

All Workers Should Be Protected by the Full Minimum Wage, Regardless of Age

Legislators Should Reject the Corporate Push to Exempt Young Workers from the Full Minimum Wage

In response to a strong national movement to raise the minimum wage, industry groups frequently encourage cities and states to create a “training” or “youth” wage that would allow employers to pay less than the full minimum wage to young workers or new hires. This can mean that a 20-year-old worker will be paid a lower minimum wage than their older peers for the same work simply because of their age.

*While corporate lobbyists claim that paying young workers a lower minimum wage benefits youth unemployment rates, **carving out young workers from the full minimum wage harms young and older workers alike.** Below are some of the basics on the real motivations behind these carve-outs and the importance of ensuring that everyone has full and equal access to a living wage.*

A leaked lobbyist memo reveals that the push for a lower minimum wage for young workers is a corporate-backed strategy to keep all wages low.

- A memo from corporate lobbyist Richard Berman, [leaked in December 2017](#), reveals a proposal for a multi-million-dollar public relations campaign to carve out younger workers from the full minimum wage by attempting to create “sympathy” for the “youth victims” supposedly harmed by higher wages.
- The memo makes it clear, though, that the real impetus for subjecting young workers to a lower minimum wage is what its author calls the “sobering ripple effect on all entry-level wage rates”—in other words, keeping younger workers’ wages low drives down all wages.

Policies that carve-out young workers harm young and adult workers alike.

- The typical targets of young worker carve-outs are workers in their late teens and early twenties. These workers work side by side with their older counterparts across industries.
- Many of these workers come from low-income households, and their earnings provide essential household income. [In cities like Baltimore](#), for example, census data shows that workers who would benefit from a \$15 minimum wage, on average, contribute over half of their entire family’s income.
- Young workers are also often college students who are working their way through school.
 - [70 percent](#) of 18- and 19-year-olds who are enrolled in two- or four-year colleges work.

- Nearly 50 percent of U.S. students pursuing a two-year degree, and [over 40 percent of students](#) pursuing a four-year degree, work more than 35 hours per week.
- [Many students work long hours](#) to lower their loan debt and cover other costs. However, studies show that working more than 20 hours per week puts college students at risk of dropping out (Elisabeth Hovdhaugen, “Working While Studying: The Impact of Term-Time Employment on Dropout Rates”).
- A minimum wage of at least \$15 per hour would enable many working students to limit their work hours to 20 hours per week, helping them to graduate faster and with less student debt.
- [Analysis of tuition costs](#) shows that in 2015, the typical college student in Maryland working 20 hours per week needed to earn \$16 an hour to pay for college—assuming enrollment in a public institution at the in-state tuition rate.
- Excluding young workers from the full minimum wage encourages employers to adopt a high-turnover staffing model and hire young workers in place of adults in order to cut costs.

Ensuring that young workers have equal access to the full minimum wage is a civil rights issue.

- While corporate interest groups claim to have the best interests of these workers in mind, the reality is that carving out young workers from the full minimum wage could disproportionately harm millions of young Black and Latino workers and communities of color.
- Fighting against youth carve-outs is about ensuring equal access and opportunity under the law regardless of age, race, or economic background.

We all benefit when all workers are included in minimum wage protections.

- The vast majority of the most rigorous studies show that the impact of minimum wage increases on both teen employment and employment overall is [negligible](#). (See Sylvia Allegretto, Arindrajit Dube, Michael Reich, and Ben Zipperer, “Credible Research Designs for Minimum Wage Studies: A Response to Neumark, Salas, and Wascher”). The Berman memo confirms that minimum wage opponents will claim that higher wages increase youth unemployment not to help young workers, but to drive wages down across the board.
- In reality, ensuring that young workers have equal access to the minimum wage helps these workers provide essential income for their families and work their way through college successfully, benefiting entire communities, improving access to higher education, and pumping money back into the economy.

We all pay the same price for the same goods and services. Our laws should not create loopholes for companies to pay some of their employees a lower minimum wage simply because of their age. Lawmakers should reject the myth that a higher minimum wage will increase youth unemployment rates and instead ensure that a fair minimum wage rewards equal work with equal pay.

For more about the importance of including young workers in the minimum wage, visit <http://www.nelp.org/campaign/raising-the-minimum-wage/>.