

CONNECTICUT'S MINIMUM WAGE COULD CLIMB



If passed, a bill proposed by the legislature's Labor Committee would raise Connecticut's minimum wage by \$1 an hour over the next two years. The proposal, which has been sent to the General Assembly for a vote, would increase the minimum wage to \$9.25 an hour, 50 cents in January 2013 and 50 cents the following January. The proposal would also tie future increases to the consumer price index, which the labor commissioner is required to annually announce starting July 1, 2014. An attempted amendment by some Republicans to sever the relationship to the cost of living was voted down. Though a larger increase was considered, it was finally agreed to raise the current \$8.25 wage rate to \$8.75 effective Jan. 1, 2013 with a further raise to \$9.25 an hour on Jan. 1, 2014. Gov. Dannel P. Malloy said he's unsure if he'll sign the bill which was passed by the Labor and Public Employees Committee on an 8-3 vote and sent to the House of Representatives for further action. "The governor has always been a strong supporter of the minimum wage, but he does have concerns about potential impacts to the state economy" Malloy's senior adviser, said via email. House Speaker Chris Donovan, a high-profile champion for the measure says, "We heard concerns both about the amount of the increase and the timing of implementation. The bill as it stands now addresses those concerns and still helps low-income workers across our state". Supporters say the increase is necessary to help the state's neediest residents, as well as to boost the state's economy pointing to studies that show minimum-wage earners don't salt away their raises but rather increase their spending. Sen. Ed Gomes, D-Bridgeport said, "It benefits the economy" and noted that even with the increase, minimum-wage earners would still live below the federal poverty level, which is about \$22,000 for a family of four in Connecticut. "People on minimum wage don't have the luxury of any savings". "It benefits them, and it benefits the economy." Backlash against a minimum wage increase, included state Rep. Craig Mine who argued that any increase would affect job creation in the state. "Connecticut is still on shaky ground" he said. State Rep. Zeke Zalaski, D-Southington added "I agree that the economy is not as good as it should be, maybe". Opponents also argue that the proposed increase would hurt small businesses, some of which are barely hanging on in a still-recovering economy. However, supporters of raising the minimum wage say it is big corporations, not locally owned mom-and-pop shops, who benefit most from a low minimum wage. Lindsay Farrell, director of Connecticut Working Families, which is backing the increase, says, "A low minimum wage is good for the executives at Walmart and McDonald's, but poverty wages are bad for Connecticut." In addition, waiters and waitresses who make a minimum of \$5.69 per hour plus tips are also benefited by the bill which makes changes to their tip credit. The number would increase to \$5.80 per hour. Similar efforts to raise the minimum wage are underway in New York and New Jersey.

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