



News Release

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Nearly a Third of Oregon Working Families With Children Can't Afford Basic Household Budget Needs *Calculator for basic family budget needs in Oregon available online*

(Silverton) - Nearly a third of Oregon's working families with children under age 12 do not earn enough income to maintain a modest standard of living, according to a report released today by the Economic Policy Institute, a research and education institute based in Washington, D.C.

The report, *Basic Family Budgets*, measures actual costs faced by families of various sizes in over 400 communities across the country. It indicates that a modest standard of living in Oregon, like much of the United States, costs more than twice the official poverty line.

"This report shows that thousands of Oregon families with incomes above the poverty line are still unable to cover their basic needs," said Michael Leachman, a policy analyst with the Oregon Center for Public Policy who reviewed the report.

The report includes findings for the metropolitan areas of Portland, Salem, Medford-Ashland, and Eugene-Springfield, as well as rural Oregon. It found, for instance, that a family of four with two adults and two children living modestly in the Portland metro area needed \$43,435 in 2004 to meet their costs, including housing, food, child care, transportation, health care, taxes, and other necessities. A family of four in rural Oregon needed \$37,582. By contrast, a four-person family with two children earning more than \$19,157 in 2004 escaped poverty, according to the official measurement.

"Many working families who are not considered officially poor do not earn enough to cover the simple costs of a modest life," said Leachman.

The report found that 29.9 percent of Oregon's working families with children under age 12 earned less than the modest living standard in 2004. A total of 176,000 people live in these families.

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“Working families should not have to struggle to meet their basic needs,” said Leachman. “But nearly a third of Oregon’s working families with children find themselves unable to pay for the essential costs of a decent life.”

The report is consistent with findings from other studies of basic family budget needs. For instance, the 2004 Northwest Job Gap Study, produced by the Northwest Federation of Community Organizations and Paul Sommers, a professor with the Albers School of Business at Seattle University, estimated Oregon’s “living wage” at \$42,274 for a four-person family with one adult working.

The report, *Basic Family Budgets*, along with a link to an online calculator allowing users to determine basic living costs in 433 metropolitan and areas across the country, will be available at <http://www.epi.org/content.cfm/bp165> on September 1st.

The **Oregon Center for Public Policy** uses research and analysis to advance policies and practices that improve the economic and social opportunities of all Oregonians. The **Economic Policy Institute** is an independent, nonprofit, nonpartisan research institute – or “think tank” – that researches the impact of economic trends and policies on working people in the United States and around the world.

NOTE TO EDITORS AND REPORTERS:

A table of Oregon Basic Family Budgets for different types of families in the five areas of Oregon is attached.

Oregon Basic Family Budgets, 2004

Area	Monthly Total	Annual Total	2004 Poverty Threshold	Basic Family Budget as a Percent of Poverty
2 parents, 1 child				
Eugene-Springfield	\$3,034	\$36,408	\$15,205	239%
Medford-Ashland	\$3,053	\$36,636	\$15,205	241%
Portland-Vancouver (Oregon portion)	\$3,163	\$37,956	\$15,205	250%
Salem	\$2,896	\$34,752	\$15,205	229%
Rural Oregon	\$2,779	\$33,348	\$15,205	219%
2 parents, 2 children				
Eugene-Springfield	\$3,479	\$41,748	\$19,157	218%
Medford-Ashland	\$3,498	\$41,976	\$19,157	219%
Portland-Vancouver (Oregon portion)	\$3,618	\$43,416	\$19,157	227%
Salem	\$3,339	\$40,068	\$19,157	209%
Rural Oregon	\$3,132	\$37,584	\$19,157	196%
2 parents, 3 children				
Eugene-Springfield	\$4,589	\$55,068	\$22,543	244%
Medford-Ashland	\$4,655	\$55,860	\$22,543	248%
Portland-Vancouver (Oregon portion)	\$4,818	\$57,816	\$22,543	256%
Salem	\$4,467	\$53,604	\$22,543	238%
Rural Oregon	\$4,103	\$49,236	\$22,543	218%
1 parent, 1 child				
Eugene-Springfield	\$2,599	\$31,188	\$13,020	240%
Medford-Ashland	\$2,596	\$31,152	\$13,020	239%
Portland-Vancouver (Oregon portion)	\$2,708	\$32,496	\$13,020	250%
Salem	\$2,452	\$29,424	\$13,020	226%
Rural Oregon	\$2,253	\$27,036	\$13,020	208%
1 parents, 2 children				
Eugene-Springfield	\$3,068	\$36,816	\$15,219	242%
Medford-Ashland	\$3,065	\$36,780	\$15,219	242%
Portland-Vancouver (Oregon portion)	\$3,176	\$38,112	\$15,219	250%
Salem	\$2,928	\$35,136	\$15,219	231%
Rural Oregon	\$2,575	\$30,900	\$15,219	203%
1 parents, 3 children				
Eugene-Springfield	\$4,176	\$50,112	\$19,223	261%
Medford-Ashland	\$4,220	\$50,640	\$19,223	263%
Portland-Vancouver (Oregon portion)	\$4,382	\$52,584	\$19,223	274%
Salem	\$4,054	\$48,648	\$19,223	253%
Rural Oregon	\$3,629	\$43,548	\$19,223	227%

Source: Oregon Center for Public Policy presentation of basic family budget data from Economic Policy Institute.