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Where the Ends Don't Meet in 2014: Measuring Poverty and Self-Sufficiency among Oregon's Families

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work systems

This report uses the Self-Sufficiency Standard developed by Dr. Diana Pearce at the University of Washington to analyze the extent to which Oregon households earn enough money to meet their basic needs without a public subsidy. This standard, a vast improvement on the federal poverty level, accounts for differences in the cost of living based on family structure, age of children, and county of residence. Dr. Pearce has defined the income required to meet basic needs for every county in Oregon and a number of household types.

A large number of Oregon households not considered poor by the federal poverty level nevertheless do not earn enough income to meet their basic needs. In this report, we use census data to sort households into those that meet versus those that don't meet the Self-Sufficiency Standard and describe how basic socioeconomic factors such as family structure and householder sex, race/ethnicity, education, and work affect the extend to which households earn enough to make ends meet.

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Executive Summary

Objective

Recent headlines cautiously herald the recovery of Oregon's economy (Young, 2014). Total employment in September of 2014 reached a seasonally adjusted of 1,718.700, about twenty thousand short of the state's highest employment of 1,737,800 in December of 2007.[1] But concern continues about volatility in the labor market, and discussions of job growth, wages, and income inequality commonly appear in news reports of the economy.[2]

The essential question regarding economic recovery, jobs, and wages is whether Oregon's families are earning a wage sufficient to provide for their basic needs. Strong job growth and low unemployment cannot offer a high quality of life if the work available to Oregonians cannot provide enough income to make ends meet. Furthermore, demands on social services offered by public and nonprofit organizations will depend on whether these families can get by in their absence.

This document describes the extent to which Oregon households earn an income sufficient to meet their basic needs. We use the Self-Sufficiency Standard for Oregon 2014, calculated and published by the University of Washington's Center for Woman's Welfare, to determine, for each family type and county, the level of household income necessary to meet basic needs.[3] We compare the Standard to income data for each household from the American Community Survey to determine which households meet, and which do not meet, the Self-Sufficiency Standard (the Standard), calculate the percentage of families that do not meet the Standard, and compare that percentage to the percentage of families that fall below the federal poverty level. We report these results by a number of social and demographic characteristics, including:

- county of residence;
- race and Latino origin;
- citizenship status and origin;
- household structure, including non family vs. family household, sex of head of household, and number and age of children
- education of head of household;
- work status and number of hours worked; and
- occupation.

These calculations help us to build a profile of the households that do not meet the Standard and provide guidance for identifying the characteristics of households most vulnerable to income inadequacy.

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[1] Total nonfarm employment, seasonly adjusted. www.qualityinfo.org

[2] For example, see Molly Young's recent series about pay levels for a variety of professions (http://www.oregonlive.com/money/index.ssf/2014/10/top_10_highest-paying_jobs.html).

[3] The Self-Sufficiency Standard for Oregon 2014 uses the term "family" to refer to a household, or a group of people that live together at a single address. We use the term household to refer to this unit in order to avoid confusion between family households and non-family households. See page 12 for definitions of households and family households.

The Institute of Portland Metropolitan Studies developed a similar report in 2010 to analyze the demographics of the Self-Sufficiency Standard for Oregon 2008. At the end of this executive summary, we summarize the changes in the results since 2008.

Background

The federal government's definition of poverty is used as a statistical indicator for the economy and to determine eligibility for programs and services that are designed to support households with insufficient incomes. The Federal Poverty Level (FPL) is a set of income thresholds that vary by family size and composition to determine who is in poverty. If the family's total income before taxes is less than the family's FPL, then the family and every individual in it is considered in poverty (Census, 2014).

The methodology for determining poverty thresholds has not been updated since the early 1960s (although it is adjusted for inflation). Based on outdated assumptions about the composition of a typical family's budget, it does not vary by location[4] or by the ages of children. Due to these and other methodological issues involving the FPL, many have called for the development and use of an alternative definition.[5]

The Standard is an alternative that more accurately reflects the income required to meet a household's basic needs. The Standard defines the income required to pay for basic needs, including taxes, without public subsidies (such as public housing, food stamps, Medicaid and child care assistance) or other private or informal assistance (such as shared housing, food from food banks, or free child care from a friend of family member). The Standard includes variables that are ignored by the FPL such as housing, transportation, and child care, and it reflects geographic differences in these costs, as well as changes that occur as children age.

Methodology

To determine how many and what type of Oregon households meet the Self-Sufficiency Standard in 2014 we used data from the 2010-2012 American Community Survey (ACS) Public Use Microsample (PUMS) data file to aggregate individuals into household and determine total income for each household. We applied the Consumer Price Index (CPI) for the West region to adjust the income to 2014 dollars. Then we compared the adjusted income to the 2014 Standard for the appropriate county and household type. If the household's income was greater than or equal to the appropriate standard, we identified it as a household that meets the Self-Sufficiency Standard; otherwise we identified it as a household that does not meet the Standard. We then used other variables reported in the ACS PUMS file to construct tabulations of the data reporting the percentages of

[4] The only exception is that thresholds for Alaska and Hawaii are different from those of the 48 contiguous states and the District of Columbia.
[5] See, for example, Blank, 2008.

households meeting the Standard by the demographic variables listed above. A more detailed explanation of the Methodology is available in Appendix A. Please note that because the PUMS file is a subset of the American Community Survey sample, some statistics presented here may not match the statistics in the published tables. Furthermore, because ACS data are estimates based on a sample, they are subject to error. The errors are highest for small groups, thus the reader should use caution when comparing data between groups.

Main Findings

Whereas 18 percent of Oregon households are below the FPL, 37 percent are below the Self-Sufficiency Standard for their county and household type. The percentage of households not meeting the Standard varies by county, with a high of 44 percent in Lane County to a low of 32 percent in Clackamas and Washington Counties. In eleven of Oregon's 36 counties, over 40 percent of households do not meet the Self-Sufficiency Standard.

While about 33 percent of the white households do not earn enough to meet the Self-Sufficiency Standard, households headed by racial minorities or Latinos are more likely to suffer from inadequate income. Among families with a Latino head of household, 60 percent do not meet the Standard; about 53 percent of black or African American households fall below the Standard; Native Americans households have inadequate income to meet the Standard about 50 percent of the time; and Asian or Pacific Islanders have inadequate income about 38 percent of the time. Latino households are overrepresented among households with incomes below the Self-Sufficiency Standard.

Nativity and citizenship status also correlate with income adequacy. Foreign-born households have much higher rates of income inadequacy than native-born households (52% vs. 35%). Compared to foreign-born naturalized citizens, households with a non-citizen householder, particularly those of Latino origin, are especially likely to fall below the Standard. Latino non citizens represent about three percent of households in Oregon. Seventy-six percent of these households do not earn sufficient income to meet the Standard.

Households headed by females have a greater incidence of income inadequacy, especially when caring for children or other family members. While 43 percent of female-headed households don't meet the Self-Sufficiency Standard, the same is true of only 31 percent of those headed by men.

Households with children are less likely to earn enough income to make ends meet, regardless of the marital status or sex of the householder. While 18 percent of family households without children don't meet the Standard, 42 percent of family households with children don't meet the Standard. Similarly, households with one or two children are more likely to meet the Standard than households with three or more children.

As educational attainment rises, the percentage of households not meeting the Standard falls. Among minority female households with a bachelor's degree or above, only 24 percent don't meet the Self-Sufficiency Standard —a decrease of 57 percentage points compared to a minority female without a high school diploma. Increased educational attainment is associated with increased income sufficiency for all householder groups but especially for minorities and white women. Among households headed by someone without a high school diploma, 68 percent do not meet the Self-Sufficiency Standard; the percentage is the highest for those without a high school diploma who are minority females—81 percent of these households don't meet the Self-Sufficiency Standard.

A steady job does not guarantee the ability to meet basic needs. In Oregon, 19 percent of households in which the head of household works full time year round have incomes below the Self-Sufficiency Standard. This percentage increases dramatically for part-time or partial-year workers (51%).

Although Latinos have the highest rate of income inadequacy, three quarters of households with inadequate income are white. Ninety percent of households with inadequate income are headed by a U.S. citizen and about half of households below the Standard have children. More than half (59%) of households below the Standard are headed by someone with some college, an Associate degree or a Bachelor's degree.

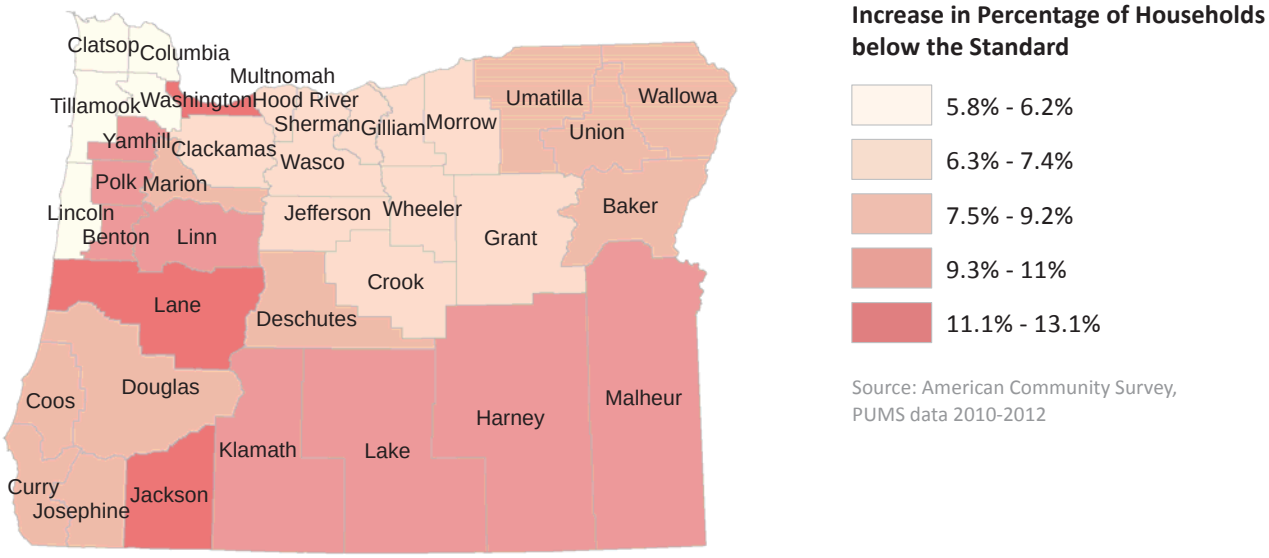
Changes Since 2008

Since 2008, the percentage of families in Oregon falling below the Self-Sufficiency Standard has risen about ten percentage points, from 27 percent to 37 percent. The greatest percentage point increase in families not meeting the Standard has occurred in Multnomah County, where 24 percent of families fell below the Standard in 2008; by 2014 37 percent were not meeting the Standard—a 13 percentage point increase (see Figure 1). Aside from Multnomah County, the greatest percentage point increases occurred in Lane, Jackson, Klamath, Lake, Harney, and Malheur Counties.

The percentage of households not meeting the Self-Sufficiency Standard has risen in every county and for every racial and ethnic group. Among white, non-Latino households, the percentage not meeting the Standard rose from 24 percent in 2008 to 33 percent in 2014. The percentage point increase among racial and ethnic minorities was highest for Native Americans and Alaskan Natives and Other and lowest for Latinos.

The increase in families falling below the Standard can be explained by both increases in costs as measured by the Standard and decreases in income. Figure 2 illustrates the interaction between changes in median income and changes in the Standard. Each dot represents a county; the placement of each dot along the vertical axis represents the

Figure 1. Increase in Percentage of Households below the Self-Sufficiency Standard, by County, 2008 - 2014



dollar value of the change in household income from 2008 to 2014 for that county.[6] Its horizontal placement shows for each county in Oregon the dollar value of the increase in the Standard for one family type (one adult and one preschooler). In some counties in Oregon the median household income has risen more than the Standard; in others, median income has risen but not as much as the increase in the Standard; and in some counties, median income has fallen even while expenses have risen.

While the changes in income and the increases in costs don't fall on all households equally, Figure 2 provides a general sense of how difficult it can be to keep up with rising costs even as incomes are stagnant or falling.

Among the basic needs whose costs are included in the Standard, child care has increased the most, rising an average of 27 percent statewide since 2008.[7] In some counties, child care cost increases have been much higher. For example, in 2008 the Standard used a monthly cost of $618 for preschooler child care in Multnomah County. By 2014 the cost was $1124, almost doubling. Several other counties also experienced significant increases in the cost of child care, including Columbia, Douglas, and Lane Counties.

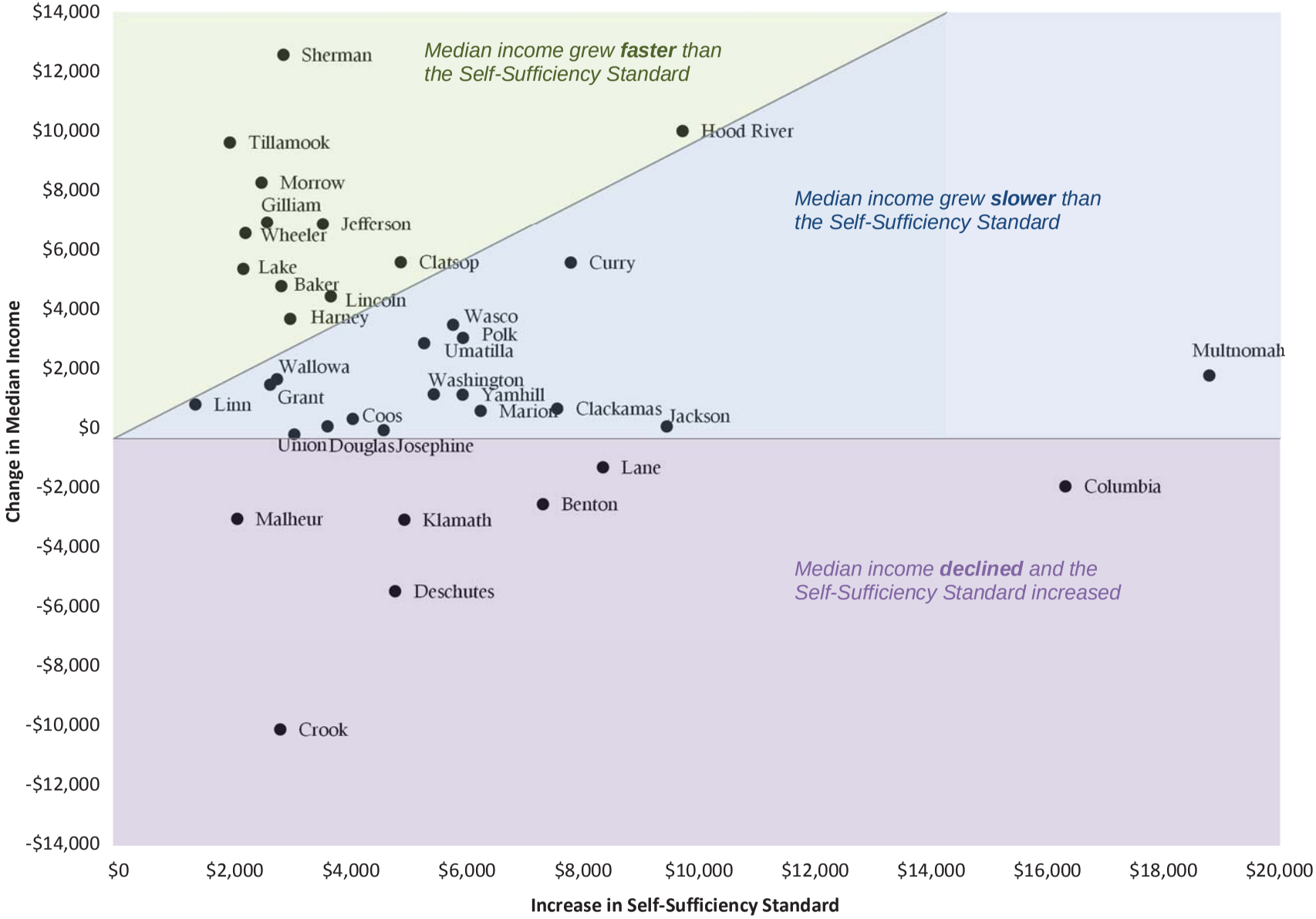
The Standard's housing costs increased an average of eleven percent for all counties in Oregon since 2008. As expected, increases in housing costs varied across the state with the greatest percentage increase in Polk County. Transportation costs increased an average of 11 percent, with the greatest percentage increase in Multnomah County, where the cost of an all-zone adult transit pass increased from $76 per month to $100 per month. Health

[6] 2008 median income is derived from the 2006-2008 ACS. 2014 median income is derived from the 2010-2011 ACS inflated using the CPI for the western region.
[7] Note that the methodology for calculating some components of the Standard, including child care, have changed since 2008, affecting some of the results. For more details, see Pearce 2014.

care costs have increased an average of 16 percent statewide.

Increases in the Standard also reflect changes in eligibility for certain tax credits, including the Oregon Working Family Child Care Credit. For more information about how the University of Washington models taxes and tax credits, please refer to their 2014 report (Pearce, 2014) and the explanatory memo in Appendix B.

Figure 2. Change in Median Income vs. Change in Self-Sufficiency Standard, 2008-2014, One Adult/One Preschooler Families



Sources: U.S. Census Bureau, American Community Survey 3-Year Estimates, 2010-2012 (Median Household Income); Pearce, D (2014). The Self-Sufficiency Standard for Oregon, 2014. Center for Women's Welfare, University of Washington (Self-Sufficiency Standard). Note: Although ACS estimates should be interpreted with the accompanying margin of error (MOE), due to resource constraints, the MOE values are not reported here. Refer to Appendix A for more information.

Introduction

Although the most recent recession officially ended in June of 2009,[8] many families in Oregon and throughout the United States still struggle to make ends meet. The most recent poverty rate announced by the Census Bureau on September 16, 2014 was 14.5 percent for 2013. Although this represented a slight decrease from 2012, the rate represents a near historical high since the large declines achieved in the 1960s. A significant decline in poverty occurred among seniors 65 years and older, who experience much less poverty today (about ten percent) than they did in the 1960s (nearly 30%). Although they have decreased from a high of 25 percent in 1960, rates of poverty for children are higher (20%) than rates for adults (DeNavas-Walt 2014).

Real median household income for the U.S. has remained fairly flat or declined: the 2013 estimate, at about $52,000, is about the same as it was in the late 1980s (U.S. Census, 2014). For some families, flat incomes coincide with rising costs. As the cost of health care, child care, housing, and transportation rise, families may find that their flat incomes simply don't go as far. Yet traditional methods of calculating income inadequacy fail to account for many of these costs and their variation over time and geography.

The federal government's definition of poverty is important to the economic well-being of the country because it is used as a standard and determines eligibility for programs and services that are designed to support households with insufficient incomes. The methodology used to determine the FLP has not changed since it was put in place in 1964, and many people believe it is outdated and intrinsically flawed.

In response to the shortcomings of the FPL, several alternative methods of measurement have been developed, including the Self-Sufficiency Standard (the Standard) used in this report. Dr. Diana Pearce created the Self-Sufficiency Standard in the mid-1990s as a measure of economic well-being that takes into account many variables that the FPL does not. The Standard offers a more detailed and realistic picture of poverty than does the FPL and has been calculated for most U.S. states.

This report analyzes of the Self-Sufficiency Standard for the state of Oregon. Whereas the federal measure indicates that 18 percent of Oregon families have incomes below the FPL, this analysis shows that 37 percent of Oregon families cannot meet their basic needs. Because eligibility for many public aid programs is tied to the FPL or multiples thereof, a large and diverse group of families experiencing economic distress may be routinely overlooked and left without assistance. The report begins with a description of the FPL and the Standard, then presents the Standard for each of Oregon's counties and household types and describes the results of a demographic and geographic analysis of households in Oregon. The next sections summarize the characteristics of households that do not meet the Self-Sufficiency Standard, including family composition and householder race/ethnicity, sex, education, and occupation. The report concludes with a profile of Oregon

[8] National Bureau of Economics Research, US Business Cycle Expansions and Contractions. http://www.nber.org/cycles.html#announcements

households with inadequate income and possible policy implications of these findings.

The Federal Poverty Level

The FPL was developed in 1964 by economist Mollie Orshansky of the Social Security Administration as a measure of the adequacy of a household's income for providing its most basic needs. The methodology was based on an analysis of consumption data that showed families of three or more persons in 1955 spent about one-third of their after-tax income on food. Orshansky developed the FPL thresholds based on this assumption and the cost of the Department of Agriculture's Economy Food Plan.[9] The thresholds vary by size of household and number of related children below 18 and are adjusted over time for inflation. Poverty rates are calculated using before-tax income, which includes public assistance but not capital gains, the Earned Income Tax Credit, or in-kind assistance like Medicaid.

The FPL methodology ignores cost variations due to the age of children or regional cost of living.[10] Furthermore, the spending assumption on which the methodology was based—that multiplying the food budget by 3 results in an income amount adequate to meet a household's basic needs—is outdated. According to the 2013 Consumer Expenditure Survey, U.S. households spend an average of about 13 percent of their income on food. Even very low-income households spend only 16 percent of their budgets on food, which is about half of the one third assumed in the methodology for calculating the FPL thresholds.[11] Whereas food prices have fallen over the past four decades, the costs of housing, transportation, and medical care have risen substantially.[12] Poor and low-income people paid less in taxes in the 1960s than they do now, and the current tax and transfer system often pushes people below the poverty line rather than raising them above it. Finally, today's poor and low-income families pay for child care much more frequently than they did in the 1960s, when mothers of young children were less likely to work and there were fewer children being raised by single parents (Citro & Michael, 1995).

For all these reasons, researchers and policy analysts have criticized the FPL methodology as being an out-of-date and inadequate measure of financial stress (Blank, 2008; Citro & Michael, 1995; Ruggles, 1990; Willis, 2000). Some believe that the guidelines overestimate poverty by failing to include all types of income (e.g., food stamps and publicly provided health insurance). Others argue that the FPL vastly underestimates poverty by continuing to assume that households spend a full third of their income on food and therefore multiplying the cost of food by 3 is a reasonable measure of household spending. Because the FPL considers income but not assets, a revision that considered assets would change our perceptions of poverty to include far more young families among the poor and fewer

[9] See How the Census Bureau measures poverty at http://www.census.gov/hhes/www/poverty/povdef.html
[10] The only exception is that thresholds for Alaska and Hawaii are different from those of the 48 contiguous states and the District of Columbia.
[11] See current expenditure share tables of the Consumer Expenditure Survey, http://www.bls.gov/cex/
[12] U.S. Bureau of Labor Statistics, Consumer Price http://www.bls.gov/cpi/

older people. Furthermore, the lack of cost-of-living adjustments in the FPL contributes to inaccurate perceptions about poverty and potentially inefficient use of government funds. One study applied a cost-of-living index to the poverty rates of 15 metropolitan areas and found a significant impact on poverty levels of metropolitan areas and the subsequent eligibility of families for social support programs: eligibility rates would increase in high-cost areas and decrease in low- cost areas (Curran, Wolman, Hill, & Furdell, 2008).

If the FPL is an inaccurate measure of poverty, it is possible that many families who actually experience economic distress are not officially considered poor.[13]

The Self-Sufficiency Standard

Dr. Diana Pearce, director of the Center for Women's Welfare at the University of Washington, has developed an alternative measure of income adequacy called the Self- Sufficiency Standard (the Standard).[14] The Standard defines the income required to meet basic needs, including taxes, without public subsidies (such as public housing, food stamps, Medicaid, and child care assistance) or other private or informal assistance (such as shared housing, food from food banks, or free babysitting by a friend or family member).

The Standard includes many variables that are ignored by the FPL, such as the cost of housing, child care, health care, and transportation, and it reflects differences in the cost of these items by geography. It also varies by the ages of children to reflect how a household budget changes as needs for child care, health care, and food vary with the age of children. The methodology assumes that all able adults in a household work, thus including transportation costs for all adults. Finally, the Standard includes the effect of taxes and tax credits on household income. With support from Worksystems, Inc.,[15] Dr. Pearce calculated the Self-Sufficiency Standard for 2014 for all Oregon counties.

The Institute of Portland Metropolitan Studies then used information from the Public Use Microsample (PUMS) file of the American Community Survey (ACS) for the years 2010 to 2012 to determine the percentage of households in Oregon that meet the Self Sufficiency Standard.

The objective of this demographic analysis is to clarify our understanding of poverty in Oregon, the geographic areas and household types most affected, and the extent to which the FPL fails to capture an accurate count of households with inadequate income. It calculates the percentage of households with incomes below the FPL and the Standard across a wide range of household characteristics: location, race/ethnicity, household type, education, employment patterns, and occupation. What emerges is a new picture of

[13] The Census has developed several experimental poverty measures in response to the criticisms. See www.census.gov/hhes/povmeas/data/index.html
[14] For a more detailed discussion of the background and methodology of the Self-Sufficiency Standard, see Pearce (2014) or http://www.selfsufficiencystandard.orgg
[15] http://www.worksystems.org

Oregon households that lack enough income to meet their needs. The study's results can inform and guide the creation of economic and workforce policies in Oregon that will enable more households to achieve economic self-sufficiency.

How does the Self-Sufficiency Standard differ from the Federal Poverty Measure?

From the Center for Women's Welfare http://www.selfsufficiencystandard.org/standard.html

The federal poverty level (FPL) is based on USDA food budgets that meet minimal nutritional standards. Because families in the 1950s spent an average of one third of their income on food, it was assumed that multiplying the food budget by three would result in an amount that would be adequate to meet other basic needs as well. Since its creation, the FPL has only been updated for inflation. FPL thresholds reflect the number of adults and children, but they do not vary by age of children, nor by place.

In contrast…

The Self-Sufficiency Standard is based on ALL major budget items faced by working adults, not just food. These basic needs include housing, child care, food, health care, transportation, taxes, and miscellaneous costs.

The Self-Sufficiency Standard calculates the most recent local or regional costs of each basic need. Accounting for regional or local variation is particularly important for housing because housing costs vary widely (e.g., the most expensive areas of the country, such as Manhattan, NY, can cost four times as much as in the least expensive areas, such as Mississippi, for equivalent size units).

The Self-Sufficiency Standard varies costs by age groups of children (infants, preschoolers, school agers, and teenagers). This is especially important for child care, which varies substantially by age.

The Self-Sufficiency Standard reflects modern family practices, and assumes that all adults (whether married or single) work full-time. Thus the Standard includes the employment-related costs of transportation, taxes, and child care (when needed). (Note that the federal poverty level assumes a two-parent household with a stay-at-home parent, or single parents relying on welfare or family support. Therefore work-related expenses such as child care, taxes, and transportation are not considered).

The Self-Sufficiency Standard includes the net effect of federal and state taxes and tax credits, as well as local taxes and tax credits.

The Standard's real-world assumptions allow the costs of all basic needs—not just food—to vary over time and across geographic locations. With this updated and detailed approach, the Standard is able to develop a realistic measurement of the income requirements for 70 different family types across each county in a given state.

Examples of Programs that use Federal Poverty Guidelines or Percentage Multiples to Determine Eligibility:*

Head Start: Household income must be below 100% of the FPL
http://www.ode.state.or.us/search/results/?id=41

Supplemental Nutrition Assistance Program (SNAP) (formerly Food Stamp Program): Household income must be below 130% of the FPL
http://www.fns.usda.gov/fsp/applicant_recipients/eligibility.htm#income

School Lunch Program: Household income must be below 130% of the FPL for free meals and below 185% of the FPL for reduced-price meals
http://www.fns.usda.gov/sites/default/files/2014-04788.pdf

Low-Income Home Energy Assistance: Household income must be below either 150% of the FPL or 60% of the state median income
http://www.oregon.gov/OHCS/SOS_Low_Income_Energy_Assistance_Oregon.shtml

Special Supplemental Nutrition Program for Women, Infants, and Children (WIC): Household income must be below 185% of the FPL
http://www.fns.usda.gov/wic/howtoapply/incomeguidelines.htm

Employment Related Day Care (child care subsidy): Household income must be below 185% of the FPL
http://www.oregon.gov/DHS/children/childcare/subsidy.shtml

Children's Health Insurance Program: Household income must be below 200% of the FPL
http://www.oregon.gov/DHS/healthplan/app_benefits/main.shtml

Oregon Health Plan: Household income must be below 200% of the FPL
http://www.oregon.gov/oha/healthplan/pages/apply.aspx

Means-tested programs that typically do not use federal poverty guidelines to determine eligibility:**

Temporary Assistance for Needy Families (TANF) and its predecessor, Aid to Families with Dependent Children (AFDC)

State/Local Funded General Assistance
Section 8 Low-Income Housing Assistance
Supplemental Security Income (SSI)
Large parts of Medicare
Low-Rent Public Housing
Earned Income Tax Credit (EITC)

*Percentage multiples apply to most families but each program has exceptions. Income eligibility is usually determined using gross income.

**These programs use their own eligibility rules or standards, such as local median household income.

See also http://aspe.hhs.gov/poverty/faq.shtml

Key Terms and Definitions

Household: The sample unit used in this study is the household (rather than the population), which counts groups of people that live together at a single address. "Group quarters" populations are not included (for example, prisoners or military service people housed in barracks), nor are households headed by either a disabled person or someone outside the ages of 18-64.

Householder: The householder is the person (or one of the persons) in whose name the housing unit is owned or rented (or, if there is no such person, any adult member, excluding roomers, boarders, or paid employees). When a variable is reported based on the householder (e.g., citizenship, educational attainment, occupation), it might not reflect the entire household. For example, although the householder reports his educational attainment as a high school diploma, another person in the household might have a college degree.

Single mother or single father: A woman maintaining a household with no spouse present but with children is referred to as a single mother. Likewise, a man maintaining a household with no spouse present but with children is referred to as a single father. In some cases the child may be a grandchild, niece or nephew, or unrelated child (such as a foster child).

Family household: A household with two or more persons (one of whom is the householder) residing together and related by birth, marriage, or adoption, as well as any unrelated persons who reside in the household.

Nonfamily household: A household that consists of a person living alone or with one or more nonrelatives.

Income: The income used in this report to determine whether a household meets the self-sufficiency standard is collected in the American Community Survey and is therefore based on the Census Bureau's definition of money income: "the income received on a regular basis (exclusive of certain money receipts such as capital gains) before payments for personal income taxes, social security, union dues, Medicare deductions, etc." Money income does not include noncash benefits such as food stamps, health benefits, subsidized housing, etc. For more information see the Census Bureau's income page: www.census.gov/hhes/www/income/about/

Income inadequacy: Refers to income that is too low to meet basic needs as measured by the Self-Sufficiency Standard. Other terms used interchangeably in this report include below the Standard, lacking sufficient (or adequate) income, and income that is not sufficient (or adequate) to meet basic needs.

Urban or rural: Urban counties are defined as the 11 counties that comprise the 6 metropolitan statistical areas (MSAs) in Oregon: Portland- Vancouver-Beaverton MSA (Clackamas, Columbia, Multnomah, Washington, and Yamhill counties in Oregon), Eugene-Springfield MSA (Lane County), Medford MSA (Jackson County), Salem MSA (Marion and Polk counties), Corvallis MSA (Benton County), and Bend MSA (Deschutes County). All other counties are classified as rural.

Hispanic or Latino: We use these terms interchangeably to refer to someone of "Hispanic, Latino, or Spanish origin" as reported on the ACS survey form. In this report, we separate Hispanic or Latino persons, regardless of race, from other racial/ethnic groups. Thus, when we refer to the other racial groups, (white, black or African American, Asian/Pacific Islander, American Indian or Alaskan Native, and Other, we are referring to individuals in those racial groups who are not also Hispanic or Latino.

Minorities: Refers to individuals and households coded as Latino, black or African American, Asian or Pacific Islander, Native American or Alaskan Native, or Other.

Findings

Self-Sufficiency in Oregon's Counties

Dr. Pearce calculated the Self-Sufficiency Standard for many different kinds of households in each of Oregon's 36 counties. Table 1 presents the Standards for 8 types of households in each county, as well as the median household income and the FPL for 2014 for each type of household. This section examines how these indicators vary across the state.

Oregon's median household income varies by county and is typically higher in the state's metropolitan areas than in rural counties.[1] The highest county median household income (about $65,000 in Washington county, see Table 1) is 80 percent higher than the lowest median household income (about $36,000 in Crook County). After Washington, the counties with the highest median incomes are Clackamas, Hood River, Columbia, Yamhill, and Multnomah, which are all located in the northwest Willamette Valley. The counties with the lowest median household incomes are all in the central or southern part of the state.

The Standards also vary by county, reflecting the methodology's sensitivity to regional cost-of-living differences, taxes, and other assumptions (Pearce, 2014). The most expensive county in Oregon for a single adult (Clackamas County, with a Standard of $24,469) is 41 percent more expensive than the least expensive county for a single adult (Harney County, with a Standard of $17,301). Such variation can be seen within each household type in Table 1. The maximum range between county lows and highs is for families with one adult, an infant, and a preschooler: the Standard for such families in Multnomah County is $73,563, which is two and a half times as much as the income needed by such families in Malheur County, $28,926.

In addition to varying between counties, Oregon's Self-Sufficiency Standards vary between family types. Reading Table 1 from left to right shows the increasing cost of adding children to households. For example, in Clackamas County, an adult with an infant must make $51,231 to meet the Standard, whereas an adult with an infant and a preschooler needs $67,422 and an adult with an infant, preschooler, and school-age child needs $88,924. In contrast, because child care costs decrease as children grow older, an adult with a preschooler in Clackamas County needs $41,211, whereas an adult with both a school-age child and a teenager requires less ($39,208). Adding an adult to a household also increases costs, but not to the same extent as adding a child that requires child care.[2]

The one measure in Table 1 that does not vary by county is the FPL. For adults in 2014, the FPL for a single adult was $11,670, which would be considered inadequate income for

[1] To obtain a median household income measure comparable to the 2014 standard, we inflated the 2010-2012 income measures using the consumer price index for western urban regions.
[2] Assumptions about child care needs of different types of families are found in Pearce, 2014 Appendix C.

Table 1: Self-Sufficiency Standards and Median Household Incomes for Oregon Counties; Federal Poverty Levels for Household Types, 2014

	Median Household Income	Adult	Adult + Infant	Adult + preschooler	Adult + Infant + preschooler	Adult + school-age+ teenager	Adult + infant+ preschooler + school-age	2 Adults + infant + preschooler	2 Adults + preschooler + school-age
					Federal Poverty Level				
ALL	-	$11,670	$15,730	$15,730	$19,790	$19,790	$23,850	$23,850	$23,850
					Self-Sufficiency Standards				
*Baker**	$43,116	$18,283	$28,248	$26,624	$32,158	$28,735	$45,981	$40,378	$40,536
Benton	$47,798	$20,367	$48,856	$44,684	$65,666	$34,241	$85,984	$73,016	$62,671
Clackamas	$63,762	$24,469	$51,231	$47,211	$67,442	$39,208	$88,924	$75,485	$65,490
Clatsop	$47,232	$19,023	$34,300	$30,377	$36,870	$29,423	$62,136	$47,451	$42,784
Columbia	$54,518	$21,597	$48,766	$44,667	$65,356	$34,667	$84,894	$73,619	$63,442
Coos	$38,605	$18,447	$29,641	$28,530	$34,532	$27,950	$59,362	$43,331	$40,876
Crook	$36,234	$18,788	$28,313	$26,848	$32,192	$28,735	$54,405	$40,329	$40,473
Curry	$39,299	$20,093	$35,938	$32,537	$37,426	$32,087	$62,081	$47,656	$44,849
Deschutes	$48,859	$20,631	$43,377	$40,088	$56,112	$31,261	$71,572	$63,439	$49,572
Douglas	$40,289	$17,466	$28,784	$27,564	$34,527	$26,360	$61,419	$41,962	$40,029
*Gilliam**	$48,977	$17,659	$27,681	$26,016	$31,614	$28,012	$48,239	$39,832	$39,917
*Grant**	$36,692	$17,653	$28,380	$26,514	$32,984	$28,303	$60,957	$41,014	$40,833
*Harney**	$42,395	$17,301	$27,505	$25,840	$31,268	$27,826	$43,304	$39,509	$39,588
Hood River	$60,312	$22,367	$49,783	$45,674	$66,612	$36,529	$87,223	$74,425	$64,255
Jackson	$43,855	$19,728	$40,305	$37,497	$51,486	$31,291	$67,988	$56,622	$47,587
Jefferson	$46,589	$18,480	$28,219	$26,610	$32,353	$29,257	$54,453	$41,018	$41,345
Josephine	$37,320	$20,178	$32,132	$29,838	$34,908	$32,513	$61,905	$44,116	$44,366
Klamath	$39,181	$19,264	$28,930	$27,477	$32,899	$29,858	$58,987	$41,537	$41,817
*Lake**	$42,796	$18,418	$26,742	$25,289	$30,593	$27,287	$42,220	$38,863	$38,966
Lane	$42,864	$19,892	$47,034	$43,125	$62,583	$32,461	$80,894	$69,701	$60,005
Lincoln	$43,770	$20,420	$39,069	$32,390	$49,075	$32,105	$64,585	$51,862	$45,918
Linn	$45,790	$18,524	$30,977	$29,415	$36,364	$28,322	$63,000	$45,331	$41,866
Malheur	$37,543	$17,433	$25,923	$24,765	$28,926	$26,370	$41,707	$36,811	$37,011
Marion	$46,936	$19,642	$35,703	$31,149	$37,175	$29,475	$62,992	$47,483	$43,779
*Morrow**	$51,781	$17,324	$27,947	$26,212	$32,122	$28,037	$44,488	$40,132	$40,115
Multnomah	$51,878	$19,993	$52,210	$47,037	$73,563	$33,881	$97,921	$78,164	$65,027
Polk	$51,870	$19,962	$35,932	$31,281	$37,221	$30,903	$62,904	$47,771	$44,561
*Sherman**	$47,641	$18,612	$27,644	$25,975	$31,532	$27,870	$45,770	$39,774	$39,832
Tillamook	$44,406	$20,278	$30,459	$29,460	$33,983	$29,868	$48,829	$43,180	$41,681
Umatilla	$47,867	$18,377	$31,432	$28,436	$34,481	$30,372	$60,482	$43,218	$43,134
Union	$42,860	$17,731	$28,255	$26,635	$32,216	$28,869	$47,931	$40,529	$40,716
*Wallowa**	$42,962	$18,086	$27,755	$26,089	$31,668	$28,047	$43,613	$39,813	$39,890
Wasco	$43,499	$19,809	$34,414	$31,084	$37,610	$30,514	$63,213	$48,004	$44,524
Washington	$65,356	$24,353	$51,742	$47,571	$68,410	$38,799	$90,302	$76,258	$65,800
*Wheeler**	$38,851	$17,372	$27,592	$25,926	$31,517	$27,896	$43,398	$39,671	$39,748
Yamhill	$52,777	$22,635	$40,797	$39,305	$51,251	$32,986	$67,578	$58,993	$49,635

The 2014 FPL is: $15,730 for a family of two, $19,790 for a family of three, and $23,850 for a family of four. See http://aspe.hhs.gov/poverty/14poverty.shtml.
Sources: U.S. Census Bureau, American Community Survey 3-Year Estimates, 2010-2012 (Median Household Income) adjusted for inflation using the Consumer Price Index (CPI); Pearce, D (2014). The Self-Sufficiency Standard for Oregon, 2014. Center for Women's Welfare, University of Washington (Self-Sufficiency Standard).
*Median household income data from American Community Survey 5-year Estimates, 2008-2012 adjusted for inflation using the CPI.
**Adjusted to 2014 dollars using the Consumer Price Index for western urban areas

a single adult in any Oregon county in terms of the Self-Sufficiency Standard (the lowest Standard for any county is $17,301 in Harney County).

The other FPLs included in the table account for the number of adults and children but not the age of the children; each FPL is significantly lower than the lowest Self-Sufficiency Standard for any Oregon county.

The Standard as a percent of the FPL ranges from 150 percent to almost 300 percent (Pearce, 2014). When comparing the Standard to the median household income in each county in Table 1, one can see that in most counties, the median household income is sufficient to meet the Self-Sufficiency Standard for households with one adult and up to two children. However, because this is the median income, only half of all households in each county earn this amount or more; the other half earn less and some, therefore, lack adequate income. As we will see below, overall, 37 percent of households in Oregon do not meet the Standard.

The Geographic Distribution of Income Inadequacy

Whereas 18 percent of Oregon households are below the FPL, 37 percent are below the Self-Sufficiency Standard for their county and household type. As shown in Table 2, the percentage of households below the FPL ranges from a low of 11 percent in Clackamas County to a high of 24 percent in Linn and Benton counties. In contrast, between 32 percent (Clackamas and Washington) and 44 percent (Lane) of households in Oregon counties are below the Standard. Figures 4 and 5 show the differences and the geographic patterns of income inadequacy throughout the state. Under both measures, counties in the southern part of the state have some of the highest proportions of households with insufficient income: Coos, Curry, and Josephine in the southwest and Klamath, Lake, Harney, and Malheur counties in the southeast.

Three other counties— Benton, Lane, and Linn—experience similarly high rates of households with inadequate income and are the most populous counties among those with a high percentage of households below the Standard. Counties with the lowest percentage of households with inadequate income are Clackamas and Washington (32%), and Douglas (33%) Counties.

In general, the proportion of households below the Standard is higher in rural areas: in 17 of Oregon's 25 rural counties, more than 37 percent of households are below the Standard, whereas more than 37 percent of households are below the Standard in only 4 of the 11 urban counties.[3]

[3] Urban counties are those included in metropolitan statistical areas, including Benton, Clackamas, Columbia, Deschutes, Jackson, Lane, Marion, Multnomah, Polk, Washington, and Yamhill.

Despite the fact that most of the counties with the lowest proportions of below-Standard households are considered urban, urban counties are home to most of the individuals with insufficient income in Oregon: 78 percent of all Oregon households that are below the Standard are located in urban areas, versus 22 percent in rural counties. Thus, although higher rates of income inadequacy in rural counties are of definite concern, in terms of absolute numbers, households struggling to meet their basic needs are primarily located in Oregon's metropolitan areas. In fact, 44 percent of Oregon's households with inadequate income are located in the Portland metropolitan area alone (Multnomah, Clackamas, Washington, Yamhill, and Columbia counties). This follows naturally from the fact that these five counties are home to about half of all Oregonians.
(See Table 2 and Figure 3).

Because the FPL is always lower than the Standard, there is always a group of households that is above the FPL but below the Standard. For example, whereas only 11 percent of households in Clackamas County don't earn enough income to meet the FPL for their household type, an additional 21 percent are above the FPL but below the Standard (see Table 2 and Figure 3). A policy maker examining poverty in Clackamas County using only the FPL might not realize that there are a large number of additional households that do not have income adequate to meet their basic needs and may overlook these households as targets of prosperity policy. The counties with the highest percentages of households (21%) above the FPL but below the Standard are Clackamas, Jackson, Lane, and Crook, Gilliam, Grant, Hood River, Jefferson, Morrow, Sherman, Wasco, and Wheeler, which are all in the one PUMA. All of these are grouped in the northeast of the state. The families in this "gap" between the FPL and the Standard for their county and household type may be ineligible for some means-tested programs, despite the fact that they do not have sufficient income to support their households.

In sum, the percentages of households above and below the FPL and the Standard vary across the state. The percentage of households with below-Standard income is higher in rural counties, but most households below the Standard (78%) are in urban counties. In all counties there is a policy gap that affects household with incomes above the FPL but below the Standard: these households do not have enough income to meet their basic needs but they are not officially considered poor.

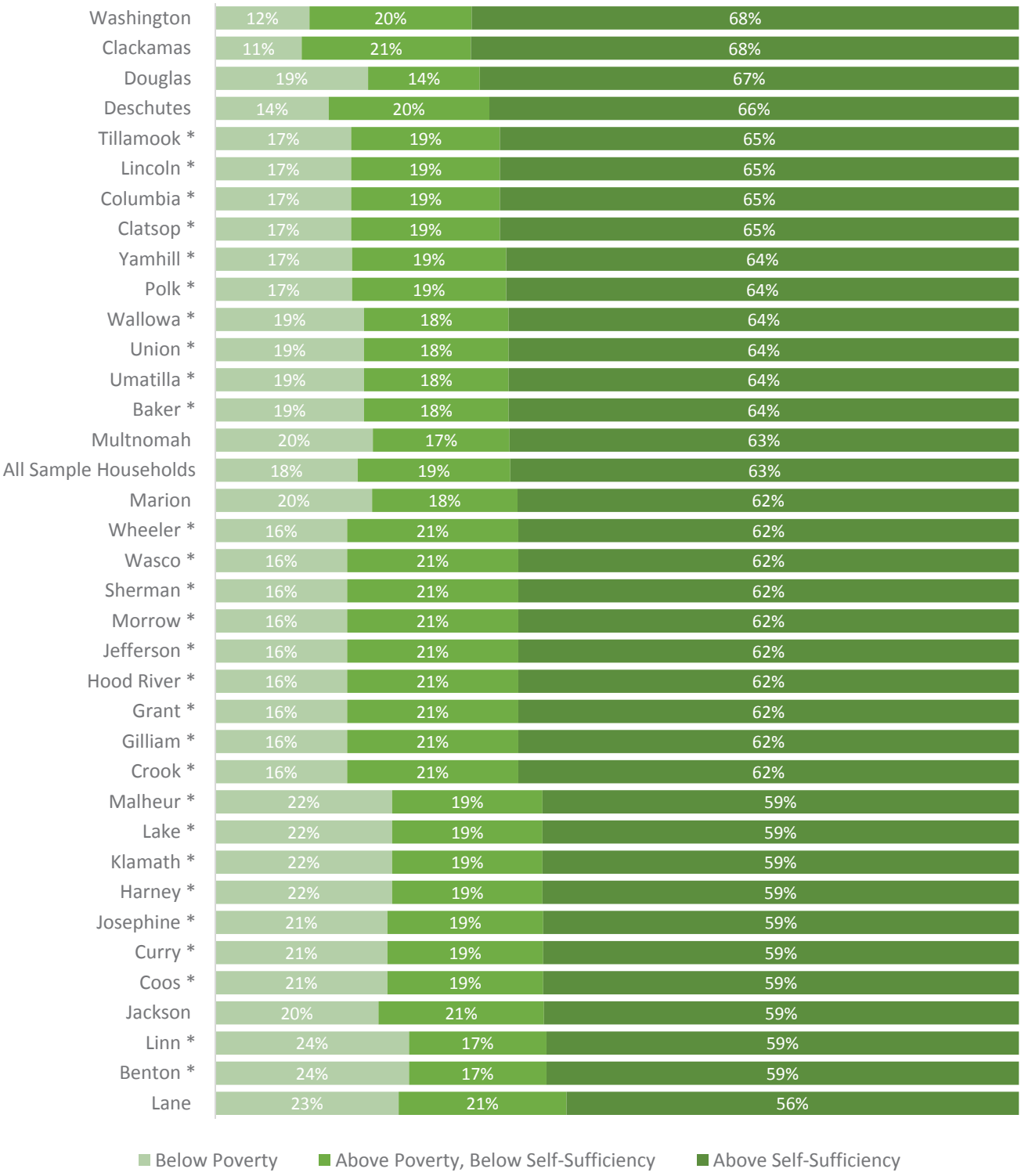
Table 2. Percentage of Sample Households in Income Categories, by County, 2014

	Percent of Households in Sample	Below Poverty	Above Poverty, Below Self-Sufficiency	Below Self-Sufficiency (subtotal)	Above Self-Sufficiency
All Sample Households	100%	17.7%	19.0%	36.7%	63.3%
Oregon Counties					
*Baker **	0.8%	18.5%	18.0%	36.5%	63.5%
*Benton **	2.6%	24.1%	17.1%	41.2%	58.8%
Clackamas	9.6%	10.7%	21.0%	31.7%	68.0%
*Clatsop **	1.0%	16.9%	18.5%	35.4%	64.6%
*Columbia **	1.0%	16.9%	18.5%	35.4%	64.6%
*Coos **	1.4%	21.4%	19.4%	40.8%	59.2%
*Crook **	0.3%	16.4%	21.3%	37.7%	62.3%
*Curry **	1.4%	21.4%	19.4%	40.8%	59.2%
Deschutes	4.2%	14.1%	20.0%	34.1%	65.9%
Douglas	2.7%	19.0%	13.9%	32.9%	67.1%
*Gilliam **	0.3%	16.4%	21.3%	37.7%	62.3%
*Grant **	0.3%	16.4%	21.3%	37.7%	62.3%
*Harney **	0.7%	22.0%	18.7%	40.7%	59.3%
*Hood River **	0.3%	16.4%	21.3%	37.7%	62.3%
Jackson	5.1%	20.3%	20.6%	40.9%	59.1%
*Jefferson **	0.3%	16.4%	21.3%	37.7%	62.3%
*Josephine **	1.4%	21.4%	19.4%	40.8%	59.2%
*Klamath **	0.7%	22.0%	18.7%	40.7%	59.3%
*Lake **	0.7%	22.0%	18.7%	40.7%	59.3%
Lane	9.5%	22.8%	20.9%	43.7%	56.3%
*Lincoln **	1.0%	16.9%	18.5%	35.4%	64.6%
*Linn **	2.6%	24.1%	17.1%	41.2%	58.8%
*Malheur **	0.7%	22.0%	18.7%	40.7%	59.3%
Marion	7.5%	19.5%	18.1%	37.6%	62.4%
*Morrow **	0.3%	16.4%	21.3%	37.7%	62.3%
Multnomah	20.9%	19.6%	17.0%	36.6%	63.4%
*Polk **	2.0%	17.0%	19.2%	36.2%	63.8%
*Sherman **	0.3%	16.4%	21.3%	37.7%	62.3%
*Tillamook **	1.0%	16.9%	18.5%	35.4%	64.6%
*Umatilla **	0.8%	18.5%	18.0%	36.5%	63.5%
*Union **	0.8%	18.5%	18.0%	36.5%	63.5%
*Wallowa **	0.8%	18.5%	18.0%	36.5%	63.5%
*Wasco **	0.3%	16.4%	21.3%	37.7%	62.3%
Washington	14.4%	11.7%	20.2%	31.9%	68.1%
*Wheeler **	0.3%	16.4%	21.3%	37.7%	62.3%
*Yamhill **	2.0%	17.0%	19.2%	36.2%	63.8%

Source: American Community Survey, PUMS data 2010-2012

* Estimates are for PUMA level geography.

Figure 3. Percentage of Sample Housholds in Income Categories, by County, 2014



Source: American Community Survey, PUMS data 2010-2012

*Estimates are for PUMA level geography.

Note: Although ACS estimates should be interpreted with the accompanying margin of error (MOE), due to resource constraints, the MOE values are not reported here. Refer to Appendix A for more information.

Figure 4. Percentage of Sample Households below the Federal Poverty Level, by County, 2014

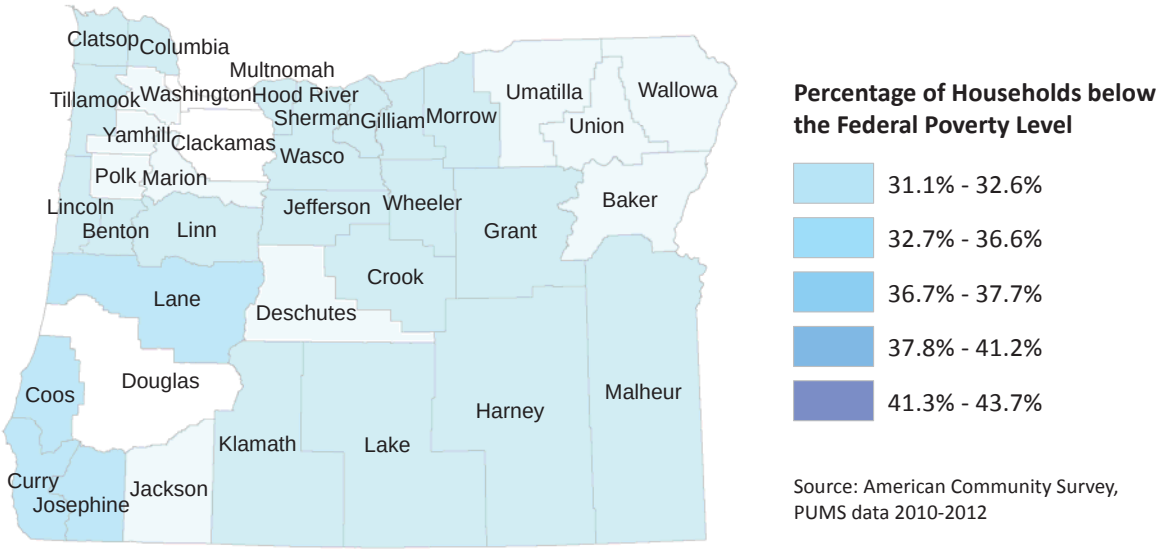
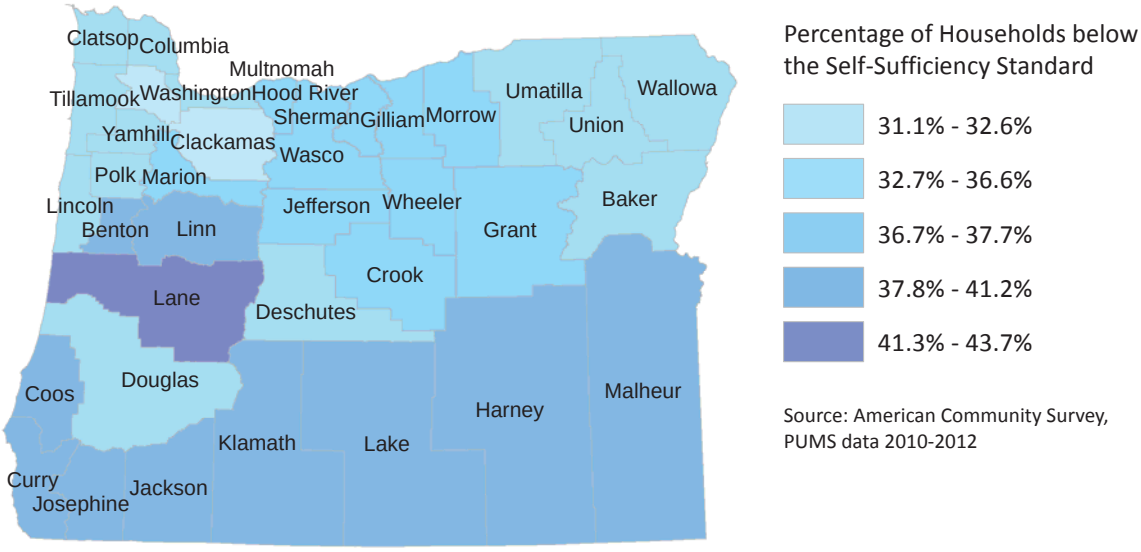


Figure 5. Percentage of Sample Households below the Self-Sufficiency Standard, by County, 2014



Self-Sufficiency, Race and Latino Origin, and Citizenship

It is widely recognized that poverty falls disproportionately on minorities (e.g., Hoynes et al., 2006; Rank & Hirschl, 2001). Thus it is not surprising that in Oregon, minority householders experience higher rates of inadequate income. This section will present information on race/ethnicity and citizenship characteristics of householders with below-Standard incomes. For this study, Oregon householders are divided into six mutually exclusive race/ethnicity groups: black or African American, Asian or Pacific Islander (non-Latino), Latino, American Indian or Alaskan Native (non-Latino), white (Caucasian,

non- Latino), other races (non-Latino), and Latino (of any race). The householder is the person (or one of the persons) in whose name the housing unit is owned or rented.

White non-Latino householders are the least likely of the six race/ethnicity groups to have incomes below the Standard (see Table 3). Whereas only 33 percent of white Oregon householders earn incomes that do not meet the Self-Sufficiency Standard, that percentage is 60 percent for Latinos (of any race), 53 percent for black or African Americans, 51 percent for American Indians or Alaskan Natives, and 53 percent for Asians or Pacific Islanders Although racial and ethnic minorities suffer from a higher incidence of income inadequacy, they comprise a fairly small share of Oregon's households; thus, the majority of householders with insufficient income are white and non-Latino.

Although all minority householders are more likely to have incomes below the Standard, Latino householders are most likely to fail to meet the Standard. Latinos represent the largest minority group in Oregon, constituting about 9 percent of all households (Table 4). Over half (60%) of Latino householders in Oregon have incomes below the Standard. Of these, about 40 percent have incomes below the FPL, indicating the depth of poverty among these households.

Whereas only 9 percent of Oregon households have a Latino householder, 14 percent of all householders with below-Standard incomes in Oregon are Latino (see Table 4). Latino householders are disproportionately represented among householders with insufficient income in all Oregon counties. This is most pronounced in Marion County, which has the highest percentage of Latino householders (18%) of all Oregon counties, as well as the highest percentage of householders below the Standard that are Latino (29%). The other urban county with a particularly high percentage of Latino householders with below-Standard incomes is Washington, where only 11 percent of householders are Latino but 22 percent of householders below the Standard are Latino.

In addition to these two counties, there are two clusters of rural counties with high percentages of Latino householders with below-Standard incomes: in Oregon's north central counties (Wheeler, Sherman, Gilliam, Hood River, Grant, Wasco, Jefferson, Morrow, and Crook) and in the southeast counties (Harney, Klamath, Malheur, and Lake). These clusters of counties also have higher overall percentages of households below the Standard (above 40 percent; see Table 2). Thus, income insufficiency in the north central and southeast regions of Oregon is both high in general and quite concentrated among Latinos.

However, it is important to note again that counties with the highest rates of households with below-Standard incomes are usually not home to the largest absolute numbers of such households. Most households with inadequate income are located in Oregon's most populous counties.

Table 3. Percentage of Sample Households in Income Categories by Householder Race and Latino Origin, 2014

	Percentage of Households in Sample	Below Poverty	Above Poverty, Below Self-Sufficiency	Below Self-Sufficiency (subtotal)	Above Self-Sufficiency
All Sample Households	100%	16.5%	20.3%	36.7%	63.3%
American Indian or Alaskan Native	1.1%	28.4%	22.1%	50.5%	49.5%
Asian or Pacific Islander	3.7%	16.7%	21.7%	38.4%	61.6%
Black or African American	1.8%	32.9%	20.1%	53.0%	47.0%
Hispanic or Latino	8.5%	23.3%	36.7%	60.0%	40.0%
Other	2.4%	25.6%	24.1%	49.7%	50.3%
White	82.5%	16.9%	16.4%	33.3%	66.7%

Source: American Community Survey, PUMS data 2010-2012
Note: Although ACS estimates should be interpreted with the accompanying margin of error (MOE), due to resource constraints, the MOS values are not reported here. Refer to Appendix A for more information.

Table 4. Distribution of Latino Householders in Sample by County and Self-Sufficiency, 2014

	Percentage of Householders who are Latino	Percentage of Householders below the Self-Sufficiency Standard who are Latino
All Sample Households	8.5%	13.9%
*Baker**	12.1%	18.6%
Benton	5.6%	8.0%
Clackamas	5.5%	8.7%
Clatsop	4.7%	8.2%
Columbia	4.7%	8.2%
Coos	5.1%	6.1%
Crook	11.5%	19.3%
Curry	5.1%	6.1%
Deschutes	5.0%	7.7%
Douglas	3.0%	4.7%
*Gilliam**	11.5%	19.3%
*Grant**	11.5%	19.3%
*Harney**	12.6%	17.9%
Hood River	11.5%	19.3%
Jackson	8.7%	13.8%
Jefferson	11.5%	19.3%
Josephine	5.1%	6.1%
Klamath	12.6%	17.9%
*Lake**	12.6%	17.9%
Lane	5.6%	7.8%
Lincoln	4.7%	8.2%
Linn	5.6%	8.0%
Malheur	12.6%	17.9%
Marion	18.0%	29.4%
*Morrow**	11.5%	19.3%
Multnomah	7.9%	13.1%
Polk	10.4%	15.0%
*Sherman**	11.5%	19.3%
Tillamook	4.7%	8.2%
Umatilla	12.1%	18.6%
Union	12.1%	18.6%
*Wallowa**	12.1%	18.6%
Wasco	11.5%	19.3%
Washington	10.8%	22.2%
*Wheeler**	11.5%	19.3%
Yamhill	10.4%	15.0%

Source: American Community Survey, PUMS data 2010-2012
Note: Although ACS estimates should be interpreted with the accompanying margin of error (MOE), due to resource constraints, the MOE values are not reported here. Refer to Appendix A for more information.

Table 5. Percentage of Sample Households in Income Categories by Householder Citizenship Status and Origin, 2014

	Percentage of Households in Sample	Below Poverty	Above Poverty, Below Self-Sufficiency	Below Self-Sufficiency (subtotal)	Above Self-Sufficiency
All Sample Households	100.0%	17.7%	19.0%	36.7%	63.3%
Native Born	89.6%	17.9%	17.0%	34.9%	65.1%
Latino	3.8%	23.7%	25.4%	49.1%	50.9%
Not Latino	85.8%	17.6%	16.7%	34.3%	65.7%
Foreign Born	10.4%	19.4%	32.7%	52.1%	47.9%
Naturalized Citizen	4.7%	13.4%	26.2%	39.6%	60.4%
Latino	1.3%	12.7%	38.6%	51.3%	48.7%
Not Latino	3.4%	13.7%	21.3%	35.0%	65.0%
Not a Citizen	5.7%	24.4%	38.1%	62.5%	37.4%
Latino	3.4%	26.9%	48.8%	75.7%	24.3%
Not Latino	2.3%	20.6%	22.5%	43.1%	56.9%

Source: American Community Survey, PUMS data 2010-2012
Note: Although ACS estimates should be interpreted with the accompanying margin of error (MOE), due to resource constraints, the MOE values are not reported here. Refer to Appendix A for more information.

Citizenship status and householder origin are associated with income sufficiency levels in Oregon (see Table 5). Most Oregon householders (86%) are U.S.-born, not Latino, and experience average rates of income inadequacy. Foreign-born, non-Latino citizens (3% of householders) also have average rates of income inadequacy. It is the remaining 10% of householders that experience much higher rates of economic stress: 63% of all non-citizen householders and 76% of Latino non-citizen householders have incomes below the Standard. The depth of poverty among all non-citizen householders is illustrated by the fact that almost half are below the FPL. On average, foreign-born householders, citizens and non-citizens, have higher rates of income inadequacy than do native-born householders (52% versus 35%).

Although citizenship is clearly associated with having enough income to meet a household's basic needs, it is not a guarantee: 51% of foreign-born citizen Latino householders have below-Standard incomes. Thus regardless of citizenship status and place of birth, Latino householders experience higher rates of income inadequacy than do non-Latino householders. The substantial overlap between Latino origin, non-citizenship status, and income inadequacy illustrates the interacting and compounding nature of factors that are associated with income self-sufficiency. Many foreign-born Latinos in Oregon face a number of obstacles, which may include lack of knowledge about local labor markets, relatively low levels of education, imperfect English, and lack of documentation.

Self-Sufficiency and Household Type

Households headed by women are less likely to meet the Self-Sufficiency Standard than are households headed by men. Forty-three percent of female-headed households in Oregon fall below the Self-Sufficiency Standard, compared with 31% of male-headed households (see Table 6B). In addition, households with children, especially young children, are more likely to have incomes below the Standard.

Table 6C shows the incidence of income inadequacy among various household types in Oregon. The most striking figures are those pertaining to single mothers (i.e., female householders with children, no spouse present). In Oregon, 65% of single-mother households have inadequate income. In comparison, 47% of households maintained by single fathers have insufficient income. Single-mother households have the highest poverty rate as defined by the FPL (38%) as well as the largest percentage of households in the gap between the FPL and the Standard (another 27%). In other words, poverty is comparatively deep among this household group. Of the 65% of single-mother households with inadequate income, more than half have incomes below the FPL.

Table 6C can also help us sort out the different impacts of household type, the presence of children, and the impact of the sex of the householder. Comparing male and female non-family households (which by definition have no related children and are usually one-person households), the below-Standard difference between these households is very small: 44% for men versus 46% for women. One-person households thus have very similar rates of income inadequacy, regardless of the householder's sex.

Comparing family households without children reveals a much larger difference between male- and female-headed households: 39% of male-headed family households without children have insufficient income, versus 51 percent for female-headed family households without children.[1] These women are likely caring for other family members.

In households with children, the corresponding rates for single-parent households are even more distinct: 47 percent for single-father households and 65 percent for single-mother households. These differences point to a clear association between single motherhood and insufficient income.

The presence of children is also associated with higher rates of inadequate income for all household types regardless of marital status or sex. Comparing each category under family households with children to the corresponding categories of family households without children.

The rate of below-Standard incomes among all family households with children (42%) is more than double the rate for all family households without children (18%). Households with children are consistently associated with higher rates of below-Standard incomes.

[1] Family households with no spouse or children present consist of two or more persons who are related by birth or adoption, as well as any unrelated persons who reside in the household. Related individuals might include siblings or adult parents.

Table 6A: Distribution of Sample Households by Household Type, 2014

Household Type	Percentage of Households in Sample
Nonfamily *Households*	
Male Householder	16.5%
Female Householder	15.2%
Family Households with Children	
Married Couple	27.4%
Male Householder, no spouse present	4.2%
Female Householder, no spouse present	11.2%
Family Household without Children	
Married Couple	22.8%
Male Householder, no spouse present	1.2%
Female Householder, no spouse present	1.4%

Source: American Community Survey, PUMS data 2010-2012
Note: Although ACS estimates should be interpreted with the accompanying margin of error (MOE), due to resource constraints, the MOE values are not reported here. Refer to Appendix A for more information.

Table 6B. Percentage of Sample Households in Income Categories by Householder Sex, 2014

	Below Poverty	Above Poverty, Below Self-Sufficiency	Below Self-Sufficiency (subtotal)	Above Self-Sufficiency
All Households in Sample	17.7%	19.0%	36.7%	63.3%
Female Headed Household	22.3%	20.8%	43.1%	56.9%
Male Headed Household	13.8%	17.5%	31.3%	68.7%

Source: American Community Survey, PUMS data 2010-2012
Note: Although ACS estimates should be interpreted with the accompanying margin of error (MOE), due to resource constraints, the MOE values are not reported here. Refer to Appendix A for more information.

Table 6C. Percentage of Sample Households in Income Categories by Household Type, 2014

	Below Poverty	Above Poverty, Below Self-Sufficiency	Below Self-Sufficiency (subtotal)	Above Self-Sufficiency
All Sample Households	17.7%	19.0%	36.7%	63.3%
Nonfamily Households	26.9%	18.0%	44.9%	55.1%
Male Householder	25.4%	18.3%	43.7%	56.3%
Female Householder	28.4%	17.8%	46.2%	53.8%
Family Households with Children	17.9%	23.9%	41.8%	58.2%
Married Couple	8.6%	21.8%	30.4%	69.6%
Male Householder, no spouse present	24.1%	22.4%	46.5%	53.5%
Female Householder, no spouse present	38.2%	27.1%	65.3%	34.7%
Family Household without Children	6.0%	11.9%	17.9%	82.1%
Married Couple	4.6%	10.1%	14.7%	85.3%
Male Householder, no spouse present	16.8%	21.9%	38.7%	61.3%
Female Householder, no spouse present	20.5%	30.1%	50.6%	49.5%

Source: American Community Survey, PUMS data 2010-2012
Note: Although ACS estimates should be interpreted with the accompanying margin of error (MOE), due to resource constraints, the MOE values are not reported here. Refer to Appendix A for more information.

This fact underlies the very high rates of child poverty in the United States that were discussed briefly in the introduction.

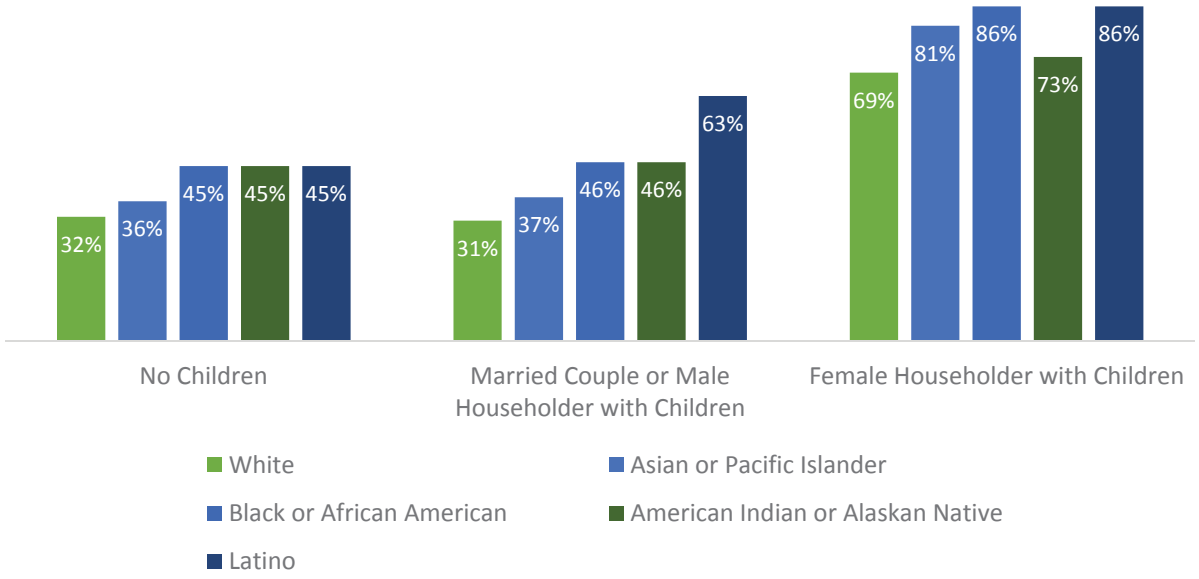
The number of children in a household is also correlated with the percentage of households with below-Standard incomes (see Table 7). Among the more than 57 percent of Oregon households that do not have any children, 33 percent have inadequate income. In contrast, among the more than 43 percent of Oregon households with children, 42 percent have inadequate income. In general, as the number of children rises, so does the rate of income inadequacy. Among the large majority (78%) of families with just one or two children, about 42 percent have incomes below the Standard. In contrast, among families with three or more children, the below-Standard rate increases dramatically to 57 percent and higher. Families with more children clearly require more income for housing, child care, food, health care, etc., but many are unable to attain this higher level of income. The age of children also affects families' basic costs and therefore their chances of being able to meet their needs. As Table 7 shows, among families with at least one child under the age of 5, 60 percent have incomes below the Standard, versus 35 percent for families whose youngest child is over the age of 5. This is because of the high cost of child care for younger children.

As discussed above, household type and householder race/ethnicity and sex are all associated with rates of income inadequacy. Figure 6 illustrates the interaction of these household characteristics. When household type and race/ethnicity are combined, there are significant disparities between groups in terms of income adequacy. Within racial groups, household-type differences remain, with the highest rates of income inadequacy among single-mother households of any race. Within household types, race/ethnicity differences remain, with the highest rates of income inadequacy consistently among Latino householders.[2] White households consistently experience the lowest rates of income inadequacy. The most striking aspects of Figure 6 are the clear increase in income inadequacy of single-mother households for each race/ethnicity and the comparatively higher rate of income inadequacy among Latino married-couple and single-father households with children (63% compared with 31% for white [non-Latino] households).

These characteristics may be related to differences in educational attainment, lower wages, fewer working adults in each household, and/or fewer hours worked.

[2] Single male householders with children are grouped togeather with married couple householders with children because they represent less than 5% of households.

Figure 6. Percentage of Sample Households below Self-Sufficiency by Household Type and Race or Latino Origin, 2014



Source: American Community Survey, PUMS data 2010-2012
Note: Although ACS estimates should be interpreted with the accompanying margin of error (MOE), due to resource constraints, the MOE values are not reported here. Refer to Appendix A for more information.

Table 7. Percentage of Sample Households in Income Categories by Number and Age of Children, 2014

	Percent of Households in Sample	Below Poverty	Above Poverty, Below Self-Sufficiency	Below Self-Sufficiency (subtotal)	Above Self-Sufficiency
All Sample Households	100.0%	17.7%	19.0%	36.7%	63.3%
Number of Children in Household					
0	57.2%	17.6%	15.3%	32.9%	67.1%
1 or more	42.8%	17.9%	23.9%	41.8%	58.2%
1	19.8%	15.0%	21.3%	36.3%	63.7%
2	14.6%	16.4%	21.9%	38.3%	61.7%
3	5.8%	24.5%	32.4%	56.9%	43.1%
4 or more	2.6%	33.2%	36.7%	69.9%	30.1%
Age of youngest child in household					
Less than 5 years	28.8%	26.7%	33.3%	60.0%	40.0%
5 to 17 years	71.2%	14.3%	20.2%	34.5%	65.5%

Source: American Community Survey, PUMS data 2010-2012
Note: Although ACS estimates should be interpreted with the accompanying margin of error (MOE), due to resource constraints, the MOE values are not reported here. Refer to Appendix A for more information.

Table 8. Distribution of Sample Households by Householder Education, Sex, and Race and Latino Origin, 2014

	Percentage of Households in Sample	Below Poverty	Above Poverty, Below Self-Sufficiency	Below Self-Sufficiency (subtotal)	Above Self-Sufficiency
All Sample Households	100.0%	17.7%	19.0%	36.7%	63.3%
Householder Educational Attainment					
Less than high school	8.1%	38.8%	29.1%	67.9%	32.1%
Male	4.5%	30.0%	31.6%	61.6%	38.4%
White	2.3%	27.6%	28.0%	55.6%	44.4%
Minority	2.2%	32.5%	35.3%	67.8%	32.2%
Female	3.6%	49.8%	26.1%	75.9%	24.1%
White	1.9%	45.7%	25.8%	71.5%	28.5%
Minority	1.6%	54.8%	26.4%	81.2%	18.8%
High School Diploma	20.6%	21.9%	24.0%	45.9%	54.1%
Male	11.5%	172.0%	23.5%	40.7%	59.3%
White	9.5%	15.2%	22.1%	37.3%	62.7%
Minority	2.0%	26.7%	30.4%	57.1%	42.9%
Female	9.2%	17.2%	35.2%	52.4%	47.6%
White	7.5%	25.8%	23.1%	48.9%	51.1%
Minority	1.6%	37.6%	31.1%	68.7%	31.3%
Some College or Associates Degree	38.9%	19.5%	20.6%	40.1%	59.9%
Male	19.9%	17.2%	23.5%	40.7%	59.3%
White	17.0%	14.0%	16.6%	30.6%	69.4%
Minority	2.9%	21.4%	23.9%	45.3%	54.7%
Female	18.9%	24.2%	23.6%	47.8%	52.2%
White	15.6%	22.6%	22.8%	45.4%	54.6%
Minority	3.1%	32.8%	27.5%	60.3%	39.7%
Bachelors or Higher	32.4%	7.7%	11.3%	19.0%	81.0%
Male	18.0%	6.3%	9.7%	16.0%	84.0%
White	15.6%	5.7%	9.1%	14.8%	85.2%
Minority	2.4%	10.3%	13.4%	23.7%	76.3%
Female	14.4%	9.5%	13.2%	22.7%	77.3%
White	12.7%	9.3%	13.2%	22.5%	77.5%
Minority	1.7%	10.6%	13.7%	24.3%	75.7%

Source: American Community Survey, PUMS data 2010-2012
Note: Although ACS estimates should be interpreted with the accompanying margin of error (MOE), due to resource constraints, the MOE values are not reported here. Refer to Appendix A for more information.

Self-Sufficiency and Education

Strong evidence supports a correlation between education and income; individuals with less education are more likely to have lower incomes (U.S. Census Bureau, 2009).

This analysis of self-sufficiency reflects this general correlation; in this section we examine the relationship between education and self-sufficiency and show that the percentage of households not meeting the Standard falls as the level of education rises. However, the income benefits of acquiring an education differ by demographic characteristics, particularly race and sex.

The Oregon households sampled for this project have a wide range of educational attainment, as described in Table 8. About 32 percent have a Bachelor's degree or higher while 39 percent have attended college but have not achieved a Bachelor's degree. About 20 percent have a high school degree but have not attended college, and about 8 percent have not graduated from high school.

Minority households are over-represented among the households that did not finish high school. As expected, Table 8 shows that the percentage of households not meeting the self-sufficiency standard falls as the educational attainment of the head of household increases.

Among households whose householder does not have a high school diploma, 68 percent do not meet the standard; 46 percent of those with a high school diploma or equivalent meet the standard; 40 percent of those with some college don't meet the standard, but only 19 percent of those with a bachelor's degree or higher don't meet the standard. Completing high school provides the most significant gain—22 percentage points—in terms of the percentage of households meeting the self-sufficiency standard. Each step up in educational attainment through completing a bachelor's degree results in significant gains in income self-sufficiency.

The gains in self-sufficiency from education are not uniform across all groups. While greater educational attainment is associated with improved income adequacy for all groups in Oregon, there are two clear disparities with regard to the effect of education on householder sex and race/ethnicity groups. First, at lower levels of educational attainment, female householders are much more likely than men to have insufficient incomes. Even with the same level of education, female householders experience higher rates of income inadequacy than male householders.

The difference narrows at higher levels of education. For example, Table 8 shows that among householders without a high school education, 76 percent of women and 62 percent of men don't meet the self-sufficiency standard—a difference of 14 percentage points. But among householders with a bachelor's degree or more, 23 percent of households headed by women don't meet the Standard while 16 percent of households headed by men don't meet the standard—a difference of only seven points.

Second, there are differences between men and women at each education level by race/ethnicity. In general, for all race/ethnicity groups, there are more dramatic differences between

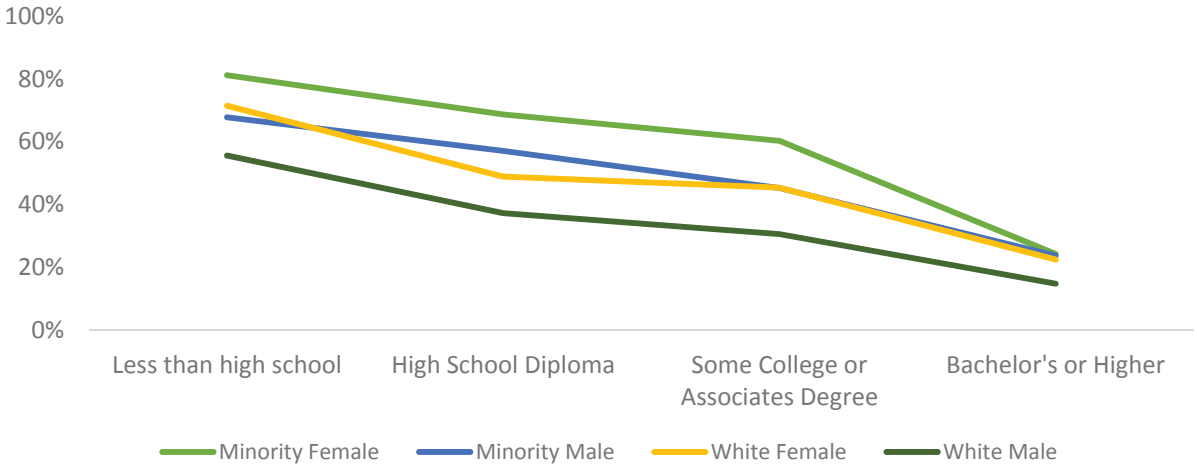
income sufficiency for men and women at lower levels of education than at higher levels of education.

The result of these disparities is that women and minorities need more education to achieve the same level of economic self-sufficiency as white men. Figure 7 clearly illustrates this fact: each line represents a different ethnicity and sex category. Different points on each line represent the education level, which increases as we move to the right. Even with some college, minority females have higher rates of inadequate income than do white non-Hispanic males.

The steepness of each line and the gaps at each education level show that not only do the differences narrow at higher levels of education, but the gains from education differ by group. Minority female householders experience the largest income benefits from increased education. In other words, they experience the most dramatic decrease in income inadequacy rates as their education levels increase, with a change of 57 percentage points between the highest and lowest levels of educational attainment. White women experience a similar improvement of 49 percentage points, and minority men are not far behind (44 percentage points).

The change in income inadequacy rates for white men is only 41 percentage points. In other words, white men experience the smallest income benefits from additional education. Increased educational attainment is associated with increased income self-sufficiency for all householder groups but especially for minorities and white women. Minority men and women experience higher rates of income inadequacy than their white counterparts at all educational levels, and the differences between income sufficiency for men and women are more dramatic at lower levels of education than at higher levels of education.

Figure 7. Percentage of Sample Households below the Standard by Housholder Education, Sex, and Race or Hispanic Origin, 2014



Source: American Community Survey, PUMS data 2010-2012
Note: Although ACS estimates should be interpreted with the accompanying margin of error (MOE), due to resource constraints, the MOE values are not reported here. Refer to Appendix A for more information.

Self-Sufficiency and Work

In addition to household type and householder race/ethnicity, sex, and education, self-sufficiency depends a great deal on the work status and occupation of the workers within the household. This section explores how self-sufficiency is affected by the number of workers in the household, whether they work full-time or part-time, and their occupation.

The number of workers in a household is clearly related to its income sufficiency. Nearly ninety percent of all households in Oregon with a non-elderly and non-disabled adult have at least one adult working (Table 9A). About 40 percent of households have one working adult and about 47 percent have two or more working adults. Households with no adults working have very high rates of income inadequacy (66%; see Table 9B). Likewise, households with just one worker have higher rates of below-Standard income (38%) than do households with two or more workers (29%). However, employment does not guarantee economic self- sufficiency: even among households with two or more workers, 28% have inadequate income, and households with at least one working adult comprise 75% of all households with inadequate income.

Households that work more hours or year round are less likely to suffer from income inadequacy. Among households in which the householder is a full-time year-round worker, only 19 percent suffer from inadequate income compared to 51 percent for those with part time or partial year work. Similarly, as the number of hours worked per week increases, the percent below the Self-Sufficiency Standard falls (Table 10).Households with two workers have more flexibility with respect to organizing their work to meet self-sufficiency.

Among households with two adults, only 12 percent experience insufficient income if both adults work full time year round, 20 percent if one adult works full time year round and the other works part time and/or part year, and 29 percent if both adults work part time and/or part year. Regardless of work schedules in two-adult households, if all adults are working, 26 percent lack adequate income.

Occupations

Because occupations vary widely with respect to their wages, the occupation of a household's workers has an important impact on its ability to meet the self-sufficiency standard. We explore the relationships between occupation and self-sufficiency in this section by comparing the occupations of groups that meet the self-sufficiency standard with those that do not. It is important to note the difference between occupation and industry: occupation describes the kind of work a person performs, whereas industry describes the kind of firm that employs that person.[1]

[1] Occupation groupings are based on the Occupation Codes of the 2010-2012 ACS 3-year PUMS (http://www.census.gov/acs/www/Products/PUMS/ C2SS/CodeList/2010-2012/Occupation.htm), which are almost identical to the Bureau of Labor Statistics' Standard Occupational Classification (SOC) (http://www.bls.gov/soc/soc_majo.htm).

Table 9A: Distribution of Sample Households by Number of Workers and Work Status of Adults, 2014

Number of Working Adults in Household	Percentage of Households in Sample
0	12.6%
1	40.3%
2 or more	47.1%
Work status of householder	
Full time, year round	48.6%
Part time and/or part year	28.6%
Non worker	22.7%
Work status of Adults	
One adult in household	
Full time, year round	3.6%
Part time and/or part year	18.1%
Non worker	6.6%
Two or more adults in household	
All adults work	1.3%
All adults work full time, year round	10.1%
Some worker part time and/or part year	29.4%
All workers part time and/or part year	
Some adults work	
All workers work full time, year round	3.0%
Some workers part time and/or part year	1.4%
All workers part time and/o part year	20.5%
No adults work	6.1%

Source: American Community Survey, PUMS data 2010-2012
*Can include households with full-time workers
Note: Although ACS estimates should be interpreted with the accompanying margin of error (MOE), due to resource constraints, the MOE values are not reported here. Refer to Appendix A for more information.

Table 9B. Percentage of Sample Households in Income Categories by Number of Workers and Work Status of Adults, 2014

	Below Poverty	Above Poverty, Below Self-Sufficiency	Below Self-Sufficiency (subtotal)	Above Self-Sufficiency
All Sample Households	17.7%	19.0%	36.7%	63.3%
Number of Working Adults in Household				
0	43.4%	22.2%	66.5%	33.5%
1	17.4%	20.1%	37.9%	62.1%
2 or more	10.5%	17.2%	27.8%	72.2%
Work status of householder				
Full time, year round	3.8%	15.1%	18.9%	81.1%
Part time and/or part year	27.8%	23.6%	51.4%	48.6%
Non worker	34.8%	21.5%	56.3%	43.7%

Source: American Community Survey, PUMS data 2010-2012
*Can include households with full-time workers
Note: Although ACS estimates should be interpreted with the accompanying margin of error (MOE), due to resource constraints, the MOE values are not reported here. Refer to Appendix A for more information.

Table 10. Percentage of Sample Households in Income Categories by Householder's Hours Worked per Week, 2014

	Percentage of Households in Sample	Below Self-Sufficiency	Above Self-Sufficiency
All Sample Households	100%	36.8%	63.2%
Hours Worked per Week by Householder			
0-10 hours	25.6%	56.8%	43.2%
10-20 hours	5.7%	58.9%	41.1%
20-30 hours	7.5%	53.5%	46.5%
30-40 hours	40.1%	28.5%	71.5%
> 40 hours	21.1%	16.1%	83.9%

Source: American Community Survey, PUMS data 2010-2012
Note: Although ACS estimates should be interpreted with the accompanying margin of error (MOE), due to resource constraints, the MOE values are not reported here. Refer to Appendix A for more information.

For example, the manufacturing industry (or sector) includes many occupations, such as administrative assistant, machinist, and manager.

The occupational categories used here are very broad; each category includes a wide variety of jobs and wages. For example, "Education, Training, Library" includes positions from preschool teachers to postsecondary teachers as well as specialties like special education teachers. The average annual pay for a preschool teacher in Oregon is $27,282, whereas the average annual pay for a postsecondary teacher is $72,750. Within the "Sales" category, the average annual pay in Oregon for cashiers is $23,876 and for sales engineers is $106,605.[2] These examples illustrate the wide range of jobs and wages within each occupational category. A more detailed occupational classification would more clearly show which jobs have low wages within each category. However, limitations of the data do not allow such analyses.

Considerable overlap exists between the top ten occupational categories for those householders meeting the standard and those not meeting the standard (Table 11A) Seven categories appear in both top-10 lists: office and administrative support; sales; production; construction; transportation/material moving; management; and education, training, library. These seven groupings account for more than half of the occupations held by both below- and above-Standard households. This overlap can probably be explained by the broad ranges of specific occupations, hours, and wages within these categories. Despite the considerable overlap in occupational categories, each top-10 list also includes categories that the other does not.

The unique categories for below-Standard households, comprising 24% of the total, are food preparation/serving; building/grounds cleaning and maintenance; and personal care and service. For above- Standard households the unique categories comprise 14%

[2] See Occupational Reports from the Oregon Employment Department (http://www.qualityinfo.org/olmisj/OIC). Occupational wage data represent first quarter 2008 wages. The data used to create these estimates came from the Occupational Employment Survey.

of the total: health care practitioner/technical; business operations and specialists; and computer/mathematical. Thus the differences between occupations in below- and above-Standard households exist in these categories. The other noticeable difference between these lists is that households below the Standard are more concentrated in their top 10 occupational categories than are households above the Standard (77% versus 71%).

In Tables 11B and 11C, male and female householder occupational categories can be compared both horizontally (e.g., below- Standard men to above-Standard men) and vertically (e.g., below-Standard men to below-Standard women). Both male and female householders who have below-Standard incomes are relatively concentrated in their top 10 categories (81% and 86%). The top two categories for male-maintained households with inadequate income are construction and transportation/material moving (both unique to the top-10 list for men), whereas office/ administrative support and sales top the list for women. The three categories unique to below-Standard male householders are construction and extraction; installation, maintenance, repair and farming, fishing, forestry. There are three categories unique to women with inadequate income when compared to men: personal care and service; education, training, library; and health care support. Below-Standard female householders are slightly more concentrated in their top 10 categories than are male householders (86% versus 81%).

Table 11A. Top Ten Occupational Categories among Sample Householders by Self-Sufficiency, 2014

Households below the Self-Sufficiency Standard		**Households above the Self-Sufficiency Standard**	
Occupational Category	Percent	Occupational Category	Percent
Office and Administrative	13.3%	Management, Business, Science, and Arts	13.9%
Sales	11.6%	Office and Administrative Support	12.4%
Food Preparation and Serving	9.9%	Sales and Related	10.1%
Personal Care and Service	7.5%	Healthcare Practitioners and Technical	6.6%
Production	6.9%	Education, Training, and Library	6.2%
Transportation and Material Moving	6.8%	Transportation and Material Moving	5.5%
Building and Grounds Cleaning and Maintenance	6.7%	Production	5.3%
Construction and Extraction	5.7%	Construction and Extraction	4.3%
Education, Training, and Library	4.4%	Business Operations Specialists	3.5%
Management, Business, Science, and Arts	4.0%	Computer and Mathematical	3.5%

Source: American Community Survey, PUMS data 2010-2012

The householder is the person (or one of the persons) in whose name the housing unit is owned or rented or, if there is no such person, the householder is any adult member, excluding roomers, boarders, or paid employees.
Note: Although ACS estimates should be interpreted with the accompanying margin of error (MOE), due to resource constraints, the MOE values are not reported here. Refer to Appendix A for more information.

Table 11B. Top Ten Occupational Categories among Sample Male Householders by Self-Sufficiency, 2014

Households below the Self-Sufficiency Standard		Households above the Self-Sufficiency Standard	
Occupational Category	Percent	Occupational Category	Percent
Construction and Extraction	11.5%	Management, Business, Science, and Arts	16.0%
Transportation and Material Moving	11.4%	Sales and Related	11.2%
Sales and Related	9.7%	Transportation and Material Moving	8.2%
Production	9.4%	Production	7.3%
Food Preparation and Serving	7.3%	Construction and Extraction	7.1%
Building and Grounds Cleaning and Maintenance	7.3%	Office and Administrative Support	5.7%
Office and Administrative Support	7.1%	Installation, Maintenance, and Repair Workers	5.5%
Management, Business, Science, and Arts	6.6%	Architecture and Engineering	5.2%
Installation, Maintenance, and Repair Workers	5.6%	Computer and Mathematical	4.7%
Farming, Fishing, and Forestry	4.6%	Healthcare Practitioners and Technical	4.0%

Source: American Community Survey, PUMS data 2010-2012

The householder is the person (or one of the persons) in whose name the housing unit is owned or rented or, if there is no such person, the householder is any adult member, excluding roomers, boarders, or paid employees.
Note: Although ACS estimates should be interpreted with the accompanying margin of error (MOE), due to resource constraints, the MOE values are not reported here. Refer to Appendix A for more information.

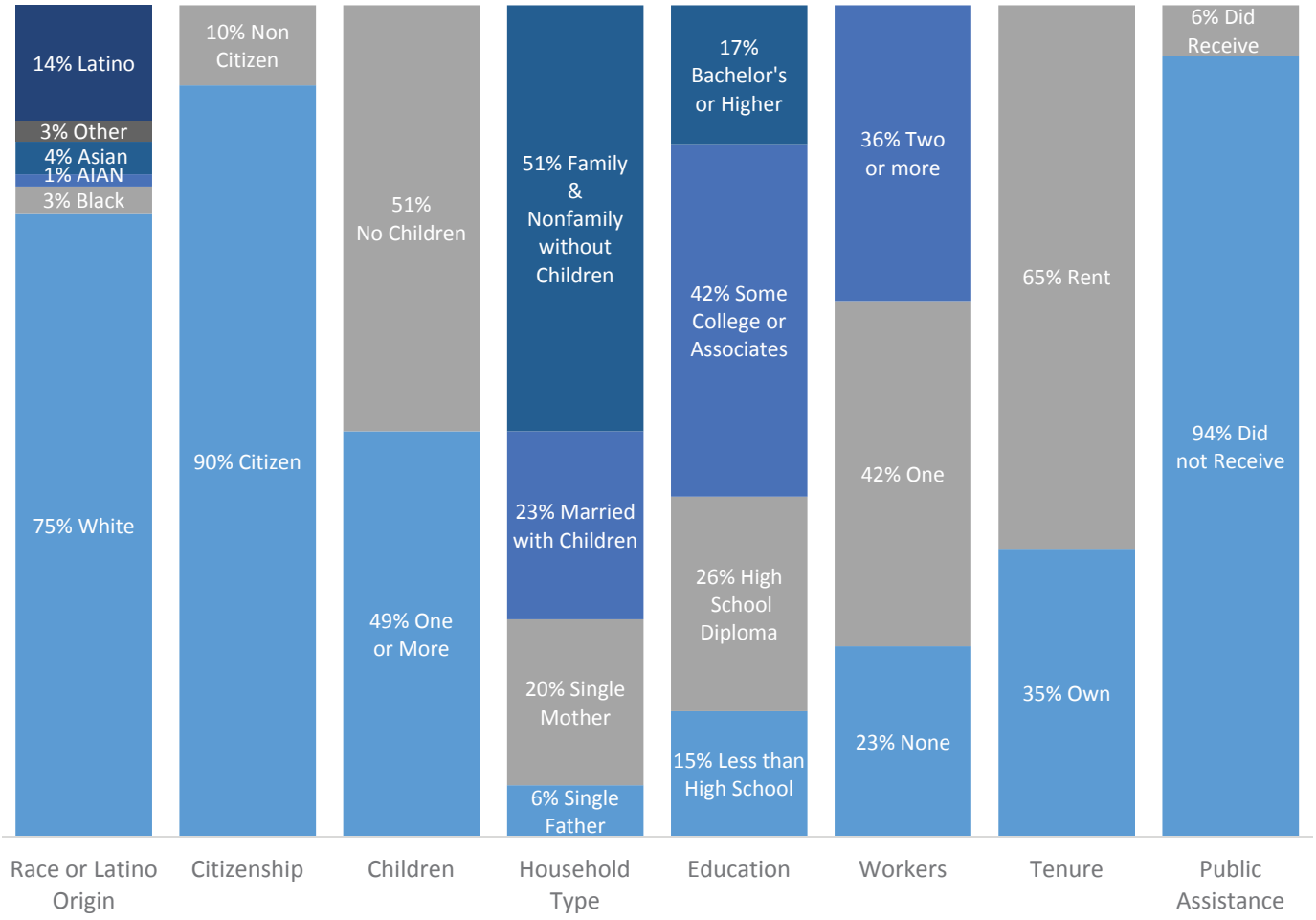
Table 11C. Top Ten Occupational Categories among Sample Female Householders by Self-Sufficiency, 2014

Households below the Self-Sufficiency Standard		Households above the Self-Sufficiency Standard	
Occupational Category	Percent	Occupational Category	Percent
Office and Administrative Support	19.5%	Office and Administrative Support	22.0%
Sales and Related	13.2%	Management, Business, Science, and Arts	12.1%
Food Preparation and Serving	12.3%	Healthcare Practitioners and Technical	10.3%
Personal Care and Service	11.8%	Education, Training, and Library	9.7%
Building and Grounds Cleaning and Maintenance	6.2%	Sales and Related	8.6%
Education, Training, and Library	5.6%	Business Operations Specialists	4.3%
Healthcare Support	5.4%	Personal Care and Service	4.2%
Production	4.6%	Healthcare Support	3.9%
Management, Business, Science, and Arts	4.1%	Financial Specialists	3.7%
Transportation and Material Moving	2.8%	Community and Social Services	3.1%

Source: American Community Survey, PUMS data 2010-2012

The householder is the person (or one of the persons) in whose name the housing unit is owned or rented or, if there is no such person, the householder is any adult member, excluding roomers, boarders, or paid employees.

Figure 8. Profile of Sample Households below the Standard, 2014



Source: American Community Survey, PUMS data 2010-2012
Note: Although ACS estimates should be interpreted with the accompanying margin of error (MOE), due to resource constraints, the MOE values are not reported here. Refer to Appendix A for more information.

Profile of Households with Incomes below the Self-Sufficiency Standard

The odds of experiencing inadequate income are higher for households in certain geographic locations, household type, and householder sex, race/ethnicity, and education. However, we can also characterize the households that don't meet the Self-Sufficiency Standard according to their characteristics. Figure 8 shows the diversity of these households.

- Although Latinos have the highest rates of income inadequacy among all race/ethnicity groups, three quarters (75%) of all Oregon households with inadequate income are white. The remaining below-Standard households are Latino (14%), Asian/Pacific Islander (4%), black or African American (3%),Native American (2%), and other backgrounds (3%).
- A majority (90%) of households with below-Standard incomes are headed by U.S. citizens.
- Half (49%) of households below the Standard have at least one child, the other Half (51%) are childless.

- Twenty three percent of below-Standard households consist of a married couple with children, and 20% consist of a single mother with children.
- Among household with inadequate income, 15% of householders have less than a high school degree, 26% have a high school degree, 42% have some college, and 17% have at least a bachelor's degree.
- Only 23% of households with inadequate income have no workers; the rest (77%) have at least one worker. More than one third (36%) have two or more workers.
- Only 6 percent of households below the Standard receive public cash assistance (in the ACS this includes Temporary Assistance to Needy Families [TANF] but not separate payments for medical care, supplemental security income, or food stamps).
- More than one third (34%) of households with inadequate income own their homes, the rest rent.

Households in Oregon that lack sufficient income for their basic needs have a wide range of characteristics. While inadequate income is found disproportionately among certain groups, such as single-mother households, minorities, and families with young children, all types of families and individuals in Oregon are represented among households with incomes below the Self-Sufficiency Standard.

Conclusions and Implications

The Self-Sufficiency Standard developed by Dr. Diana Pearce offers a more realistic view than the federal poverty guidelines of what it takes to make ends meet in Oregon and provides a profile of who is getting by and who is not.

Whereas 18 percent of Oregon's households earn incomes below the FPL, the Standard reveals that 37 percent do not make enough to meet basic needs.

Twenty percent of households in Oregon are in the policy gap, meaning they have incomes above the FPL but below the Standard and may not qualify for some public safety net programs (most such programs are pegged to the FPL or some multiple thereof).

Lack of sufficient income is found disproportionately among some groups (for example, minorities, single-mother households, and families with young children), but income inadequacy is experienced throughout Oregon among all types of households. Although household type and race/Latino origin are important, many families that have inadequate income look like the majority of Oregon families—they are white, married, working, and raising children.

Some householders with college educations still have incomes below the Standard. In particular, female and minority householders are more likely to have inadequate income than their white male counterparts with similar educational attainment.

Even though Oregon's urban counties generally have lower rates of income inadequacy than rural counties, urban counties are home to the most households with insufficient income: 78 percent of Oregon households that are below the Standard are located in urban counties and 44 percent are located in the Portland metropolitan area.

Because of the widespread nature of income inadequacy, solutions may need to be structural as opposed to focused on specific individuals or groups. Because most householders with below-Standard incomes are already working, many full time, helping more people enter the workforce will not necessarily solve the problem. The approach encouraged by the welfare reform of the mid-1990s was to move people into the paid workforce, but the findings in this report suggest that this strategy cannot by itself eliminate income inadequacy And changing occupations cannot necessarily improve income adequacy unless it is accompanied by a significant wage increase.

Because the Standard is based on many different expense categories, it can indicate certain areas where house-holds need help. In contrast, the FPL is based only on a food budget and is an ineffective way to analyze typical household expenses. The Standard takes into consideration all major family budget items and indicates that housing and child care are two of the largest budget items and often cause the most economic stress for families with below-Standard incomes. The Standard uses very conservative, "no-frills" measures in its calculations: it does not allow for any restaurant meals or take-out, retirement or education savings, or debt repayment. Most households with inadequate income are making ends meet in other ways. They may be finding inexpensive housing or doubling up to reduce housing costs, using informal or family-provided child care, finding ways to stretch their food budgets, going without certain things, or relying on credit cards.

This report sheds light on the economic realities facing many of Oregon's households and provides an initial picture of the extent of income inadequacy in Oregon. Although addressing this issue is challenging, it can be seen as encouraging that many householders with below- Standard incomes are already part of the workforce. It is possible that many householders have adequate levels of education and experience but face other barriers that keep their wages low or raise their expenses. Identifying and addressing such barriers is the next step in bring-ing household incomes and costs into balance.

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Appexdix A: Methadology & Assumptions

The 2014 Oregon Self-Sufficiency Standard, developed by the University of Washington, was used as a starting point for this study. We used income and demographic data from the 2010-2012 American Community Survey Public Use Microsample (PUMS) to determine the percentage of households below the self-sufficiency standard and to summarize the characteristics of those households. The PUMS is a subset of the ACS that provides the entire ACS record for each individual in the sample, therefore allowing more detailed analysis than can be accomplished with the published ACS tables. The records are de-identified and weighted.

The sample unit for this study is the household, including nonrelatives (such as unmarried partners, foster children, boarders) and their income. Individuals were therefore grouped into households. Regardless of household composition, it is assumed that all members of the household share income and expenses.

The Standard was calculated for 152 different family types in each county, including combinations of up to three or more adults and/or four or more children. Because the Standard assumes that adult household members work, the sample in this report includes only those households in which there is at least one adult aged 18-65 who is not disabled. In other words, this report excludes disabled/elderly adults and their income from the sample when determining household composition and income. It also does not include individuals living in group quarters. A total of 1,263,733 Oregon households were included in this study.

This study uses the PUMS from the 2010-2012 American Community Survey (ACS). The 2010-2012 ACS 3-year dataset is based on data collected between January 2010 and December 2012. The 3-year ACS data are grouped into geographic units known as Public Use Microsample Areas (PUMAs). Each PUMA contains a minimum population threshold of 20,000. Compared to the 1-year dataset, the 3-year dataset has a larger sample size and a smaller geographic unit in terms of population (the minimum geographic unit in the ACS 1-year dataset has a population of 65,000).

Since 2005, the U.S. Census Bureau has implemented the ACS on a continuous basis (replacing the decennial long form) in an effort to provide users with timelier socio-demographic data. The availability of timelier data, however, comes with limitations. One of the chief drawbacks of the ACS is a greatly reduced sample size; where the long form sampled approximately 15 percent of the U.S. population, the effective sampling rate of the ACS during the 2006-2010 period was 1.5 percent annually. Consequently, the ACS

contain margins of error (MOE)[1] that must be concomitantly considered along with the corresponding estimate. PUMS is a sample of the ACS sample.[2] Due to limitations of time and budget, we have not calculated the margins of error; however, readers should be aware of the imprecision in the data when making comparisons across groups.

The fact that the PUMS data are drawn from a survey means that there are limits to how finely one can subdivide the data and still have reliable estimates.

Like all survey data, PUMS data are subject to sampling error, meaning imprecision in the probability that the respondents are representative of the overall population.[3]

The ACS data are broken down by PUMAs and the Standard is broken down by counties. The county-specific Standard could not be applied directly to 7 of the 27 Oregon PUMAs because there are multiple counties in each of those PUMAs. As a result, for those PUMAs consisting of multiple counties, each county was weighted by population and a weighted average of the Standard applied to those counties was calculated to determine the Standard specific to that PUMA. As a result, there are no county specific results for those counties. The unweighted Standard was applied to those PUMAs consisting of only one county or subcounty area.

To calculate the percentages of Oregon households in each income category, the individuals were sorted into households to their income summed to determine the total household income. Income includes the following: money received during the preceding year of the survey by nondisabled/nonelderly adult household members from wages; net income from farm and nonfarm self- employment; Social Security or railroad payments; interest on savings or bonds; dividends, income from estates or trusts, and net rental income; veterans' payments or unemployment and workmen's compensations; private pensions or government employee pensions; alimony and child support; regular contributions from people not living in the household; and other periodic income. It is assumed that all income in a household is equally available to pay all expenses. A ratio of each household's total income to the applicable Standard was calculated to determine the level of income adequacy. Because we are using ACS data from 2010-2012, we inflated the income to 2014 levels using an inflation factor calculated from the Bureau of Labor Statistics consumer price index for the Western region in the corresponding years.

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[1] The U.S. Census Bureau reports MOE figures at a 90 percent statistical confidence level.

[2] For more about PUMS data see: A Compass for Understanding and Using American Community Survey Data: What PUMS Data Users Need to Know. February 2009, US Census Bureau.

[3] They are also subject to non□ sampling error (i.e., imprecision based on biases and misunderstanding on the part of the survey respondent, survey researcher and the instruments themselves); however, there is relatively little that can be done to remedy this type of error.

The study also calculated a ratio of each household's total income to the appropriate federal poverty threshold in 2014 published by the Census Bureau. Although these thresholds are based on family size and number of related children, we use household size and the number of all children in the household to determine the appropriate poverty threshold for each household. Households whose total income falls below their threshold are considered below poverty.

Appexdix B: Memorandum

To: Pam Hester, Work Systems Inc.

From: Sarah Lowry, Center for Women's Welfare

Date: March 31, 2011

RE: Change Over Time in the Multnomah County Self-Sufficiency Standard, 2008-2011

The Multnomah County Standard for families with two adults, one preschooler, and one school-age child increased by 37%, from $38,714 in 2008 to $52,989 in 2011. This is an increase of $14,275 more needed annually ($1,189 more per month) to meet basic needs in 2011 than in 2008. The increase in the Standard between 2008 and 2011 is a result of two issues described below and demonstrated in the table on the following page.

1. Rising Costs of Basic Needs

The increase in the Multnomah Standard is partially a result of increasing costs of basic needs: most strikingly are the rising costs of child care (a 43% increase from $990 to $1,420 per month), housing (16% increase), and transportation (16% increase). There is a 17% increase the cost of meeting the first six basic needs in the table. In Multnomah County for two adults with a preschooler and school-age child, the cost of meeting basic needs (without the inclusion of taxes or tax credits) increased by 17% between 2008 and 2011.

2. Changes to Taxes and Tax Credits

A substantial portion of the increase in the Standard in Multnomah County for this family type is due to changes in the amount of taxes and tax credits the family owes/receives. In particular, the difference in the family type's receipt of the Oregon Working Family Credit (WFC) between 2008 and 2011 explains most of the difference attributed to taxes/tax credits. Although the eligibility brackets for the Working Family Credit have increased slightly since 2008, the increase was not enough to keep up with real inflation in the costs of basic needs. The family needs to earn a higher income to cover the increase in costs for 2011, however the higher income necessary to cover those costs results in the family qualifying for a much lower WFC. This family type in Multnomah County received a WFC of $396 per month in 2008 compared to $114 per month in 2011.

In addition, there were also changes to both federal and Oregon state income tax rates, brackets, and deduction amounts between 2008 and 2011 that may have a slight impact on the amount owed in taxes in 2011 for some family types and counties. There have been changes in other Oregon state and federal tax credit eligibility, bracket and refund levels since 2008.

How the Working Family Credit is calculated for the 2008 and 2011 Standards

The WFC is calculated and included differently in the 2008 and 2011 Standards. In 2008 the WFC was calculated and embedded in the "Taxes" row (see the table on the following page). The Taxes row for 2008 includes taxes owed as well as the nearly $400 refund the family received back from the WFC, causing the

total amount owed for taxes to already show as being quite low at $136 per month in 2008.

In order to better show the impact of the WFC in the 2011 Standard, the calculation of the WFC is taken out of the Taxes row and shown separately, same as the federal tax credits. The "Taxes" row for 2011 is the total taxes owed before accounting for refunds from tax credits. In 2011 the family owes $775 per month in taxes before accounting for tax credit refunds. The family receives a total of $380 per month in tax credits (sum of WFC, EITC, CCTC, and CTC) in 2011. In 2011 the family owes more in taxes than they receive in tax credits, contributing to the increase in the total Standard over time. After refunds from tax credits are subtracted from taxes owed, the family owes $395 in taxes per month ($775 minus $380) in 2011. In contrast, in 2008 the family actually received more in tax credits than owed in taxes. This resulted in a monthly refund of $200 from the impact of taxes/tax credits ($136 in taxes owed including WFC minus $336 in tax credits), which contributed to a lower Standard in 2008.

Conclusion

Multnomah County's increase in the Standard between 2008 and 2011 demonstrates that important tax credits may not be keeping up with the increases in the costs of basic needs over time. Families need to earn more in 2011 to provide the same level of basic needs as in 2008. Although this example of Multnomah County is the most striking, other counties across Oregon are also impacted by similar issues with the data. Overall, costs are rising across Oregon counties and family types. However taxes are also considered a basic need in the Standard, and depending on how the income needed to cover total costs falls within income tax brackets and tax credit qualifying levels, the Standards may actually raise or fall over time.

Change in The Self-Sufficiency Standard Over Time, Multnomah County, OR 2008 and 2011			
Costs:	2008	2011	Percent Change
Housing	$742	$859	16%
Child Care	$990	$1,420	43%
Food	$810	$814	1%
Transportation	$152	$176	16%
Health Care	$420	$386	-8%
Misc.	$311	$366	17%
Total Cost of the first Six Basic Needs (Without Taxes and Tax Credits):			
Monthly Wage	$3,426	$4,021	17%
Taxes Owed and Tax Credits Refunded:			
Taxes*	$136	$775	
Tax Credits:			
OR WFC*	*	(114)	
EITC	(54)	0	
Child Care Tax Credit	(115)	(100)	
Child Tax Credit	(167)	(167)	
Total Tax Credits**	(336)	(380)	
Self-Sufficiency Standard Wages:			
Hourly SS Wage	$9.17	$12.54	37%
Monthly SS Wage***	$3,226	$4,416	
Annual SS Wage	$38,714	$52,988	
* In 2008 the OR Working Families Credit (WFC) was included in the "Taxes" row. The 2008 Taxes row			