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This fact sheet provides a snapshot of Tompkins County employment and earnings. It also summarizes the work of the Tompkins County Living Wage Working Group in examining the feasibility of implementing a countywide minimum wage that is a living wage. It presents findings from initial information gathering and plans for future research.<sup>i</sup>

According to the Alternatives Federal Credit Union’s biennial Living Wage Study of 2017, a single person working 40 hours a week needs an hourly wage of at least \$13.54 to live in Tompkins County. This rate applies to individuals whose employer provides health insurance and is \$15.11 for an individual whose employer provides no health insurance. The extra \$1.57 per hour allows the individual to purchase the Silver Plan through NYS Health Insurance Exchange/Marketplace.<sup>ii</sup>

**A snapshot of Tompkins County Employment and Earnings**

*Figure 1. Change in total nonfarm employees 1990-2018, Metropolitan Statistical Areas in Upstate New York. Seasonally Adjusted. Bureau of Labor Statistics.*

Since the 1990s, employment in the Ithaca metropolitan statistical area (equivalent to Tompkins County) has grown by nearly 40%, more than any other area in upstate New York. This trend is not slowing (See Figure 1). In June 2018, there were 51,220 workers living in Tompkins County<sup>iii</sup>. While around 4000 of these commute to jobs in other counties, some 15,000 workers commute in.<sup>iv</sup> Strong job growth has pushed median wages up to the highest level in New York State other than the New York City area, higher indeed than some areas downstate (See Table 1).

*Table 1 MSA Median Wages and Annual Income, 2017 Estimates (Bureau of Labor Statistics)*

<b>Metropolitan Statistical Area</b>	<b>Median Wages</b>	<b>Median Annual Income</b>
New York-Jersey City-White Plains	\$22.41	\$46,620
<i>Ithaca</i> (Tompkins County)	<i>21.51</i>	<i>44,730</i>
Nassau County-Suffolk County	20.82	43,310
Albany-Schenectady-Troy	20.03	41,660
Dutchess County-Putnam County	19.66	40,890
Syracuse	18.54	38,560
Rochester	18.5	38,490
Buffalo-Cheektowaga-Niagara Falls	17.77	36,950
Elmira	17.59	36,580
Kingston	17.45	36,300
Utica-Rome	17	35,350
Binghamton	16.72	34,770

Nevertheless, about 18% of workers in Tompkins County live below the federal poverty line, according to our analysis of data from the American Community Survey (ACS); this number is higher (25.9%) if we exclude workers 22 (because they are likely to be college students).

We estimate that 39.3% of workers in Tompkins County earn less than \$15.11 per hour; this number is somewhat lower (34.9%) if we exclude workers age 22 and younger. Our calculation is based on hours and earnings reported by the ACS for people working 48 weeks per year or more. <sup>v</sup>

Low-wage work is unequally distributed by race and gender. The share of Hispanic workers (50.3%), African-American workers (41.2%), and workers of two or more races (58.9%) is far greater than that of Asians (31.0%) and whites (39.1%). The share of female workers in low-wage jobs (42.0%) is higher than that of male workers (37%). If we exclude workers age 22 and younger, these numbers are lower for all groups except for Hispanics (table 3).

*Table 3. Tompkins County Low-Wage Workforce Demographics by Race and Sex; Share of Workers Earning Less Than \$15.11 (American Community Survey, 2012-2016 Estimates)*

	% of workers	% group earning <LW		% working 48 weeks or more
		All Ages	Older than 22	
African American	2.8	41.2	36.1	54.5
Asian	6.8	31	26	52.8
Hispanic	3.3	50.3	50.7	49.1
Two or More Major Races	1.8	58.9	50.2	49.5
White	85.4	39.1	34.9	64.0
Male	52	37	31.1	64.1
Female	48	42	38.9	60.2
All Workers	100	39.3	34.9	62.2

Calculated based on hours and earnings reported by those working 48 weeks or more per year.

The ACS data also show the industries where Tompkins County’s low-wage workers are employed (table 4). 65% or more of workers make less than a living wage in accommodation and food services, ‘other services’ (which includes advocacy and grant-making organizations as well as personal care services), retail trade, agriculture, and arts and entertainment. The largest employer of low-wage workers, however, is education services, with some 3000. Health care employs some 1000 low-wage workers.

*Table 4. Top 5 Industries by Percentage and Count of Low Wage Workers, Tompkins County (American Community Survey 2012-2016 Estimates)*

By percentage	% of workers	<\$15.11/hour		% working 48 weeks or more
		%	Count	
Accommodation and Food Services	6.6	71.7	1,805	44.4
Other Services, Except Public Administration	4.8	68.0	1,220	68.2
Retail Trade	8.1	67.0	2,003	53.5
Agriculture, Forestry, Fishing and Hunting, and Mining	1.4	66.6	349	62.2
Arts, Entertainment, and Recreation	2.5	64.5	589	38.4
All Other Industries	76.6	30.3	8,630	59.6

all industries	100.0	39.3	14,596	62.2
<b>By count</b>				
Educational Services	33.2	24.4	3,010	64.0
Retail Trade	8.1	67.0	2,003	53.5
Accommodation and Food Services	6.6	71.7	1,805	44.4
Other Services, Except Public Administration	4.8	68.0	1,220	68.2
Health Care 1 - private practices, hospitals, skilled nursing facilities	8.0	36.9	1,094	78.8
All Other Industries	39.3	37.4	5,464	56.1
All industries	100.0	39.3	14,596	62.2

Calculated based on hours and earnings reported by those working 48 weeks or more per year.

### **Findings from initial information gathering**

In mid-to-late 2018, the working group solicited ideas from employers and workers in several structured and facilitated Information Gathering Sessions and through door-to-door canvassing. We gathered responses to open-ended questions to identify potential advantages, barriers, and effects of living wage legislation. Out of 187 respondents, 132 were workers and 55 employers. Employers were diverse representing the caregiving, home care, lodging, government and restaurant industries as well as diverse nonprofits and participants in a multi-sectoral CEO roundtable.

Employers were generally apprehensive about the idea and identified more hurdles than advantages. 95 of the issues they raised were categorized as advantages, as opposed to 329 responses for hurdles. When discussing the advantages of the living wage, the employers focused on the advantages to their employees, and only a fraction indicated any reason that their business would improve with the living wage. 60% of the responses for advantages concerned the business itself. The most widespread concerns were wage compression, potential layoffs, the reduction of programs and services, and higher fees, prices, rates or costs.

Workers, on the other hand, overwhelmingly identified positive effects of a living wage. The most common response when asked about negative effects on one's household from earning a living wage was "no negative effects." 13% of all responses were issues categorized as negative and 77% positive (65 negative responses to 395 positives out of 511 total). Generally, workers believed the living wage would improve their performance in the workplace and bring stability to their lives by allowing them to save money, afford necessities, and improve their mental health. Benefits cliffs were something both workers and employers were concerned with, as was a possible increase in the cost of living.

### **Next steps of the research**

We will conduct original research to assess the feasibility of living wage legislation. This includes:

1. Assessing the likely impact on employers using case studies. We will look at sectors employing large numbers of low-wage workers, including cost structures, responses to past minimum wage increases, and planning for a living wage.
2. Examining 'benefits cliffs' by developing a calculator. Working with the National Center on Childhood Poverty at Columbia University, we will identify situations in which a living wage would lead to a lower net income by making workers ineligible for means-tested benefits such as Medicaid and food stamps. (This could inform calculations of savings to government in benefits from a living wage.)
3. Assessing public opinion with surveys of employers and workers. We will ask how widespread the hopes and concerns are that were identified in the information gathering sessions.

i This fact sheet draft has been prepared in February 2019 by Ian Greer, Hayli Bazan, and Hannah Lorenc from Cornell University and Shaienne Osterreich from Ithaca College; members of the Tompkins County Living Wage Working Group Subcommittee for Research. See the authors for details on methodology.

ii For more information about this calculation see the Alternatives Federal Credit Union's 2017 Living Wage Study: [https://www.alternatives.org/documents/AFCU-2017-1011\\_Press%20Release.pdf](https://www.alternatives.org/documents/AFCU-2017-1011_Press%20Release.pdf)

iii See the Bureau of Labor Statistics website: [https://www.bls.gov/regions/new-york-new-jersey/news-release/countyemploymentandwages\\_newyork.htm#ro2qcew-newyork](https://www.bls.gov/regions/new-york-new-jersey/news-release/countyemploymentandwages_newyork.htm#ro2qcew-newyork)

iv American Community Survey. 2009-2013 5-Year American Community Survey Commuting Flows. <https://www.census.gov/data/tables/time-series/demo/commuting/commuting-flows.html>

v We exclude people working fewer than 48 weeks per year because the number of weeks reported as broad ranges: 1-13, 14-26, 27-39, and 40-47 weeks. For these workers it is difficult to estimate hourly wages based on annual earnings and weekly working hours, compared with those we do include (in the much narrower ranges of 48-49 and 50-52 weeks).