

The Virgin Islands Consortium

Minimum Wage Hike Will Bolster Economy As Consumer Spending Increases, Forde Says

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ST. THOMAS -- Senator Jean Forde, the chief sponsor of the minimum wage increase bill has said the measure, signed into law by governor Kenneth Mapp last week, will not only improve the lives of minimum wage earners, but also improve the economy as consumer spending increases.

According to the bill, the first increase will go into effect “one month after the first day of the quarter following the enactment of this legislation,” which is June, as the second quarter of the year begins in April.

After this year's increase from \$6.25 to \$8.35, another increase of \$9.50 will take effect on January 1, 2017, and another increase to \$10.50 on January 1, 2018 — so as to not shock businesses set to absorb the added cost.

"This is a happy day for me but much more importantly, this is a tremendous day for the more than 14,000 workers who will benefit from this legislation, and it is a great day for the entire Virgin Islands," Mr. Forde, a freshman Democrat, said in a press release issued late Saturday. "I submitted a request to draft this bill on the very first day that I entered the Legislature because I know that you just can't survive on \$7.25 an hour. Too many hard-working people have been suffering without any sign of economic relief, and I am honored to play a role in bringing about real and substantive change in the quality of life for many of our people."

He later added: "Economic research has shown that when you put more money in the hands of working people it stimulates the entire economy by putting more money in circulation and increasing business activity."

The senator thanked those who contributed to the legislation, which was co-sponsored by senators Kurt Vialet, Marvin Blyden, Justin Harrigan, Sr., Myron Jackson and Almando "Rocky" Liburd.

"I would like to thank my colleagues, who unanimously supported the bill, and I would like to thank the governor, who declared his support for the measure last year and did not waver in the face of opposition. I would also like to thank the many people, who came forward with statements, both in support and opposition, that helped to clarify our thinking on the legislation and in many cases helped to improve it. I'd like to thank my staff and the Bureau of Economic Research, who did a tremendous amount of work in closely examining the various issues surrounding the minimum wage, thus making this entire effort possible.

"Most of all, however, I would like to thank the working men and women of the Virgin Islands, who inspired me to propose this legislation in the first place, and whose constant words of encouragement helped me to press on when difficulties arose. You are the ones who are truly worthy of praise," Mr. Forde concluded.