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The Cost of Living in Iowa

All families need enough income to cover the basics: the costs of food, housing, health care, transportation, child care and clothing. The amount of income required to provide these basic needs depends on the family size, the ages of children, the number of working adults, and the geographic area in which the family resides.

In our new report, “The Cost of Living in Iowa,” authors Elaine Ditsler and Beth Pearson present basic needs budgets for seven family types; the budgets are adjusted for each county and metropolitan area in Iowa.

For example, the table below presents basic needs budgets demonstrating that a two-parent family with one parent working and one child needs a family-supporting wage of \$12.67 in order to make ends meet. Fifty-five percent of all jobs held by Iowa workers pay this level of wages. With two children, the family-supporting wage rises above Iowa’s median wage to \$14.15, at which level only 47 percent of jobs held by Iowa workers are sufficient to meet the needs of this family type.

Costs for Two-Parent Iowa Families, One Parent Working

	Monthly Costs	
	One Child	Two Children
Child Care	\$0	\$0
Clothing/ Other Necessities	270	298
Food	452	569
Health Care	375	424
Housing	573	745
Transportation	425	425
Income Taxes	101	-8
Monthly Total	\$2,196	\$2,453
Annual Total	\$26,352	\$29,436
Family Supporting Wage	\$12.67	\$14.15

Note: Assumes one parent works 2,080 hours per year.

45%
of jobs held by Iowa
workers pay less than
\$12.67

\$13.77
Median wage (statewide)

53%
of jobs held by Iowa
workers pay less than
\$14.15

The report presents information on the cost of living for four different family types in each of Iowa’s Metropolitan Statistical Areas (MSAs) and non-metropolitan regions. Of the four family types included in these tables, the median wage is enough to support a family only in the last scenario of two full-time working parents. These tables demonstrate that Iowans in every region of the state have a difficult time making ends meet for their families.

The appendix to the report presents basic needs budgets and family supporting wages for seven different family types for every county in Iowa.

For the full report, see www.iowapolicyproject.org