

— TOP TAKEAWAYS —

Public Policy Should Reward Work, Not Compete With It

WORK IS AN EQUALIZER

- As U.S. incomes grew between 2017 and 2019 thanks to pro-growth economic policies that encouraged work, American income inequality fell. Over this two-year period, income for bottom percentile Americans rose faster than top-income earners.
- Americans working full time at least half the year are nearly **4 times less likely** to be in poverty than those working part time and Americans overall.
- The poverty rate overall fell to **10.5%** in 2019 (compared to 11.8% in 2018), with 4.2 million Americans lifted out of poverty because of employment and wage growth.

WORK IS A HAND UP, NOT A HAND OUT

- Work prevents a host of ills like substance abuse, depression, suicide, abuse, and is correlated with positive externalities of happiness and fulfillment.
- Many businesses have attributed hiring difficulties to the extra federal unemployment payments that continued even as the COVID emergency subsided.
- In a **recent Harvard/HarrisX poll**, an overwhelming 76% of Americans said people are “staying on unemployment because they can make more money.”
- During emergencies, government assistance is a vital, temporary lifeline for many, but we cannot incentivize poverty through policies that create a permanent sense of hopelessness.

LOWER-WAGE WORK IS A STEPPING STONE

- Though critics assail lower-paying jobs, these opportunities allow workers to gain confidence, skills and the ability to advance through promotions and new employment roles.
- Minimum wage hikes yield job losses and disincentivize hiring, especially among those who are less educated and with lower skills—people who need jobs the most.
- Lawmakers should find ways to boost income by rewarding employment.

Click [here](#) to read the full policy focus and learn more about the importance of incentivizing people to return to work.