



Searching for Work that Pays:

2004 Northwest

Oregon • Montana
Idaho • Washington

Job Gap Study

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Executive summary

The Northwest Job Gap Study estimates what a living wage is for a number of family structures, estimates the number of job openings that pay a living wage, and estimates the gap between the number of living wage jobs being created in the Northwest and the number of people needing living wage jobs.

Findings are based on data from 2002, the most recent year for which data on job openings, wages, and employment are available.

Although the methods in this report are similar to those of previous Northwest Job Gap publications, due to changes in the structure of available data sources and changes in methods, the data from previous reports cannot be directly compared to data in this report.

WHAT IS A LIVING WAGE?

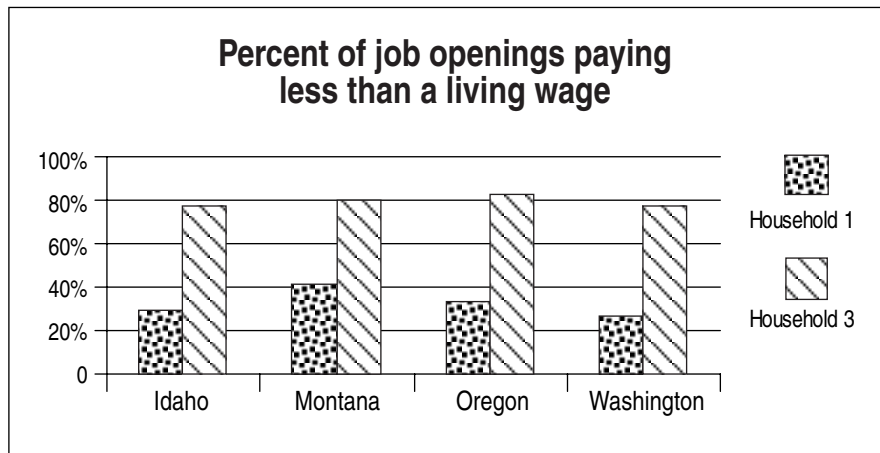
A living wage is a wage that allows families to meet their basic needs without public assistance and provides them some ability to deal with emergencies and plan ahead. It is not a poverty wage.

Living wages are calculated on the basis of family budgets for several household types. Family budgets include basic necessities, savings, and state and federal taxes. Living wages for a single adult range from \$8.61 an hour or \$17,915 a year in Montana to \$10.17 an hour or \$21,156 a year in Oregon. This assumes full time work on a year round basis. For a single adult with two children, living wages range from \$17.07 an hour or \$35,500 a year in Montana to \$21.44 an hour or \$44,586 a year in Oregon.

For all family configurations in all four Northwest states, the minimum wage and the federal poverty threshold are a fraction of the living wage. For example, in the Northwest, minimum wages in 2002 vary from \$5.15 an hour or \$10,712 a year (the federally mandated minimum wage, assuming full-time work throughout the year) in Idaho and Montana to \$6.90 an hour or \$14,352 a year in Washington.

ARE WE CREATING ENOUGH JOBS THAT PAY A LIVING WAGE?

Of all Northwest job openings, 30 percent pay less than a living wage for a single adult and 79 percent pay less than a living wage for a single adult with two children, as shown in the chart below. It is important to note the distinction between jobs and job openings. Not all jobs come open during the course of a year, but some jobs may open repeatedly during a year due to turnover or seasonality of the work. Job openings are of particular interest because they provide employment opportunities for people looking for work.



The percentage of job openings that pay a living wage varies from state to state for a number of reasons, including the mix of industries and related occupations in a state, and the prevailing wage levels, which also vary from state to state.

There are more people looking for work than there are job openings that pay a living wage. As shown in the chart of job gap ratios, for each job opening that pays at least the living wage for a single adult, there are three to six job seekers, depending on the state. For each job opening that pays at least the living wage for a single adult with two children, there are 10 to 24 job seekers, depending on the state.

2002 job gap ratios (job seekers per job opening)

	Idaho	Montana	Oregon	Washington
All job openings	2 to 1	2 to 1	4 to 1	3 to 1
Job openings paying a living wage				
For a single adult	3 to 1	4 to 1	6 to 1	4 to 1
For a single adult with two children	10 to 1	12 to 1	24 to 1	13 to 1

Job gap ratios are calculated by dividing the number of people who were looking for work at some point during 2002 by the number of job openings that year. The ratios indicate that, for example, there are three to six times as many job seekers as there are job openings that pay at least the living wage for a single adult, not necessarily that there are three to six people competing for each job of that type. The ratios do not take into account characteristics of job seekers such as their household size, their skills, or education and training.

The Northwest is not creating enough living wage jobs for all those who need them.

What happens to families that do not make a living wage? 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. This report includes examples of the complex issues and difficult trade-offs that households below the living wage confront.



Connie Wolcott
Billings, Yellowstone County, Montana

My name is Connie. I live in Billings with my husband, son, and grandson. Right now I am not working both because of carpal tunnel and a back injury, and also because I take care of my grandson. He has lots of health problems of his own, and if I got a job his childcare would be really expensive because of these health problems. In May my husband got a job in the mines. His job is union, and pays better than many in the area — \$17 an hour. He doesn't have health insurance yet, but starting this month he will. He's only able to come home on weekends

because the mine is so far away. But we have to make that sacrifice. Things have been hard in the last couple years, and he needs to take a job where he can get it.

He used to have two jobs, one where he helped care for disabled people. He'd been at that job for 14 years, and it paid \$11 an hour and provided benefits, but it still wasn't enough. He was working a second job as a home-care worker. When my husband was fired from his full time job, things got really bad. He had to get more hours as a home care worker, but he was only making \$8 an hour. Plus, home care workers don't have guaranteed hours. Sometimes you get a lot of hours, and other times you get barely any. He was looking for another job for two years. In that time we had to declare bankruptcy.

With all of our expenses, food is the last priority. We're only able to spend whatever money is left over on food. The past couple years have really been a struggle. We are so far behind on all of our bills. When it was time to pay utility bills, we would just pay whichever one was about to be shut off. Sometimes we survived on nothing but Ramen noodles because it was the cheapest food we could find. With my husband's new job, we're trying to get back on our feet, but it's going to be a long process. We still don't have enough money to spend anything on personal things, like clothes. We've been through a lot, and we're all just hoping that things will start to improve. My son and grandson deserve better than this.

The Northwest Job Gap Study

The Northwest Job Gap Study estimates what a living wage is for a number of family structures, estimates the number of job openings that pay a living wage, and estimates the gap between the number of living wage jobs being created in the Northwest and the number of people needing living wage jobs.

Findings are based on data from 2002, the most recent year for which data on job openings, wages, and employment are available.

Although the methods in this report are similar to those of previous Northwest Job Gap publications, due to changes in the structure of available data sources and changes in methods, the data from previous reports cannot be directly compared to this report.

WHAT IS A LIVING WAGE?

A living wage is a wage that allows families to meet their basic needs without public assistance and provides them some ability to deal with emergencies and plan ahead. It is not a poverty wage.

Living wages are calculated on the basis of family budgets for several household types. Family budgets include basic necessities such as food, housing and utilities, transportation, health care, child care, clothing and other personal items, savings, and state and federal taxes. (Family budgets are presented in the State Findings section of this report. Detailed information on components of the family budgets can be found in the Technical Notes section.)

State-by-state living wage estimates, as shown in the table below, are:

- For a single adult, the living wage ranges from \$8.61 an hour or \$17,915 a year in Montana to \$10.17 an hour or \$21,156 a year in Oregon. This assumes full time work on a year round basis.
- For a single adult with one child, the living wage ranges from \$13.05 an hour or \$27,148 a year in Montana to \$16.53 an hour or \$34,382 a year in Oregon.
- For a single adult with two children, the living wage ranges from \$17.07 an hour or \$35,500 a year in Montana to \$21.44 an hour or \$44,586 a year in Oregon.
- For two adults, one of whom is working, with two children, the living wage ranges from \$18.31 an hour or \$38,081 a year in Idaho to \$20.32 an hour or \$42,274 a year in Oregon.
- For two adults, both of whom are working, with two children, the living wage ranges from \$23.74 an hour or \$49,388 a year in Montana to \$28.04 an hour or \$58,325 a year in Oregon. This means that the combined wages of both working adults need to total this amount.

Living wage estimates

	Idaho	Montana	Oregon	Washington
Single adult	8.68	8.61	10.17	10.07
Single adult with one child	14.44	13.05	16.53	15.65
Single adult with two children	18.82	17.07	21.44	20.97
Two adults (one working) with two children	18.31	18.49	20.32	19.72
Two adults (both working) with two children	25.25*	23.74*	28.04*	27.21*

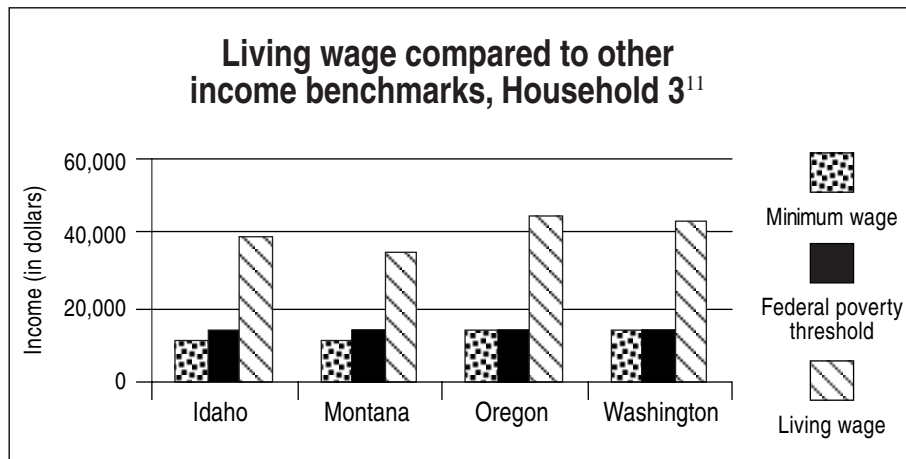
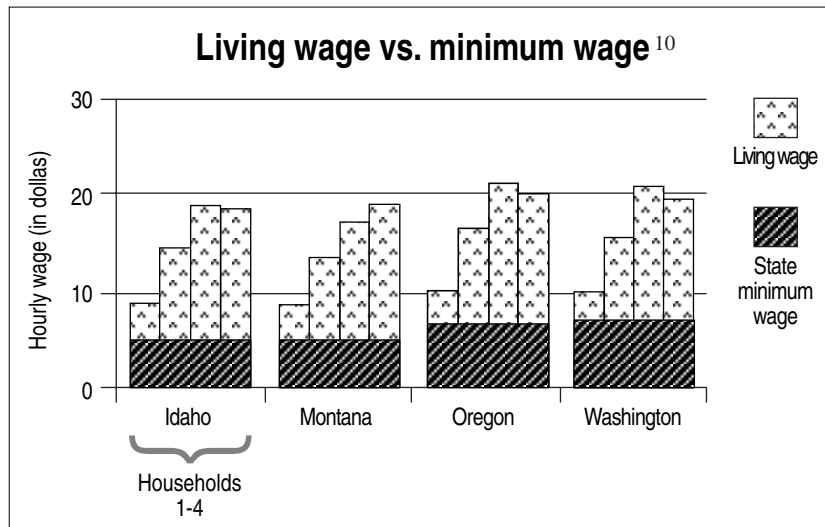
** The combined wages of both working adults need to total this amount.*

HOW DOES THE LIVING WAGE COMPARE WITH THE MINIMUM WAGE AND THE FEDERAL POVERTY LEVEL?

The federal poverty thresholds¹ are the original version of the federal poverty measure, calculated by multiplying the cost of a minimum food budget by three.² When the formula was derived in 1964, it was generally true that food occupied one-third of the family budget. But certain living expenses such as housing, utilities, health care and child care have increased much faster than food. Spending on food has fallen dramatically as a proportion of all costs, making the multiplier of three inaccurate.³ Because the formula for the poverty threshold has not been adjusted to accommodate these changes, it substantially underestimates the income that families actually need. Many families with incomes above the federal poverty level still lack sufficient resources to meet their basic needs.⁴

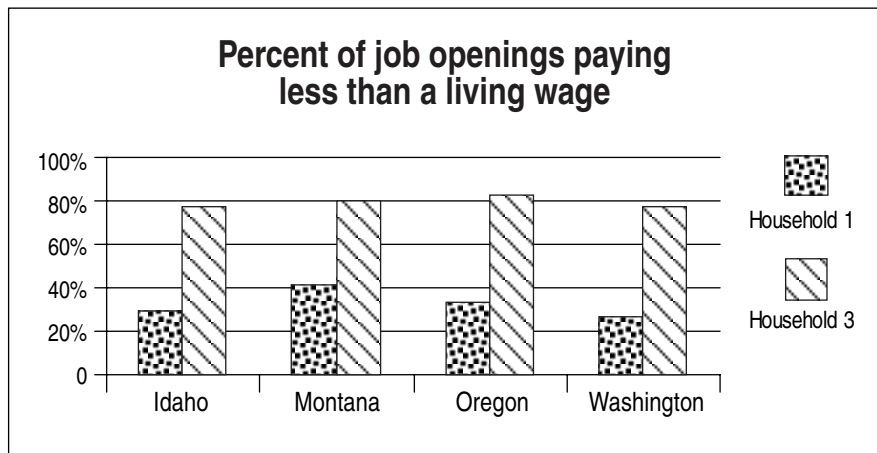
The federal minimum wage is a wage floor of \$5.15 an hour and represents an attempt to provide a basic standard of living for workers.⁵ Federal minimum wage rates are not indexed to inflation, and increases are passed only at the will of Congress as amendments to the Fair Labor Standards Act. The federal minimum wage has not changed since 1997, and the inflation-adjusted value of the current minimum wage is 26 percent lower in 2004 than it was in 1979.⁶

Where an employee is subject to both the state and federal minimum wage laws, the employee is entitled to higher of the two minimum wages.⁷ In Idaho and Montana, the state minimum wage is the same as the federal minimum wage, so the purchasing power of minimum wage workers has continued to fall behind the cost of living. Washington became the first state to index the state minimum wage to inflation when a statewide initiative passed in 1998.⁸ Another successful ballot initiative in Oregon raised the minimum wage in 1998, and indexed its minimum wage to inflation.⁹ Despite the fact that minimum wages are higher in Washington and Oregon than in Idaho and Montana, the minimum wage in all of these states is lower than the living wage.



ARE WE CREATING ENOUGH JOBS THAT PAY A LIVING WAGE?

The Northwest economy is not creating enough living wage jobs for all those who need them, according to several indicators. These include the percentage of job openings that pay less than a living wage, and the number of job seekers compared to the number of job openings that pay a living wage.



The job market that job seekers face is limited. Of all Northwest job openings, 30 percent pay less than a living wage for a single adult and 79 percent pay less than a living wage for a single adult with two children, as shown in the chart above. It is important to note the distinction between jobs and job openings. Not all jobs come open during the course of a year, while others open several times a year due to turnover, and seasonal jobs are only open at certain times of the year. Job openings are of particular interest because they provide employment opportunities for people looking for work. State-by-state figures are:

- In Idaho, 29 percent of job openings pay less than the \$8.68 an hour living wage for a single adult and 78 percent pay less than the \$18.82 an hour living wage for a single adult with two children.
- In Montana, 41 percent of job openings pay less than the \$8.61 an hour living wage for a single adult and 80 percent pay less than the \$17.07 an hour living wage for a single adult with two children.
- In Oregon, 34 percent of job openings pay less than the \$10.17 an hour living wage for a single adult and 80 percent pay less than the \$21.44 an hour living wage for a single adult with two children.
- In Washington, 26 percent of job openings pay less than the \$10.07 an hour living wage for a single adult and 77 percent pay less than the \$20.97 an hour living wage for a single adult with two children.

The percentage of job openings that pay a living wage vary from state to state for a number of reasons, including the mix of industries and related occupations in a state, and the prevailing wage levels, which also vary from state to state.

One indicator of the job gap is the number of job seekers compared to the number of job openings that pay a living wage. Overall, there are more people looking for work than there are job openings that pay a living wage.

2002 job gap ratios (job seekers per job opening)

	Idaho	Montana	Oregon	Washington
All job openings	2 to 1	2 to 1	4 to 1	3 to 1
Job openings paying a living wage				
For a single adult	3 to 1	4 to 1	6 to 1	4 to 1
For a single adult with two children	10 to 1	12 to 1	24 to 1	13 to 1

A job gap ratio of 4 to 1, for example, does not necessarily imply there are four people competing for each job opening at that wage level. It simply indicates that over the course of a year there were four times as many job seekers as there were living wage jobs at or above that wage level. Available data do not provide details on what sorts of jobs workers from households of different sizes actually pursue, so no precise conclusions can be reached about the applicant pool for jobs at different wage levels. The applicant pool also depends on the skills and education and training of job seekers, as well as other factors. Large ratios suggest greater competition among job seekers for available job openings.

State-by-state figures are:

- In Idaho, 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.
- In Montana, for each job opening that pays at least the \$8.61 an hour living wage for a single adult, there are four job seekers on average. For each job opening that pays at least the \$17.07 an hour living wage for a single adult with two children, there are 12 job seekers on average.
- In Oregon, for each job opening that pays at least the \$10.17 an hour living wage for a single adult, there are six job seekers on average. For each job opening that pays at least the \$21.44 an hour living wage for a single adult with two children, there are 24 job seekers on average.
- In Washington, for each job opening that pays at least the \$10.07 an hour living wage for a single adult, there are four job seekers on average. For each job opening that pays at least the \$20.97 an hour living wage for a single adult with two children, there are 13 job seekers on average.

Job gap ratios are calculated by dividing the number of people who were looking for work at some point during 2002 by the number of job openings that year. Job seekers include:

- The unemployed — people who are not employed, but looking for work. Included are those who have been laid off, quit their jobs, are entering the workforce for the first time, or are re-entering it. Not included are those who are unemployed due to temporary layoff or those looking only for part-time work.
- Involuntary part-time workers — people who work less than full-time, but want to work full-time.

- Discouraged workers and marginally attached workers — people who are not employed and not currently looking for work, but have looked for work within the past year. In the case of discouraged workers, they are not seeking work because they believe there are no jobs available or there are none for which they qualify. Marginally attached workers are not seeking work because of personal or financial reasons.

Not included are people who prefer part-time work.

It is important to note that the unemployment rate reflects only the unemployed and, therefore, misses many job seekers—including discouraged and marginally attached workers. This suggests that there are many more job seekers for each living wage job opening than conventionally assumed.

The job seeker figures used are likely an underestimate of the actual number of job seekers. Ideally, the count of job seekers would capture everyone, working or not, who needs a living wage job. The figures understate the number of job seekers in that it does not count those who are working full time at less than a living wage job but want a living wage job, because data on this group do not exist. It overstates the number in that all the unemployed are counted, even though some may not be looking for a living wage job. Also, people who left the labor market and then re-entered the same occupation are counted among the job seekers, whereas those who moved directly from one job to another in the same occupation are not. However, assuming even a fraction of the people working at less than a living wage job for a single adult want a living wage job, the count is, on balance, an underestimate.

Job openings include:

- Job openings due to growth — the result of new jobs being created by new or existing firms.
- Job openings due to replacement — the result of people retiring, entering school or the military, moving across state boundaries, changing occupations, or otherwise leaving the occupation in which they currently work.

The analysis does not include job openings that result from people changing employers but remaining in the same occupation, since these are largely invisible to the average job seeker. Also not included, for similar reasons, are job openings for unpaid family workers and self-employment.

In determining which job openings paid a living wage, the state median wage for an occupation was used, where available; this means that half the people in the occupation earn less and half more than that amount. Not everyone will start at the median wage, but many should progress to that wage over time.

(A more detailed description of the methodology can be found in the Technical Notes & Resources Section.)

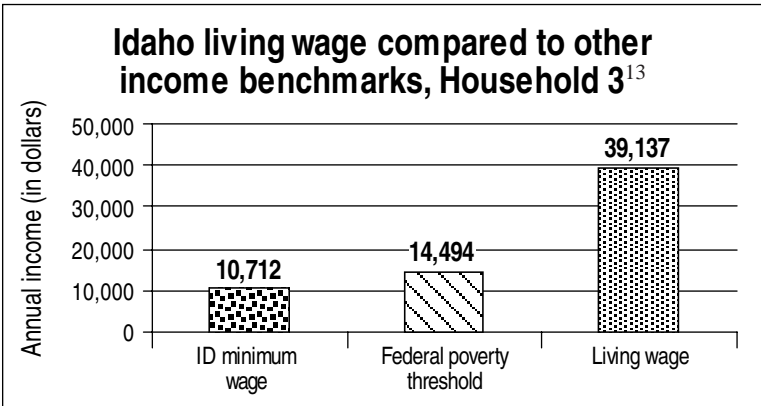
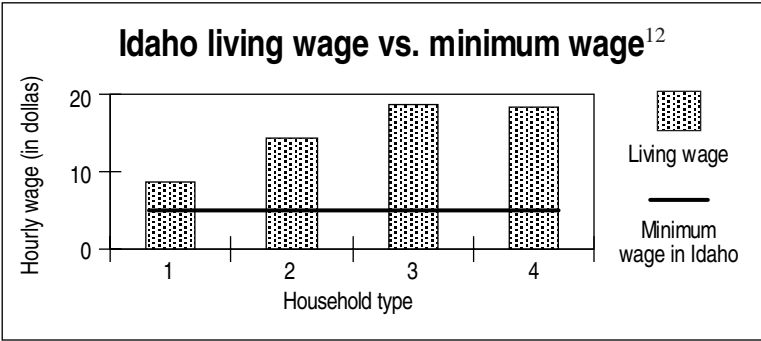
State findings

Idaho

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

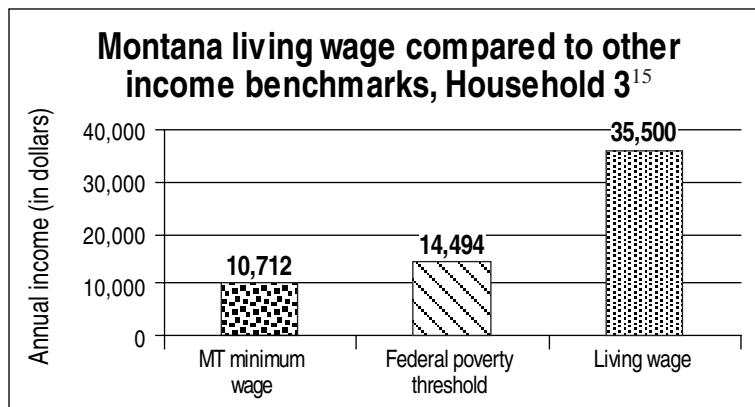
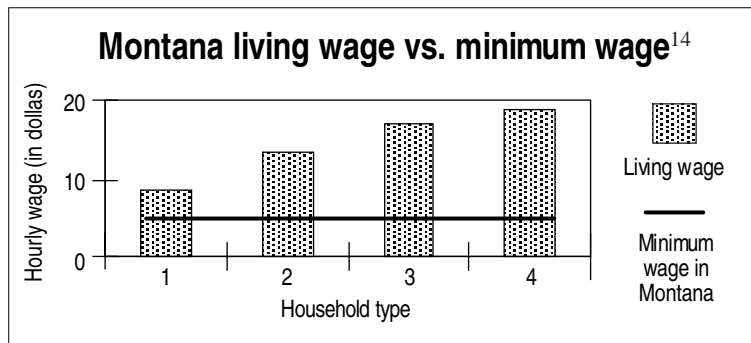
	Household 1	Household 3	All job openings
Total job seekers	64,000	64,000	64,000
Job openings	19,536	6,147	27,498
Job seekers per opening	3 to 1	10 to 1	2 to 1
Percent of all job openings paying less than a living wage	29%	78%	

Montana

MONTANA KEY FINDINGS

Key findings for Montana are:

- The living wage for a single adult is \$8.61 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 \$17.07 an hour.
- Forty-one percent of all job openings pay less than the \$8.61 an hour living wage for a single adult. Over three quarters (80 percent) pay less than the \$17.07 an hour living wage for a single adult with two children.
- For each job opening that pays at least the \$8.61 an hour living wage for a single adult, there are four job seekers on average. For each job opening that pays at least the \$17.07 an hour living wage for a single adult with two children, there are 12 job seekers on average.



WHAT IS A LIVING WAGE?

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

- For a single adult household, \$17,915 a year or \$8.61 an hour.
- For a single adult with one child, \$27,148 a year or \$13.05 an hour.

- For a single adult with two children, \$35,500 a year or \$17.07 an hour.
- For two adults, one of whom is working, with two children, \$38,452 a year or \$18.49 an hour.
- For two adults, both of whom are working, with two children, \$49,388 a year or \$23.74 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	\$8.77/hour	\$8.41/hour
Single adult with one child	\$13.41/hour	\$12.67/hour
Single adult with two children	\$17.80/hour	\$16.47/hour
Two adults (one working) with two children	\$18.72/hour	\$18.20/hour
Two adults (both working) with two children	\$24.48/hour	\$23.15/hour

Montana family budgets (in 2002 dollars)

	Household 1	Household 2	Household 3	Household 4	Household 5
Food	150	280	369	541	541
Housing & utilities	401	526	526	526	526
Transportation	305	426	426	744	886
Health care	73	141	218	255	255
Child care	0	173	562	0	562
Household, clothing, & personal	232	343	385	516	552
Savings	129	191	214	287	307
State & federal taxes	202	183	259	336	488
Gross monthly income needed	1,493	2,262	2,958	3,204	4,116*
Gross annual income needed	17,915	27,148	35,500	38,452	49,388*
Living wage (at 2,080 hours/year)	8.61	13.05	17.07	18.49	23.74*

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, 41 percent pay less than the \$8.61 an hour living wage for a single adult. Over three quarters of job openings (80 percent) pay less than the \$17.07 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 \$8.61 an hour living wage for a single adult, there are four job seekers on average.
- For each job opening that pays at least the \$17.07 an hour living wage for a single adult with two children, there are 12 job seekers on average.

Montana job gap ratio

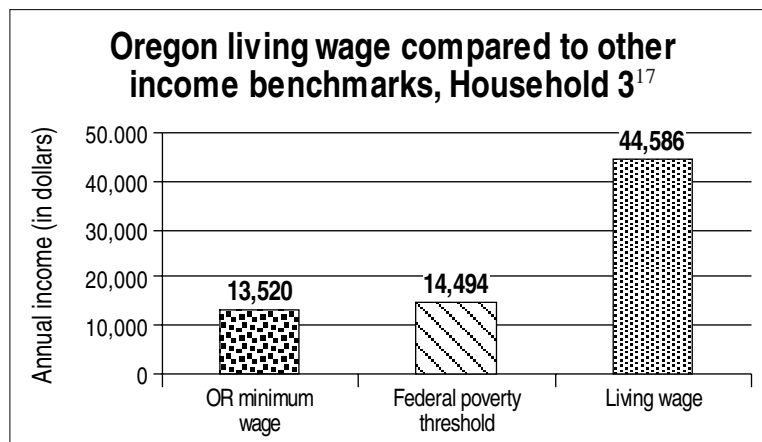
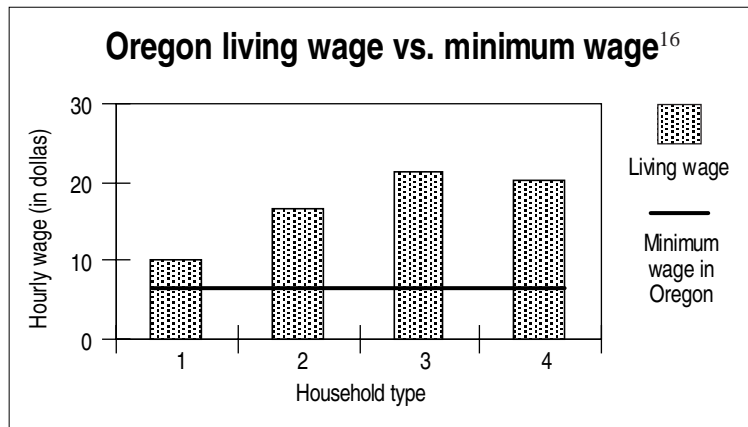
	Household 1	Household 3	All job openings
Total job seekers	38,700	38,700	38,700
Job openings	9,611	3,195	16,237
Job seekers per opening	4 to 1	12 to 1	2 to 1
Percent of all job openings paying less than a living wage	41%	80%	

Oregon

OREGON KEY FINDINGS

Key findings for Oregon are:

- The living wage for a single adult is \$10.17 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 \$21.44 an hour.
- Thirty-four percent all job openings pay less than the \$10.17 an hour living wage for a single adult. Over three quarters of all job openings (83 percent) pay less than the \$21.44 an hour living wage for a single adult with two children.
- For each job opening that pays at least the \$10.17 an hour living wage for a single adult, there are six job seekers on average. For each job opening that pays at least the \$21.44 an hour living wage for a single adult with two children, there are 24 job seekers on average.



WHAT IS A LIVING WAGE?

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

- For a single adult household, \$21,156 a year or \$10.17 an hour.
- For a single adult with one child, \$34,382 a year or \$16.53 an hour.
- For a single adult with two children, \$44,586 a year or \$21.44 an hour.
- For two adults, one of whom is working, with two children, \$42,274 a year or \$20.32 an hour.
- For two adults, both of whom are working, with two children, \$58,325 a year or \$28.04 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 are lower, therefore, living wages are lower. Living wages for higher cost and lower cost areas are:

	Higher cost areas	Lower cost areas
Single adult	\$10.85/hour	\$9.06/hour
Single adult with one child	\$17.60/hour	\$14.76/hour
Single adult with two children	\$23.27/hour	\$18.90/hour
Two adults (one working) with two children	\$21.03/hour	\$19.02/hour
Two adults (both working) with two children	\$29.88/hour	\$25.51/hour

Oregon family budgets (in 2002 dollars)

	Household 1	Household 2	Household 3	Household 4	Household 5
Food	150	280	369	541	541
Housing & utilities	535	673	673	673	673
Transportation	305	426	426	744	886
Health care	66	141	209	246	246
Child care	0	359	901	0	901
Household, clothing, & personal	264	380	419	551	586
Savings	147	211	233	306	326
State & federal taxes	295	396	486	463	702
Gross monthly income needed	1,763	2,865	3,715	3,523	4,860*
Gross annual income needed	21,156	34,382	44,586	42,274	58,325*
Living wage (at 2080 hours/year)	10.17	16.53	21.44	20.32	28.04*

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, 34 percent pay less than the \$10.17 an hour living wage for a single adult. Over three quarters of job openings (80 percent) pay less than the \$21.44 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 four job seekers on average.
- For each job opening that pays at least the \$10.17 an hour living wage for a single adult, there are six job seekers on average.
- For each job opening that pays at least the \$21.44 an hour living wage for a single adult with two children, there are 24 job seekers on average.

Oregon job gap ratio

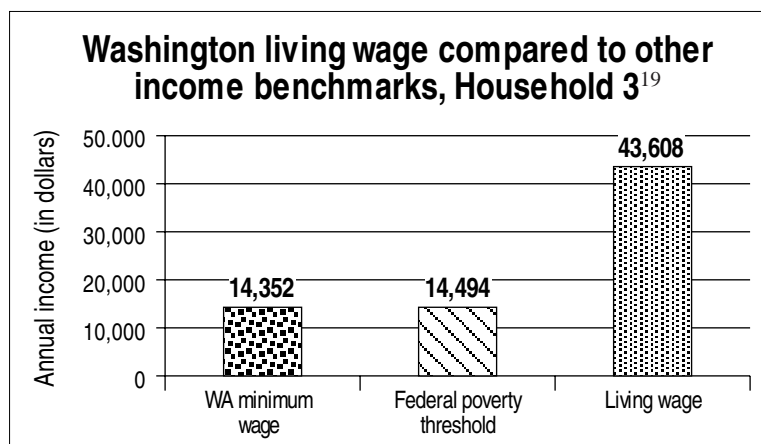
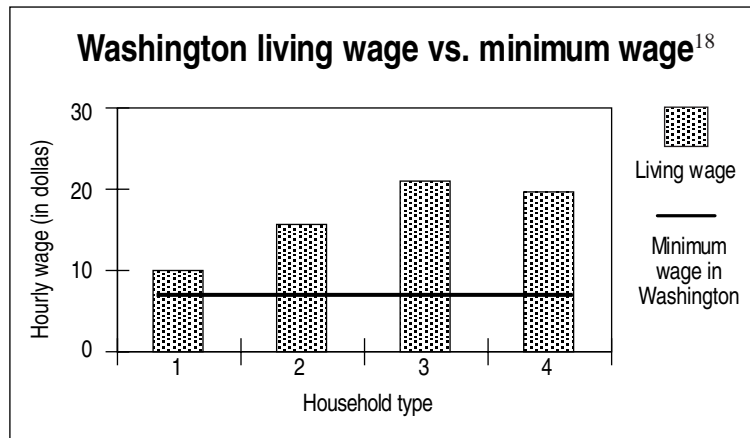
	Household 1	Household 3	All job openings
Total job seekers	261,600	261,600	261,600
Job openings	41,569	10,937	62,533
Job seekers per opening	6 to 1	24 to 1	4 to 1
Percent of all job openings paying less than a living wage	34%	83%	

Washington

WASHINGTON KEY FINDINGS

Key findings for Washington are:

- The living wage for a single adult is \$10.07 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 \$20.97 an hour.
- Twenty-six percent of all job openings pay less than the \$10.07 an hour living wage for a single adult. Seventy seven percent pay less than the \$20.97 an hour living wage for a single adult with two children.
- For each job opening that pays at least the \$10.07 an hour living wage for a single adult, there are four job seekers on average. For each job opening that pays at least the \$20.97 an hour living wage for a single adult with two children, there are 13 job seekers on average.



WHAT IS A LIVING WAGE?

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

- For a single adult household, \$20,942 a year or \$10.07 an hour.
- For a single adult with one child, \$32,550 a year or \$15.65 an hour.
- For a single adult with two children, \$43,608 a year or \$20.97 an hour.
- For two adults, one of whom is working, with two children, \$41,023 a year or \$19.72 an hour.
- For two adults, both of whom are working, with two children, \$56,590 a year or \$27.21 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 are lower, therefore, living wages are lower. Living wages for higher cost and lower cost areas are:

	Higher cost areas	Lower cost areas
Single adult	\$10.88/hour	\$8.68/hour
Single adult with one child	\$16.82/hour	\$13.76/hour
Single adult with two children	\$22.70/hour	\$18.14/hour
Two adults (one working) with two children	\$20.75/hour	\$18.06/hour
Two adults (both working) with two children	\$28.94/hour	\$24.38/hour

Washington family budgets (in 2002 dollars)

	Household 1	Household 2	Household 3	Household 4	Household 5
Food	150	280	369	541	541
Housing & utilities	578	728	728	728	728
Transportation	305	426	426	744	886
Health care	62	139	191	228	228
Child care	0	265	925	0	925
Household, clothing, & personal	274	393	429	560	596
Savings	152	219	238	311	331
State & federal taxes	224	262	328	306	481
Gross monthly income needed	1,745	2,713	3,634	3,419	4,716*
Gross annual income needed	20,942	32,550	43,608	41,023	56,590*
Living wage (at 2080 hours/year)	10.07	15.65	20.97	19.72	27.21*

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, 26 percent pay less than the \$10.07 an hour living wage for a single adult. Seventy-seven percent pay less than the \$20.97 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 three job seekers on average.
- For each job opening that pays at least the \$10.07 an hour living wage for a single adult, there are four job seekers on average.
- For each job opening that pays at least the \$20.97 an hour living wage for a single adult with two children, there are 13 job seekers on average.

Washington job gap ratio

	Household 1	Household 3	All job openings
Total job seekers	339,500	339,500	339,500
Job openings	83,459	25,705	113,352
Job seekers per opening	4 to 1	13 to 1	3 to 1
Percent of all job openings paying less than a living wage	26%	77%	

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

“If something unforeseen happened, like a serious injury or an increase in a utility rate, I wouldn't have the money to pay for it. I worry about utility shutoffs.”

SHARMAN HALLER

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.



Sharman Haller Clarkston, Asotin County, Washington

My name is Sharman Haller. I live with my nine-year-old daughter in Clarkston, Washington. We live on just about \$1,000 for each month. I used to work two lower-paying jobs, but now I have one job that pays \$7.25 per hour. I've been working at the Tri-State Hospital as a maintenance-grounds keeper for just about three years now. It is still a big stretch, especially because my income is just a little bit over the amount that would qualify me for food stamps and fuel assistance. Even so, my housing is subsidized but I still have to pay \$385 for the month. I couldn't get by without subsidized housing. I also have expenses like childcare, food, car insurance,

and utilities. My utilities are usually around \$200, including my phone bill, sewer and garbage, and water.

My budget leaves no room for me to save money. If something unforeseen happened, like a serious injury or an increase in a utility rate, I wouldn't have the money to pay for it. I worry about utility shutoffs. One time I paid all except for \$1.18 of my water bill, and the water company shut off my water. In order for it to be turned back on, I had to give the company a \$50 deposit — a whole 50 dollars just because I couldn't pay the one dollar and 18 cents. Since then I've been very meticulous when it comes to paying the full amount for all of my bills, even if it means that the money has to come out of some other area of my life. I do a lot of things to make sure that I'll have enough money to pay my bills. Sometimes I go to food banks, I try to use wood heat as much as possible rather than using the furnace, and I use coupons whenever I can for groceries and other household supplies.

Even though I have trouble paying my bills, I'm grateful for the job that I have. Many people are much worse off than I am. When I worked two jobs, I never saw my daughter. Now I barely get by with my current job. It's a tough trade-off to have to make, but that's just how things are right now.

“Beyond everyday expenses, I have to pay huge a huge medical bill. I had kidney stones, and detection and treatment cost me about \$5,500. I have to work two jobs to pay that bill out of pocket because I don’t have health insurance.”

ZACK WARREN

HEALTH CARE

Previous Northwest Job Gap Studies and many other living wage studies²⁰ 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.²¹ In 2002, the national breakdown of health care coverage was: 65.0 percent of the non-elderly population (163.7 million people) was covered by employer-based health insurance, 6.6 percent (16.5 million people) purchased private health insurance, and 16.2 percent (40.8 million people) were covered by Medicaid



Zack Warren

Billings, Yellowstone County, Montana

My name is Zack Warren. I’m 21 years old and recently moved back in with my mother. It was only supposed to be a temporary move to help her out for a little while, but then we both got stuck in bad financial situations, and so we’ve continued to live together so that we can ease both of our financial burdens by splitting the cost of rent and utilities. I definitely couldn’t make it if I didn’t split rent with my mom. I recently started working a second job so that I could supplement my income. I was already working 40 hours per week for my first job, which paid \$8 an hour, but that wasn’t enough for me, so I’ve taken on

this second job that pays \$6 an hour and am now working between 65 and 70 hours each week. My mom works as a waitress and earns minimum wage plus tips, but we’re both still struggling. She basically lives on her tips.

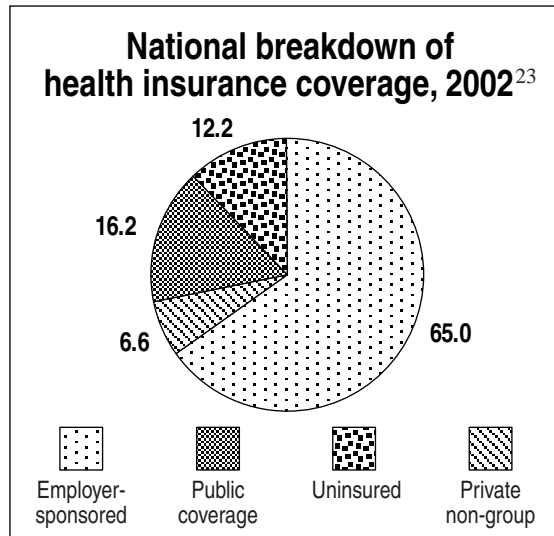
Beyond everyday expenses like rent and food, I have to pay a huge medical bill. I had kidney stones, and the detection and treatment of them cost me about \$5,500. When my mom got sick recently, she refused to go to the hospital because she had seen how high my hospital bill was, and she didn’t want to be in the same boat as me. I have to pay the \$5,500 bill out of pocket because I don’t have health insurance. Right now I’m on a plan where I’m supposed to pay \$230 each month, which is why I needed the second job. I couldn’t pay the \$230 medical bill plus utilities, rent, food, and clothing with only one job, even though that job paid more than the minimum wage. Each month I would have about \$30 left over from my paycheck to spend on things besides bills. Now that I have the second job, things have been a little easier to pay for. I was even able to save some money from my last paycheck. But soon after, my old car died, so I had to buy a new one. I had to make a down payment, and now I have monthly car payments to add to my pile of bills. It’s impossible to get ahead — some new expense always comes up that uses up any money that I have left over.

I try to stretch my income by eating at work, where they give me half off, and by only paying the minimum amount on most of my bills. That means that I have to pay them off for longer, but it makes things more affordable from month to month. The only people who can earn a living wage with one job are people who have a college education. That’s why I want to go start school this fall. The only way I’d be able to afford it would be with grants and loans, but I’m willing to take out loans if it means that I’d be able to make good money after graduating. Otherwise I’ll just be stuck in a cycle of lots of hours in low paying jobs.

or other public coverage. Another 43.3 million non-elderly Americans (12.2 percent) lacked health insurance for the entire year.²²

“When you can't afford to save money, you can lose everything at the drop of a hat.”

JOSE REYES



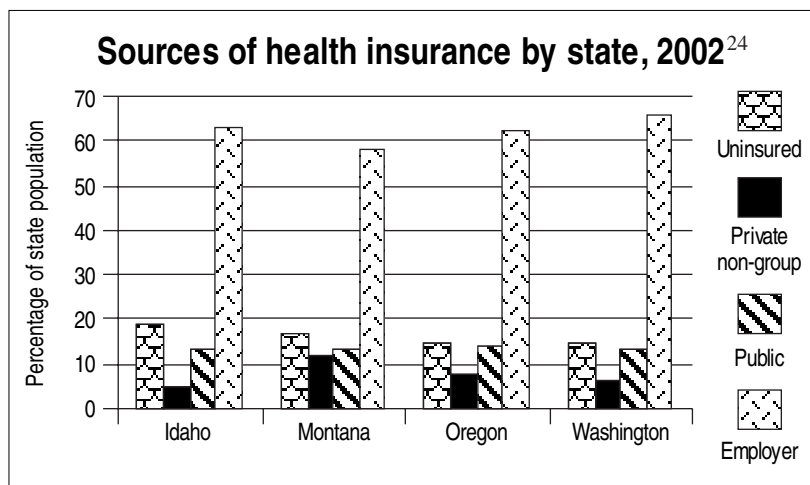
Jose Reyes

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.

State data for 2001-2002 follows a similar trend:



- In Washington, 66 percent of the non-elderly population (3.5 million people) was covered by employer-based health insurance, 6 percent (324,590 people) purchased private health insurance, and 13 percent (671,900 people) were covered by Medicaid or other public coverage. Another 809,860 non-elderly Washington residents (15 percent) lacked health insurance.²⁵



Connie Wolcott

Billings, Yellowstone County, Montana

My name is Connie. I live in Billings with my husband, son, and grandson. Right now I am not working both because of carpal tunnel and a back injury, and also because I take care of my grandson. He has lots of health problems of his own, and if I got a job his childcare would be really expensive because of these health problems. In May my husband got a job in the mines. His job is union, and pays better than many in the area — \$17 an hour. He doesn't have health insurance yet,

but starting this month he will. He's only able to come home on weekends because the mine is so far away. But we have to make that sacrifice. Things have been hard in the last couple years, and he needs to take a job where he can get it.

He used to have two jobs, one where he helped care for disabled people. He'd been at that job for 14 years, and it paid \$11 an hour and provided benefits, but it still wasn't enough. He was working a second job as a home-care worker. When my husband was fired from his full time job, things got really bad. He had to get more hours as a home care worker, but he was only making \$8 an hour. Plus, home care workers don't have guaranteed hours. Sometimes you get a lot of hours, and other times you get barely any. He was looking for another job for two years. In that time we had to declare bankruptcy.

With all of our expenses, food is the last priority. We're only able to spend whatever money is left over on food. The past couple years have really been a struggle. We are so far behind on all of our bills. When it was time to pay utility bills, we would just pay whichever one was about to be shut off. Sometimes we survived on nothing but Ramen noodles because it was the cheapest food we could find. With my husband's new job, we're trying to get back on our feet, but it's going to be a long process. We still don't have enough money to spend anything on personal things, like clothes. We've been through a lot, and we're all just hoping that things will start to improve. My son and grandson deserve better than this.

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.

- In Oregon, 62 percent of the non-elderly population (1.9 million people) was covered by employer-based health insurance, 8 percent (246,690 people) purchased private health insurance, and 14 percent (448,760 people) were covered by Medicaid or other public coverage. Another 476,320 non-elderly Oregon residents (15 percent) lacked health insurance.²⁶

“My husband just got a job that pays better than many in the area. But he's only able to come home on weekends because the mine is so far away. Things have been hard, and he needs to take a job where he can get it.”

CONNIE WOLCOTT

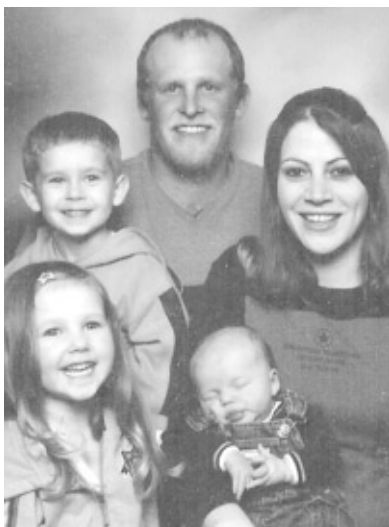
- In Idaho, 63 percent of the non-elderly population (728,510 people) was covered by employer-based health insurance, 5 percent (60,300 people) purchased private health insurance, and 13 percent (146,480 people) were covered by Medicaid or other public coverage. Another 220,890 non-elderly Idaho residents (19 percent) lacked health insurance.²⁷
- In Montana, 58 percent of the non-elderly population (439,650 people) was covered by employer-based health insurance, 12 percent (89,680 people) purchased private health insurance, and 13 percent (102,270 people) were covered by Medicaid or other public coverage. Another 129,580 non-elderly Montana residents (17 percent) lacked health insurance.²⁸

“The nature of seasonal work makes it really hard to get by during the winter. We never have any sort of steady income during the winter, and we’re also paying a higher utilities bill, sometimes as high as \$300.”

JENNY KINZER

These figures represent working-age people of all income levels; the picture is different for people with lower incomes. The data cited here apply to families with income less than 200 percent of the federal poverty level. One third of the non-elderly population has a family income that is less than 200 percent of the poverty level.²⁹ The likelihood of having employer-based health insurance rises with income, a trend evidenced by the fact that low-income workers make up 55 percent of all workers without health insurance. Additionally, low-income workers are over three times more likely to be uninsured than those with incomes above 200 percent of the poverty level (42 percent vs. 11

percent).³⁰ For many low-income people, employer-sponsored health insurance is either not available, or the employee share of the premium is not affordable. Firms with a high percentage of low-wage workers — where 35 percent or more earn \$20,000 or less per year — pay just 65 percent of the premium for family coverage, compared with 74 percent of premiums paid by firms with few low-wage workers.³¹



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.



Anita Anderson
Missoula, Missoula County, Montana

My name is Anita Anderson and I live in Missoula, Montana. I have a job that's pretty good relative to the rest of the jobs in the area. I work for Wal-Mart, and I make \$10.15 an hour working the overnight shift, or about \$1,200 a month after taxes. I've worked at Wal-Mart for just over two years. Before that, I was unemployed because the bank that I had worked for was bought by another company and my position was eliminated. Being unemployed was very difficult for me. And even now with the Wal-Mart job, my finances are extremely tight. My house payment alone is \$1,200, which is my entire paycheck. But I decided to redo my basement so that I could rent it out, and that's now the income that supplements my job — I need that extra income. Right now my son lives in the basement, and if it weren't for the \$600 he pays in rent every month, I'd have virtually no money to spend on food, car insurance payments, and utilities. But even with his rent payments, I still have no money to spare at the end of the month, which is nothing new to me. I've never really had extra money to spend.

The biggest expense that I have to worry about is my credit card payments. A lot of months I have to put bills on my credit card that I can't afford to pay upfront, so now I'm having to make a minimum monthly payment of \$250, although most months I try to pay more than that. After paying my credit card bill, my next biggest expense are my utilities, which are right around \$160 for the month. After utilities, there's still car insurance, which is \$400 for the year, and then of course food and other things that I need for the house. Usually I just spend whatever I have left over on food, which is often less than \$100 for the whole month.

Even though one-third of my income comes from renting out my basement, and I still have no money left over at the end of the month, I don't qualify for any programs that are aimed at low-income people. Even though some months I can't buy a lot of food because there isn't enough money left over, I don't qualify for food stamps. I'm earning better than the vast majority of people in this area, but there's not really anywhere for me to go from here. And it doesn't matter how much education you have. There just aren't high-paying jobs. A friend of mine works for the state and makes around \$13 per hour, and that's about as high as it gets. So even though I have trouble making ends meet, I know it could be much, much worse. I'm thankful for what I have.

“It doesn't matter how much education you have. There just aren't high-paying jobs.”

ANITA ANDERSON

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.

Individuals who cannot afford the level of benefits included in the average employer-sponsored plan often choose to pay for only the benefits they expect to use, which results in relatively lower premium costs for private insurance. (Private plans vary from state to state, but most do not cover the costs of vision, dental, mental health, or substance abuse treatment, which must be purchased for an additional fee.) Even when families opt for minimal health coverage, private non-group insurance usually ends

up being more expensive than employer-sponsored insurance. While employees often pay a relatively small portion of an employer-sponsored group premium, the entire cost of a private insurance premium must be paid for by the individual or family. So for older individuals or those with health problems who don't have employer-based coverage, an even higher wage is required to purchase health care and attain a living wage. 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."

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

Idaho	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
Montana	Household 1	Household 2	Household 3	Household 4	Household 5
Monthly cost of private non-group health insurance	201.00	315.11	427.26	628.26	628.26
Annual income needed	20,049.91	30,055.82	38,986.06	44,673.30	55,609.39
Living wage including private non-group insurance	9.64	14.45	18.74	21.48	26.74
Oregon	Household 1	Household 2	Household 3	Household 4	Household 5
Monthly cost of private non-group health insurance	163.63	241.28	249.52	466.93	466.93
Annual income needed	22,781.28	36,061.67	45,264.72	45,960.27	62,011.52
Living wage including private non-group insurance	10.95	17.34	21.76	22.10	29.81
Washington	Household 1	Household 2	Household 3	Household 4	Household 5
Monthly cost of private non-group health insurance	153.35	263.45	363.64	516.99	516.99
Annual income needed	22,457.38	34,623.01	46,490.60	45,846.39	61,412.78
Living wage including private non-group insurance	10.80	16.65	22.35	22.04	29.53

(See Technical Notes for sources and methods.)

“Out of nowhere, my pay was cut by almost one-third.”

ANTHONY DOAN

When labor markets are slack, employers can more easily pass the costs of increasing health care premiums along to their employees.³² In addition to dealing with increasing premiums, employees are also sharing more of the costs by paying higher deductibles and co-payments.³³ Research has shown that higher costs discourage the use of needed services, particularly among low-income individuals.³⁴

In contrast to employer-sponsored health insurance, premiums for private coverage are usually determined by an applicant’s expected health care costs, which increase with age and poorer health.³⁵ For some, health conditions make coverage extremely difficult to obtain if they do not have job-based coverage. As a result, workers may seek less expensive plan options, and may even choose not to accept health insurance coverage at all.³⁶

Going without insurance can have severe consequences, and the uninsured are up to three times more likely than those with insurance to report problems getting needed medical care, even for serious conditions.³⁷ Uninsured adults are far more likely than the insured to postpone or forgo health care altogether, and are less able to afford prescription drugs or follow through with recommended treatments.³⁸ Since they are less likely to receive timely preventive care, the uninsured are more likely to be hospitalized for avoidable health problems.³⁹ Once the minor health problem develops into a serious health condition, paying the bills out-of-pocket can be financially catastrophic.



Anthony Doan
Auburn, King County, Washington

My name is Anthony Doan. I’ve worked as a mechanic for the Boeing Company for the past 17 years. My job supports all three of my children, who are 11, eight, and five, as well as my wife, who stays home to take care of the kids. In the time that I’ve been at Boeing, they’ve had many layoffs, but somehow I’ve managed to escape them each time. They have cut a lot of positions in the last 17 years, and I’ve been very lucky to be able to keep my job. I was earning \$31 an hour for the work that I did, which even allowed me to save money in case we ever had an emergency.

But out of nowhere, the Boeing Company cut the pay for mechanics by almost one-third. I’m now making \$22 per hour. It has made things much more tight financially than they were before and greatly reduced our savings. To me it’s confusing, because I’ve been working with them for 17 years. It doesn’t seem fair that they could cut my pay so significantly and not even give me a reason. It seems like they just want to save money. It’s not as if they couldn’t afford to keep paying me the \$31. The thing that has been the hardest to afford lately has been supplies for the kids. Raising three kids is very expensive, and it was much easier to meet their needs when I was making more money. Losing so much of my salary makes me feel like I don’t have much security in my job. Any day they could decide to lay me off or to cut my pay. And now that we can’t save much anymore, I’m not sure where that would leave my family.

“Sometimes we survived on nothing but Ramen noodles because it was the cheapest food we could find.”

CONNIE WOLCOTT

Even workers who benefit from employer-sponsored insurance are vulnerable to losing their coverage when health problems arise, since the ability of these workers to continue their health coverage is tied to maintaining the capacity to work.⁴⁰

FOOD

For families that do not earn a living wage, paying bills to cover some areas of the budget can force trade-offs that compromise nutrition. Low-income consumers are more likely to buy energy-dense foods and have lower quality diets than other Americans.⁴¹ Nutritionists have pointed out that diets containing more cereals, added sugar, and fat, and less meat, fish, or vegetables most effectively minimize food costs. The ability to adopt a healthy diet probably has less to do with health awareness, nutrition education, or readiness to change than with the simple fact that well-balanced diets cost more.⁴²

Low-income households spend a higher proportion of their income on food than wealthier households. Despite the use of cost-saving techniques such as purchasing lower quality foods, choosing



Sadije Haliti

Tacoma, Pierce County, Washington

My name is Sadije. I'm originally from Albania, but my family and I moved to the United States a few years ago because of the war and political turmoil back home. I live with my husband and our five children in Tacoma, where my husband works as a landscaper. I used to work as a substitute teacher in the Bothell school district, but then two years ago I stopped working because I was pregnant. I haven't gone back to work because someone has to care for the children. Childcare for all five of them would be very expensive. At least my husband's job pays above the minimum wage. He earns \$10 an hour for most jobs.

The difficult thing is that sometimes during the winter the work is very scarce. Plus, he works out of Puyallup, and so it's very expensive to transport him back and forth between Tacoma and Puyallup. My stepson gets \$500 a month for disability because of a mental health condition, and that money goes towards his care. That means that we don't have to pay for all of his needs. Our house is our biggest expense and everything after that is hard to pay for. I go to food banks for food and I buy clothes from Goodwill. My husband and kids have health insurance, but I go without because it would be too expensive.

It's very difficult to be from another country and trying to figure out how the American system works. My husband and I had a comfortable lifestyle back in Albania. I worked as a teacher, and he worked and went to college. However, he wasn't able to finish because of the political situation. If it hadn't been for the war and the violence, we could have kept that more comfortable lifestyle. When we came here we had to start from zero and try to build ourselves up. We've done the best that we could, even though it's very hard. Finding good paying jobs in the United States has not been easy, but we are thankful that we have our lives.

“I’ve considered going back to school so that I would have an easier time finding a job, but it costs too much money — I wouldn’t be making any money while I was in school, and we’d have to pay for childcare full time.”

TALIA VALDEZ

generic products over brand names, taking advantage of volume discounts, and buying sale items, America’s low-income families pay slightly higher food prices than the national average.⁴³ Studies have found that suburban supermarkets typically have the lowest food prices and widest selection, but that many people with lower incomes tend to live in cities and rural areas.⁴⁴ Small foodstores, which are more likely to locate in low-income central-city neighborhoods and rural areas, tend to charge an average of 10 percent more for food items than supermarkets.⁴⁵

The effect of the size and location of food merchants is that on average, low-income households pay slightly higher prices than other households for the same food items. This disparity helps to explain related data showing that while an average American spends no more than 7 percent of disposable income on

foods consumed at home, that figure reaches 25 percent for low-income families.⁴⁶ The significant portion of income that low-wage workers devote to necessities such as food often competes with payments for other components of the family budget.

As these stories illustrate, 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.

Talia Valdez

Medford, Jackson County, Oregon

My name is Talia Valdez. I live with my husband and our four-month-old daughter. My husband was just fired from his job. He was working 60 hours per week at \$9.60 an hour. Now that he’s out of work, our income is nothing. I’ve been looking for a job for quite a while. In the last three weeks, I’ve applied for at least 20 jobs, from restaurants to Wal-Mart. I’ve had a few interviews, but no one has hired me. If one of us doesn’t get a job soon, there’ll be no way that we’ll be able to pay our bills. Because our budget was so tight, we have practically no savings to fall back on now that he’s out of work.

Rent is probably the thing that’s the most difficult to pay for. But everything is hard to pay for when you have no income at all. While I’m out looking for jobs, I have to leave my daughter with friends. They don’t charge as much as a professional childcare service would, so that saves us some money. But even when my husband was working, there were some things that we couldn’t afford. Neither of us have health care, for example. Our daughter has health care through the Oregon Health Plan, but only for the first year of her life. After that, all three of us will be uninsured. I’ve considered going back to school so that I would have an easier time finding a job, but it costs too much money — I wouldn’t be making any money while I was in school, and we’d have to pay for childcare full time. We’re both just hoping that my husband will find work soon. If he doesn’t, we have very tough times ahead of us.

Technical notes

Given limitations in the available data and continuity of data sets, this study updates the previous Northwest Job Gap Study as closely as possible. For this study, 2002 was the most recent year for which all of the required data were available. Where 2002 data were not available, data for the closest year available were adjusted for inflation to reflect 2002 dollars.

Although the methods in this report are similar to those of previous Northwest Job Gap publications, due to changes in the structure of available data sources, and changes in methods, the data from previous reports cannot be directly compared to this report.

FAMILY LIVING WAGE BUDGETS

A living wage is a wage that provides a household with economic self-sufficiency, allowing it to meet its basic needs without government subsidy. For this study, a modified market basket approach was used. Household budgets, upon which living wages are based, include:

- Food
- Housing and utilities
- Transportation
- Health care
- Child care
- Household, clothing, and personal
- Savings
- State and federal taxes

HOUSEHOLD ASSUMPTIONS

Household types were selected to reflect the range of budget requirements for five household types:

- Single adult
- Single adult with one child between the ages of 6 and 8
- Single adult with two children, one between the ages of 6 and 8 and the other between the ages of 1 and 2
- Two adults, including one wage earner, with two children, one between the ages of 6 and 8 and the other between the ages of 1 and 2
- Two adults, both wage earners, with two children, one between the ages of 6 and 8 and the other between the ages of 1 and 2

FOOD

Food costs are derived from the “Low Cost Food Plan” in the “Official USDA Food Plans: Cost of Food at Home at Four Levels, U.S. Average, March 2002,” produced by the U.S. Department of Agriculture (USDA).⁴⁷

The Low Cost Food plan values are based on food expenditures by the 25th to 50th percentiles of the U.S. population, as determined in the National Household Food Consumption Survey. This plan is 25-50 percent higher than the “Thrifty Food Plan” which is used as the basis for food stamp allocations and federal poverty benchmarks. The Thrifty Plan was not used because nutritionists consider it to be nutritionally inadequate on a long-term basis. The Low Cost Plan is based on the assumption that all food is prepared at home.

There are no adjustments for these food plans by state or region. Other reports indicate that the variation in food prices is small enough that geographic adjustments are not necessary. The USDA values are based on 1989-91 data and updated monthly for inflation.⁴⁸

HOUSING AND UTILITIES

Housing and utilities costs are derived from U.S. Department of Housing and Urban Development (HUD) Fair Market Rents, and information provided by Qwest.

Fair Market Rent data are provided at the county level.⁴⁹ For this study, the data were weighted by county population. Population numbers are 2002 estimates.⁵⁰ This ensures that more populous counties contribute proportionately to the overall estimates. Fair Market Rents are gross rent and utilities estimates “that would be needed to rent privately owned, decent, safe, and sanitary rental housing of a modest (non-luxury) nature with suitable amenities.”⁵¹ They include shelter rent plus the cost of all utilities except telephones. HUD sets Fair Market Rents at the 40th percentile (in other words, 40 percent of the standard quality rental housing units are at or below this cost). The 40th percentile rent is drawn from the distribution of rents of all units occupied by renter households who moved to their present residence within the past 15 months. Public housing units and units less than two years old are excluded. It is assumed that families with one or two children will rent a two bedroom unit, and that a single adult household will rent a one bedroom unit.

Qwest provided the cost of basic service for unlimited local calls, with no call waiting, voice messaging, or other extras. The estimate does not include long distance calls.⁵² The prices used were current in 2004, and adjusted for inflation to reflect 2002 dollars.⁵³

TRANSPORTATION

Transportation costs were derived using the 2001 National Household Travel Survey from the U.S. Department of Transportation⁵⁴ and 2002 Internal Revenue Service (IRS) reimbursement rates for automobile travel.⁵⁵

The transportation component of the family budget is based on the cost of maintaining a private vehicle, and the National Household Travel Survey provides data on the annual vehicle miles of travel. The mileage totals were adjusted for the number of adults, workers and persons in each household used in the living wage budget calculations.⁵⁶ The annual vehicle miles traveled per household were then multiplied by the IRS standard mileage reimbursement rate for 2002, which accounts for both vehicle purchase and depreciation costs.⁵⁷

HEALTH CARE

Health care expenses include insurance premiums as well as out-of-pocket costs not covered by insurance. Estimates of health care expenditures were prepared for families that are covered by employer-sponsored insurance, as well as for families that purchase private non-group health insurance.⁵⁸ These two estimates provide some idea of the range of health care costs families experience, yet the figures are probably conservative.

Workers who earn low wages are far more likely than higher-wage earners to contribute a large share of their income to their health insurance premiums.⁵⁹ Additionally, low-wage workers are much less likely than higher-wage earners to work in companies that offer health insurance to their employees.⁶⁰ In 2002, 65 percent of the non-elderly U.S. population (163.7 million people) was covered by employer-based health insurance, 16 percent (40.8 million people) was covered by Medicaid or other public coverage, and 7 percent (16.5 million people) purchased private non-group health insurance. Another 43.3 million non-elderly Americans (12 percent) lacked health insurance for the entire year.⁶¹

Insurance costs

Average employee contributions to employer-sponsored insurance premiums were obtained for each state from the Insurance Component Tables of the 2002 Medical Expenditure Panel Survey (MEPS).⁶² MEPS data for 2004 employer-sponsored health insurance were available for Washington, Oregon, and Montana; Idaho was last surveyed in 2001. Idaho figures from 2001 were adjusted to 2002 based on the medical rate of inflation reported by the U.S. Consumer Price Index-Urban (Medical CPI-U).⁶³ Although MEPS contains some information about co-payments and deductibles, it does not provide detailed information about the typical package of health benefits.

Estimates of premium costs for private non-group insurance were obtained from eHealthInsurance.com. In order to obtain price quotes from eHealthInsurance.com, it was necessary to make assumptions about the type of plan to be purchased. The coverage levels of available estimates varied slightly from state to state. Generally, the estimates in this report assume a \$500 deductible and 20 percent coinsurance. In states where more than one health insurer offered comparable plans, a weighted average of the price quotes was calculated. The plans were selected to represent the highest level of coverage for which quotes were available in all four states. The estimates also assume that single adults and parents were 25-year-old non-smokers. The private insurance benefit packages varied from state to state, but typically did not cover the costs of vision, dental, mental health, or substance abuse treatment, and many of the state estimates included additional co-pays. The estimates for Idaho do not include coverage for office visits; estimates were not available for a plan in Idaho with a \$500 deductible and 20 percent coinsurance that provided coverage for office visits. The medical CPI-U was used to deflate current (2004) private insurance premiums to 2002 dollars.

Out-of-pocket costs

Out-of-pocket costs represent the medical expenses that are not covered by an insurance policy, and are instead paid by the individual or their family for health care received.⁶⁴ To arrive at a total figure for health care costs, out-of-pocket expenses were added to the family share of insurance premiums. Out-of-pocket costs were based upon figures from the 2001 MEPS Household Medical Expenditure Tables, which can be modified to produce average out-of-pocket data by age and geographic region.⁶⁵ The medical CPI-U was used to inflate out-of-pocket costs from 2001 to 2002. Out-of-pocket costs for those purchasing private insurance and those buying into employer-sponsored health insurance were calculated using the same methods.

CHILD CARE

Child care expenses are based on the assumption that all single parent households and households with two working parents require child care services. Estimates are derived from market rate surveys conducted by state welfare agencies. Because the federal government and most states subsidize child care for low income families up to the 75th percentile — the statewide child care rate at which 75 percent of child care slots may be purchased — state-level data are readily available and are used for these estimates.

As child care market rate surveys are done by each individual state, their methods vary. For this reason, this study's methods vary slightly from state-to-state. None of the four states break child care data down to the county level. Instead, each state gives child care costs by region. The costs of the various types of child care were averaged for each region, weighted by that region's population, and summed to produce a weighted average for the cost of child care in each state.

In all states, school-age children are assumed to attend half-time and toddlers full-time, 12 months a year. In the two parent household, with only one parent working, it is assumed that child care is not necessary. So for Household 1 (single adult) and Household 4 (two adults, one of them working, and two children), child care costs are \$0.

HOUSEHOLD, CLOTHING, AND PERSONAL ITEMS

Household, clothing, and personal spending estimates are derived from 2002 Consumer Expenditure Survey (CES) data and are calculated as a fixed percentage of total household spending minus child care and taxes.⁶⁶ Spending on these items, as a proportion of total income, is consistent across income categories. A total percentage of 18 percent for this item is used in the household budget. As defined by the CES:

- Household costs include laundry and cleaning supplies, stationery supplies and postage, household linens (towels, sheets, etc.), sewing materials, furniture, floor coverings, major appliances, miscellaneous housewares (small appliances, plates, etc.), and other items needed to operate and maintain a household. Household costs are estimated at 5 percent.
- Clothing and personal costs include clothing, personal care products, reading materials, and other personal expenses. Clothing and personal costs are estimated at 6 percent.
- Recreation and entertainment costs include fees for participant sports, admissions to sporting events, movies and video rentals, TV/sound equipment, music, pets, toys, and other entertainment expenses. Entertainment costs are estimated at 5 percent.
- Miscellaneous costs include items not covered in the above categories such as school supplies, bank fees, and credit card finance charges. Miscellaneous costs are estimated at 2 percent.

SAVINGS

The American Savings Education Council has developed a formula for estimating the percentage of income that a household should save.⁶⁷ Here it was assumed that low-income workers are not enrolled in employer-sponsored retirement plans.⁶⁸ When applied to the households in our study, the recommendation is that they should save between 7 and 13 percent of their income for retirement. Using the lower estimate of 7 percent, an additional 3 percent was added to cover emergencies and allow families to plan ahead. Savings rates were set at 10 percent of spending minus childcare and taxes.

STATE AND FEDERAL TAXES

Taxes are comprised of federal taxes (including child care credits and the Earned Income Tax Credit), payroll taxes (Social Security and Medicare), and state income taxes where applicable. Property taxes are not included here because they are accounted for in housing (rental) costs. State and local sales taxes were not added to the income tax figure because they are reflected in the cost of food, transportation, and household costs.⁶⁹

The total living wage budget before taxes was used to represent each household's annual income. Federal and state income tax returns were prepared for each household using the 2002 version of TaxCut.⁷⁰ Employment taxes were calculated at 7.65 percent of earned income. For federal taxes it was assumed that families would use the standard deduction and that there was no source of outside income. Where appropriate, deductions were made for applicable child care and EITC benefits, including the \$600 per child credit in effect for 2002. Once the tax amount was calculated, it was added to each family's monthly budget to determine the total living wage.

HIGH AND LOW COST AREAS

In general, areas with high population density and a proximity to major metropolitan areas tend to be high cost areas. Rural areas that are far away from metropolitan areas tend to be low cost areas. In addition to the average statewide living wage budgets, household budgets have also been estimated for high and low cost areas. These distinctions are based on the costs of housing and child care as these costs vary the most from high to low cost area. This provides an estimate of how costs vary across each state.

To estimate the cost of rent in high cost areas, the two counties with the highest Fair Market Rents were averaged together. The same method was used to estimate the cost of rent in low cost areas.

For child care, county specific data is not available in any of the states. Instead, each state has child care regions made up of many counties. To estimate the cost of child care in high cost areas, the costs from the two most expensive regions were averaged together. The same method was used to estimate the cost of child care in low cost areas.

The costs of housing and child care for all counties and regions are included in the technical appendix. This can be used to further tailor the living wage budget to specific areas.

LIVING WAGE JOB OPENINGS

Estimates of job openings are produced by each state following guidelines developed by the states in cooperation with the Bureau of Labor Statistics and the Employment and Training Administration (ETA). The job opening data used in this report include job openings due to growth, and job openings due to replacement.

Job openings data in this report exclude openings due to self-employment. The Occupational Employment Statistics (OES) wage survey does not include self-employed wage estimates.⁷¹

The state agencies that provided the estimates are: the Idaho Department of Labor (2002-2012 projections), the Montana Department of Labor and Industry (2002-2012 projections), the Oregon Employment Department (2002-2012 projections), and the Washington State Employment Security Department, Labor Market and the Economic Analysis Branch (2002-2007 projections). Oregon and Montana provided the data with self-employment excluded. Washington and Idaho projections were adjusted to remove self-employment data using national data on the percentage of self-employed workers by occupation.⁷²

Occupations were identified as being living wage or non-living wage jobs based on wage data from the 2002 Occupational Employment Statistics (OES) wage survey of employers conducted by state Employment Security Agencies in cooperation with the BLS and the ETA.⁷³ To determine which occupations pay a living wage, the state's median wage for each occupation was identified.⁷⁴ Using the living wage budgets described earlier, occupations were classified as non-living wage or as living wage for each household type. The openings were then aggregated to reflect all jobs that pay a living wage for each household type.

JOB SEEKERS⁷⁵

The March 2003 Current Population Survey (CPS) was used to estimate the job-seeking population in Idaho, Montana, Oregon, and Washington. The job-seeking population comprises: a) the unemployed who are looking for jobs and not on temporary lay-off; b) those working part-time who would work full-time if that opportunity were available; and c) those not in the labor force who are able to work full-time but are not looking for a job because they are discouraged or temporarily unable to do so. The sample size of the March CPS is large enough to support a state-level analysis using a single year's worth of data.

JOB GAP

Job gap figures were calculated by dividing the number of job seekers by the number of job openings that pay a living wage.

TECHNICAL APPENDIX

Housing Costs

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

Washington fair market rents⁷⁶

COUNTY	FMR HH1 (1 BD)	FMR HH2-5 (2BD)	Grant County	392.00	509.00	Pierce County	504.00	672.00
			Grays Harbor County	392.00	515.00	San Juan County	551.00	735.00
Adams County	392.00	509.00	Island County	667.00	845.00	Skagit County	544.00	643.00
Asotin County	392.00	509.00	Jefferson County	488.00	520.00	Skamania County	392.00	509.00
Benton County	585.00	701.00	King County	667.00	845.00	Snohomish County	667.00	845.00
Chelan County	392.00	509.00	Kitsap County	549.00	711.00	Spokane County	446.00	539.00
Clallam County	471.00	509.00	Kittitas County	392.00	509.00	Stevens County	392.00	509.00
Clark County	606.00	747.00	Klickitat County	392.00	509.00	Thurston County	600.00	750.00
Columbia County	392.00	509.00	Lewis County	392.00	509.00	Wahkiakum County	392.00	509.00
Cowlitz County	410.00	529.00	Lincoln County	392.00	509.00	Walla Walla County	392.00	509.00
Douglas County	404.00	509.00	Mason County	460.00	566.00	Whatcom County	532.00	708.00
Ferry County	392.00	509.00	Okanogan County	392.00	509.00	Whitman County	401.00	534.00
Franklin County	585.00	701.00	Pacific County	392.00	509.00	Yakima County	454.00	564.00
Garfield County	392.00	509.00	Pend Oreille County	392.00	509.00			

Oregon fair market rents⁷⁷

COUNTY	FMR HH1 (1 BD)	FMR HH2-5 (2BD)	Grant County	382.00	496.00	Morrow County	382.00	496.00
			Harney County	382.00	496.00	Multnomah County	606.00	747.00
Baker County	382.00	496.00	Hood River County	426.00	579.00	Polk County	492.00	630.00
Benton County	520.00	660.00	Jackson County	467.00	624.00	Sherman County	382.00	496.00
Clackamas County	606.00	747.00	Jefferson County	382.00	496.00	Tillamook County	382.00	496.00
Clatsop County	441.00	577.00	Josephine County	392.00	504.00	Umatilla County	382.00	496.00
Columbia County	606.00	747.00	Klamath County	382.00	496.00	Union County	382.00	496.00
Coos County	394.00	523.00	Lake County	382.00	496.00	Wallowa County	382.00	496.00
Crook County	382.00	496.00	Lane County	476.00	620.00	Wasco County	487.00	544.00
Curry County	439.00	582.00	Lincoln County	398.00	530.00	Washington County	606.00	747.00
Deschutes County	458.00	613.00	Linn County	460.00	597.00	Wheeler County	382.00	496.00
Douglas County	382.00	496.00	Malheur County	382.00	496.00	Yamhill County	606.00	747.00
Gilliam County	402.00	496.00	Marion County	492.00	630.00			

Idaho fair market rents⁷⁸

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		

Montana fair market rents⁷⁹

COUNTY	FMR HH1 (1 BD)	FMR HH2-5 (2BD)					
Beaverhead County	359.00	474.00	Golden Valley County	379.00	474.00	Powell County	359.00 474.00
Big Horn County	359.00	474.00	Granite County	359.00	474.00	Prairie County	359.00 474.00
Blaine County	359.00	474.00	Hill County	359.00	474.00	Ravalli County	359.00 474.00
Broadwater County	359.00	474.00	Jefferson County	359.00	474.00	Richland County	388.00 474.00
Carbon County	415.00	539.00	Judith Basin County	381.00	474.00	Roosevelt County	359.00 474.00
Carter County	381.00	474.00	Lake County	359.00	474.00	Rosebud County	359.00 474.00
Cascade County	400.00	527.00	Lewis and Clark County	404.00	538.00	Sanders County	359.00 474.00
Chouteau County	359.00	474.00	Liberty County	359.00	474.00	Sheridan County	359.00 474.00
Custer County	359.00	474.00	Lincoln County	359.00	474.00	Silver Bow County	359.00 474.00
Daniels County	381.00	474.00	McCone County	378.00	474.00	Stillwater County	359.00 474.00
Dawson County	359.00	474.00	Madison County	359.00	474.00	Sweet Grass County	359.00 474.00
Deer Lodge County	359.00	474.00	Meagher County	381.00	474.00	Teton County	359.00 474.00
Fallon County	359.00	474.00	Mineral County	359.00	474.00	Toole County	359.00 474.00
Fergus County	359.00	474.00	Missoula County	406.00	540.00	Treasure County	359.00 474.00
Flathead County	360.00	481.00	Musselshell County	359.00	474.00	Valley County	359.00 474.00
Gallatin County	447.00	599.00	Park County	359.00	474.00	Wheatland County	359.00 474.00
Garfield County	359.00	474.00	Petroleum County	359.00	474.00	Wibaux County	381.00 474.00
Glacier County	359.00	474.00	Phillips County	359.00	474.00	Yellowstone County	402.00 537.00
			Pondera County	379.00	474.00		
			Powder River County	364.00	474.00		

Child care

* Monthly costs are provided in 2002 dollars and are an average of the costs of the various types of child care providers within each region.

Washington child care⁸⁰

Region	HH2 (values were halved from "full time" rates to reflect a school-aged child)	HH3, HH5
Region 1 (includes Adams, Asotin, Chelan, Douglas, Ferry, Garfield, Grant, Lincoln, Okanogan, Pend Oreille, Spokane, Stevens, and Whitman counties).	\$221.50	\$716.50
Region 2 (includes Benton, Columbia, Franklin, Kittitas, Walla Walla, and Yakima counties).	\$227.50	\$730.50
Region 3 (includes Island, San Juan, Skagit, Snohomish, and Whatcom counties).	\$272.50	\$954.50

Region 4 (includes King County)	\$306.25	\$1140.75
Region 5 (includes Kitsap and Pierce counties).	\$237.50	\$826.50
Region 6 (includes Clark, Clallam, Cowlitz, Grays Harbor, Jefferson, Klickitat, Lewis, Mason, Pacific, Skamania, Thurston, and Wahkiakum counties).	\$262.00	\$877.00

Oregon child care⁸¹

Region	HH2	HH3, HH5
Region A (includes child care providers in the Portland Metropolitan area, Mount Hood, Corvallis, Independence, Monmouth, Eugene, Springfield, Ashland, and Gold Hill).	\$421.67	\$1096.67
Region B (includes child care providers in Salem, Bend, Albany, Philomath, Lincoln County, and areas outside the Portland Metropolitan area).	\$339.00	\$802.33
Region C (includes all communities not in Region A or B, including most of Oregon's rural areas).	\$277.67	\$687.67

Idaho child care⁸²

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

Montana child care⁸³

Region	HH2	HH3, HH5
Billings Region (includes Big Horn, Carbon, Stillwater, Sweet Grass, and Yellowstone counties).	\$172.04	\$579.09
Bozeman Region (includes Gallatin, Meagher, and Park counties).	\$203.50	\$655.16
Butte Region (includes Beaverhead, Deer Lodge, Granite, Madison, Powell, and Silver Bow counties).	\$160.38	\$517.66
Glasgow Region (includes Daniels, Phillips, Roosevelt, Sheridan, and Valley counties).	\$165.88	\$643.28
Glendive Region (includes Dawson, Garfield, McCone, Prairie, Richland, and Wibaux counties).	\$158.40	\$521.40
Great Falls Region (includes Cascade, Chouteau, Glacier, Pondera, Teton, and Toole counties).	\$176.00	\$551.98
Havre Region (includes Blaine, Hill, and Liberty counties).	\$176.66	\$539.22
Helena Region (includes Broadwater, Jefferson, and Lewis & Clark counties).	\$162.36	\$536.80
Kalispell Region (Lake, Lincoln, Flathead, and Sanders counties).	\$159.50	\$516.78
Lewistown Region (includes Fergus, Golden Valley, Judith Basin, Musselshell, Petroleum, and Wheatland counties).	\$171.16	\$539.00
Miles City Region (includes Carter, Custer, Fallon, Powder River, Rosebud, and Treasure counties).	\$154.00	\$500.72
Missoula Region (includes Mineral, Missoula, and Ravalli counties).	\$186.78	\$582.12

Endnotes

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75 Job seeker calculations were performed by Matthew Broaddus, Center on Budget and Policy Priorities. These methods are more conservative than the methods used in previous Northwest job gap studies. Using these Job Seeker methods to calculate the job gap ratio from the 1996 data produces the following results (please note this recalculation does not include an update of the 1996 living wage calculation methods or an update of the calculations of the job openings):

Recalculation of 1996 job gap with new job seeker methods

Washington job gap	HH1	HH3	All job openings
Total job seekers	343,600	343,600	343,600
Job openings	68,382	30,606	120,765
Job seekers per opening	5	11	3
Oregon job gap	HH1	HH3	All job openings
Total job seekers	162,700	162,700	162,700
Job openings	30,190	11,947	61,796
Job seekers per opening	5	14	3
Idaho job gap	HH1	HH3	All job openings
Total job seekers	56,200	56,200	56,200
Job openings	13,120	5,574	25,355
Job seekers per opening	4	10	2
Montana job gap	HH1	HH3	All job openings
Total job seekers	38,300	38,300	38,300
Job openings	7,446	2,710	17,000
Job seekers per opening	5	14	2

76 Derived from "Schedule B — Fair Market Rents 2002 for Existing Housing," published in the Federal Register, Vol. 66, No. 190 on October 1, 2001 in the Rules and Regulations section. Available online at <http://www.huduser.org/datasets/fmr/fmr2002F/2002map.html>. This study added \$11.85 (the inflation adjusted cost of phone service) to the fair market rent data to determine the cost for housing and utilities.

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About the organization releasing this report



Northwest Federation of Community Organizations (NWFCO) is a regional federation of four statewide, community-based social and economic justice organizations located in the states of Idaho, Montana, Oregon, and Washington: Idaho Community Action Network (ICAN), Montana People's Action (MPA), Oregon Action (OA), and Washington Citizen Action (WCA). Collectively, these organizations engage in community organizing and coalition building in 14 rural and major metropolitan areas, including the Northwest's largest cities (Seattle and Portland) and the largest cities in Montana and Oregon. 1265 South Main Street Suite #305, Seattle, WA 98144, Voice: (206) 568-5400, Fax: (206) 568-5444, Web: <http://www.nwfco.org>