

Immediate Release

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Time to Raise the Minimum Wage

[Charleston, WV] – Working full-time for today's minimum wage is not enough to stay out of poverty. In West Virginia, and at the federal level, the minimum wage has not been raised since 2009. Nineteen states have raised the minimum wage on their own and, in 2013, the West Virginia legislature passed a resolution supporting President Obama's proposal which would increase the federal minimum wage to \$9.00 and index it to inflation.

In a report released today, "Giving West Virginia's Workers a Raise: Increasing the State Minimum Wage," the West Virginia Center on Budget and Policy calls for an increase in the minimum wage by putting it in context to its historic value and other benchmarks. The report also shows who would benefit from an increase in the minimum wage and explores some of the reasons why the traditional arguments against raising the minimum wage are largely unsubstantiated.

"The value of the minimum wage hasn't kept up with rising costs of groceries, health care, education and other basic necessities. If the minimum wage had grown along with inflation it would be worth more than \$10.70 an hour today, and if it had grown along with increases worker productivity, it would be worth even more. Instead it isn't even enough to lift a working family out of poverty. Raising the minimum wage to at least \$8.50 an hour would benefit more than 120,000 workers in the state, many of whom are full-time working adults supporting their families, with minimal negative consequences," stated Sean O'Leary, Fiscal Policy Analyst with the West Virginia Center on Budget and Policy.

Key findings of the report include:

- The real (inflation adjusted) value of the minimum wage has declined from its peak of \$10.72 in 1968 to \$7.25 today.
- Working full-time on the minimum wage is not enough to keep a family of two out of poverty.
- Raising the minimum wage to \$10.10 over the next three years would raise the wages of 191,000 workers in West Virginia, while raising it to \$8.50 next year would benefit 122,145 workers.
- The majority of the beneficiaries of a minimum wage increase are adult, full-time workers who are supporting their families in moderate- to low-income households.
- Research shows that raising the minimum wage has little to no impact on employment and prices.

At last week's meeting of the Joint Committee on Children and Families, 18 ideas to help reduce poverty in West Virginia were presented to the committee members. Raising the minimum wage was one of the policy options, calling for legislators to increase West Virginia's minimum wage now, instead of waiting for federal action.

-30-

The full report is available at www.wvpolicy.org. The West Virginia Center on Budget and Policy (www.wvpolicy.org) is a public policy research organization that is nonpartisan, nonprofit, and statewide. The Center focuses on how policy decisions affect all West Virginians, especially low- and moderate-income families.