

Why New York State Should Let Cities and Counties Enact Higher Local Minimum Wages

*National Employment Law Project and Fiscal Policy Institute
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Executive Summary

While New York's economy is gradually recovering, far too many workers still earn very low wages. Pay for the typical New Yorker has not kept up with inflation, and the majority of new jobs being created in New York and nationally are in low-paying fields. As communities in New York struggle with these serious economic challenges, other states have empowered localities to respond by adopting higher local minimum wages. From California to Maryland, growing numbers of cities and counties are enacting higher local minimum wages to fight poverty locally. They have found that these policies have improved jobs and local economies, without hurting business growth.

After Washington, D.C. and two suburban Maryland counties raised their minimum wage to \$11.50 and voters in suburban SeaTac, Washington approved a \$15 local wage late last year, leaders in cities like Seattle, Chicago, San Francisco, Oakland and San Diego are now proposing city wages as high as \$15. Mayor Bill de Blasio is at the forefront of this movement, calling in his first State of the City Address for a higher minimum wage that better matches New York City's high cost of living.

New Yorkers overwhelmingly support raising wages¹ — and with good reason: the state has the highest level of income inequality in the nation, with millions of low-wage workers now calling New York home.² But unlike other states, New York State law does not currently allow localities to enact higher minimum wages. In order to allow cities and counties in New York to supplement the state minimum wage with higher local minimum wages, the legislature should do as other states have done and amend the state's minimum wage law to clarify that it is a floor, not a ceiling, and is not intended to limit local authority to respond to local conditions.

This report provides an overview of the positive experiences in other states with higher local minimum wages and makes the case for empowering cities and counties in New York to do the same. The report also presents data on the needs of low-wage workers in New York and the potential broad benefits of allowing higher city minimum wages. With millions of New Yorkers earning low wages, allowing cities and counties to raise the wage floor above New York's current minimum wage would have a significant and positive impact on low-wage workers, their families, and local communities.

I. The Problem

Far Too Many New Yorkers Earn Low Wages

A. More Than 3 Million New Yorkers Struggle in Low Paid Jobs

In 2013, over 3 million New York workers were paid low-wages – defined as an hourly wage of \$15 per hour or less, which translates into a yearly income of \$31,200. These 3 million low-wage workers represented 37 percent of New York State's total wage-earning workforce. The table below shows the demographic characteristics of these low-wage workers. For example, women account for 53 percent of all low-wage workers, and 40 percent of all women wage-earners receive low-wages, compared to 34 percent of all male wage-earners.

The overwhelming majority of low-wage workers (94 percent) are ages 20 and over. More than half (53 percent) of low-wage earners are white, non-Hispanic, but nearly half of all black (48 percent) and Hispanic (49 percent) workers are low-wage. By a large margin (90 percent), low-wage workers work 20-34 hours a week (22 percent) or 35+ hours a week (67 percent).

Sixty percent or more of wage-earners in retail and the leisure and hospitality sector (including restaurants) are low-wage workers.

Two-thirds of all low-wage New York workers (2 million) are paid less than \$12 an hour. This number represents one in every four wage-earning workers in the state. Of these workers, 1.1 million are paid less than \$10 an hour. The demographics of the below-\$10 and below-\$12 low-wage workers are basically similar to the demographics of those paid less than \$15 an hour: women are slightly more than half; the large majority are adults, not teenagers; most are white but much higher shares of blacks and Hispanics receive low-wage; and retail and restaurants are very large employers of lower-wage workers.

Table 1. WORKERS PAID LOW WAGES IN NEW YORK STATE

Category	Estimated wage-earning workforce ¹	Workers paid low wages ²	% of those paid low wages	% in category paid low wages
TOTAL	8,122,200	3,014,300	100%	37%
GENDER				
Female	3,997,300	1,604,700	53%	40%
Male	4,124,800	1,409,600	47%	34%
AGE				
Less than 20 years of age	202,400	181,800	6%	90%
20 years and over	7,919,700	2,832,500	94%	36%
RACE				
White non-Hispanic	4,982,600	1,585,300	53%	32%
Black	1,095,000	530,800	18%	48%
Hispanic	1,286,100	634,300	21%	49%
Asian	758,500	263,900	9%	35%
INDUSTRY				
Retail	913,800	548,100	18%	60%
Leisure and hospitality	739,300	452,400	15%	61%
All other industries	6,469,000	2,013,900	67%	31%
WORK HOURS				
Less than 20 hours	450,900	314,400	10%	70%
20-34 hours	1,036,300	677,500	22%	65%
35 hours or more per week	6,635,000	2,022,400	67%	30%
EDUCATION				
High school or less	2,652,200	1,471,400	49%	55%
Some college or more	5,469,900	1,542,900	51%	28%

Source: EPI analysis of Current Population Survey, Outgoing Rotation Group public use microdata, 2013.

¹ The number of workers in the wage-earning workforce is estimated from the CPS respondents who were 16 years old or older, employed, but not self-employed, and for whom either a valid hourly wage is reported or one can be imputed from weekly earnings and average weekly hours. Consequently, this estimate understates the size of the full workforce.

² Low wages defined as \$15 per hour or less

B. Wages Are Stagnant or Declining for Most New Yorkers

Hourly wages for a typical low-wage worker in New York State have dropped by 8.2 percent when adjusted for inflation since the recession began in 2008. Median hourly wages (those at the middle of the overall wage distribution) fell by 4.5 percent in New York between 2008 and 2013.³

A 2013 NELP analysis of occupational wage trends since the recovery began found that across all occupations, real median hourly wages fell by nearly 3 percent, with mid and lower-wage occupations seeing significantly greater declines.⁴ Real median wages fell by 5 percent or more in five of the top ten lower-wage occupations, including restaurant cooks, food prep workers and home health care aides.

This decline in wages since the Great Recession officially ended is part of a long-term trend toward growing income inequality. The Economic Policy Institute finds that between 2000 and 2012, wages were flat or declined for the entire bottom 60 percent of the American workforce – even as worker productivity grew by nearly 25 percent over the same period.⁵

C. New Job Growth in New York Is Mostly in Low-Paying Industries

New job growth in New York State, like in the rest of the country, remains disproportionately concentrated in low-wage industries such as retail and food services, making an increase in the wage floor an urgent priority for growing numbers of working families who are relying on low-wage work to make ends meet.

New York's net job growth since the recession began has been concentrated in low-wage industries like retail and food services, according to an analysis by the Fiscal Policy Institute. Middle-wage industries as a group have lost over 100,000 jobs over the past five-and-a-half years since the recession began (a decline of nearly 3 percent), with most of that decline concentrated in manufacturing, government and construction. On the other hand, led by industries such as restaurants, home health care services, and retail, low-wage industries as a group have added almost 270,000 jobs, growing by 8.5 percent.⁶ While New York has seen this steady shift from middle-wage to low-wage jobs since the 1990s, it has accelerated in the wake of the recession.

Median wages in many of the state's largest low-wage occupations are around or less than \$10 an hour, including retail salespersons (\$10.80), cashiers (\$9.08), fast-food workers (\$8.80), waiters/waitresses (\$9.19), and home-health aides (\$9.69).⁷

This hollowing out of New York's labor market mirrors the shift toward low-wage work on the national level. A 2012 NELP report found that during the

Great Recession, lower-wage occupations made up just 21 percent of recession losses but 58 percent of recovery growth; while mid-wage occupations comprised 60 percent of recession losses but only 22 percent of recovery growth.⁸

D. New York’s Recent Minimum Wage Increase to \$9.00 is Still Not Enough to Meet Basic Living Costs, Especially in Higher Cost Areas of the State

In 2013, Albany approved an increase in the state minimum wage to \$9.00 an hour by 2016. However, that increase – which translates to just \$18,720 a year for a full-time worker – is not nearly enough to meet basic living costs even for an individual worker, especially in higher cost areas of the state. Even when New York’s minimum wage increase is fully phased in to \$9.00 an hour, that wage will still leave a family of three below the federal poverty line – which is itself an inadequate measure of what it truly costs to support a family. For most of the 1960s and 1970s, New York’s minimum wage allowed a full-time minimum wage worker to support a family of three at roughly 110 percent of the federal poverty line.⁹

New York’s new minimum wage is significantly below what the state’s minimum wage would be — \$11.11 an hour – had it simply kept pace with inflation over the last forty years. And it is significantly below what other states and localities have recently passed or are pushing to enact. California recently raised its minimum wage to \$10 an hour by 2016, and voters will likely decide in November whether to raise it further to \$12.¹⁰ Governor Martin O’Malley in Maryland and Governor Dannel Malloy in Connecticut have called for raising their states’ minimum wages above \$10 an hour, and in November Massachusetts voters will decide whether to raise the minimum wage to \$10.50.¹¹ And leaders in states like Illinois, Minnesota and Hawaii are pushing similar increases.¹²

Table 2. OTHER STATES ARE AIMING HIGHER

Value of 1970 NYS Minimum Wage in 2014 dollars (\$1.85 adjusted for inflation)	\$11.11
President Obama’s Federal Minimum Wage Proposal	\$10.10
CA Minimum Wage (approved Sept. 2013)	\$10.00 (by 2016)
State Minimum Wage Proposals in CT, MA, MD, IL & CA	\$10.00 - \$12.00
Washington, DC, Montgomery & Prince George’s Counties, MD (approved Nov./Dec. 2013)	\$11.50 (by 2016-2017)
SeaTac, WA (approved Nov. 2013)	\$15.00
Minimum Wage Proposals in Seattle, San Francisco & Chicago	\$15.00

Because of the inadequacy of the federal poverty level as a meaningful gauge for the income necessary to meet the higher cost of living in New York, experts in family budgets have developed a more robust measure called the Self-Sufficiency Standard. The Self-Sufficiency Standard is based on the income that families of different size and composition need to meet basic expenses for housing, food, child care, clothing, transportation and other necessities, and the standard has been estimated for each county in New York. The standard factors in tax credits such as the Earned Income Tax Credit. For 2010, the Self-Sufficiency Standard for a 4-person family with two adults, one preschooler and one school-age child, ranged from \$50,200 to \$59,000 for the most populous upstate counties, and higher for New York City and the downstate suburbs.

Two full-time earners would have to make \$13.25 an hour each to have a family income of \$55,120, roughly what it would take to meet a Self-Sufficiency Standard budget in upstate New York. And the wage that each of two earners would need to lift their household to the self-sufficiency level would be even higher in New York City, Westchester, Nassau and Suffolk – illustrating both the inadequacy of New York’s current minimum wage, and how much costs of living vary across the state.

Table 3. SELF-SUFFICIENCY FAMILY BUDGETS FOR LARGEST NEW YORK COUNTIES

Counties ¹	Number of resident wage-earners	Self-sufficiency family budget ²	Hourly wage for 2 full-time earners to earn the self-sufficiency family budget
UPSTATE COUNTIES			
Albany	133,400	\$59,027	\$14.19
Broome	78,300	\$66,268	\$15.93
Chautauqua	53,300	\$48,942	\$11.76
Dutchess	123,900	\$67,064	\$16.12
Erie	393,600	\$55,369	\$13.31
Monroe	315,100	\$54,182	\$13.02
Niagara	93,600	\$48,302	\$11.61
Oneida	89,900	\$51,037	\$12.27
Onondaga	193,600	\$54,942	\$13.21
Ontario	48,700	\$52,507	\$12.62
Oswego	47,600	\$49,568	\$11.92
Rensselaer	70,400	\$55,836	\$13.42
Saratoga	101,500	\$58,027	\$13.95
Schenectady	64,200	\$55,739	\$13.40
Tompkins	49,800	\$49,891	\$11.99
Ulster	73,700	\$61,979	\$14.90
NEW YORK CITY³			
New York City	3,348,900	\$63,873 - \$70,507	\$15.35 - \$16.95
DOWNSTATE SUBURBAN COUNTIES			
Nassau	596,600	\$79,853	\$19.20
Orange	148,400	\$67,011	\$16.11
Putnam	46,600	\$79,769	\$19.18
Rockland	135,600	\$70,813	\$17.02
Suffolk	676,700	\$86,245	\$20.73
Westchester (excluding Yonkers)	408,500	\$74,762	\$17.97
Yonkers		\$71,847	\$17.27
Subtotal, all of the above	7,291,900		
NEW YORK STATE TOTAL	8,122,200		
subtotal share of state total	90%		

Source: Fiscal Policy Institute.

¹ Counties with wage-earning workforce > 45,000.

² Annual self-sufficiency standard for 4-person family with 2 adults, one preschooler and one school-age child. Diana M. Pearce, *The Self-Sufficiency Standard for New York State 2010, June 2010, New York State Community Action Association and Wider Opportunities for Women.*

³ Self-sufficiency family budgets are estimated for each borough, with Manhattan divided into two (North Manhattan above 110th Street, and South Manhattan below 110th Street); South Manhattan budget (\$93,002) excluded from the range shown for NYC.

II. The Solution

Allow Cities and Counties to Enact Higher Local Minimum Wages

A. In States from California to Maryland, Cities and Counties Are Using Higher Minimum Wages to Fight Poverty Locally

“To every mayor, governor, state legislator in America, I say, you don’t have to wait for Congress to act; Americans will support you if you take this on.”

*~ President Barack Obama, 2014 State of the Union Address,¹³
calling on localities and states to raise the minimum wage on their own*

“We want to ensure that New Yorkers aren’t relegated to the ranks of the poor when putting in a full week’s work. . . . [W]e will ask Albany to give New York City the power to raise the minimum wage in all five boroughs”¹⁴

~ Mayor Bill de Blasio, 2014 State of the City Address

Across the country, states from California to Maryland allow cities and counties to supplement the state minimum wage with higher local minimum wages. These states have found that empowering localities to adopt higher minimum wages enables them to fight poverty locally and to tailor the minimum wage to local living costs. And they have found that higher local minimum wages help build momentum for raising the state-wide minimum wage.

“In Maryland, we’ve found that giving counties the power to raise the minimum wage has helped local leaders address the needs of their local economies. My county, Montgomery County, recently raise the minimum wage to \$11.50 to match our county’s cost of living, which is a lot higher than that in rural parts of the state. And by coordinating with neighboring Prince George’s County and Washington, DC, we were able to enact a higher regional minimum wage for these high-cost communities. Our local wage laws have also helped build momentum for raising the Maryland minimum wage state-wide, which Governor O’Malley is working with the legislature to do this year.”

*~ Valerie Ervin, former Montgomery County Councilmember &
Executive Director of the Center for Working Families*

Table 4. EXAMPLES OF CURRENT LOCAL MINIMUM WAGES

Year Adopted	City/County	Current Wage Level
2003	San Francisco	\$10.74
2004	Santa Fe City, NM	\$10.66
2012	San Jose	\$10.15
2013	Washington DC	\$11.50 (by 2017)
2013	Montgomery County, MD	\$11.50 (by 2017)
2013	Prince Georges County, MD	\$11.50 (by 2017)
2013	SeaTac, WA	\$15.00

Many states do not restrict local powers in the way that New York currently does.¹⁵ Cities and counties that have enacted higher minimum wages in recent years include San Francisco (\$10.74), Santa Fe (\$10.66), San Jose (\$10.15), Washington D.C. (\$11.50 by 2016), Montgomery County, MD (\$11.50 by 2017), Prince Georges County, MD (\$11.50 by 2017) and SeaTac, WA (\$15 for certain jobs).

And as national momentum for improving wages and jobs grows, more cities and counties are moving to enact higher local minimum wages. These include Seattle, San Francisco (where Mayor Ed Lee has called for raising that city's current \$10.74 minimum wage higher), Chicago, San Diego, Oakland, Portland, ME, and Las Cruces, NM among others.

Table 5. EXAMPLES OF PROPOSED LOCAL MINIMUM WAGES

City/County	Proposed Wage Level
Seattle	\$15.00
San Francisco	\$15.00 (up from current \$10.74)
Chicago	\$15.00
San Diego	level not yet specified
Oakland	\$12.25
Richmond, CA	level not yet specified
Santa Fe County, NM	\$10.50
Las Cruces, NM	level not yet specified
Portland, ME	level not yet specified

B. The Economic Evidence Shows That Higher Local Minimum Wages Have Improved Jobs and City Economies, without Hurting Businesses

Leaders in cities that have enacted higher local minimum wages report that they have had substantial benefits for local communities, and have been manageable for local businesses:

“Not only is [Santa Fe’s higher local minimum wage] the right thing to do for a large number of people, but it has been critical to the success of our economy. We have the lowest unemployment of any metro area in the state and we are seeing small businesses create jobs at a greater pace than ever before.”¹⁶

~ Santa Fe Mayor David Coss

“San Francisco’s higher local minimum wage has been a big success during the 10 years that we’ve had it. It’s helped reduce poverty, has been manageable for local businesses, and has been good for the city’s economy by putting more money in the pockets of working San Franciscans. Currently the city is exploring raising it more to better reflect our high cost of living.”

~ San Francisco Board of Supervisors Member David Campos

“In its first year, San Jose’s higher local minimum wage has made a big difference in improving jobs at the bottom of our economy and combatting the widening inequality that our region is struggling with. And while some segments of the business community were concerned about the local minimum wage when it was proposed, most have found that it has been manageable and not a big problem.”

~ San Jose City Councilmember Ash Kalra

City leaders’ conclusions have been confirmed by rigorous economic analysis of the impact of the higher minimum wage laws that have been in operation in cities like San Francisco, Santa Fe and Washington, D.C. for many years. These studies have found that higher city minimum wages have boosted wages without any evidence of slowed job growth or business relocations. This is because the substantial majority of the low-wage positions affected are in fields such as restaurants, retail, and building services that are linked to their city locations, and so cannot practically be moved by their employers to other locations outside of the city.

Key studies in this body of research include:

- A 2012 study by the Center for Economic Policy Research that analyzed the effects of the city minimum wage laws in San Francisco, Santa Fe, and Washington D.C. on the wages and employment in fast food restaurants, food services, retail and other low-wage establishments. It found that these laws raised the earnings of low-wage workers without a discernable impact on employment.¹⁷
- A 2014 book-length study of San Francisco's minimum wage, health care and paid sick leave laws, which collectively raised the compensation of low-wage workers 80 percent higher than the federal minimum wage, found that these laws raised pay without costing jobs. In fact, researchers found that from 2004 to 2011, private sector employment grew by 5.6 percent in San Francisco, but fell by 4.4 percent in other Bay Area, California counties that did not have a higher local wage. Among food-service workers, who are more likely to be affected by minimum-wage laws, employment grew 17.7 percent in San Francisco, faster than in the other Bay Area counties. San Francisco employers absorbed the higher wage costs through a combination of reduced employee turnover (with corresponding savings in re-staffing and retraining costs) and improved customer service and worker productivity.¹⁸
- A 2006 study by the University of New Mexico's Bureau of Business and Economic Research that examined the effects of Santa Fe's adoption of a city-wide minimum wage that increased the minimum wage from \$5.15 to \$8.50 (an immediate 65 percent increase) and indexed the wage rate to increase with inflation in future years. The analysis found that the minimum wage increase had no discernable impact on employment, and that Santa Fe's job growth overall was higher than Albuquerque's, which at that time did not have a higher city minimum wage.¹⁹
- An earlier 2007 study of the economic effects of San Francisco's city minimum wage, which surveyed table service as well as fast food restaurants – the industries most affected by the increase -- found that the policy increased worker pay without creating any detectable employment loss among affected restaurants.²⁰

In San Jose, local business leaders who initially opposed enacting a higher city minimum wage have now found it to be manageable, reports the *San Jose Mercury News*.²¹ And in San Francisco, the city's pro-business mayor, Ed Lee, is calling for a significant increase to the city's \$10.74 minimum wage, recognizing that it is one of the most effective strategies for addressing the city's widening inequality and high cost of living.²²

C. Similar Research at the State and National Levels Confirms That Higher Minimum Wages Help Low-Paid Workers Without Slowing Job Growth

The findings of these studies on the effects of city minimum wages are supported by the most rigorous economic research on the effects of minimum wage at the state and federal levels increases over the past twenty years, which has found that increased minimum wages boosts worker pay without causing job losses – even in regions where the economy is weak or unemployment is higher:

- Two leading “meta-studies” survey and pool the data from over four decades of studies of the impact of raising the minimum wage. As summarized by the Center for Economic and Policy Research in a recent review, these leading meta-studies show that the substantial majority of rigorous studies have found “little or no significant impact of minimum wage increases on employment.” Such meta-studies represent the most accurate and sophisticated approach to studying the employment impact of raising the minimum wage, as they aggregate data from dozens of studies containing thousands of different estimates of the employment impact of minimum wage increases.²³
- This body of research was recently summarized in a statement endorsed by over 600 economists, including seven Nobel Laureates and eight past presidents of the American Economic Association. The statement explained that, “In recent years there have been important developments in the academic literature on the effect of increases in the minimum wage on employment, with the weight of evidence now showing that increases in the minimum wage have had little or no negative effect on the employment of minimum-wage workers, even during times of weakness in the labor market.”²⁴
- As Bloomberg News summarized, “[this] wave of new economic research is disproving those arguments about job losses and youth employment. Previous studies tended not to control for regional economic trends that were already affecting employment levels, such as a manufacturing-dependent state that was shedding jobs. The new research looks at micro-level employment patterns for a more accurate employment picture. The studies find minimum-wage increases even provide an economic boost, albeit a small one, as strapped workers immediately spend their raises.”²⁵
- Among the most sophisticated and widely-praised of the recent studies is a 2010 study on the effects of increases in the minimum wage on job growth in the United States. Taking advantage of the fact that a record number of states raised their minimum wages during the 1990s and 2000s – creating scores of differing minimum wage rates across the country – the study compares employment levels among every pair of neighboring U.S. counties that had differing minimum wage levels at any time between 1990 and 2006 and

finds that higher minimum wages did not reduce employment.²⁶ This is also a particularly important finding regarding the impact of higher minimum wage requirements at a local level—this study looked at 500 pairs of neighboring counties and found that a higher minimum wage in one of each pair of counties did not have an adverse employment effect in the county with the higher minimum wage.

- A companion piece, published in 2011 focused on the impact of minimum wage increases on teens – a very small segment of the low-wage workforce but one where any job loss impacts caused by higher wages might be expected to appear first. The study examined every minimum wage increase in the United States over the past two decades—including increases that took place during protracted periods of high unemployment—and found that raising the wage floor boosted incomes without reducing employment or slowing job creation.²⁷

D. Allowing Higher Local Minimum Wages in New York Would Empower Cities and Counties to Improve the Lives of Significant Numbers of Working New Yorkers

Empowering localities in New York to enact higher local wages better suited to regional living costs could lift pay for hundreds of thousands if not millions of workers, depending on how many localities chose to enact a higher local wage, and what wage level they decided made sense for their community. This is because significant numbers of workers across New York and in every county rely on very low wages to make ends meet, and could benefit from some sort of raise if counties and cities had the power to enact a higher minimum wage.

COUNTY-BY-COUNTY DISTRIBUTION OF NEW YORK'S LOW-WAGE EARNERS

Overall for the state, 37 percent of wage-earners are paid low-wages below \$15 an hour. In many urban areas, the percent of low-wage workers is much higher. In Monroe County (Rochester), 40 percent of wage-earners are low-wage, 41 percent in Erie County (Buffalo), 44 percent in Chautauqua County (Jamestown), 45 percent in Broome County (Binghamton), and in the Bronx, half (51 percent) of all wage-earners are low-wage (see Table 5).

ALLOWING HIGHER MINIMUM WAGES IMPROVES CHILD DEVELOPMENT

A burgeoning academic literature on early childhood development offers strong support for measures to raise minimum wages. Over 1.1 million children in New York State—more than one out of every four children in the state—have parents who make less than \$15 an hour. Given the high proportion of wage-earners making low-wages in the state's large cities, it is not surprising that New York State's overall child poverty rate in 2012 was 22.6 percent, and that it was much higher in New York City, 32 percent, and dramatically higher in Buffalo

Table 5. NEW YORK WORKERS PAID LOW WAGES BY COUNTY & AS A SHARE OF COUNTY'S TOTAL WAGE-EARNERS

	Wage-earners per county	Low-wage workers per county ¹	Percent of wage-earners in each county paid low-wages
NEW YORK STATE TOTAL	8,122,200	3,014,300	37%
NEW YORK CITY	3,348,900	1,250,200	37%
Bronx	444,300	229,700	52%
Kings	945,100	384,300	41%
Manhattan	796,600	219,800	28%
Queens	957,300	357,700	37%
Richmond	205,300	58,600	29%
REST OF STATE	4,773,300	1,764,200	37%
Albany	133,400	48,600	36%
Allegany	20,100	7,400	36%
Broome	78,300	35,500	45%
Cattaraugus	33,800	13,900	41%
Cayuga	34,600	12,900	37%
Chautauqua	53,300	23,500	44%
Chemung	33,900	15,100	44%
Chenango	21,200	9,000	43%
Clinton	31,600	13,700	43%
Columbia	26,400	10,300	39%
Cortland	20,600	7,800	38%
Delaware	18,300	7,800	43%
Dutchess	123,900	41,600	34%
Erie	393,600	159,800	41%
Essex	14,800	6,600	45%
Franklin	18,700	7,800	42%
Fulton	22,200	9,400	43%
Genesee	27,200	10,600	39%
Greene	19,800	8,200	41%
Hamilton	2,500	1,000	41%
Herkimer	25,600	10,900	43%
Jefferson	40,200	16,600	41%
Lewis	10,200	4,000	39%
Livingston	27,300	9,900	36%

Table 6. NEW YORK WORKERS PAID LOW WAGES BY COUNTY & AS A SHARE OF COUNTY'S TOTAL WAGE-EARNERS

	Wage-earners per county	Low-wage workers per county	Percent of wage-earners in each county paid low-wages
Madison	30,400	10,800	35%
Monroe	315,100	127,600	40%
Montgomery	19,700	9,600	49%
Nassau	596,600	198,900	33%
Niagara	93,600	39,600	42%
Oneida	89,900	41,000	46%
Onondaga	193,600	76,300	39%
Ontario	48,700	18,400	38%
Orange	148,400	52,500	35%
Orleans	16,000	7,200	45%
Oswego	47,600	19,700	41%
Otsego	26,700	10,500	39%
Putnam	46,600	12,900	28%
Rensselaer	70,400	25,600	36%
Rockland	135,600	43,200	32%
Saratoga	101,500	33,300	33%
Schenectady	64,200	26,100	41%
Schoharie	13,000	4,700	37%
Schuyler	8,400	3,400	40%
Seneca	14,600	5,800	40%
St. Lawrence	39,800	16,800	42%
Steuben	37,000	16,500	45%
Suffolk	676,700	223,200	33%
Sullivan	28,700	12,800	45%
Tioga	21,000	8,500	41%
Tompkins	49,800	13,800	28%
Ulster	73,700	29,700	40%
Warren	30,200	12,700	42%
Washington	27,300	10,200	38%
Wayne	40,100	16,100	40%
Westchester	408,500	133,500	33%
Wyoming	17,100	6,700	39%
Yates	11,300	4,600	40%

Source: Fiscal Policy Institute.

¹ Low wages defined as \$15 per hour or less

Note: Average resident employment by county from New York State Dept. of Labor, LAUS series, adjusted to reflect estimate of those receiving wages based on state-level share, excluding self-employed and those for whom a valid wage cannot be determined from Current Population Survey data. Number of workers paid less than \$15 an hour from Economic Policy Institute analysis of CPS microdata, 2013. Allocated to counties by Fiscal Policy Institute analysis of each county's share of low-income tax filers from NYS Dept. of Finance and Taxation.

(45 percent), Rochester (49 percent) and Syracuse, where over half of all children (54 percent) live in poverty.²⁸

Low-wage workers provide 57 percent of their families' total income, and the wage earnings of low-wage workers is the sole source of family income for 20 percent of families with children who have a low-wage worker.²⁹

Child development research that follows low-income children from early childhood into their adult years has found significant and lasting benefits when incomes rise for children's families. One example is research by Greg Duncan and colleagues that found that each additional \$3,000 in annual income in early childhood is associated with an additional 135 hours of annual work as a young adult and an additional 17 percent in annual earnings.³⁰

Conclusion

From California to Maryland, cities and counties are using higher local minimum wages to respond to the growth of low wage jobs. They are finding that these policies have significantly improved job and living conditions for workers and families at the bottom of their economies, and have not hurt business growth. With its large numbers of low-wage jobs and extreme income inequality, such policies would be especially beneficial in New York State where urban, suburban and rural counties alike struggle to respond to the impact of such jobs on their communities. New York State should empower cities and counties to supplement the state minimum wage with higher local minimum wages to allow them to address local conditions and fight poverty.



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