



**Testimony on Senate Bill 878 and House Bill 1701 – “An Act to Improve the Commonwealth’s Economy With a Strong Minimum Wage”
Before the Joint Committee on Labor and Workforce Development
Holly Sklar
Director, Business for a Fair Minimum Wage, June 11, 2013**

Thank you, Chairman Wolf, Chairman Conroy and members of the Joint Committee on Labor and Workforce Development for the opportunity to testify in favor of raising the minimum wage. My name is Holly Sklar and I am the Director of Business For a Fair Minimum Wage, based in Boston. I am also on the Board of the American Sustainable Business Council, whose member organizations represent more than 165,000 businesses nationwide.

Massachusetts was a leader when it passed the nation’s first minimum wage in 1912. But today it is lagging. Our minimum wage has been stuck at just \$8 an hour since 2008. Minimum wage workers have much less buying power now than their counterparts had in 1968 when the minimum wage was worth \$10.69, adjusted for inflation.

We can’t build a strong economy on a falling wage floor. Today’s inadequate minimum wage impoverishes working families and weakens the consumer demand businesses depend on to survive and grow.

As Margot Dorfman, the CEO of the U.S. Women’s Chamber of Commerce, put it in written testimony submitted to the Committee, “While some try to portray a minimum wage increase as a fight between business and workers, raising the minimum wage is in reality good for both.”

Raising the minimum wage makes good business sense. Workers are also customers. Minimum wage increases boost sales at businesses as workers buy needed goods and services they could not afford before. And nothing drives job creation more than consumer demand. A higher minimum wage will keep more dollars circulating in our local economy and reduce the strain on our social safety net caused by poverty wages.

Costco CEO Craig Jelinek spotlights other benefits in explaining their support for raising the minimum wage: “At Costco, we know that paying employees good wages makes good sense for business. We pay a starting hourly wage of \$11.50 in all states where we do business. Instead of minimizing wages, we know it’s a lot more profitable in the long term to minimize employee turnover and maximize employee productivity, commitment and loyalty.”

Raising the minimum wage to \$11 by 2015, and then adjusting it yearly to keep up with the cost of living, will strengthen our economy. I strongly urge the Committee to give a favorable report to Senate Bill 878 and House Bill 1701.

Thank You,
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