

A Minimum Wage Thanksgiving

The Issue

The Fair Minimum Wage Act (FMWA) of 2013 is expected to reach the Senate floor the week of December 9th. This bill would raise the minimum wage, in three steps, to \$10.10 per hour and index it to inflation on a yearly basis after the final increase. It would also gradually raise the tipped minimum wage to 70% of the full minimum wage and index that to inflation.

The Facts

- The Fair Minimum Wage Act of 2013 would help restore the minimum wage to its historic level, making up for decades of erosion. The federal minimum wage has lost more than 30% of its value and would be more than \$10.70 per hour today if it had kept pace with the cost of living over the past forty years.
- More than 30 million workers would receive a raise from the FMWA of 2013. This includes those working at or near the minimum wage.
- 761,000 people in North Carolina would be directly affected by increasing the federal minimum wage to \$10.10.
- Increasing the federal minimum wage would have a total wage increase of \$2,061,333,000 for North Carolina and a total average increase to individual annual wages of \$2,495.
- The Fair Minimum Wage Act of 2013 would generate more than \$32 billion in new economic activity, translating to 140,000 new full-time jobs as higher sales lead businesses to hire more employees.

Fact Checks

- The stereotype of minimum wages being for teenagers or entry level workers is demonstrably false. 88% of workers who would benefit from raising the minimum wage are adults over the age of twenty and more than 17 million children have a parent who would get a raise under the Fair Minimum Wage Act of 2013.
- The most rigorous studies of minimum wage increases over the past twenty years show no discernible reduction in employment or slowing of job growth when the minimum wage has increased.

[Source: Economic Policy Institute]

The Minimum Wage Thanksgiving Meal Calculation

According to the American Farm Bureau Federation, the average cost of a Thanksgiving Day meal is \$49.04. The median household income in the United States is \$51,017.

The annualized minimum wage equals \$15,080 a year. So, if a minimum-wage earner spends the same percentage of their annual income as the average household, they would have \$14.50 to spend on Thanksgiving. **The meal presented to you today is based on a budget of \$14.50.**

It's the sorriest looking Thanksgiving that you've ever seen. While the rest of us take Thanksgiving for granted, millions of Americans are struggling just to get by. The Fair Minimum Wage Act is the least we can do to raise up hard-working Americans during this holiday season.