

IOWA'S STAGNATING MINIMUM WAGE A BLEAK PICTURE for IOWA WOMEN and FAMILIES

Mary Ann Ahrens, 2024 Equal Pay Day AAUW Iowa Event Chair

The minimum wage was created to keep workers at decent living standards, not living below the poverty line. The minimum wage has failed to keep up with struggling working families. **Iowa's** (and Federal) **minimum wage of \$7.25 per hour has been in place since 2007. The Center for Economic and Policy Research** found that had wages kept up with productivity like it did before 1968, the minimum wage would be \$21.50 an hour.

Twenty-three states increased their minimum wages in late 2023 and January 1, 2024. All the states surrounding lowa have raised their minimum wage as follows: Minnesota \$10.85, Illinois \$14, Missouri \$12.30, and Nebraska \$12, and 5 states have not adopted a state minimum wage. (National Conference of State Legislatures) Twenty states including lowa continue to keep their state minimum wage at \$7.25 an hour. Today, a person working a full-time, minimum wage job makes \$15,080 per year, which is at the designated 2024 Federal poverty level of \$15,060 per year. (HealthCare.gov)

The number of Iowans living under the poverty line is approximately 352,770 or 11% of Iowa's total population. (U.S. Census Bureau Iowa) In 2021-22 forty percent of Iowa's children were eligible for free lunches. (National Center for Education Statistics). One in five American children live below the poverty level *Business Insider* tells us.

The 2022 lowa Legislature cut earned unemployment benefits from 26 weeks to 16 weeks. The bill further mandates people accept jobs even if the offered wage is significantly less than what they were earning starting in week two of unemployment, which is problematic.

Why are these facts and conditions important to women and their families? The National Partnership for Women and Families reports that in the U.S. mothers are breadwinners in 40% of families with children under 18 each year-- and about 70% will be the primary earner at some point in their first 18 years of motherhood. Nearly 35 million households in the U.S. are headed by women, more than six million of them with children under 18. More than 8.4 million households—including 2 million with children—have incomes that fall below the poverty level.

Women tend to hold lower-paying jobs, work in lower-paying industries, and spend less time in the formal workforce. These trends result from factors such as pervasive stereotypes and social norms about gender and work, a lack of workplace support for family caregiving, to gender and racial discrimination, to the devaluation of work when it is primarily done by women—and the effects are both starker and qualitatively different for women of color. Forty-eight percent of white mothers, 49% of Latina mothers, 79% Black mothers, 64% of Native American mothers, and 43% of Asian/Pacific Island mothers are breadwinners. Yet the wage gap for mothers is larger than for women overall! (The National Partnership for Women and Families).

How many more lowans must struggle in poverty before the lowa Legislature *makes* it a priority to take ACTION to increase the minimum wage? The necessity of Equal Pay Day is a stark reminder to lowans and our elected officials at all levels of what 's at stake!