

USA Today Says GP Has Huge Income Gap

By Jeff Duewel of the Daily Courier

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USA Today published a eyebrow-raising list online last weekend, showing Grants Pass as having the third-largest gap between the haves and the have-nots in the country.

Actually, the numbers reflected the entire county, with over 83,000 people. That's known as a metropolitan statistical area.

But the gist is, a small number of people here control a large amount of the income, based on numbers crunched by 24/7 Wall St., a financial and statistical analysis operation that produces content for USA Today and other news sites.

"This is one of those rankings I really don't want to be on," said community leader Pat Fahey, owner of Southern Oregon Sanitation. "We're not homogenous. We're two different factions."

Only the Bridgeport, Conn., and Naples, Fla., metro areas had a higher Gini coefficient than Grants Pass/Josephine County. The Gini coefficient, which measures income inequality, was named for an Italian statistician over a century ago.

A coefficient of 0 means everybody makes the same amount, while 1 means one person has all the income.

The figure for Grants Pass is 0.518.

The USA Today report said nearly 30 percent of all income here goes to just 5 percent of area households, while the lowest-earning 20 percent of households take home just 3.2 percent of all income generated.

Even though the cost of living is lower than the national level, 24.3 percent of the population still was on food stamps.

According to the U.S. Census Bureau, the Gini coefficient for the whole country had risen from 0.413 in 1947 to its highest-measured total of 0.477 by 2011.

It's alarming to many that the income gap and weakening of the middle class are so distinct in Grants Pass.

State Rep. Carl Wilson, owner of KAJO-KLDR radio stations in town, said he was taken aback when he read the analysis. Specifically the 2.7 percent of the population listed as making \$200,000 or more.

"The thing that struck me was, Where are all the high incomers?" he said, adding however, "The low income doesn't surprise me."

Wilson took the data with a grain of salt.

"A survey not that long ago said we were going to be an economic bright spot," he said.

Some of the figures were out of date. Unemployment in Josephine County has dropped from over 15 percent six years ago to just over 7 percent in the recent state employment figures. The number of people in poverty has dropped to 17 percent, from the 18.8 four years ago.

Still it was sobering.

"It's probably more accurate than not," Fahey said.

"The story of the haves increasing over the have-nots is playing out in Josephine County," agreed Guy Tauer, regional economist for the state. "Thirty percent of the income goes to 5 percent of the people."

So how does Grants Pass get rid of the income gap? Wilson said jobs are the key.

"Right now it looks like our best choice might be agriculture," he said. "It's going to be marijuana, hemp, grapes. Who knows, we may even get hops back here."

Fahey said his business supports some high-paying jobs. The truck drivers make more than \$20 an hour, which converts to \$41,600 a year, higher than Oregon's personal per-capita income in 2013 of \$39,765. Josephine County's was \$32,869.

"We have to have something that generates solid, middle-class jobs," Fahey said.

Reach reporter Jeff Duewel at 541-474-3720 or jduewel@thedailycourier.com

Here's the USA Today list of cities with the widest gaps between the rich and poor:

1. Bridgeport-Stamford-Norwalk, Conn.
2. Naples-Immokalee-Marco Island, Fla.
3. Grants Pass, Ore.
4. Gainesville, Fla.
5. Jackson, Tenn.
6. College Station-Bryan, Texas
7. New York-Newark-Jersey City, N.Y.-N.J.-Pa.
8. Miami-Fort Lauderdale-West Palm Beach, Fla.
9. Greenville, N.C.
10. Bloomington, Ind.