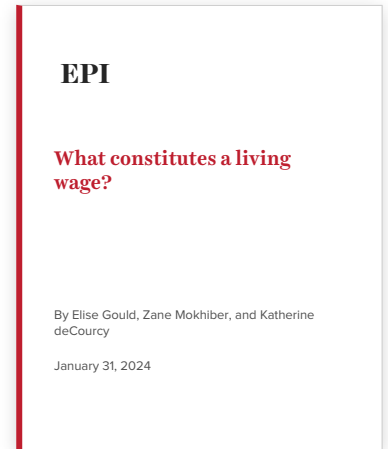


## What constitutes a living wage?

A guide to using EPI's Family Budget Calculator

**Summary:** The Family Budget Calculator estimates the resources families need to make ends meet across the United States. This report explains how policymakers, employers, and advocates can set meaningful living wage standards using the calculator.



**Read the full report**  
[epi.org/277833](https://epi.org/277833)

### Key findings

- EPI's **Family Budget Calculator** determines the income needed for families to afford basic necessities such as housing, food, health care, child care, and transportation.
- This user's guide helps policymakers, advocates, and employers turn our family budgets into living wage standards for their communities.
- When setting a living wage standard, various factors like work hours and family size need to be considered. For instance, a living wage for a family with two adults and two children is more than twice as large as a living wage for a family of one if there's only one worker per family.
- Setting a living wage requires decisions about how much families should rely only on wages to make ends meet. For instance, if families have access to other resources like employer-provided health insurance or universal pre-K, it could lower the living wage required to meet their family budget.

### Why this matters

There is no one-size-fits-all blueprint for setting a living wage standard. Setting living wages and designing policies to help families meet their needs ultimately come down to political decisions. Even so, the Family Budget Calculator can be used to inform local decisions about appropriate living wage standards.

