

## On-Campus Student Employment and the Need to Increase Baseline Pay

For many students, college can be a period of unprecedented financial stress and sacrifice as they work to balance the cost of tuition with standard costs of living. College tuition is currently at its highest rate (source); paired with the rising costs of living and inflation in the United States, many college students take on part-time jobs while pursuing their studies to offset financial burdens. According to the National Center for Education Statistics, 40 percent of full-time and 74 percent of part-time undergraduates were employed in 2020. Working a job to earn money while in college can alleviate the financial burdens of tuition and living expenses, the NCES states (1); however, I argue that working while in school can create unnecessary stress for students, especially when wages are not high enough to adequately provide for living costs. Presently, the University of Iowa has an established minimum wage for student workers of \$8.20 per hour (2). I propose that this rate should be raised to at least \$12 per hour to reflect the cost of living in Iowa City and provide student workers with a salary that is consistent with these costs. By increasing the student worker wage, the university would relieve students of low-income status who struggle to make ends meet and succeed in their courses by establishing an equitable minimum wage that allows students to meet their needs without needing to work a burdensome number of hours per week. The University of Pennsylvania's Budget Model asserts that students who work while in college often fall behind their non-working peers. Students who work earn, on average, GPAs that are 0.41 standard deviations lower than their peers (3). Other institutions, such as Boston University, argue that working while in college can increase a student's performance. However, as stated in BU Today, the number of hours a student works confounds this claim. Students who work less than 20 hours per week do earn on average higher GPAs than their peers, but those who work more than 20 hours per week earn lower average GPAs (4). When hourly wages are low, students may have to work more hours per week to meet their financial needs. The University of Iowa's current student worker minimum wage is unsustainable and inequitable in the current fiscal environment of Iowa City, and should be revised to reflect current student needs.

As reflected by 2020 Fair Market Rent data, Iowa City's FMR prices are "very high" in relation to the national average (5). The average studio apartment cost \$705 per month in 2020. Earning \$8.20 per hour, a student would have to work 86 hours in a month to earn enough to pay their rent. When we divide this number by 4 weeks per month, we find that a student would need to work over 21 hours per week to earn \$705 monthly. This number does not include groceries, medical, personal, transportation, or other monthly expenses. Therefore, we can conclude that a student would need to work well over 20 hours earning \$8.20 hourly at their campus job to subsist. Currently, the University allows students to work no more than 20 hours per week (6). There is a clear dissonance between the wages allotted and what is needed by students to support themselves financially in Iowa City, and it is important that this discrepancy is addressed.

The University of Iowa's recently published Part Time Wage Survey from 2019 does find that the overall most frequent hourly pay rate for part time student workers is \$9.50 and the overall average rate of pay is \$11.25 (7), with similar figures for Work Study employees (8). However, the data have not been adjusted to reflect the current fiscal climate in Iowa City in 2023, in which average rent for a studio apartment has risen from \$612 (9) to \$810 (10). The

University should increase the base pay for student workers to account for this change, especially considering that the V2022 United States Census Bureau found 26.8% of persons in Iowa City are in poverty (11). I argue that no student should find themselves in a place of poverty while studying at a public university that has access to resources which can pull them out of poverty and assist them in succeeding in their studies without the undue burden of financial shortfalls.

In addition to the immediate benefits of increasing the minimum wage for student workers, this change would also raise the University of Iowa to meet the minimum wages of the other Big 10 schools. The University of Illinois at Urbana-Champaign pays \$13 to \$14.15 per hour for entry-level student positions (12). The University of Minnesota Twin Cities raised the minimum wage for student workers to \$15 per hour in 2022 (13). The University of Wisconsin-Madison made a similar adjustment for University Housing and Wisconsin Union student employees, increasing the hourly wage from \$11 to \$15 an hour in the same year (14). Northwestern University's minimum wage is \$13.35 per hour (15), and Rutgers' pay rates range from \$14.13 to \$20 hourly (16). Iowa should follow the example of the other Big 10 schools and increase the minimum student wage to meet the new status quo in student employment at large public universities.

Increasing student wages would also motivate more students to work on-campus as opposed to off-campus. It is evident, when walking around campus, that staffing shortages are currently prominent at Iowa. This can be seen in Burge Market Place, which uses disposable plates and silverware instead of reusable ones like those offered in Catlett Market Place. I do not think it is a stretch to deduce that this is a result of dishwasher employee shortages. This is antithetical to the waste reduction goals laid out in the University's 2020 Sustainability Goals (17). If student employee wages were higher, it is likely that the number of students desiring to work on campus would also increase and alleviate the negative implications of staffing shortages on campus. Also, a higher number of student workers would decrease the burden placed on the current employee roster which is insufficiently large enough to handle the demands of their jobs. A more balanced staff size would allow current employees to work less if they desire.

It is important to note that I am not a statistician, and that data can be misleading. I recognize that each university's situation is different, and that the University of Iowa is not deliberately paying their student workers less than they should. However, in the name of progress and student support, it is essential that the student employment minimum is reviewed and revised to meet current student needs. I believe that the minimum wage should be raised to at least \$12 an hour, which would both increase student financial security and decrease the negative effects of staffing shortages across campus.

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