

Submitted by: Tom Chapman, Executive Director, Iowa Catholic Conference Date: March 6, 2017 Re: House File 295

The Iowa Catholic Conference is the public policy voice of the Catholic bishops of Iowa. The Iowa Catholic Conference supports an increase in the state's minimum wage, currently set at \$7.25. So far, the only legislation moving on this issue would forbid cities and counties from raising the minimum wage on their own. The minimum wage in Iowa has fallen behind other nearby states.

As leaders of the United States Conference of Catholic Bishops and Catholic Charities have said, "We write not as economists or labor market experts, but rather as pastors and teachers who every day, in our ministries and churches, see the pain and struggles caused by an economy that simply does not produce enough jobs with just wages. So many of our families find it increasingly difficult to afford basic needs, forcing some to take multiple jobs or, in desperation, even seek out predatory loans."

The current minimum wage falls short for its failure to provide sufficient resources for individuals to form and support families. A full-year, full-time worker making the minimum wage does not make enough money to raise a child free from poverty. Almost 70 percent of workers that would be directly affected in Iowa are age 20 or over. The state has more than 80,000 children with a parent who makes minimum wage.

Even with relatively minimal inflation, the years since the last increase in 2007 have eroded the value of the wage. If the minimum wage had kept up with inflation since 1968, it would be worth \$9.25 per hour today.

As Pope Francis reminds us, "The dignity of each human person and the pursuit of the common good are concerns which ought to shape all economic policies."

We believe that an increase in the minimum wage is good public policy, and will help strengthen Iowa's families.