



GUEST OPINION

The Press-Citizen, Iowa City
April 14, 2016
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Minimum wage increases should continue

By Peter Fisher

Last fall Johnson County supervisors gave the county's low-wage workers a raise, and come May 1 they will get another one. The county raised the minimum wage from \$7.25, where it has stagnated for eight years due to national and state inaction, to \$8.20 on Nov. 1 and to \$9.15 on May 1. The county minimum wage is scheduled to rise to \$10.10 in January 2017.

It is worth recalling why this landmark legislation was needed. While American workers are far more productive than they were 40 or 50 years ago, their pay has not risen accordingly. After accounting for inflation, the average wage earner is not much better off now than in the 1960s or 1970s.

Even at \$10.10, the minimum wage will not be enough to support even a single person working full-time, at a bare-bones standard of living in Johnson County. For families with children, that wage is far below a self-supporting one. Yet, contrary to some perceptions that minimum wage workers are just teenagers working part time, more than 40 percent of the workers in Johnson County currently making less than \$10.10 work full time, almost 80 percent are over age 20, and more than one in five are parents.

Some have tried to argue that localities shouldn't set minimum wages because it is a statewide issue, while others seem to think it is just an Iowa City problem. Some, paradoxically, argue both points. Let's be clear: Johnson County is all one labor market. People who live in Iowa City or Coralville or North Liberty or Solon work in all those places as well. At the same time, only about 6 percent of low-wage workers in Johnson

County commute from outside the county.

So having a single minimum wage throughout the Johnson County labor market makes good sense. Certainly it would be best if the legislature acted on a statewide minimum wage increase, but its failure to do so should not be an excuse for localities in Johnson County to drop below the county minimum. And it makes no sense to complain that a county minimum creates a patchwork across the state, which is not a single labor market, and then to create an actual patchwork within the county by local ordinance.

Raising the wages of low-wage workers to something closer to a self-sustaining wage is good for the local economy. Higher wages boost spending power, driving up sales at local retail and service businesses. Businesses find that higher wages can be offset through increased productivity, lower turnover and slight increases in prices. Study after study has shown that local minimum wage ordinances have no discernible net effect on employment.

Johnson County residents should be proud to join the 28 other cities and counties across the country that have taken action to boost the wages of low-wage workers. Consider the message of localities choosing to deprive their workers of a long-overdue raise.

Does North Liberty or Tiffin really want to say to residents, "If you work in Iowa City or Coralville, we're glad you're going to get a raise, but if you work here I'm afraid you're going to have to get along with less; oh, and please don't take it out on our local businesses by shopping elsewhere."

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