

Massachusetts Catholic Conference 150 Stanford Street, Suite 5 Boston, Massachusetts 02114-2511 617-367-6060

www.macatholic.org

LEGISLATIVE TESTIMONY

To: Joint Committee on Labor and Workforce Development

From: James F. Driscoll, Esq., Executive Director

Re: House Bill 1701, "An Act to improve the Commonwealth's economy with a strong

minimum wage," and Senate Bill 878 'An Act to improve the Commonwealth's economy

with a strong minimum wage."

Date: June 11, 2013

The Massachusetts Catholic Conference ("MCC") respectfully submits this testimony in support of House Bill 1701 and Senate Bill 878, both entitled "An Act to improve the Commonwealth's economy with a strong minimum wage."

Both bills would gradually raise the minimum wage from its current rate of \$8.00 per hour to \$11.00 by July 1, 2015. Additionally, the minimum wage would be adjusted according to the Consumer Price Index beginning in 2016.

According to the Massachusetts Budget and Policy Center, Massachusetts is one of 19 states that have a minimum wage above the federal minimum of \$7.25. Massachusetts, however, does not index their minimum wage to inflation, providing for automatic increases. Because the Commonwealth's minimum wage does not provide for annual increases to keep pace with inflation, the purchasing power of that minimum wage erodes over time. Because of this, the \$8.00 minimum wage is projected to have a purchasing power of \$6.91 by 2020. Both House Bill 1701 and Senate Bill 878 would correct this problem, as well as providing a much-needed boost for the lowest-paid workers of the Commonwealth.

An increase in the minimum wage would also strengthen the economy of the Commonwealth. The highest minimum wage in the country belongs to Washington State, currently at \$9.19, due to indexing. Because of this, a full-time worker in Washington will earn roughly \$2400 more than a full-time worker in Massachusetts this year. An infusion of cash into workers' pockets would be a boon to the Commonwealth's economy.²

The Catholic Church has long been a supporter of a strong economy supported by economic justice. As such, the Catholic Church teaches that society has a moral obligation, including governmental action where necessary, to assure opportunity, meet basic human needs, and pursue

² *Id*.

¹ "What's it Worth? The Value of the Minimum Wage in Massachusetts." Massachusetts Budget and Policy Center. January 18, 2013.

justice in economic life.³ Raising the minimum wage and allowing for adjustments for inflation would assure greater economic justice and opportunity for the poor and vulnerable within our society.

Because of this, the Massachusetts Catholic Conference urges a favorable report for the aforementioned legislation.

The Massachusetts Catholic Conference is the public policy office of the Roman Catholic Bishops in the Commonwealth, representing the Archdiocese of Boston and the Dioceses of Fall River, Springfield, and Worcester.

³ "A Catholic Framework for Economic Life." United States Conference of Catholic Bishops. 1996.