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# Racial Disparities in Buffalo-Niagara: Housing, Income, and Employment

## **Abstract**

In 2010, the Buffalo-Cheektowaga-Niagara Falls Metropolitan Statistical Area (MSA) encompassing both Erie and Niagara counties ranked as the sixth most segregated metro area in the nation. The region is also marked by severe disparities in income, employment, home ownership, and homelessness. In this brief, we present information for Buffalo and, in many cases, comparisons with the similarly situated cities of Milwaukee, Cleveland, Rochester, and Pittsburgh.

## **Keywords**

data, buffalo, inequality, segregation

## Racial Disparities in Buffalo-Niagara: Housing, Income, and Employment

Robert Johnson and Clint McManus

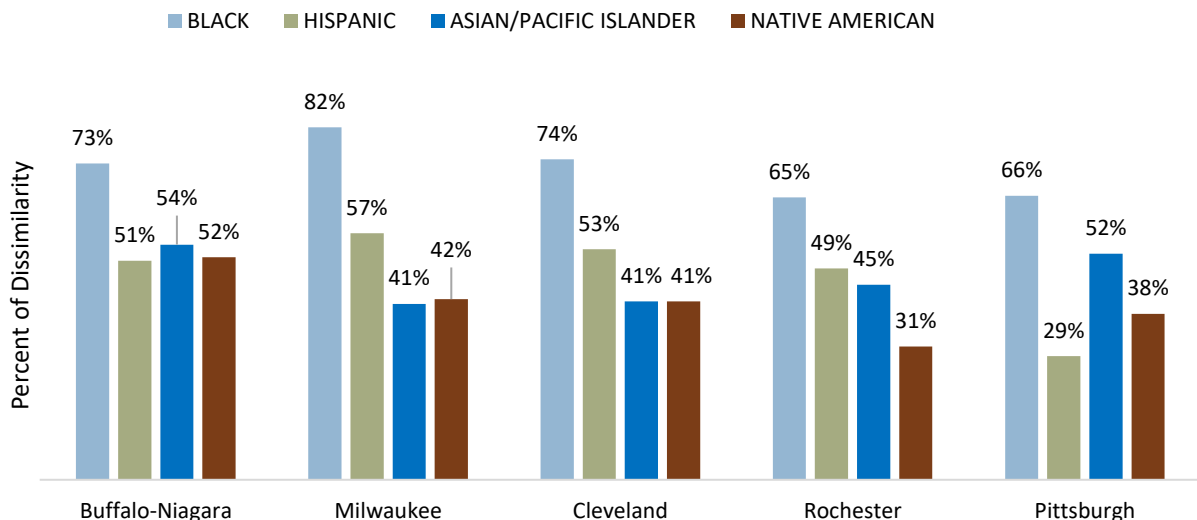
Like many cities in the Great Lakes region, Buffalo-Niagara suffers from severe racial inequality and segregation. In 2010, the Buffalo-Cheektowaga-Niagara Falls Metropolitan Statistical Area (MSA)—encompassing both Erie and Niagara counties—ranked as the sixth most segregated metro area in the nation.<sup>1</sup> The region is also marked by severe disparities in income, employment, home ownership, and homelessness. In this brief, we present information for Buffalo and, in many cases, comparisons with the similarly situated cities of Milwaukee, Cleveland, Rochester, and Pittsburgh.

### Segregation

Segregation can be measured with dissimilarity and isolation indexes. Dissimilarity measures the evenness with which one racial population group is located (or segregated) within a metro area, with respect to another racial group.<sup>2</sup>

### Segregation of the Population: Dissimilarity with Whites (2010):

Source: Brandeis University DiversityData.org,



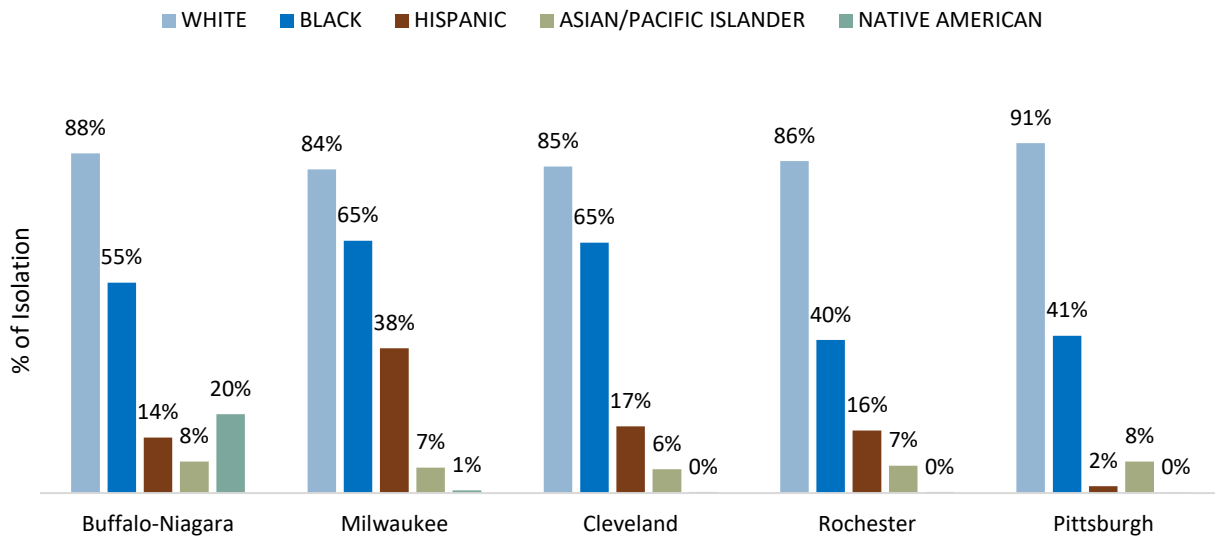
**Definition:** The dissimilarity index measures the proportion of one racial group that would need to relocate to another census tract for that racial group to be distributed across the metro area like a second racial group. A value of "0%" reflects absolute integration; a value of "100%" reflects absolute segregation<sup>3</sup>.

The chart, "Segregation of the Population: Dissimilarity with Whites (2010)" displays the dissimilarity between Buffalo-Niagara's white population and the city's other racial and ethnic groups. In Buffalo-Niagara, 73% of all black residents would need to relocate to a new census tract in order to achieve full integration between the black and white populations. For Asian, Hispanic /Latino, and Native America residents, dissimilarity with white residents stands at or above 50%.

In 2010, Buffalo-Niagara had a black-white dissimilarity index of 73.2%, the 6<sup>th</sup> highest in the nation (Diversity Data 2010). Milwaukee (81.5%) ranked 1<sup>st</sup>, and Cleveland (74.1%) ranked 5<sup>th</sup> amongst the nation's major metropolitan areas. We turn now to the isolation index.

### Segregation of the Population: Isolation by Race & Ethnicity

Source: Brandeis University DiversityData.org



In Buffalo-Niagara the white isolation index sits at 88%, meaning that the average white resident lives in a census tract in which 90% of all residents are also white. This figure is similar in peer cities such as Milwaukee, Cleveland, Rochester, and Pittsburgh.

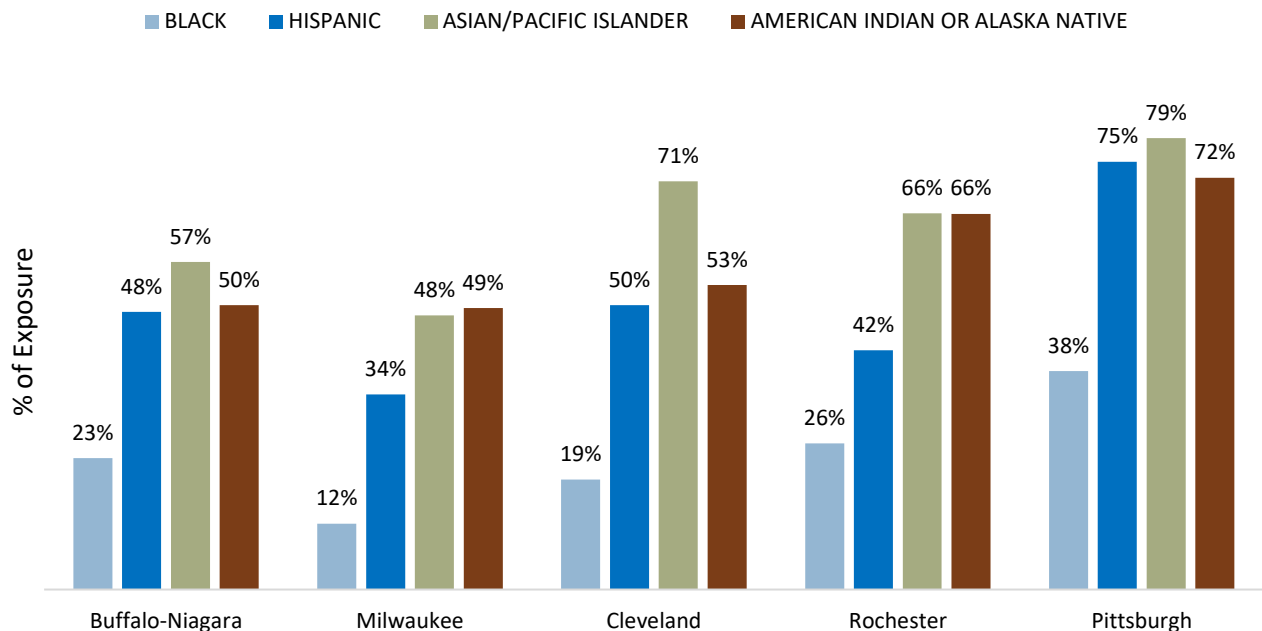
In the average neighborhood where black residents live, 54% of an individual's neighbors are likely to be black. Buffalo-Niagara ranks 15<sup>th</sup> in the country for its black isolation index percentage compared to Milwaukee (4<sup>th</sup>), Cleveland (6<sup>th</sup>), and Pittsburgh (36<sup>th</sup>) (Diversity Data 2010). By contrast, Buffalo-Niagara's Asian (8.2%), Hispanic (14.4%), and Native American (20.4%) residents, due in part to their smaller numbers, are much less isolated.

Predictably, segregation of the child population in Buffalo-Niagara follows the same trends. ‘Exposure to Whites’ illustrates in percentage form the possibility of interaction between a white person and a person of another racial group within the “average neighborhood” of a metropolitan area.

**Definition:** Exposure is a segregation measure referring to the degree of potential contact between group members of two racial groups within the average neighborhood. For instance, the white-black exposure index provides the average proportion of neighbors that are black, for the average neighborhood where whites live.

### Segregation of the Child Population: Exposure to White Residents by Race/Ethnicity

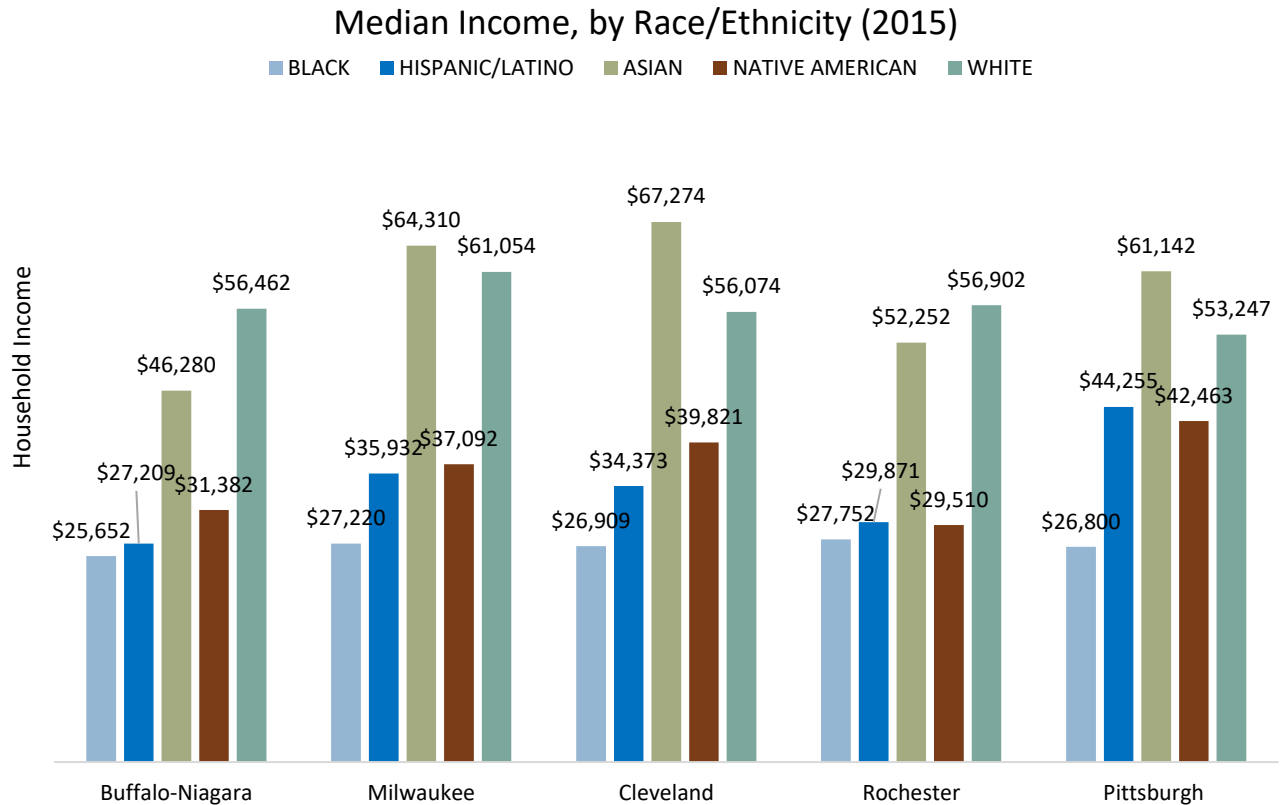
Source: Brandeis University DiversityData.org



According to these measures, in Buffalo-Niagara the average black child lives in a neighborhood where 77.1% of his or her neighbors are non-white. For this statistic, Buffalo-Niagara ranked 29<sup>th</sup> out of the 100 largest metro areas in the country<sup>4</sup> (Diversity Data 2010).

## Income Disparities

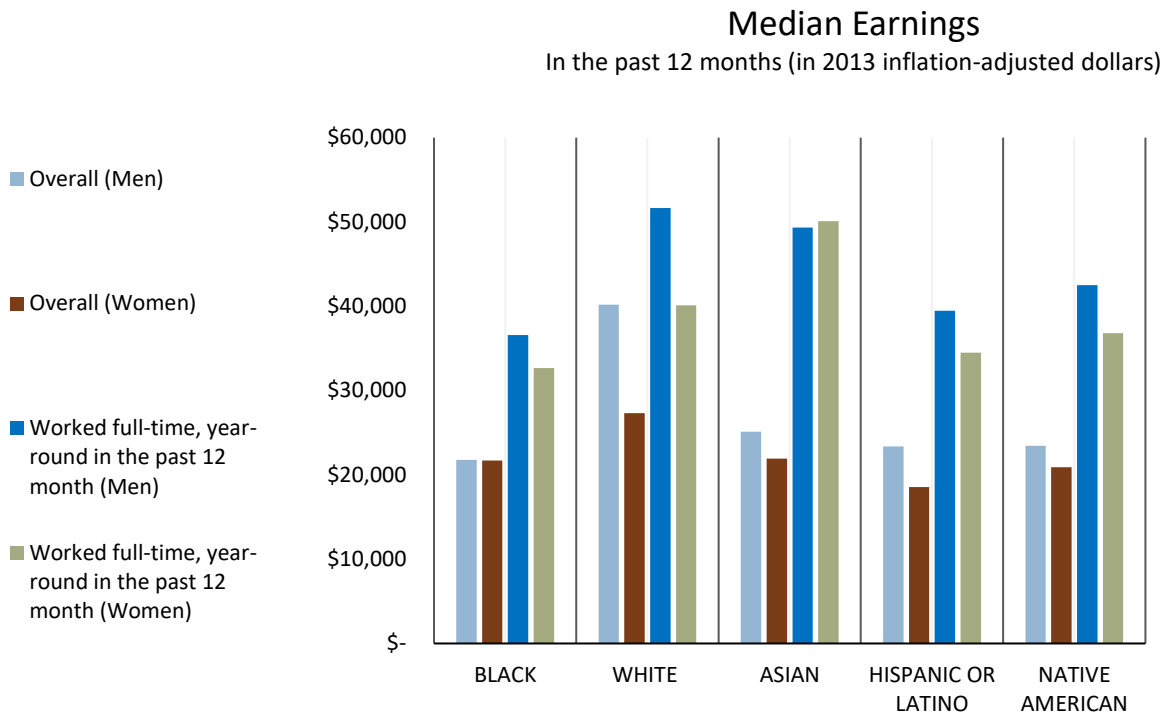
Income disparities between racial groups in Buffalo-Niagara are extreme, as they are in comparable cities.



Source: U.S. Census Bureau, 2011-2015 American Community Survey 5-Year Estimates

In Buffalo-Niagara, white residents had the highest median incomes in 2015 at \$56,462, just above the national average for households (\$53,889) for all population groups in that year<sup>5</sup>. By contrast, black and Latino residents in the region had overall median incomes of \$25,652 and \$27,209 respectively.

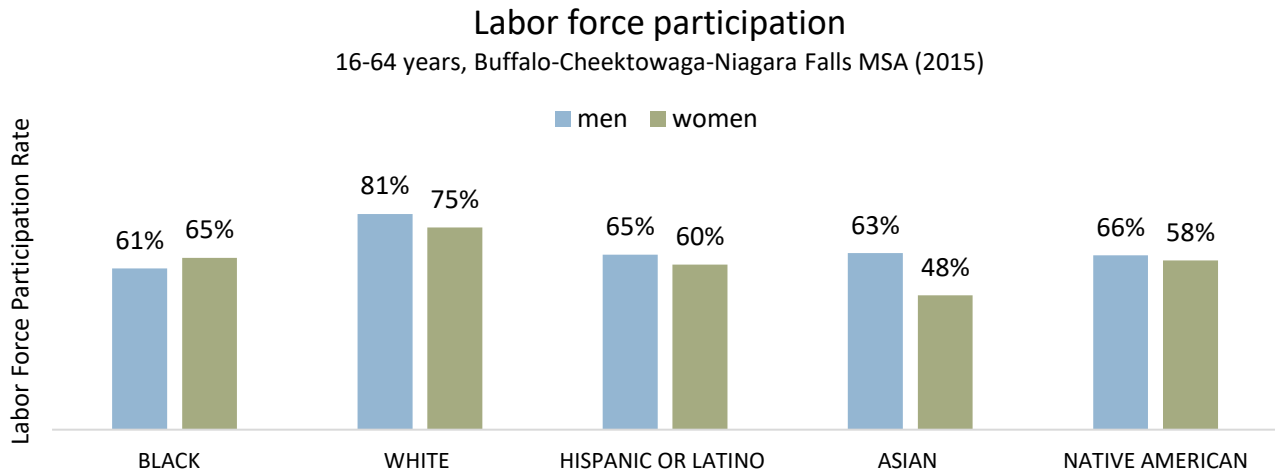
The chart, “Median Earnings,” includes individual work experience over the previous 12 months. Some of the difference in yearly income across racial groups stems from lower rates of full-time, full-year work among minority groups. Additionally, this chart reveals some of the income differences that exist between men and women when controlled for race and work experience. On the whole, men tend to have higher incomes than women, even when controls for work experience are put in place. White men working full-time earned the most in the Buffalo-Niagara region at \$51,668, while black men working full-time earned about \$14,000 dollars less on average.



Source: U.S. Census Bureau, 2009-2013 5-Year American Community Survey

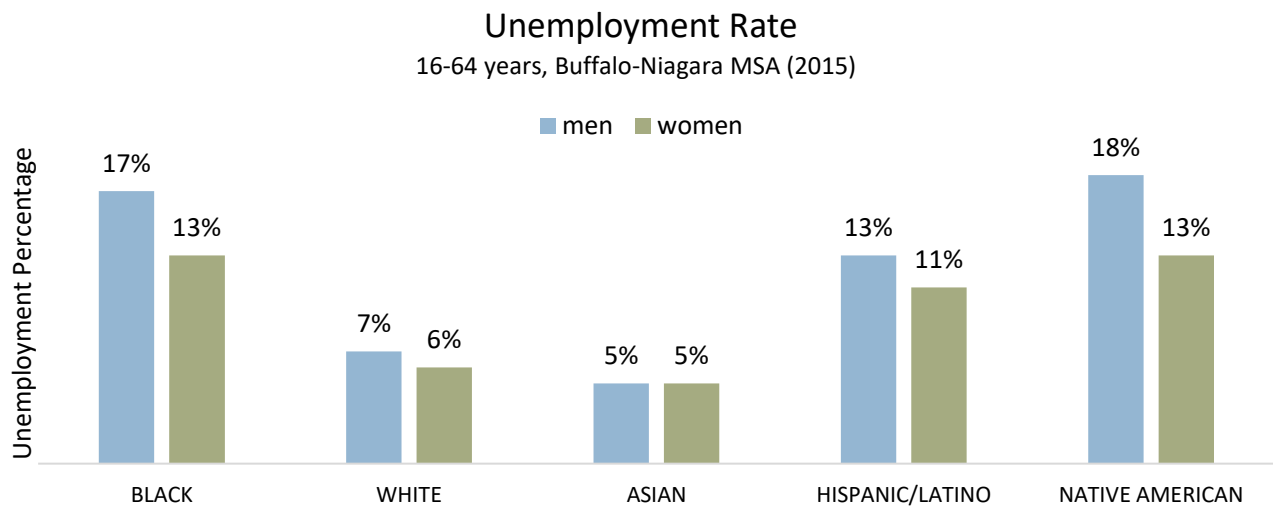
## Labor Force Participation and Employment

The labor force participation rate refers to the number of people who are either employed or are actively looking for work<sup>6</sup>.



Source: U.S. Census Bureau, 2011-2015 American Community Survey 5-Year Estimates.

Labor force participation in the Buffalo-Niagara region in 2015 was greatest among white residents, with about 81% of white men and 75% of white women considered employed or actively searching for work. This represents a participation gap of at least 15% between white residents and non-white groups. Black women stand out as having a higher labor force participation rate than their male counterparts.



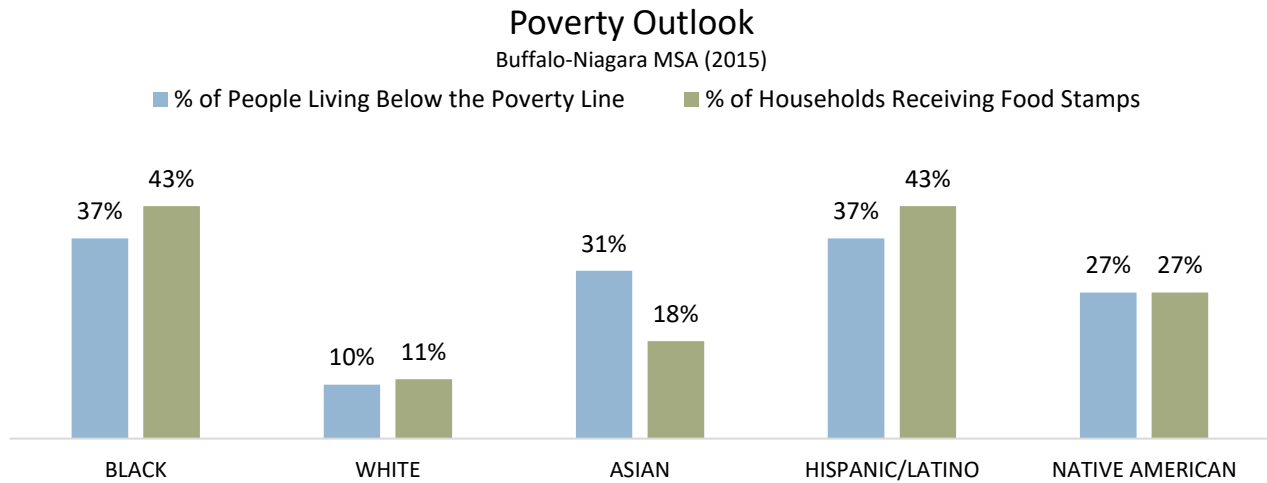
Source: U.S. Census Bureau, 2011-2015 American Community Survey 5-Year Estimates

The unemployment rate refers to the percentage of a given labor force population that is jobless, looking for a job, and available for work<sup>7</sup>. Of all male groups, Native American men ages 16 to 64 had the highest unemployment rate at 18%. Black men had the next highest unemployment rates at 17%, followed by Hispanic/Latino men at 13%.



## Poverty

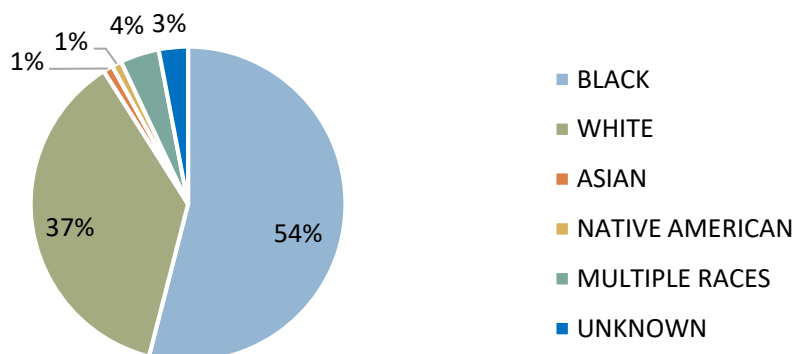
In 2015, poverty rates among blacks and Hispanic were more than four times greater than those of whites.



## Homelessness

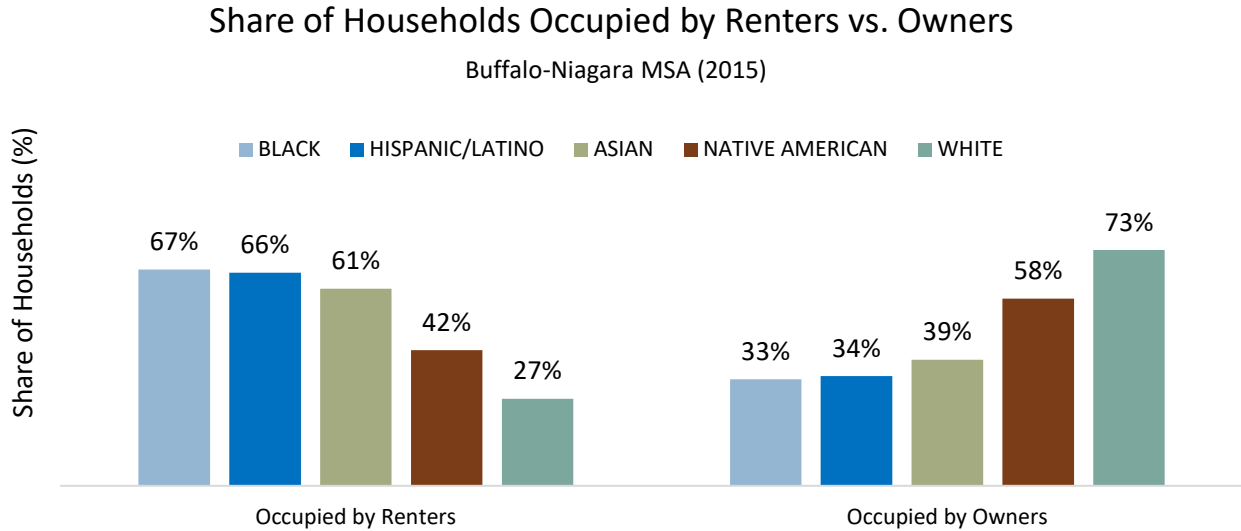
In 2015, the homeless population in Erie County was estimated to be at 5,455 persons.<sup>8</sup> Over 50% of all homeless persons were black, although blacks comprise only 13% of Erie County’s residents.<sup>9</sup> Similarly, 12% were identified as ethnically Hispanic or Latino, although Hispanic/Latino residents are just 5% of the Erie County population.<sup>10</sup>

Racial Composition of Homeless Population, Erie County (2015)



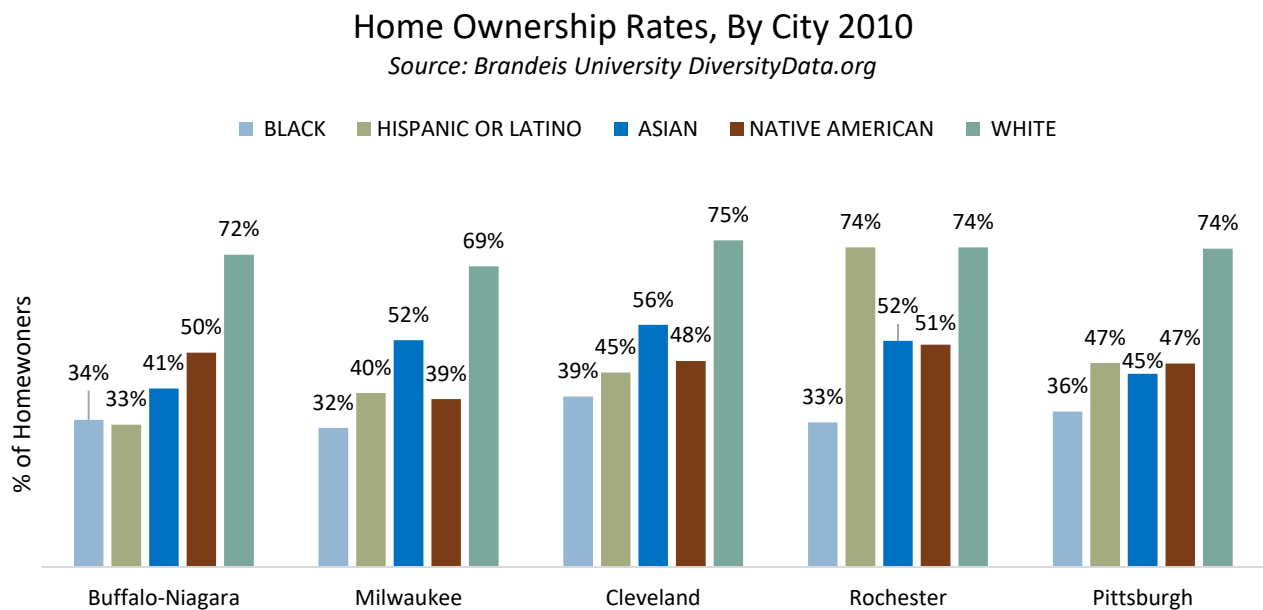
## Homeownership

Among Buffalo-Niagara’s racial groups, there are large disparities in housing and homeownership. The white homeownership rate (73%) is more than double that of blacks (33%) and Hispanics (34%).



Source: U.S. Census Bureau, 2011-2015 5-Year American Community Survey

However, these disparities in homeownership are not unique to Buffalo-Niagara. As shown in the chart below, homeownership rates for non-white racial groups lagged behind those for white residents in the identified comparison cities in 2010.



Source: 2010 Census Summary File 1

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- <sup>1</sup> Magavern, Sam. 2014. *Talking Proud: Telling Buffalo's Stories*. Buffalo: Partnership for the Public Good.
- <sup>2</sup> Diversity Data. 2010. *RESIDENTIAL INTEGRATION AND NEIGHBORHOOD CHARACTERISTICS: Segregation of the Population: Dissimilarity with Non-Hispanic Whites by Race/Ethnicity*.
- <sup>3</sup> Diversity Data. 2010. *Segregation of the Population: Exposure to Whites by Race/Ethnicity*. Waltham, MA: Brandeis University.
- <sup>4</sup> Diversity Data. 2010. *Segregation of the Child Population: Exposure to Whites by Race/Ethnicity*. Waltham, MA: Brandeis University.
- <sup>5</sup> Noss, Amanda. 2014. *Household Income 2015*. U.S. Census Bureau.
- <sup>6</sup> Investopedia, LLC. 2008. *Participation Rate*. November 25.  
<http://www.investopedia.com/terms/p/participationrate.asp?view=print>.
- <sup>7</sup> U.S. Bureau of Labor Statistics. 2014. *How the Government Measures Unemployment*. June 12.  
[http://www.bls.gov/cps/cps\\_htgm.htm#concepts](http://www.bls.gov/cps/cps_htgm.htm#concepts).
- <sup>8</sup> Homeless Alliance of Western New York. 2016. "2015 Annual Report on the State of Homelessness in Erie County."
- <sup>9</sup> Homeless Alliance of Western New York. 2016. "2015 Annual Report on the State of Homelessness in Erie County."
- <sup>10</sup> The report on Erie County's homeless population considered Hispanic/Latino as an ethnic group and not a racial group.

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