

THE CRISIS OF LOW WAGES

WHO EARNS LESS THAN \$15 AN HOUR IN THE US IN 2022?
MORE THAN 50 MILLION WORKERS ARE STRUGGLING TO GET BY

HOW LOW WAGES IMPACT WOMEN OF COLOR

The federal minimum wage has been stuck at \$7.25 an hour for 13 years. In addition, federal law permits several types of even *lower* subminimum wages (most notably the tipped wage, stuck at \$2.13 since 1991).

The result today? **Oxfam finds that 51.9 million workers—31.9 percent of the workforce—make less than \$15 per hour in the US in 2022.** Millions of families are trapped in poverty—working hard, falling behind, and losing hope.

Simply put, these standards are setting the wage floor in this country at poverty level. As of 2021, the federal minimum wage had lost at least 21 percent of its value since 2009 (and is now shrinking rapidly in the face of inflation).

WHAT CAN BE DONE?

The solution is simple; the political will is weak.

Since the federal wage was raised 13 years ago, there have been many proposals to implement a boost; all efforts have been turned down in Congress (even though popular support is overwhelming).

Raising the federal minimum wage would offer an immediate and powerful boost to millions of workers, their families, and the economy. Abolishing subminimum wages would restore dignity and equity to many workforces, and offer a chance of prosperity.

Furthermore, changing these wages would address some deep and stubborn inequities, as the workers earning low wages in this country are vastly disproportionately from historically marginalized populations (women, people of color, the disabled, immigrants).

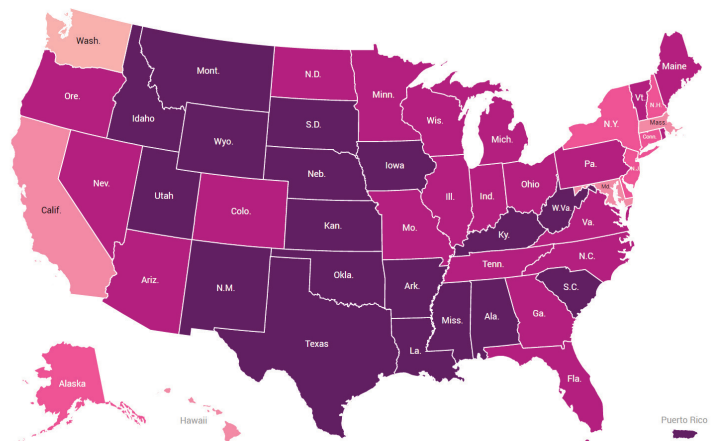
THE IMPACT ON WORKING WOMEN OF COLOR

Women of color (includes women who do not self-identify as white) are disproportionately represented in the low-wage workforce. While 25 percent of working men earn less than \$15, and 40 percent of working women earn less than \$15, HALF of working women of color earn less than \$15.

In 25 states, at least 60 percent of working women of color earn less than \$15.

The geographical disparities are striking; the percentages for women of color earning under \$15 range from 78 percent in Puerto Rico to 17 percent in DC. However, in every state, women of color have the highest percentage of workers earning under \$15. Clearly, a variety of social factors combine to suppress wages for women of color.

SHARE OF WOMEN OF COLOR EARNING UNDER \$15



WHY RAISE THE FEDERAL MINIMUM WAGE? SIX REASONS FOR FIFTEEN

THE RAISE THE WAGE ACT OF 2021 WOULD:

- Gradually increase the minimum wage from \$7.25 to \$15 within four years of enactment;
- Create a system for future increases tied to median wage growth;
- Gradually increase the subminimum wage for tipped workers from \$2.13 (set in 1991) to the full federal minimum wage;
- Repeal the youth subminimum wage; and,
- End subminimum wage certificates for workers with disabilities and make the minimum wage available to all.

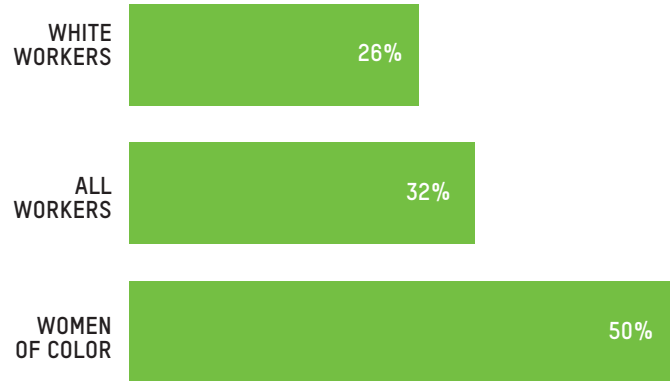
SIX REASONS TO RAISE THE MINIMUM WAGE

1. It is long overdue: it's been 13 years since the last raise to \$7.25 an hour.
2. It will address longstanding inequities in pay gaps by gender and race.
3. It is what the overwhelming majority of Americans want.
4. It will reduce poverty.
5. It will fuel economic growth.
6. It will save taxpayers money and reduce need for government benefits.

CONCENTRATIONS OF WORKING WOMEN OF COLOR EARNING LESS THAN \$15

	STATE	TOTAL WORKFORCE	NUMBER EARNING <\$15	SHARE EARNING <\$15
	UNITED STATES	29,261,332	14,709,045	50.3%
1	District of Columbia	123,092	20,747	17%
2	Washington	503,677	143,003	28%
3	California	5,359,522	1,638,984	31%
4	Hawaii	211,507	73,760	35%
5	Maryland	762,219	278,439	37%
6	Massachusetts	473,115	182,489	39%
7	New York	1,935,193	796,827	41%
8	New Jersey	926,694	397,483	43%
9	New Hampshire	28,742	12,846	45%
10	Connecticut	282,385	132,128	47%
11	Alaska	34,008	16,048	47%
12	Delaware	87,183	43,219	50%
13	Colorado	413,012	209,201	51%
14	Oregon	215,271	111,031	52%
15	Minnesota	246,741	127,280	52%
16	Virginia	790,235	410,382	52%
17	Illinois	1,114,077	585,017	53%
18	North Dakota	15,517	8,227	53%
19	Pennsylvania	665,867	356,558	54%
20	Vermont	9,540	5,140	54%
21	Rhode Island	63,894	34,555	54%
22	Georgia	1,216,615	663,374	55%
23	Arizona	693,090	381,738	55%
24	Maine	15,912	8,838	56%
25	Missouri	293,601	165,425	56%
26	Wisconsin	231,136	134,218	58%
27	Tennessee	417,205	245,880	59%
28	Indiana	302,560	178,820	59%
29	Nevada	356,580	212,393	60%
30	North Carolina	871,571	519,496	60%
31	Florida	2,468,908	1,472,904	60%
32	Michigan	542,962	323,973	60%
33	Ohio	548,923	328,245	60%
34	Texas	3,673,976	2,214,611	60%
35	Wyoming	16,753	10,387	62%
36	New Mexico	238,717	148,277	62%
37	Iowa	95,193	59,495	62%
38	Utah	143,070	89,964	63%
39	West Virginia	26,213	16,611	63%
40	Alabama	383,471	246,804	64%
41	Louisiana	418,185	269,504	64%
42	South Dakota	14,005	9,155	65%
43	Kansas	143,265	93,672	65%
44	Oklahoma	184,145	120,700	66%
45	Nebraska	81,838	53,711	66%
46	Montana	15,871	10,461	66%
47	Arkansas	169,367	113,242	67%
48	Kentucky	143,289	95,937	67%
49	South Carolina	435,753	296,891	68%
50	Idaho	60,677	41,474	68%
51	Mississippi	276,812	192,859	70%
52	Puerto Rico	520,180	406,623	78%

SHARE OF GENDER RACIAL/ETHNIC GROUP EARNING UNDER \$15 AN HOUR



ABOUT THE DATA BY STATE

While the federal minimum wage has been stuck at \$7.25 since 2009, many states and cities have made the move to increase the minimum wage in their localities. As the wage floor rises in an area, it lifts wages for most workers.

These differences are reflected in the numbers of workers earning less than \$15. For example, Washington state has one of the highest minimum wages in the country (\$14.49), and one of the lowest percentages of workers earning under \$15 (14.2 percent).

For full information on state labor policies, visit oxfamamerica.org/statelabormap2021.

ABOUT THE DATA

The Oxfam Minimum Wage Model sources microdata from the 5-year Census American Community Survey (ACS-PUMS), and employs Current Population Survey (CPS-ORG) March 2021 data as formatted and made available by CEPR.

We use American Community Survey data to gather wages, demographics, and household data. For more information, please visit the Oxfam website.

