

Many New Hampshire Jobs Do Not Pay a Livable Wage

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AS THIS REPORT GOES TO PRESS, the stock market is in a slow-motion crash and the U.S. economy faces the worst financial crisis since the 1930s.¹ The U.S. economy is faltering and the unemployment rate has jumped to the highest level in nearly five years.² While forecasts indicate New Hampshire has not fallen into recession, other indicators suggest a considerable portion of families in the state are struggling.³ In the first six months of 2008, real estate foreclosures were up 62 percent from 2007 and up 152 percent from 2006.⁴ State revenues have fallen, placing New Hampshire among the states with the greatest tax shortfalls.⁵ Forty-one percent of voters say jobs and the economy are the most important issues affecting their vote for the November election, more important than Iraq, health care, terrorism, and gas prices.⁶

Given this strained economic climate, it is important to take inventory of households' ability to locate gainful employment in the state. Analyses in this brief show a considerable proportion of New Hampshire jobs do not pay a livable wage, or a household wage sufficient to pay for basic needs such as housing, food, transportation, child care, and healthcare.

Estimates of the portion of jobs paying a livable wage range from 13 percent to 73 percent and vary by family type and region of the state. For example, over 60 percent of New Hampshire jobs pay a livable wage for single-person households or one-child families in which both parents work. In contrast, only 21 percent of New Hampshire jobs pay a livable wage for single-parent families with two young children. Across family types, Carroll County consistently has the lowest percentage of livable wage jobs, whereas Hillsborough and Sullivan are among the counties with the highest percentage of livable wage jobs.

This brief builds on findings presented in the New Hampshire Basic Needs and Livable Wage 2006 study, which provided statewide and sub-state estimates of liv-

able wages for different family types. Here, those livable wage estimates are updated to 2007 and used to calculate the proportion of New Hampshire jobs that pay a livable wage across family types and regions of the state. The brief concludes with a forecast of state unemployment rates, which should be considered alongside estimates of the proportion of New Hampshire jobs paying a livable wage when assessing the job climate.

Livable Wage Varies by Family Type and Region of the State

A livable wage is a wage sufficient to pay for basic needs, which include food, rent, utilities, basic phone service, clothing and household expenses, transportation by automobile, child care, healthcare, and a small allowance for personal expenses. The 2006 report that preceded this brief, entitled *New Hampshire Basic Needs and Livable Wage 2006*, estimated the wage persons would have to earn in order to be self-sufficient and pay for the necessities of life.

Understanding that expenses differ by household type, the study calculated livable wage estimates for seven family types: a single person, a single parent with one child, a single parent with two children, two parents with one child (one parent working), two parents with one child (both parents working), two parents with two children (one parent working), and two parents with two children (both parents working). When both parents are working, the livable wage was the estimated hourly wage each adult would have to earn in order for the family to be self-sufficient. Children were assumed to be young⁷ and to require full-time care either by a non-working parent in the home or by an independent child care provider outside the home.

TABLE 1: ESTIMATED LIVABLE WAGE BY COUNTY AND HOUSEHOLD TYPE, 2007

Family Unit	Belknap	Carroll	Cheshire	Coos	Grafton	Hillsborough	Merrimack	Rockingham	Strafford	Sullivan	NH Average
Two parents and two children <i>both parents working</i>	\$11.65	\$11.51	\$11.93	\$9.85	\$11.32	\$12.86	\$12.47	\$13.09	\$12.15	\$11.42	\$12.42
Two parents and two children <i>one parent working</i>	\$17.97	\$17.96	\$18.92	\$16.04	\$17.73	\$19.22	\$19.09	\$19.34	\$18.72	\$17.60	\$18.83
Two parents and one children <i>both parents working</i>	\$10.03	\$9.92	\$10.32	\$8.49	\$9.82	\$11.11	\$10.87	\$11.30	\$10.55	\$9.95	\$10.73
Two parents and one children <i>one parent working</i>	\$15.99	\$15.98	\$16.94	\$16.19	\$15.75	\$17.24	\$17.11	\$17.34	\$16.75	\$15.62	\$16.85
Single person and two children	\$19.04	\$18.72	\$19.61	\$15.40	\$18.34	\$21.73	\$20.72	\$22.24	\$20.06	\$18.54	\$20.72
Single person and one child	\$16.48	\$16.27	\$17.09	\$13.38	\$16.08	\$18.82	\$18.16	\$19.24	\$17.53	\$16.33	\$18.01
Single person	\$10.22	\$10.38	\$10.73	\$9.21	\$10.14	\$11.45	\$11.30	\$11.20	\$11.55	\$10.62	\$11.07

SOURCE: CALCULATIONS BY AUTHORS BASED ON DATA FROM KENYON, DAPHNE A. 2006. "NEW HAMPSHIRE'S BASIC NEEDS AND LIVABLE WAGE." UNH OFFICE OF ECONOMIC INITIATIVES AND THE NORTH COUNTRY COUNCIL, CONCORD, NH.

Table 1 updates the livable wage estimates to 2007 using the Northeast Consumer Price Index.⁸ As the table indicates, the livable wage varies considerably by family type and county. For New Hampshire, the lowest estimated livable wage is \$10.73 for a two parent family with one child (both parents working), while the highest livable wage estimate is \$20.72 for a single person with two children. Dual-earner families and households without children are at an obvious advantage in locating livable wage jobs, as their household expenses are lower and/or shared with another adult.

Livable wage estimates are lowest for Coos County, where housing prices and other household expenses tend to be lower, and highest for Hillsborough and Rockingham Counties. These two counties are home to three of the largest cities in the state: Manchester and Nashua (both in Hillsborough County) and Portsmouth (in Rockingham County). Table 2 presents updated estimates of the livable wage in these and two other large cities: Concord (in

Merrimack County) and Rochester (in Strafford County). Because living expenses tend to be similar in cities, livable wage estimates do not vary nearly as much among New Hampshire cities as they do among counties in the state.

Greater Availability of Livable Wage Jobs for Households Without Children and Dual Earner Families

Like the livable wage estimates, the proportion of livable wage jobs available in the state depends enormously upon family type. In every county in the state, well over half of all jobs pay a livable wage for a two-parent family with one child (both parents working) or for a single person household. In contrast, no more than a quarter of all jobs in any county pay a livable wage for a single person with two young children.

TABLE 2: ESTIMATED LIVABLE WAGE BY CITY AND HOUSEHOLD TYPE, 2007

Family Unit	Concord	Manchester	Nashua	Portsmouth	Rochester
Two parents and two children <i>both parents working</i>	\$12.69	\$12.79	\$13.15	\$13.29	\$12.34
Two parents and two children <i>one parent working</i>	\$19.53	\$19.23	\$19.31	\$19.51	\$18.94
Two parents and one child <i>both parents working</i>	\$11.09	\$11.02	\$11.33	\$11.42	\$10.67
Two parents and one child <i>one parent working</i>	\$17.53	\$17.24	\$17.32	\$17.51	\$16.97
Single person and two children	\$21.21	\$21.58	\$22.34	\$22.63	\$20.47
Single person and one child	\$18.60	\$18.66	\$19.29	\$19.46	\$17.76
Single person	\$11.34	\$11.14	\$11.84	\$11.55	\$11.18

SOURCE: CALCULATIONS BY AUTHORS BASED ON DATA FROM KENYON, DAPHNE A. 2006. "NEW HAMPSHIRE'S BASIC NEEDS AND LIVABLE WAGE." UNH OFFICE OF ECONOMIC INITIATIVES AND THE NORTH COUNTRY COUNCIL, CONCORD, NH.

TABLE 3: ESTIMATED PERCENTAGE OF JOBS PAYING A LIVABLE WAGE BY COUNTY AND HOUSEHOLD TYPE, 2007

Family Unit	Belknap	Carroll	Cheshire	Coos	Grafton	Hillsborough	Merrimack	Rockingham	Strafford	Sullivan	NH Average
Two parents and two children <i>both parents working</i>	48%	47%	48%	50%	58%	56%	53%	49%	53%	60%	53%
Two parents and two children <i>one parent working</i>	17%	16%	18%	21%	26%	31%	25%	23%	23%	27%	25%
Two parents and one children <i>both parents working</i>	59%	60%	58%	64%	68%	65%	63%	57%	65%	73%	63%
Two parents and one children <i>one parent working</i>	24%	22%	25%	21%	33%	37%	30%	29%	30%	33%	31%
Single person and two children	15%	13%	17%	23%	25%	25%	20%	18%	20%	22%	21%
Single person and one child	22%	21%	24%	28%	32%	32%	27%	23%	27%	30%	28%
Single person	56%	56%	56%	56%	66%	62%	61%	58%	56%	67%	61%

SOURCE: CALCULATIONS BY AUTHORS BASED ON DATA FROM NEW HAMPSHIRE EMPLOYMENT SECURITY ECONOMIC AND LABOR MARKET INFORMATION BUREAU, "2007 NEW HAMPSHIRE COUNTY OCCUPATIONAL EMPLOYMENT AND WAGES."

TABLE 4: ESTIMATED PERCENTAGE OF JOBS PAYING A LIVABLE WAGE, BY CITY AND HOUSEHOLD TYPE, 2007

Family Unit	Concord	Manchester	Nashua	Portsmouth	Rochester	New Hampshire Average
Two parents and two children both parents working	51%	55%	54%	51%	51%	53%
Two parents and two children one parent working	23%	29%	30%	27%	22%	25%
Two parents and one child both parents working	61%	65%	63%	63%	60%	63%
Two parents and one child one parent working	29%	35%	36%	32%	27%	31%
Single person and two children	19%	23%	23%	21%	18%	21%
Single person and one child	25%	30%	30%	27%	26%	28%
Single person	59%	65%	60%	61%	57%	61%

SOURCE: CALCULATIONS BY AUTHORS BASED ON DATA FROM NEW HAMPSHIRE EMPLOYMENT SECURITY ECONOMIC AND LABOR MARKET INFORMATION BUREAU, "2007 NEW HAMPSHIRE COUNTY OCCUPATIONAL EMPLOYMENT AND WAGES."

Metropolitan Counties Offer Greater Opportunities to Find a Livable Wage

The proportion of jobs paying a livable wage also varies by area of the state. The proportion of jobs paying a livable wage varies more by county than it does by city. Carroll County has the lowest percentage of livable wage jobs across all family types. Hillsborough County, which is home to two large cities in the state, has the highest percentages of livable wage jobs, followed by Sullivan and Grafton Counties.

Percentage of Livable Wage Jobs in New Hampshire is Similar to Other States

Studies in several other states have estimated the percentage of jobs paying a livable wage.⁹ Because these studies use somewhat different methodologies and data for different years, the estimates are not strictly comparable. However, one gets a sense that New Hampshire is fairly similar to some other states in the percentage of jobs paying a livable wage.

TABLE 5: LIVABLE WAGE JOB ESTIMATES FROM OTHER STATE STUDIES

State	Year of Study	Lower Estimate of Percentage of Statewide Livable Wage Jobs	Upper Estimate of Percentage of Statewide Livable Wage Jobs
Nevada	2001	43%	83%
Washington	2006	23%	74%
Oregon	2006	20%	69%
Maine	2004	66%	66%
Idaho	2006	12%	64%
Vermont	1997	22%	64%
New Hampshire	2007	21%	63%
Montana	2006	15%	60%

SOURCE: SEE REFERENCES SECTION FOR STATE STUDY CITATIONS. IDAHO, MONTANA, OREGON, AND WASHINGTON ESTIMATES ARE ALL EMBEDDED IN THE NORTHWEST JOBS STUDIES.

TABLE 6: AVERAGE HOURLY WAGES BY COUNTY, 2007

County	Average Hourly Wage
Belknap	\$17.28
Carroll	\$15.75
Cheshire	\$17.31
Coos	\$15.29
Grafton	\$20.25
Hillsborough	\$21.39
Merrimack	\$19.06
Rockingham	\$19.54
Strafford	\$18.78
Sullivan	\$17.61
New Hampshire Total	\$19.60

SOURCE: NEW HAMPSHIRE EMPLOYMENT SECURITY ECONOMIC AND LABOR MARKET INFORMATION BUREAU, "2007 NEW HAMPSHIRE COUNTY OCCUPATIONAL EMPLOYMENT AND WAGES."

Coinciding with these county-to-county differences in livable wage jobs, average hourly wages are lowest in Coos and Carroll Counties and highest in Hillsborough County. The range in average hourly wages is large, with the average wage in Coos County falling more than six dollars short of the \$21.39 average wage in Hillsborough County.

Similarly, unemployment rates are highest in Coos County. In 2007, the statewide unemployment rate was 3.6 percent, but unemployment rates ranged from three percent in Grafton and Sullivan Counties to 4.6 percent in Coos County.

TABLE 7: COUNTY UNEMPLOYMENT RATES, 2007

County	Unemployment Rate (2007 Annual Average)
Belknap	3.6%
Carroll	3.5%
Cheshire	3.6%
Coos	4.6%
Grafton	3.0%
Hillsborough	3.6%
Merrimack	3.3%
Rockingham	3.9%
Strafford	3.3%
Sullivan	3.0%
New Hampshire Total	3.6%

SOURCE: NEW HAMPSHIRE EMPLOYMENT SECURITY ECONOMIC AND LABOR MARKET INFORMATION BUREAU, "2007 LOCAL AREA UNEMPLOYMENT STATISTICS." RETRIEVED JUNE 6, 2008.

Workers in Service Occupations Have Difficulty Earning a Livable Wage

Table 8 lists 65 jobs in the state with a median hourly wage below \$11.07 per hour, the estimated livable wage for a single person household in New Hampshire. One in three workers in the state is employed in one of these jobs, most of which are in service industries. The list includes cashiers (\$8.89), child care workers (\$9.03), fast food cooks (\$8.81), dishwashers (\$8.91), home health aides (\$10.97), maids (\$10.02), and retail salespersons (\$10.23). These occupations tend to offer low wages, sporadic hours, and few benefits.

Conversely, Tables 9 and 10 show the 40 occupations projected to grow the fastest from 2006 to 2016. Only two fast-growing occupations pay a median hourly wage that falls below the 2007 livable wage: home health aides and personal care aides. The remainder of the 40 fastest growing jobs pays a median hourly wage above the livable wage. The highest paying jobs on this list are in health care and computer technology, and include computer software engineer, veterinarian, physician assistants, and database administrators.

TABLE 8: JOBS WITH MEDIAN WAGE BELOW LIVABLE WAGE, 2007

Occupation	Estimated Employment	Percentage of Total State Jobs	2007 Median Hourly Wage
Food Preparation and Serving-Related Occupations	53,700	8.5%	\$9.04
Retail Salespersons	24,050	3.8%	\$10.23
Cashiers	22,470	3.6%	\$8.89
Personal Care and Service Occupations	14,500	2.3%	\$10.16
Waiters and Waitresses	12,030	1.9%	\$7.42
Combined Food Preparation and Serving Workers, Including Fast Food	10,760	1.7%	\$8.46
Stock Clerks and Order Fillers	10,070	1.6%	\$10.93
Maids and Housekeeping Cleaners	3,890	0.6%	\$10.02
Office and Administrative Support Workers, All Other	3,600	0.6%	\$10.56
Bartenders	3,350	0.5%	\$8.26
Food Preparation Workers	3,050	0.5%	\$9.15
Dishwashers	3,040	0.5%	\$8.91
Packers and Packagers, Hand	2,860	0.5%	\$8.90
Home Health Aides	2,780	0.4%	\$10.97
Counter Attendants, Cafeteria, Food Concession, and Coffee Shop	2,730	0.4%	\$8.34
Personal and Home Care Aides	2,470	0.4%	\$10.36
Driver/Sales Workers	2,430	0.4%	\$8.79
Counter and Rental Clerks	2,410	0.4%	\$10.70
Child Care Workers	2,290	0.4%	\$9.03
Hairdressers, Hairstylists, and Cosmetologists	2,260	0.4%	\$9.91
Cooks, Fast Food	2,060	0.3%	\$8.81
Hosts and Hostesses, Restaurant, Lounge, and Coffee Shop	1,840	0.3%	\$9.19
Cooks, Short Order	1,630	0.3%	\$9.54
Dining Room and Cafeteria Attendants and Bartender Helpers	1,410	0.2%	\$7.45
Helpers—Production Workers	1,350	0.2%	\$10.95
Recreation Workers	1,300	0.2%	\$10.83
Hotel, Motel, and Resort Desk Clerks	1,130	0.2%	\$10.23
Amusement and Recreation Attendants	1,060	0.2%	\$8.53
Food Servers, Nonrestaurant	1,040	0.2%	\$9.07
Cleaners of Vehicles and Equipment	1,030	0.2%	\$10.90
Taxi Drivers and Chauffeurs	1,000	0.2%	\$10.70
Laundry and Dry-Cleaning Workers	940	0.1%	\$9.76
Library Assistants, Clerical	840	0.1%	\$10.78
File Clerks	760	0.1%	\$10.65
Nonfarm Animal Caretakers	660	0.1%	\$8.98
Material Moving Workers, All Other	540	0.1%	\$9.47
Service Station Attendants	490	0.1%	\$9.37
Crossing Guards	430	0.1%	\$10.66
Tire Repairers and Changers	350	0.1%	\$11.06

Lifeguards, Ski Patrol, and Other Recreational Protective Service Workers	330	0.1%	\$10.36
Personal Care and Service Workers, All Other	290	0.0%	\$9.24
Photographic Processing Machine Operators	290	0.0%	\$10.11
Veterinary Assistants and Laboratory Animal Caretakers	290	0.0%	\$9.65
Ushers, Lobby Attendants, and Ticket Takers	280	0.0%	\$7.84
Building Cleaning Workers, All Other	270	0.0%	\$8.45
Cooks, All Other	260	0.0%	\$9.27
Farmworkers and Laborers, Crop, Nursery, and Greenhouse	240	0.0%	\$9.06
Food Preparation and Serving Related Workers, All Other	220	0.0%	\$8.65
Ophthalmic Laboratory Technicians	220	0.0%	\$9.30
Demonstrators and Product Promoters	210	0.0%	\$11.04
Motor Vehicle Operators, All Other	210	0.0%	\$9.49
Pressers, Textile, Garment, and Related Materials	210	0.0%	\$10.58
Transportation Workers, All Other	190	0.0%	\$7.18
Parking Lot Attendants	180	0.0%	\$10.06
Woodworkers, All Other	180	0.0%	\$10.20
Cementing and Gluing Machine Operators and Tenders	150	0.0%	\$10.73
Bicycle Repairers	110	0.0%	\$10.82
Pharmacy Aides	100	0.0%	\$10.83
Media and Communication Equipment Workers, All Other	90	0.0%	\$9.32
Tour Guides and Escorts	90	0.0%	\$9.11
Baggage Porters and Bellhops	80	0.0%	\$10.29
Motion Picture Projectionists	60	0.0%	\$8.51
Cutters and Trimmers, Hand	50	0.0%	\$10.04
Shoe and Leather Workers and Repairers	30	0.0%	\$10.08
Watch Repairers	30	0.0%	\$10.65
Total	209,260	33.1%	

SOURCE: NEW HAMPSHIRE EMPLOYMENT SECURITY ECONOMIC AND LABOR MARKET INFORMATION BUREAU, "2007 NEW HAMPSHIRE OCCUPATIONAL EMPLOYMENT AND WAGES - STATEWIDE."

TABLE 9: SUBSET OF FORTY FASTEST GROWING OCCUPATIONS WITH MEDIAN WAGE BELOW LIVABLE WAGE, 2006-2016

Occupation	Estimated Employment	Percentage of Total State Jobs	2007 Median Hourly Wage
Home Health Aides	2,780	59.0%	\$10.97
Personal and Home Care Aides	2,470	58.2%	\$10.36

SOURCE: NEW HAMPSHIRE EMPLOYMENT SECURITY ECONOMIC AND LABOR MARKET INFORMATION BUREAU, "NEW HAMPSHIRE EMPLOYMENT PROJECTIONS BY INDUSTRY AND OCCUPATION, 2006-2016."

TABLE 10: SUBSET OF FORTY FASTEST GROWING OCCUPATIONS WITH MEDIAN WAGE ABOVE LIVABLE WAGE, 2006–2016

Occupation	2007 Estimated Employment	Projected Percent Change 2006-2016	2007 Median Hourly Wage
Network Systems and Data Communications Analysts	890	53.3%	\$29.27
Marriage and Family Therapists	80	49.3%	\$18.43
Social and Human Service Assistants	1,710	48.9%	\$11.67
Computer Software Engineers, Applications	4,260	47.9%	\$39.47
Substance Abuse and Behavioral Disorder Counselors	260	46.8%	\$16.20
Skin Care Specialists	170	46.5%	\$12.28
Veterinary Technologists and Technicians	660	45.1%	\$14.39
Personal Financial Advisors	570	42.5%	\$28.09
Medical Assistants	1,140	41.8%	\$14.37
Veterinarians	300	39.7%	\$36.90
Physical Therapist Assistants	310	39.6%	\$20.38
Pharmacy Technicians	1,180	38.7%	\$11.88
Physician Assistants	450	38.2%	\$38.90
Community and Social Service Specialists, All Other	710	36.6%	\$14.52
Self-Enrichment Education Teachers	1,090	36.0%	\$24.68
Dental Hygienists	1,170	35.2%	\$34.92
Mental Health and Substance Abuse Social Workers	410	35.0%	\$16.29
Dental Assistants	1,200	34.7%	\$18.77
Medical and Public Health Social Workers	380	34.1%	\$22.58
Financial Analysts	800	34.1%	\$31.83
Physical Therapists	1,060	34.0%	\$31.03
Mental Health Counselors	390	33.9%	\$18.43
Sales Representatives, Services, All Other	2,000	32.0%	\$22.37
Cardiovascular Technologists and Technicians	250	31.7%	\$23.81
Rehabilitation Counselors	720	31.4%	\$13.99
Counselors, All Other	330	31.3%	\$13.64
Registered Nurses	12,730	31.2%	\$27.73
Forensic Science Technicians	40	31.1%	\$24.55
Database Administrators	410	30.7%	\$33.21
Preschool Teachers, Except Special Education	3,090	30.4%	\$12.10
Private Detectives and Investigators	400	30.4%	\$12.13
Social and Community Service Managers	130	30.3%	\$23.40
Child, Family, and School Social Workers	690	30.2%	\$19.65
Computer Systems Analysts	2,260	29.9%	\$34.30
Interpreters and Translators	110	29.5%	\$20.86
Radiation Therapists	60	28.9%	\$37.90
Occupational Therapists	770	28.7%	\$26.69
Health Educators	160	28.4%	\$20.50

TABLE 11: OCCUPATIONS ADDING THE GREATEST NUMBER OF JOBS, 2006-2016

Occupation	2007 Estimated Employment	2016 Estimated Employment	Projected New Jobs 2006-2016	2007 Median Hourly Wage
Registered Nurses	12,849	16,861	4,012	\$27.73
Retail Salespersons	25,263	29,156	3,893	\$10.38
Combined Food Preparation and Serving Workers, Including Fast Food	10,740	13,281	2,541	\$8.37
Business Operations Specialists, All Other	9,619	12,118	2,499	\$23.22
Customer Service Representatives	8,765	11,200	2,435	\$15.30
Computer Software Engineers, Applications	4,534	6,705	2,171	\$39.47
Office Clerks, General	13,982	16,140	2,158	\$13.45
Elementary School Teachers, Except Special Education	8,077	10,117	2,040	\$30.92
Waiters and Waitresses	12,170	14,169	1,999	\$7.10
Nursing Aides, Orderlies, and Attendants	7,723	9,704	1,981	\$12.72
Teacher Assistants	10,007	11,802	1,795	\$15.40
Janitors and Cleaners, Except Maids and Housekeeping Cleaners	9,928	11,679	1,751	\$11.18
Personal and Home Care Aides	2,691	4,256	1,565	\$9.99
Bookkeeping, Accounting, and Auditing Clerks	10,364	11,915	1,551	\$15.76
Landscaping and Groundskeeping Workers	6,292	7,645	1,353	\$11.82
Home Health Aides	2,247	3,573	1,326	\$10.97
Receptionists and Information Clerks	5,708	6,851	1,143	\$12.22
Child Care Workers	4,119	5,192	1,073	\$9.09

SOURCE: NEW HAMPSHIRE EMPLOYMENT SECURITY ECONOMIC AND LABOR MARKET INFORMATION BUREAU, "NEW HAMPSHIRE EMPLOYMENT PROJECTIONS BY INDUSTRY AND OCCUPATION, 2006-2016."

A less optimistic picture results from examining the occupations adding the greatest number of jobs from 2006 to 2016. Table 11 shows that many of these jobs pay modest hourly wages and several of these jobs pay less than a livable wage. These include fast food workers, waiters and waitresses, personal and home care aides, and child care workers.

Workers Earning Less than the Livable Wage Make Compromises

How do workers manage without a livable wage? Some households may not be able to meet expenses for certain necessities, forcing them to do without these basic needs. Health insurance is the primary example; low-wage workers often decide not to purchase health insurance, whether employer-sponsored insurance is available or not.

Individuals may work more than 40 hours per week. Certain jobs, such as waiter or waitress, earn additional income from tips. In some cases other family resources en-

able a worker to afford basic needs without earning a livable wage. For example, it is increasingly common for young people to live with their parents well into their twenties. In other families, one spouse may earn considerably more than the other, enabling the lower-earning spouse to earn less than the livable wage without imposing a financial hardship on the family. Finally, some families rely on relatives to provide for some of their basic needs, such as when grandparents provide free child care for their grandchildren.

Lastly, the safety net of federal, state and local government may help fill the gap between the cost of a household's basic needs and the income derived from a job paying less than the livable wage. Income support through the Earned Income Tax Credit, food stamps, or subsidized health care may help some households afford the necessities of life. At the same time, income limits for most government programs limit eligibility to very poor households.

Conclusion

Two forces are likely to have the greatest impact on the projected availability of livable wage jobs in coming years. The first is the course of the current economic downturn. Table 11 shows the New England Economic Partnership (NEEP) forecast for New Hampshire's unemployment rate from 2008 to 2012. As the table shows, unemployment is projected to increase from 3.7 percent in 2007 to 4.2 percent in 2009, after which it is projected to gradually fall. The latest NEEP forecast predicted a relatively mild economic contraction, which provides some reason for optimism among New Hampshire workers. However, any optimism should be

TABLE 12: NEW HAMPSHIRE UNEMPLOYMENT RATE, HISTORY AND FORECAST

Year	Unemployment Rate (Annual Average)
1987	2.5%
1988	2.5%
1989	3.4%
1990	5.6%
1991	7.2%
1992	7.5%
1993	6.6%
1994	4.6%
1995	4.0%
1996	4.2%
1997	3.1%
1998	2.9%
1999	2.7%
2000	2.7%
2001	3.4%
2002	4.6%
2003	4.5%
2004	3.9%
2005	3.6%
2006	3.5%
2007	3.6%
2008f	3.8%
2009f	4.2%
2010f	4.0%
2011f	3.7%
2012f	3.6%

SOURCE: U.S. STATISTICAL ABSTRACT, VARIOUS YEARS, AND NEW ENGLAND ECONOMIC PARTNERSHIP, CONFERENCE FORECASTS, MAY 2008 AND VARIOUS YEARS.

tempered by the fact that the latest forecast was issued before the dramatic stock market decline and at the beginning of the financial crisis.

The second major factor impacting the availability of livable wage jobs is the changing composition of New Hampshire's economic base. Between 2000 and 2007, New Hampshire lost 25,400 manufacturing jobs, representing a 25 percent decline in the industry.¹⁰ Over the same period, jobs in education, healthcare, retail trade, and leisure and hospitality grew by about the same number of jobs. To the extent New Hampshire continues in this transition from a production-based to a service-based economy, the proportion of livable wage jobs is expected to decline.

Methodology

Livable wage estimates in this report rely on 2005 estimates contained in the report New Hampshire's Basic Needs and Livable Wage 2006. Estimates were adjusted for inflation to 2007 dollars using the Northeast Consumer Price Index, which increases livable wage estimates by 6.3 percent between 2005 and 2007.

Estimates of the percentage of livable wage jobs are based on livable wage estimates noted above and occupational wage data from the New Hampshire Department of Employment Security (NHES) Economic and Labor Market Information Bureau (ELMIB). Wage data for the state and areas within the state are part of the national Occupational Employment Statistics program, a semiannual survey of employers and employing units conducted by the Bureau of Labor Statistics (BLS) in cooperation with state employment security agencies. Over 1,800 employers in New Hampshire were surveyed between March 2006 and January 2007 to produce the employment and wage data used in this report.¹¹ Several groups of workers are not included in this survey: the self-employed, owners/partners in unincorporated firms, household workers, and unpaid family workers. In addition, since the survey covers New Hampshire employers, it excludes data on New Hampshire workers employed outside of New Hampshire and includes data on out-of-state workers employed in New Hampshire.

The wage data classifies workers into over 600 detailed occupations including, for example, retail salespersons, cashiers, registered nurses, and waiters and waitresses. For each detailed occupation, NHES ELMIB provides an estimated employment count and mean, median, 25th percentile, and 75th percentile wages for workers in the occupation. In this report, livable wage job estimates assume a uniform distribution of wages to extrapolate a minimum and maximum wage in each occupation.

The livable wage estimate was compared to wages at the minimum, 25th percentile, median, 75th percentile, and maximum to estimate the number of livable wage jobs in

each occupation. If the minimum wage was more than the livable wage estimate, all jobs in the occupation were classified as paying a livable wage; conversely, if the maximum wage was less than the livable wage estimate, all jobs in the occupation were classified as not paying a livable wage. For other relationships between the estimated livable wage and wages for a particular job category, Excel formulas were used to produce sensible estimates. For example, if the livable wage was equal to the 25th percentile wage in a particular occupation, 75 percent of the jobs were classified as paying a livable wage; if the livable wage was equal to the 75th percentile wage in a particular occupation, 25 percent of the jobs were classified as paying a livable wage.

Jobs paying a livable wage in each occupation were

summed for the entire state to produce an estimate of the proportion of livable wage jobs in New Hampshire. Livable wage job estimates were also calculated for the ten counties and five cities within the state.

NHES ELMIB makes wage data available for the state and certain sub-state divisions, such as counties. To protect the confidentiality of workers and employers, employment counts and wage estimates are not made available for specific occupations when employment counts are low. As a result, wage data are available for 99 percent of the estimated 632,590 jobs occupied in New Hampshire. For the 10 counties, the availability of wage data ranges from 66 percent of jobs in Coos County to 96 percent of jobs in Hillsborough County.

Endnotes

¹ E.S. Browning and Annelena Lobb, "Market's 7-Day Rout Leaves U.S. Reeling," *Wall Street Journal*, October 10, 2008; Jon Hilsenrath, Serena Ngand and Damian Paletta, "Worst Crisis Since '30s, With No End Yet in Sight," *Wall Street Journal*, September 18, 2008.

² Kelly Evans, Bob Davis, and Tom Lauricella. "Jobless Rate Tops 6%, Fueling Fight on Economy." *Wall Street Journal*, September 6-7, 2008.

³ "U.S. Regional Recession Status." Dismal Scientist, MoodysEconomy.com., Accessed October 10, 2008 at www.economy.com/dismal/recession.asp; New England Economic Partnership, *Economic Outlook: 2008-2012*, Walpole, MA.

⁴ "Total Foreclosures in New Hampshire by County," www.foreclosuresnh.com/files/New_Hampshire_stats.xls.

⁵ Connor Dougherty, Amy Merrick, and Anton Troianovski, "States Slammed by Tax Shortfalls," *Wall Street Journal*, July 24, 2008.

⁶ Andrew E. Smith, Ph.D., Granite State Poll, The University of New Hampshire, July 21, 2008.

⁷ A single child was assumed to be four years old; two children were assumed to be four and six years of age.

⁸ According to the Economic Policy Institute methodology guide, updating livable wage estimates using the CPI can produce reasonable new estimates as long as the time between the original estimates and the date in question is no more than five years. For periods over five years, using this updating method becomes problematic, in part because the costs of different components of a household's budget can change in very different ways.

⁹ Chandler, Susan and Alicia Smalley. 2001. "Working Hard, Living Poor: Nevada Basic Needs and a Living Wage." Progressive Leadership Alliance of Nevada, Reno, NV. Last accessed August 15, 2008 (<http://planevada.org/images/PDFs/working01.pdf>); Chinitz, Julie, Dennis Osorio, Jill Reese, and Gerald Smith. 2007. "The Race for Wages: Living Wage Jobs in the Current Economy." Northwest Federation of Community Organizations, Seattle, WA. Last accessed August 15, 2008 (http://www.nwfc.org/pubs/2007.1218_NW.JG.The.Race.For.Wages.pdf); Fu, ChienHao, Dennis Osorio, Jill Reese, and Gerald Smith. 2007. "Living in the Red: Northwest Family Budgets Falling Behind." Northwest Federation of Community Organizations, Seattle, WA. Last accessed August 15, 2008 (http://www.nwfc.org/pubs/2007.1009_NW.Job.Gap.Living.in.the.red.pdf); Kahler, Ellen and Doug Hoffer. 1997. "The Vermont Job Gap Study - Livable Wage Jobs: The Job Gap." Vermont Peace & Justice Center, Burlington, VT. Last accessed August 27, 2008 (<http://www.vtlivablewage.org/JOBGAP2a.pdf>); Maine Development Foundation. 2004. "Measures of Growth 2004: Performance Measures and Benchmarks to Achieve a Vibrant and Sustainable Economy for Maine." Maine Economic Growth Council, Augusta, ME. Last accessed August 15, 2008 (<http://www.mdf.org/megc/measures/megc2004.pdf>).

¹⁰ Churilla, Allison. 2007. *The State of Working New Hampshire 2007*. University of New Hampshire Carsey Institute, Durham, NH.

¹¹ For more information on the administration of the Occupation Employment Statistics program in New Hampshire, see <http://www.nh.gov/nhes/elmi/pdfzip/econstat/salsurvey/2007/Wages2007intro.pdf>.

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