

**Testimony to NYS Assembly and Senate
Joint Hearing on Workforce Development, 2.3.16
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Thank you for this opportunity to provide testimony on the issue of wages in New York State.

Amalgamated Bank is a unique financial institution. Founded by a union of immigrants nearly a century ago, and still union-owned, we offer all the products and services of a big commercial bank while proudly supporting a progressive vision for America, where economic opportunity is available to all, not just the wealthy.

For that reason, we are here today testifying in support of an increase of wages to \$15/hour for all workers across New York State. As a leader in responsible business practices, and the only financial institution who has committed to pay our own employees a minimum wage of \$15/hr, we believe New York State can lead the way on this issue. We thank Governor Cuomo and members of the legislature for not being afraid to stand up on behalf of all hard-working New Yorkers.

Raising wages will be good for New York State, good for New York City, good for our economy and good for our citizens. New York has long done the right thing by having a state wage higher than the federal wage, but \$9/hour is still far from what is needed to meet basic needs. There is virtually nowhere in the State of New York where someone working full time can get by on minimum wage, and 60% of low wage workers rely on some form of government assistance despite their employment. This means over \$900 million in public funds that are essentially subsidizing corporations that won't pay their workers a fair wage unless required to do so by law.

These are your constituents, trying their best to support their families in your districts. They are healthcare workers, childcare workers, people from every age group and walk of life.

And what would it take for those workers to make ends meet? Well, a recent study by the Fiscal Policy Institute found that for a single adult without children, the hourly wage needed by 2018 to meet basic needs was \$20.91 in the Buffalo area and \$32.44 in the New York City metro area. Families with children would require considerably higher hourly wages just to make ends meet, ranging from \$38.53 an hour in Buffalo to \$58.51 on Long Island.

Even with two workers, a four-person family would need each adult to make at least \$28.96 in the state's non-metropolitan areas to \$38.62 on Long Island.

At \$15 an hour, a worker would, on average, have gross earnings of \$21,765. So while you may hear a "the sky is falling" refrain from some business leaders about \$15/hour, please keep in mind that while this is more than a third greater than current average earnings, it is still far short of what is needed.

And to those Chicken Little fears, which begin in huge corporate boardrooms and then trickle down across the state – in the last two years, a number of U.S. cities have approved minimum wages of \$15, including Seattle and San Francisco. Their economies are doing just fine. California, Missouri, Oregon and Massachusetts are all considering statewide increases.

Raising the minimum wage makes good business sense. Our economy will grow with a wage increase, as workers have around \$20 billion in new earnings to spend at local businesses. The additional money they earn will go right back into local businesses as they buy products or use services. Raising the minimum wage will keep more dollars circulating in our local economy, and end a ridiculous state subsidy to corporations in the form of public assistance for people working full time.

Given the deep need, the strain on public funds caused by low wages, the success of this elsewhere and the benefits to our local economy, Amalgamated Bank strongly urges New York State to phase in a \$15 an hour minimum wage for all workers across all industries. It is well past time that we give hard-working New Yorkers the dignity they deserve.