

Narrowing The Gap



Economic Inequality

Individuals In Poverty More Likely To Have No Plan For Retirement

The Federal Reserve's [2016 Report on the Economic Well-Being of U.S. Households](#) finds disparities in retirement savings by income level. Of those making less than \$40,000 a year, 37.3% are participating in an employer-sponsored 401(k) plan, compared to a staggering 86.8% of those making over \$100,000 a year who said the same.

This wide variation may be explained by access to employer-sponsored retirement savings plans or pensions. Of those making less than \$40,000 a year, 46.6% said they had no access to a 401(k) or other defined contribution pension plan while just 8.7% of those making over \$100,000 a year said the same. Similarly large discrepancies by income occur in the percentage of people who indicate they had a plan from their employer but chose not to participate: 16.1% of those making less than \$40,000 vs. 4.6% of those making more than \$100,000.

Low Income New Yorkers Lack Access To Retirement Savings Plans

In New York City (NYC) the Equality Indicators found large income-based disparities in retirement planning (based on the 2015 ISLG Public Survey). Nearly eight in 10 (78.8%) of those making less than \$30,000 per year indicated they did not have a retirement or pension plan. In contrast, just one in 10 (12.1%) of those making \$70,000 to \$100,000 a year said the same. Statewide, by the [New York State government's projections](#), 3.5 million private sector workers aged 18-24 in New York lack access to an employer-sponsored retirement plan.

In 2015, NYC Comptroller Scott Stringer formed a [retirement task force](#) to identify ways New Yorkers without an employer-sponsored plan could save money for retirement. At the state level, New York State Governor Andrew Cuomo also emphasized the importance of retirement savings for all New Yorkers with his creation of the [NY SMART Commission](#) ("Saving More To Achieve Richer Tomorrows").

Health Inequality

Individuals In Poverty Have Lowest Levels Of Physical Activity

According to the [Robert Wood Johnson Foundation \(RWJF\)](#), individuals living in poverty have lower levels of physical activity than those at higher income levels. RWJF reports those with incomes below \$15,000 are 3x as likely to engage in a sedentary lifestyle as those with incomes above \$50,000. Just 17.6% of people in households with incomes less than \$15,000 report participating in a recommended levels of physical activity, in part because 39.5% say they have no leisure time to do so.

RWJF's [Active Living By Design \(ALBD\)](#) initiative seeks to promote more active lifestyles among low income populations by removing physical and social barriers that may impede participation. For ALBD, health equity is the foundational belief that all people should have access to opportunities for healthy living. ALBD looks closely at how the built environment (e.g., neighborhoods, transportation systems, buildings, parks, open space) influences individuals' levels of physical activity.

ALBD developed a [Community Action Model](#) framework that can be applied to a wide range of neighborhood settings. It relies on [six practices](#) to change lifestyle behaviors: health equity focus, community engagement, facilitative leadership, sustainable thinking, culture of learning, and strategic communication.

New Yorkers Living With Highest Poverty Levels Least Likely To Exercise

In NYC the Equality Indicators found similar disparities in physical activity levels by income. Data from the [2013 NYC Department of Health and Mental Hygiene's Community Health Survey](#) finds likelihood of exercising increases as income increases. The chart below provides median household income (based on [2016 Federal Poverty Guidelines](#)) and the corresponding percentage of people reporting they did not exercise in the past 30 days.

Annual Income (For a family of four)	Percentage Not Exercising in the Past 30 Days
Less than \$24,300	32.2%
\$24,300 to less than \$48,600	28.0%
\$48,600 to less than \$97,200	22.9%
\$97,200 to less than \$145,800	20.1%
\$145,800 or more	13.0%

Former NYC Mayor Michael Bloomberg made encouraging more active lifestyles a bedrock of his administration. He created the [Center for Active Design](#) to engage the design/building community in that goal.

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In this issue of *Narrowing The Gap*, we focus on one of the groups adversely affected by inequality: **Individuals Living In Poverty**. Other issues will describe inequalities faced by children, immigrants, individuals currently in jail or on probation, individuals with less than a high school diploma, individuals with a physical or intellectual disability, lesbian/gay/bisexual/transgender/queer, racial and ethnic minorities, religious minorities, seniors, single parents, and women.

Housing Inequality

Low-Income Individuals Less Likely To Trust Their Neighbors

Just half of Americans (52%) say they trust all or most of their neighbors according to a [2015 Pew Research Center survey](#). Pew also asked Americans if they felt safe in their neighborhoods. The majority of people, 71%, indicated they felt “very safe.” Just 17% of respondents feel “not safe at all” when walking in their neighborhoods.

However, Pew’s data also included differences in trust and feelings of safety by income and found marked differences. Of those earning less than \$30,000 per year, 37% said they trust all or most of their neighbors compared with 67% of those with household incomes of \$75,000 or more. The results support the idea that disparities are leading to [residential segregation by income](#). This threatens social cohesion and other positive quality of life measures.

Low-Income New Yorkers Express Less Trust In Neighbors And More Dissatisfaction With Their Neighborhoods

In NYC the Equality Indicators finds data that mirrors Pew’s national trends. New Yorkers in low-income groups have less trust in their neighbors than those in high-income groups. According to the 2015 ISLG Public Survey, 32.5% of those with incomes of less than \$30,000 said they disagreed or strongly disagreed that people in their neighborhood were willing to help one another. Of those making \$150,000 a year, only 10.4% disagreed or strongly disagreed, indicating they have higher levels of trust in their neighbors and greater social cohesion.

We also asked survey respondents if their neighborhood was a good place to raise children. Almost a third (32.1%) of those making less than \$30,000 said they did not think their neighborhood was a good place to raise children. Just 14.5% of those making more than \$150,000 said the same.

Education Inequality

Low-Income Children Concentrated In High Poverty Schools

The majority of all public school students (51%) are low-income students, according to the [Southern Education Foundation](#). By state, Mississippi accounts for the largest share (71%) and New Hampshire for the smallest (27%). New York falls in the middle of the range (48%).

Income is closely studied for its strong links to school quality. A recent [Atlantic article](#) notes “school poverty turns out to be a good proxy for the quality of a school.” [The Urban Institute](#) attributes this largely to school funding, which is primarily based on property taxes. What results are high-poverty schools, characterized by 75% of enrollees coming from low-income families.



“It is not easy for men to rise, whose qualities have been thwarted by poverty.” Juvenal, Roman poet

NYC Schools In Bottom Median Income Census Tracts Most Likely To Be Rated Less Than Proficient

In NYC the Equality Indicators looked at income-based differences in school quality ratings based on the Department of Education School Quality Report 2014; 35.7% of schools located in the bottom 20% median income census tracts were rated less than proficient, compared to 19.2% of those located in the top 20%. Despite the magnitude of this disparity, it represents an improvement over the previous year, when 42.0% of schools in the bottom income areas and 11.4% in the top income areas were rated less than proficient.

[Measure of America](#) (MOA) recently analyzed high school graduation rates in order to make comparisons between affluent and low income zip codes. MOA found students in high poverty areas were significantly less likely to graduate from high school on time.

A factor contributing to on-time graduation rates is obtaining proficiency in core subject areas like English and Math. The NYC public schools conduct standardized exams every spring (at the third through eighth grade levels) to ensure proficiency in these [Common Core](#) subject areas. Students may not advance to the next grade unless they achieve at least a score of three.

According to the [NYC Public School Report Card](#), which provides disaggregated scores in Common Core English and Common Core Math by income status (Economically Disadvantaged vs. Not Economically Disadvantaged), there are wide gaps in achievement by income. In English, 81% of students Not Economically Disadvantaged achieved proficiency, compared to 72% of students who are Economically Disadvantaged. In Math, 48% of students who are Economically Disadvantaged achieved proficiency, compared with 65% who are Not Economically Disadvantaged.

The Equality Indicators is a project of the [Institute for State and Local Governance](#) (ISLG) of the City University of New York.

The project measures progress towards greater equality across six themes related to **Economy, Education, Health, Housing, Justice, and Services** using 96 indicators. Each indicator is scored from 1 to 100, where 1 represents the most inequality and 100 the least inequality. For more information please visit our website at equalityindicators.org and follow us on twitter [@equalityISLG](https://twitter.com/equalityISLG)