

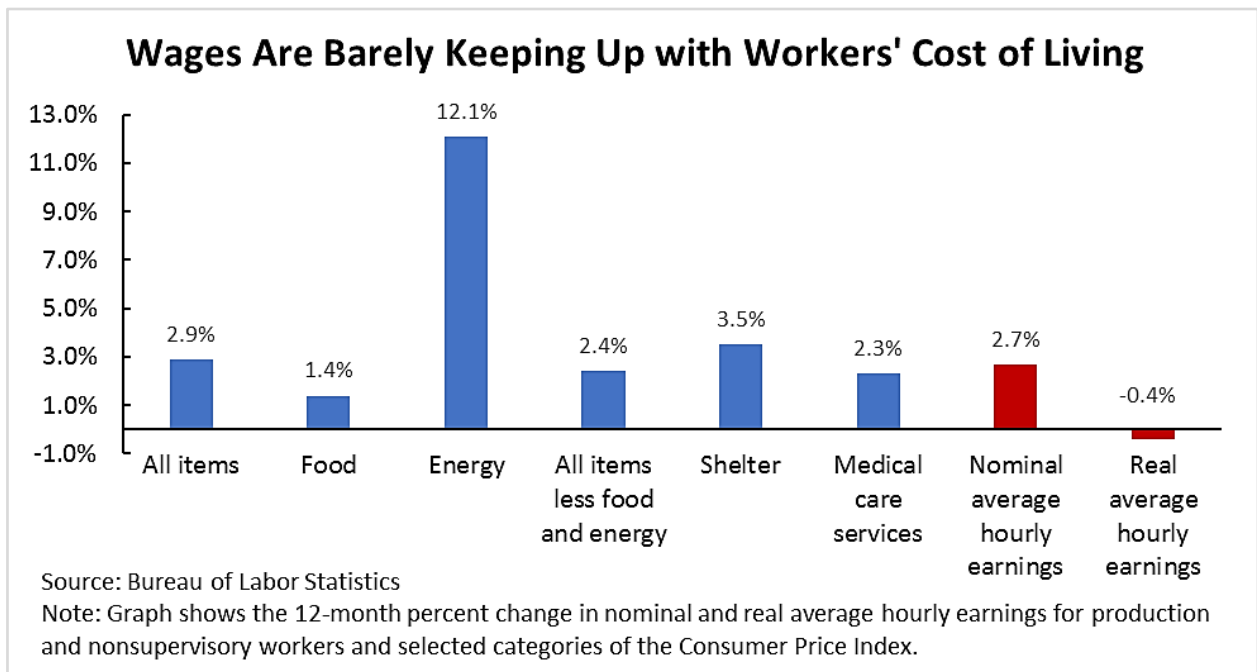


Soaring Living Costs Outweigh Wage Gains

Most American workers are still waiting on the \$4,000 pay hike they were promised from the Republican tax bill. Eight months since the tax cuts were enacted, wage growth for the average worker remains minimal, while the cost of living continues to grow and eat into family pocketbooks. In fact, recent [data](#) from the Bureau of Labor Statistics shows that after accounting for inflation, wages for most Americans have actually fallen for the third month in a row.

In July, the consumer price index (CPI)—which keeps track of the cost of a standard basket of goods, including housing, food, and medical services—[rose](#) by 2.9 percent over the last 12 months. Much of the increase in CPI came from the growing cost of housing, which rose 3.5 percent over the past 12 months. Renting costs grew even faster, exacerbating the difficulties faced by young families that are [priced](#) out of rental markets. Altogether, growing housing costs accounted for nearly 60 percent of the increase in the overall price index. [Core CPI](#), which measures the price level without the volatility of energy and food-related costs, climbed to 2.4 percent, the fastest rate in nearly 10 years. The rapidly rising costs of everyday essentials threaten to squeeze American working families' budgets.

The latest data reflects an ongoing trend in the American economy: rising costs and stagnant wages. Average hourly earnings for production and nonsupervisory workers when adjusted for inflation fell by 0.4 percent over the past year. The lack of wage growth continues a trend



American families are all too familiar with: The real hourly wage for the median worker has grown by just [6.1 percent](#) since 1979, or less than 0.2 percentage points each year.

But the Trump administration promised their tax cuts would change that. So far, Trump's tax cuts, which have driven record share buybacks benefiting executives and wealthy investors, have failed to deliver workers with the real wage increases they need and deserve. Rather than double down on another round of tax giveaways to corporations and the wealthiest, we need solutions that support strong and sustainable wage growth for middle-class families who are finding it more and more difficult to afford the basic costs of living.