

## League of Women Voters hold minimum wage initiative forum

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Nebraska voters will act on a ballot measure that proposes a step-by-step program to increase the state's minimum wage to \$15 per hour by Jan. 1, 2026.

Nebraska's current minimum wage is \$9 per hour.

If Initiative 433 passes in the Nov. 8 general election, the wage would increase to \$10.50 per hour on New Year's Day 2023; then \$12 per hour on Jan. 1, 2024; then \$13.50 per hour on Jan. 1, 2025; and finally \$15 per hour on Jan. 1, 2026.

Beyond 2026, the initiative would require a yearly adjustment to the minimum wage based on increases in the Consumer Price Index for All Urban Consumers, known as CPI-U, for the Midwest Region.

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A "yes" vote says the voter favors the three-step wage increase, plus the annual adjustments afterward.

A "no" vote says the voter opposes the proposed minimum wage increases.

Kate Wolfe, campaign manager for Raise the Wage Nebraska, spoke in favor of Initiative 433, as did Small Town Famous owner Jacque Cranson, during a Hastings League of Women Voters forum Friday at the YWCA of Adams County.

According to information compiled by Nebraska Secretary of State Bob Evnen, opponents contend the minimum wage was never meant to be a "living wage" but an "entry level" wage for young people or first-time workers.

The wage increases proposed by Initiative 433 are a 66.7% surge over three years and increase inflation. Most minimum wage jobs are with small businesses or franchises and those owners can't afford higher wages.

This hits rural Nebraska harder where the cost of living is lower. This increase causes employers to raise prices for their product or service and pass those costs onto consumers.

Increasing the wage every year will force businesses to "step up" their other salaries, which is also inflationary. A higher minimum wage forces companies to reduce their workforce and increase automation. This measure forces increases for tipped wage employees. Some small businesses will close because they can't afford the new mandatory wage.

Wolfe refuted many of those claims.

She said, according to the Economic Policy Institute, 75% of the people who will benefit are adults over the age of 20.

"Many parents are working multiple jobs at low wages to be able to get by," she said.

She said 61% of the people who would benefit are women.

"This goes a long way toward closing the wage gap that has affected women forever," Wolfe said.

Of those earning less than \$15 per hour, 43% have attended college, many of whom have graduated.

Also, 21% are parents.

"We know child poverty would immediately decline when Nebraska's minimum wage is increased," she said. "We also know helping lift individuals out of poverty promotes positive outcomes for children and families."

Petitions gathered for Initiative 433 included more than 160,000 signatures, including at least one signature from every county in the state.

“People are feeling the stagnation of wages in comparison to the continuing increase in price of groceries and gas and housing,” Wolfe said. “They see it and they feel it in their communities and families. That is what this is really about. It’s about the people that are living on the margins and are struggling, but we know work hard. We want to ensure hard work is rewarded.”

Cranson and her husband, Matt, own Small Town Famous screen print and embroidery business. There is also a boutique in the front of store.

Small Town Famous has locations in Hastings and Grand Island.

She supports raising the minimum wage.

All full-time Small Town Famous employees make at least \$18 per hour. Part-time employees start at \$15 per hour.

Cranson said Small Town Famous saw about \$1 million in sales in 2021 and her family took home a six-figure income from the business.

“Just as much as the money coming in, or what we do, we take just as much pride and we get just as excited about seeing those accomplishments for our employees,” she said.

One of the first Small Town Famous full-time employees was able to purchase her first house last year.

Cranson said if a company can’t pay employees a living wage then that company’s business model is failing.

“We have tons of applicants every time we post a job,” she said. “I think if you want to have a business and want to do well, pay your employees well and you’ll continue to make more money and bring more people in.”

Wolfe said like Cranson’s support for employees, businesses know the most expensive labor cost is turnover.

“Retaining a good, happy employee is one of the best things you can have,” she said. “Then you don’t have the training expense. Your employees know your customers and they develop relationships and that’s what keeps your customers coming back.”

The top reason for an employee leaving a job is wages.

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