County Workers Deserve a Living Wage
by Martin J. Bennett

As we celebrate Labor Day, let’s recognize that a generation of widening inequality has ignited a grassroots movement for economic justice, while gridlock in Washington, D.C., prevents the federal government from acting.

Locally, a coalition of labor, faith, environmental, and community organizations will soon propose a “living wage” ordinance to the Sonoma County Board of Supervisors.

This campaign is part of a movement for a $15-an-hour living wage that is sweeping the country to raise the wage floor for all workers.

The problem is clear. In California, Franchise Tax Board data show that the average gross 1987-2011 income (adjusted for inflation) increased by 78 percent for the upper 1 percent and 30 percent for the top fifth, while incomes for the bottom 60 percent dropped by a stunning 17 percent.

Hourly wages over the last three decades decreased for the bottom 60 percent of California workers as well, and earnings for the lowest paid workers (10th percentile) declined by more than 7 percent, according to UC Berkeley economists Michael Reich and Sylvia Allegretto.

The Women’s Foundation of California found that by 2012 one-third of California families were the working poor, with at least one member reporting income from work, and with annual incomes of less than $45,397 for a family of four.

Similar economic trends are evident in our county. According to the report “The State of Working Sonoma County 2013,” 12 percent of county households received more than $150,000 in annual income, while the bottom 41 percent earned less than $50,000. By 2010, 28 percent of the county’s families were working poor, with incomes below $44,100 a year.

The declining purchasing power of federal and state minimum-wage levels is one of the main reasons for growing inequality. If adjusted annually for inflation, the California minimum wage of $9.00 an hour would be $11.81. Although the California minimum wage will increase to $10.00 an hour in 2015, that is still far short of a living wage.

According to California Budget Project report “Making Ends Meet,” a living or self-sufficiency wage for two parents, each working full-time to support two children, is
$20.51 an hour just to pay for food, housing, health care, transportation and child care, without relying on public assistance programs.

Congress has not raised the federal minimum wage of $7.25 an hour since 2009. Since Ronald Reagan’s 1980 election, the federal government has raised the minimum wage only three times—consequently the real value of the federal minimum continues to fall. The Economic Policy Institute calculates that annually adjusting the federal minimum wage for productivity increases would raise it to $18.37 an hour.

Productivity increases are not broadly shared: today’s workers’ wages and benefits comprise the lowest share of national income, and profits the highest share, since the 1960s.

Over the last 15 years more than 140 cities and counties have implemented laws that mandate a living wage for local-government employees, private firms contracting with local government, and firms receiving economic development assistance or leasing public property. The living wage movement has helped to educate the public and elected officials about the gap between incomes and living costs, and pressured state legislatures to raise the minimum wage.

The public now overwhelmingly supports minimum wage increases, and 22 states (more than half the total U.S. population) have raised minimum wages above the federal level. In 2014 alone, seven states and the District of Columbia raised their minimum wages, and voters in five other states will consider ballot initiatives for raising their minimum wages in November.

The living wage legislation that will be proposed requires the county, and large county service contractors to pay employees $15 an hour and provide 12 paid sick days plus 10 unpaid personal leave days annually. The law will also cover 3800 in-home support service workers, who now earn $11.65 an hour.

New York University researcher Andrew Elmore surveyed 20 cities after the implementation of living wage laws and documented the modest fiscal impacts: cost increases of less than 1 percent of the overall city budget.

Living Wage proponents do not see the legislation as a cure-all for inequality and working poverty. However, according to the California Employment Development Department, 50 percent of new jobs created in the county from 2008-2018 are expected to pay less than $15 an hour. So this is an important proactive step toward improving wages and job quality.

Please join us in the campaign for the $15 an hour living wage this fall. As Dr. King said in 1966, “a living wage should be the right of all Americans.” Martin Bennett is co-chair of North Bay Jobs with Justice and instructor emeritus of history at Santa Rosa Junior College.