

Legislation Text

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Urging the Pennsylvania General Assembly to act on Governor Shapiro's call, in his 2023 budget address, to raise the state's minimum wage to \$15 and to deliver a living wage for workers in the Commonwealth of Pennsylvania.

WHEREAS, Philadelphia has been labeled the "poorest big city in America" and the City's poverty rate, which stands near 23% according to the U.S. Census Bureau, is nearly double the statewide and national averages; and

WHEREAS, The minimum wage in the Commonwealth of Pennsylvania has not been raised since 2009, when the minimum wage was increased to \$7.25 nationwide. However, since 2009, the Consumer Price Index has increased by nearly 40%, according to the Bureau of Labor Statistics. This growing disconnect between the state's minimum wage and residents' cost of living causes a steady erosion of minimum wage earners' incomes that traps families in poverty; and

WHEREAS, The high cost of living in the City of Philadelphia has compounded the difficulties faced by minimum wage workers. According to an analysis published by the Economy League of Greater Philadelphia in May, 2022, rents in Philadelphia increased by 8.5% from April 2021 to April 2022, representing a \$197 average increase for Philadelphia renters; since 2018, the average rent in Philadelphia has increased 19%. After adjusting for the cost of living to determine cities' "real minimum wage," workers in Philadelphia were found to have the fourth lowest minimum wage among the 79 cities surveyed in January, 2023, by economic analytics firm SmartAsset. Minimum wage earners in Pittsburgh did not fare significantly better and earned the 11th lowest real minimum wage among the cities that were surveyed; and

WHEREAS, Philadelphia voters have expressed an overwhelming support for increasing the minimum wage. In the May 2019 primary election, more than 80% of voters approved an amendment to the Philadelphia Home Rule Charter calling on the legislature to increase the minimum wage statewide or to allow Philadelphia to set its own minimum locally; and

WHEREAS, While Philadelphia residents are particularly impacted by the state's antiquated minimum wage, there is no county in the Commonwealth where residents can support themselves or their families on a minimum wage income. According to data compiled by Massachusetts Institute of Technology economist Dr. Amy K. Glassmeier, the wage required for a single individual to cover the cost of living is nearly double the current statutory minimum wage in each of Pennsylvania's 67 counties; and

WHEREAS, The General Assembly has considered several proposals to raise the minimum wage in Pennsylvania, or to grant cities such as Philadelphia the option to establish their own minimums. These proposals should be revisited to ensure that Pennsylvania workers earn a family-sustaining wage; now, therefore, be it

RESOLVED, THAT THE COUNCIL OF THE CITY OF PHILADELPHIA, Hereby urges the Pennsylvania General Assembly to act on Governor Shapiro's call, in his 2023 budget address, to raise the state's minimum wage to \$15 and to deliver a living wage for workers in the Commonwealth of Pennsylvania.

