



WHY POWER SUPPORTS A \$15 MINIMUM WAGE

- Inequality and poverty are major problems for Philadelphia’s economy and reputation. Philadelphia’s poverty rate is 24% (nearly twice the national poverty rate). In addition to being “the poorest big city in America, Philadelphia also has the highest rate of deep poverty - people with incomes below half of the poverty line - of any of the nation's 10 most populous cities. Philadelphia's deep-poverty rate is 12.2 percent almost twice the U.S. deep-poverty rate of 6.3 percent.”
Alfred Lubrano, Inquirer Staff Writer: 9/ 26/14
- Per capita real personal income earned in the economy, excluding Social Security and other government programs, adjusted for inflation — has grown by 100.6% since 1968. If our standard for minimum wages had kept pace with overall income growth in the American economy, it would now be \$21.16 per hour.
Institute for Policy Studies <http://inequality.org/author/sbabones/>
- Adults 20 years of age or over make up 89 percent of all workers who would receive a raise if the federal minimum wage were raised to \$12 per hour by 2020, according to an [analysis](#) of Census data by the Economic Policy Institute. The median worker age is close to 40 for home health care workers, one of the nation’s top-growth low-wage occupations.
Raising America’s Pay: Briefing #405 [David Cooper](#) | 7/14/15
- Current minimum wage pay is a drain on the public economy. For example, one in six of Walmart’s 48,000 Pennsylvania employees in 2006 were enrolled in Medicaid, costing the state about \$15 million a year.
Amy Worden, "Many Wal-Mart Workers Use Medicaid," Philadelphia Inquirer, 3/2/06.
- The goal of the minimum wage law is not to raise or lower unemployment, nor should it be, because evidence suggests that it really can’t. Its purpose is social. It is meant, just like many other laws, to protect those who might not have the power or resources be able to protect themselves. And there’s little doubt who is the in need of protection in this context. Comedian Chris Rock said once on Saturday Night Live, “You know what that means when someone pays you minimum wage? You know what your boss was trying to say? ‘Hey if I could pay you less, I would, but it’s against the law.’”
The Real Argument For Raising The Minimum Wage Forbes JUL 31, 2015 [John T. Harvey](#)

WHAT ABOUT BUSINESS AND THE ECONOMY?

- Since 1938, the federal minimum wage has been increased 22 times. For more than 75 years, real GDP per capita has steadily increased, even when the minimum wage has been raised. (DoL)
- The most sophisticated minimum wage study to date, published in November 2010 by economists at the University of Massachusetts, University of North Carolina, and University of California, compared employment data among every pair of neighboring U.S. counties that straddle a state border and had differing minimum wage levels at any time between 1990 and 2006, and found that minimum wage increases did not cost jobs. A companion study published in April 2011 found that these results hold true even during periods of recession and high unemployment. John T. Harvey, *Forbes* 9/31/15
- In eight states, various localities and employers have already adopted policies raising their base pay to approximately \$15 per hour. Policy campaigns are currently underway in at least eight more cities and four more states to increase minimum wages to at least \$15.
- A 2006 article in the *Harvard Business Review* finds that wholesale retailer Costco's higher wage rate than other retailers' results in less turnover and employee theft, and greater productivity. *High Cost of Low Wages* (Cascio 12/06)
- A July 2015 survey found that 3 out of 5 small business owners with employees support a gradual increase in the minimum wage to \$12. The survey reports that small business owners say an increase "would immediately put more money in the pocket of low-wage workers who will then spend the money on things like housing, food, and gas. This boost in demand for goods and services will help stimulate the economy and help create opportunities." (US Department of Labor DoL)
- In addition to concentration in a handful of industries, the majority of low-wage workers are employed by large firms rather than small businesses: 66 % of all low-wage workers are employed by firms with over 100 total employees. Among the 50 largest low-wage employers, 92 % were profitable last year, 78 % were profitable for the past 3 years, 73 % have higher cash holdings now than before the recession. As most of the largest low-wage employers in the U.S. have successfully recovered from the recession, they have shared their profits generously with their top executives and shareholders, while wages for frontline workers in these industries have remained stagnant. National Employment Law Project DATA BRIEF July 2012