MURRAY: ‘WE HAVE A DEAL: SEATTLE WORKERS ARE GETTING A RAISE’

May 1, 2014 by Office of Mayor Murray

Seattle Mayor Ed Murray today announced the details of a broadly-supported plan to raise Seattle’s minimum wage to $15 per hour, the highest of any major city in the nation.

“Seattle workers are getting a raise,” said Murray. “Throughout this process, I’ve had two goals: to get Seattle’s low-wage workers to $15-per-hour while also supporting our employers, and to avoid a costly battle at the ballot box between competing initiatives. We have a deal that I believe accomplishes both goals.”

Murray said the plan announced today has the confirmed support of 21 of 24 members of his Income Inequality Advisory Committee (IIAC), a group convened in December with representatives from Seattle’s employer, labor, and non-profit communities to address the pressing issue of income equality in Seattle.

The IIAC-supported plan supports Seattle’s low-wage employees and its employers with the following framework:

**Small businesses** (businesses with fewer than 500 employees) will reach a $15 per hour minimum wage in seven years. Also established is a temporary compensation responsibility of $15 per hour to be met within the first five years, which can be achieved by combining employer-paid health care contributions, consumer-paid tips, and employer-paid wages.

**Large businesses** (businesses with 500 or more employees, either in Seattle or nationally) will reach $15 per hour in three years. The wages of employees who receive health care benefits will...
reach $15 per hour in four years.

Previously, Murray had announced some guiding principles of the proposal while it was still under negotiation. Included among these principles is the agreement that:

- Once $15 per hour is reached, future increases will be tied to the consumer price index; and
- No industry, organization or class of employers is exempted from any provisions of the deal except as provided under state and federal law.

“This has been a long process of give-and-take leading to an agreement that will help to narrow the income gap facing our middle class,” said Howard Wright, co-chair of the IIAC and CEO of the Seattle Hospitality Group. “When I accepted this role, it was with three tenets in mind: 1) measurement of additional forms of income above and beyond straight wages; 2) a phase-in period allowing employers to plan and to anticipate labor costs; and 3) no exemptions or special carve outs. All three of these goals were met; while I know not everyone in the employer community will be satisfied, I believe it is the best outcome given the political environment.”

“For forty years, we’ve seen a shrinking middle class and declining real wages for a majority of American workers,” said David Rolf, co-chair of the IIAC and president of SEIU 775. “This isn’t only bad for American workers, it’s bad for America. When workers have less income, businesses have fewer customers and governments spend more on social services. With this announcement today, Seattle is leading the way toward a better economy and more robustly shared prosperity. One hundred years from now, our generation will be remembered for whether or not we stood up and fought for the American Dream in its moment of greatest risk.”

“The Mayor has displayed strong leadership in convening the Advisory Committee and bringing them to a final proposal,” said Council President Tim Burgess. “It’s important that we not harm our businesses while we also recognize the harm caused by stagnant wages and lost opportunity. Starting next week, the Council will promptly and carefully review the Mayor’s legislation.”

“This is an important step in addressing the opportunity gap for workers and families in our community, and still have a policy that supports the growth of all small businesses. I am also deeply committed to other means to assist people out of low wages, such as education, mentorship and self-help development,” said Councilmember Bruce Harrell. “I would like to thank the Mayor and the advisory members for all of their hard work in listening to the concerns of employees and employers in reaching an agreement.”

“This proposal breaks new ground and sets the course for a national trend to close the income gap that has stifled this nation’s prosperity and our children’s future,” said Councilmember Nick Licata.

Murray noted that in seven years, a minimum wage worker in Seattle will:

- Earn at least $4 more per hour than a minimum wage worker elsewhere in Washington;
- Earn $6,240 more per year than a minimum wage worker elsewhere in Washington, assuming a 30-hour work week;

“Great entrepreneurs have come to the table to do great things,” said Murray. “This is how we achieve growth and prosperity. With this deal the people of Seattle are seizing control of our own destiny and are leading the way to show how cities can choose to be affordable cities for all.”

The IIAC minimum wage proposal will be heard by the City Council’s Select Committee on Minimum Wage & Income Inequality on Monday, May 5th at 2:30 pm.

Members of Murray’s Income Inequality Advisory Committee are:

- David Rolf (co-chair), SEIU 775
- Howard Wright (co-chair), Seattle Hospitality Group
- Seattle City Councilmember Nick Licata
- Seattle City Councilmember Bruce Harrell
- Seattle City Councilmember Kshama Sawant
- Janet Ali, Nucor Steel
- Sarah Cherin, UFCW 21
- Maud Daudon, Seattle Metropolitan Chamber of Commerce
- Craig Dawson, Retail Lockbox
Graphs and Charts

$15 Minimum Wage in Seattle

PROPOSED SCHEDULE OF INCREASES

<table>
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<tr>
<th>Year</th>
<th>State Wage</th>
<th>Minimum wage (Schedule A)</th>
<th>Minimum wage w/health care (Schedule B)</th>
<th>Guaranteed minimum compensation (Schedule C)</th>
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Full video from the press announcement

All Videos

The video has moved (embedvideoplayer?videoid=x20726)

Seattle
Channel

Filed Under: $15 Minimum Wage, An Affordable City, Economy, Murray, Press Releases

Trackbacks

1. Minimum Wage Costs … Everyone | David McLaren says:
   October 10, 2014 at 7:54 pm
   […] the single most useful thing—and some municipal governments are leading the way on this—is to get more money into more people’s pockets. Councils can lead […]

2. A New Deal for a Precarious Economy | David McLaren says:
   January 30, 2015 at 9:05 pm
   […] in the social and economic life of their communities. New Westminster BC has done it. And Seattle WA has even legislated the private sector to follow its lead of paying workers at least $15 an […]

3. Ronald McDonald and Friends Sue Seattle to Stop Minimum Wage Hike | TKG News says:
   March 9, 2015 at 10:41 am
   […] that a higher minimum wage would actually benefit business overall, or at least were willing to negotiate. The city council heard the arguments on both sides, evaluated their merits, sweated over the […]

4. Ronald McDonald and Friends Sue Seattle to Stop Minimum Wage Hike | Omaha Sun Times says:
   March 9, 2015 at 10:42 am
   […] that a higher minimum wage would actually benefit business overall, or at least were willing to negotiate. The city council heard the arguments on both sides, evaluated their merits, sweated over the […]

5. Ronald McDonald and Friends Sue Seattle to Stop Minimum Wage Hike — LiberalVoiceLiberalVoice — Your source for everything about liberals and progressives! — News and tweets about everything liberals and progressives says:
   March 9, 2015 at 10:52 am
   […] that a higher minimum wage would actually benefit business overall, or at least were willing to negotiate. The city council heard the arguments on both sides, evaluated their merits, sweated over the […]

6. LawWTF.com – Official Site | McDonald’s sues to block Seattle’s minimum wage says:
   March 9, 2015 at 4:01 pm
that a higher minimum wage would actually benefit business overall, or at least were willing to negotiate. The city council heard the arguments on both sides, evaluated their merits, sweated over the […]

7. Ronald McDonald and Friends Sue Seattle to Stop Minimum Wage Hike | CSGlobe says:
March 10, 2015 at 2:51 am

[…] That’s why the Seattle City Council spent months studying the idea of raising the city’s minimum wage. To be sure, some business leaders made economic arguments against raising the minimum wage. Others agreed with workers that a higher minimum wage would actually benefit business overall, or at least were willing to negotiate. […]

8. Ronald McDonald and Friends Sue Seattle to Stop Minimum Wage Hike | Political Ration says:
March 25, 2015 at 10:08 pm

[…] that a higher minimum wage would actually benefit business overall, or at least were willing to negotiate. The city council heard the arguments on both sides, evaluated their merits, sweated over the […]

cited in International Franchise Ass’n, Inc. v. City of Seattle No. 15-35209 archived on October 26, 2015