

[MIT's Living Wage calculator](#)

is one excellent example that demonstrates the results of one such exploration. Try it out for the region(s) and the household composition(s) of your choice. Then, read [their Methodology page](#)

to learn more about how this tool was put together and answer the following questions:

Questions and Discussions

A. How is "a living wage" defined?

"Living wage" is the minimum wage required for a full time worker to provide the basic needs for their household.

B. How many family types does the Living Wage Calculator support? Which one or two family types do you foresee for your own family fitting into in the future?

11 family types if you include couples without children. I could see my own family fitting into 2 adults 1 working with children or 2 adults both working with children.

C. What are eight *basic needs* used to compute the cost of living for the living wage?

Food, childcare, medical, housing, transportation, civic, internet & mobile, and other.

D. The data sources for *basic needs* do not have consistent data (publication) dates. How do the makers of Living Wage Calculator account for this?

All living wage values are adjusted based on inflation rates in December 2024 dollars.

E. What components other than the eight *basic needs* are factored into the cost of living for a household?

Taxes- how much one needs to make in order to also cover income taxes.

F. Think back to when you were in high school. Can you think of any example expense your family may have had in the "Civic engagement" category of *basic needs*?

Some of my parents' civic engagement expenses went toward vet bills, golf lessons, and concert tickets.

G. Which items are covered under the "Other necessities" category of *basic needs*?

Clothes, cleaning supplies, furniture, hygiene items

H. What assumption regarding the income contributions ratio does that the Living Wage Calculator make for families that have multiple earners?

That both workers are earning the same wages

I. How is an hourly living wage calculated?

First, the annual family budget less taxes is calculated, then add cost of taxes, divide by number of working adults, and calculate annual wage assuming full time year round.

J. What's new to the Living Wage Calculator this year?

Improved accuracy for larger families that require more expenses.

Data Source

Amy K. Glasmeier, "Living Wage Calculator," Massachusetts Institute of Technology, 2025. Accessed on Accessed on March 17th, 2025 from <https://livingwage.mit.edu/>.