

ASSEMBLY RESOLUTION No. 87

STATE OF NEW JERSEY

INTRODUCED MAY 6, 1996

By Assemblywoman TURNER, Assemblymen GUSCIORA, Dalton, Cohen, Wisniewski, Zisa, Green, Assemblywoman Gill, Assemblymen Caraballo, Romano, Charles, Assemblywomen Weinberg, Buono, Assemblymen Mattison, Stanley, Steele, Pascrell and Garcia

- 1 **AN ASSEMBLY RESOLUTION** memorializing Congress to enact legislation to
2 increase the federal minimum wage to \$5.15 per hour over two years.
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- 4 **WHEREAS**, The current federal minimum wage of \$4.25 per hour has not been
5 raised since 1991; and
- 6 **WHEREAS**, Inflation has caused the purchasing power of the minimum wage
7 to decline 11% since 1991 and 38% since 1968, when the minimum wage
8 was at its historic high point of \$6.81 per hour in 1995 dollars; and
- 9 **WHEREAS**, Most minimum wage workers depend on their wages for survival,
10 with 69% of minimum wage workers 20 years old or older, and only 7%
11 of minimum wage workers being teen-age students from families with
12 above-average earnings; and
- 13 **WHEREAS**, Hispanic workers comprise a disproportionately high 30% share
14 of all minimum wage workers; and
- 15 **WHEREAS**, A full-time worker earning the minimum wage earns only \$8,500
16 per year, an amount far below the \$12,190 per year poverty line for a
17 family of three, although the minimum wage was sufficient to raise such a
18 family out of poverty as recently as 1980; and
- 19 **WHEREAS**, The inadequacy of the minimum wage has resulted in more than
20 eight million working Americans living below the official poverty level,
21 including almost five million who work full-time; and
- 22 **WHEREAS**, The declining earnings of low wage workers have contributed to
23 the increasing inequality of earnings and wealth which is polarizing
24 American society and, if continued, may even have the potential to
25 adversely impact the nation's democratic values and institutions; and
- 26 **WHEREAS**, More than 80% of the American public supports an increase in
27 the minimum wage as a way to increase the value of all work and as a
28 matter of basic fairness in a time of record profits and skyrocketing
29 corporate executive compensation; and
- 30 **WHEREAS**, It is almost impossible for increases in the minimum wage to have
31 a significant negative effect on international or even interstate
32 competitiveness in most cases, because most jobs paying the minimum

1 wage are in economic sectors which rely principally on local markets, such
2 as food services, building services and retail trade in nondurable goods;
3 and

4 **WHEREAS**, Increasing the wages of low wage workers often tends to motivate
5 employers to make better use of their workforce, unlike public assistance
6 programs such as the earned income tax credit, which, while sometimes
7 helping low income workers, have the unfortunate side effect of making
8 taxpayers subsidize inefficient employers; and

9 **WHEREAS**, The studies of Princeton University economists David Card and
10 Alan Krueger demonstrated that the 1988 increase in California's minimum
11 wage, the 1991 increase in the federal minimum wage and the 1992
12 increase in New Jersey's minimum wage raised the earnings of low wage
13 workers without raising the level of unemployment; and

14 **WHEREAS**, Also casting doubt on the frequent assertion that a higher minimum
15 wage will increase unemployment is the fact that, during the last 55 years,
16 the decades in which the federal minimum wage had the greatest earning
17 power were also the decades with the lowest average rates of
18 unemployment; and

19 **WHEREAS**, More than 12 million working Americans would directly benefit if
20 the minimum wage was increased to \$5.15 per hour, as proposed in the
21 "Working Wage Increase Act," now pending before the United States
22 Senate as Senate Bill, No. 413 and before the House of Representatives
23 as House Bill, No 940; now, therefore,

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25 **BE IT RESOLVED** *by the General Assembly of the State of New Jersey:*

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27 1. The Congress of the United States is respectfully memorialized to enact
28 the "Working Wage Increase Act," now pending as House Bill, No. 940 and
29 Senate Bill, No. 413.

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31 2. Duly authenticated copies of this resolution, signed by the Speaker of
32 the General Assembly and attested by the Clerk thereof, shall be transmitted
33 to the President of the United States Senate, the Speaker of the House of
34 Representatives, the majority and minority leaders of both House's of
35 Congress, and every member of Congress elected from this State.

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STATEMENT

This resolution memorializes the Congress of the United States to enact into law S. 413 or H.R. 940, the "Working Wage Increase Act," which would increase the federal minimum hourly wage from \$4.25 to \$5.15 over two years.

Memorializes Congress to increase federal minimum wage.