



ALICE:

**ASSET LIMITED, INCOME
CONSTRAINED, EMPLOYED**

**2020
REPORT**



STUDY OF FINANCIAL HARDSHIP
Download the Report today at UnitedWayALICE.org/NewYork

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WHAT IS THE UNITED WAY ALICE PROJECT?

A STUDY OF FINANCIAL HARDSHIP

The **United Way ALICE Project** has ignited a grass roots movement that is catching on. United Ways in multiple states are joining forces to change the dialogue about financial hardship. **ALICE** is more than a demographic; in every state, **ALICE** is a critical part of the fabric of our economy and our communities.



ALICE represents the men and women of all ages and races who get up each day to go to work but aren't sure if they'll be able to put dinner on the table each night. They are our preschool teachers, home health aides and retail salespeople – workers essential to keeping all our communities and economies humming, yet who struggle to pay their own basic bills.

From 2010 to 2018, New York showed steady economic improvements according to traditional measures. Yet, in 2018, eight years after the end of the Great Recession, 45% of New York's 7,370,222 households still struggled to make ends meet. And while 14% of these households were living below the Federal Poverty Level (FPL), another 31% — more than twice as many — were **ALICE** households: Asset Limited, Income Constrained, Employed. These households earned above the FPL, but not enough to afford basic household necessities.

With the onset of the COVID-19, ALICE Households are deeply impacted. As we move through recovery and rebuilding, we cannot afford to leave these hardworking households behind, again.

Visit [UWNYS.org](https://www.uwnys.org) to view the updated **NY ALICE Report** and explore the **ALICE** data. By raising awareness about **ALICE** and stimulating a fresh dialogue between community members and leaders, we can, together, provide **ALICE** with an opportunity to succeed.

WHAT THE RESEARCH REVEALED

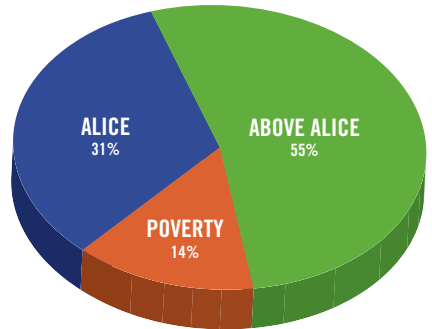
ALICE CONTINUES TO STRUGGLE



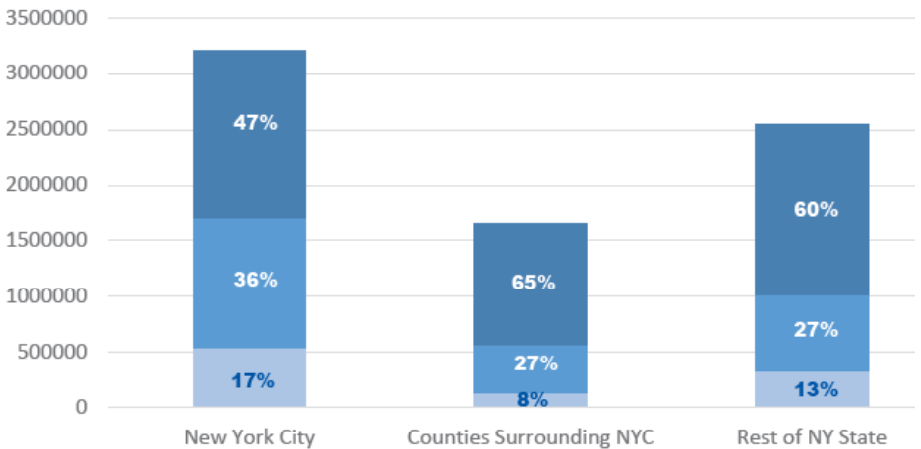
here are over 2.2 million ALICE households in New York – households with income above the Federal Poverty Level (FPL) but below a basic cost-of-living threshold. This is almost double the number of households counted in the official poverty rate (1,007,993 households). In total, 3,316,600 million households in New York – 45 percent, more than four in ten – are walking a financial tightrope, unable to afford this state’s high cost of living.

These households struggle to afford even the most basic necessities of housing, child care, food, health care, and transportation. By using new methods for measuring financial hardship, the **United Way ALICE Report** reveals a far broader and more serious problem than previously thought.

Household Income, New York • 2018



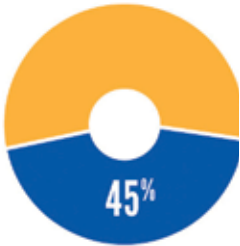
Percent Households Below the ALICE Threshold By County , New York Regions, 2018



WHO IS ALICE?

EVERY COMMUNITY HAS ALICE HOUSEHOLDS

ALICE households live in every county in New York — urban, suburban, and rural — and they include people of all genders, ages, and races/ethnicities, across all household types. One way to examine the data is to look at the proportion of each group that is below the **ALICE Threshold**.



All Households

7,370,222

Overall, **45% of households in New York** had income below the **ALICE Threshold** in 2018.

Many smaller groups had a disproportionately high percentage of families below the ALICE Threshold.



Black

1,096,727
Households

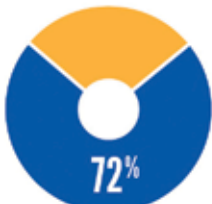


Hispanic

1,146,560
Households

Race and Ethnicity

Black and Hispanic households had more than 60% of households below the **ALICE Threshold**.



Under 25 Years Old

191,829
Households

Age

Young households (under age 25) had 72% living below the **ALICE Threshold**, up from 70% in 2016.



Single-Female-Headed With Children

476,671
Households

Household Type

Single-female households with children had the highest percentage of households below the **ALICE Threshold** of any group, at 76%.

HOW IS UNITED WAY HELPING ALICE

SHINING A LIGHT ON A HIDDEN POPULATION

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he third edition of the [United Way ALICE Report](#) shows a growing number of people who are working, yet cannot afford basic necessities. This update shows that the last economic recovery of our state left many hard-working people behind. This study offered a way to accurately quantify these households and to talk about the challenges that they face.



MEET ALMA

Alma has been homeless for many of those years, living on the street, until she was paired with a peer mentor by a Local United. With the advocacy and trust in her Peer Mentor, Alma has been able to secure her own apartment. She has set financial goals. Alma's looking at how she is "spending every penny," and has been able to pay off previous expenses. This has allowed her to create a road map for future financial success. This work has given Alma the opportunity to engage in positive self-development,

including being respectful of saving and spending and ensuring that she looks at her financial management long-term. Alma shared that, "words cannot express how much this has helped me; thanks to the program, I'm doing the right thing by myself and by my family."

MEET ROBERTO



Roberto and his family of four were consistently forced to make difficult choices, because they could not make ends meet. Eventually, Roberto began participating in a program that connected him with a second job like so many working parents must do, in order to increase his family's financial stability. With the increased income he was able to move his family into safer and more affordable housing. With the additional job and more affordable rent, Roberto was able save up and secure a vehicle, which is

transformational for the family's overall day-to-day wellbeing. Roberto is now looking to enroll in future educational programming so he can realize his dream of opening a business.

ALICE WORKS HARD. TOGETHER WE CAN HELP THEM SUCCEED.

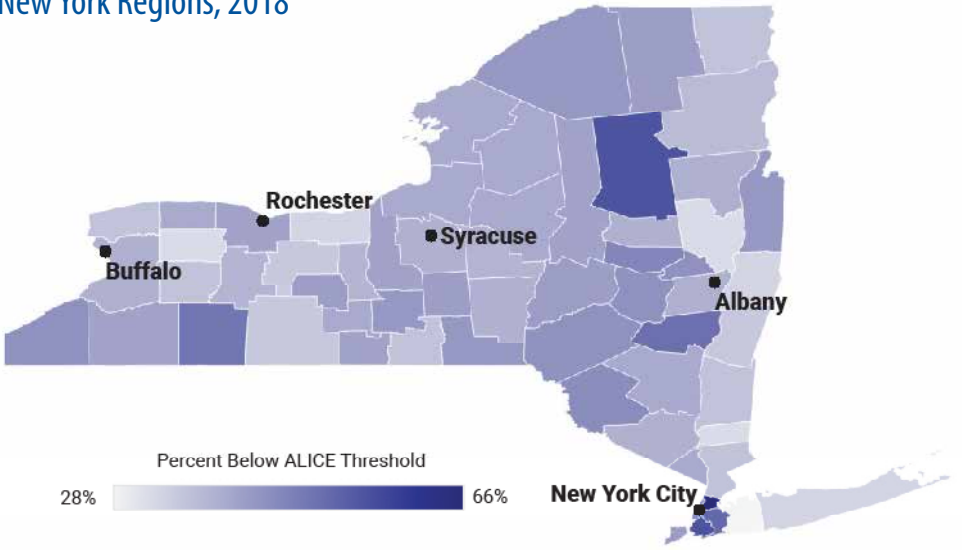
WHERE DOES ALICE LIVE?

ALICE EXISTS IN EVERY COMMUNITY



All but one of New York's counties, have 30% or more households earning less than what is needed to afford the basics. There is enormous variation among the counties; the percentage of households below the **ALICE** threshold ranges from 29 percent in Nassau County to 66 percent in Bronx County. Although the cost of living and wages differ across the state, the number of households with income below the **ALICE Threshold** increased across more than half of NY counties (61%) from 2010-2018.

Percent Households Below the ALICE Threshold By County , New York Regions, 2018



Sources: American Community Survey, 2010 and 2018 and the ALICE Threshold, 2010 and 2016. Details on each county's household income and ALICE demographics, as well as further breakdown by municipality, are listed in the ALICE County Pages and Data File at UnitedWayALICE.org.

WHY DOES ALICE EXIST?

THE HIGH COST OF LIVING IN NEW YORK



There are many factors contributing to and perpetuating conditions for ALICE. While some circumstances are individual, a few systemic problems affect most ALICE households: the high cost of living, income not keeping pace with costs, and continued growth of low-paying jobs.

Based on the Household Survival Budget, more than four in ten New York households can't afford the basics of housing, food, health care, technology, childcare, and transportation.

Using the thriftiest official standards, it takes an average of \$78,156 for a family of four (two adults, an infant, and a preschooler) to afford the basics – more than double the U.S. poverty rate of \$25,100. The Household Survival Budget for a single adult is \$27,312, also more than double the U.S. poverty rate of \$12,140.

The cost of household basics in the New York State Household Survival Budget increased by 17% for a single and 21% for a family of four (2010-2018). This is due, in part, by rising costs of child care, healthcare and the addition of a technology line, which was driven in part by rising costs for food, healthcare and other ALICE essentials.

Household Survival Budget • 2018

	Single Adult	Two Adults	Two Adults 2 School-Age Children	Two Adults 2 in Child Care	Single Senior	Two Seniors
Housing	\$810	\$897	\$1,091	\$1,091	\$810	\$897
Child Care	\$0	\$0	\$538	\$1,485	\$0	\$0
Food	\$284	\$591	\$986	\$861	\$242	\$503
Transportation	\$334	\$503	\$801	\$757	\$295	\$424
Health Care	\$212	\$471	\$705	\$705	\$514	\$1,029
Technology	\$55	\$75	\$75	\$75	\$55	\$75
Miscellaneous	\$207	\$307	\$487	\$592	\$230	\$347
Taxes	\$374	\$535	\$677	\$947	\$388	\$546
Monthly Total	\$2,276	\$3,379	\$5,360	\$6,513	\$2,534	\$3,821
Annual Total	\$27,312	\$40,548	\$64,320	\$78,156	\$30,408	\$45,852
Hourly Wage	\$13.66	\$20.27	\$32.16	\$39.08	\$15.20	\$22.93

For the Methodology Overview and additional data, see our website: UnitedWayALICE.org

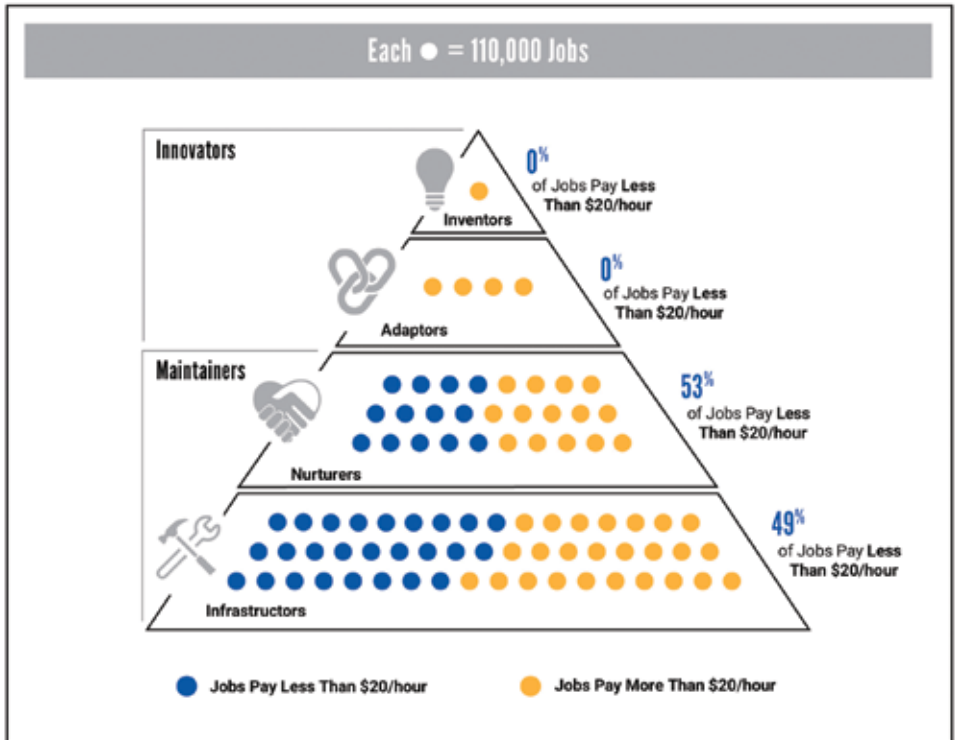
WHY DOES ALICE EXIST?

LACK OF HIGH-PAYING JOBS



While national conversations about work often focus on the economic importance of the “innovation” sector and its high-paying jobs, the reality is that the smooth functioning of the national and New York economies relies on a much larger number of occupations that build and repair the infrastructure and educate and care for the past, current, and future workforce. The workers in these jobs—your child care worker, the cashier at your supermarket, the gas attendant, the salesperson at your big box store, a home health aide, an office clerk—are described as “Maintainers” by technology scholars Lee Vinsel and Andrew Russell, and they are primarily **ALICE**.

To better understand where **ALICE** works, we break down all occupations in New York into two occupational categories, each with two job types: the lower-paying Maintainer occupations, composed of Infrastructor and Nurturer jobs; and the higher-paying Innovator occupations, composed of Adaptor and Inventor jobs.



MANY ALICE IN MOST COMMON JOBS

TOP 20 NYS OCCUPATIONS IN 2018 BY EMPLOYMENT WAGE

Only three of the top 20 occupations — general and operations managers, accountants and auditors, and registered nurses — are paid enough to support the Household Survival Budget for a family of four, a minimum of \$39.08 per hour.

Occupations by Employment and Wage, New York, 2018

	2018	
OCCUPATION	NUMBER OF JOBS	MEDIAN HOURLY WAGE
Retail Salespersons	301,670	\$11.94
Personal Care Aides	199,060	\$12.49
Cashiers	197,490	\$11.46
Home Health Aides	191,820	\$11.98
Janitors and Cleaners	190,600	\$15.01
Combined Food Prep, Including Fast Food	189,740	\$11.71
Office Clerks, General	189,360	\$15.70
Registered Nurses	182,490	\$41.01
Secretaries and Administrative Assistants	178,520	\$19.28
Waiters and Waitresses	167,250	\$13.66
General and Operations Managers	163,250	\$62.35
Customer Service Representatives	159,010	\$18.02
Laborers and Movers, Hand	130,850	\$14.12
Teacher Assistants	123,960	\$15.06
Security Guards	118,760	\$15.40
First-Line Supervisors of Office Workers	112,510	\$31.76
Stock Clerks and Order Fillers	110,880	\$12.13
Accountants and Auditors	110,780	\$40.02
Maintenance and Repair Workers	108,050	\$20.88
Bookkeeping, Accounting, and Auditing Clerks	104,580	\$21.23

WHY DOES ALICE MATTER?

WE ARE ALL INTERCONNECTED



we all have a vested interest in improving conditions for **ALICE**. When **ALICE** can't afford the basics, the costs are high both for these families and for the wider community.

ALICE Households Suffer Without Sufficient Income

When **ALICE** households do not have enough income, they must make difficult choices to reduce their expenses. They may be forced to skimp on childcare, paying bills, healthy food, or car insurance. These “savings” threaten their health, safety, and future.

If a family cannot afford childcare in a quality facility, they may substitute with an inexperienced relative, jeopardizing their child's safety and learning opportunities and requiring additional support from the school system. To reduce housing costs, **ALICE** may move farther away from work, resulting in a longer commute as well as additional travel and childcare expenses. Further travel means more congested roads for all.



Other short-term survival strategies such as skipping preventative health care or a bill payment also have long-term penalties, such as poor health, fines, and larger bills in the future. These same circumstances cause costs to rise for insurance premiums for all.

When ALICE struggles, We all struggle.

ALICE and COVID-19

The rapid spread of COVID-19, is exposing critical areas of need for our economy, health care system, and education capacity during a national crisis. No one is immune to its direct or indirect effects, but **ALICE** families are particularly vulnerable to hardship from both illness and economic disruption.

We see the impact in children's ability to engage in learning, parent's ability to adapt to new working protocols, the impact on senior health and so much more.

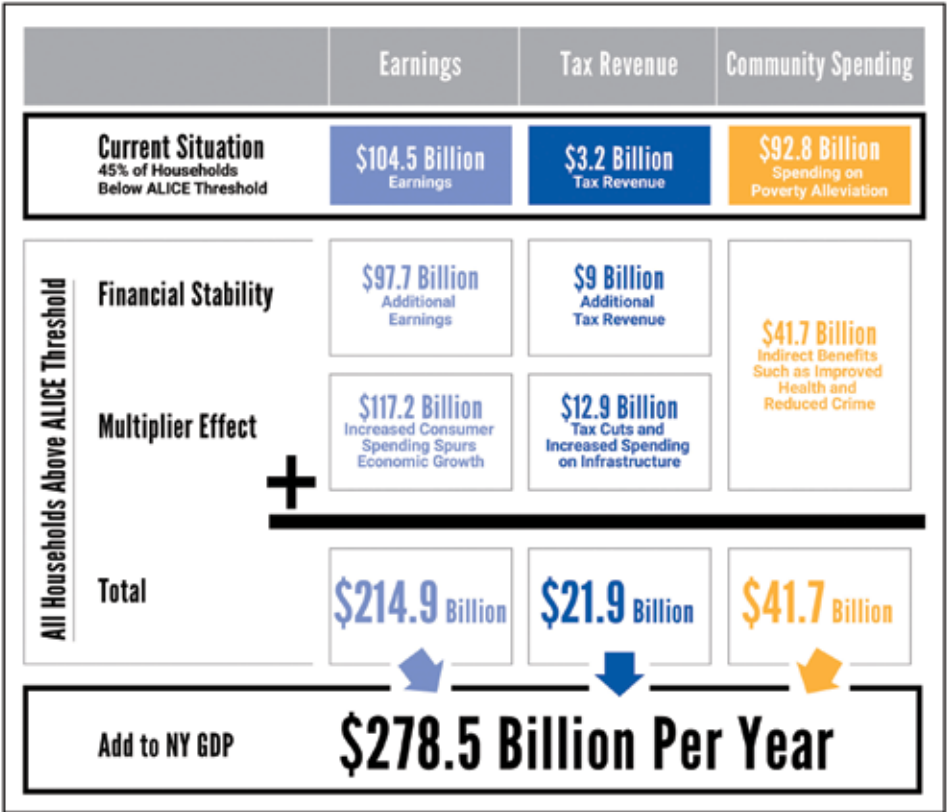
ALICE, by the very definition, did not have funds available to them to survive this health and economic crisis. In order to ensure economic stability for all, we must prioritize our efforts to support **ALICE** households.

For more information on COVID-19 and ALICE visit uwnys.org/ALICE

WHY IS HELPING ALICE IMPORTANT?

Raising Everyone Above the Threshold

In addition to the economic benefits to the state if all households had income above the **ALICE** Threshold, there would be a significant number of positive changes for families and their communities. The chart below outlines the improvements that all New York families and their communities would experience if policies were implemented that moved all households above the **ALICE** Threshold.



Sources: ALICE Threshold, 2018; American Community Survey, 2018; Internal Revenue Service—1040, 2018; Internal Revenue Service—EITC, 2018; Internal Revenue Service—FICA, 2019; McKeever, 2018; National Association of State Budget Officers, 2019; Office of Management and Budget, 2019; Scarborough, 2018; Tax Foundation, 2018 and 2019; U.S. Department of Agriculture—SNAP, 2019; Urban Institute, 2012; Walczak, 2019. For methodology and full report visit UnitedForALICE.org

HOW YOU CAN HELP

JOIN UNITED WAY AS AN AMBASSADOR FOR ALICE

Please join your United Way in advocating for **ALICE** and finding ways to achieve financial stability for all households in New York State.

HOW WE CAN HELP ALICE TOGETHER

What **ALICE** needs is a way to increase income and/or reduce expenses: Affordable housing, sources of healthy, affordable food, transportation, child care, support for ill/elderly relatives, loans, and access to good jobs.

Raise Awareness about ALICE

- Tell **ALICE's** story to your colleagues, neighbors, friends, family, and in your places of worship.
- Share **ALICE** information with your network of friends on social media. Use #UnitedForALICE to connect with others taking a stand for **ALICE**.

Advocate for ALICE

- Work to change policies to help **ALICE** with affordable housing, child care, transportation, education, better jobs, etc.
- Ensure **ALICE** Households receive focused attention for any long-term COVID-19 recovery and rebuilding efforts.
- Ensure that **ALICE** has access to information about health and human services through 2-1-1.

Volunteer

- Become a volunteer tax preparer.
- Tutor a child, especially in reading proficiency which predicts later success.

Donate

- Give to United Way and the programs that provide **ALICE** with a needed **helping hand during times of crisis**.

You Can Make a Difference

Each individual action you take will help increase public awareness about ALICE. When combined with similar actions taken by others, our collective effort will help rebuild the ladder of opportunity for thousands of ALICE families living in New York.

Thank you for helping spread the word about ALICE.