



Neil Greenberg

Attorney: Don't wait for state, increase minimum wage now

By: Dan O'Regan | April 25, 2014 | Comments Off

A Westbury attorney specializing in employment law is urging Long Island businesses to raise their minimum pay rates to \$10.10 now, instead of waiting for the federal government to mandate that same wage increase.

Neil Greenberg of [Neil Greenberg & Associates](#) says increasing minimum pay now will create long-term benefits for the employer and the employee alike – and will also spur local economic growth, enough to outweigh whatever employer costs are associated with the hike.

“When modest wage-earners are paid more money, they spend that money,” Greenberg said. “They generally spend it in our communities.”

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New York State has already implemented a plan to incrementally raise the state's minimum wage from its current level of \$7.25 per hour to \$9 per hour by the end of 2015. According to Greenberg, that increase is too slow and too small, and he's actively encouraging his clients to jump ahead.

“When you look at the cost of milk and when you look at the cost of bread or gasoline, I don't believe taking us from where we were to \$9 an hour is sufficient,” he said.

Part of the problem, the attorney said, is that many small businesses are more concerned with short-term profits than adopting “a more forward look” that recognizes increased-pay benefits including higher employee-retention rates and that shot in the local economy's arm.

But small business owners aren't the only ones expressing those concerns. Matthew Cohen, vice president of government affairs and communications for the [Long Island Association](#), said any increase to the current minimum wage would impede the Island's economic recovery.

“Pay increases would increase the cost of doing business,” Cohen said. “In order to maintain a healthy bottom line, it could force [businesses] to actually increase layoffs.”

However, if a business has the means to pay employees more without risking layoffs, then voluntarily increasing minimum wages could be great for employee morale, Cohen added – and would certainly help improve the worker's standard of living.

Foisting a minimum wage hike upon businesses that might not necessarily be able to afford it, Cohen noted, is something else entirely.

John Faracco, vice president of Garden City-based [Meadowbrook Financial Mortgage Bankers](#), said his company saw almost immediate benefits after increasing its minimum pay from \$8.25 per hour to \$10 an hour in January. Since the hike, the company has hired 11 new employees, all of whom were more qualified and experienced than the applicants Financial Mortgage Bankers had previously been attracting.

In that way, Faracco said, the voluntary minimum-wage increase has been worth every penny.

“It's easier to raise the minimum pay rather than keeping it the same and having a less-qualified employee,” he said. “Rather than training someone from scratch, we can find people with two to four years of experience in our industry.”

Employees were ecstatic about the pay increase, Faracco added, citing benefits such as the ability to better afford commuting costs. That's the real benefit, according to Greenberg, who hopes more companies follow this strategy.

“The idea that people are working a full week and still need public assistance to survive doesn't make sense to me,” the attorney said. “A real active business can thrive whether they're paying somebody \$10.10 or the current minimum wage.”