

Living Wage vs. Postsecondary Graduate Earnings Dashboard

Compare Postsecondary Graduate Earnings to Local Living Wage Benchmarks Across Metro Areas

Use this dashboard to assess whether postsecondary education leads to a sustainable income across cities in your state – and where challenges remain.

Overview

The Living Wage vs. Postsecondary Graduate Earnings Dashboard is an interactive tool that compares the median annualized earnings of postsecondary graduates with the living wage across <u>U.S. metropolitan statistical areas (MSAs)</u>. By examining the gap between expected earnings and local cost-of-living thresholds, the dashboard helps users evaluate the economic viability of post-graduation outcomes in specific geographic regions. Users can select a state to view metro areas within it, with each row in the table showing both the nominal earnings difference and percentage variance related to the local living wage.

Intended Audience

This dashboard is designed for a diverse set of users:

- **Policymakers and State Officials:** Identify regional disparities and support workforce or education planning.
- Institutional Leaders: Understand how graduates' earnings compare to local cost-of-living realities.
- **Prospective Students and Families:** Make informed decisions about where to study and what financial outcomes to expect in different cities.

Key Questions This Tool Can Help Answer

- Do graduates from institutions in my state typically earn enough to meet or exceed the living wage in different metro areas? And how many years post-graduation does it take to meet this threshold?
- How does the earnings gap vary across cities for a specific family configuration?
- In which metropolitan areas do graduate earnings fall short of or exceed the local cost of living?

Data Sources

- <u>Postsecondary Employment Outcomes (PSEO)</u>: This is provided by the U.S. Census Bureau, in collaboration with participating institutions and the Longitudinal Employer-Household Dynamics (LEHD) program. It links de-identified graduate records with national earnings data to present post-graduation income metrics.
- <u>MIT Living Wage Calculator</u>: Developed by the MIT Department of Urban Studies and Planning, this tool estimates the income required to cover basic living expenses such as housing, food, childcare, transportation, and taxes based on household composition and location. Living wage estimates vary depending on the number of working adults and children in a household.

Important Caveats

- **Family Configuration Matters:** The living wage varies significantly based on household makeup. Users should be mindful of which configuration is selected (e.g., one adult with two children vs. two working adults with no children).
- Metro Area Focus: The analysis is limited to metropolitan statistical areas, which may not reflect conditions in rural or non-metro areas.
- **Participation Limits:** As with all PSEO data, the earnings figures represent only graduates from institutions participating in the PSEO Coalition.
- Lagged Earnings Data: Earnings outcomes may not reflect current economic conditions, as data is collected and published on a delay due to the nature of graduate tracking and federal data processes.

