

African Americans and the Minimum Wage

Raising the federal minimum wage is a critical civil rights issue and will make a significant difference in the lives of millions of low-wage workers and their families. African Americans have disproportionately high rates of poverty, so increasing wages would be greatly beneficial both for this population and for the entire nation's economic recovery.

African Americans are disproportionately represented among the 30 million Americans who will benefit from a higher minimum wage.

- According to the Economic Policy Institute, African Americans will represent 11 percent of the workforce by 2016, but nearly 15 percent of those that would benefit from one proposal under consideration in Congress.¹
- An increase in the minimum wage to \$10.10 would either directly or indirectly raise the wages of more than 2.4 million African-American female workers.²
- A higher minimum wage would help close the gender wage gap. In 2012, women working full time, year-round were typically paid 77 cents for every dollar paid to their male counterparts, and this gap was even wider for women of color: African-American women typically made 64 cents for every dollar paid to their White, non-Hispanic male counterparts.³
- The racial and ethnic composition of workers affected by increasing the minimum wage to \$10.10 varies considerably by state, and in some cases African Americans comprise a majority: the African-American composition ranges from less than one percent in Montana and New Hampshire to 46.5 percent in Mississippi and 57.1 percent in Washington, D.C.⁴
- Many African Americans don't make enough money to save for retirement. As of 2010, only 43 percent of African-American workers ages 26–61 were part of an employer-based retirement plan, compared to 50 percent of White workers. Raising the wage would allow more African Americans to save for retirement.⁵

The Minimum Wage Fairness Act⁶ would:

- raise the federal minimum wage from \$7.25 to \$10.10 by 2016, in three increments of 95 cents each;
- adjust the minimum wage each year to keep pace with the rising cost of living;
- and raise the minimum wage for tipped workers, which has been frozen at a meager \$2.13 per hour for more than 20 years.



“We demand that there be an increase in the national minimum wage so that men may live in dignity.”

*- Bayard Rustin
1963 March on Washington for Jobs and Freedom*

A \$10.10 minimum wage would mean higher earnings for 17 million workers⁷ with little to no effect on employment,⁸ and could lift nearly five million Americans out of poverty.⁹

The Leadership Conference Education Fund builds public will for federal policies that promote and protect the civil and human rights of all persons in the United States. The Education Fund's campaigns empower and mobilize advocates around the country to push for progressive change in the United States.

The National Urban League (www.nul.org) is an historic civil rights and urban advocacy organization dedicated to economic empowerment in historically underserved urban communities. Founded in 1910 and headquartered in New York City, the National Urban League has improved the lives of tens of millions of people nationwide through direct service programs that are implemented locally by its 95 Urban League affiliates in 36 states and the District of Columbia. The organization also conducts public policy research and advocacy activities from its D.C.-based Washington Bureau. The National Urban League, a BBB-accredited organization, has a 4-star rating from Charity Navigator, placing it in the top 10 percent of all U.S. charities for adhering to good governance, fiscal responsibility and other best practices.

¹ <http://www.epi.org/blog/10-10-minimum-wage-give-economy-wage-workers/>.
² Economic Policy Institute analysis of Current Population Survey Outgoing Rotation Group microdata.
³ http://www.nwlc.org/sites/default/files/pdfs/green_minimumwageandwagegapfebruary_2014_update.pdf.
⁴ <http://s2.epi.org/files/2013/IB354-Minimum-wage.pdf>.
⁵ http://www.aflcio.org/content/download/121961/3393511/file/March2014_ClosingtheGap_AfAm_nb.pdf.
⁶ <http://thomas.loc.gov/cgi-bin/query/z?c113:S.1737>.
⁷ http://www.cbpp.org/cms/index.cfm?fa=view&id=4075#_ftn10.
⁸ <http://www.cepr.net/documents/publications/min-wage-2013-02.pdf>.
⁹ https://dl.dropboxusercontent.com/u/15038936/Dube_MinimumWagesFamilyIncomes.pdf.