

# Raise the Minimum Wage

## We Seek Living Wages for All Workers

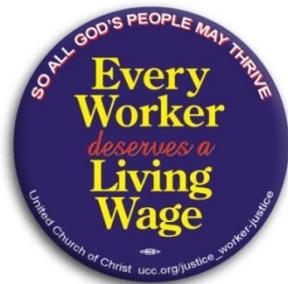


*You shall not withhold the wages of poor and needy laborers, whether other Israelites or aliens who reside in your land in one of your towns. Deuteronomy 24:14*

God's concern for the poor is at the heart of the Christian ethic of economic justice. Our biblical heritage teaches us that caring for the poor, the least among us, the stranger, and the ones on the margins is central to our understanding of God's mercy and our willingness to see Christ in all people.

God envisions a world where all God's people live lives of wholeness and have the opportunity to be the people they were created to be. We are called to ensure that God's abundance, given to us all, is equitably shared so everyone may thrive in the fullness of life. Within an economic system of wage labor, this means that everyone must be paid a living wage and be treated with dignity on the job.

### The Minimum Wage is Too Low



Most workers in the U.S. are protected by regulations requiring their hourly wages to exceed the minimum set by law. Congress sets the federal minimum wage which was last increased to \$7.25 an hour in 2009. Some 30 states, 24 cities and counties, and the District of Columbia, state and local officials have raised their minimum wages above the federal (or state) level.

Minimum wage laws are **critically important**. Most people need to work in order to support themselves and their families, and there are usually (essentially always) too few jobs. This reality creates the core conflict in the workplace: an employer has much more power than a worker. So even if a worker doesn't want to take a job because it pays too little, he or she will be forced to accept it anyway, no matter how low the wage, if nothing else is available. To prevent destitution and put a limit on how low the wage could go, Congress passed the first minimum wage law in 1938. Since then, Congress has periodically increased the minimum but not since 2009.

Today, a full-time worker being paid the federal minimum wage would earn just over \$15,000 a year, far too little money to support one person, let alone a family. A single parent with one child who works full time earning the minimum wage would **live below the federal poverty line**.

There is a separate federal minimum wage for anyone classified as a **tipped worker** – someone who earns at least \$30 in tips a month. The tipped minimum wage is \$2.13 an hour; it has not been increased since 1991. If the tipped minimum wage plus tips do not add up to at least \$7.25 an hour, the employer must make up the difference in cash. But this is difficult to monitor for employers who want to comply and largely unenforceable among employers who chose to ignore the law. The separate tipped minimum wage must be eliminated as a number of states have done already.

The low value of the minimum wage **contributes to the growing economic divide** between the very rich at the top of the economic ladder and everyone else, especially the folks on the lower rungs.

The **minimum wage peaked in inflation-adjusted value in 1968**, when it was equal to \$11.00 in today's dollars. Since then, many factors justify a minimum wage that is *higher* than in 1968 -- the amount a typical worker produces in an hour has risen, living standards have risen,

*Woe to him who builds his house by unrighteousness, and his upper rooms by injustice; who makes his neighbors work for nothing, and does not give them their wages.*

Jeremiah 22:13

low-wage workers' education and skills have improved – but, instead, the minimum wage today is worth less than 48 years ago.

The hourly wage required to rent a modest, two-bedroom apartment in the U.S. is \$19.35 per hour, over two and a half times the federal minimum wage of \$7.25. In every state, a person working full-time at minimum wage would **not be able to afford a one-bedroom apartment** at the Fair Market Rent.

## Raise the Minimum Wage

There are **multiple proposals for raising the minimum wage**: to \$12 an hour, \$15 an hour, or \$20 an hour. Research shows that moderate increases in the minimum wage do *not* cause job loss.

The most modest proposal -- raising the minimum wage to \$12 by 2020 -- would **lift wages for 35.1 million workers**—more than one in four. People of color would especially benefit; over one-third of African American and Hispanic workers would receive a raise. An increase of the minimum wage even higher, to \$15 or \$20 an hour, would impact millions more workers.

If the federal minimum rose to \$12 an hour, the average affected worker would earn roughly \$2,300 more each year. The lowest paid workers would see the largest raises. The average age of the worker who would get a raise is 36 years old. About two-thirds of affected workers are 25 years old or older. The majority of affected workers (56%) are women.

## Living Wages for All

The problem of low wages goes far beyond the problems with the minimum wage. In the U.S. today, **over one-quarter of all jobs (28%) pay poverty wages**, so low that a full-time worker cannot keep a four-person family above poverty. Moreover, many of these low wage jobs are part-time, have irregular hours and last-minute scheduling (making child care arrangements or attending school difficult), and no pension. Some 43 million workers -- nearly four in 10 private sector workers and more than 80 percent of low-wage workers -- do not have paid sick days to care for their own health. Millions more do not have sick days to care for a sick child or family member.

Low-wage jobs can be found **in every industry or occupation** and the number of these jobs is growing rapidly. If nothing is done, the number of low-wage jobs will increase in the future. Much of this work cannot be moved overseas. The jobs performed by low-wage workers -- cleaning, caring for children and elders, selling items to customers -- need to be done in our local communities.

Many workers in low-wage jobs are seeking higher wages; they want and need support. If **people of faith stand with low-wage workers**, then poverty-wage jobs can be changed into living-wage jobs. Watch for efforts to boost wages happening in your area.

To make God's vision a reality, **God calls the Church to action**, to "loose the bonds of injustice, to undo the thongs of the yoke, to let the oppressed go free, and to break every yoke" (Isaiah 58:6). We are called to answer God's call to be co-creators with God of a world "where justice rolls down like waters and righteousness like an ever flowing stream" (Amos 5:24). God's reign does not stop at the door to the workplace. The Church, the body of Christ, is called to seek out and accompany people wherever they are and stand with them in the struggle for justice.

June 2016

Find this Fact Sheet with links to more information at [www.ucc.org/living\\_wage](http://www.ucc.org/living_wage) or contact Edith Rasell, UCC Minister for Economic Justice at [raselle@ucc.org](mailto:raselle@ucc.org) or 866-822-8224, ext. 3709.



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