

A \$12 Minimum Wage in Missouri: New Report Shows That Every County Will Benefit From Raising the Minimum Wage

This November, Missouri voters will vote on whether to increase the state's minimum wage to \$12 by 2023. If the measure passes, approximately 677,000 workers across the state would see their incomes rise to meet the increasing cost of living. That represents 25 percent of all working Missourians.

Working families in every single county in Missouri, regardless of population size and density, would benefit. Even in the smallest and most rural counties in the state, hundreds of workers' wages would rise, helping to provide stability to their families and households. Missouri would join dozens of jurisdictions across the country in raising wages. The appendix includes a chart that shows an estimate of how many workers in each county will benefit.

Workers in Every Single County Across the State—677,000 Working Missourians in Total—Would Benefit From a \$12 Minimum Wage

Missouri voters will decide in November whether to increase the state minimum wage to \$12 by 2023. Analysis by the Economic Policy Institute (EPI) of Bureau of Labor Statistics data shows that if voters approve the initiative, **677,000 workers, living in each of Missouri's 114 counties, plus the City of St. Louis, will see the benefits of a higher wage.**¹ This higher minimum wage would allow workers across the entire state to cope with the rising cost of basic necessities, such as housing, food, transportation, and healthcare.² See the appendix for a complete list of counties and estimated number of workers affected.

As Table 1 shows, **workers who would benefit represent nearly a quarter of all working Missourians.** By 2023, each worker will earn an average of \$1,485 more annually. The additional income would not only help working families throughout the state, it would also benefit small businesses and Missouri's broader economy. Research shows that higher wages lead to increased spending, which, in turn, has the effect of boosting the demand for goods and services³ and keeping money circulating in the economy—creating a virtuous cycle that benefits a broad constituency.⁴

Table 1. Missouri Counties That Would Benefit From a Higher Minimum Wage

	Number of counties	Number of Workers	Average Pay Increase Per Employee
All Missouri counties that would benefit	114	677,000	\$1,485
Share of total	100%	24%	

Source: NELP analysis of the Bureau of Labor Statistics' 2016 Quarterly Census of Employment and Wages (QCEW), the Economic Policy Institute, the Census Bureau's 2016 Current Population Survey Outgoing Rotation Groups (CPS ORG) and the CBO's Economic Projections (June 2017).

A Growing Number of Jurisdictions Are Enacting Minimum Wage Increases, Reflecting Continued Concerns With Low Wages and Support for Bold Change

With job growth skewed towards low-paying occupations over the past decade, there has been growing national momentum for action to raise the minimum wage. Although the U.S. median household income is slowly climbing from the depths of the Great Recession,⁵ hourly wages continue to stay flat or decline for most of the labor force, even amidst the economic recovery and a full employment economy. The worsening prospects and opportunities for low-wage workers have prompted a record number of cities, counties, and states to enact higher minimum wage rates for their residents, often with overwhelming support from voters.

Since November 2012, an estimated 19 million workers throughout the country have earned wage increases through a combination of states and cities raising their minimum wages; executive orders by city, state, and federal leaders; and individual companies raising their pay scales.⁶ Of those workers, **nearly 10 million will receive gradual raises to \$15 per hour.**⁷ **A growing number of states—including New Jersey, Massachusetts, Connecticut, Rhode Island, and Maryland—are currently considering minimum wage legislation.**⁸ In addition, more than two-dozen cities and counties from Washington, D.C., to Minneapolis, to Flagstaff, Arizona, have approved higher minimum wages or have campaigns underway.⁹

The trend in localities and states pushing for higher minimum wage rates is likely to continue as wages decline or stagnate, inequality worsens or remains high, and Congress fails to take bold action to ensure that hard-working individuals can make ends meet.

Conclusion

Raising the minimum wage is one of main tools that states and cities across the country are using to help working families meet the rising costs of basic necessities. It is also sound economic policy for combating poverty and addressing persistent racial and gender discrimination in pay. Higher wages will help invigorate local economies by giving small businesses a more level playing field. The state of Missouri only stands to benefit from this opportunity to help workers make ends meet and alleviate the especially intractable economic barriers that continue to harm women and people of color in this country.

Endnotes

1. NELP analysis of data from the Bureau of Labor Statistics' 2016 Quarterly Census of Employment and Wages (QCEW), the Economic Policy Institute and the Current Population Survey. Estimates are not reported for any counties in which private sector wage data are unavailable in the QCEW. Statewide figure provided by the Economic Policy Institute (EPI). State and county estimates of affected workers include both directly and indirectly affected workers. Indirectly affected workers have a wage rate just above the new minimum wage (between the new minimum wage and the new minimum wage plus the dollar amount of the increase in the previous year's minimum wage). They will receive a raise as employer pay scales are adjusted upward to reflect the new minimum wage. Indirectly affected workers include workers projected to make less than \$12.85 in 2023. Consistent with statewide estimates made by EPI, wages are adjusted to reflect "natural" nominal wage growth. For 2016–2019, a rate equal to the average growth rate of the wages of the bottom 20 percent of wage earners in Missouri between 2014 and 2016 is assumed: 2.91 percent. For wage growth after 2019, the assumption is a growth equal to inflation plus 0.5 percent in each year, as projected by the CBO—a total of 3.15 percent in each year. The projected share and number of affected workers in each county is based on the QCEW reported mean weekly wage and an assumed 74 percent ratio between the standard deviation and the reported mean. Projections of hourly wages based on work hours for workers in the lowest wage quintile as estimated by EPI in <https://www.epi.org/publication/trends-in-work-hours-and-labor-market-disconnection/>.
2. U.S. Census Bureau, 2010 Census, Annual Estimates of the Resident Population: Apr. 1, 2010 to July 1, 2017; American FactFinder, <https://factfinder.census.gov>.
3. Patrick Reimherr, "Higher Wages, a Stronger Bottom Line and Job Growth," U.S. Department of Labor: Blog (Aug. 1, 2014), <https://blog.dol.gov/2014/08/01/higher-wages-a-stronger-bottom-line-and-job-growth>.
4. International Labour Organization, "Can Minimum Wages Help Rebalance the Economy?" (Aug. 12, 2013), http://www.ilo.org/newyork/voices-at-work/WCMS_219658/index.htm.
5. Elise Gould and Julia Wolfe, "Income Growth in 2016 is Strong, But Not As Strong As 2015 and More Uneven," *Working Economics Blog*, Sept. 12, 2017, <http://www.epi.org/blog/income-growth-in-2016-is-strong-but-not-as-strong-as-2015-and-more-uneven/>.
6. National Employment Law Project, *Fight for \$15: Four Years, \$62 Billion*, Dec. 2016, <http://www.nelp.org/content/uploads/Fight-for-15-Four-Years-62-Billion-in-Raises.pdf>.
7. Ibid.
8. National Employment Law Project, "State Campaigns," *Raise The Minimum Wage*, <http://raisetheminimumwage.com/state-campaigns/>.
9. National Employment Law Project, "City Campaigns," *Raise The Minimum Wage*, <http://raisetheminimumwage.com/city-campaigns/>.

Appendix 1: Workers in every Missouri county would benefit from a \$12 minimum wage by 2023

State/County	Total affected	Total workforce	As % of total workforce	County	Total affected	Total workforce	As % of total workforce
Missouri	677,000	2,675,038	24%				
Adair County	3,190	10,276	31%	Clay County	24,285	108,166	22.5%
Andrew County	779	2,510	31%	Clinton County	1,270	4,227	30.1%
Atchison County	556	1,721	32.3%	Cole County	13,966	55,707	25.1%
Audrain County	2,868	2,9908	28.9%	Cooper County	1,658	5,225	31.7%
Barry County	3,991	14,847	26.9%	Crawford County	1,892	6,973	27.1%
Barton County	1,117	3,405	32.8%	Dade County	607	1,786	34%
Bates County	1,232	3,841	32.1%	Dallas County	964	2,563	37.6%
Benton County	1,303	3,782	34.4%	Daviess County	560	1,578	35.5%
Bollinger County	684	1,914	35.7%	DeKalb County	1,053	3,814	27.6%
Boone County	23,658	97,471	24.3%	Dent County	1,344	4,025	33.4%
Buchanan County	12,236	50,027	24.5%	Douglas County	906	2,483	36.5%
Butler County	6,000	20,051	29.9%	Dunklin County	3,788	10,178	37.2%
Caldwell County	586	1,814	32.3%	Franklin County	10,903	41,218	26.5%
Callaway County	3,797	15,099	25.1%	Gasconade County	1,868	5,568	33.5%
Camden County	5,649	17,412	32.4%	Gentry County	713	2,323	30.7%
Cape Girardeau County	11,090	42,676	26%	Greene County	42,876	171,713	25%
Carroll County	782	2,495	31.3%	Grundy County	1,081	3,624	29%
Carter County	581	1,535	37.8%	Harrison County	957	2,744	34.9%
Cass County	7,900	26,995	29.3%	Henry County	2,186	7,823	27.9%
Cedar County	1,220	3,329	36.6%	Hickory County	512	1,304	39.3%
Chariton County	634	1,965	32.3%	Holt County	395	1,333	29.6%
Christian County	5,608	17,678	31.7%	Howard County	926	2,808	33%
Clark County	551	1,484	37.1%	Howell County	4,811	15,685	30.7%

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Iron County	1,013	3,885	26.1%	Morgan County	1,587	4,440	35.7%
Jackson County	78,523	382,815	20.5%	New Madrid County	2,027	7,067	28.7%
Jasper County	16,271	63,365	25.7%	Newton County	5,180	17,870	29%
Jefferson County	14,061	50,374	27.9%	Nodaway County	2,401	8,070	29.8%
Johnson County	4,704	16,446	28.6%	Oregon County	980	2,456	39.9%
Knox County	439	1,157	37.9%	Osage County	1,093	3,761	29.1%
Laclede County	4,244	14,019	30.3%	Ozark County	677	1,640	41.3%
Lafayette County	2,811	9,082	31%	Pemiscot County	1,991	6,207	32.1%
Lawrence County	2,712	9,420	28.8%	Perry County	2,845	10,180	27.9%
Lewis County	893	2,766	32.3%	Pettis County	5,967	20,307	29.4%
Lincoln County	3,269	12,188	26.8%	Phelps County	5,045	18,964	26.6%
Linn County	1,230	4,132	29.8%	Pike County	1,915	6,288	30.4%
Livingston County	1,981	6,544	30.3%	Platte County	10,883	46,821	23.2%
Macon County	1,618	5,338	30.3%	Polk County	2,575	8,679	29.7%
Madison County	1,333	3,842	34.7%	Pulaski County	3,742	13,657	27.4%
Maries County	434	1,288	33.7%	Putnam County	361	1,028	35.1%
Marion County	4,005	14,149	28.3%	Ralls County	887	3,698	24%
McDonald County	2,166	7,350	29.5%	Randolph County	2,914	10,186	28.6%
Mercer County	536	1,850	28.9%	Ray County	1,339	4,525	29.6%
Miller County	2,290	7,196	31.8%	Reynolds County	692	1,760	39.3%
Mississippi County	1,352	4,161	32.5%	Ripley County	1,260	3,031	41.5%
Moniteau County	1,353	4,310	31.4%	Saline County	2,737	2,737	30.1%
Monroe County	693	2,117	32.7%	Schuyler County	245	638	38.3%
Montgomery County	933	3,038	30.7%	Scotland County	418	1,244	33.5%

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State/County	Total affected	Total workforce	Percentage of total workforce
Scott County	4,532	16,033	28.3%
Shannon County	630	1,516	41.5%
Shelby County	657	1,818	36.1%
St. Charles County	35,903	151,645	23.7%
St. Clair County	649	1,739	37.3%
St. Francois County	7,766	24,172	32.1%
St. Louis City	46,730	237,870	19.6%
St. Louis County	125,714	631,265	19.9%
Ste. Genevieve County	1,416	5,705	24.8%
Stoddard County	3,155	10,735	29.4%
Stone County	1,910	5,915	32.3%
Sullivan County	648	2,500	25.9%
Taney County	10,175	30,747	33.1%
Texas County	2,001	5,955	33.6%
Vernon County	2,056	7,245	28.4%
Warren County	2,071	7,502	27.6%
Washington County	1,833	5,264	34.8%
Wayne County	1,138	2,908	39.1%
Webster County	2,231	7,098	31.4%
Worth County	149	393	38%
Wright County	1,476	4,363	33.8%

Source: NELP analysis of the Bureau of Labor Statistics' 2016 Quarterly Census of Employment and Wages (QCEW), the Economic Policy Institute, the Census Bureau's 2016 Current Population Survey Outgoing Rotation Groups (CPS ORG) and the CBO's Economic Projections (June 2017).