What is a living wage in Hawai'i in 2022?



THE CURRENT MINIMUM wage in Hawai'i is \$10.10 an hour, or \$21,000 per year for full-time work. We all know that's not enough to make ends meet in the highest cost-of-living state in the nation.

That's also far below the Hawai'i Department of Business, Economic Development & Tourism's (DBEDT) self-sufficiency income standards, or "the amount of money that individuals and families require to meet their basic needs."

DBEDT calculates that a single adult worker with no keiki, who receives employer-provided health insurance, needed to earn \$18.10 an hour in 2020 in Hawai'i just to make ends meet. After adjusting for inflation, that means that minimum self-sufficiency wage according to the state is **\$19.56** per hour in 2022.

What is a living wage in Hawai'i? There's no official standard, but there are several independent sources, in addition to DBEDT, that try to answer that:

Aloha United Way commissioned "ALICE: A Study of Financial Hardship in Hawai'i," and found that a family of four in our state needed \$90,828 in 2018 to cover the "bare-minimum costs of basic necessities." After adjusting for inflation, that means \$102,164 in 2022. If that household has two earners, that means that each of them needs to make at least \$25.53 an hour for their family to survive.

The Economic Policy Institute (**EPI**) has a <u>family budget calculator</u> that measures "the income a family needs in order to attain a modest yet adequate standard of living." A

single person with no children in Honolulu County needed \$24.78 per hour in 2017 according to that calculator, or **\$28.45** an hour in 2022.

The Institute for Women's Policy Research (IWPR) estimates the annual income needed for basic economic security. They find that a single working adult without children and with benefits needed to earn \$21.85 per hour in Hawai'i in 2016, or \$25.71 in 2022. Without benefits, that person needed \$25.22 per hour, or \$29.68 an hour in 2022, to be economically secure.

The National Low-Income Housing Coalition (**NLIHC**) calculates a housing wage for each state. To afford a one-bedroom apartment in Hawai'i, a worker needed to make \$28.86 an hour in 2021, or \$30.76 in 2022.