## New York City Government Poverty Measure 2005–2015

## An Annual Report from the Office of the Mayor

## **Highlights**



Mayor's Office of Operations The City of New York May 2017



# Preface

This annual report presents a comprehensive picture of poverty in New York City. It is the eighth such report and the first issued under the auspices of the new Mayor's Office for Economic Opportunity ("NYC Opportunity") – an expanded successor to the Center for Economic Opportunity (CEO), the original developers of the New York City poverty measure. NYC Opportunity combines two formerly separate units – the Center for Economic Opportunity and HHS-Connect – into a unified office that augments the City's ability to use evidence and innovation to reduce poverty and increase equity. NYC Opportunity remains a part of the Mayor's Office of Operations and supports its Citywide performance management role.

Accordingly, the name of the City's poverty measure has changed as well. Previously known as the CEO poverty measure, it is now the New York City government poverty measure (the "NYCgov" poverty measure, in short). The NYCgov measure is an official metric of New York City government utilized by City agencies and municipal policymakers, allowing local leaders to gain a more accurate understanding of poverty in the city than the U.S. official poverty rate allows. The higher threshold of the NYCgov poverty measure considers the higher cost of housing in New York City, as well as important sources of income and benefits, such as the Earned Income Tax Credit, that are not included in the federal measure.

This first year of reporting the New York City poverty level under the NYCgov name brings good news, as the report details. From 2013 to 2015, which includes the latest year for which we have data, the NYCgov poverty rate fell 0.8 percentage points, a statistically significant decline. During the same two-year period, the NYCgov near poverty rate also fell a statistically significant 1.7 percentage points. The report notes that in the past year, the City has made substantial progress toward the Mayor's announced goal of lifting 800,000 New Yorkers out of poverty or near poverty by 2025.

By virtue of its components, the NYCgov poverty measure reflects changes in government policies and budgets, including those at the federal level – which may be of growing importance going forward. With increasing talk in Washington this year of scaling back or eliminating programs that benefit low-income New Yorkers, the NYCgov poverty measure will be an important indicator of how policy changes affect vulnerable New Yorkers.

The NYCgov poverty measure has, since its inception, been an important tool for assessing the city's level of poverty and formulating policies and programs to address it. This year's report contains welcome evidence of improvement in the economic situation of low-income New Yorkers and underscores the progress that can be achieved with focused commitment.

Matthew Klein Executive Director, Mayor's Office for Economic Opportunity Mayor's Office of Operations This year's report focuses on the years 2010 to 2015, tracing the effect of the recovery on the NYCgov poverty rate. The data show a significant decline in near poverty and significant declines in poverty among various subgroups in the population from 2014 to 2015. The New York City minimum wage has increased twice since 2013, which is reflected in increased earnings in the lowest percentiles of the income distribution. Increases in employment and work hours during 2015 are also reflected in the poverty data and mark the strongest economic improvements since the beginning of the recovery.

The NYCgov poverty measure continues to inform the work of New York City's policymakers. This year's report includes an estimate of the poverty gap for the city – the average distance between families and their poverty threshold. The poverty gap is presented both as an index and as a monetary value. Later in 2017, NYC Opportunity will issue further data on the Affordable Care Act and the poverty rate.

We will not issue printed editions of the report's technical appendices this year. However, the appendices will be published on the redesigned NYC Opportunity website (nyc.gov/opportunity) where available data resources are also being expanded. In the threshold appendix, for example, more information is included on poverty thresholds by family size. Several data series that were previously published in full, beginning with 2005 data, have become too unwieldy to include in a printed volume. They will also be available online.

In the eight years New York City has been producing a poverty measure – which draws on eleven years of data going back to 2005 – we have continually made statistical improvements to our model. This year we improved imputation methods for childcare and medical spending. Along with availability of more recent data for both categories, the improved imputations required us to revise prior year poverty estimates – as has been done regularly over the lifetime of the report.

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This report is authored by the staff of the Poverty Research Unit of the Mayor's Office for Economic Opportunity: John Krampner, Jihyun Shin, Ph.D., and Vicky Virgin, and NYCgov Technical Fellows Quan Tran, Ellen Studer, and Chen Li.

# Chapter 1: Highlights

#### **Chapter 1: Highlights**

#### Introduction

This annual report examines the state of poverty in New York City. It presents the New York City government poverty measure, referred to throughout the report as the NYCgov poverty measure. The NYCgov poverty measure is officially issued by the City of New York, mandated by the City Charter, and incorporated into the work and thinking of the Mayor's Office and many City agencies. It offers policymakers and the public a more informative alternative to the U.S. official poverty measure and is adapted to the realities of life in New York, including our unusually high housing costs. It also incorporates a range of after-tax and in-kind income benefits missed by the federal methodology.

This is the first time we are releasing our poverty measure under the NYCgov name. In prior years, we issued this report as the Center for Economic Opportunity (CEO) poverty measure. In 2017, the Center for Economic Opportunity, originally launched in 2006, was expanded and established as the Mayor's Office for Economic Opportunity (NYC Opportunity). As such, we have changed the name of the poverty measure as well – to one that better reflects its status as an official issuance of local government.

The NYCgov poverty rate fell from 20.6 percent in 2014 to 19.9 percent in 2015. Near poverty, the share of the population living under 150 percent of the NYCgov threshold, fell from 45.1 percent to 44.2 percent over that same period. The decline in the poverty rate is not statistically different from the 2014 rate. The decline in the near poverty rate from 2014 is statistically significant for the first time since 2010.<sup>1</sup> While the overall poverty rate was statistically unchanged when measured year over year or across the 2010 to 2015 time period, when looking at the NYCgov rate over the two-year time period 2013 to 2015, a significant decline from 20.7 percent to 19.9 percent is found.

The NYCgov poverty threshold for a 2-adult, 2-child family in 2015 was \$31,756, an increase of \$175 from the 2014 threshold. The NYCgov estimate of the U.S. official poverty rate was statistically unchanged from 2014 to 2015: 19.1 percent to 18.4 percent.

The data presented here highlight the years 2010 to 2015, incorporating the most recent data available and focusing on the post-recession time period. As the recovery

1 The change in the near poverty rate from 2010 to 2015 is also significant.

continues, we find more positive findings in the data this year than in any other year since the recession. The report also presents current anti-poverty initiatives informed by our findings.

Poverty, near poverty, U.S. official poverty, and thresholds for 2013, 2014, and 2015 are shown in Table 1.1 below.

There is a marked and positive change in the 2015 data. Along with the statistically significant decline in near poverty, there are statistically significant declines in poverty rates among several subgroups of the City population, either in the year-over-year change from 2014 to 2015 or over the six post-recession years 2010–2015. Men, children under 18, working age adults, Non-Hispanic Whites and Asians, native-born citizens, non-citizens, the college-educated, those working less than full time, and the boroughs of Brooklyn and Queens have all seen statistically significant declines in their poverty rate. Only two subgroups had statistically significant increases in poverty, both over the 2010 to 2015 time period: naturalized citizens and the borough of the Bronx. No group or borough saw a statistically significant increase in their poverty rate in the most recent one-year period in our data, from 2014 to 2015.

Prior years' reports have attributed the lack of a significant change in the poverty rate to a lack of income growth as the economy gradually recovered from recession. The loss of earned income that occurred in the recession is slowly reversing – some of the biggest gains occurred in the most recent year of data

	2013	2014	2015					
POVERTY RATES (%)								
NYCgov Poverty	20.7	20.6	19.9*					
NYCgov Near Poverty	45.9	45.1	44.2*					
U.S. Official Poverty <sup>†</sup>	19.9	19.1	18.4*					
THRESHOLDS (\$)								
NYCgov Poverty	31,156	31,581	31,756					
U.S. Official	23,624	24,008	24,036					

#### Table 1.1 NYCgov and U.S. Official Poverty Rates and Thresholds, 2013–2015

Numbers in **bold** indicate statistically significant change from prior year. \* indicate statistically significant change from 2013. \*U.S. official poverty rates are based on the NYC Opportunity poverty universe and unit of analysis. See Chapter 4 for details. Source: American Community Survey Public Use Micro Sample as augmented by NYC Opportunity. U.S. official threshold from U.S. Bureau of the Census. and among the lowest earning families who in 2015 were beginning to enjoy the benefits of a series of minimum wage increases. This year we also find the percentage of employed working age adults near pre-recession levels. The same is true of the share of working adults who are employed full time.

The first part of this chapter provides a context for our findings and begins with a brief overview of why we originally developed an alternative poverty measure and how it differs from the U.S. official poverty measure. Because trends in poverty are tied to economic conditions, data for trends in the New York City labor market are provided, followed by key findings. Initially, estimates of the impact of the anti-poverty safety net on the poverty rate are presented. For the first time this year we include an estimate of the poverty gap, presented in this chapter as the amount of money needed to lift all New Yorkers up to their poverty threshold. Selected data on changes in the poverty rate among specific demographic groups follows. The chapter concludes with highlights from New York City poverty reduction policies.

#### **1.1 Measuring Poverty**

All measures of income poverty include two components: a definition of income representing resources available to the family<sup>2</sup> and a definition of a poverty threshold – a minimal, socially acceptable measure of well-being adjusted for family size. If a family's income measure is less than their assigned threshold, they are in poverty. The share of people living below their poverty threshold constitutes the poverty rate. The NYCgov poverty measure and the U.S. official poverty measure differ in their definitions of both income and threshold.

2 See Appendix A, "The Poverty Universe and Unit of Analysis," for a detailed definition of family. In short, we define a family as a poverty unit: those people in a household who, by virtue of their relationship to each other, share resources and expenses. A family can be as small as one person or as large as an extended, multigenerational unit including blood relatives, unmarried partners and their children, and unrelated children. A household may include more than one poverty unit.

#### **Poverty Thresholds**

**U.S. Official:** The U.S. official threshold was developed in the early 1960s and was based on the cost of a minimum diet at that time. It is updated each year by the change in consumer prices. It is uniform across the United States.

**NYCgov:** The NYCgov poverty threshold is a New York City-specific threshold derived from the U.S.-wide threshold developed for the Federal Supplemental Poverty Measure. The NYCgov threshold is based on what families spend on basic necessities: food, clothing, shelter, and utilities. It is adjusted to reflect the variation in housing costs across the United States.

#### **Measuring Income**

**U.S. Official Income:** The U.S. official poverty measure's definition of family resources is pre-tax cash. This includes income from sources such as wages and salaries, as well as government transfer payments, provided that they take the form of cash. Thus, Social Security benefits are included in this measure, but the value of in-kind benefits, like Food Stamps or tax credits such as the Earned Income Tax Credit, are not counted.

**NYCgov Income:** Based on the NAS recommendations, NYCgov income includes all the elements of pre-tax cash plus the effect of income and payroll taxes, as well as the value of in-kind nutritional and housing assistance. Non-discretionary spending for commuting to work, childcare, and out-of-pocket medical care are deductions from income.

#### The U.S. Official Poverty Measure

The income measure used in the U.S. official poverty rate is limited to pre-tax cash. This does not include the value of tax credits such as the earned income credit, an important addition to family resources. Nor does it measure non-cash income supports such as SNAP (Supplemental Nutritional Assistance Program, formerly known as Food Stamps) benefits or housing subsidies. On the expense side, it does not consider nondiscretionary spending on items such as health care or the transportation and childcare costs required of many working adults.

The U.S. official threshold is based on the cost of a minimal nutritional standard that is unchanged for over 50 years, save for price adjustments. It does not reflect changes in the standard of living that have occurred in the last half century or geographic differences in the cost of living, housing costs in particular. For these reasons, the U.S. official poverty measure has inadequate definitions of both income and threshold.

#### The NYCgov Poverty Measure

The NYCgov poverty measure was developed in response to the shortfalls of the U.S. official measure. On the income side, it is more representative of the true resources available to a family – earnings plus the value of benefits accessible in the social safety net such as tax credits, housing subsidies, and nutritional assistance. The NYCgov measure allows us to measure the effect of those benefits in lowering poverty. Expenses that lower resources available to families are also acknowledged. Medical spending and the costs associated with work – childcare and transportation – are deducted from income.

The NYCgov threshold does not rely only on the cost of basic nutritional needs. It is based on a reasonable share of U.S. spending on necessities (food, clothing, shelter, and utilities), plus an additional amount to cover higher housing costs in New York City. The threshold is adjusted annually to reflect changes in both national spending and local housing costs. The result is a unique, locally specific poverty measure that is closer to an adequate measure of both income and need.<sup>3</sup> Figure 1.1 summarizes and contrasts the differences in the two poverty measures.

The NYCgov poverty measure includes a higher income level and a higher threshold than the U.S. official poverty measure. Higher income on its own would imply a lower poverty rate but is outweighed by the higher threshold. The result is a higher poverty rate than the U.S. official poverty measure. Figure 1.2 illustrates how the two poverty measures compare over time.<sup>4</sup> Figure 1.3 shows the differences in income thresholds and poverty rates for 2015. The higher NYCgov thresholds result in higher poverty rates, even with the higher measure of income.

#### Figure 1.1 Comparison of Poverty Measures

	U.S. Official	NYCgov		
Threshold	Established in early 1960s at three times the cost of "Economy Food Plan."	Equal to the 33rd percentile of family expenditures on food, clothing, shelter, and utilities, plus 20 percent more for miscellaneous needs.		
	Updated by change in Consumer Price Index.	Updated by the change in expenditures for the items in the threshold.		
	No geographic adjustment.	Inter-area adjustment based on differences in housing costs.		
Resources		Total family after-tax income.		
		Includes value of near-cash, in-kind benefits such as SNAP.		
	Total family <i>pre-tax</i> cash income. Includes earned income and transfer payments, if they take	Housing status adjustment.		
	the form of cash.	Subtract work-related expenses such as childcare and transportation costs.		
		Subtract medical out-of- pocket expenditures.		

<sup>3</sup> Chapter 4 explains the U.S. official and NYCgov poverty measures in more detail and compares their respective components. Both measures are also contrasted to the U.S. Supplemental Poverty Measure.

<sup>4</sup> The NYCgov estimate of the U.S. official poverty measure is not the same as the poverty rate for New York City released by the Census Bureau. For comparison purposes, we estimate U.S. official poverty rate using the NYCgov data file. This file differs from the U.S. official in total population and the number, configuration, and size of families. See Chapter 4 for a discussion of NYCgov's definitions of the family and the unit of analysis.

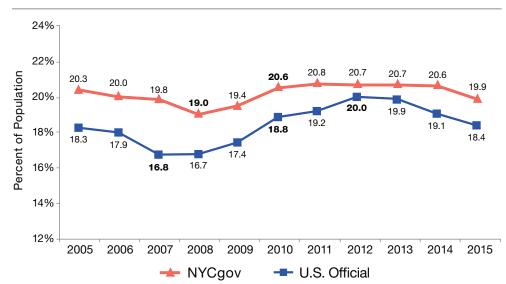
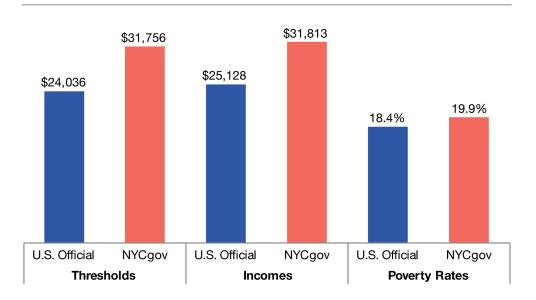


Figure 1.2 U.S. Official and NYCgov Poverty Rates, 2005–2015

Numbers in **bold** indicate statistically significant data from prior year. Numbers in **color** indicate statistically significant data from 2010–2015. Numbers in **color** and **bold** indicate statistically significant data from 2010–2015 and 2014–2015. Source: American Community Survey Public Use Micro Sample as augmented by NYC Opportunity. Note: U.S. official poverty rates are based on the NYC Opportunity poverty universe and unit of analysis.





Source: U.S. Bureau of the Census and American Community Survey Public Use Micro Sample as augmented by NYC Opportunity. Notes: Incomes are measured at the 20th percentile and stated in family size and composition-adjusted dollars. U.S. official poverty rates are based on the NYC Opportunity poverty universe and unit of analysis.

Percent of 18- through 64-Year-Olds 75% 70.8 70.7 69.4 70% 68.4 68.0 67.0 66.4 65% 60% 55% 50% 2008 2010 2011 2012 2013 2014 2015

Figure 1.4 Employment / Population Ratios, 2008, 2010–2015

Source: American Community Survey Public Use Micro Sample as augmented by NYC Opportunity.

#### 1.2 The New York City Labor Market

Poverty rates are influenced by the economic environment. New York City was not exempt from the effects of the Great Recession that spread across most of the U.S. in 2007. But recession-related employment declines did not occur in the city until the last quarter of 2008. For that reason, we measure our current employment situation against the peak year of 2008. The employment/population ratio of 70.7 percent for 2015 is nearly the same as the pre-recession peak of 70.8 percent in 2008. Figure 1.4 illustrates the increase in the employment/population ratio over the recovery.

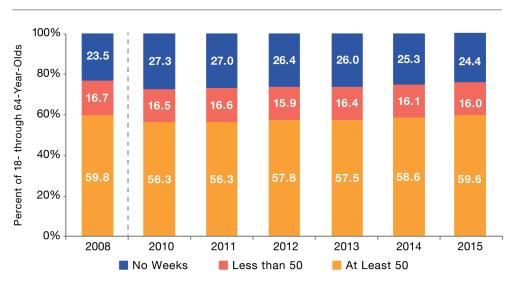


Figure 1.5 Weeks Worked in Prior 12 Months, 2008, 2010–2015

Source: American Community Survey Public Use Micro Sample as augmented by NYC Opportunity.

#### Highlights

The number of weeks worked over the course of the year is another particularly telling labor market indicator because poverty is, in part, determined by annual income. By 2015, this indicator was also near pre-recession levels. Figure 1.5 shows that 59.6 percent of the population worked at least 50 weeks in 2015, compared to 59.8 percent in 2008.

The positive trends in employment and weeks worked are also reflected in earnings. Earnings are not yet at pre-recession levels but there have been strong gains. Several minimum wage increases in recent years led to some of the largest earnings gains occurring among the lowest paid workers. At the lowest earnings point in the recession, 2011, average earnings were 19 percent lower than their 2008 high for families in the bottom half of the income distribution. For the poorest families, those in the bottom 20th percentile of income earners, the loss was larger: 24 percent (data not shown in Table 1.2).

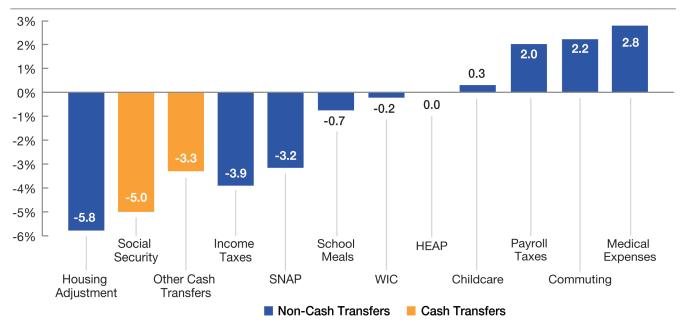
Table 1.2 reports more recent data – annual family earned incomes in the bottom half of the income distribution for 2008, and each year between 2010 to 2015. We compare changes from 2008 to 2015 (column a) and from 2014 to 2015

·····, ···, ····,							а	b	
Percentile	2008	2010	2011	2012	2013	2014	2015	2008– 2015	2014– 2015
20	13,736	10,131	10,423	10,333	11,063	11,734	12,870	-6.3%	9.7%
25	20,605	17,034	16,614	16,701	17,458	18,252	19,024	-7.7%	4.2%
30	28,051	22,972	22,546	22,904	23,558	23,963	25,325	-9.7%	5.7%
35	35,137	29,492	28,501	29,226	29,870	30,494	31,497	-10.4%	3.3%
40	42,210	35,950	34,181	34,934	35,943	36,487	38,305	-9.3%	5.0%
45	49,371	42,586	41,531	41,693	43,237	43,694	45,661	-7.5%	4.5%
50	56,604	49,297	48,436	48,838	50,629	51,842	53,758	-5.0%	3.7%
								Average Percentage Change	
								-8.0%	5.2%
								Percentage Point Change	
% Families with No Earnings	21.2	22.4	22.3	22.2	21.9	22.0	21.4	0.2	(0.7)

Table 1.2 Annual Family-Level Earned Income, 2008, 2010–2015

Source: American Community Survey Public Use Micro Sample as augmented by NYC Opportunity. Notes: Earnings are stated in family size and composition-adjusted dollars. They are stated in 2015 dollars using the NYC Opportunity threshold as a price index. Persons in families with no earnings are included...

#### Highlights





Source: American Community Survey Public Use Micro Sample as augmented by NYC Opportunity.

(column b). This allows us to measure change from the 2008 earnings peak and the most recent year-over-year change.

By 2015, incomes in the bottom half of the income distribution rose but still averaged 8 percent lower than in 2008 (column a). From 2014 to 2015, earned income grew an average 5.2 percentage points (column b). Income of the lowest earners in the table, at the 20th percentile, grew at the highest rate, 9.7 percent from 2014 to 2015. Also in 2015, the minimum wage rose from \$8 to \$8.75, contributing to income growth. Other income ranks also gained but their gains were less strong (column b).

#### 1.3 The Effect of Income Supports on the Poverty Rate

The NYCgov poverty rate includes additional non-cash income supports (nutritional assistance, tax credits, housing supports, and others). This allows us to measure the effect of these programs in reducing the poverty rate. Conversely, including nondiscretionary expenditures (medical spending, costs of work) as subtractions from income allows us to see how much they increase the poverty rate.

Figure 1.6 shows the effect of income supports and additional expenditures in 2015. Those elements that lower the poverty rate are found to the left of zero in the chart, and those that raise the poverty rate are to the right. The figure includes the effect of cash transfer programs (income components that are also included in the U.S. official income measure) to provide some context when comparing the U.S. official and NYCgov measures. Social Security (which includes

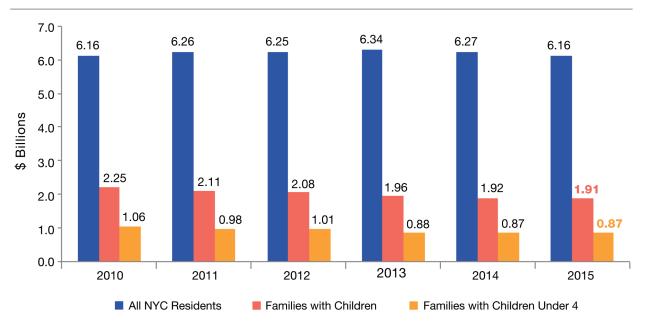
pensions, survivor benefits, and disability insurance) lowers the poverty rate by 5.0 percentage points. Only the housing adjustment has a larger impact. The combined effect of all the other cash transfer programs (such as public assistance, Supplemental Security Income, Unemployment Insurance, Workers Compensation, etc.) is 3.3 percentage points, not that different from the impact of SNAP or income taxes. On the expenditure side, medical expenses do the most to push people into poverty. The net effect of out-of-pocket medical expenses is to raise the poverty rate by 2.8 percentage points.

#### 1.4 The Poverty Gap

In the section above we demonstrated the extent that income supports lower the poverty rate. But this does not tell us how much more is still needed to alleviate poverty. This is expressed in the poverty gap – the amount of money needed to bring all families in poverty up to their poverty threshold. For the first time this year, we are reporting our calculation of the poverty gap, including trends over the previous five years.

Figure 1.7 shows the poverty gap for New York City for the years 2010–2015 using the NYCgov poverty measure. We measure the gap for three groups: all city residents; families with children; and families with children ages 4 and under.

The overall poverty gap as measured in dollars was \$6.16 billion in 2010 and 2015, with the gap widening and shrinking in the intervening years. While there



#### Figure 1.7 NYCgov Poverty Gap, 2010–2015

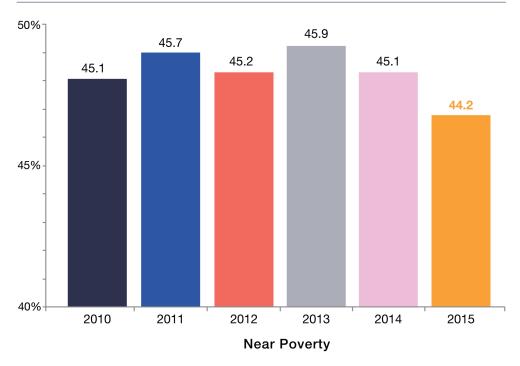
Numbers in **bold** indicate statistically significant data from prior year. Numbers in **color** indicate statistically significant data from 2010–2015. Numbers in **color and bold** indicate statistically significant data from 2010–2015 and 2014–2015. Source: American Community Survey Public Use Micro Sample as augmented by NYC Opportunity. is no difference in the total gap, for families with children the gap did fall significantly from 2010 to 2015, by \$340 million. The gap also shrank significantly for families with pre-school age children (ages 4 and under) during the same time span, reduced in size by just under \$200 million. The amount required to bring all families with children under 4 out of poverty has decreased from \$1.06 billion in 2010 to \$870 million in 2015.

Chapter 2 provides a deeper look at the poverty gap, including the average poverty gap for each group and an index expressing the poverty gap as a share of the poverty threshold.

#### **1.5 Selected Poverty Rates**

Figures 1.8 to 1.12 show changes in the NYCgov poverty rate for subgroups of the New York City population. We show depth of poverty and poverty by work experience, age, ethnicity, and borough. Poverty rates in bold represent significant changes from 2014–2015. Rates that appear in the same color as their underlying bar represent significant changes from 2010–2015.

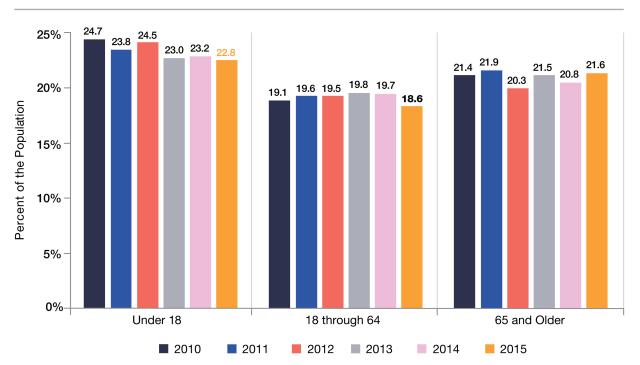
• For example, in Figure 1.8, near poverty rates are shown. The 2015 near poverty rate fell significantly from 2014 (bold) and also from 2010 to 2015 (color same as bar).



### Figure 1.8 Near Poverty Rates, 2010–2015

Numbers in **bold** indicate statistically significant data from prior year. Numbers in **color** indicate statistically significant data from 2010–2015. Numbers in **color and bold** indicate statistically significant data from 2010–2015 and 2014–2015. Source: American Community Survey Public Use Micro Sample as augmented by NYC Opportunity.

- Figure 1.9 compares poverty rates by age children under 18, working age adults, and the elderly (age 65 and over). The poverty rate for children under 18 declined significantly from 2010. The poverty rate for adults age 18 through 64 declined significantly from 2014 to 2015.
- Figure 1.10 shows the significant decline in poverty rates for adults with less than full time work from 2014 to 2015. The poverty rate for full-time, year-round workers was 7.2 percent in 2015, reduced from its 2013 peak.
- Figure 1.11 contains poverty rates by race and ethnicity. There are significant declines in poverty from 2010 to 2015 for Non-Hispanic Whites and Non-Hispanic Asians. The Non-Hispanic Asian poverty rate also declined significantly from 2014 to 2015.
- Poverty rates by borough, shown in Figure 1.12, show several changes. In the most recent year shown, 2015, there is no significant change in the poverty rate. Poverty decreased significantly from 2010 to 2015 in Brooklyn, where the poverty rate was 21.2 percent in 2015. In Queens, poverty fell significantly over both the six-year and one-year periods, settling at 18.4 percent in 2015, and much reduced from a 2012 high of 21.8 percent. Poverty in the Bronx increased significantly from 2010 to 2015, from 25 percent.



### Figure 1.9 NYCgov Poverty Rates by Age, 2010–2015

Numbers in **bold** indicate statistically significant data from prior year. Numbers in **color** indicate statistically significant data from 2010–2015. Numbers in **color and bold** indicate statistically significant data from 2010–2015 and 2014–2015. Source: American Community Survey Public Use Micro Sample as augmented by NYC Opportunity.

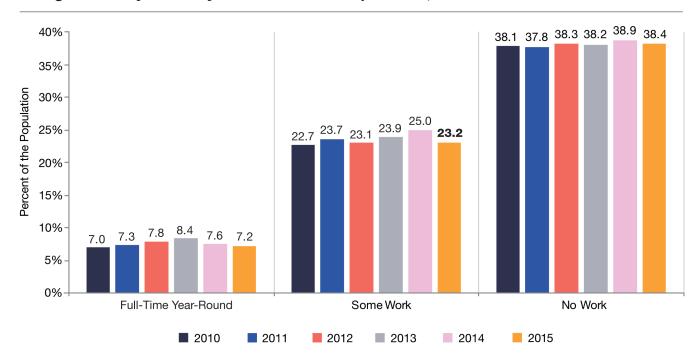
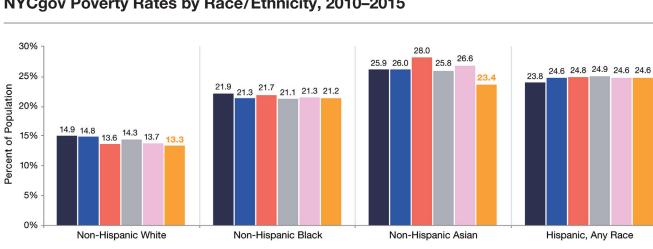


Figure 1.10 NYCgov Poverty Rates by Individual Work Experience, 2010–2015

Numbers in **bold** indicate statistically significant data from prior year. Numbers in **color** indicate statistically significant data from 2010–2015. Numbers in color and bold indicate statistically significant data from 2010-2015 and 2014-2015. Source: American Community Survey Public Use Micro Sample as augmented by NYC Opportunity.



2011 2012 2013

#### Figure 1.11 NYCgov Poverty Rates by Race/Ethnicity, 2010–2015

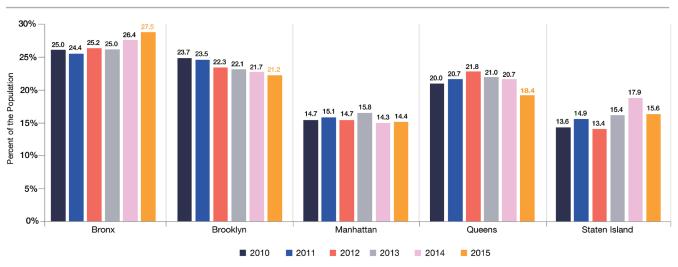
Numbers in **bold** indicate statistically significant data from prior year. Numbers in **color** indicate statistically significant data from 2010–2015. Numbers in **color and bold** indicate statistically significant data from 2010–2015 and 2014–2015. Source: American Community Survey Public Use Micro Sample as augmented by NYC Opportunity.

2015

2014

2010





Numbers in **bold** indicate statistically significant data from prior year. Numbers in **color** indicate statistically significant data from 2010–2015. Numbers in **color and bold** indicate statistically significant data from 2010–2015 and 2014–2015. Source: American Community Survey Public Use Micro Sample as augmented by NYC Opportunity.

Chapter 3 of this report contain more extensive data on changes in poverty by individual and family characteristics and by borough and neighborhood.

#### 1.6 New York City Policy and the Goal of Poverty Reduction

The City has worked to meet our commitment to lowering the poverty rate through a wide array of initiatives aimed at lifting New Yorkers out of poverty and near poverty. The minimum wage has continued to rise, and City programs implemented under this mayoral administration – ranging from expansion of pre-K and paid sick leave to expanded rental assistance – have supported New Yorkers' economic security.

In the past year, as Chapter 5 of this report outlines in more detail, we have launched major new programs and expanded existing ones. Among the highlights: continuing on track toward the City's commitment to build or preserve 200,000 units of affordable housing over ten years and expanding protections for tenants; announcing a commitment to create 100,000 wellpaying new jobs; reporting record high school graduation rates and adding thousands more students to the City's pioneering CUNY (City University of New York) Accelerated Study in Associate Programs (ASAP), which significantly improves students' graduation rates. The data demonstrate the efficacy of existing programs in helping low-income New Yorkers. Our data-driven policy goals reflect our conviction that even more is possible as these programs continue and expand.

#### Conclusion

This year's data show improvement in poverty rates post-recession era. Employment and work hours have increased. Earnings are on the rise although not recovered fully from losses in the recession. The poverty rate is nominally lower, and although statistically unchanged overall, there have been real and significant declines in poverty on a year-over-year basis among several subgroups of the population – men, working age adults, Non-Hispanic Asians, non-citizens, and those working less than full time. The near poverty rate has significantly improved as well – fewer New Yorkers are living close to, but just above, the poverty threshold. There are significant declines in the poverty gap. No group in our data fell into poverty from 2014 to 2015.

The remaining chapters of this report expand on this material. Chapter 2 provides an overview of the threshold and income components, data on deep poverty, near poverty, and the marginal impact of each income component on the poverty rate. We also provide more information on the poverty gap. Chapter 3 surveys poverty rates by demographic, family type, borough, and neighborhood. Chapter 4 provides historical context and details on the methodology used in the NYCgov poverty measure, comparing it to the U.S. official and Supplemental Poverty (SPM) measures. Chapter 5 provides a policy response to the poverty data contained in this report, summarizing the range of City programs designed for poverty reduction.

The full volume of this report is available on our website, www.nyc.gov/opportunity, along with appendices, expanded versions of some of the report's tables, NYCgov's research data files, a poverty data tool, and reports from prior years.