

Americans' Perspectives on the Struggle to Make Ends Meet

- Results from a National Survey -

The Northwest Area Foundation commissioned Lake Research Partners to conduct a national survey to explore the effects of the recession on families, perceptions of poverty in one's own community, attitudes toward the roles of local elected officials, and ways in which to address poverty. The survey was conducted among 4,004 Americans age 18 and older, from June 18 – July 13, 2009. A total of 800 interviews were conducted nationally, and oversamples of 400 interviews were conducted in each of the following eight states: Minnesota, Iowa, North Dakota, South Dakota, Montana, Idaho, Oregon and Washington. The oversamples were weighted down to reflect their true proportion in the country. The margin of error for the national results is ± 3.5 percentage points. This is the fourth survey of its kind, replicating selected questions from surveys released to the public in March 2006, March 2007 and April 2008¹.

Summary

Main findings include:

- The recession is having a major impact on families across the country. Six in 10 Americans (61%) say they have cut back their spending as a result of the recession. One in four (27%) say they or a family member living in their household have lost a job in the past 12 months, and more than one-third (38%) say hours have been cut at work. More than one in four families (27%) have had problems paying for basic necessities like mortgage or rent, heating and food. Slightly more than half of Americans (53%) say they or a family member have cut back on the amount they spend on food in the past year.
- Despite these hardships, half the public (49%) does not know where they could go in their community if they needed help with basic necessities. Additionally, half (52%) are unfamiliar with government services in their community such as temporary housing assistance and

Snapshot of Results

Data from the survey show how far-reaching the effects of the economic recession have become. Many families are facing job losses, cut in work hours, and one in four has had trouble paying for basic needs such as housing and food. A majority also sees the number of people struggling in their communities having increased in the past year. Despite hardships they are experiencing and seeing around them, data suggest hope and optimism remain. Looking to the future, the public is more likely to be hopeful than pessimistic about the national economy, and a majority feels the number of people struggling in their community can be reduced. Many Americans are already helping out friends and family – giving money and shelter to people in their lives who are struggling. They are willing to do more, but also want elected officials to take more action to help people who are struggling.

¹ The survey released in 2006 included a national sample of 800 interviews, with oversamples of 200 interviews in each of eight states. The 2007 and 2008 surveys were conducted among a national sample of 800 adults, with oversamples of 400 interviews in each of eight states.

food stamps. Only 15 percent are very familiar with these services.

- Americans are also seeing others struggling in their community. Two-thirds (67%) say more people are struggling in their community compared to a year ago. Currently, the public is more likely to see people struggling because of circumstances outside their control (60%) rather than people's own poor choices (31%).
- Sixty-eight percent of Americans say a family of four living in their community would need \$40,000 or more to make ends meet, far beyond the federal government's poverty income threshold of \$21,834.
- Despite personal experiences and the struggles they see around them, 56 percent of Americans feel optimistic about the national economy (38% pessimistic). They continue to have hope and optimism about reducing poverty in their communities; 84 percent believe the number of people struggling in their community can be reduced. This proportion has remained virtually unchanged since 2005, despite the decline in the economy. Additionally, a majority (57%) says they would benefit personally if the number of people struggling in their community was reduced.
- Many Americans are already doing things to help people they know. More than half (56%) say they or someone in their household have given or lent money in the past year to someone who was struggling to get by, including 59 percent of those in the lowest income brackets (\$25,000 per year or less). Nearly one in four (24%) have taken a friend or family member into their home because of money. Additionally, 80 percent say they are willing to volunteer for an organization that helps people who are struggling (42% very willing). Seven in 10 (70%) are at least somewhat willing to get more involved in their local government by attending meetings or contacting elected officials (28% very willing). A majority (60%) says they would be willing to pay \$50 more in taxes if it went to local programs to help people struggling in their community (33% very willing).
- Americans also look to elected officials for action. Half (51%) say the government is doing too little to help those who are struggling (18% say it is doing too much). Three-quarters (75%) say that when they vote, they think about how well a candidate for office would help those struggling. About six in 10 (62%) say their local elected officials are knowledgeable about the struggles people face in their community (although only 21% say very knowledgeable), compared to 49 percent who say the same about national elected officials.
- In terms of solutions, 72 percent of Americans say affordable health care makes a big difference in a family's ability to make ends meet and they view this as a top or high priority for local elected officials (75%). Seventy-three percent also say making college and vocational education more affordable should be a top or high priority for local officials. A vast majority of the public (94%) says local elected officials have a great deal or some responsibility in keeping and attracting good paying jobs. More than eight in 10 (83%) say local officials have a responsibility to get churches, businesses, schools and other local groups to work together to help people struggling to make ends meet.

Detailed Findings

The economic recession has had far-reaching effects on many American families.

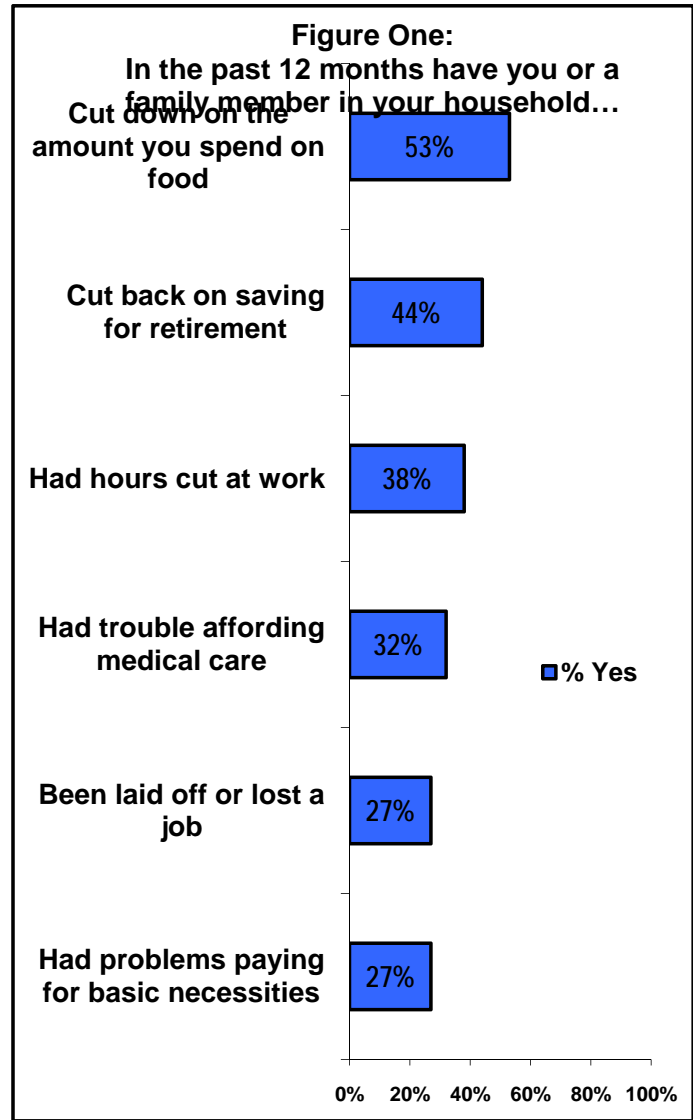
About six in 10 Americans (61%) say they have cut back their spending as a result of the recession. Majorities across nearly every demographic group, including income and education, have scaled back spending. The exception is men under age 45, 49 percent of whom say they have cut back.

Of Americans who have cut down on spending, 57 percent say these new habits are likely to be permanent and 40 percent say the cutbacks are more temporary.

Many families have had to take drastic steps to make ends meet in the past year. Specifically, half of Americans (53%) say they or someone in their household have cut back on the amount they spend on food; 44 percent say they are saving less for retirement; and 32 percent have had trouble affording medical care. (See Figure One.)

More than one in four (27%) Americans say they or a family member living in their household have lost a job in the past 12 months, and 38 percent say hours have been cut at work. One in three (33%)

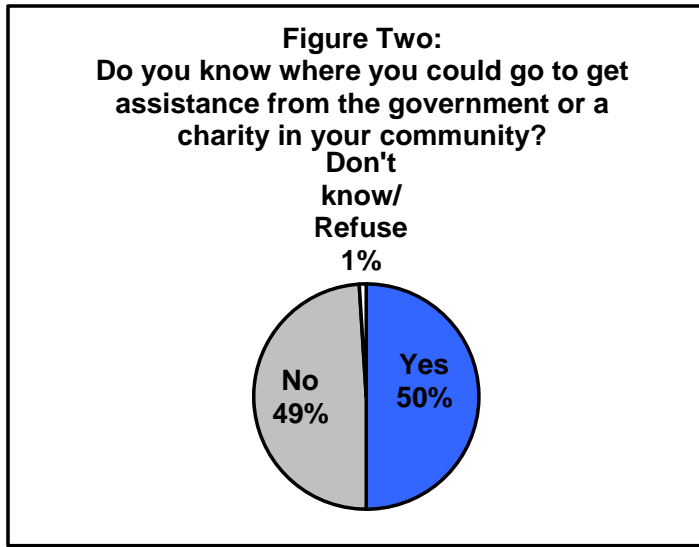
Americans with a high school education or less say they or a family member has lost their job, compared to 27 percent of those with some college and 20 percent of those with a college degree. Additionally, racial and ethnic minorities are more likely to say a family member in the household has lost a job than white, non-Hispanic Americans (36% versus 23%).



About one in three (34%) Americans say they worry all (20%) or most (14%) of the time that their total family income will not be enough to meet their family’s expenses and bills. More than one in four (27%) families have had problems paying for basic necessities such as mortgage or rent, heating and food in the past 12 months. Those with a high school education or less are twice as likely as individuals with a college degree to say their family has had trouble affording basic necessities (35% versus 14%). One-third of those working two or more jobs² (33%) have had trouble paying for basic needs.

Despite these personal struggles, many are unaware of help.

Half the public (49%) say they would not know where to get assistance from the government or a charity in their community if they were suddenly unable to pay for basic necessities. (See Figure Two.) This includes 56 percent of those who say they have had trouble paying for basic needs in the past year. Additionally, 52 percent of Americans are unfamiliar with government services in their community such as temporary housing assistance and food stamps (only 15% are very familiar).



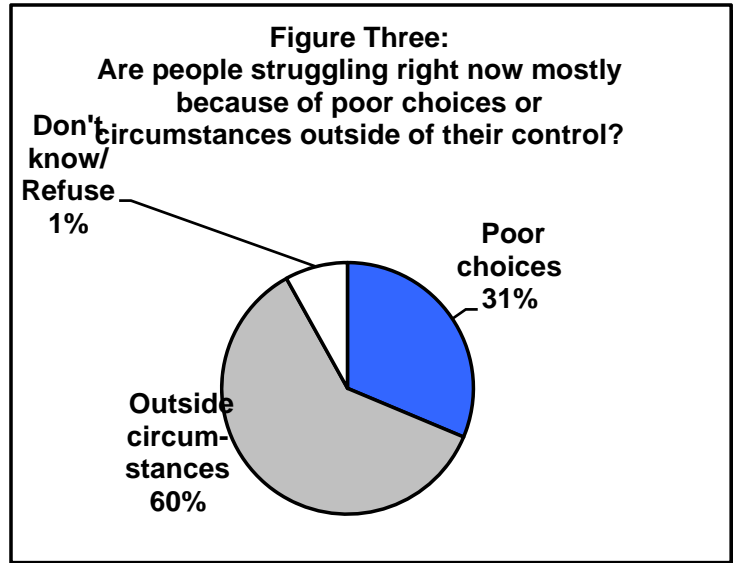
Americans are also seeing others struggling in their community.

Two-thirds of Americans (67%) say more people are struggling to make ends meet in their community compared to a year ago. Those living in urban areas³ are most likely to say more are struggling this year (76%). However, two-thirds or more of those in rural areas (67%), suburban areas (68%), and towns (70%) say the same.

² Small cell size (n=56)

³ Urban cities include respondents who say they live in a community of more than 100,000 residents. Suburbanites are those who say they live in a suburb outside of a large city. Small cities are respondents who say they live in communities of between 30,000 and 100,000 residents. Towns include those in communities of between 5,000 and 30,000. Rural areas reflect those living in communities of less than 5,000 residents.

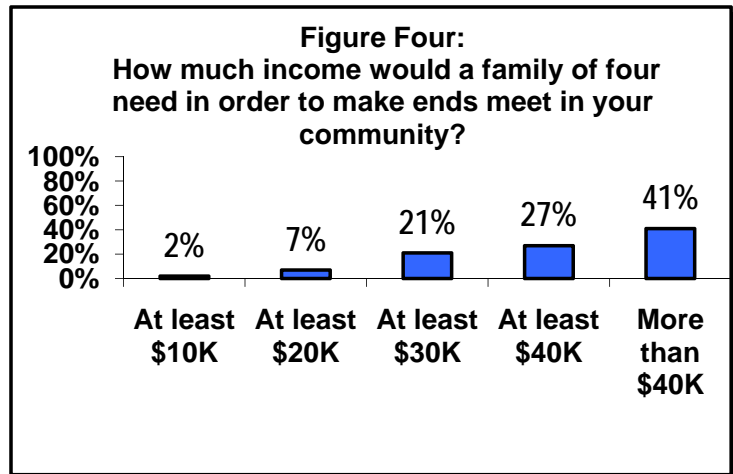
A majority of Americans say the reason people in their community are struggling to make ends meet is not due to people's own poor choices (31%), but mostly from circumstances outside of their control (60%). (See Figure Three.) Majorities across demographic groups such as gender, age, race, income and education say people are struggling mostly because of outside circumstances.



Close to half the public (46%) say helping people struggling to make ends meet is a top community concern for them personally. Additionally, 67 percent of Americans say they are worried that their local economy might get worse in the next year.

What does it mean to make ends meet? A majority of Americans say a family of four needs \$40,000 or more.

According to the federal government, the minimum annual income required to support a family of four is \$22,050. This is the income threshold the government uses to measure the nation's poverty rate. According to survey results, nine percent of Americans say \$20,000 is enough for a family of four to make ends meet in their own community. A majority of Americans (68%) say a family of four would need to make \$40,000 or more to get by. (See Figure Four.)



Americans with lower household incomes are more likely to say a family of four needs less to make ends meet than those in higher income brackets. For example, 25 percent of those who make less than \$25,000 a year say a family of four needs more than \$40,000 per year to make ends meet, compared to 58 percent of those making more than \$75,000 per year. (See Table One.) Americans living in towns and rural areas are less likely than their counterparts to say a family of four needs more than \$40,000 per year to make ends meet.

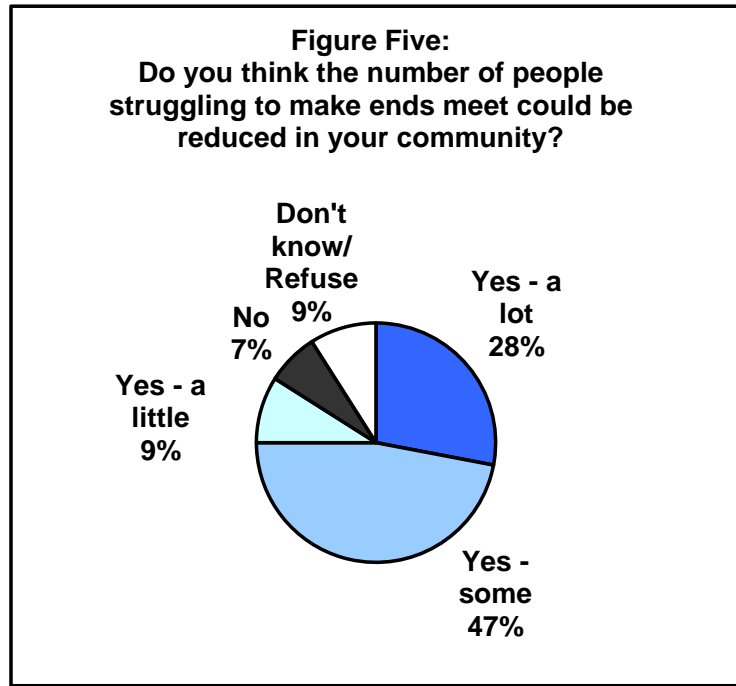
Table One: How much income would you say a family of four needs to earn in a year in order to make ends meet in your community?

	At least \$10K	At least \$20K	At least \$30K	At least \$40K	More than \$40K
Total	2%	7%	21%	27%	41%
<\$25K Household income	6%	15%	26%	23%	25%
\$25-\$50K	--%	7%	27%	32%	32%
\$50-\$75K	--%	3%	17%	28%	52%
\$75K+	--%	3%	13%	24%	58%
Urban	--%	6%	17%	22%	54%
Suburban	1%	4%	15%	27%	50%
Small city	3%	5%	24%	22%	44%
Town	1%	7%	27%	37%	30%
Rural	1%	7%	28%	27%	32%

Despite personal experiences and the struggles they see around them, many Americans remain hopeful and optimistic about reducing poverty in their community.

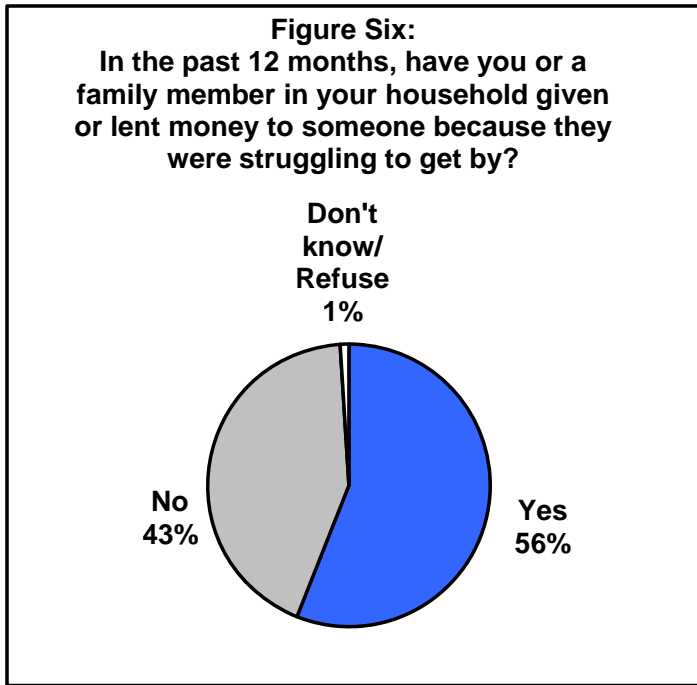
Eighty-four percent of Americans believe the number of people struggling in their community can be reduced, with more than one in four (28%) saying the number can be reduced by a lot. (See Figure Five.) This proportion has remained virtually unchanged since 2005, despite the decline in the economy.

More than half of Americans (56%) also feel hopeful about the national economy (39% pessimistic and 6% don't know). A majority of Americans across gender, income, education and race feel hopeful about the national economy. The only subgroup in which a majority does not feel optimistic about the economy is Americans ages 55 to 64 (47% hopeful, 45% pessimistic).



Many Americans are already helping others through the recession and are willing to do more.

In the past twelve months, 56 percent of Americans say they or someone in their household have given or lent money to someone because they were struggling to get by, including 59 percent of those in the lowest income brackets (\$25,000 per year or less). (See Figure Six.)



About one in four (24%) have given shelter to a family member or friend because they were struggling to make ends meet.

Americans are also willing to do more to help those in their community. Eight in 10 (80%) say they would be willing to volunteer for an organization in their community to help those who are struggling, with 42 percent saying they would be very willing. Seven in 10 (70%) say they would be willing to get more involved in their local government by attending meetings or contacting elected officials (28% very willing). Finally, 60 percent of Americans

say they would be willing to pay \$50 more in taxes a year if it would go to programs in their community that would help people struggling to make ends meet (33% very willing). Majorities across income levels say they would be willing to pay \$50 more in taxes for programs in their community.

The public sees many priorities and responsibilities for elected officials.

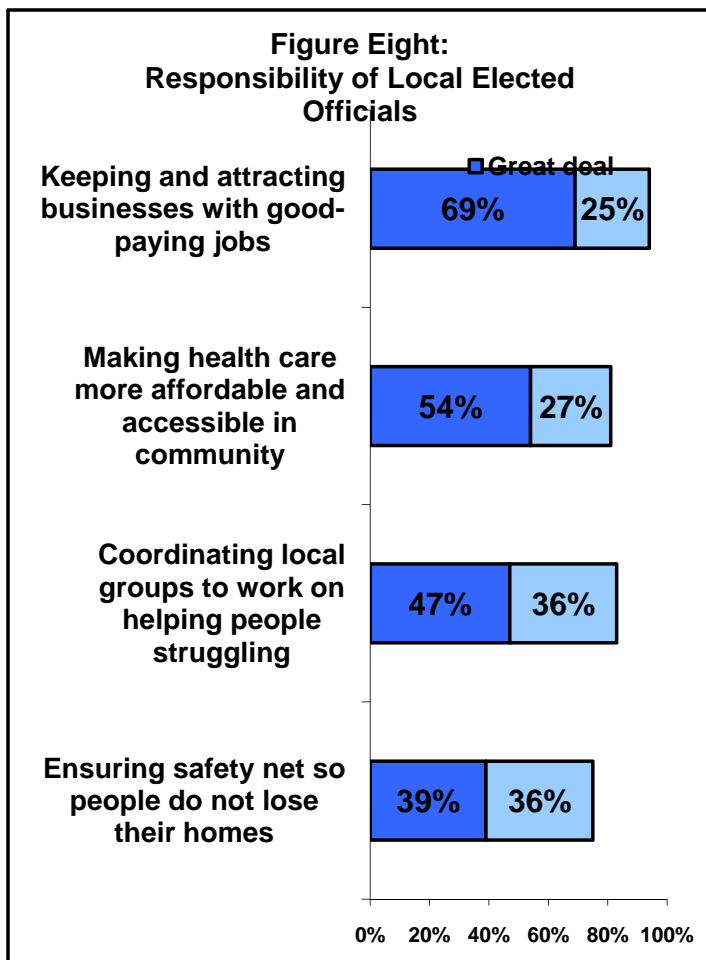
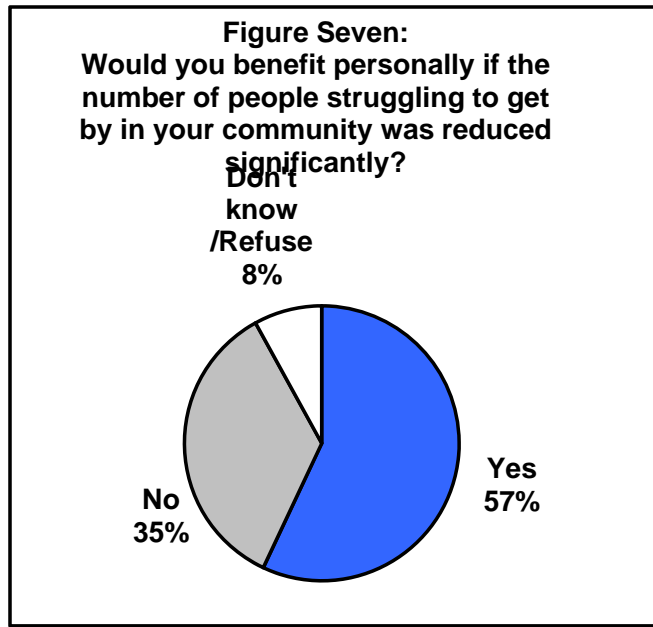
The public looks to elected officials for action. A majority (51%) of Americans feel the government is doing too little to help people who are struggling, and 18 percent say it is doing too much (22% about right). Additionally, close to six in 10 (57%) say they would benefit personally if the number of people struggling to get by in their community was reduced significantly, including majorities across all income levels seeing a personal benefit. (See Figure Seven.)

Americans look to their local elected officials to improve the situation in their community. Priorities include: keeping and attracting more businesses that have good-paying jobs (83% top or high priority), improving access to health care and dealing with health care costs (75%), making college and vocational education more affordable (73%), and making sure there is a safety net for homeowners and renters so they do not lose their homes (58%).

Americans see their local elected officials as having responsibility in addressing these priorities. Specifically, 94 percent of Americans say local elected officials have a great deal (69%) or some (25%) responsibility in keeping and attracting businesses that have good-paying jobs. (See Figure Eight.) More than eight in 10 (83%) say local officials have a responsibility to get churches, businesses, schools and other local groups to work together to help people struggling to make ends meet.

A majority of Americans (72%) say having affordable and accessible health care makes a big difference in families' abilities to make ends meet. Eight in 10 (81%) say their local elected officials have a great deal or some responsibility in making health care more affordable and accessible to everyone in their community.

Three-quarters (75%) say local elected officials have a responsibility to make sure there is a safety net for homeowners and renters so they do not lose their homes.



Sixty-two percent say their local elected officials are knowledgeable about the struggles people face in their community (although only 21% say very knowledgeable), compared to 49 percent who say the same about national elected officials.

Finally, Americans are taking these sentiments with them to the voting booth. Seventy-five percent say they think about how well a candidate would help those struggling to make ends meet.

Methodology

Lake Research Partners designed and administered this survey conducted by telephone among 4,004 Americans age 18 and older from June 18 – July 13, 2009. A total of 800 interviews were conducted nationwide, and oversamples of 400 each were conducted in eight states (reported separately). For the national data, oversamples were weighted down to reflect their true proportion in the country. Telephone numbers for the survey were drawn using random-digit-dial (RDD) sampling methodology. The data were weighted slightly by gender, race/ethnicity, age, education and region. The margin of sampling error for the survey is ± 3.5 percentage points.