

EFFECTIVE MESSAGING DURING MINIMUM WAGE DEBATES

Minimum wage increase proposals are a positive step forward for families with low income, but only if done concurrently with reforms that take account the potential impacts on families' access to public services and benefits they also need to survive. That means, policymakers must take a comprehensive approach to employee compensation, understanding that higher wages are not the end-all solution to lifting families out of poverty. A focus solely on raising wages can inadvertently result in the cliff effect, which disqualifies families from accessing critical supports and actually leave them worse off.

This situation can shift the trajectory of hard-working people who forgo opportunities like promotions so they can still qualify for public benefits that help them meet immediate needs of paying rent and putting food on the table. These critical supports include Supplemental Nutrition Assistance Program (SNAP), Temporary Assistance for Needy Families (TANF), childcare assistance, health care coverage, subsidized housing, transportation subsidies, and the Earned Income Tax Credit (EITC), and more.

Below are messages to policymakers about why we need to address the cliff effect when considering increasing the minimum wage. Parents with low incomes need both increased wages and continued access to public services. These messages do include core Family Prosperity messages as well.

We need both, a higher minimum wage and public services to be more equitable and accessible

- Raising wages has never been more urgent than during this pandemic, as many underpaid workers are risking their lives every day for poverty wages. Our country's stagnant and low minimum wage makes it more difficult to leave poverty and has a disproportionate [impact on people of color](#).
- Minimum wage increase proposals are a positive step forward for families with low incomes, but only if done concurrently with reforms that take account the potential impacts on families' access to public services and benefits they also need to meet their most basic human needs.
- Policy that focuses solely on raising wages can inadvertently result in the cliff effect, disqualifying families from critical supports – such as healthcare and childcare - that actually leave them worse off.
- The effects of low-wage work on families go far beyond income alone. Parents often work jobs that often don't offer health insurance or paid family and medical leave, give them little say in their hours, and demand last-minute scheduling. Losing public access to public services only compounds their challenges.
- The benefits of a minimum wage increase outweigh the costs and should be just one part of ensuring families can live good lives. The reality is that families living in or near poverty spend close to 100 percent of their income just to meet their basic needs, so when they receive an extra dollar in pay, they use it for things they normally would not be able to buy or do and put it back into the economy and community. (Demos)
- No one should have to make a choice between earning a living wage and having supports such as healthcare or childcare. The cliff effect is having a detrimental, long-term impact on families' abilities to thrive. We must eradicate economic and health insecurity as the status quo for families.
- The cliff effect curbs the trajectory for hard working people who forgo opportunities like promotions and raises so they can still qualify for public benefits that help them meet immediate needs of paying rent and putting food on the table.
- As lawmakers move forward with raising the minimum wage, they must also urgently revisit and adjust program eligibility criteria and phase-out schedules so families that earn a higher minimum wage aren't affected by a cliff effect. If they fail to do so, they could leave families worse off than they are now.
- There are systemic barriers – namely race- and gender-based inequities – facing children and their families that put prosperity out of reach for themselves and for future generations. Ascend searches for ways to reduce barriers and establish paths, so families have a way forward – not a wall.

We can work together around shared responsibility, values and rewards

- We need policies and programs that simultaneously strengthen parents' and families' access to employment opportunities, economic security, and health and well-being.
- If we cultivate a collective national mindset that we can do better by our families, as both the right and smart thing to do, we can chart a path for all families to achieve prosperity.
- We must join forces with employers, policy leaders and community organizations who are committed to removing obstacles, reimagining systems and structures, and clearing the path to prosperity for families. And we must collaborate with those who have similar and differing opinions to provide space and resources to achieve this shared vision for families. We can unleash innovative thinking and dramatically improve the lives of families.
- Employers and policy leaders create stronger and more effective programs when they involve parents in a shared dialogue to identify solutions that reduce barriers and improve pathways to self-sufficiency for families.
- Government must provide an ecosystem and incentives for employers, small to large, to determine a mix of solutions, programs and practices to support families. Employers must be positioned to identify and work with families to discuss what approach – including higher wages, benefits like healthcare, childcare and transportation – would mutually benefit both their employees and their business.
- Employers and the government have a shared responsibility to maximize value for employees. Family prosperity supportive investments don't just return huge benefits for families, but they also strengthen communities and the economy.
- The cliff effect harms all workers but disproportionately impacts women, people of color, and parents and caregivers. Employers and the government must recognize all family units, as defined by families, to truly acknowledge workers' full selves and build upon the unique strengths of their workers and the value they bring to their communities.