



Increasing the Minimum Wage & the Earned Income Tax Credit

Raise Rhode Island's minimum wage and increase the state Earned Income Tax Credit.

Words from Our Faith Traditions

- “Just wages allow us to develop more fully as individuals, families, neighborhoods, communities, parishes, and even society as a whole.” – Archbishop Thomas Wenski and Fr. Larry Snyder, President of Catholic Charities USA, speaking to the US Senate on raising the minimum wage
- “Do you know that most of the poor people in our country are working every day? And they are making wages so low that they cannot begin to function in the mainstream of the economic life of our nation. These are facts which must be seen, and it is criminal to have people working on a full-time basis and a full-time job getting part-time income.” – Rev. Dr. Martin Luther King, Jr.
- “You shall not abuse a needy and destitute laborer, whether a fellow countryman or a stranger in one of the communities of your land. You must pay him his wages on the same day, before the sun sets, for he is needs and his life depends on it; else he will cry to the Lord against you and you will incur guilt.” – Deuteronomy 24:14-15

Facts to Consider

Working families continue to struggle.

- **Cost-of-living** estimates indicate that supporting a two-parent, two-child family in Rhode Island requires \$68,098 of pre-tax earnings, annually. **With both parents working forty hours/week, this still requires a wage of at least \$16.37/hour.**¹
- For an individual to sustainably afford the average rent for a RI 2-bedroom unit, RI's **minimum wage would need to nearly triple.** A minimum wage-earner can sustainably afford \$432/month (30% of income), but the average 2-bedroom rents for \$1,238/month.²

Rhode Island lags behind its neighboring states.

- While Rhode Island's minimum wage stagnates at **\$9.60/hour**, both Connecticut and Massachusetts saw minimum wage increases on January 1, 2017, with CT's minimum wage reaching **\$10.10/hour** and MA's wage reaching **\$11.00/hour**.
- CT, RI and MA all provide a full-refundable state Earned Income Tax Credit, in an amount based as a percentage of the federal EITC: **27.5% in CT, 23% in MA, and only 15% in RI.**

¹ Economic Progress Institute, The 2016 Rhode Island Standard of Need, http://economicprogressri.org/wp-content/uploads/2016/12/2016RISNVFinal_digital.pdf

² HousingWorksRI, 2016 Housing Fact Book, <http://housingworksri.org/sites/default/files/FACT%20BOOK%20LR.pdf>