

Calculating a Living Wage

Personal Expenses	Weekly	Monthly	Annual	Misc.
rent or mortgage, home insurance		625.		
electricity, gas, water		100.		
telephone, internet, cellular		100.		
transit pass		70.		
car insurance		80.		
gas, repair, maintenance (estimated)		150.		
automobile club				80.
health insurance		250.		
co-pays and prescriptions (estimated)			300.	
dental plan			100.	
dental appointments (estimated)			200.	
weekly groceries & cash allowance	110.			
retirement fund			600.	
emergencies, savings and other misc.			500.	
TOTALS	110.	1,375.	1,780.	
weekly expenses x 52 weeks	5,720.			
monthly expenses x 12 months		16,500.		
Total weekly, monthly, annual expenses			24,000.	
Avg. monthly (annual divided by 12)	2,000.			

If you continue with the math, you will find that the annual \$24,000 divided by 50 weeks (don't forget your two weeks unpaid vacation) equals \$480 a week after state, federal and social security taxes. You will need to calculate an estimate of your taxes to get a more realistic figure for a living wage. See the text that goes with this chart. I added an estimated tax bill to the annual total, and then divided that by 50 weeks to get a weekly rate. From there I divided by 40 hours to get an hourly amount.

The miscellaneous column is for bills that are paid on a quarterly, twice annually, or an every other month basis. Multiply by how many payments a year you need to make to get an annual figure. For example, a quarterly insurance bill of \$200, would equal \$800 a year if multiplied by four payments.