

The State of Working New York

The Illusion of Prosperity: New York in the New Economy

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GLOSSARY

Contingent Worker As used by the Bureau of Labor Statistics in its biennial survey, contingent workers are those who do not have an implicit or explicit contract for ongoing employment. The following are examples of contingent work arrangements used in this report: Temporary Employment Agency, Independent Contractor, Contract Firm, On-Call arrangements in which workers are called to work only as needed.

Current Population Survey see Appendix

Decile One of ten sub-sets of a population or sample (such as wage-earners), defined by first ranking the members of the entire group from smallest to largest, then dividing the group into ten sub-groups of the same size. These deciles also define nine numbers which demarcate these ten sub-groups; for example, if the fifth decile wage is \$12.26 then the bottom five deciles, or 50 percent of the sample, earn wages equal to or less than \$12.26.

Deflator see Appendix

Displaced Workers As used by the Bureau of Labor Statistics in its biennial survey, displaced workers are workers at least 20 years old who lost or left jobs because their plant or company closed or moved, there was insufficient work for them to do or their position or shift was abolished. Long-tenured displaced are those who were displaced after three or more years on the job.

Export Industries Industries which generate income for the state through sales to individuals or firms outside the state.

Family Income Family income includes the combined pre-tax income to individuals in a family, where a family is defined as two or more people residing together who are related by marriage, birth, or adoption. Income includes all wages and salaries (up to \$100,000); interest, dividends, and rent; and cash benefits such as welfare payments, veterans assistance and child support (but not capital gains, food stamps, school lunches or housing subsidies). The analysis in this report considers families with children and four-person families.

Gross Domestic Product The total value of goods and services produced by the residents of a nation during a specified period (usually a year), minus the value of net income earned abroad.

Gross State Product The total value of goods and services produced by the residents of a state during a specified period, minus the value of net income earned out of state.

Income see Family Income, Personal Income

Income Ratio A measure of income inequality, the top-to-bottom and top-to-middle income ratios are the ratio of the average income of the top quintile to the average income of the bottom or middle quintile respectively.

Labor Force All persons classified as employed (either working or temporarily absent from work) or unemployed (those who do not hold a job but have made efforts to find employment at some time during the prior four weeks, or are waiting to be recalled to employment).

Median The value in a sample (or population) which is smaller than half the sample values and larger than the other half.

Metropolitan Statistical Area (MSA) A county or group of counties with a high degree of economic and social integration that contain at least one core city with 50,000 or more inhabitants or have an urbanized area of at least 50,000 inhabitants and a total metropolitan population of at least 100,000.

NEON States New York and the reference group of mature urban industrial states utilized in this report: New Jersey, Pennsylvania, Massachusetts, Ohio, Michigan, Indiana, Illinois and Wisconsin. NEON stands for Northeast and Old Northwest (now the Midwestern states).

Nonstandard Work Arrangement (NSWA) Those work arrangements other than regular full-time employment in a job: Regular Part-Time, Self-Employed, Temporary Employment Agency, Independent Contractor, Contract Firm, On-Call.

Percentile A value on a scale of one hundred that indicates the percent of a distribution that is equal to or below it. A person earning the 90th percentile wage of \$28.20 earned more than (or as much as) 90 percent of the population.

Personal Income Total pre-tax income received by residents of an area, including income from the following sources (less payments for social insurance): wage and salary earnings; dividends, interest and rent; proprietors' income; other labor income which includes income in non-cash form, primarily employer-provided health insurance but also employer contributions to private pension funds and workers' compensation insurance; and transfer payments such as social security, unemployment compensation, Medicare and Medicaid, and public assistance. Per capita personal income is equal to the personal income of the residents of an area divided by the population of the area.

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Poverty Level A level of income, adjusted for family size, below which one is officially classified as poor. This measure was developed based on the assumption that food costs represent one third of a household's budget. While this measure is adjusted each year for the change in the CPI, it has not been adjusted to reflect the fact that with current consumption patterns food represents a much smaller portion of the total household budget. Nor does it account for regional cost of living differences or variations in medical costs across populations. The Census Bureau is evaluating alternative specifications of the poverty level to better reflect true levels of poverty and address criticisms that have been raised. The 1998 poverty wage level for a family of four was below \$16,655 per year.

Proprietors Sole proprietors and business partners (excluding limited partners) earning business income through unincorporated self-employment, whether or not that employment is their primary source of income, as classified by the Bureau of Labor Statistics. The geographic classification may be the residence of the proprietor or partner or the business address of the partnership, and is more likely to reflect place of residence.

Quintile Similar to decile, but the sample is divided into five subsets, each of which includes twenty percent of the sample.

Realized Capital Gains The profits made from the sale of stocks, real estate, and other assets.

Standard Industrial Classification (SIC) A system for classifying industries and industry sectors.

Underemployment An individual is underemployed if he or she is either a) unemployed, b) working part-time but would

rather work full-time, c) not seeking work out of discouragement ("discouraged"), or d) not currently looking for work for reasons other than discouragement, such as lack of child care, school commitments, ill health or disabilities ("marginally attached"). The underemployment rate is the number of underemployed divided by the sum of the labor force plus the number of "discouraged" and other "marginally attached" workers.

Unemployed An individual is unemployed if he or she does not hold a job but has made efforts to find employment at some time during the prior four weeks, or is waiting to be recalled to employment. The unemployment rate is the share of the labor force considered unemployed.

Wage Ratio A measure of wage inequality. The top-to-bottom wage ratio is the ratio of the 90th percentile wage to the 10th percentile wage, and the top-to-middle wage ratio is the ratio of the 90th percentile wage to the 50th percentile wage.

Wages see Appendix

Wall Street In this report "Wall Street" refers to businesses that are classified as part of the Security and Commodity Brokers industry, SIC 62. This includes investment banks and securities brokers and dealers, but not commercial banks. The 10 major U.S. securities firms are headquartered in New York City.

Working Poor Individuals living in a family or household whose income falls below the poverty level despite the fact that one or more family or household members is employed.

APPENDIX – Note on Data Sources

I. CURRENT POPULATION SURVEY

The Current Population Survey (CPS) is a monthly survey of about 50,000 U.S. households conducted by the Bureau of the Census. It is the official source of data on income, poverty and labor force characteristics including unemployment in the U.S.

Data for hourly median and average wages are estimated from each year's Current Population Survey Outgoing Rotation Group (CPS ORG) files. Unlike the March CPS annual income supplement, from which analysts must make hourly wage calculations based on reports of annual earnings, weeks worked, and usual weekly hours worked, the CPS ORG files include variables for weekly and hourly wages.

To develop the CPS ORG files, each household entering the CPS is administered four monthly interviews, and then after a period of eight months when the household is not surveyed, the household is interviewed again for four more months. Since 1979, only households in months four and eight have been asked their usual weekly earnings and usual weekly hours of work.

Although the CPS ORG datasets have the advantage of being large enough to generate reliable estimates for different subgroups within the population, there are some well-known problems, which include the fact that individuals underreport various components of income. Income at the high end is top-coded, that is, above a certain level income is reported at the threshold amount rather than the actual amount. However, reporting omissions in the high-income range should not affect median wage data reported here.

A. Economic Policy Institute

The analysis of the CPS ORG data conducted by Economic Policy Institute (EPI) reported annual median wage data for New York, the NEON states and the United States (1979-98), decile wage data by sex for New York State (1989-98), and average wage data by educational attainment for New York State (1989-98) using the CPS ORG files.

Median or decile hourly wages were determined using the hourly wage variable in the CPS ORG for those individuals who reported it. For those who did not give an hourly wage, but who reported weekly earnings, the hourly wage was calculated using weekly earnings divided by usual weekly hours. The hours of those who reported varying hours worked are estimated based on the usual hours worked of persons with similar characteristics.

The sample of individuals utilized for each year's analysis includes those between 18 and 64 years of age who were employed in the public or private sector (excluding the self-employed) who have valid hourly wage or weekly earnings data. The analysis excludes individuals who earned less than \$.50 and more than \$100 per hour (in 1989 CPI-U-X1 adjusted dollars).

Periodically, the definitions of some of the variables in the CPS ORG files have changed and the data require adjustment to make comparisons over time. The CPS education question changed in the year 1992 from "years of school completed" to "highest degree attained." In order to create a consistent series across this coding change, EPI used one of the methods suggested by David Jaeger, in "Reconciling the Old and New Census Bureau Education Questions: Recommendations for Researchers," *Journal of Business and Economic Statistics*, Vol. 15, No. 3. This calls for coding those who have attend but not completed a 13th year of schooling as "some college" in the pre-1992 data. Formerly, EPI included such cases with high-school graduates.

For a more detailed discussion of EPI's handling of the CPS ORG files to analyze wages, see Appendix B in Mishel, Bernstein and Schmitt, *The State of Working America, 1998-99*, pp. 395-400.

In this report, wages are presented in 1998 dollars using deflators as discussed below in the Deflators section.

B. Labor Economist Heather Boushey

The analysis of the CPS data conducted by labor economist Heather Boushey reported median hourly wage data for New York State and New York City for racial-ethnic groups by sex, as well as racial-ethnic groups by sex and educational attainment. Two full years of data were pooled for each time period, 1988 and 1989, and 1997 and 1998, to obtain a larger number of observations and more reliable data for these more detailed population categories. Total sample size in 1988/1989 for New York State was 17,531, and for New York City, 6,985. Total sample size in 1997/1998 for New York State was 17,720, and for New York City, 8,283.

Median hourly wages were determined using the hourly wage variable in the CPS ORG for those individuals who reported it. For those who did not give an hourly wage, but who reported weekly earnings, the hourly wage was calculated using weekly earnings divided by usual weekly hours. Median wages are represented in 1998 dollars using the CPI-U-X1

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deflator. Wages were deflated prior to pooling the data.

In order to represent Hispanics as a separate racial-ethnic category a new variable was generated from the CPS race and ethnicity variables. Four mutually exclusive racial-ethnic categories are used to represent median wages: White, non-Hispanic; Black, non-Hispanic; Hispanic; and Other racial-ethnic groups, which includes Native Americans and Asians and Pacific Islanders.

To develop consistent educational attainment categories over time, the 1992 survey definitions were used to convert years of schooling and highest grade completed for years 1988 and 1989.

C. Center on Budget and Policy Priorities

With the exception of data on the median income for four-person families (available directly on the Census Bureau website), the data in this report on family income were tabulated by the Center on Budget and Policy Priorities (CBPP). The March income supplement from the CPS was used. Income data for families are for families with children.

To increase the reliability of the data for New York State and New York City, data were pooled for three-year periods: 1978/79, 1987/89, and 1995/97. These periods are referred to as the late 1970s, the late 1980s, and the mid-1990s, respectively.

To present all income data for the U.S., New York State, and New York City in constant 1997 dollars, CBPP used the Gross Domestic Product (GDP) deflator for personal consumption expenditures. The conclusions presented here would not change substantially if the CPI-U-X1 were used to deflate incomes rather than the GDP personal consumption deflator. If the Northeast CPI-U deflator had been used to deflate incomes for New York State and New York City, the declines in real incomes would have been greater for the bottom 80 percent of families and the increases smaller for the top 20 percent, but the income gaps reported would have been similar.

For two reasons, the data on family income significantly understate the incomes of the top 20 percent of New York families. First, the Census Bureau definition of income does not include realized capital gains, which are concentrated in the top 20 percent. Second, the publicly available data are top-coded and do not reflect earnings above \$100,000 for any one job. New York has many workers who receive high salaries.

The data on working poor families and households for the U.S., New York State and New York City presented in Chapter One were also provided by CBPP. These data use the official Census Bureau methodology to measure poverty. In 1997, a family of three was considered poor if its pre-tax cash income fell below \$12,931.

For additional information on the CBPP methodology, see, for the family income data, CBPP, "Pulling Apart: A State-by-State Analysis of Income Trends," December 1997; and for the working poor, see CBPP, "The Poverty Despite Work Handbook," April 1997.

D. Displaced Workers Supplement

Since 1984, the U.S. Department of Labor has sponsored biennial surveys, conducted as supplements to the CPS, that collect information on workers who were displaced from their jobs. The analysis presented in this report uses data for "long-tenured" displaced workers, that is, those who had been with their employers for three or more years at the time they were displaced. To facilitate analysis of the post-displacement employment and earnings of New York residents, the BLS prepared a special tabulation for FPI that replicated Table 7 from the BLS press release summarizing the February 1998 survey, "Worker Displacement, 1995-97," August 19, 1998.

E. Contingent and Alternative Employment Arrangement Supplement

Supplements to the CPS were administered in February of 1995 and February of 1997 to identify contingent workers and those in alternative arrangements who considered their employment to be contingent. Data for New York and the U.S. from both survey periods were pooled and analyzed by EPI. The comparison of wages for selected nonstandard workers compared to regular full-time workers presented in Table 3.7 was prepared by Ken Hudson and controls for personal and job characteristics, including race, age, education, industry and occupation. For a description of this model, see Arne L. Kalleberg, et.al., "Nonstandard Work, Substandard Jobs," Economic Policy Institute and Women's Research & Education Institute, 1997, Table 12, p. 23.

II. EMPLOYMENT

A. Insured Employment Series (ES-202)

The employment and wage data reported by the New York State ES-202 program are commonly referred to as "insured" or "covered," because it measures those employees who are covered under the State Unemployment Insurance (UI) program. The UI program derives its data from quarterly reports submitted to State Employment Security Agencies by employers subject to State UI laws and from Federal agencies subject to the Unemployment Compensation for Federal Employees (UCFE) program.

ES-202 employment and wage data are available on a monthly, quarterly and annual basis. It represents a full uni-

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verse count of employment, covering nonagricultural industries, along with partial information on agricultural industries and employees in private households. ES-202 wages reported include bonuses, some stock options, retroactive pay, tips, and the cash value of meals, lodging, or other payments in kind.

The analysis on growing and declining industries in this report was done largely at the more detailed three-digit industrial classification to achieve greater descriptive detail. In cases where three-digit industries were similar, the broader 2-digit category was used. Use of the three-digit level may distort growth in cases where reclassifications of employment in industries create the illusion of employment growth or decline. Reclassifications that this report made adjustments for involved the following industries (preceded by the 3-digit SIC code): 451 Air transportation, 421 Trucking, 781 Motion picture production, and 822 Colleges and universities. In the Mohawk Valley, corrections were also made for 833 Job training and related services, 836 Residential care, and 832 Individual and family services.

B. Current Employment Statistics (Establishment Employment Survey)

The Current Employment Statistics (CES) Survey is a monthly survey of business establishments that provides estimates of employment, hours, and earnings data by industry for the nation as a whole, all states, and most major metropolitan areas. The survey is administered by state employment security departments in cooperation with the Bureau of Labor Statistics under a Federal-State cooperative program.

In New York State, a sample of 20,000 employers voluntarily submit monthly employment information. Data from individual firms are grouped by industry and used as a sample for estimating industry-wide statistics, and are benchmarked each year using data from the State UI program. The employment estimates are for jobs in an area, regardless of the place of residence of the workers holding those jobs.

The CES employment count differs from ES-202 employment in two ways. First, the CES survey excludes all persons employed in farming. Second, the CES survey counts some persons who are not covered by unemployment insurance, such as employees of railroads, and employees of churches and other nonprofit organizations. Like the ES-202, CES does not track the unincorporated self-employed, unpaid family workers, or domestic workers in private households.

C. Proprietors

Information on proprietors' income is developed by the U.S. Bureau of Economic Analysis. The BEA tracks the employ-

ment and earnings of sole proprietors and partners (excluding limited partners) earning business income through unincorporated self-employment, whether or not that employment is their primary source of income. Neither the ES-202 nor CES employment series track proprietors. In addition, proprietors' employment and income are not tracked completely by the Bureau of Labor Statistics' unincorporated self-employment series of the household employment survey, which only records information for those whose primary form of employment was self-employment. The BLS considers those who are self-employed and incorporated to be wage and salary employees. The BLS uses an exclusive categorization for individuals while the BEA's proprietors series is not exclusive, that is, someone could be counted as receiving proprietors' income and also be counted among wage and salary workers.

To illustrate the difference in coverage between the proprietors' series and the self-employment series, in 1997, there were 1,482,200 individuals reporting proprietors' income in New York State. The BLS self-employment series reported 483,400 of self-employed, unincorporated individuals in 1997.

III. DEFLATORS

To facilitate the comparison of inflation-adjusted changes in wages and incomes between New York, the nation and the NEON group of comparison states, where possible this report used regional deflators. Following EPI, the CPI-U-X1 was used to deflate national wage and income data. Variations exist across metropolitan areas and states in living costs, particularly in housing costs. In the absence of state-specific price indices, and after consulting with price experts at the BLS, FPI chose to use the regional CPI indices published by BLS. For New York, Massachusetts, New Jersey and Pennsylvania, the Northeast CPI-U was used. For the Midwestern states, the North Central CPI-U was utilized. While a CPI is compiled for the New York-New Jersey metropolitan area, it does not reflect price developments in the upstate New York areas.

Between 1979-89, the increase in the Northeast CPI was 9.3 percent greater than the increase in the North Central CPI. For the 1989-98 period, the Northeast CPI was only about 1.1 percent greater. For both time periods, the North Central CPI was relatively close to the CPI-U-X1 series. For both time periods, the New York-New Jersey CPI increased more than the Northeast CPI. A detailed comparison of these price indices, as well as the GDP personal consumption deflator, is available on request from FPI.

END NOTES

Introduction

- ¹ The five Midwestern states fall within the territory that was the subject of the Northwest Ordinance, passed by the Continental Congress in 1787.

Chapter 1 – Income

- ¹ In the Census Bureau definition of income, the major components are wage and salary earnings, social security and retirement benefits, interest, dividends, rent, and cash public assistance. Capital gains realizations and some non-cash benefits are not counted as income. The Census Bureau definition of income also excludes consideration of taxes paid and tax credits received.
- ² Mishel, Lawrence, Jared Bernstein, and John Schmitt, *The State of Working America, 1998-99*, (Ithaca, N.Y.: ILR Press, an imprint of Cornell University Press, 1999) p.2.
- ³ This section uses data from the CPS provided by the Center on Budget and Policy Priorities. Data is pooled for the three years indicated for each decade to increase the reliability of the findings.
- ⁴ The data used for this analysis significantly understates incomes for the top quintile for two reasons. (See Appendix) Because top quintile incomes are so understated, these results are quite conservative measures of income inequality.
- ⁵ Kathryn Larin and Elizabeth McNichol, "Pulling Apart: A State-by-State Analysis of Income Trends," Center on Budget and Policy Priorities, December, 1997.
- ⁶ The middle class is defined as any household whose total income, adjusted for household size and inflation, was between 100 and 200 percent of the 1996 median income. The lower middle class is defined as those with incomes 80-100 percent of the median; the lower class, incomes below 80 percent of the median; and the upper class, those with incomes above 200 percent of the median. Thomas L. McMahon, Larian Angelo, Timothy A. Ross, and Regina Poreda Ryan, "New York City's Middle Class: The Need for a New Urban Agenda," New York City Council, December 1998.
- ⁷ This discussion relies on the current official measure of poverty. The Census Bureau, as a first step toward updating the official measure of poverty, recently published a report on how certain alternative poverty measures would change the poverty estimate, relative to the current measure. The alternative measures they consider were recommended by a panel of the National Academy of Sciences, and were designed to take into account factors such as geographic differences in the cost of living, changing consumption patterns and variations in medical costs across populations. See U.S. Census Bureau, "Experimental Poverty Measures, 1990 to 1997," June 1999 and also Citro, Constance F. and Robert T. Michael (eds.), *Measuring Poverty: A New Approach*, Washington, DC: National Academy Press, 1995.
- ⁸ See FPI, "Working but Poor in New York: Improving the Economic Situation of a Hard-Working but Ignored Population," March 1999.
- ⁹ Data on the working poor are based on analysis of the CPS data by the Center on Budget and Policy Priorities. See the Center's report, "The Poverty Despite Work Handbook," April 1997. The Center also provided updated, unpublished data.

- ¹⁰ See John Mollenkopf, "Changing Patterns of Inequality in New York City," forthcoming.
- ¹¹ Mishel, Bernstein and Schmitt, *The State of Working America 1998-99*, pp. 255-259.
- ¹² *Ibid.*, p. 257.
- ¹³ *Ibid.*, p. 268.
- ¹⁴ Internal Revenue Service, Statistics of Income.
- ¹⁵ For a discussion of the distributional impacts of other tax cuts enacted since 1994, see Institute on Taxation and Economic Policy, "Personal Income Tax Changes in New York State: Enacted 1995 Cuts and Proposed 2003 Cuts," February 1999.

Chapter 2 – Wages

- ¹ Data on New York City wages come from the analysis of CPS data by Heather Boushey. Data have been pooled over two sets of years to improve statistical reliability (1988/89, 1997/98). (See Appendix)
- ² Data on the percent of poverty wage earners in New York State come from the analysis of CPS data by EPI.
- ³ Data on poverty wage earning status of working family heads in New York State come from the analysis of CPS data by the Center on Budget and Policy Priorities. These data were pooled over three years for greater statistical accuracy. Data refer to working heads of families of four individuals.
- ⁴ David Brauer, Beethika Khan, and Elizabeth Miranda, "Earnings Inequality: New York-New Jersey Region," Federal Reserve Bank of New York, *Current Issues in Economics and Finance*, July 1998.
- ⁵ Mishel, Bernstein and Schmitt, *The State of Working America, 1998-99*, p. 211.
- ⁶ Computer Associates International, Inc., Proxy Statement, July 12, 1999, p.19.
- ⁷ Heather Boushey, "Forecasting the Effects of Pay Equity for New York State and New York City," draft mss. July 1999.
- ⁸ Mishel, Bernstein and Schmitt, *The State of Working America, 1998-99*, pp. 134-135.
- ⁹ Data on racial-ethnic status, and racial-ethnic/education status come from the analysis of CPS data by Heather Boushey. Data have been pooled over two sets of years to improve statistical reliability (88/89, 97/98). See the Appendix for details on this data source.
- ¹⁰ Data on minimum wage and other wage earners in New York State are from the analysis of CPS data by EPI.
- ¹¹ Mishel, Bernstein and Schmitt, *The State of Working America, 1998-99*, pp. 183-187.

Chapter 3 – Jobs

- ¹ Of those re-employed full-time and reporting earnings, 24.5 percent reported earnings more than 20 percent less than their earnings on the job they were displaced from. The data are from the displaced workers supplement to the Feb. 1996 CPS. (See Appendix)
- ² According to one study of military downsizing on Long Island, even though nearly 20,000 Long Island jobs were lost in aircraft manufacture and the instruments and related products industries from 1989 to 1994, there was virtually no information regarding the fate of displaced defense workers. The report noted that the scanty evidence

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- then available suggested “that defense workers laid off in the region are finding it extremely difficult to replace their defense jobs with comparable employment in terms of skills or pay offered.” Michael Oden, Elizabeth J. Mueller and Judy Goldberg, “Life After Defense: Conversion and Economic Adjustment on Long Island,” Working Paper No. 82, Rutgers University, Center for Urban Policy Research, 1994. Since then, there has been evidence, although only anecdotal, that some start-up technology-related companies on Long Island have been able to draw upon the pool of skilled dislocated workers.
- ³ This and the following two paragraphs are based on data assembled by Walter Stafford, Wagner School of Public Service, New York University.
 - ⁴ Walter Stafford, unpublished mss., Roundtable of Institutions of People of Color, 1999.
 - ⁵ These employment concentrations, or location quotients, were calculated as the share of a given industry’s employment of all New York employment divided by the share of the same industry’s national employment of all United States employment.
 - ⁶ This average does not include securities and is for 1997. The comparison to the performance of the counterpart U.S. industries could not be done for 1998 since the data were not yet available.
 - ⁷ The categories of contingent work arrangements are: Temporary Help Agency, On Call, Independent Contractor — both wage and salary and self-employed — and Contract Company.
 - ⁸ These data are pooled from the 1995 and 1997 Contingent and Alternative Employment Arrangement Supplement to the CPS, analyzed by the EPI. (See Appendix)
 - ⁹ The data on proprietors are from the BEA, and differ from the self-employed series used by the BLS. (See Appendix)
 - ¹⁰ State of New York, Office of the State Comptroller, “An Update on the Evaluation of Welfare Reform in New York State,” June 1999, p.1. This figure includes both single adults and people in families.
 - ¹¹ Arloc Sherman, Cheryl Amey, Barbara Duffield, Nancy Ebb and Deborah Weinstein, “Welfare to What: Early Findings on Family Hardship and Well-Being,” Washington, DC: Children’s Defense Fund and National Coalition for the Homeless, November 1998.
 - ¹² Pamela Loprest, “Families Who Left Welfare: Who Are They and How Are They Doing?” Urban Institute Discussion Paper, August 1999, Chart 1 and p.14.
 - ¹³ New York State Department of Social Services.
 - ¹⁴ Estimate made by New York City’s Community Food Resource Center.
 - ¹⁵ In January of 1999 a Federal judge ruled that New York City’s application procedures had improperly denied people prompt access to food stamps and health coverage. *New York Times*, “Welfare Policies Altering Face of Lines at Charities Offering Food,” Feb. 26, 1999.
 - ¹⁶ NYC Coalition Against Hunger, “Full Coffers, Empty Plates,” June 1999.
 - ¹⁷ These practices are currently the subject of a federal investigation into whether local governments are improperly preventing the poor from getting access to Medicaid coverage in a timely manner. *New York Times*, “Inquiry Starts into Decline in the Rolls for Medicaid,” June 8, 1999.
 - ¹⁸ Office of the State Deputy Comptroller for New York City (OSDC), “Review of the Four-year Financial Plan for the City of New York, Fiscal Years 2000 Through 2002,” July 1999, p.36.

Chapter 4 – Slow and Uneven Growth

- ¹ Richard Deitz and Mike De Mott, “Is Upstate New York Showing Signs

- of a Turnaround?,” Federal Reserve Bank of New York, *Current Issues in Economics and Finance*, May 1996.
- ² A similar result can be seen in the earnings data, which includes proprietors’ income as well as wages and salaries. From 1992-97, the securities industry accounted for 54.7 percent of the growth in real earnings in New York State. The earnings data are from the BEA. See also, Jason Bram and James Orr, “Can New York City Bank on Wall Street?” Federal Reserve Bank of New York *Current Issues in Economics and Finance*, July 1999.
 - ³ For an estimate of Wall Street’s total impact on jobs and output in NYC between 1995 and 1997, see: OSDC, “New York City’s Economic and Fiscal Dependence on Wall Street,” Report 5-99, August 13, 1998, pp. 14-15. This analysis did not quantify the impact of capital gains realizations or the “wealth effect,” the effect on consumption spending of the unrealized appreciation in the value of financial assets, which is widely considered by economists to have been considerable in recent years.
 - ⁴ See Office of the State Deputy Comptroller for the City of New York, “New York City’s Economic and Fiscal Dependence on Wall Street.”

Chapter 5 – Regional Disparities

- ¹ New York City’s northern suburbs of Putnam, Rockland, and Westchester counties are generally included in the Hudson Valley region, as is the practice of the State Labor Department. Where upstate and downstate areas are contrasted, the northern suburbs are separated out and included in the downstate total.

Chapter 6 – A Strategic New Direction for New York State

- ¹ In an extensive survey of workplace attitudes, two labor experts found that, given a choice, workers want “more say in the workplace decisions that affect their lives, more employee involvement at their firms, more legal protection at the workplace, and more union representation.” Richard B. Freeman and Joel Rogers, *What Workers Want* (Ithaca: Cornell University Press, 1999), p. 154.
- ² This constant dollar calculation for the minimum wage uses the CPI-U and is measured to February of 1968.
- ³ *Economic Report of the President*, 1999, p. 112.
- ⁴ David Card and Alan B. Krueger, *Myth and Measurement: The New Economics of the Minimum Wage* (Princeton: Princeton University Press, 1995).
- ⁵ Resolution No. 1866, introduced by Senate Majority Leader Joseph L. Bruno, adopted by the State Senate on June 10, 1999, and Resolution No. 1205, introduced by Speaker of the Assembly Sheldon Silver, adopted by the State Assembly on June 14, 1999.
- ⁶ Jay Mathews, *Class Struggle: What’s Wrong (and Right) with America’s Best Public High Schools* (New York: Times Books, 1998).
- ⁷ The University of the State of New York/The State Education Department, *New York: The State of Learning* (Albany, 1999).
- ⁸ Ibid.
- ⁹ H. Carl McCall, “Higher Education as an Investment: the 1997-98 Executive Budget Cuts in Context,” 1997, p. 9.
- ¹⁰ Jocelyn Guyer and Cindy Mann, *A New Opportunity to Provide Health Care Coverage for New York’s Low-Income Families*, Commonwealth Fund, July 1999.