

Increasing the minimum wage will make an immediate and significant difference in the lives of millions of hard-working Americans.

- An estimated 13 million Americans will benefit from an increase to \$7.25 an hour – 5.6 million directly, and another 7.4 million indirectly. More than sixty percent of these workers are women, and almost forty percent are people of color.

- Almost eighty percent of those who benefit are adult workers, not teenagers seeking pocket change.

- This raise means that minimum wage earners will almost immediately earn an additional \$1,500 to help support their families. When the full increase takes effect in 2009, these workers will see a total increase of \$4,400 per year – enough for a low-income family of three to buy:
 - 15 months of groceries
 - 19 months of utilities
 - 8 months of rent
 - Over two years of health care
 - 20 months of child care
 - 30 months of college tuition at a public, 2 year college

Increasing the minimum wage will help combat poverty in our nation.

- The number of Americans in poverty has increased by 5.4 million since President Bush took office. 37 million Americans currently live in poverty, including 13 million children.

- Among full-time, year-round workers, poverty has increased by 50 percent since the late 1970s.

- This increase to the minimum wage, combined with the federal Earned Income Tax Credit (EITC) and the food stamps program, will bring a family of four above the poverty line. It will benefit an estimated 6.4 million children of low-income workers.

- Britain has the second largest economy in Europe (after Germany). They implemented a minimum wage in 1999 that has had no adverse employment effects, and has lifted 1.8 million British children out of poverty. They raised their minimum wage to about \$9.58 per hour last year, and they are planning to raise this rate to about \$9.96 in October of this year.

Increasing the minimum wage restores lost value.

Every day minimum wage workers waited for a raise, the minimum wage lost value, and workers have fallen farther and farther behind. This raise restores the purchasing power of minimum wage workers.

- Since the minimum wage was last raised in 1997, its real value has eroded by 22 percent. Before this raise, minimum wage workers had lost all of the gains of the 1996-1997 increase.
- Even with this increase, the real value of the minimum wage will still be \$2.25 below what it was at its peak in 1968. To have the purchasing power it had in 1968, the minimum wage would have to be \$9.50 an hour today, not \$5.15.

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