

Briefing on Mayor deBlasio's Preliminary FY 2015 NYC Budget: Initial Progressive Steps, More to Come

James Parrott, Deputy Director and Chief Economist
Fiscal Policy Institute
parrott@fiscalpolicy.org



A Fiscal Policy Institute Presentation
www.fiscalpolicy.org

March 2014

Overview

1. NYC job growth better than the U.S., but most new jobs are low-wage, underemployment remains high, and considerable hardships persist.
2. In his first Preliminary budget, Mayor deBlasio signals his intent to use the budget to begin to advance a progressive agenda. Some initial steps taken; further steps are needed.
3. Reasonable tax revenue growth for this year and projected, but also considerable pent-up budget needs.
4. Former Mayor Bloomberg left office leaving every single municipal labor contract unsettled, with about a third of the workforce left out of the last pattern settlement dating to 2008 and 2009.
5. State budget choices have meant a continuation of austerity, with pressures squeezing NYC. Mayor deBlasio needs Albany approval for dedicated funding for UPK and after-school expansion.
6. The City budget is an important tool in addressing low wages, poverty and income inequality.

NYC's recovery stronger than in most of the U.S., but most new jobs are low-wage and underemployment remains high.

- The national recession officially ended more than four-and-a-half years ago in June 2009. The weak job market has limited consumer spending, and declines in state and local government spending have contributed to historically weak GDP growth.
- National economic growth is starting to improve and unemployment has been coming down, although record numbers of workers are still enduring long-term unemployment.
- NYC has gained an annual average of 84,000 jobs over the past four years, but most of the job growth has come in sectors with below-average wages.
- Poverty has risen and inflation-adjusted median wages and family incomes are well below pre-recession levels. However, our economic challenges are broader than just overcoming the Great Recession.
- Income polarization is inhibiting growth and factors associated with it are limiting opportunities for many to remain in, or move into, the middle class.

Mayor deBlasio's first budget—some progressive steps but a long way to go.

- Spending was added to the budget for his major initiative on universal UPK and expansion of after-school programs, along with a dedicated high-end personal income tax to raise \$530 million to pay for it.
- No “budget dance” with the Council this year for the first time in at least 15 years. Funding restored for Council priorities in human services, libraries and fire houses, although most of this done in Mayor Bloomberg’s last budget.
- The NYC Housing Authority, which has a huge maintenance backlog and has lost 20% of its workforce over the past decade, was relieved of a \$52.5 million bill for police protection for the remainder of FY 2014.
- \$26.4 million in funding was added for Homeless Services this year to cope with greater need and to restore funding for subsidized employment.
- Funding restored in other areas such as for Runaway and Homeless Youth and for community-based mental health providers.

Tax revenues and reserves

- Local taxes (\$49B) and fees (\$5B) together fund 73% of expenditures (\$74B) in the FY 2015 NYC budget—federal grants are 9% and state funds 16%.
- Because of continuing local economic growth and a diverse tax structure, OMB’s forecast for current year tax collections increased \$890 million.
- The City reported in January that real estate values and assessments grew significantly, leading to much higher FY 15-18 estimates of property taxes.
- \$1 billion placed in a reserve this year to fund retiree health benefits. This is a significant long-term liability, but could be used in the current budget to free up funds for other uses.
- The \$300 million General Reserve was doubled over the next four years, and there are other excess reserves in the proposed financial plan.
- IBO and City Comptroller project even higher tax collections. IBO expects \$300M more in FY14 and \$1.1B more in FY15, the City Comptroller estimates \$140M more this year and \$700M more in FY15, and the State Comptroller projects \$300M more this year and \$375M more in FY15.

Governor Cuomo proposes to continue state budget austerity in order to keep cutting taxes; negative effects in NYC.

- Governor proposes to limit state spending growth to less than 2% a year.
- Taxes cut by over \$2 billion in 2011, tax rebate checks approved last year, and now a proposed multi-year \$2.5 billion package of ill-advised tax cuts.
- State not honoring 2007 commitment to remedy under-funding of NYC schools; the state NYC education aid shortfall is \$2.7 billion a year.
- The Governor is resisting the Mayor's proposed dedicated income tax for UPK/afterschool, and has proposed a much smaller amount for UPK.
- However, state has long ignored a commitment to fund UPK and the Governor's austerity budget has billions in unspecified spending cuts in coming years, suggesting that the state may again fall short on UPK.
- No social services COLA for 6th year in a row; inflation over that time 12-13%.

*For more on the Governor's budget proposal, see FPI's state budget briefing, **New York State Economic and Fiscal Outlook 2014-2015**, February 2014.*

New York City needs State approval in many important areas

- New York City is a creature of the State. The City can change the property tax rate, but the property tax system is otherwise set by State law, as are all other City taxes.
- The City needs State authorization to enact the Mayor's proposed personal income tax increase to pay for UPK/afterschool.
- The Governor has also proposed to extend various NYC business tax breaks although the Mayor said during his campaign that he would re-visit those. These tax breaks currently cost the City about \$100 million annually, but the cost of the ICAP program could surpass that amount in a few years.
- The City does not have the authority on its own to set its own minimum wage; legislation has been introduced to allow cities and counties to do that.
- Worth noting: NYC's GDP (total size of its economy) is greater than that of 45 states, and exceeds that of the rest of NYS. NYC's budget is the fourth largest government budget in the U.S.

Municipal labor contracts, a challenge but not a crisis.

- The City has about 150 collective bargaining agreements covering 300,000 municipal employees. For several decades, pattern bargaining has been followed, under which the wage increases agreed to in the first major contract generally apply to other unions. The City bargains in rounds that usually involve 2- or 3-year contract periods.
- The previous round for 2-year contracts with two 4% wage increases, mostly covering 2008 and 2009, was halted mid-round before settlements reached with the Teachers and Nurses (at HHC facilities). Arbitrations involving those unions are close to wrapping up. In the case of the Teachers, it is a non-binding Fact Finding, and for the Nurses, the arbitrators' decision is binding. Since no settlements have been reached in the next (current) round, all unions are working under contracts that have been expired for two years or longer.
- Former Mayor Bloomberg had sought a 3-year wage freeze followed by two annual 1.25% raises, and had set aside \$265M in a "labor reserve" for FY 2014. The IBO reports it would cost:
 - \$3.3B in FY14 to give the Teachers and the Principals the last pattern round of two 4% raises;
 - \$7.1B in FY14 to settle the last round, plus give 4 annual 2% raises across the board;
 - About \$2.8B in each subsequent year if the four 2% increases are added to base pay.
- Multiplicity of factors in play: retroactive increases, possible health insurance savings, deferrals, bonuses, gain-sharing.

Other NYC budget challenges

- **State budget austerity:** the Governor's proposed budget calls for continued austerity, with real spending cuts projected over 4 years in most areas, partly to pay for large, multi-year tax cuts (ill-conceived and poorly targeted).
- **Federal budget uncertainty:** the sequester reduced federal funding in several areas, there isn't enough funding for Sandy recovery and resiliency, and the City projects flat federal funding (before inflation) after this year when Sandy aid ends.
- **Health and Hospitals Corporation:** HHC ended FY 2013 with a cash surplus because it postponed debt service and malpractice payments to the City. It is expecting \$800M in prior-year supplemental Medicaid payments as part of the recently-approved Medicaid waiver, and add'l \$300M in 2015.
- **Affordable housing:** Given the steep decline in affordable housing over the past decade the Mayor faces big challenges: NYCHA's maintenance backlog, combatting homelessness, investing in affordable housing development, NYCHA infill development, re-working tax exemptions, zoning, RGB.

[other budget challenges addressed in subsequent pages]

Progressive NYC budget agenda

- **UPK/afterschool tax programs and dedicated funding**
- **Low-wage service contract workforce**
- **Tax equity**
- **Anti-poverty agenda**
- **Reassess business tax breaks and develop a unified development budget**

Mayor deBlasio's proposed UPK tax: modest and equitable

- Proposal to raise the top NYC personal income tax rate by 0.534% for households earning more than \$500,000 per year. New 4.41% top rate lower than 4.46% in mid-1990s and 4.45% 2003-06.
- Over 95% would be paid by 22,700 millionaires.
- Federal deductibility of local income tax would lessen the impact.
- Overall, local personal income, residential property and sales taxes are regressive. The top 1% would still pay a smaller share of local taxes than their share of total NYC income.
- NYC's share of millionaires is rising—from 2000 to 2010, the number of millionaires in NYC rose nearly twice as fast as for the nation overall. Thus, NYC's share of U.S. millionaires rose from 5.8% to 6.5%

Low-wage service contract workforce

- The City contracts out over \$11 billion in services in the operating budget. This spending affects 200,000 to 250,000 workers at non-profits and in the private, for-profit sector.
- Many of these workers, including those at social service providers, child care centers, temp agencies, security guard firms, and school bus companies earn relatively low wages, many below \$30,000 a year.
- City contract practices have done little to improve the pay or quality of these jobs, and in some cases, City actions have made things worse.
- For non-profits where it's largely City funded, low-wage social service workers need far more than just the City's paltry "living wage." City should be setting an example with best practices to raise low wages through career training and ladders.
- The City should also maximize opportunities to cover service contract workers using prevailing wage, and to use "best value" procurement.

Tax equity

- Over the past 10 years, tax changes have helped manage through 2 recessions, but sales and property tax increases have made the tax structure more regressive. Given the city's income polarization, progressive tax reform can both stimulate economic growth and buttress resources needed to ameliorate recession-related hardships.
- Because it hasn't adjusted its rate structure for inflation, NYC requires tens of thousands of low-income residents who have no state or federal income tax liability to pay a NYC income tax. The City should increase low-income tax credits like the EITC to provide tax relief to over a hundred thousand low income households.
- There are many property tax inequities that result from provisions of the 1981 state law establishing NYC's current property tax system, including assessment caps, the treatment of coops and condos as rental buildings, and the "class share system." The coop/condo tax abatement has widened disparities.
- Effective tax rates vary widely across the city with some of the lowest in high-income neighborhoods in Manhattan and Brooklyn. A class-action lawsuit against the City was filed last month claiming that black and Hispanic renters bear the burden of higher real-estate taxes.

Combat poverty to improve opportunities and to reduce the city's pronounced income polarization

- The War on Poverty has shown that government policies can make a difference in reducing poverty.
- Raising wage standards, such as through the City's contracting budget, is essential.
- In many respects, the city is not using the budget to either respond to the hardships associated with lingering recession effects, or to seriously address longer-term issues, such as the lack of work experience or the need for better work supports.
- City legislation enacted last December requires the mayor to annually report on the demographics and geography of poverty in NYC, using the more meaningful CEO poverty measure, and to assess the effectiveness of anti-poverty policies.

Reassess business tax breaks and develop a unified development budget

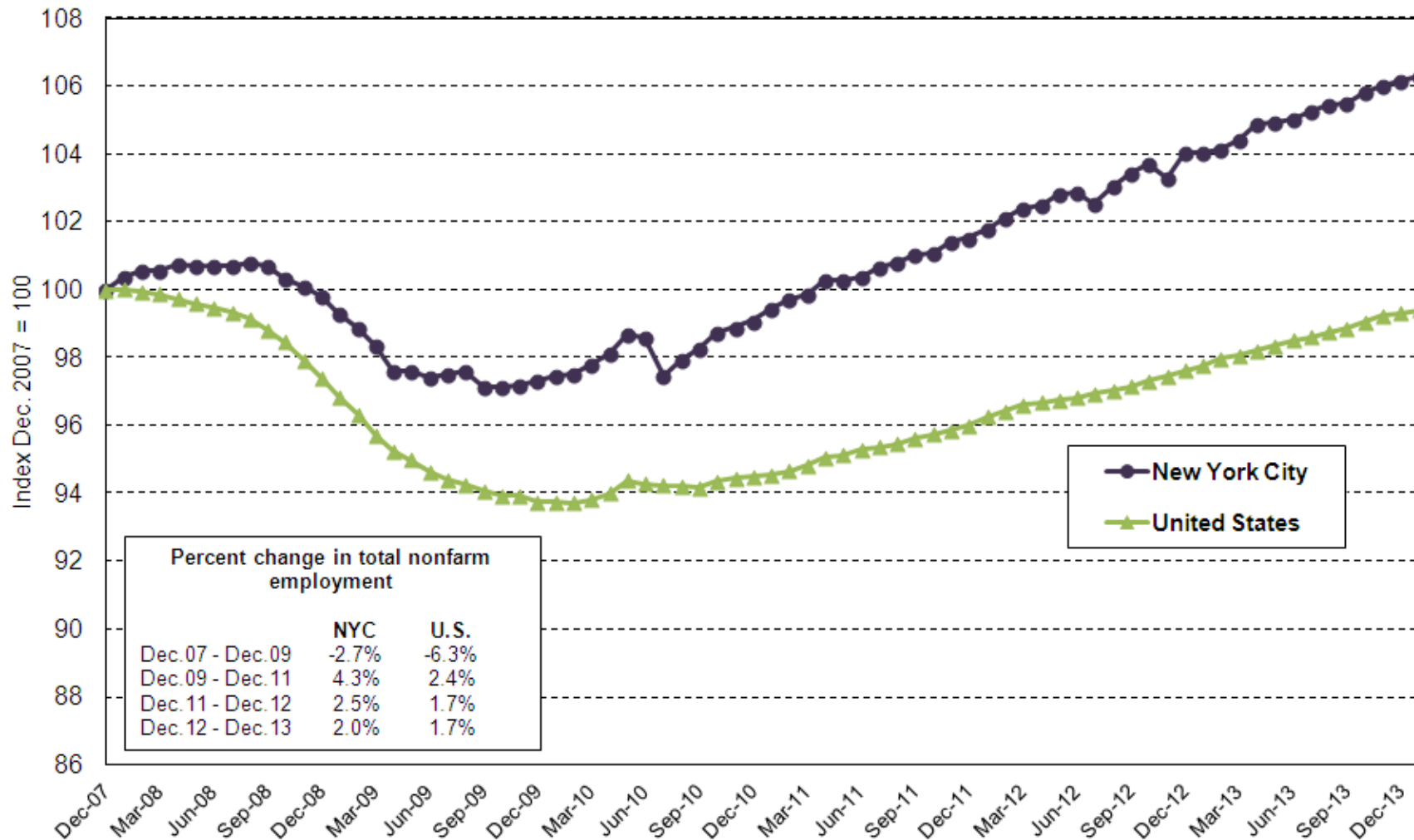
- Adding together discretionary and as-of-right tax business tax breaks and tax code provisions intended to boost local economic development, NYC **business tax expenditures** have tripled since 2001 to about \$3 billion.
- Each provision should be **assessed for its value** in furthering economic development. This has rarely been done. An exception was a 2007 evaluation by EDC staff of the ICIP property tax program (now called ICAP).
- The City should develop a **Unified Development Budget** (UDB) that combines in one place various City operating and capital expenditures affecting economic and workforce development, the \$800 million budget of the City's off-budget Economic Development Corporation, as well as all the business tax breaks discussed above.
- The UDB would inventory all current budget and tax expenditures, as well as the budget value of providing low-cost financing and below-market land sales, and be an important tool to **better prioritize economic and workforce development efforts and investments.**

NYC economic context and income inequality

Significant economic hardships persist in NYC despite over 4 years of “recovery”.

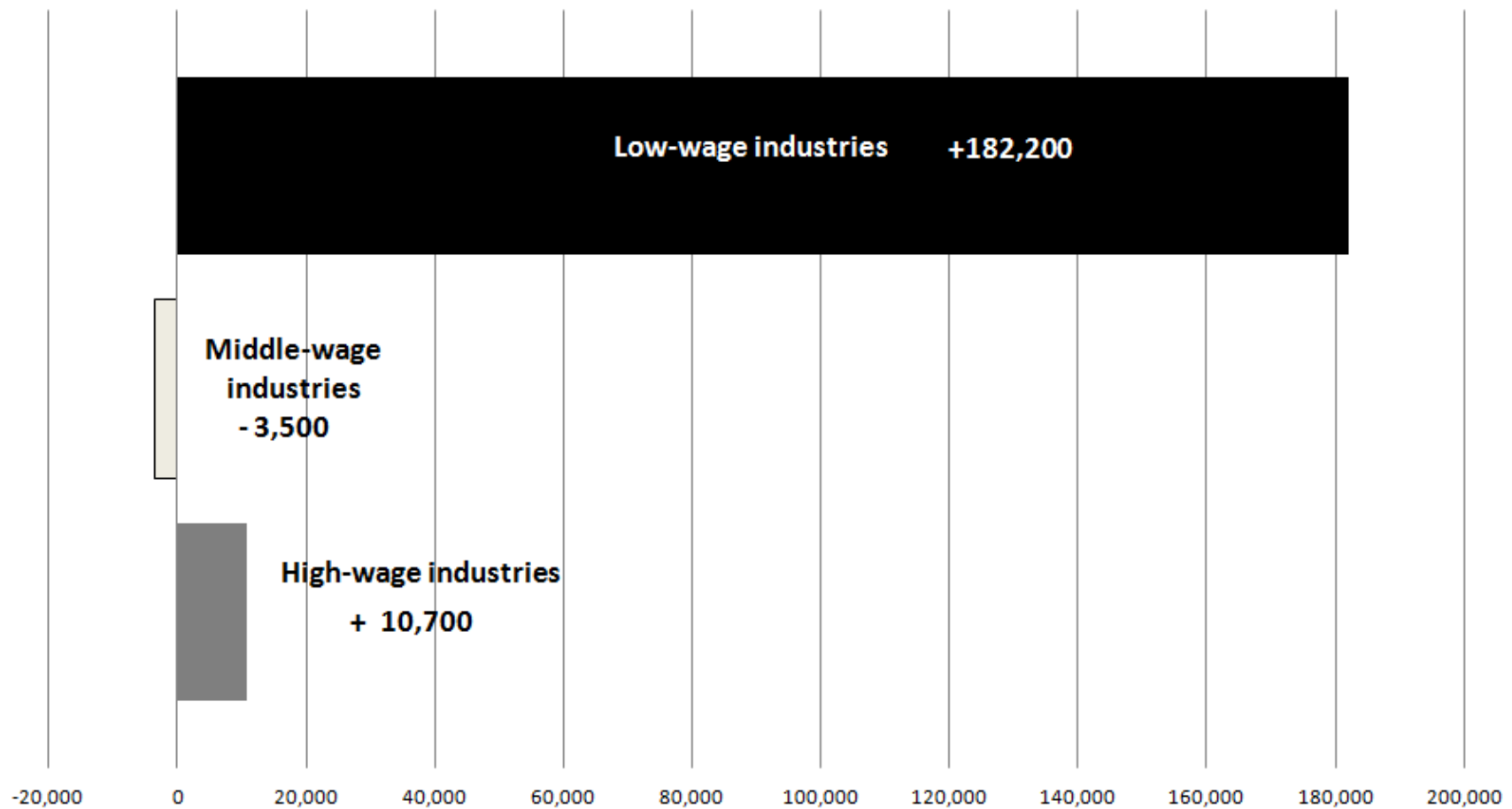
- The recession pushed an additional 243,000 New Yorkers into poverty, 2008-2012, as the city’s poverty rate rose from 18.2 % to 21.2 % in 2012.
 - Poverty among children rose by 5 percentage points to 31.4% in 2012.
 - Poverty among people of color was 25.3% in 2012, twice the poverty rate for non-Hispanic whites.
 - The number of working poor increased by 16% from 2008-2012.
- The number of NYC residents qualifying for food stamps has increased by 734,000 (66 %) since the recession began.
- The sharp drop in employer health insurance since the recession began has helped to push up the number of city residents enrolled in Medicaid by 20%. Nearly 39% of city residents (3.25 million) now rely on Medicaid.
- Homelessness now affects 60,000 NYC residents, including 22,000 children each night, with over 53,000 men, women and children staying in shelters.
- 260,000 NYC residents are long-term unemployed or so discouraged they have dropped out of the labor force. Half of the unemployed are long-term.

NYC's job growth in the recovery has been substantial and has out-paced the U.S., which is still not back to its pre-recession level.



Source: FPI analysis of Bureau of Labor Statistics and NYS Dept. of Labor employment data; FPI seasonal adjustment of NYC and BOS employment data.

Net job gains in New York City from the pre-recession peak (Aug. 2008) to Dec. 2013 have been concentrated in low-wage industries

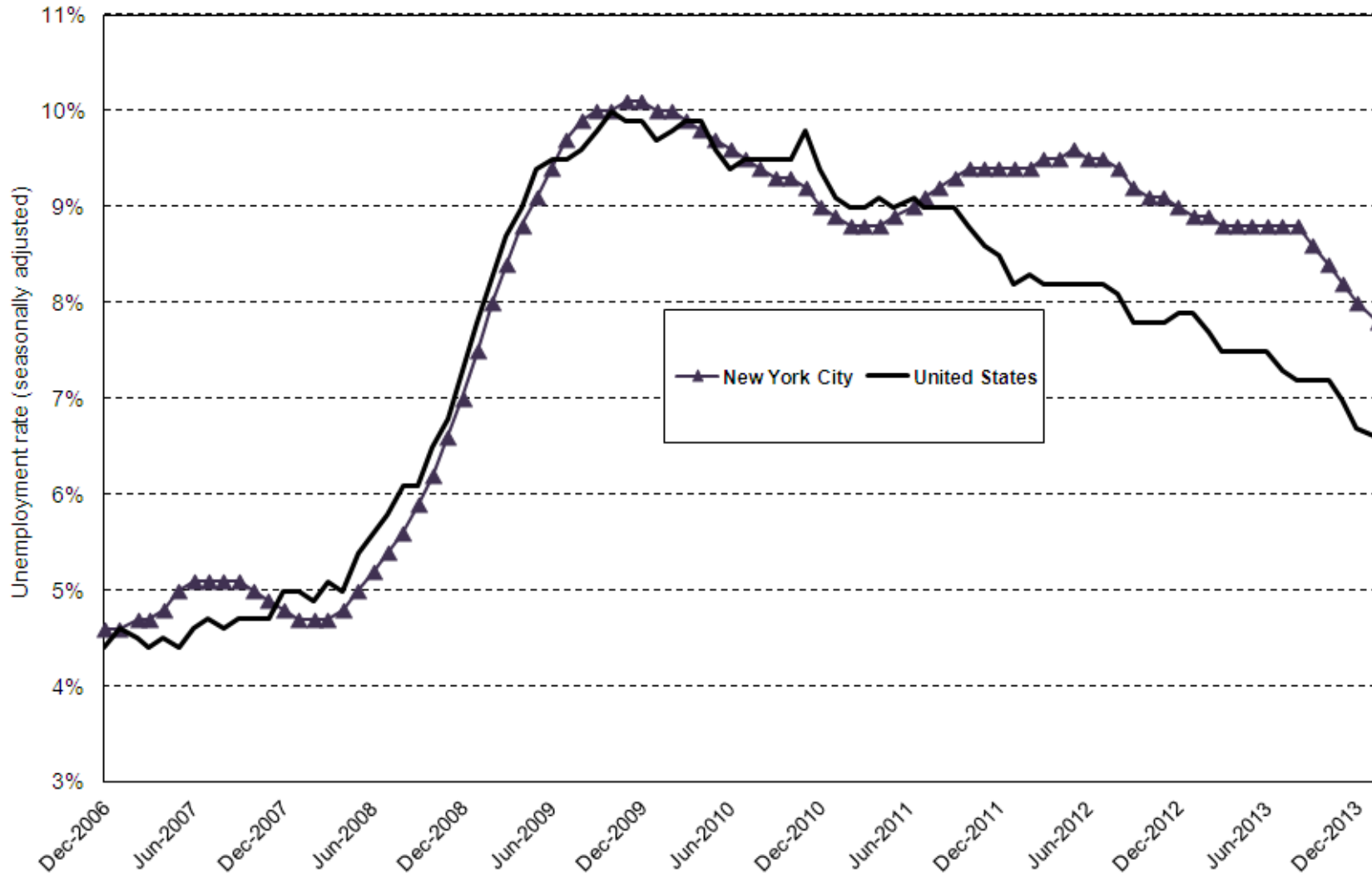


Employment changes, Aug. 2008 to December 2013, seasonally adjusted

Note: Low wage industries are those whose annual average wage is below \$45,000. Middle wage industries have annual average wages of \$45,000-\$75,000. High wage industries are those whose annual average wage is above \$75,000.

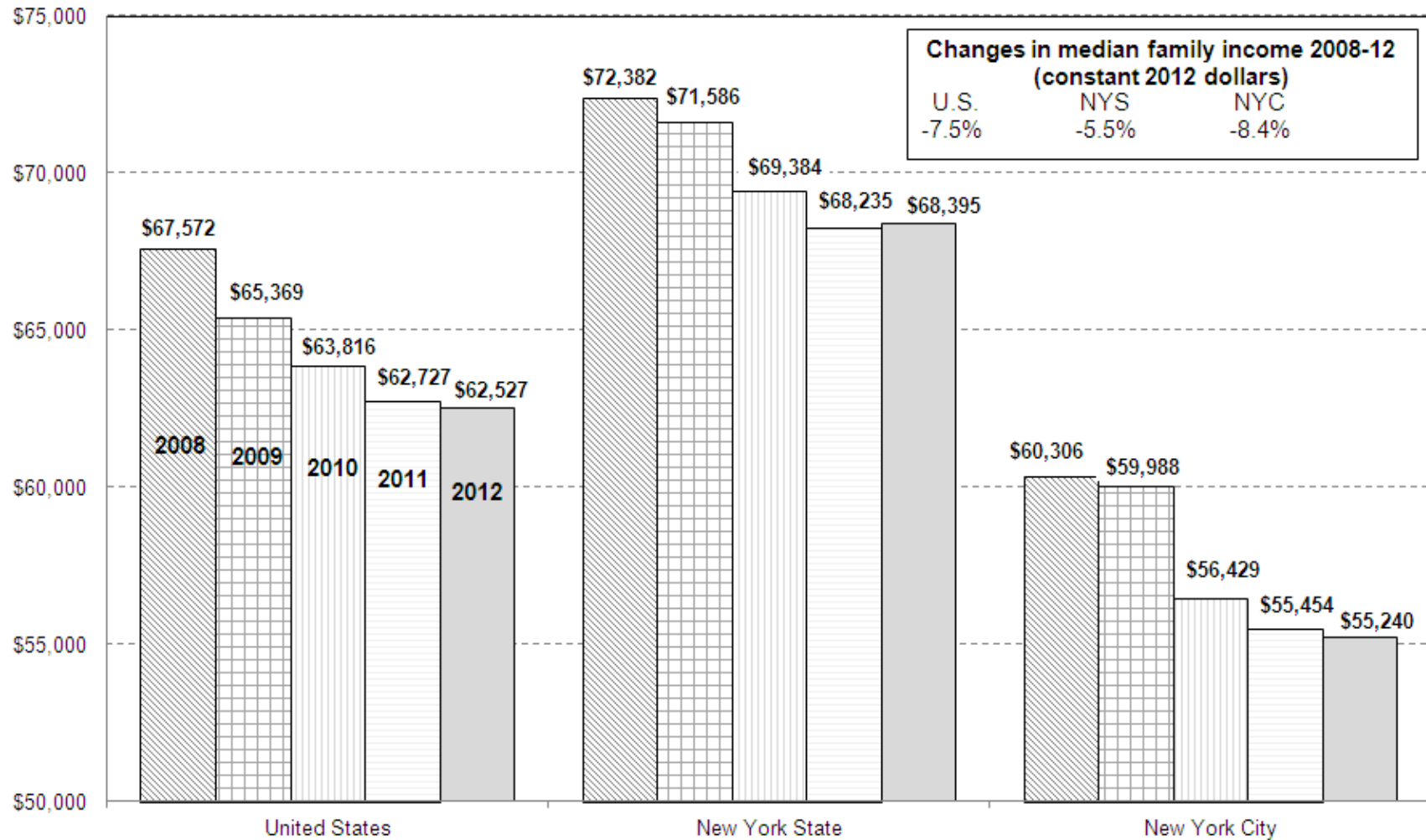
Source: FPI's seasonal adjustment of CES employment data, 2013 benchmarked, and QCEW 2012 annual average wage data from NYS DOL.

Unemployment fell in NYC in the latter part of 2013, but at 7.8% it is much higher than the high-4% range that prevailed before the recession.



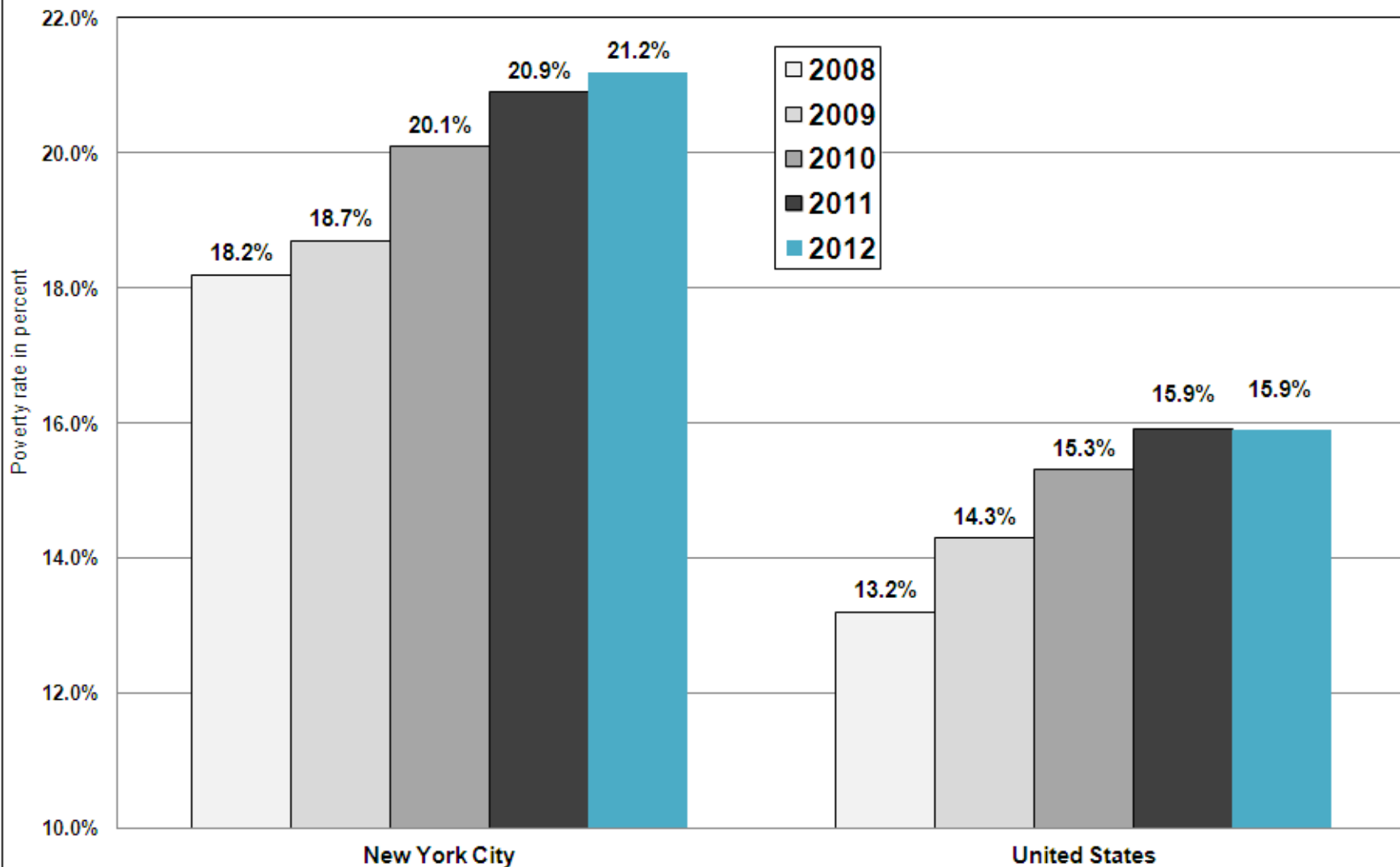
Source: Bureau of Labor Statistics and New York State Department of Labor.

Inflation-adjusted median family income has fallen sharply nationally and in New York State and City since the 2008-09 Great Recession.



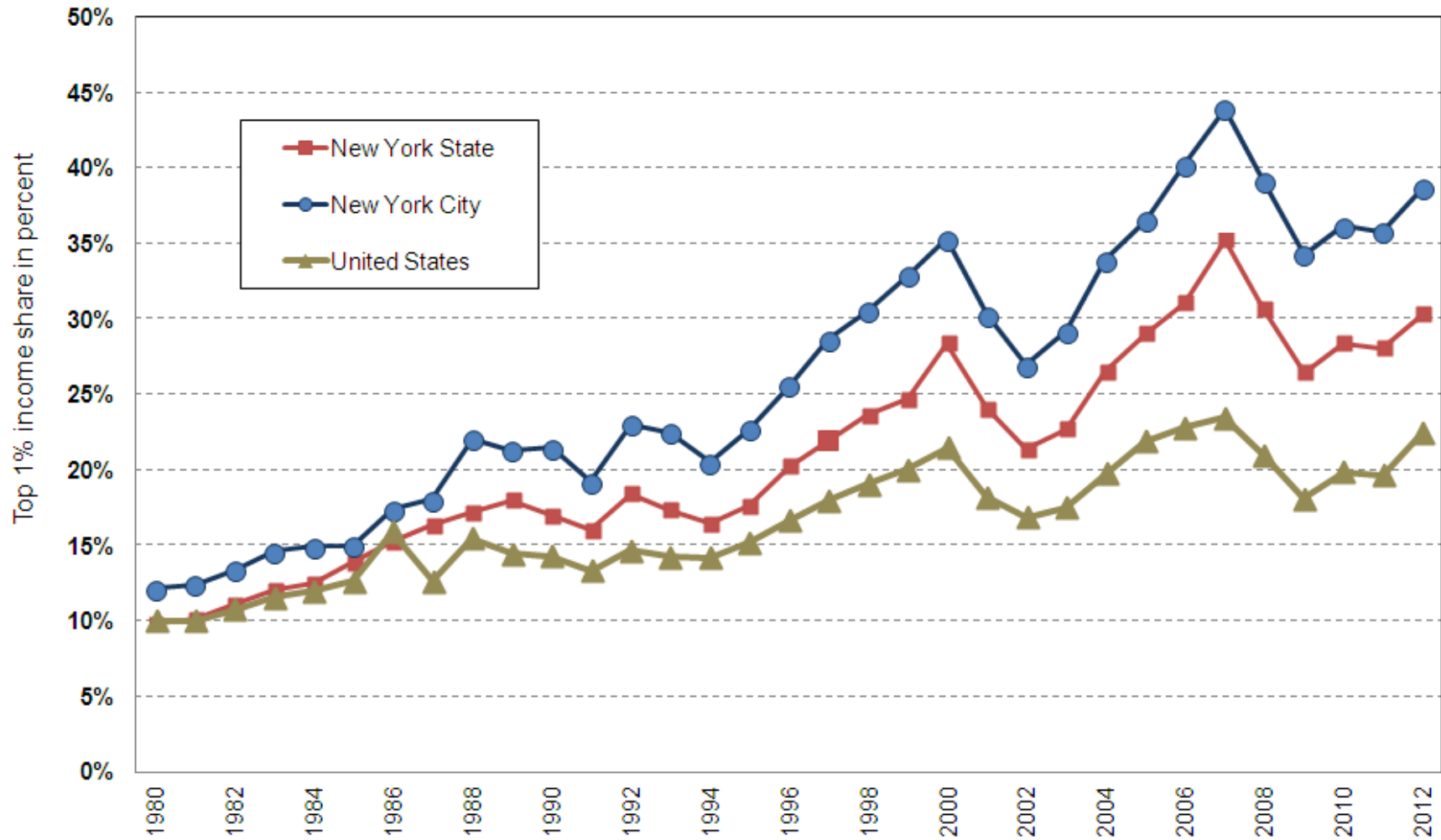
Source: FPI analysis of the American Community Survey (ACS) data for 2008-2012 1-year estimates.

Poverty has risen sharply in NYC and the U.S. since the onset of the recession.



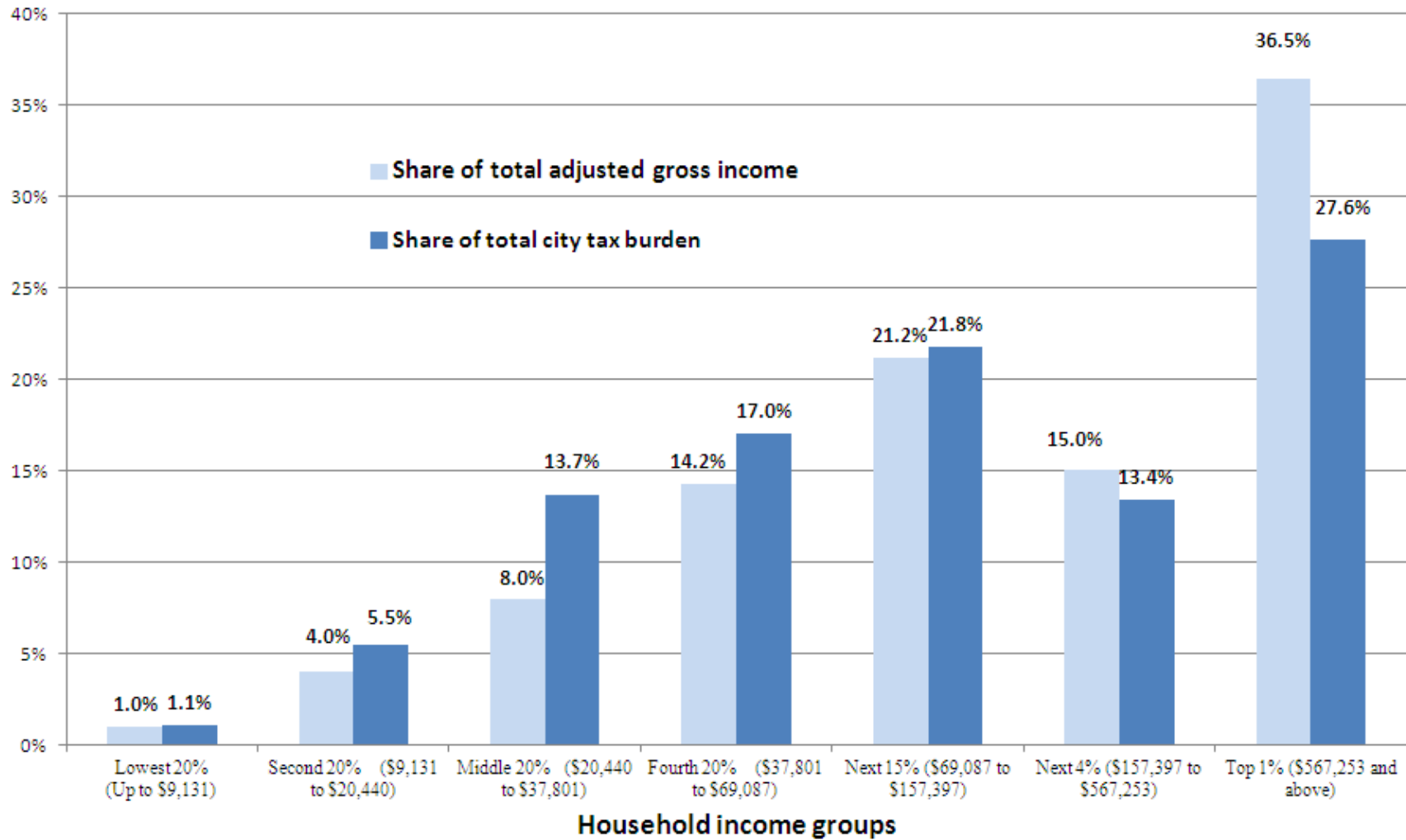
Source: FPI's analysis of the American Community Survey (ACS) 1-year estimates data 2008-2011

The income share of the top 1% in the U.S. and New York rose sharply in 2012; in NYC, the top 1% has 39% of all income, three times its 1980 share.



Source: Piketty and Saez's top 1% income share for the US and FPI analysis of NYS Department of Tax and Finance and Division of the Budget data for NYS and NYC top 1% income share, 2011-2012 projected.

The City's income tax is mildly progressive, yet because property and sales taxes are regressive, the top 1% pay a smaller share of NYC income, sales and property taxes than their share of all income, 2010

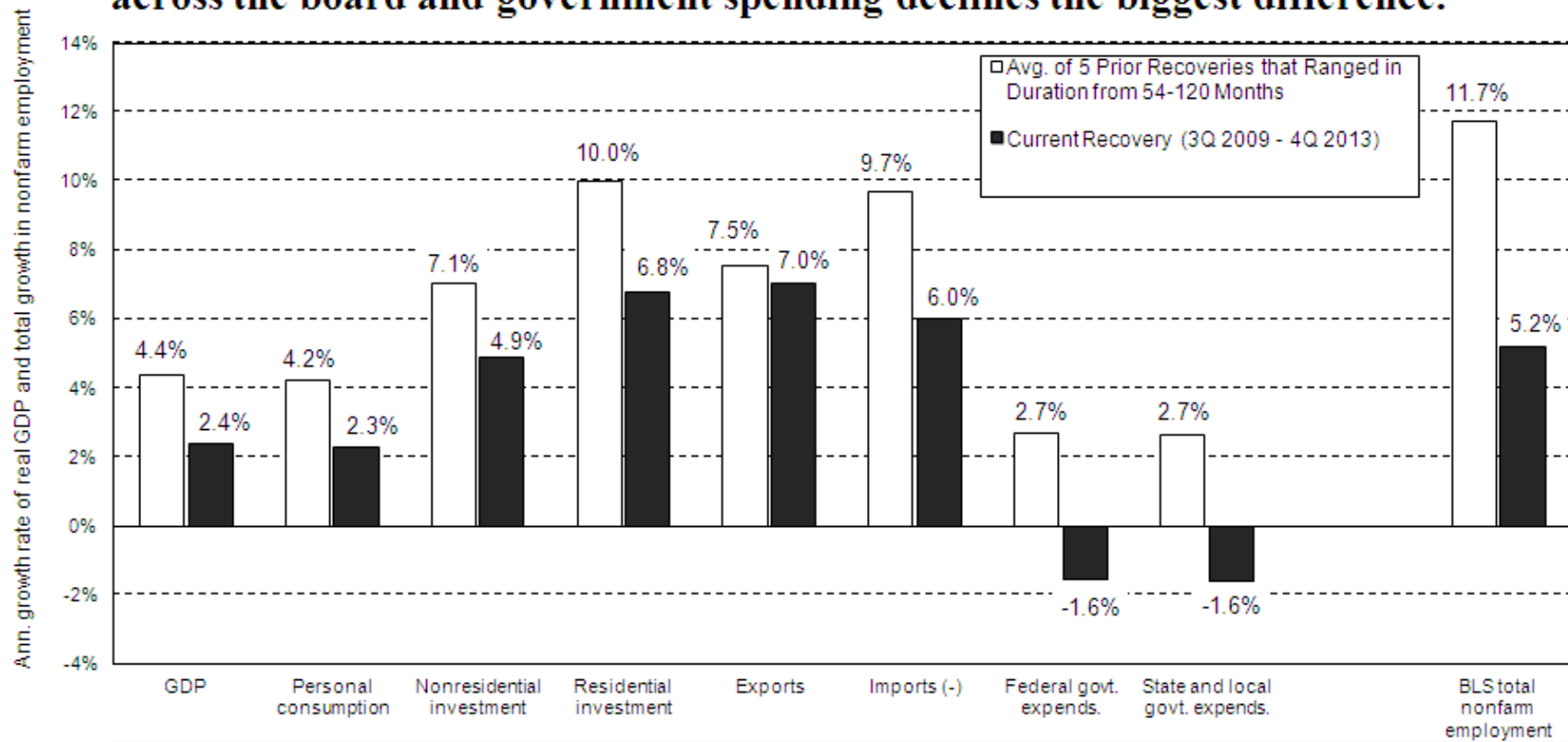


Summary thoughts on NYC's budget challenges

- The state and federal budgets are stuck in austerity mode, making the City's job harder.
- The economy is expected to grow slightly faster than over the past three years, and local tax revenues will increase about 5 percent a year.
- The preliminary FY 2015 budget represents a progressive change in direction in several respects.
- However, it is unprecedented for all City labor contracts to have expired, and for a large share of the workforce to have gone five years without a wage increase.
- The City budget can be an important tool in raising low wages, reducing poverty and addressing income inequality.

Appendix

National economic growth during the first 4-and-a-half years of the current recovery is much slower than the pace of previous recoveries, with weakness across the board and government spending declines the biggest difference.



Average share of selected GDP components in current recovery (2Q 2009 through 4Q 2013):

GDP	Personal consumption	Nonresidential investment	Residential investment*	Exports	Imports(-)	Federal gov. expend.	State & local gov. expend.
100.0%	68.1%	12.0%	2.8%	12.4%	-15.2%	8.1%	11.7%

Note: * The private residential investment share of GDP in the current recovery is unusually small because of the depressed condition of the housing market. In the early 2000s recovery, the residential investment share of GDP was 5.4 percent.
 Source: BEA NIPA table 1.5.1 and 1.5.6 for GDP components and BLS CES employment data for total nonfarm employment level.

New York City OMB's forecast for 2013-2018 calls for slower growth in New York City than in the U.S.

	Calendar years, annual percent changes										
	2010 actual	2011 actual	2012 actual	Forecast						2009-2013 cumulative	2013-2018 cumulative
				2013	2014	2015	2016	2017	2018		
United States											
Real Gross Domestic Product	2.4	1.8	2.2	1.9	2.5	3.1	3.3	3.2	3.0	8.6	16.0
Personal income	3.8	5.1	3.7	2.8	4.7	4.8	5.2	5.5	5.2	16.3	28.1
Total wages	2.9	2.8	1.9	1.4	2.7	3.2	3.2	3.2	3.4	9.3	16.7
Non-agricultural employment	-0.7	1.2	1.7	1.7	1.4	1.8	1.9	1.7	1.3	3.9	8.4
New York City											
Real Gross City Product	6.4	-0.4	-0.9	1.1	1.2	2.0	2.8	2.5	3.3	6.2	12.4
Personal income	7.5	5.1	2.3*	2.0	4.4	3.9	4.6	5.1	4.8	17.9	25.0
Total wages	5.7	2.7	0.4	0.1	2.3	2.5	3.1	3.1	3.1	9.1	14.9
Employment	0.5	2.3	2.1	2.0	1.4	1.3	1.4	1.3	1.3	7.0	6.9

Note: * Forecast, November 2013 Modification, FY 2013-2018

Source: NYC Office of Management and Budget, *Monthly Report on Current Economic Conditions, July 2013* ; February 2014 *Financial Plan, Fiscal Years 2014-2018*.

Taking stock of the War on Poverty, and of how well our economy enables people to achieve economic security.

- The War on Poverty has made a huge difference in addressing poverty and in keeping millions of Americans out of poverty. Yet, nearly 50 million people (including 3 million New Yorkers) were poor in 2012, with 13 million children (1 million in New York) living in poverty. Large racial disparities remain, with child poverty much higher and the share of blacks with a college degree much lower than among whites. The Center on Budget and Policy Priorities (CBPP) also notes that poverty is much higher in the U.S. than in other wealthy nations largely because our safety net does less to lift people out of poverty.
- The nation’s record in fighting poverty is mixed. On the one hand, our safety net along with rising education levels, higher female employment, and smaller families have helped to reduce poverty. On the other hand, rising numbers of single-parent families, growing income inequality, and worsening labor market prospects for less-educated workers have pushed in the other direction.
- Using the Census Bureau’s Supplemental Poverty Measure (which factors in critical safety net programs like low-income tax credits and non-cash assistance like SNAP), CBPP analysts calculated the effect of the safety net in keeping 40 million people out of poverty, including 2.4 million New Yorkers.
 - Social Security kept 26 million people above the poverty line;
 - The EITC kept 6.1 million people out of poverty, and is the most effective program other than Social Security in lifting children out of poverty (3.1 million);
 - The SNAP Program kept 4.7 million Americans out of poverty; and
 - Unemployment insurance helped 3.5 million people stay above the poverty line in 2011.

In a new report from the Stanford Center on Poverty & Inequality looking at the persistence of poverty in the U.S., researchers found that the main culprit is that our “economy is failing to deliver the jobs, a failure that then generates much poverty, that exposes the safety net to demands well beyond its capacity to meet them, that produces too many children poorly prepared for school, and that places equally harsh demands on our healthcare, penal, and retirement systems.”

After four years of recovery, NYC unemployment is still much higher than before the recession; black and Hispanic unemployment is twice or more that for non-Hispanic whites.

	New York (statewide)			New York City			NYS outside of NYC			United States		
	2H of 2008	2H of 2013	Change in pct. point	2H of 2008	2H of 2013	Change in pct. point	2H of 2008	2H of 2013	Change in pct. point	2H of 2008	2H of 2013	Change in pct. point
ALL	5.9%	7.5%	1.6%	6.1%	8.5%	2.4%	5.8%	7.5%	1.7%	6.4%	7.1%	0.7%
Gender												
Males	6.5%	8.3%	1.8%	6.8%	9.3%	2.5%	6.3%	7.7%	1.4%	6.8%	7.3%	0.5%
Females	5.3%	6.6%	1.3%	5.4%	7.6%	2.2%	5.2%	7.3%	2.1%	6.0%	6.9%	1.6%
Race and Ethnicity												
White non-Hispanics	4.7%	5.5%	0.8%	3.6%	5.3%	1.7%	5.2%	6.6%	1.4%	5.3%	5.6%	0.4%
Black non-Hispanics	11.2%	13.3%	2.2%	11.0%	12.0%	1.0%	11.1%	10.3%	-0.8%	11.4%	12.9%	1.4%
Hispanics	7.1%	10.8%	3.7%	7.0%	11.3%	4.3%	7.0%	13.4%	6.4%	8.4%	9.0%	0.6%
Asians & others	4.2%	6.0%	1.9%	3.6%	6.6%	3.0%	5.5%	7.8%	2.3%	5.7%	7.1%	1.4%
Educational Attainment Level*												
Less than high school	8.6%	13.4%	4.7%	9.0%	13.4%	4.5%	7.9%	12.9%	5.1%	9.9%	10.4%	0.6%
High school or equiv.	5.4%	8.1%	2.7%	5.4%	10.9%	5.6%	5.5%	7.9%	2.4%	6.3%	7.2%	0.9%
Some college	5.5%	6.1%	0.6%	6.5%	7.0%	0.5%	4.9%	5.9%	1.0%	5.2%	6.2%	1.0%
College and higher	3.5%	4.5%	1.0%	3.7%	5.0%	1.2%	3.3%	3.7%	0.4%	3.1%	3.6%	0.6%
Selected Age Groups												
16-19	17.0%	18.5%	1.5%	21.0%	24.0%	3.0%	16.2%	25.3%	9.0%	19.4%	21.2%	1.8%
20-24	10.1%	12.6%	2.6%	11.3%	12.1%	0.8%	9.5%	14.5%	5.0%	11.0%	12.2%	1.1%
25-34	6.2%	7.2%	1.0%	6.0%	7.6%	1.6%	6.4%	6.6%	0.2%	6.5%	7.4%	0.8%
35-44	5.1%	5.3%	0.2%	5.0%	7.0%	1.9%	5.2%	5.7%	0.4%	5.3%	5.6%	0.3%
45-54	4.2%	7.0%	2.7%	5.7%	8.3%	2.6%	3.2%	5.8%	2.6%	4.6%	5.5%	0.9%
55 and older	4.2%	6.2%	2.0%	4.4%	8.1%	3.7%	4.1%	5.7%	1.5%	4.4%	5.1%	0.7%

*Analysis by educational attainment restricted to those 25 and older.

Note: Adjusted to 6-month average LAUS for state, city, and balance of NYS.

Source: FPI analysis of Current Population Survey and New York State Department of Labor Local Area Unemployment Statistics (LAUS).

In addition to persistently high unemployment, many workers are discouraged and there has been an increase in involuntary part-time employment. NYC's under-employment rate was 14.4% in the second half of 2013, higher than elsewhere in NY state and higher than the U.S.

	New York (statewide)			New York City			NYS outside of NYC			United States		
	2H of 2008	2H of 2013	Change in pct. point	2H of 2008	2H of 2013	Change in pct. point	2H of 2008	2H of 2013	Change in pct. point	2H of 2008	2H of 2013	Change in pct. point
ALL	9.7%	13.1%	3.4%	10.0%	14.4%	4.4%	9.5%	12.1%	2.6%	10.2%	12.6%	2.4%
Gender												
Males	10.3%	12.8%	2.5%	10.8%	14.0%	3.2%	9.9%	12.0%	2.1%	10.2%	12.2%	1.9%
Females	9.1%	13.4%	4.2%	9.2%	14.9%	5.7%	9.1%	12.2%	3.5%	10.2%	13.1%	4.7%
Race and Ethnicity												
White non-Hispanic	8.1%	9.9%	1.8%	6.5%	9.1%	2.6%	8.7%	10.4%	1.7%	8.4%	10.1%	1.7%
Black non-Hispanic	17.0%	22.2%	5.1%	16.8%	21.1%	4.4%	17.2%	23.9%	6.6%	16.7%	21.0%	4.2%
Hispanics	11.8%	18.6%	6.8%	11.6%	19.0%	7.4%	11.9%	16.8%	4.9%	14.1%	16.6%	2.6%
Asians & others	6.5%	10.9%	4.5%	5.8%	10.0%	4.2%	7.9%	12.4%	4.4%	9.4%	12.5%	3.1%
Educational Attainment Level*												
Less than high scho	14.9%	22.9%	8.0%	14.4%	21.9%	7.5%	15.4%	24.1%	8.7%	16.9%	19.9%	3.1%
High school or equiv	9.1%	13.8%	4.7%	9.4%	18.0%	8.5%	8.9%	10.7%	1.8%	10.2%	12.9%	2.7%
Some college	8.8%	11.1%	2.2%	10.1%	13.4%	3.3%	8.2%	9.8%	1.7%	8.1%	11.0%	2.9%
College and higher	5.4%	8.1%	2.6%	6.1%	8.2%	2.1%	4.9%	7.9%	3.1%	4.7%	6.3%	1.6%
Selected Age Groups												
16-19	25.1%	27.8%	2.6%	27.6%	29.4%	1.8%	24.7%	27.5%	2.7%	28.1%	31.4%	3.2%
20-24	18.0%	23.0%	5.0%	18.8%	22.5%	3.7%	17.5%	23.5%	5.9%	17.7%	22.7%	5.0%
25-34	10.0%	12.8%	2.8%	9.0%	13.7%	4.7%	11.0%	11.8%	0.8%	10.4%	13.1%	2.7%
35-44	7.8%	10.5%	2.7%	7.9%	12.5%	4.6%	7.7%	8.9%	1.2%	8.2%	9.9%	1.7%
45-54	7.6%	11.0%	3.3%	10.7%	12.5%	1.8%	5.6%	10.0%	4.5%	7.5%	9.7%	2.2%
55 and older	6.9%	11.1%	4.2%	7.3%	13.6%	6.3%	6.6%	9.5%	2.9%	7.3%	9.4%	2.1%

*Analysis by educational attainment restricted to those 25 and older.

Note: Adjusted to 6-month average LAUS for state, city, balance, and US.

Source: FPI analysis of Current Population Survey and New York State Department of Labor Local Area Unemployment Statistics (LAUS).

The average duration of unemployment in New York is 9 months, higher than for the nation overall, and it is nearly a year for college-educated New York City

Second half of 2013, Average duration of unemployment (weeks)

	NYS	NYC	Balance of NYS	US
ALL				
Number unemployed	690,000	348,000	342,000	10,398,000
Avg. weeks unemployed	38	41	34	33
Gender				
Males	37	40	34	34
Females	38	42	34	32
Race and Ethnicity				
White non-Hispanics	36	45	32	33
Black non-Hispanics	36	33	40	36
Hispanics	39	42	30	30
Asians & others	51	53	46	34
Education Attainment Level				
Less than high school	38	41	33	37
High school or equivalent	41	42	39	37
Some college	43	45	41	36
College and higher	42	50	33	34
Selected Age Groups				
18-24	26	26	25	24
25-34	44	46	42	32
35-44	40	47	31	35
45-54	35	38	32	37
55 and older	44	47	42	42

Note: Analysis of education breakouts for those 25 and older only.

Source: FPI analysis of Current Population Survey microdata, ages 18 and older.

The Fiscal Policy Institute (FPI) is grateful to the foundations, labor unions, faith-based organizations, human services providers and advocates, and community and good government groups that support FPI's work and/or disseminate the results of FPI's analysis.

Additional information on FPI's fiscal and economic analyses and copies of FPI's publications are available at www.fiscalpolicy.org.

March 2014

Fiscal Policy Institute

One Lear Jet Lane
Latham, New York 12110
518-786-3156

11 Park Place, Suite 701
New York, NY 10007
212-721-5624

www.fiscalpolicy.org
info@fiscalpolicy.org

