

# Santa Cruz may set nation's highest minimum wage

## ■ MINIMUM WAGE

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Fitch, co-director of the living-wage campaign in Santa Cruz.

The study said a Santa Cruz single parent with a preschooler has to spend \$2,465 a month for such things as housing, child care, taxes, food, transportation and health care.

"And it's gone up in the last few years," Fitch added.

Local business leaders are cool to the proposal, saying it will raise government costs, which will be passed on to taxpayers.

"I think we're going to skyrocket the cost of doing business with the city," said Michael Schmidt, chief executive officer of the Santa Cruz Area Chamber of Commerce. "We certainly recognize this is among the most expensive places in America to live, but if they want to make it the most expensive place to live, this is the way to do it."

It's unclear how many workers

could benefit from the wage proposal or how much it could cost the city because it's still being developed, Fitch said.

As proposed, the law would cover most city employees and temporary workers, but would exempt teenagers working summer jobs, Fitch said. Also exempted would be union workers, whose labor contracts would supersede the ordinance, he said.

The law would extend to companies doing business with the city, including cleaning services and non-profit organizations, Fitch said. It would not, however, cover clerks at stores renting space in city-subsidized redevelopment projects, he said.

Dozens of cities have adopted living-wage ordinances, including Los Angeles, with a minimum of \$7.39 an hour, and Oakland, which requires at least \$8.35 an hour. Several other cities are considering such laws, including San Francisco, which has

been weighing a minimum wage of \$11 an hour.

Because San Jose's living-wage law was narrowly defined, few workers have actually received pay increases.

Business leaders in San Jose say that city's law hasn't affected them because of Silicon Valley's roaring, computer-driven economy.

"The impact for the business com-

munity has been minimal because the economy is blowing by the dollar amount of the living wage ordinance," said Steve Tedesco, president of the San Jose Silicon Valley Chamber of Commerce.

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*John Woolfolk covers the city of Santa Cruz. Contact him at [jwoolfolk@sjmercury.com](mailto:jwoolfolk@sjmercury.com), (831) 423-3234, or by fax, (831) 423-3119.*