

UNDERSTANDING ALICE

A toolkit for raising awareness for ALICE Households in Southeast Louisiana – UnitedWaySELA.org/ALICE

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THE UNITED WAY ALICE REPORT IS THE MOST COMPREHENSIVE DEPICTION OF NEED IN SOUTHEAST LOUISIANA TO DATE.

- **The updated ALICE report reveals the financial hardships of many Southeast Louisiana households.**
 - Standing for **Asset Limited, Income Constrained, Employed** - ALICE represents the hardworking taxpayers in our community struggling to make ends meet and living just one health emergency, car repair, or harsh storm away from poverty.
 - ALICE has a difficult time affording the basics of housing, food, health care, child care, transportation, and technology, despite working.
- **More than 237,000 households – or 47 percent of Southeast Louisiana’s population live below the ALICE threshold.**
 - ALICE households earn above the poverty level but below the Household Survival Budget. Households living under the ALICE threshold include both ALICE and households in poverty.
 - While the Federal Poverty Level reports that only 17 percent of Louisiana households face financial hardship, **an additional 30 percent qualify as ALICE.**
- **Across Southeast Louisiana, more than 47 percent of households have a difficult time affording the basics of housing, child care, food, health care, transportation, taxes, and technology.**
 - Households across Southeast Louisiana - comprised of all races, genders, and ages - cannot afford the basics.
 - When households face difficult economic conditions and cannot afford basic necessities, they are forced to make difficult choices and take risks that have consequences for their households and their communities.
 - Ultimately, ALICE families have both the greatest risk of job loss and the least access to resources to soften the blow.

LOUISIANA'S PERCENTAGE OF ALICE HOUSEHOLDS PUTS IT AT THE THIRD HIGHEST PERCENTAGE OF ALL 50 STATES. WHY ARE THERE SO MANY ALICE HOUSEHOLDS IN LOUISIANA?

Despite overall improvement in the economy, ALICE continues to face challenges from low wages, reduced work hours, depleted savings, and increasing costs.

- **The basic cost of living outpaced wages.**
 - The Household Survival Budget identifies the minimum cost for each of the seven basic household items needed to live and work in today's economy: housing, child care, food, transportation, technology, taxes, and health care. The cost of these expenses increased steadily in every parish in Louisiana since 2010.

- **Changes in the workforce – Low-wage jobs dominate the local economy.**
 - Single adults now need an annual salary of over \$21,000, while a family of four needs an annual salary of over \$58,000 - just to afford the basics.
 - Gaps in wages are growing wider and vary depending on employer size and location as well as the gender, education, and race/ethnicity of workers.
 - An increase in contract and on-demand jobs is leading to less financial stability and health care coverage.
- **Child care affordability and accessibility remains a challenge.**
 - When parents cannot work due to limited or inaccessible child care, consequences are twofold - the child may not gain early-learning skills necessary for success in kindergarten and beyond, and the parent has to forgo work, limiting future earning potential.
- **Fewer families have savings and assets.**
 - Ownership of assets can contribute to stability of households. Yet few families in Southeast Louisiana own assets, such as a savings account, 401(k), or rental income, that are readily available to cover emergencies.

The bottom line is, ALICE households are forced to make difficult choices often skipping preventative health care, accredited child care, quality food, or car insurance. These "savings" threaten their health, safety, and future, and the costs are high for both ALICE and the wider community.

LEARN MORE ABOUT DIFFERENT TYPES OF HOUSEHOLDS IN SOUTHEAST LOUISIANA AND REVIEW THE FULL ALICE REPORT AT:

www.UnitedWaySELA.org/ALICE

FACT SHEETS

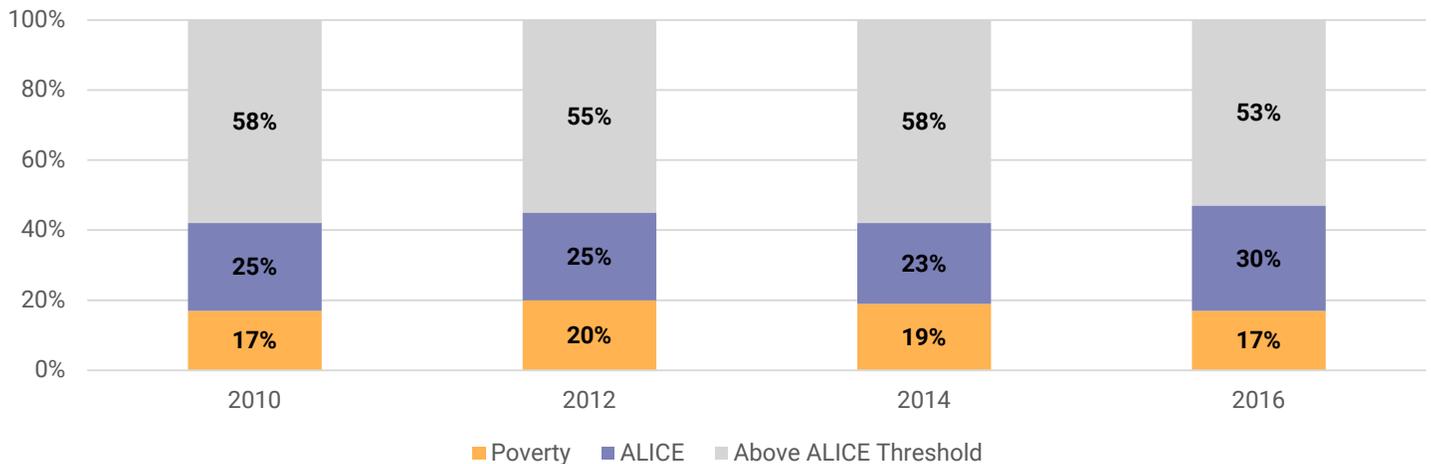
HOUSEHOLD SURVIVAL BUDGET, 2016

Jefferson, Orleans, Plaquemines, St. Bernard, St. Tammany, Tangipahoa, & Washington parishes

	Single Adult	2 Adults, 1 Infant, 1 Preschooler
Housing	\$628	\$885
Child Care	\$0	\$1,098
Food	\$164	\$542
Transportation	\$322	\$644
Health Care	\$196	\$726
Technology	\$55	\$75
Miscellaneous	\$163	\$446
Taxes	\$261	\$489
MONTHLY TOTAL	\$1,789	\$4,905
ANNUAL TOTAL	\$21,468	\$58,860
Hourly Wage	\$10.73	\$29.43

HOUSEHOLDS BY INCOME, 2010-2016

Jefferson, Orleans, Plaquemines, St. Bernard, St. Tammany, Tangipahoa, & Washington parishes



POVERTY + ALICE = Below ALICE Threshold



POVERTY + ALICE = Below ALICE Threshold

State - 1,729,126 Households

4,681,666 Population

\$45,146 Median Household Income

7.0% Unemployment Rate

SELA - 505,889 Households

1,328,372 Population

\$46,570 Median Household Income

8.0% Unemployment Rate



POVERTY + ALICE = Below ALICE Threshold

Jefferson – 170,710 Households

436,523 Population

\$49,678 Median Household Income

5.7% Unemployment Rate



POVERTY + ALICE = Below ALICE Threshold

Orleans – 154,355 Households

391,495 Population

\$38,681 Median Household Income

8.2% Unemployment Rate



POVERTY + ALICE = Below ALICE Threshold

Plaquemines – 8,664 Households

23,584 Population

\$50,251 Median Household Income

3.9% Unemployment Rate



POVERTY + ALICE = Below ALICE Threshold

St. Bernard – 14,732 Households

44,091 Population

\$43,565 Median Household Income

11.1% Unemployment Rate



POVERTY + ALICE = Below ALICE Threshold

St. Tammany – 92,205 Households

253,602 Population

\$64,639 Median Household Income

5.9% Unemployment Rate



POVERTY + ALICE = Below ALICE Threshold

Tangipahoa – 47,756 Households

130,710 Population

\$48,162 Median Household Income

8.2% Unemployment Rate



POVERTY + ALICE = Below ALICE Threshold

Washington – 17,487 Households

46,367 Population

\$31,013 Median Household Income

13.1% Unemployment Rate

KEY FINDINGS

THE UNITED WAY ALICE REPORT UPDATE FOR LOUISIANA ADVANCES INFORMATION BY TWO YEARS, UPDATING DATA SOURCES FROM THE YEARS 2014 TO 2016.

- **The 2016 data increases the number of Southeast Louisiana ALICE households by 6% while the percentage in poverty decreased to 17%.**
 - This percentage represents 31,450 more ALICE households struggling to make ends meet throughout the region. **Since 2010, SELA households below the ALICE threshold has increased 12%.**
- **The average Household Survival Budget for a Southeast Louisiana family of four increased to \$58,860— more than double the U.S. family poverty level of \$24,300.**
 - The Household Survival Budget for an individual is \$21,468, with the poverty level set at \$11,880. **The cost of SELA Family Survival Budget has increased 39% from 2013 to 2016.**
- **66% of the workforce in Louisiana now make less than \$20 per hour, and the majority makes less than \$15 per hour.**
 - Changes in the economy have grown the low-paying service economy and decreased job opportunities for ALICE households.
- **Childcare, representing a Southeast Louisiana family’s greatest expense, averaged \$1,098 per month for two children in licensed and accredited childcare.**
 - **The cost of child care in SELA increased \$307 or 39% since the 2014 ALICE update.**
- **The youngest age bracket of SELA residents (under 25) is more likely to be in poverty at 45%.** Both the youngest and oldest community members (over 65) are more likely to be ALICE at 36% and 35%, respectively.
- **Louisiana’s largest cities – New Orleans (53%), Baton Rouge (57%) and Shreveport (56%)— each have more than 53% percent of households living below the ALICE threshold.** Levels of hardship vary greatly across all New Orleans neighborhoods.
 - **Households in New Orleans with income below the ALICE threshold range from 8% in Lakewood to 90% or more in Fischer Development, Iberville Development, and B.W. Cooper.**
- **Smart phone expenses are now included in the survival budget for each adult.**
 - Technology has become a regular part of life, and smartphones in particular are an expectation for employment.

SAMPLE SOCIAL MEDIA POSTS

Graphic available for download at <http://bit.ly/2SFxhR7>.

Sample #1

Facebook/Twitter

Did you know that nearly 1 in 2 Southeast Louisiana households can't afford the basics? The updated United Way ALICE Report reveals the scope of financial hardship for many households who work hard, but struggle to make ends meet. #MeetALICE at UnitedWaySELA.org/ALICE.

Sample #2

Twitter

Nearly 1 in 2 SELA households face more month than money. @UnitedWaySELA is targeting the issues that hold back ALICE (Asset Limited, Income Constrained, Employed) and those in poverty. Learn how you can #helpALICE at UnitedWaySELA.org/ALICE.

Facebook

Did you know that almost 1 in 2 Southeast Louisiana households face more month than money? @UnitedWaySELA is working with business, government and community groups to target the underlying issues that hold back ALICE, those who Asset Limited, Income Constrained, but Employed, and individuals in poverty. Learn how you can #helpALICE at UnitedWaySELA.org/ALICE.

Sample #3

Facebook/Twitter

@[YourRepresentative/Senator] did you know 1 in 2 Southeast Louisiana households is struggling to get by? I urge you to #standupforALICE, those who are Asset Limited, Income Constrained, but Employed. Learn how you can #helpALICE at UnitedWaySELA.org/ALICE. @UnitedWaySELA

#meetALICE – ALICE, data, report terminology and report goals

#ALICELA – state-specific content, specifically for our state network use

#UnitedforALICE – highlight community initiatives/collective impact

#iamALICE – ALICE population to share stories and perspectives on the ALICE Report

#standupforALICE – advocacy and policy work

#helpALICE – calls to action

PURPOSE OF THE ALICE REPORT

Through an effort led by the Louisiana Association of United Ways, 11 United Ways have collaborated to bring the United Way ALICE Report for Louisiana to better understand and raise awareness about the economic challenges faced by hard working Louisiana families.

The United Way ALICE Report for Louisiana provides a range of research-based data, from state-level to town-level so challenges can best be identified and solutions can be suggested and measured at every scale.

The Report provides no “silver bullet” or single solution to solve the complex challenges ALICE faces every day.

The United Way ALICE Report for Louisiana can be a vital for sound policy decisions and budgetary or planning at state, parish or community-based tables.

GENERIC ALICE MESSAGES

ALICE represents hardworking, tax-paying individuals who aren't sure how they will make ends meet.

ALICE lives paycheck-to-paycheck, unable to set aside savings for an emergency and forced to make short-term choices that can result in long-term consequences.

ALICE is vulnerable; just one health emergency, one car repair, one harsh storm away from poverty. When that emergency occurs, ALICE may not be able to get to work, which has a domino effect.

ALICE can quickly spiral into poverty. Meanwhile, our child loses the teacher who built a rapport with the preschool class, our parent loses the home health aide who made sure they took their medications, or a time lose the mechanic who made sure our cars run smoothly.

When ALICE suffers, we all suffer. If ALICE can't afford the basics, that household cannot help to stimulate the economy with purchasing power. If ALICE falls into poverty, that puts a greater strain on local services. If ALICE cannot save for the future, we will all bear the cost.