

week, fifty weeks a year of paid employment per earner. Earnings are also converted to a percentage of the 2004 federal poverty threshold.

Assumptions

The calculations are based on the following assumptions (see calculation notes for further details):

1. The family cooks and eats all of its meals at home at the cost of the U.S. Department of Agriculture (USDA) low-cost family food plan.
2. A family with no children rents a one-bedroom apartment. A family

3. The cost of rent and utilities is the Housing and Urban Development (HUD) fair market rent (fortieth percentile of rents for the local area for that size unit).
4. All adult family members work full time (except for the calculations for families of four with one wage-earner and one homemaker).
5. The family purchases basic health insurance (not through an employer-provided plan).

6. The family owns one automobile.
7. The workers drive to work and have other necessary transportation expenses.
8. Each child is in age-appropriate childcare (except for families of four with one wage-earner and one homemaker).
9. Childcare costs are based on the area average for licensed home-based childcare centers from the Indiana Family and Social Services Administration.
10. The family has average expenses (among low-income

Table 2
Hourly Wage and Annual Budget by MSA and Family Type

MSA		Couple	Single Parent			Family of Four			
		2 Earners: ages 20-50 No Children	1 Earner: age 20-50 2 Children ages 2 and 3-5	1 Earner: age 20-50 2 Children ages 6-8 and 9-11	2 Earners: ages 20-50 2 Children ages 2 and 3-5	2 Earners: ages 20-50 2 Children ages 6-8 and 9-11	1 Earner: age 20-50 2 Children ages 2 and 3-5	1 Earner: age 20-50 2 Children ages 6-8 and 9-11	
Bloomington	Wage	5.71	15.16	14.83	8.49	8.36	10.69	11.60	
	Annual Budget	19,587	29,962	29,530	32,614	32,266	23,950	25,426	
Cincinnati (pt)	Wage	5.75	16.38	14.94	8.93	8.41	11.19	12.30	
	Annual Budget	19,803	31,282	29,756	33,934	32,492	24,814	26,290	
Elkhart-Goshen	Wage	5.76	14.35	13.89	8.09	7.91	10.86	11.89	
	Annual Budget	19,647	28,798	28,208	31,462	30,992	24,166	25,702	
Evansville-Henderson (pt)	Wage	5.34	13.10	12.84	7.46	7.36	9.94	10.85	
	Annual Budget	18,519	27,351	27,010	30,003	29,746	22,798	24,274	
Fort Wayne	Wage	5.49	13.36	14.25	7.59	8.07	10.20	11.12	
	Annual Budget	18,867	27,562	28,726	30,214	31,462	23,146	24,622	
Gary	Wage	6.16	17.54	17.57	9.33	9.40	11.94	13.33	
	Annual Budget	21,159	32,614	32,662	35,302	35,506	25,954	27,526	
Indianapolis	Wage	5.90	16.09	15.28	8.85	8.60	11.04	12.15	
	Annual Budget	20,151	30,867	30,094	33,531	32,878	24,502	26,038	
Kokomo	Wage	5.50	14.38	14.96	8.10	8.42	10.36	11.28	
	Annual Budget	18,915	28,921	29,674	31,573	32,410	23,410	24,886	
Lafayette	Wage	5.78	14.91	14.69	8.37	8.29	10.90	11.89	
	Annual Budget	19,779	29,602	29,307	32,254	32,043	24,274	25,750	
Louisville (pt)	Wage	5.65	13.98	14.52	7.90	8.20	10.42	11.34	
	Annual Budget	19,383	28,378	29,086	31,030	31,822	23,506	24,982	
Muncie	Wage	5.57	14.01	15.06	7.91	8.47	10.31	11.23	
	Annual Budget	19,155	28,462	29,854	31,114	32,590	23,362	24,838	
South Bend	Wage	5.72	14.74	15.57	8.28	8.69	10.76	11.74	
	Annual Budget	19,659	29,456	30,416	32,120	33,200	24,094	25,630	
Terre Haute	Wage	5.27	12.78	12.03	7.30	6.96	9.87	10.79	
	Annual Budget	18,183	26,794	25,815	29,446	28,551	22,606	24,082	

Source: Authors' calculations