

Where the Ends Don't Meet:

Self-Sufficiency and Implications for Families and Policy

Elizabeth Morehead, Ph.D

Sheila A. Martin, Ph.D

www.pdx.edu/ims

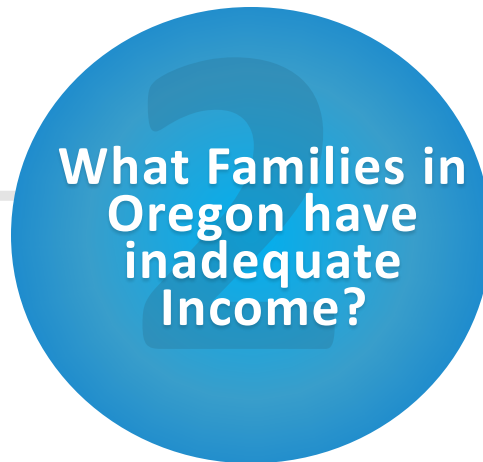
Photo: Andrew Hall, PortlandBridges.com



Institute of Portland
Metropolitan Studies

PORTLAND STATE UNIVERSITY

Three primary questions:





What is self sufficiency ?

It depends on who you are talking about!

Meet the family



Two working adults
One infant
One preschooler
Living in Medford

How much money do they need to meet basic needs without public or private subsidies?

That's the Self-Sufficiency Standard

The Self-Sufficiency Standard reflects reality

Monthly Expenses	Jackson Co. Family
Housing	\$834
Child Care	\$1,336
Food	\$687
Transportation	\$462
Health Care	\$459
Miscellaneous	\$378
Taxes	\$935
Tax credits	-\$107
Self Sufficiency Wage	
Hourly (x 2 people)	\$13.40
Monthly	\$4,718
Annual	\$56,622

Key Assumptions:

- All adults work full time
 - ✓ They both need transportation
 - ✓ All children are in day care until teens
- Basic costs include:
 - ✓ NO takeout or restaurants
 - ✓ NO recreation
 - ✓ NO savings
 - ✓ NO debt repayment

Self-Sufficiency Standard vs. Federal Poverty Level

Federal Poverty Level

- Based in 1959 on the low cost food plan
- Adjusted for inflation
- Varies by family size

Self Sufficiency Standard

- Includes all basic costs
- Varies by size of family
- Varies by age of children
- Varies by location

Federal Poverty Level 2014

Family of 4 = **\$23,850**

Self sufficiency standard for a few Oregon Counties

Federal Poverty Standard 2014 Family of 4 = \$23,850

County	Single Adult	Adult + Infant	Adult + school aged	2 adults + infant + preschooler
Clackamas	\$24,469	\$51,231	\$41,390	\$75,485
Douglas	\$17,466	\$28,784	\$26,207	\$41,962
Jackson	\$19,728	\$40,305	\$31,545	\$56,622
Lane	\$19,892	\$47,034	\$34,191	\$69,701
Multnomah	\$19,993	\$52,210	\$39,178	\$78,164
Polk	\$19,962	\$35,932	\$30,524	\$47,771
Union	\$17,731	\$28,255	\$28,635	\$40,529
Washington	\$24,353	\$51,742	\$41,431	\$76,258
Yamhill	\$22,635	\$40,797	\$34,178	\$58,993

The Policy Gap

Federal Poverty Standard 2014,
family of 4

\$23,850



Self-Sufficiency Standard 2014

County	2 adults + infant + preschooler
Clackamas	\$75,485
Douglas	\$41,962
Jackson	\$56,622
Lane	\$69,701
Multnomah	\$78,164
Polk	\$47,771
Union	\$40,529
Washington	\$76,258
Yamhill	\$58,993



What families in Oregon have inadequate income?

Across space, race and ethnicity, sex, and education?

Methodology

1

Sort individuals into households

Used 2010-2012 Public Use Micro sample data from the American Community Survey to allow cross tabulations with demographic variables.

2

Identify household type and location

The self-sufficiency standard uses 152 family compositions.

3

Sum income, compare to the standard, and sort households into groups

Households are either below poverty, above poverty but below self-sufficiency, or above self-sufficiency.

Across Space

Statewide, 37% don't earn enough to meet the Self Sufficiency Standard

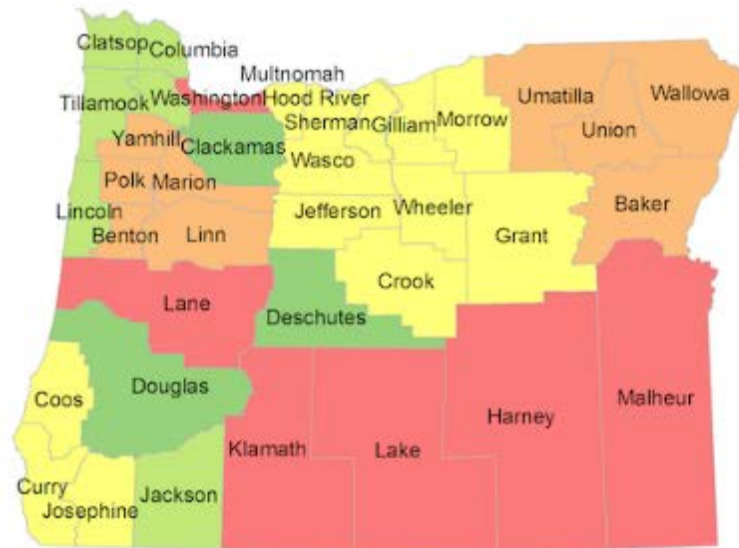
19 percent of those fall into the "Policy Gap"



County	Percent below the Standard	Percent in the policy gap
Clackamas	26	17
Douglas	24	10
Jackson	32	16
Lane	44	21
Multnomah	37	17
Polk	36	19
Union	37	18
Washington	32	20
Yamhill	36	19

Across Time

Since 2008, the percentage not meeting the standard across Oregon has risen from 27 to 37 percent.



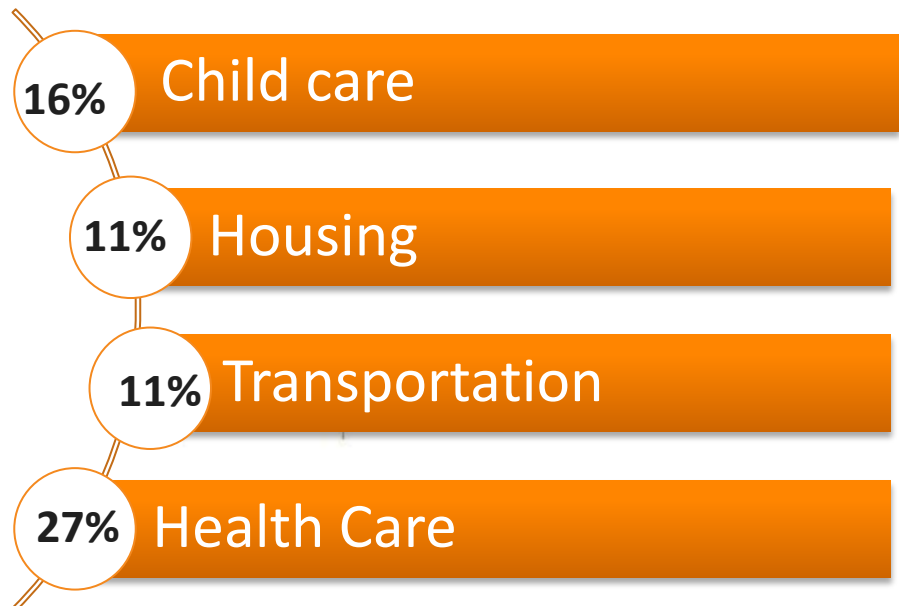
Increase, 2008-2014

Percentage point (pp) increase in households below the Self-Sufficiency Standard

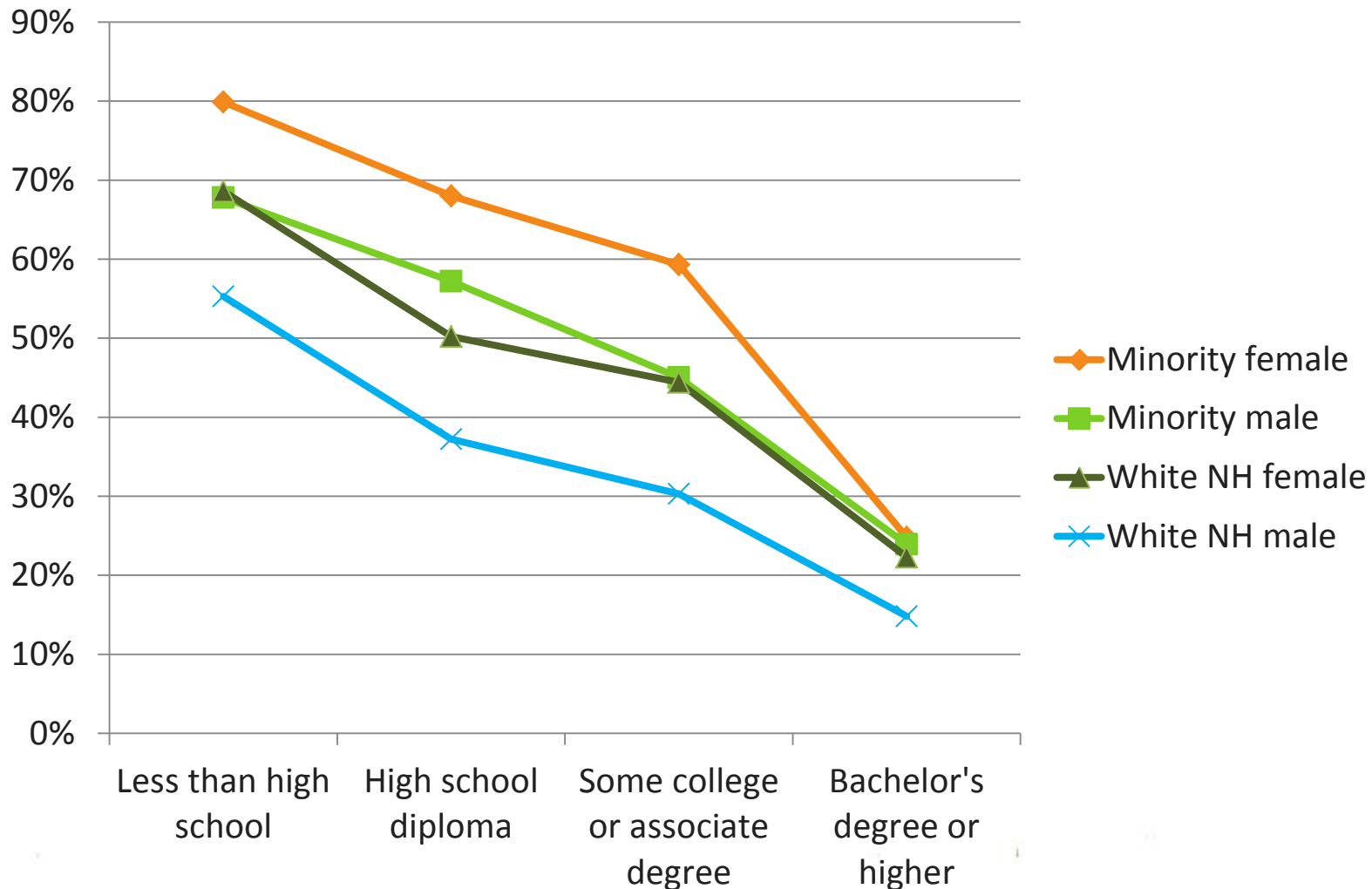


Source: American Community Survey, PUMS data 2005-2007, 2010-2012

Average cost increases statewide



Percent not meeting Self-Sufficiency Income



Source: Morehead and Martin, *Where the Ends Don't Meet in 2014*. Institute of Portland Metropolitan Studies

It could be any of us!



Source: Morehead and Martin, *Where the Ends Don't Meet in 2014*. Institute of Portland Metropolitan Studies



What does this mean for public policy?

What factors can influence the balance between income and costs? 

What does it mean for the family?



Self Sufficiency Standard = \$56,622

Median Wage Jackson County = \$37,979

If he's a	And she's a	He makes	She makes	Total	Meet?
K-8 Teacher	Phlebotomist	\$57,507	\$32,739	\$90,246	✓
Tile setter	Nursing assistant	\$28,662	\$27,892	\$56,554	✗
Locksmith	Veterinary Assistant	\$31,100	\$22,235	\$53,335	✗

Source: BLS Occupational Employment Statistics; Oregon Employment Department; wages are median hourly for Jackson and Josephine Counties converted to full-time annual.

What are some communities doing to balance income and costs for working families?



1

Mind the gap.

Don't forget about people who aren't officially "poor."

2

Customize workforce training.

Use the standard to show people what they need to earn and what they need to do to get there.

3

Consider steps to decrease costs.

Consider those in the gap when designing work support, transportation, and land use policies that affect the cost of housing, child care, and transportation.

Where the Ends Don't Meet:

Self-Sufficiency and Implications for Families and Policy

Elizabeth Morehead, Ph.D

Sheila A. Martin, Ph.D

www.pdx.edu/ims

Photo: Andrew Hall, PortlandBridges.com



Institute of Portland
Metropolitan Studies

PORTLAND STATE UNIVERSITY