

SEATTLE MINIMUM WAGE STUDY

Seattle City Council Briefing

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»» EMPLOYER SURVEY

»» WORKER INTERVIEWS

»» PRICE COLLECTION

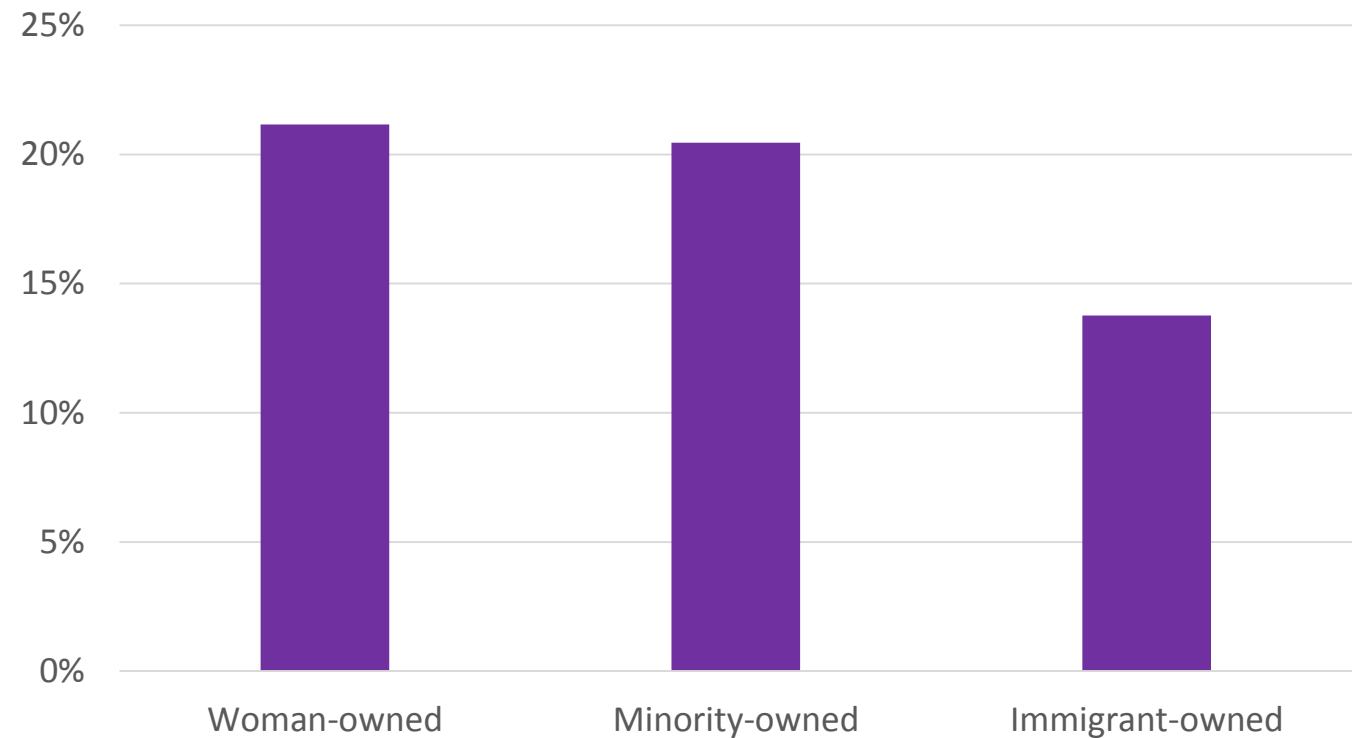
EMPLOYER SURVEY



Survey Respondents

- 567 total respondents
- 88% reported <500 employees
- 55% consider themselves “family-owned”
- 10% franchises
- 11% non-profits

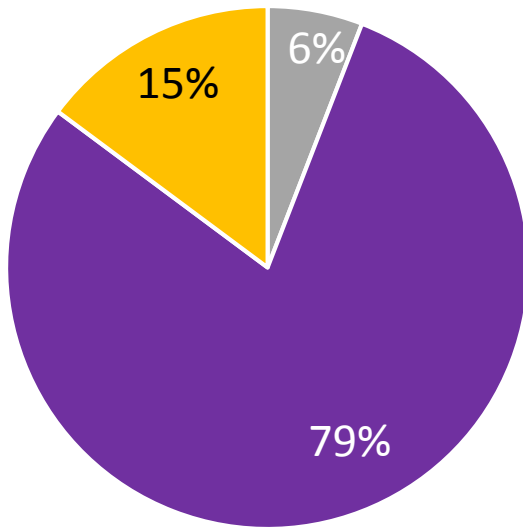
WOMEN, MINORITY, AND IMMIGRANT OWNERSHIP AMONG RESPONDENTS



EMPLOYER SURVEY

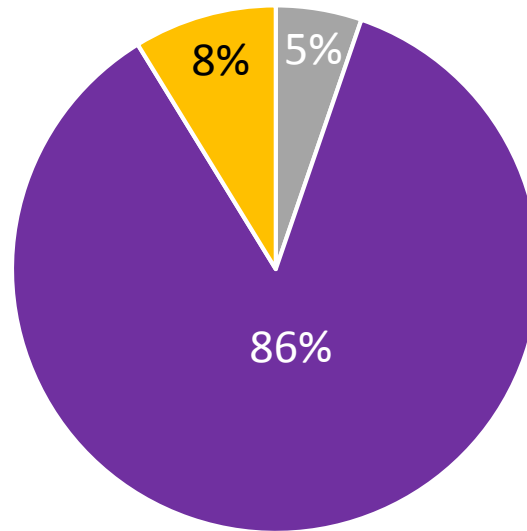
Perceived Wage

FEWER THAN 500 EMPLOYEES
N=425



■ Under ■ Accurate ■ Over

MORE THAN 500 EMPLOYEES
N=57

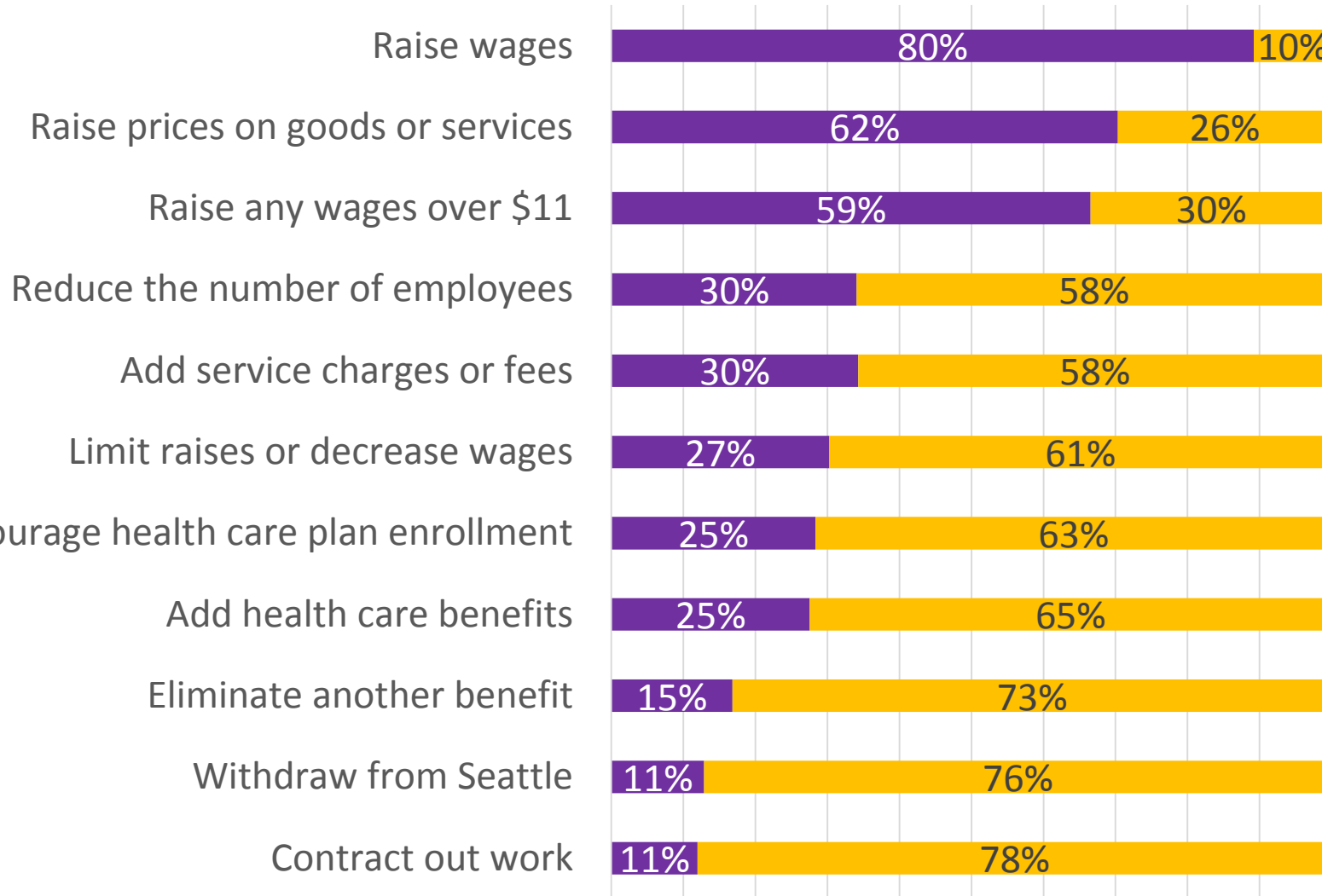


■ Under ■ Accurate ■ Over



“Based on your understanding of the Seattle minimum wage ordinance, what is the minimum wage that you have to pay employees working in Seattle as of April 1, 2015?”

EMPLOYER SURVEY



■ Have done or plan to do ■ Do NOT plan to do this

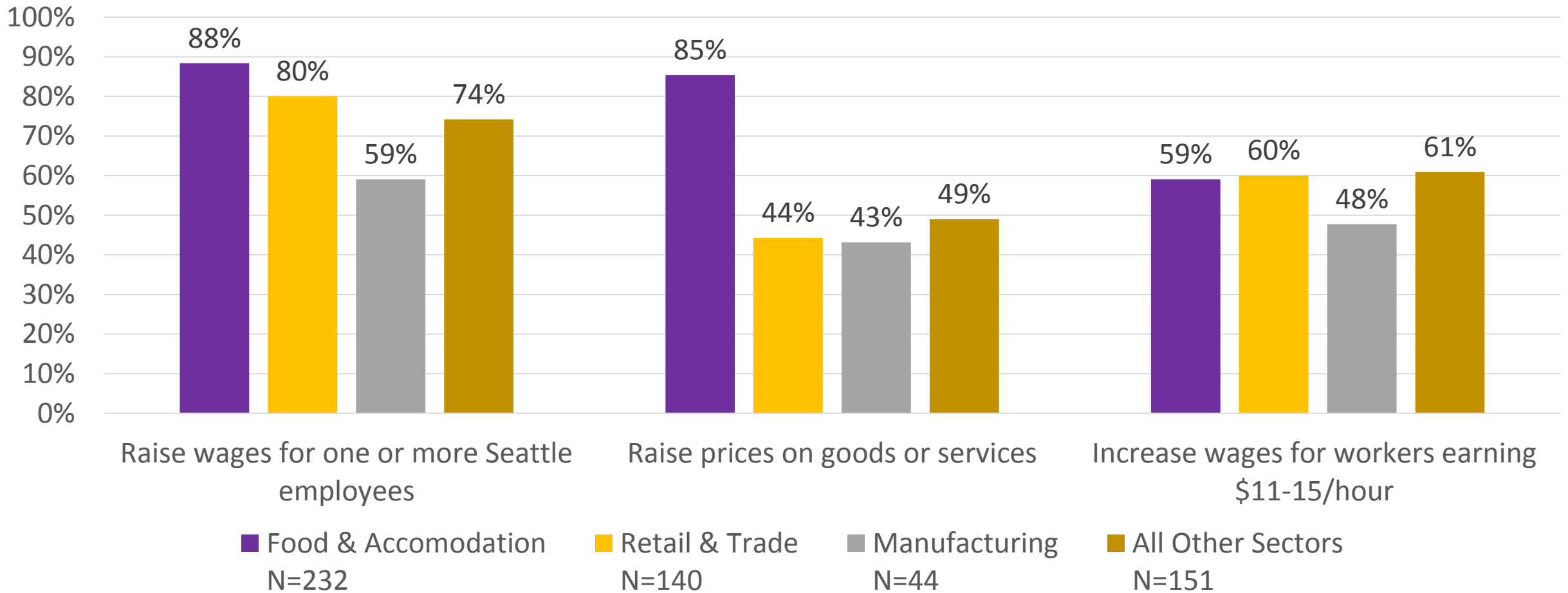
Figures do not sum to 100% because of item non-response.

“Have you made or do you intend to make any of the following changes to accommodate this new policy?”

Source: The Seattle Minimum Wage Study: Report on Baseline Employer Survey and Worker Interviews, April 2016.

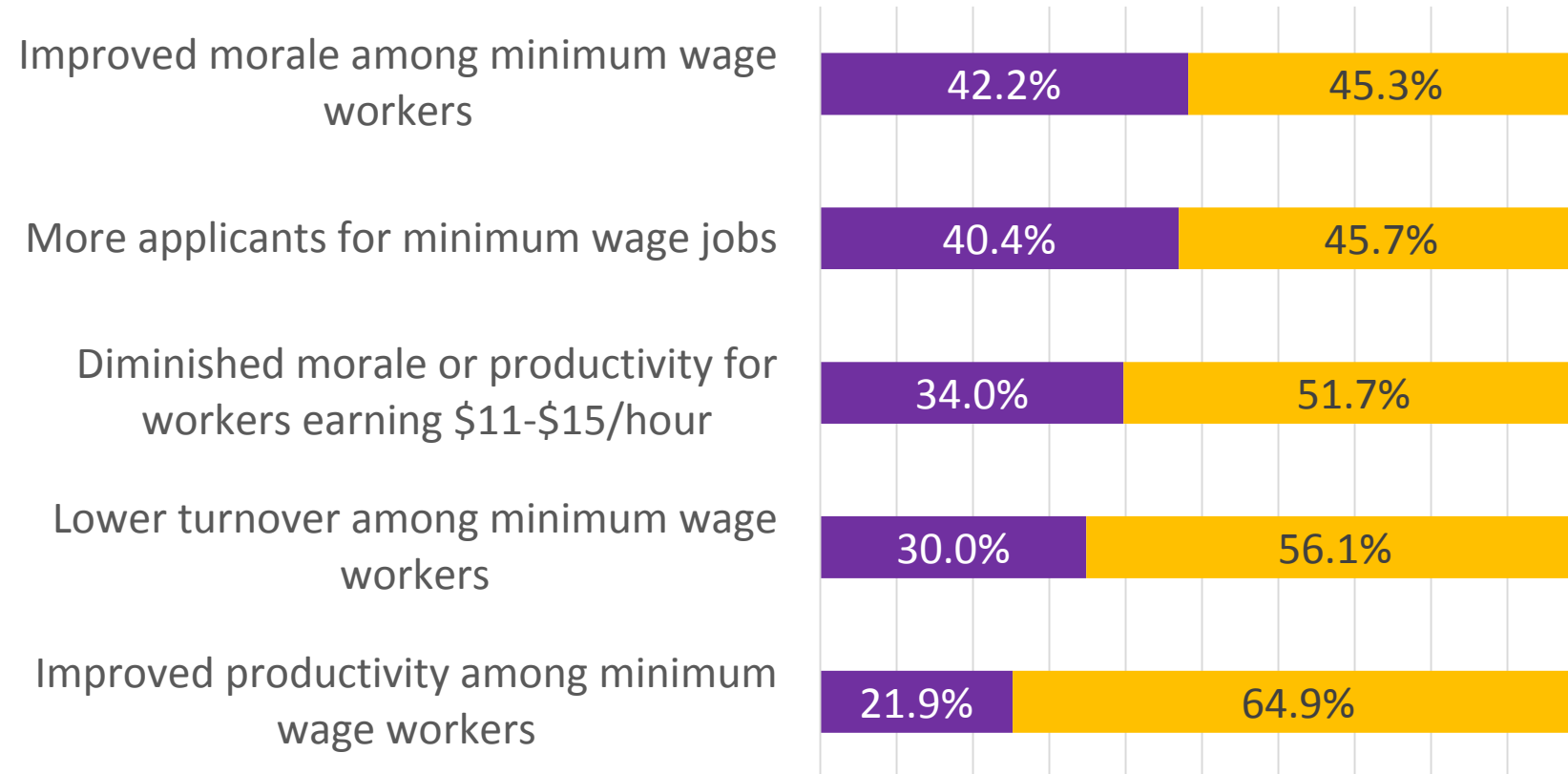
EMPLOYER SURVEY

Most common planned changes by Industry



EMPLOYER SURVEY

Anticipated changes



- This will probably or definitely happen
- This will probably or definitely NOT happen

Figures do not sum to 100% because of item non-response.

“Do you anticipate any of the following happening due to the new minimum wage policy?”

Source: The Seattle Minimum Wage Study: Report on Baseline Employer Survey and Worker Interviews, April 2016.

» EMPLOYER SURVEY

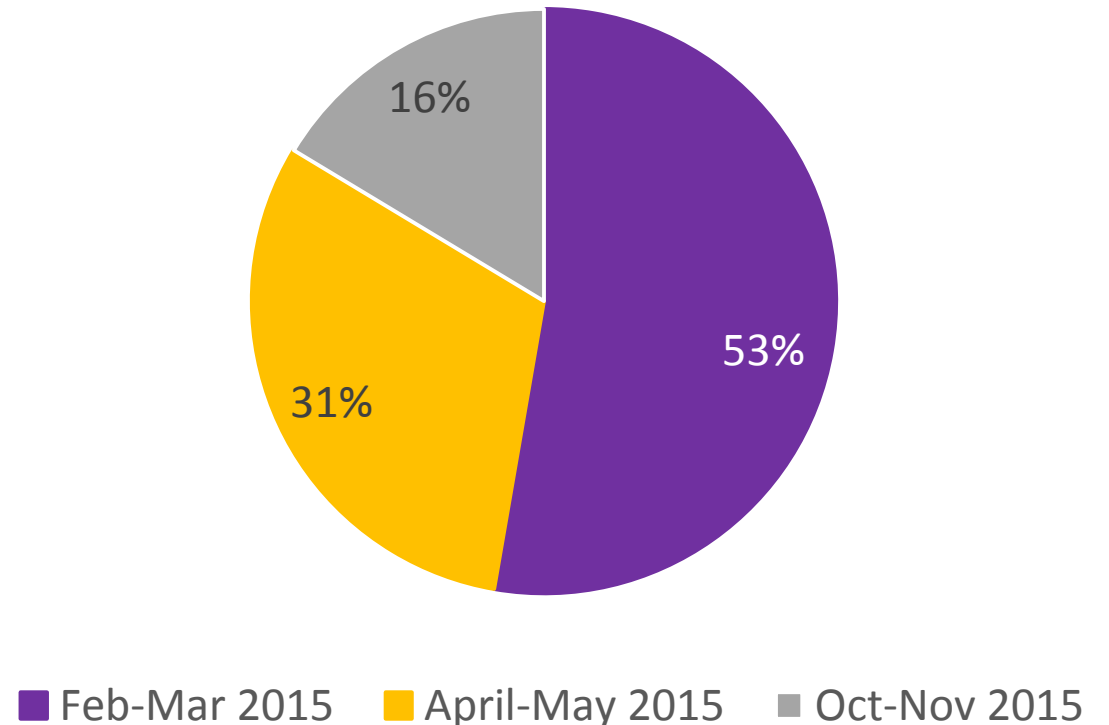
» **WORKER INTERVIEWS**

» PRICE COLLECTION

Worker Interview Study

- Following 55 workers for 3 years during the minimum wage implementation
- Yearly in-depth interviews
- Short follow-up calls between interviews

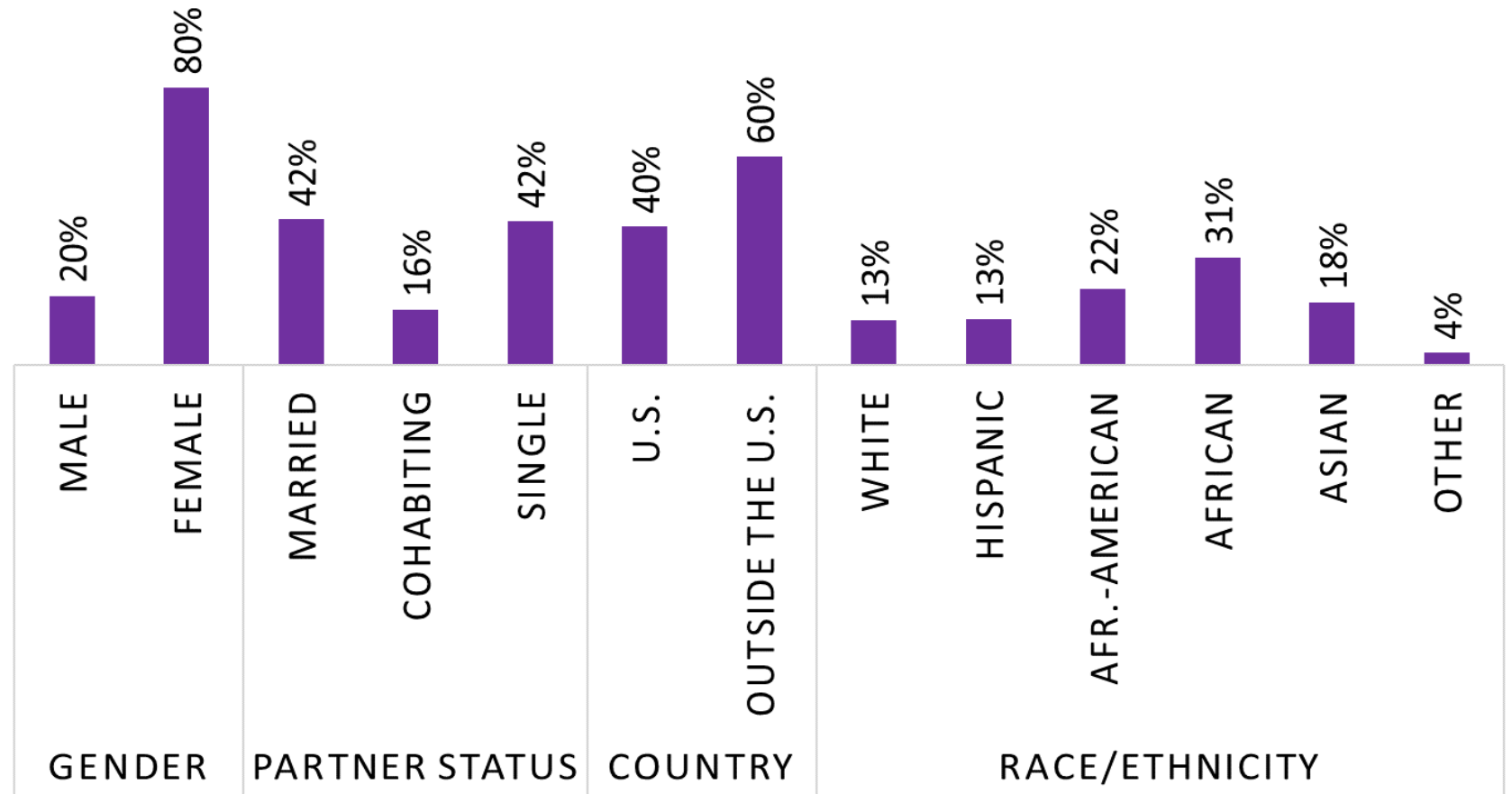
TIMING OF WAVE 1 INTERVIEWS



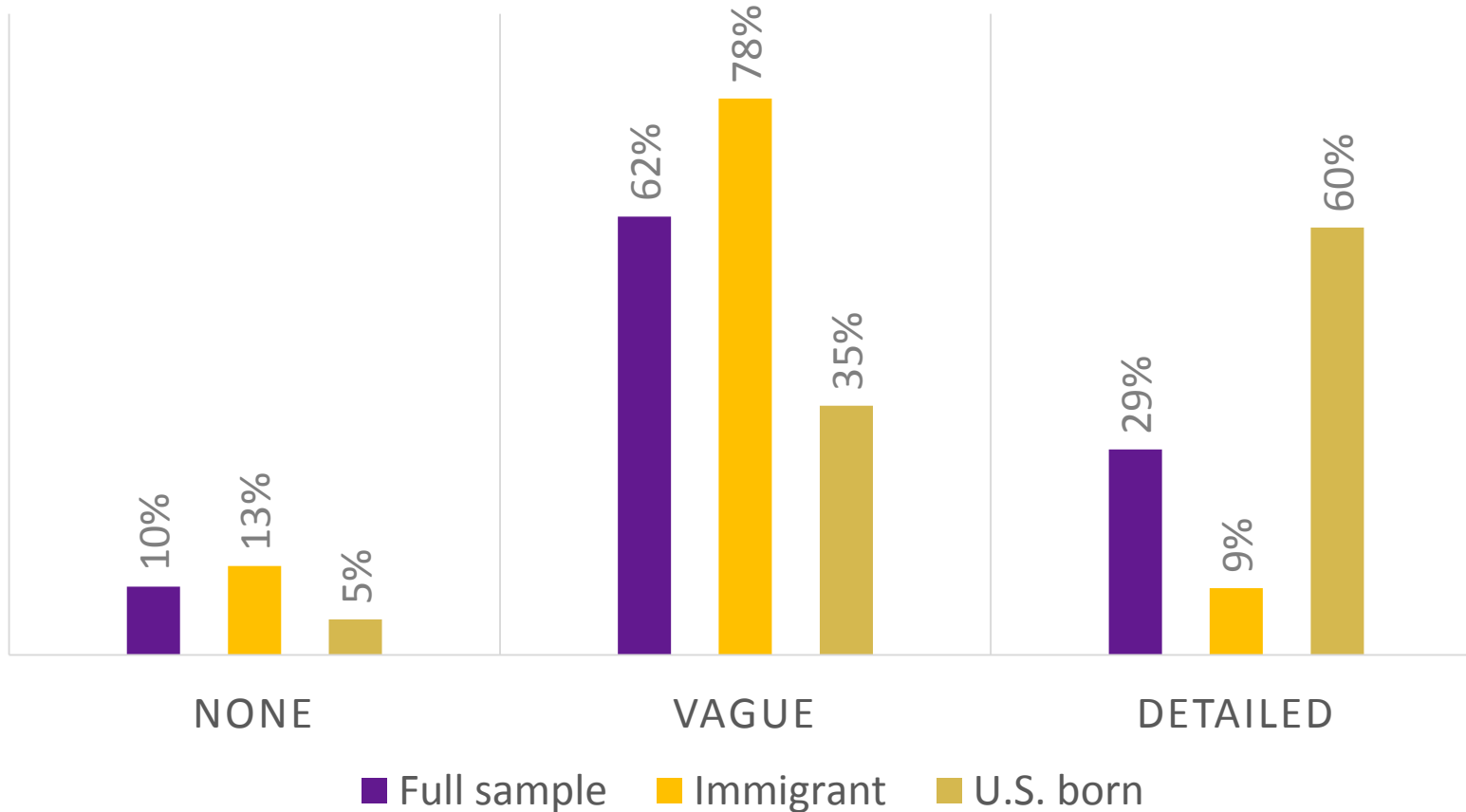
»» Diverse Sample of Workers



- 55 low-wage workers with children
- Living across the city
- Hourly wages: \$9.47-\$14.70
- Most common types of work:
 - Caregiving
 - Childcare & Teaching
 - Food service



Worker Awareness of the Law is Often Vague



“We have just kind (of) often heard that there’s gonna be a minimum wage increase to \$15.00 an hour. We just wanna know when this is gonna start. How are they gonna start this?”

-Kang, Janitor

“I know they say it was last year or this year, I’m not really sure...I heard they say it, but I never seen what exactly happened...No one’s getting what they say last year. Like \$15.00 should be the minimum wage of work.”

-Sharifa, Child care provider

»» Worker Opinions of the Law are Positive **W** or Ambivalent

“I think it’s a great idea because if you really think about it, especially in Seattle, rent is high, and by getting \$10.00 if you calculate it, you work forty hours per week, what you're getting is not enough.”

-Edris, Caregiver

“...nursing assistance is a hard job. It's a very...dangerous job. Receiving at \$12.00 per hour is some kind of...unfair.”

-Riza, Nursing assistant

Workers Expect “Everything Will Go Up” **W**

“I think that, as soon as it all goes up, everything else is going to go up. Our gas is going to have to go up again. My rent is not going to be as cheap. With making that much you might not even need Section 8 or food stamps, supposedly.”

-Nina, Food service worker

“[My life will be] probably the same because the rate increase and then the living expenses increase as a result...More pay, but I have to pay more for stuff.”

-Binh, assembly line worker

»» Expenses Exceed Income

- Majority receive subsidized housing, food stamps, and the Earned Income Tax Credit.
- For most, income does not cover expenses.
- Some workers feel they “get by”; others describe a constant struggle.
- Strategies include “paying on” bills, and scrimping or going without.



“Every day I stress...sitting there turning my wheels on how am I gonna pay this?”

-Sean, Installer/mover

“And so, if I know that I can’t spend money, I don’t spend money...So, I always keep money for daycare and for rent, and on the rest, if I have something we can go somewhere...”

-Svetlana, Caregiver

“Because my living expenses are way over my pay, I just don’t make enough to do all the things I need to do, so I have to borrow from Peter to pay Paul...You know? It’s just ongoing.”

-Latoya, Grocery store worker

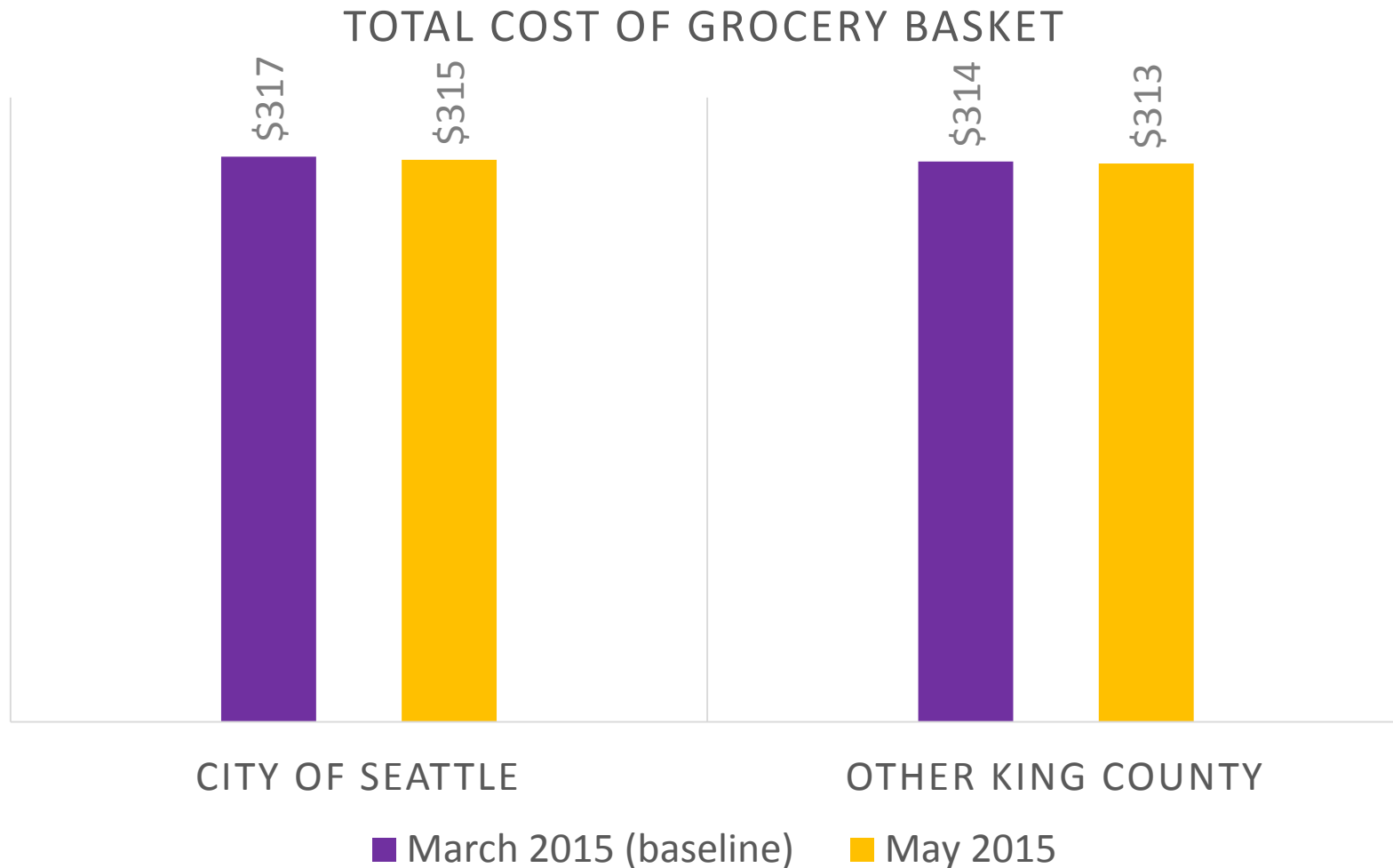
»» EMPLOYER SURVEY

»» WORKER INTERVIEWS

»» **PRICE COLLECTION**

PRICE COLLECTION

Grocery Prices



Prices Collected at:



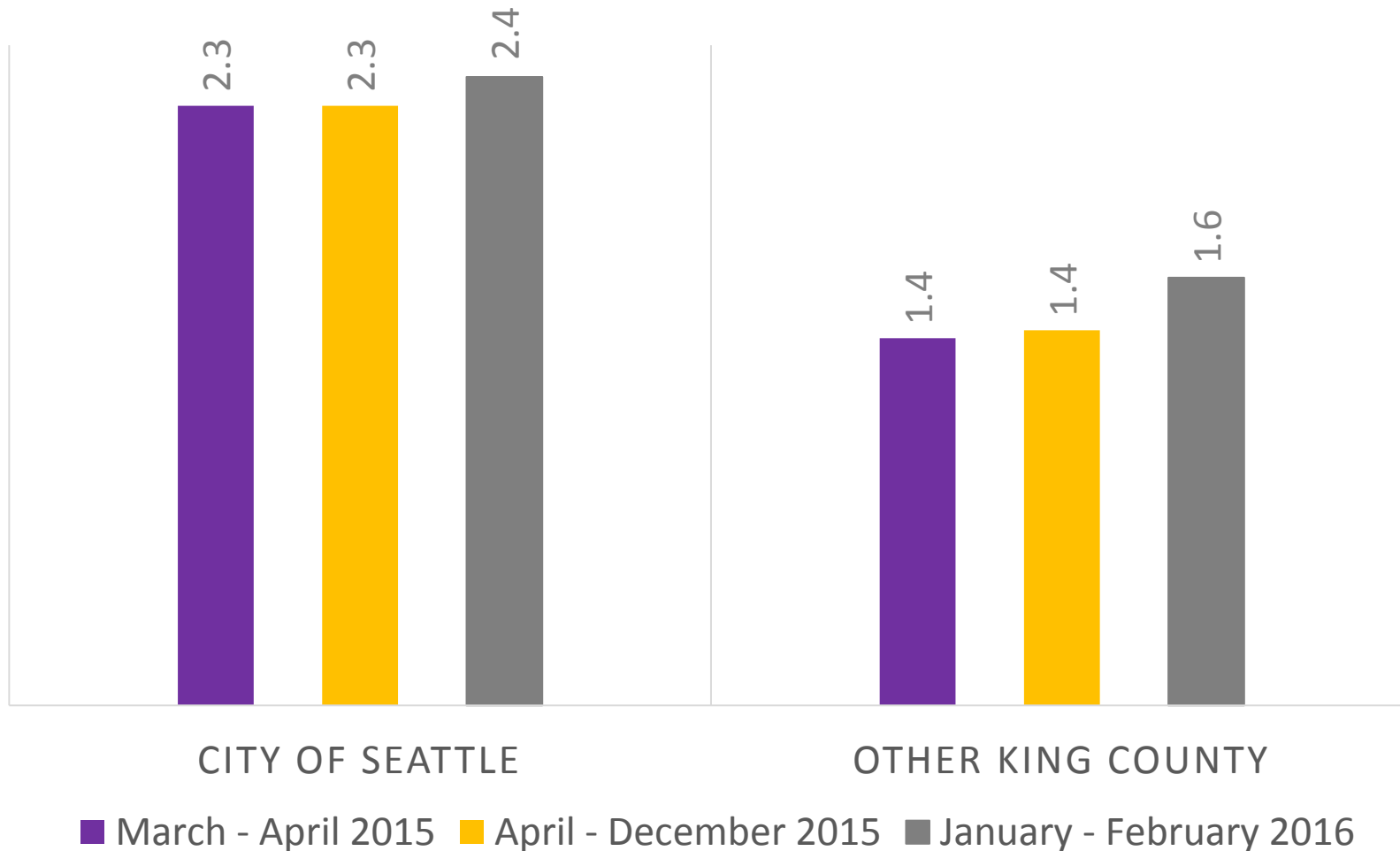
Grocery Outlet
Fred Meyer
Safeway
Albertsons
QFC
Whole Foods

- Four of the six matched grocery stores had higher prices in Seattle.
- **This was a less than 1% price difference.**

PRICE COLLECTION

Residential Rent

RESIDENTIAL RENT PRICE PER SQUARE FOOT



Per square foot, rents in Seattle were 63% higher than in surrounding King County before the minimum wage increased.

Since then, rents have actually risen more rapidly outside Seattle than within.

Rent data is for 2 bedroom apartments listed on Craigslist.

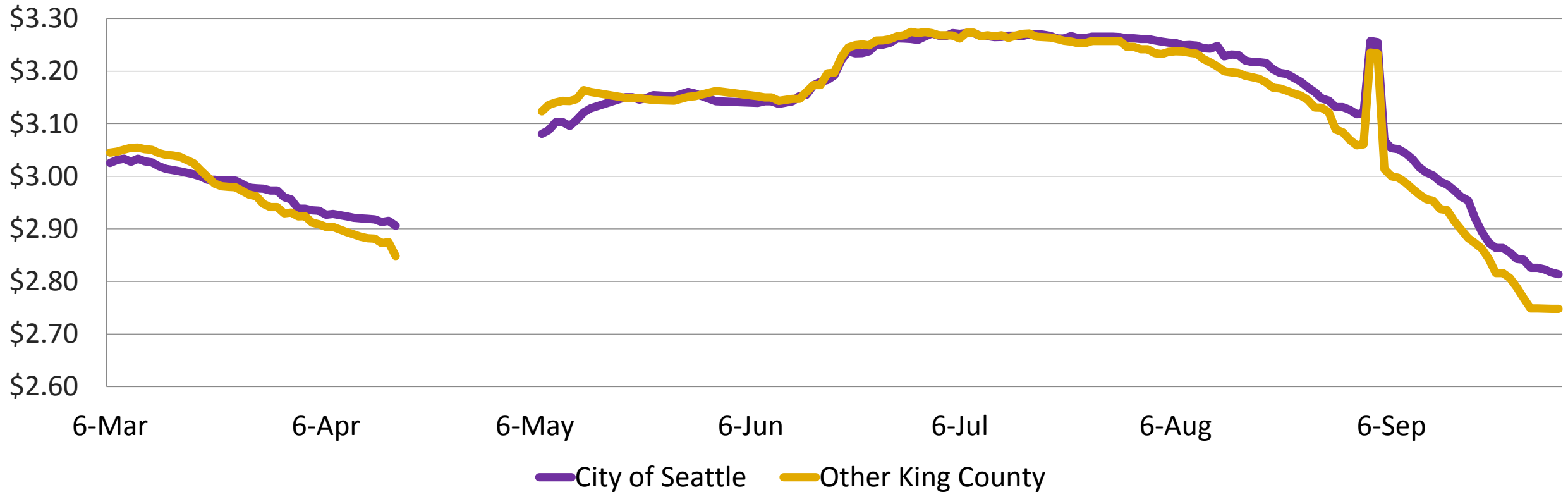
Source: The Seattle Minimum Wage Study: Report on Baseline Employer Survey and Worker Interviews, April 2016. Data pulled from Craigslist.

PRICE COLLECTION

Gasoline Prices



AVERAGE GASOLINE PRICES MARCH TO OCTOBER 2015



No measurable impact of the minimum wage ordinance on gas prices.

Source: The Seattle Minimum Wage Study: Report on Baseline Employer Survey and Worker Interviews, April 2016.

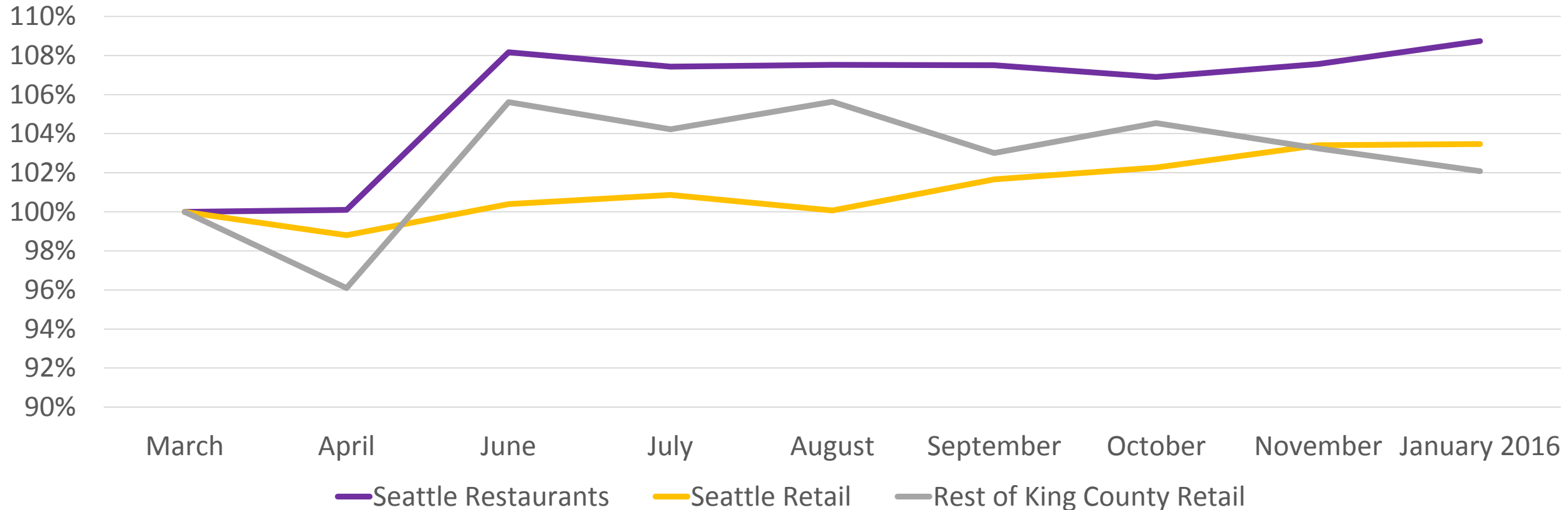
Data was pulled from Motor Trend.

PRICE COLLECTION



Retail and Restaurant Prices

RETAIL AND RESTAURANT PRICES % CHANGE FROM BASELINE



Source: Hill, Otten, van Inwegen, and Vigdor. "Early Evidence on the Impact of Seattle's Minimum Wage Ordinance." January 2016.

Next Steps



Employer Survey:

Summer 2016: A brief follow-up survey will assess changes made in the past year since the Minimum Wage Ordinance went into effect.

2017: Another full survey will assess the changes in employment and business practice over the first two years of the new wage regime.

Worker Interviews:

Spring 2016: We are currently collecting the second wave of interviews to capture change over time in work and family life.

Spring 2017: If we can secure additional funding, we will conduct a third wave of interviews.

Price Analysis:

2016: We are collecting prices on a monthly basis and have expanded price collection efforts to outside of Seattle.

Administrative Workforce Data:

Spring 2016: We are analyzing Employment Security Department data on employment, hours, and earnings for a report to be released Summer 2016.

Nonprofit Study:

Fall 2016: Report examining initial impact of ordinance on Seattle nonprofits through analysis of surveys and in-depth interviews.

»» Thank you!

Find out more at:

<http://evans.uw.edu/centers-and-projects/minimum-wage-study>

Contact us at:

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