



Ten Reasons Why Fast Food Workers Deserve A Raise

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here is a growing, industry-wide movement for the fast food economy to work for everyone. This Thursday, August 29th, workers have called for a national strike that is expected to cross company lines and reach dozens of cities.

The fast food labor force has never been protected by collective bargaining power or labor scarcity, making their demands for higher wages and the right to organize a unique historical event. It is also a bold stance from workers made vulnerable by a frail economy, asking for benefits that reach well beyond their own household budgets to the economy as a whole.

Right now, fast food companies keep employees at poverty-level wages while reaping billions of dollars in profits for their shareholders every year. Across the economy this practice drives increasing inequality, slow growth, and declining living standards. It is holding back our economic recovery and contributing to our high poverty rates and rates of working poor. Americans deserve better. The fast food workers' movement shows that there is a broad demand for change—one that is only getting stronger.

There are many reasons why CEOs from Burger King to Wendy's should embrace this opportunity to take the lead in a new economic model, and why consumers and communities can get behind their friends and neighbors in the call for fair pay. The top ten reasons listed here show how we are all tied to the success of the fast food workers' movement, and why it will eventually succeed.

IT WOULD CREATE JOBS.

Low wages are holding back economic growth, but a raise for our country's lowest paid workers would put money in the pockets of those most likely to spend it, generating much-needed consumer demand and contributing to economic growth across industries. That translates to higher GDP and new hiring in the labor market.

IT WOULD REDUCE POVERTY.

More than ten million Americans—and the family members they support—live beneath the poverty line even though they have jobs. With a median wage of \$8.85, a fast food cook in a family of three lives in poverty even if she never takes a day off. Raising wages in the fast food industry could improve living standards for millions of hard working people.



COMPANIES CAN AFFORD IT.

With annual profits in the billions, the largest fast food companies could raise wages for their entire workforce and shareholders would still see a return. In fact, many of these employers already do pay higher wages to workers in other countries without wrecking their bottom lines.

IT WOULD REDUCE INEQUALITY.

It would take one million hours of work for a McDonald's crewmember to earn what the company's CEO took home last year—a gap that has doubled in the past decade. Inequality is correlated to a host of social problems, from worsening mental and physical health to diminished mobility and social cohesion. The growth of low-wage work as a share of the economy means that raising wages for these professions is a critical move in slowing the growth of inequality and the undesirable outcomes it creates.

5 COMPANIES THAT INVEST IN THEIR WORKERS THRIVE. Low-wage jobs are a business choice, but some employers take the high road offering fair wages, hours, and benefits. This investment in the workforce pays off in lower turnover and higher worker productivity, generating good service to customers and a solid bottom line.

6 IT WOULD REDUCE THE NEED FOR PUBLIC ASSISTANCE TO THE WORKING POOR.

When employers pay poverty-level wages they shift the cost of maintaining a labor force onto society. If fast food workers earned a living wage they would not have to rely on food stamps, Medicaid, or other poverty alleviation programs when paychecks don't provide the means to make ends meet. Data from Missouri, Massachusetts, and Wisconsin show that fast food companies like McDonalds, Pizza Hut, Wendy's, Subway, and Taco Bell are some of the largest recipients of these public subsidies as they push their labor costs on to taxpayers.

WORKERS MAKE THE COMPANY.

Workers—like shareholders, customers, and the communities served—are stakeholders in the fast food industry and deserve a say in what they do. CEOs and companies that offer paternalistic advice about how to scrape by at the bottom are failing to meet their obligations to these groups. Workers, who are well-aware of the demands of

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their jobs, customers, and communities, have a right to pressure their corporate bosses and make sure that the expectations of all of their stakeholders are heard.

8 IT WOULD PUSH UP WAGES FOR OTHER UNDERPAID WORKERS.

Increasing the standard for decent pay in fast food could be a boon to low-wage workers across industries. The ripple effects start with increased consumer demand and economic growth, and create pressure in the labor market to raise wages in other low-pay positions. Contrary to popular myth, the vast majority of those affected by a raise at the bottom are working adults, struggling to make ends meet for themselves and their families. Even in fast food, most workers are 21 or older and have at least a high school degree. Raising wages in fast food could impact living standards for millions of American workers and the families that depend on them.

WORKERS ARE LEADING WHERE GOVERNMENT AND BUSI-NESS HAVE FAILED.

Economic gains over the past generation have largely accrued to the top earners, and low-wage workers have seen their earnings drop, even as they became better educated and more productive. While Congress allowed the minimum wage to sink to just two thirds of its historical peak, firms directed more and more of the value produced by labor to earners at the top. Now, with an economy that is richer than ever before, fast food workers are taking the initiative that government and business neglected and demanding a better set of rules for our economy.

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IT WOULD REAFFIRM THE FUNDAMENTAL AMERICAN VALUE THAT WORK PAYS.

The American Dream is a commitment to the opportunity for every person to achieve a better life if she works hard and plays by the rules. But rather than a launching pad to get ahead, fast food and other low-wage jobs hold workers back, offering few chances at career advancement and wages too low to make saving or investments in the future a real possibility. We can reclaim the American Dream for many of those who have been left out by raising wages at the bottom and giving hard working Americans a chance to get ahead.

For more information about the growing fast food workers' movement, visit www.fastfoodforward.org.

Read why retail workers also deserve a raise in **Retail's Hidden Potential**: How Raising Wages Would Benefit Workers, the Industry, and the Overall Economy

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