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For more information:
Anne Arnesen, (608) 284-0580
Joel Rogers, (608) 262- 5176

Organizations Support Action On Minimum Wage Increase

Madison – Leading advocates for working families in Wisconsin today joined to call for an increase in the state minimum wage. The Center on Wisconsin Strategy (COWS), Institute for Wisconsin's Future, Wisconsin Council on Children and Families, Wisconsin Citizen Action and the Wisconsin AFL-CIO made the announcement Monday during a news conference at the State Capitol.

“With the current minimum wage, parents working full time, 40 hours a week, are still below the poverty line. These wages do not allow them to support their families and provide for their children,” said Anne Arnesen, Executive Director of the Wisconsin Council on Children and Families.

The current minimum wage of \$5.15 an hour doesn't even bring a full-time worker up to the federal poverty level for a family of three, the groups noted.

“It is now settled fact that moderate, phased, increases in the minimum wage do not damage employment. A bump in the minimum wage is good policy for Wisconsin, which has a low wage job problem. It helps both working families and productivity,” said Joel Rogers, professor of law, sociology and political science at the UW-Madison and director of COWS.

“It is not acceptable that the minimum wage will not keep a family out of poverty, and it loses more ground to inflation every year. If you're living on five bucks an hour there's not a lot more belt tightening you can do,” said Carolyn Castore of Wisconsin Citizen Action, the state's largest public interest grassroots organization.

The groups called for passage of Assembly Bill 66, which would raise the current minimum wage from \$5.15 to \$6.80 and index it so the wage does not fall below the federal poverty level in the future. The bill is currently in the Republican-controlled Assembly Committee on Labor and Workforce Development, where it has not been given a hearing or vote since it was introduced in February. The minimum wage increase has already been approved by the State Senate, which passed its version of the bill in May.

“It’s time to cut through the same old tired excuses about the minimum wage being a jobs killer. Research has debunked that myth. The minimum wage has been demonstrated to reduce employee turnover, and lower recruiting and training costs. The net effect has been shown to be no real loss of jobs,” said Wisconsin AFL-CIO Secretary-Treasurer Phil Neuenfeldt.

“Thousands of Wisconsin families were left out of the economic boom of the ‘90s, and now that the boom is over, these families - working hard, but barely getting by -- are at greater risk than ever of slipping further into poverty,” said Kathleen Mulligan-Hansel of the Institute for Wisconsin’s Future, a Milwaukee-based research organization.

The value of the minimum wage peaked in 1968 when it was equal to about \$7.00 in current dollars. The real value of the minimum wage has declined for the past 33 years. The last time that a full-time minimum wage worker earned enough to be above the official poverty line for a family of three was 1979. Today, minimum wage workers are at about 80% of the poverty line.

It is estimated that over 200,000 Wisconsin workers would benefit from the increase proposed in AB 66.