



Indiana Coalition on Housing and Homeless Issues

## The Indiana Self Sufficiency Standard: What it is and why it matters<sup>1</sup>

### What is it?

The Indiana Self Sufficiency Standard calculates how much money working adults need to meet their basic needs without subsidies of any kind. It accounts for varying costs of living and working by family size and composition and by where these families reside in Indiana. By using the information in the Standard, we can learn more about what wages are adequate to pay for basic living costs such as housing, child care, food, transportation, health care, and taxes.

### Why Does it Matter?

From rising healthcare costs to growing numbers of single parent heads of households and the cost of childcare, many Indiana families are struggling to make it. When they don't, we pay high costs at every turn. We pay more work supports, like food stamps, childcare vouchers, and Medicaid. We create the need for more social services, and core infrastructure, more police and law enforcement. By creating paths to self-sufficiency, we can divert monies currently used as 'band-aids' to programs that provide training, encourage the right kind of job creation, and secure the health of Indiana communities.

### What are Self-Sufficient wages in Indiana for 2005?

Below is a chart that shows wages in seven of Indiana's counties, based on three different family types.

County	Hourly wage needed for single working adult	Hourly wage needed for single parent of an infant and a preschool age child	Hourly wages needed for two adults of an infant and a preschool age child
Clark	\$7.46	\$13.32	\$8.64 per adult
Howard	\$7.28	\$14.99	\$9.35 per adult
Lake	\$8.11	\$16.69	\$9.96 per adult
Marion	\$8.22	\$17.91	\$10.71 per adult
St. Joseph	\$7.47	\$14.58	\$9.14 per adult
Vanderburgh	\$7.47	\$13.99	\$9.11 per adult
Vigo	\$6.84	\$12.43	\$8.30 per adult

### Aren't the Self Sufficiency Wages "too high"?

No. Because the Self Sufficiency Standard is calculated using the real costs of goods and services purchased in the regular marketplace, it reflects the real expenses consumers face. The Standard is a "no frills" budget that does not allow for entertainment, fast food, savings, credit card debt or emergency expenses such as car repairs. Plus, it is important to remember that any time a family does not make enough to cover these basic costs, the community or state must find ways to pay for them.

<sup>1</sup> Many thanks to the State of Wyoming Governor's Planning Office who provided the prototype for this fact sheet. The text has been modified slightly to reflect Indiana's Standard.

### **Do You Expect Employers to Pay Workers These Wages?**

Not entirely. Employers are only one of several stakeholders that have a role in ensuring that families have incomes sufficient to cover their costs. The government has a role in ensuring that job training and education, as well as work supports like child care, are affordable and accessible to families. Individuals are responsible for taking advantage of opportunities to invest in themselves and their potential. And finally, employers need to compare the cost of providing decent wages and benefits with the cost of not providing those and risking higher turnover costs, training costs, and potential for lost customers, opportunity and market share.

### **How Can the Indiana Standard Be Used?**

We can use the Standard to:

- **Educate people about the real costs of living in Indiana**, as well as the real costs to families and communities when wages are insufficient.
- **Develop our high-wage jobs sector** through focusing on training programs in high-wage areas, recruiting high-wage businesses into our state, and recognizing current Indiana businesses that are paving the way with the wages, benefits, and “family-friendly” policies they offer.
- **Build our educational capacity** through career development and increasing access to educational opportunities.
- **Value public help** by investing in affordable housing, child care, and health care, and encouraging public supports such as food stamps to be used as a step toward self-sufficiency, not a permanent solution.

### **Who Produces the Indiana Self Sufficiency Standard?**

The 2005 Self-Sufficiency Standard for Indiana is the third edition released by the Indiana Coalition on Housing and Homeless Issues (ICHHI). Previous editions were published in 1999 and 2002. ICHHI has worked with the University of Washington and an organization called Wider Opportunities for Women (WOW) to produce the Standard for Indiana. The University of Washington and WOW have successfully conducted Standard projects in 36 states, including Indiana.

For more information, contact the Indiana Institute for Working Families, ICHHI at (317) 636-8819. The Indiana Standard is available online at [www.ichhi.org](http://www.ichhi.org).