

# THE HOUSEHOLD SURVIVAL BUDGET

The Household Survival Budget follows the original intent of the Federal Poverty Level as a standard for temporary sustainability (Blank, 2008). This budget identifies the minimum cost option for each of the five basic household necessities. Figure 15 shows a statewide average Household Survival Budget for Louisiana in two variations, one for a single adult and the other for a family with two adults, a preschooler, and an infant. A Household Survival Budget for each parish in Louisiana is presented in Appendix J, and additional family variations are available at <http://spaa.newark.rutgers.edu/united-way-alice>

The average annual Household Survival Budget for a four-person family living in Louisiana is \$42,444, an increase of 12 percent from the start of the Great Recession in 2007, driven primarily by a 20 percent increase in one of the budget's largest costs, housing, as well as 17 percent increases in food and health care and a 16 percent increase in child care. The only item to decrease was taxes. **The Household Survival Budget for a family translates to an hourly wage of \$21.22, 40 hours per week for 50 weeks per year for one parent (or \$10.61 per hour each, if two parents work).** The annual Household Survival Budget for a single adult is \$17,304, an increase of 10 percent since 2007. The single-adult budget translates to an hourly wage of \$8.65. The rate of inflation over the same period was 12 percent. Percent changes in Figure 15 are an average of the increases in each category for a single adult and for a four-person family.

As a frame of reference, it is worth noting that the Household Survival Budget is lower than both the MIT Living Wage Calculator and the Economic Policy Institute's Family Budget Calculator (Glasmeier, 2015; Economic Policy Institute, 2013).

Figure 15.  
Household Survival Budget, Louisiana Average, 2013

Monthly Costs – Louisiana Average – 2013			
	SINGLE ADULT	2 ADULTS, 1 INFANT, 1 PRESCHOOLER	2007 – 2013 PERCENT CHANGE
Housing	\$517	\$713	20%
Child Care	\$–	\$791	16%
Food	\$177	\$535	17%
Transportation	\$347	\$694	8%
Health Care	\$109	\$435	17%
Taxes	\$161	\$47	-39%
Miscellaneous	\$131	\$322	11%
Monthly Total	\$1,442	\$3,537	11%
ANNUAL TOTAL	\$17,304	\$42,444	11%
Hourly Wage	\$8.65	\$21.22	11%

Source: See Appendix C.

*“The average annual Household Survival Budget for a four-person family living in Louisiana is \$42,444, an increase of 12 percent from the start of the Great Recession in 2007, driven primarily by a 20 percent increase in one of the budget's largest costs, housing, as well as 17 percent increases in food and health care and a 16 percent increase in child care.”*