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## Poverty Among Utah Women

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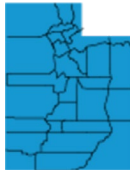
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## Poverty Among Utah Women

### Setting the Stage

Although Utahans in general experience lower rates of poverty than the national average (11.3% in Utah vs. 14.7% nationwide),<sup>1</sup> Utah women are more likely than Utah men to live in poverty, especially women who are heads of households and/or single parents.<sup>2</sup> Many factors influence the levels of poverty among Utah women. The gender wage gap in Utah is one of the highest in the nation;<sup>3</sup> women are much more likely to work minimum wage jobs,<sup>4</sup> and women in Utah have lower levels of educational achievement—particularly at the bachelor’s degree level and higher—than women across the nation.<sup>5</sup> Utah women within specific demographics (including certain ethnic and racial groups) are even more likely to experience poverty.<sup>6</sup>

This research snapshot focuses on three key areas:

- 1) An overview of poverty rates for women in Utah, broken down by various demographic factors,
- 2) An analysis of some of the issues contributing to women’s poverty rates in Utah, and
- 3) A discussion of current efforts being made in the state to improve the economic circumstances of women, with links to relevant resources.

### Poverty Rates: Demographics

Overall, women in Utah live in poverty at a lower rate than the national average: Utah women (12.2%) vs. U.S. women (16%), and census data for 2015 ranks Utah 12th in the nation for the percentage of people living above the poverty line.<sup>7</sup> However, when broken down by specific demographic factors, the poverty rates are notably worse for certain groups. In Utah, minority women are much more likely to live in poverty, as shown here by ethnic group: Black (20.3%), Asian/Pacific Islander (21.3%), “Other” or two or more races (21.3%), Hispanic (25.9%), and Native American (36.1%). In each one of these specific groups, Utah women are living in poverty at higher percentages than Utah men.<sup>8</sup>

Other demographic factors, including age, location of residence (rural/urban), and individual living situation, can also influence the way Utah women experience poverty. For example, in the United States, women over 65 are more likely to be impoverished than men their age, 12.1%

vs. 7.4%, respectively.<sup>9</sup> The higher incidence of poverty among female seniors exists in Utah as well: 8.9% of Utah women over 65 live below the poverty line vs. 4.4% of Utah men.<sup>10</sup> Experts attribute some of this disparity to the fact that many women who are now retired worked lower-wage jobs and were less likely to be eligible for retirement benefits. Those factors, combined with women’s generally longer life span, contribute to Utah women seniors’ higher poverty rates.<sup>11</sup>

Women living in more rural areas may also be at greater risk of poverty. While Utah counties cannot be defined as strictly rural or urban,<sup>12</sup> poverty rates among women are slightly higher in counties that are generally considered to be rural and have a population below 20,000 (15.4% vs. 13.9% for counties with a population over 20,000). In addition, the least populous counties show both extremes in the percentage of women living in poverty, with the smallest percentage (4.3% in Morgan) and the largest percentages (28.4% in San Juan and 30.7% in Piute).<sup>13</sup> Those living in rural communities may also face additional challenges with regards to accessing affordable services. One recent report showed that only 65% of women living in more rural counties (as defined above) received prenatal care, vs. 76% of women living in urban areas (counties with populations above 65,000). The report also revealed that 49% of children living in rural counties were eligible for free or reduced school lunch, as opposed to 42% and 36% of children living in mid-sized or large counties, respectively.<sup>14</sup>

But beyond age or place of residence, the demographic factor that is perhaps most striking when considering Utah women’s poverty rates is the designation of woman “head of household” with no spouse present. Overall, in Utah, 28.9% of female-headed households are in poverty; when children under age 18 are present, the percentage rises to 37.5%, and when children under age 5 only are present in these homes, the poverty rate is 46.9%. These rates for Utah women heads of household are roughly in line with national averages. Yet these high poverty rates are in stark contrast with Utah women living in married couple families: overall, only

*Female-headed households with related children under age 5 are at high risk: Nearly half (46.9%) are living in poverty.*

6.0% of such families live in poverty. When related children under 18 are present, that number goes up to 7.9%, and when children under age 5 only are present, the poverty rates for married couple households is 8.1%.<sup>15</sup>

**Table 1: Percent of Families Whose Income Is Below Poverty Level**

	All Families	Children under 18	Children under 5
Female-headed households, U.S.	30.9%	40.5%	47.0%
Female-headed household, Utah	28.9%	37.5%	46.9%
Married couple households, Utah	6.0%	7.9%	8.1%

Source: U.S. Census Bureau, 2014, American Community Survey.

### Factors Contributing to Poverty

Many factors contribute to Utah’s gender disparity in poverty rates. For example, education gaps may play a role. Women in Utah are graduating with bachelor’s degrees at a rate almost 10% lower than women in the nation as a whole (49% vs. 58.5%).<sup>16</sup> In addition, there is a gap in the population between the overall education levels for Utah women vs. Utah men, particularly at the bachelor’s degree level. In Utah, only 28% of Utah women hold a bachelor’s degree vs. 33% of Utah men. By contrast, nationally, roughly the same percentage of men and women hold bachelor’s degrees (about 29%).<sup>17</sup> This education gap is significant because it seems to exacerbate our already substantial wage gap. In Utah, at every educational level, men earn more than women who have achieved a higher level of education: men with a high school diploma earn more than women with an associate’s degree, men with a bachelor’s earn more than women with a graduate degree, and so forth.<sup>18</sup> Lower education levels can lead to lower wages and higher rates of poverty.

In addition to educational inequities, numerous employment factors can influence Utah women’s poverty rates. Utah has one of the highest gender wage gaps in the nation; one recent report ranks Utah as 48th out of 50 states and D.C.<sup>19</sup> We will address this gap in great detail in a future *Research Snapshot*. Another contributing factor is likely the large number of Utah women working in low-wage jobs. One study shows Utah women hold 65% of low-wage jobs (defined as those paying \$10.10 per hour or less), despite comprising only 44.4% of the total workforce. Those numbers show Utah is fairly close to national averages, as women nationwide make up 65.9% of the low-wage workforce while comprising only 47.3% of the overall workforce.<sup>20</sup> Occupational segregation may also play a role, as many employed women in the state are concentrated in several lower-paid occupational groups, such as office and administrative support positions (in

which 24% of Utah women work) and service occupations (held by 18.8% of employed Utah women). Utah men, on the other hand, are more likely than Utah women to be concentrated in higher-paying industries and job types.<sup>21</sup> Utah is also ranked first in the nation for the number of employed women who work part time, at 40.2% (national average is 29.4%). Part-time workers are less likely to receive employer provided benefits, such as health insurance and paid time off; these factors can further decrease financial stability.<sup>22</sup>

There are significant hurdles for employed Utah women attempting to escape poverty, especially those who are working in lower-wage jobs. Utah, like the rest of the nation, faces a shortage of high-quality, affordable childcare. In Utah, the typical annual cost of childcare for a 4-year-old is higher than a year’s tuition at college (\$6,612 vs. \$5,656). Childcare costs hit lower-income women and families particularly hard, as they pay a higher percentage of their total income on childcare.<sup>23</sup> Another serious barrier to climbing out of poverty, for women nationally and in Utah, is a phenomenon known as the “cliff effect.” Low-income women, both employed and unemployed, often qualify for a number of state-sponsored benefits (e.g., food stamps, housing support, and childcare and healthcare subsidies). As women living in poverty begin to advance in their employment and receive wage increases, these benefits are automatically reduced—sometimes eliminated all at once—at a rate much faster than the increased compensation can replace. Some women refuse pay increases because their actual financial position after the loss of benefits will be worse.<sup>24</sup>

### Efforts to Address Poverty in Utah

Utahans are concerned about poverty in their state. According to a 2016 survey by the Utah Foundation, “Homelessness and Poverty” is the ninth most important issue for Utah voters as a whole.<sup>25</sup> Poverty is related to many key factors of overall wellbeing within any state: homelessness, hunger, access to health care, educational success, mental health, and physical safety, among others. Because of these interrelated factors, Utahans recognize the need to reduce poverty rates.

Legislative efforts to address poverty issues have been in place for several years. In 2012 Utah passed the Intergenerational Poverty Mitigation Act, a major initiative launched to “identify groups that have a high risk of experiencing intergenerational poverty” and “help individuals and families in the state to break the cycle of poverty.”<sup>26</sup> Not surprisingly, 68% of the adult cohort members of this program are women,<sup>27</sup> a fact that underscores the serious nature of female poverty in the state.

A large number of public and non-profit agencies work together to combat poverty among women (and others) in Utah. Organizations support impoverished Utahans in a wide variety of areas, beginning with programs to address immediate needs for food, shelter, and clothing, as well as providing safe havens for people whose personal safety is at risk. There are also many groups that provide long-term support for more permanent changes that support individual and family wellbeing, including educational resources for both children and adults, employment training and mentoring, and assistance into permanent housing. One challenge is ensuring that our most vulnerable residents have a means of locating and utilizing these resources.

The United Ways of Utah maintain a database of over 9,000 services provided by more than 2,500 organizations throughout the state. Known as “Utah 2-1-1,” this tool can be of great benefit both for people looking for access to services, as well as those hoping to volunteer. Please refer to their website for more information: [Utah 2-1-1: United Way](#).

## Conclusion

Clearly, many Utah women, as well as men and children, struggle with the day-to-day realities of living in poverty. As our state leaders work together with community organizations, we can make measurable differences. But it will take efforts from Utahans, working in our homes, schools, and businesses, to address the numerous complicated factors that can lead to poverty. Finding ways to decrease poverty rates among Utah women will not only better their lives, but also strengthen the positive impact of women in communities and the state as a whole.

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<sup>1</sup> United States Census Bureau. (2015). Poverty status in the past 12 months. 2015 American Community Survey 1-year estimates.

<sup>2</sup> Institute for Women’s Policy Research (IWPR). (2015). Status of Women in the States: Utah. Retrieved from <http://statusofwomendata.org/explore-the-data/state-data/utah/>

<sup>3</sup> Talk Poverty. (2015). Poverty by State: Utah. Center for American Progress. Retrieved from <https://talkpoverty.org/state-year-report/utah-2015-report/>

<sup>4</sup> Madland, D., & Miller, K. (2013). Raising the minimum wage would boost the incomes of millions of women and their families. Center for American Progress Action Fund. Retrieved from <https://www.americanprogressaction.org/issues/labor/news/2013/12/09/80484/raising-the-minimum-wage-would-boost-the-incomes-of-millions-of-women-and-their-families/>

<sup>5</sup> Hess, C., & Williams, C. (2014, May). The well-being of women in Utah: An overview. Institute for Women’s Policy Research and YWCA Utah. Retrieved from <https://iwpr.org/wp-content/uploads/wpallimport/files/iwpr-export/publications/R379.pdf>

<sup>6</sup> IWPR. (2015).

<sup>7</sup> United States Census Bureau. (2015).

<sup>8</sup> IWPR. (2015).

<sup>9</sup> Cortez, M. (2015, September 16). Census: Senior women have higher poverty rate than elderly men. *Deseret News*. Retrieved from

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<http://www.deseretnews.com/article/865636960/Census-Senior-women-have-higher-poverty-rate-than-elderly-men.html?pg=all>

<sup>10</sup> United States Census Bureau. (2015). Poverty status in the past 12 months by sex by age. American Fact Finder.

<sup>11</sup> Cortez, M. (2015, September 16).

<sup>12</sup> United States Census Bureau. (2010). Urban and rural universe: Total population 2010 Census summary file 1. Utah.

<sup>13</sup> United States Census Bureau. (2014). Poverty Status in the past 12 months by sex by age. All counties in Utah.

<sup>14</sup> Voices for Utah Children. (2016, February). A tale of two Utahs: How do urban and rural Utah measure up? Retrieved from [http://utahchildren.org/images/pdfs-doc/2016/urban-rural\\_issue\\_brief\\_1.pdf](http://utahchildren.org/images/pdfs-doc/2016/urban-rural_issue_brief_1.pdf)

<sup>15</sup> United States Census Bureau. (2014). Selected economic characteristics: 2010–2014 American Community Survey 5-year estimates

<sup>16</sup> Hess, C., & Williams, C. (2014, May).

<sup>17</sup> Department of Workforce Services. (2014, February). Hard at work—Women in the Utah labor force. Retrieved from <https://jobs.utah.gov/index.html>

<sup>18</sup> Muñoz, B., & Gregson, R. (2016). Annual report of poverty in Utah. Community Action Partnership of Utah. Retrieved from [http://caputah.org/images/poverty-reports-full/2015\\_Poverty\\_Report.pdf](http://caputah.org/images/poverty-reports-full/2015_Poverty_Report.pdf)

<sup>19</sup> American Association of University Women. (2016). The simple truth about the gender pay gap (Fall 2016). Retrieved from <http://www.aauw.org/research/the-simple-truth-about-the-gender-pay-gap/>

<sup>20</sup> National Women’s Law Center. (2014). Underpaid & overloaded: Women in low-wage jobs. Retrieved from [https://nwlc.org/wp-content/uploads/2015/08/final\\_nwlc\\_lowwagereport2014.pdf](https://nwlc.org/wp-content/uploads/2015/08/final_nwlc_lowwagereport2014.pdf)

<sup>21</sup> Hess, C., & Williams, C. (2014, May).

<sup>22</sup> IWPR (2013 data). Status of women in the states: Employment and earnings. Table B2.6. Retrieved from <http://statusofwomendata.org/explore-the-data/employment-and-earnings/employment-and-earnings/#PartTimeWork%20>

<sup>23</sup> Economic Policy Institute. (2016). The cost of childcare in Utah. Retrieved from <http://www.epi.org/child-care-costs-in-the-united-states/#/UT>

<sup>24</sup> The Women’s Foundation of Colorado. (n.d.) What is the “cliff effect”? Retrieved from <http://www.wfco.org/document.doc?id=520>

<sup>25</sup> Utah Foundation. (2016, March). 2016 Utah priorities project: Part I: Survey of voters’ issues and concerns. Report number 739. Retrieved from <http://www.utahfoundation.org/uploads/rr739.pdf>

<sup>26</sup> Utah Code. (2012). Intergenerational Poverty Mitigation Act. Retrieved from [Intergenerational Poverty Mitigation Act](#)

<sup>27</sup> Intergenerational Welfare Reform Commission. (2016). Utah’s fifth annual report on intergenerational poverty, welfare dependency and the use of public assistance. Retrieved from <http://jobs.utah.gov/edo/intergenerational/igp16.pdf>

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