May 08, 2014 NW14-005

To: Northwest Council Members

From: NW Legislative and Public Affairs Committee

Subject: PRE-SUBMITTED NEW BUSINESS: NW - SPEEA Support for 15 Now

Background

Real wages and buying power have been in decline for decades and have not kept pace with the cost of living in the US. The "15 Now" movement is pushing the Seattle City Council for a \$15/hr minimum wage law to help end the drift of more and more workers into poverty. Many labor groups including IAM Lodge 751 have endorsed 15 Now.

Latest poll showing 68% of Seattle voters support a full \$15 now. Combined with the passage of SeaTac Prop 1, Mayor Ed Murray, has pledged Seattle will be the first major city in the U.S. to have \$15, and what we have is a "historic moment" to win a major victory for working people.

Winning a \$15 minimum wage will improve the lives of tens of thousands of workers and their families, and revive Seattle-area small businesses and the local economy. A win in Seattle can begin to turn the tide and spark a national movement for better wages, working conditions, and unionization.

But this victory is not guaranteed. Big business interests are fighting back by pushing to legalize "tip penalties" that allow employers to deduct tips from their minimum wage obligation, as well as other maneuvers to undermine \$15 with loopholes and delays.

Endorsed by: Teamsters, SEIU 1199, IBEW 46, WA YELL, IAM 751, Washington Can, 15 Now, One America, Casa Latina, Good Jobs Seattle, WEA, CWA local 37083, SEIU 6, IUOE 609, IATSE, Central Puget Sound Carpenters, Working Washington, SEIU 775Transit Riders Union, El Comite, NAACP, SAPAC, SEE, PSARA.

Additional Information

This issue may intersect with our members in the near future, if the Washington State Aerospace tax preference package is reopened to add performance conditions and possible claw backs. One performance condition being discussed is a \$15 minimum wage for any company claiming the aerospace tax preference.

Since San Francisco set a higher minimum wage for its airport workers back in 2000, the city has seen a positive effect, officials from San Francisco International Airport told Port of Seattle commissioners Tuesday.

Port of Seattle commissioners have been studying whether employees at Sea-Tac International Airport need a raise. Voters in the city of SeaTac <u>approved a \$15 per hour minimum wage</u> for some workers last fall, but a judge ruled it doesn't apply at the airport.

"We feel that it has gone a long way to further ensure the safety and security of the airport, as well as having a pretty specific effect on both job performance and customer service," said Cathy Widener, government affairs manager at San Francisco International Airport.

A \$15 an hour minimum wage can be phased in over 2 years time frame to allow for graded implementation to minimize impacts to small businesses.

Real minimum wage increases as part of a public policy aimed at reducing poverty were the norm from the Great Depression though the late 1960's. Had that trend been continued until now, \$15/hr minimum wage is roughly where we'd be, see Figure 1.

NW L&PA Committee Recommendation

The NW Legislative and Public Affairs Committee recommends' passage of this motion.

MOTION

It is moved that: THE NORTHWEST COUNCIL PUBLICLY ENDORSE PROPOSED INITIATIVES TO RAISE THE MINIMUM WAGE FOR THE CITY OF SEATTLE TO \$15 AN HOUR, AND DONATE \$5,000 TO THE 15 NOW CAMPAIGN. FURTHER, THE NORTHWEST COUNCIL APPROVES A PUBLICITY CAMPAIGN USING THE SPEEA WEBSITE, NEWSLETTER, AND OTHER COMMUNICATION RESOURCES TO ENCOURAGE INDIVIDUAL SPEEA MEMBERS AND RETIREES TO PROVIDE DIRECT FINANCIAL AND VOLUNTEER SUPPORT TO THE 15 NOW CAMPAIGN AND IN ADDITION WE FURTHER REQUEST THE E-BOARD TO PROMOTE THIS INITIATIVE.

Pro's

- This would take thousands of people out of working poor / Poverty ranks.
- Raises the bar in the region and in the country for threshold of a living wage and creates additional tax revenue that will support transportation and additional funding for our schools.

Con's

- Costs of some goods and services could rise.
- Small and large businesses would have to adjust incrementally to the economic shift