The Coalition on Human Needs sent this letter to all Senators urging swift action to increase the minimum wage. That didn't happen this time. The vote was 54-42 in favor of moving forward towards a final vote, but 60 votes are needed. (Majority Leader Reid changed his vote to "no" so that he can bring up the bill for reconsideration at a later time.) We will continue to press Congress to pass the increase – we hope you will join with us in calling on the Senate to schedule as many more votes as it takes to get the job done – and to hold accountable those who stand in the way of the raise that hard-working minimum wage earners deserve.



April 30, 2014

Dear Senator:

The Coalition on Human Needs strongly urges you to vote to limit debate on the bill to increase the minimum wage to \$10.10 per hour in three stages and to increase the minimum wage for tipped workers (S. 2223). Our broad coalition of faith organizations, service providers, policy experts, and labor, civil rights and other advocates for meeting the needs of low income people believes a quick vote to increase the minimum wage should be one of Congress' top priorities.

The argument that raising the minimum wage will cost jobs has been disproven; there was no appreciable loss attributable to the increases enacted in 1996 and 2007. But we do know this: the value of the minimum wage has been eroding in the years since the last increase. A full-time minimum wage worker cannot lift two children out of poverty. In most places, two workers with full-time minimum wage earnings cannot afford to rent an apartment at fair market value. The minimum wage for tipped workers is shockingly low. Increasing the minimum wage will provide more purchasing power, making it likely that some new jobs will be created because of this economic activity.

In the years following the Great Recession, our economy has been creating far more low-paying jobs than middle- or upper-income employment. According to the <u>National Employment Law Project</u>, 44 percent of the new jobs created are in industries paying lower wages – twice the proportion those jobs made up in the economy before the recession. Middle- and higher-wage jobs are now a smaller proportion of the economy. That means raising the minimum wage is even more critically important, because more and more workers are either at or near that level.

We underscore that the gradual increase to \$10.10 is what is minimally necessary, to be followed by indexing to inflation increases. Similarly, the tipped worker wage should increase to no less than 70 percent of the regular minimum wage, and should thereafter rise with inflation. If you do less, workers will see their wages pegged to below-poverty levels, further exacerbating our rising inequality. With corporate profits soaring and the benefits of economic growth now

almost exclusively going to those at the top, please vote to advance S. 2223; please do not prevent hard workers from earning enough to rise out of poverty.

Sincerely,

Deborah Weinstein Executive Director