



Testimony to the Joint Committee on Labor and Workforce Development

September 26, 2023

**RE: Testimony in support of An Act Relative to Raise the Minimum Wage Closer to a Living Wage in the Commonwealth (H.1925/S.1200)**

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Thank you Chair Jehlen, Chair Cutler, and distinguished members of the Joint Committee on Labor & Workforce Development.

I am Policy Director at the Massachusetts Budget and Policy Center. For over three decades, MassBudget has conducted research and analysis to improve policy making in Massachusetts. I testify today in support of SB.1200/ HB.1925, “An Act Relative to Raise the Minimum Wage Closer to a Living Wage in the Commonwealth.”

It won’t be news to you that the current \$15 hourly minimum wage isn’t sufficient to live on in Massachusetts. For a full-time worker, those wages are just \$30,000 a year. A lot of workers across the Commonwealth would gain greater security and dignity if this bill is enacted.

I’d like to describe the results of a statistical analysis with the Economic Policy Institute in Washington, D.C., that estimates how many workers would receive a raise, and how much more money they would see. The Economic Policy Institute’s minimum wage simulation model was developed by labor economists and uses the latest Census microdata. It shows that:

- The bill under discussion would raise the wages of almost 1 million workers, or 29 percent of all wage earners statewide.
- Those receiving a raise include nearly 23 percent of all working parents.
- Of these workers who would receive a raise, 92 percent are age 20 or older.
- 58 percent are women, and 40 percent are people of color.
- Over 56 percent of those who would receive a raise work full-time.
- The three industries where the greatest number of workers would see a raise are:
  - retail trade,
  - healthcare and social services,
  - restaurants.

These are workers who serve us all directly and who were there for us as essential workers during the pandemic.

- For the average full-time worker receiving a raise from the minimum wage, they would see almost \$3,900 in additional wages for the year – enough to make a real difference for a struggling family.

That's what to expect from enacting the higher minimum wage in this bill if it were fully in place today. We urge you to pass this bill favorably out of committee. You can find more information about the results of this analysis on the MassBudget website. I'm happy to answer your questions.

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