Viewpoints

The lure of high wages — for most it takes a college education

Top of Utah Voices

Michael Vaughan

Commentary

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A few weeks ago, I was running errands and drove past one of Northern Utah's taco restaurants. I was hungry, and it had been years since I had enjoyed a fast-food taco. I decided to indulge myself.

While eating my taco, I noticed a sign on the wall. The franchise was looking for an assistant manager. The starting pay was more than $20,000 a year. Initially, this seemed to be a good salary for an assistant manager of a taco restaurant.

I quickly realized that I had fallen into the habit of comparing salaries with the prevailing wages at the time I entered the labor force. The problem with my reasoning is that I started working in the late 1960s. At that time, gasoline cost 35 cents a gallon, you could buy a new Corvette for $5,000 and the average price of a house was $15,000.

I started thinking, just what constitutes a good entry-level salary in today's economy? How far can you get on $20,000? A salary of $20,000 a year means a monthly gross salary of $1,667. I checked with a payroll administrator and found that the monthly take-home pay for this salary would be $1,316. Where will this income go?

Consider some necessities. Most workers drive a car to get to work. The standard mileage rate used by the IRS is 44.5 cents a mile. If the manager drives 12,000 miles a year, the cost associated with an automobile will be $445 a month. Data from the American Automobile Association indicate that this is a very conservative estimate of the costs associated with an automobile.

Most people consider a phone a necessity of life. The least expensive option may be a bare-bones cell phone plan which can be found for $30 a month.

Now let's turn to food and shelter. The U.S. Department of Agriculture estimates that the average person spends $187 a month on food. After the car expenses, phone, and food how much is left? There is $654 remaining for housing and everything else. With a 30-year mortgage, the payment on the average-priced Weber County home would exceed $1,000 a month. Home ownership isn't likely.

Giving up on home ownership, what would an apartment cost? Based on the 2000 census, average monthly rent in Weber County was $544. Rental rates have increased since 2000, but we will assume a renter still can find something for $544.

Even so, this only leaves $110 for everything else: clothing, entertainment, health care and countless other expenses including the money to support family. After some analysis, the $20,000 job doesn't look nearly as attractive.

I fear that some of those responsible for advising Utah's high school students haven't done enough research into exactly what constitutes a good salary in Utah's economy. I still hear people say that you don't need to go to college to earn a good income in Utah. It's true that you don't need to go to college to earn $10, $11 or maybe $12 an hour in Northern Utah's economy. It is also true that these wages don't provide enough income to support a family in the manner most Utahns would desire. The Department of Health and Human Services reports that the poverty level for a family of five is now $23,400 a year. This poverty-level income converts to an hourly wage of $11.70. Most Utahns aspire to something more than a poverty-level existence.

The "2007 Economic Report to the Governor," released earlier this month, reports that the average income for Utahns with a bachelor's degree is $45,776; this is more than twice the average income of high school grads and more than 50 percent more than those with an associate degree or technical certificate.

A high salary isn't the only reason to pursue a college education. Education provides countless other benefits. Unfortunately, misperceptions of what actually constitutes a good salary are enough to deter many young people seeking higher education. An hourly wage sufficient to buy a big truck or a tricked-out Civic is enough to lure some Utah teenagers into a job with little potential.

Understandably, young people make mistakes because they lack experience. On the other hand, it is inexcusable for adults to steer young people away from college with unrealistic portrayals of the prospects awaiting those without some type of post-secondary education.

It is time to start directing Utah's young people into college. The taco franchises may suffer, but Utah will be a better place.

Elizabeth (Betty) Opheikens Hill

OGDEN - Elizabeth Opheikens Hill, 74, passed away Saturday, January 20, 2007 at her home in Ogden, surrounded by her loving family.

She was born June 25, 1932 in Ogden, a daughter of

Homer Rodriguez