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Worksystems, Inc. of Portland today released a report aimed at establishing the true cost of financial independence, rather than relying on the standards of the Federal Poverty Level.

Unlike the FPL, the Self Sufficiency Standard for Oregon takes into account a "market basket" of basic needs, including food and transportation, said Worksystems Executive Director Andrew McGough.

Most Americans believe people living 50 percent above the FPL are poor, said Dr. Diana Pearce, the author of the report. According to federal standards, a person earning more than \$10,400 a year is above the poverty level with increases of \$3,600 for each additional family member.

According to the report, the number is closer to \$17,500, rising to \$28,250 with a child, \$32,360 with two children and as high as \$38,714 for two adults and two children.

The federal standards were determined by studies done 40 years ago, when food was the only cost considered. The food budget was multiplied by three to determine the poverty level, Pearce said. Since, the percentage of family budgets spent on food has fallen to about 10 percent, while housing costs have skyrocketed to nearly half of the budget. The rising cost of health care and child care are also not reflected in the federal poverty measure, she said.

The self-sufficiency standard also considers variables like family size and geographic location, Pearce said.

For instance, the cost of child care in Washington County can be 68 percent higher than the cost in Baker County.

Along with the report, an online "prosperity planner" helps low-wage workers and welfare recipients choose the best routes out of poverty, Pearce said.

Using the self sufficiency standard as the data framework, the planner helps individuals determine proper career paths and if they are eligible for support that could reduce expenses while pursuing more training and education, McGough said.

The self-sufficiency standard has been used by policy makers to evaluate the impact of current and proposed policy changes, Pearce said. Thirty-six states plus the District of Columbia have commissioned studies prepared by the University of Washington group.

Worksystems is a nonprofit organization that connects job seekers with employers by funding providers of career placement and training services.

Interested workers are invited to use the prosperity planning tool at www.prosperityplanner.org.