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Pay equity, living wage and other hot-button money issues

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The recent Equal Pay Day was designated by the [National Committee on Pay Equity](#) to point out what it sees as an injustice in wages between men and women. Since 1996, the group has used a Tuesday in April to mark how many months a woman has to work into the new year to make as much as a man does in a calendar year.

This year, the theory is women have to work more than 15 months to equal what men earned in 12 months. It is symbolic in that the actual census data that is collected for a true comparison won't be gathered until late summer or early fall, the group says.

The discussion is just one of many taking place about wages — from who earns more to how education level plays into the calculation, what constitutes a "livable" wage and whether the minimum wage should be raised.

Headlines about those issues have been plentiful. Most recently, New York City and California have both enacted laws that will over time raise the minimum wage to \$15 per hour. Some others have raised the minimum wage or enacted indexed cost-of-living increases in the last year or two. [The Economic Policy Institute](#) tracks laws and offers a complete state-by-state look at laws regarding minimum wage.

Reaction varies, some claiming it will raise costs higher than any benefit it provides, while others say it's necessary for the economy and quality of life overall. [Forbes](#) just published an analysis that shows different ways of looking at the labor cost equation, noting that the expenses involved are not just wages and benefits, but related costs like "hiring, training, firing when necessary, and day-to-day supervision. There are usually significant tradeoffs among these different elements, and companies in some industries can choose very different labor-cost strategies."

It notes some retailers, including Walmart, keep wages low, but adds they deal with high turnover and they must "pay for a lot of supervisors to make sure the employees do their jobs."

On the other hand, the article notes, retailers like Costco and Trader Joe's "deliberately pay their employees well above market. They provide good benefits, plus avenues for career advancement. The strategy enables them to attract and keep more capable employees, and to tap into more of

those employees' discretionary energy. Retention rates are far higher, so the companies spend less money on hiring and training. Supervision costs are lower."

The other strategy Forbes highlights is engaging employees fully in discussion of costs and benefits so they, too, come up with ideas to benefit the company.

It's not an issue that divides neatly into conservative or liberal camps, either. And there are many groups opposed to raising the minimum wage. Cato Institute, for instance, has said that "research shows businesses would respond to the increased costs by reducing employment, particularly for low-skilled workers. Some businesses may pass the higher costs on to consumers. Despite the hope of proponents, (increasing) the minimum wage does little, if anything, to decrease poverty."

Among those who would be hurt the most, Cato says, are the poor.

In a blog for the Institute for Family Studies, David Lapp notes that a "living wage" benefits marriage and families. With a living wage, a parent is more able to afford to stay home with the kids, if desired, writes Lapp, a research fellow at the institute, an affiliate scholar at the Institute for American Values, and co-investigator for the Love and Marriage in Middle America Project. "This is an option that many middle- and upper-middle-class families value and can make a reality, but that parents in low-wage work simply can't afford."