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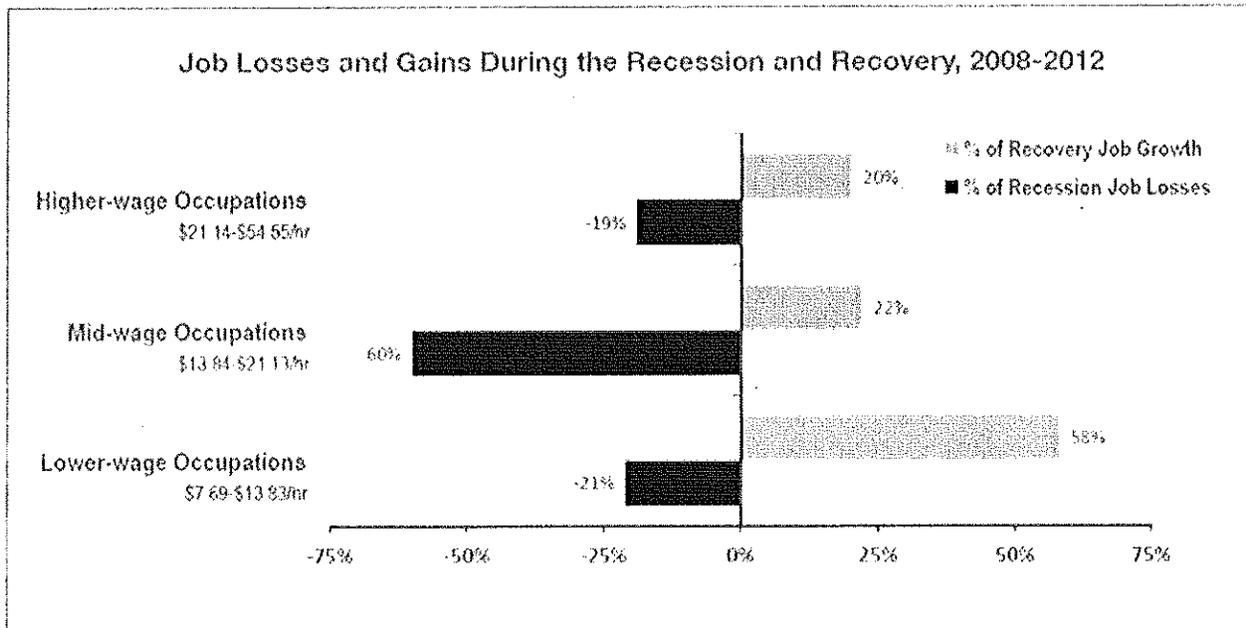
Testimony IN FAVOR of SB 60

Representative Tercyak, Senator Osten, and distinguished members of the Labor Committee, thank you for holding a hearing on this bill today.

SB 60 AAC

Connecticut has just raised the minimum wage to \$10.10 an hour, which will help thousands of workers to support themselves. Minimum wage jobs are not for teenagers and college students who have no real financial obligations anymore, if they ever were. When you go shopping, buy your groceries, pick up food, or dine out, take a look around you at who is helping you.

The 2008 Recession fundamentally changed our economy. Of the jobs lost, most were middle-wage jobs (\$13.84 - \$21.13 per hour). 60% of these jobs were lost, but our economy has only gained back 22% of them. The service sector is, however, booming, and is the best place to find employment these days. Low-wage work (\$7.69 - \$13.83 per hour) was hit with a 21% loss rate during the recession, but has grown by 58% post recession¹. As the middle class shrinks, more and more workers are forced to work low-wage service jobs for insufficient pay.



Source: National Employment Law Project

¹ Report from the National Employment Law Project, *The Low-Wage Recovery and Growing Inequality*, August 2012
http://www.nelp.org/page/-/Job_Creation/LowWageRecovery2012.pdf?nocdn=1

Today, minimum wage workers are on average 35 years old, and 36% are over 40. Over a quarter have children, and on average they earn half of their family's income². An increase in the minimum wage to \$10.10 would not only provide these workers with more financial stability, it would provide a much-needed boost to the local economy. Low wage workers spend all their money locally – they don't stick it in the stock market or buy luxury goods, they spend it at local shops and restaurants, and on local rents and mortgages.

This bill is necessary to bring security to tipped workers. Some tipped workers get good shifts on Friday and Saturday nights at restaurants with high price points and they do well, most do not. It is unfair that so many workers have to make a sub-minimum wage when they work as servers. Often the workers at the back of the house who do not get tips are forced to work for the tipped wage, and often servers do not make enough to bring them up to the hourly minimum wage.

² Economic Policy Institute research