



## CONGRESS BLOG

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# The path forward

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Rare is the issue that unifies decision makers of both political parties at the federal, state and local levels. In 2016, the deep and real concern around income inequality is doing just that.

The growing gap between the wealthiest in our society and those struggling to make ends meet is front and center in presidential debates and in local government meetings. As a society, we have to figure out how to most effectively enable our citizens and our economy to grow and flourish, and that isn't going to happen on its own. Elected officials should address this issue, but not with policies that inadvertently hurt the very people they intend to help.

According to some, the answer to addressing income inequality is simple: just raise the minimum wage. But the reality is much more complex. We need policies that empower businesses of all sizes and provide real, tangible skills, training and career paths for workers. Unfortunately, many of the policy proposals on the table, like hiking the minimum wage, will put entry-level jobs and the start they provide for so many in jeopardy.

We live in a service economy, and what is often lost in our debates is the value service industry jobs provide to workers. Critics have demonized service jobs and the opportunities they create as not being "good jobs." "Good jobs" give young workers a place to start -- often their first experience in the workplace -- exposing them to valuable, lifelong skills. And service jobs allow people who have experienced personal setbacks or need an interim job to keep working. They also offer a career path for millions of Americans who are passionate about their work and their customers. These jobs instill the confidence and experience that are important to one's upward mobility, and provide the opportunities, skills, knowledge and pride that comes with a job well done.

This isn't just a theory. As organizations that represent retailers and restaurants, we invest in these benefits and provide an entrance into the workforce for tens of thousands of Americans each year. For many, this is the first rung on the ladder -- one that is within reach and provides an opportunity to learn and grow. One in three adults in the U.S. got their first job experience in a restaurant or retail business. Ninety percent of restaurant managers and 80 percent of restaurant owners started in entry-level positions. According to retail employees, the industry provides opportunities for advancement at all levels (70 percent) and long-term careers for many (69 percent).

The paths forward to reducing income inequality are training programs that give people entering the workforce or those stalled in lower wage positions the skills they need to climb the pay scale.

It's important that these programs focus on teaching skills that are in high demand in today's economy: skills that help workers find and keep jobs that promise a better quality of life. We all win when we incentivize businesses to invest in career-training programs for their employees -- not force them to cut their payrolls.

Entry-level jobs can also serve a broader public good by moving people off public assistance and onto payrolls. In fact, our industries do more than any government program or regulation can ever do to move people off public assistance. We provide the jobs, training and experience needed to gain more responsibility, earn greater pay and establish long-term stability.

Twenty years ago, the government got it right with the passage of welfare reform. Today we should again embrace the spirit and intent of that law. We hope that respect for the full value of work doesn't give way to a reliance on a short-term remedy, such as artificial wage floors, that won't ultimately support progress or provide a path forward.

It is in no one's best interest for anyone to languish in low-wage positions or be forced to lay off people in order to give others a raise. We want to help Americans seize their future opportunities and provide the tools and resources needed to live the American dream.

There are many things policymakers can do to make sure that promise of the American dream survives in the global economy. Please don't settle for something counterproductive just because it's politically expedient to support it. Getting more Americans climbing the ladder is the surest way to reduce income inequality – not keeping some people off the bottom rung to pay others a little more to stay there.

*Sweeney is president and CEO of the National Restaurant Association. Shay is president and CEO of the National Retail Federation. Together they recently joined forces to launch the [Path Forward coalition](#).*