FOIA Number: 2016-0531-F

FOIA MARKER

This is not a textual record. This is used as an administrative marker by the William J. Clinton Presidential Library Staff.

Collection/Record Group: Clinton Presidential Records

Subgroup/Office of Origin: Public Liaison

Series/Staff Member: Alexis Herman/Ruby Moy

Subseries:

OA/ID Number: 7663

FolderID:

Folder Title:
[Folder 4] [Minimum Wage]

Stack:	Row:	Section:	Shelf:	Position:
S	30	3	8	3

REWARDING WORK: THE CASE FOR INCREASING THE MINIMUM WAGE

The President's proposal would increase the minimum wage from $4.25 to $5.15 over two years. The last increase, passed by an overwhelming, bipartisan vote in 1989, and implemented in 1990 and 1991, was also a 90-cent increase. For a full-time minimum wage worker, a 90-cent increase would raise their yearly income by $1,800 -- as much as the average family spends on groceries in over 7 months.

YOU CAN'T RAISE A FAMILY ON $4.25 AN HOUR. The minimum wage is approaching its lowest real value in 40 years. The minimum wage has lost nearly all of its real value since its last increase in April 1991. The first half of the President's proposal would not even restore the minimum wage to its real value when it was last increased.

- **Ensuring No Parent Has To Bring Up Their Kids In Poverty.** The dramatic extension of the Earned Income Tax Credit (EITC) helped lift hundreds of thousands of working families out of poverty. With a 90-cent minimum wage increase and the expanded EITC, we can ensure that no parent who works full-time would have to bring up their kids in poverty.

- **Helping Adult Workers Trying To Support Their Families.** According to the Bureau of Labor Statistics:

  - 69% of those workers who would benefit from an increase are adults, age 20 or over;
  - Almost two-fifths (39%) are the only wage earner in their household; and
  - The average minimum wage worker brings home <u>half</u> of their family's earnings.

- **Giving A Pay Raise To The More Than 10 Million Workers At or Near The Minimum Wage.** An estimated 10 million hourly workers earn between $4.25 and $5.14 and would directly benefit from the President's proposal. An increase in the minimum wage could also have a "ripple" effect on the over 3 million workers who earn within 60 cents of the new minimum wage.

EMPIRICAL EVIDENCE SHOWS THAT RAISING THE MINIMUM WAGE WILL NOT COST JOBS. Nearly two dozen empirical studies have found that moderate increases in the minimum wage do not have a significant impact on employment. These studies include state-specific research in California, Texas, and New Jersey that shows that state minimum wage increases did not result in any job loss.

- **101 Economists Including 3 Nobel Prize Winners Agree That A Minimum Wage Increase Won't Cost Jobs.** In the fall of 1995, 101 economists -- including 3 Nobel Prize-winners Kenneth Arrow, Lawrence Klein, and James Tobin -- signed a letter supporting the President's proposal to raise the minimum wage, affirming that it would <u>not</u> have a significant effect on employment, and concluding that *"overall effects [of an increase] on the labor market, affected workers, and the economy would be positive."*

- **A Minimum Wage Increase Will Not Cost Jobs For African-American Teenagers.** Study after study finds that a minimum wage increase will <u>not</u> cost jobs for adults, teens, <u>or</u> African-American teens. Recent claims that the unemployment rate of African-American teens rose after the last minimum wage increase are false; the increase was a result of the Bush recession, <u>not</u> the minimum wage increase. In one of the most thorough reviews of the economic literature, Professor Charles Brown and coauthors stated: *"While it is often asserted that blacks are more adversely affected than whites by the minimum wage... we conclude from the body of literature that such an assertion must rest on theoretical rather than empirical grounds."*

THE LAST MINIMUM WAGE INCREASE -- ALSO 90 CENTS -- GARNERED STRONG BIPARTISAN SUPPORT. In 1989, the minimum wage was passed by votes of 382 to 37 (135 Republicans) in the House, and 89 to 8 in the Senate (36 Republicans) and was supported by Senator Dole, Senator Lott, and Rep. Gingrich.

SOUTH CAROLINA: Benefits 156,000 workers in South Carolina, representing 15.6 percent of all hourly workers in the state.

SOUTH DAKOTA: Benefits 32,000 workers in South Dakota, representing 15.9 percent of all hourly workers in the state.

TENNESSEE: Benefits 242,000 workers in Tennessee, representing 16.7 percent of all hourly workers in the state.

TEXAS: Benefits 943,000 workers in Texas, representing 20.4 percent of all hourly workers in the state.

UTAH: Benefits 69,000 workers in Utah, representing 13.1 percent of all hourly workers in the state.

VERMONT: Benefits 19,000 workers in Georgia, representing 11.2 percent of all hourly workers in the state.

VIRGINIA: Benefits 197,000 workers in Virginia, representing 11.2 percent of all hourly workers in the state.

WASHINGTON: Benefits 138,000 workers in Washington, representing 9.3 percent of all hourly workers in the state.

WEST VIRGINIA: Benefits 83,000 workers in West Virginia, representing 19.4 percent of all hourly workers in the state.

WISCONSIN: Benefits 209,000 workers in Wisconsin, representing 12.2 percent of all hourly workers in the state.

WYOMING: Benefits 25,000 workers in Wyoming, representing 20.2 percent of all hourly workers in the state.

# # #