

## Executive Summary

### THE MINIMUM WAGE AND HEALTH: A BAY AREA ANALYSIS

[The Minimum Wage and Health: A Bay Area Analysis](http://barhii.org/resources/minimum-wage-health) [http://barhii.org/resources/minimum-wage-health] demonstrates that a Bay Area-wide minimum wage increase would benefit the health and well-being of nearly 1 million low-wage earners. A large body of research literature on wage, income, and health demonstrates that public policy interventions that aim to increase the incomes of low income populations will increase income equality and economic security as well as lower mortality rates, improve overall health status in the population, decrease health inequity, and lower overall healthcare costs.

More than a decade of wage stagnation and erosion for the great majority of American workers has prompted a public health need to address economic policy. Virtually all low- and mid-wage workers in California earn less today than they did three decades ago, with the bottom 20 percent of the wage distribution experiencing a 12.2 percent loss in inflation-adjusted wages between 1979 and 2013. Meanwhile income among the top wage earners has increased, thus increasing income inequality. Studies of populations with high and rising income inequality are associated with lower life expectancy, higher rates of infant mortality, obesity, mental illness, homicide, and other measures compared to populations with a more equitable income distribution.

There are significant health consequences of low wages and poverty. Analysis of California Health Interview Survey data shows that minimum wage workers are more likely to report “fair” or “poor” health, depression and a condition that limits physical activity. They are also more likely to report being unable to afford balanced meals and less likely to receive a flu shot. Bay Area adults living under 200 percent of the federal poverty level (FPL) have a higher percentage of diagnosed diabetes, high blood pressure, and psychological distress compared to those living over 200 percent FPL. Bay Area children living below 300 percent FPL were more likely to have abnormal child development and Bay Area teens living below 300 percent FPL were more likely to have poor dental health. The impact of a higher disease burden in low-wage populations contributes to a shortened life expectancy. On average, a child who is born and lives in a census tract with more than 30 percent of individuals living in poverty can expect to live seven years less than a child born in a census tract with fewer than 10 percent of people living in poverty.

In conclusion, this analysis demonstrates that policies that reduce poverty and raise the wages of low-income people can be expected to significantly improve overall health and reduce health inequities.

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