INCOME INDICATORS

Per Capita Income and Components (EVS ID EC06001)

Recent Performance

This trend was improving, but has recently reversed.

As of 2013, Erie's per capita income was $37,729. This represented an increase of about 1 percent compared to 2012, and an increase of about 13.6 percent compared to the recession low point in 2009. However, in *real* terms (after correcting for inflation), though increasing by 4.6 percent compared to 2009, Erie's per capita income actually decreased slightly by 0.5 percent between 2012 and 2013,

In addition, as of 2013, Erie's per capita income is 15.7 percent lower than that in the United States as a whole ($44,765), 18.3 percent lower than that in Pennsylvania ($46,202), and 6.3 percent lower than the average for the thirteen Erie Vital Signs peer areas ($40,264).

Per capita income declined across many parts of the country between 2012 and 2013, but the 0.5 percent decline in Erie was greater than the declines for the U.S. as a whole (0.18 percent), Pennsylvania (0.09 percent) and the average of the thirteen peer areas (0.31 percent).

We can also compare the sources (components) of Erie's personal income with those of the U.S. and other areas. The data indicate that earnings have played a consistently smaller role as a source of Erie personal income since 1969, falling to just over 58 percent of income from nearly 79 percent. In the U.S. as a whole during the same period, the share of personal income made up of earnings fell more modestly to 64.1 percent from 77.3 percent. In Pennsylvania, the share fell to 63.4 percent from 77.8 percent, and in the thirteen peer areas the average share fell to 62.7 percent from 79.6 percent.

Between 1969 and 2013, "unearned income" components (dividends, interests, and rents) increased slightly to 17.3 percent of personal income from 12.5 percent in Erie. These "unearned income" components also increased in the U.S. (to 18.9 percent from 14.9), in Pennsylvania (to 17.5 percent from 13.4 percent), and in the thirteen peer areas (to 18.2 percent from 13.2 percent, on average).

But the most dramatic change for Erie has come in the area of transfer payments, which are payments primarily from governments to individuals. These rose to 24.4 percent of personal income in 2013 from just 8.7 percent in 1969. During the same period, transfer payments as a share of personal income also increased in the U.S. (to 17.1 percent from 7.9 percent), in Pennsylvania (to 19.1 percent from 8.8 percent), and in the thirteen peer areas (to 19.1 percent from 7.2 percent).

The Basics

Per capita income is calculated as the total personal income of the residents of an area divided by the population of the area. It measures how much income, on average, is available to each of the

residents in the area. These statistics should be interpreted with caution, however, because per capita income can be skewed by extreme levels at either end of the income spectrum, potentially giving a less accurate picture of "average" income in a region.

Why It's Important

The level of income is one of the most important indicators of the economic health and performance of a region. According to the U.S. Bureau of Economic Analysis (BEA), "per capita personal income is often used as an indicator of consumers' purchasing power and of the economic well-being of the residents of an area."

The Details

From the U.S. Bureau of Economic Analysis: Per capita income is the average money income received in the past 12 months by every man, woman, and child in a geographic area. It is derived by dividing the total income of all people 15 years old and over in a geographic area by the total population in that area. Note -- income is not collected for people under 15 years old even though those people are included in the denominator of per capita income.

Money income includes amounts reported separately for wage or salary income; net self-employment income; interest, dividends, or net rental or royalty income or income from estates and trusts; Social Security or Railroad Retirement income; Supplemental Security Income (SSI); public assistance or welfare payments; retirement, survivor, or disability pensions; and all other income.

Receipts from the following sources are not included as income: capital gains, money received from the sale of property (unless the recipient was engaged in the business of selling such property); the value of income "in kind" from food stamps, public housing subsidies, medical care, employer contributions for individuals, etc.; withdrawal of bank deposits; money borrowed; tax refunds; exchange of money between relatives living in the same household; gifts and lump-sum inheritances, insurance payments, and other types of lump-sum receipts.

All the Nitty-Gritty Details

U.S. Bureau of Economic Analysis, Local Area Personal income, 2013
U.S. Bureau of Economic Analysis, Regional Data: GDP and Personal Income
U.S. Bureau of Economic Analysis, National Data: GDP and Personal Income

Subcategories

This EVS indicator has no subcategories. However, the BEA does break down Personal Income into three major subcategories: Net earnings; Dividends, interest, and rent; and Personal current transfer receipts.

Peer areas

These variables include data on all 13 of the standard peer areas, along with U.S. and PA data.

Frequency
    Annual

Sources
    U.S. Bureau of Economic Analysis, Local Area Personal income, 2013
    U.S. Bureau of Economic Analysis, Regional Data: GDP and Personal Income
    U.S. Bureau of Economic Analysis, National Data: GDP and Personal Income

Other Related Data
    Latest Erie Data from the Economic Research Institute of Erie, at the Black School of Business at Penn State Behrend

⬇ Percent Change in Median Household Income (EVS ID EC04001)

Recent Performance

This trend was improving, but has recently reversed.

As of 2013, Erie's median household income stood at $44,292, which was 10.3 percent less than the average among the thirteen Erie Vital Signs peer areas. This meant than Erie was ranked #10 when compared to the peer areas, which had a median household income, on average, of $49,402. Moreover, between 2005 and 2013, the growth in median household income has been at a slower rate in Erie (9.9 percent) compared to the U.S. (13.0 percent), Pennsylvania (16.8 percent), and the average for the thirteen peer areas (11.5 percent). And during the most recent period (between 2012 and 2013), median household income in Erie *declined* by 4.9 percent, while it *increased* by 1.7 percent in the U.S., by 1.5 percent in Pennsylvania, and by 1.4 percent, on average, in the thirteen peer areas.

The Basics

Household income includes the income of all individuals 15 years old and over in the household. The median divides the income distribution into two equal parts: one-half of the cases falling below the median income and one-half above the median.

Why It's Important

The level of income is one of the most important indicators of the economic health and performance of a region. Median household income is an approximate measure of the purchasing power of the average household in the "middle" of the income distribution. A rising median household income therefore reflects an increase in the standard of living for households in the region.

The Details

"Income of Households" includes the income of the householder and all other individuals 15 years old and over in the household, whether they are related to the householder or not. Because many households consist of only one person, average household income is usually less than average family income. Although the household income statistics cover the past 12 months, the characteristics of individuals and the composition of households refer to the time of interview when the data are collected. Thus, the income of the household does not include amounts received by individuals who were members of the household during all or part of the past 12 months if these individuals no longer resided in the household at the time of interview. Similarly, income amounts reported by individuals who did not reside in the household during the past 12 months but who were members of the household at the time of interview are included. However, the composition of most households is the same during the past 12 months as at the time of interview.

The median divides the income distribution into two equal parts: one-half of the cases falling below the median income and one-half above the median. For households and families, the median income is based on the distribution of the total number of households and families including those with no income. The median income for individuals is based on individuals 15 years old and over with income. Median income for households, families, and individuals is computed on the basis of a standard distribution.

All the Nitty-Gritty Details

U.S. Census Bureau, The American Community Survey (ACS)

Subcategories

This EVS indicator has no subcategories.

Peer areas

These variables include data on all 13 of the standard peer areas, along with U.S. and PA data.

Frequency

Annual

Source

U.S. Census Bureau, The American Community Survey (ACS): Data

Other Related Data

Latest Erie Data from the Economic Research Institute of Erie, at the Black School of Business at Penn State Behrend

⬇ Transfer Payments and Components

Recent Performance

This trend has been deteriorating.

In 2013, total transfer payments accounted for 24.4 percent of personal income in the Erie MSA. This was higher compared to the state of Pennsylvania (19.1 percent), the U.S. as a whole (17.1 percent), and the average of the thirteen Erie Vital Signs peer areas (19.1 percent). Although transfer payments as a share of personal income increased across the U.S. between 1969 and 2013, the *percentage-point increase* was the highest in Erie (15.7), compared to Pennsylvania (10.3), the U.S. as a whole (9.2), and the average of the thirteen peer areas (11.9).

Most transfer payments are government payments to individuals -- as of 2013 in Erie, these government payments accounted for over 97 percent of total transfer receipts. In 2013 in Erie, medical benefits made up the largest component of government transfer payments to individuals (44.2 percent), followed by retirement and disability insurance benefits (35.0 percent), income maintenance benefits (12.1 percent), unemployment insurance compensation (3.6 percent), education and training assistance (2.6 percent), and veterans benefits (2.5 percent). Between 1969 and 2013, medical benefits also experienced the greatest increase in real terms.

The Basics

Transfer payments, more formally called "personal current transfer receipts," are benefits received for which no current services are performed, and include payments by governments and businesses to individuals and nonprofit institutions.

Why It's Important

A large and increasing share of personal income in the form of transfer receipts rather than from business activity could reflect a variety of demographic and economic trends, such as an aging local population, or a deteriorating economic environment.

The Details

Data on transfer payments are available from the U.S. Bureau of Economic Analysis (BEA). Although these "personal current transfer receipts" include payments by governments and as well as by businesses to individuals and nonprofit institutions, *transfer receipts of individuals from governments* typically account for the largest share of total current transfer receipts. These government transfer receipts include *retirement and disability insurance benefits (e.g., social security); medical benefits (e.g., Medicare); income maintenance benefits (e.g., benefits from the Supplemental Nutrition Assistance Program or "SNAP"); unemployment insurance compensation; veterans benefits; education and training assistance;* and *other miscellaneous payments*.

All the Nitty-Gritty Details

-U.S. Bureau of Economic Analysis, Regional Data: GDP and Personal Income, Local Area Personal Income and Employment

-U.S. Bureau of Economic Analysis, Regional Data: GDP and Personal Income, Annual State Personal Income and Employment

Subcategories

This EVS indicator has no subcategories. However, the BEA does break down government transfer receipts into the following major subcategories: *retirement and disability insurance benefits (e.g., social security); medical benefits (e.g., Medicare); income maintenance benefits (e.g., benefits from the Supplemental Nutrition Assistance Program or "SNAP"); unemployment insurance compensation; veterans benefits; education and training assistance;* and *other miscellaneous payments*.

Peer areas

These variables include data on all 13 of the standard peer areas, along with U.S. and PA data.

Frequency

Annual

Sources

U.S. Bureau of Economic Analysis, Regional Data: GDP and Personal Income, Local Area Personal Income and Employment

U.S. Bureau of Economic Analysis, Regional Data: GDP and Personal Income, Annual State Personal Income and Employment

Other Related Data

Latest Erie Data from the Economic Research Institute of Erie, at the Black School of Business at Penn State Behrend

⬇ **Average Weekly Wages** (EVS ID EC03001)

Recent Performance

This trend was improving, but has recently reversed.

Erie's average weekly wages in 2014 were $636.70, well below those in Pennsylvania ($799.36), the U.S. as a whole ($845.06), and the average for the thirteen Erie Vital Signs peer areas ($775.36). After increasing modestly since 2010, average weekly wages in Erie actually dipped in 2014. Moreover, the growth rate of Erie's average weekly wages is one of the slowest among the benchmark peer areas. These data suggest that Erie's labor market remains relatively weak.

The Basics

Average weekly wages are the earnings per week, on average, for all workers in the private sector.

Why It's Important

For many individuals, weekly wages are the primary source of income and purchasing power.

The Details

This is a measure of the average weekly earnings of all employees on private nonfarm payrolls, derived by multiplying average weekly hours estimates by average hourly earnings estimates.

All the Nitty-Gritty Details

U.S. Bureau of Labor Statistics, State and Metro Area Employment, Hours, & Earnings

Subcategories

This EVS indicator has no subcategories.

Peer areas

These variables include data on all 13 of the standard peer areas, along with U.S. and PA data.

Frequency

Annual

Source

U.S. Bureau of Labor Statistics, State and Metro Area Employment, Hours, & Earnings

Other Related Data

Latest Erie Data from the Economic Research Institute of Erie, at the Black School of Business at Penn State Behrend

⬆ Average Annual Pay (EVS ID EC03002)

Recent Performance

This trend is improving slightly.

Average annual pay in Erie grew by 0.9 percent from $38,688 in 2012 to $39,035 in 2013. This was less than the growth rate in annual pay in Pennsylvania (1.4 percent) and the U.S. as a whole (1.1 percent), but slightly higher than the average for the thirteen Erie Vital Signs peer areas (0.8 percent). Erie's average annual pay ranked below the benchmark average of $43,965 and was the second lowest of all benchmark peers.

The Basics

Average annual pay measures the annual wages per employee in all industries.

Why It's Important

The level of income is one of the most important indicators of the economic health and performance of a region. Average annual pay is an approximate measure of the yearly purchasing power earned, on average, by workers in the area. A rising level of average annual pay therefore reflects an increase in the standard of living for workers in the region.

The Details

Average annual wages per employee for any given industry are computed by dividing total annual wages by annual average employment. However, annual pay data only approximate annual earnings, because an individual may not be employed by the same employer all year or may work for more than one employer at a time.

All the Nitty-Gritty Details

-U.S Bureau of Labor Statistics, Quarterly Census of Employment and Wages (QCEW)
-U.S Bureau of Labor Statistics, *BLS Handbook of Methods*, Chapter 5: Employment and Wages Covered by Unemployment Insurance

Subcategories

This EVS indicator has no subcategories.

Peer areas

These variables include data on all 13 of the standard peer areas, along with U.S. and PA data.

Frequency

Annual

Source

U.S. Bureau of Labor Statistics, Quarterly Census of Employment and Wages (QCEW) Databases

Other Related Data

Latest Erie Data from the Economic Research Institute of Erie, at the Black School of Business at Penn State Behrend

EMPLOYMENT, UNEMPLOYMENT, AND THE LABOR FORCE INDICATORS

Monthly Unemployment Rate (EVS ID EC02001)

Recent Performance

This trend is improving.

Erie County's unemployment rate, on a seasonally adjusted basis, has fallen to 5.5 percent in April 2015, compared to 6.5 percent a year ago. This continues the downward trend since 2010, when Erie's unemployment rate was above 9 percent. However, as of April 2015, Erie's unemployment rate is slightly higher than that for the state of Pennsylvania (5.3 percent) and the U.S. as a whole (5.4 percent). The average unemployment rate in March 2015 (the latest data available) for the thirteen Erie Vital Signs peer areas was 5.2 percent.

The Basics

The labor force includes individuals who are employed as well as those who are unemployed. To be considered unemployed, an individual must be actively looking for a job. (Individuals who are on layoff but expecting recall need not be looking for work to be counted as unemployed.) The monthly unemployment rate is the total number of individuals unemployed as a percent of the labor force in a given month.

Why It's Important

It is important to monitor unemployment rates because unemployment can produce economic losses. Unemployed workers suffer income loss, which results in lower consumption and possible negative health and other social consequences. Unemployment could also lead to economic losses since more goods and services could have been produced by those unemployed.

The Details

At the beginning of each month, the U.S. Bureau of Labor Statistics (BLS) releases the latest civilian labor force data (for the previous month) for the national economy, including the unemployment rate. The BLS also works cooperatively with state government agencies such as the Center for Workforce Information & Analysis of the Pennsylvania Department of Labor & Industry to provide state and local data through the Local Area Unemployment Statistics (LAUS) and Current Employment Statistics (CES) programs.

Civilian labor force data include estimates of the number of individuals in the labor force (individuals aged 16 and above who are working or looking for work), the number employed, the number unemployed, and the unemployment rate. The statistics come from several sources, including the Current Population Survey (CPS), a sample survey of households that is conducted for the BLS by the U.S. Census Bureau; the Current Employment Statistics (CES) survey; and state unemployment

insurance claims data. The monthly data are seasonally adjusted in order to eliminate the influences of recurring seasonal events such as weather, holidays, and the opening and closing of schools, allowing month-to-month economic trends to be more discernable.

Labor Force Definitions:
The labor force: includes both the employed and unemployed (who are actively seeking work).

Employed persons: those who did any work at all for pay or profit in the survey reference week (the week including the 12th of the month) or worked 15 hours or more without pay in a family business or farm, plus those not working who have a job from which they were temporarily absent, whether or not paid, for such reasons as labor-management dispute, illness, or vacation.

Unemployed persons: those who did not work at all in the reference week, have actively looked for a job sometime in the 4-week period ending with the survey reference week, and are currently available for work. Note: persons on layoff expecting recall need not be looking for work to be counted as unemployed.

Monthly unemployment rate: the total number of individuals unemployed as a percent of the labor force in a given month.

All the Nitty-Gritty Details
-U.S. Bureau of Labor Statistics, Labor Force Statistics from the Current Population Survey, How the Government Measures Unemployment
-U.S. Bureau of Labor Statistics, Labor Force Data Derived from the Current Population Survey, *BLS Handbook of Methods*
-U.S. Bureau of Labor Statistics, Local Area Unemployment Statistics
-U.S. Bureau of Labor Statistics, Metropolitan Area Employment and Unemployment Statistics, Schedule of Release Dates

Subcategories
This EVS indicator has no subcategories. The BLS does provide data at the national level for subcategories based on sex, age, education, race, and other selected characteristics.

Peer Areas
These variables include data on all 13 of the standard peer areas, along with U.S. and PA data.

Frequency
Monthly

Sources
-U.S. Bureau of Labor Statistics, The Employment Situation
-U.S. Bureau of Labor Statistics, Unemployment Rates for Metropolitan Areas (not seasonally adjusted)

-Pennsylvania Department of Labor and Industry, Monthly News Releases

Other Related Data
Latest Erie Data from the Economic Research Institute of Erie, at the Black School of Business at Penn State Behrend

Additional Studies and Research
Alan S. Blinder, "The Challenge of High Unemployment," *American Economic Review*, May 1988, pp. 1-15.

🔼 **Annual Unemployment Rate** (EVS ID EC02005)

Recent Performance

This trend is improving.

The annual unemployment rate for Erie County in 2014 was 6.1 percent, the lowest it has been since 2008. This was higher than the 2014 average unemployment rate of 5.8 percent in the thirteen Erie Vital Signs peer areas and the 5.8 percent rate in the State of Pennsylvania, but slightly lower than the 2014 U.S. unemployment rate of 6.2 percent.

The Basics

The labor force includes individuals who are employed as well as those who are unemployed. To be considered unemployed, an individual must be actively looking for a job. (Individuals who are on layoff but expecting recall need not be looking for work to be counted as unemployed.) The annual unemployment rate is the total number of individuals unemployed as a percent of the labor force in a given year.

Why It's Important

It is important to monitor unemployment rates because unemployment can produce economic losses. Unemployed workers suffer income loss, which results in lower consumption and possible negative health and other social consequences. Unemployment could also lead to economic losses since more goods and services could have been produced by those unemployed.

The Details

The U.S. Bureau of Labor Statistics (BLS) releases the latest civilian labor force data for the national economy, including the unemployment rate, on a monthly basis. The annual unemployment rate is calculated as the average of the monthly unemployment rates over the course of the year. The BLS also works cooperatively with state government agencies such as the Center for Workforce Information & Analysis of the Pennsylvania Department of Labor & Industry to provide state and local data through the Local Area Unemployment Statistics (LAUS) and Current Employment Statistics (CES) programs.

Civilian labor force data include estimates of the number of individuals in the labor force (individuals aged 16 and above who are working or looking for work), the number employed, the number unemployed, and the unemployment rate. The statistics come from several sources, including the Current Population Survey (CPS), a sample survey of households that is conducted for the BLS by the U.S. Census Bureau; the Current Employment Statistics (CES) survey; and state unemployment insurance claims data. The monthly data are seasonally adjusted in order to eliminate the influences of recurring seasonal events such as weather, holidays, and the opening and closing of schools, allowing month-to-month economic trends to be more discernable.

Labor Force Definitions:
The labor force: includes both the employed and unemployed (who are actively seeking work).

<u>Employed persons</u>: those who did any work at all for pay or profit in the survey reference week (the week including the 12th of the month) or worked 15 hours or more without pay in a family business or farm, plus those not working who have a job from which they were temporarily absent, whether or not paid, for such reasons as labor-management dispute, illness, or vacation.

<u>Unemployed persons</u>: those who did not work at all in the reference week, have actively looked for a job sometime in the 4-week period ending with the survey reference week, and are currently available for work. Note: persons on layoff expecting recall need not be looking for work to be counted as unemployed.

<u>Annual unemployment rate</u>: the total number of individuals unemployed as a percent of the labor force in a given year.

All the Nitty-Gritty Details
-U.S. Bureau of Labor Statistics, Labor Force Statistics from the Current Population Survey, How the Government Measures Unemployment
-U.S. Bureau of Labor Statistics, *Labor Force Data Derived from the Current Population Survey*, *BLS Handbook of Methods*
-U.S. Bureau of Labor Statistics, Local Area Unemployment Statistics
-U.S. Bureau of Labor Statistics, Metropolitan Area Employment and Unemployment Statistics, Schedule of Release Dates

Subcategories
This EVS indicator has no subcategories. The BLS does provide (monthly) data at the <u>national</u> level for subcategories based on sex, age, education, race, and other selected characteristics.

Peer Areas
These variables include data on all 13 of the standard peer areas, along with U.S. and PA data.

Frequency
Annual

Sources
-U.S. Bureau of Labor Statistics, The Employment Situation
-U.S. Bureau of Labor Statistics, Local Area Unemployment Statistics
-U.S. Bureau of Labor Statistics, Unemployment Rates for Metropolitan Areas, Annual Average Rankings, Year 2014
-U.S. Bureau of Labor Statistics, Unemployment Rates for States, Annual Average Rankings, Year 2014

Other Related Data

[*Latest Erie Data*](#) from the Economic Research Institute of Erie, at the Black School of Business at Penn State Behrend

Additional Studies and Research

Alan S. Blinder, "The Challenge of High Unemployment," *American Economic Review*, May 1988, pp. 1-15.

⬌Annual Employment, Unemployment, and Labor Force (EVS ID EC02006, EC02007, and EC02008)

Recent Performance

This trend is mixed or inconclusive. The numbers here do not reflect any upward or downward time-series trends for Erie. Instead, Erie is simply compared to the thirteen Erie Vital Signs peer areas.

As of 2014, the number of Erie residents employed stood at 126,112. This was less than the average number of employed individuals (189,232) in to the thirteen Erie Vital Signs peer areas.

The total number of unemployed residents in Erie county in 2014 was 8,231. The number of unemployed in the thirteen Erie Vital Signs peer areas in 2014 was, on average, 11,667.

The size of Erie's labor force (the sum of employed and unemployed) in 2014 was 134,343. The size of the labor force in the thirteen Erie Vital Signs peer areas in 2014 was, on average, 200,899

The Basics

Annual employment, unemployment, and labor force refer to the total number of individuals employed, unemployed, and in the labor force, respectively, in a given year. Employed persons are those who did any work at all for pay or profit. Unemployed individuals are those who are not working but actively looking for a job. (Individuals who are on layoff but expecting recall need not be looking for work to be counted as unemployed.) The labor force includes individuals who are employed as well as those who are unemployed.

Why It's Important

It is important to monitor the level of employment and the size of the labor force because labor is one of the most important resources used by the economy to produce goods and services and thereby generate income and purchasing power. It is also important to monitor unemployment, which can produce economic losses. Unemployed workers suffer income loss, which results in lower consumption and possible negative health and other social consequences. Unemployment also leads to economic losses for the economy as a whole since more goods and services could have been produced by those unemployed.

The Details

The U.S. Bureau of Labor Statistics (BLS) provides annual data on the levels of employment and unemployment and the size of the civilian labor force for the national economy. The BLS also works cooperatively with state government agencies such as the Center for Workforce Information & Analysis of the Pennsylvania Department of Labor & Industry to provide state and local data through the Local Area Unemployment Statistics (LAUS) and Current Employment Statistics (CES) programs.

Civilian labor force data include estimates of the number of individuals in the labor force (individuals aged 16 and above who are working or looking for work), the number employed, the number unemployed, and the unemployment rate. The statistics come from several sources, including the

Current Population Survey (CPS), a sample survey of households that is conducted for the BLS by the U.S. Census Bureau; the Current Employment Statistics (CES) survey; and state unemployment insurance claims data.

Labor Force Definitions:
The labor force: includes both the employed and unemployed (who are actively seeking work).

Employed persons: those who did any work at all for pay or profit in the survey reference week (the week including the 12th of the month) or worked 15 hours or more without pay in a family business or farm, plus those not working who have a job from which they were temporarily absent, whether or not paid, for such reasons as labor-management dispute, illness, or vacation.

Unemployed persons: those who did not work at all in the reference week, have actively looked for a job sometime in the 4-week period ending with the survey reference week, and are currently available for work. Note: persons on layoff expecting recall need not be looking for work to be counted as unemployed.

Annual employment, unemployment, and labor force: the total number of individuals employed, unemployed, and in the labor force, respectively, in a given year.

All the Nitty-Gritty Details
-U.S. Bureau of Labor Statistics, Labor Force Statistics from the Current Population Survey, How the Government Measures Unemployment
-U.S. Bureau of Labor Statistics, Labor Force Data Derived from the Current Population Survey, *BLS Handbook of Methods*
-U.S. Bureau of Labor Statistics, Local Area Unemployment Statistics
-U.S. Bureau of Labor Statistics, Metropolitan Area Employment and Unemployment Statistics, Schedule of Release Dates

Subcategories
This EVS indicator has no subcategories. The BLS does provide (monthly) data at the national level for subcategories based on sex, age, education, race, and other selected characteristics.

Peer areas
These variables include data on all 13 of the standard peer areas, along with U.S. and PA data.

Frequency
Annual

Sources
-U.S. Bureau of Labor Statistics, The Employment Situation
-U.S. Bureau of Labor Statistics, Local Area Unemployment Statistics

Other Related Data

Latest Erie Data from the Economic Research Institute of Erie, at the Black School of Business at Penn State Behrend

Additional Studies and Research

Alan S. Blinder, "The Challenge of High Unemployment," *American Economic Review*, May 1988, pp. 1-15.

⟷Change in Employment, Unemployment, and Labor Force (EVS ID EC02006, EC02007, and EC02008)

Recent Performance

This trend is mixed or inconclusive.

Employment is gradually increasing in Erie. Between 2013 and 2014, the number of Erie residents employed rose slightly by 0.23 percent to 126,112. However, this was lower than the 2013-2014 employment growth rate in Pennsylvania (0.75 percent), the thirteen Erie Vital Signs peer areas (1.7 percent), and the U.S. as a whole (1.7 percent). While Erie's employment has grown significantly since 2010, when it stood at about 123,667, it is still below the pre-recession level of 133,934 reached in 2008. But Erie's employment numbers are clearly headed in the right direction.

The number of unemployed in Erie is decreasing. About 1,941 fewer Erie County residents were unemployed in 2014 compared to 2013 – a 19.1 percent decline in the jobless population. This compares favorably to the 2013-2014 decline in the number of unemployed in the U.S. as a whole (16.1 percent) and among the thirteen Erie Vital Signs peer areas (average of 18.0 percent), although it is lower than that in the state of Pennsylvania (22.6 percent). This decline brought down the total number of jobless residents in the county in 2014 to 8,231. As a result of the Great Recession, the number of unemployed in Erie in 2010 had been as high as 12,687.

The good news regarding the decrease in the number of unemployed in Erie is partially offset by the fact that Erie County's labor force declined by 1.2 percent, losing 1,647 people between 2013 and 2014. This rate was below that for the thirteen Erie Vital Signs peer areas, which experienced *growth* of 0.31 percent, on average, in their labor force. The labor force is the number of civilians aged 16 or older who are available to work and includes those who have jobs or are unemployed but actively seeking work. It is not possible to tell from the statistics whether these people are leaving the labor force because they no longer need to work or because they have given up on looking for a job.

The Basics

The change in employment, unemployment, and labor force refers to the annual (year-on-year) change in the total number of individuals employed, unemployed, and in the labor force, respectively. Employed persons are those who did any work at all for pay or profit. Unemployed individuals are those who are not working but actively looking for a job. (Individuals who are on layoff but expecting recall need not be looking for work to be counted as unemployed.) The labor force includes individuals who are employed as well as those who are unemployed.

Why It's Important

It is important to monitor changes in the level of employment and the size of the labor force because labor is one of the most important resources used by the economy to produce goods and services and thereby generate income and purchasing power. It is also important to monitor changes in the level of unemployment, which can produce economic losses. Unemployed workers suffer income loss, which results in lower consumption and possible negative health and other social consequences. Unemployment also leads to economic losses for the economy as a whole since more goods and services could have been produced by those unemployed.

The Details

The U.S. Bureau of Labor Statistics (BLS) provides annual data on the levels of employment and unemployment and the size of the civilian labor force for the national economy. The BLS also works cooperatively with state government agencies such as the Center for Workforce Information & Analysis of the Pennsylvania Department of Labor & Industry to provide state and local data through the Local Area Unemployment Statistics (LAUS) and Current Employment Statistics (CES) programs.

Civilian labor force data include estimates of the number of individuals in the labor force (individuals aged 16 and above who are working or looking for work), the number employed, the number unemployed, and the unemployment rate. The statistics come from several sources, including the Current Population Survey (CPS), a sample survey of households that is conducted for the BLS by the U.S. Census Bureau; the Current Employment Statistics (CES) survey; and state unemployment insurance claims data.

Labor Force Definitions:
The labor force: includes both the employed and unemployed (who are actively seeking work).

Employed persons: those who did any work at all for pay or profit in the survey reference week (the week including the 12th of the month) or worked 15 hours or more without pay in a family business or farm, plus those not working who have a job from which they were temporarily absent, whether or not paid, for such reasons as labor-management dispute, illness, or vacation.

Unemployed persons: those who did not work at all in the reference week, have actively looked for a job sometime in the 4-week period ending with the survey reference week, and are currently available for work. Note: persons on layoff expecting recall need not be looking for work to be counted as unemployed.

Change in employment, unemployment, and labor force: the annual (year-on-year) change in the total number of individuals employed, unemployed, and in the labor force, respectively.

All the Nitty-Gritty Details

-U.S. Bureau of Labor Statistics, Labor Force Statistics from the Current Population Survey, How the Government Measures Unemployment
-U.S. Bureau of Labor Statistics, Labor Force Data Derived from the Current Population Survey, *BLS Handbook of Methods*
-U.S. Bureau of Labor Statistics, Local Area Unemployment Statistics
-U.S. Bureau of Labor Statistics, Metropolitan Area Employment and Unemployment Statistics, Schedule of Release Dates

Subcategories

This EVS indicator has no subcategories. The BLS does provide (monthly) data at the national level for subcategories based on sex, age, education, race, and other selected characteristics.

Peer areas

These variables include data on all 13 of the standard peer areas, along with U.S. and PA data.

Frequency

Annual

Sources

-U.S. Bureau of Labor Statistics, The Employment Situation
-U.S. Bureau of Labor Statistics, Local Area Unemployment Statistics

Other Related Data

Latest Erie Data from the Economic Research Institute of Erie, at the Black School of Business at Penn State Behrend

Additional Studies and Research

Alan S. Blinder, "The Challenge of High Unemployment," *American Economic Review*, May 1988, pp. 1-15.

Annual Jobs by Industry (EVS ID EC01022 to EC01038)

Recent Performance

This trend is mixed or inconclusive. The numbers here do not reflect any upward or downward time-series trends for Erie. Instead, Erie is simply compared to the thirteen Erie Vital Signs peer areas.

As of 2014, Education and Health Services was the largest sector in Erie in terms of jobs, employing 27,900 people and accounting for 21.5 percent of Total Nonfarm employment in the region. Manufacturing was the second largest industry in Erie, employing 22,000 people and accounting for 17.0 percent of Total Nonfarm employment in 2014. Other Erie sectors which accounted for 10 percent or more of Total Nonfarm employment were Government, Retail Trade, and Leisure & Hospitality.

Among the thirteen Erie Vital Signs peer areas, the largest industry (measured as a percent of Total Nonfarm employment) in 2014 was Government, which employed, on average, 17.1 percent of all nonfarm workers. This was followed by the Education and Health Services sector, which employed, on average, 15.7 percent on all nonfarm workers. Other sectors in the peer areas which accounted for 10 percent or more of Total Nonfarm employment were Professional and Business Services (11.9 percent), Manufacturing (11.1 percent) and Retail Trade (11.1 percent).

The Basics

Annual jobs by industry measures the number of employees in each major industrial category in a given year.

Why It's Important

The industrial distribution of jobs reflects the structure of an economy, providing an important picture of the types of goods and services that are produced by the economy. To the extent that wages and other forms of labor compensation vary across industrial sectors, the specific distribution of jobs across those sectors will also provide some information about overall income levels in the economy. For example, all else constant, an economy with a greater proportion of jobs in sectors that pay higher average salaries will experience a higher overall income level.

The Details

The U.S. Bureau of Labor Statistics (BLS) administers the monthly Current Employment Statistics (CES) survey, which is a federal and state cooperative program that provides employment, hours, and earnings estimates for states and metropolitan areas based on payroll records of business establishments. The employment estimates provide information on the number of employees in the following major industrial sectors: *Total Nonfarm; Total Private; Total Goods-Producing; Total Service-Providing; Natural Resources, Mining, and Construction; Manufacturing; Trade, Transportation, and Utilities; Wholesale Trade; Retail Trade; Transportation and Utilities; Information; Financial Activities; Professional and Business Services; Education and Health Services; Leisure and Hospitality; Other Services; and Government.*

All the Nitty-Gritty Details
-U.S. Bureau of Labor Statistics, [State and Metro Area Employment, Hours, & Earnings](#) (Background Information)
-U.S. Bureau of Labor Statistics, [State and Metro Area Employment, Hours, & Earnings](#) (Program Description and Technical Notes)
-U.S. Bureau of Labor Statistics, [State and Metro Area Employment, Hours, & Earnings](#) (Databases)

Subcategories
Total Nonfarm; Total Private; Total Goods-Producing; Total Service-Providing; Natural Resources, Mining, and Construction; Manufacturing; Trade, Transportation, and Utilities; Wholesale Trade; Retail Trade; Transportation and Utilities; Information; Financial Activities; Professional and Business Services; Education and Health Services; Leisure and Hospitality; Other Services; and Government.

Peer Areas
These variables include data on all 13 of the standard peer areas, along with U.S. and PA data.

Frequency
Annual

Source
-U.S. Bureau of Labor Statistics, [The Employment Situation](#)
-U.S. Bureau of Labor Statistics, [State and Metro Area Employment, Hours, & Earnings](#) (Databases)

Other Related Data
[Latest Erie Data](#) from the Economic Research Institute of Erie, at the Black School of Business at Penn State Behrend

Annual Job Growth by Industry (EVS ID 1039 to EC01055)

Recent Performance
This trend is mixed or inconclusive. Between 2013 and 2014, some industrial sectors added jobs while other sectors lost jobs. Overall, Total Nonfarm employment in Erie increased by a modest 0.31 percent. During the same period, Total Nonfarm employment grew by 0.8 percent in the state of Pennsylvania, 1.9 percent in the U.S., and 1.3 percent, on average, among the thirteen Erie Vital Signs peer areas.

The industrial sector in Erie that experienced the highest rate of job growth between 2013 and 2014 was Professional and Business Services. This sector added 300 jobs during this period, an increase of 3.2 percent. The Leisure and Hospitality industry also added 300 jobs, a year-on-year increase of 2.2 percent. The Financial Activities and Mining, Logging and Construction sectors both added 100 jobs, representing a year-on-year increase of 1.6 percent and 2.5 percent, respectively.

In contrast, Erie's Manufacturing sector lost 400 jobs between 2013 and 2014, representing a year-on-year decline of 1.8 percent. The Government sector shed 300 jobs, a decline of 1.8 percent. And the Other Services sector lost 100 jobs, a reduction of 1.6 percent.

Among the thirteen peer areas, the industrial sector experiencing the highest average rate of job growth (5.2 percent) between 2013 and 2014 was Mining, Logging, and Construction. This was followed by Wholesale Trade, which saw an average increase of 2.5 percent in the number of jobs. The Professional and Business Services sector and the Leisure and Hospitality sector both saw an average increase of 1.9 percent in the number of jobs. Manufacturing employment in the peer areas increased, on average by about 1 percent.

The Basics
Annual job growth by industry measures the year-on-year change in the number of employees in each major industrial category.

Why It's Important
The industrial distribution of jobs reflects the structure of an economy, providing an important picture of the types of goods and services that are produced by the economy. To the extent that wages and other forms of labor compensation vary across industrial sectors, the specific distribution of jobs across those sectors will also provide some information about overall income levels in the economy. For example, all else constant, an economy with a greater proportion of jobs in sectors that pay higher average salaries will experience a higher overall income level. Therefore, changes in the industrial distribution of jobs may affect overall income levels.

The Details
The U.S. Bureau of Labor Statistics (BLS) administers the monthly Current Employment Statistics (CES) survey, which is a federal and state cooperative program that provides employment, hours, and earnings estimates for states and metropolitan areas based on payroll records of business establishments. The employment estimates provide information on the number of employees in the following major industrial sectors: *Total Nonfarm; Total Private; Total Goods-Producing; Total*

Service-Providing; Natural Resources, Mining, and Construction; Manufacturing; Trade, Transportation, and Utilities; Wholesale Trade; Retail Trade; Transportation and Utilities; Information; Financial Activities; Professional and Business Services; Education and Health Services; Leisure and Hospitality; Other Services; and Government.

All the Nitty-Gritty Details
-U.S. Bureau of Labor Statistics, <u>State and Metro Area Employment, Hours, & Earnings</u> (Background Information)
-U.S. Bureau of Labor Statistics, <u>State and Metro Area Employment, Hours, & Earnings</u> (Program Description and Technical Notes)
-U.S. Bureau of Labor Statistics, <u>State and Metro Area Employment, Hours, & Earnings</u> (Databases)

Subcategories
Total Nonfarm; Total Private; Total Goods-Producing; Total Service-Providing; Natural Resources, Mining, and Construction; Manufacturing; Trade, Transportation, and Utilities; Wholesale Trade; Retail Trade; Transportation and Utilities; Information; Financial Activities; Professional and Business Services; Education and Health Services; Leisure and Hospitality; Other Services; and Government.

Peer Areas
These variables include data on all 13 of the standard peer areas, along with U.S. and PA data.

Frequency
Annual

Source
-U.S. Bureau of Labor Statistics, <u>The Employment Situation</u>
-U.S. Bureau of Labor Statistics, <u>State and Metro Area Employment, Hours, & Earnings</u> (Databases)

Other Related Data
<u>Latest Erie Data</u> from the Economic Research Institute of Erie, at the Black School of Business at Penn State Behrend

POVERTY AND SELF-SUFFICIENCY INDICATORS

⬇ **Poverty Rate by Age** (EVS ID EC07001, EC07002, EC07003, and EC07004)

Recent Performance

This trend is negative or declining.

In 2013, approximately 18.3 percent of Erie County residents were below the poverty level, with an even higher percentage (29.2) in the City of Erie. Moreover, the local poverty rate has increased by 4.1 percentage points since 2005, and by 2.5 percentage points since 2012 (after falling slightly between 2010 and 2012). Currently, the poverty rate in Erie is above that for the U.S. (15.8 percent), Pennsylvania (13.7 percent), and the average of the thirteen Erie Vital Signs peer areas (17.3 percent). As of 2013, Erie stands has the 5th highest overall poverty rate when compared to the thirteen peer areas.

Poverty rates can differ greatly depending on demographic characteristics such as age. In 2013, the poverty rate was higher for younger Erie residents. The percent of the Erie population living below the poverty level was 28.4 percent among those under the age of 18, 17.0 percent for those aged 18 to 64, and 8.8 percent for those aged 65 and over. Among the thirteen Erie Vital Signs peer areas, only three have a higher poverty rate among the youngest cohort (those under the age of 18).

The Basics

This indicator measures the percentage of individuals in an area who are living below the poverty level, by age. In 2013, the U.S. Census Bureau's definition of an individual in poverty was an individual under 65 making an annual income of less than $12,119, or an individual over 65 making an annual income of less than $11,173. For a family of four, the poverty threshold was $23,834.

Why It's Important

Measuring poverty is important because it helps a community determine the proportion of the population that does not have the minimum level of resources which are adequate to meet basic needs. The poverty rate is one important indicator of the economic well-being of residents in an area.

The Details

From the U.S. Census Bureau:
Poverty statistics presented in American Community Survey (ACS) reports and tables adhere to the standards specified by the Office of Management and Budget in Statistical Policy Directive 14. The Census Bureau uses a set of dollar value thresholds that vary by family size and composition to determine who is in poverty. Further, poverty thresholds for people living alone or with nonrelatives (unrelated individuals) and two-person families vary by age (under 65 years or 65 years and older).

If a family's total income is less than the dollar value of the appropriate threshold, then that family and every individual in it are considered to be in poverty. Similarly, if an unrelated individual's total income is less than the appropriate threshold, then that individual is considered to be in poverty. The poverty thresholds do not vary geographically. They are updated annually to allow for changes in the cost of living (inflation factor) using the Consumer Price Index (CPI).

Poverty status was determined for all people except institutionalized people, people in military group quarters, people in college dormitories, and unrelated individuals under 15 years old. These groups were excluded from the numerator and denominator when calculating poverty rates.

Since the ACS is a continuous survey, people respond throughout the year. Because the income items specify a period covering the last 12 months, the appropriate poverty thresholds are determined by multiplying the base-year poverty thresholds (1982) by the monthly inflation factor based on the 12 monthly CPIs and the base-year CPI.

All the Nitty-Gritty Details
-U.S. Census Bureau, How the Census Bureau Measures Poverty
-U.S. Census Bureau, American Community Survey (ACS): What Is the ACS?
-U.S. Census Bureau, American Community Survey: Documentation

Subcategories
This EVS indicator has no subcategories.

Peer areas
These variables include data on all 13 of the standard peer areas, along with U.S. and PA data.

Frequency
Annual

Source
U.S. Census Bureau, American Community Survey: Data (One-year estimates)

Other Related Data
Latest Erie Data from the Economic Research Institute of Erie, at the Black School of Business at Penn State Behrend

Additional Studies and Research
Alemayehu Bishaw and Sharon Stern, "Evaluation of Poverty Estimates: A Comparison of the American Community Survey and the Current Population Survey," Poverty and Health Statistics Branch, Housing and Household Economic Statistics Division, U.S. Census Bureau, June 15, 2006.

⬇ Poverty Rate by Sex (EVS ID EC07001, EC07005, and EC07006)

Recent Performance

This trend is negative or declining.

In 2013, approximately 18.3 percent of Erie County residents were below the poverty level, with an even higher percentage (29.2) in the City of Erie. Moreover, the local poverty rate has increased by 4.1 percentage points since 2005, and by 2.5 percentage points since 2012 (after falling slightly between 2010 and 2012). Currently, the poverty rate in Erie is above that for the U.S. (15.8 percent), Pennsylvania (13.7 percent), and the average of the thirteen Erie Vital Signs peer areas (17.3 percent). As of 2013, Erie stands has the 5th highest overall poverty rate when compared to the thirteen peer areas.

Poverty rates can differ greatly depending on demographic characteristics such as gender. In 2013, the poverty rate in Erie was higher for women (19.6 percent) compared to men (16.9 percent). The poverty rate was also higher for women than for men in the U.S. and in Pennsylvania, as well as in 12 of the 13 peer areas. For both men and women in Erie, the poverty rate in 2013 is higher compared to both 2005 and 2010.

The Basics

This indicator measures the percentage of individuals in an area who are living below the poverty level, by sex. In 2013, the U.S. Census Bureau's definition of an individual in poverty was an individual under 65 making an annual income of less than $12,119, or an individual over 65 making an annual income of less than $11,173. For a family of four, the poverty threshold was $23,834.

Why It's Important

Measuring poverty is important because it helps a community determine the proportion of the population that does not have the minimum level of resources which are adequate to meet basic needs. The poverty rate is one important indicator of the economic well-being of residents in an area.

The Details

From the U.S. Census Bureau:
Poverty statistics presented in American Community Survey (ACS) reports and tables adhere to the standards specified by the Office of Management and Budget in Statistical Policy Directive 14. The Census Bureau uses a set of dollar value thresholds that vary by family size and composition to determine who is in poverty. Further, poverty thresholds for people living alone or with nonrelatives (unrelated individuals) and two-person families vary by age (under 65 years or 65 years and older).

If a family's total income is less than the dollar value of the appropriate threshold, then that family and every individual in it are considered to be in poverty. Similarly, if an unrelated individual's total income is less than the appropriate threshold, then that individual is considered to be in poverty. The poverty

thresholds do not vary geographically. They are updated annually to allow for changes in the cost of living (inflation factor) using the Consumer Price Index (CPI).

Poverty status was determined for all people except institutionalized people, people in military group quarters, people in college dormitories, and unrelated individuals under 15 years old. These groups were excluded from the numerator and denominator when calculating poverty rates.

Since the ACS is a continuous survey, people respond throughout the year. Because the income items specify a period covering the last 12 months, the appropriate poverty thresholds are determined by multiplying the base-year poverty thresholds (1982) by the monthly inflation factor based on the 12 monthly CPIs and the base-year CPI.

All the Nitty-Gritty Details
-U.S. Census Bureau, How the Census Bureau Measures Poverty
-U.S. Census Bureau, American Community Survey (ACS): What Is the ACS?
-U.S. Census Bureau, American Community Survey: Documentation

Subcategories
This EVS indicator has no subcategories.

Peer areas
These variables include data on all 13 of the standard peer areas, along with U.S. and PA data.

Frequency
Annual

Source
U.S. Census Bureau, American Community Survey: Data (One-year estimates)

Other Related Data
Latest Erie Data from the Economic Research Institute of Erie, at the Black School of Business at Penn State Behrend

Additional Studies and Research
Alemayehu Bishaw and Sharon Stern, "Evaluation of Poverty Estimates: A Comparison of the American Community Survey and the Current Population Survey," Poverty and Health Statistics Branch, Housing and Household Economic Statistics Division, U.S. Census Bureau, June 15, 2006.

⬇ Poverty Rate by Race and Ethnicity (EVS ID EC07001, EC07007, EC07008, EC07009, EC07010, and EC07011)

Recent Performance

Except for a slight improvement among black or African American residents, this trend is negative or declining for all other racial and ethnic groups.

In 2013, approximately 18.3 percent of Erie County residents were below the poverty level, with an even higher percentage (29.2) in the City of Erie. Moreover, the local poverty rate has increased by 4.1 percentage points since 2005, and by 2.5 percentage points since 2012 (after falling slightly between 2010 and 2012). Currently, the poverty rate in Erie is above that for the U.S. (15.8 percent), Pennsylvania (13.7 percent), and the average of the thirteen Erie Vital Signs peer areas (17.3 percent). As of 2013, Erie stands has the 5th highest overall poverty rate when compared to the thirteen peer areas.

Poverty rates can differ greatly depending on demographic characteristics such as race and ethnicity. In 2013, the poverty rate in Erie was highest among Hispanic residents (46.6 percent), followed by Asians (40.8 percent), multi-racial residents (39.6 percent), black or African American residents (37.9 percent), and non-Hispanic whites (15.8%). The Hispanic poverty rate was the highest in Erie compared to all thirteen peer areas. With the exception of black or African residents (whose poverty rate fell to 37.9 percent from 42.0 percent), all racial and ethnic groups in Erie saw an increase in their poverty rates between 2011 and 2013.

The Basics

This indicator measures the percentage of individuals in an area who are living below the poverty level, by race and ethnicity. In 2013, the U.S. Census Bureau's definition of an individual in poverty was an individual under 65 making an annual income of less than $12,119, or an individual over 65 making an annual income of less than $11,173. For a family of four, the poverty threshold was $23,834.

Why It's Important

Measuring poverty is important because it helps a community determine the proportion of the population that does not have the minimum level of resources which are adequate to meet basic needs. The poverty rate is one important indicator of the economic well-being of residents in an area.

The Details

From the U.S. Census Bureau:
Poverty statistics presented in American Community Survey (ACS) reports and tables adhere to the standards specified by the Office of Management and Budget in Statistical Policy Directive 14. The Census Bureau uses a set of dollar value thresholds that vary by family size and composition to determine who is in poverty. Further, poverty thresholds for people living alone or with nonrelatives (unrelated individuals) and two-person families vary by age (under 65 years or 65 years and older).

If a family's total income is less than the dollar value of the appropriate threshold, then that family and every individual in it are considered to be in poverty. Similarly, if an unrelated individual's total income is less than the appropriate threshold, then that individual is considered to be in poverty. The poverty thresholds do not vary geographically. They are updated annually to allow for changes in the cost of living (inflation factor) using the Consumer Price Index (CPI).

Poverty status was determined for all people except institutionalized people, people in military group quarters, people in college dormitories, and unrelated individuals under 15 years old. These groups were excluded from the numerator and denominator when calculating poverty rates.

Since the ACS is a continuous survey, people respond throughout the year. Because the income items specify a period covering the last 12 months, the appropriate poverty thresholds are determined by multiplying the base-year poverty thresholds (1982) by the monthly inflation factor based on the 12 monthly CPIs and the base-year CPI.

All the Nitty-Gritty Details
-U.S. Census Bureau, How the Census Bureau Measures Poverty
-U.S. Census Bureau, American Community Survey (ACS): What Is the ACS?
-U.S. Census Bureau, American Community Survey: Documentation

Subcategories
This EVS indicator has no subcategories.

Peer areas
These variables include data on all 13 of the standard peer areas, along with U.S. and PA data.

Frequency
Annual

Source
U.S. Census Bureau, American Community Survey: Data (One-year estimates)

Other Related Data
Latest Erie Data from the Economic Research Institute of Erie, at the Black School of Business at Penn State Behrend

Additional Studies and Research
Alemayehu Bishaw and Sharon Stern, "Evaluation of Poverty Estimates: A Comparison of the American Community Survey and the Current Population Survey," Poverty and Health Statistics Branch, Housing and Household Economic Statistics Division, U.S. Census Bureau, June 15, 2006.

Poverty Rate by Educational Level of Attainment (EVS ID EC07012, EC07013, EC07014, and EC07015)

Recent Performance

This trend is negative or declining.

In 2013, approximately 18.3 percent of Erie County residents were below the poverty level, with an even higher percentage (29.2) in the City of Erie. Moreover, the local poverty rate has increased by 4.1 percentage points since 2005, and by 2.5 percentage points since 2012 (after falling slightly between 2010 and 2012). Currently, the poverty rate in Erie is above that for the U.S. (15.8 percent), Pennsylvania (13.7 percent), and the average of the thirteen Erie Vital Signs peer areas (17.3 percent). As of 2013, Erie stands has the 5th highest overall poverty rate when compared to the thirteen peer areas.

Poverty rates can differ greatly depending on demographic characteristics such as the level of educational attainment. Poverty rates typically fall as educational attainment increases. This is true for Erie as well as for all of the thirteen peer areas. In 2013, the poverty rate in Erie was highest among those with less than a high school degree (34.7 percent), followed by those with a high school degree or equivalent (13.8 percent), and those with some college or an associate's degree (12.5 percent). In contrast, the poverty rate in Erie among those with a Bachelor's degree or higher was 5.3 percent. However, among those with less than a high school degree, Erie had the fifth highest poverty rate among all the peer areas. Regardless of the level of educational attainment, the poverty rate in Erie increased in 2013 compared to both 2005 and 2012,

The Basics

This indicator measures the percentage of individuals in an area who are living below the poverty level, by level of educational attainment. In 2013, the U.S. Census Bureau's definition of an individual in poverty was an individual under 65 making an annual income of less than $12,119, or an individual over 65 making an annual income of less than $11,173. For a family of four, the poverty threshold was $23,834.

Why It's Important

Measuring poverty is important because it helps a community determine the proportion of the population that does not have the minimum level of resources which are adequate to meet basic needs. The poverty rate is one important indicator of the economic well-being of residents in an area. The data on poverty by level of educational attainment suggest that additional years of schooling can potentially be a powerful force in helping to reduce the incidence of poverty.

The Details

From the U.S. Census Bureau:
Poverty statistics presented in American Community Survey (ACS) reports and tables adhere to the standards specified by the Office of Management and Budget in Statistical Policy Directive 14. The Census Bureau uses a set of dollar value thresholds that vary by family size and composition to

determine who is in poverty. Further, poverty thresholds for people living alone or with nonrelatives (unrelated individuals) and two-person families vary by age (under 65 years or 65 years and older).

If a family's total income is less than the dollar value of the appropriate threshold, then that family and every individual in it are considered to be in poverty. Similarly, if an unrelated individual's total income is less than the appropriate threshold, then that individual is considered to be in poverty. The poverty thresholds do not vary geographically. They are updated annually to allow for changes in the cost of living (inflation factor) using the Consumer Price Index (CPI).

Poverty status was determined for all people except institutionalized people, people in military group quarters, people in college dormitories, and unrelated individuals under 15 years old. These groups were excluded from the numerator and denominator when calculating poverty rates.

Since the ACS is a continuous survey, people respond throughout the year. Because the income items specify a period covering the last 12 months, the appropriate poverty thresholds are determined by multiplying the base-year poverty thresholds (1982) by the monthly inflation factor based on the 12 monthly CPIs and the base-year CPI.

All the Nitty-Gritty Details
-U.S. Census Bureau, How the Census Bureau Measures Poverty
-U.S. Census Bureau, American Community Survey (ACS): What Is the ACS?
-U.S. Census Bureau, American Community Survey: Documentation

Subcategories
This EVS indicator has no subcategories.

Peer areas
These variables include data on all 13 of the standard peer areas, along with U.S. and PA data.

Frequency
Annual

Source
U.S. Census Bureau, American Community Survey: Data (One-year estimates)

Other Related Data
Latest Erie Data from the Economic Research Institute of Erie, at the Black School of Business at Penn State Behrend

Additional Studies and Research

Alemayehu Bishaw and Sharon Stern, "Evaluation of Poverty Estimates: A Comparison of the American Community Survey and the Current Population Survey," Poverty and Health Statistics Branch, Housing and Household Economic Statistics Division, U.S. Census Bureau, June 15, 2006.

Poverty Rate by Employment Status (EVS ID EC07016 and EC07017)

Recent Performance

This trend is mixed or inconclusive.

In 2013, approximately 18.3 percent of Erie County residents were below the poverty level, with an even higher percentage (29.2) in the City of Erie. Moreover, the local poverty rate has increased by 4.1 percentage points since 2005, and by 2.5 percentage points since 2012 (after falling slightly between 2010 and 2012). Currently, the poverty rate in Erie is above that for the U.S. (15.8 percent), Pennsylvania (13.7 percent), and the average of the thirteen Erie Vital Signs peer areas (17.3 percent). As of 2013, Erie stands has the 5th highest overall poverty rate when compared to the thirteen peer areas.

Poverty rates can differ greatly depending on economic characteristics such as employment status. Poverty rates are typically much higher for unemployed individuals compared to those who are employed. This is true for Erie as well as for all of the thirteen peer areas. In 2013, the poverty rate in Erie was 34.4 percent among unemployed individuals, but 7.5 percent for employed workers. Between 2012 and 2013, the poverty rate increased slightly for employed workers, but decreased slightly for unemployed individuals. In 2013, Erie had the sixth *lowest* poverty rate among unemployed individuals when compared to all thirteen peer areas.

The Basics

This indicator measures the percentage of individuals in an area who are living below the poverty level, by employment status. In 2013, the U.S. Census Bureau's definition of an individual in poverty was an individual under 65 making an annual income of less than $12,119, or an individual over 65 making an annual income of less than $11,173. For a family of four, the poverty threshold was $23,834.

Why It's Important

Measuring poverty is important because it helps a community determine the proportion of the population that does not have the minimum level of resources which are adequate to meet basic needs. The poverty rate is one important indicator of the economic well-being of residents in an area.

The Details

From the U.S. Census Bureau:
Poverty statistics presented in American Community Survey (ACS) reports and tables adhere to the standards specified by the Office of Management and Budget in Statistical Policy Directive 14. The Census Bureau uses a set of dollar value thresholds that vary by family size and composition to determine who is in poverty. Further, poverty thresholds for people living alone or with nonrelatives (unrelated individuals) and two-person families vary by age (under 65 years or 65 years and older).

If a family's total income is less than the dollar value of the appropriate threshold, then that family and every individual in it are considered to be in poverty. Similarly, if an unrelated individual's total income

is less than the appropriate threshold, then that individual is considered to be in poverty. The poverty thresholds do not vary geographically. They are updated annually to allow for changes in the cost of living (inflation factor) using the Consumer Price Index (CPI).

Poverty status was determined for all people except institutionalized people, people in military group quarters, people in college dormitories, and unrelated individuals under 15 years old. These groups were excluded from the numerator and denominator when calculating poverty rates.

Since the ACS is a continuous survey, people respond throughout the year. Because the income items specify a period covering the last 12 months, the appropriate poverty thresholds are determined by multiplying the base-year poverty thresholds (1982) by the monthly inflation factor based on the 12 monthly CPIs and the base-year CPI.

All the Nitty-Gritty Details
-U.S. Census Bureau, How the Census Bureau Measures Poverty
-U.S. Census Bureau, American Community Survey (ACS): What Is the ACS?
-U.S. Census Bureau, American Community Survey: Documentation

Subcategories
This EVS indicator has no subcategories.

Peer areas
These variables include data on all 13 of the standard peer areas, along with U.S. and PA data.

Frequency
Annual

Source
U.S. Census Bureau, American Community Survey: Data (One-year estimates)

Other Related Data
Latest Erie Data from the Economic Research Institute of Erie, at the Black School of Business at Penn State Behrend

Additional Studies and Research
Alemayehu Bishaw and Sharon Stern, "Evaluation of Poverty Estimates: A Comparison of the American Community Survey and the Current Population Survey," Poverty and Health Statistics Branch, Housing and Household Economic Statistics Division, U.S. Census Bureau, June 15, 2006.

⬇ Percentage of Families Below Self-Sufficiency Standard (EVS ID EC08001)

Recent Performance

This trend is slightly negative or declining.

In 2010, 25.1 percent of Erie County families had incomes that were below the "self-sufficiency" standard, the fourth highest among 10 cities and counties in Pennsylvania. This also represented a slight increase compared to the 24.0 percent figure in 2007.

The Basics

Families are considered "self-sufficient" if they have access to basic needs and resources. This indicator measures the percentage of families in an area that are below the self-sufficiency standard.

Why It's Important

Measuring self-sufficiency is important because it helps a community determine the proportion of the population that does not have the minimum level of resources which are adequate to meet basic needs. The percent of local families living below the self-sufficiency standard is one important indicator of the economic well-being of residents in an area.

The Details

The Self-Sufficiency Standard is published by Pathways PA, a nonprofit advocacy group for women and children, and measures how much income is needed for a family of a certain composition in a given county to adequately meet their basic needs—without public or private assistance. The data reveal the percentage of families in each city or county that do not have enough income to support themselves.

All the Nitty-Gritty Details

Pathways PA, Self-Sufficiency & Workforce Development

Subcategories

This EVS indicator has no subcategories.

Peer areas

These variables include data on the following cities and counties in Pennsylvania (which are not the same as the 13 Erie Vital Signs standard peer areas): Allentown City, Cumberland County, Dauphin County, Erie City and Erie County, Lackawanna County, Lehigh County, Luzerne County, Northampton County, Washington County, and Westmoreland County.

Frequency
　　Biennial

Source
　　Pathways PA, Self-Sufficiency & Workforce Development

Other Related Data
　　Latest Erie Data from the Economic Research Institute of Erie, at the Black School of Business at Penn State Behrend

Housing Indicators

⬌ Homeownership Rate by Race (EVS ID EC05001, EC05002, EC05003, EC05004, and EC05005)

Recent Performance

This trend is mixed or inconclusive.

Among all races, Erie has the sixth highest overall home ownership rate when compared to the thirteen Vital Signs peer areas. As of 2013, Erie's overall home ownership rate was 68.1 percent, which was higher than the rate for the U.S. (63.5 percent), slightly higher than the peer area average (66.6 percent), but slightly lower than for Pennsylvania (68.9 percent). Although it increased between 2012 and 2013, the overall home ownership rate in Erie has yet to climb back to the 71.1 percent reached in 2007.

As of 2013, the home ownership rate in Erie was highest among white residents (71.1 percent), followed by black or African American residents (37.1 percent), Asian residents (27.3 percent), and Hispanic residents (23.8 percent).

Compared to the thirteen peer areas in 2012, home ownership rates in Erie are higher for white as well as for black or African American residents, but lower for Asian and Hispanic residents.

Note: The statistics on home ownership for Asian residents in Erie may be subject to error due to small-sample variability.

The Basics

The home ownership rate measures the percentage of individuals who own a home in a given year. The data are also broken down into home ownership rates by race.

Why It's Important

Home ownership represents having a stake in physical property in a particular area. Those with such a stake are more likely, all else constant, to engage in activities that maintain or increase the value of their property, thereby contributing to local economic development. In addition, for many individuals and families, home ownership represents the single biggest share of their overall wealth.

The Details

The U.S. Census Bureau uses the following definitions in estimating home ownership:
Occupied Housing Unit – A housing unit is classified as occupied if it is the current place of residence of the person or group of people living in it at the time of interview, or if the occupants are only temporarily absent from the residence for two months or less, that is, away on vacation or a business trip. If all the people staying in the unit at the time of the interview are staying there for two months or less, the unit is considered to be temporarily occupied and classified as "vacant." The occupants may be a single family, one person living alone, two or more families living together, or any other group of related or unrelated people who share living quarters. The living quarters occupied by staff personnel within any group quarters are separate housing units if they satisfy the housing unit criteria of

separateness and direct access; otherwise, they are considered group quarters. Occupied rooms or suites of rooms in hotels, motels, and similar places are classified as housing units only when occupied by permanent residents, that is, people who consider the hotel as their current place of residence or have no current place of residence elsewhere. If any of the occupants in rooming or boarding houses, congregate housing, or continuing care facilities live separately from others in the building and have direct access, their quarters are classified as separate housing units.

Owner-Occupied – A housing unit is owner-occupied if the owner or co-owner lives in the unit, even if it is mortgaged or not fully paid for. The owner or co-owner must live in the unit and usually is Person 1 on the questionnaire. The unit is "Owned by you or someone in this household with a mortgage or loan" if it is being purchased with a mortgage or some other debt arrangement such as a deed of trust, trust deed, contract to purchase, land contract, or purchase agreement. The unit also is considered owned with a mortgage if it is built on leased land and there is a mortgage on the unit. Mobile homes occupied by owners with installment loan balances also are included in this category. A housing unit is "Owned by you or someone in this household free and clear (without a mortgage or loan)" if there is no mortgage or other similar debt on the house, apartment, or mobile home including units built on leased land if the unit is owned outright without a mortgage.

All the Nitty-Gritty Details
U.S. Census Bureau, The American Community Survey, 2013 Subject Definitions

Subcategories
Data on home ownership are available for the following race categories: All races, white, black or African American, Asian, Hispanic.

Peer areas
These variables include data on all 13 of the standard peer areas, along with U.S. and PA data.

Frequency
Annual

Source
U.S. Census Bureau, The American Community Survey (ACS): Data

Other Related Data
Latest Erie Data from the Economic Research Institute of Erie, at the Black School of Business at Penn State Behrend

😊Homeownership Trend by Race (EVS ID EC05001, EC05002, EC05003, EC05004, and EC05005)

Recent Performance

This trend is mixed or inconclusive.

Among all races, Erie has the sixth highest overall home ownership rate when compared to the thirteen Vital Signs peer areas. As of 2013, Erie's overall home ownership rate was 68.1 percent, which was higher than the rate for the U.S. (63.5 percent), slightly higher than the peer area average (66.6 percent), but slightly lower than for Pennsylvania (68.9 percent).

Although it increased between 2012 and 2013, the overall home ownership rate in Erie has yet to climb back to the 71.1 percent reached in 2007. This general pattern in the rate of home ownership (declining for a few years before rising recently) has also been true for white as well as for black or African American residents in Erie. Among Hispanic residents in Erie, however, the home ownership rate has declined substantially from 45.2 percent in 2009 to 30.0 percent in 2012, with a further decline to 23.8 percent in 2013. And compared to the thirteen peer areas, the 2013 home ownership rate among Hispanic residents is the lowest in Erie.

Note: The statistics on home ownership for Asian residents in Erie may be subject to error due to small-sample variability.

The Basics

The home ownership rate measures the percentage of individuals who own a home in a given year. The data are also broken down into home ownership rates by race.

Why It's Important

Home ownership represents having a stake in physical property in a particular area. Those with such a stake are more likely, all else constant, to engage in activities that maintain or increase the value of their property, thereby contributing to local economic development. In addition, for many individuals and families, home ownership represents the single biggest share of their overall wealth.

The Details

The U.S. Census Bureau uses the following definitions in estimating home ownership:
Occupied Housing Unit – A housing unit is classified as occupied if it is the current place of residence of the person or group of people living in it at the time of interview, or if the occupants are only temporarily absent from the residence for two months or less, that is, away on vacation or a business trip. If all the people staying in the unit at the time of the interview are staying there for two months or less, the unit is considered to be temporarily occupied and classified as "vacant." The occupants may be a single family, one person living alone, two or more families living together, or any other group of related or unrelated people who share living quarters. The living quarters occupied by staff personnel within any group quarters are separate housing units if they satisfy the housing unit criteria of separateness and direct access; otherwise, they are considered group quarters. Occupied rooms or suites of rooms in hotels, motels, and similar places are classified as housing units only when occupied by permanent residents, that is, people who consider the hotel as their current place of residence or have no current place of residence elsewhere. If any of the occupants in rooming or

boarding houses, congregate housing, or continuing care facilities live separately from others in the building and have direct access, their quarters are classified as separate housing units.

Owner-Occupied – A housing unit is owner-occupied if the owner or co-owner lives in the unit, even if it is mortgaged or not fully paid for. The owner or co-owner must live in the unit and usually is Person 1 on the questionnaire. The unit is "Owned by you or someone in this household with a mortgage or loan" if it is being purchased with a mortgage or some other debt arrangement such as a deed of trust, trust deed, contract to purchase, land contract, or purchase agreement. The unit also is considered owned with a mortgage if it is built on leased land and there is a mortgage on the unit. Mobile homes occupied by owners with installment loan balances also are included in this category. A housing unit is "Owned by you or someone in this household free and clear (without a mortgage or loan)" if there is no mortgage or other similar debt on the house, apartment, or mobile home including units built on leased land if the unit is owned outright without a mortgage.

All the Nitty-Gritty Details

U.S. Census Bureau, The American Community Survey, 2013 Subject Definitions

Subcategories

Data on home ownership are available for the following race categories: All races, white, black or African American, Asian, Hispanic. Note: The statistics on home ownership for Asian residents in Erie may be subject to error due to small-sample variability.

Peer areas

These variables include data on all 13 of the standard peer areas, along with U.S. and PA data.

Frequency

Annual

Source

U.S. Census Bureau, The American Community Survey (ACS): Data

Other Related Data

Latest Erie Data from the Economic Research Institute of Erie, at the Black School of Business at Penn State Behrend

⬤ Housing Affordability (EVS ID EC05006)

Recent Performance

This trend is mixed or inconclusive.

Preliminary figures for 2014 from the National Association of Realtors® show that Erie's housing affordability index is higher compared to the average for nine of the thirteen EVS peer areas for which data are available, and much higher than the index for the U.S. as a whole. Erie's housing affordability index increased between 2011 and 2012, fell in 2013, but has risen back up slightly. As of 2014, four of the nine peer areas had a higher index, while five had a lower index compared to Erie.

The Basics

The National Association of REALTORS® housing affordability index (HAI) measures whether or not a typical family could qualify for a mortgage loan on a typical home. An **index value of 100 means** that a family with the median income has exactly enough income to qualify for a mortgage on a median-priced home. An index above 100 signifies that a family earning the median income has more than enough income to qualify for a mortgage loan on a median-priced home, assuming a 20 percent down payment. An increase in the HAI, then, shows that a family earning the median family income is more able to afford the median priced home.

Why It's Important

Home ownership represents having a stake in physical property in a particular area. Those with such a stake are more likely, all else constant, to engage in activities that maintain or increase the value of their property, thereby contributing to local economic development. In addition, for many individuals and families, home ownership represents the single biggest share of their overall wealth. Therefore, housing affordability is an estimate of the resources that would be needed to acquire this important asset in a given area.

The Details

The National Association of REALTORS® (NAR) housing affordability index (HAI) measures whether or not a typical family could qualify for a mortgage loan on a typical home. A typical home is defined as the national median-priced, existing single-family home as calculated by NAR. The typical family is defined as one earning the median family income as reported by the U.S. Bureau of the Census. The prevailing mortgage interest rate is the effective rate on loans closed on existing homes from the Federal Housing Finance Board.

These components are used to determine if the median income family can qualify for a mortgage on a typical home. The calculation assumes a down payment of 20 percent of the home price and it assumes a qualifying ratio of 25 percent. That means the monthly principal and interest payment cannot exceed 25 percent of the median family monthly income.

To interpret the indices, **a value of 100 means** that a family with the median income has exactly enough income to qualify for a mortgage on a median-priced home. An index above 100 signifies that family earning the median income has more than enough income to qualify for a mortgage loan on a median-priced home, assuming a 20 percent down payment. For example, a composite HAI of 120.0 means a family earning the median family income has 120 percent of the income necessary to qualify for a conventional loan covering 80 percent of a median-priced existing single-family home. An increase in the HAI, then, shows that this family is more able to afford the median priced home.

All the Nitty-Gritty Details

National Association of Realtors®, Housing Affordability Index Historical Data

Subcategories

This EVS indicator has no subcategories.

Peer areas

These variables include data on nine of the 13 of the standard peer areas, along with U.S. data.

Frequency

Annual

Source

National Association of Realtors®, Housing Affordability Index Historical Data File-Download
Item Number: E186-HAI-01-15
Housing Affordability Index Historical Data File. 7 spreadsheets, 1989 to current. Price: $395; *free for members* of The National Association of REALTORS®.

Other Related Data

Latest Erie Data from the Economic Research Institute of Erie, at the Black School of Business at Penn State Behrend

COST OF LIVING INDICATOR

⊕Cost of Living Index (EVS ID EC10001, EC10002, EC10003, EC10004, EC10005, EC10006, and EC10007)

Recent Performance:

The trend is mixed or inconclusive.

Erie's Composite Cost of Living for 2014 is the fifth highest with a score of 95.4, just below the benchmark average of 95.8 and above Kalamazoo at 87.2, the region with the lowest cost of living.

Costs of miscellaneous goods & services in Erie are the highest among the benchmark regions while utilities and transportation costs are the lowest among all benchmark regions, with only Cedar Rapids, IA having slightly lower transportation costs. The miscellaneous goods & services component is based on the price of a major appliance repair, a small cheese pizza, annual veterinary services and many other costs. To compare costs in various sectors, please click on the categories to the right of the graphic below.

The Basics:

The Cost of Living Index (COLI), compiled by C2ER, the Council for Community and Economic Research, measures the cost of living in Erie compared to approximately 300 other urban areas of the United States. It is a measure of geographic (place to place) cost differences, not a measure of inflation through time. An index value of 100 represents the average cost across those 300-some urban areas, so a value of 95 would indicate a local cost of living that is 5% below the average (i.e., 5% cheaper).

Why It's Important:

While income and wages vary significantly from place to place, the cost of living also varies significantly across space. So, for example, an offer of a 50% higher income to work in Manhattan sounds like quite an incentive to move, until you realize that the overall cost of living in Manhattan is more than double the cost of living in Erie (actually 2.3 times as much in 2014), and housing costs are more than five times Erie's. As a result, a 50% higher income in Manhattan would translate to a lower COLI-adjusted "real" income than in Erie.

In general, a lower cost of living in a place is preferred since it means that a resident's income goes farther, allowing a higher standard of living. Typically, places with higher income levels also tend to have higher costs of living, but the costs tend to be less than proportionately higher. That means that places with higher nominal incomes also tend to have higher COLI-adjusted "real" incomes too.

The Details:

The basket of goods and services that is priced for the COLI is based on household purchasing patterns used by the U.S. Bureau of Labor Statistics for the national Consumer Price Index. However, it is adjusted to represent the purchasing patterns of a "midmanagement" household

(approximately the top 20% of income), as well as to insure that items are comparable across places. (Information about the basket that is priced is available from C2ER here.) The individual urban areas participate voluntarily in the COLI program, gathering data using C2ER's detailed specifications. C2ER also pays to have the data gathered in selected major urban areas to ensure their inclusion in the database.

All the Nitty-Gritty Details:
-About the COLI
-Tips for Interpreting COLI Data
-The COLI Manual

Subcategories:
This indicator includes the overall (composite) Cost of Living Index, as well as separate indexes for its six subcategories: Grocery items, Housing, Utilities, Transportation, Health Care, and Miscellaneous goods and services. Information about the individual items in each category, as well as their weights in the market basket, is available from C2ER here.

Peer areas:
Included are whichever of the standard 16 peer areas participate in the COLI that quarter. There are no data for the U.S. overall, although an index value of 100 reflects the average for all the urban areas that participate in that quarter.

Frequency: quarterly. (Three quarters of new data each year, plus one annual average release instead of the fourth quarter data.)

Source: C2ER, the Council for Community and Economic Research.
Founded in 1961, the *Council for Community and Economic Research* (C2ER) is a membership organization that promotes excellence in community and economic research by working to improve data availability, enhance data quality, and foster learning about regional economic analytic methods. C2ER accomplishes this mission by:
    -Conducting training, advocacy, and research
    -Delivering innovative products and services for researchers
    -Developing professional networks
C2ER's 500+ members span a broad range of specialty skills and collectively touch all aspects of community and economic development in the U.S. and Canada. They include research professionals from: Chambers of Commerce, Economic Development Organizations, Government Agencies, Universities, Utility Companies, Workforce Development Boards, Community Development Organization

Other Related Data
Latest Erie Data from the Economic Research Institute of Erie, at the Black School of Business at Penn State Behrend