

Increases in minimum wage may not have anticipated positive health effects, study shows

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Results of a new University of Washington study shine a spotlight on segments of the population that need to be studied in relation to rising minimum wages. Credit: Josh Appel/Unsplash



In the decade-long absence of federal action, many states, counties and cities have increased minimum wages to help improve the lives of workers. While political debate over these efforts has long been contentious, scientific research on the health effects of raising the minimum wage is relatively new.

Some studies have found higher minimum wages associated with positive <u>health</u> outcomes, with little evidence that minimum wages harm health. However, a new study by researchers at the University of Washington found that increases in minimum wages primarily had no effect on health overall. However, they did find a mix of negative and positive effects associated with the health of certain groups of workingage people.

The UW study, published Feb. 10 in the *American Journal of Epidemiology*, looked at more than 131,000 adults who provided information to the federal National Health Interview Survey between 2008 and 2015. The subjects were 25 to 64 years old and were either employed or unemployed but looking for work.

"We found that an increase in <u>minimum wage</u> really didn't have a huge impact on health overall, which surprised us," said lead author James Buszkiewicz, a doctoral student in epidemiology in the UW School of Public Health. "We did see, when we looked at subgroups, some mixed health effects there, however."

For example, the researchers found that a wage increase was associated with an increased likelihood of obesity and elevated body mass index in working-age people of color. They also found that higher minimum wages were associated with a lower likelihood of hypertension among working-age men but higher likelihood of hypertension in working-age women.



"These mixed results shine a spotlight on segments of the population that need to be studied in relation to rising minimum wages in order to learn how best to achieve the goal of reducing inequality with adjustments to the minimum wage," said co-author Heather Hill, an associate professor in the UW Evans School of Public Policy & Governance.

The researchers looked at several health outcomes: obesity, body mass index, hypertension, diabetes, fair or poor general health and serious psychological distress. And, to make sure they were seeing results tied to minimum wages and not other factors, they compared the health outcomes of working-age people with less formal education—who are most likely to receive the minimum wage ¬¬— to health outcomes of those with more formal education. If a health outcome appeared in both groups, the researchers could assume that it wasn't caused by changes to the minimum wage.

According to the researchers, these types of analyses and comparisons set their study apart from previous research on this topic. This gives the team confidence in its main finding—no overall effect on the health of working-age people—even though that result contradicts previously published studies. In addition, the UW study provides detailed data on the effects of minimum wage increases on subgroups of workers based on gender, race and age.

The team points out in the study that an association between higher minimum wage and higher rates of obesity for a specific subgroup of working-age people may reflect differences in how minimum-wage policies affect certain demographics of workers, especially those more likely to have low- or minimum-wage jobs.

The researchers did not explore in this study the obesity or hypertension differences they uncovered, but believe that these results point to potential consequences of minimum-wage policy that should be the



focus of future research.

"When we are looking at a minimum-wage policy, or any policy for that matter, we should be looking at the effect overall, but we should also consider how it is affecting different groups. And, if there is evidence that minimum wage or any policy is affecting groups differently, that's something to hone in on for further investigation," said Buszkiewicz, who is expanding his research into the minimum wage to include its effects over time and by gender and race.

The authors also point out that this research could help inform policymakers when it comes to establishing wage policy.

"Cities and counties are increasing minimum wages with very good intentions, which is to benefit lower-earning workers and reduce inequality, and yet we still need more research evidence on the effects of the minimum wage on health." Hill said. "In particular, we need to understand how it affects different types of workers differently."

More information: James H Buszkiewicz et al, State Minimum Wage Rates and Health in Working-Age Adults using the National Health Interview Survey, *American Journal of Epidemiology* (2020). DOI: 10.1093/aje/kwaa018

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