

St Paul Minimum Wage Considerations

Initial Meeting

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- 1 Introduction
 - My Background
- 2 St Paul: Phase 1
 - Phase 1 Memo
 - Memo Findings
 - Takeaways
- 3 Minneapolis Study
 - The Minneapolis Study
 - Findings
- 4 Lessons Learned
 - Lessons
- 5 Designing a Policy
 - Considerations

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:

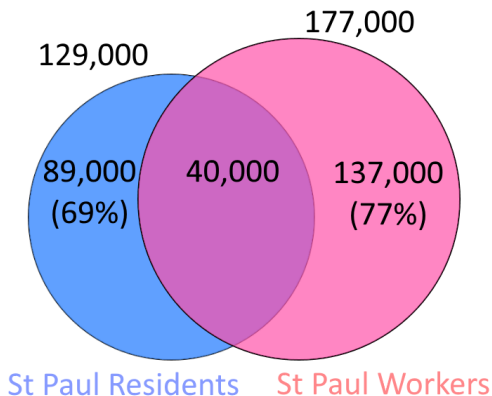
- Geographical specificity
- Home & work location match
- Explore Income, age, and industry

Cons:

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

Findings

St Paul Residents \neq St Paul Workers



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

The 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

Considerations

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?