

August 30, 2016

NW16-022

To: Northwest Council Members

From: NW Legislative and Public Affairs Committee

Subject: NEW BUSINESS: NW - SPEEA Support for Yes Vote on I-1433 Raise Up Washington

Background

The **Raise Up Washington** initiative (I-1433) will help Washington workers and our economy in two ways: It raises Washington's minimum wage to \$13.50 for workers age 18 and older, and provides up to seven days of paid sick leave / safe leave per year. The wage increase is phased-in over four years, beginning at \$11 (2017), \$11.50 (2018), \$12 (2019), and \$13.50 (2020). The measure also allows workers to earn 1 hour paid sick leave for every forty hours worked, so workers can take care of themselves and their family when sick without fear of being fired or losing a day's wage. Employers who provide higher wages or more generous paid leave are not affected by these changes.

I-1433 meets threshold and will go to the voters

Supporters of raising Washington State's minimum wage have turned in more than 360,000 signatures in support of ballot measure I-1433. Supporters submitted the signatures for Initiative 1433 to the secretary of state's office in July. An initiative requires at least 246,372 valid signatures of registered state voters to be certified, though the secretary of state's office suggests at least 325,000 in case of any duplicate or invalid signatures.

Why support I-1433?

Boost our local economies: Raising the minimum wage would provide nearly \$2.5 billion more in earnings annually for over 730,000 low wage workers across the state. Since those with low incomes are likely to spend their additional resources on necessities like food and clothing, communities and businesses throughout Washington State would benefit. What is known as the economic multiplier effect will result in a (3-5?) time's increase in the money spent entering our economy. This is in contrast with money spent on higher income individuals where the multiplier effect is much lower as such money is withdrawn from consumption and placed into investments.

Help us build an economy that works for everyone: Raising the minimum wage is one strategy to reduce income inequality and allow more-hard working Washingtonians to make ends meet. For a person working full-time earning \$10/hour, an increase to \$13.50 would mean an extra \$607 per month to spend on rent, food, utilities, or save for the future. That's a much-needed boost for the over one in five parents trying to raise kids on less than \$13.50/hour.

Value workers and their contributions to the economy: Like all Americans, Washingtonians value work. We expect people to work hard, but they also should be paid enough to support their families. No matter where a family lives in Washington state, a parent working full-time at minimum wage and raising two children would not be able to meet their family's basic needs without assistance or forgoing necessities like having enough food or paying rent or utilities. Taxpayers should not be subsidizing companies who do not offer a wage their employees can live on.

An injury to one is an injury to all: As Martin Luther King famously said, "All labor has dignity". The status quo of a significant percentage of full-time workers living below the poverty line leaves the entire house of labor in an unhealthy state. As perhaps the most affluent group of unionized workers in the state of Washington, SPEEA needs to join this campaign to show that we stand in solidarity with ALL workers.

Keep up the pressure in Olympia: Support of I-1433 continues and expands SPEEA's efforts against poverty and for responsible state government. In the last Washington legislature we were prime supporters of HB 1786 which aimed to push back on low wages in the aerospace industry by disallowing state tax incentives for companies that paid workers with 3+ years of service less than the state median wage (\$19.67/hr). The time is right to keep up the fight!

Additional Information

Wage stagnation is a sad fact of our nation's economic life. Worker's wages – their "gains" -- have not kept up with increases in productivity. Real (inflation-adjusted) minimum wage increases as part of a public policy aimed at reducing poverty were the norm from the Great Depression through the late 1960's. Had that trend been continued until now, a \$13.50/hr to \$15.00/hr minimum wage level would seem completely unremarkable. [See Figure 1.](#)

Labor endorsements for I-1433 (as of March 23): Washington State Labor Council, Working Washington, Teamsters Local 117, United Food and Commercial Workers Local 21, Service Employees International Union Locals 775 and 925, American Federation of Teachers - Washington, International Union of Painters and Allied Trades District Council 5, International Union of Operating Engineers Local 286, Washington Education Association, American Federation of State, County, and Municipal Employees Council 28.

Other endorsements of I-1433 (partial list): Casa Latina, Church Council of Greater Seattle, Coalition Ending Gender-Based Violence, Economic Opportunity Institute, El Centro de la Raza, Equal Rights Washington, Equity in Education, Faith Action Network, Fuse Washington, Puget Sound Sage, Transit Riders Union, Washington NAACP, PSARA (Puget Sound Advocates for Retirement Action), CIRCC (Coalition of Immigrants, Refugees, and Communities of Color), Statewide Poverty Action Network, Moms Rising.

NW L&PA Committee Recommendation

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

MOTION

It is moved that: **The NORTHWEST COUNCIL publicly endorse Washington State Initiative I-1433, "Raise Up Washington," which will be on the ballot in Washington State this November.**

I-1433 would guarantee workers paid sick and safe leave and incrementally raise the state minimum wage to \$13.50 by 2020.

Further, the NORTHWEST COUNCIL approves support for publicity using the SPEEA website, newsletters, publications, and other communication resources to educate and encourage individual SPEEA members and retirees to get out the vote and to support passage of the Initiative.

The NW L&PA Committee recommends approval of this action.

Pros

- I-1433 would take thousands of people out of the ranks of the working poor and reduce income inequality.
- Guaranteed sick leave empowers workers to take care of themselves and their families and remain secure in their job, and also promotes public health.

Cons

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

Total affirmative vote cast must be at least a simple majority of the total number of seated Council Representatives. Council Representatives who are employed beyond 50 statute air miles from the meeting and are unable to attend are excluded from the total number required.