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Hearing of the Joint Legislative Public Hearing on 2015-2016 Executive Budget
Proposal: Topic "Workforce Development / Labor"

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Good morning. My name is Jessica Wisneski, Legislative and Campaigns Director of Citizen Action of New York. I'm testifying on behalf of Citizen Action and the Raise Up New York Campaign on raising up the wages of three million New Yorker with economy boosting jobs, jobs that will allow working people to meet the basics to support their families.

Raising wages is one key step the Legislature can take to write a budget that works for all New Yorkers, not just the wealthy and well-connected. Because it's clear, in our State that boasts the greatest inequality between the wealthiest and the rest of us in the nation, that New York is not working for all of us.

Most of us are working harder than ever, just to get by. Our wages have been stuck in place for decades now. There are still more than two New Yorkers looking for work for every job opening.

Young adults, even those with a college degree, are having a tough time finding work or are taking jobs that don't utilize their education. How will they ever pay back their student loans?

We worry about how we will retire. Corporations have taken away our pensions and left us with retirement accounts that go up and down with Wall Street. And that's for those of us who actually have a retirement account.

Seniors are trying to make do on fixed incomes, worrying about whether they'll have enough to live with dignity through their retirement and help their kids and grandkids.

But times aren't tough for everyone: the rich are not only getting way richer, they are grabbing a bigger share of the wealth that we *all* helped to create.

It's not like the economy didn't move forward over the past 30 years. If corporations had shared our nation's economic progress fairly with their employees, the average family would take home \$23,000 more a year. The minimum wage would be more than \$18 an hour.

But they didn't. Instead, powerful corporations cut our wages and benefits. They shipped our jobs overseas. CEOs of big corporations make an average of \$30 million a year. And bankroll lobbyists and candidates – so they can keep their tax rates lower than their secretaries.

It doesn't have to be this way. You can take actions in the state budget to a New York that works for all of us. Starting with decisions to create an economy that works for all of us, not just the wealthy.

What powers our prosperity? Working families and the middle class – we are the engines of the economy. It's not the stock market or corporate profits that make the economy work for people. When we have good jobs, we can educate our kids, care for our families, afford health care, shop in our own neighborhoods and retire in security, we move the economy forward.

The first decision is to make work pay, with good jobs so we can support and care for our families with dignity.

New York needs economy boosting jobs, not economy busting jobs.

It is impossible to support a family on New York's current minimum wage of \$8.75. While the Governor's proposal to increase the minimum wage to \$10.50 statewide and \$11.50 for New York City is a step forward, it remains far too low for a family-supporting wage.

The Governor's proposals should be a starting point. The Legislature should put New York on a path to \$14.50 statewide and \$15.50 in New York City by 2019, and then adjusted to keep up with the cost of living. The \$15.50 wage rate should also cover other high-cost areas of the state, including Nassau, Suffolk and Westchester Counties. Every working parent in New York should get paid enough to care for their kids and set them off toward a great future.

From Niagara Falls to Hempstead and every place in between, New York's working families are paid too little to meet the basics, struggling to put food on the table, pay rent, get to work. This is the daily reality for millions of New Yorkers in the state with the greatest concentration of wealth in the nation. It must end.

Raising wages to \$14.50 and \$15.50 will improve wages for more than three million New Yorkers. That is one million more workers who will get economy boosting jobs to build stronger communities than in the Governor's proposal.

Who are the New Yorkers who will be better able to care and support their families when we raise the minimum wage?

More than half (55%) of New Yorkers who will get a raise are women. By raising the minimum wage, we'll take a major step toward lowering the gap between what men and women get paid for the same work.

Half (50%) of New Yorkers who work who will get a raise are people of color. Raising the minimum wage will help all New Yorkers, including people of color, care and support their families and build strong communities.

And the big business lobby likes to say that the minimum wage is for teenagers. But 90% of New Yorkers who will get a raise are 20 or older. That means too many young adults are stuck at low-wage jobs, even after their teen years. Raising the minimum wage will give young people in New York a boost when they are just getting started, leading to better earnings that will boost our state's economy now and for years to come.

They also like to tell us that raising the minimum wage will hurt small business and cost jobs. In fact, numerous studies – based on real minimum wage increases across the country not made up economic models – show that increases in the minimum wage will not cause employers to eliminate jobs. Instead, it will increase consumer demand, which will create more jobs. Hard-working New Yorkers will have a little more money to spend and local businesses will benefit from it. It's a win-win for everybody.

As Governor Cuomo said in his 2013 State of the State address:

Increasing the minimum wage leads to greater economic growth. Low-income individuals spend a larger percentage of their income than higher-income earners and salary increases in low wage occupations lead to increased demand for goods and services. Empirical evidence suggests that an increase of \$1 in the minimum wage generates approximately \$3,000 in household spending per year. Increased household spending will increase demand for goods and help businesses grow, thereby creating more jobs for New Yorkers.

New Yorkers know this. In a national poll taken last month, three-out-of-four (73%) of those polled in the Northeast supported raising the minimum wage to \$15 over five years. That's a full ten percentage points higher than support raising the wage to \$11. And get this - there were 16 percentage points more strong for the \$15 an hour wage, instead of \$11.

Why? Because it just makes sense. Who can get excited about an \$11 an hour wage? At \$15 you can begin to imagine it would enable you to meet the basics to care for your family. At \$15 it will boost the prospects of many more working families.

So let's get it done. It's time to replace economy busting jobs with economy boosting jobs. Every New York working family should be able to care and support their families, to build a better future for their children. Every working parent should get paid enough to care for their kids and set them off toward a great future.

This is your fight. The time is right now. Join with workers and your constituents and fight for \$15 in the 2015 budget due April 1.

Fight for a budget that makes the Empire State a leader again for working families and the middle class.

Fight for a budget for a New York that works for all of us!