



It's Time To Raise The Minimum Wage: Pennsylvania

Right now, our economy isn't working for everyone. The economic deck seems stacked in favor of those at the top at the expense of everyone else. We need to create an economy that works for everyone, not just the wealthy few. Raising the minimum wage will provide hard-working Americans with a better opportunity to get ahead while giving the economy a needed boost. With a higher minimum wage, workers will have more money to spend, which in turn gives businesses more customers—helping them to hire more workers. This will kick start a growing economy that will create more opportunities for those who work hard.

Raising the minimum wage is good for the economy

Raising the minimum wage will put money into the pockets of workers and may boost the economy

- **Increasing the minimum wage would help workers**, who will then spend the money on things such as housing, food, and gas. This boost in demand for goods and services will stimulate the economy¹ and help create opportunities for all Americans. The money gets funneled back to small and large businesses that would need to hire more workers to keep up with the demand, reinforcing a virtuous circle that will help build an economy that works everyone.
- **Increasing the minimum wage may increase economic activity.** One study showed that increasing the federal minimum wage from \$7.25 to \$10.10 per hour would grow the economy by \$22 billion.²

Americans would benefit from increasing the minimum wage

- **Increasing the minimum wage would raise yearly earnings for minimum-wage workers.** Currently, a full-time worker making the minimum wage earns just \$15,080 a year.³ For a family of three, that is \$4,000 below the poverty line.⁴ Raising the minimum wage to \$10.10 would increase yearly earnings to \$19,777.⁵
- **Millions of workers would benefit from raising the minimum wage.** Increasing the minimum wage to \$10.10 and indexing it to inflation would raise the wages of nearly 28 million workers by \$35 billion.⁶
- **Most minimum-wage workers are women.** About two-thirds of all workers who are paid the minimum wage or less are women.⁷ Raising the minimum wage to \$10.10 would benefit 15 million women.⁸
- **Minimum-wage workers are older than you think.** Minimum-wage workers are not just teenagers. Nearly 90 percent of minimum-wage workers are 20 years or older.⁹ The average minimum-wage worker is 35 years old.¹⁰

Businesses see value in increasing the minimum wage

- **Businesses such as Costco¹¹ and GAP¹² understand the value of increasing the minimum wage.** It helps reduce employee turnover and increases employee productivity, commitment, and loyalty—all of which help increase profits.
- **Nearly 60 percent of small-business owners recognize that raising the minimum wage would benefit businesses.** This is why, according to a survey from Small Business Majority, 82 percent of small businesses pay their workers more than the federal minimum wage of \$7.25.¹³
- Business owners and leaders in Pennsylvania, such as Robert Cheetham, owner and CEO of Azavea, and Gerald Onesi, owner of Night Kitchen Bakery, support raising the minimum wage to \$10.10.¹⁴

Raising the minimum wage would put more money in workers' pockets, reduce their need for food stamp benefits, and save taxpayers \$4.6 billion a year¹⁵

- **Raising wages for low-income workers would reduce government spending on nutrition assistance.** A groundbreaking study released by the Center for American Progress finds that raising the minimum wage to \$10.10 would lower government spending on Supplemental Nutrition Assistance Program, or SNAP, by \$4.6 billion a year, or \$46 billion over the next 10 years.¹⁶

- Annually, between 156,052 to 177,315 more people in Pennsylvania would not need SNAP if we raise the minimum wage to \$10.10.¹⁷
- Raising the minimum wage to \$10.10 would result in \$207.5 million annual SNAP savings in Pennsylvania.¹⁸

Raising the minimum wage is important for jobs

- **Studies show that minimum-wage increases do not cause job losses.** In 2010, economists studied employment levels in neighboring counties that straddle a border between states that had different minimum-wage rates between 1990 and 2006. The study found that “minimum wage increases did not cause job losses in counties with higher minimum wages.”¹⁹
- **In fact, more than half of states that raised the minimum wage during periods of high unemployment saw their unemployment rate decrease over the next year.**²⁰

Americans support raising the minimum wage

- Polling shows that the majority of American voters—72 percent—strongly support raising the minimum wage to \$10.10. This includes 75 percent of independents, 48 percent of Republicans, and 75 percent of women.²¹

Why raising the minimum wage is the right choice for Pennsylvania

- **721,000:** Number of people in Pennsylvania who would be directly affected by increasing the federal minimum wage to \$10.10.²²
- **353,000:** Number of people in Pennsylvania who would be indirectly affected by increasing the federal minimum wage.²³
- Increasing the federal minimum wage would have a total wage increase of \$1,611,687,000 for Pennsylvania.²⁴
- Increasing the federal minimum wage Pennsylvania helps women; 56.5 percent of the workers benefitting from a minimum-wage increase are women.²⁵
- **516,000 children** would see their parents’ wages rise because of an increase in the minimum wage.²⁶

Endnotes

- 1 T. William Lester, David Madland, and Jackie Odum, "Raising the Minimum Wage Would Help, Not Hurt, Our Economy," Center for American Progress Action Fund, December 3, 2013, available at <http://www.americanprogressaction.org/issues/labor/news/2013/12/03/80222/raising-the-minimum-wage-would-help-not-hurt-our-economy/>.
- 2 David Cooper, "Raising the Federal Minimum Wage to \$10.10 Would Lift Wages for Millions and Provide a Modest Economic Boost" (Washington: Economic Policy Institute, 2013), available at <http://www.epi.org/publication/raising-federal-minimum-wage-to-1010/>.
- 3 Ibid.
- 4 Families USA, "Federal Poverty Guidelines," available at <http://familiesusa.org/product/federal-poverty-guidelines> (last accessed March 2014).
- 5 Cooper, "Raising the Federal Minimum Wage to \$10.10 Would Lift Wages for Millions and Provide a Modest Economic Boost."
- 6 Ibid.
- 7 David Madland and Keith Miller, "Raising the Minimum Wage Would Boost the Incomes of Millions of Women and Their Families," Center for American Progress Action Fund, December 9, 2013, available at <http://www.americanprogressaction.org/issues/labor/news/2013/12/09/80484/raising-the-minimum-wage-would-boost-the-incomes-of-millions-of-women-and-their-families/>.
- 8 Cooper, "Raising the Federal Minimum Wage to \$10.10 Would Lift Wages for Millions and Provide a Modest Economic Boost."
- 9 David Cooper and Dan Essrow, "Low-wage Workers Are Older Than You Think," Economic Policy Institute, August 28, 2013, available at <http://www.epi.org/publication/wage-workers-older-88-percent-workers-benefit/>.
- 10 Ibid.
- 11 Bonnie Kavoussi, "Costco CEO: Raise the Minimum Wage to More Than \$10 Per Hour," Huffington Post, March 6, 2013, available at http://www.huffingtonpost.com/2013/03/06/costco-ceo-minimum-wage-craig-jelinek_n_2818060.html.
- 12 Aviva Shen, "Why Gap Is Raising Its Minimum Wage to \$10," ThinkProgress, February 19, 2014, available at <http://thinkprogress.org/economy/2014/02/19/3306841/gap-raising-minimum-wage-10/>.
- 13 Small Business Majority, "Opinion Poll: Small Businesses Support Increasing the Minimum Wage to \$10.10" (2014), available at <http://www.smallbusinessmajority.org/small-business-research/minimum-wage/small-business-support-increasing-minimum-wage.php>.
- 14 Business For a Fair Minimum Wage, "Business for a Fair Minimum Wage Federal Signatories List In Formation," available at <http://www.businessforfairminimumwage.org/Federal/Signatories-Current> (last accessed March 2014).
- 15 Rachel West and Michael Reich, "The Effects of Minimum Wages on SNAP Enrollments and Expenditures" (Washington: Center for American Progress, 2014), available at <http://www.americanprogress.org/issues/economy/report/2014/03/05/85158/the-effects-of-minimum-wages-on-snap-enrollments-and-expenditures/>.
- 16 Ibid.
- 17 Ibid.
- 18 Ibid.
- 19 T. William Lester, David Madland, and Nick Bunker, "An Increased Minimum Wage Is Good Policy Even During Hard Times," Center for American Progress Action Fund, June 7, 2011, available at <http://www.americanprogressaction.org/issues/labor/news/2011/06/07/9747/an-increased-minimum-wage-is-good-policy-even-during-hard-times/>.
- 20 Lester, Madland, and Odum, "Raising the Minimum Wage Would Help, Not Hurt, Our Economy."
- 21 Sarah Dutton and others, "Poll: Americans split on Obama approval," CBS News, January 23, 2014, available at <http://www.cbsnews.com/news/poll-americans-split-on-obama-approval/>.
- 22 Cooper, "Raising the Federal Minimum Wage to \$10.10 Would Lift Wages for Millions and Provide a Modest Economic Boost."
- 23 Ibid.
- 24 Ibid.
- 25 Ibid.
- 26 Ibid.