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# Jobs & Money

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## Study calculates Q-C cost of living

### Report: Many Illinois families can't cover basic expenses

By Rita Pearson  
Staff writer

One parent with an infant and a preschooler needs at least \$14.68 an hour, or \$31,014 a year, to make ends meet in Rock Island County, according to a study released Tuesday by Women Employed.

The report, which calculates the cost of living for various-size families in all Illinois counties, indicates Quad-Citians need "significantly more" than the minimum wage of \$5.15 an hour or the median wage of \$7.41 an hour for people leaving welfare.

A single parent with two youngsters in Mercer County needs \$13.02 an hour to make ends meet, while the same family in Henry County needs \$14.09 an hour, according to the report.

The Self-Sufficiency Standard for Illinois is the first state-wide study to measure the wages a family needs to cover the basics: food, housing, child care and other necessities.

The study, funded by the Illinois Department of Employment Security, is intended to give those leaving welfare, wage-earners and policy-makers an accurate way to calculate the minimum earnings a family needs to escape poverty.

"The Self-Sufficiency Standard tells us that many working families can't cover their basic expenses," said Anne Ladkey, executive director of Women Employed, which works for the economic advancement of women. "Costs are simply higher than what they earn, and no amount of good budgeting will change that."

A Rock Island County wage-earner with an infant and a preschooler needs to earn \$2,584 monthly, not the \$1,219 a month in federal poverty levels.

A family of two adults and two children of the same age needs \$3,136 a month, or \$37,633 a year, rather than \$1,471 a month or \$17,650 a year when figured by

federal poverty standards.

The Self-Sufficiency Standard is a more accurate calculator of real local costs because it includes the costs of transportation, child care and taxes working families pay. In contrast, the federal poverty level is based on three times the cost of a family's minimal yearly food in the 1960s, adjusted annually for inflation.

Since food now makes up less than one-third of a family's budget and because a working family's expenses have changed since the 1960s, the federal poverty level tends to underestimate the amount families need to leave poverty, the study said.

The study also illustrates that subsidies help low-income families pay for child and health care, and the Earned Income Tax Credit can lower wages needed by several dollars an hour.

Augustana College professor John Guidry, leader of the Quad-Cities Coalition for a Living Wage, said this study "is one more piece of evidence we are on the right track."

It also is one more piece of evidence members can use to convince Quad-Cities area lawmakers for the need for a community-wide living-wage ordinance. The group won adoption of a living-wage standard on tax-increment-financed projects in Davenport last September. Since Davenport's mayoral elections, the coalition has been promoting dialogue on the need for a community standard.

Quad-Cities wages have been above average, said Thom Hart, president of the Quad City Development Group, but it's not overpriced. The community's labor shortage of a few years ago seems to have dissipated, he said. One of society's biggest challenges is how to help the working poor, he said. For that

### Monthly costs of basic necessities

A recent study found these are the monthly costs of basic necessities for a family comprised of an adult, an infant and a preschooler and how much they would need to earn:

Countries:	Rock Island	Henry	Mercer
Housing:	\$552	\$502	\$395
Child care:	\$766	\$766	\$766
Food:	\$345	\$345	\$345
Transportation:	\$208	\$208	\$202
Health care:	\$230	\$230	\$230
Misc.:	\$210	\$205	\$194
Taxes:	\$473	\$446	\$393
Monthly deductions:			
Earned-income tax credit:	-19	-41	-81
Child-care tax credit:	-80	-80	-84
Child-tax credit:	-100	-100	-68
Self-Sufficiency wage:			
Hourly:	\$14.68	\$14.09	\$13.02
Monthly:	\$2,584	\$2,481	\$2,292
Annual:	\$31,014	\$29,768	\$27,508

These are the monthly costs and needed earnings for a family of two adults, a preschooler and a school-age child:

Housing:	\$552	\$502	\$395
Child care:	\$616	\$616	\$616
Food:	\$544	\$544	\$544
Transportation:	\$397	\$397	\$386
Health care:	\$267	\$267	\$267
Misc.:	\$238	\$233	\$221
Taxes:	\$517	\$498	\$456
Earned-income tax credit:	0	0	0
Child-care tax credit:	-80	-80	-80
Child-tax credit:	-100	-100	-88
Self-sufficiency wage per adult:			
Hourly:	\$8.38	\$8.17	\$7.72
Monthly:	\$2,950	\$2,876	\$2,717
Annual:	\$35,400	\$34,507	\$32,604

Source: Women Employed. The Self-Sufficiency Standard for Illinois.

## Wages

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reason, he understands the need for continued subsidies.

The study was written by professor Diana Pearce of the University of Washington, as part of the national Family Economic Self-Sufficiency Project, developed by Wider Opportunities for Women in Washington, D.C.

The project provides resources and technical help to community-based advocates and states on policies to help move families out of poverty. The study is available on Women Employed's Web site, [www.womenemployed.org](http://www.womenemployed.org), or by contacting Women Employed at (312) 782-3902.

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