



Allegheny County Council

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Legislation Text

File #: 9549-16, **Version:** 1

Motion of the Council of Allegheny County urging the General Assembly to increase the minimum wage within the Commonwealth of Pennsylvania to at least \$10.15 per hour with all deliberate speed.

WHEREAS, as of March 31, 2016, the minimum wage within the Commonwealth of Pennsylvania is established at the federal minimum of \$7.25 per hour; and

WHEREAS, this minimum wage rate lags behind New Jersey (\$10.60 per hour), New York (\$9.00 per hour), Ohio (\$8.10 per hour), and West Virginia and Maryland (both \$8.75 per hour); and

WHEREAS, according to www.raisetheminimumwage.com, Pennsylvania is one of only 21 states whose minimum wage rate does not exceed the federally established minimum wage; and

WHEREAS, 29 states, plus the District of Columbia, have set their minimum wage above the federal level of \$7.25 per hour as of Jan. 1, 2015; and

WHEREAS, 15 states, plus the District of Columbia, index their minimum wages to rise automatically with the cost of living, with 10 states currently indexing minimum wage increases each year: Arizona, Colorado, Florida, Missouri, Montana, Nevada, New Jersey, Ohio, Oregon and Washington, and five more states, plus the District of Columbia, to index minimum wage increases annually beginning in future years: Alaska (2017), D.C. (2017), Michigan (2019), Minnesota (2018), South Dakota (2016) and Vermont (2019); and

WHEREAS, 8 states have set the tipped minimum wage equal to the value of the full minimum wage, ensuring that tipped workers are paid the full minimum wage directly by their employer; and

WHEREAS, in a January 14, 2014 letter to President Obama and congressional leaders urging a minimum wage increase, more than 600 economists, including 7 Nobel Prize winners wrote, "In recent years there have been important developments in the academic literature on the effect of increases in the minimum wage on employment, with the weight of evidence now showing that increases in the minimum wage have had little or no negative effect on the employment of minimum-wage workers, even during times of weakness in the labor market. Research suggests that a minimum-wage increase could have a small stimulative effect on the economy as low-wage workers spend their additional earnings, raising demand and job growth, and providing some help on the jobs front;" and

WHEREAS, according to the United States Department of Labor, while the federal minimum wage was only \$3.35 per hour in 1981 and is currently \$7.25 per hour in real dollars, when adjusted for inflation, the current federal minimum wage would need to be more than \$8 per hour to equal its buying power of the early 1980s, and nearly \$11 per hour to equal its buying power of the late 1960s; and

WHEREAS, it is accordingly the judgment of Council that the continuation of a regressive minimum wage structure, within which approximately 150,000 hourly employees within the Commonwealth of Pennsylvania are subjected to wage rates that equate to decreasing purchasing power over time due to the effects of inflation,

is inherently inequitable and inconsistent with any conception of economic opportunity; and

NOW, THEREFORE, IT IS MOVED, that Allegheny County Council does hereby urge the General Assembly to increase the minimum wage within the Commonwealth of Pennsylvania to at least \$10.15 per hour with all deliberate speed.