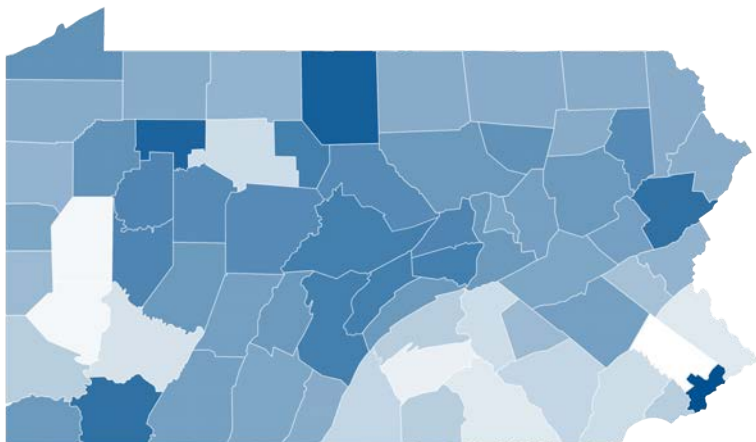


AN INTRODUCTION TO...

ALICE[®]

Asset Limited, Income Constrained, Employed



Below ALICE Threshold

29%



55%

37% of Pennsylvanians are working and struggling to make ends meet.

Download the full report at www.uwp.org/alice



United Way
of Pennsylvania

THE 2019 ALICE REPORT



The ALICE Project started as a single-county study of working poverty in Northern New Jersey, but has grown to encompass twenty states. The United Way of Pennsylvania ALICE Report shines light on a hidden population: hardworking households earning more than the Federal Poverty Level (FPL), but not enough to afford the basic cost of living. We call this demographic **ALICE**, an acronym for **A**sset **L**imited, **I**ncome **C**onstrained, **E**mployed.



United Way of Pennsylvania partnered with 32 Pennsylvania United Ways to bring the ALICE Report to our state. We are proud to be part of a grassroots movement to change the dialogue about financial hardship. The ALICE Report shows that ALICE is an integral part of the fabric of our economy and our communities.



The inaugural ALICE Report for Pennsylvania is a data-driven, comprehensive research project that gives us deeper insight into the lives of over a million Pennsylvanian households who are working, but struggle to afford household necessities. **Combined with households below the FPL, over one-third of Pennsylvanian households fall below the ALICE threshold.**



ALICE represents the men and women of all ages, races, and ethnicities who go to work each day but aren't sure if they can put dinner on the table at night or pay their rent. They are preschool teachers, home health aides, store clerks, and office assistants who are vital to all of our lives and who keep the economy going, yet struggle to pay their own basic bills.

Visit www.uwp.org/alice to download the United Way of Pennsylvania ALICE Report and join the community conversations around these issues. By raising awareness about ALICE and stimulating a fresh dialogue among community members and leaders we can, together, provide ALICE an opportunity to succeed.

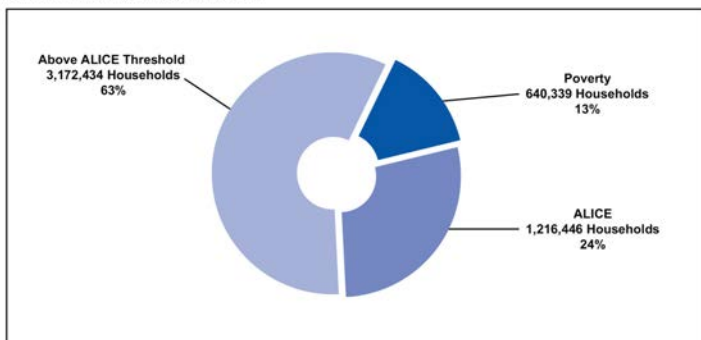
THE NUMBERS REVEAL A STORY

There are 1,216,446 ALICE households in Pennsylvania. These are households with income above the Federal Poverty Level (FPL) but below a basic cost-of-living threshold developed by the ALICE Report. **This is nearly double the number of Pennsylvania households counted in the official poverty rate (640,339 households.)**

In total, over 1.8 million households in Pennsylvania (37%) are earning less than the cost of a bare bones household budget. More than one in three households are walking a financial tightrope, unable to afford Pennsylvania's cost of living.

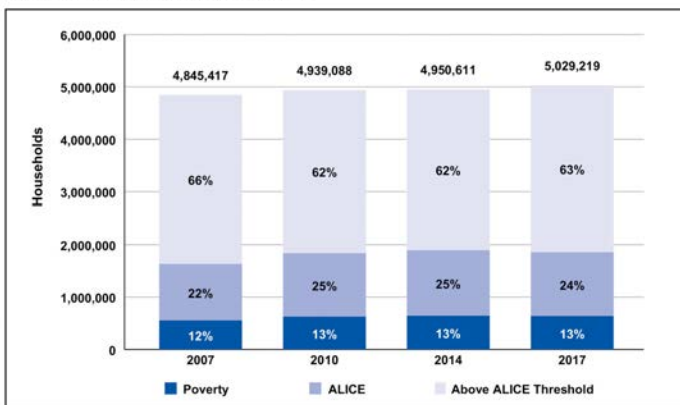
These households struggle to afford even the most basic necessities of housing, child care, food, health care, and transportation. By using new methods for measuring financial hardship, the United Way of Pennsylvania ALICE Report reveals a far broader and more serious problem than previously thought.

Household Income, Pennsylvania, 2017



Sources: American Community Survey, 2017; ALICE Threshold, 2017. For the Methodology Overview, visit our website: [UnitedWayALICE.org/methodology](https://www.alicereport.org/methodology)

Household Income, Pennsylvania, 2007 to 2017



Sources: American Community Survey, 2007–2017; ALICE Threshold, 2007–2017. For the Methodology Overview and additional data, visit our website: [UnitedWayALICE.org](https://www.alicereport.org)

WHO IS ALICE?

ALICE is not confined to any one race, ethnicity, age group, or gender. Anyone could be ALICE, now or in the future.



Race and Ethnicity

Nearly three-quarters of Pennsylvania's ALICE population are white due to the majority of households identifying as white. However, Black and Hispanic households are more likely to be ALICE. Black households represent 10% of Pennsylvania's ALICE population and 15% of households living below the ALICE threshold. Hispanic households, the fastest growing ethnic group in Pennsylvania, represent 5% of Pennsylvania households but 8% of households below the ALICE threshold.

Age

There are ALICE households in every age bracket in Pennsylvania. Households headed by people under the age of 25 are most likely to fall below the ALICE threshold because a large number (43%) are living at or below the FPL. Pennsylvanians age 65 or older are least likely to live in poverty (10%) but most likely to be ALICE (33%), showing that programs like Social Security keep seniors out of poverty, but do not enable financial self-sufficiency.



Household Type

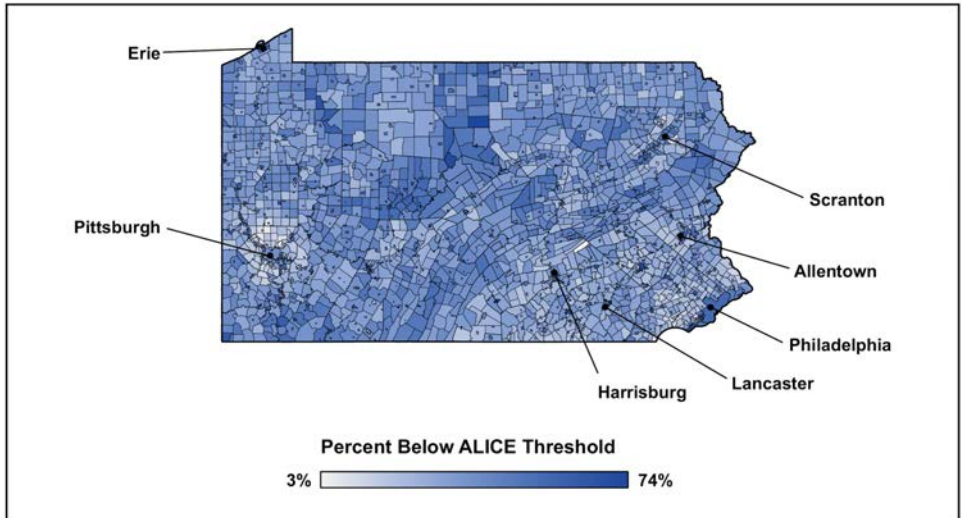
One of the most common ALICE household types are households with children, which is not surprising considering the cost of childcare, pre-school, and after-school care. Of Pennsylvania's 1.2 million families with children, nearly 400,000 had income below the ALICE Threshold (32%.) Most Pennsylvania families consist of married couples, however, children in families below the ALICE threshold are more likely to grow up in single parent households.

WHERE IS ALICE?

ALICE lives across Pennsylvania, in every county and every town. Contrary to stereotypes that suggest financial hardship exists primarily in cities and urban areas, ALICE can be found in rural, suburban, and urban Pennsylvania.

75% of Pennsylvania's county subdivisions have more than 30% of households living on an income below the ALICE threshold.

Percent of Households Below the ALICE Threshold by County Subdivision, Pennsylvania, 2017



Sources: American Community Survey, 2017; ALICE Threshold, 2017

Households Below the ALICE Threshold, Largest Cities and Towns in Pennsylvania, 2017

Largest Cities and Towns (Above 15,000 Households)	Number of Households 2017	Percent of Households Below ALICE Threshold 2017
Philadelphia	606,142	55%
Pittsburgh	137,442	38%
Allentown	43,480	56%
Erie	38,522	53%
Scranton	31,486	54%
Reading	28,765	67%
Bethlehem	27,995	50%
Lancaster	21,886	57%
Harrisburg	20,188	63%
Altoona	18,835	49%
Levittown	17,935	35%
York	16,510	67%
Wilkes-Barre	15,514	58%

Sources: American Community Survey, 2017; ALICE Threshold, 2017. For additional data, visit uwp.org/ALICE

THE COST OF LIVING IN PENNSYLVANIA

The cost of living in Pennsylvania varies greatly from county to county, but across the board it is clear that expenses have increased faster than wage growth.

The Household Survival Budget identifies the minimum cost option for each of the basic household items needed to live in the modern economy. Even using the thriftiest options, it costs on average \$59,340 to support a family of four in Pennsylvania (two adults, one infant, and one preschooler) which is over double the FPL rate of \$24,600. The Household Survival Budget for a single adult is \$20,760, nearly double the FPL rate of \$12,060.

Overall, the cost of household basics in the Household Survival Budget increased by 26% for a single adult and 33% for a family of four in Pennsylvania from 2007 to 2017. During the same ten-year period, median earnings increased by only 20% in Pennsylvania, putting a greater strain on households.

Household Survival Budget, Pennsylvania Average, 2017

Household Survival Budget, Pennsylvania Average, 2017		
	SINGLE ADULT	2 ADULTS, 1 INFANT, 1 PRESCHOOLER
Monthly Costs		
Housing	\$592	\$827
Child Care	\$-	\$1,229
Food	\$199	\$604
Transportation	\$309	\$617
Health Care	\$158	\$617
Technology	\$55	\$75
Miscellaneous	\$157	\$450
Taxes	\$260	\$526
Monthly Total	\$1,730	\$4,945
ANNUAL TOTAL	\$20,760	\$59,340
Hourly Wage*	\$10.38	\$29.67

*Full-time wage needed to support this budget

Sources: BLS, 2017—Consumer Expenditure Surveys; Consumer Reports, 2017—Best Low-Cost Cell-Phone; HUD, 2017—Fair Market Rents; IRS, 2017—SOI Tax Stats; Office of Child Development and Early Learning, 2018; Tax Foundation, 2017, 2018; USDA, 2017—Official USDA Food Plans. For the Methodology Overview and additional data, visit our website: UnitedForALICE.org.



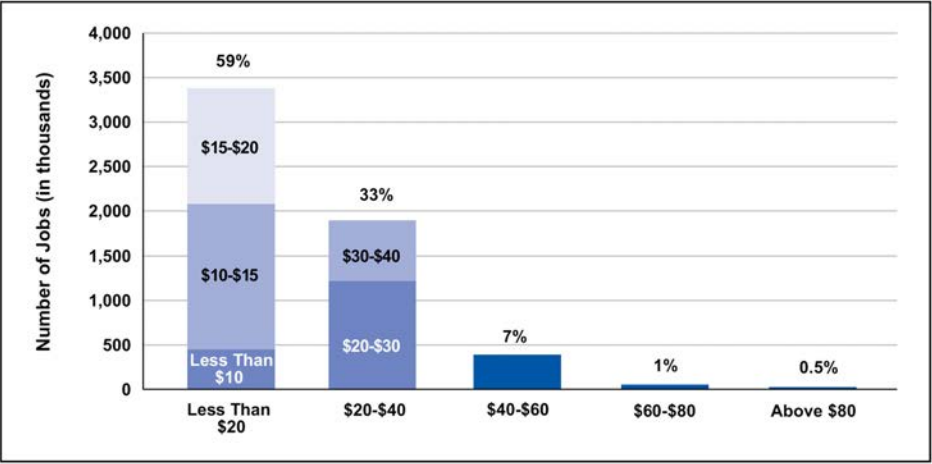
WHERE DOES ALICE WORK?

ALICE workers primarily hold jobs in occupations that build and repair our infrastructure and educate and care for our workforce. ALICE holds jobs that help our economy run smoothly, but many of them earn low wages that do not enable them to afford the Household Survival Budget.

Pennsylvania faces an economy dominated by low-paying jobs. 59% of jobs in the state pay less than \$20 per hour, with half of those paying between \$10 and \$15 per hour. A full-time job that pays \$15 per hour grosses \$30,000 per year, which is just about half of the Household Survival Budget for a family of four in Pennsylvania, \$59,340.



Number of Jobs by Hourly Wage, Pennsylvania, 2017



Source: Bureau of Labor Statistics, 2017—Occupational Employment Statistics

WHERE DOES ALICE WORK?

The most common jobs in Pennsylvania do not offer an income that supports the Household Survival Budget. 17 of the following occupations could support a single-adult household and 11 could support a family budget with two full-time, year-round income-earners. Only 3 could do with one earner. The most common occupation in Pennsylvania, retail sales, accounts for 167,480 jobs that pay on average \$10.89 per hour, or \$21,780 if full-time, year-round.

What's more, there has been a shift away from traditional, salaried, full-benefit jobs. While 60% of adults were working in 2017 in Pennsylvania, only 47% were working full-time (more than 35 hours per week, 50 weeks per year.)

Occupations by Employment and Wage, Pennsylvania, 2017

Occupation	Number of Jobs	Median Hourly Wage
Retail Salespersons	167,480	\$10.89
Office Clerks	154,400	\$15.48
Food Prep, Including Fast Food	148,680	\$9.06
Cashiers	147,200	\$9.15
Registered Nurses	143,130	\$32.80
Laborers and Movers, Hand	141,760	\$13.93
Customer Service Representatives	120,360	\$16.34
Personal Care Aides	109,980	\$11.26
Secretaries and Administrative Assistants	99,300	\$16.64
Waiters and Waitresses	98,000	\$10.24
Stock Clerks and Order Fillers	90,710	\$11.19
Janitors and Cleaners	89,920	\$12.46
Heavy and Tractor-Trailer Truck Drivers	80,810	\$21.54
General and Operations Managers	75,540	\$53.85
Nursing Assistants	75,020	\$14.13
First-Line Supervisors of Office Workers	66,920	\$27.38
Sales Representatives	60,570	\$28.94
Maintenance and Repair Workers	58,330	\$18.14
Bookkeeping and Auditing Clerks	57,760	\$18.32
Elementary School Teachers	54,140	\$31.17

WHY DOES ALICE MATTER?

We all have a vested interest in improving conditions for ALICE. When ALICE can't afford the basics, the costs are higher for these families and for the wider community.

ALICE Households Suffer Without Sufficient Income

When ALICE households don't have enough income, they have to make difficult choices to reduce their expenses. They may be forced to skimp on child care, healthy food, or car insurance. These trade-offs threaten their health, safety, and future.

If a family cannot afford child care in a quality facility, they may substitute with an inexperienced relative or miss out on work opportunities. To reduce housing costs, ALICE may move farther from work, resulting in a longer commute as well as burdens on infrastructure.

Other short-term survival strategies such as skipping preventative health care or a bill payment also have long-term penalties, such as poor health, fines, and larger bills in the future.

The Whole Community Suffers when ALICE has Insufficient Income

ALICE's existence has long-term implications for all of us. When ALICE workers cannot afford an emergency, let alone invest in their neighborhood, communities experience instability, higher taxes, or a decline in economic growth.

Without ALICE completing their vital jobs for our economy, productivity suffers for everyone. When ALICE children miss out on vital early learning opportunities, they become at risk for falling behind their peers.

When ALICE struggles, Pennsylvania struggles.



UNITED WAYS IN PENNSYLVANIA SUPPORT ALICE

ALICE LIVES IN EVERY COMMUNITY

In June 2019, Pennsylvania United Ways invested in a statewide data project to provide a comprehensive measure of financial hardship across our state. Pennsylvania joined nineteen other states to bring the ALICE Report to our communities. Before the ALICE Report, ALICE was a population and a community issue without a name or face. Now, we have a way to accurately identify households who are struggling on the path to financial stability. The ALICE Report provides the language to describe their challenges.

Despite recent reports of overall improvement in employment and gains in median incomes, the economic recovery in Pennsylvania since the end of the Great Recession in 2010 has been uneven. Many families continue to face challenges from low wages, depleted savings, and the increasing cost of basic household goods. The total number of Pennsylvania households that cannot afford basic needs increased 14 percent between 2007 and 2017.

United Way alone cannot change community conditions for ALICE. That is why we are using this data to engage corporations, faith-based organizations, government entities, and concerned citizens in a dialogue about how to help change the course for ALICE.

We hope you share our concern for this segment of the population, whose everyday struggles reach beyond personal trials to impact the wider community. We all have a vested interest in improving conditions for ALICE and we all have a part to play in the solutions.



ADVOCATE FOR ALICE

ADOPT POLICIES to SUPPORT ALICE



United Way of Pennsylvania calls on leaders at the state and national level to adopt policies that reduce the burdens ALICE encounters on a daily basis and help move them along their journey of financial stability. To see the full ALICE Legislative Agenda go to: www.uwp.org/alice/advocacy

- **PA 2-1-1: Connecting ALICE with Resources**
Each day, PA 2-1-1 is providing ALICE with resources to alleviate barriers they are facing, such as food insecurity and high utility bills.
- **Accessible and Affordable Child Care, Pre-k, and Head Start**
Child care is expensive, but it is an especially large burden for ALICE. It is about 25% of the ALICE survival budget for families with children, and it significantly impacts their ability to be financially stable.
- **Workforce Development Strategy**
Our communities and Commonwealth will be stronger when every individual and family, regardless of race or socioeconomic status, is financially stable and has opportunities for economic mobility.
- **Reliable and Accessible Transportation**
Reliable transportation is vital to ALICE to have the ability to get to work and take care of other obligations necessary for supporting their households, such as taking their children to child care or getting groceries.
- **Accessible and Affordable Housing Options**
Pennsylvania's working families are vulnerable to evictions and foreclosures, should their incomes be interrupted. Affordable housing strategies are one factor which will allow many ALICE families to advance toward financial stability.

HOW CAN YOU HELP ALICE?

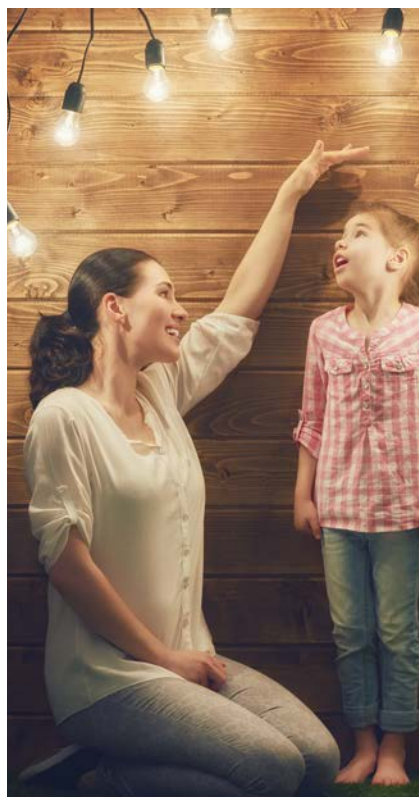
ALICE COUNCIL OF PARTNERS

United Way of Pennsylvania (UWP) has convened the Pennsylvania Council of United Way ALICE Partners. The purpose of this partnership is to facilitate collaboration on advocacy strategies with focus on the path to financial stability for ALICE households and households that currently live below the Federal Poverty Level. As a Council partner, you will have front-line access to UWP's advocacy information and be an integral part of moving our ALICE policy priorities forward, to lift these households into a more secure financial position. UWP will be focusing on issues such as accessible and affordable, high-quality child care, workforce development and transportation. State and local organizations or businesses are eligible to become members if they are committed to improving outcomes for health, education, and financial stability. Partners will also be expected to collaborate with United Way locally and on a statewide level. To learn more, contact Amanda McNaughton at amanda@uwp.org or (717) 238-7365 x206.

BECOME AN ALICE AMBASSADOR

Please join us in raising awareness about ALICE and creating dialogue with community leaders about how we can help ALICE on their path to financial stability.

- Invite United Way of Pennsylvania or one of our ALICE Partner United Ways to your table to share the details of ALICE with you
- Write a letter or submit an opinion piece to your local press
- Talk about ALICE with your neighbors, friends, family, and everywhere your community gathers
- Attend local government meetings and ask questions about ALICE and how we can respond to their needs
- Encourage your peers to help ALICE via volunteering or donating to UWP or their local United Way.
- Reach out to your state legislators, mayors, and elected officials. We make it easy at www.uwp.org/alice/advocacy



ALICE ACROSS THE UNITED STATES

ALICE EXISTS EVERYWHERE

Pennsylvania was the 20th state to join the ALICE movement. United Ways are pushing to change the conversation about financial need in communities all over the United States. We've found that ALICE doesn't just exist in one region, one state, or one city, but that ALICE lives and works everywhere. The following states have launched an ALICE report or are preparing to do so:

- Arkansas
- Connecticut
- Florida
- Hawaii
- Idaho
- Illinois
- Indiana
- Iowa
- Louisiana
- Maryland
- Michigan
- New Jersey
- New York
- Ohio
- Oregon
- Pennsylvania
- Tennessee
- Texas
- Virginia
- Washington
- Wisconsin



LEARN MORE

The full scope of the ALICE project can be found at

www.unitedforalice.org. It is a centralized place to view all the state reports, learn more about the methodology, and drill down into zip-code level data for each state.

If you have questions about the ALICE Project on a national level, please reach out to the United for ALICE team by going to

www.unitedforalice.org/contact-us

PA ALICE RESEARCH ADVISORY COMMITTEE

To produce the ALICE Report for Pennsylvania, a team of researchers collaborated with our Research Advisory Committee. These twelve representatives from across Pennsylvania both advised and contributed to the report.

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WHO MADE THE ALICE REPORT POSSIBLE?

The following United Ways brought the ALICE Report to Pennsylvania in 2019, in conjunction with United Way of Pennsylvania.

Centre County United Way	United Way of Lackawanna &
Clearfield Area United Way	Wayne Counties
Clinton County United Way	United Way of Lancaster
Greater Susquehanna Valley	County
United Way	United Way of Lawrence
Huntingdon County United	County
Way	United Way of Lebanon
Lycoming County United Way	County
Pocono Mountains United	United Way of Mifflin-Juniata
Way	Counties
Schuylkill United Way	United Way of Southwestern
United Way of Adams County	Pennsylvania
United Way of Berks County	United Way of Susquehanna
United Way of Bradford	County
County	United Way of the Capital
United Way of Carlisle and	Region
Cumberland County	United Way of the Greater
United Way of Chester County	Lehigh Valley
United Way of Clarion County	United Way of the Titusville
United Way of Columbia &	Region
Montour Counties	United Way of Venango
United Way of Erie County	County
United Way of Franklin County	United Way of Wyoming
United Way of Greater	County
Hazleton	United Way of York County
United Way of Greater	
Philadelphia and Southern	
New Jersey	

CONTACT US

Do you have questions about the ALICE Report or how you can help ALICE? United Way of Pennsylvania staff are available to talk about the report. Please contact us!



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**United Way
of Pennsylvania**

