

Survey Results: Goal of the Minimum Wage

5/17/18

17 Participants

1. In your opinion, what is the goal of the minimum wage?

- Equality and fairness for both employee and employer
- Several: Provide minimum standard of living without needing public assistance
- Protects employees from exploitation
- To circulate more money in local economy
- Increase power of workers
- Several: Reduce economic disparities, especially for women and people of color
- Help maintain and attract talented workers and employers

2. How do we measure if these goals are met?

- Several: Don't know how we measure if it's fair
- Several: It's difficult to measure and understand due to conflicting studies
- \$15 is too high and is less fair to employers and small businesses
- Balance of providing a standard of living for employees, while preserving employer sustainability
- Cost of basic needs is covered by an average paycheck
- Wages in general increase
- Several: Wages rise more for low-wage workers
- The share of economic activity going to wages increases
- Several: Economic inequality decreases
- Racial and gender disparities decrease
- Ask community members if it is a living wage
- Strong economic base for small businesses to be successful
- Food insecurity goes down
- School performance improves for kids of color
- Unemployment rate changes
- Ordinance is understandable and diminishes likelihood of lawsuits regarding conformance

3. Do exemptions support or take away from these goals? Why?

- Supports. No exception would hurt livelihood.
- Several: Supports. Different economies have different needs. No one size fits all. There are federal exceptions we should look at.
- It can do both.
- Takes away. Employment sectors currently access public programs to meet needs. This would continue if they are exempted.
- Several: Takes away. There should be one fair minimum wage.
- Supports. Training should not be paid full minimum wage.

4. What is the role of values (personal, collective, societal, etc.) in our ongoing minimum wage discussion?

- People who work should be able to earn a living wage.
- One collective value is concern over job losses due to business closures/moves. Another is evidence that increasing minimum wage improves standards of living.
- Equality and fairness should be extended to everyone, but we have to balance employer needs as well.

- Values are important but they need to be balanced with objectivity, logic, and practicality.
- How can we do the most good for the most people?
- Wage negotiations are embedded in power dynamics that favor employers. Too many people, especially women and people of color work too hard for too little.
- No one should live in poverty or under threat of poverty.
- We need to consider the impact of the minimum wage increase on social services, health insurance, day care, and many other economic forces.
- Shouldn't lecture about the plight of the working people. We are all here because we have deep consideration for people from all walks of life. We are here to figure out the details.
- This is about who we are and what we want our community to look like.
- Without common values, recommendations will have contradictions.

5. Is there anything else you would like to share?

- There are certain segments of the disability services sector that are performing work under State contracts, with federal and state Medicaid as the primary funding stream. For those organizations, increasing wages is most often associated with the legislature increasing payment rates—something that does not occur on a regular basis. As an example, through administrative action, the state implemented a 7% cut effective July 1, 2018. Unless the legislature and executive branch proactively correct this in the next few days, a significant reduction will occur, while the City is considering a local minimum wage increase.
- If the minimum wage was higher, my clients would be affected because they would pay the cost difference.
- St. Paul is unique and shouldn't just follow Minneapolis.
- Deeply concerned about the lack of research on potentially positive impacts of minimum wage. Difficult to trust the neutrality of the process if only potentially negative impacts are being looked at.
- Depending on the outcome of this work, I will consider whether or not to automate certain roles currently fulfilled via labor. I think the potential impact of labor saving technology needs to be considered as part of the conversation.
- We need to operate in terms of probabilities, not assurances. Government is flush with examples of well-meaning public policy initiatives, which in practice were actually self-defeating. We should formulate an ordinance with high likelihood of conformance—that should be the goal. The only shared value statement I would agree to is that regardless of the outcome of this ordinance, we have a lot of work to do to reduce poverty in St. Paul.
- If we can come up with some common goals and values, perhaps it would be possible to look at the minimum wage as step one of a comprehensive plan. Perhaps we can go beyond exemptions and look at what it would take to help all the members of our community successfully implement a minimum wage that lives up to our values. For example, I have hit a price ceiling at my shop so I can no longer raise prices to accommodate higher labor costs, but instead of giving me an exemption, can we propose policies that have the greatest potential to increase aggregate demand and hopefully my sales? This would give me the tools to implement the policy that reflects our community's values.
- I don't know how to respond to business owners who say "I can't afford to pay a living wage." I am sure this is true and valid for some owners. But since there is not transparency about their profitability or the salary they draw from their business, I am often suspicious. For instance, if you pay a living wage, will your business go bankrupt, or will you just make less than you are accustomed to making? It's an uncomfortable discussion around the table. We know that some people are making less than \$10 and we know nothing about the financial position of others. It is quite a power imbalance.