

Good afternoon, members of the Labor Committee. My name is Andy Garfunkel. I am a resident of Norwalk and would like to thank you for giving me the opportunity to provide written testimony today.

I would like to indicate my support for SB32, which proposes to raise Connecticut's minimum wage to \$10.10 by 2017.

In his December 3, 1861 address to Congress Abraham Lincoln noted that "Labor is prior to, and independent of, capital. Capital is only the fruit of labor, and could never have existed if labor had not first existed. Labor is the superior of capital, and deserves much the higher consideration."

I'm proud to live in a state that meets the spirit of these words with action. It is the right thing, the moral thing, the decent thing to do. It is also economically sound policy. When workers aren't paid enough to feed themselves or their families we, the taxpayers, subsidize those low wages with various government programs. When workers are paid a fair wage for the value of their work, it allows government to correctly target the appropriate population for social welfare spending and redirect business subsidy spending (such as tax credits) to stimulate job creation and productive economic development.

During the last thirty years, real wages have continued to sag below inflation, and last year they actually fell below 1968 levels. Inflation-adjusted wages of nonsupervisory workers in retail trade jobs have fallen by almost 30 percent since 1973, meaning that minimum wage workers cannot contribute to the consumer spending that feeds economic growth, even as they continue to contribute to productivity gains. It is noteworthy that the current minimum wage in France is \$10.88.

Despite objections to the contrary, a minimum wage increase will not hurt small businesses or cause job losses. There is ample labor market research demonstrating that minimum wage increases do not have a measurable impact on employment levels. One such example, a 2013 study by the Center for Economic and Policy Research found that there is there is overwhelming evidence that increasing the minimum wage has had virtually no adverse effect on jobs.

(<http://www.cepr.net/documents/publications/min-wage1-2012-03.pdf>)

Pass-through of these labor costs to consumers would actually result in very small adjustments. At least one study concludes that a 10% minimum wage increase has only a .72% (that's zero-point-seven-two), with the largest impact on restaurants. (<http://www.irlle.berkeley.edu/cwed/briefs/2012-01.pdf>)

In Connecticut, 70,000 to 90,000 hard working Nutmeggers will be getting \$18 more a week to spend on groceries and other necessities. Minimum-wage workers spend what they earn right away and that puts more money back into the local economy, leading to increased economic growth – the kind that benefits all wage-earning employees. I'm talking trickle-up, not trickle down.

I support Governor Malloy, noted economists Robert Reich and Joseph Stiglitz, and the overwhelming majority of likely voters who believe that increasing the minimum wage and indexing it to inflation (73% support, 20% oppose) will benefit not just low wage workers but Connecticut's economy as a whole.

Respectfully submitted,  
Andy Garfunkel  
Norwalk, CT