

## Retailing group warns 'something has to give' as poll shows support for wage hike

By Mary Ann Bourbeau April 16, 2013 1:23PM



John Holub says an increase to the minimum wage will have the opposite effect of a stimulus. - (Photo By NJBIZ file)

The head of a business association supporting retailers remains adamantly opposed to a plan to raise the minimum wage, with future hikes tied to the consumer price index, though a recent poll shows strong support of the measure from voters.

A Rutgers-Eagleton poll released today shows 76 percent of surveyed voters strongly support a constitutional amendment to raise the state's minimum wage, by \$1, and index it to inflation. The increase would take the minimum wage up to \$8.25 an hour if approved by voters in November.

But the increase would be painful for business, said John Holub, president of the New Jersey Retail Merchants Association.

"When you ask if people should be making more money, the overwhelming majority agree," Holub said. "But the people who say yes are not the people who would be impacted by it. ... If a retailer increases the cost of a job without increasing sales, something has to give."

Holub does not believe higher wages will have a stimulus effect on the economy. Instead, he said, entry-level jobs will be harder to find, and existing workers' hours will be cut.

"Now is definitely not the time to do this, when we are scratching and clawing our way out of the worst economic time in years," he said. "The governor [offered a very sensible compromise](#), eliminating the indexing and phasing in the increase over three years, but the Legislature took no action on it. That was something the business community probably could have lived with."

The poll shows a majority of Republicans plan to vote for the increase, despite Gov. Chris Christie's earlier veto of a similar measure.

"Unless strong opposition emerges, this amendment is highly likely to pass," said David Redlawsk, director of the Rutgers-Eagleton poll and professor of political science at Rutgers University. "Given the economic dislocation of the last four years, large numbers of New Jerseyans have been touched by joblessness and financial challenges. Most seem to think those at the lower end of the ladder deserve a chance to do better."

