

Hawai'i Needs A Raise!

▶ Minimum wage workers are critical to our economy, but are falling further and further behind in their ability to make ends meet and this is contributing to our homelessness problem. Hawai'i needs a raise to build economic opportunity and stability for all of our workers.

▶ Increasing the minimum wage is especially important for women, LGBT workers, and immigrants, who are more likely to be low-wage earners.

▶ Restaurant servers, the largest group of tipped workers, **experience poverty at nearly three times** the rate of the workforce as a whole, and **70% of servers are women.**¹⁰

For more information:
hawaiineedsaraise.com

Our Workers Are Losing Ground:

Hawai'i's minimum wage earners are going into their **8th year** without a raise while everybody else is moving forward – the **average weekly earnings have increased 16%** since 2007 but **0% for minimum wage workers.**¹

Adjusting the current \$7.25 minimum wage for inflation since the last time the minimum wage was raised in 2007, a worker would have to be paid **\$8.68 an hour** to match the buying power of 2007.²

Minimum Wage and Poverty:

- A single parent of one child working at minimum wage 40 hours per week, 52 weeks per year, earns **\$2,770 or 16% below** the federal poverty guidelines for a family of two. Hawai'i's poverty rate of **17.3%** makes Hawai'i the **9th poorest in the nation.**⁴
- If the minimum wage was increased to **\$10.10 per hour**, thereby boosting annual earnings, it would be enough to pull a **family of three out of poverty.**⁵
- **20%** or 22,000 of Hawai'i's children **under six** live in low-income working families.⁶
- Research of early childhood development has found that **income insecurity negatively affects three key aspects of brain development** – positive relationships, learning resources, and high stress.
- A 2011 study suggests that a **\$1,000** increase in household income raises combined math and reading test scores by up to **6%.**⁶

Who Are Minimum Wage Workers?

- **85%** of minimum wage earners are **21 and older.**
- **84%** of minimum wage earners work **20+ hours a week** and **30% work 35+ hours a week.**⁷

Hawai'i is the most expensive state to live in, yet **21 states and D.C.** have a higher minimum wage.³

Washington's minimum wage:

\$9.32 (29% higher)

Cost of Living: **55% lower**

Nevada's minimum wage:

\$8.25 (14% higher)

Cost of living: **64% lower**

Oregon's minimum wage:

\$9.10 (26% higher)

Cost of living: **49% lower**³

Strengthening Hawai'i's Economy:

Raising the minimum wage will **promote Hawai'i's economic recovery** and help lift our families out of poverty and toward financial security. The minimum wage has been **increased four times since 2002**, and the number of **jobs increased by an average of 2.2%** over the next twelve months after the minimum wage increase.

- **15,700 jobs were added** in the twelve months following the minimum wage increase from \$4.75 to \$5.75 on January 1, 2002.
- **15,000 jobs were added** to Hawai'i's economy in the twelve months after the increase from \$6.25 to \$6.75 on January 1, 2006.⁸

We All Subsidize Minimum Wage: ⁹

- **1 in 5** minimum wage workers receives **SNAP** (formerly food stamps).
- **1 in 5** minimum wage workers have someone in the family on **Medicaid**.
- **1 in 5** minimum wage workers have at least one child that receives **free or reduced price school lunches**.



Sources:

¹ Research & Statistics Office, Department of Labor and Industrial Relations (DLIR)

² Research & Statistics Office, DLIR

³ Wage and Hour Division, U.S. DOL and Missouri Economic Research and Information Center

⁴ U.S. Census Bureau, Current Population Reports, Supplemental Poverty Measure: 2012

⁵ National Women's Law Center

⁶ <http://dss.ucsd.edu/~gdahl/papers/childre-and-EITC.pdf>

⁷ U.S. Census Bureau, 2008-2012 American Community Survey

⁸ Bureau of Labor Statistics (BLS), U.S. DOL, from the Current Population Survey by the U.S. Census Bureau

⁹ Research & Statistics Office, DLIR

¹⁰ Bureau of Labor Statistics (BLS), U.S. DOL, from the Current Population Survey by the U.S. Census Bureau

¹¹ Restaurant Opportunities Centers United