

Anderson, Bryan

From: Craig Whiting <cwhiting@berkshireschool.org>
Sent: Thursday, March 07, 2019 8:13 AM
To: Sam Leary
Cc: LABTestimony; Rep. Horn, Maria
Subject: Re: CT proposed minimum wage increase

Good morning everyone,

First, let me introduce myself. I am Craig Whiting, a lifelong resident of North Canaan, CT, a member of my volunteer fire company for 29 years, a former member of our town's board of finance and now a Selectman in the town that I have lived in for 43 years and counting. As a lifelong resident of CT I know that small business is essential to the well being of our community, our state and our country. I understand that raising the minimum wage sounds good in theory to allow people to provide a better life for themselves and their families but the minimum wage was not created to be a "living wage".

Many small businesses rely on high school and college students to work during their busy season which in New England is usually from Memorial Day until Labor Day. These jobs range from restaurant workers, landscaping, agriculture and a wide variety of other jobs where summer or seasonal help is required. Raising the minimum wage at a rate of 12% a year for the next 4 years to reach a target number is going to cripple all of these businesses. It will require a lot of these businesses to cut employees as they will not be able to afford this massive increase which will have the trickle down effect of more state and federal deficits paying these people unemployment, food and health benefits. This will also drive up the costs of these services, making it impossible for a lot of people to do things they take for granted now like going out to eat or going to a local farm market to buy local produce. It will also drive up the costs of services such as property and home care, plumbing, electrical and carpentry work needed to maintain a home.

I cannot and will not stand by without my voice being heard. I have been approached by many, many business owners in my town concerned about the direction of this bill. I have heard recommendations of age requirements of 25 years of age, or not applicable to those that are still in school. The other issue that has been brought up has to do with people that are now paying around \$15 an hour. They are worried that their employees that are now almost 50% above the minimum wage will be demanding large pay increases to not be considered working at minimum wage. I can see all of the concerns of all of these business owners and I do not think the consequences of this have been thoroughly thought out. I can support a small increase each year, but a small increase would be relative to what employees see in an average wage increase each year ranging from 1.5-4%. I cannot support a 12% increase each year for the next 4 years.

I hope you can all look a little deeper into this to see that it is not in the best interest of our state to support such a bill.

I look forward to your feedback,

Thank you,
Craig Whiting
Selectman, Town of North Canaan

On Wed, Mar 6, 2019 at 11:28 PM Sam Leary <samuelbleary@gmail.com> wrote:

As a small family business owner in Connecticut I am deeply concerned by the proposed bills (SB 002, HB 5004, HB7191) that would increase minimum wage in my home state.

When my wife and I opened our bakery/restaurant in North Canaan CT in August 2012, the state's minimum wage was at \$8.25, but in less than 4 years on January 1st 2017 it had risen over 22% to \$10.10. These new proposals intend to see that number hit \$15 per hour by 2022, an additional increase of almost 49%, in just three years. Once again, we are talking about a 81.81% increase in the state mandated minimum wage in less than a 10 year period. Unlike the state of Connecticut, a small business cannot operate with a deficit, which that sort of increase would no doubt create.

Our business pays only servers the state minimum before tips, as after tips, the position is very lucrative compared to similar work. That being said, we start people at .25-.50 cents over the minimum wage for part time positions, so all positions are based, to differing degrees, on minimum wage. We employ a mixture of students, part time workers and people from the nearby substance abuse treatment center. Very few of these people are considering a career in the restaurant industry and our wages and work environment must be appealing as Canaan is mere minutes away from New York state and Massachusetts but our employees choose to work here. We employ 15 or so employees at any given time. There is not much "wiggle room" to absorb these wage increases. It is hard to imagine how a business like ours would be able to operate. Add to that, the increase in payroll taxes and it really starts to seem undoable.

As a lifelong resident of Connecticut, I am also shocked that this proposal is even being considered. In light of our current budget, where would the state come up with the money for these wage increases? Sure, you will see an increase in payroll tax collection, but that will be abated by businesses closing, cutting staff and automation of roles previously held by employees. I guess that additional deficit is a problem for tomorrow's residents to figure out?

As a business owner, it is important for me to verify that myself and many other owners that I have talked to will be forced to consider the viability of continuing operations in Connecticut as a result. When I hear people suggest that small family businesses will not be hurt or cease to exist because of these bills, I'd like to remind you that my wife and I are not a hypothetical, nor are the problems this will present to our business and the jobs we create.

Thank you for your time

Sent from my iPhone

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Craig Whiting
Manager of The Stewart Athletic Facility
BERKSHIRE SCHOOL

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