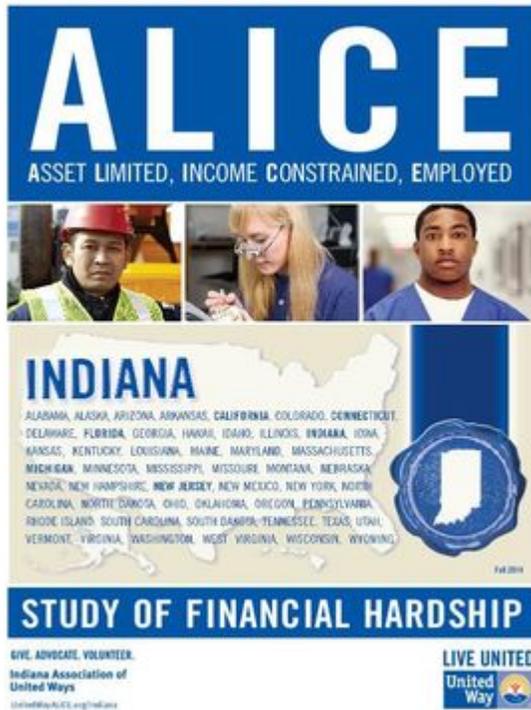


Study: 37 percent of Hoosier families struggle to meet basic needs



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INDIANAPOLIS | Nearly 4 in 10 Hoosiers, including some 70,000 Lake County households and 17,000 in Porter County, are struggling to afford their basic needs due in large part to inadequate job earnings, according to a United Way report released today.

The 250-page analysis takes a deep look at the condition of Indiana's poverty and near-poverty households, dubbed ALICE for Asset Limited, Income Constrained, Employed.

These 570,300 working families earn more than the federal poverty level but not enough to pay for household necessities, even after accounting for Indiana's generally lower cost-of-living compared to

neighboring states.

As a result, ALICE households often are forced to go without high-quality child care, needed home or auto repairs, preventative health care and other services, all of which has a detrimental effect on local communities, according to the report.

"ALICE is our child care worker, our retail clerk, the CNA who cares for our grandparents, and our delivery driver. When we know who ALICE is, we can think more clearly about the kind of help and support that will make a difference in his or her life," said Kathy Ertel, board chairwoman of the Indiana Association of United Ways.

Gary leads the state with 58 percent of the city's households falling below the ALICE survival budget of \$18,138 for a single person and \$53,981 for a family of four. The federal poverty rate is \$11,170 for a single adult and \$23,050 for a family of four.

East Chicago has 57 percent of its households living below the ALICE threshold,

Hammond has 43 percent, Hobart and Merrillville are at 31 percent and Munster 21 percent.

In Porter County, 38 percent of Portage Township households earn less than the ALICE budget, 33 percent in Hebron and 31 percent in Valparaiso.

Roger Frick, president of the Indiana Association of United Ways, said ALICE individuals often work at least one job and sometimes two, usually in the service industry, but simply don't earn enough money to meet all their current needs and save for the future.

"These are people that are working hard and trying to survive," Frick said.

The challenge, he noted, is that 69 percent of Indiana jobs pay less than \$20 per hour, with the majority paying between \$10-\$15 per hour. Most new jobs in the state are service industry positions that pay low wages and offer only uncertain work schedules.

Frick said that leaves ALICE families vulnerable to income disruption and also impacts communities in surprising ways.

For example, he said, low-wage workers may only be able to find affordable housing far from their jobs, resulting in more traffic on the roads. Or the inability to pay for early childhood education might bring down a local school's quality rating years later if students from low-income families are not performing at grade level.

Frick said the United Way doesn't have a comprehensive plan to fix the issues identified in its ALICE Study of Financial Hardship.

Rather, the organization is hoping the report will draw attention to the needs of ALICE households and inspire community leaders to devise solutions to the most pressing local issues.

Frick said officials should ask, "What kind of things can a community do so that these folks have stability, a financial life, that isn't threatened the first time the car breaks down or a refrigerator quits?"

A copy of the United Way ALICE report is available online at nwi.com.