

Idaho



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Searching for Work that Pays:

2004 Northwest Job Gap Study

Northwest Federation of Community Organizations (NWFCO) and

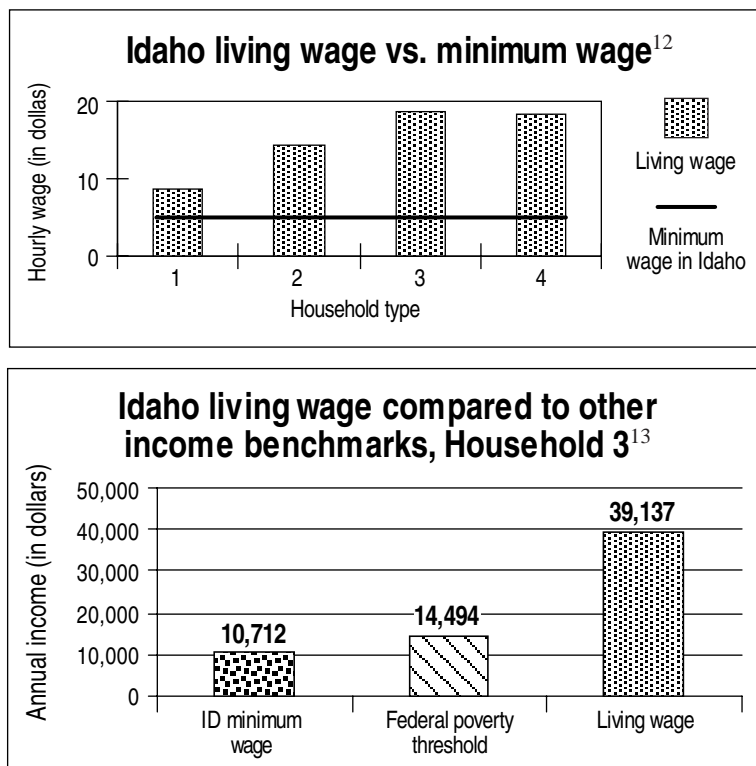
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IDAHO KEY FINDINGS

Key findings for Idaho are:

- The living wage for a single adult is \$8.68 an hour. This is based on what is needed to meet basic needs and provides some ability to deal with emergencies and plan ahead. The living wage for a single adult with two children is \$18.82 an hour.
- Twenty-nine percent of job openings pay less than the \$8.68 an hour living wage for a single adult. Over three quarters of all job openings (78 percent) pay less than the \$18.82 an hour living wage for a single adult with two children.
- For each job opening that pays at least the \$8.68 an hour living wage for a single adult, there are three job seekers on average. For each job opening that pays at least the \$18.82 an hour living wage for a single adult with two children, there are 10 job seekers on average.



WHAT IS A LIVING WAGE?

Living wages for Idaho, which reflect family budgets as shown on the following page, are:

- For a single adult household, \$18,053 a year or \$8.68 an hour.
- For a single adult with one child, \$30,034 a year or \$14.44 an hour.
- For a single adult with two children, \$39,137 a year or \$18.82 an hour.
- For two adults, one of whom is working, with two children, \$38,081 a year or \$18.31 an hour.

- For two adults, both of whom are working, with two children, \$52,512 a year or \$25.25 an hour (which means that the combined wages of both working adults needs to total this amount).

These are statewide averages. In some areas, costs are higher (particularly for housing and child care) and, as a result, living wages are higher. In other areas, including most of the state's rural areas, costs and, therefore, living wages are lower. Living wages for higher cost and lower cost areas are:

| | Higher cost areas | Lower cost areas |
|---|-------------------|------------------|
| Single adult | \$9.22/hour | \$8.21/hour |
| Single adult with one child | \$15.14/hour | \$13.68/hour |
| Single adult with two children | \$19.80/hour | \$17.80/hour |
| Two adults (one working) with two children | \$18.81/hour | \$17.78/hour |
| Two adults (both working) with two children | \$26.23/hour | \$24.23/hour |

Idaho family budgets (in 2002 dollars)

| | Household 1 | Household 2 | Household 3 | Household 4 | Household 5 |
|-----------------------------------|-------------|-------------|-------------|-------------|-------------|
| Food | 150 | 280 | 369 | 541 | 541 |
| Housing & utilities | 411 | 515 | 515 | 515 | 515 |
| Transportation | 305 | 426 | 426 | 744 | 886 |
| Health care | 70 | 135 | 234 | 271 | 271 |
| Child care | 0 | 385 | 812 | 0 | 812 |
| Household, clothing, & personal | 234 | 339 | 386 | 518 | 553 |
| Savings | 130 | 188 | 214 | 288 | 307 |
| State & federal taxes | 205 | 234 | 305 | 298 | 491 |
| Gross monthly income needed | 1,504 | 2,503 | 3,261 | 3,173 | 4,376* |
| Gross annual income needed | 18,053 | 30,034 | 39,137 | 38,081 | 52,512* |
| Living wage (at 2,080 hours/year) | 8.68 | 14.44 | 18.82 | 18.31 | 25.25* |

Household 1 is a single adult

Household 2 is a single adult with a school-age child (age 6-8 yrs)

Household 3 is a single adult with a toddler (12-24 months) and a school-age child (age 6-8 yrs)

Household 4 is two adults (one of whom is working) with a toddler and a school-age child

Household 5 is two adults (both of whom are working) with a toddler and a school-age child

* Total amount earned by two working adults

ARE WE CREATING ENOUGH JOBS THAT PAY A LIVING WAGE?

Of all job openings, 29 percent pay less than the \$8.68 an hour living wage for a single adult. Over three quarters of job openings (78 percent) pay less than the \$18.82 an hour living wage for a single adult with two children. It is important to note the distinction between jobs and job openings. Not

all jobs come open during a year. Job openings are of particular interest because they provide employment opportunities to people looking for work.

In addition, there are more people looking for work than there are job openings that pay a living wage. As shown in the table on the following page, job gap ratios, which compare job seekers to job openings, are:

- For each job opening, regardless of pay, there are two job seekers on average.
- For each job opening that pays at least the \$8.68 an hour living wage for a single adult, there are three job seekers on average.
- For each job opening that pays at least the \$18.82 an hour living wage for a single adult with two children, there are 10 job seekers on average.

Idaho job gap ratio

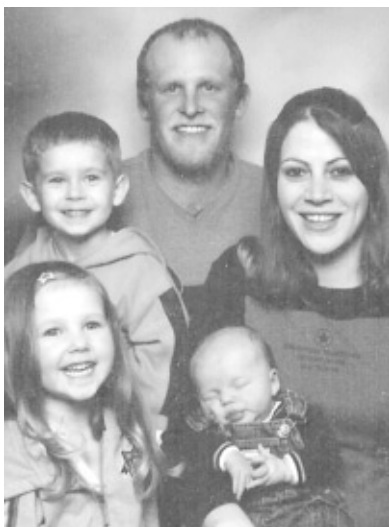
| | Household 1 | Household 3 | All job openings |
|---|--------------------|--------------------|-------------------------|
| Total job seekers | 64,000 | 64,000 | 64,000 |
| Job openings | 19,536 | 6,147 | 27,498 |
| Job seekers per opening | 3 to 1 | 10 to 1 | 2 to 1 |
| Percent of all job openings paying less than a living wage | 29% | 78% | |

Trade-offs and tough times:

What happens to families that don't make a living wage?

The living wage estimates the level of income sufficient to meet a family's basic needs and maintain a reasonable standard of living. When families are unable to earn living wages, many are forced to make difficult choices between adequate health care, balanced nutrition, and paying the bills. If full-time workers are making trade-offs between basic needs, their wages do not allow for economic self-sufficiency. Since the living wage is a state-wide average, the budget for each individual family will vary according to their particular circumstances. Below are a few examples of the complex issues and difficult trade-offs that households confront when they do not earn a living wage.

Health care is an example of a serious budget issues for families. Previous Northwest Job Gap Studies and many other living wage studies assume that families have access to employer-based healthcare, but the number of employers who neglect to offer health insurance is increasing, particularly for low-wage workers.



Jenny Kinzer
Nezperce, Nezperce County, Idaho

My name is Jenny. My fiancé Jason and I just recently had a baby. Together Jason and I are raising three kids. In this area, most of the work is farming, which means that it's seasonal. That's what Jason is doing right now. He's working 40 hours a week at \$9 per hour, but that's only from March to August. During September that more than doubles, but during the winter our income pretty much disappears. The nature of seasonal work makes it really hard to get by during the winter. Jason usually looks for odd jobs, but we never have any sort of steady income during the winter. But even though we don't have steady income, we still have major bills to pay. For example, our rent is \$350 a month. The only reason that we can survive is because we have food stamps. If it wasn't for that, I don't know how we'd make it in the winter time, because we're

still paying our regular bills, and we're also paying a higher utilities bill, sometimes as high as \$300.

I could try to work to supplement Jason's income, but then we'd have to pay for childcare. I think that we actually save money by having the kids stay at home because childcare costs so much. We don't even have that much to spare. Most of the time we have to borrow money from Jason's mother in order to pay for diapers and clothes. We're only able to pay her back during the harvest month, and we pay back whatever other debts we can during the harvest month.

We'd like to move out of here, to a place where the work isn't seasonal, where we could actually start to save up some money. Right now, we have precisely \$5 in our savings account, and that's only there so that we can cash checks. Jason got his commercial driver's license, meaning that he's able to drive a truck, so one day we will move to a place that has actual trucking jobs that last the whole year and pay more than his farming job. But really, most anything would be better than what we've got right now.

- In Idaho, 63 percent of the non-elderly population (728,510 people) was covered by employer-based health insurance, 5 percent (60,300 people) purchased private health insurance, and 13 percent (146,480 people) were covered by Medicaid or other public coverage. Another 220,890 non-elderly Idaho residents (19 percent) lacked health insurance.

What happens to people without access to employer-sponsored health care? Public programs provide assistance to some low-income adults who meet income and family structure requirements. Others must purchase private non-group health insurance, or take the risk of going without any health insurance coverage. A living wage would allow people without access to employer-sponsored or public health care to purchase private health insurance. This report includes estimates of the cost of purchasing very basic private health insurance, in the table titled “Family budgets that include the cost of purchasing private health insurance.” For more information on private health insurance coverage and costs, see the full report, *Searching for Work That Pays: 2004 Northwest Job Gap Study*.

Jose Reyes

Caldwell, Canyon County, Idaho

My name is Jose Reyes. I moved to Idaho from Mexico back in the 1970s. At that time, it was very difficult for my father to find work so that he could support me and all of my brothers and sisters. And now that I am married and have three children of my own, I'm going through the same thing as my father — just trying to make ends meet so that I can support my family. In the last three weeks I got a new job as a painter. It pays me \$9 per hour. The painting job isn't bad, but it's not as good as my old job. My old job paid me \$10 per hour, and I really enjoyed it, but then I broke my wrist. I had to take time off so that my wrist could heal, and since I don't have health insurance, I had to pay all of the doctor bills out of my own pocket. I still have \$3,700 in medical debt that I haven't been able to pay. But the biggest problem has been that I can't go back to my old job without getting approval from a doctor. Right now, though, I can't afford the cost of a doctor's appointment. With x-rays and everything, it would probably cost about \$150 to go to the doctor. Of course I would prefer to be working at my old job, but until I can afford to see a doctor I just have to settle for the painting job, which pays less. I clearly can't afford to get the training I'd need to get a higher paying job and there aren't that many available anyway.

My wife used to work as a teacher, but she was laid off. We don't think that it makes sense for her to go back to work because we have three young kids; an eight year old, a six year old, and a five year old. Childcare is so expensive that we would probably lose money if she went back to work. Things are tight right now as it is. Rent is probably the bill that's the hardest for us to pay. Besides rent there's all the usual bills, car payments, car insurance, utilities, and food. When I was laid off, I went to the welfare office to try to get help, but they told me that the only thing that I qualified for was food stamps. They gave us \$300 in food stamps. Don't get me wrong, we're very grateful for that money, but we could have used a lot more financial help. With three kids and two adults, we have to spend a lot of money on not only food, but also on clothing and school supplies. My kids have Medicaid, so I don't have to worry about paying for their health care, but because my wife and I are uninsured, I have thousand of dollars of medical bills that I still need to pay off. Even when things are hard, I thank God everyday for the things that I do have. It's just so difficult to go from having a decent job to living on nothing but unemployment. When you can't afford to save money, you can lose everything at the drop of a hat. I'm lucky to have found this new job so quickly because there are many people who aren't so lucky. But even with my luck, things are very hard for my family right now.

Idaho family budgets that include the cost of purchasing private health insurance (in 2002 dollars)

| | Household 1 | Household 2 | Household 3 | Household 4 | Household 5 |
|--|-------------|-------------|-------------|-------------|-------------|
| Monthly cost of private non-group health insurance | 91.45 | 143.62 | 193.86 | 305.37 | 305.37 |
| Annual income needed | 18,416.79 | 30,169.55 | 38,474.78 | 38,662.12 | 53,092.65 |
| Living wage including private non-group insurance | 8.85 | 14.50 | 18.50 | 18.59 | 25.53 |

Although certain expenses are common to nearly every budget, each family experiences a set of circumstances (examples include: seasonal work, the need to work multiple jobs, health problems, credit card debt, unexpected lay-offs and wage cuts) that can dramatically alter the family's income and expenses.

The report, *Searching for Work That Pays: 2004 Northwest Job Gap Study*, finds the Northwest is not creating living wage jobs for all those who need them, and when families are unable to earn living wages, many are forced to make difficult choices between adequate health care, balanced nutrition, and paying the bills.

Sarah Walker

Preston, Franklin County, Idaho

My name is Sarah Walker. I have a full time job where I make more than most people around Pocatello, Idaho, where I live. It pays \$9.25 an hour and gives me and my family health insurance. I have three sons, two who are old enough to have jobs of their own. Unfortunately, the only jobs that they're able to get are minimum wage jobs. That's just enough money to pay for their gas and a very few personal things, like some clothes. I wish I could help them more, but I don't make enough to give them everything that they need. We live in a tiny house. All three boys, who are 17, 16, and 12, have to share a room. Even with only two bedrooms, I'm paying \$500 a month in rent. We're lucky though, because my mom owns our house, so when we're absolutely broke she'll cut down on the rent or she'll let us work it off through yard work or house cleaning. But most of the time she needs money just as much as we do, so I always try to pay her the full amount. I should have more money coming, in the form of child support payments, but my ex can't get it together to send us any money. He's almost \$15,000 behind and I don't expect him to give us any of that money in the near future.

Food is the thing that ends up falling by the wayside. It's the last thing that I pay for, after I've paid off all my other bills. Whatever is left after rent, car insurance, utilities, and medical expenses is what goes to food. It's usually only about \$200 or \$250. That's not enough for my boys, but what choice do I have? It's either that, or I don't pay the heating bill, or I don't pay for our health care. These are not the kinds of choices that a person should have to make. I've applied for food stamps, but I make too much. I just have to go to the food bank for the extra food that we need. I can't even imagine how someone could live off of a job that paid less than mine does. There's no way to survive on the minimum wage jobs that my sons have. Like I said, that barely pays for the car's gas. With the amount of money that I'm making, I can never save. How can anyone get ahead? I'm working hard, trying to support my family, but I guess working hard isn't enough anymore.

TECHNICAL APPENDIX

Housing Costs

* Housing costs are monthly costs in 2002 dollars and do not include the cost of basic phone service.

Idaho fair market rents

| COUNTY | FMR HH1 (1 BD) | FMR HH2-5 (2BD) | | | | | | |
|-------------------|-------------------|--------------------|-------------------|--------|--------|-------------------|--------|--------|
| Ada County | 461.00 | 561.00 | Caribou County | 335.00 | 432.00 | Lewis County | 335.00 | 432.00 |
| Adams County | 335.00 | 432.00 | Cassia County | 335.00 | 432.00 | Lincoln County | 335.00 | 432.00 |
| Bannock County | 337.00 | 433.00 | Clark County | 335.00 | 432.00 | Madison County | 335.00 | 432.00 |
| Bear Lake County | 335.00 | 432.00 | Clearwater County | 335.00 | 432.00 | Minidoka County | 335.00 | 432.00 |
| Benewah County | 335.00 | 432.00 | Custer County | 335.00 | 432.00 | Nez Perce County | 335.00 | 432.00 |
| Bingham County | 335.00 | 432.00 | Elmore County | 335.00 | 432.00 | Oneida County | 335.00 | 432.00 |
| Blaine County | 492.00 | 655.00 | Franklin County | 335.00 | 432.00 | Owyhee County | 335.00 | 432.00 |
| Boise County | 372.00 | 432.00 | Fremont County | 335.00 | 432.00 | Payette County | 335.00 | 432.00 |
| Bonner County | 411.00 | 509.00 | Gem County | 335.00 | 432.00 | Power County | 335.00 | 432.00 |
| Bonneville County | 370.00 | 509.00 | Gooding County | 335.00 | 432.00 | Shoshone County | 335.00 | 432.00 |
| Boundary County | 335.00 | 432.00 | Idaho County | 335.00 | 432.00 | Teton County | 335.00 | 432.00 |
| Butte County | 335.00 | 432.00 | Jefferson County | 335.00 | 432.00 | Twin Falls County | 335.00 | 432.00 |
| Camas County | 335.00 | 432.00 | Jerome County | 335.00 | 432.00 | Valley County | 335.00 | 432.00 |
| Canyon County | 461.00 | 561.00 | Kootenai County | 432.00 | 565.00 | Washington County | 335.00 | 432.00 |
| | | | Latah County | 335.00 | 432.00 | | | |
| | | | Lemhi County | 335.00 | 432.00 | | | |

Idaho child care

| Region | HH2 | HH3, HH5 |
|---|----------|----------|
| Region 1 (includes Benewah, Bonner, Boundary, Kootenai, and Shoshone counties). | \$387.02 | \$812.98 |
| Region 2 (includes Clearwater, Latah, Nez Perce, and Idaho counties). | \$373.82 | \$841.09 |
| Region 3 (includes Adams, Canyon, Gem, Owyhee, Payette, and Washington counties). | \$346.73 | \$724.95 |
| Region 4 (includes Ada, Boise, Elmore, and Valley counties). | \$451.02 | \$949.95 |
| Region 5 (includes Blaine, Camas, Cassia, Jerome, Gooding, Lincoln, Minidoka, and Twin Falls counties). | \$351.14 | \$742.22 |
| Region 6 (includes Bannock, Bear Lake, Bingham, Caribou, Franklin, Lewis, Oneida, and Power counties). | \$346.06 | \$730.70 |
| Region 7 (includes Bonneville, Butte, Clark, Custer, Fremont, Jefferson, Lemhi, Madison, and Teton counties). | \$362.88 | \$751.02 |

For more information, sources, and details on methods please see the full report, Searching for Work That Pays: 2004 Northwest Job Gap Study.