Raising the Minimum Wage: An Analysis of the Minimum Wage in New Hampshire
Joby Bernstein, Andrew Carothers, Sam Libby, Gabriel Lopez Low
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I. New Hampshire Background and Demographics
- Since 2011, New Hampshire’s minimum wage has been set at the federal level of $7.25.
- New Hampshire is the only New England state with a minimum wage at the federal level.
- Every legislative session since 2011 has introduced minimum wage legislation to increase wages, but no bills have passed into law.
- 29 states have a minimum wage set above the federal level; minimum wage increases in 21 states take effect in 2015.
- 11,000 workers (3 percent of the New Hampshire workforce) earn at or below the minimum wage.
  - Of these workers, 8,000, or 72.7 percent, are women.
  - Full time annual salary of a minimum wage worker = $15,080 per year.
  - Increase to $9.00 minimum wage → 47,500 workers would see direct increase.
  - Increase to $10.10 → 80,000 workers would see direct increase.

II. Employment Effects
- Meta-analysis minimum wage impact on total unemployment is statistically insignificant and suggestive of very small effects on unemployment.
- Recent contiguous county minimum wage research corroborates these findings.

Meta-analysis of minimum wage effects on employment:
Source: Doucouliagos and Stanley (2009), N=1,424 estimates in 64 studies.
In our own analysis, minimum wage increases in the New Hampshire area had no significant influence on job loss from 1990 to 2006

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<thead>
<tr>
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<th>Estimated Effect of Minimum Wage on New Hampshire</th>
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<tbody>
<tr>
<td>Employment</td>
<td>Not statistically distinguishable from 0</td>
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<tr>
<td>Earnings</td>
<td>Not statistically distinguishable from 0</td>
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III. Further Economic Impacts
- Raising the minimum wage would lead to a net income increase
- Potential for economic stimulus, as low wage workers often spend additional earnings
- Minimum wage increase would decrease poverty rate
- Effect on average hours following a minimum wage increase is still debated
- Inflationary pressures have been observed following previous minimum wage increases
- For teenage workers, federal increases have been demonstrated to reduce teen employment, but these results are not replicated on a statewide basis

IV. Stakeholder Perspectives and Public Opinion
- Labor Unions/Think Tanks: New Hampshire AFL-CIO, New Hampshire Fiscal Policy Institute
- Business groups and trade associations unanimously oppose minimum wage increases due to cuts in profit margins and negative effects on the state of business and employment; unions and social interest groups often support a rise in the minimum wage, citing the need to be able to achieve a “livable” minimum wage
- WMUR and the University of New Hampshire poll - 76 percent of New Hampshire residents support a minimum wage increase
- Similar results repeated nationally - according to the Pew Research Center, 73 percent of Americans favor a higher minimum wage