

# patchwork of PAYCHECKS

## EXECUTIVE SUMMARY

*Not all wages are living wages. In October of this year, we found that across the United States the hourly, full-time wage paid to many workers falls far short of the amount necessary to cover basic needs and save a small amount for emergencies. For workers paid low wages, even a full-time job is not enough, and they must either go without necessities or work multiple full-time jobs.*

Adequate wages are only one difficulty that workers face in an economy with a widespread shortage of living wage jobs. Workers across the country struggle to find full-time work at any wage, let alone a living-wage. Women, Latinos and Latinas, and workers of color are especially likely to end up in part-time work, often patching together multiple jobs to make ends meet. So, both wages and hours must be considered when discussing the adequacy of workers' earnings.

The Alliance for a Just Society has produced reports on jobs and wages since 1999, showing the wage needed to make ends meet and how many jobs are available at that living wage threshold.

The first report in this year's series, "Pay Up!", calculated a living wage in all 50 states and in Washington, D.C. and showed that a single adult worker must earn from \$14.26 an hour (Arkansas) to \$21.86 (Washington, D.C.) to make ends meet. This report calculates the availability of living-wage jobs nationally and in states across the country, and shows how difficult it is for job seekers to find such employment.

Nationwide, there are more than 17 million job seekers, including both the unemployed and those who are looking

for a different or better job. However, there are only 5 million job openings total, paying any wage. Of these, only 2.7 million openings that pay at least \$15 per hour – the new wage floor already established in several cities to bring minimum wages closer to living wages. Across the country, six out of seven job seekers will be unable to find a job that pays at least \$15 per hour, and almost 13 million will be unable to find any job.

In every state and in Washington, D.C., the number of people looking for work exceeds the number of living wage jobs. In Alaska, Iowa, Nebraska, North Dakota, South Dakota, and Wyoming, there are three job seekers for each job opening that pays enough for a single adult to make ends meet. In California, Florida, Maryland, Michigan, New Mexico, Rhode Island, and South Carolina there are 10 job seekers for every living wage job opening. The ratio is even greater for job openings that pay enough for families with children to make ends meet.

Occupational projections show that this is a trend unlikely to change in the near future. Nationally, four of the top five fastest growing occupations – those occupations with the

most job openings – pay less than \$15 per hour. This finding suggests that our economy is not growing in a way that is delivering returns to workers.

Additionally, the projected openings in the top five occupations for job seekers are less likely to be full-time. In all five of these leading occupations, including the relatively well-paid occupation category of Registered Nurses, workers are more likely to work part-time than are workers overall. In three of these leading occupations, workers are more likely to work part-time than full-time. Job-seekers face not only inadequate wages but also inadequate hours, making it even more difficult for them to make ends meet.

For part-time workers, a job that pays an hourly wage equal to the living wage would still not provide enough to make ends meet. If they are paid less than a living wage, it will take even more hours per week just to make ends meet. Furthermore, because part-time workers are less likely to receive benefits such as employer-sponsored health insur-

ance and may commute between multiple jobs, their actual cost of living could be even greater than those with full-time jobs.

Tools exist to help ensure that all workers can make ends meet. They include increasing the federal minimum wage to at least \$15 per hour; ensuring that state and federal subsidies go to businesses that produce full-time living wage jobs; strengthening the safety net; improving regulation of scheduling practices; and supporting workers' ability to organize and collectively bargain for higher wages, full-time work, and benefits.

Such measures are needed to ensure that workers are properly compensated for their participation in the economy, while preserving their ability to lead lives outside work. These protections will contribute not only to workers' economic security, but also to the well-being of their families and communities.

