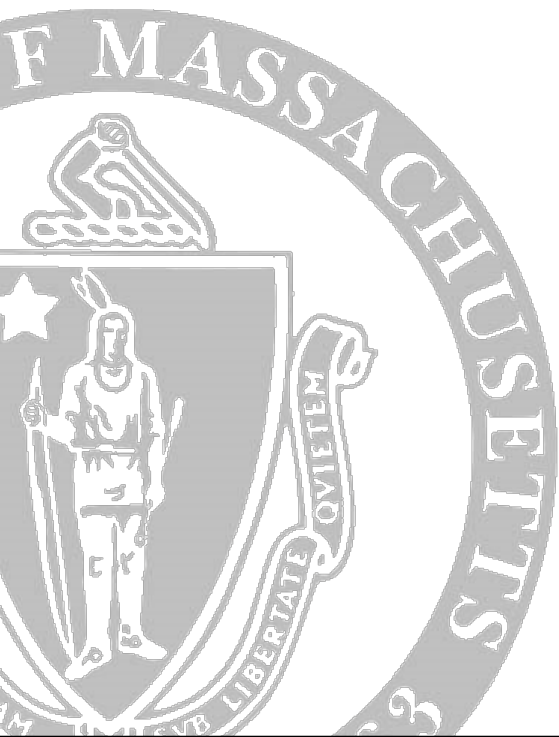


# **Discussion: broadening the outcomes and mechanisms behind minimum wage effects**



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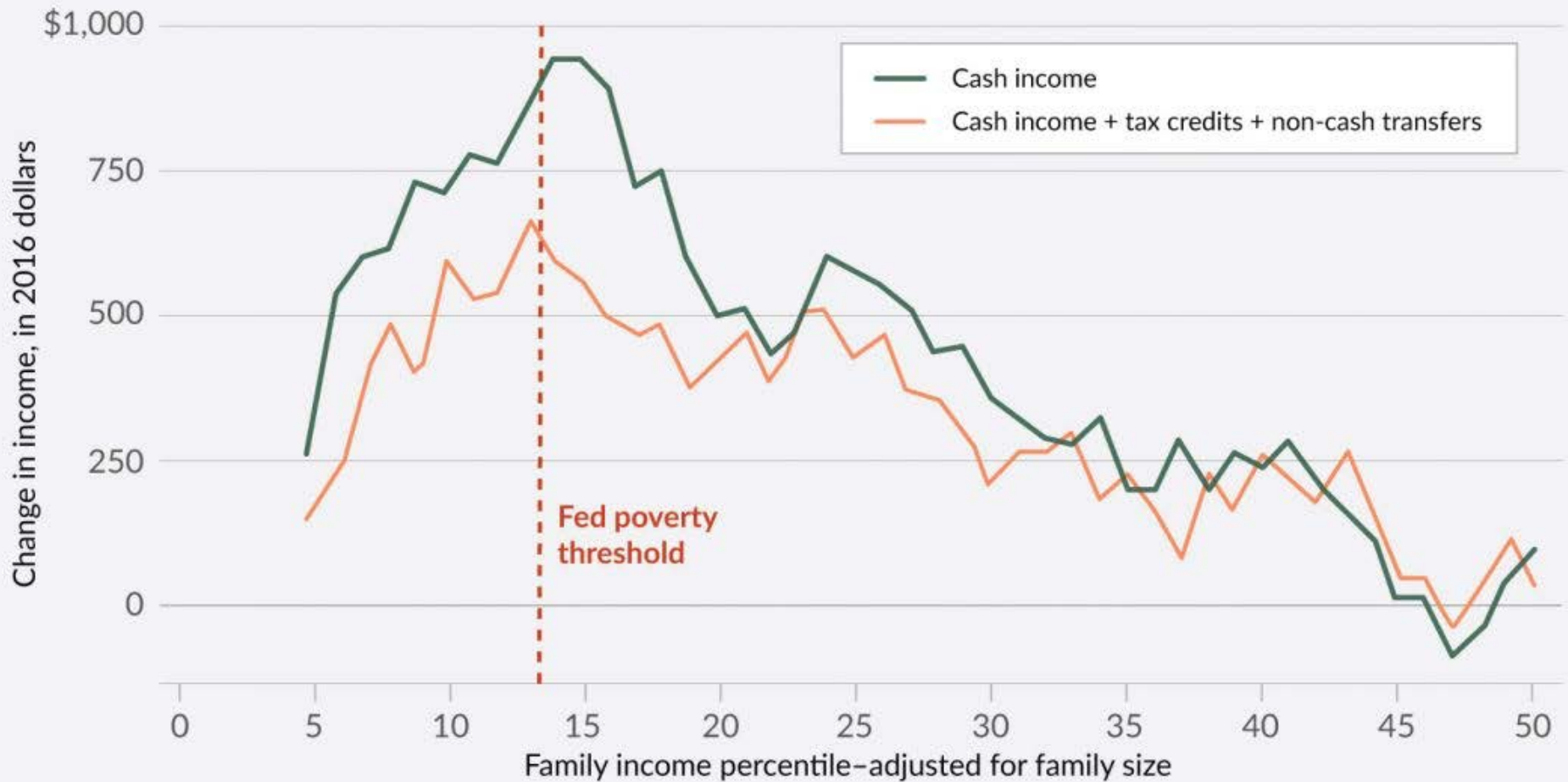
CWED Minimum Wage Symposium  
December 8, 2017

# Broader set of outcomes

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- Health
- Hardships
- Useful to keep in mind the channels, especially family incomes
  - Plausibility checks
  - Offsets

# Change in family income by percentiles from a 10% increase in minimum wage



Source: Arindrajit Dube, "Minimum wages and the distribution of family incomes," Washington Center for Equitable Growth Working Paper (Washington Center for Equitable Growth, 2017), Figure 7, <http://equitablegrowth.org/working-papers/minimum-wages-and-family-incomes/>.



# Broader set of mechanisms

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- Can minimum wage help “pave the high road?”
  
- Re-allocation effect
  - Does minimum wage shift employment to larger, potentially more productive firms?
    - Aaronson-French-Sorkin (2017)
  
- Job upgrading
  - Skill requirements
  - Can this affect labor-labor substitution?
  
- New research (with Matthew Freedman, LEHD data from 26 states)