

Minneapolis Urban League General Session Summary

February 23, 2017

General comments:

- The term minimum wage is a misnomer. It's more of a hurdle you have to jump. Previous studies in Seattle show more negative effects from the increase in minimum wage. An increased minimum wage would lead to more robots and automation. Resulting unemployment will be felt most acutely by undereducated, teens, and women. Young African Americans will be most affected. People with criminal records as well.
- Employers are going to charge higher prices and businesses will move to other cities.
- A guaranteed income is an alternative approach. Martin Luther King supported this idea. We could also consider an increase in the earned income tax credit.
- I'm a Northeast resident and work at U of M. I think it's a moral imperative that when people put in 8 hours of work, they deserve a decent life. I think a \$15 minimum wage is a start. I work as an academic advisor and would love for the people I work with to make more and have more opportunities to pursue education.
- As a person that advises young people, they are so concerned about the world they're entering. People are really afraid of entering the world without a profession. I think we should build a world where people can go to college or not and feel comfortable they could lead a good life regardless of their decision.
- What's become a little frustrating for me is that the city spent a lot of money on an income study and we're not seeing these horrifying results that happened in other cities. What are we doing to educate people that this will have a good impact? So that businesses will relax and know that they won't go out of business.
- I'm someone who disputes the study. I just checked the economic policy institutes numbers and there is no growth in the real minimum wage. We could change the nominal minimum wage to \$15/hr but it would only buy you what \$9.50 gets you now.
- Restaurants spend about 33% of their income on salaries. A \$15/hr wage would raise expenditures by 20%. Restaurants run on a very thin margin, and prices will have to go up.

- I work in the hospitality industry. Personally, I think \$15/hr wage is great. But that money has to come from somewhere. A lot of restaurants have talked about switching to no tipping. That will cripple the earnings of a lot of waiters. Nobody will go out to eat anymore. Having something specifically in Minneapolis will push people out. That happened with the smoking ban.
- I'm a musician by trade. I hear this argument often that the restaurant industry will be most impacted. But there are people who don't have enough money to eat.
- I want to live in Minneapolis because it's on the front line of progressive ideals. It's about distribution of wealth. There are very wealthy people in this city who will still buy a \$25 dollar hamburger. They will have to pay a little more in order for others to live better.
- The city needs to help. So many people are hurting. This city can be a leader.
- I'm a supporter of \$15/hr minimum wage. Based off the sea of research, I would like to see this apocalypse actually be validated in the cities where this has been implemented. I think a more productive conversation is how can the city provide resources to help businesses accommodate to a higher wage.
- We need to think about the difference between big and small businesses.
- I've never seen people rake in \$50,000 a year as a waiter. We need to have some common sense around why people need a higher wage in this city.
- We need to invite Betsy Hodges to participate in thinking about how business owners can accommodate a higher wage and invest in their employees.
- When I imagine living on \$15 an hour, it seems extremely difficult. People need to have enough to live fairly comfortably in this community. And if they're paid more, they'll spend more.
- Part of the reason that \$15 Now, and I'm one of the organizers, decided to do separate phase in for big and small businesses is, for example, a lot of the East African community works at the airport. Delta extracts a lot of money from the Twin Cities here. A quicker phase in for big businesses mean more money is kept in the metro area.
- As far as restaurants go, Minneapolis has the most vibrant rest scene in the country. Here's the interesting thing, the minimum wage already increased. And the restaurant industry is doing fabulous. That's a fact. Seattle also has a vibrant economy. So there does come a time when you can't say that the world is flat anymore. That's what happened when the city council denied this report even though it's carried out by the

best economists in the country. That report has to be the starting point for this conversation.

- There's this assumption that businesses have a right to keep wages at a certain level, even when everything else gets more expensive. We need to treat wages like a market force like everything else.
- Back to the service industry, I know there's a lot of servers who get paid well. But there's baristas who don't make enough tips, servers at Denny's and whatnot. There's people in my neighborhood who will be kicked out of their houses as rent goes up. Giving them a higher wage will help them keep their houses.
- If we really want to help small businesses, we should offer subsidies like we do to Target and others.
- I work at Abbot NW Hospital. I'm here to talk about health impacts of people living in poverty. I'm speaking in favor of a \$15 wage. People I see on a daily basis, working two jobs, is a perfect storm for crisis, people ending up sick in hospital, ending in cycle of not getting ahead in their lives.
- When you're worried about rent and putting food on the table, you're not able to plan and get preventative health care. These are things that people can do when they can take time out of work. But when people are scraping by get sick, they find things out too late.
- People are coming in sicker and sicker all the time.
- I wonder how many people are working tonight and are unable to be here. And can't have their voices heard. This cycle of poverty is hurting everyone. It's about Minnesotan values, we need to take care of each other.
- This is more of a question. I'm also in support of a wage increase. There's a lot of conversation that the cost gets put onto the consumer. But doesn't that cost get put onto us anyhow? Like in healthcare. People going to the ER costs way more than preventative care. It's a moral imperative, but there's also a social/cost benefit.
- I wonder if there's ever been a conversation about the impact of taxes on low wage earners. Are there conversations that you don't have to pay taxes below a certain wage level? That you're not putting in money to a government that's not supporting you.
- I'm a student at the U of M. I think one place where you're losing a lot of people in explaining this process is that the transition period is not well understood. A lot of people my age think the jump is too aggressive without the transition period.

- As an organizer around the ballot initiative, we did a study that showed 60% approval of a phased in proposal. Which is similar to a lot of cities who have raised their minimum wage. The city should build on that support when they pitch their recommendations.
- I wanted to clear up that there was a proposal that Minneapolis residents supported and was blocked by city council because they're lobbied by big business.
- How does this affect businesses who operate both in and out of Minneapolis? If you have a contractor who works in multiple cities, you're at a competitive disadvantage.
 - I'm a little familiar with construction companies, and how they pay union and non-union employees. It doesn't seem to affect them too much.
- It is true that if Mpls were the only city for an extended period of time paying \$15 that would be a problem. But what we've seen in other locations is that once the economic center moves ahead, the rest of the cities and/or the state fall behind.
- It's important to remember that this impacts disproportionately women and people of color. And in caretaking and service industries. We're talking about specific groups and functions, not people all across the board.
- I want to touch on how this isn't about workers against businesses. It's about workers vs. workers. People who can value their work more competitively will get more work. That's the reason nothing is manufactured in the US.
- Even in two years of this campaign, we've seen a huge movement of sectors already raising their wages. Organizations taking the position of spreading equity. And Shakopee, raising the wage to \$19 dollars. There already is momentum. And we're not seeing this rapid decay that business owners are raising. It's an old argument. If we really want to talk about what drove businesses away, look at federal deregulation.
- I don't think of corporate capitalism as a law of physics. Part of living in a democracy is fashioning an economic system that meets our needs. I believe in the power of our citizenry to create a better world, and I hope people will join me and have imagination on how to solve problems. If businesses are struggling, let's deal with it. Let's not just pass this and look away.
- Do you think businesses that are in Minneapolis because they get a lot of customers, do you think they'll move?
- New businesses will move to other areas if the minimum wage is increased.
- I think hospitality is in favor of \$15, but with a tip credit.

- There's something very unique about operating a business in Minneapolis, and the vast majority of businesses need to be in Minneapolis, and will stay in Minneapolis.
- I want to recap that there was a ballot initiative that had a phase in over 4 years for big businesses and 6 years for small businesses.
- In a lot of my work with small businesses, I hear that people can't hire a dishwasher for \$11 dollars. So you ask them, in 6 years can you imagine raising that to \$15? Then people say yes, that sounds natural.