

DRAFT TESTIMONY

Wage Board – Syracuse

My name is Tiffany Gallagher, and I am the General Manager of the Holiday Inn Syracuse/Liverpool and Staybridge Suites in Liverpool. I would first like to thank members of the Wage Board for allowing me to testify today, specifically as my testimony relates to the minimum wage as applied to tipped employees.

Our employees are the backbone of the operations of our hotels and we take great pride in providing them with fair wages, benefits and the opportunity to learn and grow in our industry and move up towards life-long careers. Our tipped workers currently make above the \$5.00 cash minimum wage, earning at least \$6.50 an hour. In addition to their cash wage, those classified as tip eligible employees make around \$250-350 in weekly tips. Our full time, tipped food and beverage employees make \$450-\$600 every week in gross income.

At our hotels, every employee is provided per shift, one nutritious meal at no cost and with no hours worked requirement. The overwhelming majority of our employees receive substantial benefit packages with a fast-track to career growth.

While we will not lay off any employees in response to a minimum wage increase, we may be forced to reduce the quality of benefits offered. We pay, on average \$3-\$4 per hour for medical insurance. This can be as much as \$5 per hour for an employee that only works 30 hours a week.

Six years ago, all full time employees at our hotel were offered free medical insurance.

In response to increased medical costs, we were forced to begin charging our employees a small amount to offset the increases in costs.

The coming year's medical insurance premiums increased 22%. We are absorbing the vast majority of that. This increase coupled with the increase to the hourly minimum wage and salaried minimum wage, will result in our company bearing a significantly larger financial burden to balance our operation, quality of benefits, and guest service.

There will come a point when the burden is too large and the costs have to be reduced or shifted. If that happens, I am afraid it will be the employees you are trying to help that will end up bearing that burden.

I respectfully request that the Wage Board not recommend to the State that an increase in the cash wage is needed. Thank you for your time and I am happy to answer any questions you may have.

Thank You!