LIVING WAGE
Update 2026/27

€16.00 PER HOUR

Living Wage Updated

The updated Living Wage for the Republic of Ireland has been calculated by the Living Wage Technical Group. It is €16 per hour. The new rate represents an increase of 60c per hour over the 2025/26 rate (€15.40) - an increase of 3.9%.

The living wage is calculated based on living costs and the new rate is associated with changes to these costs and to income taxes. Over the past year living costs increased by 3.1% (€16.67 per week) for a Living Wage worker including for clothing, personal care, household goods & services, and health insurance. Housing costs increased by 4.7% (almost €11 per week) and energy costs grew by 29.2% (€9 per week). These have outweighed some lower costs (in food, communications, social inclusion participation and transport) to drive the overall increase.

This document outlines the Living Wage concept and provides details of changes in living costs over the past year.

Further information, including a technical document outlining the calculation methodology, is available at www.livingwage.ie

What is a Living Wage?

The Republic of Ireland Living Wage was established in 2014 and is part of a growing international set of similar figures which reflect a belief that individuals working full-time should be able to earn enough to enjoy a decent standard of living.

The Living Wage calculation is evidence based and built on budget standards research that tracks changes in living costs. The hourly figure:

- establishes the average gross salary which will enable full time (39hrs per week) employed adults (without dependents) across Ireland to afford a socially acceptable standard of living;
- is a living wage which provides for needs not wants; and
- is unlike the National Minimum Wage which is not based on the cost of living;

In principle, a living wage is intended to establish an hourly wage rate that should provide employees with sufficient income to achieve an agreed acceptable minimum standard of living.

Timing of the Living Wage Update

The Technical Group announce the new rate at this time of year so that Living Wage employers and employees can factor the implications of any change into wage negotiations for the year to come.

Living Wage Calculation for 2026/27

EXPENDITURE	DUBLIN	CITIES	TOWNS	RURAL
Food	60.19	60.19	60.19	58.29
Clothing	15.75	15.75	15.75	15.81
Personal Care	17.54	17.54	17.54	17.50
Health	7.29	7.29	7.29	7.62
Household Goods	11.13	11.13	11.13	11.13
Household Services	5.13	5.13	5.13	6.02
Communications	12.50	12.50	12.50	12.50
Social Inclusion & Participation	55.77	55.77	55.77	59.89
Transport	33.32	27.25	53.57	58.27
Housing	361.53	249.56	208.41	166.13
Household Energy	33.45	33.45	33.45	51.10
Personal Costs	9.05	9.05	9.05	9.05
Insurance - *Health*	18.42	18.42	18.42	18.42
Insurance - *Car*	...	...	11.49	9.00
Savings & Contingencies	10.00	10.00	10.00	10.00
Total Expenditure	**651.06**	**533.03**	**529.69**	**510.71**

INCOME CALCULATION				
Annual				
Gross Salary	39,957.49	31,416.96	31,213.61	29,790.19
Net Salary	*33,971.59*	*27,882.19*	*27,737.20*	*26,722.30*
Weekly				
Gross Salary	766.35	602.55	598.65	571.35
Net Salary#	*651.55*	*534.76*	*531.98*	*512.51*
Social Welfare				
Medical Card	GP Visit	GP Visit	GP Visit	GP Visit

LIVING WAGE CALCULATION				
Weighting*	0.3008	0.0924	0.2007	0.4062
	ACTUAL	**ROUNDED****		
LIVING WAGE – Gross per annum	33,284.29			
LIVING WAGE – Gross per week	638.36			
LIVING WAGE – Reference rate per hour	16.37	16.35		
LIVING WAGE – Capped rate per hour***		**16.00**		

Notes: The Living Wage Technical Group has published a technical document entitled 'Calculating a Living Wage for the Republic of Ireland' where the methodology for calculating and updating the Republic of Ireland Living Wage is detailed. This is available at www.livingwage.ie * Weights reflect the proportion of the working age population in each area (Census 2022). Rounded weights shown, unrounded data are used in calculations. The product of rounded figures will produce a marginally different result from that shown. ** Where required, the hourly figure is rounded to the nearest €0.05. *** The annual increase in the Living Wage is capped at no more than the increase in the rate of private sector hourly earnings. This was 3.8% in the year to Q2 2026 limiting the annual increase to 60c from the 2025/26 rate of €15.40. # net salary post income tax, USC, employee PRSI and required auto-enrolment contribution.

How is the Living Wage Calculated?

The Living Wage is set by the Living Wage Technical Group (LWTG) based on research identifying the Minimum Essential Standard of Living (MESL) in Ireland, conducted by the Vincentian MESL Research Centre at the SVP. This research establishes a consensus on what members of the public believe is a minimum standard that no individual or household should live below. Where necessary the core MESL data has been complemented by other expenditure costs for housing, insurance and transport. The calculation of the Republic of Ireland Living Wage is focused on a single-adult household. A more detailed account of the methodology used to set the Living Wage has been published in an accompanying Technical Document available on our website.

The Living Wage differs from the Government's Living Wage which adopts a fixed threshold approach as opposed to the "basket of good" approach used by the LWTG. The Government's living wage was due to be set at 60% of the median wage by 2026 but is now due to reach this level by 2029. In September 2026, the Low Pay Commission recommended that as a means of moving towards this benchmark the statutory Minimum Wage should increase by 79c to €14.94 per hour in 2027 (Budget 2027 will include a consideration of this new rate).

Key Changes over the past year

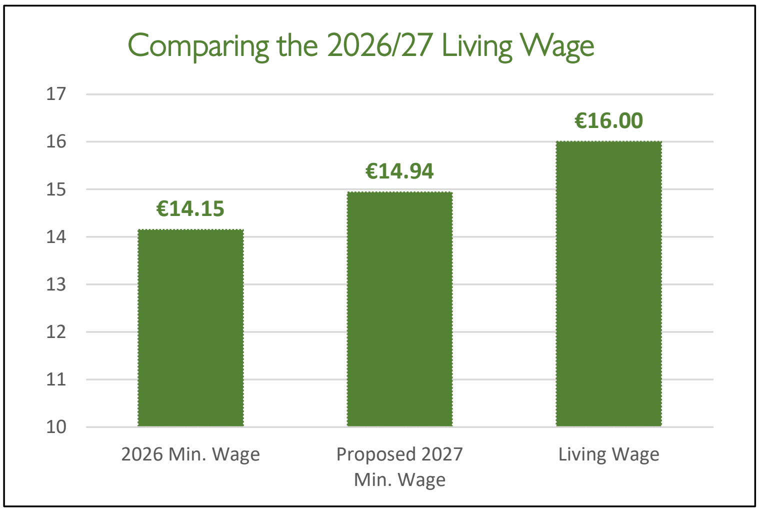
As the Living Wage is calculated based on the cost of the expenditure categories detailed on page 2, and on the basis of the post-tax and benefits income an individual receives, it is only changes to these that determine a change in the annual rate. Compared to last year, living costs increased for ten areas of expenditure included in the calculation and decreased for five. Overall, the weekly expenditure of Living Wage workers needed to increase by 3.1 % for them to continue to meet the minimum standard.

The 'My Future Fund' auto-enrolment pension scheme came into effect this year and has had an impact on the calculation of the Living Wage rate for the first time. Employee's auto-enrolment contributions are currently set at 1.5% of earnings. The full incorporation of these contributions, in conjunction with the changes in living costs, results in a reference Living Wage rate of €16.35 per hour. Without this new contribution, the reference rate would be €16.05 per hour.

Since 2020, the cost of living for a working age single adult has risen by over €135 per week (33%). While policy measures have limited the potential growth in the wage needed to meet the rising cost of living, the gap between the Living Wage and National Minimum Wage remains substantial (see chart below).

Cap on Annual Increase

The calculation methodology for the annual Living Wage includes a limit to the annual increase, in recognition of the fact that employers require some degree of certainty of the direction of labour costs when committing to paying their employees a living wage. The ceiling equals the percentage increase in private sector hourly earnings in the 12 months prior to the calculation. In the year to Q2 2026 private sector earnings grew 3.8%. This limits the 2026/27 increase in the Living Wage to a maximum of €16.00 per hour. Without this cap the rate would rise to €16.35 per hour. For more details see Section 1.12 of the technical document.



Family Living Incomes

While the calculation of the Living Wage is based on a single-adult household, the Living Wage Technical Group recognises that households with children experience additional costs which are relevant to any consideration of such household's standards of living.

To put the Living Wage rate in context, and demonstrate the additional income and social support needs of households with children, a range of Family Living Income needs have also been calculated, following a complimentary method to that used for the Living Wage. Details of these Family Living Incomes are published each year to accompany the annual Living Wage update. Households with children have both additional expenditure needs due to their larger size, and different expenditure needs due to the different needs of children and parents. The budget standards data includes the Minimum Essential Standard of Living expenditure needs for family households with one or two parents and one to four children.

The Family Living Income data summarises the varying expenditure and income needs for a set of the most commonly occurring family household compositions - see table. For each household composition, the range in the Family Living Income needs is presented. As with the Living Wage figure, the range reflects an overall national range of gross income needs and is calculated in the same way.

It should be noted that these figures reflect the income needs of families given the current structure of social supports. The provision of affordable childcare and more comprehensive social housing options would notably reduce these income requirements.

A more detailed account of the methodology used to calculate these Family Living Incomes has been published by the Group and is available on the website.

Family Living Incomes – annual gross salary per adult, 2026

	€ per adult	
Family Type	***from***	***to***
Two parents and one child (an infant)	28,775	29,585
Two parents and two children (one in pre-school and one in primary)	30,400	38,125
Two parents and three children (an infant, one in pre-school and one in primary)	34,465	45,245
Two parents and four children (two in primary school and two in secondary school)	40,770	47,685
One parent and one child (in primary school)	28,775	56,430
One parent and two children (one in pre-school and one in primary school)	28,775	80,015

Living Wage Website

The Living Wage website provides further details of the methodology, calculations and findings for the Living Wage and Family Income figures.

It also contains more information on the data used for our calculations, the international and historical context for the Living Wage and links to other Living Wage campaigns elsewhere in the world.

www.livingwage.ie

The Living Wage Technical Group is supported by: