

Coalition: Real cost of living lies well above poverty line

By BOB GIBSON / Daily Progress staff writer
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RICHMOND - The "real cost of living" in Virginia varies greatly from region to region and tends to run much higher than the official poverty line, a coalition of child advocates said Wednesday.

To meet its basic needs and expenses, a single-parent family in Charlottesville with one pre-schooler and one infant would need an income of \$35,695 a year, according to a study released by the Action Alliance for Virginia's Children and Youth.

Of that amount, \$677 each month would go to pay for housing, while \$909 would go to child care.

Comparatively, that family would need an annual income of \$49,636 in Fairfax County, \$32,724 in Virginia Beach and only \$21,826 in Abingdon, said the child advocates who prepared and released the study, titled the "Self-Sufficiency Standard for Virginia."

The federal poverty measure is an outdated standard that does not vary by region as costs of living do, said Suzanne Clark Johnson, president of the alliance and one of five women who presented the study at a Capitol news conference.

Johnson said state lawmakers and the governor should use a more realistic standard to help shape state policy, a standard that reflects higher and varying costs of living.

"The Self-Sufficiency Standard underscores the importance of education and job training for people trying to leave welfare," she said. "Clearly bottom-of-the-rung, minimum-wage jobs will not sustain a family anywhere in the commonwealth.

"No matter how hard a person works, how good an employee, it is almost impossible to move from an entry-level minimum-wage job to a job that will support a family without more education and training," Johnson said.

In Charlottesville and Albemarle County, the study found, an adult with an infant and a pre-school child would have to make \$16.90 an hour to meet the study's Self-Sufficiency Standard.

The same parent would have to make \$10.08 an hour in Buckingham, \$17.30 an hour in Fluvanna, \$15.89 an hour in Greene or \$11.46 an hour in Louisa.

The study shows that high housing costs and more expensive child care are major reasons that residents of Charlottesville, Albemarle and Fluvanna must earn more to reach self-sufficiency, said Kathy Glazer, associate director of the Action Alliance.

In unveiling the study's findings, alliance members called for an overhaul of Virginia's tax structure to better reflect costs of living and to raise the floor under which income is exempted.

Virginia taxes income from people right around the federal poverty level, which is well below the self-sufficiency level, Glazer said.

The federal poverty level for a family of three is about \$16,000 regardless of where they live, she said.

"Families aren't lazy and they aren't bad budgeters," said Jill Hankin of the Virginia Poverty Law Center. "They aren't making enough" to be self-sufficient at close to twice the poverty line in some places.

The report recommends that employers provide livable wages while governments work to reduce costs for working families that need help with child care, housing costs and health care. Low-income workers should find and take advantage of opportunities for job training and education, the report urges.

"Poverty is a curse on our children," Johnson said. "I look forward to using this tool to extend the blessings of this commonwealth to all her children."

As Virginia attracts jobs, she said, "we need to make sure that these jobs pay wages that sustain families and thereby our economy."

"A joint legislative committee is studying Virginia's complex tax structure," she said. "There are important lessons to be learned by studying how, in some cases, as the wages of low-income working Virginians rise, the changing tax consequences take away all or most of the gain."

Details of the study and its assumptions are available online at www.vakids.org or www.sixstrategies.org.