

Econ Quiz – 10/14/10

How much gas would be saved if we drove ten less miles per week?

By Bill Pinkovitz and Colette Hershey

The Sustainable Wage Standard measure the level of income needed to meet a family's basic needs without public or private assistance. It includes the minimum necessities, but does not include longer-term needs such as college or retirement savings or short-term "luxuries" like dining out or holiday gifts.

Question: What hourly wage does a Dane County family of four (two adults, a preschooler and a school-age child) need in 2010 to earn the Sustainable Wage Standard if both adults in the family work full time?

Answer: Both parents would need to earn **\$13.53 an hour**.

This includes the following monthly expenses (inflated to 2010 dollars):

- food (\$653)
- transportation (\$454)
- health care (\$376) and
- child care (\$1,519)
- housing (\$827)

About the data

A publication of the Wider Opportunities for Women, *The Self-Sufficiency Standard* measures how much income is needed for a family of a given composition in a

given place to adequately meet their basic needs—**without public or private assistance**.

The goal of making the Standard as standardized and accurate as possible, yet varied geographically and by age, requires meeting several different criteria. As much as possible, the figures used here:

- are collected or calculated using standardized or equivalent methodology,
- come from scholarly or credible sources such as the U.S. Bureau of the Census,
- are updated at least annually, and
- are age- and/or geographically-specific (where appropriate).

The Self-Sufficiency Standard for Wisconsin 2004

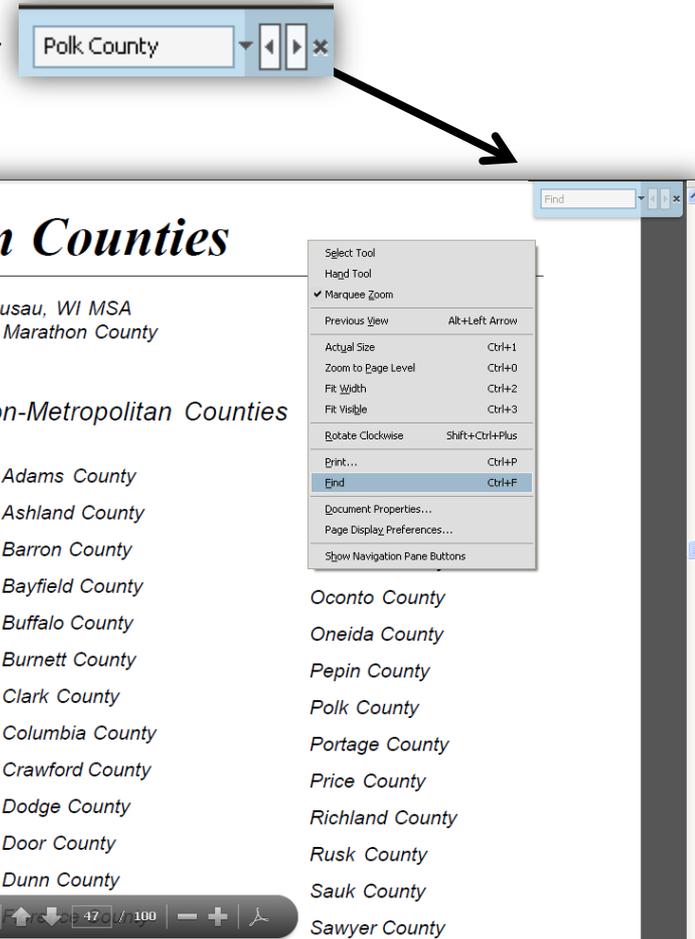
1. Start with this document, The Self-Sufficiency Standard for Wisconsin, 2004:

<http://go.madison.com/mopmi>

2. This PDF booklet has self-sufficiency amounts organized into tables for individual counties, metropolitan areas, and Native American reservations & communities. A list of available geographies can be found on page 47.

3. Perhaps the easiest way to find the table for your area is to use the 'find' function in Acrobat. To do this, either right-click over the document and select Find from the box that appears or press **Ctrl+F** on your keyboard.

The find box will appear in the upper right hand corner.



Type in your location and press Enter.
For this example, we're going to look at Polk County.

Table 56
The Self-Sufficiency Standard for Polk County, WI, 2004

Monthly Costs	Adult +							
	Adult	infant	preschooler	schoolage	teenager	infant	preschooler	schoolage
Housing	343	444	444	444	444	556	444	444
Child Care	0	542	1054	808	295	1350	1054	808
Food	182	266	358	411	473	481	515	565
Transportation	205	210	210	210	210	210	404	404
Health Care	89	184	191	201	224	209	232	242
Miscellaneous	82	165	226	207	165	281	265	246
Taxes	84	282	475	387	145	680	520	455
Earned Income								
Tax Credit (-)	0	-107	-46	-121	-298	0	0	-1
Child Care								
Tax Credit (-)	0	-74	-130	-102	-22	-110	-115	-108
Child Tax Credit (-)	0	-83	-167	-143	-69	-250	-167	-167
Self-Sufficiency Wage								
-Hourly	\$5.60	\$10.39	\$14.86	\$13.08	\$8.91	\$19.35	\$8.95 <i>per adult</i>	\$8.21 <i>per adult</i>
-Monthly	\$985	\$1,829	\$2,615	\$2,303	\$1,567	\$3,406	\$3,152	\$2,889
-Annual	\$11,818	\$21,945	\$31,380	\$27,630	\$18,809	\$40,869	\$37,824	\$34,665

4. The **Find** function should bring you to Table 56, which lists the self-sufficiency table for Polk County.

5. Across the top of the table are types of households that you might want to figure the self-sufficiency standard. Our initial question is concerned with a family of two adults, one-preschooler, and one school-age child. You can find that in the last column.

6. You'll find from the chart that each adult will have to earn \$8.21 in Polk County in order to be completely self-sufficient. However, these are in 2004 dollars.

We will use the [Bureau of Labor Statistic CPI Inflation Calculator](http://data.bls.gov/cgi-bin/cpicalc.pl) (<http://data.bls.gov/cgi-bin/cpicalc.pl>) to find the value of \$8.21 in 2011 dollars.

As you can see from the screen shot to the right, that amount inflated to 2011 dollars is **\$9.57**.

CPI Inflation Calculator

\$

in

Has the same buying power as:

in

[About this calculator](#)
[Mobile Browser? View full screen.](#)

To recap, the hourly wage a family of two adults, one preschooler, and one school-age child, would need to earn in Polk County in order to be completely financially independent, is:

\$9.57

Remember, this does not include longer-term needs such as college or retirement savings or short-term “luxuries” like dining out or holiday gifts.

Broken link? Something wrong with the directions?

These websites often move information around without notifying users. It’s possible we have provided a broken link. E-mail [Bill Pinkovitz](mailto:Bill.Pinkovitz@polkcountyfl.gov) if you come across a broken link.