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Low-income workers lose ground, study says

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The line between the poor and middle class is getting thinner in Central Florida as poverty levels continue to rise, even among those working two or three jobs, according to a new [University of Central Florida](#) study.

And a decade after welfare reform, more Central Floridians are working, but they're also spending more and more just to keep a roof over their heads.

"The poverty rate, no matter how you measure it, is higher," said the study's co-author, UCF sociologist [James Wright](#). "The welfare queen is a myth. All we've done is increase the number of working poor."

The study, to be released today at a public forum at Harry P. [Leu Gardens](#), is the first comprehensive look at the region's low-income families and the struggles they face in their daily lives.

It found that half of those considered low-income have jobs. One-sixth are past retirement age, and an equal number are physically disabled. Only about one in 10 of the poor are "idle," meaning unemployed or laid off.

And people who are single, black, Hispanic, female, disabled or less educated are more likely to be poor, no matter how hard they work -- a fact that troubled those who commissioned the study.


"If you're willing to work hard and play by the rules, you should not be poor in America," said [Linda Chapin](#), director of the Metropolitan Center for Regional Studies at UCF, one of several agencies that helped pay for the research.

Today, the poor are far more likely to be young -- including children -- than old. But the elderly, once the focus of the nation's so-called War on Poverty, are still at risk.

"For every well-to-do retiree whiling away his or her years on the golf course, there is another living on a fixed [or nearly fixed] income in a subsidized rental unit, depending on Meals on Wheels . . . and Medicare," the study said.

One of the biggest issues for the poor is housing prices, which have soared in recent years.

Using standards set by the U.S. Department of Housing and Urban Development, researchers

A blue and orange advertisement for WaMu. At the top left is the WaMu logo. Below it, the text reads "We don't nickel and dime you." in white on an orange background. Underneath, it says "Pay less and get more with WaMu Free Checking.™" and "FDIC Insured". At the bottom left is a "LEARN MORE" button, and at the bottom right is the slogan "Whoop hoo!™".

considered families making \$30,000 or less to be low-income and those making more than \$70,000 to be upper income. Far too many in all income categories were struggling to pay the rent or mortgage, Wright said.

Some 54 percent of low-income families spend more than half their earnings on housing -- as did 13 percent of middle-income earners and even 3 percent of upper-income earners. Of course, the housing burden hit hardest among the poor, who tend to be renters.

"It's the people making \$1,400 a month and having to put \$800 into rent who are really hurting," Wright said. "The percentage of income you have to spend to put a roof over your head -- that's what really drives economic uncertainty in our region."

How do people manage? According to the survey's respondents, they sometimes went without enough to eat or medical care in order to pay the rent.

Even if they do find affordable housing, a single stroke of bad luck -- such as a serious illness or sudden unemployment -- can send a person to the poorhouse.

Deidra Lynch, a 50-year-old single mother from Orlando, once ran a successful small business selling henna body products. But back surgery, divorce and economic fallout from the Sept. 11 terrorist attacks left her bankrupt. Now she works at a local garden center for \$10 an hour -- a job she loves but which leaves no emergency fund for, say, car repairs or doctor bills for her 9-year-old daughter.

"None of the reasons I'm where I'm at are because of something I did -- or something I didn't do," Lynch said.

Divorce, in fact, dramatically increases the risk for poverty, the study found. Divorced women -- only 5 percent of whom receive any sort of alimony -- are hardest hit.

"The rate of nonpayment of court-ordered child support is scandalous, despite that having been part of the thinking behind welfare reform, that we would get those so-called deadbeat dads to pay up," Wright said.

And while money can't buy happiness, as the saying goes, respondents in lower-income brackets were five times more likely to say they were unhappy. They also tended to have fewer close friends and fewer family members in the area who could help if they ran into trouble.

In that regard, though, a lot of respondents in all income brackets said they were teetering on the edge. A single missed monthly paycheck, for instance, would leave even 24 percent of upper-income families unable to pay their bills. One-eighth of upper-income families said they have no savings account.

"What that means is that they've bought housing they can't afford, they've bought cars they can't afford and they're maxed out on their credit cards," Wright said.

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