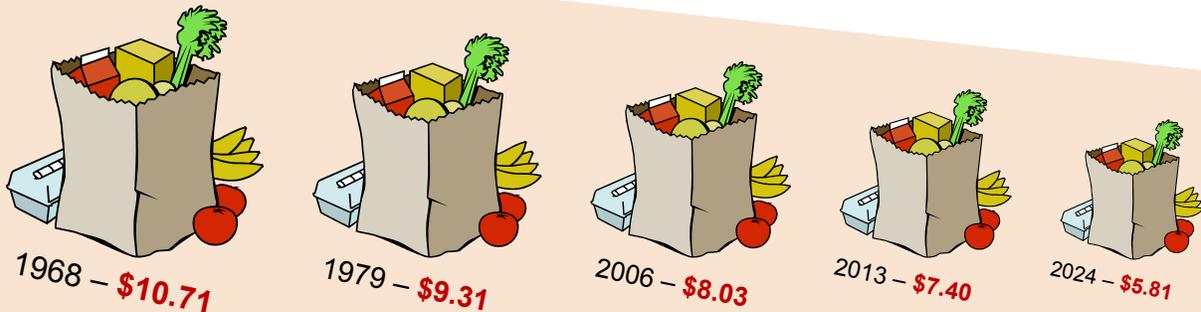


Raising the Minimum Wage: Good for Families, Good for Michigan

A modest increase in the state minimum wage would boost the incomes of nearly 1 million Michigan workers, allow them and their families to afford the basic necessities, raise many struggling households above the federal poverty line, and likely increase economic activity in the state. Indexing the minimum wage to inflation would protect its value from being eroded and prevent hard working families from falling into poverty as the cost of living increases over time.

Purchasing Power of the Minimum Wage



Compared with 1968, minimum wage earnings no longer prevent poverty.

In 1968, when the value of the minimum wage was at its highest, full-time, year round minimum wage earnings were enough to keep a family of three above the poverty threshold (\$16,057 for a family of two and \$18,769 for a family of three in 2013 dollars). Because this wage had not been indexed to inflation, however, its value declined quickly. By 1980, it could only keep a family of two from falling into poverty, and by 1984 it was no longer enough to keep even a single parent and a child above the poverty threshold.

Benefits of Raising the Minimum Wage

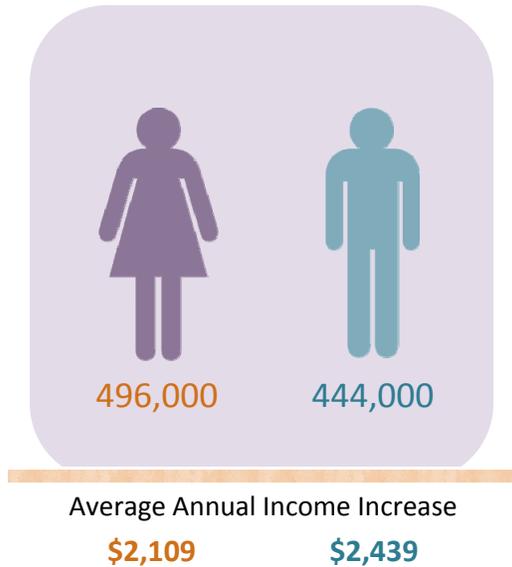
A number of well-regarded studies suggest that raising the minimum wage has little to no negative employment effect. In fact, raising the minimum wage to \$10.10 per hour and indexing it to inflation could create a modest number of jobs, and could even increase the state's economic activity by billions of dollars.



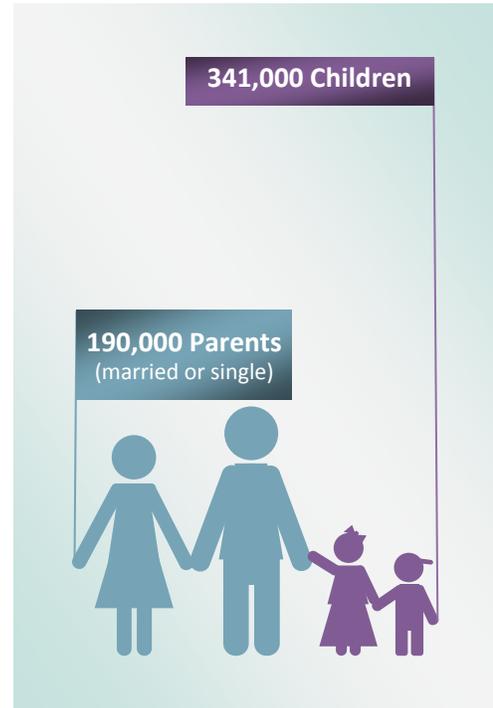
3,300	Full-time jobs created
\$1.4 billion per year	Total wage increase
\$2,256	Average increase in annual incomes
\$886 million over 3 years	Boost to state's economy

Workers Who Would Benefit

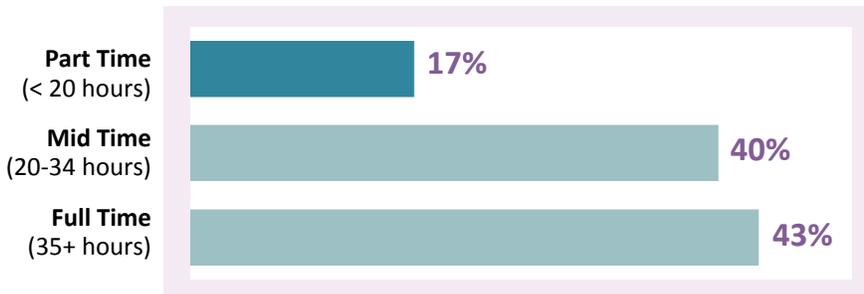
Gender



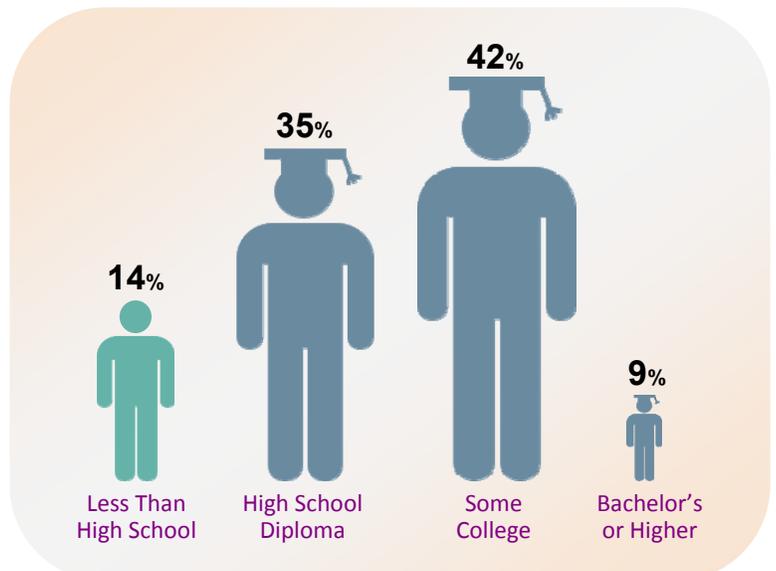
Families



Hours Worked



Education



Age

