There's No Place in the U.S. Where a Minimum Wage Worker Can Afford a 2-Bedroom Apartment

Fortune, June 14, 2018

There's No Place in the U.S. Where a Minimum Wage Worker Can Afford a 2-Bedroom Apartment

Housing has gotten so expensive across the country, it's completely priced out the lowest earners.

According to a new report from the National Low Income Housing Coalition released Wednesday, there is nowhere in the U.S. that someone working full-time at a minimum wage job could afford to rent a two-bedroom apartment.

Even in the state with the cheapest housing, Arkansas, an individual would need to earn \$13.84 an hour to afford a two-bedroom apartment. The state's minimum wage is currently set at \$8.50 an hour.

The report found that someone working full-time at the federal minimum wage of \$7.25 an hour would need to work approximately 122 hours per week for all 52 weeks of the year (the equivalent of three full-time jobs) in order to afford a two-bedroom apartment at the national average.

But it's not just two-bedroom apartments that are out of reach—in many states, onebedroom apartments are also unaffordable for minimum-wage earners. The same worker would still need to work 99 hours a week every week of the year to afford a one-bedroom.

One-bedroom apartments are affordable in just 22 counties in five states: Arizona, California, Colorado, Oregon, and Washington. This is due in part to the fact that these states have higher minimum wages than the federal minimum.

Low wages are compounded by a shortage in federal housing assistance. These programs have been chronically underfunded, and the Trump administration has proposed raising the rents of these affordable housing options. Already three out of four eligible households receive no assistance.

Across the country, an individual would need to earn, on average, \$17.90 an hour for a one-bedroom apartment, or \$22.10 an hour for a two-bedroom apartment. This means that even the \$15 living wage campaign supported by many Democrats would fail to address the problem for people living in most of the country.