

San Jose: Advocates push to raise minimum wage sooner than state

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SAN JOSE -- A new study found a quarter-million workers in Santa Clara County will see their incomes rise by nearly 20 percent, leading to "increased worker satisfaction and productivity," if the county raises the minimum wage to \$15 by 2019 -- three years before the state's pay floor reaches that level.

Advocates on Monday called on city officials, who met to review the study's findings, to raise San Jose's minimum wage to \$15 by 2018, though the report analyzed raising it to \$15 by 2019.

"We're in a crisis in San Jose," said Maria Noel Fernandez of Working Partnerships USA. "Silicon Valley can't be just for some of us. It has to be for all of us."

The city led the march in raising the minimum wage \$2 above the state minimum four years ago, but some say since then, San Jose has fallen behind the curve in ensuring wages keep up with costs.

"The council, in my opinion, is unfortunately following on this issue," Councilman Donald Rocha said Monday at a rally outside City Hall. "I really think it's time for us to step up."

The study was commissioned by the City Council almost a year before Gov. Jerry Brown signed a bill to raise California's minimum wage to \$15 by 2022.

But now that the state is raising wages, advocates worry local leaders will abandon efforts to increase minimum wage sooner and instead will fall back on the state legislation, which includes incremental increases starting next year.

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Mayor Sam Liccardo promised that won't happen. He supports raising wages ahead of the state but stressed his desire to move forward as a region -- not individual cities.

"It makes no sense having 15 different minimum wage laws in the county," Liccardo said.

The UC Berkeley study, which cost about \$100,000, found that raising San Jose's \$10.30 minimum wage to \$15 by 2019 would increase earnings for 115,000 workers by an average of 17.8 percent, or \$3,000.

In Santa Clara County, raising wages to \$15 by 2019 would impact 250,000 employees. Wages for those workers would rise by 19.4 percent, or \$3,200, the study found.

Though unemployment has dropped and job creation has increased in Santa Clara County -- quicker than the rest of the state -- the report found median pay levels have continued to fall.

One of the workers looking for relief is Blanca Rodriguez, who works two minimum-wage jobs at McDonald's and a gas station, but still struggles to make ends meet.

The single mom pays \$1,799 for a two-bedroom apartment she shares with three kids and a granddaughter. "We stress every month about how we'll pay our rent and bills," said Rodriguez, 42.

Liccardo opposed the successful 2012 ballot measure led by San Jose State professor Scott Myers-Lipton to raise the minimum wage to \$10 partly because it didn't exclude certain populations.

Liccardo asked last year to study exempting parolees, homeless and foster youth, and giving a lower wage to youth under 18. The idea was to encourage employers to hire people in those categories, but activists say the carve-outs hurt the people who need higher wages the most.

Some Bay Area cities haven't waited for the state to act before raising wages. Both Mountain View and Sunnyvale approved a \$15 minimum wage by 2018.

"People working at a minimum wage job should not be forced to live below the poverty level in the richest area of California," said Sunnyvale Councilman Jim Davis.

As minimum wage goes up, opponents say, businesses will be overwhelmed by costs.

"We believe that \$15 for many small businesses is going to be very hard to manage, especially for small, family-owned mom-and-pop operations that line our main streets and retail centers," said San Jose Silicon Valley Chamber of Commerce CEO Matt Mahood.

The study found average prices in San Jose will go up by 0.3 percent over three years and 0.2 percent in the county. Increased payroll costs would be 1 percent in San Jose and 1.2 percent in Santa Clara County, the report said.

And it appears some local businesses have embraced the wage hike. About 76 percent of 500 employers surveyed said an increase "makes sense" given Silicon Valley's high cost of living.

San Jose leaders will seek input from the county's Cities Association in June before taking the next steps to raise wages regionally.

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minimum wage in Santa Clara County
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