THE COMMONWEALTH INSTITUTE

Virginia Women Need a \$15 Statewide Minimum Wage

Problem:

- Virginia women currently make 79 cents for every \$1 men make. Black women in Virginia typically make 60 cents for every dollar paid to white men. Latina women in Virginia typically make 53 cents for every dollar paid to white men.¹
- Too many women in Virginia are working full-time yet can't make ends meet. Nearly two-thirds of Virginia families with incomes below the federal poverty threshold have at least one adult who is working, yet they are paid too little to make ends meet.²
- Since 1968 the federal minimum has dramatically weakened compared to cost of living, typical wages for middle-class workers, and the productivity of workers. As a result, the minimum wage is just 32% of typical national wages (down from 53% in 1968) and is just 11% of net productivity (down from 34% in 1968). This erosion has particularly disadvantaged communities of color poverty rates for Black and Latinx families would be almost 20% lower had the minimum wage remained at its 1968 inflation-adjusted level, and would be even lower if the minimum wage had kept up with increases in productivity or median wages.

Solution:

- A statewide \$15 min wage and closing exclusionary loopholes would boost incomes for Virginia women and reduce the wage gap.
 - A statewide \$15 by 2025, as proposed by the House, would raise wages for 1,205,900 people working in Virginia, including 715,600 women. 60% of people working in Virginia who would benefit from \$15 by 2025 are working full-time (at least 35 hours per week).
- Because the work of women of color is currently devalued and women of color have often been shut out of opportunities for well-paying jobs, raising the minimum wage would particularly help working women of color. 45% of women of color who work in Virginia would see a raise from a \$15 minimum wage by 2025.

Potential snag:

- The Senate proposal on the minimum wage would have far less benefit for working Virginians than the House proposal, delaying wage increases everywhere, adding new exclusions rather than closing them, and creating a complicated new regional system that would make most of Virginia fall farther behind Northern Virginia every year.³
- The new regional scheme would particularly harm Black Virginians. Only 15% of Black workers in Virginia work in the Northern Virginia area that would likely receive the largest minimum wage increase. And many of Virginia's majority-Black cities and counties such as Greensville and Sussex are in Southside, which has one of the lowest regional median incomes and therefore would see some of the smallest increases in the minimum wage.
- 79% of the women who would otherwise benefit from a \$15 by 2025 statewide minimum wage live outside of Northern Virginia.
- 83% of single parents who would otherwise benefit from a statewide \$15 minimum wage live outside of the Northern Virginia area that will see the most increase.

¹ https://nwlc.org/state/virginia/

² https://www.thecommonwealthinstitute.org/2019/12/12/raising-the-wage-in-virginia-will-benefit-working-families/

³ https://thehalfsheet.org/post/190829406528/a-regional-minimum-wage-would-accelerate