

EMBARGOED UNTIL:
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CONTACT
Erin Fogg – 415.306.3103
erin@kathleenrussell.com

Steve Burdo – 415.459.9211 x 25
stephen@kathleenrussell.com

Bay Area Working Families Struggle to Make Ends Meet

County-Specific Measure Proves as Costs Rise and Wages Stagnate, Families in the Bay Area Cannot Meet Basic Needs

The updated *2008 California Family Economic Self-Sufficiency Standard* (Self-Sufficiency Standard) reveals that due to rising costs and stagnant wages, many working families in the Bay Area and throughout the state are struggling to afford their most basic needs. The *Self-Sufficiency Standard* measures the amount of income needed by working families to meet their basic needs. An adult with a preschooler and a school-age child in most Bay Area counties must work more than three full-time minimum wage jobs to make ends meet.

“The California Family Economic Self-Sufficiency Standard addresses the widening gap between the rich and poor who struggle to keep pace with rising inflation and increased costs for monthly necessities such as medications, gas, and food,” says Assemblymember Jim Beall. “I hope that my colleagues will consider this when voting for my food stamp bill, AB 433, which would expand the number of food stamp recipients by eliminating unfair administrative barriers and recognizing the special economic circumstances facing California’s poor.”

As a result of the rising cost of living, **the median *Self-Sufficiency Standard* for the state has increased by \$13,420 to \$44,768 a year for a family consisting of one adult, one preschooler child, and one school-age child, while the minimum wage has increased by only \$2,600, leaving families well below what they need to make ends meet.** Together with stagnant wages and limited state resources, the rising cost of living has widened the gap between what many working families have and what they need to survive in the Bay Area and around the state.

A Basic Needs Budget in the Bay Area

Two adults, one preschooler, and one school-age child

County	Self-Sufficiency Standard	County	Self-Sufficiency Standard	County	Self-Sufficiency Standard
Alameda	\$58,251	Napa	\$57,728	Santa Cruz	\$65,726
Contra Costa	\$58,174	San Francisco	\$62,183	Solano	\$54,668
Marin	\$73,576	San Mateo	\$72,572	Sonoma	\$57,075
Monterey	\$58,895	Santa Clara	\$68,430		

The minimum wage, calculated at \$16,640 a year for a full-time job, leaves working families well below the threshold of what they must earn in order to meet their most basic needs.

The *Self-Sufficiency Standard* is based on the costs families face on a daily basis – housing, food, child care, health care, transportation, and other necessary basic costs – and is calculated for 156 different family compositions. Moreover, the *Self-Sufficiency Standard* uses geographically specific data to provide a county-specific measure of the true cost of living for working families. In contrast, the Federal Poverty Level (FPL), which is the more commonly-used measure for income adequacy, is a four-decade-old, one-size-fits-all measure based solely on the cost of the basic food budget needed to meet minimum nutritional requirements. Yet, the FPL is used to allocate state and federal resources to local communities and to determine income eligibility for many public programs. As a result, many families earn too much to qualify for public programs, and yet do not earn enough to make ends meet.

“With rising gas and food costs, and a growing housing crisis, it's harder and harder for families to make ends meet. But the federal poverty guidelines aren't a realistic gauge of who is poor and what it really takes to support a family in 21st century California,” says Nancy Berlin, Director of the California Partnership. “We use the Self-Sufficiency Standard to talk with public officials about the true cost of living and what parents need to provide for themselves and their children. And we use it to talk with our families and give them confidence to speak out about what they already know: families need help to get by in this faltering economy.”

Calculated by Dr. Diana Pearce at the University of Washington, the *Self-Sufficiency Standard* is a peer-reviewed measure that accurately assesses the financial needs of California's working families. The *Self-Sufficiency Standard* methodology uses widely accepted and credible national and state data sources such as the U.S. Census Bureau and the U.S. Department of Housing and Urban Development (HUD). Geographically relevant data is used for each county in California, reflecting local market rates for items such as housing, food, health care, child care, and transportation.

“The *Self-Sufficiency Standard* is fact-based and completely customizable, making it ideal for use by policymakers, service providers, advocates, and families alike,” says Jenny Chung of the Insight Center for Community Economic Development, a national research, consulting, and legal organization located in Oakland, CA. “This newly updated data provides an accurate tool that legislators can use to evaluate existing and future policy decisions, direct service providers can use to better evaluate their communities' unique needs and secure necessary funding, advocates can use to express their priorities, and families can use to plan for the future.”

Tuesday's release will feature the newly updated data for every county in California. Data will be available online at www.insightccd.org.

Californians For Economic Security (CFES) is a statewide, research-driven coalition dedicated to ensuring that California's working families and retired elders can live with dignity and economic well-being. A statewide steering committee guides the overall direction of and identifies policy priorities—drawn from the *Self-Sufficiency Standard* data—to help close the gap between families' income and the rising cost of living in California. CFES is part of a national effort organized by Washington, D.C.-based Wider Opportunities for Women (WOW) in 36 states.

CFES is a project of the Insight Center for Community Economic Development (formerly NEDLC), a 39-year old, national research, consulting, and legal organization dedicated to building economic health and opportunity in vulnerable communities. The Insight Center utilizes a wide array of community economic development strategies including: industry-focused workforce development, individual and community asset building, connecting early care and education to economic development, providing legal support to California's legal service programs and community-based organizations, and advocating for the adoption of the *Self-Sufficiency Standard* as a measure of income adequacy and an alternative to the Federal Poverty Level.

For more information on *CFES* or the *Self-Sufficiency Standard*, contact Jenny Chung by phone 510.206.3171 or 510.251.2600 x124, or email at jchung@insightccd.org.