

Despite much-higher poverty rates, rural Oregonians use less public assistance

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Despite high levels of poverty and unemployment rates that are nearly double that of their urban counterparts, working families in rural Oregon tend to make less use of public assistance, especially childcare subsidies, according to researchers with Oregon State University's Family Policy Program.

OSU researchers Deana Grobe and Bobbie Weber, along with Elizabeth Davis of the University of Minnesota, found that the rates of use of such programs as work support were similar between rural and urban areas, despite poverty and unemployment figures often being much higher in [rural areas](#). For instance, the [unemployment rate](#) in the metropolitan areas surveyed in 2000 was 5.8 percent, compared to 10.3 in rural Oregon. Yet, use of state support systems was often similar, or less in rural areas, than in larger cities.

The lone exception seemed to be in food stamp usage: only 5 percent of rural families that received a child care subsidy did not use any food stamps during the three-year period, compared to 8 percent of city dwellers.

"Given limitations of our data, we don't really know why the rural families used food stamps more than childcare or other forms of support," Weber said. "What we do know is that from a policy perspective, there seem to be equity issues in the state's child care assistance program that is supposed to be equally accessible across the state."

The study, published in the current journal issue of *Applied Economic Perspectives and Policy*, looks at 48 months of data from five Oregon state systems: childcare subsidy data, unemployment insurance wage data, Temporary Assistance for Needy Families (TANF) program, Food Stamp Program data and the Client Maintenance System.

Counties in Oregon were broken up into three categories: metropolitan (counties with an urban area with 50,000 or more people), micropolitan (counties with at least one urban cluster of between 10,000 and 49,000), and "noncore" or rural counties, with no population clusters over 10,000.

Specifically, the researchers looked at 27,628 single-parent families, led mostly by women, who had at least one child in the childcare subsidy program. The study points out that regardless of location, subsidy users had similar characteristics regardless of a rural/urban divide: most were single-parent families, mostly white, with fairly low levels of education, and unstable employment.

Grobe said that one of the reasons for a difference between childcare subsidy and food stamp usage could be eligibility requirements.

Childcare subsidy eligibility is tied to employment - women have to work at least 20 hours a week to be eligible, whereas food stamps do not have a work requirement. Many low-wage workers have unstable job situations in service-oriented industries such as fast food or retail. Hours they work fluctuate, and there are stretches of time they may not be able to find work, so eligibility would be difficult to maintain.

"In 2007, the Oregon Legislature fixed many of these issues, and in 2009 the state aligned the childcare subsidy more to food stamp requirements," Grobe said.

Another factor in lower usage of government subsidies could be attributed to better social networks. Weber said previous research points

to a greater level of family and overall social networks in rural areas, as well as a stigma in some rural communities on use of government programs.

Researchers also found that families in rural Oregon counties used home-based childcare much more than metro or micropolitan areas, and Weber said these smaller home daycare facilities might offer more transitional care than childcare centers.

However, Weber said the continued high levels of unemployment and poverty rates in Oregon, especially in rural areas, should force policymakers to take another look at access issues. All three types of county areas differed on the types of programs used more frequently, and the study showed that participation was quite disjointed. As the study points out: "Families typically did not begin nor end spells of childcare subsidy, food stamps and medical assistance in the same month." It appears that program usage may be more associated with the program policies and practices than the needs of the families.

"Studies of social networks in rural communities, attitudinal surveys, and more research on whether people are finding barriers to getting or retaining assistance in rural areas, are greatly needed," Weber said. "We may be inadvertently disenfranchising people in certain counties and areas. There needs to be recognition of the diversity of our state, and that means going beyond a one size fits all approach."

Provided by Oregon State University

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