



A Blueprint for Growing Pennsylvania's Economy

Higher Wages, More Jobs & Stronger Communities

HARRISBURG (FEB. 4, 2019) – Leaders of the CLEAR Coalition today issued a blueprint for a strong and growing state economy that will create higher wages, more jobs, and revenue for critical investments in quality K-12 and technical education; affordable access to higher education; and adequate funding for our other core services and programs.

Critical elements of "A Blueprint for Growing Pennsylvania's Economy" include raising the state's minimum wage; imposing a statewide shale tax; closing corporate tax loopholes and making our tax system fairer; and eliminating waste and increasing efficiency in state operations.

The plan generates an estimated \$3.5 billion in new revenue and savings and efficiencies in state government operations.

"Lawmakers have the opportunity to put money in more Pennsylvanians' pockets and create new jobs in communities across the state," said David Fillman, Executive Director of AFSCME Council 13 and a co-founder of the CLEAR Coalition. "We need to continue making smart investments in essential services and programs that Pennsylvanians rely on – starting with access to a quality public education for all families. We need to raise the minimum wage, which would lift the lives of millions of Pennsylvanians."

The CLEAR Coalition, founded in 2010 by seven of the state's largest public employee unions, represents approximately one million Pennsylvanians across the state. The Coalition's mission is to advocate for real, sustainable revenues to support the wide array of public services that Pennsylvanians rely upon every day.

The cornerstone of the CLEAR Plan is increasing the state's \$7.25 minimum wage to \$15 per hour. The wage has remained flat for more than a decade. Last month alone, more than 5 million workers in 20 states and in 24 cities and counties around the nation will earn a higher minimum wage.

"In every state that surrounds us and in dozens more across the nation, millions of Americans will earn a higher wage starting just a few weeks ago, but not a single one of those jobs is here in Pennsylvania. We continue to fall behind because Republican leaders in Harrisburg refuse to step up and do the right thing," said Steve Cantanese, President, SEIU Local 668.

The Keystone Research Center in 2018 found that raising the wage to \$15 would lift wages for 2.1 million Pennsylvania workers (or 37% of workforce). In addition, a higher wage would generate significant savings in the state Medicaid program and additional tax revenues.

“Families that will benefit from the higher wage will spend that additional money in every single community in the state,” said Wendell W. Young IV, President of UFCW Local 1776 Keystone State. “It’s time for Republican leaders in Harrisburg to step up and support higher wages.”

CLEAR’s members, as well as a majority of Pennsylvanians in every poll conducted in the last decade, support a statewide excise tax on the Marcellus Shale drillers. Pennsylvania ranks among the top natural gas producing states in the nation but remains the only one of those states that does not impose this tax.

“Our plan is about investing in people and making sure corporations pay their fair share,” said PSEA Treasurer Jeff Ney. “By raising the minimum wage, we can make sure that every hardworking Pennsylvanian who plays by the rules can earn a family-sustaining wage. And enacting a shale tax will bring in the revenues we need to invest in the next generation, building a stronger economy now and for years to come.”

Governor Tom Wolf’s last shale tax proposal, included in his 2018-19 budget proposal, would have generated \$1.7 billion in new revenues over five years.

Closing corporate tax loopholes would generate \$332M in new revenues and restore fairness to the state’s tax system.

The Coalition supports the Fair Share Tax Plan, which would reform our unfair tax system and reduce taxes for approximately 60% of Pennsylvania taxpayers. The Fair Share Tax alone would generate \$2.2 billion in new revenue. Of that \$2 billion, 50% comes from the top 1% of families, 72% comes from the top 5% of families, and 88% comes from the top 20% of families. Out-of-state taxpayers will pay 15.6% of the \$2 billion increase in revenues.

The Coalition is also urging lawmakers and the administration to enact measures to create more efficiencies and savings, including charter school payment reform; contracting reform; consolidation of prescription drug purchases; and cuts in wasteful spending.

Richard W. Bloomingdale, President of the Pennsylvania AFL-CIO and a CLEAR co-founder, said that CLEAR’s approach would help create new jobs across the state as well.

“We know that investments in technical education help workers find good-paying jobs. We know that if we can make smart infrastructure investments, in good roads, bridges and transit systems across the state, we can create new jobs,” Bloomingdale said. “We need higher wages and more jobs, and this plan will help us get there.”

The CLEAR Coalition continues to support efforts to make state government more efficient. While significant progress has been made in the past four years, more can be done to ensure efficient delivery of critical services.

Attached is a summary of the Coalition’s report. For more information, please visit www.clearforpa.org or contact Danielle Gross at 717.724.1681.