



## Where are the Wage Increases Republicans Promised?

Despite Republican assurances that corporate tax cuts would generate wage increases for workers, the evidence so far shows that it is shareholders, not workers, who are realizing the vast majority of gains from tax reform.

So far this year, companies have already announced [\\$171 billion](#) in stock buybacks, where companies reduce the number of shares available making remaining shares more valuable. This is more than [30 times](#) the amount companies have announced in bonuses and wage hikes for workers in response to the tax law. In addition, just [two percent](#) of adults said they had received a raise, bonus or other benefits as a result of the GOP tax plan, according to a Reuters/Ipsos poll.

There is little expectation that the picture will brighten much in the days ahead. A [CNBC survey](#) found that very few of the largest U.S. companies have plans to boost workers' wages, and most of those who do are providing one-time bonuses, not permanent increases. Morgan Stanley analysts estimate that the tax reform savings going to buybacks will be [more than triple](#) the share of benefits going to labor compensation. There's a long way to go to reach the [\\$4,000 increase](#) in average household income that President Trump promised in his State of the Union address last month.

