



HAWAI' APPLESEED

CENTER FOR LAW & ECONOMIC JUSTICE

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HAWAI' S 'HOUSING WAGE' IS HIGHEST IN THE NATION

Renters need to work a total of 143 hours a week at minimum wage to afford a two-bedroom apartment.

HONOLULU, Hawai'i — Hawai'i has the highest "housing wage" in the country, at \$36.13 per hour, or over \$75,000 per year, according to a national report released today.

Out of Reach 2018, by the National Low Income Housing Coalition (NLIHC), is the latest annual report to document the gap between wages and the cost of rental housing across the United States. The NLIHC's "housing wage" is an estimate of the hourly wage a full-time worker must earn to pay fair market rent without spending more than 30 percent of his or her income on housing costs.

The average renter in Hawai'i earns \$16.16 per hour, or \$19.98 less than the "housing wage" here. That translates into the largest shortfall between the average renter wage and "housing wage" in the nation. In addition, the average renter's annual income of \$33,613 is only 37 percent of the area median income (AMI) for the state.

"This new national report confirms what we all know: Hawai'i is facing the worst affordable housing crisis in the country," said Hawai'i Appleseed Center for Law & Economic Justice Co-Executive Director Gavin Thornton. "We applaud our state's leaders for committing \$200 million towards affordable housing during the most recent legislative session. We need to make sure government funding for housing is targeted to those among us who need help the most."

Meanwhile, Hawai'i's minimum wage is set at \$10.10 per hour, with no future increases scheduled. To afford a market rate, one-bedroom apartment, a minimum wage earner would need to work 109 hours per week. For a two-bedroom rental, the hours needed jumps to 143 per week, the equivalent of 3.6 full-time jobs.

The most expensive county in the state is Honolulu, where the "housing wage" is \$39.06 per hour. The least expensive is Hawai'i County, at \$25.42 per hour. *Out of Reach 2018* includes data on housing costs and incomes in all five counties in the state, including Kalawao.

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Hawai'i Appleseed is working to build a more socially just Hawai'i, where everyone has genuine opportunities to achieve economic security and fulfill their potential. We change systems that perpetuate inequality and injustice through policy development, coalition building and advocacy.