

ALICE IN PENNSYLVANIA: A FINANCIAL HARDSHIP STUDY

LIVE UNITED

2020 LEBANON COUNTY REPORT



United Way of
Lebanon County

ALICE Report for Lebanon County is Sponsored by:

Fulton Bank

PENNSYLVANIA • 2018 COUNTY PROFILES

Counties are the core geography for ALICE data: They reveal variations often masked by statewide averages, and the data is reported regularly and reliably.

ALICE IN LEBANON COUNTY

2018 Point-in-Time-Data

Population: 141,314 **Number of Households:** 54,522

Median Household Income: \$61,362 (state average: \$60,905)

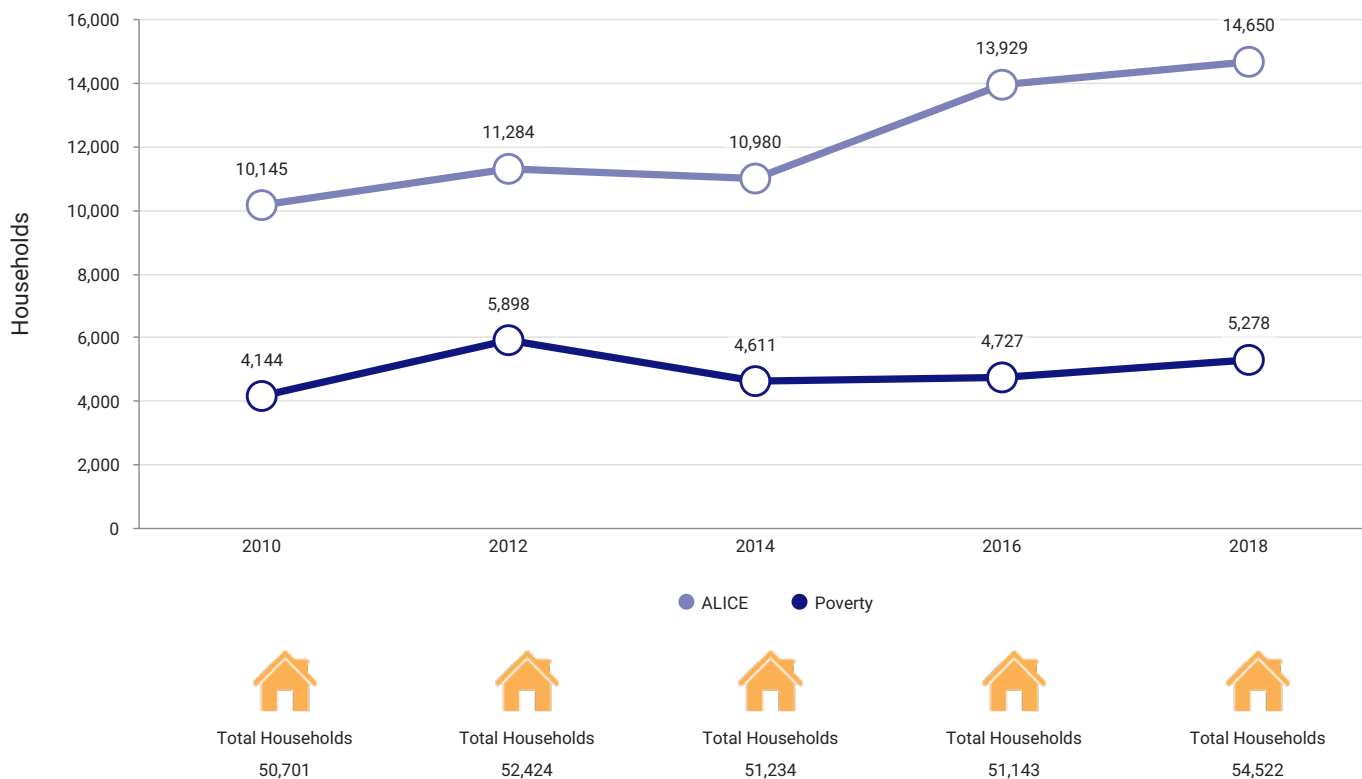
Unemployment Rate: 3.8% (state average: 4.9%)

ALICE Households: 27.0% (state average: 27.0%)

Households in Poverty: 10.0% (state average: 12.0%)

How Has the Number of ALICE Households Changed Over Time?

ALICE is an acronym for **ALICE** – **A**sset **L**imited, **I**ncome **C**onstrained, **E**mloyed – households that earn more than the Federal Poverty Level, but less than the basic cost of living for the county (the ALICE Threshold). While conditions have improved for some households, many continue to struggle, especially as wages fail to keep pace with the cost of household essentials (housing, child care, food, transportation, health care, and a basic smartphone plan).



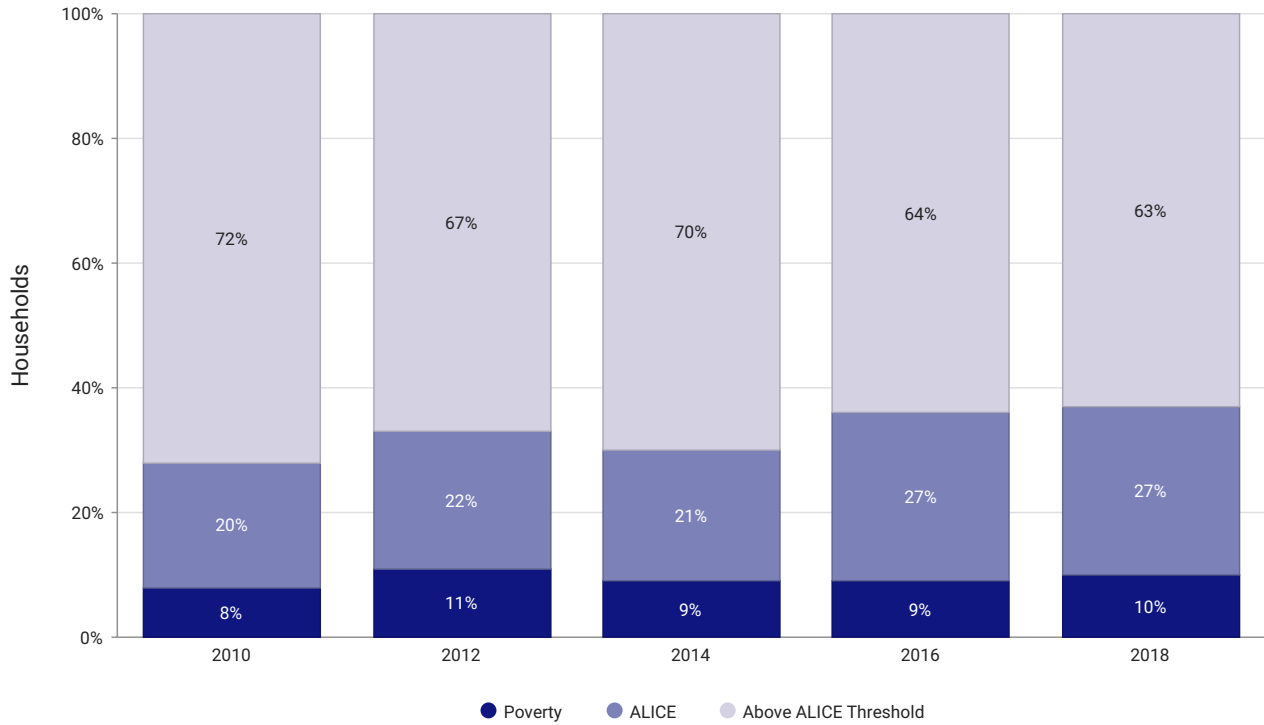
Sources: ALICE Threshold, 2007-2018; American Community Survey, 2007-2018

Asset Limited, Income Constrained, Employed

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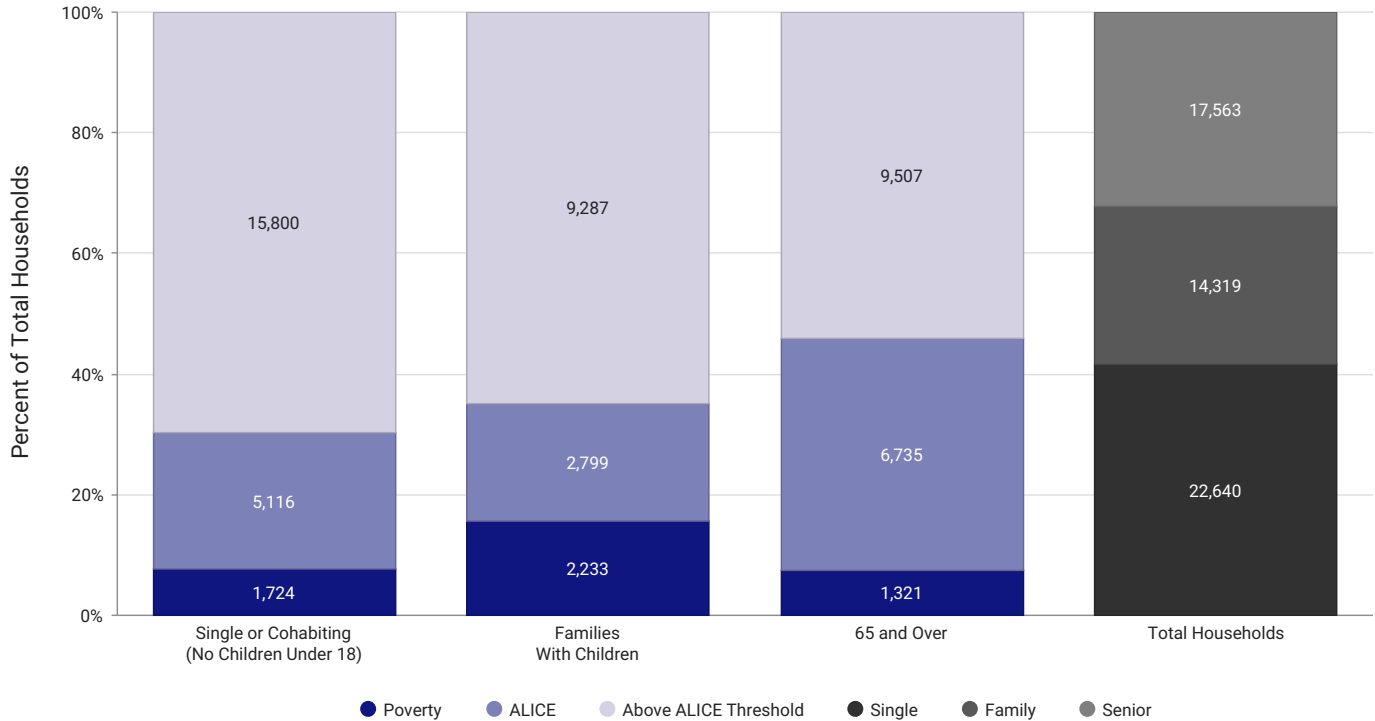
ALICE and Poverty in Lebanon County Over Time...continued



Sources: ALICE Threshold, 2007-2018; American Community Survey, 2007-2018

What Types of Households Are Struggling?

In the past few decades, there have been major shifts in household composition. The share of American adults who have never been married is at a historic high, as is the number of senior households. There is also a growing number of people who live alone or with roommates, and an increasing share of grown children who live with their parents. Yet all types of households continue to struggle: ALICE and poverty-level households exist across all of these living arrangements.



Sources: ALICE Threshold, 2007-2018; American Community Survey, 2007-2018

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Why Do So Many Households Struggle?

The cost of household basics outpaces wages...

The Household Survival Budget reflects the bare minimum cost to live and work in the modern economy and includes housing, child care, food, transportation, health care, technology (a smartphone plan), and taxes. It does not include savings for emergencies or future goals like college or retirement. In 2018, household costs were well above the Federal Poverty Level of \$12,140 for a single adult and \$25,100 for a family of four.

	Single Adult	Two Adults	Two Adults Two School-Age Children	Two Adults Two in Child Care	Single Senior	Two Seniors
Housing	\$672	\$677	\$869	\$869	\$672	\$677
Child Care	\$0	\$0	\$449	\$1,293	\$0	\$0
Food	\$269	\$559	\$934	\$815	\$229	\$476
Transportation	\$339	\$511	\$808	\$808	\$293	\$419
Health Care	\$187	\$458	\$716	\$716	\$471	\$941
Technology	\$55	\$75	\$75	\$75	\$55	\$75
Miscellaneous	\$182	\$272	\$437	\$532	\$203	\$304
Taxes	\$301	\$444	\$522	\$745	\$308	\$448
Monthly Total	\$2,005	\$2,996	\$4,810	\$5,853	\$2,231	\$3,340
Annual Total	\$24,060	\$35,952	\$57,720	\$70,236	\$26,772	\$40,080
Hourly Wage	\$12.03	\$17.98	\$28.86	\$35.12	\$13.39	\$20.04

Sources: ALICE Household Survival Budget, 2018; Bureau of Labor Statistics, Occupational Employment Statistics, 2018

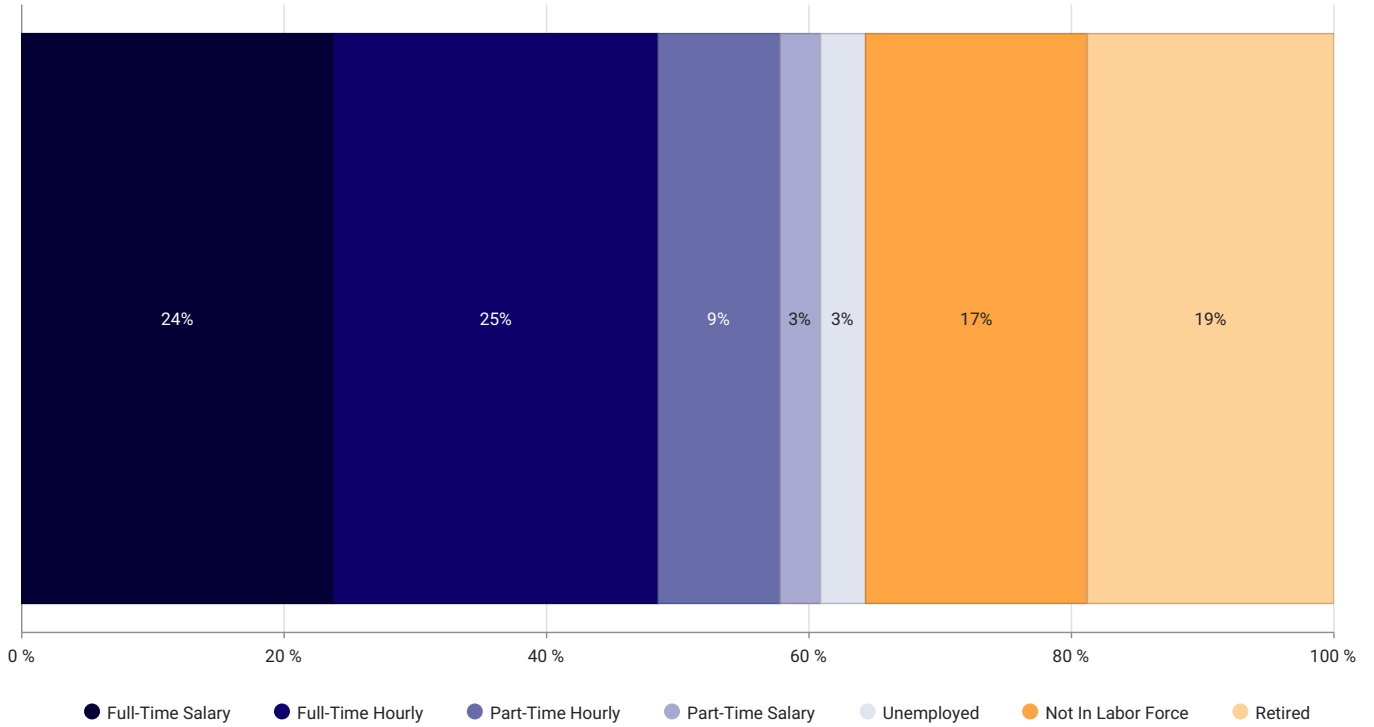
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...and the labor landscape is challenging for ALICE workers.

A breakdown of the labor force shows a small portion of adults (16 years and older) who are unemployed and a large number who are working. However, a significant portion of full- and part-time workers are paid by the hour; these workers are more likely to have fluctuations in income and less likely to receive benefits. There is also a high number of workers outside of the labor force (people who are not employed and not looking for work), which has helped keep wages low: When more workers are available, employers have less incentive to raise wages to attract employees.

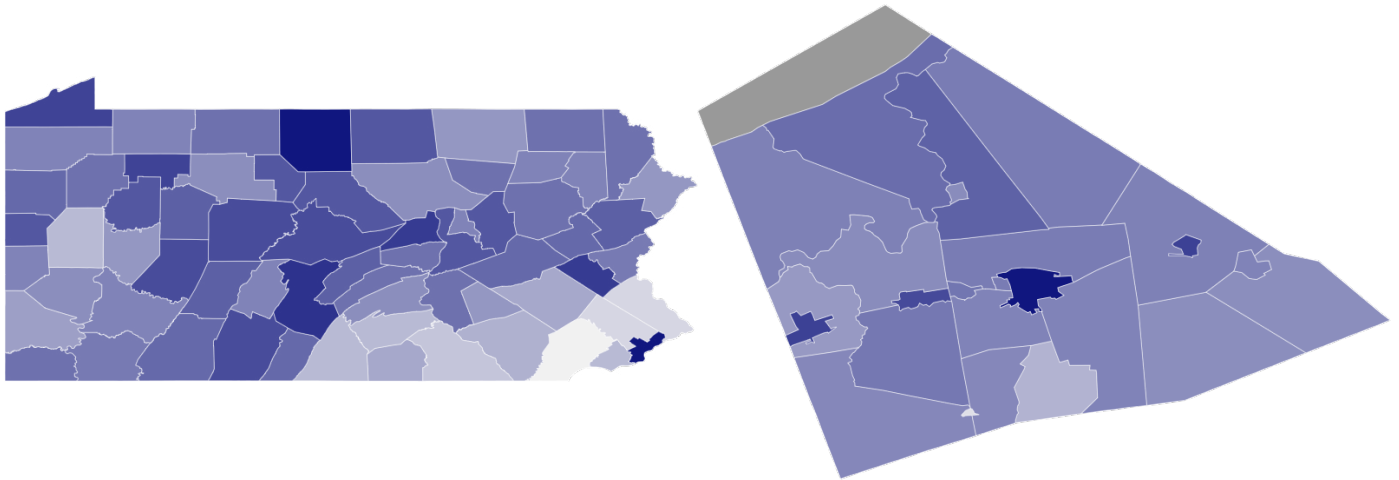


Note: Data for hourly full- and part-time jobs is only available at the national level; these national rates (51% of full-time workers paid hourly and 75% of part-time workers paid hourly) have been applied to the workforce at the county-level to calculate the breakdown shown in this figure. Because this figure sums county-level data (some using 1-year estimates and some using 5-year estimates), the state percentages may differ slightly from those shown in the 2020 Report. Full-time represents 35 hours per week or more at one or more jobs for 48 weeks per year.

Sources: American Community Survey, 2018; Federal Reserve Bank of St. Louis, 2018

How Does the Number of ALICE Households Vary Within the County?

There is significant variation in the number of households who live below the ALICE Threshold within the county.



Source: ALICE Threshold, 2018; American Community Survey, 2018

County Subdivision	Total Households	% Below ALICE Threshold
Annville township, Lebanon County, Pennsylvania	1,496	46%
Bethel township, Lebanon County, Pennsylvania	1,932	32%
Cleona borough, Lebanon County, Pennsylvania	889	34%
Cornwall borough, Lebanon County, Pennsylvania	1,775	17%
East Hanover township, Lebanon County, Pennsylvania	1,162	31%
Heidelberg township, Lebanon County, Pennsylvania	1,499	27%
Jackson township, Lebanon County, Pennsylvania	3,434	31%
Jonestown borough, Lebanon County, Pennsylvania	666	28%
Lebanon city, Lebanon County, Pennsylvania	9,943	60%
Millcreek township, Lebanon County, Pennsylvania	1,311	27%
Mount Gretna borough, Lebanon County, Pennsylvania	102	5%
Myerstown borough, Lebanon County, Pennsylvania	1,261	48%
North Annville township, Lebanon County, Pennsylvania	968	28%
North Cornwall township, Lebanon County, Pennsylvania	2,915	30%
North Lebanon township, Lebanon County, Pennsylvania	4,551	32%
North Londonderry township, Lebanon County, Pennsylvania	3,524	24%
Palmyra borough, Lebanon County, Pennsylvania	3,474	48%
Richland borough, Lebanon County, Pennsylvania	607	30%
South Annville township, Lebanon County, Pennsylvania	1,070	33%
South Lebanon township, Lebanon County, Pennsylvania	3,522	30%
South Londonderry township, Lebanon County, Pennsylvania	2,859	29%
Swatara township, Lebanon County, Pennsylvania	1,910	39%
Union township, Lebanon County, Pennsylvania	1,173	36%
West Cornwall township, Lebanon County, Pennsylvania	841	29%
West Lebanon township, Lebanon County, Pennsylvania	386	32%

Sources: ALICE Threshold, 2007-2018; American Community Survey, 2007-2018

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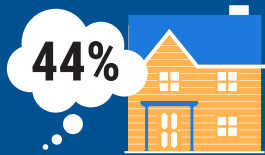
COVID-19 and ALICE IN PA

Results from United Way of PA's Aug. 2020 COVID-19 Impact Survey



SAVINGS

ALICE was vulnerable before the pandemic. During the COVID-19 crisis, 77% of respondents below the ALICE Threshold report having one month or less of savings.



HOUSING

44% of households below the ALICE Threshold are more concerned about paying housing expenses than contracting COVID-19.

64%



CHILD CARE

For families below the ALICE Threshold, 64% report reducing their hours or leaving a job to take care of their children during the pandemic.



INTERNET

Of households below the ALICE Threshold with children, 32% say they are concerned about internet access for distance learning.

58%



FOOD

58% of respondents below the ALICE Threshold report being unable to afford food, and 43% say they have used a food bank during the crisis.

EMPLOYMENT

70% of households below the ALICE Threshold report changes in employment, like loss of job or hours, and 52% applied for unemployment compensation.

70%



CHANGES IN EMPLOYMENT