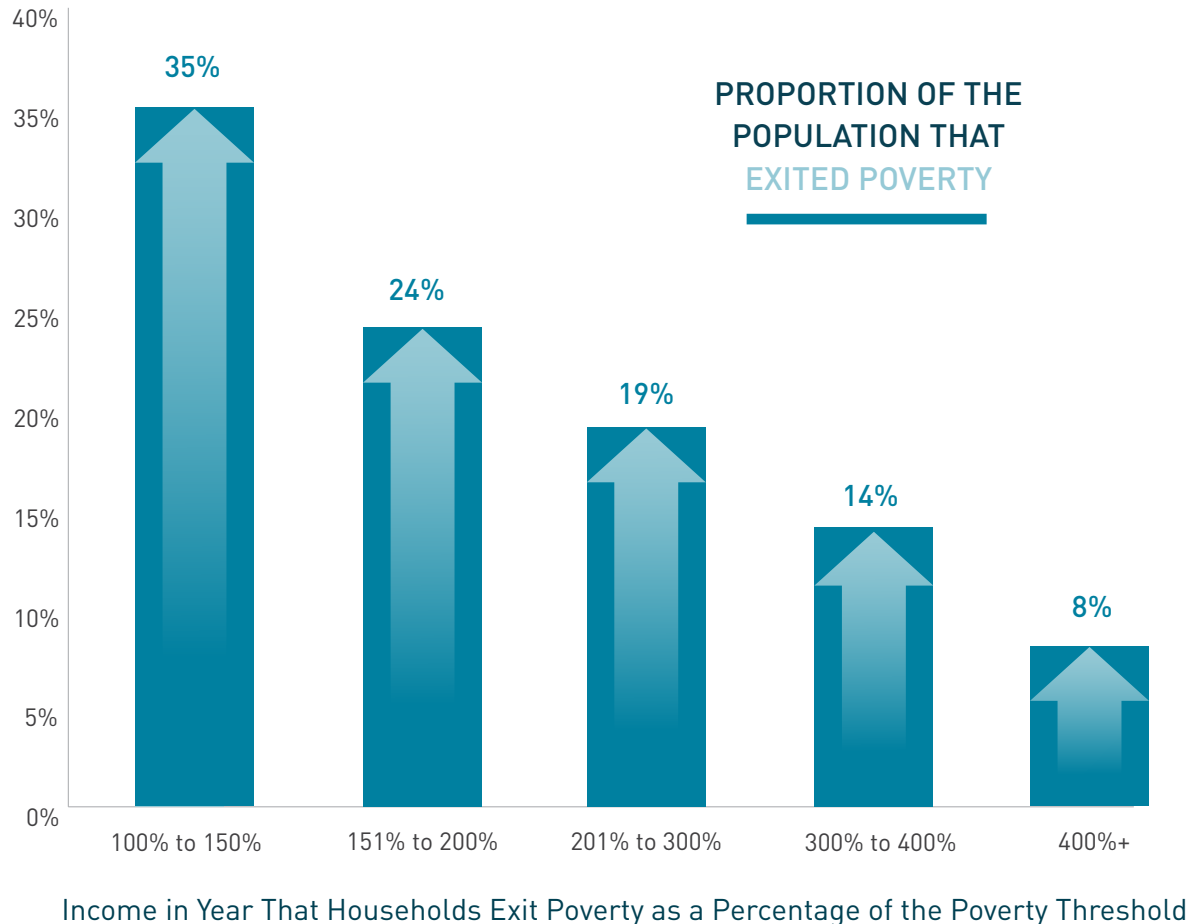
FOR MANY NEW YORKERS, GETTING JUST OVER THE POVERTY LINE WILL NOT BE ENOUGH TO KEEP THEM STABLY OUT OF POVERTY

Is moving and staying out of poverty associated with achieving a certain level of income? To answer this question, we explore whether a household in poverty that has a change in income that puts them just above the poverty line is more likely to fall back into poverty than a household with a change in income that puts them further from the poverty line. As it stands, households that exit poverty have a median income of 175 percent of the poverty line in the year that they exit (see Figure 11 for the full distribution). If it is true that moving further out of poverty decreases the likelihood of returning to poverty, the goal of moving households just out of poverty is not enough; instead, to substantially reduce poverty, the goal would be to move households further from the poverty line so that they move stably out of poverty — that is, exit poverty and are less likely to fall into poverty again.

Figure 11

Income of Households That Exit Poverty

PROPORTION OF THE POPULATION THAT EXITED POVERTY

Income in Year That Households Exit Poverty as a Percentage of the Poverty Threshold
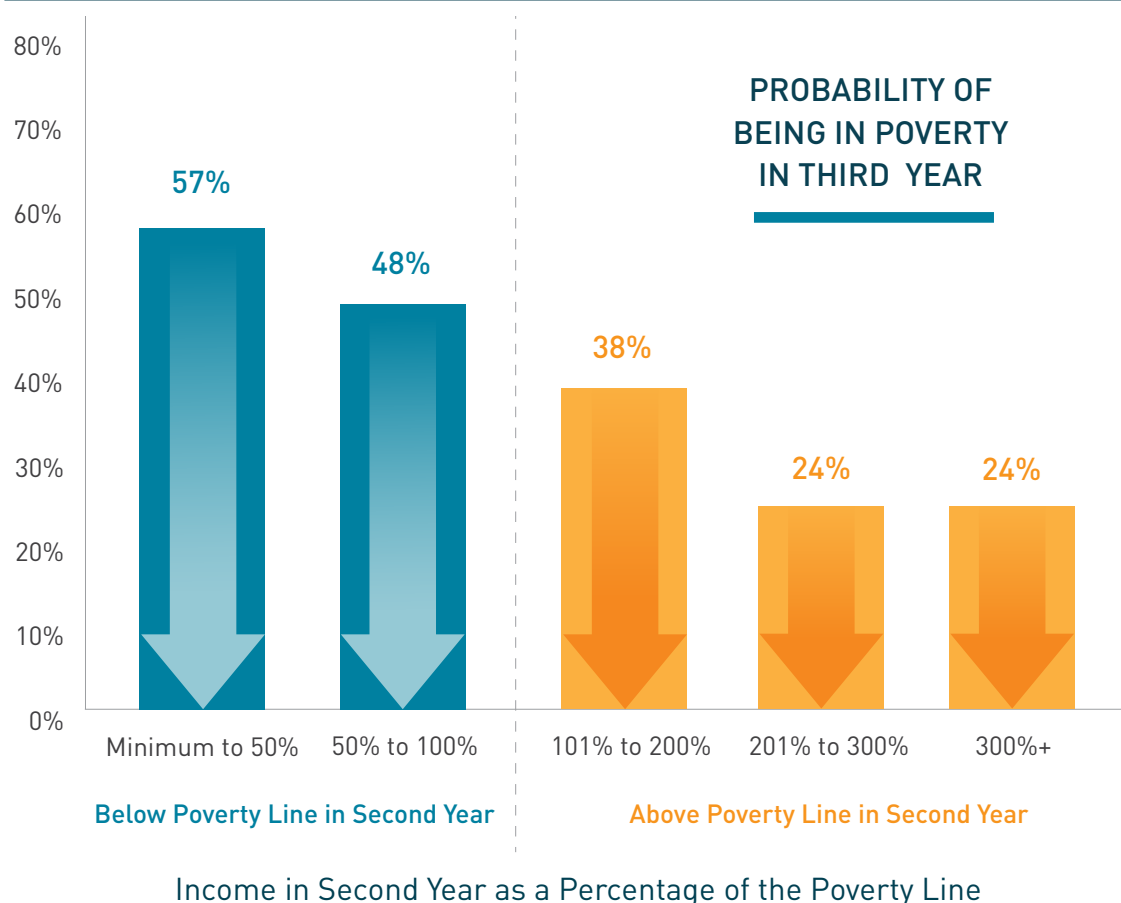
From our analysis using Robin Hood Poverty Tracker data, we have found that the probability of returning to poverty among those New Yorkers who have exited poverty is associated with how far they move above the poverty line, although no single level stands out. (See Appendix B for an explanation of the methods we used to arrive at these results.)

In Figure 12, we present the predicted probability that a household in poverty will still be in poverty two years later by their income in the second year. These results demonstrate that households that remain in poverty in the second year (i.e., their income as a percentage of the poverty line fell below 100 percent) are more likely to still be in poverty in the third year than those who exited poverty in the second year. Among those who exited poverty in the second year, however, moving further away from the poverty line is associated with a decreased likelihood of being in poverty the third year. For those with income between 100 percent and 200 percent of the poverty threshold in the second year, the predicted probability of being in poverty in the following year is 38 percent. For those with income between 201 percent and 300 percent of the poverty threshold, the probability falls to 24 percent.

Figure 12

Probability of Falling Below the Poverty Line Two Years after Being in Poverty by Income in the Second Year

PROBABILITY OF BEING IN POVERTY IN THIRD YEAR

Below Poverty Line in Second Year		Above Poverty Line in Second Year		
57%	48%	38%	24%	24%
Minimum to 50%	50% to 100%	101% to 200%	201% to 300%	300%+

Income in Second Year as a Percentage of the Poverty Line

Additionally, the difference in the likelihood of being in poverty after two years for those whose income in the second year falls between 100 percent and 200 percent of the poverty threshold (38 percent) is closer to the probability for those with income between 50 percent and 100 percent of the poverty threshold (48 percent) than those between 200 percent and 300 percent of the threshold (24 percent), suggesting that the experiences of those just above the poverty line are slightly more similar to those just below the line than they are to those who have moved further out of poverty.

For those with income over 300 percent of the poverty threshold in the second year, the probability of falling below the poverty line tapers off. Additional analyses we have completed with a continuous measure of income (as opposed to a bracketed measure of income) reveal that any incremental increase in income is associated with decreased risk of falling below the poverty line all the way up the income ladder, but with diminishing returns.

Our analysis confirms what some may think is intuitive — households that exit poverty but end up with an income very close to the poverty line are more likely to fall back into poverty than those that end up with an income further up the income distribution, but the level to which income protects one from falling back into poverty tapers off — moving over 200 percent of the poverty threshold protects a household nearly as much as moving over 300 percent of the threshold does. In the end, our results demonstrate that for households to move stably out of poverty, moving just above the poverty line is not enough.

CONCLUSION

This report is the first in a series of annual reports on the state of poverty and disadvantage in New York City based on data collected through the Poverty Tracker. The key finding is that levels of poverty and disadvantage in the city do seem to be falling, albeit at modest rates. Most New Yorkers are seeing at least some improvement. In addition, there has been a modest growth in the proportion of New Yorkers who remain stably out of disadvantage. The decreases in poverty in New York City are in line with national trends, and strikingly similar to declines found in other large cities. Decreases in poverty and hardship are expected in the recovery phase of the business cycle. Why improvements are greater in large cities is an important question for future research. Improvements in health are small to null, which suggests they are less cyclical, consistent with national trends and some prior research. Future years' reports will analyze whether this momentum with respect to poverty and hardship continues, or whether progress begins to stall.

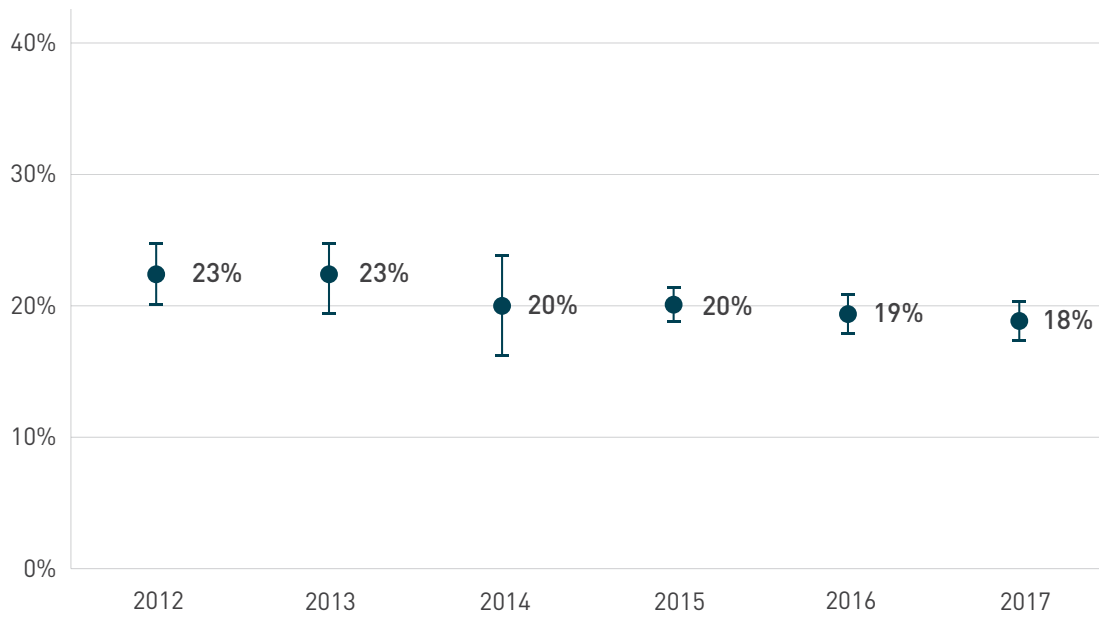# APPENDIX A

New York City Adult Poverty Rates: 2012 to 2017

New York City Adult Adult Hardship Rates: 2012 to 2017

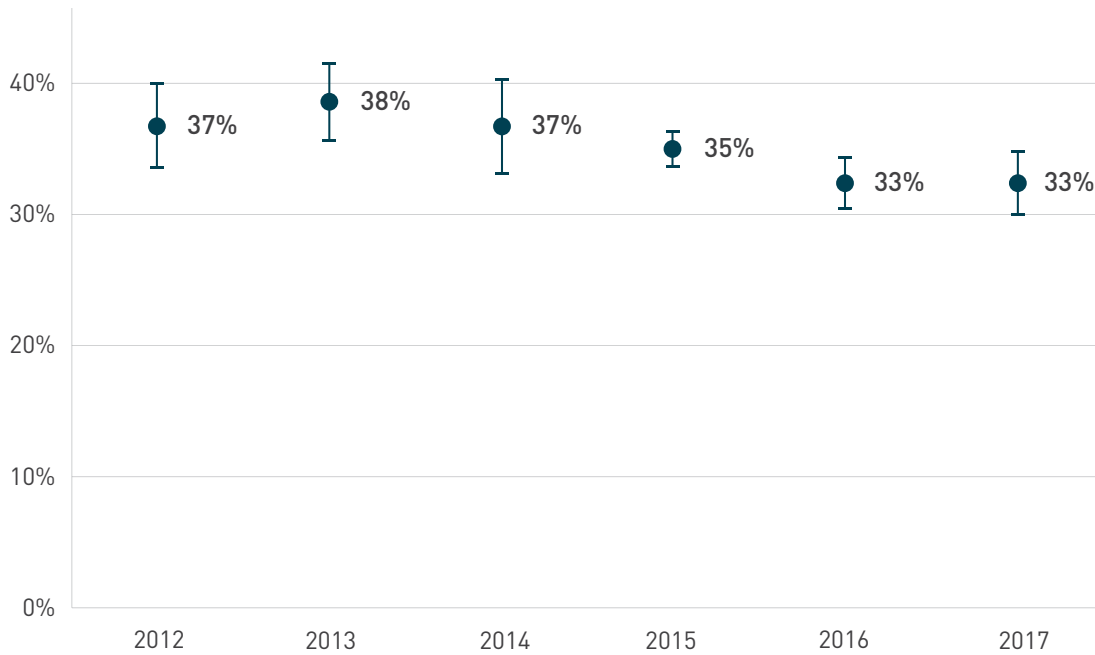## Prevalence of Health Problems among New York City Adults: 2012 to 2017

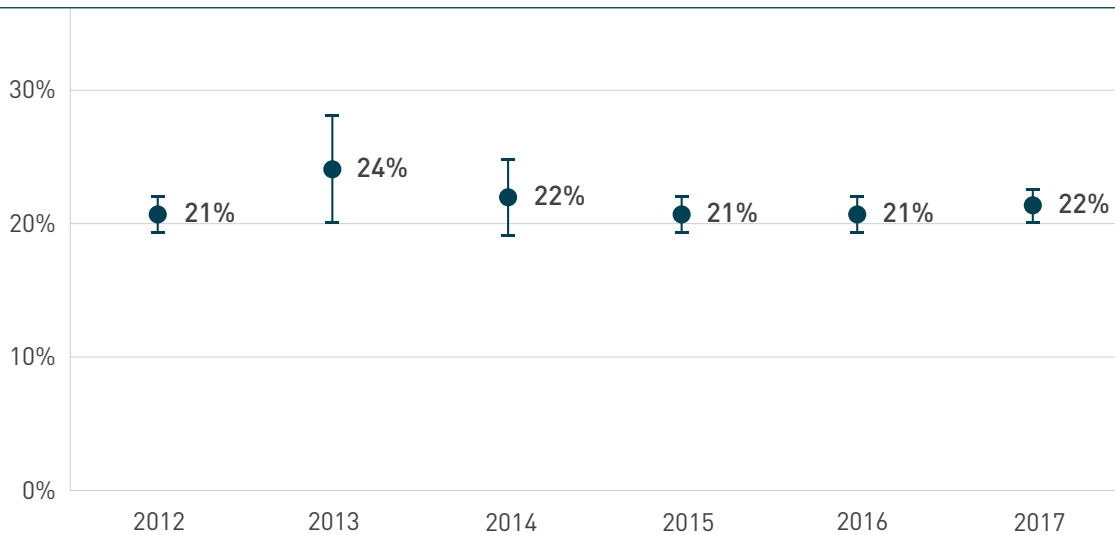## Rates of Disadvantage among Adults in New York City: 2012 to 2017

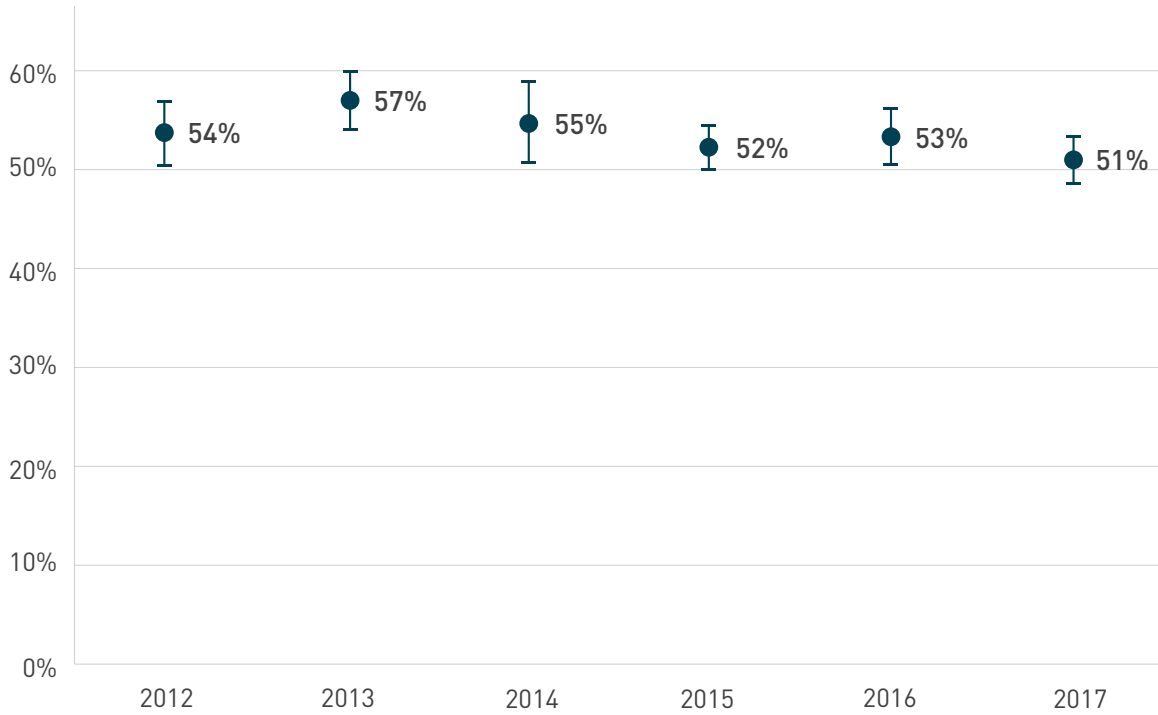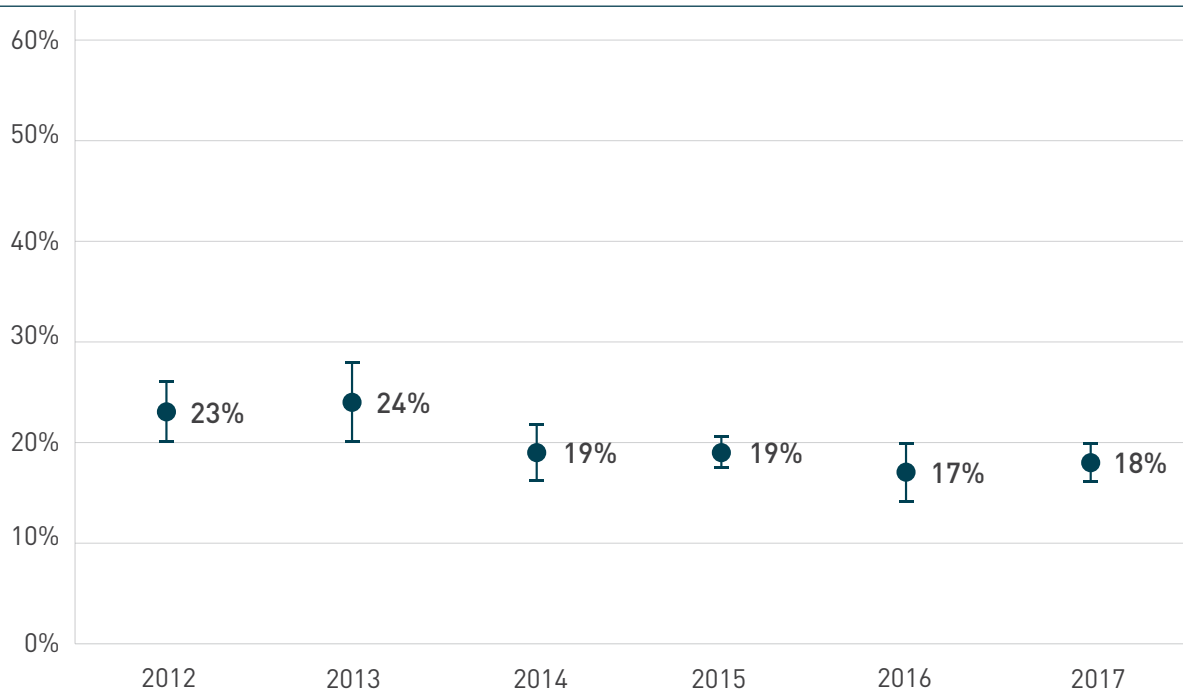## Rates of Multiple Disadvantage Among Adults in New York City 2012 to 2017

APPENDIX B

In our analysis of the probability of stably exiting poverty by income, we used data from the first and second Robin Hood Poverty Tracker panels, the first covering years 2012 to 2014, and the second, 2015 to 2017. We then estimated a model predicting the probability of being in poverty in the third year of the survey (2014 for the first panel and 2017 for the second), among those in poverty in the first year in the survey by their income as a percentage of the poverty threshold in the second year of the survey. By calculating the income as a percentage of the poverty threshold in the second year, we are able to measure how far household income was from the poverty line in that year. The income of a household at the poverty line as a percentage of the poverty line is 100 percent. A household falling below 100 percent is below the poverty line, and households above 100 percent are not considered to be in poverty. In our models, we measure income as a percentage of the poverty threshold by grouping households into brackets (up to 50 percent of the poverty threshold, between 51 percent and 100 percent of the threshold, 101 percent to 150 per-cent of the threshold, and so on. See Model 1 where we grouped households by income. Note that all of the poverty measures we use in this analysis are based on the SPM, which accounts for New York City's higher cost of living and also includes resources from in-kind and after-tax benefits, minus necessary expenses like medical, work, and child care expenses.

OUTCOME	Model 1 Poverty Status at Third Annual Survey
Income to Needs Ratio (12 Month)	Odds Ratio
Minimum to 50 percent	1.390 -0.613
101 percent to 200 percent	0.823 -0.298
201 percent to 300 percent	0.688 -0.285
300 percent to maximum	0.362** -0.137
Poverty Status at Baseline	
SPM - Baseline = 1	2.306 -1.142
Income to Needs Ratio, Poverty Status at Baseline Interaction	
Minimum to 50 percent # SPM - Baseline = 1	1.029 -0.721
151 percent to 200 percent # SPM - Baseline = 1	0.821 -0.512
201 percent to 300 percent # SPM - Baseline = 1	0.489 -0.424
300 percent to Maximum # SPM - Baseline = 1	0.958 -0.689
Gender	
Female	1.762** -0.366
Nativity Status	
Foreign Born	1.282 -0.266
Race	
Black / African American	1.337 -0.352
Asian or Multiracial	0.595 -0.210
Hispanic	1.208 -0.350
Age Group	
31 to 50	0.650 -0.171
50 to 64	0.829 -0.224
65+	0.825 -0.230

*p <.05; ** p < .01; *** p < .001*

OUTCOME	Model 2 Stably Exiting Poverty
High School Graduate	0.051 0.087
Some College	0.061 0.09
College +	0.155 0.104
Black (Non-Hispanic)	-0.022 0.096
Asian	-0.014 0.141
Other/Multi-Racial	0.137 0.169
Hispanic	0.071 0.1
Female	-0.078 0.064
36 to 65	0.061 0.071
66+	-0.028 0.116
Foreign Born	-0.034 0.071
Brooklyn	0.011 0.102
Bronx	0.007 0.099
Queens	0.018 0.102
Staten Island	-0.24 0.138
Has Children	-0.029 0.074
Constant	0.401** 0.15

*$p < .05$; ** $p < .01$; *** $p < .001$

Statistical Methods

To isolate the association between income in the second year of the survey and poverty status in the third year of the survey, our models also include controls for gender, nativity, age, educational attainment, and race/ethnicity. These controls ensure that the association between income and poverty status that we are recognizing is not actually the result of different factors that we have controlled for, such as educational attainment. There are, however, perhaps other factors that we have not controlled for that are associated with poverty status and income levels which could lead to error in our estimate of the association between income at year two and poverty status at year three. This is a recognized limitation of our results.

Note that the poverty line varies based on household size, i.e., a single adult with $50,000 in income had a different poverty threshold compared with a couple with three children and $50,000 in income. Although the gross income is similar for the two households, the income relative to the poverty line is smaller for the second.