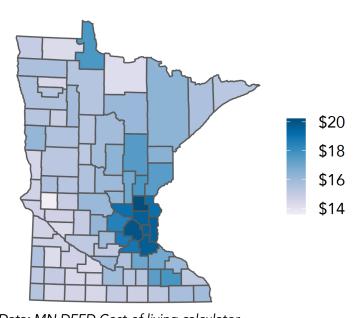


### Wages can go further in Greater Minnesota Data analysis of cost of living and wages

# Hourly wage needed to meet cost of living, 2019



## Cost of living varies significantly

The range in the estimated cost of living around the state can be surprising. For our hypothetical household, the adults would need to average nearly \$20 per hour to meet the cost of living around the Twin Cities seven-county metro, but only about \$14 per hour in southwest Minnesota. In north central and northeastern Minnesota, the hourly wage needed is a bit higher, between \$16 and \$18 per hour.

Data: MN DEED Cost of living calculator

#### Primary drivers of differences

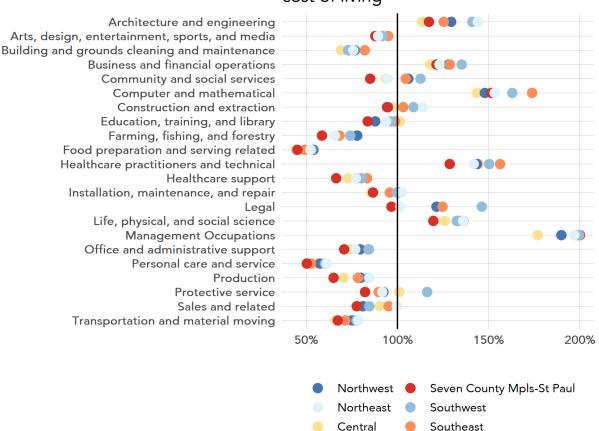
The primary drivers behind the lower cost of living in rural Minnesota compared to the Twin Cities metro (Figure 2) are:

- Childcare: nearly \$700/month in metro compared to around \$300 for Greater MN.
- Housing: nearly \$1,200/month in metro compared to around \$800 for Greater MN.
- Taxes: nearly \$660/month in metro compared to around \$400 for Greater MN.

Regions in Greater Minnesota typically have higher costs associated with **transportation** and **health care.** 



### Wages can go farther in Greater Minnesota Analysis of cost of living and wages



# Monthly median wages as a percent of cost of living

Data: MN DEED Cost of Living Calculator & Occupational Employment Statistics

It's no secret that wages across nearly all occupations are lower in Greater Minnesota compared to the seven-county metro. However, if we factor in the cost of living, Greater Minnesota's lower wages can go significantly farther there than the higher wages do in the seven-county metro. Figure 4 provides the monthly wage for each occupation as a percent of the monthly cost of living—the further right a region is on the chart, the larger percentage of cost of living that wage covers.

To read the full report, visit our website at <u>ruralmn.org</u>.