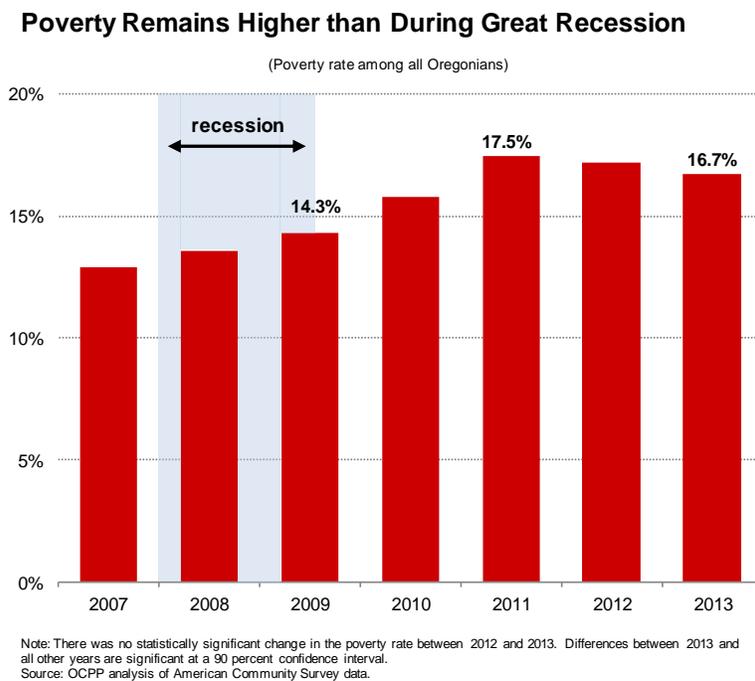


## A Graphic View of Poverty in Oregon

### *A View of the State of Working Oregon*

By Tyler Mac Innis

Economic growth in recent years has done little to reduce the share of Oregonians living in poverty. Oregon's poverty rate in 2013 ebbed only slightly from the high-water mark set in 2011. Despite more than four years of economic growth, poverty in Oregon was worse in 2013 than at the depth of the Great Recession.



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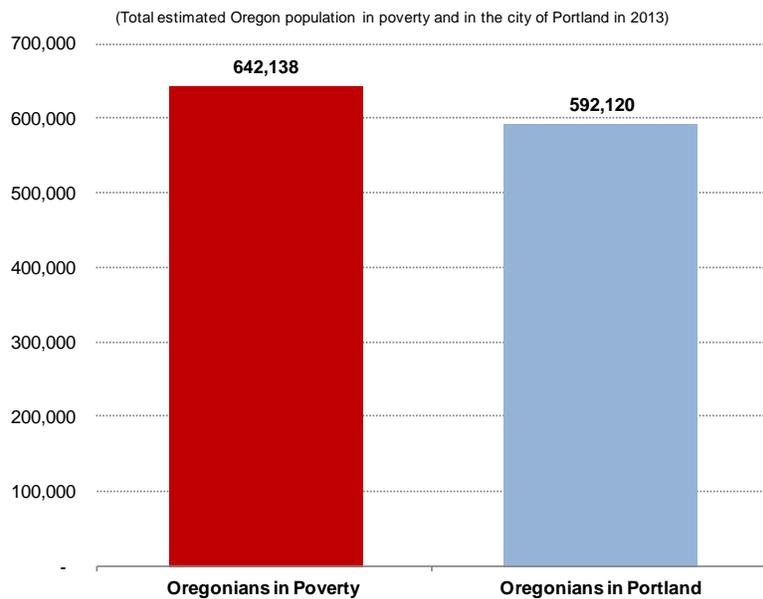
Oregon's poverty rate in 2013 stood at 16.7 percent. Though that is down from the 17.5 percent peak reached in 2011, the poverty rate in 2013 was still higher than the 14.3 percent rate registered in 2009, at the end of the recession. Oregon's poverty rate in 2013 was not significantly different from the 2012 rate.<sup>1</sup>

In 2013, there were still nearly 110,000 more Oregonians living in poverty than in 2009, the year the recession ended. That is like adding the entire population of Gresham — Oregon's fourth largest city — to the ranks of the poor.<sup>2</sup>

Since 2010, Oregon's poverty rate has been higher than the national average.

*A View of the State of Working Oregon* is a series of occasional OCPP fact sheets published to help explain Oregon's economy from the perspective of working families.

**More Oregonians Live in Poverty than in the City of Portland**



Source: OCPP analysis of American Community Survey and Portland State University Population Research Center data.

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More than 642,000 Oregonians lived below the federal poverty threshold in 2013.

To put that into perspective, the city of Portland was home to 592,120 Oregonians in 2013. Eugene was home to 159,580 Oregonians and Salem was home to 157,770.<sup>3</sup>

If poverty were a city in Oregon, it would be the state's *largest* city.

**more than 1 in 5 Oregon children live in poverty**

In 2013, 21.6% of children in the state lived below the poverty line.  
 Poverty thresholds vary by age, family size and composition. For example, a two-parent, two-child family making less than \$23,624 in 2013 was considered to be in poverty.

Source: American Community Survey.

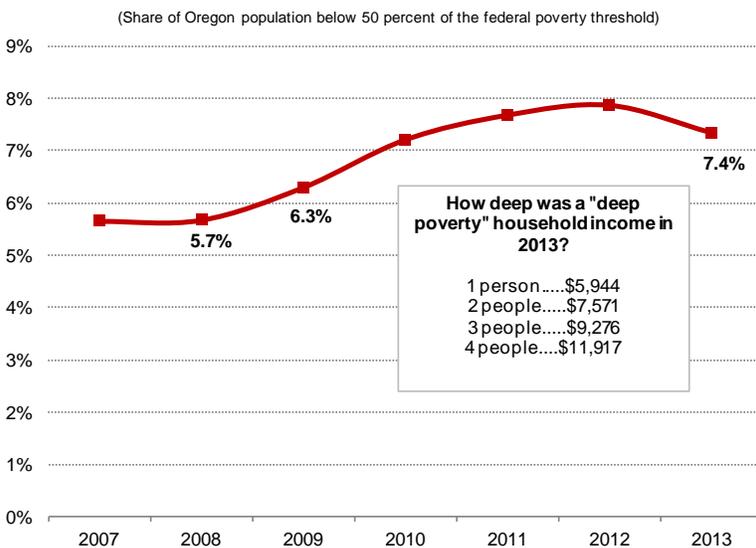
OCPP OREGON CENTER for PUBLIC POLICY  
 Because facts matter.

In 2013, more than one in five Oregon children (21.6 percent) lived in poverty.

In 2007, prior to the start of the recession, Oregon's child poverty rate (16.9 percent) trailed the national average (18.0 percent).

After 2007, Oregon's child poverty rate has been no different than the national rate, except in 2011, when Oregon's child poverty rate exceeded the national average.

**"Deep Poverty" in Oregon Remains Too High**



Note: there is no statistically significant difference between the deep poverty rate in 2013 and that in 2010, 2011, and 2012. The rate in 2013 is statistically above the rates for 2007-2009.  
 Source: OCPP analysis of American Community Survey data.

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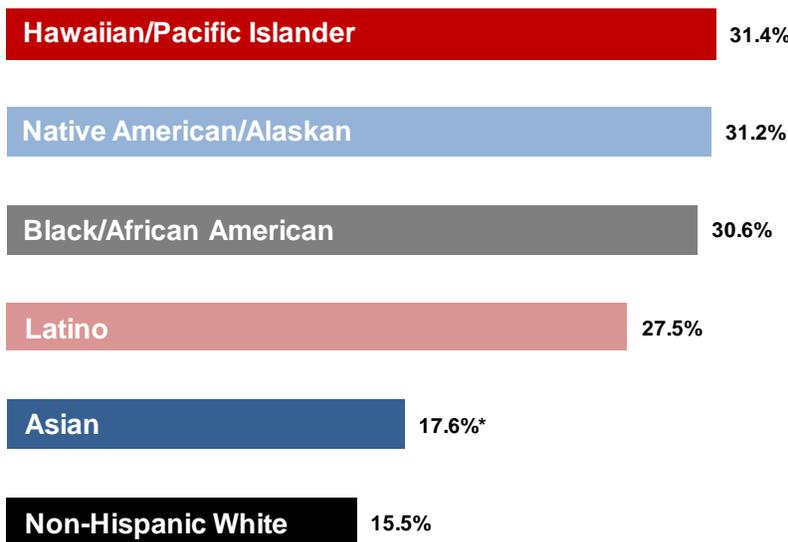
“Deep poverty” – households with income at less than half of the federal poverty threshold – remains above its level before and during the recession.

In 2007, on the eve of the Great Recession, 5.7 percent of Oregonians lived in deep poverty. In 2009, at the end of the recession, deep poverty afflicted 6.3 percent of Oregonians. By 2013, 7.4 percent of Oregonians lived in deep poverty – not a statistically significant change from the 2012 rate.

How deep is deep poverty? A family of three had to earn less than \$9,276 in 2013 to be considered in deep poverty.<sup>4</sup>

**Most Communities of Color Face Higher Poverty Rates**

(2013 poverty rates in Oregon by race and ethnicity)



\* indicates differences between the poverty rate of Asians and Non-Hispanic Whites not statistically significant. Differences between Non-Hispanic whites and all other groups are statistically significant at a 90 percent confidence interval.  
 Source: OCPP analysis of American Community Survey data.

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As bad as poverty is for Oregon as a whole, it’s worse for nearly all communities of color.

In 2013, the poverty rate for non-Hispanic whites in Oregon was 15.5 percent. By contrast, it was 17.6 percent for Asians, 27.5 percent for Latinos, 30.6 percent for African Americans, 31.2 percent for Native American and Alaskan Natives, and 31.4 percent for Native Hawaiians and Pacific Islanders.

The poverty rate for Asians in Oregon (17.6 percent) was not statistically different than the rate for non-Hispanic whites.

## **Note on Methodology**

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When determining the poverty rate, the Census Bureau counts all income earned by a family before taxes. It does not include non-cash benefits, such as Medicaid and Supplemental Nutrition Assistance Program (SNAP) benefits, or tax liabilities and credits, such as the Earned Income Tax Credit (EITC).

The poverty threshold varies by age, family size and composition. For example, in 2013 the poverty threshold was \$12,119 for a single person under 65 and \$23,624 for a family with two parents and two children. Thresholds are slightly lower for individuals and couples over 65 and vary slightly by the number of children and adults in the family but they do not vary by geography and therefore do not take into account differences in the costs of living. Thresholds are updated each year to take inflation into account.

Like all surveys, the American Community Survey (ACS) — the source of data for this analysis — provides estimates from a random sample of households. These estimates have a margin of error. Results will vary from one sample to another to a certain extent, depending on sample size and the particular characteristic that is being measured.

When comparing two measures — for instance, the poverty rate in two different years or among two different racial groups — it is important to consider how this sampling variability affects the difference between the two measures. If the difference between the two rates would occur due to variability less than 10 times out of 100, then we can say that we have a 90 percent level of confidence that the difference between the two rates reflects an actual difference. In other words, the chance that the difference between the two estimates is simply the result of random chance is less than 10 percent. While different levels of confidence (e.g., 95 or 99 percent) can be used to measure significance, the 90 percent level is typically used when analyzing ACS data, and that is the level used here when establishing whether a difference is significant.<sup>5</sup>

### **Endnotes**

<sup>1</sup> The poverty rate in Oregon was 17.2 percent in 2012. Unless otherwise noted, all data in this fact sheet comes from OCPP analysis of American Community Survey data.

<sup>2</sup> The city of Gresham had a population of 106,180 as of July 1, 2013. Portland State University's Population Research Center, Certified Population Estimates.

<sup>3</sup> The population estimate for the city of Portland is as of July 1, 2013. Portland State University's Population Research Center, Certified Population Estimates.

<sup>4</sup> Income levels are based on weighted averages for household size. Actual thresholds vary by age of householder and number of children.

<sup>5</sup> For more on calculating levels of confidence and testing for significance, see Appendix 4 in the ACS User Guide, available at <http://www.census.gov/acs/www/Downloads/handbooks/ACSGeneralHandbook.pdf>.

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