

Raise the Wage! A \$15 Federal Minimum Wage Would Benefit 9.3 Million Latino Workers

An unfair minimum wage disproportionately affects Latinos* who are concentrated in low-wage jobs. Congress has not raised the federal minimum wage, currently \$7.25 per hour, since 2009.¹ Worse, the minimum wage for tipped workers has remained \$2.13 per hour for over 20 years.² Consequently, many hardworking families struggle to cover the rising cost of living.

74% of Americans support a higher minimum wage to ensure that more people can afford the basics and help the economy grow.³ The minimum wage is a significant issue with as many as 22 states set to increase their minimum wage in 2019.⁴ Additionally, 84% of Latinos support a minimum wage increase to \$15.⁵

The Raise the Wage Act Promises Economic Security for Millions

The Raise the Wage Act (S. 150) introduced by Senator Sanders (I-VA) would increase the federal minimum wage to \$15.00 per hour. UnidosUS supports this legislation because it would accomplish three goals that are critical to the economic security of millions of Latino workers and their families:

- 1. Raise the federal minimum wage to \$15.00 by 2024.** The minimum wage would increase by \$1.30 for the first four years and then by \$1.25 for the final year.
- 2. Adjust the minimum wage each year, starting in 2025, to keep pace with the rising cost of living.** This policy, known as “indexing,” is already used by 18 states and the District of Columbia to prevent the minimum wage from falling in value each year.
- 3. Gradually raise the minimum wage for tipped workers to equal the minimum wage.** The tipped minimum wage will be phased out and then adjusted each year to keep pace with the rising cost of living.

* The terms “Hispanic” and “Latino” are used interchangeably by the U.S. Census Bureau and throughout this document to refer to persons of Mexican, Puerto Rican, Cuban, Central and South American, Dominican, Spanish, and other Hispanic descent; they may be of any race.

9.3 Million Latinos Would Benefit from an Increase⁶

Hispanics have the highest labor force participation rate (67%) of any racial or ethnic group but they are concentrated in low-wage jobs, including those in tipped-wage industries.⁷ Consequently, 34% of Latinos earn below poverty-level wages, making it difficult for 74% of Latinos to make ends meet each month.⁸ Raising the minimum wage to \$15.00 would mean an additional \$5,100 annually—a raise of approximately 31.3%.¹⁰ Specifically:

- **38.4% of Latino workers would see a wage increase.** A minimum wage increase would disproportionately raise wages for individuals of color, including 35.5% of Latinos and 40.1% of Black workers.
- **4.6 million Latinas would get a boost in their pay.** 38.4% of Latinas would be affected by raising the minimum wage. Approximately 4.7 million Latinos, or 14.5% of Latinos, would also receive a boost in their wages.
- **2.2 million married Latino parents would see an increase in their wages.** 1.3 million single Latino parents, or 18.2%, would see an increase in their wages. 4.3 million unmarried Latinos with no children would see an increase in their wages.

Endnotes

- 1 U.S. Department of Labor. "Minimum Wage." Accessed January 29, 2019. <https://www.dol.gov/general/topic/wages/minimumwage>.
- 2 Allegretto, Sylvia, and David Cooper. "Twenty-Three Years and Still Waiting for Change: Why It's Time to Give Tipped Workers the Regular Minimum Wage." July 10, 2014. Accessed January 29, 2019. <https://www.epi.org/publication/waiting-for-change-tipped-minimum-wage/>.
- 3 Elis, Niv. "Poll: Bipartisan Majority Supports Raising Minimum Wage." June 01, 2017. Accessed January 30, 2019. <https://thehill.com/homenews/335837-poll-bipartisan-majority-supports-raising-minimum-wage>.
- 4 "Minimum Wage Tracker." Accessed January 29, 2019. <https://www.epi.org/minimum-wage-tracker>.
- 5 "Hispanics Support Raising the Federal Minimum Wage." Accessed January 29, 2019. <http://www.pewhispanic.org/2014/10/16/latino-voters-and-the-2014-midterm-elections/ph-2014-10-latino-voters-2014-midterm-election-02-04/>.
- 6 Cooper, David. "Raising the Minimum Wage to \$15 by 2024 Would Lift Wages for 41 Million American Workers." April 27, 2017. Accessed January 29, 2019. <https://www.epi.org/publication/15-by-2024-would-lift-wages-for-41-million/>.
- 7 UnidosUS. "U.S. Employers Add 312,000 Jobs in December." January 2019. Accessed January 29, 2019. http://publications.unidosus.org/bitstream/handle/123456789/1912/ljr_january2019.pdf?sequence=1&isAllowed=y; "Employed Persons by Occupation, Race, Hispanic or Latino Ethnicity, and Sex." January 18, 2019. Accessed January 29, 2019. <https://www.bls.gov/cps/cpsaat10.htm>.
- 8 Economic Policy Institute. "Poverty Level Wage Shares by Race." January 2017. Accessed January 29, 2019. https://www.epi.org/data/#/?subject=povwage&r=*.
- 9 Cooper, *ibid.*
- 10 *Ibid.*
- 11 *Ibid.*
- 12 *Ibid.*