

# The Economic Low Road: Low-Wage Workers and the One-Percenters

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Report Prepared By:



## EXECUTIVE SUMMARY

Low-wage work is undermining our city, our communities, and our economy. Employers who hire workers at minimum or near-minimum wages—and sometimes fail to pay their workers even that—too often are profiting handsomely while their workers suffer. When CEOs of these companies are rewarded with millions in compensation and live in luxury at the expense of their workers, the society and our economy pay the price. More money in the pockets of working people would mean more opportunity for them to spend locally, thereby supporting small businesses, stimulating hiring, and helping to create a stronger economy overall.

This report will review the status of low-wage work in the City and profile some of the worst low-wage employers in the City, including:

Lage Mgmt. Corp. John Lage	The Company: Lage and his companies are linked to some 21 car washes in NYC The CEO: Owns homes in Queens and Westchester worth millions The Workers: Have suffered wage theft, are exposed to hazardous chemicals, often lack meal breaks
Air Serv Frank Argenbright	The Company: Provides passenger services like cabin cleaning and security for airlines with which they contract The CEO: Worth \$300 million, owns \$6.8 million home in Sea Island, GA The Workers: Throughout the industry, contracted passenger service workers typically make \$8 per hour, lack health insurance and paid sick leave
Toys “R” Us Gerald Storch	The Company: Owned by private equity firms including Bain Capital. Had \$14 billion in revenue in 2011 The CEO: Awarded \$7.9 million in total compensation in 2011, lives in 11,000 square foot home he bought for \$3.4 million The Workers: Survey shows wages at less than \$10 per hour with some as low as \$8.50; history of being denied vacation pay owed them
Golden Farm Sonny Kim	The Company: Supermarket in Kensington, Brooklyn The CEO: Sold Bergen County, NJ home for \$1.1 million The Workers: Some allegedly were paid as little as \$4.86 per hour, seeking union representation to seek fair wages, sick time, other benefits
Con Edison Kevin Burke	The Company: Hires cleaning and security contractors that pay wages that keep workers impoverished The CEO: Awarded nearly \$11 million in total compensation in 2011 (equivalent to \$5,272 per hour), owns at least 3 homes in New York and Florida The Workers: Contracted cleaners and security officers make as little as \$8 per hour; their pay and benefits are exempted from prevailing wage laws

Our recommendations include raising the minimum wage, requiring those employers that receive taxpayer subsidies to pay a living wage and to hire locally, making it easier for workers to gain collective bargaining, ensuring strong enforcement against wage theft, and incentivizing banks to write-down underwater mortgages.

## INTRODUCTION

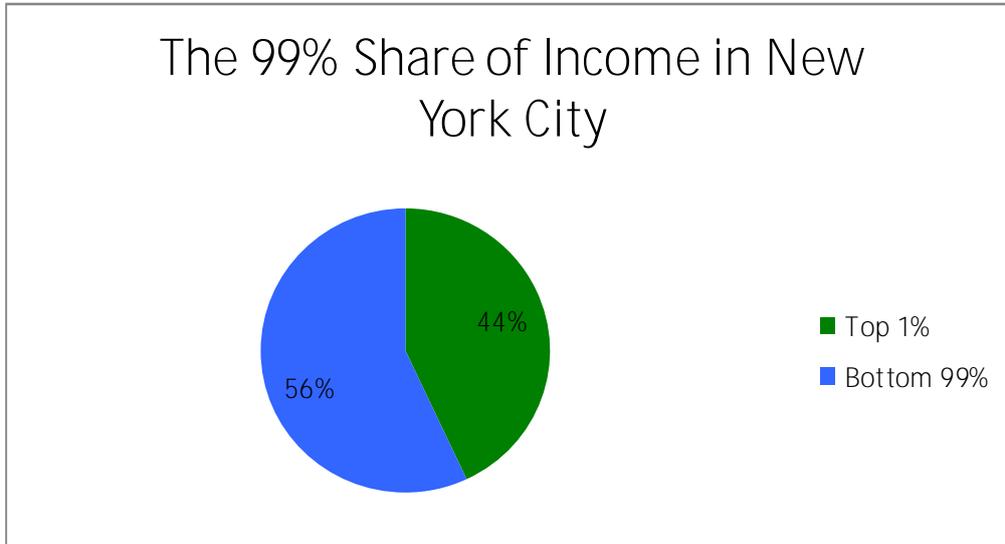
It is widely understood that New York City has an unemployment problem. Yet what few understand is that New York City has an employment problem too. Many employed workers in New York City do not make enough to support themselves and their families. These low-wage workers make up an ever expanding part of our economy, and many of these low-wage occupations are predicted to be the primary growth occupations over the next decade. As we struggle to create a just and sustainable economy, improving the low-wage economy should be a focus of this work.

The wages of low-wage workers have not kept pace with the increase in the cost of living. During the 1960s and 1970s, the earnings of someone working full-time, year-round at the minimum wage were enough to lift a family of three above the poverty line. That is no longer the case, as the purchasing power of New York's \$7.25 an hour minimum wage is drastically lower today than in 1970.<sup>1</sup> The following data demonstrate the terrible burden placed on New York's workers, who no longer receive an honest day's pay for an honest day's work.

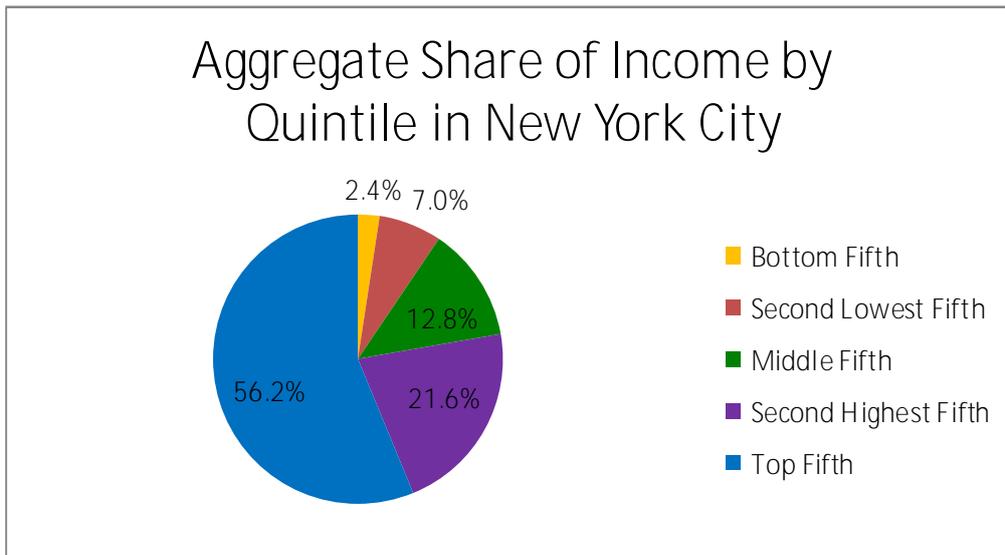
- Four in ten households in New York City are forced to subsist on low-wages.<sup>2</sup>
- Over one-quarter of households in New York City earn below \$25,000 per year.<sup>3</sup>
- One in five New Yorkers lives below the federal poverty line of \$11,170 per year.<sup>4</sup>
- At the same time, New York City has some of the highest paid workers in the world, leading to stark levels of inequality. New York City is the most unequal of the 25 largest cities in the United States.<sup>5</sup>
- Little is being done to address this inequality and as a result, wealth continues to concentrate at the top. The top 1% in New York City collects just under one-half of all income.<sup>6</sup>

This report will highlight several of the worst low-wage employers in New York City. Some are smaller employers who are locally owned, like Golden Farm supermarket in Kensington, Brooklyn; others are large corporations with rich private equity backers like Toys "R" Us (and Bain Capital). In all cases, the examples illustrate how the owners and executives of these companies are profiting while their low-wage workers are struggling to make ends meet.

## A PROFILE OF LOW-WAGE WORKERS IN NYC<sup>i</sup>



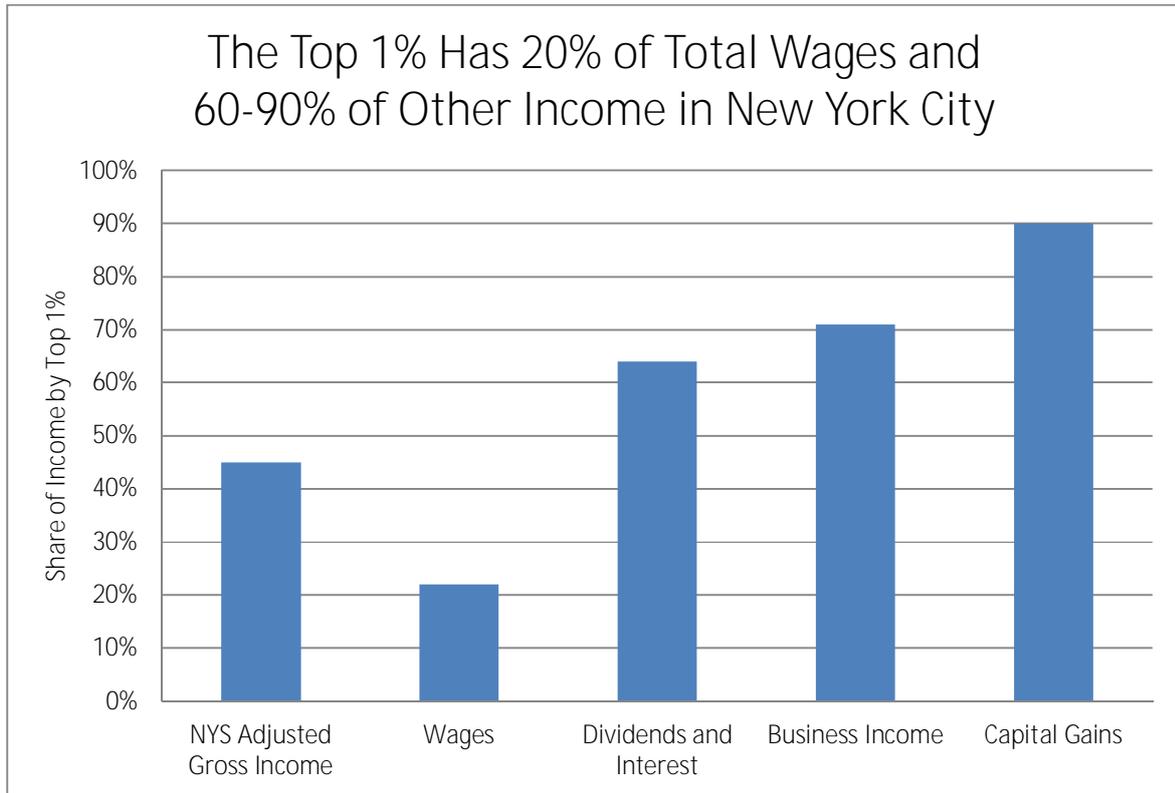
The bottom 20% in New York City collects only 2.4% of all income.<sup>7</sup>



Wages, however, are only one part of understanding income and its impact on inequality and income concentration in New York City. There are several other major forms of income, such as dividends, business income and capital gains that are exceedingly concentrated among the top 1%. Many low-wage workers have no other form of income than wages.<sup>8</sup> Therefore, raising wages is essential to addressing the financial strain on low-income households.

<sup>i</sup> 99% Share of Income data is as of 2007. Aggregate share of income data is as of 2010.

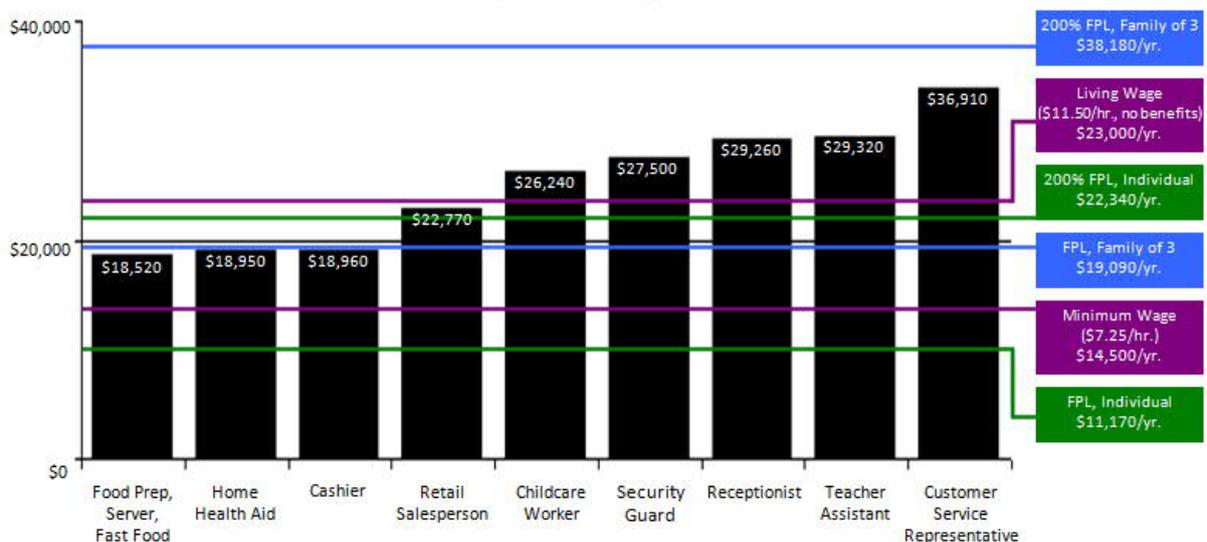
## The Top 1% Has 20% of Total Wages and 60-90% of Other Income in New York City



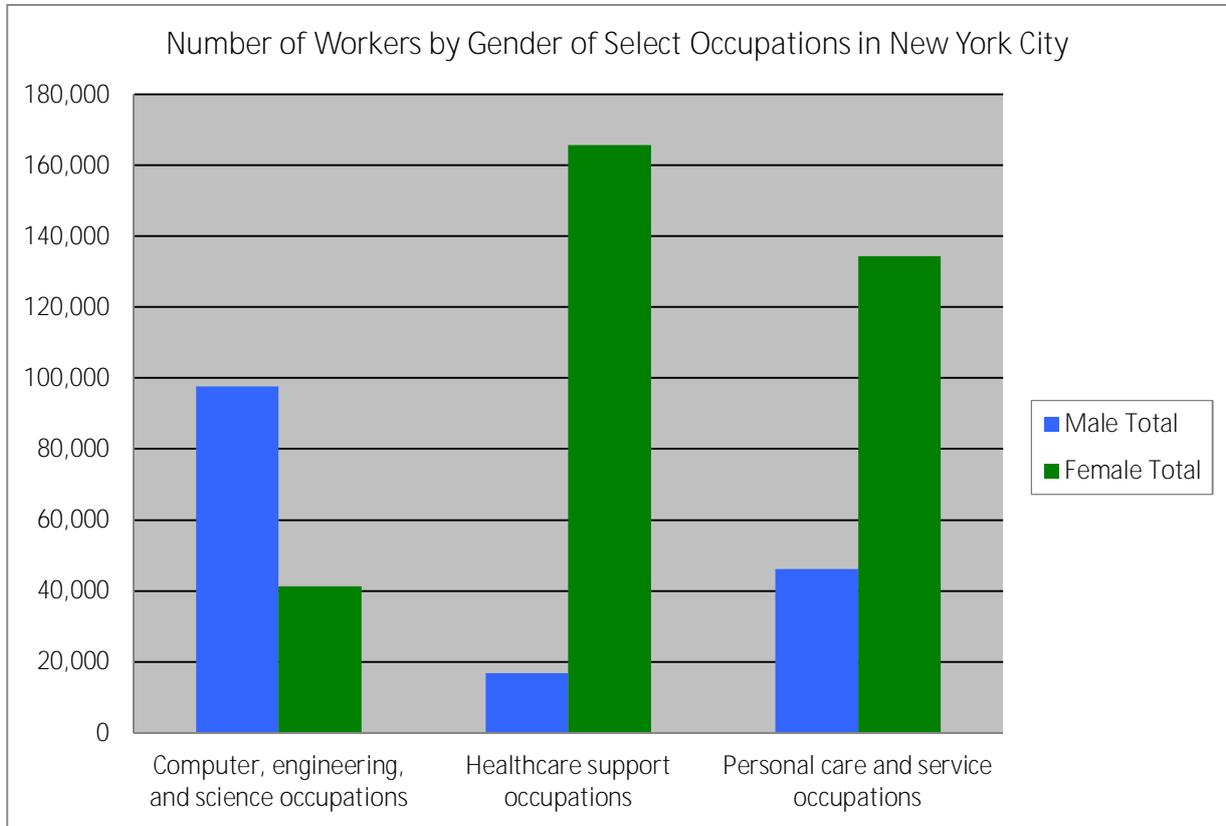
Source: "Balancing the New York State Budget." Tax Year 2007. Fiscal Policy Institute. 14 Feb 2011.

In New York City, occupations projected to grow substantially in the coming years—food service worker, cashier, stock clerk, home health aide, waiter and waitress, childcare worker, security guard, teacher's assistant, and receptionist—pay well below the low-wage worker threshold of \$38,180 per year.<sup>9</sup>

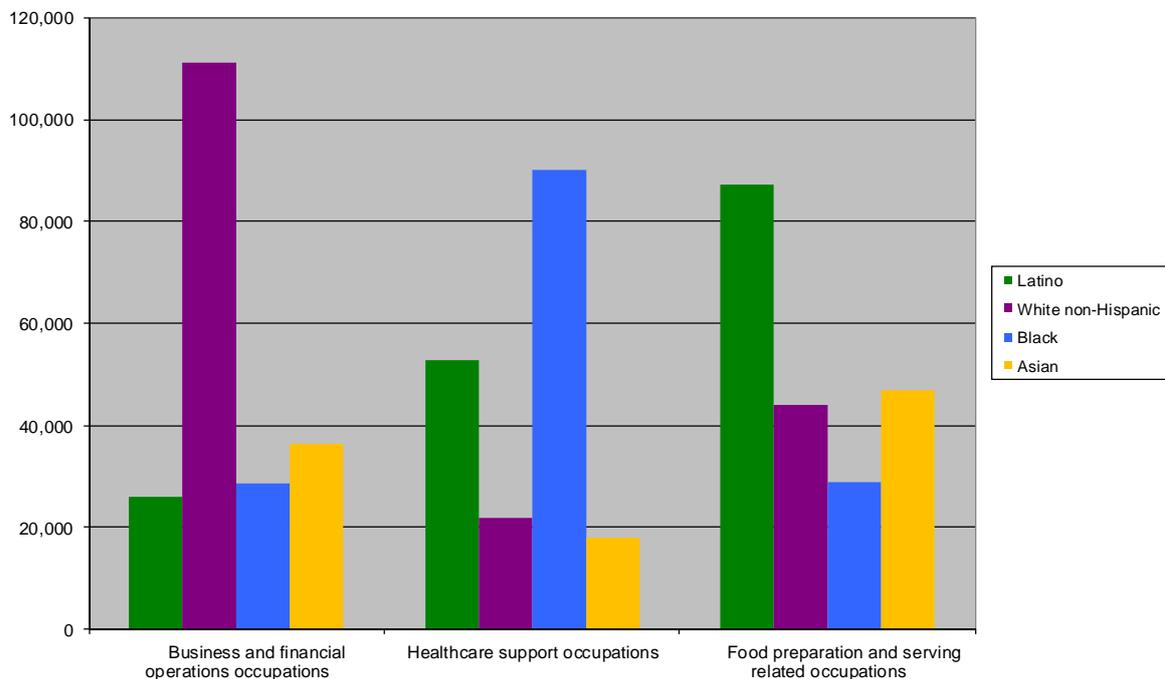
## Median Annual Wages of a Selection of New York City Low-Wage Growth Industries



In addition, many of the highest growth, low-wage occupations have disproportionately high percentages of women<sup>10</sup> and people of color workers.<sup>11</sup>



Number of Workers by Race of Select Occupations in New York City



## A SELECTION OF THE WORST LOW-WAGE EMPLOYERS IN NYC

### Car Washes

The conditions for over 5,000 workers at the nearly 200 car washes in New York City<sup>12</sup> illustrate the wide disparity between the owners of many low-wage businesses and their workers.

Based on interviews that researchers from a group named WASH New York conducted at 29 different car wash facilities it is clear that abuse of workers' rights is rampant. Low wages, they found, while the most obvious aspect of this work, are only one of many other poor working conditions that those performing these jobs often endure.

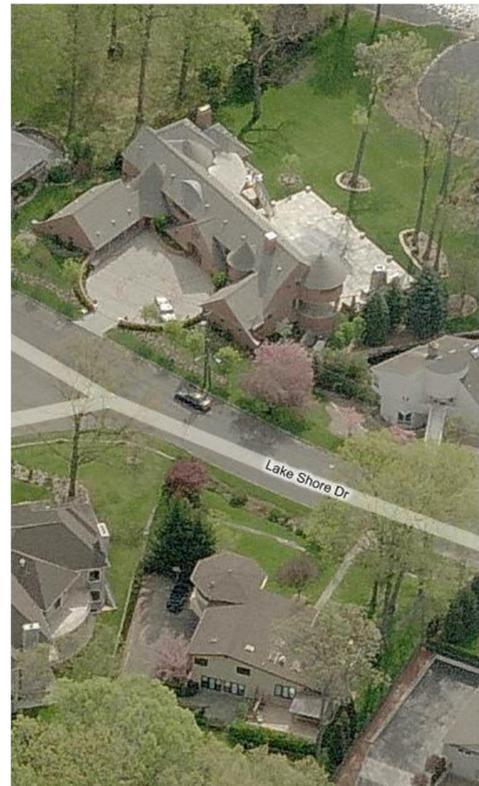
Fifty-three percent of workers interviewed work between 61 and 80 hours a week with some working as many as 105 hours. Despite this, only 25% of those interviewed received any overtime pay. 66% of the workers interviewed had, at times, been paid below minimum wage. And despite constant exposure to hazardous chemicals, only 23% of the workers interviewed receive any protective equipment from their employers.<sup>13</sup>

These findings were corroboration for what investigators from the New York State Department of Labor found in 2008. Based on an examination of 28 New York City car washes, 78.5% of operators inspected were in violation of minimum wage and overtime laws, 39% had managers who improperly took a portion of their workers' tips, and 25% failed to provide required meal breaks to their employees.<sup>14</sup>

John Lage, known in some quarters as the “car wash kingpin,” offers one striking example of an employer operating in this industry. Lage, who is linked to some twenty-one car washes in the City,<sup>15</sup> was sued by the US Department of Labor in 2005 over allegations that he and the car washes that he operated violated the Fair Labor Standards Act. In a 2009 consent judgment against him, Lage agreed to pay \$3.4 million in back wages, damages, and interest to 1,187 employees for having paid the employees less than minimum wage and denying them overtime compensation.<sup>16</sup>

Paying millions as part of the lawsuit does not seem to have hurt his lifestyle, though. He is the owner of at least two homes, in Whitestone, Queens and Westchester County. His 3,700 square foot waterfront property in Queens is reportedly worth over \$1.6 million.

Lage’s lakefront property in Westchester – purchased in 2002 for \$1.9 million, and complete with swimming pool, turrets, and a large circular drive way capable of parking numerous cars – sits across the street from his son (and business partner) Michael’s \$1.3 million home.<sup>17</sup>



John and Michael Lage's Westchester County properties are worth millions

#### Airline Contractors

Contracted passenger service workers such as baggage handlers, sky caps, ticket checkers, cabin cleaners, wheelchair attendants – even the front-line security officers charged with ensuring the safety of all those traveling through New York City area airports – are low-wage workers making a median wage of \$8.00 per hour, according to a 2012 study by researchers at New York University. In fact, the most frequently reported wage of those surveyed was the federal minimum wage of \$7.25 per hour.<sup>18</sup>

Eighty-eight percent of the 16,500 contracted passenger service workers at New York City’s airports are hired by airline contractors. Air Serv, a company with over \$400 million in revenue in 2010,<sup>19</sup> is one of the largest companies that employ these workers. At JFK, for instance, they have hundreds of workers serving as wheelchair attendants, cabin cleaners, security guards, ID checkers, and baggage handlers for airlines such as Delta, American, and JetBlue.

The founder and CEO of Air Serv is Frank Argenbright – someone who is no stranger to controversy. Previously, he was the CEO of Argenbright Security, the company responsible for passenger screening at two of the three airports where the terrorist hijackers boarded planes on 9/11. Given his company’s role in failing to prevent the terrorist attacks, Argenbright was denounced by many, including one US Representative who wrote that “Argenbright has become a synonym for failure.”<sup>20</sup>

According to an article in Forbes, "Argenbright says that he is more careful and generous when it comes to dealing with his workforce these days."<sup>21</sup> After the failures of his previous company, being careful seems prudent. Being described as "more generous," however, does not seem very apt.

Many Air Serv workers at Newark and JFK airports earn \$8 per hour or less.

Passenger service workers hired by airline contractors generally do not have health insurance (only 17%) or even paid sick time (only 32%). Just taking time off to take a sick child to the doctor could cost someone a day's pay – or even their job.<sup>22</sup>

Argenbright does not have to worry about such things. After being fired in 2001 from the company he founded he was able to borrow \$7 million from his friends to help him form Air Serv,<sup>23</sup> and as of 2007 he was worth approximately \$300 million.<sup>24</sup> He currently lives in a 13,688 square foot house in Sea Island, Georgia that has a total value of over \$6.8 million.<sup>25</sup>

Toys "R" Us

New York State has the second largest concentration of Toys "R" Us stores in the country (behind California) with 62 locations, and New York City is home to 19 of those stores across its five boroughs.<sup>26</sup> The second largest supplier of toys in the US, it was acquired in 2005 by a group of private equity firms including Bain Capital. Shortly after being acquired by Bain, Toys "R" Us closed 75 stores. This likely led to an estimated 2,250 workers losing their jobs.<sup>27</sup>

With revenue of nearly \$14 billion and net income of \$168 million in 2011,<sup>28</sup> Toys "R" Us is not lacking in cash flow. The same cannot be said for its workers. Researchers from an organization that interviewed several dozen Toys "R" Us workers in New York City found that most of them made less than \$10 per hour, with many starting at just \$8.50 per hour.

In contrast, Toys "R" Us' CEO Gerald Storch made \$7.9 million in total compensation in 2011 – a \$5.2 million increase over his total compensation in 2010 thanks to millions in stock and options he was awarded.<sup>29</sup> Storch lives in a spacious home in Bergen County, New Jersey that was purchased for \$3.4 million in 2006, the same year he became CEO.<sup>30</sup> Situated on nearly 2 acres of land, the home has over 11,000 square feet of living space.<sup>31</sup>



Air Serv CEO Frank Argenbright's \$6.8 million Sea Island home



Toys "R" Us CEO Gerald Storch's \$3.6 million home in New Jersey

Aside from just paying low wages, Toys “R” Us has had its share of legal troubles related to its employment practices. Toys “R” Us agreed to pay more than \$100,000 in restitution and penalties stemming from a complaint filed through the Massachusetts Attorney General’s Office in 2009 by a former employee alleging that the company failed to pay earned vacation time upon completion of employment. Toys “R” Us cooperated with the investigation after an internal self-audit revealed nearly \$100,000 in unpaid vacation wages.<sup>32</sup> In 1999, Toys “R” Us agreed to pay a \$200,000 fine as part of a settlement with the U.S. Department of Labor after alleged violations of national child labor laws. An investigation found more than 300 underage Toys “R” Us employees working longer hours than allowed by law.<sup>33</sup>

### Supermarkets

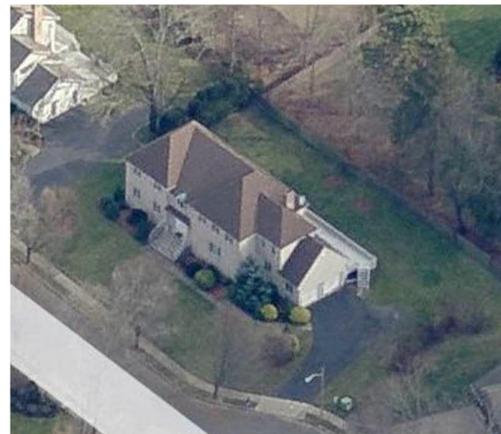
One of the “significant industries” in New York City, according to the New York State Department of Labor, supermarkets had above-average job growth in the City between 2006 and 2009. However, it is one of the lowest paid industries as well. The top two largest categories of workers in this industry are cashiers (34.1%) followed by Stock Clerks & Order Fillers (18.9%). Combined, these two job categories comprise 53% of the workforce. In 2009, a full time worker in both these categories made under \$9.00 per hour.<sup>34</sup>

The approximately twenty-five workers at Golden Farm supermarket in Kensington, Brooklyn may have been paid much, much less than that.

Workers at Golden Farm, many of whom are immigrants, are fighting to hold owner Sonny Kim and Golden Farm management accountable for not paying them what they are owed for the hours they have worked. Approximately ten workers allege as part of a lawsuit against the company to have worked 72-hour work weeks, yet only to have been paid as little as \$4.86 per hour.<sup>35</sup>

In denying that the store was not paying workers even the legally required minimum wage of \$7.25 per hour, manager Steve Kim was reported by the New York Daily News to have said, “The Spanish guys don’t know English writing and reading. How would they know American labor law?”<sup>36</sup>

Sonny Kim is probably not worrying about making ends meet, though. He sold his house in Closter, New Jersey in 2010 for nearly \$1.1 million – with a profit over what he bought it for despite the slumping housing market.<sup>37</sup>



Golden Farm owner Sonny Kim's former Closter, NJ house that he sold for \$1.1 million in 2010

According to union organizers, workers at Golden Farm voted in an election for union representation on May 2, 2012. After the election results are finalized – and workers expect to have won the vote – they will seek to bargain a contract with the store’s management that guarantees fair wages, sick time, and other benefits to make their working conditions and lives better.

## Con Edison Contractors

With Con Edison raking in over \$1 billion of profit in 2011 (up 5.9% from \$992 million in 2010),<sup>38</sup> workers hired by its cleaning and security contractors are scraping by on as little as \$8.00 per hour.

Apparently, a rising tide does not lift all boats, just some – like Con Edison's President & CEO Kevin Burke. Burke was awarded \$10,965,047 in total compensation in 2011, which is the equivalent of \$5,272 per hour.<sup>39</sup> In other words, a cleaner making \$8.00 per hour would need to work 659 hours or 16.5 weeks to earn what Burke makes per hour. Burke received an increase in 2011 of \$688,653, which alone equals the annual wages of 41 cleaners earning \$8 hourly.<sup>40</sup> Instead of an increase like Burke received, contracted cleaners at Con Ed's headquarters recently had their salaries cut from as little as \$9 to \$8.50 per hour.



Con Edison CEO Kevin Burke's \$2.3 million house in Florida – one of at least three that he owns

Instead of ensuring that their contracted workers are making enough money to support their families, Con Ed has been rewarding its CEO enough to enable him to maintain at least three homes – a Westhampton Beach, NY home worth nearly \$1 million, an Upper East Side apartment worth \$1.5 million, and a house that he bought for \$2.3 million in 2011 in Ponte Vedra Beach, Florida.<sup>41</sup>

To help ensure that they could continue getting away with paying their cleaners and guards wages that keep them impoverished, Con Edison spent over \$2 million on lobbying in 2010 and 2011 – part of which went to fighting a law that would give contracted cleaners and security officers decent wages and benefits. The bill, S7434 and A9375 in the NY Senate and Assembly, respectively, would have guaranteed good wages, health care, and other benefits to contracted cleaners and security officers at public utility companies. The bill would eliminate the current exemption for public utility companies in the state prevailing wage law which guarantees contracted service workers the private sector market rate at public sites and facilities. Since this prevailing wage law was passed in 1971, thousands of workers contracted to clean and secure public buildings and facilities have been supporting their families with good wages and health care. Service workers at Con Edison would like to do the same.

On top of monthly utility payments, New Yorkers foot the bill when low wage, uninsured service workers need medical care or are forced to turn to public programs for basic necessities like food, health care, and housing.

## EFFECTS OF WIDESPREAD LOW-WAGE EMPLOYMENT

### Foreclosures

- Some communities, like many in Queens, were once seen as bastions for middle class black residents of New York City.<sup>42</sup> Unfortunately, the recession combined with the prevalence of low-wage work and high numbers of foreclosures could be eating away at that perception.
- In New York City there were 94,890 mortgages at risk of foreclosure in 2011 with two-thirds of these mortgages being held by homeowners in predominantly minority communities.<sup>43</sup>
- According to a report issued by the Port Authority of NY & NJ, Queens is home to the largest concentration of the tens of thousands of New York City's direct on-airport employees.<sup>44</sup> Southeast Queens, the area that surrounds JFK airport, is also where there was the highest number of 90-Day Pre-Foreclosure Notices sent to homeowners anywhere in New York City in 2011. Certain neighborhoods in Southeast Queens were particularly hard hit. For example, St. Albans has over 15% of all homes receiving foreclosure notices. Springfield Gardens (14.9%) and Rochdale (9.4%) are also heavily affected.<sup>45</sup>

### Dependence on public services

Millions of New Yorkers depend on public assistance to meet basic nutritional and health care needs. In 2010, close to 3 million New Yorkers were enrolled in public health insurance programs, and almost 2 million New Yorkers received food stamps. Trends suggest these numbers will rise. Between 2008 and 2010, the number of New Yorkers receiving food stamps grew almost 24%, and the number of New Yorkers covered by public health insurance plans grew approximately 10%.<sup>46</sup>

### Precarious jobs

A survey of 1,500 New Yorkers conducted by the Community Service Society found that a third of low-wage income earners in New York City had someone in their household whose wages, hours or tips were reduced, or who lost their jobs, or both in 2011.<sup>47</sup>

### Hunger, Housing and Healthcare

- A third of low-income single mothers surveyed reported going hungry because they did not have enough money to buy food.<sup>48</sup>
- Nearly half of low-income single mothers surveyed fell behind on their rent or mortgage, and 38 percent could not fill a needed prescription.<sup>49</sup>

High unemployment and the steady loss of affordable housing have resulted in an all-time high number of New Yorkers turning to homeless shelters last year. An all-time record of 113,553 homeless people - including 42,888 children - slept in municipal shelters in FY 2010.<sup>50</sup>

## RECOMMENDATIONS

### Raise the minimum wage

Significantly raising the minimum wage, and tying it to inflation, would (with proper enforcement) be an important step to ensuring that “minimum” did not simply mean as low as possible, but as high as needed to allow workers to make ends meet. Raising the minimum wage, however, is not a solution by itself. Indeed low-wage workers often report that other factors (such as a lack of leave time and no health care benefits) tied to their working life also have a significant impact on their, and their families’, well-being.

### Require employers who accept taxpayer subsidies to pay a living wage and hire locally

The New York City Industrial Development Agency (NYC IDA) is currently subsidizing over 600 projects through \$1.3 billion in net tax exemptions, and these projects employ over 240,000 full-time equivalent workers. These workers represent nearly 6% of New York City’s labor force.<sup>51</sup> Providing a livable wage to 6% of the labor force would have a dramatic impact and ensure that a direct community benefit results from these projects. It would increase the quality of life for these residents, increase tax revenue, reduce the cost to government for social service programs, and create greater demand for goods and services.

Unfortunately, the IDA and other subsidy programs do not have adequate public disclosure requirements related to wages paid to workers on projects that they fund. As such, the public, whose dollars are funding these projects, cannot be sure that the funds are going toward supporting good jobs as opposed to low-wage jobs. Increased transparency and better reporting of wage data would allow the public to be confident that their tax dollars are being used to fund living wage jobs.

Local hiring requirements are also important, as they ensure the benefits of a development are passed along to local residents.

In addition, there are many more subsidy programs in New York City, such as the Industrial and Commercial Abatement Program, the Brownfield Cleanup Program, and the Excelsior Jobs Program that provide subsidies to hundreds of other businesses. These programs could be used to benefit workers and businesses by providing subsidies while raising the standard of living for millions of New Yorkers through a strong living wage standard.

Apart from wage mandates, we can provide good quality jobs at subsidized developments by setting goals for full-time to part-time ratios. Low-wage employers have increasingly pushed hourly workers into part-time positions with no benefits and little opportunity for advancement. This has fueled underemployment and pushed low-wage workers onto government subsidized life supports. In some industries, like retail, the numbers of involuntary part-time workers has doubled in recent years.<sup>52</sup> By incentivizing employers in these developments to hire full-time workers, the NYC IDA can push back against low-wage underemployment and raise the bar for workplace standards across the city.

### Make it easier for workers to gain collective bargaining rights

Collective bargaining could be a powerful force for ensuring that low-wage workers have the ability to improve their wages and overall working conditions. We have seen what can, and sometimes does, happen when workers are unorganized and unscrupulous employers are left to impose their own narrow self-interest on their workforce – workers paid below the minimum, unable or fearful to take time off, and unable to care for themselves and their families. When workers have the legally protected right to act together to negotiate for a contract, they can hold their employers accountable and better ensure that their rights and dignity are preserved.

Full-time unionized workers in the US continue to earn more than non-union workers. In 2011, union workers had median weekly earnings of \$938 while non-union workers had median weekly earnings of just \$729. For union workers this was a 2.29% increase over 2010 earnings compared to just a 1.67% increase for non-union workers.<sup>53</sup>

There could be an even broader impact of collective bargaining. A recent study found an inverse correlation between the number of workers covered by collective bargaining agreements and the prevalence of low-wage jobs. The study, which focused on 19 economically rich countries, found that the US, which had one of the lowest percentages of workers covered by collective bargaining, had the highest percentage (24.8%) of workers doing low-wage work. Conversely, those countries with a higher proportion of their workers covered by collectively bargaining had a lower percentage of workers in low-wage jobs.<sup>54</sup>

### Ensure strong enforcement against wage theft

In 2011, the Wage Theft Prevention Act went into effect in New York.<sup>55</sup> This bill enacted long-needed reforms, strengthening the ability of regulators and law enforcement to prevent and crack down on employers who willfully violated wage and hour laws. Among other things, it:

- Increases the damages to which employers would be subject when they pay less than the applicable minimum wage to their employees or fail to pay required overtime to workers;
- Better protects whistleblowers who bring complaints to the attention of the NY Department of Labor from retaliation by their employers; and
- Levels the playing field for businesses that actually follow the law and pay their employees what they are owed by not allowing law-breaking employers to undercut them.

Unfortunately, attempts have been made to weaken this historic law, for example, by removing the requirement that businesses provide an annual notice to their employees of the wages that they are supposed to receive.<sup>56</sup>

In New York City alone, some have estimated that workers lose nearly \$1 billion a year to wage theft.<sup>57</sup> Given this rampant abuse, going back on these new protections, instead of vigorously enforcing them, is the wrong way to go.

## Incentivize mortgage modifications and principal write-downs

Much of the blame for the current financial mess falls on banks that made irresponsible decisions regarding home mortgage lending. While banks received trillions of dollars in taxpayer funded bail outs, though, homeowners have not received the kind of support they need and foreclosures continue.

According to a study by The New Bottom Line, in 2011 homeowners owed \$709 billion more on their mortgages than their homes were really worth. If banks were to reduce the principal amount owed on these "underwater" mortgages to more realistically match the homes' current market value, homeowners' cash could be freed up to spend. This would stimulate the economy and allow businesses to start hiring again to fulfill renewed demand for their goods and services. This in turn, could help ameliorate the unemployment crisis that has fed the foreclosure problem and slowed the economic recovery.

In New York State, 6.2% of homes are underwater with \$14.8 billion in negative equity. If this excess principal were to be written down, it could save each homeowner with an underwater mortgage \$910 per month and potentially create 18,544 jobs, according to the study.<sup>58</sup>

## CONCLUSION

Low-wage work is all too common in New York City. Millions of New Yorkers work hard, but are not adequately compensated for their work. In a city as expensive as New York City, this places an incredible burden on government to address this failure of the private market to take care of its employees. The solutions to this problem are easily identified. Raising the minimum wage, ensuring a community benefit at subsidized developments, protecting worker rights, and addressing the mortgage crisis would directly benefit low-wage workers. The question, however, is how to put these solutions into practice. This is a political question, and one that must be addressed through workers, communities, and their political allies making a stand.

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<sup>1</sup> Raising New York State's Minimum Wage. Testimony by James Parrott of the Fiscal Policy Institute to the New York State Labor Committee April 2011, [http://fiscalpolicy.org/wp-content/uploads/2012/05/FPI\\_RaisingNewYorkStatesMinimumWage\\_20120423.pdf](http://fiscalpolicy.org/wp-content/uploads/2012/05/FPI_RaisingNewYorkStatesMinimumWage_20120423.pdf); FPI, State of Working New York 2011, [http://fiscalpolicy.org/wp-content/uploads/2012/04/FPI\\_StateOfWorkingNewYork2011\\_Part1\\_20110831.pdf](http://fiscalpolicy.org/wp-content/uploads/2012/04/FPI_StateOfWorkingNewYork2011_Part1_20110831.pdf).

<sup>2</sup> Low-wage worker is defined as a person with earnings below 200% of the federal poverty level of \$19,090 for a family of three, \$38,180. "2012 HHS Poverty Guidelines," U.S. Department of Health & Human Services, <http://aspe.hhs.gov/poverty/12poverty.shtml#thresholds>; 2010 American Community Survey 1-Year Estimate, DP03 Selected Economic Characteristics, [http://factfinder2.census.gov/faces/tableservices/jsf/pages/productview.xhtml?pid=ACS\\_10\\_1YR\\_DP03&prodType=table](http://factfinder2.census.gov/faces/tableservices/jsf/pages/productview.xhtml?pid=ACS_10_1YR_DP03&prodType=table); The median household income is \$48,743; 2010 American Community Survey 1-Year Estimate, S1901 Income in the Past 12 Months, [http://factfinder2.census.gov/faces/tableservices/jsf/pages/productview.xhtml?pid=ACS\\_10\\_1YR\\_S1901&prodType=table](http://factfinder2.census.gov/faces/tableservices/jsf/pages/productview.xhtml?pid=ACS_10_1YR_S1901&prodType=table).

<sup>3</sup> 2010 American Community Survey 1-Year Estimate, S1901 Income in the Past 12 Months, [http://factfinder2.census.gov/faces/tableservices/jsf/pages/productview.xhtml?pid=ACS\\_10\\_1YR\\_S1901&prodType=table](http://factfinder2.census.gov/faces/tableservices/jsf/pages/productview.xhtml?pid=ACS_10_1YR_S1901&prodType=table).

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- <sup>4</sup> Poverty in New York City. ALIGN: The Alliance for a Greater New York, September 2011, <http://www.alignny.org/wp-content/uploads/2011/09/Poverty-In-NYC-September-2011.pdf>.
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- <sup>6</sup> Grow Together or Pull Further Apart. Fiscal Policy Institute, December 13, 2010, [http://www.fiscalpolicy.org/FPI\\_GrowTogetherOrPullFurtherApart\\_20101213.pdf](http://www.fiscalpolicy.org/FPI_GrowTogetherOrPullFurtherApart_20101213.pdf)
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