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MAYOR DE BLASIO'S TESTIMONY AS SUBMITTED TO WAGE BOARD

Mayor de Blasio calls on Wage Board to raise minimum wage to \$15/hour

Mayor de Blasio today submitted written testimony urging the Wage Board to consider raising the wage for fast food workers to \$15/hour. In his testimony, the Mayor highlighted the number of adults who would benefit from such a wage increase, and argued that raising the minimum wage for fast food workers is an easy remedy for those who suggest that government assistance robs recipients of their dignity. Mayor de Blasio's testimony as submitted to the Wage Board is as follows:

Two months ago today, something special happened. From coast to coast, in large cities and small towns, people from all walks of life stood together in solidarity. The cause was simple, but so important: a \$15 minimum wage.

In all, more than 60,000 people came together for the Fight for Fifteen Day.

Cynics called demands for a \$15 minimum wage unrealistic; it could never happen. The cynics have been proven wrong. In just two months, two of our country's largest cities, Los Angeles and St. Louis, have already taken important steps towards raising city minimum wages to \$15 an hour for everyone who works there.

As we speak, many other cities are working on plans to do the same.

What's happening feels remarkable – but really, it shouldn't. These cities are responding to the demands of their people.

It's time that New York does the same.

There's nothing unreasonable about demanding a wage you can live on. And in New York City, \$8.75 is not a wage many can live on, and certainly not a wage that anyone can raise a family on.

My Administration is squarely focused on addressing the income inequality crisis in our city and providing more opportunities for every New Yorker.

With full-day pre-k; expanded after school for middle schoolers so that working parents know their kids are safe and learning; an affordable housing plan that will preserve or construct 200,000 affordable units in the next decade; and more guaranteed benefits that workers deserve, like paid sick days, and a living wage for workers in City projects – we have accomplished a lot for New Yorkers in the last 18 months.

But there is nothing that would do more to combat inequality in New York City than raising the minimum wage so it reaches \$15 an hour, while indexing it to inflation.

Raising wages for fast food workers would be a great and important first step. Fast food workers put in long hours, working under difficult and often thankless circumstances.

I urge the Wage Board to grant fast food workers the right of a living wage. And that means raising it to \$15 an hour.

And as much as fast food workers deserve a raise – and they do – we’d be remiss to only focus our attention on this one sector of our economy. We all must do more to ensure that every worker gets a living wage.

Let me give you three reasons why I believe this is so important.

First, it’s an issue of basic fairness.

Too many glibly dismiss the minimum wage as an issue affecting only young people – as though high schoolers working summer jobs fill every minimum wage position. The problem with that thinking is that it’s totally disconnected from reality. A recently released report by the National Employment Law Project found:

- 42 percent of U.S. workers make less than \$15 per hour;
- About half of workers making less than \$15 per hour are ages 35 and older;
- 84 percent of workers making less than \$15 per hour are at least 22 years old.

The Wage Board has heard the stories of workers struggling tirelessly to make ends meet. Many are heart-wrenching, but they should also inspire all of us to action. After all, when we talk about raising the minimum wage, we’re talking about lifting the floor for so many of our brothers and sisters – and for their kids.

Second, low wages mean that governments must intervene – and spend money – just to help working people keep their heads above water.

New York spends about \$700 million dollars every year on public assistance for the working poor in the fast food industry. That is tantamount to a government subsidy for multibillion corporations that certainly don’t need the assistance.

And to those on the right that say government assistance like welfare robs recipients of their dignity, here’s an easy way to remedy that problem: make sure workers get the wages they deserve.

Raising the minimum wage will give governments more resources to invest in the things that improve all of our qualities of life like education and infrastructure.

Third, raising the minimum wage is good economics.

Henry Ford, the noted anti-capitalist crusader that he was, paid his assembly-line workers what in 2015 dollars would be about \$120 a day.

He didn’t do it to be charitable. He did it because he wanted to keep his workers happy and productive, and to make sure that they could be a part of his growing customer base by having enough money to actually purchase the cars they built.

This model worked out pretty well for Ford.

Today, more than ever, we live in a consumer-driven economy.

We have also heard from the billionaire investor Nick Hanauer, who traveled all the way from Seattle to testify before New York’s Wage Board.

In 2013, Nick wrote an article entitled “The Capitalist’s Case for a \$15 Minimum Wage.” In it, he laid out a compelling argument, not based on fairness, but on raw economics. He noted that “raising the minimum wage to \$15 an hour would inject about \$450 billion into the economy each year.”

As a major investor, you can see why he feels so strongly about this issue.

He also pointed out that a study found that raising the minimum wage to \$15 an hour would directly or indirectly help 81 million Americans – almost two thirds of our workforce.

Raising the minimum wage is good economics.

For me, and for millions of others, there really shouldn’t be a debate on this issue. The people are demanding higher wages. They are not requesting it, or begging for it. They are demanding it.

And since we live in a democracy, I think it’s best for all of us in positions of leadership – including those on the Wage Board – to heed their call.

Not just for fast food workers – but for all workers. \$15 an hour, indexed locally for inflation. It’s what the people demand, and it’s what so many need.

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