

# The Connections between Deep Poverty, Poverty, and Labor Force Behavior in Long Beach

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## Introduction

Poverty and income inadequacy plague many urban areas in California. While poverty is not a measure of the quality of life within a community, it can serve as a rough measure of the portion of an area's population that have the cash incomes below a quite low threshold (\$20,870 for a family of three during 2016). These are often the households who are most likely to struggle in becoming or maintaining self-sufficiency. High poverty communities means reduced consumption, reduced savings, and diminished wealth with all of the implied insecurities associated with those reduced conditions. This paper examines the problems of poverty among adults in Long Beach in a labor market context. A large majority of households generate the bulk of their income from the job market in the form of earnings. In this paper we explore the interactions between poor persons and the labor market. In addition to the overall problem of poverty in the city, we also examine the city's 'deep poverty' population. Deep poverty refers to those households with exceptionally low cash incomes within a year. Households with incomes below 50 percent of the official poverty threshold are included in our counts of the deep poor in Long Beach.

The paper begins with a brief discussion about the data that we use to analyze poverty in the city and then focuses on the deep poverty problem in Long Beach. We explore some characteristics of the deep poor population including demographic traits as well as important socio-economic traits such as education, marital status, and disability status of householders. This analysis then immediately followed with a similar review of the overall poor population in Long Beach.

Our discussion next runs to the central role that educational attainment plays in influencing labor force activity in the city. We examine overall labor force participation of the working age (non-elderly) resident population of Long Beach. The analysis examines the labor force activity of the deep poor, poor, and non-poor population within the city and finds very low levels of labor force activity among the working age poor residents of the city. We examine employment stability in the city and find that employment instability is much more common among deep poor residents than others in the city's labor market.

Labor market disconnection is associated with very long spells of joblessness for a (non-enrolled) adult. We provide a set of measures of the size of the disconnected deep poor and poor population in Long Beach and compare this with the working poor population in the city, with

recent or even current work experience, but with earnings insufficient to raise household/family income above the poverty threshold.

## **Selection of Non-Elderly Adults to Examine Poverty Problems**

The measures of poverty, deep poverty, and the labor force status of the population in the City of Long Beach were prepared by the Center for Labor Markets and Policy at Drexel University using the public use microdata sample (PUMS) data files for the 2014 to the 2016 period derived from the American Community Survey (ACS). The ACS survey is monthly survey of households that ask a variety of questions about each member of the household related to a variety of demographic, social, economic, and housing characteristics of the responding household. The ACS makes individual responses to the questionnaire (with confidentiality protections) from each household within designated geographic areas available to researchers. These data files, when properly weighted and analyzed, can provide very keen insights to help answer important questions about many topics, including poverty. This paper, for example, analyzes poverty from a labor market perspective so we can better understand the inter-relationships between poverty, labor force attachment, and labor force disconnection. It helps us differentiate the poor population in the city with respect to their engagement with the world of work. We are able to both measure the size and characteristics of the city's working poor population as well as that of the labor market disconnected poor population of Long Beach.

In this report, we have examined poverty problems of non-elderly working-age adults, 16- to 64-years-old, excluding college students under 30 years of age during 2014 the 2016 period. Excluding both the elderly and most children from the deep poverty measure has little impact on deep poverty rates in areas used in our analysis. Indeed, not much difference is found between the incidence of deep poverty rates or poverty rates among the working-age population and the overall population. For example, in 2014-2016, deep poverty rate of non-elderly persons in Long Beach city was 7.6 percent, nearly identical to the deep poverty rate of all persons (7.9%). The difference in poverty rate between these two groups in Long Beach city was less than 2 percentage points.

Poverty status is not determined for people in military group quarters, dormitories, or unrelated individuals under 15 years of age. However, poverty is determined for college students living in off-campus housing. For college students living off-campus, poverty status is

determined by their total personal income. Evidence shows that college students living off-campus in places with considerable college student population result in significantly lower poverty rate measures.<sup>1</sup> For this reason, we have excluded college students under 30 years of age from all areas in our analysis. In Long Beach city, exclusion of college students under 30 yielded a 1.1 percent lower poverty rate for all persons in 2014-2016. For the entire U.S., exclusion of college students under 30 years of age yielded 0.9 percentage point lower poverty rate in 2014-2016.

Table 1:  
Comparisons of Deep Poverty Rates and Poverty Rates of All Persons and Non-Elderly Persons 16- to 64-years-old in Long Beach City, the Greater Long Beach Area, California, and the U.S., 2014 to 2016 (In Percent)

	All Persons	Persons, 16-64*	Difference
<b><u>% of Deep Poor</u></b>			
Long Beach City	7.9	7.6	-0.3
Greater Long Beach City	6.2	5.9	-0.3
California	5.8	5.7	-0.1
U.S.	5.7	5.6	-0.1
<b><u>% of Poor</u></b>			
Persons, 16-64			
Long Beach City	18.2	16.6	-1.6
Greater Long Beach City	16.2	14.6	-1.6
California	14.3	13.3	-1.1
U.S.	13.7	12.9	-0.8

Note: \* Excludes college students under 30 years of age.

Source: American Community Surveys 2014-2016, public use files, U.S. Census Bureau, tabulations by authors.

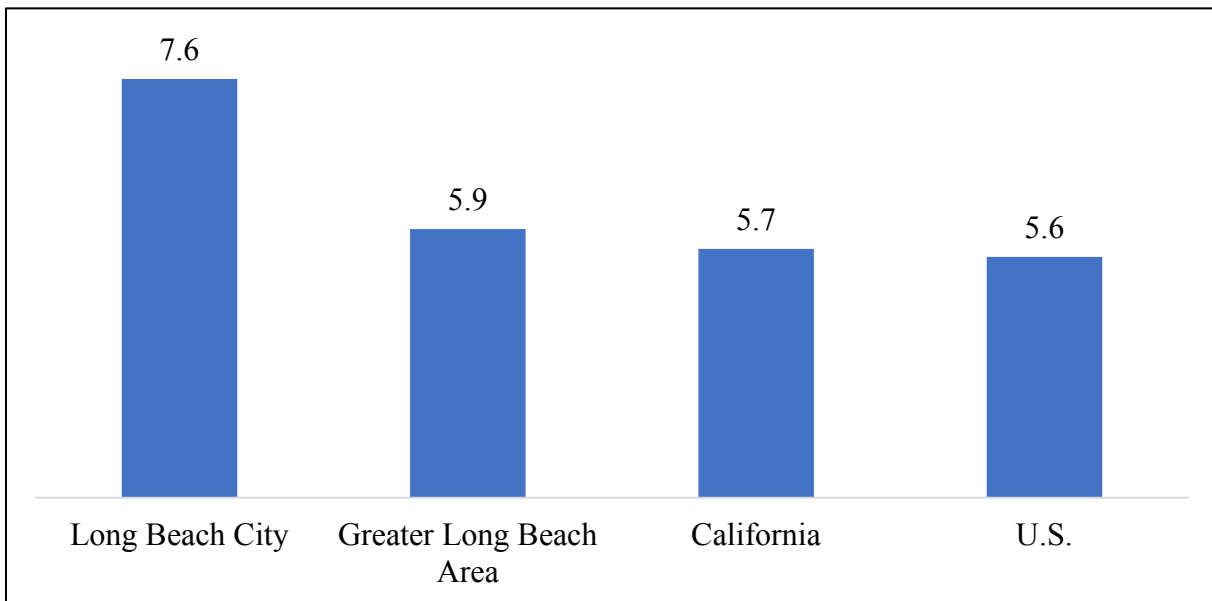
## **Deep Poverty and the Characteristics of the Working-Age Deep Poor Population**

In recent years, just under 17 percent of non-elderly working-age residents of Long Beach city lived in households with incomes below the official poverty threshold. A closer look at the data reveal that a large proportion of residents who are classified as poor live in households with incomes that are much lower than the official poverty threshold. Persons with

<sup>1</sup> See: Bishaw, Alemayehu, “Examining the Effect of Off-Campus College Students on Poverty Rates”, SEHSD Working Paper 2013-17, U.S. Census Bureau, Social, Economic & Housing Statistics Division, Poverty Statistics Branch.

incomes below 50 percent of the poverty threshold are classified as living in ‘deep poverty’. Findings for Long Beach city in 2014-2016 show that 7.6 percent of non-elderly adults had household incomes that were low enough to be classified as deep poor. The incidence of deep poverty in Long Beach city (7.6%) was more 1.25 times higher than in the Greater Long Beach area (5.9%), California (5.7%), and the U.S. (5.6%).

Chart 1:  
Deep Poverty Rates of 16-64 in Long Beach City, the Greater Long Beach Area, California, and the U.S., 2014 to 2016 (In %)



Source: American Community Surveys 2014-2016, public use files, U.S. Census Bureau, tabulations by authors.

Deep poverty rates of Long Beach city non-elderly residents were more pronounced among women than among men. In 2014-2016, females had nearly a 3-percentage point higher deep poverty rates than their male peers (8.9% versus 6.2%) (Table 2). Women who were either foreign-born or a race-ethnic minority had higher incidence of deep poverty or poverty. In the Greater Long Beach area, deep poverty problems among men and women were somewhat smaller than in the Greater Long Beach area; however, the difference in deep poverty rate between males and females was almost equally large, 2.7 percentage points (4.5% among males and 7.3% among females). In California, the deep poverty rate among women in 2014-2016 was 6.7 percent, which was 2 percentage points higher than among men (4.7%). Findings for the entire U.S. were very similar.

Table 2:  
Deep Poverty Rates in Long Beach City, the Greater Long Beach Area, California, and the U.S.,  
Total and by Gender, 2014-2016 (In Percent)

Gender Group	Long Beach City	Greater Long Beach Area	California	U.S.
All (16-64)	7.6	5.9	5.7	5.6
Male	6.2	4.5	4.7	4.6
Female	8.9	7.3	6.7	6.6

Source: American Community Surveys 2014-2016, public use files, U.S. Census Bureau, tabulations by authors.

Deep poverty rates of in Long Beach city, the Greater Long Beach area, California, and the U.S. also varied widely by race-ethnic origins. (Table 3). In 2014-2016, deep poverty rates in Long Beach city ranged from lows of 4.9 percent among persons in “other” race-ethnic group and 6 percent among non-Hispanic White to highs of 7.5-7.6 percent among Asians and Hispanics and 12 percent among African Americans. In the Greater Long Beach area, deep poverty rates among persons in the five race-ethnic groups was smaller than in Long Beach city. Four to five percent of non-Hispanic Whites, Asians, and persons from “other” race-ethnic origins were deep poor while 6 percent to just under 9 percent of Hispanics and African Americans were deep poor. California and the U.S. deep poverty rates among the persons in the five race-ethnic groups were quite similar.

Table 3:  
Deep Poverty Rates in Long Beach City, the Greater Long Beach Area, California, and the U.S.,  
by Race-Ethnic Groups, 2014-2016 (In Percent)

Race-Ethnic Group	Long Beach City	Greater Long Beach Area	California	U.S.
White	6.0	5.1	4.7	4.3
Black	12.0	8.7	10.0	9.8
Asian	7.6	4.2	4.1	4.1
Hispanic	7.5	6.3	6.6	7.3
Other	4.9	4.8	6.8	8.4

Source: American Community Surveys 2014-2016, public use files, U.S. Census Bureau, tabulations by authors.

The deep poverty rate varied widely by age. Teens and young adults (excluding college students) had a higher incidence of deep poverty than their older peers.<sup>2</sup> In Long Beach city, the deep poverty rate in 2014-2016 varied from a high of 13.6 percent among those in the 16- to 19-

<sup>2</sup> Part of this very high incidence of deep poverty among young people is associated with their disconnection from human capital development activities. For evidence, see Neeta P. Fogg and Paul E. Harrington, *The Human Capital Deficit of Disconnected Youth in Philadelphia*, Center for Labor Markets and Policy

year-old age group, to a low of 6.0 percent among the 55- to 64-year-old population. Among those in the 25- to 54-year-old age group, the deep poverty rates in the city were in the 6 to 7 percent range. In the Greater Long Beach area, deep poverty rates in the five age groups were lower than in Long Beach city. Similar patterns in deep poverty rates by age groups prevailed for persons in California and the U.S.; however, the deep poverty rate in Long Beach city in four of the five age groups was higher than in California and the U.S. Persons in 25- to 34-year-old age group in Long Beach city had lower deep poverty rate than in the U.S.

Table 4:  
Deep Poverty Rates in Long Beach City, the Greater Long Beach Area, California, and the U.S.,  
by Age Groups, 2014-2016 (In Percent)

Age Group	Long Beach City	Greater Long Beach Area	California	U.S.
16-24	13.6	9.3	8.7	8.9
25-34	6.1	5.5	6.2	6.5
35-44	7.4	5.8	5.5	5.3
45-54	6.8	5.3	4.6	4.5
55-64	6.0	4.7	4.6	4.2

Source: American Community Surveys 2014-2016, public use files, U.S. Census Bureau, tabulations by authors.

Persons with lower levels of educational attainment had a much greater likelihood of living in deep poverty than those with higher levels of educational attainment. This increased risk of very low household income among residents with low levels of educational attainment is unsurprising. Persons with low literacy and numeracy skills and fewer years of schooling are much more likely to have lower labor force attachment, higher unemployment and underemployment rates, lower full-time employment rates, and lower annual earnings.<sup>3</sup> Thus, less educated persons are more likely than their counterparts with higher levels of education to be in deep poverty. In Long Beach city, 12.3 percent of working-age persons without a high school diploma had income below 50 percent of the poverty line. Among the 22,300 deep poor

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<sup>3</sup> See: Irwin Kirsch, Henry Braun, Mary Louise Lennon and Anita Sands, *Choosing our Future: A Story of Opportunity in America*, Educational Testing Service, Princeton, January 2016; and Walter W. McMahon, “The Social and External Benefits of Education, in *International Handbook of the Economics of Education*, Geraint Jones and Jill Johns (Eds.) Edward Elgar Publishing Cheltenham UK, 2004 Goldin, Claudia D. and Lawrence F. Katz, *The Race between Education and Technology*. Boston MA: Harvard University Press, 2008 Neeta Fogg, Paul Harrington and Ishwar Khatiwada, *The Impact of Human Capital Investment on the Earnings of American Workers*, Educational Testing Service, Princeton, NJ Forthcoming, 2018 *The Human Capital Report, 2015*, World Economic Forum, Employment, Skills, and Human Capital Global Challenge Insight Report, 2015. ([http://www3.weforum.org/docs/WEF\\_Human\\_Capital\\_Report\\_2015.pdf](http://www3.weforum.org/docs/WEF_Human_Capital_Report_2015.pdf)).

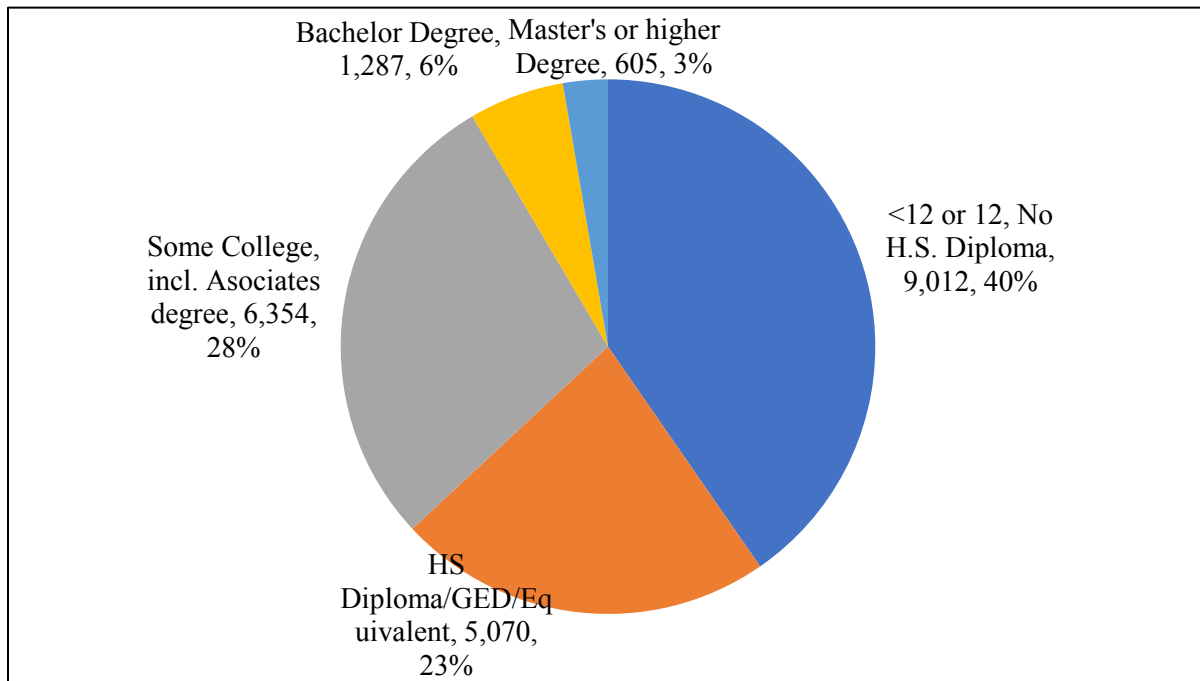


**Table 5:**  
**Deep Poverty Rates in Long Beach City, the Greater Long Beach Area, California, and the U.S.,**  
**by Educational Attainment Level Groups, 2014-2016 (In Percent)**

Educational Attainment Group	Long Beach City	Greater Long Beach Area	California	U.S.
<12 or 12, No H.S. Diploma	12.3	9.7	9.8	11.0
HS Diploma/GED/Equivalent	8.4	6.4	7.0	7.1
Some College, incl. Associates degree	7.6	5.1	5.0	4.8
Bachelor's Degree	2.5	2.4	2.8	2.3
Master's or higher Degree	2.3	2.1	2.0	1.7

Source: American Community Surveys 2014-2016, public use files, U.S. Census Bureau, tabulations by authors.

**Chart 2:**  
**Share of Long Beach City Working-Age Persons (aged 16-64) in Deep Poverty,**  
**by Educational Attainment, 2014 to 2016 Averages**



Source: American Community Surveys 2014-2016, public use files, U.S. Census Bureau, tabulations by authors.

persons in Long Beach city, 40 percent did not have a high school diploma and another 23 percent only had high school diploma or its equivalent (Chart 2). Thus, 63 percent of those in deep poverty had no schooling beyond high school. Among working-age residents of Long Beach city with a high school diploma, 8.4 percent lived in a household with incomes below the deep poverty threshold in 2014-2016. (Table 5). In contrast, slightly more than 2 percent of working age residents with a Bachelor's or higher degree faced deep poverty problems in the

city. In the Greater Long Beach area, deep poverty followed similar variation patterns, ranging from lows of 2.3-2.5 percent among Bachelor’s and Master’s or higher degree holders to highs of 8.4 percent among those without a high school diploma and 12.3 percent among those with a high school diploma only. Very similar findings on deep poverty rates by educational attainment levels prevailed for California and the U.S. (Table 5).

Disabled persons<sup>4</sup> were highly likely than their non-disabled peers to face deep poverty problems. In the four geographic areas in or analysis, disabled persons were 1.7 to 2.0 times more likely than those without disabilities to be in deep poverty. In Long Beach city, persons with disabilities were 6.8 percentage points more likely than their counterparts without disabilities to be in deep poverty (13.8% versus 7.0%). In the Greater Long Beach area, 9.4 percent of non-elderly persons with disabilities were in deep poverty while only 5.6 percent of persons without any disabilities were in this category. Similar size differences in deep poverty rates prevailed by disability status in California and the U.S.; but the deep poverty rate for the working-age population with disabilities in Long Beach city was higher than in California or the entire U.S. (Table 6).

Table 6:  
Deep Poverty Rates in Long Beach City, the Greater Long Beach Area, California, and the U.S.,  
by Disability Status, 2014-2016 (In Percent)

Disability Status Group	Long Beach City	Greater Long Beach Area	California	U.S.
Disabled	13.8	9.4	9.4	10.1
Not Disabled	7.0	5.6	5.4	5.1

Source: American Community Surveys 2014-2016, public use files, U.S. Census Bureau, tabulations by authors.

The deep poverty rate also varied by nativity status of persons. In 2014-2016, non-elderly foreign-born persons in Long Beach city had slightly higher poverty rate than native-born persons (8.2% among foreign-born versus 7.2% among native-born) (Table 7). In the Greater Long Beach area, deep poverty rates between foreign-born and native-born persons was nearly identical. In both California and the U.S., the deep poverty rate among the foreign-born persons was slightly higher than among native-born persons.

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<sup>4</sup> Persons with any one of these six disability problems are considered disabled- Hearing difficulty, vision difficulty, cognitive difficulty, ambulatory difficulty, self-care difficulty, and independent living difficulty.

Table 7:  
Deep Poverty Rates in Long Beach City, the Greater Long Beach Area, California, and the U.S.,  
by Nativity Status, 2014-2016 (In Percent)

Educational Attainment Group	Long Beach City	Greater Long Beach Area	California	U.S.
Foreign-Born	8.2	6.0	6.1	6.4
Native Born	7.2	5.9	5.5	5.4

Source: American Community Surveys 2014-2016, public use files, U.S. Census Bureau, tabulations by authors.

Deep poverty rates were also strongly linked to household living arrangements of individuals. Persons living in single-parent households had a sharply higher incidence of deep poverty than those living in married-couple households. Part of this difference is associated with a greater likelihood among married couple households to have at least one spouse with a bachelor’s degree. The share of householders with a college degree is much lower among single parent households. About 39 percent of householders in married couple families across the U.S. had a bachelor’s or higher degree; double the proportion found for householders of single parent families (19%). Thus, adults in married-couple households tend to be better-educated and are likely to have higher employment rates and access to occupations with higher wages. In contrast, single parent households, are more frequently characterized by a lower level of educational attainment, lower employment rates, and higher unemployment rates.

Working-age residents living in female headed family households (with no spouse present) in Long Beach city had a relatively higher deep poverty rate of 14.5 percent than those living alone or in non-family households (11.5%) and male-headed family households (with no spouse present) (11.2%). In contrast, only 2.4 percent of persons living in married couple households faced deep poverty problems in Long Beach city during the 2014-2016 period. Deep poverty rates in the Greater Long Beach area was highest among persons in non-family households (11.7%) followed closely by those in single parent families (9.7-9.8%) and lowest among persons living in married-couple households (2.4%). These findings patterns for California and the U.S. were similar (Table 8).

**Table 8:**  
**Deep Poverty Rates in Long Beach City, the Greater Long Beach Area, California, and the U.S.,  
by Household Living Arrangements, 2014-2016 (In Percent)**

Household Living Arrangements Group	Long Beach City	Greater Long Beach Area	California	U.S.
Married-Couple Families	2.4	2.4	2.4	2.0
Male-Headed Families	11.2	9.8	9.3	9.6
Female-Headed Families	14.5	9.7	10.8	11.7
Non-family households	11.5	11.7	10.8	10.6

Source: American Community Surveys 2014-2016, public use files, U.S. Census Bureau, tabulations by authors.

### Poverty Rates of the Working-Age Population

In the previous section of the report, deep poverty (incomes below 50 percent of the poverty threshold) status of non-elderly residents in Long Beach city, the Greater Long Beach area, California, and the U.S. were examined during 2014-2016. In this section of the report, poverty problems (incomes below 100 percent of the poverty threshold) will be examined for non-elderly adults during 2014-2016. The poverty rate of non-elderly persons in Long Beach city in 2014-2016 was just under 17 percent, which was higher than in the Greater Long Beach area (14.6%), California (13.3%), and the U.S. (12.9%). Females were more likely than males to be in poverty. Among females, the poverty rate in Long Beach city and the Greater Long Beach area was higher than in California and the U.S. The poverty rates in both Long Beach city and the Greater Long Beach area were higher among African Americans and Hispanics and lower among Asians and non-Hispanic Whites. One in four African Americans and Hispanics in Long Beach city were poor in 2014-2016.

Poverty rates also varied widely by age group. In Long Beach city, young adults (aged 16-24 years) faced the highest incidence of poverty (28%). The poverty rates of adults in the 25- to 64-year-old age group in Long Beach city were in the range of 14 to 16 percent during 2014-2016. The poverty rates for non-elderly persons in each of the five age groups in the Greater Long Beach area were lower than in Long Beach city. Poverty rates by age group followed similar patterns in California and the U.S.

Persons with a bachelor's or higher degree were less likely than their peers without any post-secondary education to face poverty problem. Persons with a Bachelor's or higher degree had

the lowest poverty rates while those without a high school diploma had the highest poverty rates. In 2014-2016, slightly more than 29 percent of Long Beach city residents without a high school diploma were in poverty while the poverty rates among those with a Bachelor's or higher degree was around 4-6 percent. (Table 9). Similar patterns of poverty rates by educational attainment levels prevailed in the Greater Long Beach area; however, the poverty rates in this larger geographic area was lower than in Long Beach city.

Persons with some type of disability had exceedingly higher poverty problems than persons without any type of disability. In 2014-2016, close to 31 percent of disabled persons in Long Beach city were poor while only 15 percent non-disabled persons faced poverty problems in the city. (Table 9). In the Greater Long Beach area, California, and the U.S., one-quarter of non-elderly disabled persons were poor while the poverty rate was in 11-14 percent range among non-disabled persons in these geographies.

Foreign-born persons were more likely to be in poverty than the native-born persons. In Long Beach city, 1 in 4 non-elderly foreign-born persons in 2014-2016 were poor while the poverty rate among the native-born persons was close to 15 percent. In the Greater Long Beach area, poverty rate among native-born and foreign persons were lower than in Long Beach city. In 2014-2016, foreign-born persons' poverty rate in the Greater Long Beach area was 17 percent in comparison to 13 percent among the native-born persons. In California and the U.S. also, poverty rates among foreign-born persons was higher than among the native-born persons.

Poverty rates of persons tend to vary considerably across family types and the presence of children at home. In 2014-2016, about 27 percent of persons living in female-headed households and 20 percent of persons living in male headed households in Long Beach city were poor. The poverty rate for persons in non-family households was also high (20.6%). In a sharp contrast, only 10.3 percent of persons living in married-couple households were poor. Findings were very similar in the Greater Long Beach area, California, and the US. In 2014-2016 (Table 9).

Table 9:  
Poverty Rates in Long Beach City, the Greater Long Beach Area, California, and the U.S., by  
Disability Status, 2014-2016 (In Percent)

Group	Long Beach City	Greater Long Beach Area	California	U.S.
All (16-64)	16.6	14.6	13.3	12.9
Male	14.7	12.7	11.7	11.0
Female	18.5	16.5	14.9	14.7
White	11.2	9.8	9.4	9.5
Black	21.3	17.1	20.7	21.7
Asian	13.1	8.4	8.7	9.1
Hispanic	20.2	18.5	17.7	18.9
Other	14.3	13.9	13.9	18.0
16-24	28.5	22.4	19.7	19.3
25-34	14.2	13.6	13.6	14.1
35-44	16.5	15.1	13.3	12.3
45-54	14.2	12.6	10.9	10.5
55-64	14.1	12.0	11.2	10.6
<12 or 12, No H.S. Diploma	29.4	25.5	24.7	25.9
HS Diploma/GED/Equivalent	19.8	16.5	16.4	16.3
Some College, incl. Associates degree	13.9	11.2	11.0	11.0
Bachelor's Degree	5.6	5.4	5.6	4.8
Master's or higher Degree	3.9	4.2	3.7	3.2
Disabled	30.8	25.2	24.5	26.2
Not Disabled	15.3	13.7	12.2	11.3
Foreign-Born	19.9	16.9	15.9	16.4
Native Born	14.8	13.1	11.8	12.1
Married-Couple Families	10.3	9.2	7.7	6.0
Male-Headed Families	20.1	19.2	18.6	18.8
Female-Headed Families	26.6	22.3	23.6	25.6
Non-family households	20.6	21.7	20.5	21.4

Source: American Community Surveys 2014-2016, public use files, U.S. Census Bureau, tabulations by authors.

## The Connection between Poverty Status, Educational Attainment, and the Labor Market

In the previous sections, links between deep poverty or poverty and educational attainment levels of working-age persons were examined. The likelihood of a working-age resident living in a household with below poverty level income or deep poverty level income is closely linked to their level of educational attainment. Findings showed that in comparisons to persons without any post-secondary education, persons with a college degree had a much lower incidence of poverty and deep poverty. Table 10 presents distributions of working-age poor adults in Long Beach city, the Greater Long Beach area, California, and the U.S. by educational attainment levels. In 2014-2016, 44 percent of Long Beach city's working-age poor did not have a high school diploma and another about one-quarter of those only had a high school diploma/GED. Thus, 68 percent of Long Beach non-elderly poor did not have any post-secondary schooling. The share of non-elderly poor adults with some college, including Associate's degree in Long Beach city was also quite high (23.7%). In contrast, only 8 percent of the poor in Long Beach city in 2014-2016 were those with Bachelor's or higher degree. A large majority of working-age residents of Long Beach city with poverty-related problems entirely lacked any post-secondary education. Findings for the Greater Long Beach area were quite similar (Table 10). In California and the entire U.S., share of high school dropouts in poor population was smaller than in Long Beach city and the Greater Long Beach area.

Table 10:  
Distributions of Working-Age Poor Adults 16- to 64-Years-Old in Poverty, by Educational Attainment, Long Beach City, the Greater Long Beach area, California, and the U.S., 2014 to 2016 Averages

Educational Attainment Level	Long Beach City	Greater Long Beach Area	California	U.S.
<12 or 12, No H.S. Diploma	44.0	45.3	39.4	32.7
HS Diploma/GED/Equivalent	24.4	25.2	26.7	33.7
Some College, incl. Associate's degree	23.7	21.3	22.7	24.0
Bachelor's Degree	5.9	6.1	8.2	7.0
Master's or higher Degree	2.1	2.1	3.0	2.6
Total	100.0	100.0	100.0	100.0
N (Numbers of Poor, in 1,000s)	49	123	3,041	24,152

Source: American Community Surveys 2014-2016, public use files, U.S. Census Bureau, tabulations by authors.

A strong connection between educational attainment and labor market success has developed as the job content has shifted away from goods-producing industries to service-producing industries. Goods-producing firms in construction and manufacturing are characterized by workers who acquire occupational and related behavioral skills primarily through formal and informal work experiences. The educational and training requirements, as well as the process through which workers acquire skills, are very different in service-producing industries. Some of the industries in the service-producing sector are primarily staffed by large shares of professional, technical, and managerial workers who primarily learn their skills by completing college and university degree and certificate programs. Other industries in the service-producing sector are characterized by large shares of jobs in lower skilled health care support, food preparation and service, building and grounds service, and personal care occupations where occupational skill and educational requirements are minimal with workers requiring little or no formal schooling above the high school level. Indeed, a substantial part of the rise in earnings inequality that has occurred in the city is a result of this most fundamental change in the city's industrial and occupational employment structure.

The extent of engagement in the job market among working-age residents of Long Beach city, the Greater Long Beach area, California, and the U.S. is closely related to their level of educational attainment. In Long Beach city, little more than half (54%) of all working-age residents without a high school diploma were engaged in the labor market at any point in time over the 2014 to 2016 period. Just under 49 percent of those without a high school diploma were employed and an additional 5.4 percent were unemployed. *About 46 of the city's working-age residents without a high school diploma were simply not engaged in the job market, meaning they were not working and were not looking for work.*

The labor force (employed + unemployed) participation rate among working-age residents with a high school diploma or GED in Long Beach city was substantially higher; 65 percent of the city's high school graduates were employed and another 8 percent were looking for work; yielding a labor force participation rate of 73 percent for this group. For those with some college, including an Associate's degree, post-secondary certificates, and college education without a credential, labor market engagement was considerably higher; with 81 percent of these persons actively participating in the job market: 74 percent were employed and 6 percent were looking for work. Among college graduates with a Bachelor's or higher degree, nearly nine out



of 10 were actively engaged in the labor force by working (85%) or looking for work or unemployed (3%).<sup>5</sup> Findings patterns were very similar in the Greater Long Beach area, California, and the U.S.

**Table 11:**  
**Percentage Distribution of the Resident Working-Age 16- to 64-Years-Old Population of Long Beach City, the Greater Long Beach Area, California, and the U.S. by Labor Force Status, by Level of Educational Attainment, 2014 to 2016 Averages**

Area/ Educational Attainment Level	Labor Force Status		
	Employed	Unemployed	NILF
<b>Long Beach City</b>			
<12 or 12, No H.S. Diploma	48.8	5.4	45.7
HS Diploma/GED/Equivalent	65.1	8.1	26.8
Some College, incl. Associate's degree	74.5	6.3	19.2
Bachelor's Degree	83.1	4.1	12.8
Master's or higher Degree	88.0	2.1	9.8
Total	68.9	5.7	25.4
<b>Greater Long Beach Area</b>			
<12 or 12, No H.S. Diploma	49.2	5.3	45.5
HS Diploma/GED/Equivalent	66.3	7.3	26.3
Some College, incl. Associate's degree	75.2	5.6	19.3
Bachelor's Degree	81.0	3.7	15.3
Master's or higher Degree	87.1	2.3	10.6
Total	68.3	5.4	26.4
<b>California</b>			
<12 or 12, No H.S. Diploma	48.5	6.0	45.5
HS Diploma/GED/Equivalent	66.5	7.1	26.4
Some College, incl. Associate's degree	73.6	5.4	21.0
Bachelor's Degree	81.2	3.8	15.1
Master's or higher Degree	84.8	2.8	12.4
Total	69.4	5.3	25.3
<b>U.S.</b>			
<12 or 12, No H.S. Diploma	44.4	6.6	48.9
HS Diploma/GED/Equivalent	68.0	6.2	25.8
Some College, incl. Associate's degree	75.8	4.5	19.7
Bachelor Degree	83.0	2.9	14.1
Master's or higher Degree	86.2	2.2	11.7
Total	71.0	4.8	24.2

Source: American Community Surveys 2014-2016, public use files, U.S. Census Bureau, tabulations by authors.

<sup>5</sup> The unemployment share discussed in this section is calculated as a proportion of the population (in each group). This differs from the official unemployment rate that is calculated as a proportion of the labor force, not the population.

The poverty status of working age persons is closely connected to their labor force activity. Findings in Table 12 presents deep poverty and poverty status of persons by their labor force status. Among individuals living in households with incomes below the poverty level, the labor force participation behavior was quite dismal. In 2014-2016, only 19 percent of persons in deep poverty in Long Beach city were employed, 21 percent were looking for work, and the remaining 59.6 percent of this population were not engaged in the job market by either working or looking for work.

Very low levels of labor force attachment were also prevalent among Long Beach city’s poor population. Fifty-three percent of poor working-age residents of Long Beach city opted to not participate in the job market at a point in time during 2014-16, and the remaining 47 percent of the city’s poor residents were distributed between employed (33%) and unemployed (14%). In contrast, 80 percent of the city’s non-poor working-age residents were engaged in the labor market and most of these individuals (76%) were working in any given month and only 4 percent were looking for work (unemployed).

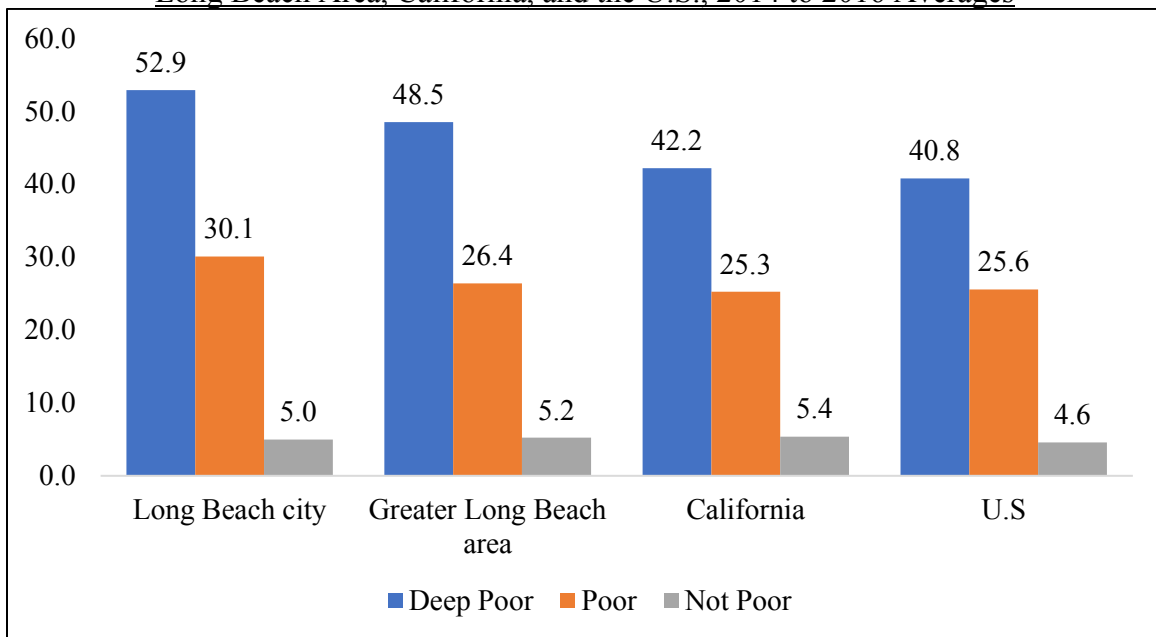
Table 12:  
Percentage Distribution of the Resident Working-Age 16- to 64-Years-Old Population in Long Beach City, the Greater Long Beach Area, California, and the U.S., by Poverty Status, 2014 to 2016 Averages

<b>Long Beach City</b>	Employed	Unemployed	NILF
Deep Poor	19.0	21.4	59.6
Poor	33.1	14.3	52.6
Not Poor	76.0	4.0	19.9
<b>Greater Long Beach Area</b>			
Deep Poor	19.4	18.3	62.2
Poor	35.8	12.9	51.3
Not Poor	73.7	4.1	22.1
<b>California</b>			
Deep Poor	22.6	16.5	60.9
Poor	36.4	12.3	51.3
Not Poor	74.2	4.2	21.3
<b>U.S.</b>			
Deep Poor	24.3	16.7	58.9
Poor	35.8	12.3	51.8
Not Poor	75.9	3.6	20.1

Source: American Community Surveys 2014-2016, public use files, U.S. Census Bureau, tabulations by authors.

These findings suggest that a substantial part of the problem of poverty is related to *very low levels of job market participation among the working-age poor persons*. The working poor seem to account for a relatively small share poor population. Even when the poor residents do participate in the labor market they are much more likely to be unemployed than their non-poor counterparts. Indeed, in 2014-2016, the official unemployment rate measure for the deep poor population in Long Beach city was stunning 52.9 percent; that is, more than half of the city’s deep poor residents who chose to participate in the labor market were unemployed. (Chart 3). Similarly, among the poor who participated in the labor force, the unemployment rate was 30 percent during 2014-2016. Among the non-poor in Long Beach city, the unemployment rate was only 5 percent. With such low chances of finding work, it is unsurprising to see depressed levels of labor force attachment among the city’s working-age poor and deep poor population. These findings were quite similar for the Greater Long Beach area.

**Chart 3:**  
The Unemployment Rates of 16- to 64-Year-Old Residents of Long Beach City, the Greater Long Beach Area, California, and the U.S., 2014 to 2016 Averages



Source: American Community Surveys 2014-2016, public use files, U.S. Census Bureau, tabulations by authors.

The discussion of the findings in Table 13 is restricted to the standard stock measure of employment (part of the broader measure of labor force behavior) that is produced and released

by federal and state statistical agencies every month. The stock measure is akin to taking a snapshot of employment at a point in time in a month and taking the average of these snapshots over the year. Table 13 presents findings on stock and flow employment by deep poor and poor status in Long Beach city, the Greater Long Beach area, California, and the U.S. in 2014-2016. Findings with stock measure of employment show that 76 percent of non-poor working-age Long Beach city residents were employed in each month over the 2014-2016 period.

Another useful way to measure employment is to examine the flow of persons who ever work over the course of a year. While the large majority of workers remain employed over the course of the entire calendar year, it is also the case that workers move in and out of employment over the course of a year; voluntarily or involuntarily. The ACS PUMS data files allow the measurement of the flow of persons into and out of employment over the course of a year. Using these measures, we have produced the number and percent of city residents who worked at any time over the course of an entire year. There was a relatively small difference between the stock of non-poor persons who were employed each month (76%) compared to the total flow of non-poor persons who ever worked over the course of the year (80%); representing a difference of just 4 percentage points between the flow and stock employment measures.

Among the poor and deep poor populations, there were much larger differences between the shares of persons who were employed at least for some period over the entire year (the flow measure), relative to the shares of persons employed on at a given point in time each month over the course of a year (the stock measure). In Long Beach city, among the deep poor persons, the flow measure yielded employment rate of only 27.6 percent in comparison to 19.0 percent employment rate with stock measure. Among the deep poor population, the stock measure of employment (employed at a point in time during each month) was about 33 percent whereas the flow measure of employment was 39.6 percent (employed at some time over the entire year); a difference of 8 percentage points.

Among poor aged 16-64 Long Beach city residents, 33 percent were working at a point in time, that is, the mean monthly employment rate for this group was 33 percent. In contrast, about 40 percent of the poor working-age residents were employed at some point over the entire year. The difference between the flow and stock measures of Long Beach city's employment rate

among poor residents is 6.5 percentage points. Findings followed similar patterns for the Greater Long Beach area.

Table 13:  
The Flow and Stock Measures of the Employment to Population Ratio  
among 16- to 64-Year-Old Residents of Long Beach City, the Greater Long Beach Area,  
California, and the U.S., 2014 to 2016 Averages

	Stock of Employed	Flow of Employed
<b>Long Beach City</b>		
Deep Poor	19.0	27.6
Poor	33.1	39.6
Not Poor	76.0	80.1
<b>Greater Long Beach Area</b>		
Deep Poor	19.4	27.4
Poor	35.8	42.1
Not Poor	73.7	78.0
<b>California</b>		
Deep Poor	22.6	31.5
Poor	36.4	44.5
Not Poor	74.2	79.4
<b>U.S.</b>		
Deep Poor	24.3	34.7
Poor	35.8	45.0
Not Poor	75.9	81.3

Source: American Community Surveys 2014-2016, public use files, U.S. Census Bureau, tabulations by authors.

Comparing the flow of persons through employment over the course of the year relative to the stock of employed persons at a point in time can provide useful insights into the level of employment stability for different population groups. Table 14 provides data on the employment flow to stock ratios among 16- to 64-year-old residents in for geographic areas in our analysis. In 2014-2016, about 6,200 deep poor residents of the city worked at some point over the entire calendar year, but at a point in time in any given month only 4,200 persons were employed; yielding a flow to stock employment ratio of 1.45. This ratio was only 1.19 for poor working-age residents and just 1.05 for non-poor residents of the city. These findings suggest a dramatically higher level of employment instability among poor and deep poor persons in Long Beach city.

The 0.95 employment flow to employment stock ratio for non-poor working age Long Beach city residents implies a comparatively high level of employment stability within this

population with persons leaving or entering employment relatively infrequently. That is, to maintain the point in time level of employment each month of 187,300 only 197,500 non-poor

Table 14:

The Annual Flow of Employed Persons, the Monthly Stock of Employed Persons, and the Flow/Stock Ratio of Employed Persons in Long Beach City, the Greater Long Beach Area, California, and the U.S., by Poverty Status, 2014 to 2016 Averages

	Stock of Employed	Flow of Employed	Flow to Stock Ratio
<b>Long Beach City</b>			
Deep Poor	4,244	6,166	1.45
Poor	16,266	19,429	1.19
Not Poor	187,308	197,498	1.05
<b>Greater Long Beach Area</b>			
Deep Poor	13,616	9,668	1.41
Poor	51,644	44,012	1.17
Not Poor	559,633	528,828	1.06
<b>California</b>			
Deep Poor	412,028	295,157	1.40
Poor	1,351,722	1,105,682	1.22
Not Poor	16,725,783	14,754,983	1.13
<b>U.S.</b>			
Deep Poor	3,658,002	2,561,512	1.43
Poor	10,867,018	8,655,541	1.26
Not Poor	133,003,575	124,158,947	1.07

Source: American Community Surveys 2014-2016, public use files, U.S. Census Bureau, tabulations by authors.

persons city residents worked over the course of the entire year—a condition of relative employment stability for this population. It is somewhat puzzling that in contrast to the findings for the Greater Long Beach area, California, and the U.S., ratio of stock to flow employment measure among the non-elderly poor in Long Beach city was quite stable. In contrast, the findings for the deep poor population in the Long Beach city revealed much diminished employment stability. The ‘churn rate’- the flow of persons into and out of work over the course of the year for the deep poor population of 45 percent (1.45 flow to stock ratio) was much higher than that of the non-poor population; 0.09 percent (0.95 flow to stock ratio). These findings suggest that not only are deep poor residents of the city much less likely to have any employment over the course of the year, but also that when they do work their employment is much less stable than their non-poor counterparts.

In the following sections we provide a more careful examination of the labor market connections of the city's working-age population. We begin with an examination of the duration of labor market disconnection. Our 'not in labor force' measure provides an estimate of the number of individuals who are not in the job market in any given month; but this measure does not provide additional information regarding the duration of their labor market disconnection. These individuals move in and out of work over short periods of time or are disconnected from the employment for extended periods. In other words, is the low labor force participation in the city the product of churn or is it associated with a more profound disconnection from the world of work?

Future success in the labor market is heavily dependent on prior work experience. Persons with no work experience or even limited work experience have greatly diminished employment and earnings prospects. If working-age poor persons are disconnected from the labor market for an extended period of time and they do not have high levels of educational attainment, the likelihood of finding employment with the level of earnings sufficient to escape poverty is low.

A large body of research finds that work experience itself has a strong long-term impact on the earnings of workers; separate from the labor market rewards associated with strong basic skills and high levels of educational attainment. Efforts to reduce Long Beach city's very high level of poverty and dependency would differ radically between populations of working-poor with intermittent connections to the job market compared to poverty reduction efforts designed to help persons who are disconnected from the world of work for extended periods of time.

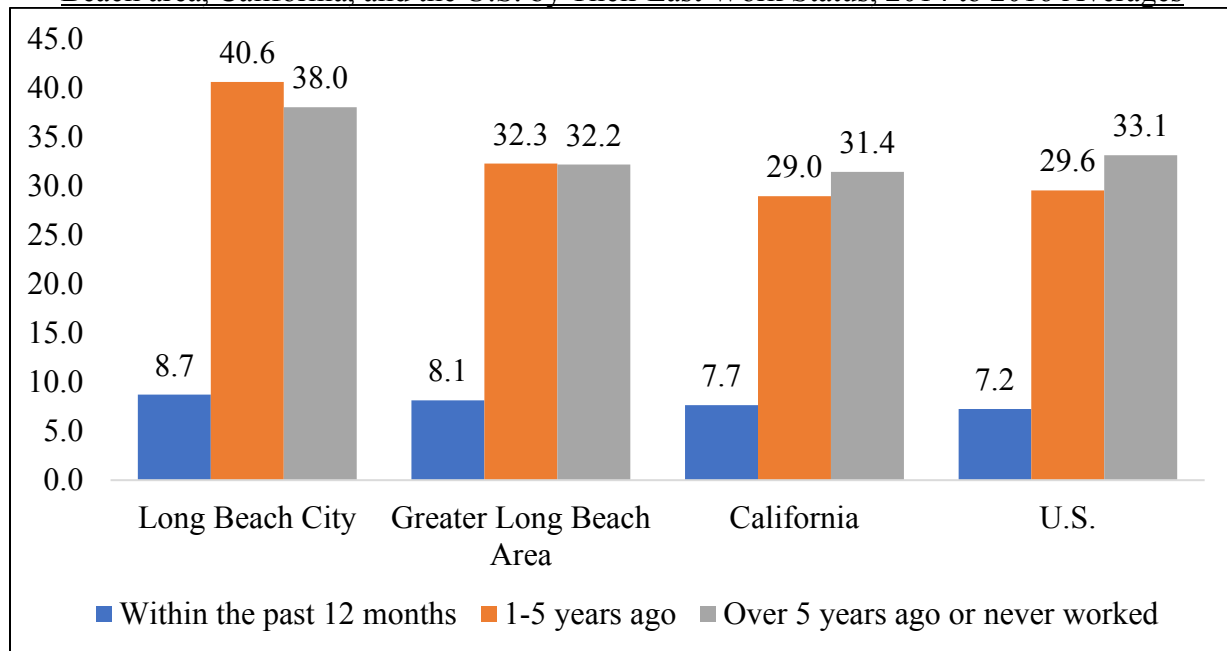
The second part of this section presents findings from an examination of the employment patterns of the much smaller working poor population in Long Beach city; that is, individuals who are employed in a given month, but are unable to generate the earnings needed to raise annual household income above the poverty level. Working poor persons have overcome, at least in part, some of the barriers to labor force participation that confront those who are out of the labor force. Often working poor persons are employed in part-time and/or part-year positions at low wages, and perhaps not infrequently, in casual, off-the-books, jobs.

## Poverty and Disconnection from the Labor Market

There is a strong link between the duration of labor market disconnection and incidence of poverty and deep poverty problems among working-age residents. We have analyzed the American Community Survey (ACS) 2014-2016 public use data files to examine the link between poverty and duration of labor market disconnection in Long Beach city, the Greater Long Beach area, California, and the U.S. One of the questions on the ACS asked respondents when they last worked even for just a few days. Respondents could check one of the three responses to this question: i) last worked within the past 12 months, ii) last worked 1 to 5 years ago, iii) last worked over five years ago or never worked. Based on these responses, we estimated poverty rates of non-elderly persons (aged 21-64)<sup>6</sup> by their last worked status in Long Beach city, the Greater Long Beach area, California, and the U.S.

Working-age individuals with long periods of time outside the job market are very likely to be poor. In Long Beach city, the poverty rate of persons aged 21 to 64 was closely associated

**Chart 4:**  
Poverty Rates of Non-Elderly Persons 21- to 64-Years-Old in Long Beach city, the Greater Long Beach area, California, and the U.S. by Their Last Work Status, 2014 to 2016 Averages



Source: American Community Surveys 2014-2016, public use files, U.S. Census Bureau, tabulations by authors.

<sup>6</sup> Work last time analysis is restricted to 21- to 64-year-old individuals to ensure that every individual has had at least 5 years since they turned 16 and became eligible for official employment.

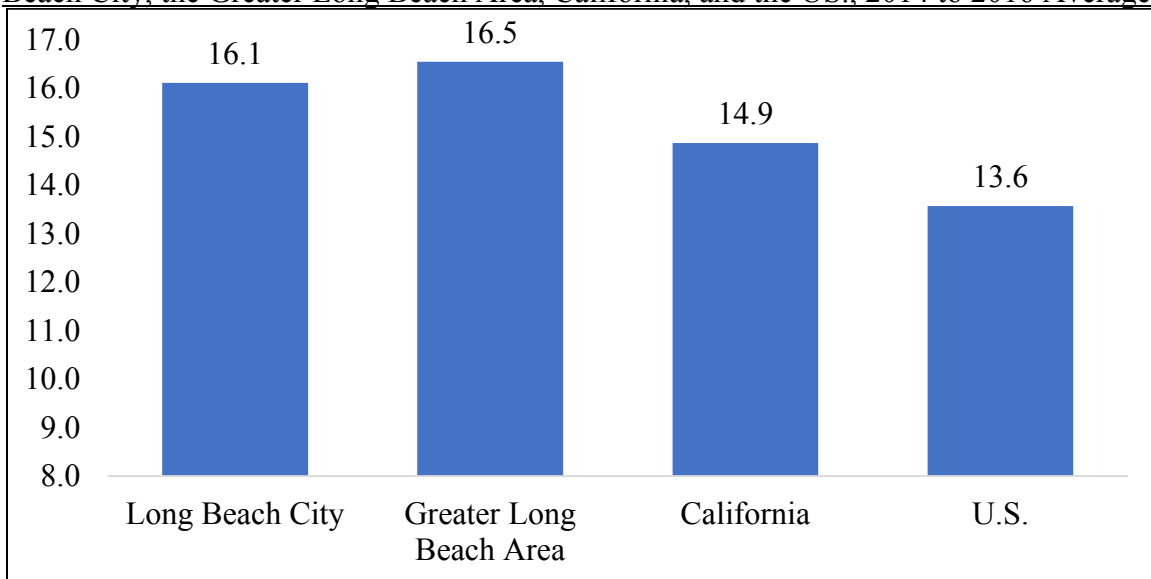


with the length of time since the last time they were employed. The poverty rate in 2014-2016 among those who had worked in the prior year was about 8.7 percent, on average. However, the likelihood of living in poverty skyrocketed among those city residents who had been out of work for long periods of time. The findings in Chart 4 reveal that nearly 41 percent of Long Beach city residents who had not worked in the prior year and whose prior employment was between 1 to 5 years ago were poor. Among those who had not worked in the past 5 years, the poverty rate was 38 percent.

These findings reveal a strong relationship between the risk of poverty and the duration of disconnection from the labor market. An examination of data in the Greater Long Beach area, California, and the U.S. reveal that the incidence of poverty among the long-term (5+ years) work disconnected population in 2014-2016 was in 31-33 percent range. Therefore, Long Beach city residents who were long-term disconnected from work were more likely to be poor than their peers in the Greater Long Beach area, California, and the U.S.

Not only is the likelihood of poverty in Long Beach city closely associated with long-term disconnection from the labor market, but the proportion of working-age adults who are disconnected from the labor market was also much greater in the city in comparison to the

Chart 5:  
Share of Residents 21- to 64-Years-Old Who Have Not Worked for at Least Five Years, in Long Beach City, the Greater Long Beach Area, California, and the U.S., 2014 to 2016 Averages



Source: American Community Surveys 2014-2016, public use files, U.S. Census Bureau, tabulations by authors.

Greater Long Beach area, California and the U.S. The combination of a greater likelihood of poverty among Long Beach city adults with long-term labor market disconnection and a much higher share of residents with long-term labor market disconnection in these areas underlies some of the sharply higher incidence of poverty. Chart 5 presents the overall proportion of adult residents (aged 21-64) who have been out of work for a minimum of five years. Sixteen percent of non-elderly adult residents of Long Beach city and the Greater Long Beach area between the ages of 21 and 64 have not worked for at least the previous five years, compared to 14-15 percent of their counterparts in California and the entire U.S.

The high poverty rate among working-age adults in Long Beach city and the Greater Long Beach area compared to California and the U.S. shows:

- A much greater likelihood of poverty among Long Beach city residents who are disconnected from work for five or more years relative to the Greater Long Beach area, California, and the U.S.
- A much higher rate of long-term disconnection from work among Long Beach city's residents compared to their counterparts in the state and the nation.

The problem of long-term disconnection from work was even more severe among deep poor adult residents of the city. At the time of the ACS 2014-2016 surveys, about 48 percent of non-elderly adults in deep poverty and 40 percent of those who were poor in Long Beach city reported to have last worked 5 years ago or never worked (Table 15). In contrast, only about 12 percent of the city's non-elderly adults with incomes above the poverty threshold reported to have last worked 5 years ago or have never worked. Findings for the Greater Long Beach area were nearly identical. Long Beach city and the Greater Long Beach area's deep poor adult population had a substantially higher long-term labor market disconnection rate than their peers in California and the U.S.; that is, about 48% in the city and the Greater Long Beach area versus 44% in California and 40% in the U.S. among deep poor adult residents; and about 39-40% in the Long Beach city and the Greater Long Beach area versus 36-37% in California and the U.S. among poor adult residents.

## The Working Poor in Long Beach City

The high rates of long-term disconnection from employment among poor adult residents of Long Beach city has meant that the city’s poor adult population had much smaller shares with any employment experience at all in the prior year. Even if we define the *working poor* population more broadly as adults aged 21 to 64 who worked at least one hour for pay or profit at any time over the last year, we still find that the working poor population accounted for only 30 percent of deep poor and 44 percent of overall poor adult resident population of the city (Table 15). In a sharp contrast, 84 percent of the city’s non-poor adult population had worked in the preceding 12 months.

Table 15:  
Distributions of 21- to 64-Year-Olds in Long Beach City, the Greater Long Beach Area, California, and the U.S. by Their Last Work Status and by Deep Poverty/Poverty Status, 2014 to 2016 Averages

	Deep Poor	Poor	Not Poor
<b>Long Beach City</b>			
Within the past 12 months	30.5	44.0	83.8
1-5 years ago	22.0	16.3	4.4
Over 5 years ago or never worked	47.6	39.7	11.8
Total	100.0	100.0	100.0
N	19,184	42,100	230,709
<b>Greater Long Beach Area</b>			
Within the past 12 months	29.7	45.9	82.0
1-5 years ago	22.6	15.1	5.0
Over 5 years ago or never worked	47.7	39.0	13.0
Total	100.0	100.0	100.0
N	42,685	105,313	665,345
<b>California</b>			
Within the past 12 months	33.2	47.5	82.8
1-5 years ago	22.8	15.5	5.5
Over 5 years ago or never worked	44.1	37.0	11.7
Total	100.0	100.0	100.0
N	1,150,172	2,684,908	18,555,545
<b>U.S.</b>			
Within the past 12 months	35.6	46.8	84.1
1-5 years ago	24.2	16.7	5.6
Over 5 years ago or never worked	40.2	36.5	10.3
Total	100.0	100.0	100.0
N	9,226,539	21,328,894	151,877,099

Source: American Community Surveys 2014-2016, public use files, U.S. Census Bureau, tabulations by authors.

These findings reveal that the vast majority of the city’s poor and deep poor residents were not part of the working poor. Rather, these were persons with substantial disconnection from the world of work. Our analysis has found that nearly three-quarters (70%) of the city’s deep poor residents and nearly two-thirds (56%) of poor residents had not worked a single day in the preceding 12 months. This stands in marked contrast to just 16 percent of their non-poor counterparts reporting no work in the prior year. Findings were very similar in the Greater Long Beach area. Long term disconnection from the world of work was the primary source of poverty in Long Beach city as well as in the Greater Long Beach area, California, and the U.S.

The Long Beach city has sharply above average shares of working age adults (aged 21-64) who are profoundly disconnected from the world of work—that is, not worked for at least five years. It seems likely that the problems of income inadequacy that confront the city’s working poor population are substantively different from those who are disconnected from the job market for very lengthy time periods.

### Characteristics of Long Term Disconnected in Long Beach City

In sections above, findings showed that non-elderly persons (aged 21-64) who were disconnected from the labor market were highly likely to be deep poor or poor in comparisons to their peers who were currently connected, i.e., working. In this section of the report, we examine demographic and socio-economic characteristics of non-elderly persons (aged 21-64) who were disconnected from the labor market for more than a year.<sup>7</sup> In Long Beach city, there were 60,878 non-elderly persons who last reported to work one year ago, representing 22.3 percent of the non-elderly (aged 21-64) population used in our analysis (Table 16). In the Greater Long Beach

Table 16:  
Numbers and Percent of 21- to 64-Year-Olds Who Were Disconnected from the Labor Market for More than 1 Year, Long Beach City, the Greater Long Beach Area, California, and the U.S., 2014 to 2016 Averages

Geographic Area	Numbers of Long Term Disconnected	Population (21-64)	% of Long Term Disconnected
Long Beach City	60,878	272,810	22.3
Greater Long Beach Area	176,804	770,658	22.9

<sup>7</sup> We have combined two categories of last work status variable (1-5 years ago and over 5 years or never) to define long term disconnected.

Geographic Area	Numbers of Long Term Disconnected	Population (21-64)	% of Long Term Disconnected
California	4,597,364	21,240,454	21.6
U.S.	35,568,731	173,205,993	20.5

Source: American Community Surveys 2014-2016, public use files, U.S. Census Bureau, tabulations by authors.

area also, about 23 percent of non-elderly persons were disconnected from the labor market for more than a year. The long-term disconnection rate in Long Beach city and the Greater Long Beach area was higher than in California (21.6%) and the U.S. (20.5%).

Findings in Table 17 presents the share of long-term disconnected non-elderly persons in the demographic and socio-economic subgroups of non-elderly population used in our analysis. Women were more likely than their male peers to be long-term disconnected from the labor market. In 2014-2016, twenty-nine percent of Long Beach city’s non-elderly women were disconnected from the labor market for more than a year while only 15 percent of men in the city were long-term disconnected. In the Greater Long Beach area, long-term labor market disconnection rates were similar for men (14.9%) and women (30.7%). In 2014-2016, the long-term disconnection rate of non-elderly women in Long Beach city, the Greater Long Beach area, and California were higher than in the entire U.S.

The long-term disconnection rate of non-elderly persons in Long Beach city varied by race-ethnic origins, ranging from lows of about 20 percent among non-Hispanic Whites and 22 percent among Hispanics to lows of 25 percent among African Americans to highs of about 28 percent among persons in “other” race-ethnic group. In the Greater Long Beach area, the long-term labor market disconnection rates in 2014-2016 were in the range of 21-22 percent among non-Hispanic White and African Americans to 24-25 percent among Hispanics and African Americans. Findings patterns on long-term labor market rates were quite similar in California and the U.S. with highest long-term disconnection rate prevailing among African Americans and the lowest rate prevailing among non-Hispanic Whites.

Table 17:  
Percent of 21- to 64-Year-Old Persons Who Were Disconnected From Labor Market 1-Year or  
More in Long Beach City, the Greater Long Beach Area, California, and the U.S., 2014 to 2016  
Averages

Group	Long Beach City	Greater Long Beach Area	California	U.S.
All	22.3	22.9	21.6	20.5
Male	15.4	14.9	14.4	14.8
Female	29.1	30.7	28.8	26.1
White	19.7	21.1	20.6	19.2
Black	25.5	25.3	27.3	25.2
Asian	23.4	21.9	20.7	20.3
Hispanic	22.4	23.6	22.2	21.6
Other	27.9	23.2	22.5	24.2
16-24	25.1	22.3	19.7	16.9
25-34	16.9	18.0	16.8	15.4
35-44	19.9	20.4	18.2	16.3
45-54	20.7	20.3	19.8	18.7
55-64	34.5	35.3	33.8	32.7
<12 or 12, No H.S. Diploma	34.9	34.5	33.4	37.5
HS Diploma/GED/Equivalent	28.7	27.5	26.4	25.5
Some College, incl. Associates degree	19.6	19.5	20.7	18.7
Bachelor's Degree	12.8	14.8	14.2	12.8
Master's or higher Degree	9.0	9.7	10.9	10.1
Foreign-Born	25.7	25.3	23.2	21.9
Native Born	20.3	21.2	20.7	20.2
Disabled	61.2	60.7	59.0	58.2
Not Disabled	18.7	19.6	18.2	15.9

Source: American Community Surveys 2014-2016, public use files, U.S. Census Bureau, tabulations by authors.

The long-term labor market disconnection rate also varied widely by age groups. The long-term disconnection rates were highest among 16- to 24-year-olds (25%) and 55- to 64-year-olds (34.5%) and were in the range of 17-20 percent among 25- to 44-year-old persons. Similar variations in the long-term labor market disconnection rate prevailed for non-elderly adults by age groups in the Greater Long Beach area in 2014-2016.

As expected, the long-term labor market disconnection rate varied widely by educational attainment levels. The long-term labor market disconnection rates were highest among those without any post-secondary education and lowest among those with Bachelor's or higher degree. About 35 percent of non-elderly adults in Long Beach city without a high school and 29 percent with a high school diploma/GED were disconnected from the labor market for more than 1 year. Among Bachelor's degree holders, the long-term labor market disconnection rate was about 13 percent while among Master's or higher degree holders, the long-term labor market disconnection rate was only 9 percent. Findings for the Greater Long Beach area, California, and the U.S. were very similar.

Foreign-born workers were in higher risk of being long-term disconnected from the labor market than their native-born peers. In Long Beach city, the long-term labor market disconnection rate in 2014-2016 among the foreign-born persons was close to 26 percent in comparison to 20 percent among the native-born persons. Very similar long-term disconnection rates prevailed for non-elderly native-born and foreign-born persons in the Greater Long Beach area. In California and the entire U.S., the long-term labor market disconnection rate among the foreign-born persons was lower than in Long Beach city and the Greater Long Beach area. Among non-elderly native-born persons, the long-term labor market disconnection rates in all the four geographic areas in our analysis was similar.

A high majority of non-elderly persons with some type of disability were disconnected from the labor market for more than a year. In Long Beach city, 61 percent of non-elderly persons were disconnected from the labor market in comparison to the long-term labor market disconnection rate of only about 19 percent among non-disabled persons. These rates for disabled and non-disabled persons were very similar in the Greater Long Beach area.