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New Bell issue brief Raising Colorado's minimum wage: Who benefits?

If Colorado voters pass Amendment 42, which will increase the state's minimum wage, about 7 percent of the state's workers will get a raise.

A new issue brief from the Bell Policy Center, *Raising Colorado's minimum wage: Who benefits?* confirms that most of these workers are adults, and many are the sole income earners in their household with kids to support.

The brief busts the myth that the only minimum wage earners are teens working part-time jobs.

Bell Policy Center calculates that 138,000 workers in Colorado would earn more if the state adopts a higher minimum wage.

About 73,000 workers now earn from \$5.15 an hour, the current minimum wage, to \$6.85 an hour, the wage proposed under Amendment 42. Another 65,000 workers earn slightly more than \$6.85, and would eventually get a raise as employers boost pay to maintain existing differences in wage rates among jobs.

"By more than 2 to 1, these low-wage earners are adults. They work in the service, retail and hospitality sectors, from 20 to 40 hours a week," said Rich Jones, Bell's director of policy and research and author of the brief.

"Most importantly, about 20 percent of these workers are raising kids, and half of those fam-

ilies count on the low-wage worker's earnings for all of their income," Jones said. "If Colorado voters pass Amendment 42, 57,000 kids in Colorado will benefit from their parents getting a raise."

Congress hasn't raised the minimum wage since 1997, nearly a decade ago. The wage hasn't kept up with inflation, and has less purchasing power today than in the past 50 years.

Already, 23 states and the District of Columbia have increased their minimum wage, and a higher minimum wage is on the November ballot in Colorado and five other states.

Business studies done in states that raised their minimum wage show that the wage increase doesn't hurt business or employment, Jones said.

Amendment 42 also sets a higher minimum wage for tipped workers and allows both wages to be adjusted for inflation. It would amend the Colorado Constitution.

This issue brief is the first in a series on minimum wage, and an upcoming brief in the series will focus on the business effects of a minimum wage increase.

The 10-page brief is available on the Bell Policy Center web site, www.thebell.org > Economic Opportunity.