NEWS RELEASE

NEW REPORT PREDICTS SIGNIFICANT BAY AREA HEALTH GAINS FROM MINIMUM WAGE INCREASE

OAKLAND, Calif. (October 29, 2014) -- Separate ballot proposals to increase the minimum wage in San Francisco and Oakland – and similar proposals pending in other Bay Area communities – would, if approved, have significant health benefits related to the economic gains for affected workers, according to a new analysis by a collaborative of Bay Area public health departments.

The report titled The Minimum Wage and Health: A Bay Area Analysis was prepared by the Bay Area Regional Health Inequities Initiative (BARHII), a collaborative of 11 Bay Area public health departments that aim to reduce health inequities; data analysis was also provided by the UC Berkeley Center for Labor Research and Education. It examines the close relationship between health outcomes and wage-based income for the Bay Area’s low-wage workers.

The report estimates the potential economic and related health impacts of a hypothetical, Bay Area-wide minimum wage increase to $12.50 per hour in 2015, similar to several measures, including two on the November 4 ballot. That increase approximates the raises proposed in both San Francisco and Oakland and pending in other Bay Area communities, including Berkeley, Richmond, and Mountain View.

It is estimated that close to 1 million Bay Area workers, or 28 percent of the region’s workforce, would experience significant benefits in health and well-being related to gains in income that would average $2,800 annually, or about 20 percent of current income. It shows that the distribution of economic benefits would increase economic security for families in the lowest income quartile, a population with worse health status and higher rates of premature death than higher wage earners.

A large majority of affected workers would be in their prime child-bearing/rearing years, and more than 1 in 3 would be already married and/or have children, an important factor for improvement in child health outcomes, according to the report. The wage increase is also predicted to have an overall positive impact on the regional rate of premature mortality and to help decrease health inequity in the Bay Area. It notes that, on average, children born in Bay Area neighborhoods with more than 30 percent of individuals living in poverty can expect to live seven years less than children born in neighborhoods with fewer than 10 percent of people living in poverty.

The report concludes that “policies that reduce poverty and raise the lower end of the income distribution can improve overall health and reduce health inequities.”

Report: http://barhii.org/resources/minimum-wage-health/
Note: Health officer, research and economist are available for interviews.