



**METROPOLITAN POLICY PROGRAM
THE BROOKINGS INSTITUTION**

**Committing to Prosperity:
Moving Forward on the Agenda to Renew Pennsylvania**

**Metro Profile: Reading
March 2007**

This profile provides key economic and demographic trend information on the Reading metropolitan area relating to “Committing to Prosperity,” an update of the 2003 Brookings Institution report, “Back to Prosperity.” To read the entire report, other regional summaries, and a rural policy brief, see www.brookings.edu/metro/pubs/committingtoprosperity.htm. For any questions or comments, please contact Rebecca Sohmer at the Brookings Institution Metropolitan Policy Program (rsohmer@brookings.edu / 202-797-6085).

The Trend: The Reading metropolitan area continues to grow

Metropolitan Reading’s population growth accelerated between 2000 and 2005

In 2005, the Reading metropolitan area (consisting of Berks County) had a population of 396,300—25,200 more people than in 2000. This growth represents a significant acceleration in population gain compared to the 1990s. Between 1990 and 2000, the metro’s population grew at an annualized rate of 1.05 percent per year; since 2000, that rate has jumped to an increase of 1.33 percent per year.

The Reading metro area’s population is becoming more diverse due to minority gains

Metropolitan Reading, like the rest of the state, saw its population become more diverse between 2000 and 2005. The metro’s strong overall population growth coincided with an even stronger 29.2 percent increase (16,300) in its minority population. Almost 80 percent of the increase in Reading’s minority population owed to gains in the Latino population. In fact, the 35.3 percent increase in Hispanics was the fourth-largest among the state’s metropolitan areas.

Metro Area	Annualized population growth rate, 2000–2005
York	1.38%
Reading	1.33%
Allentown	1.29%
Lancaster	0.83%
State College	0.70%
Harrisburg	0.57%
Philadelphia	0.21%
Erie	-0.03%
Sharon	-0.12%
Williamsport	-0.28%
Scrán./W.B./Haz.	-0.30%
Altoona	-0.37%
Pittsburgh	-0.37%
Johnstown	-0.49%
Pennsylvania	0.24%
United States	1.05%

Reading’s migration patterns show accelerating net in-migration

According to IRS county-to-county migration data, the Reading metro netted over 17,000 people from migration between 1994 and 2005. With the exception of 2005, net in-migration has increased every year since 1997; in the last four years, the metro area averaged over 2,500 net in-migrants per year.

The Trend: The Reading metro area is still spreading out—and is beginning to hollow out

Growth in the region's older places lags the second-class townships' growth

Between 1990 and 2000, all municipality types in metropolitan Reading grew, though newer places grew much faster than older ones. The trend continued between 2000 and 2005, except for the city of Reading, which sustained a very small population loss of 350 people. However, the city, boroughs, and first-class townships' rate of growth lags the second-class townships' rate of growth. The older communities grew at an annual rate of 0.49 between 1990 and 2000, which increased to 0.55 percent per year between 2000 and 2006. Second-class townships had an annualized rate of growth off 1.54 in the 1990s, which increased to 2.12 after 2000.

The vast majority of Reading's housing permits are still issued in second-class townships

Housing data shows that Reading's residential building activity continues to occur mainly in second-class townships. Between 1995 and 1999, 1,837 permits were issued in the metro's cities, boroughs, and first-class townships while 6,361 were issued in second-class townships. Between 2000 and 2004, the number of permits issued in older places increased 29.1 percent to 2,372, but permits issued to second-class townships still dominated at more than to 7,219.

Reading's population trends coincide with a loss of rural land

A large population increase in the Reading metro area in the 1990s coincided with a loss of over 37,400 acres of rural land (almost no rural land was lost in the 1980s). Whereas metropolitan Reading's total developable land was 26.6 percent rural in both 1980 and 1990, by 2000 that share had fallen to just 19.3 percent.

The Trend: Metropolitan Reading's job growth slowed considerably after 2000, but has picked up in recent years

The Reading metro area continues to add jobs after large gains in the 1990s

Metropolitan Reading's 1.05 percent annualized rate of job growth in the 1990s surpassed the 0.96 percent state rate during that time. But between 2000 and 2006, this trend reversed: metro Reading is now adding jobs at a rate of 0.17 percent per year, slightly behind the state's rate of 0.18 percent. However, between 2003 and 2006, metropolitan Reading added 9,500 jobs at a rate of 2.11 percent per year—the largest post-recession up-tick in the state.

Reading continues to lose manufacturing jobs but shows strong growth in a number of industries

Like the rest of the state, metropolitan Reading continues to lose manufacturing jobs: its 22 percent loss between 2000 and 2006 matched the state's drop of 22.2 percent. The Reading metropolitan area experienced its largest percentage gains in educational and health services, government, and wholesale trade with 26.8, 16.6, and 14.3 percent gains, respectively—exceeding state performance in these sectors.