

Staggering new United Way reports reveal more Washingtonians struggling to make ends meet

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More people know the name than ever before, it seems. ALICE is referenced often, especially by well-meaning politicians trying to make a point about the need to do more to help those living on the edge. ALICE stands for Asset Limited Income Constrained Employed. It's a United Way acronym used to put a human face on households earning more than the U.S. poverty level, but less than the cost of living.

"ALICE is employed, but has difficulty affording the basic necessities of housing, food, childcare, health care and transportation," according to the United Way.

Now for the truly sobering part: Even though the United Way has made more people familiar with ALICE, that doesn't mean the problem is getting any better. In fact, by some measures the situation is getting worse. According to two recently released United Way ALICE reports — one for Pierce County and one for the state — 11 percent of Washington's 2.7 million households lived in poverty in 2016, while 28 percent met the criteria for ALICE.

Combined, that means that 39 percent of households — or some 1,068,246 — were trying to get by on an income below the ALICE threshold. That's a staggering 22 percent increase since 2010. By city, Tacoma had 48 percent of its households living at the poverty level or the ALICE threshold in 2016. Parkland had 60 percent. Midland had 66 percent. Lakewood had 59 percent. And Roy had 54 percent.

"This report shows that the percentage of people who are ALICE or living in poverty in the Pacific Northwest has increased in the past few years," noted Jim Cooper, president and CEO of the United Way of Pacific Northwest in the introduction to the statewide ALICE report.. "The truth is, nobody in these three states should be that surprised," he added.

That's unfortunately accurate, given what we know about stagnant wages and an increasing cost of living. When it comes to wages, the recent ALICE reports notes that "Low-wage jobs dominate the landscape, with 50 percent of all jobs paying less than \$20 per hour."

Part of the ALICE report involves using data from the U.S. Department of Housing and Urban Development and other sources to calculate what's referred to as a Household Survival Budget — or "the bare minimum that a household needs to live and work today."

Statewide it increased by 27 percent for a single adult and 28 percent for a family of four between 2010 and 2016. In Pierce County, that now means a single adult needs about \$742 a month for housing, \$409 for transportation, \$226 for health care and \$177 for food. Along with other basic costs — not including saving for emergencies or future goals — it pencils out to an annual total of just over \$25,000.

For a family of four — two adults, one infant and one preschooler — the cost gets exponentially more burdensome. Housing is estimated to cost more than \$1,100 a month, while more than \$1,400 a month goes to child care, \$818 to transportation and \$845 to health care. All told, it comes out to an annual cost of \$72,324. See the problem?

According to Dona Ponepinto, president and CEO of the United Way of Pierce County, the biggest takeaway from the most recent ALICE report is the challenge of relatively low-paying jobs coupled with an ever increasing cost of living. "While there are more people that might be getting into jobs, they're still lower paying jobs, and the cost of living continues to increase," she said.

"So you're seeing more people move out of poverty. But they're still in that category where they are hardworking, and struggling to make ends meet."

Despite all the reasons for pessimism, Ponepinto also sees some positives. Specifically, she cites the work of the United Way's Centers for Strong Families, in collaboration with Goodwill Industries and Sound Outreach, as a model for collaboration and the work that needs to be done.

"I think that the work that the United Way and others are doing to engage the business community about how we create opportunities for individuals to get into apprenticeship programs, additional training and making sure that people are aware of the family wage jobs out there ... provides hope," she said.

"Too many people are struggling, and we have to pay attention to that if we want to have this vibrant economy where people are experiencing economic mobility," she continued. "To me it's moved beyond this social and moral issue, to an economic issue."

Still, if our initial introduction to ALICE served as a wake-up call, it's clear the United Way's most recent reports should serve as a continued call to action.

"This report brings a heightened awareness that there are families that are just not earning enough, Ponepinto said. "They're working, and I think it removes some of the stereotypes and the perception that these individuals ... need to pull themselves up by their boot straps and all those things.

"A lot of people don't have the bootstraps," she continued. "They don't have the boots to pull themselves up by."

To Read the Washington State and Pierce County ALICE Report, visit UWPC.org/do-you-know-the-face-of-poverty-meet-alice.



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