

# New Minimum Wage Increases Raise the Floor for Women and Workers of Color, Report Says

As 2026 began, 8.3 million workers across the country saw a significant change in their earnings, as minimum wages increased in 19 states to help the nation's worst-paid workers deal with the skyrocketing cost of living.

According to an analysis from the Economic Policy Institute, a progressive think tank, these minimum wage increases will impact women of color the most and positively affect the well-being of 4.8 million children. There are now more workers in states where the minimum wage is \$15 per hour or higher than in states where it sits at the federal minimum wage of \$7.25 per hour, a rate below the poverty line.

Despite a widespread misconception that minimum-wage jobs are usually held by teenagers or part-time workers, the study found close to 90 percent of those set to be impacted are adults and about half are full-time workers. The workers are also disproportionately Black and Latino and about one in five live in poverty. The study also disputes arguments that minimum wage increases harm the job market, citing past research that consistently finds no job loss after minimum wage hikes.

Sixteen states across the country still have a minimum wage of \$7.25 per hour, or \$15,080 per year if working full time, even though this is insufficient to live comfortably anywhere in the country. The value of this wage has eroded by more than 30 percent since it was set in 2009, and the 17-year period since marks the longest the country has gone without an increase since the federal minimum wage was established in 1938. With inaction on the federal level, states and cities across the country have improved their own standards, with places like Seattle boasting minimum wages more than \$21 per hour. These higher rates make life easier for minimum-wage workers in these areas but are still not a living wage in any of the areas where they are in effect.

Improving labor standards for low-wage workers benefits workers of all wages. A study from the National Employment Law Project found wages for union members in states with minimum wages above the federal rate increased more than three times faster than for union members in states stuck with the federal minimum wage. The study also found union membership grew by 18 percent between 2011 and 2021 in states with a minimum wage of \$15 per hour or higher while it decreased by 3.5 percent in states with the federal minimum wage. Minimum wage increases could have contributed to these gains, but they are probably the result of other pro-worker policies more likely to exist in states that raise minimum wages.

To grow the labor movement, unions must raise the floor for the most exploited workers among us. And to avoid another period where congressional gridlock and corporate interests lead to wage stagnation, wages should be automatically increased each year to at least match the rate of inflation.

Minimum wage increases in states across the U.S.

