RAISING THE MINIMUM WAGE
What is the Linn County Impact of a $10.10 Minimum Wage?

At least 18,400 low-wage workers stand to get a pay raise in Linn County if the county or state were to implement a $10.10 minimum wage by 2017. That would translate into millions in additional annual income. Much of that would be spent in Linn County at local retail and service businesses, which in turn would need more work hours to handle the increased business.

About 101,600 wage-earners in Linn County work in the private sector, including nonprofits. About 18,400 of those workers would stand to benefit directly from a minimum wage rising to $10.10 by 2017.¹ This is a conservative estimate; due to uncertainty that the local wage would apply to state or federal employees, our analysis does not include public employees.

Many workers not covered by the minimum wage would also benefit, in two ways. Employers may increase the wages of those earning a little above the new minimum wage in order to maintain wage parity within the firm, or to successfully compete in the labor market. Second, wages of public-sector workers not covered by the local minimum wage law may be raised to keep and attract such workers in competition with private sector employers. The percentages below should be taken as a minimum effect.

Women are disproportionately represented in lower-wage jobs, so it is no surprise that 54 percent of those benefiting from the county minimum wage would be women. More surprising, perhaps, is that nearly a quarter would be age 40 or older, while only 20 percent would be under age 20. Only about 1 in 5 of the beneficiaries work fewer than 20 hours per week; over half (52 percent) work full time (35+ hours per week). Parents are 1 in 5 beneficiaries (20 percent); persons of color are about 13 percent.

¹ Estimates based on American Community Survey wage data for 2012-2014; workers benefiting are assumed to be earning a wage less than $10.10 per hour by 2017 if their wages rise by inflation rates projected by the Congressional Budget Office. A local minimum wage would affect all those working in Linn County, regardless of residency, but estimates predict 86 percent would be Linn County residents.