



Rural Pennsylvania

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Persistent Poverty: An Issue for Some Pennsylvania Municipalities

In Census 2000, 11.7 percent of rural Pennsylvanians were living in poverty. This rate has ranged over the past three decades from a high of 13.2 percent in 1970 to a low of 10.8 percent in 1980. Rural poverty rates have consistently been above urban poverty rates.

At the county level, rural poverty rates vary greatly, from 6.9 percent in Pike County to 18.8 percent in Centre County in 2000. And more locally, among rural municipalities, rates are even more disparate, ranging in 2000 from no municipality in poverty to a rate of 63.3 percent in poverty.

Although local poverty rates fluctuate with every Census, as economic conditions improve in some areas and worsen in others, some places have consistently higher rates of poverty than others. This fact sheet is a look at various characteristics of those places.

Defining persistent poverty

The U.S. Department of Agriculture's (USDA) Economic Research Service (ERS) defines 382 persistent poverty counties nationwide, in which at least 20 percent of the population is below the poverty threshold for three decades, as measured by four consecutive decennial censuses. These counties are located primarily in the southern half of the nation and have different demographic and socio-economic characteristics than their wealthier counterparts.

While no Pennsylvania county meets the ERS criteria, there are some areas of the state that have been persistently poorer than others. To examine these areas more closely, the Center for Rural Pennsylvania looked at characteristics of rural municipalities with poverty rates above 15 percent from 1979 to 1999 (Censuses 1980-2000). Only three censuses were used because

poverty data was not reported for municipalities prior to the 1980 Census.

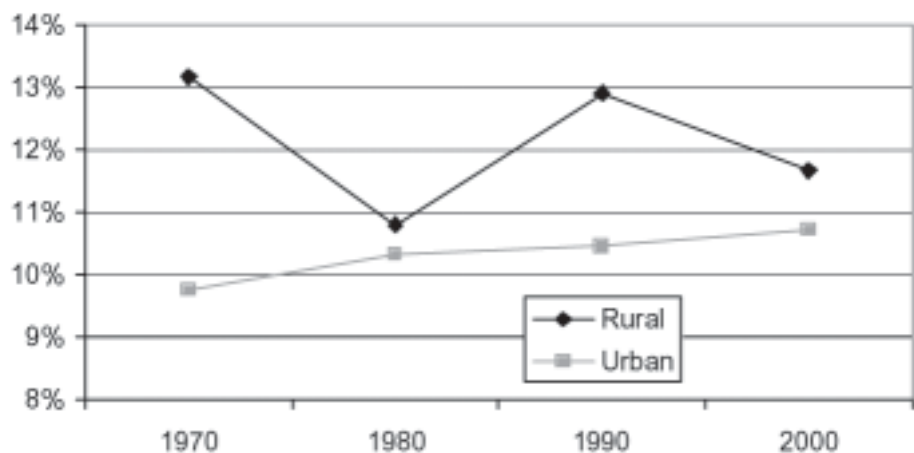
Persistent poverty is an issue for 131 of Pennsylvania's municipalities, 23 of which are cities, 57 are boroughs and 51 are townships. Of the total, 58 percent or 76 municipalities are rural*, which means that about 5 percent of the commonwealth's 1,656 rural municipalities are persistent poverty municipalities.

Persistent poverty is not a regional phenomenon: these municipalities are geographically dispersed throughout rural Pennsylvania in 27 of the 48 rural counties. But they are different from their non-poverty neighbors in other ways.

Demographics

Pennsylvania's rural persistent poverty municipalities typically are smaller in population and in land area than other rural areas of the state, averaging 1,336 people and 20 square miles compared to 1,759 people and 23 square miles. Likewise, those municipalities in persistent poverty also have lower population densities at an average of 65 persons per square mile versus 77 in the remainder of rural Pennsylvania.

Poverty Rates in Rural and Urban Pennsylvania, 1970-2000



Data Source: U.S. Census Bureau, Censuses 1980, 1990 and 2000

*Rural municipalities are those whose Census 2000 population density is below the statewide average of 274 persons per square mile and those with total populations less than 2,500, unless located in an urbanized area as defined by the Census Bureau.

What is Poverty

To determine a person's poverty status, the U.S. Census Bureau uses the official federal government formula to define poverty. This formula compares the person's total family income with the poverty threshold appropriate for that person's family size and composition (see table below). If the total income of that person's family is less than the threshold appropriate for that family, then the person is considered to be

living in poverty, together with every member of his or her family. If a person is not living with anyone related by birth, marriage, or adoption, then the person's own income is compared with his or her poverty threshold.

Poverty status is determined in each decennial census for all people except institutionalized people, people in military group quarters, people in college dormitories, and unrelated individuals under 15 years old. These

groups also are excluded when calculating poverty rates; they are considered neither "poor" nor "non-poor."

Even though the official poverty data are based on 48 thresholds arranged by family size and the number of children within the family, data users often want to get an idea of the "average" threshold for a given family size. The weighted average thresholds provide that summary.

Poverty Threshold in 1999 by Size of Family and Number of Related Children Under 18 Years Old (In dollars)

Size of family unit	Weighted average threshold	Related children under 18 years old								
		None	One	Two	Three	Four	Five	Six	Seven	Eight or more
One person (unrelated individual)	\$8,501									
Under 65 years old	\$8,667	\$8,667								
65 years +	\$7,990	\$7,990								
Two people	\$10,869									
Householder under 65 years old	\$11,214	\$11,156	\$11,483							
Householder 65 years and older	\$10,075	\$10,070	\$11,440							
Three people	\$13,290	\$13,032	\$13,410	\$13,423						
Four people	\$17,029	\$17,184	\$17,465	\$16,895	\$16,964					
Five people	\$20,127	\$20,723	\$21,024	\$20,380	\$19,882	\$19,578				
Six people	\$22,727	\$23,835	\$23,930	\$23,436	\$22,964	\$22,261	\$21,845			
Seven people	\$25,912	\$27,425	\$27,596	\$27,006	\$26,595	\$25,828	\$24,934	\$23,953		
Eight people	\$28,967	\$30,673	\$30,944	\$30,387	\$29,899	\$29,206	\$28,327	\$27,412	\$27,180	
Nine people or more	\$34,417	\$36,897	\$37,078	\$36,583	\$36,169	\$35,489	\$34,554	\$33,708	\$33,499	\$32,208

Data Source: U.S. Census Bureau, Census 2000

In addition, persistent poverty municipalities have grown in population much more slowly than the rest of rural Pennsylvania: less than 1 percent compared to 11 percent from 1980 to 2000.

However, between 1990 and 2000, these municipalities had a higher birth rate of 15.0 births per 1,000 residents than the statewide rate of 13.9 births per 1,000 residents.

Age is similar in poverty and non-poverty areas where equal percentages of the population are age 65 and older. However, in persistent poverty municipalities, there are slightly more children, about a 2 percentage point difference. At the same time, however, the percent of the population who are children is decreasing in these areas and growing in the rest of rural Pennsylvania. There are no racial differences but the percentage that is Hispanic is lower in persistent poverty areas.

Family make-up is also not very different – single mothers are a little more common and married couples with children are slightly less common in persistent poverty municipalities.

Overall, in rural persistent poverty municipalities, approximately 38 percent of the persons in poverty are under 18 years old. Young adults, age 18 to 35 years old, account

for 24 percent of those in poverty, and those age 35 to 64 make up 28 percent of those in poverty. Senior citizens, age 65 years old and older, comprise about 10 percent of those in poverty.

In terms of family structure, 39 percent of families in poverty are married couples with children, 33 percent are single parents with children, and 23 percent are married couples without children. The remaining 5 percent of the families are single householders without children.

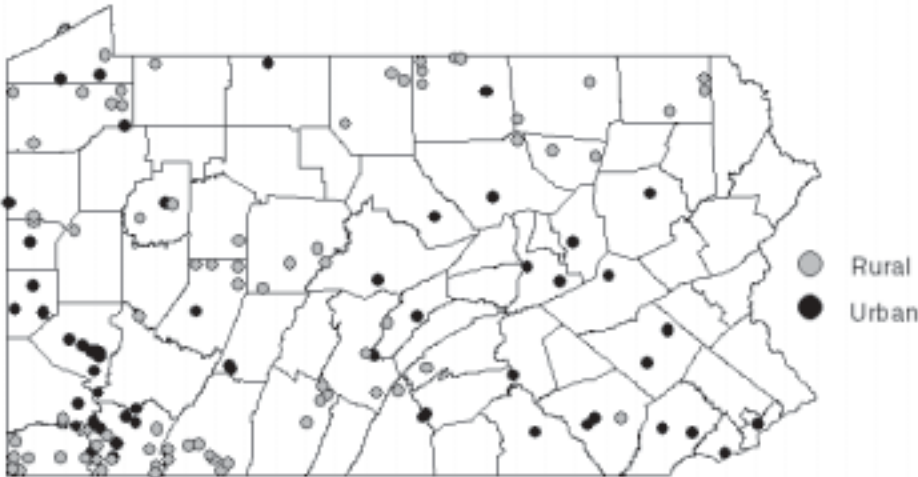
Among families in poverty, 59 percent had at least one family member employed and 41 percent had no family member employed.

Socioeconomics

By the very definition of poverty, incomes are lower in poverty areas. Persistent poverty municipalities had a per capita income of \$14,058 in Census 2000 – more than \$4,000 lower than the rest of rural Pennsylvania – and a much higher percentage of households had incomes below \$25,000.

In light of this income disparity, persistent poverty areas have a poverty rate of 20 percent compared to 8.5 percent

Pennsylvania's Persistent Poverty Municipalities, 1979-1999



Data Source: U.S. Census Bureau, Censuses 1980, 1990 and 2000

for the rest of rural Pennsylvania. Another reflection of low income in an area is housing values.

One explanation for higher poverty rates in these areas is the lower levels of educational attainment. Twenty-nine percent of those living in persistent poverty municipalities did not graduate from high school and less than 10 percent have a college education. In the non-persistent poverty municipalities, 19 percent did not finish high school and more than 14 percent have college degrees.

Another explanation for the persistent poverty rates may be attributed to labor force factors. Labor force participation is higher in non-poverty areas and unemployment is lower. Non-persistent poverty rural Pennsylvania has a labor force participation rate of 63 percent and an unemployment rate of 4.6 percent, while in persistent poverty municipalities 56 percent of the population age 16 and older participate in the labor force and, of those, 7.1 percent are unemployed.

Occupation and industry of employment are important to examine as they affect wages, which are a large part of income. In persistent poverty areas, fewer people work in management or professional jobs and more in blue-collar jobs. In addition, more people work in the agriculture and mining and the manufacturing sectors and fewer people work in finance, insurance and real estate.

Rural persistent poverty municipalities also have more people who are on the cusp of poverty. Data from Census 2000 show that about 12 percent of residents have incomes that are between 101 percent and 150 percent of poverty.

Range of Household Incomes in Rural Persistent Poverty and Non-Poverty Municipalities, 2000

Income Range	Persistent Poverty	Non-poverty
Lower Income Households (<\$25,000)	43%	29%
Middle Income Households (\$25,000 to \$74,999)	48%	56%
Upper Income Households (>\$75,000)	9%	16%

Data Source: U.S. Census Bureau, Census 2000

For a two-person family, this means that their combined income would be between \$10,977 and \$16,195. These so called "working-poor" are at most risk of sliding into poverty.

Among non-persistent poverty rural municipalities, the working poor made up 8 percent of the population.

Other Factors

Homeownership rates are much lower in persistent poverty municipalities, at 77 percent, than in the balance of rural areas, at 84 percent. In terms of types of housing, there are fewer second homes located in rural

persistent poverty municipalities than in their non-poverty counterparts. Seven percent of units were vacant for seasonal use in the persistent poverty areas compared to nearly 10 percent in other rural areas. And fewer homes are single-family, stand-alone units in persistent poverty areas, 71 versus 77 percent. Persistent poverty areas have more apartment buildings and mobile homes. And housing in persistent poverty areas is older and of poorer quality. Nearly one-quarter of the units were built before 1940 and well over half were built before 1970. About 5 percent have incomplete plumbing facilities and about 5 percent have incomplete kitchen facilities. In the rest of rural Pennsylvania, only about 3 percent have each of these deficiencies.

Workers in persistent poverty municipalities have a longer commute to work, traveling more than 28 minutes rather than the 26.5 that their non-persistent poverty counterparts travel.

The use of land use and planning tools also differs between persistent poverty areas and others in rural Pennsylvania. Every tool tracked by the Governor's Center for Local Government Services is less common in persistent poverty municipalities.

Rural persistent poverty municipalities have much lower revenues, taking in an annual average of about \$343,000 each compared to \$525,000 in other rural areas. Non-poverty areas collect a slightly higher percentage of revenues from taxes, 44 versus 40 percent. Because of their economic status, nearly all of the persistent poverty municipalities in

rural Pennsylvania are designated by the Department of Community and Economic Development as distressed areas*. Ninety-one percent are distressed compared to 69 percent of non-poverty rural municipalities.

See page 4 for a list of rural persistent poverty municipalities.

*This designation is Act 67 of 1996.

Pennsylvania's Rural Persistent Poverty Municipalities and their Poverty Rates, 1980-2000

County	Municipality	Poverty Rate, 1980	Poverty Rate, 1990	Poverty Rate, 2000
Bedford	Coaldale Borough	18.1%	19.1%	20.6%
Bedford	Everett Borough	16.5%	19.3%	19.2%
Bedford	Hopewell Borough	36.3%	22.0%	20.3%
Bedford	Saxton Borough	22.1%	25.9%	15.6%
Bradford	Canton Borough	15.9%	21.7%	15.6%
Bradford	Rome Borough	15.3%	21.4%	20.6%
Butler	Slippery Rock Township	24.2%	17.7%	29.4%
Clarion	Callensburg Borough	15.1%	18.8%	24.3%
Clarion	Strattanville Borough	17.7%	21.3%	15.8%
Clearfield	Chester Hill Borough	23.3%	19.6%	26.8%
Clearfield	Knox Township	15.9%	18.0%	15.2%
Clearfield	Wallaceton Borough	19.8%	21.2%	17.3%
Clearfield	Westover Borough	15.2%	27.1%	20.5%
Crawford	Beaver Township	16.0%	17.7%	20.9%
Crawford	Centerville Borough	16.9%	18.3%	17.6%
Crawford	East Fallowfield Township	21.2%	24.3%	23.1%
Crawford	Rockdale Township	17.4%	15.4%	16.5%
Crawford	Rome Township	21.6%	25.9%	19.5%
Crawford	Sparta Township	26.3%	23.7%	19.8%
Erie	Wattsburg Borough	16.4%	21.5%	17.9%
Fayette	Georges Township	17.2%	23.0%	18.1%
Fayette	German Township	15.9%	22.9%	19.9%
Fayette	Henry Clay Township	22.9%	24.7%	18.4%
Fayette	Luzerne Township	16.4%	18.4%	17.5%
Fayette	Markleysburg Borough	32.1%	21.2%	21.5%
Fayette	Menallen Township	18.1%	25.4%	16.2%
Fayette	Nicholson Township	20.1%	23.6%	17.6%
Fayette	Ohioville Borough	18.0%	19.3%	20.8%
Fayette	Springfield Township	25.6%	27.7%	21.7%
Fayette	Springhill Township	18.1%	20.6%	28.0%
Franklin	Fannett Township	16.2%	24.0%	20.3%
Greene	Aleppo Township	26.8%	33.8%	24.0%
Greene	Freeport Township	25.4%	34.2%	33.0%
Greene	Jackson Township	24.7%	30.0%	22.9%
Greene	Monongahela Township	19.2%	16.6%	15.5%
Greene	Richhill Township	21.6%	21.7%	19.7%
Greene	Springhill Township	34.2%	49.3%	37.2%
Greene	Whiteley Township	23.7%	29.1%	18.2%

County	Municipality	Poverty Rate, 1980	Poverty Rate, 1990	Poverty Rate, 2000
Huntingdon	Mapleton Borough	15.7%	16.7%	15.6%
Huntingdon	Shade Gap Borough	21.4%	48.7%	19.5%
Indiana	Banks Township	16.0%	22.6%	16.5%
Indiana	Montgomery Township	19.6%	29.5%	19.6%
Indiana	North Mahoning Township	18.1%	15.6%	16.9%
Indiana	West Mahoning Township	36.7%	38.1%	37.7%
Jefferson	Henderson Township	20.4%	22.5%	22.8%
Lancaster	Leacock Township	21.2%	17.3%	15.4%
Lawrence	Wilmington Township	17.1%	28.5%	16.7%
Lycoming	McNitt Township	23.6%	21.3%	29.9%
Mercer	Wilmington Township	20.7%	23.5%	16.2%
Mifflin	Menno Township	28.3%	31.0%	23.6%
Perry	Jackson Township	18.7%	19.8%	18.2%
Potter	Austin Borough	15.7%	17.7%	21.2%
Potter	Hector Township	35.2%	18.2%	26.2%
Potter	Ulysses Borough	18.1%	22.4%	34.2%
Somerset	Black Township	19.7%	22.8%	16.9%
Somerset	Casselman Borough	22.7%	17.8%	15.2%
Somerset	Confluence Borough	16.2%	29.2%	21.2%
Somerset	Greenville Township	17.7%	22.0%	29.4%
Somerset	Larimer Township	16.3%	20.1%	15.1%
Somerset	Lower Turkeyfoot Township	15.8%	31.1%	18.0%
Somerset	Meyersdale Borough	20.1%	21.4%	20.4%
Somerset	Summit Township	22.1%	17.4%	16.7%
Sullivan	Colley Township	50.1%	45.1%	45.6%
Sullivan	Forksville Borough	18.8%	25.3%	22.1%
Susquehanna	Ararat Township	21.9%	18.2%	22.5%
Susquehanna	Hop Bottom Borough	26.7%	19.0%	17.6%
Susquehanna	Thompson Township	21.6%	22.0%	16.0%
Tioga	Brookfield Township	23.7%	15.3%	15.2%
Tioga	Clymer Township	23.3%	17.5%	27.3%
Tioga	Elkland Borough	19.9%	25.9%	15.1%
Tioga	Nelson Township	15.4%	23.5%	17.2%
Tioga	Westfield Borough	18.4%	16.7%	22.1%
Warren	Freehold Township	20.4%	19.8%	19.9%
Washington	Marianna Borough	15.7%	21.9%	19.3%
Washington	West Bethlehem Township	16.0%	18.6%	16.5%
Westmoreland	East Vandergrift Borough	16.0%	16.5%	16.0%

Data Source: U.S. Census Bureau, Censuses 1980, 1990 and 2000

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