

Testimony on VTs proposed \$15 minimum wage

Vermont's fragile economy does not need to have another pillar undermined by legislation that could be punishing to service sector businesses, especially in rural communities.

I own restaurants in both New Hampshire and Vermont, and employ nearly 80 people. I am proud of my contributions to both state economies, and nearly all of my employees earn more than the minimum wage.

However, when planning for future expansion, such a formidable wage barrier (nearly twice the national average) makes it unwise to consider choosing a Vermont location if two equal opportunities arise.

Research conducted for, and paid by, the city of Seattle (a far more prosperous place than rural Vermont) indicated that instituting a phased in \$15 minimum wage negatively impact 3-4 workers for every person it helped, even when the minimum wage was \$13 per hour. Moving forward with very similar legislation without fully understanding the implications of the experiences in Seattle would be highly reckless and irresponsible.

Efforts to ensure a livable wage for all Vermonters is a noble idea, which will be accomplished by market forces, as the 'greying of Vermont' and a ongoing exodus of young talent has created a need for 10,000 new employees statewide each year just to offset these losses. As a result, the forces of supply and demand will naturally drive higher wages.

Vermont does not have to artificially manipulate the labor market when well-managed education, training, and job placement services will provide abundant opportunities to those seeking to get ahead.

A \$15 minimum wage will only prove harmful for first-time job seekers in favor of more experienced workers.

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