

The Face of Poverty in Washington County

Executive Summary

A Report for Community Action
of Washington County

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INTRODUCTION

The Face of Poverty is a background report developed by Community Action Organization in Washington County to assist its long-term planning activities. This Executive Summary also serves as a centerpiece for education and outreach activities undertaken by Community Action. The organization hopes this information will help shape the development of comprehensive and effective anti-poverty policies and programs in Washington County and throughout Oregon.

Community Action designed this report to include traditional needs assessment data, as well as the stories behind the data. The report includes information about the needs of low-income individuals and families, the services to support them, and the gaps between needs and supply. In addition, the report focuses on the human side of poverty — the perceptions and misperceptions, the hopes and goals, and the stories of people living in poverty. Finally, it reviews trends affecting the work of Community Action, and looks at strategic investments that can capitalize on the human potential now lost to poverty.

This **Executive Summary** has two companion pieces. The **Main Report** provides detailed information from all of the research, exploring key issues of poverty in much greater depth. The **Appendix** provides source information used in research and discussions, including the people who participated in developing this document.

PERCEPTIONS OF POVERTY

The public perception of poverty in Washington County is driven by stereotype.

This public perception has little in common with the empirical data defined throughout this report. Instead, this image of poverty is based on a caricature of the “poor person” drawn from cultural stereotypes and the notion of who has been poor in the past. Many people assess poverty in the community based on the number and condition of people they see who fit this caricature. When people don’t see the caricature, they believe poverty doesn’t exist.

In Washington County, the predominant perception of poverty is that it doesn’t exist in the county at all. Many people just don’t see it. Outward signs of a strong economy, low unemployment and growing communities obscure the real face of poverty. People living in pockets of affluence rarely see a person who fits the stereotype, even as they encounter poor people working in service-sector jobs throughout their day. As one focus group participant put it, “It’s hard to see things you’ve never experienced. If you haven’t been poor, you don’t see it.”

Where people *do* see the caricature, they assume it to be the only poverty. In Washington County, the most visible signs of poverty that fit the caricature can be seen in the Hispanic community. Gathered in groups and working in fields, Hispanic men and women dressed in working clothes fit the caricature, thereby reinforcing the perception of who is poor. In many cases, the Hispanic community in general is considered “the poor” in the area. To a lesser degree, similar perceptions surround members of the Asian community.

Building on what is seen locally, the public perception of poverty includes stereotypes from what is heard nationally. The caricature is reinforced through the rhetoric of conservative politicians, the media and some opinion leaders. These common perceptions — identified by members of focus group discussions brought together for this report — describe a caricature of poor people that include the following characteristics:

- ✦ Lazy and ignorant — unwilling to work despite an abundance of jobs.
- ✦ Poor as a result of their own mistakes and apathy.
- ✦ Amoral — living easy on hand-outs and cheating the system.
- ✦ Irresponsible and dirty — families created thoughtlessly and managed poorly.

Within this caricature of poverty, some are perceived as less responsible for their plight and therefore more deserving of help and sympathy. Poor children and the elderly are seen as victims who should be assisted, while adults should be held responsible for their own dilemmas.

While this simplistic caricature of poverty is a dominant image in the public's perception of who is poor, there are some members of the community who hold a more compassionate view. They see the poor as victims caught in the cracks of economic progress and social service. These community members recognize that community services are diminishing for people living in poverty. They feel the pinch in their own homes and empathize with those of lesser means. Many of these people are active in social concern groups, including local churches.

THE REALITY OF POVERTY

In *reality*, poverty in Washington County is much different from the caricature. It is complex, touching people throughout the county. While some poor people fit the stereotypes, increasingly the poor look very different from the overly simplified caricature that dominates public perceptions.

Sketching a more accurate picture — a true face of poverty — by drawing on the statistics of this report is difficult. No single face looks like all of the people who are poor. The true face of poverty has many faces.

It looks like Sheila and Victor's faces two years ago. Despite Victor's full-time job as a house insulator and Sheila's part-time work in child care, the family of six couldn't make ends meet. Their biggest challenge was health care. The family couldn't afford regular doctor visits and relied on charity from urgent care facilities. The costs for prescriptions competed with the need for food. Keeping food on the table was a weekly challenge for Sheila. Bills piled up and the family got farther behind.

Fortunately, things are looking up. Today, Victor's manufacturing job pays enough to sustain the family and provides medical insurance, on-the-job training and a pension. The job has provided much needed stability to their lives. But two brief layoffs in the last two years have made clear how close the family is to slipping back into a desperate situation.

The true face of poverty in Washington County looks like the face of Katie, a single mother with two children living in Tigard. Katie is a resourceful woman who stretches her welfare income, housing subsidies and food stamps just far enough to cover their basic needs. She and her family rely on donations for clothing and "anything big," which Katie never has money to buy. Katie's son, Greg, benefits from participation in a Head Start program, which supports his need for social development and provides speech therapy. Instead of being years behind, Greg will be ready to participate in public school next fall. Katie struggles with the limitations of public transportation in Washington County since she can no longer afford to own a car. This limitation affects Katie's training opportunities, her employment options, and nearly every other aspect of her family's lives.

The true face of poverty in Washington County looks like the faces of Walter and Wendy, an elderly couple living in Hillsboro. Social Security alone won't cover the bills, so Walter has a part-time job. Medicare covers a portion of their medical needs, but between the health problems facing the two of them, it isn't enough. A significant portion of their income must go to medications and expenses beyond what Medicare will cover. Walter and Wendy own their own home, and own an older car. Their budget barely balances each month, and each problem with their car, their house or their health disrupts the delicate balance. More often than not, Walter and Wendy find themselves owing money without much available to pay on the growing debt.

Common threads tie together these and other families living in poverty. They hope for the basic needs that many in Washington County take for granted: affordable housing, safe and healthy children, home ownership and employment close to home. Hispanic parents hope to get better jobs so they no longer have to live hand-to-mouth. Homeless people hope to own a home and become self-sufficient.

Too often, they struggle with day-to-day survival and must shelve their dreams. They don't create plans for achieving their dreams in part because their dreams seem unachievable, their lives seem outside their control.

Consistently, the poor people of Washington County face indifference and discrimination. They feel forgotten in a community that fails to recognize that up to 20% of the county is struggling financially.

They hold the pieces of their lives together in a delicate balance. When any unexpected problem or expense emerges, they lose any progress they might have made toward moving out of poverty.

They lack options for how to get ahead. They have fewer choices in housing, child care, clothing and employment. Abusive situations force them to choose between violence and poverty. Facing unacceptable circumstances, they rarely have any real choices.

They face barriers to escaping poverty at every turn. Their limited education makes access to technical training impossible. High housing costs make it impossible to save for

future needs. Lacking health insurance, they must forego preventative services and rely on emergency services when their health problems erupt.

The reality of poverty in Washington County is surprisingly distant from the caricature that dominates public opinion. The statistics that stand behind the faces of poverty may help to clarify the true picture of poverty within Washington County.

WHO FACES POVERTY?

Determining who faces poverty depends greatly on how you define poverty. There are several definitions and standards that are used by various groups within Washington County to define who struggles economically.

The term "poverty" relates to a federal standard of poverty established by the U.S. Department of Health and Human Services to determine the level of pre-tax cash income needed to maintain a basic standard of existence. The Federal Poverty Level, the most common standard of poverty, defines the amount of money families of various sizes need to support themselves with shelter, food, clothing, etc. This figure is updated annually, but remains constant for every community in the U.S., regardless of the geographic differences in costs.

The term "low-income" relates to a federal standard established by the U.S. Department of Housing and Urban Development to understand where individuals and families stand in relation to the entire community. This standard compares the income of families of various sizes to the median income for the community. Those falling below established percentages of the median income for the county are considered "moderate income," "low income" or "extremely low income." This standard is used primarily in housing-related programs.

Both of these standards fall short of defining who within a community is struggling economically to survive. Many agencies and organizations use variations of the Federal Poverty Level to better define who needs help. For example, the Federal Poverty Level is set at \$15,150 for a family of four. However, the Oregon Health Division uses 200% of FPL, or \$30,300 for a family of four, as its standard for the evaluation of medical services to people in poverty. Community Action uses 150% of FPL as the level of income below which people struggle to make ends meet.

Translated to monthly income, a family of four needs between \$1,263 (Federal Poverty Level) and \$2,526 (Oregon Health Division standard) each month to provide a basic standard of living. How well these amounts cover the basic needs varies greatly from family to family, depending on such variables as child care, housing, medical care and other costs. A family

with a wage-earner bringing home \$12/hour without medical benefits may struggle more than a family with a wage earner making \$7.50/hour plus health insurance.

One working definition of poverty distinguishes the three different *types* of poverty.

- + The **chronically poor** are people who formed their families in poverty, and are caught in generational poverty. They spend much — sometimes all — of their lives in poverty. Some move into and out of the work force; others are disabled and unable to work.
- + The **situationally poor** are those who are poor because of an unexpected situation like an injury, layoff or divorce. Most of the situationally poor do not stay in poverty for long-periods of time. They typically have assets like homes and cars, and fixed expenses like mortgage and car payments.
- + The **working poor** are people who work, but don't earn enough money to get out of poverty. They may include people from either of the two previous categories, but not always. The working poor are most likely to be women and poorly educated young adults.

The last two categories — the situational poor and the working poor — have increased dramatically in the last decade and are now overtaking the more traditional category of chronically poor.

Using the Federal Poverty Level as a standard, 20,198 people living in Washington County, or 6.6%, were poor in 1990. Using the broader definition (at or below 200% of the Federal Poverty Level), more than 20% of the county population, or 62,275 people, struggle economically and experience symptoms of poverty.

The 1990 Census analyzed the different demographic characteristics of people living in poverty, including race/ethnicity, age, family structure and so on. The demographic information gathered in the census defines poverty at 100% of FPL. The census revealed that among the 20,198 Washington County residents who fit these criteria:

- + Hispanics and Asians are overrepresented among all poor people. Hispanics experience poverty at a rate nearly four times higher than the rest of the county.

- + Youth and children are overrepresented among all poor people. Children under 17 account for more than one-third of all poor people, nearly twice their number in the entire county.
- + Family structure has a direct link to poverty. Single parent families make up 47% of all poor families, while representing only 10% of the entire county. Families with children constitute more than three-quarters of all *poor* families, while they represent just over half of *all* families in the county.
- + Poor families can be found throughout the county, but are found in greater concentrations in rural parts of Washington County.
- + Most poor families (65%) have a householder who works, but very few (7.5%) have a householder who works full-time all year round.
- + The vast majority of poor people (79%) do not receive welfare assistance.
- + Families with a household member who is disabled make up 17% of all *poor* families, while they constitute only 6.5% of *all* families.

ISSUES LINKED TO POVERTY

Poverty does not stand alone in its impact on the people of Washington County. Many other social issues are inextricably linked to poverty and people's efforts to escape it. Some are important for their immediate impact on people living in poverty. Other issues are significant as long-term barriers to people's efforts to escape poverty. Finally, some issues are important on both accounts.

To understand poverty, it is critical to understand the issues linked to poverty. The following section summarizes these issues and their relationship to poverty, the gaps between resources and need, and the trends related to poverty.

Employment

Employment has a direct connection to poverty as the most common source of income. With a strong economy supporting low unemployment, this connection would seem to be positive. Unfortunately, while the number of jobs in Washington County is high, the wages paid for these jobs are insufficient to support many people at a basic level of existence. Most of the available low-skilled jobs are also low-wage jobs that increasingly require advanced education and training. New jobs coming to Washington County hold little promise of helping to alleviate the problem of poverty.

As the minimum wage falls further behind inflation, the average hourly wages for traditional "blue collar" jobs decrease. A growing number of temporary and part-time jobs demonstrate a trend toward fewer benefits and less predictability in the work force.

Housing

Housing is an important basic need. When housing is unaffordable, it also is a barrier that prevents families from escaping poverty. Poor families who pay a disproportionate share of their income — more than 30% — on housing costs effectively rob themselves of the ability to meet other basic needs. Affordable housing is especially important in Washington County where high housing costs make it one of the least affordable metropolitan areas in the United States. Almost one-third of *all families* cannot afford the rental market in Washington County. The problem of affordable rents pales compared to home ownership. To purchase a

typical starter home in Washington County, a family must earn \$44,000 per year. For farmworkers, housing problems may be the worst in the county. Migrant workers and settled workers unable to find permanent housing face especially abject housing conditions at many of the farms and camps.

Programs to support housing in Washington County fall far short of the needs. Homeless shelters are full every night, turning away five people for every one that gets a bed. Transitional housing services face similar gaps. Housing programs provide limited assistance with subsidized rental units, rent assistance programs, and other help, but fall well short of what is needed to help the poor families of Washington County.

The future for affordable housing looks grim. Escalating property values underscore the strength of the housing market in Washington County, but that strength poses a continued threat for low-income families seeking affordable shelter. Despite the efforts of agencies working for affordable housing, conditions are getting worse. The number of low-income and moderate-income renters moving to the county each year will outpace production of new affordable housing units.

Child Care

More than three-quarters of all poor families have children, making child care a critical component in the effort to escape poverty. Affordable child care allows low-income parents to accept and retain employment, and when needed, to enroll in training and education programs to improve their chances. For many poor families, it is fundamental to moving off welfare. Nine out of ten parents on welfare would prefer to work if they had child care that they liked and trusted.

Quality, affordable child care is important not only for its immediate impact on families, but also because of the long-term advantage of helping to reduce the recurrence of generational poverty. Quality child care significantly reduces the likelihood of dropping out, involvement in criminal activity and other problems down the road.

It is very difficult for low-income families to find affordable child care. Few providers offer care at reduced rates. Several direct subsidies exist, but the demand far exceeds what is

available. Most low-income parents wait on lists for child care support, meanwhile relying on unskilled and unqualified providers who are willing to help.

Some policy makers and opinion leaders are beginning to recognize the important investment child care represents to the community. Unfortunately, that recognition may not be reflected in budget decisions affecting anti-poverty programs nationally.

Education

As low-skills jobs are lost to automation and other changes in the business environment, workers must improve their skills in order to compete. Education and training are the best resources for the skill development needed to keep pace with job requirements. As education is increasingly emphasized, those with minimum skill levels fall further behind.

Education and training programs face problems of their own as budget pressures limit access to the people whom most need them. As the semiconductor industry raises concerns about the lack of capacity in public education programs, colleges and universities raise their tuition. Vocational training programs serve as few as one-in-fifty who qualify. Remedial education programs are available, but often fail to provide the foundation needed to succeed in more advanced technical training programs.

Training and education are emerging as priorities in public policy, with support and involvement of the private sector. Life-long learning is gaining recognition as the only way to insure that the work force can keep pace with the rapid changes in business and technology.

Family Support

The pressure caused by economic insecurity are tremendous for low-income families. The fact that nearly half of all families in poverty are single-parent families only increases this pressure. Family support programs can help families in poverty better manage their lives by helping to build skills in budgeting, time management and goal setting. These programs can also provide support with parenting skills and child development to help families break the cycle of intergenerational poverty.

A limited number of family support programs are available to low-income families. Head Start, one of the most successful and well-known poverty programs, makes a tremendous difference for the families that participate. Unfortunately, less than a third of the families

eligible for participation can be served. Other training programs face similar limitations, primarily due to reduced funding. Parenting classes offered by Community Action were canceled when funding for the program was cut.

Family support programs are often perceived as the “softest” social services, especially when compared to the education and training programs that offer more tangible results. The benefits of programs like Head Start may not be visible for 20 years. Consequently, these programs lack support in current public policy decisions and may face additional significant cuts in coming years.

Health Care

Health care costs are a tremendous concern among low-income families who often forego prevention and delay treatment until their medical conditions become critical. In many cases, medical problems push families into poverty or stand as barriers to escaping poverty.

Changes in health care services for the poor emerged with the implementation of the Oregon Health Plan in early 1994. The plan utilizes a “managed care” approach to extend eligibility for assistance to nearly everyone at or below 100% of the Federal Poverty Level. Pregnant women and young children are eligible at even higher incomes. The Health Plan provides a basic level of medical care, dental coverage, and in a demonstration project that includes Washington County, limited mental health services.

Unfortunately, many people living in poverty are not helped by the Oregon Health Plan. Up to 13% of Washington County residents experience conditions of poverty but fall outside the eligibility requirements of the Health Plan. For these people — often the working poor and situationally poor — health care continues to be a problem. More and more working people no longer receive health insurance benefits as a condition of their employment. Medicare covers only a portion of the actual medical costs faced by seniors.

The focus on federal budget cuts has centered on changes to Medicare and Medicaid. Almost all of the proposals being discussed will reduce coverage and increase costs faced by poor people covered by these programs. Some proposals for restructuring Medicaid may prevent continuation of the Oregon Health Plan completely. Changes to the Health Plan under

current funding levels are already increasing the cost and reducing access for families living in poverty.

Mental Health

Mental health issues impact every aspect of a person's life, and for poor people can make the struggle to survive even more difficult. Mental health problems can become barriers to escaping poverty by affecting an adult's ability to get and hold a job, participate in education and training programs and other important activities. In children, such problems can lead to poor performance in school and poor social development that increase their chances of remaining in poverty. Common mental health problems can range from depression and anxiety to schizophrenia.

There is a high incidence of mental illness among some poor people, especially the homeless. Yet mental health services to families in poverty are very limited. The Oregon Health Plan provides services to those who qualify for the Plan, but many more people needing assistance do not qualify. Many mental health providers offer sliding-scale fees adjusted to income, but the lowest rates can still be as high as \$25 per hour.

As a result of these limitations, services to low-income families are usually short-term and problem-oriented. The services often are unable to address the full depth of mental health problems facing the individual, providing only medically necessary assistance. Problems must affect physical functioning. Sessions are restricted in length and number for low-income people.

Managed health care may make mental health services less accessible to the low-income people who need them. With a priority on serving the most number of people at the least cost, managed care might put in place inappropriate limitations that prevent effective treatment of mental illness.

Drug and Alcohol Addiction

The impact of drug and alcohol addiction on people's lives is tremendous. It diverts critical resources from basic needs into drug use. It interferes with employment and educational opportunities. It creates serious health problems, creating additional drains on an

otherwise tight budget. It does all of this while providing an attractive, temporary escape from the stress and other mental health problems facing many people in poverty.

The problem of addiction is also multi-generational. Parents who abuse drugs are more likely to neglect and abuse children, causing problems in the child's development and perpetuating the cycle of poverty. In addition, alcoholism and drug addiction are diseases that can pass from one generation to the next, increasing the likelihood that the children of addicts will face their own substance abuse problems.

Many types of treatment are available for poor people through the Oregon Health Plan and other programs. Unfortunately, access may be the more significant problem. There is an acute shortage of residential treatment — the most appropriate care for many people. Existing residential programs serve as few as one in fifteen who need help. Though more people can be treated through outpatient programs, related issues of housing and transportation can make this type of treatment less viable and less effective.

Most treatment programs serving low-income people face reductions in funding. Public debate remains focused on crime prevention issues rather than programs that prevent and treat drug and alcohol problems.

Domestic Violence

Domestic violence is the leading cause of homelessness among women and children, leading many to describe the flight from domestic violence as a one-way ticket to poverty. Many women are forced to choose between poverty and violence. Fear of becoming impoverished is a primary reason why many women choose not to leave violent homes. The problems can have far-reaching — often inter-generational — impacts on individuals and families.

There is only one domestic violence shelter in Washington County. The local shelter received more than 4,200 calls to the crisis line in 1994, but had to turn away more than 88% of the requests for shelter due to lack of space. Expanding services to cover the gap between need and existing services is impossible without additional funding. Related issues of transportation, legal services, housing, medical care and alcohol and drug addiction contribute to an environment that offers women and children facing domestic violence very few choices.

Congress and the Legislature appear ready to take strong positions on domestic violence, including increasing penalties for abusers, expanding training for police, fining abusers and dedicating those fines to shelters. Despite these positions, families living with domestic violence will continue to face bleak conditions and will be forced to make dreadful choices.

Legal Aid

Legal aid services often are the only access to legal representation available to people living in poverty. Legal representation for low-income families can be a critical tool to access their basic services and resources. Legal help is critical for many women seeking help with child support. Domestic violence victims often require legal help with restraining orders and legal support in custody disputes. People facing housing discrimination need legal help to rectify their situations. Immigrants seek legal help as they try to establish themselves and their families in the United States.

Access to affordable legal assistance is very limited in Washington County. Oregon Legal Services (OLS) is the primary resource for low-income people, and is available only to those whose incomes are at or below 125% of the Federal Poverty Level, with very few exceptions. Assistance is limited to as few as one-sixth of the people who request it. Perhaps one in one hundred get the complete representation they need. The program also limits its services to very specific areas of representation, and does not cover some legal assistance needed by poor families.

The federal program that supports Oregon Legal Services faces significant cuts in funding. These cuts, in turn, will force OLS to cut back on the number of clients and types of services it can provide. Other services may be expanding in Washington County, but will fail to meet the need that exists.

Energy Assistance

For families with limited resources, assistance with utility bills can be an important service that makes housing more affordable. Energy assistance is often necessary to keep vital services on, and in some cases, to get them back on after they have been shut off.

Energy assistance programs provide direct financial assistance averaging \$200 to a limited number of households at or below 125% of poverty. In past years, long waiting lists held the

names of people needing assistance but unable to get it. In 1995, a list wasn't even created. Program funds were exhausted in several days, leaving those who did not know or who were unable to make contact without help.

Significant cuts in the past have led to reduced levels of service, and additional cuts of up to 50% are expected in the next budget. This will reduce the number of people who can be served and may decrease the amount of assistance paid to each household.

Weatherization

Weatherization services can make housing more affordable and more safe. In many cases, they can make it possible for low-income elderly people to stay in their homes. Weatherization programs offered through Community Action provide energy audits and low-cost materials that improve energy efficiency. Such programs also make energy related repairs and install needed equipment and materials in participating homes.

Again, supply for these services falls well short of need in Washington County. Less than one in five households requesting assistance was able to get help with weatherization. Other weatherization programs offer reimbursements and loan programs, but the programs have requirements that often limit participation from low-income people. Weatherization services will probably dry up as budget cuts, de-regulation of utilities and other factors lead to a reduction in conservation efforts.

Food and Hunger

Hunger poses many problems for families in poverty. It interferes with growth, participation in society, performance in school and the ability to be a productive worker. Children, pregnant women, and the elderly are particularly at risk and sensitive to the effects of hunger. Pregnant women who do not receive adequate nutrition have a greater chance of delivering low birth-weight babies. Inadequate nutrition affects the behavior of children, their school performance, and overall cognitive development. Hunger and malnutrition impact children's later productivity as adults and consequently impact the future of our communities.

Food Stamps is the dominant food program, and provides an average of \$142 per month to families that participate. Most families who get them run out of Food Stamps before the end of the month. A supplemental food program for pregnant women, infants and children

serves only 50% of those who are eligible. Other programs provide food for children in schools, during the summer and in child care programs. Washington County also has an adult care food program.

In addition, emergency food programs provide food boxes to people needing periodic assistance. About 50 such programs provide food to families in Washington County, providing more than 30,000 food boxes and 116,000 meals to low-income people in 1993. Lack of transportation is often a barrier to these programs since they do not deliver. Pride may also stop many people from seeking assistance.

Food program funding has diminished over the past several years and is targeted for additional cuts in current federal budget proposals. Shifting to block grant funding in place of traditional program funding — a popular suggestion among current proposals — probably would reduce the level of services that could be offered in Washington County. The entitlement provisions that ensure that everyone who is eligible receives assistance would be lost in such a shift.

Transportation

Affordable and accessible transportation is essential for families who wish to move out of poverty. It provides access to employment, educational opportunities, child care and other support services. When transportation is difficult to access, it causes ripple effects throughout the lives of families in poverty.

Washington County land use and settlement patterns put an enormous reliance on the automobile. But car ownership is beyond the means of many low-income families. It can be an enormous diversion of resources away from other basic needs. Public transportation provides little relief. Access to bus routes is not good for nearly half of Washington County residents, and bus service is infrequent. The lack of adequate transportation has an enormous impact on all of the issues in this report, and can be a barrier to addressing any of the other problems of poverty.

Few plans for improving transportation within Washington County currently exist. Shuttle services may emerge to improve access to the campuses of high-tech companies. The West Side Light Rail project improves transportation between Portland and Washington County,

but provides little relief within the county itself. The light-rail line could serve as an affordable transportation alternative for Washington County workers commuting from outside the county.

Welfare Assistance

For many people, the transition out of poverty requires intermediary support through public assistance, or welfare. Cash payments help with this transition, and can provide basic needs and dignity to people unable to work and escape poverty.

Three different programs provide services to single-parent families, the disabled and the elderly. Families receive assistance on a sliding scale depending on the size of the family. While these programs provide some basic support, they fail to support families at even a basic level of existence. Income and assistance can be combined to help families make the transition out of welfare, but income over \$600 per month will make a family completely ineligible.

Changes to the welfare program are among the most discussed in Congress. Shifting funding to block grants, limiting the term of eligibility and restricting the program to prevent single mothers less than 18 years old are among some of the proposals. People who experience cuts in welfare will likely seek out other help, such as energy assistance and emergency food baskets, further taxing these programs.

TRENDS FACING POVERTY

Behind all the statistics and stories of poverty are several trends that will surely affect future anti-poverty efforts as well as the people living in poverty. Though Community Action has little control over the outcome of these trends, clearly the trends can have a tremendous amount of control over the outcome of Community Action's efforts. They could also greatly influence the efforts of other agencies and organizations working to fight poverty and support people living in poverty. While these trends include changes at the local, state and national levels, all will have an impact on Washington County.

Social Trends

- + The population of Washington County will grow, with a greater percentage of seniors, Hispanics and poor people within the community.
- + The sense of community will continue to deteriorate, with greater fear, greater isolation, more factions, greater alienation and increased violence.
- + Empathy and support for people in poverty will diminish.
- + Government will become less trusted, less supported and less funded.
- + Generational dysfunction will continue as people born in poverty and lacking resources become parents lacking the skills and resources to help their children escape poverty.

Economic Trends

- + There will be a greater chasm between rich and poor created in Washington County, the state and the nation as the rich grow richer and the poor grow poorer.
- + The economies of Oregon and Washington County will continue to grow on the strength of the high-tech industry.
- + Corporations will continue to expand in Washington County, while down-sizing overall.
- + The number of jobs will increase in Washington County, mostly among low-paying, temporary and part-time positions.
- + Housing costs will continue to escalate, making housing less affordable.

- + Managed care will dominate the health care profession as society attempts to reign in escalating health care costs.
- + Education and technical training will become less accessible to the least educated.

Political Trends

- + Government budgets will dominate political debates, leading to continued cuts in programs and taxes.
- + Control over program delivery will shift from the federal government to state and local governments, with fewer dollars accompanying it.
- + Poverty as an issue will be lost in the debate over the problems of big government and failure of the system.
- + Power and influence will concentrate among smaller, more conservative groups.
- + Political perceptions of people living in poverty will focus more on the caricature of poverty than poor people themselves.
- + Urban growth boundaries will expand in Washington County, opening the door to additional urban growth and sprawl.

Philanthropic Trends

- + Growing competition for funds will cause mergers, reductions and closures of many nonprofit organizations.
- + Greater distrust and scrutiny of nonprofit organizations will lead to more challenges to organizations' nonprofit status.
- + Funding to nonprofit organizations will continue to be dominated by individuals, while corporations seek greater return on their investments through cause-related marketing.

Technological Trends

- + Computers will accelerate information technology and will become part of minimum expected literacy.
- + Publishing and communication will be dominated by computer applications.
- + Automation will take over low-skill jobs, forcing people to have greater skills for most jobs.

CONCLUSION

For years, public assistance programs existed to provide a safety net to support people temporarily unable to support themselves. New Deal legislation in the 1930's started a movement toward greater public support for individuals. The Great Society legislation of the 1960's supported a public attitude that viewed poverty as un-American, and The War on Poverty was initiated to end poverty within ten years. Policies and funding to fight poverty led to a continuing decline in the poverty level through the 1970's until, by 1980, absolute poverty seemed a thing of the past.

But changes came quickly in the early 1980's. Decisions in Congress led to significant reductions in many social programs — including welfare, food assistance, Medicaid, unemployment compensation and housing subsidies. This decline in support for social and anti-poverty programs picked up speed in the mid-1990's, underscored by the "Contract with America" pledge signed by dozens of politicians.

Declining support for programs aimed at poverty has coincided with increased attention to government spending and tax reform. At every level of government, strong momentum to reduce government's role fuels the fire to reduce social spending programs. The escalating federal deficit and its perceived impact on the national economy has become top priority among decision-makers. As the budget ax continues to fall, social programs continue to feel the greatest cuts.

While these changes were taking place over the last several years, the face of poverty has become obscured. The bigger "problem" of poverty has shifted the focus away from the individual victims of poverty itself. Concern about the needs of families living in poverty has been lost in the disdain for the "failure of the system" to eliminate poverty.

The concept of investment in human potential is lost in a focus on social service spending. People are being lost along the way.

Today, poverty is harder to see but easier to find than ten years ago. While few people recognize the growing incidence of poverty in Washington County, more and more people struggle economically. Public perceptions limit poverty to the visibly poor Hispanics, working in fields throughout the county. Very few people would believe that as many as one in five

Washington County residents suffers from the symptoms of poverty. The general public fails to see the face of poverty that serves them at the local store, feeds them at the local restaurant and works for them at the local plant.

The growing incidence of poverty creates a stark contrast to a growing local economy. But the economy of the workforce is changing. Now having a job is not necessarily enough to make a living. Unemployment is down, but fewer jobs support families above the poverty level. New jobs emerge with lower pay and fewer benefits.

Coinciding with a changing workforce is a change in the family economy. Two wage earners are required in most cases to provide a family with a basic level of existence. Single-parent families make up almost half of all families living in poverty. Families that fall into poverty find the barriers to escaping from poverty large and numerous.

The safety net, originally designed to temporarily support people in poverty, has failed in many ways. The current system too often reinforces a crisis mentality, and prevents people from moving out of crisis and poverty. Housing assistance begins once the eviction notice is in hand. Mental health services are available once the mental illness causes physical ailments. There is no smooth transition from welfare to work. Disincentives to move out of poverty often outnumber the incentives. Families below the poverty line can access services that provide help with important basic needs. Working parents living at or just below the poverty line are ineligible for assistance and must stand alone in providing these needs for their family.

Today more than ever, there is a need for programs that move people *out* of poverty. The general community, politicians, social service experts and poor people themselves all support the need to change the social service system to build self-sufficiency rather than dependence. There will always be a need to provide assistance to people who can never support themselves — people with severe illness, physical limitations and the elderly. But most people receiving public assistance would rather be on their own. Most people in poverty feel stuck and can't find a way out.

Page after page of this report describes social conditions of poverty that are deplorable and depressing. As needs increase, the resources to meet the needs diminish. However, the message of this report is not despair but opportunity. Unlike many communities dealing with

poverty, Washington County has the opportunity to make the investment in human potential. The growth and strength of the local economy provides an outstanding opportunity to provide people with real chances to build secure futures.

The kinds of programs that are needed to make this change are not hard to find. The Steps to Success program, Washington County's piece of the JOBS program, is making a difference. Training helps poor people with both life skills and employment-related skills. The program provides support services to help families hold the pieces together. Unlike almost every other program trying to move people out of poverty, Steps to Success is making room for more people in the years ahead.

Another effective program is Head Start, one of the best examples of investing in the future. The program provides immediate support for families while helping children from poor homes keep pace with the other children in the community. While funding cuts may decrease the number of participants, the program is making a difference for generations to come.

The local high-tech industry sees the need for investment as well. The Semiconductor Workforce assessment outlined the kinds of steps that need to take place — not just to support the needs of industry, but also to support the needs of the community:

“Allow for part-time work paired with training. Investigate options for scholarships, tuition reimbursements, child care assistance and transportation assistance. Ensure that individuals who receive welfare or unemployment support can continue to receive this support while they are enrolled in job training programs until they are hired.”

There are many other good ideas on how to make programs work. The problem is not ideas, the problem is attitude. People need to open their eyes to the existence of poverty — they must see the real face of poverty all around them. People must make the distinction between social service spending and human investment. They must understand the tremendous loss of potential caused by poverty.

Leadership is needed to show the way. Community Action is well placed to take a leadership role in the investment for human potential. The organization understands the needs

*opportunity
- support*

of families living in poverty, and can help interpret those needs for the community that has yet to fully understand. But Community Action cannot do it alone. The organization must find willing partners — both likely and the unlikely collaborators — to share the leadership, encourage innovation and reshape the way Washington County looks at the faces now lost within the walls poverty.

Where did this
come from? SB