

P. T. Magee
764 Lincoln Ave
ST PAUL

Beth Jacob Synagogue
Member
Jewish Community
Action

Ms. Chair,
~~Mr. Chairman~~, Members of the Council:

Thank you for allowing me to testify in favor of the rapid institution of a \$15 per hour minimum wage with no exceptions or carve-outs in St. Paul. I come here to express my support for the large number of St Paul citizens that suffer because of the overall income inequality in the country, the state, and the city. Increasing the minimum wage in St Paul from an effective \$9.50 to \$15 dollars per hour will make a significant difference to many, raising a full-time worker's income from 19 thousand dollars to 33 thousand dollars a year. This still is still only half the income level a family of three needs in Ramsey county (~\$65000), but it raises them above the poverty threshold of 20,800, and we should certainly attain that goal as soon as possible.

Including a subminimum tipped wage in the proposed minimum wage legislation would diminish the effect of the minimum wage increase, since data show that most tipped restaurant employees in St. Paul now earn less than \$15, with their average wage less than \$13 including tips. There is no reason to believe that this will rise with the new legislation if these workers are excepted from the \$15 minimum. Other jurisdictions which have set the minimum wage at \$15 or above have seen fit not to include a subminimal tipped wage classification, and since 1984 Minnesota has rejected attempt to carve out exceptions to its minimum wage standards.

In summary, in a society like ours with great income inequality, now is the time to push for higher compensation at the lower end of the wage distribution, and the \$15 minimum

is a step in the right direction. The myth that restaurant servers and bartenders (and tipped workers in other industries) are earning disproportionately high pay is disproved by the data. A subminimal tipped wage authorization is thus unnecessary and inappropriate. I will note in closing that it would also have a disproportionate effect on women's income, since they make up a large fraction of tipped employees.