

An aerial, top-down view of a large, dense crowd of people, rendered in grayscale. The people are packed closely together, filling most of the frame. The background is a light, hazy sky. The overall composition is dynamic and emphasizes the scale of the population being studied.

# TAKING COUNT

---

A study on poverty in the Bay Area



**TIPPING  
POINT  
COMMUNITY**

**Berkeley**  
UNIVERSITY OF CALIFORNIA



Othering  
& Belonging  
Institute

# A MESSAGE FROM OUR CEO

Friends,

In the months leading up to COVID-19, Tipping Point conducted a study in partnership with the University of California, Berkeley, called *Taking Count*. Our goal was simple: to gain a better understanding of the constant trade-offs people living in poverty are making in the Bay Area. Of course, what we didn't know was that our research would paint a picture of what life looked like before the impact of a pandemic.

*Taking Count* establishes a critical baseline for the number of people experiencing poverty in the Bay Area just months before the outbreak of COVID-19. The study shows that while 17% of the Bay Area are living in poverty, even those who are above the threshold are still struggling to get by.

The raw numbers are stunning. For example, 1 in 2 of households can't pay all of their bills over the course of a year. But what I find even more disturbing is what these statistics tell us about the quality of life for so many of our neighbors: the relentless stress of not making ends meet, the lack of savings for an emergency, the fear of getting ill without sick leave, and the dramatic disparities by race.

And this is when things were good—by historical standards, even great.

On an individual level, one unexpected impact of COVID-19 is that it has allowed me to have dinner with my family every night—something that was nearly impossible to do in the “old world.” But, of course, while some of us have had the privilege of slowing down and changing our behavior to avoid the virus, others are more vulnerable and exposed than ever. This report is about them—the people in our region who will likely remember this crisis as a breaking point that led to greater deprivation, stress, and poverty.

Of course, because of that, it is also about us—those of us in positions to influence systems—philanthropists, foundations, business leaders, and elected officials. Ultimately, studies like this are about accountability. The data tells a haunting story, but it's our choice whether or not to act upon it. Please join us.

Best,



A handwritten signature in black ink that reads "Sam Cobbs".

Sam Cobbs  
CEO, Tipping Point Community



# WHAT IS TAKING COUNT?

Tipping Point Community partnered with sociologists and political scientists from the University of California, Berkeley, and the Othering & Belonging Institute for a year-long study to get a holistic and nuanced picture of poverty in the Bay Area. As a poverty-fighting organization, we often talk about the people in the Bay Area who are unable to meet their basic needs. But exactly how many people, who is the most impacted, what trade-offs are people making to get by, and what does being unable to meet your basic needs feel like?

To answer these questions, we surveyed a representative sample of Bay Area residents three times over the course of a year. This longitudinal study, called *Taking Count*, asked a comprehensive set of questions, allowing us to understand what deprivation means for families over time, the ups and downs of a life lived in poverty, and the extent to which all Bay Area residents face hardships throughout a year. *Taking Count* is about lived experience in context and what it takes to survive in this region.

To get a baseline metric of those living in poverty in the Bay Area, *Taking Count* calculates the Supplemental Poverty Measure (SPM), which takes into account the local cost of living and government benefits a person receives—neither of which the federal poverty line considers. According to our study, and using the SPM, we see almost twice as many people living in poverty

compared to the number of people estimated by the federal poverty line.<sup>1</sup>

*Taking Count* presents a timely snapshot of poverty in the Bay Area in the months leading up to the outbreak of COVID-19. The findings illustrate that even when the economy is strong, millions in our community—even those who aren't considered to be living in poverty—are struggling to make ends meet.

Three key learnings emerged from this research:

- Bay Area individuals and families face financial instability and uncertainty: many Bay Area **residents cannot pay ALL of their bills** over the course of one year, and an alarming number of households do not have enough savings to make it through even a small emergency.
- **Black and Latinx residents are much more likely to experience poverty and hardship. No matter their income, they face far greater challenges** to saving and providing for their families, and Black and Latinx children are the most affected by poverty.
- Low-wage workers don't **have access to benefits provided to higher-wage workers like sick leave and the ability to work from home**—which prove to be essential during times of uncertainty.

**50%** OF BAY AREA RESIDENTS CAN'T PAY THEIR BILLS AT LEAST ONCE DURING THE YEAR



1. SPM is an alternative poverty measure developed by the U.S. Census Bureau, which makes it available only at the state level. A family of four with an income of around \$40,000 or less is considered to be living under the SPM in the Bay Area. The federal poverty line considers families making only \$26,200 or less as living in poverty anywhere in the continental United States.

# BAY AREA BUDGETS DON'T STRETCH THROUGH THE END OF THE MONTH

*Taking Count* found that more than 1 in 3 Bay Area residents frequently ran out of money before the end of the month, and 1 in 2 had at least one experience throughout the year when they were not able to pay all of their bills. With nothing left over from last month's paycheck, Bay Area families were forced to make impossible choices. Nearly 30% had to go without essentials—food, shelter, medicine—because they could not afford them. The study also found that relying on personal ties for needed support provided a very thin financial cushion for those with less resources and a much more stable one for those already relatively well resourced, shedding light on the important support role frontline organizations play in the community.



1 in 3

CONSISTENTLY RUN OUT OF MONEY BEFORE THE END OF THE MONTH



# ENOUGH TODAY DOES NOT MEAN ENOUGH TOMORROW

Four out of 10 Bay Area families did not have savings to cover *three months* of expenses, an important benchmark of financial stability. Without this kind of backup, Bay Area residents cannot weather a job loss or medical crisis, which so many more people are facing during this current economic downturn. Nearly 1 in 5 people surveyed had less than \$400 in savings for an emergency.



40%

DO NOT HAVE 3 MONTHS OF SAVINGS



1 in 5

HAVE LESS THAN \$400 FOR AN EMERGENCY

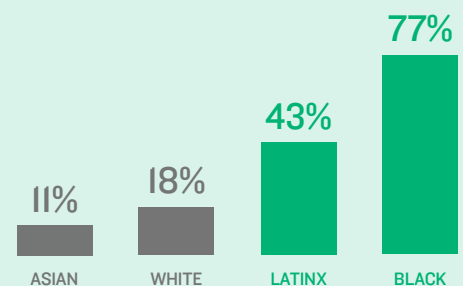


# BLACK AND LATINX RESIDENTS ARE FAR MORE VULNERABLE TO POVERTY

On average, *Taking Count* finds disparities in poverty by race and illustrates that poverty measures alone do not fully capture the way hardship is distributed across our communities. The study found that 1 in 7 White and Asian American residents were living in poverty compared to 1 in 5 Latinx and 1 in 4 Black residents who were living in poverty.

Longstanding histories of racial disadvantage and exclusionary policies make it challenging for even high-income and highly educated Black and Latinx residents to accumulate wealth.

Black residents were also far less likely to have even a small financial cushion to fall back upon. Seventy-seven percent of Black residents reported a time when they did not have \$400 in savings compared to just 18% of White residents.



< \$400 SAVINGS



# BLACK AND LATINX FAMILIES EXPERIENCE DRAMATIC FINANCIAL INSECURITY

Families with children experience the greatest inequality in the Bay Area. Black and Latinx families with children were *more than twice* as likely as White and Asian American families with children to live in poverty and less than half as likely to own a home. Black and Latinx families were twice as likely to not have three months of savings and therefore were much more vulnerable to the effects of an emergency like COVID-19. In addition, children in families experiencing hardship were more often absent from school and thus had a harder time consistently accessing the most necessary supports for their path out of poverty.






BAY AREA BLACK + LATINX FAMILIES



MORE LIKELY TO NOT HAVE 3 MONTHS OF SAVINGS



# LOW-WAGE WORKERS DON'T HAVE ACCESS TO SICK LEAVE AND FLEXIBLE WORK SCHEDULES

| EMPLOYEE BENEFITS |  Employer-Provided Health Insurance |  Paid Vacation/Personal Days |  Paid Sick Leave |  Parental Leave |  Remote/Flexible Work |
|-------------------|--|---|--|--|--|
| HOUSEHOLD INCOME  |  |   |  |  |  |
| > \$120,000/YR    | 89%  | 84%   | 83%  | 81%  | 78%  |
| < \$30,000/YR     | 43%  | 42%   | 52%  | 30%  | 27%  |



While the prototypical tech worker may enjoy free food, private commuter buses, and stock options, *Taking Count* found that more than one million workers in the Bay Area lacked the basic benefits that many of us expect from employment. Paid time off is starkly unequal between higher-income and low-income workers. We see similar divides in paid sick leave and access to health insurance and even wider gaps in paid parental leave and

the option of remote or flexible work. Because they were often going without health coverage, we found that low-wage workers were far more vulnerable to debt incurred by unpredictable medical events and therefore poverty as well. These are the very benefits that enable higher-wage workers to weather our current pandemic and the lack thereof that exacerbates the vulnerabilities felt most by low-income and Black and Latinx workers.

## WHAT'S NEXT?

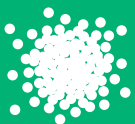
*Taking Count* forms a striking snapshot of the Bay Area, in the months prior to COVID-19, when unemployment was low and the economy was stable. It shows that even before the pandemic, people across our region were scrambling to piece together enough to get by.

Tipping Point's mission is to reduce the number of people who are faced with this challenge. This study provides a critical baseline to hold ourselves accountable to, and the findings will help shape our work. It reinforces the importance of frontline

service organizations that provide critical essentials when people need them most, like food, medicine, and rental assistance. It also points to the need for direct service to be complemented by policy shifts for broader, systemic change. Integrating the findings of this study with the on-the-ground realities of our grantees and their clients, Tipping Point will use *Taking Count* to draw attention to the gaps in our social system and create longer-term, more equitable conditions for all residents in the Bay Area in the years ahead.



**METHODOLOGY:** *Taking Count* is a panel survey of San Francisco Bay Area residents conducted over three waves between 2018 and 2019. It was taken by a sample of 3,100 residents at least 18 years old who live in six Bay Area counties: Alameda, Contra Costa, Marin, San Francisco, San Mateo, and Santa Clara. The study is authored by Irene Bloemraad, Benjamin Bowyer, Taeku Lee, Daniel Schneider, and Kim Voss of the University of California, Berkeley, as well as Jamie Austin and Jacob Leos-Urbel of Tipping Point Community.



**TIPPING  
POINT  
COMMUNITY**

[TIPPINGPOINT.ORG](https://tippingpoint.org)



For more information about *Taking Count*, please contact [media@tippingpoint.org](mailto:media@tippingpoint.org).

## ACKNOWLEDGMENTS

The authors would like to thank the many people and organizations that made the *Taking Count* project. We are grateful for support from UC Berkeley's Othering and Belonging Institute, especially John A. Powell and Puanani Forbes. Thanks to Pacific Market Research and to Karen Capraro and Leora Fridman. We appreciate our Tipping Point colleagues including Marisa Giller, Joshua Steinberger, Kelly Bathgate, and Sam Cobbs. We thank our friends at the Robin Hood Foundation for inspiration and input based on their Poverty Tracker in New York City, especially Sarah Oltmans. We acknowledge Liana Fox with the U.S. Census Bureau for her expertise on the Supplemental Poverty Measure. We warmly thank the following current or former UC Berkeley students for their contributions: Dani Carrillo, Allison Logan, Sigrid Luhr, Adriana Ramirez, Isabel Garcia Valdivia, and Ugur Yildirim. Most of all we are grateful to the more than 3,000 Bay Area residents who completed the survey and shared information about their lives.

---

# POVERTY, INSECURITY, AND PRIVILEGE IN THE BAY AREA

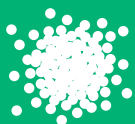
---

## *Authors*

Daniel Schneider and Benjamin Bowyer • *University of California, Berkeley*

Jacob Leos-Urbel and Jamie Austin • *Tipping Point Community*

*Poverty, Insecurity, and Privilege in the Bay Area* is part of *Taking Count*, a panel survey of San Francisco Bay Area residents conducted over three waves between 2018 and 2019. It was taken by a sample of 3,100 residents at least 18 years old who live in six Bay Area counties: Alameda, Contra Costa, Marin, San Francisco, San Mateo, and Santa Clara.



**TIPPING  
POINT  
COMMUNITY**

**Berkeley**  
UNIVERSITY OF CALIFORNIA



Othering  
& Belonging  
Institute





# POVERTY, INSECURITY, AND PRIVILEGE IN THE BAY AREA

Daniel Schneider and Benjamin Bowyer • *University of California, Berkeley*  
Jacob Leos-Urbel and Jamie Austin • *Tipping Point Community*

## INTRODUCTION

Even as recently as March of 2020, the COVID-19 pandemic was being described as a “great equalizer,” with all Americans—rich and poor, White and people of color—at risk of exposure to this deadly virus. But, as the outbreak took hold across the United States, COVID-19 has been exposed as anything but that. Instead, the mass layoffs and work-hour reductions have disproportionately impacted the most vulnerable among us, and the efforts to control the spread of the virus have laid bare the deep class and racial inequalities that plague America.

Such inequalities are especially stark in the Bay Area, a place of opportunity, but also a place of incredible inequality and deprivation. Twenty-five percent of all income is concentrated among the richest one percent of families, marking the Bay Area as one of the ten most unequal places in America. The number of people who are unhoused is the third highest in the nation, trailing only New York and Los Angeles.

Underlying this affluence alongside poverty is a famously boom-and-bust economy. Prior to the current economic crisis, the dot-com bubble of 2000 and the housing crisis of the 2007–08 Great Recession were the most recent swings in the Bay Area’s economic fortunes. However, these long cycles are not the only source of volatility for Bay Area families. For every unicorn company that makes employees millionaires overnight, there are dozens of start-ups that stall out, sending people scrambling for new jobs. The changing nature of work, whether for the freelance web designer piecing together contracts or the retail worker dealing with unstable hours and changing schedules, means that families bear much more risk: Earnings constantly shift, as the erosion of traditional safety net benefits makes it much more difficult for families to smooth out the low points.

In this brief, we describe the scope and character of economic deprivation in the Bay Area in the months before the COVID-19 outbreak. We provide a local spotlight that is often hard to glean from national statistics. But we also, for the first time, gauge the volatility in economic well-being that Bay Area families face. We do so by surveying 3,100 Californians living in Alameda, Contra Costa, Marin, San Francisco, San Mateo, and Santa Clara Counties, following them over the course of a year, to paint a rich portrait of well-being and misfortune in the Bay.<sup>1</sup>

## POVERTY, DEPRIVATION, AND INSECURITY

We first interviewed our sample of Bay Area residents in the summer of 2018. We asked them about their work and education, their backgrounds, and their hopes for the future. We also asked them about how they were faring economically. What we found was sobering. For a place of such incredible wealth, we were surprised by what a large share of families were struggling.

Based on the official poverty measure (the federal “poverty line”), about 10% of Bay Area residents live in poverty. Using data from *Taking Count*, we calculate another federal poverty number—the supplemental poverty measure (SPM) previously available only at the state level—for the first time for the Bay Area

specifically. The SPM, which takes into account both the cost of living and the value of government benefits, places the Bay Area poverty level considerably higher, at 17%. Still, these official poverty figures do not adequately tell the story of the lived reality of so many Bay Area residents, as many people not officially living in poverty were experiencing hardships and financial insecurity.

To get a sense of how people were doing, we asked, “How often did you run out of money before the end of the month?” More than 1 in 10 (12%) respondents told us that this often happened and another quarter of respondents (24%) said that they sometimes couldn’t make it to the end of the month. Together, 1 in 3 (36%) families in the Bay Area was struggling to make ends meet.

We might worry less about these figures if residents and their families had a financial cushion to fall back on. Instead, we found that many in the Bay Area lack enough savings to serve as a safety net for any significant period of time. To gauge the degree of this asset poverty in the Bay Area, we asked respondents, “Have you set aside emergency or rainy-day funds that would cover your expenses for three months or more in case of sickness, job loss, economic downturn, or other emergencies?” By this standard, 4 in 10 families in the Bay Area are asset poor. The share who are asset-poor may be so high in part because the cost of living in the Bay Area is so high. But this is not the whole story. We also asked respondents about a much lower savings threshold—did they have

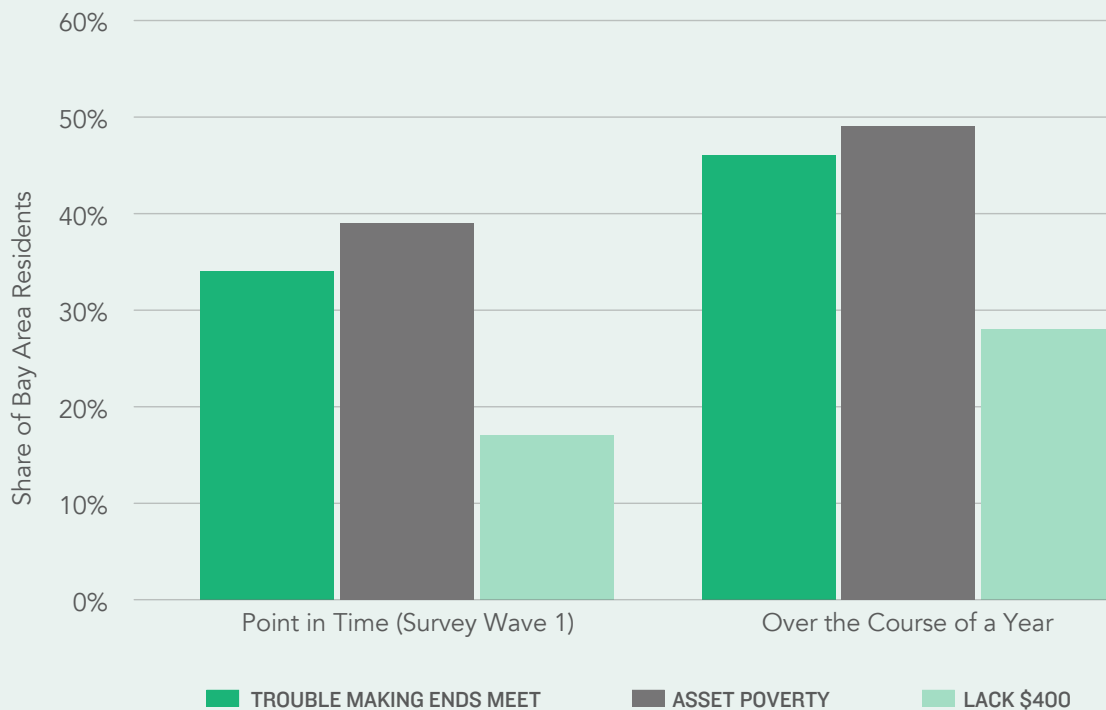
---

“I had to make a lot of decisions ... ‘Do I really have money to pay for this when I know I have this bill I have to pay?’ ... **It’s been hard. I feel like I’m stressed most of the time.** Sometimes I don’t even tell my husband we’re behind on this bill because I don’t want him to stress either.”

*Taking Count respondent,  
28-year-old renter, customer  
service worker, Latinx*

---

## HALF OF BAY AREA RESIDENTS EXPERIENCE ECONOMIC INSECURITY OVER THE YEAR



at least \$400 saved for an emergency or in a rainy-day fund? Nearly 1 in 5 (18%) reported that they have no financial cushion or any landing pad when things get tough.

Together, these statistics show just how close to the margin many Bay Area families are living—walking a financial tightrope without a net. When something trips them up, the consequences can be dire. We asked families about their experiences of material deprivation—that is, of going hungry because they couldn’t afford enough to eat; or of having to double up for housing or stay in a shelter or car; or of not being able to pay their bills on time; or of not being able to see a doctor or fill a prescription because of the cost.

We found that these kinds of hardships are common; 7% of respondents reported hunger hardship in the year preceding our interview and 13% reported a housing hardship, such as getting behind on the rent or mortgage, doubling up, or staying in a place not meant for regular housing. A similar share, 13%, reported falling behind on utility or phone bills and nearly 1 in 5 (18%) Bay Area residents reported not filling a prescription or seeing a doctor because of the cost. Altogether, nearly a third of Bay Area residents (29%) reported at least one such hardship.

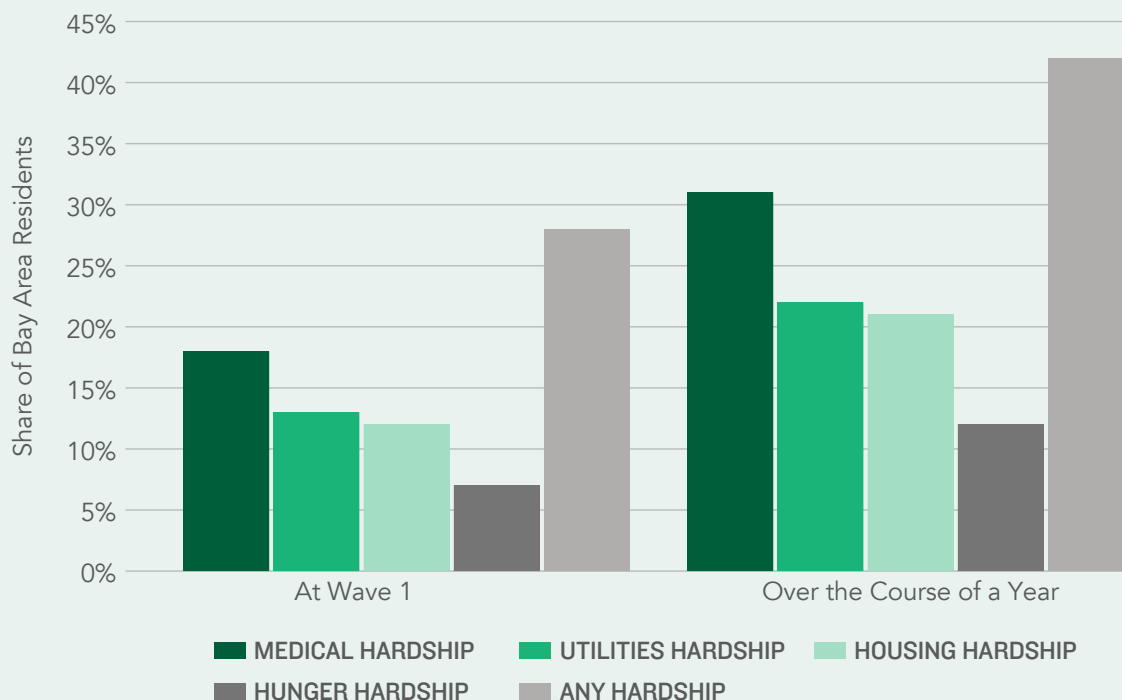
---

“Everyone I talked to is struggling to make ends meet. ... Struggling with family responsibilities or personal responsibilities, paying loans, getting housework done ... **I want ... a normal 9-to-5 job that is enough for me to pay my bills and get some kind of savings** and enjoy some quiet time in the evening.”

*Taking Count respondent, 32-year-old renter with an advanced degree, Asian American woman*

---

## MORE THAN 4 IN 10 BAY AREA RESIDENTS EXPERIENCE MATERIAL HARDSHIP OVER THE YEAR



## VOLATILITY

These snapshots of deprivation capture a single moment in time. But, after first talking with Bay Area residents in the summer of 2018, we kept in touch. We followed up to learn how people's lives had changed over the ensuing year, interviewing them again in early 2019 and for a third and final time in the summer of 2019. These data provide a dynamic portrait, a moving picture, of the fortunes of Bay Area families. Critically, these longitudinal data allow us to measure the experience of *volatility* in family finances—that is, the significant fluctuations in how things are going—not across generations or careers, but over the course of a single year.

What we found was striking. If we look at each round of interviews separately, we found that the overall share of respondents who had trouble making ends meet, or who lacked savings, or experienced hardships, was almost exactly the same at each round. But if we link the interviews together, and calculate the share of respondents who *ever* experienced these events, we see a different story, one in which families fall into and out of insecurity and hardship, one that captures the experience of volatility.

In this dynamic, over-time portrait, deprivations affect many more people. While 36% of Bay Area families reported trouble making ends meet at any given time, a significantly higher share—46%—had trouble making ends meet at some point over the course of the year. Similarly, while 40% of families were asset poor and 18% lacked \$400 at any given time, nearly half (49%) were in asset poverty and 28% lacked \$400 in savings at least at one point over the course of the year.

The story is similar for material hardships, but the magnitude of the difference is even larger. Whether for hunger, housing, bill payment, or medical hardship, the share of respondents who experienced at least a spell of hardship over the course of the year was two-thirds to 75% higher than the share experiencing hardship at any given point in time. Thus, overall, while 29% of respondents reported a hardship when we took a snapshot, 42% experienced a hardship spell in our dynamic portrait during the year. These data show that Bay Area families fall into and out of economic deprivation and insecurity—that is to say, they experience significant volatility in their household finances not just year to year, but month to month.

## DISPARITIES IN THE EXPERIENCE OF HARDSHIPS

Not only are economic deprivation, insecurity, and volatility more widespread than commonly recognized, they also are distributed unequally in the Bay Area. We found stark disparities in economic insecurity based on a person's ethno-racial or class background.<sup>2</sup>

## RACIAL/ETHNIC

Black, and to a somewhat lesser extent, Latinx respondents, as well as respondents of other or multiple racial/ethnic identities, are significantly more economically precarious than their White and Asian American neighbors. Over the course of the study year, 89% of Black and 70% of Latinx respondents reported a period when they often or sometimes ran out of money before the end of the month, as compared with 40% of White and 27% of Asian American respondents.



Black residents of the Bay Area also experience very high levels of asset poverty, with 89% of Black respondents reporting a period of asset poverty as compared to 45% of White respondents. Perhaps most strikingly, 77% of Black respondents reported a time when they did not have \$400 saved compared with just 18% of White respondents. These wealth gaps reflect the sedimentation of racial disadvantage and exclusionary policies across generations. As other studies have shown, Black families, even relatively high-income and highly educated Black families, are far more likely to have a relative who is impoverished than White families, and these cross-class kin ties mean that many Black families have obligations that can be wealth depleting. Black families are also much less likely to receive bequests or other inter vivos transfers.<sup>3</sup>

## DISPARITIES IN THE EXPERIENCE OF HARDSHIPS



Finally, we also see stark gaps in material hardship. Black and Latinx Bay Area residents are much more likely to experience hardship than their White and Asian American counterparts. Sixty-two percent of Latinx and 76% of Black respondents experienced at least one hardship over the study year as compared to 37% of White and 28% of Asian American respondents.

In many ways, these data portray two Bay Area realities: one White and Asian American that is relatively protected from economic insecurity and serious deprivation; the other Black and Latinx for whom the most common experience is one of economic insecurity and deprivation.<sup>4</sup>

## HOUSEHOLD INCOME

It comes as little surprise that higher-income households are significantly more financially secure than lower-income households in the Bay Area. However, our data show just how much income it really takes in the Bay Area to avoid the insecurity when one has trouble making ends meet, lacks savings, and experiences hardships.

While the federal government considers a household of four with an income of \$26,200 to be above the official poverty line and the SPM sets the poverty line closer to \$40,000, many of those not officially in poverty still experience considerable hardship. Our results reveal that the income bar to economic security in the Bay Area is actually closer to \$75,000. For households earning less than \$75,000, the risks of economic insecurity are high and these risks do not decline much whether a household earns \$25,000 or \$40,000 or \$60,000. For instance, most respondents who earn less than \$75,000 a year struggle to make ends meet: This is true for 75% of the lowest-income group, but also for 67% of those making \$50,000–\$75,000 as well. The same holds true for material hardships. While just 17% of those making more than \$200,000 experienced a hardship in the prior year, the share is much higher, at more than two-thirds, among those making less than \$75,000.

## EDUCATIONAL ATTAINMENT

Economic security in the Bay Area is also strongly patterned by educational attainment, even when controlled for income. As we might expect, we found that more highly educated Bay Area residents are significantly more financially secure. However, the primary difference is between those with a bachelor's degree or higher and everyone else. We found that having some college, but short of a four-year degree, offers little financial security. The differences are striking. Two-thirds of those with less than a four-year degree report difficulty making ends meet compared to just a quarter of those with a four-year degree or higher. Similarly, asset poverty is nearly twice as high among those with less than a four-year degree as compared to college graduates. While 44% of those with a high school diploma or less report a time when they lacked \$400 in savings, the share is just 12% among those with a college degree. Material hardships are similarly stratified, with a four-year college degree offering significant protection, but those with only some years of college are much more similar to those with a high school degree or less.

## HOME OWNERSHIP

Housing is a clear marker of advantage in the Bay Area. Those who own their own homes are much more secure than those who rent, even after adjusting for household income, the county where someone lives, and other characteristics. Renters struggle to make ends meet—67% report that there was a time when they ran out of money before the end of the month versus just 31% of home owners. There are similarly large gaps in lacking \$400 and in asset poverty, with 73% of renters falling into asset poverty versus 35% of owners. Renters are also much more likely to experience material hardship (65%) than homeowners (25%).

## FAMILY STRUCTURE

Finally, economic insecurity is also stratified by family structure. We found that single parents are the most insecure, with 78% struggling to make ends meet, 66% living in asset poverty, 54% reporting a time when they lacked \$400 in savings, and 50% reporting a spell of hardship. While no other group is as economically disadvantaged, we found that both partnered households with children and single people without children fare worse than partnered people without children. Indeed, this fourth group is far and away the most economically secure.

## CONCLUSION

In the year before the COVID-19 pandemic, the unemployment rate in the Bay Area dipped under 3% and wages rose. But, even in these relatively good times, our data show plainly that many Bay Area families were struggling—struggling to make ends meet, struggling to put food on the table, struggling to save anything at all. Bay Area families were also struggling with volatility, even over the course of a single year. We found deep racial/ethnic inequalities in the depth of this poverty and economic fragility, with Black and Latinx families especially disadvantaged. We also found steep class gradients by education and income in poverty and fragility. In the Bay Area, with famously high housing costs, renters were particularly vulnerable to asset poverty, financial fragility, and material hardships. These deep inequalities etched in Bay Area communities left far too many families, especially families of color, vulnerable to the devastating economic consequences of the COVID-19 pandemic.

---

1. 2,030 people completed all three waves of the *Taking Count* survey.

2. To try to isolate the link between each of these characteristics and economic insecurity, we describe the relationship after adjusting for race/ethnicity, education, household income, homeownership, family structure, age, gender, county, and employment status. The relationships are similar with and without such adjustments.

3. See, for instance, [1] Heflin, C. M., & Pattillo, M. E. (2006). "Poverty in the family: Race, siblings, and socioeconomic heterogeneity." *Social Science Research* 35(4): 804–822; [2] Chiteji, N. S., & Hamilton, D. (2002). "Family connections and the black-white wealth gap among middle-class families." *Review of Black Political Economy* 30(1): 9–28; [3] Hamilton, D., & Chiteji, N. (2013). "Wealth." In Patrick L. Mason (ed.), *International Encyclopedia of Race and Racism* (2nd ed). Macmillan Reference, USA.

4. The survey did not break down race/ethnicity by country of origin.



**TIPPING  
POINT  
COMMUNITY**

**TIPPINGPOINT.ORG**



For more information about *Taking Count*, please contact [media@tippingpoint.org](mailto:media@tippingpoint.org).

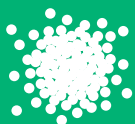
# INEQUALITY AT WORK: JOB QUALITY IN THE BAY AREA

---

*Authors*

Kim Voss, Daniel Schneider, and Payal Hathi  
*University of California, Berkeley*

*Inequality at Work: Job Quality in the Bay Area* is part of *Taking Count*, a panel survey of San Francisco Bay Area residents conducted over three waves between 2018 and 2019. It was taken by a sample of 3,100 residents at least 18 years old who live in six Bay Area counties: Alameda, Contra Costa, Marin, San Francisco, San Mateo, and Santa Clara.



**TIPPING  
POINT  
COMMUNITY**

**Berkeley**  
UNIVERSITY OF CALIFORNIA



Othering  
& Belonging  
Institute





# INEQUALITY AT WORK: JOB QUALITY IN THE BAY AREA

Kim Voss, Daniel Schneider, and Payal Hathi • University of California, Berkeley








Before COVID-19, the popular image of job quality in the Bay Area often involved visions of free farm-to-table lunches, dedicated commuter buses, unlimited vacation, and stock options. But for those outside of the tech elite, the reality of work was often starkly different, rarely living up to the popular image. In the months leading up to the COVID-19 outbreak, we conducted a representative survey, dubbed *Taking Count*, to discover the reality of work in the Bay Area today. We found that millions of workers in the Bay Area were employed in jobs that provide no paid sick leave, health insurance, or ability to work from home. In this brief, we describe the overall condition of precarious job quality uncovered in our survey—the lack of sick pay and other benefits, the exposure to unstable and unpredictable work schedules, and the limitations on worker power and voice. Our study revealed profound employment disparities even before COVID-19, disparities that, undoubtedly, are worse now and that mean the toll of the pandemic will fall much more heavily on lower-income, less-educated, and Black and Latinx workers.

## THE (INE)QUALITY OF EMPLOYER-PROVIDED BENEFITS

In most affluent countries, health insurance is provided by the government and both sick leave and paid vacations are enshrined in law. Current debates over “Medicare for all” serve as a stark reminder that, in contrast, most Americans rely on their employers for health insurance and other core social benefits. This reliance sets the United States apart and increases existing inequality in access to jobs with benefits and fair compensation.

In the Bay Area in 2019, 68% of all workers, both hourly and salaried, reported a health plan or medical insurance through their employer, and 70% of workers reported that their employer provided for some paid sick days. A smaller share, 57%, reported having an employer-sponsored retirement plan. We found that two-thirds (68%) received paid vacation or personal days and just over half (54%) reported access to paid parental leave at their job (35% reported access to a health care flexible spending account). A smaller share of workers, just 41%, reported the flexibility to work remotely or from home.

### LOW-WAGE WORKERS DON'T HAVE ACCESS TO SICK LEAVE AND FLEXIBLE WORK SCHEDULES

| EMPLOYEE BENEFITS       |  Employer-Provided Health Insurance |  Paid Vacation/ Personal Days |  Paid Sick Leave |  Parental Leave |  Remote/ Flexible Work |
|-------------------------|--|--|--|--|---|
| <b>HOUSEHOLD INCOME</b> |  |  |  |  |   |
| > \$120,000/YR          | 89%  | 84%  | 83%  | 81%  | 78%   |
| < \$30,000/YR           | 43%  | 42%  | 52%  | 30%  | 27%   |

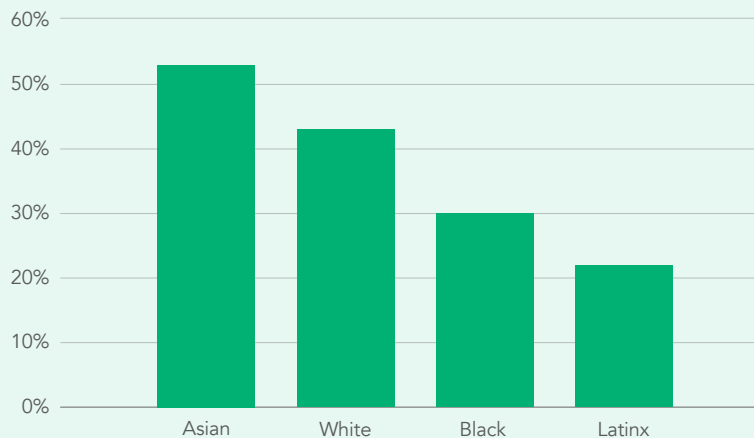
There was deep class inequality in access to employer-provided benefits. For instance, 89% of high-income workers (those making more than \$120,000 a year) reported job-based health insurance, while fewer than half as many (43%) low-income workers (making less than \$30,000 a year) had access to health insurance at work. We saw similar divides in access to dental insurance (88% vs. 37%) and retirement plans (79% vs. 32%).

At a time when workers must have access to paid sick time, we found that paid time off and flexible work time were also starkly unequal. While 84% of those in the highest-income group had paid vacation or personal days, that share fell to 42% of the lowest-income workers. We saw similar divides in paid sick leave (83% vs. 52%) and even wider gaps in paid remote/flexible work (78% vs. 27%) and parental leave (81% vs. 30%). We found similarly large divides by education. For instance, only 42% of workers with a high school degree or less had paid parental leave compared to 66% of those with graduate degrees (and 80% of this gap remained after adjusting for a broad set of demographics).

Although much narrower than the divides by education or income, female workers were also less likely to have access to important job benefits than men. For instance, female workers were 10%–15% less likely to have dental insurance, health insurance, or retirement than men, but there were smaller gaps in other fringe benefits. The racial stratification of fringe benefits was also less dramatic than the class inequality. Asian American workers had the greatest access to fringe benefits, followed by non-Hispanic White and Black workers, who had similar levels of access (the main exception being that White workers had more access to remote/flexible work). Latinx workers were less likely to have employer-sponsored retirement plans and much less likely to have had access to remote/flexible work (see Appendix).

Considered in the context of the COVID-19 pandemic, these Bay Area inequalities take on added significance. The big gaps by race, education, and income in the ability to work from home mean that those who are already disadvantaged must now put themselves at risk of severe illness merely to earn a paycheck. What's more, the huge gaps we found in paid sick leave by education and income mean that many of these already disadvantaged workers cannot afford to stay home and take care of themselves if they do contract the virus, endangering their lives, as well as the lives of their families, and, in our era of pandemic, the lives of all of us.

### BLACK AND LATINX WORKERS HAVE LESS OPPORTUNITY TO WORK REMOTELY



## BEYOND JOB BENEFITS: INEQUALITY IN WORK TIME AND WORKER POWER

Even in non-pandemic times, what constitutes a good job involves more than simply wages and employer benefits. *Taking Count* also collected data on shift work, wage theft, and workers' ability to raise concerns to their employers. In 2019, three-quarters of Bay Area workers had a regular day-time shift. Six percent worked an evening or night shift and 1 in 5 worked a rotating or variable work schedule. Significant proportions of Bay Area workers were also exposed to "just-in-time" work scheduling practices: Fifteen percent of workers had less than one week's notice of their work schedules and a quarter were asked to work on-call shifts—available to work if needed, but generally not paid otherwise. This schedule instability also went hand in hand with volatility in hours worked—a quarter of workers said that their work hours varied a moderate amount or a lot from week to week. These practices clustered to compound scheduling disadvantage. For instance, 27% of workers with rotating or variable shifts had less than one week's notice of their schedules, 32% worked on call, and 40% experienced work-hour volatility.

Low-income workers were far more likely to be exposed to these precarious scheduling practices than their higher-income peers. While 30% of workers in households earning less than \$30,000 had rotating/variable schedules, that share fell to 17% of those in households earning more than \$120,000 a year. There was similar inequality in exposure to short advance notice and on-call shifts by income. However, as was the case for benefits, there was less evidence of gender or racial/ethnic inequalities in scheduling.

Of course, wages, benefits, and schedules still do not completely capture what makes for a good job. It matters too whether one is vulnerable or empowered at work. We found that about three-quarters of hourly workers have experienced some form of wage theft—either not receiving overtime when working more than 40 hours a week or having to work off the clock. We also found that 1 in 5 workers did not have any control over their work schedule. A third gauge of power at work is the ability to raise concerns without fear of employer retaliation. We found that 20% of workers, both hourly and salaried, said that their employment would be negatively affected if they raised concerns over their hours or wages with their employer, and 15% said that their employment would be negatively affected if they raised concerns about health, safety, harassment, or discrimination at their job.

Worker power is also stratified economically at work, but perhaps to a lesser degree than benefits or schedules. We saw surprisingly little variation by household income in wage theft, perhaps because relatively few respondents in high-income households worked hourly jobs. But we found more inequality in schedule control—28% of the workers in the lowest-income households lacked any control compared to just 10% of those in the highest-income households. There were also inequalities by household income in fear of retaliation for raising concerns to an employer, with workers in lower-income households appearing more vulnerable.

---

"Do you ever worry about losing your job?"

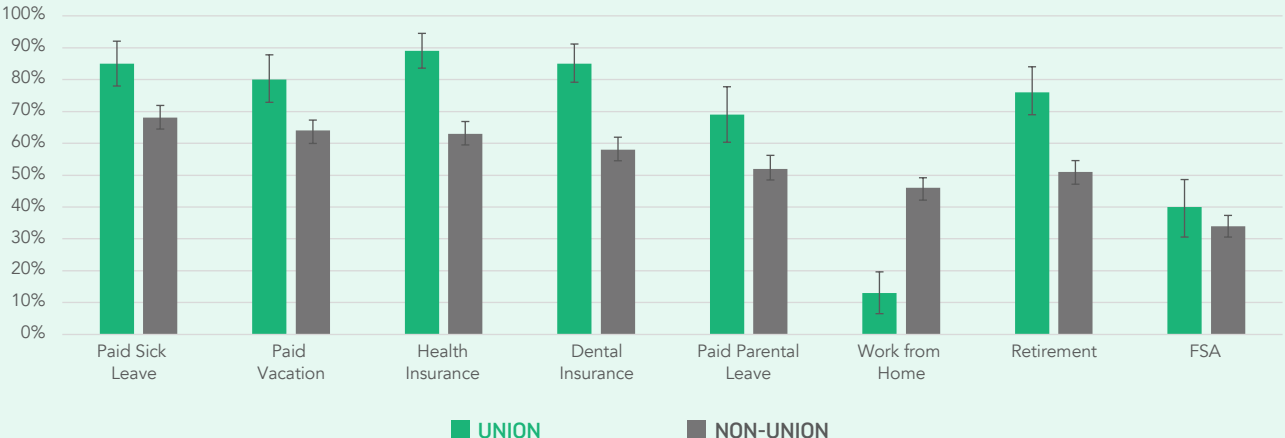
"All the time. Everybody's replaceable, honey. ... So yeah, I worry about that every day, because you never know ... if I don't work, I don't get paid."

*Taking Count respondent, 57-year-old Black woman who worries about losing her job as a security guard*

---

Significantly, the starkest divides in job quality by race/ethnicity and gender appeared in the domain of worker power and vulnerability. Black (38%) and Latinx (25%) workers were also significantly more likely to have no schedule control than their White (20%) and Asian American counterparts (18%). But perhaps most dramatic was the wide divide between Black workers, Latinx workers, and their White and Asian American counterparts in fear of employer retaliation. Although 18% of White workers feared retaliation for raising concerns about wages/hours, the share was nearly twice as high at 34% for Black workers and was 24% for Latinx workers. Just 9% of White workers feared retaliation for raising concerns about health, safety, harassment, or discrimination, while Black and Latinx workers were almost three times as likely (24% and 26%) to have had this fear. The inequalities that these workers faced, therefore, were the least likely to be addressed since they were most likely to fear the consequences of speaking up and advocating for themselves.

### UNION WORKERS HAVE GREATER ACCESS TO BENEFITS



### THE UNION DIFFERENCE?

The Bay Area is the heart of the “New Economy,” characterized by innovation, disruption, and change. Does an “Old Economy” institution, the labor union, play any role here to promote job quality?

When it comes to fringe benefits, the answer is a resounding yes. Union members were significantly more likely to have access to the range of job benefits than their non-unionized peers, holding constant demographic and economic differences. The union advantage runs from 50% more likely to have an employer-sponsored retirement savings plan to 25% more likely to have paid sick leave. In fact, the only exception is that union members were significantly less likely to have had access to flexible/remote work.

However, we found that unions were far less effective when it comes to improving other dimensions of job quality that fall outside of the core economic dimensions of wages and benefits. There were few differences between union and non-union members in exposure to irregular work schedules, having short advance notice, working on call, or experiencing hours variation. While union members were significantly more likely to receive the overtime pay that they were due, we saw few differences in workers’ fear of employer retaliation for raising concerns about wages/hours or about health/safety/



harassment/discrimination, and union members actually had less control over their work hours. Although many of these dimensions fall outside of the traditional focus of unions, they undoubtedly matter for the quality of workers' lives—especially in the heart of the New Economy where investors and employers valorize flexibility and disruption.

## CONCLUSION

This new data from *Taking Count* revealed a deep class divide in the local job market in 2019, even before the current COVID-19 crisis. As some tech workers enjoyed the free food, private commuter buses, and stock options that represent the stereotype of a Bay Area job, many other local workers lacked paid sick leave, predictable work schedules, or access to job-based health insurance. *Taking Count* also exposed significant racial and gender disparity in how empowered workers felt to complain about harassment and discrimination on the job or to raise concerns over wages and working conditions.

The COVID-19 crisis highlights some bleak consequences of these inequalities, and the findings of this study give some indication of how damaging the dual crises of a global pandemic and economic recession will be for low-income communities and communities of color. Many of the workers who most need paid sick leave because they can't work from home are the very ones who are most unlikely to have it; moreover, they are more apt to have experienced precarious work situations before the crises hit, thus making them most in need of earning a paycheck now. Such workers are also the ones more likely to fear retaliation for speaking up about their health and safety concerns. In short, the COVID-19 pandemic makes it all the more pressing that we find ways to address the causes and consequences of workplace inequalities in the Bay Area.

## APPENDIX

### MEASURES OF PRECARIOUS JOB QUALITY BY UNION STATUS

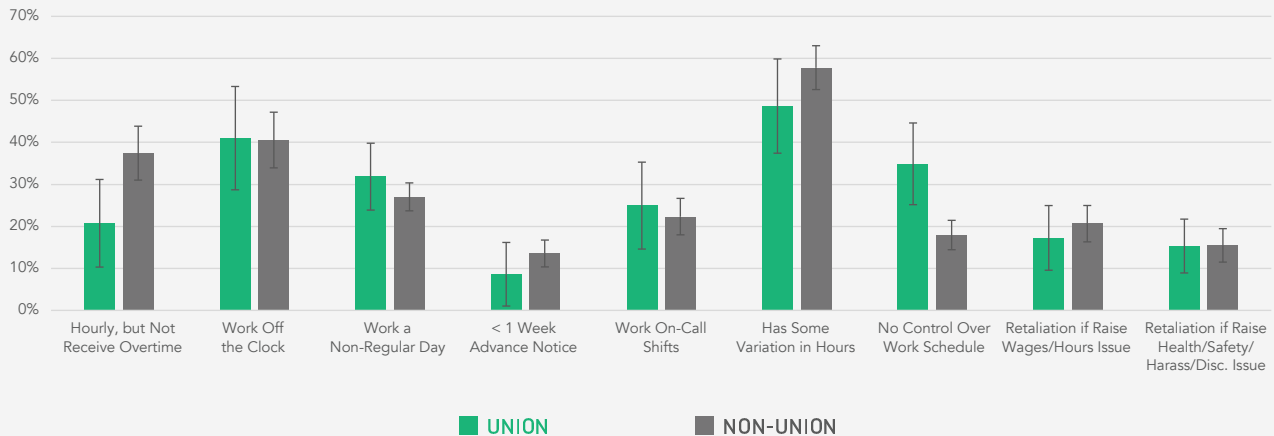


TABLE I. ACCESS TO CORE FRINGE BENEFITS, BY EDUCATION AND INCOME

| RECEIVE AT MAIN JOB?                     | ALL | EDUCATIONAL ATTAINMENT |         |     |       | HOUSEHOLD INCOME |             |             |              |         |
|--|-----|------------------------|---------|-----|-------|------------------|-------------|-------------|--------------|---------|
|  |     | HS or Less             | College | BA  | Grad. | \$0-\$30K        | \$30K-\$60K | \$60K-\$90K | \$90K-\$120K | \$120K+ |
| Paid Sick Leave                          | 70% | 59%                    | 68%     | 77% | 78%   | 52%              | 71%         | 84%         | 86%          | 83%     |
| Paid Vacation or Personal Days           | 68% | 60%                    | 62%     | 73% | 77%   | 42%              | 68%         | 84%         | 87%          | 84%     |
| Health Plan or Medical Insurance         | 68% | 58%                    | 61%     | 75% | 81%   | 43%              | 65%         | 84%         | 92%          | 89%     |
| Dental Insurance                         | 63% | 51%                    | 56%     | 71% | 77%   | 37%              | 59%         | 79%         | 89%          | 88%     |
| Paid Parental Leave                      | 54% | 42%                    | 54%     | 58% | 66%   | 30%              | 50%         | 79%         | 83%          | 81%     |
| Ability to Work from Home or Remotely    | 41% | 17%                    | 29%     | 55% | 69%   | 27%              | 28%         | 47%         | 61%          | 78%     |
| Retirement                               | 57% | 43%                    | 52%     | 66% | 66%   | 32%              | 46%         | 77%         | 83%          | 79%     |
| Dependent Care Flexible Spending Account | 35% | 18%                    | 30%     | 44% | 51%   | 11%              | 29%         | 46%         | 63%          | 70%     |

TABLE 2. ACCESS TO CORE FRINGE BENEFITS, BY RACE/ETHNICITY AND GENDER

| RECEIVE AT MAIN JOB?                     | ALL | RACE/ETHNICITY |       |       |       |       | GENDER |        |
|--|-----|----------------|-------|-------|-------|-------|--------|--------|
|  |     | Latinx         | White | Black | Asian | Other | Male   | Female |
| Paid Sick Leave                          | 70% | 66%            | 70%   | 76%   | 72%   | 69%   | 71%    | 69%    |
| Paid Vacation or Personal Days           | 68% | 65%            | 65%   | 65%   | 72%   | 62%   | 70%    | 65%    |
| Health Plan or Medical Insurance         | 68% | 62%            | 65%   | 70%   | 76%   | 51%   | 73%    | 62%    |
| Dental Insurance                         | 63% | 58%            | 60%   | 63%   | 71%   | 47%   | 68%    | 57%    |
| Paid Parental Leave                      | 54% | 54%            | 50%   | 48%   | 60%   | 48%   | 56%    | 52%    |
| Ability to Work from Home or Remotely    | 41% | 22%            | 43%   | 30%   | 53%   | 48%   | 40%    | 42%    |
| Retirement                               | 57% | 45%            | 59%   | 62%   | 62%   | 51%   | 60%    | 53%    |
| Dependent Care Flexible Spending Account | 35% | 26%            | 33%   | 38%   | 43%   | 30%   | 34%    | 36%    |

**TABLE 3. EXPOSURE TO PRECARIOUS EMPLOYMENT PRACTICES, BY EDUCATION AND INCOME**

|   | ALL | EDUCATIONAL ATTAINMENT |              |     |       | HOUSEHOLD INCOME |             |             |              |         |
|---|-----|------------------------|--------------|-----|-------|------------------|-------------|-------------|--------------|---------|
|   |     | HS or Less             | Some College | BA  | Grad. | \$0-\$30K        | \$30K-\$60K | \$60K-\$90K | \$90K-\$120K | \$120K+ |
| Hourly, but Not Receive Overtime  | 36% | 36%                    | 23%          | 45% | 62%   | 40%              | 28%         | 27%         | 29%          | 55%     |
| Work Off the Clock  | 41% | 28%                    | 52%          | 39% | 47%   | 38%              | 47%         | 21%         | 62%          | 43%     |
| Schedule Type   |     |                        |              |     |       |                  |             |             |              |         |
| Regular Day   | 73% | 64%                    | 68%          | 79% | 83%   | 59%              | 74%         | 80%         | 86%          | 81%     |
| Evening/Night   | 6%  | 10%                    | 7%           | 3%  | 2%    | 11%              | 5%          | 1%          | 0.50%        | 2%      |
| Rotating/Variable   | 21% | 26%                    | 25%          | 17% | 15%   | 30%              | 22%         | 19%         | 14%          | 17%     |
| < 1 Week Advance Notice   | 15% | 19%                    | 19%          | 10% | 12%   | 19%              | 15%         | 16%         | 8%           | 8%      |
| Work On-Call Shifts   | 24% | 23%                    | 30%          | 20% | 19%   | 29%              | 22%         | 20%         | 24%          | 16%     |
| Hours Variation   |     |                        |              |     |       |                  |             |             |              |         |
| Not at All  | 41% | 38%                    | 34%          | 45% | 48%   | 32%              | 46%         | 47%         | 56%          | 39%     |
| A Little  | 33% | 41%                    | 32%          | 32% | 29%   | 42%              | 25%         | 30%         | 25%          | 30%     |
| A Moderate Amount   | 19% | 15%                    | 24%          | 16% | 17%   | 17%              | 19%         | 19%         | 14%          | 27%     |
| A Lot   | 7%  | 7%                     | 9%           | 7%  | 5%    | 9%               | 10%         | 4%          | 4%           | 5%      |
| No Control Over Work Schedule   | 22% | 27%                    | 25%          | 19% | 16%   | 28%              | 21%         | 24%         | 18%          | 10%     |
| Retaliation if Raise Wages/Hours with Employer?                         | 20% | 22%                    | 24%          | 16% | 18%   | 19%              | 22%         | 21%         | 14%          | 17%     |
| Retaliation if Raise Health/Safety/Harass/Discrimination with Employer? | 15% | 17%                    | 19%          | 12% | 14%   | 17%              | 15%         | 17%         | 11%          | 11%     |

**TABLE 4. EXPOSURE TO PRECARIOUS EMPLOYMENT PRACTICES, BY RACE/ETHNICITY AND GENDER**

|   | ALL | RACE/ETHNICITY |       |       |       |       | GENDER |        |
|---|-----|----------------|-------|-------|-------|-------|--------|--------|
|   |     | Latinx         | White | Black | Asian | Other | Male   | Female |
| Hourly, but Not Receive Overtime  | 36% | 24%            | 46%   | 22%   | 47%   | 33%   | 33%    | 39%    |
| Work Off the Clock  | 41% | 33%            | 45%   | 44%   | 50%   | 27%   | 37%    | 45%    |
| Schedule Type   |     |                |       |       |       |       |        |        |
| Regular Day   | 73% | 75%            | 71%   | 52%   | 78%   | 60%   | 71%    | 75%    |
| Evening/Night   | 6%  | 8%             | 4%    | 15%   | 5%    | 10%   | 6%     | 5%     |
| Rotating/Variable   | 21% | 17%            | 26%   | 34%   | 17%   | 30%   | 22%    | 20%    |
| < 1 Week Advance Notice   | 15% | 17%            | 15%   | 10%   | 13%   | 31%   | 83%    | 87%    |
| Work On-Call Shifts   | 24% | 24%            | 23%   | 18%   | 26%   | 25%   | 27%    | 20%    |
| Hours Variation   |     |                |       |       |       |       |        |        |
| Not at All  | 41% | 43%            | 36%   | 46%   | 44%   | 34%   | 38%    | 44%    |
| A Little  | 33% | 36%            | 37%   | 28%   | 27%   | 36%   | 35%    | 32%    |
| A Moderate Amount   | 19% | 16%            | 18%   | 17%   | 21%   | 22%   | 20%    | 17%    |
| A Lot   | 7%  | 5%             | 8%    | 9%    | 8%    | 9%    | 7%     | 7%     |
| No Control Over Work Schedule   | 22% | 25%            | 20%   | 38%   | 18%   | 23%   | 22%    | 21%    |
| Retaliation if Raise Wages/Hours with Employer?                         | 20% | 24%            | 18%   | 34%   | 17%   | 19%   | 22%    | 18%    |
| Retaliation if Raise Health/Safety/Harass/Discrimination with Employer? | 15% | 26%            | 9%    | 24%   | 14%   | 13%   | 17%    | 14%    |



TIPPINGPOINT.ORG



For more information about *Taking Count*, please contact [media@tippingpoint.org](mailto:media@tippingpoint.org).

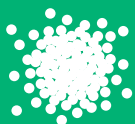
# SAFETY NET OR FREE FALL? FINDING AND GIVING HELP IN HARD TIMES

---

*Authors*

Irene Bloemraad and Benjamin Bowyer  
*University of California, Berkeley*

*Safety Net or Free Fall? Finding and Giving Help in Hard Times* is part of *Taking Count*, a panel survey of San Francisco Bay Area residents conducted over three waves between 2018 and 2019. It was taken by a sample of 3,100 residents at least 18 years old who live in six Bay Area counties: Alameda, Contra Costa, Marin, San Francisco, San Mateo, and Santa Clara.



**TIPPING  
POINT  
COMMUNITY**

**Berkeley**  
UNIVERSITY OF CALIFORNIA



Othering  
& Belonging  
Institute



## SAFETY NET OR FREE FALL? FINDING AND GIVING HELP IN HARD TIMES

Irene Bloemraad and Benjamin Bowyer • *University of California, Berkeley*

The COVID-19 pandemic has upended the financial situation of millions of Bay Area residents. The dramatic shift from plentiful jobs to unprecedented unemployment and shuttered businesses means that people across the region are scrambling for help, applying for federal or state benefits, asking friends and family for loans, and turning to community-based organizations like food banks to keep their families fed, a roof above their heads, and the lights on. As people reach out for help, some are finding safety nets, while others are in danger of free fall.

In the months leading up to the COVID-19 outbreak, we conducted a representative survey, called *Taking Count*,<sup>1</sup> to understand to whom Bay Area residents turn when they are facing hard times and what support they give to others. In this brief, we identify groups of Bay Area residents who are particularly vulnerable to facing hard challenges, from housing and food insecurity to dealing with taxes and finding proper resources for their children. Confronted with hardships around housing, paying bills, and getting enough to eat, we found that about half to two-thirds of people reach out for help. But this means that a third to almost half of people are tackling these problems on their own.

Among those who reach out, seeking help from family and friends is typical. Yet a majority of Bay Area residents who face challenges cannot rely on personal networks or do not feel comfortable asking friends or family for help. Other institutions—public agencies, non-profit organizations, and private businesses—partly fill the gap, but only to a very limited extent. Indeed, only a small percentage of people turned to public, community, or private institutions for assistance, raising the possibility of significant unmet needs and heightened anxiety for those who struggle alone.

We also looked at offering and receiving financial help more broadly. Family might help with the down payment for a home; a friend might need help covering an unexpected car repair until the next paycheck comes in. We asked questions of everyone in the *Taking Count* study about giving and receiving monetary gifts or assistance from others and the value of that financial support. We found that many people—both richer and poorer—give to others. But when it comes to receiving help, the amount that people receive is much greater for those who already have resources. The thickness of the cushion that personal networks provide varies by race and income. Some people, especially immigrants, have less of a safety net through their personal networks altogether.

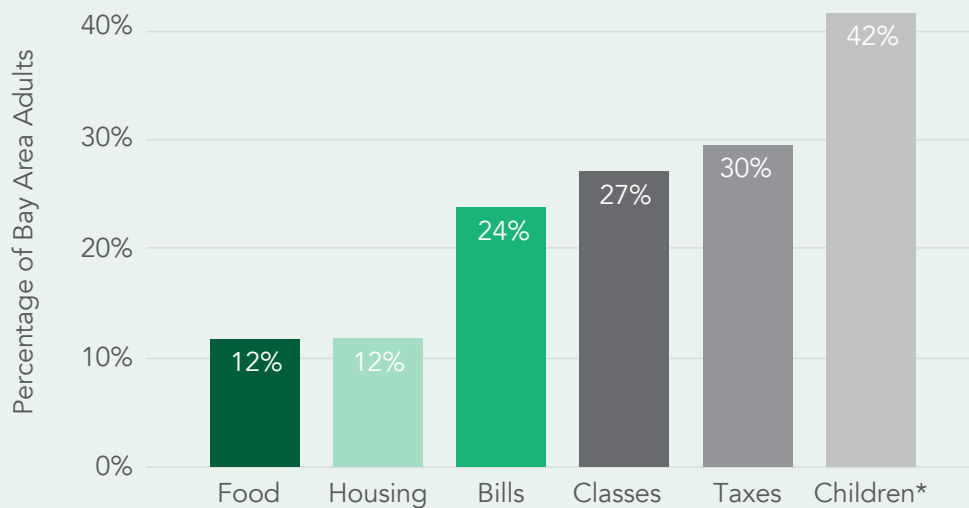
In short, even before COVID-19, our study highlights notable disparities in the degree to which Bay Area residents can use personal support to weather challenging times—disparities that are undoubtedly worse now—and it indicates that public agencies and non-profit organizations were helping only a small group of people. One upshot is an urgent need for further investment in public and community support structures to provide a humane safety net for everyone.

## WHO NEEDS HELP? VULNERABILITY AMONG YOUNG PEOPLE, RENTERS, RACIAL MINORITIES, AND LOW-INCOME RESIDENTS

The *Taking Count* survey asked Bay Area residents about a range of personal or family challenges that they had faced over a 12-month period. Here we focus on questions that asked people about housing troubles, difficulty paying bills, worries about not having enough to eat, wanting further education or job skills, getting help with tax preparation, including filing for the Earned Income Tax Credit (EITC), and, for parents living with children under the age of 18, dealing with issues related to child care, schooling, or emotional or behavioral development.<sup>2</sup>

We found that Bay Area residents frequently were facing personal or family challenges, even during a period with a strong labor market and robust economy. One in eight respondents (12%) said that they had faced housing or food problems in the prior 12 months and about 1 in 4 people (24%) told us that there was a time in the last year when they had had trouble paying bills. More than a quarter of respondents (27%) said that they wanted to get new job skills or further their education, and just under a third (30%) needed help with tax preparation. Among parents living with children, 42% reported having to deal with an issue related to child care, schooling, or emotional or behavioral development. Considering just the basics of securing a roof above your head, putting food on the table, or paying bills, fully 31% of all respondents, almost a third of Bay Area residents, reported at least one challenge with housing, food, and/or bills.

### PERCENTAGE OF BAY AREA RESIDENTS NEEDING HELP WITH MULTIPLE CHALLENGES



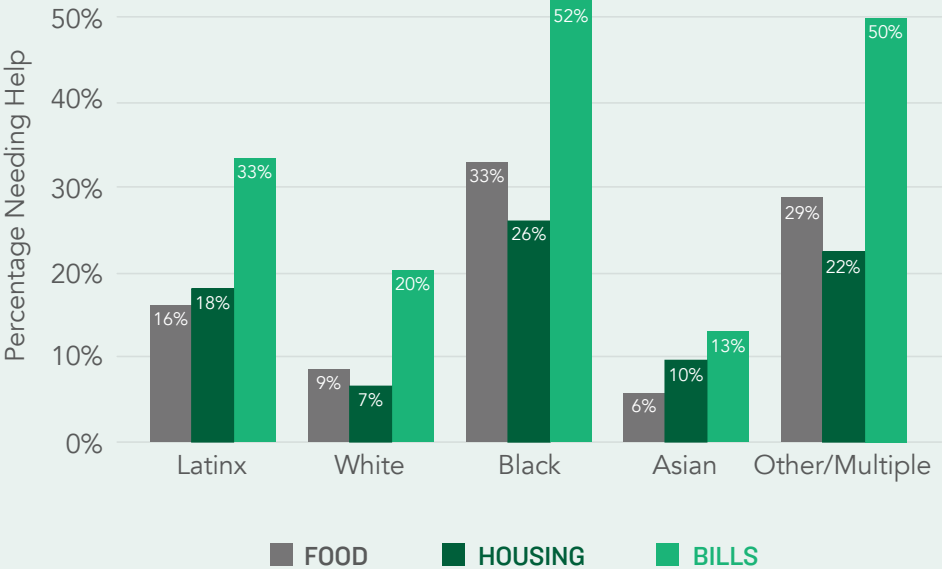
Source: *Taking Count Survey*, June–July 2019

\*Percentage Needing Help with Children Calculated for Households with Children Only



These challenges are not experienced equally among Bay Area residents. Those who struggle with a household income under \$25,000 a year are twice as likely to report housing (24%) or food (27%) problems compared to the overall Bay Area population. Even at somewhat higher income levels, including those with up to \$75,000 in household income, over a third of respondents worry about paying bills. Black residents have more than double the reported rate of challenges with housing (26%) and paying bills (52%) and almost three times the reported worry over getting enough food (33%) compared to the

**PERCENTAGE OF BAY AREA RESIDENTS NEEDING HELP WITH HOUSING, BILLS, OR GETTING ENOUGH TO EAT BY ETHNO-RACIAL BACKGROUND**



Source: Taking Count Survey, June–July 2019

general population. In contrast, such challenges are relatively low among the region’s White and Asian American residents; the hardships faced by Latinx residents fall in between. Age and homeownership also matter: Those who are 30 years of age or younger are more likely to report challenges with housing, bills, and food, as are renters. We found fewer differences between Bay Area residents in their reported need for help with taxes, raising children, or wanting to find extra education or training other than the unsurprising fact that younger people are more likely to want to get new job skills or further education as compared to older respondents. Thus, when it comes to acquiring skills, dealing with taxes, or raising children, a range of Bay Area residents from diverse backgrounds report grappling with these challenges. However, when it comes to the most severe vulnerabilities around housing, food, and bills, our findings reinforce our analysis earlier in this report showing inequities that hit low-income Black and Latinx residents particularly hard.

## MORE THAN A THIRD FACE SERIOUS CHALLENGES ALONE

We asked everyone who reported that they faced a challenge, “Did you reach out to anyone for help?” We wanted to know whether people were reaching out for assistance or trying to deal with difficulties on their own to give us a sense of the support infrastructure in the Bay Area.

When it came to housing, bills, food, and classes, up to two-thirds of people told us yes, they had turned to friends or family, a government agency, a non-profit organization, a for-profit business, or some other source of assistance. For those who needed support with taxes, over 9 in 10 (92%) reported seeking help, as did three-quarters (76%) of those dealing with child-related challenges. But these numbers also mean that, even before the pandemic, a third or more Bay Area residents who were facing serious hardships were trying to tackle these challenges alone. More than 2 in 5 people (44%) who told us they were having trouble with bills did not reach out for help, nor did about a third of those facing housing challenges or food insecurity (34% and 35%, respectively).

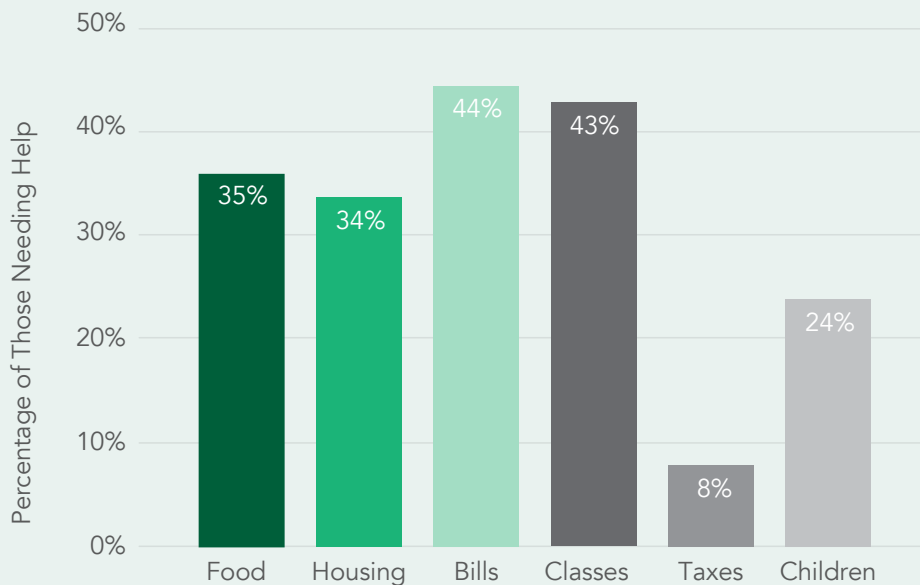
---

“My mom helps, watching my kids sometimes. It’s been maybe a month or so because she’s older, so I don’t want to overwhelm her too much. And my son is a handful. **I try to not exhaust all my resources when it comes to help.**”

*Taking Count respondent, a Black 29-year-old mother of two who lives with her husband in Alameda*

---

## A THIRD OR MORE OF BAY AREA RESIDENTS FACING HARDSHIPS TRY TACKLING THEM ALONE



Source: *Taking Count Survey*, June–July 2019

When it comes to trying to do it alone, we found few consistent differences among our respondents. Age, education, and income did not clearly predict who sought support or tackled challenges alone; differences across ethno-racial background or gender were slight and depended on the problem. Only a few things stood out: Renters were more likely than homeowners to seek help with bills and food, while non-citizens were less likely than citizens to ask for help with housing. One of the biggest differences centered on securing sufficient food. In this case, those with children, whether single parents or those living with another adult, were more likely to reach out for help; married or partnered people without children were least likely to ask for food assistance. The hardship of hungry children likely drives people to seek support, and personal, public, and private support might also be more available to those with children than to those without.







“I prefer not to leave much of a track record of [using services at Veteran Affairs]. Because, of course, **there’s a stigma of receiving those government benefit programs.** And that is creating stigma to my future job, position, connections.”

*Taking Count respondent, an Asian American 48-year-old who lives with his mother in Santa Clara County*

### WHO HELPS? THE SOCIAL SUPPORT INFRASTRUCTURE IN THE BAY AREA

People who face challenges turn to diverse kinds of support, ranging from friends or family and government assistance to non-profit organizations and for-profit businesses. To whom people turn depends somewhat on the problem that they face, although in virtually all cases (except for help with taxes), the plurality of those facing challenges are most likely to seek help from friends and family. When it comes to the basics—food, housing, and bills—a third to almost half of respondents report that they sought help through personal ties.

### WHERE BAY AREA RESIDENTS TURN: SUPPORT-SEEKING BY THE CHALLENGE PEOPLE FACE

| HELP NEEDED             |  Housing Problems |  Paying Bills |  Child-Related Issues |  Food and Groceries |  Classes or Training |  Tax Problems |
|-------------------------|--|--|--|--|---|--|
| <b>FAMILY + FRIENDS</b> | <b>49%</b>   | <b>39%</b>   | <b>38%</b>   | <b>34%</b>   | <b>24%</b>  | <b>20%</b>   |
| <b>GOVERNMENT</b>       | <b>19%</b>   | <b>8%</b>  | <b>14%</b>   | <b>27%</b>   | <b>21%</b>  | <b>7%</b>  |
| <b>NON-PROFIT</b>       | <b>14%</b>   | <b>5%</b>  | <b>10%</b>   | <b>19%</b>   | <b>9%</b>   | <b>11%</b>   |
| <b>BUSINESS</b>         | <b>9%</b>  | <b>10%</b>   | <b>22%</b>   | <b>2%</b>  | <b>10%</b>  | <b>64%</b>   |

Data include all respondents whether they sought support or not.

Yet this means that a majority of Bay Area residents who face hardships cannot or do not feel comfortable relying on friends or family. Other institutions partly fill the gap, but only to a very limited extent. For those worried about securing sufficient groceries for themselves or their family, more than a quarter (27%) tell us that they turned to public agencies, and almost 1 in 5 (19%) reached out to a non-profit or community organization, like a food pantry. Somewhat lower percentages sought help with housing challenges from government or non-profits, 19% and 14%, respectively. Those who were having a hard time paying bills appeared to see the fewest public or non-profit options; only 1 in 20 (5%) sought out a non-profit, and only 8% turned to government. A slightly higher percentage, 10%, sought help from for-profit businesses, like a payday lender, when they had trouble paying bills. In the context of the current COVID-19 pandemic, with millions of people scrambling to pay utility, credit card, and other bills, the limited social infrastructure we found for people with such problems raises red flags.

We also looked for patterns in who relied on what sorts of social supports, focusing on people who faced challenges with housing, bills, and food.<sup>4</sup> As with asking for help in general, most differences were slight. Men were more likely to rely on friends and family and less likely to turn to non-profits. Those with children were more likely to turn to a public agency or non-profit organization, while married or partnered respondents were less likely to rely on friends and family.<sup>5</sup> Perhaps not surprisingly, people with higher incomes were more likely to rely on businesses for assistance and less likely to turn to public agencies. Reliance on non-profit groups increased with age, but there were no differences in where people turned to for help among those with more or less education. Similarly, there was no clear variation in support-seeking between people of different ethno-racial backgrounds, though there was a hint that Asian American residents were more reluctant to seek help from any type of social support, whether personal ties, government, a non-profit, or business.

---

“My grandma, she is retired. She’s 78. I’m helping out with her now. **I think that something that could make it better is if there were support for her and people who are retired.** ... I’ve been taking her to some of her appointments. We heard about a program where you can get some in-home assistance. But it’s not an easy process. So we’ll start to kind of look into it. But there’s never been anyone to just come.”

*Taking Count respondent, an African American 30-year-old who lives with her parents and sister in Contra Costa County*

---

## THE INEQUALITIES OF RELYING ON FRIENDS AND FAMILY

Getting and giving support are not just about severe hardships. Family and friends can offer monetary gifts that help pay for anything from a fun night on the town to the down payment on a house. Or a friend or family member might ask for help with an emergency or one-time expense, from an unexpected car repair to school supplies when children return to classes. To capture the wide range of financial support Bay Area residents get from friends and family, we asked everyone in the survey, in the last 12 months, “Did you ever, even just once, RECEIVE financial support, help with expenses, an inheritance, or a monetary gift from anyone living OUTSIDE of your household?” And then we asked them the same question, but whether they had ever, even just once, provided money to a family member or friend outside of their household. For those people who answered yes to either question, we asked them to estimate the total amount of financial support they received or gave in the prior year.<sup>6</sup>

“We’re only now getting back on our feet this year. ... My son’s great-aunt, her church has this big food pantry. They get donations from all the local grocery stores ... it kind of fills up my freezer or fills in some gaps. ... **If I desperately needed help paying a bill, I could always try asking my sister or my ex-in-laws, and if they had the ability to help, they would.**”

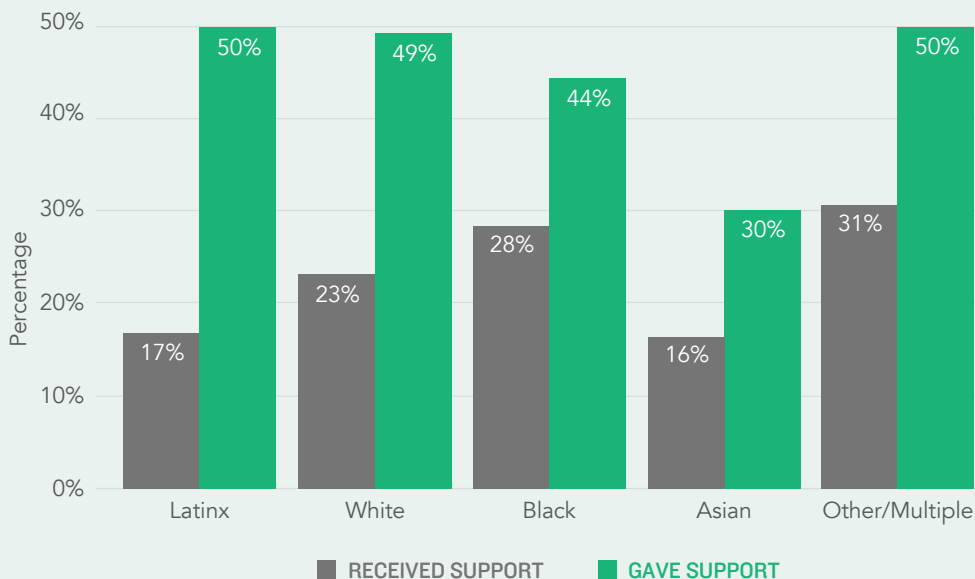
*Taking Count respondent, a White 46-year-old divorced mother of a teenage son who lives in Alameda County*

More Bay Area residents reported providing financial support to others outside their household than receiving monetary help or gifts. More than 2 in 5 people (44%) said that they had provided financial support. The median amount given was \$1,000, while the average was \$5,539, since some people gave larger gifts. In comparison, only 1 in 5 people (21%) reported receiving financial support in the last 12 months, but these gifts were larger. The median value was double what was given, \$2,000, while the average support received was \$22,995, the result of averaging in a number of large financial transfers, including inheritances.

When it comes to the act of giving financial support, there are relatively few differences among diverse groups of Bay Area residents. We might expect those with very low incomes to not give since they have few resources to share. But those with low incomes are nearly as likely to provide some financial support to someone outside their household as are the very affluent. Thirty-eight percent of those with household incomes under \$25,000 reported giving money to others, as did 45% of those with annual household incomes over \$200,000. Indeed,

middle-income earners are more likely to report giving money than those with incomes over \$200,000, with just under half (48%) telling us that they gave to others. Among ethno-racial groups, Asian Americans are somewhat less likely to give money outside the household, but we found no statistically significant differences in the act of giving by age, education, home ownership, marital status, family composition, or even by labor force participation. Employed or not, similar proportions of people were providing

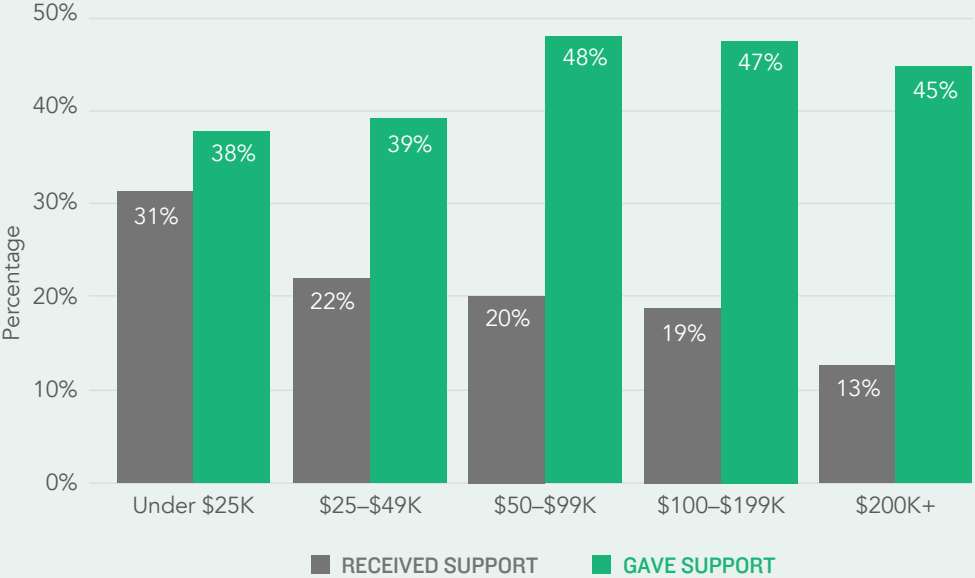
### GETTING OR GIVING ANY AMOUNT OF FINANCIAL HELP, BY ETHNO-RACIAL BACKGROUND



Source: Taking Count Survey, June–July 2019

money—whether modest or generous amounts—to others outside their household, suggesting that generosity or obligations to others run broadly. The *amount* of money given does vary, however. White and older residents—those who likely already have more resources—report giving larger amounts, as do the wealthiest people we interviewed, those making over \$200,000 in household income in a year.

### GETTING OR GIVING ANY AMOUNT OF FINANCIAL HELP, BY HOUSEHOLD INCOME



Source: Taking Count Survey, June–July 2019

The story for *receiving* financial support shows that personal support networks can help some vulnerable groups. Younger workers, people with family incomes under \$200,000, and those who work part time are all more likely to receive a monetary gift or financial help compared to older, richer, or employed people.<sup>7</sup> Thus, 31% of those with household incomes under \$25,000 told us that they had received a monetary gift or help in the last 12 months compared to only 13% of those with annual household incomes over \$200,000. About 1 in 5 people with household incomes between these two extremes reported receiving financial help. We found no differences in receiving money by gender, education, home ownership, or family composition once we controlled for other demographic and economic factors. However, we found that Asian American and Latinx immigrants are significantly *less* likely to report receiving financial support than others. It may be, for these individuals, that many family and friends live in countries with less wealth or are also struggling in the United States, making it hard to rely on kin and friendship networks as compared to U.S.-born Bay Area residents.

Although there are limited differences between groups of people in whether someone receives a monetary gift or financial help of any amount, when it comes to the *value* of the financial support that people receive, those in more privileged positions get more through their personal networks. People living in the wealthiest households—with incomes over \$200,000 a year—receive substantially more than everyone else, a median amount of \$7,000, compared to \$2,000 for everyone in the survey, as do White residents and older people. A good way to illustrate the disparity is to compare the value of



financial support people received across a range of survey respondents. If we order financial support by the amount reported and we look at the value of the amount at the 25th and 75th percentiles, we find that the range for White residents spans \$600 to \$10,000, but it is only \$200 to \$4,000 for Black residents, \$400 to \$5,000 for Latinx residents, and \$900 to \$5,000 for Asian Americans. Those with more resources both give *and* receive more significant sums, on average.

## CONCLUSION

In their everyday lives and in moments of hardship, Bay Area residents often turn to others for help, especially friends and family. People also frequently extend a hand to others, even if they have few resources themselves, underscoring the importance of personal support networks for our well-being.

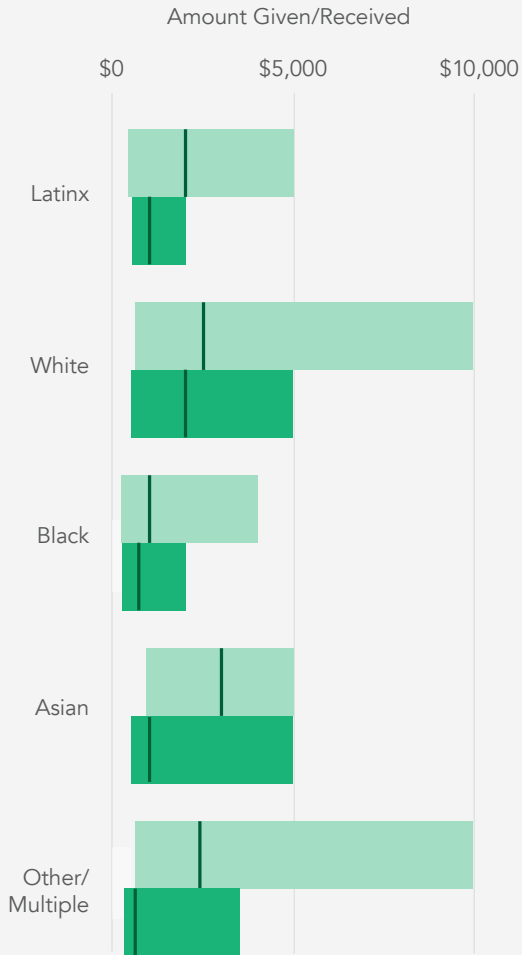
But personal networks do not provide equally generous safety nets: Those in more privileged positions—wealthier households and White Bay Area residents—receive more generous financial support than poorer households and people of color. Further, a surprisingly large proportion of Bay Area residents, between a third to almost half, are unable or unwilling to call on friends and family in times of need, even when they struggle with necessities like housing, food, and paying the bills. Public institutions, non-profit and community organizations, and private businesses are not fully filling the gap: Only a relatively small proportion of people turn to such social supports for a range of challenges.

Our in-depth interviews with a small subset of the *Taking Count* respondents hint at the reasons at play. While public programs and government institutions provide a vital lifeline to some, others worry about the stigma of receiving public benefits. Non-profit and community organizations can play a critical role for those who are struggling, but not everyone knows about or feels comfortable turning to such community supports.

What is clear from the survey data and our interviews with Bay Area residents is that even while many people rely on personal ties in a period of crisis, personal support structures can provide a only very thin cushion for those with fewer resources but a much thicker one for those already relatively well-off. Clearly, beyond better communicating the range of existing government and community services, we also need more of them, a fact the current COVID-19 crisis and overwhelmed food pantries lay bare. Otherwise, even as some people can find a safety net in times of crisis, others may feel like they are in free fall and are facing these hardships alone.

## APPENDIX

### AMOUNT OF FINANCIAL SUPPORT RECEIVED OR GIVEN BY GROUP



Interquartile Range: From 25th to 75th percentile

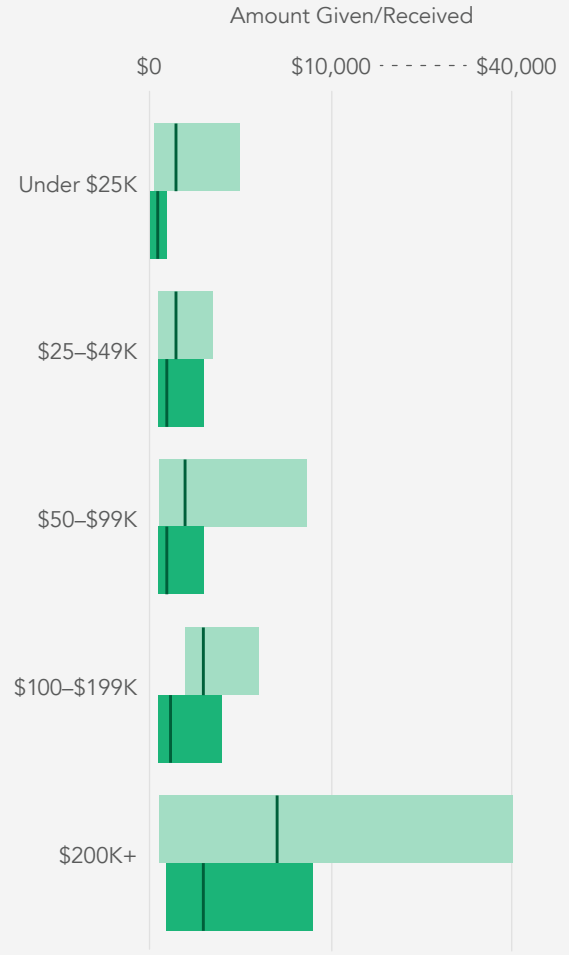
AMOUNT RECEIVED

AMOUNT GIVEN

MEDIAN

Source: Taking Count Survey, June–July 2019

### AMOUNT OF FINANCIAL SUPPORT RECEIVED OR GIVEN BY INCOME



Interquartile Range: From 25th to 75th percentile

AMOUNT RECEIVED

AMOUNT GIVEN

MEDIAN

Source: Taking Count Survey, June–July 2019

1. The *Taking Count Survey* is a panel survey of San Francisco Bay Area residents conducted over three waves between 2018 and 2019. The third wave of the survey, which is the basis for this report, contained questions about challenges paying bills, securing food, dealing with housing issues, and other moments when people might reach out to others for help. We also asked about providing financial assistance to and receiving financial assistance from others. The third wave of the survey was administered by phone and online between June 3, 2019, and July 31, 2019. It was answered by 2,030 adult residents of Alameda, Contra Costa, Marin, San Francisco, San Mateo, and Santa Clara Counties.

2. Specifically, we asked: (1) In the past 12 months, was there a time when you had trouble getting adequate or affordable housing or you had to deal with a dispute about housing? (2) In the past 12 months, was there a time when you had trouble paying bills, like utility or credit card bills? (3) In the past 12 months, was there a time when you worried about not being able to afford enough to eat? (4) In the past 12 months, was there a time when you wanted to get new job skills or further education, including literacy, GED, or English classes? (5) In the past 12 months, was there a time when you or others in the family needed help with tax preparation, including filing for the Earned Income Tax Credit (EITC)? (6) In the past 12 months, was there a time when you had an issue with any of the children you live with, such as challenges related to (i) academic performance or school readiness, (ii) finding safe, affordable child care or after-school care, (iii) behavior issues or acting out, (iv) emotional or development issues, or (v) something else?

3. Respondents self-identified as White, Black, Asian American, Latino/Hispanic, or “other” if they felt these categories did not represent them. The “other” category includes those who provided more than one ethno-racial background.

4. This analysis is based on multivariate logit models with a range of demographic and socio-economic variables as possible predictors and four potential sources of support as the dependent variable: family/friends; government/public agency; non-profit or community organization; a private business. Different sources of support are treated as independent of one another; that is, one person could have turned to any, all, or none of the social supports we examined.

5. Recent qualitative field research conducted in the Bay Area similarly found that men are less likely to find support from social institutions like non-profits, while low-income people with children—especially mothers—have an easier time accessing public and non-profit support. Dani Carrillo, *Navigating Aid: Latinx Immigrants Accessing Services in a Post Welfare Reform Era*. PhD dissertation, University of California, Berkeley, 2018.

6. The specific wording of the questions was “In the past 12 months, did you ever, even just once, RECEIVE financial support, help with expenses, an inheritance, or a monetary gift from anyone living OUTSIDE of your household? [IF YES] Thinking of all the financial support you received in the past 12 months, how much was this in total?” And “Now, in the past 12 months, did you ever PROVIDE, even just once, financial support, help with expenses, or a monetary gift to a family member or friend OUTSIDE of your household? [IF YES] Thinking of all the financial support you gave in the past 12 months, how much was this in total?”

7. Those who are unemployed or not in the labor force do not have a statistically significant greater likelihood to receive financial support than those who work full time, but the data does hint that full-time workers are relatively less likely to receive money than those who do not work full time.



TIPPINGPOINT.ORG



For more information about *Taking Count*, please contact [media@tippingpoint.org](mailto:media@tippingpoint.org).

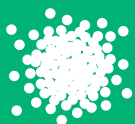
# POVERTY, HARDSHIP, AND RACIAL INEQUALITY AMONG BAY AREA HOUSEHOLDS WITH CHILDREN

---

*Author*  
Jacob Leos-Urbel  
*Tipping Point Community*

*Poverty, Hardship, and Racial Inequality among Bay Area Households with Children* is part of *Taking Count*, a panel survey of San Francisco Bay Area residents conducted over three waves between 2018 and 2019. It was taken by a sample of 3,100 residents at least 18 years old who live in six Bay Area counties: Alameda, Contra Costa, Marin, San Francisco, San Mateo, and Santa Clara.

---



**TIPPING  
POINT  
COMMUNITY**

**Berkeley**  
UNIVERSITY OF CALIFORNIA



Othering  
& Belonging  
Institute



# POVERTY, HARDSHIP, AND RACIAL INEQUALITY AMONG BAY AREA HOUSEHOLDS WITH CHILDREN

Jacob Leos-Urbel • *Tipping Point Community*

All children deserve to have their basic needs met and to have opportunities to learn and thrive. We know that a lack of access to resources during childhood can hamper healthy development, educational attainment, and the transition to successful adulthood.<sup>1</sup> Yet, even with this knowledge about the importance of childhood resources, the United States has the highest child poverty rates among developed countries and, within the United States, California has the largest number of children living in poverty.<sup>2</sup> Child poverty and hardship are especially acute in the Bay Area, a place of tremendous wealth and opportunity, but also extreme inequality.

Life as a child in the Bay Area—and the likelihood that a child will experience privilege and stability or poverty and hardship—varies dramatically by race and ethnicity. *Taking Count* is a representative survey of 3,100 Bay Area residents that asked respondents questions at three different times over the course of a year.<sup>3</sup> *Taking Count* quantifies the disparities in children’s experiences of poverty and financial hardship or economic security that existed just before the COVID-19 pandemic. *Black and Latinx households with children in the Bay Area are more than twice as likely as other Bay Area households with children to experience poverty and material hardships. Black and Latinx households with children also have much lower median incomes and are less than half as likely to own their home. These racial disparities are much greater for Bay Area households with children as compared to households without children.*

---

“I’m a single mom, so I raise my kid by myself. So it’s kind of hard to try to save and take care of a child at the same time. ... I have been saving, but I feel like every time you save, something happens and you have to use some of your money you saved for a rainy day to take care of whatever the situation is. ...”

*Taking Count respondent, a 25-year-old Latinx mother who works in child care and rents her home*

---

## CHILDREN IN THE BAY AREA

There are approximately 1.3 million children in the Bay Area.<sup>4</sup> Based on data from *Taking Count*, about 1 in 3 (31%) Bay Area households include children under the age of 18. The percentage of households with children varies by race and ethnicity and across Bay Area counties. Almost half of Bay Area Latinx households have children (46%) compared to about one-third of Asian American (36%) and Black (33%) households and 1 in 5 White households (21%). By county, Contra Costa (36%) and Alameda (33%) have the highest proportions of households with children, followed by San Mateo (30%), Santa Clara (29%), and Marin (28%), with San Francisco having the lowest (23%).

## CHILD POVERTY IN THE BAY AREA

Overall, Bay Area households with children are just slightly more likely to be living in poverty (18%) compared to those without children (16%), based on the Supplemental Poverty Measure (SPM).<sup>5</sup> However, there are dramatic differences in children's experiences with poverty by ethno-racial group. Black and Latinx households with children are twice as likely to be living in poverty as White and Asian American households with children (29% vs. 12%).<sup>6</sup> Further, Black and Latinx households with children have median incomes that are less than half those of White and Asian American households with children: \$64,000 vs. \$132,000.<sup>7</sup>

A household's economic stability is not only a matter of income, but also of savings. *Taking Count* examines the extent to which Bay Area households experience asset poverty—that is, a lack of savings. Specifically, we asked respondents, “Have you set aside emergency or rainy-day funds that would cover your expenses for three months or more in case of sickness, job loss, economic downturn, or other emergencies?” Based on the first wave of the *Taking Count* survey, Black and Latinx households with children are twice as likely to be “asset poor” compared to White and Asian American households with children. Leading up to the COVID-19 pandemic, at any given time about 2 in 3 Black and Latinx households with children (62%) did not have this level of financial cushion compared to about 1 in 3 White and Asian American households with children (35%). The percentages are even larger when we look over all three waves of the *Taking Count* survey at families that ever report asset poverty at any time over the course of the year,<sup>8</sup> with 76% of Black and Latinx households with children and 40% of White and Asian American households with children reporting a time when they experienced asset poverty.

---

“I got this job about eight months ago. It was a huge step up for me. ... But honestly, commuting an hour and a half each way and what that's doing to my stress levels and our home life... . Either I'm not able to do a good job as a parent, or I'm not able to do a good job as an employee.”

*Taking Count respondent, a 39-year-old Asian American mother who works as a manager and owns her home*

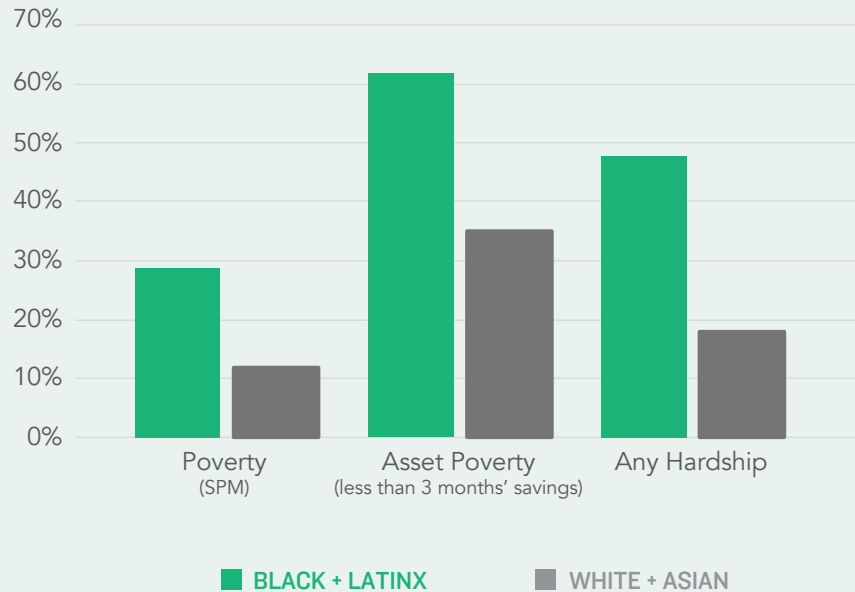
---

## METHODOLOGICAL NOTE ON TAKING COUNT ANALYSIS OF RACIAL DISPARITIES FOR HOUSEHOLDS WITH CHILDREN

Because of constraints in the survey sample size, the findings presented below group Black and Latinx households with children together and White and Asian American households with children together. This is not intended to suggest that experiences are identical for Black and Latinx families or for White families and Asian American families, although the statistics for these groups within *Taking Count* respondents do trend strongly in the same direction.<sup>9</sup> Please see the Appendix for additional explanation and results broken out further by racial and ethnic groups.



## BLACK AND LATINX HOUSEHOLDS WITH CHILDREN ARE TWICE AS LIKELY TO EXPERIENCE POVERTY + MATERIAL HARDSHIPS

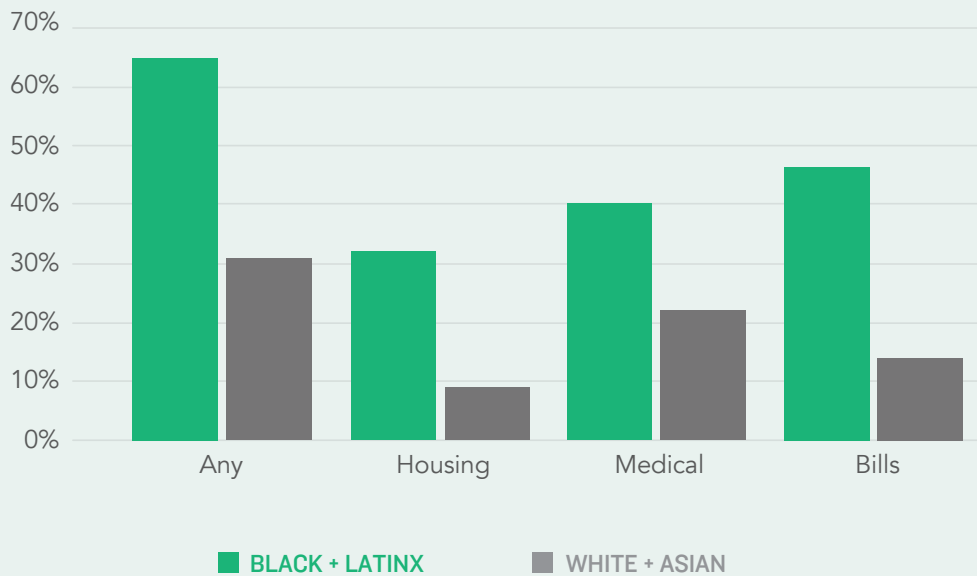


Note: This figure presents results from Taking Count survey Wave 1, providing respondents' point-in-time answers to questions about income, savings, and hardships. Poverty is based on the Supplemental Poverty Measure.<sup>10</sup>

### HARDSHIPS FOR HOUSEHOLDS WITH CHILDREN

To better understand the lives of Bay Area households, we asked questions about their experiences of material deprivation—that is, of going hungry because they couldn't afford enough to eat or having to double-up for housing or stay in a shelter or car and of not being able to pay their bills on time or not see a doctor or fill a prescription because of the cost. Overall, Bay Area households with children experience hardships at similar rates as households without children, with about 1 in 3 experiencing some hardship at any given time. Again, among households with children, there are dramatic differences by race/ethnicity, with Black and Latinx households more than twice as likely to experience a hardship related to housing, medical issues, or paying bills as White and Asian American households with children. Based on the first wave of the *Taking Count* survey, we found that, at any given time, about half of Bay Area Black and Latinx households with children (48%) report having experienced at least one of these hardships compared to about 1 in 5 White and Asian American households with children (18%), as shown in the figure above. These rates of hardship are even higher, and disparities greater, when we look at how many families report experiencing hardships at least once over the three waves of the *Taking Count* survey. Two-thirds of Bay Area Black and Latinx households with children (65%) report experiencing hardships over the course of a year compared to about one-third of White and Asian American families with children (31%). Black and Latinx households with children are at least twice as likely to experience each kind of hardship that *Taking Count* asked about, including medical issues, housing, and paying bills (see the figure below).

## BLACK AND LATINX HOUSEHOLDS WITH CHILDREN ARE MUCH MORE LIKELY TO EXPERIENCE HARDSHIPS RELATED TO HOUSING, MEDICAL CARE, AND PAYING BILLS



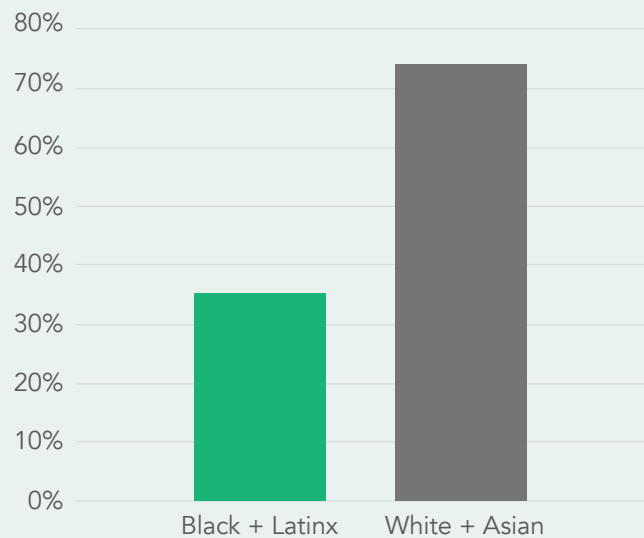
Note: This figure presents results from all three Taking Count survey waves and captures households with children that reported ever experiencing hardships over the course of a year (i.e., at one or more of the three Taking Count survey waves).

When families experience these hardships, it can place strain on many aspects of their lives. For instance, as we followed families over time, we saw that those who reported experiencing one or more hardships during the first wave of our survey were more likely to report that their children had school absences when we followed up with them later in the year.

### HOME OWNERSHIP

For many households, home ownership is a primary means by which they build wealth. Home ownership can also provide residential stability, for instance, by removing the likelihood of sharp rent increases or evictions. Although homeownership may not always be protective in all cases (e.g., foreclosures during the subprime mortgage crisis), it is widely considered a key strategy for wealth building and economic mobility. At the same time, historical practices and policies such as redlining have limited access to mortgages for home purchase for many people of color and, by extension to the benefits of the mortgage interest tax deduction.<sup>11</sup> Taking Count analysis found that, in the Bay Area, Black and Latinx households with children are less than half as likely to own their home as White and Asian American households with children (35% vs. 74%).<sup>12</sup>

## AMONG BAY AREA HOUSEHOLDS WITH CHILDREN, BLACK AND LATINX HOUSEHOLDS ARE HALF AS LIKELY TO OWN THEIR HOME



### CONCLUSION

The dramatic disparities that exist in Bay Area children’s experiences and opportunities based on race and ethnicity are unacceptable. Black and Latinx residents’ higher rates of poverty and hardship reflect a long history of policies and practices that have disproportionately harmed Black and Indigenous people and other people of color in the accumulation of wealth and privilege.<sup>13</sup>

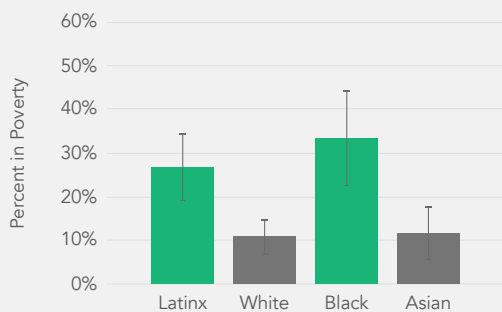
Despite this enduring inequality, there is a strong knowledge base about effective strategies for fighting poverty that can serve as a basis for hope and action. For example, the federal Earned Income Tax Credit (EITC) has been proven to reduce poverty and improve outcomes for children.<sup>14</sup> Further, we know that nutritional programs (such as Supplemental Nutrition Assistance Program, or SNAP) also can moderate the effects of poverty and improve outcomes for children.<sup>15</sup> Recent state and national taskforces focused on reducing child poverty point to the need for a range of solutions, including providing more high-quality services as well as policy change.<sup>16</sup> Efforts to address these enduring inequities must operate on multiple levels and span the life course, from reducing disparities in adverse birth outcomes, providing quality care in early childhood, and adequate and equitable funding for education to employment opportunities, stable housing for youth and adults, and criminal justice reform. Fighting child poverty also requires policies that get more cash to low-income families, such as the federal EITC, California’s CalEITC, and child allowance/tax credits, among others. Finally, these efforts toward greater equity can be strengthened by a targeted universalism approach which identifies universal policy goals that we have for all children, while acknowledging existing differences between groups, and exploring a broad set of possible strategies for success which could extend well beyond the examples mentioned here.<sup>17</sup> Ultimately, increased expenditures to reduce child poverty will be less costly in the short run than addressing the effects of child poverty in the future and they are crucially needed to address the dramatic disparities in the lives of children in our community.

## APPENDIX

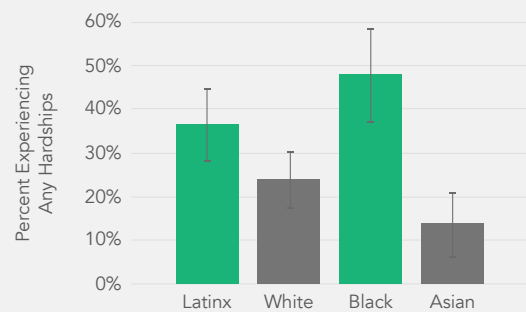
Understanding the experiences of Bay Area households with children, and how these experiences vary, is crucial to efforts aimed at reducing poverty and inequality. At the same time, as we limit the sample of *Taking Count* survey respondents to only households with children, then look at different racial groups within these households, the number of households within each group gets smaller and smaller. This narrowing can make conclusions about Bay Area households as a whole based on *Taking Count* less precise.

As noted, because of constraints in the survey sample size, the findings presented above group Black and Latinx households with children together and White and Asian American households with children together to increase our ability to make more precise estimates of the experiences of poverty and hardship. Again, this is not intended to suggest by any means that experiences are identical for Black and Latinx families or for White families and Asian American families. The figures below present data separated out by race/ethnicity including Black, Latinx, White, and Asian American. The red lines mark the 95% confidence interval for each estimate. That is, because our estimates are drawn from a relatively small sample of respondents within each category, we are confident that the true percentage for this group within the Bay Area as a whole lies within the interval encompassed by the red line.<sup>18</sup> The analyses above grouped Black and Latinx households with children and White and Asian American households with children together in order to shrink the size of these intervals and provide more precise estimates. Another limitation of this study is that the *Taking Count* data does allow for examining the experiences and outcomes of subgroups within racial/ethnic categories, which may vary dramatically. These categories are imperfect, as, for example, some Asian American subgroups may not have the same outcomes as the overall aggregate figures might suggest.

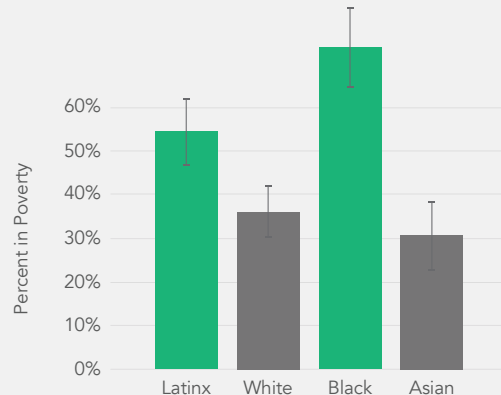
**POVERTY AMONG HOUSEHOLDS WITH CHILDREN, BY RACE/ETHNICITY (WAVE I)**



**HARDSHIP BY RACE/ETHNICITY, HOUSEHOLDS WITH CHILDREN (WAVE I)**



**ASSET POVERTY BY RACE/ETHNICITY, HOUSEHOLDS WITH CHILDREN (WAVE I)**



1. See, National Academies of Sciences, Engineering, and Medicine (2019). *A Roadmap to Reducing Child Poverty*. Washington, DC: The National Academies Press. doi: <https://doi.org/10.17226/25246>.
2. Laird, Jennifer, et al. "Poor State, Rich State: Understanding the Variability of Poverty Rates across U.S. States." *Sociological Science* 5 (2018): 628–652.
3. The three waves of the *Taking Count* survey were conducted from summer 2018 to summer 2019.
4. Based on data from the 2018 American Community Survey administered by the U.S. Census Bureau. This Bay Area estimate includes six counties—Alameda, Contra Costa, Marin, San Francisco, San Mateo, and Santa Clara.
5. Poverty is based on calculations of the Supplemental Poverty Measure (SPM). For more detail on how the SPM is calculated, see MEASURING POVERTY IN THE BAY AREA: HOW AND WHO DO WE COUNT?
6. In contrast, the difference in poverty by race/ethnicity is much smaller for households without children, with 18% of Black and Latinx families without minor children in poverty and 15% of White and Asian American families without children.
7. This compares to \$65,000 for Black and Latinx households with children vs. \$89,000 for White and Asian American households without children.
8. I.e. those answering yes in one or more of *Taking Count*'s three survey waves.
9. Further, the *Taking Count* data does allow for examining the experiences and outcomes of subgroups within racial/ethnic categories, which may vary dramatically.
10. Poverty is based on calculations of the Supplemental Poverty Measure (SPM). For more detail on how the SPM is calculated, see MEASURING POVERTY: HOW AND WHO DO WE COUNT?.
11. See, for instance, Rothstein, Richard. *The Color of Law: A Forgotten History of How Our Government Segregated America*. Liveright Publishing, 2017.
12. Again, this difference by race is larger than for households without children (44% vs. 61%).
13. See Hannah-Jones, Nikole. "What Is Owed." *New York Times Magazine*, June 24, 2020.
14. Hoynes, Hilary, Miller, Doug and Simon, David (2015). "Income, the Earned Income Tax Credit, and Infant Health." *American Economic Journal: Economic Policy*, 7 (1): 172–211. Hoynes, Hilary. "The Earned Income Tax Credit." *The ANNALS of the American Academy of Political and Social Science* 686, no. 1 (2019): 180–203.
15. Hoynes, H., and Schanzenbach, D. W. (2015). *U.S. Food and Nutrition Programs*. Cambridge, MA: National Bureau of Economic Research. Hoynes, H., Schanzenbach, D. W., and Almond, D. (2016). Long-Run Impacts of Childhood Access to the Safety Net. *American Economic Review* 106(4), 903–934. Available: [http:// dx.doi.org/10.1257/aer.20130375](http://dx.doi.org/10.1257/aer.20130375).
16. See, National Academies of Sciences, Engineering, and Medicine. (2019). *A Roadmap to Reducing Child Poverty*. Washington, DC: The National Academies Press. doi: <https://doi.org/10.17226/25246>. *The Lifting Children and Families Out of Poverty Task Force Report: Recommended Strategies to Address Deep Child Poverty and Child Poverty in California*, Nov. 2018, <https://www.cdss.ca.gov/Portals/9/CalWORKs/AB1520%20-%20Final%20Report.pdf?ver=2018-11-19-145600-677>.
17. powell, john, Menendian, Stephen, and Ake, Wendy, "Targeted Universalism: Policy & Practice." Haas Institute for a Fair and Inclusive Society, University of California, Berkeley, 2019. [haas.berkeley.edu/targeteduniversalism](http://haas.berkeley.edu/targeteduniversalism).
18. For example, while we estimate that 33% of Black households with children are living in poverty, given the size of our sample, we are confident that the true percentage for Black households with children in the Bay Area is somewhere between 23% and 44%.



For more information about *Taking Count*, please contact [media@tippingpoint.org](mailto:media@tippingpoint.org).

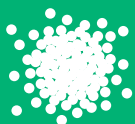
# MEASURING POVERTY IN THE BAY AREA: HOW AND WHO DO WE COUNT?

---

*Author*  
Jamie Austin  
*Tipping Point Community*

*Measuring Poverty in the Bay Area: How and Who Do We Count?* is part of *Taking Count*, a panel survey of San Francisco Bay Area residents conducted over three waves between 2018 and 2019. It was taken by a sample of 3,100 residents at least 18 years old who live in six Bay Area counties: Alameda, Contra Costa, Marin, San Francisco, San Mateo, and Santa Clara.

---



**TIPPING  
POINT  
COMMUNITY**

**Berkeley**  
UNIVERSITY OF CALIFORNIA



Othering  
& Belonging  
Institute



# MEASURING POVERTY IN THE BAY AREA: HOW AND WHO DO WE COUNT?

Jamie Austin • *Tipping Point Community*

As we enter a historic economic downturn due to COVID-19, measuring poverty—and identifying those most in need of help—has become more crucial than ever before. This paper describes a Bay Area poverty measure that is an improvement over the commonly used federal poverty line and discusses disparities among those who experience poverty.

We argue that the Census Bureau’s Supplemental Poverty Measure (SPM) is a superior measure of poverty than the typically used Official Poverty Measure (OPM), especially for the Bay Area. Unlike the OPM, the SPM accounts for regional differences in the cost of living, considers the age of household members, and includes government assistance, such as food stamps and public housing. *Taking Count* found that the SPM yielded a higher rate of poverty than did the OPM. For the six-county Bay Area, 17%, or 1.1 million residents, were below the SPM versus 10%, or 700,000 residents, below the OPM. We also found deep racial/ethnic inequality in poverty in the Bay Area: More than 1 in 4 Black and more than 1 in 5 Latinx Bay Area residents were living under the SPM, while only 1 in 7 White residents was under the SPM.

Using a poverty measure that recognizes the regional cost of living is crucial for both assessing and fighting poverty in the Bay Area. In 2020, a family of four is under the OPM if their income is less than \$26,000 compared with less than around \$40,000 under the SPM, meaning that under the OPM, many families with meager incomes will not count as living in poverty and therefore are not receiving the assistance that they need.

## THE STANDARD POVERTY MEASURE IN THE UNITED STATES IS OUTDATED AND DEEPLY FLAWED

The OPM is the most commonly used measure of poverty in the United States. Developed by the Social Security Administration in 1964, the OPM was originally calculated by multiplying an “economy food budget” for a household by three. Multiplying by three was supposed to account for all other expenses beyond food, including housing, transportation, and child care. Besides annual inflationary adjustments, the methodology for the OPM has changed little in the more than 50 years since its inception.

Critics of the OPM have long decried the measure’s failure to accurately capture a household’s true financial status, with arguments that the OPM can underestimate as well as overestimate the number of people living in poverty. For example, the OPM does not account for area-specific cost of living, but differences for rents are considerable. For example, Zillow reports a typical rent of \$3,121 for San Francisco, but \$1,060 for Cleveland, Ohio, and \$1,527 for Tampa, Florida.<sup>1</sup> In addition, the OPM does not factor in government transfers, such as cash assistance, tax credits, or subsidized housing, all of which increase household resources. Also, the OPM does not consider that households must pay federal, state, and local

---

“The cost of living is outrageous. The cost of everything ... just does not make any sense with what minimum wage is. ... That’s the worst part.”

*Taking Count respondent, a middle-aged White female who lives in Hayward with a son and works part time as an office manager*

---



taxes.<sup>2</sup> To address these and other concerns, the Census Bureau began using the SPM in 2011 as an alternative to the OPM. However, the federal government releases SPM data only at the state level; the OPM is available at the state and local levels. To our knowledge, the SPM has not previously been calculated at the county or even the regional level in the Bay Area.

---

“It’s expensive. That’s the biggest challenge to pay your bills ... the cost of living is really, really high.”

*Taking Count respondent, a 32-year-old female Asian American immigrant who lives in Santa Clara County and is unemployed*

---

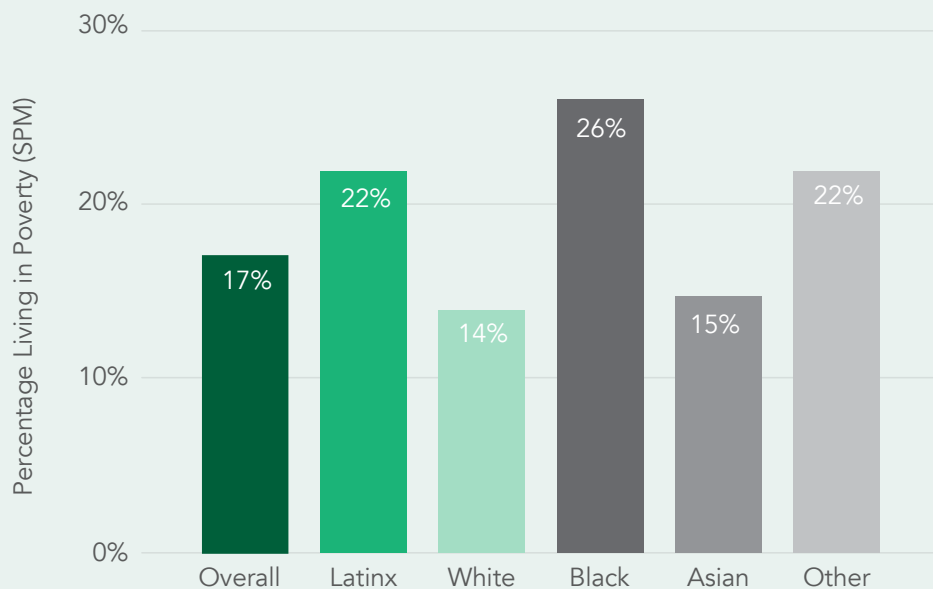
## ONE IN SIX BAY AREA RESIDENTS LIVES IN POVERTY

In the San Francisco Bay Area, the prevalence of poverty is much higher using the SPM than the OPM. *Taking Count* calculated the SPM and OPM using data from a three-wave survey of 3,100 Bay Area residents. We estimate that 17%—or 1 in 6 residents—in the area were living below the SPM. That figure equates to nearly 1.1 million people (around the size of the population of the city of San Jose, California). Only 1 in 10 (10%), or around 700,000 Bay Area residents, falls below the OPM.<sup>3</sup>

## WHO LIVES IN POVERTY?

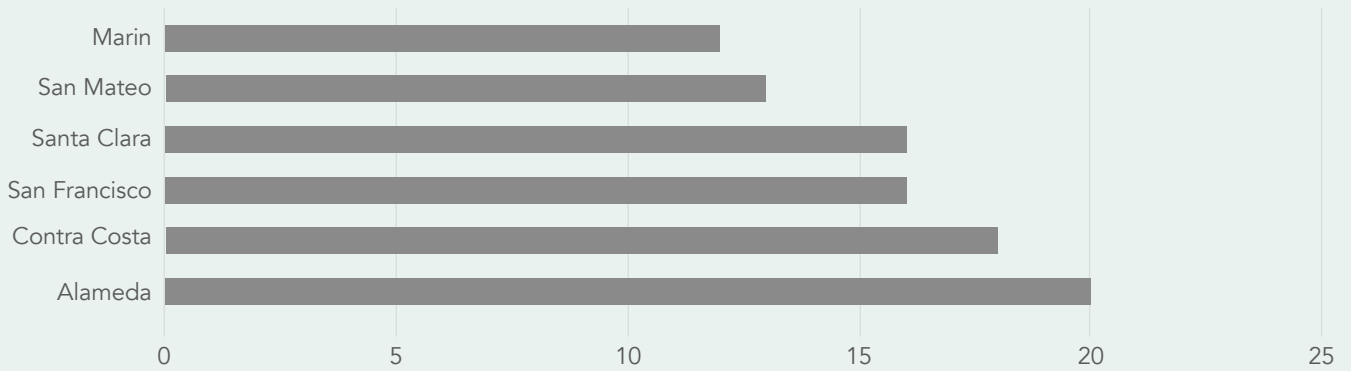
*Taking Count* found that poverty was much higher across a variety of demographics (hereafter, “poverty” refers to living under the SPM, unless otherwise noted). Poverty varied considerably by race/ethnicity, with more than 1 in 5 Latinx (22%) and more than 1 in 4 Black residents (26%) living in poverty compared with just 14% of White and 15% of Asian American residents.

### BLACK RESIDENTS EXPERIENCE POVERTY MORE THAN ANY OTHER RACE/ETHNICITY



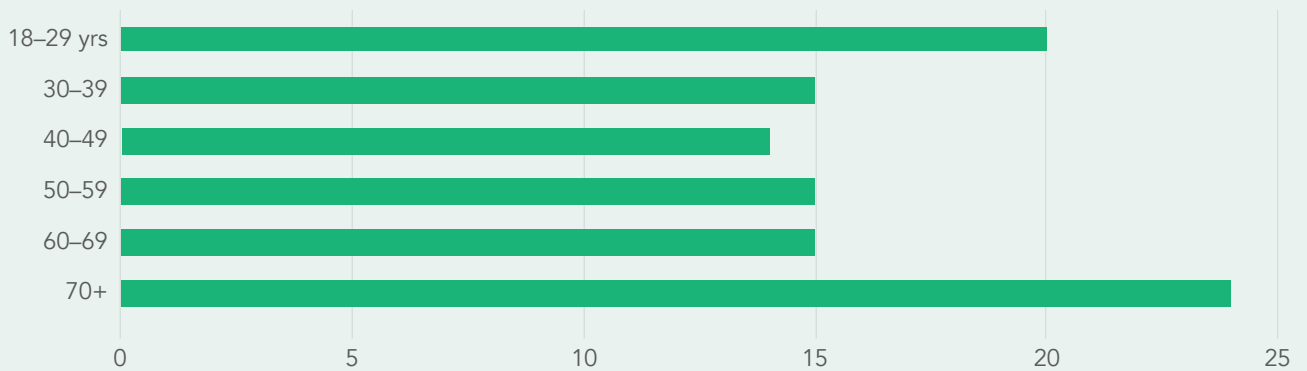
Among counties, the extent of poverty ranged from lows of 12% in Marin and 13% in San Mateo to highs of 18% in Contra Costa and 20% in Alameda. Sixteen percent of San Francisco’s and Santa Clara’s residents were living in poverty.

### RESIDENTS IN ALAMEDA AND CONTRA COSTA COUNTIES EXPERIENCE POVERTY AT A HIGHER RATE



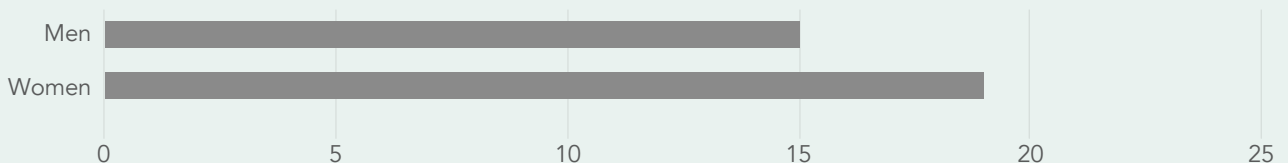
Age and poverty have a U-shaped relationship: Youth and old age are associated with higher levels of poverty than middle age. Poverty was higher for those younger than 30 years of age (20%) and 70 and older (24%), exceeding that of any ten-year age group between 30 and 69, which are all either 14% or 15%.

### YOUNGER AND OLDER RESIDENTS EXPERIENCE POVERTY AT A HIGHER RATE



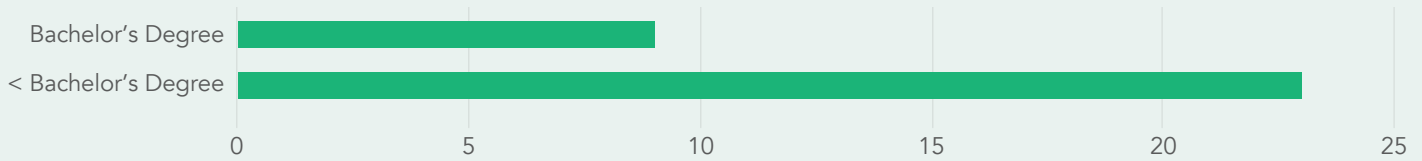
Poverty among women exceeded poverty among men by four percentage points (men: 15%; women: 19%).

### WOMEN EXPERIENCE POVERTY AT A HIGHER RATE



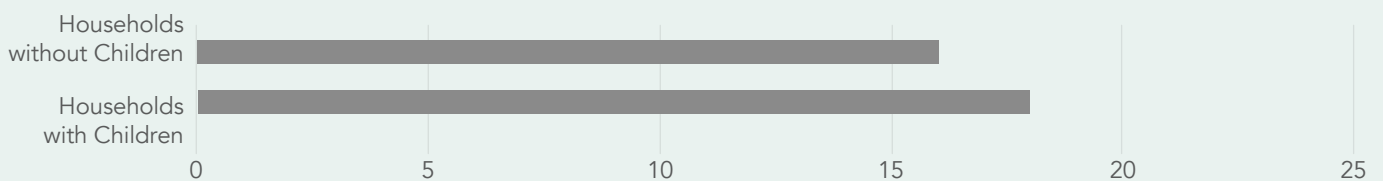
Education was a strong predictor of poverty: Those with a bachelor’s degree or higher were less likely to be living in poverty (9%) than those who did not have a bachelor’s degree (23%).

### RESIDENTS WITHOUT BACHELOR’S DEGREES EXPERIENCE POVERTY AT A HIGHER RATE



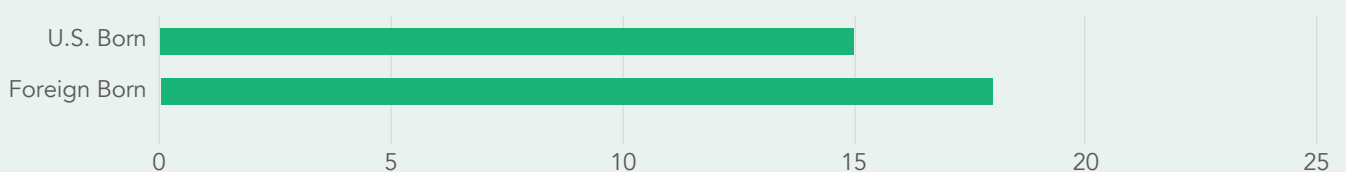
Households with children have a higher level of poverty than households without children (no children: 16%; children: 18%).

### HOUSEHOLDS WITH CHILDREN EXPERIENCE POVERTY AT A HIGHER RATE



The poverty rate for foreign-born residents was higher than for U.S.-born residents (Foreign born: 18%; U.S. born:15%).

### FOREIGN-BORN RESIDENTS EXPERIENCE POVERTY AT A HIGHER RATE



For all of these estimates, the poverty rate using the SPM exceeded the OPM rate. This suggests that the OPM underreports deprivation for the Bay Area.

## CONCLUSION

*Taking Count* spoke to Bay Area residents in the two years before COVID-19 and found that 1 in 6 Bay Area residents was living in poverty. Black and Latinx suffered the highest rates of those below the Supplemental Poverty Measure. Disparities by race/ethnicity groups before COVID-19 began were wide, and we suspect that the pandemic has only exacerbated these pre-existing inequities.

### KEY DIFFERENCES BETWEEN THE OFFICIAL POVERTY MEASURE AND THE SUPPLEMENTAL POVERTY MEASURE<sup>4</sup>

#### OPM

- Adjusted annually using the Consumer Price Index
- Government support, such as food stamps and public housing, is excluded
- Threshold was based on a minimum food cost diet from the 1960s
- Takes into account the size and composition of the family and age of the head of the household
- Does not take into account the local cost of living, such as the cost of housing and child care

#### SPM

- Based on the cost of food, clothing, shelter, and utilities
- Includes government support
- Takes into account the size and composition of the family as well as the local/regional differences in cost of living

1. <https://www.zillow.com/research/data/>. Rent estimates for May 2020. Accessed July 9, 2020.

2. Currently, seven states do not have a state income tax. <https://www.investopedia.com/financial-edge/0210/7-states-with-no-income-tax.aspx>.

3. The 95% confidence interval for the six-county SPM is 15%–19%; The 95% confidence interval for the OPM is 9%–12%.

4. Fox, Liana, "The Supplemental Poverty Measure: 2017," Current Population Reports, P60-265, U.S. Census Bureau, September 2018. <https://www.census.gov/content/dam/Census/library/publications/2018/demo/p60-265.pdf>. Accessed July 6, 2020.



**TIPPING  
POINT  
COMMUNITY**

**TIPPINGPOINT.ORG**



For more information about *Taking Count*, please contact [media@tippingpoint.org](mailto:media@tippingpoint.org).

# METHODOLOGY

---

The *Taking Count Survey* is a panel survey of the San Francisco Bay Area conducted over three waves between 2018 and 2019. The first survey was taken by a sample of 3,100 residents at least eighteen years old who are living in six Bay Area counties: Alameda, Contra Costa, Marin, San Francisco, San Mateo, and Santa Clara. The second and third waves attempted to re-contact this original sample and were completed by 2,261 and 2,010 respondents, respectively. A total of 1,821 respondents completed all three waves of the survey.

The first survey was conducted entirely by telephone, while the second and third survey waves were conducted either online or by telephone. In all three waves, respondents were given the choice to complete the survey in English, Spanish, Mandarin, Cantonese, Korean, Vietnamese, or Tagalog.

The first survey wave was conducted by telephone from April 3, 2018, to August 11, 2018. Contacted respondents were offered an incentive of \$10 in the form of a check, gift card, or donation to a charity of their choice. The sample was drawn from lists of both landline and cellular numbers in the six targeted counties. The sample lists were stratified by county in order to ensure that there were sufficient numbers of respondents to be able to make inferences for each of the counties. The number of respondents per county ranged from 413 residents of San Mateo County to 657 residents of Alameda County. In addition, the sampling strategy targeted low-income households, Latinx and Asian American households, and residents under thirty years of age so that the sample would reflect the demographic diversity of the Bay Area.

The contact rate for the Wave 1 survey was 30% and the response rate ([AAPOR RR3](#)) was 3%. A total of 1,130 respondents were recruited from the landline sample list and 1,970 from the cellphone list.

The second wave of the survey was fielded from December 6, 2018, to March 7, 2019, with respondents taking the survey online or by telephone. Attempts were made to contact all respondents who completed the Wave 1 survey. Wave 1 respondents who provided an email address were contacted electronically with an invitation to complete the survey online. All other respondents, as well as those who did not respond to the online invitation, were contacted by telephone. Respondents were offered an incentive of \$20 to complete the survey. A total of 675 respondents took the Wave 2 survey online and another 1,586 answered it by telephone. In total, 2,261 respondents completed the Wave 2 survey, representing a 73% retention rate from Wave 1.

The third wave of the survey was conducted online and by telephone from June 3, 2019, to July 31, 2019. Attempts were again made to contact all Wave 1 respondents, except for those who had explicitly asked not to be re-contacted. Respondents who expressed a preference to take the survey electronically were contacted by email. All other respondents, as well as those who did not respond to the invitation to the online survey, were contacted by telephone to administer the survey. Respondents were offered an additional \$20 incentive to complete the Wave 3 survey. A total of 729 respondents took the Wave 3 survey online and another 1,281 answered it by telephone. In total, 2,010 respondents completed the

Wave 3 survey, representing a 65% retention rate from Wave 1. In total, 1,821 respondents completed all three survey waves, representing an overall panel retention rate of 59%.

Survey weights were calculated to correct for unequal probability of selection and differential non-response rates. We obtained the benchmark data for the weights from the Census Bureau's Public Use Microdata Sample (PUMS) five-year (2013–2017) file for the American Community Survey (ACS) for the six Bay Area counties. The weights were designed to match benchmarks for county of residence, age, gender, race/ethnicity, country of birth, citizenship status, educational attainment, homeownership status, and household income. Weights were calculated separately for each of the survey waves and for the panel data. Table 1 reports the unweighted demographic characteristics of the *Taking Count* sample at each of three waves, as well as the ACS benchmarks that were used in the weighting.

Applying the appropriate survey weights allows for statistical inferences to be made for the adult population of the Bay Area at the time of the first survey. All survey analyses presented in this report have been weighted, unless otherwise noted in the text.

As with any sample survey, a degree of statistical uncertainty accompanies all inferences from the *Taking Count Survey* data. The expected margin of sampling error for analyses of the Wave 1 survey for the entire population is  $\pm 2.4$  percentage points (for a 95% confidence interval). For the Wave 2 survey, the margin of error is  $\pm 2.9$  percentage points, and for Wave 3 it is  $\pm 3.1$  percentage points. The expected sampling error will be larger for analyses of subgroups of the sample. For example, for county-level analyses of the Wave 1 sample, the expected margin of sampling error ranges from  $\pm 5.0$  percentage points for estimates for Alameda County to  $\pm 7.2$  percentage points for San Mateo County.



**TABLE I. CHARACTERISTICS OF SURVEY RESPONDENTS BY WAVE AND ACS BENCHMARK**

|                               | WAVE 1<br>(N = 3,100) | WAVE 2<br>(N = 2,261) | WAVE 3<br>(N = 2,010) | ACS<br>BENCHMARKS |
|-------------------------------|-----------------------|-----------------------|-----------------------|-------------------|
| <b>AGE</b>                    |                       |                       |                       |                   |
| 30 years old or younger       | 15%                   | 14%                   | 13%                   | 23%               |
| 31–40                         | 12                    | 11                    | 11                    | 19                |
| 41–50                         | 12                    | 12                    | 12                    | 18                |
| 51–60                         | 19                    | 19                    | 19                    | 17                |
| 61–70                         | 19                    | 19                    | 20                    | 12                |
| Older than 70                 | 24                    | 24                    | 25                    | 11                |
| <b>GENDER</b>                 |                       |                       |                       |                   |
| Female                        | 54                    | 55                    | 55                    | 51                |
| <b>COUNTRY OF BIRTH</b>       |                       |                       |                       |                   |
| Foreign Born                  | 20                    | 18                    | 17                    | 41                |
| <b>CITIZENSHIP</b>            |                       |                       |                       |                   |
| U.S. Citizen                  | 95                    | 95                    | 95                    | 83                |
| <b>ETHNICITY/RACE</b>         |                       |                       |                       |                   |
| Latinx (Any Race)             | 15                    | 14                    | 13                    | 21                |
| White (Alone)                 | 57                    | 60                    | 61                    | 41                |
| Black (Alone)                 | 10                    | 9                     | 9                     | 6                 |
| Asian American (Alone)        | 14                    | 13                    | 13                    | 29                |
| <b>COUNTY</b>                 |                       |                       |                       |                   |
| Alameda                       | 21                    | 20                    | 20                    | 25                |
| Contra Costa                  | 17                    | 18                    | 18                    | 17                |
| Marin                         | 13                    | 14                    | 14                    | 4                 |
| San Francisco                 | 18                    | 18                    | 17                    | 14                |
| San Mateo                     | 13                    | 13                    | 13                    | 12                |
| Santa Clara                   | 17                    | 17                    | 17                    | 28                |
| <b>HOUSEHOLD INCOME</b>       |                       |                       |                       |                   |
| Under \$25K                   | 21                    | 19                    | 19                    | 15                |
| \$25K–\$49K                   | 13                    | 14                    | 14                    | 15                |
| \$50K–\$74K                   | 10                    | 12                    | 12                    | 14                |
| \$75K–\$99K                   | 8                     | 10                    | 11                    | 12                |
| \$100K–\$149K                 | 14                    | 13                    | 13                    | 18                |
| \$150K–\$199K                 | 8                     | 9                     | 9                     | 11                |
| \$200K +                      | 26                    | 23                    | 23                    | 17                |
| <b>EDUCATIONAL ATTAINMENT</b> |                       |                       |                       |                   |
| College degree                | 58                    | 60                    | 62                    | 44                |
| <b>HOMEOWNERSHIP</b>          |                       |                       |                       |                   |
| Owner                         | 53                    | 58                    | 60                    | 56                |