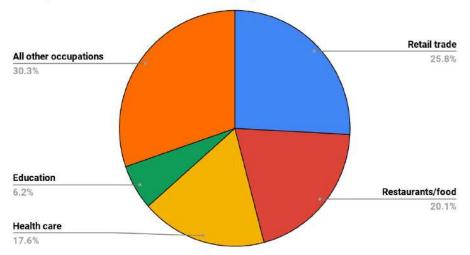


### 215,000 Louisiana workers would get a raise from \$9 minimum wage

By many measures, Louisiana's economy is doing well right now. The <u>unemployment rate is at an 11-year low</u>, and the economy has <u>grown for nine straight quarters</u>. But hundreds of thousands of hard-working Louisianans are not seeing the benefits of that growth, simply because their jobs don't pay them enough to survive.

Louisiana legislators can take an important step toward changing that by adopting Senate Bill 155, a constitutional amendment that would establish a \$9 per hour minimum wage. The amendment would put Louisiana in line with 29 other states and the District of Columbia that have raised their minimum wage above the federal floor of \$7.25 per hour.

# 215,000 Louisianans would get a raise at \$9 an hour.



Establishing a state minimum wage at \$9 an hour in 2020 would be a game changer for Louisiana's low-income workers. New data from the Economic Policy Institute finds that 112,700 workers would get an immediate pay raise - averaging \$1,400 per year - because they are paid less than that right now. Another 102,300 workers currently making \$9 per hour or more would be "indirectly" affected by getting smaller bumps in pay as workers below them on the pay scale get raises.

In total, **215,000** Louisiana workers - nearly **11** percent of the total workforce - would get a raise if state lawmakers and voters give their blessing. Their raises would pump an additional \$189 million a year into Louisiana's economy, helping local businesses as workers spend their added earnings in the communities where they live.

Despite what critics say, extensive <u>research has shown</u> that a modest increase in the minimum wage does not lead to job losses. Instead, it

would lift up the wages of workers in occupations such as retail, food service and health care, making them less likely to leave their jobs.



For some people, low wage jobs are temporary stepping stones on the path to middle-income careers. But for many others, it's how they pay rent, feed their children and put gas in their car. The new EPI data provides telling detail about those who would be affected:

- ✓ Almost two-thirds (65%) are women
- ✓ More than half (50.4%) are black, 40% are white and the rest Hispanic, Asian or other ancestry
- ✓ 9 out of 10 are age 20 or older; 33% are between the ages of 25 to 39
- ✓ Nearly 9 in 10 work at least 20 hours or more per week
- ✓ 19% are single parents, while another 8% are married with children
- ✓ 35% have some college experience

While a modest increase in the minimum wage would have broad benefits, it would especially help families with children, who have better long-term outcomes when their parents' economic circumstances improve. Raising wages would reduce income inequality, and the gap between the earnings of men and women in Louisiana. - Dara Shackelford



## Estimated Effects of Increasing Louisiana's Minimum Wage to \$9 an Hour

Based on Increased Wages of Directly & Indirectly Affected Workers

#### DIRECTLY AFFECTED WORKERS

#### INDIRECTLY AFFECTED WORKERS

#### ALL AFFECTED WORKERS

Increase in Annual Wages

Increase in Annual Wages

		increase i	n Annuai vvages		increase	in Annuai Wages			
	Workers Affected	Per Worker	Total	Workers Affected	Per Worker	Total	Workers Affected	%	Total Wages
All workers	112,700	\$1,400	\$156,194,100	102,300	\$300	\$33,094,800	215,000	10.9%	\$189,288,900
Gender	j	į į							
Women	73,300	\$1,400	\$100,677,800	66,400	\$300	\$21,281,700	139,700	14.3%	\$121,959,500
Men	39,300	\$1,400	\$55,516,300	35,900	\$300	\$11,813,100	75,300	7.5%	\$67,329,400
Race/ethnicity				-					
White	43,900	\$1,200	\$54,612,500	41,200	\$300	\$11,898,000	85,100	6.9%	\$66,510,500
Black	57,600	\$1,500	\$86,229,800	50,700	\$300	\$17,392,700	108,300	19.0%	\$103,622,400
Hispanic	7,900	\$1,400	\$10,715,100	6,700	\$400	\$2,551,300	14,600	13.8%	\$13,266,400
Asian or other race/ethnicity	3,300	\$1,400	\$4,636,700	3,700	\$300	\$1,252,800	7,100	10.0%	\$5,889,500
Family income					2				
Less than \$25,000	58,100	\$1,400	\$83,105,300	50,300	\$300	\$16,490,400	108,400	32.2%	\$99,595,700
\$25,000-\$49,999	20,500	\$1,400	\$29,128,900	22,600	\$300	\$7,483,100	43,100	9.9%	\$36,612,000
\$50,000-\$74,999	12,300	\$1,400	\$17,698,000	12,800	\$300	\$4,142,900	25,100	6.8%	\$21,840,900
\$75,000-\$99,999	7,100	\$1,300	\$9,577,500	6,100	\$300	\$1,810,300	13,200	4.8%	\$11,387,800
\$100,000-\$149,999	8,300	\$1,100	\$9,467,300	6,300	\$300	\$1,896,400	14,700	4.3%	\$11,363,600
\$150,000 or more	6,200	\$1,200	\$7,217,200	4,200	\$300	\$1,271,700	10,500	4.6%	\$8,488,900

Workers whose wages rise to meet the new minimum wage of \$9 an hour

Workers whose wage rate just above the new minimum of \$9 an hour. These workers will receive a wage as employers pay scales are adjusted upward to reflect the new minimum wage.

Source: Economic Policy Institute