



***The Illinois Restaurant Association supports a UNIFORM, REASONABLE increase in the minimum wage that applies to ALL of Illinois.***

- **The Minimum wage needs a uniform, reasonable standard.** Enacting differing minimum wages for the city and the state is unsound public policy as it creates a powerful incentive for employers to leave Chicago to keep labor costs low and it will draw suburban workers to Chicago looking for a higher wage. This will create the worst of both worlds for Chicago workers: more competition for fewer jobs.
- **Illinois' minimum wage is already highest in the Midwest and is tied for sixth highest in the entire nation.** The Illinois minimum wage is currently \$.75 - \$1.00 per hour higher than all of our neighboring states. Acting uniformly across both the city and state will help keep more jobs in Illinois.
- **A \$13 dollar an hour minimum wage would hurt Chicago's competitiveness.** Increasing Chicago's wage to a level as high as 57% greater than its suburban neighbors and 79% higher than the state of Indiana will clearly send jobs to those communities. The IRA is adamantly opposed to such a drastic increase.
- **Restaurateurs are already bracing for the uncertain effects of federal health care implementation in Illinois.** To comply with the Affordable Care Act, analysts estimate approximately \$3,000 in extra costs per employee. Given the enormous fiscal stress of the economic downturn, tepid recovery and policy uncertainty on employee costs, businesses are struggling to bear these additional labor costs.
- **An unreasonable minimum wage hike will cause jobs losses and increased prices for consumers.** On average a restaurant's profit margin is 3-5%, leaving limited resources for increased employee salaries. With unemployment in Illinois standing at 6.7%, consumers will be hit with the double whammy of higher food prices and fewer jobs. The National Restaurant Association says, "58 percent of restaurant operators increased menu prices and 41 percent reduced employee hours following the 2007 minimum wage increase."
- **Significantly increasing the minimum wage will continue to keep people, especially teens, out of jobs.** The number of teens with a job in Illinois has fallen consistently over the last ten years **leaving only about a quarter employed now.** According to the Chicago Urban League, urban areas fare even worse; **less than one in ten African American teens in Chicago are employed.** Chicago's Hispanic and Caucasian teens also face difficulty finding work, but they are statistically more than twice as likely as the city's African American teens to be receiving the experience of a paycheck. The result is a significant number of teens are not gaining the basic and valuable work experience to propel them up the economic ladder in the future. Increasing the minimum wage will keep young people out of jobs as employers will be forced to cut back.
- **Minimum wage salaries are a floor, not a ceiling.** The National Restaurant Association notes that "nine out of ten salaried restaurant workers, including owners and managers, started as hourly workers." Workers are not locked into minimum wage jobs, they have the ability to garner the necessary skills to advance and earn higher wages. A minimum wage is intended to be a *starting wage*.
- **Research says jobs help combat violent crime.** A recent University of Chicago study printed in the *Chicago Sun-Times* concluded that "youths in high-violence neighborhoods who were offered jobs and therapy through a 2012 city anti-violence initiative showed a 51 percent drop in arrests for violent crimes." The study shows the significant positive impact jobs have on youth crime, but drastically increasing the minimum wage will significantly decrease the amount of jobs available to youths across the state.

