



# The Oregon

# Poverty Measure

## How we measure poverty matters.

The Oregon Poverty Measure expands our understanding of poverty in Oregon and highlights the contribution of antipoverty policies and programs to Oregonians across the state.

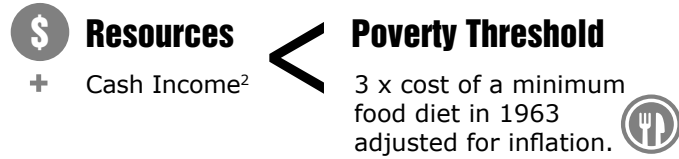
**October 2020**

## The Oregon Poverty Measure

- Reflects contemporary economic and social realities in Oregon
- Better captures the level of hardship diverse Oregonians experience
- Highlights the effects of key antipoverty policies and programs
- Shows differences in poverty across Oregon

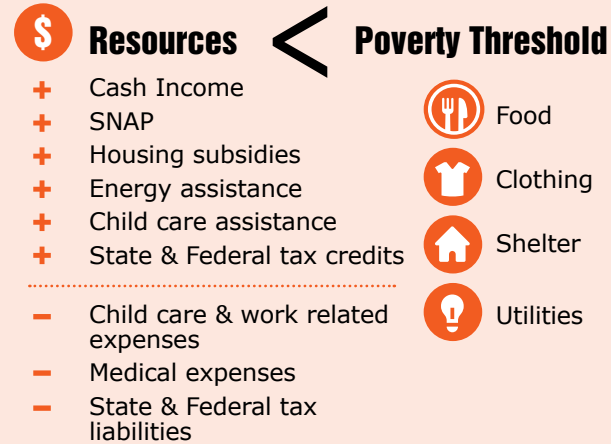
# Comparing Poverty Measures<sup>1</sup>

## Official Poverty Measure (OPM)



**Adjustments:** Family size and composition

## Oregon Poverty Measure (ORPM)



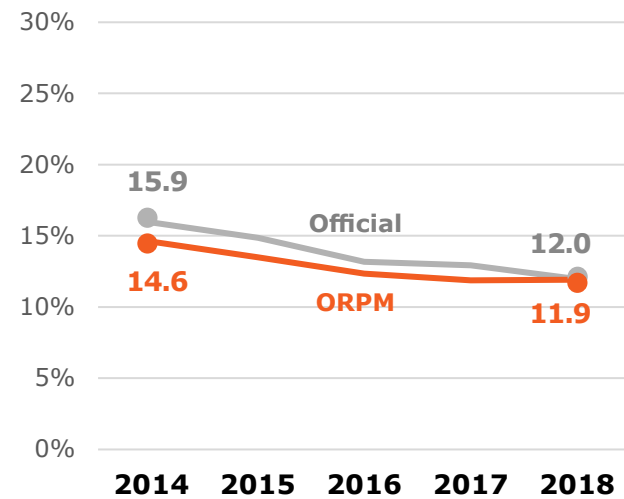
**Adjustments:** Household size and composition  
Geographic differences in housing cost

### Key ORPM Features

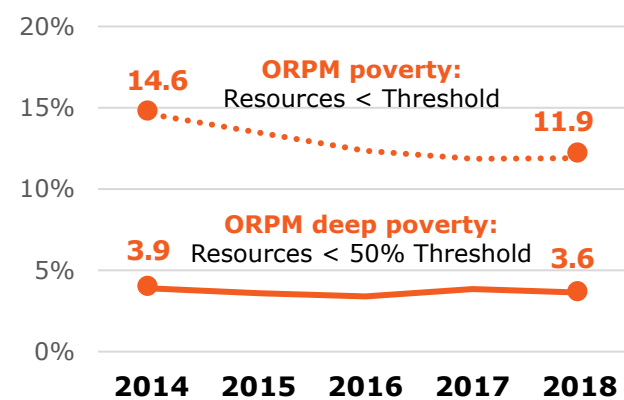
- More recent/detailed consumption data
- More inclusive household definition
- Excludes college-aged students
- Within-state geographic adjustments
- Integrates multiple data sources: American Community Survey, Current Population Survey, state administrative data (e.g., Supplemental Nutrition Assistance Program)
- Sample size permits sub-group analysis

# Key Findings

**Rate & Trends** | As the economy grew between 2014 and 2018, poverty in Oregon fell. At most time points, ORPM poverty was lower than Official poverty, but converged in 2018.



**Deep Poverty Trend<sup>3</sup>** | Deep poverty did not improve much during Oregon's period of economic growth and low unemployment.

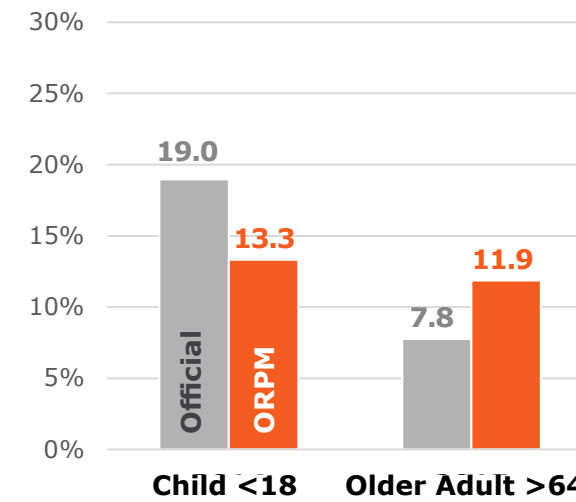


<sup>1</sup> Poverty and deep poverty are likely underestimated because undocumented and homeless individuals are not counted.

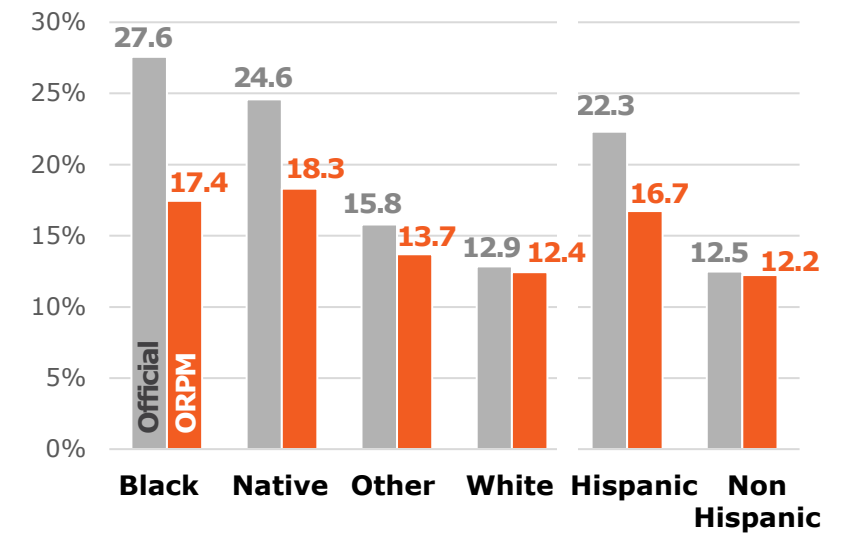
<sup>2</sup> Cash income includes earnings, unemployment and workers compensation, Social Security, Supplemental Security Income, TANF/GA, veteran's payments, pension or retirement income, interest, dividends, child support, and educational assistance.

## The Oregon Poverty Measure

**Age** | The ORPM highlights higher rates of poverty among older adults, largely due to medical expenses, and the positive effects of safety net programs for children and youth.

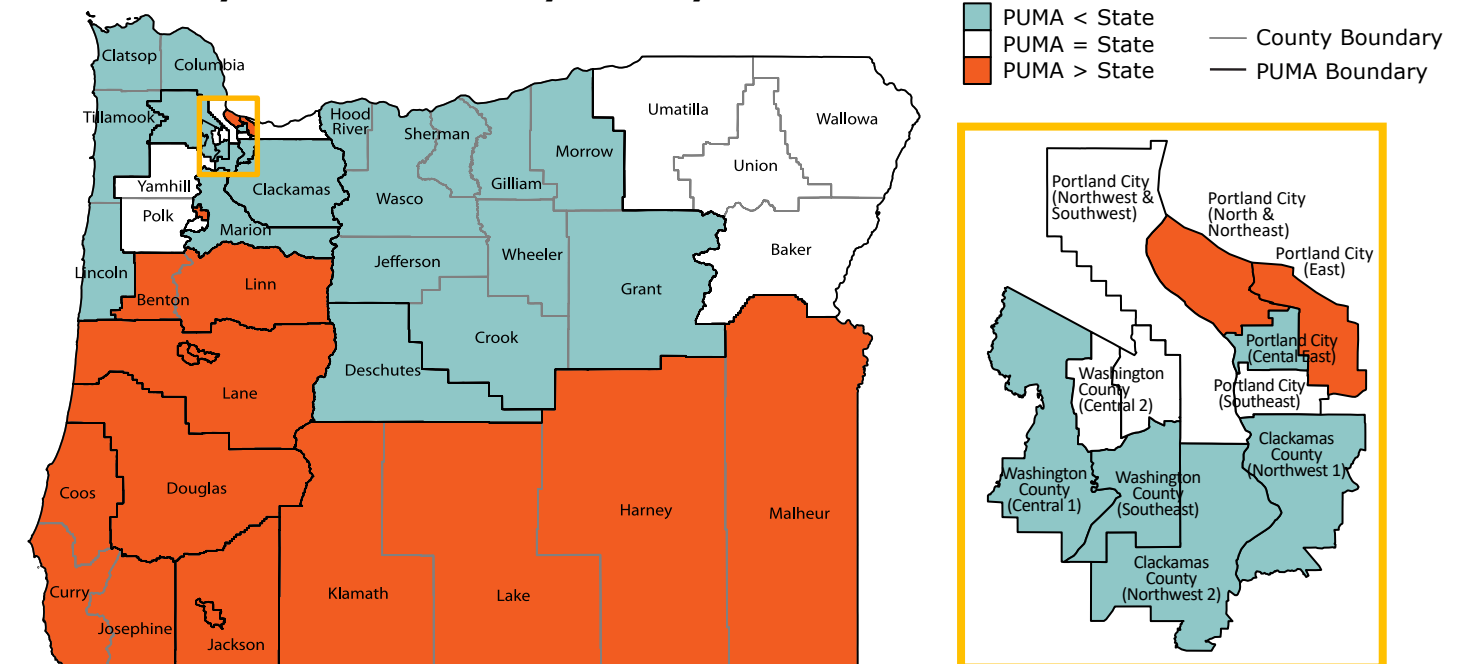


**Race/Ethnicity** | Even considering the influence of social safety net programs, the ORPM shows that people of color in Oregon experience disproportionately high rates of poverty.



**Geographic Distribution** | The ORPM better describes concentrated poverty, like in remote Southern Oregon, North Salem, and Northeast and East Portland where people experience significantly higher rates of poverty than other areas.

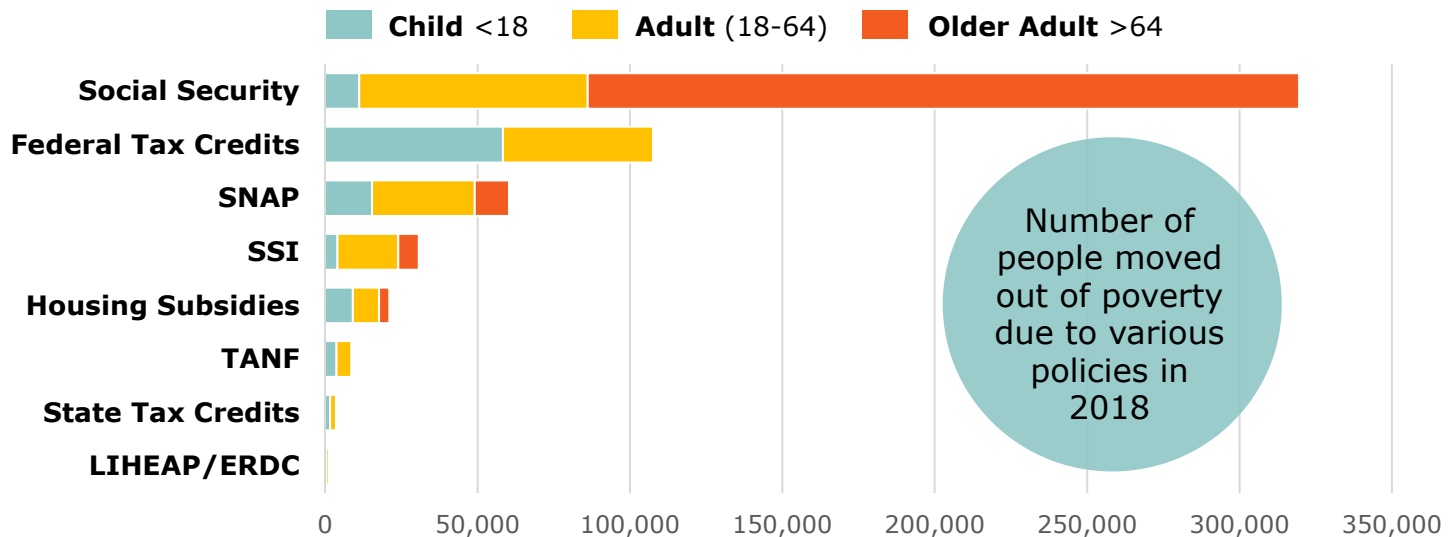
### 5-year ORPM Poverty Rate by PUMA<sup>4</sup>



<sup>4</sup> PUMAs (Public Use Microdata Areas) are statistical geographic areas defined by the U.S. Census Bureau. PUMAs are the smallest geographic disaggregation available in Census microdata.

# Policy Implications ..... The Oregon Poverty Measure

**The social safety net reduces poverty.** Without key antipoverty programs and policies, many more Oregonians would be in poverty. ORPM shows that in 2018 Social Security moved an estimated 230,000 Oregon seniors out of poverty. At the same time, federal tax credits like the Earned Income Tax Credit moved about 58,000 Oregon children out of poverty.



## Moving Forward: The Oregon Poverty Measure Project

### The ORPM helps policymakers and other stakeholders:

- Understand how many Oregonians are poor and who is at risk of poverty.
- Identify and address disparities between race and ethnicities, geographically concentrated poverty, and persistent deep poverty.
- Evaluate the effectiveness of the safety net and related policies.

### The ORPM will be used to assess and forecast changes to poverty in the context of:

- New public policies like tiered minimum wage and the Oregon Earned Income Credit
- COVID-19 and economic conditions, including higher unemployment in 2020
- Historic inequalities across race and geography

**Learn More:** <https://health.oregonstate.edu/orpm>