

Making Ends Meet *in San Diego County 2010*

THE REAL COST OF LIVING FOR WORKING FAMILIES

Making Ends Meet *in San Diego*

3 in 10 working-age San Diego County households don't earn enough to make ends meet.

An estimated 229,195 households across San Diego County can't afford even the most basic expenses. Those living below self-sufficiency represent a significant cross-section of San Diego residents, cutting across ethnicity, age, education, and gender lines.

The ratio of San Diego's self-sufficiency wage to California's minimum wage is 1.6 to 1. As a result, the gap between what a minimum-wage worker earns in a year and self-sufficiency in San Diego County is more than \$10,000. And that's assuming the employer covers 85% of the employee insurance premium; if the employee is uninsured, the shortfall for meeting basic expenses will be much greater. The Federal Poverty Level, the current standard for gauging economic security in the United States, ignores a number of variables that are critical in determining an economic baseline. These variables include the true cost of food, family composition, cost differences by geographic location, and tax rates.

This report uses the Self-Sufficiency Standard, which measures the cost of housing, transportation, child care, health care, family size, family composition, and other factors in order to arrive at the true cost of living in San Diego County and the wages necessary to sustain those costs.

229,195 working-age San Diego households live below self-sufficiency.

WHO ARE THEY?

WORK STATUS	NUMBER LIVING BELOW STANDARD	% OF TOTAL LIVING BELOW STANDARD
Full-time	115,743	50.5
Part-time	65,549	28.6
Not Working/ Unemployed	48,131	21.0

Note: Numbers may not total due to rounding



Maria

"I used to have hope but not any more. Sometimes I just want to flee."

Maria Marin has spent her entire working life in fast food restaurants. She has never earned more than minimum wage and she has never had health insurance or other benefits.

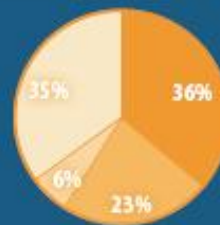
She worked two full-time jobs for seven years, until her sister moved in and helped with expenses. But the sister has left again and Maria is supporting her teenaged son and daughter on one job.

"I owe everybody money," she says, to explain how she scrapes together rent money. The family's electricity has been off for as long as 10 days at a time. One month, every meal consisted of end-of-day leftovers from the fast food restaurant where she works.

Health issues prevent Maria from getting a second job now, and her son and daughter haven't had luck finding work. Maria is tempted to move away from high-cost San Diego.



- Latino
- White
- Asian & Pacific Islander
- African American
- Other



- Couple with Children
- Single Mother
- Single Father
- No Children

FINDINGS

- **30%** of working-age San Diego County households don't earn enough to live self-sufficiently.
- **88.7%** of non-retired households **living below the self-sufficiency** standard have at least one worker, over half of them full-time.
- People of color are significantly more likely to live below the self-sufficiency standard. **54.1% of Latinos, 42.7% of African Americans, and 25.7% of Asian & Pacific Islanders** live below the standard, compared to 17.8% of Whites.
- To cover the **basic costs of living** in San Diego County, a single person with no dependents needs a full-time job paying at least \$13.13 an hour - or \$27,733 a year.
- When both adults are working and supporting an infant, the yearly budget to make ends meet is \$52,560. In order to pay for the additional cost of transportation and childcare, **each adult must earn at least \$12.45 an hour.**
- Only 3% of households living below the self-sufficiency standard have participated in the Food Stamps program, and only 2.2% have used CalWORKs in the last 12 months.⁽¹⁾ Eligibility for these safety net programs is based on the Federal Poverty Level,⁽²⁾ and are **unavailable to more than half** of the households whom have net incomes above the national poverty threshold, but below the self-sufficiency level.

⁽¹⁾ Pearce, D. 2009. *Overlooked and Undercounted 2009: Struggling to Make Ends Meet in California*. United Way of the Bay Area. pp. 112

⁽²⁾ County of San Diego, Food Stamps Eligibility Requirements

⁽³⁾ For a full explanation of the methodology and exact costs included, see: Pearce, D. 2009. *Overlooked and Undercounted 2009: Struggling to Make Ends Meet in California*. United Way of the Bay Area.

2010 Annual Income Comparison (1 adult working full-time*)

Self-Sufficiency Income Needed in San Diego	\$27,733
CA Minimum Wage	\$16,896
Federal Poverty Line	\$11,161

* Full-time assumes 8 hours of work per day and 22 working days a month for 12 months.

THE SELF SUFFICIENCY STANDARD

Average monthly budgets were calculated using the Self-Sufficiency Standard, a methodology developed by Dr. Diana M. Pearce of the School of Social Work at the University of Washington. The budgets include only housing/utilities, child care, food, transportation, health care, taxes, and miscellaneous necessities like shoes, diapers, cleaning products, telephone and personal hygiene products. These figures do not include non-essential costs such as entertainment, cable TV, toys, life insurance, or savings. ⁽³⁾

THE COST OF LIVING IN SAN DIEGO COUNTY

MONTHLY COSTS ^a	Adult	Adult + preschooler	2 Adults + infant	2 Adults + infant + preschooler
Housing + Utilities	\$1,117	\$1,355	\$1,355	\$1,355
Child Care	\$0	\$755	\$719	\$1,474
Food	\$234	\$354	\$563	\$663
Transportation	\$236	\$242	\$465	\$465
Health Care ^b	\$107	\$269	\$327	\$339
Miscellaneous	\$169	\$297	\$343	\$430
Taxes ^c	\$425	\$521	\$564	\$633
Monthly Total	\$2,288	\$3,793	\$4,335	\$5,358
SELF-SUFFICIENCY WAGE (In 2010 dollars)^d				
Annual Need	\$27,733	\$45,985	\$52,560	\$64,957
Hourly (per adult)^e	\$13.13	\$21.77	\$12.45	\$15.38
Federal Poverty Line^f	\$11,161	\$14,787	\$17,268	\$21,756

a. Monthly costs were calculated in 2008.

b. Health care costs assume that an employer pays 85% of the insurance premium for the employee and 77% of the insurance premium for a family.

c. Taxes include applicable Earned Income Tax Credits, Child Care Tax Credits, and Child Tax Credit.

d. Wages needed for self-sufficiency were updated using the Consumer Price Index (West) – Urban.

e. Hourly wages needed for self-sufficiency were calculated assuming 8 hours of work per day and 22 working days a month.

f. U.S. Census Bureau, Federal Poverty Level 2009

3 in 10 working-age
San Diego County households DON'T
earn enough to make ends meet.



Del

"It's been hard on all of us, but everything happens in God's time."

Two years ago, Del Pettis and her family lived in a four-bedroom house she owned, with a duplex in back. Then, after 16 years working for the City of San Diego, she lost her job. For a year, she tried to get by, taking whatever work she could find and renting out the larger house. But she lost the property to foreclosure.

Now, the 50-year-old and her two children live in a one-room apartment with no hot water, kitchen or working shower. Del works part-time as a janitor earning \$800 a month. She receives an additional \$400 monthly through welfare.

Del has never shied from hard work. She's been a mechanic and a professional boxer. Now she's on the waiting list for job training through the "welfare-to-work" program, hoping to get a full-time job to support her family again.



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