

# On the brink

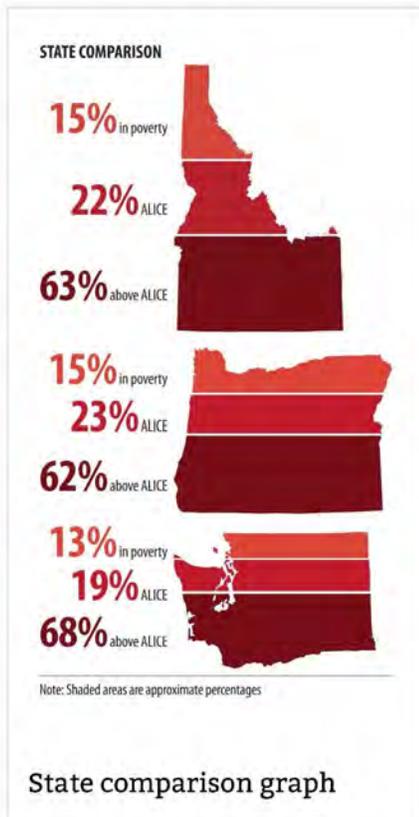
By TORRIE COPE [tcope@idahopress.com](mailto:tcope@idahopress.com) Jan 17, 2016



Ashley Erwin and her two kids, MaKenna, 4, and Jakob, 6, color in drawings at home after school Friday in Boise. Ashley stays at home their daughter MaKenna to cut the costs of child care while her husband Calen works at Hayden Beverage Company. When both of them were working, they were spending around \$1,300 a month on child care for both kids.

There's one phrase that Nora Carpenter hears over and over again from the people she reaches through the United Way of Treasure Valley — "I earn too much, but not enough."

These are people who don't qualify for assistance but struggle to cover their expenses.



“That really caught our attention, and we wanted to understand it more,” said Carpenter, the organization’s president and CEO. “We wanted to understand what does that mean, what does it look like and what is the impact.”

Calen and Ashley Erwin of Boise know that situation well. The two have two children, ages 4 and 6. Calen Erwin works 40-plus hours each week. Ashley Erwin also worked, but the cost of putting her two children in day care was more than she was bringing in. It wasn’t worth it to keep going.

“When I was working, I brought in \$800 a month, and that’s day care, so it didn’t make sense,” she said.

She’s now trying to find a part-time job where she can work when Calen is home, so they don’t have to pay for child care.

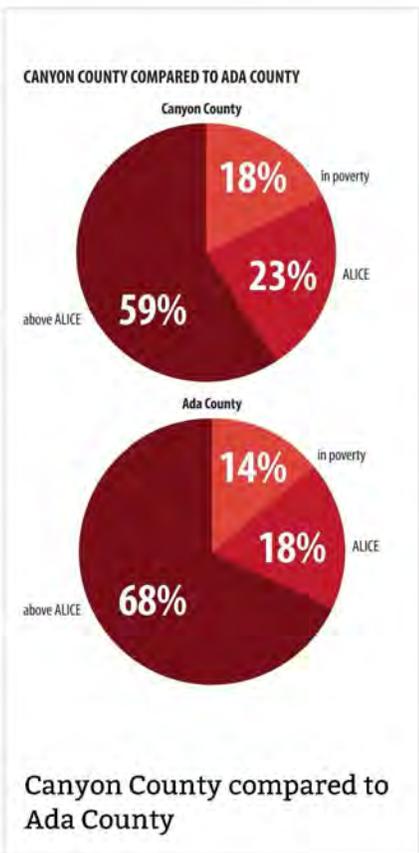
The only assistance the Erwins qualify for is Medicaid for their children. That helps, because health insurance for just Calen and Ashley is \$500 a month.

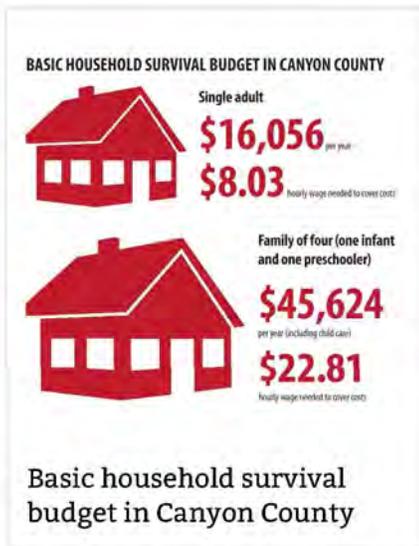
But the \$13.50 per hour Calen Erwin makes at his job is stretched each month to cover rent, car payment and preschool costs and other expenses.

The United Way refers to people in situations like the Erwins as ALICE — Asset Limited Income Constrained Employed.

This group includes people who are employed and who earn an income above the federal poverty level but don’t earn enough to cover the most basic costs of housing, child care, food, transportation and health care.

About one in four Canyon County households and one in five Ada County households fall into this category, according to the United Way.





With a new report released last week, the United Way is hoping to draw attention to the number of people struggling to make ends meet throughout the Pacific Northwest.

“To me what’s probably most important is putting a face to ALICE, so that we can address the issues that are really just systemic, persistent issues that face families in the Pacific Northwest,” said Donna Ponepinto, vice chairwoman of the board and ALICE committee chairwoman for the United Ways of the Pacific Northwest.

### THE NUMBERS

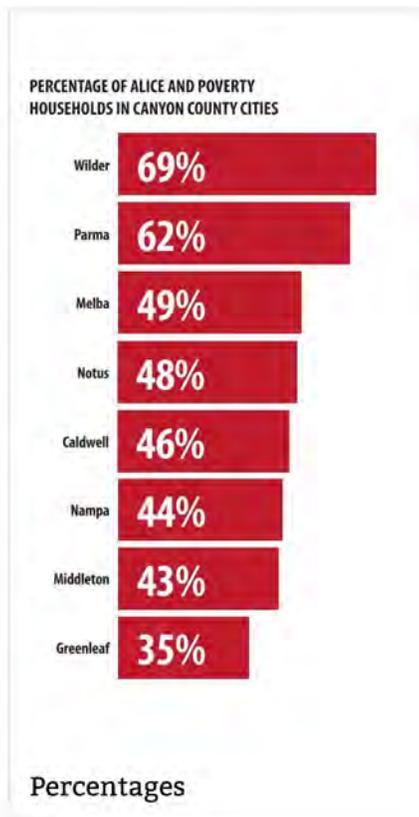
The new report is the first time the United Way has looked at ALICE in a regional report. Researchers looked at data from Idaho, Oregon and Washington. The three states have a range of rural counties and some of the wealthiest in the country, said Stephanie Hoopes, lead researcher and national director of the United Way ALICE project.

The researchers found that in each state, more than 30 percent of the households are either in poverty or qualify as ALICE.

“The high-level, main finding is there are a lot of households in the Pacific Northwest who did not earn enough to afford a very basic household budget,” Hoopes said.

In Idaho, 15 percent of households are in poverty and 22 percent qualify as ALICE. Canyon County’s numbers came in higher than the state’s, with 18 percent of households in poverty and 23 percent ALICE.

“Our initial reaction (to the report’s findings) was definitely one of surprise and yet it completely validates what we were hearing from our communities,” Carpenter said.



The United Way researchers examined wages and cost of living as two parts of the equation of how families in the region are getting by financially.

Although the Pacific Northwest has a reputation for high-paying innovative jobs, Hoopes said, more than half of the jobs in all three states are paying less than \$20 an hour or \$40,000 per year. Those are also the fastest growing jobs available.

Idaho has the highest percentage of jobs that pay less than \$20 an hour of the three states at 72 percent. In Washington, it's 54 percent and in Oregon 62 percent.

"You can see when you don't have the opportunity to earn more money, that cost of living and affording that basic household budget becomes tougher," Hoopes said.

Idaho's average household income was the lowest of the three states at \$46,783. That's about \$11,600 less than Washington's state average.

The cost of basic necessities for a family of four in the Gem State was also the lowest of the three states, but not enough to make up the difference in pay. For example, a family of four in Washington needs to make about \$52,000 to cover the basic household expenses. In Idaho that number is about \$46,000 and in Oregon it's about \$50,800.

"We're pretty excited about getting this additional data and really understanding the cost of living and what percentage is working and still really, really struggling," Carpenter said.

#### WHAT ARE THE CONSEQUENCES?

People who qualify as ALICE are forced to make tough choices when it comes to finances. The United Way report outlines those consequences.

Like the Erwin family in Boise, that choice may be staying at home and losing a job because they can't afford child care. It may also mean moving farther away from work or living in substandard housing, because housing costs are too high.

ALICE households may go without health care to save money. They also have minimal or no savings, because there is little leftover in their paychecks to set aside.

This not only puts stress on the people in the households, but it also creates burdens for employers, schools and the community, according to the report.

Households in the Pacific Northwest that fall in the poverty or ALICE categories received \$21 billion in services from government, nonprofit and health care organizations to supplement their income, but it wasn't enough to lift them above the ALICE threshold, according to the report.

#### WHAT HAPPENS NEXT?

One thing missing from the United Way's report is a solution or number of solutions to the complex problem.

In the Treasure Valley, Carpenter plans to bring the data to the attention of people who can make an impact and change.

"We know that this report is going to raise some eyebrows, and we know that this report hopefully will motivate conversations that will lead to opportunities for Idaho's workers to advance themselves," Carpenter said.

One of the United Way's roles is to bring the right people together and to start conversations, she said. Carpenter had a meeting scheduled for Thursday to begin working with community leaders, elected officials and key individuals who are active in programs to begin to think about this data.