

US workers face widening economic insecurity

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The average US worker barely earns enough to make ends meet, while most single parents, blacks and Hispanics make far less than what is necessary for a stable life, according to a report published April 1 by Wider Opportunities for Women (WOW), a women's rights advocacy group.

The median income in the United States, currently \$33,161, is less than the amount necessary to cover basic necessities for a person living alone without employee-based benefits, which the report calculates at \$34,728.

Families headed by single parents are even worse off. The report found that the income required for economic stability for a single parent is \$57,756. But the typical single father makes \$43,571, while the typical single mother makes only \$30,129.

The case is similar for married families. The baseline for economic security for two workers with children is \$67,920, or \$73,296 for a family without employee-provided health and retirement benefits. Both of these figures are significantly higher than the median household income—calculated by the Census Bureau at \$50,303—and places the average dual earning married family, with an income of \$72,743, barely on the verge of economic security.

Single parents head up 30 percent of all US households with children. A single parent requires an income of \$27 per hour to afford adequate childcare, which is the largest component of many single parents' budgets, according to the report. "Quality, affordable childcare is becoming the greatest threat to many working families," said Joan Kuriansky, executive director of WOW.

"Too few American families are living in economically secure households, with most workers unable to stretch their incomes over basic expenses and

savings," Kuriansky said.

The WOW report is based on a calculation of the monthly income necessary for economic stability, based on childcare, housing, health care, transportation, as well as savings for unemployment and retirement.

The report assumes an extraordinarily stringent household budget. For an individual living alone, for instance, the report assumes a daily food budget of \$8 per day, less than a single entree at a low-cost restaurant. The methodology completely excludes meals out, gifts, or other unplanned expenditures.

The figures do not include savings for home ownership or for children's higher education. If those costs are added to the equation, a family with two children would require an additional \$2,500 in income per year.

The report points to the absurdly low level of the federal poverty line, which currently stands at \$10,830 per year for a single worker, or roughly a third of the level that the study found is necessary for economic security. A worker who works full-time at minimum wage, meanwhile, earns \$15,312 per year, or about half the level the report says is necessary for economic stability.

Far from improving, the average income for families has been declining since even before the economic crisis began. In 2000, the average family made \$52,500, but in 2008, the latest figures for which data is available, this figure fell to \$50,303.

Median personal income, likewise, has fallen from \$32,153 in 2000 to \$30,129 in 2008, according to the Census Bureau. No doubt, as the economic crisis has ravaged society, these figures have fallen even further, but later information is not available.

Certain demographic groups earn significantly less than the amount necessary for stability. The median

income for blacks is \$20,550; \$21,511 for Hispanics. The average member of these groups falls far short of the basic requirements for a stable lifestyle, even without starting a family.

Particularly striking is the prognosis offered by the report for the future. The report finds that the two lower-skilled occupations expected to grow the fastest in the coming period—office and administrative support staff and health care support personnel—do not provide economic security in most cases. Health care support workers earn, on average, \$12.84 per hour, even less than the amount necessary for a single worker to live a stable lifestyle.

As the organization notes, “Fewer than 13% of jobs the US Department of Labor expects to be created by 2018 are likely to provide economic security to a single parent raising two or more children. A small majority of new jobs are expected to pay economic security wages for single workers without children, and approximately 43% of the new jobs will pay economic security wages for two workers raising two young children.”



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