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## **LATEST ALICE STATS UNDERScore NEED TO TACKLE FINANCIAL STABILITY IN JACKSON COUNTY**

*Cost of Basics Tops Inflation; More Than 1 in 3 Households Struggle*

JACKSON, Michigan—Thirty-six percent of households in Jackson County are either in poverty or struggling to stay above the poverty line; in some communities, the rate exceeds 50 percent, according to an updated study on the condition of Michigan’s working families.

The Michigan Association of United Ways (MAUW) released the study on ALICE, those who are Asset Limited, Income Constrained and Employed. The report found that low-wage jobs continue to dominate the employment landscape across Michigan, with a reported 62 percent of jobs in the state paying less than \$20 per hour, and more than two-thirds of those paying less than \$15 per hour. At the same time, the average household budget in the state increased by 18 percent, compared to the national rate of inflation of 14 percent during the same period.

Ken Toll, president and CEO of United Way of Jackson County, said the new ALICE data puts a fine point on the organization’s work to eliminate poverty and build financially stable households.

“Financial hardship is the thread running through every social issue in Jackson County,” said Toll. “Low-income households often struggle to pay rent, keep food on the table, keep the lights on, or even maintain a car to get to work or buy medicine to stay well. Any one of those things can cause a spiral that leaves a family homeless, a person unable to work or a child unable to learn in school.

“That’s why United Way of Jackson County has embraced financial stability as its primary focus. Every program and partnership we’re involved in, from education to health to basic needs, aims at fixing that thread so every person, every family, has the chance to be financially stable,” he added.

Last year, UWJC unveiled a vision linked to financial stability: a community rich in opportunities to eliminate poverty and allow all people to achieve financial stability and success. As a way to measure progress, UWJC committed to partnering with organizations across the county so that 5,000 Jackson County residents develop a pathway to financial success by 2025.

UWJC is part of the Financial Stability Network, a coalition of public, private and nonprofit organizations in Jackson County working on solutions to poverty and economic hardship. The network is modeled on past successful partnerships, including Cradle 2 Career in education and the Health Improvement Organization in health.

The ALICE report provides crucial data for knowing where to direct efforts in financial stability and whether those efforts are bearing fruit, Toll said.

“While there has been some progress in reducing ALICE households since the 2014 report, clearly we have a long way to go,” he said. “The only way to get there is by working together.”

Citing the ALICE report, Toll noted key areas where collective effort can begin to build more financially stable households in Jackson County and across the state:

- Decrease the cost of household basics, which is currently rising ahead of inflation. Focus areas could include a larger supply of affordable housing (market-rate or subsidized), public preschool, accessible and affordable health care, and more public transportation.
- Improve job opportunities, ranging from growing wages to pursuing long-term growth of medium- and high-skilled jobs. The latter requires recruiting new businesses and industries, increasing training and education for workers, and policies supporting labor migration.
- Help households adjust to fast-paced job change, including supports that allow people to pursue temporary and contract work during gaps in employment and avoid sliding deeper into hardship.

- Accommodate changing demographics, such as rising populations of seniors and immigrants and declining number of married households with children. These groups have needs (housing, education, community services, etc.) quite different from the past.
- Address institutional bias, which is rooted in long-time policies and practices that impede opportunities for African-Americans, Hispanics and other ethnic groups to succeed.
- Prepare for disasters, whether natural or man-made, as in the case of the Flint water crisis. Disasters impact low-income families far worse than those above the ALICE threshold.

### **ALICE in Michigan**

The updated ALICE report found that of Michigan's 3.86 million households, 15 percent lived in poverty in 2015 and another 25 percent were below the ALICE threshold, earning below the average family's cost of basic needs. At a combined 40 percent, the percentage of households struggling only improved by one percentage point from 2010 to 2012, and has remained flat in the years that followed.

"United Way is shining a light on the magnitude of ALICE – a complex challenge that no single organization can solve," said Nancy Lindman, Interim CEO, Michigan Association of United Ways. "We are bringing communities together to help address conditions that will give households a chance to move above the ALICE threshold."

"Consumers Energy works to provide solutions to the Michigan residents we serve, and that includes helping our state's United Ways to identify and respond to the needs of families across the state," said Carolyn Bloodworth, secretary/treasurer of the Consumers Energy Foundation, which helped fund the report. "The new ALICE study illustrates the conditions faced by many individuals and can help guide us and others as we work to serve our communities better."

United Way of Jackson County and the Michigan Association of United Ways joined with some 450 United Ways from 15 states across the country to better understand the struggles of ALICE. Various organizations across the country are also using this data to better understand the struggles and needs of their employees, customers and communities.

To produce the United Way ALICE Report for Michigan, a national team of researchers collaborated with the Michigan Research Advisory Committee, composed of representatives from across the state, who advised and contributed to the report. The report focuses on

providing objective, comprehensive county-by-county data that identifies the size of the ALICE population in Michigan and works to identify the obstacles that keep these residents from achieving financial independence. The current report builds on data found in the 2014 ALICE study, showing not only continuity but also highlighting United Way's commitment to this data.

The entire ALICE report is available on UWJC's website, [www.uwjackson.org](http://www.uwjackson.org).

### **About United Way of Jackson County**

United Way of Jackson County mobilizes people, organizations and funds to create a community rich in opportunities to eliminate poverty and allow all people to achieve financial stability and success. We are committed to helping 5,000 Jackson County residents develop a pathway to financial success by 2025. Visit our website at [www.uwjackson.org](http://www.uwjackson.org), or follow us on Facebook, Twitter, YouTube and Instagram.

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