

A \$15 minimum wage will help Delaware businesses succeed

Kristen Deptula Special to the USA TODAY Network

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As the Delaware House of Representatives considers legislation to raise the minimum wage, I encourage lawmakers to remember this: The economy reflects a continuous cycle of earning and spending, so when workers are making more money, they spend more, driving our economy forward.

I support the minimum wage increase to \$15 by 2025 passed by the Delaware Senate in March. Raising the minimum wage will be good for my small business and good for Delaware.

Delaware's \$9.25 per hour minimum wage is too low for someone working full-time to cover rent, utilities, transportation, food and other necessities. It's too low a minimum wage to drive the consumer spending we need for a strong economy.

Raising Delaware's minimum wage to \$15 will promote a more robust economic recovery from the pandemic for both working people and businesses.

At the Canalside Inn, my husband and I already pay our employees at least \$15 per hour. It was important that our employees knew we had their backs before the pandemic. It's even more important now.

With livable wages our employees are less stressed and better able to provide consistently good customer service to our guests. Happier employees make for happier customers, and that drives our success in the hospitality industry.

We were voted 2020 Best Bed and Breakfast Inn by Delaware Today Magazine. And we are growing. We recently hired several new employees.

By paying our employees a higher wage, we have kept our employee turnover low and our customer satisfaction high.

Our training costs are lower because we aren't hiring and training someone only to lose them quickly and must rehire and retrain again. With better pay and lower turnover, we have better employee efficiency and productivity, and better employee morale and customer service.

By contrast, businesses that pay low wages typically have a high rate of employee turnover. They overlook the considerable time and money that can be saved with better wages and lower turnover. They ignore the important connection between employee retention and customer retention.

Raising the minimum wage will reduce the stress of individuals working hard, day in and day out, and still holding on by a thread. It will close the gap between what people need to live on and what minimum wage workers make working full time. And it will reduce the growing gap between the growth in worker productivity and the minimum wage that has contributed to rising inequality. The minimum wage would be over \$20 an hour today if it had continued to rise at the same rate as productivity growth since the 1960s.

While we already pay a \$15 minimum wage at Canalside Inn, the legislation our lawmakers are considering would phase in \$15 gradually. The first increase would be from \$9.25 to \$10.50 in 2022, and the minimum wage would not step up to \$15 until 2025.



Businesses can not only afford to raise the minimum wage – they will benefit from rising consumer spending, lower employee turnover, increased productivity, and other improvements.

Investing in my employees is one of the best business decisions I've made. Raising Delaware's minimum wage to \$15 is one of the best economic decisions our state lawmakers can make.

Kristen Deptula is owner of Canalside Inn in Rehoboth Beach and a member of Business for a Fair Minimum Wage.