



## **Business groups form statewide coalition, release wage study results**

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Many of Delaware's most active and influential business advocacy groups are joining forces to educate lawmakers and the public on the impact of raising the minimum wage in Delaware. This new group, Delaware Wage Facts Coalition, has been formed by the Delaware Restaurant Association, Delaware State Chamber of Commerce, National Federation of Independent Business, Delaware Food Industry Council, Mid-Atlantic Petroleum Dealers Association and the chambers of commerce from New Castle County, Central Delaware and Rehoboth Beach-Dewey Beach.

The coalition formed in response to the national debate on wages, industry unionization, and the formation of the Delaware Low Wage Service Workers Task Force.

"There's a lot of rhetoric being bantered about regarding minimum wage, and it's sometimes difficult to sift through the nonsense to find the facts," said NFIB Delaware State Director Jessica Cooper. "We realized that by forming Delaware Wage Facts Coalition, we would be able to educate the public and our Legislature on the real impact that raising wages has on jobs and our smallest employers."

The government-commissioned Low Wage Task Force recently published a report that called for an increase to a \$10.25 an hour minimum wage, with the ultimate goal of a \$15 an hour wage, despite the fact that Delaware is already in the middle of an increase signed by Gov. Jack Markell in 2014. The recommendations also include indexing, tying future increases to inflation, an increase in the cash wage for tipped employees, and steps taken to prevent businesses from "mandatory part-timing." The DWFC believes these recommendations do not support a business-friendly environment and will force small business owners to cut hours and jobs.

"Our focus is on the service industry, where we hope to correct the misconceptions about the employees in these jobs," said Carrie Leishman of the Delaware Restaurant Association. "The impact of a dramatic wage hike will be detrimental across the board, and will hurt those a wage increase is intended to help. We need entry-level jobs and part-time positions for young workers, those looking to supplement their income, and those unskilled workers who are starting out and looking for a foothold on the first step of a career ladder." According to a study performed by the

Cato Institute, an increase in the minimum wage to the proposed \$10.10 an hour would result in over 5,000 Delaware jobs being lost.

The DWFC recently conducted a study of over 500 Delaware voters, which showed initial support from 75 percent of those polled in support of a minimum wage increase to \$10.10 an hour; however, support crumbled and fell to 45 percent when voters were asked if they still supported a \$10.10 minimum wage if it meant job loss for some Delaware employees.

Strong support for the wage hike plummeted by 30 percentage points, from 53 percent down to 23 percent, when job loss was mentioned in conjunction with the wage hike. This means over half of Delaware voters - 55 percent - either oppose or are unsure about moving to a \$10.10 minimum wage when informed that it will cost job opportunities in the state.

“With the current economic climate, legislators should be empowering small businesses in Delaware, not stifling growth by imposing financial hardships that will be impossible to maintain,” said Ellen Valentino of the Mid-Atlantic Petroleum Dealers Association. “With large companies looking to leave Delaware, especially in our most vulnerable areas, our elected officials need to show strong support for small businesses in their communities.”

More information about the Delaware Wage Facts Coalition, wage studies and industry information can be found at <https://delawarewagefacts.com>.