St Paul Minimum Wage Considerations
Initial Meeting

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Section 1

Introduction
My Background

- My Background in Economics and Policy
- Minneapolis Minimum Wage Study
- Phase 1 Research Memo
- My research interests
Section 2

St Paul: Phase 1
Phase 1

Goal of my memo: identify the geographic scope of possible stakeholders for a possible St Paul minimum wage

Pros:
- Geographical specificity
- Home & work location match
- Explore Income, age, and industry

Cons:
- Income, age, industry categories are broad
- No cross tabulation / intersection
Findings

St Paul Residents ≠ St Paul Workers

129,000

89,000 (69%)

40,000

137,000 (77%)

177,000
Takeaways

Overall, St Paul residents who work:
- are working somewhere else
- are getting older
- earn over $1,250

Overall, St Paul workers:
- are commuting from out of town
  - Especially those earning above $3,333
Section 3

Minneapolis Study
Goal: Define the economic effects of a Minneapolis minimum wage

- RWC defined policy
- RWC defined data
- RWC defined other effects
- City defined geography
- City defined timing
- WE DO NOT ENDORSE OR REJECT POLICY
Minneapolis Study Findings

Our main results:

- Employment effects range from 0% through -3% (restaurants)
- Earnings effects range from 0% to 28% (restaurants)
- Effects are more drastic for recent immigrants and by race/ethnicity
- Food insecurity decreases (overall)

Why the large range of results?

- Geography Model
- Youth Model
Section 4

Lessons Learned
Lessons from Minneapolis Study

Projecting the effects is about trade offs:

- **Data trade offs:**
  - Personal privacy vs complete understanding
  - Detailed county vs generalized city
  - All Projections Make Assumptions
  - Making more groups makes each group smaller

- **Policy trade offs:**
  - Who wins, who loses?
  - City vs County vs State
  - What is the goal of a minimum wage?
  - What questions need to be answered?
Section 5

Designing a Policy
My personal philosophy:

- Before you can confront trade offs, you need a list of what is being traded
- What is the goal of the minimum wage?
- If an alternative was proposed, what would that solve or leave unsolved?
- Do exemptions support or detract from these goals?
- How do we measure if these goals are met?
- Does data exist to make these measures?
- Who is counted?