

CHICAGO SUN★TIMES

EDITORIAL: [Take a wait-and-see approach before eliminating subminimum wage for tipped workers in Illinois](#)

Lawmakers in Springfield should first see how Chicago restaurants fare under the city ordinance to phase out the subminimum wage. If restaurants in a foodie city like ours start struggling, that would be a big red flag.

By [CST Editorial Board](#) • Apr 7, 2024

Chicago is taking its time to fully phase out the subminimum wage for restaurant servers, bartenders and other tipped workers. It won't be until 2028 when businesses will be required, under an ordinance passed by the City Council in October, to give all those employees a base pay of \$15.80 per hour, the citywide minimum wage.

But already, some progressive Illinois lawmakers are pushing forward on a proposed bill that [would eliminate the state's subminimum wage for tipped workers](#) across the state over a two-year period.

We support the end goal here, which is making sure that workers earn a decent living. But the restaurant business operates on notoriously thin profit margins, and it seems like every week we read or hear about another beloved eatery shutting down. Each closure is a blow to customers but most of all, to workers and restaurant owners. Something is lost every time a distinctive small neighborhood restaurant closes.

So we urge state lawmakers to follow the same take-it-slow approach. Let the proposal simmer a bit, continue negotiating with the industry, and most of all, first gauge how the city's restaurants fare after Chicago implements its ordinance. That ordinance will add an 8% raise in July on the current \$9.48 hourly wage for tipped workers.

A watch-and-wait approach makes sense especially for the sake of smaller restaurants, as we noted last year regarding Chicago's proposal.

If ma-and-pa establishments in a bustling foodie city like ours start struggling to stay afloat, or even fail to survive as Chicago's subminimum wage is phased out, taking the same step so quickly for restaurants elsewhere in Illinois could have a much more drastic effect, especially downstate, where fewer tourists venture.

The Illinois Restaurant Association helped to negotiate the five-year phase-in for Chicago's ordinance, but the group is staunchly opposed to the newest tipped worker state proposal, arguing that [House Bill 5345](#) would hurt “smaller, family-run and minority-owned businesses the most,” as the Sun-Times' Tina Sfondeles reported last week.

Menu prices are sure to increase, making restaurant visits less appetizing. We're also wondering: Will customers continue to eat out as often and tip generously — or at all — when prices increase and service charges and other fees are added to bills? And what about those servers

who already make more than minimum wage because of tips, especially in bustling, high-end establishments? Nationally, according to a [2022 survey](#) by the National Restaurant Association, tipped workers make an average of \$27 an hour.

State Rep. Lisa Hernandez, D-Cicero, the bill's sponsor, said she won't make any hasty decisions and vowed during a committee meeting Wednesday the measure won't be put to vote in the full House before negotiating amendments, according to [Capitol News Illinois](#). That's wise. Suburbs like Cicero that are neighbors to Chicago would benefit from a higher wage to help keep workers from taking jobs in the city for higher pay, as Cicero Mayor Larry Dominick argues in a [recent op-ed](#) published by the Sun-Times.

Hernandez's proposal would require that service charges such as tips go to employees, not their bosses. It would also require that tips bring workers to the full minimum wage — currently \$14 an hour in Illinois but slated to go up to \$15 in 2025 — on a per shift basis, instead of weekly or biweekly.

Restaurant owners who skirt the law by failing to make up the difference when their servers' tips don't bring them to the full minimum wage add to the problem of low pay for tipped workers, many of whom are Black women and Latinas, as a [2021 report](#) by the Center for American Progress pointed out. That report advocated for an incremental phase-out of the subminimum tipped wage nationwide.

Every worker deserves fair pay for a day's work. A dash of patience and careful study will make sure that happens for tipped workers, too — without hurting restaurants and high-earning tipped workers in the process.