

## How many NW families in a squeeze? Go ask ALICE

United Way study focuses on 'Asset-Limited, Income-Constrained Employed'

From KTVZ.COM news sources

POSTED: 2:07 PM PST January 18, 2016  
UPDATED: 3:00 PM PST January 19, 2016



Central Oregonians struggling to pay bills

**OLYMPIA, Wash.** - There are 1.6 million Pacific Northwest households unable to afford the region's high cost of living, with conditions still lagging behind pre-recession levels, according to the United Way ALICE Report released Sunday by United Ways of the Pacific Northwest.

ALICE – Asset Limited, Income Constrained, Employed; Study of Financial Hardship places a spotlight on a large population of hardworking residents who work at low-paying jobs, have little or no savings, and are one emergency from falling into poverty.

The report, released Sunday, is the most comprehensive depiction of financial need in the region to date, using the latest data from a variety of sources, including the U.S. Census, according to the organization.

According to the study, 15 percent of Oregon households lived in poverty in 2013 and another 22 percent were just above the poverty line, but still struggled to afford basic necessities.

In Central Oregon, the numbers were more grim: 41 percent of households in Deschutes County fell into one of the two categories in 2013. In Crook County, it was even higher: 45 percent. Jefferson County was at 39 percent.

"It's frustrating, particularly when I see people that are working really really hard, and despite their efforts, it's one step forward, one step back," United Way of Deschutes County Executive Director Ken Wilhelm said Monday.

The study unveils new measures, based on present-day income levels and expenses, which quantify the

size of who in the Pacific Northwest's workforce is struggling financially, and why.

A total of 982,835 Pacific Northwest households fall into what United Way calls the ALICE population. These are households earning more than the official U.S. poverty level, but less than the basic cost of living.

Wilhelm said a family of four would need to earn about \$26 an hour collectively to afford household necessities in Central Oregon.

"If you are not able to build assets, and if you're not able to invest in education or training, a lot of times you feel like you're just running in place -- and in essence, you are," Wilhelm said.

That number is more than the official poverty rate, which accounts for a total of 660,933 households in the region. Combined, ALICE and poverty households, account for 37 percent of all households in Idaho (38% in Oregon and 32% in Washington).

"We all know ALICE," said United Ways of the Pacific Northwest President and CEO Jim Cooper. "ALICE is the recent college graduate unable to afford to live on his or her own, the young family strapped by child care costs and the mid-career professional now underemployed.

"These folks are vital to our state's future economic well-being, and they face barriers beyond their control frustrating their ability to become financially stable."

In conjunction with the United Ways of the Pacific Northwest, local United Way organizations in Idaho, Oregon and Washington have joined a grassroots movement of some 250 United Ways in 10 states to use the same methodology for documenting financial need.

The reports build on a United Way study first developed in New Jersey. United Way ALICE Reports provide county-by-county and town-level data, and analysis of how many households are struggling, including the obstacles ALICE households face on the road to financial independence.

"This report provides the objective data that explains why so many residents are struggling to survive and the challenges they face in attempting to make ends meet," said the report's lead researcher, United Way *ALICE Project* National Director Stephanie Hoopes, Ph.D. "Until now, the true picture of need in local communities and states has been understated and obscured by misleading averages and outdated poverty statistics."

The United Way ALICE Report reveals:

- More than half of all jobs in Pacific Northwest pay less than \$40,000 a year and low- income jobs are projected to dominate the state's economy for the foreseeable future.
- ALICE is men and women, young and old, of all races, largely mirroring the state's basic demographic make-up, though Black and Hispanic households are over represented as a percentage of ALICE households. More than one third are within their prime wage-earning years of 45 to 64 years old.
- In 81% of the Pacific Northwest's 608 county subdivisions at least 30% of households are unable to make ends meet. The average income needed in order to survive in the Pacific Northwest depends on local conditions and ranges from \$46,176 in Idaho to \$50,796 in Oregon to \$52,152 in Washington, and for a single adult from \$16,660 in Idaho to \$18,240 in Oregon to \$17,280 in Washington, more than double the official U.S. poverty rate. Despite the combination of ALICE's wages and some public assistance, ALICE households still face an average 25 percent income gap, across the region, in order to reach financial stability.

ALICE often is forced to make choices that compromise health and safety in order to make ends meet, Jim Cooper said. This puts both ALICE and the wider community at risk of long-term societal and economic repercussions, he added.

"When ALICE chooses unlicensed child care or longer commutes or emergency room health care in order to put food on the table we all suffer the consequences with future costs to our education system, heavier traffic and higher premiums," Cooper said. "United Way is committed to looking beyond the emergency Band-Aids and providing long-term solutions that will strengthen our communities."

United Way is focused on providing the basic foundation in the areas of education, financial stability and health to help improve the lives of both ALICE and those in poverty, for the long- term benefit of the wider community.

The United Way ALICE Report was funded in part by corporate sponsors including AT&T, Atlantic Health System, Deloitte, Entergy, Novartis and The UPS Foundation.

For more information or to find data about ALICE in local communities, visit [www.UnitedWayALICE.org](http://www.UnitedWayALICE.org).