



Minimum Wage Activity

Description

Students will create a monthly budget based on minimum wage income for one adult and one 3-year-old child. Students will calculate monthly expenses and income and identify challenges related to income-restricted families.

Duration: 20-30 minutes

Grade Levels: High

Objectives

1. Increase awareness of challenges that income-limited, employed individuals experience.
2. Develop a deeper understanding of the many ways that individuals can become food insecure.

Material List

- Internet access (to research expenses)
- Computer/tablet
- Activity worksheets

Activity

Students will research the total monthly expenses for a single parent with a toddler and total monthly income for a minimum wage job. Explain to student that they will create a budget based on New Jersey median costs for monthly expenses.

Students will be assigned various expenses and as a group they will calculate monthly income. Divide students into groups and assign them monthly expenses listed below. Students can be given multiple expense categories depending on the number of students in the class. If possible, student should provide a specific example of the expenses. For example, the median of a one-bedroom apartment in New Jersey is \$900 a month and in [CITY] the median is \$1500. Instruct students to all use the same city to account for different costs of living in various locations.

After 15 minutes, each group will report the New Jersey median expense amounts to the group. The facilitator should record the amounts on page 5. Ask students to help calculate income, total expenses, and any funds remaining.



Group Assignments:

- Housing and utilities (heat, electric, gas, water)
- Groceries and toiletries
- Healthcare and childcare
- Public transportation and cell phone
- Cable/internet, laundry, and any other monthly expenses

Discussion Points

- Are there any expenses that can be adjusted? If so, which ones and by how much?
- Do you think it is challenging to live on a minimum wage budget? If yes, were you surprised?
- What are some challenges that someone living on minimum wage could experience?
- How does surviving on minimum wage impact an individuals' food security?
- What are your takeaways from this activity?



Housing – One bedroom apartment

New Jersey Median: _____

Specific Example: _____

Notes: _____

Utilities - For a one-bedroom apartment

New Jersey Median: _____

Specific Example: _____

Notes: _____

Groceries and Toiletries – For one adult and one 3-year-old child

New Jersey Median: _____

Specific Example: _____

Notes: _____

Healthcare – For one adult and one 3-year-old child

New Jersey Median: _____

Specific Example: _____

Notes: _____

Childcare – For one 3-year-old child

New Jersey Median: _____

Specific Example: _____

Notes: _____



Public Transportation

New Jersey Median: _____

Specific Example: _____

Notes: _____

Cell Phone

New Jersey Median: _____

Specific Example: _____

Notes: _____

Cable/Internet

New Jersey Median: _____

Specific Example: _____

Notes: _____

Laundry – For one adult and one 3-year-old child

New Jersey Median: _____

Specific Example: _____

Notes: _____

Other Expenses

New Jersey Median: _____

Specific Example: _____

Notes: _____



Income

- New Jersey minimum wage = \$ _____/hour

Before tax deductions – Gross Income

- 40 hours per week x (New Jersey minimum wage) = \$ _____/week
- (Weekly income) x 4 weeks = \$ _____/month

After tax deductions – Net Income

- (Monthly income) x .19 = \$ _____ (amount of taxes deducted from paycheck)
- (Monthly income) – (taxes) = \$ _____/month

Total monthly income = \$ _____

Expenses

Expense Type	New Jersey Median
Housing	
Utilities	
Groceries and Toiletries	
Healthcare	
Childcare	
Public Transportation	
Cell Phone	
Cable/Internet	
Laundry	
Other expenses	
Total	

Summary

Income – Expenses = \$ _____