White Paper on Poverty in Lancaster City

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White Paper on Poverty in Lancaster City

Introduction

A sizable portion of Lancaster City residents are economically distressed. This distress, created in part by changes in the local job market, has produced declining wages and job scarcity that has helped push up the poverty rate. High rates of poverty, particularly when those rates are evident in greater proportions in some population groups than others, can lead to inequality and sizable community problems.

Lancaster City undoubtedly has a poverty problem. The rate of poverty in the city has been rising, alongside that of Lancaster County as a whole. One cause of this problem, explored below, is a set of economic shifts that have punished less skilled workers. The current reality is that Lancaster City’s population is working and searching for employment, but there are too few jobs that pay enough to make ends meet. The result of this jobs and wages shortfall is poverty, which produces consequences that can radiate across a lifetime.

This document presents local statistics about the sources and particulars of poverty in Lancaster, provides some context for understanding how trends in Lancaster relate to trends in the United States, and concludes by discussing possible solutions for addressing the problem. This white paper builds on the “Lancaster Prospers?” study released by the Floyd Institute for Public Policy in August 2015, by closely examining the economic dynamics behind the recent increase in the poverty rate in Lancaster City that the 2015 report highlighted (the 2015 report can be accessed with this link: Lancaster Prospers? An Analysis of Census Data on Economic Opportunities and Outcomes).

Decreasing Earnings

Hourly wage rates in Lancaster County, when adjusted for inflation, are actually decreasing for persons on the lower half of the earnings scale. The pay of the lowest paid quartile of workers has decreased by four percent since 2001. This declining wage trend is created by a major structural shift in the industries present in Lancaster County.

Lancaster County’s job market has experienced a rapid decline in manufacturing employment and a significant expansion in services, particularly in the health care sector. This has created a widespread decline in household income as manufacturing jobs that formerly provided families with stable, moderate incomes are replaced by lower-wage service sector jobs.

In Lancaster City, The Black and Latino populations have high concentrations of employment in manufacturing, which suggests that the manufacturing contraction in Lancaster County has disproportionately affected Black and Latino households in the city. County-level data by industry sector provide a snapshot of how Black, Latino, and White (Non-Latino) households have experienced the industrial shift from manufacturing to services. Latino workers experienced the largest proportional manufacturing job loss (-16%), followed by Black workers (-12%), then White workers (-9%). The shift of employment into the health care sector was largest for Black workers (+11%), followed by Latino workers (+8%) and White workers (+5%). Additionally, Black and Latino workers increased in two very low paying sectors: retail and hospitality. For an average worker, a shift from manufacturing into retail or hospitality would mean a pay cut of 50 to 70 percent.

Adding to the problem of decreased earnings power for many workers is an increasing trend towards part-time employment in the city.

Lancaster is not alone in experiencing these trends. Earnings in the United States have become increasingly unequal since the 1970s. These differences in earnings are largely explained by differences in education. There is now a large earnings gap between those with a high school diploma or lower, and those with a college degree or higher. Evidence suggests that this education wage gap can partly be explained by the restructuring of the economy since the 1950s and a decline in the wages of those with a high school diploma or lower (Morris and Western 1999). A large decrease in
the share of manufacturing jobs and in union membership meant that low-skill workers, particularly men, have had a much harder time finding high-paying, stable jobs. The outsourcing of labor to other countries has likely had an effect as well.

As in Lancaster, there also is a high level of earnings inequality in the service sector nationally. In explaining this, researchers have pointed to the fact that the minimum wage (adjusted for inflation) in the United States has roughly stayed the same since the 1970s, while top incomes have soared (for a more complete review of the recent causes of earnings inequality, see Morris and Western 1999). Though the US unemployment rate is low compared to other developed countries, workplace insecurity has been on the rise. In the mid-2000s, involuntary job loss was as high as it was during the economic downturn of the early 1980s, and there has been an increase in jobs with limited benefits and low pay (Hacker 2006). For low-income as well as middle class Americans, the social safety net has been progressively dismantled over the past few decades, shifting economic risk from the employer to the worker. Although the Affordable Care Act has lowered the number of uninsured individuals, health care premiums and deductibles have been on the rise (Cox et al. 2016; Kaiser Family Foundation 2016). Additionally, fewer companies are offering retirement benefits packages, resulting in a shrinking proportion of Americans equipped to sustain their income after they retire (GAO 2015). These labor market changes have led American households to experience much greater financial instability and volatility (Hacker 2006; Hannagan and Morduch 2015).

In addition to larger trends in the American labor market, researchers have identified significant inequalities in the distribution of jobs. A study that sent out Black and White job applicants with equal qualifications to apply for jobs in a low-wage labor market found that the White applicants received a call back or a job offer 31 percent of the time, compared to 25 percent of the time for Latino applicants, and 15 percent of the time for Black applicants (Pager, Bonikowski, and Western 2009). African-American workers are also almost two times more likely to be unemployed (and by definition, looking for a job) than White workers (Bureau of Labor Statistics 2016) are nationally. These inequalities for ethnic or racial minorities in the labor market are especially significant given that individuals in these groups are more likely to be in poverty.

It is essential to recognize that Lancaster City residents living in poverty are actively seeking work. For the Lancaster City non-disabled population in poverty, 5 in 10 are working, and 2 in 10 are actively looking for work. The labor force participation rate of city residents has been increasing. In fact, if the disproportionately high percentage of disabled residents living in the city is taken into account, Lancaster City’s labor force participation rate is essentially equal to that of Lancaster County (84% compared to 85%). The job opportunities in Lancaster City seem particularly bleak for those living in poverty; non-disabled working age persons in poverty have a 27% unemployment rate.\(^1\)

\(^1\) The unemployment numbers do not include “discouraged workers” - this group, that is classified as outside the labor force, is made up of persons who have stopped looking for work because jobs are not available. If discouraged workers were included in labor force statistics, the unemployment rate would be even higher than the data suggest.
Patterns of Poverty by Race and Ethnicity

One of the most disturbing aspects of the rising economic inequality in Lancaster City is that it is intensifying the longstanding disparities between racial and ethnic groups, just at a time when Lancaster is becoming more diverse. In 2014, the poverty rate of Black families is three times that of White families, and the poverty rate of Latino families is four times as high. In the city, almost half of all Black and Latino children are living in poverty (compared to 19 percent for White children). Lancaster has a severe problem of racialized inequality. Given the significant and growing disparities in economic outcomes between racial groups, the possibility that Black and Latino persons experience ongoing bias and discrimination in Lancaster needs to be considered at the policy-making level.

In the section above, we have described how the decline of manufacturing and shift to lower wage service jobs has impacted Black and Latino households. Rapidly rising rates of unemployment are intensifying these unfavorable labor market conditions. In Lancaster City, the unemployment rate of Latino adults has risen to 18 percent, and that of Black adults has risen to 23 percent. By comparison, the rate for White Non-Latino adults in Lancaster City is 10 percent.

Lancaster City, like many communities across the United States, has a history of racial segregation, the effects of which can still be observed in the particularly high rates of poverty experienced in its southeast quadrant. Racial segregation in the United States stems from a long history of exclusion and disinvestment in neighborhoods with racial or ethnic minority residents. Before the civil rights era, formal practices of redlining, discrimination from mortgage markets, exclusion from federal loan programs, the targeting of black neighborhoods for urban renewal, and the segregation of public housing into ghettos contributed to extremely high rates of black segregation (Fernández-Kelly 2015; Massey 2013). Nowadays, land use regulations can often obstruct the building of low-income housing, for example through density zoning regulations controlling the number of residential units built per acre of land. Segregation therefore concentrates and magnifies disadvantage within select populations.

Patterns of Poverty by Family Composition

In Lancaster, as in other communities, we find that there is a significant intersection between household composition and poverty; over half of those who are in poverty in Lancaster City are living in single-parent households (48 percent in single-mother families and nine percent in single-father families). However, it is not correct to assume that this is because single parents are not working; Census data show that three out of four single parents in Lancaster City are either working or looking for work. Additionally, 65 percent of single-women headed families are working, and one in four of these families are both working and in poverty. Put another way, in Lancaster there are about 1,000 single, working women raising families and living in poverty. Supporting and empowering the population of single parents that are struggling economically may be the best strategic choice for addressing poverty in Lancaster City because it could produce a large reduction in poverty while also serving as an effective economic development strategy by increasing economic activity throughout the city.

While popular debate often focuses on family status as a cause of child poverty, research into why rates of single parent families are much higher among the poor show that becoming a single parent is itself partly explained by economic inequality. Social scientists have isolated two parallel trends among low-income families: the delaying of marriage and out-of-wedlock childbearing. While there is no scholarly consensus on one particular explanation for these trends, social scientists have suggested that the low economic prospects of low-income men decreases their likelihood of marriage, and that poor families are often unable to attain the middle class standard of living associated with the common vision of marriage (McLanahan and Percheski 2008). In explaining out-of-wedlock births, researchers have pointed to the cultural importance and value of having children and being a mother, and to the fact that poor women’s lack of advanced career prospects do not incentivize waiting for one’s career to be
Neighborhood Effects

There are notable geographic patterns in Lancaster City’s trends of falling income, and increasing poverty. Per-capita income has fallen by more than 10% in 10 of Lancaster’s 14 core Census tracts since 1999. While poverty continues to be concentrated in the southeast area of the city, poverty rates have increased significantly in other areas, particularly in certain neighborhoods in the city’s northeast and southwest quadrants.

Contrast this to the renaissance taking place downtown. The city center is the only area in Lancaster City where per-capita income has been increasing, and home values are growing fastest in the downtown (while values are mostly steady or decreasing in the city’s south and northeast). While this boom is focused in the downtown, its effects are felt throughout the city in the form of increasing rents and fewer rental vacancies.

Social scientists have emphasized the formative role of neighborhoods in influencing the future outcomes of individuals. A recent study using Internal Revenue Service data to look at the impact of a housing voucher experiment found that the children who moved from a low-income neighborhood to a higher-income area and were under 13 at the time of the experiment experienced improved educational outcomes, an increase in lifetime earnings of $302,000, and a lower likelihood of giving birth to children for whom the father was not present (Chetty, Hendren, and Katz 2015; Sampson 2008). A study of a different low-income housing project in Mount Laurel, NJ found that the construction of a low-income housing complex in the town did not lower property values or increase crime, and that children who moved to the new complex showed a higher GPA, higher parental involvement, and a slightly lower rate of disorder and violence compared to children who did not move (Massey 2013). In addition, researchers have found that having parents who were raised in a disadvantaged neighborhood is associated with lower cognitive performance, implying that neighborhood influences reach across generations (Sharkey and Elwert 2011). These findings suggest that neighborhoods have a lasting impact on individuals’ socioeconomic outcomes, especially for children.

Solutions

Because poverty in Lancaster City has been driven by labor market trends, effective strategies to reduce poverty require the community to think, in the first place, about jobs and wages. The effective provision of social services is certainly important, but if labor conditions continue to deteriorate, improving the social safety net alone will not reduce poverty.

The trends of wage stagnation and jobs shifting into industries that pay poorly mean even those who are employed often find themselves in poverty. Census data show that half of the city’s non-disabled working-age population living in poverty is employed. For these 3,000 individuals, an increase in pay could lift them, and their families, out of poverty. It is similarly important to consider the economic conditions of the approximately 1,000 single working women that are raising families but living in poverty. Policies that improve wages and job availability generally will be effective in supporting single-parent families. If the earnings of these women are increased, given an average household size of approximately three persons, this could alleviate poverty for about 3,000 persons, representing 20 percent of the population currently in poverty in Lancaster City. This potential for improvement is only considering women in poverty who are already working. If programs such as affordable...
childcare were put in place to reduce barriers to employment for single parents, the potential for poverty alleviation within this group would be increased further. As noted before, these policies benefit individual families and broaden the economic base of the city.

Low earnings perpetuate sub-standard housing, meaning the city’s housing stock will continue to deteriorate unless wages for the lowest earners improve. Unless affordable housing advocates envision subsidizing housing costs for low income workers into perpetuity, they need to also advocate for better wages for workers. The alternate scenario of improving the housing stock without increasing wages for working families is problematic, because it simply pushes low-wage workers out of the city into sub-standard housing elsewhere, such as the city’s inner-ring suburbs and the county’s distressed boroughs.

Housing has emerged as an area of life that plays an integral role in the perpetuation of disadvantage for many Americans. Home ownership is an essential part of the American Dream, and an important resource against downward mobility. In the 2000s, however, the national share of individuals who rent rather than own their home increased (Joint Center for Housing Studies of Harvard University, 2013). The affordability of rental units has been decreasing in parallel not just in Lancaster but throughout the nation. The percentage of renters in the US paying at least half of their income to housing costs went from 21 percent in 1991 to 30 percent in 2013 (Desmond 2015). These trends are affecting low income households in particular: in 2013, only 19 percent of those in poverty spent less than 30 percent of their income on housing nationwide, and 52 percent spent more than half of their income towards housing expenses. Rents in poor and disinvested neighborhoods are not much cheaper than for the overall rental market in part because landlords view these properties as carrying more risk than other rentals (Desmond 2016).

In Lancaster City, data show that the share of renters paying more than 30% of income towards housing costs has rapidly increased since 2000. This increase in the share of households experiencing housing affordability problems is due to stagnant low-income wages as well as increases in housing costs. Even after adjusting for inflation, Lancaster City has experienced an increase in median rent of 16% between 2000 and 2014, with the median rental unit increasing in cost by $107 per month over this period (in 2014 dollars). Rental rates have been increasing the fastest in low income neighborhoods. The six lowest income tracts in the city are among the tracts that experienced a 10% or greater inflation-adjusted increase in rent costs. This exacerbates the economic pain experienced by those in poverty, as a greater and greater share of the household’s income is remitted to landlords.

In addition to the problem of poverty-level wages, the issue of job scarcity is a second root cause of economic hardship in Lancaster. Lancaster City residents have a high rate of unemployment, even as many large employers are based within the city’s boundaries. Proactive hiring policies for local residents at these institutions could improve the opportunity landscape for families in the city. Additionally, these policies could work alongside employer-based education and training programs, or community-based employment support programs.

It is true that increasing educational opportunities and reducing barriers to educational access are critically important for the long-term economic well-being of Lancaster residents. But, additional formal education is not a practical solution for many of the persons who are experiencing poverty because stable manufacturing jobs have disappeared and wages for the jobs that replaced them have stagnated. Educational opportunities do need to be strengthened, but this needs to happen in tandem with increasing compensation in the service sector and employers being open to hiring and training the many community members who have been forced to change careers late in their working life.

The ongoing efforts of The Mayor’s Commission to Combat Poverty have focused the community’s attention on the persistent problem of poverty in our community and have brought about a strategic collaboration of many individuals and organizations working to address the issue in Lancaster. Its ambitious recommendations are broad in scope, and if appropriately funded, are likely to represent a turning point for our community’s work of addressing poverty.

The data presented here make a strong case for the commission’s draft recommendations that address the structural problems created by low wages, job scarcity, and similar impediments to
escaping poverty. Continuing to provide social services for those in poverty is important, but identifying and addressing the structural features that underlie poverty are essential. Recommendations for the founding of worker-owned businesses and for encouraging city resident hiring policies are examples of reforms that could change the structure of the local job market. Likewise, the commission’s plan for an expansion of affordable child-care options could remove a significant barrier to employment for many families.

The poverty commission’s existence represents an essential step in dealing with poverty. The commission has named the problem and it gives voice to local leaders who can be empowered to develop place-based strategies based on local knowledge to produce solutions specific to this community. It is our hope that this research and analysis can contribute to this vital effort.
The poverty rate in Lancaster City has been increasing since 1969. This rate increased slowly between 1969 and 1999, rising by 6% between these years. Since 1999 poverty in the city has increased at a faster pace, from 21% in 1999 to 28% in the 2010-14 period. The poverty rate in Lancaster County (not including the city) has also increased since 1999, reversing its slow decline prior to 1999. Return to text


Inflation Adjusted Hourly Wages by Percentile

<table>
<thead>
<tr>
<th>Decile</th>
<th>2001</th>
<th>2015</th>
<th>Percent Change from 2001 to 2015</th>
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<tbody>
<tr>
<td>10th percentile</td>
<td>$9.26</td>
<td>$8.85</td>
<td>-4%</td>
</tr>
<tr>
<td>25th percentile</td>
<td>$11.84</td>
<td>$11.35</td>
<td>-4%</td>
</tr>
<tr>
<td>Median</td>
<td>$16.54</td>
<td>$16.41</td>
<td>-1%</td>
</tr>
<tr>
<td>75th percentile</td>
<td>$23.62</td>
<td>$24.00</td>
<td>2%</td>
</tr>
<tr>
<td>90th percentile</td>
<td>$34.03</td>
<td>$35.64</td>
<td>5%</td>
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When inflation is figured in, persons working in the lowest paid jobs in Lancaster County have seen their hourly pay rates decrease by 4% in the prior 15 years. In contrast, persons with the highest paying jobs have seen their pay increase faster than the rate of inflation. Return to text

Manufacturing and Health Care Trends

The labor market in Lancaster County has seen a significant decline in manufacturing employment, and an increase in service sector employment. Of all service sector industries in Lancaster, health care is the largest, and has added the most jobs in the prior decade. 

Source: Bureau of Economic Analysis Local Area Personal Income Estimates

Manufacturing Employment by Race

The employment patterns Lancaster City residents show that Black and Latino workers are more likely to be employed in the manufacturing industry. These data suggest that the recent contraction of Lancaster County’s manufacturing industry may have hit the city’s Black and Latino households particularly hard.

Source: Census American Community Survey Selected Population Tables (2006-2010). Note that the 2006-10 period is the most recent period for which employment by industry estimates, broken down by race and ethnicity, are available for the city.
The Effects of Manufacturing Job Loss by Race

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<tbody>
<tr>
<td><strong>Latino Manufacturing Job Loss</strong></td>
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<tr>
<td>Latinos gained jobs in:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Health Care</td>
<td>+8.2%</td>
<td>$586</td>
</tr>
<tr>
<td>Transportation</td>
<td>+3.2%</td>
<td>$731</td>
</tr>
<tr>
<td>Food and Hotels</td>
<td>+2.3%</td>
<td>$288</td>
</tr>
<tr>
<td>Retail Trade</td>
<td>+1.8%</td>
<td>$410</td>
</tr>
<tr>
<td>Wholesale Trade</td>
<td>+1.5%</td>
<td>$744</td>
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<tbody>
<tr>
<td><strong>Black Manufacturing Job Loss</strong></td>
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<tr>
<td>Blacks gained jobs in:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Health Care</td>
<td>+11.1%</td>
<td>$583</td>
</tr>
<tr>
<td>Retail Trade</td>
<td>+2.5%</td>
<td>$365</td>
</tr>
<tr>
<td>Food and Hotels</td>
<td>+2.1%</td>
<td>$279</td>
</tr>
<tr>
<td>Transportation</td>
<td>+1.7%</td>
<td>$717</td>
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<tbody>
<tr>
<td><strong>White (Non-Latino) Manufacturing Job Loss</strong></td>
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<tr>
<td>Whites gained jobs in:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Health Care</td>
<td>+5.3%</td>
<td>$836</td>
</tr>
<tr>
<td>Management</td>
<td>+1.4%</td>
<td>$1,295</td>
</tr>
<tr>
<td>Professional and Technical</td>
<td>+1.0%</td>
<td>$1,143</td>
</tr>
<tr>
<td>Transportation</td>
<td>+1.0%</td>
<td>$879</td>
</tr>
</tbody>
</table>

These county-level employment and earnings data by race illustrate how jobs and earnings by industry have changed for Latino, Black, and White Non-Latino workers. For each group, all industries with an employment change of 1% or more are shown. For all groups, the largest shifts in employment shares are decreases in manufacturing employment, and increases in health care employment. A worker moving from manufacturing to health care would receive a significant pay cut of 22-32 percent, which translates to a loss of $220-$280 in earnings each week. The data above illustrate that this shift was larger for Black and Latino workers, compared to White Non-Latino workers, which provides further evidence of a disproportionate negative earnings effect of recent labor market shifts for Black and Latino households.

It is also important to note that even within industries there are significant disparities in wages received by race and ethnicity. For example, the average White Non-Latino worker in the health care sector earns $830 per week, compared to the $580 received, on average, by a Black or Latino health care worker.

Further exacerbating the economic pressure on Black and Latino workers is a significant expansion of the share of employment in the very low paying sectors of retail, food services, and hotels. This shift is not seen in the data for White Non-Latino workers, and could serve to reinforce disparities in earnings between these groups.

Note: Estimated Weekly Wages are calculated by dividing the total payroll by the total number of jobs for each individual industry/demographic group. The resulting annual earnings per job figure is divided by 52 weeks to arrive at an estimate of weekly earnings.

Source: US Census Longitudinal Employer-Household Dynamics - Quarterly Workforce Indicators dataset
Part Time Employment

This graph shows how the share of workers with part-time hours has increased in the 2000 to 2014 period. Persons working fewer than 35 hours per week (between all jobs held) are counted as part-time. Return to text

Sources: Census 2000 and Census American Community Survey 5-year Estimates (2005-2009 and 2010-2014 periods)

Labor Force Status of the Non-Disabled Population in Poverty

In Lancaster City, half of the non-disabled population in poverty is employed, and another 18% are actively looking for work. Return to text

Note: The labor force participation rate of the population with a disability is significantly lower than the population of persons without a disability. Because of this, variations in the proportions of persons with a disability between areas or subgroups can significantly skew the data on employment. The disproportionately large share of disabled persons in the city’s population in poverty (27%, compared to 12% of the city’s population that is not in poverty) significantly distorts labor force data for Lancaster City’s population below the poverty line. To avoid this, the data above are shown for only non-disabled adults.

Source: Census American Community Survey 5-year Estimates (2010-2014)
After decreasing between the 2000 and 2005-2009 periods, the labor force participation rate (LFPR) of Lancaster City adults has increased overall, and for all race and ethnic sub-groups. A person who joins the labor force may be actively looking for work but not yet be employed. In Lancaster City, where unemployment has been increasing (see page 15) between the 2005-09 and 2010-14 periods, it is likely that many persons are joining the labor force but failing to find a job.

Note: The large shifts in the estimated LFPR for Black adults stand out in this figure, and should be interpreted with caution. We suspect that, due to the small population size of this subgroup, the data showing these extreme shifts overstates movement in this statistic, given the sampling rate of the American Community Survey. Even though the magnitude of the shifts may be overstated, the direction of the trend agrees with the dynamics for the overall population as well as the other subgroups shown. Furthermore, though the Census data may overstate these shifts, it is important to keep in mind that the economy experienced a severe recession in the 2005-09 period, and that Black workers are likely to have experienced distinct and significant labor market effects during this time.

Sources: Census 2000 and Census American Community Survey 5-year Estimates (2005-2009 and 2010-2014 periods)
City and County Labor Force Comparison

When non-disabled adults are compared, the labor force participation rate of Lancaster City residents is very close to the rate of Lancaster County. This finding is in contrast to the difference in the labor force participation rate of the general populations of Lancaster City and Lancaster County. Because labor force patterns of persons with disabilities are different from the population without a disability (who have lower rates of labor force participation, for example), the higher proportion of persons with a disability who live in Lancaster City skews its overall labor force participation rate downward. See note on page 11 above for further discussion of this issue. [Return to text]

Source: Census American Community Survey 5-year Estimates (2010-2014)

Lancaster City Racial Composition 1950-2010

Racial and ethnic diversity has been increasing in Lancaster City, and White Non-Latino persons are no longer a majority of residents. This trend has been taking place consistently since the 1970s. [Return to text]

Sources: Decennial Censuses, 1950-2010
There is a large disparity in poverty rates of families across racial and ethnic groups, with Black and Latino families experiencing rates of poverty that are, respectively, 3 and 4 times that of White families. This disparity has increased since the 2005-09 period. 

Sources: Census 2000 and Census American Community Survey 5-year Estimates (2005-2009 and 2010-2014 periods)
Children have particularly high poverty rates in Lancaster City.

Half of Black and Latino children in the city are experiencing poverty, and 1 in 5 White Non-Latino children live in poverty.

For all groups, rates of poverty tend to be lower for older age groups.

Note: The high poverty rate of White Non-Latino persons in the 18-24 age group may be an anomaly due to Lancaster’s college student population. Census research has shown that college students living off-campus can inflate poverty figures (Bishaw 2013) and Census data show that 61% of undergraduate and graduate students living in Lancaster City are White Non-Latino persons.

Source: Census American Community Survey 5-year Estimates (2010-2014)
The overall unemployment rate of Lancaster City has increased significantly over the 2000-2014 period. Increases in unemployment have been experienced by all race and ethnic groups. However, there is a disparity between these groups, as the unemployment rates of Black and Latino persons is about double the rate of White Non-Latino persons. 

Sources: Census 2000 and Census American Community Survey 5-year Estimates (2005-2009 and 2010-2014 periods)

Most people in poverty are living in family households. The Census estimates that approximately 9,000 persons in poverty in Lancaster City are living in single parent households, and approximately 3,000 are living in married couple households. 

Source: Census American Community Survey 5-year Estimates (2010-2014)
Family Labor Force Participation Rates

These data show the share of households in which either the householder or spouse in a family is working or looking for work. Almost all married couple families with children have at least one parent in the labor force, and a large majority (77%) of single parents are also working or looking for work. [Return to text]

Source: Census American Community Survey 5-year Estimates (2010-2014)

Labor Force and Poverty Status of Single Mother Families

There are almost 1,000 single mothers in Lancaster City who are working, but receive insufficient incomes to lift their families out of poverty. [Return to text]

Source: Census American Community Survey 5-year Estimates (2010-2014)
Poverty Rates in 2014 and Poverty Change (1999-2014)

This map displays the current rate of poverty, as well as the change in the rate of poverty between 1999 and 2014, for each Census tract. Poverty has been increasing in Lancaster City, but not uniformly by neighborhood. Among Lancaster’s 14 tracts, the change in the rate of poverty varies between a decrease of 4% to an increase of 26%.

Lancaster’s highest poverty tracts are in the city’s southeast, which is consistent with Lancaster’s historical legacy of segregation and housing discrimination. However, it is no longer true that poverty is limited to the southeast; many other areas of the city have similarly high rates, or are experiencing rapid increases in their rates of poverty. Return to top

Sources: Census 2000 and Census American Community Survey 5-year Estimates (2010-2014)
Inflation-adjusted change in per-capita income since 1999 has been negative in Lancaster City. Neighborhood-level declines range from -5% to -27%. The downtown area is the exception, with per-capita income increasing by 5% in the 1999-2014 period.

Sources: Census 2000, Census American Community Survey 5-year Estimates (2000-2014), and Bureau of Labor Statistics Consumer Price Index
Inflation-adjusted home values are increasing significantly in the downtown (and four adjacent tracts) as well as the far northwest tract of Lancaster City. Home values in other areas of the city are generally keeping pace with inflation, showing only slight increases or decreases.

Sources: Census 2000, Census American Community Survey 5-year Estimates (2010-2014), and Bureau of Labor Statistics Consumer Price Index.
Rent costs have been outpacing inflation in all Lancaster City tracts, with two exceptions (both of which have experienced large jumps in poverty over the past decade). On a percentage change basis, these increases are highest in the southeast quadrant of the city, an area with a high rate of poverty. Of the seven tracts experiencing rent increases of 10% or more, all but one of them are the lowest income tracts in Lancaster.

It is also notable that these rapid increases in rent, in many cases, are taking places in tracts where property values are not increasing, and in some cases are even decreasing. These housing market conditions are especially favorable to landlords, as their rental income is increasing, while their purchase and financing costs are remaining stable or decreasing. 

Sources: Census 2000, Census American Community Survey 5-year Estimates (2010-2014), and Bureau of Labor Statistics Consumer Price Index
Rental Vacancies in Lancaster City

The number of housing units that are vacant due to being available for rent has fallen, even while the population of renters in Lancaster City has increased. The ratio of renter households to units for rent illustrates the increasing tightness in the rental housing market in Lancaster City.  

Sources: Census 2000 and Census American Community Survey 5-year Estimates (2005-2009 and 2010-2014 periods)
Rental housing affordability is a problem for an increasing share of households in Lancaster City. The share of renters paying more than 30% of their income towards housing costs has rapidly increased between 2000 and 2014. The housing affordability picture is much better for home owners; the share of home owners paying more than 30% of income towards housing has actually decreased since the 2005-09 period.  

Sources: Census 2000 and Census American Community Survey 5-year Estimates (2005-2009 and 2010-2014 periods)

Like many areas in the United States, rental costs in Lancaster City have been increasing, significantly above the rate of inflation. These cost increases come at a time of economic distress for many households.  

Sources: Census 2000 and Census American Community Survey 5-year Estimates (2005-2009 and 2010-2014 periods)
References


