

Living wage

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The study was no surprise to Jody Webber, a teacher at the Toddler Care Center in Live Oak. Webber and other child-care providers received a \$1.40 hourly pay raise when the

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city of Santa Cruz passed a living wage measure in October 2000. That brings her pay up to \$12.20 an hour, still far less than the \$18.40 an hour federal guidelines say a Santa Cruz resident would have to earn to be self-sufficient. Still, she said the pay raise helped, and it's about time others recognized it.

"My gut reaction (to the study) is, 'It's about time,' and 'Thank you,'" she said. "It's a good, healthy start."

Though Webber's standard of living hasn't changed because of the raise — she has another source of income — she said she's seen other child-care workers scraping by, or asking for pay advances to make ends meet.

Santa Cruz County has enacted a living wage as well, in concept, and advocates are readying to bring their campaign to Watsonville. The county has not funded much of its living wage program, so the Stroke Center, which raised the pay of its lowest-wage workers three years ago, holds an annual fund-raiser to pay for the increase. The center's bowl-a-thon, which has raised \$17,000 and \$16,000 in the last two years, is scheduled for noon to 3 p.m. today at the Boardwalk Bowl.

Santa Cruz is one of more than 60 U.S. cities, counties or public agencies to have adopted a "living wage" since 1994. But this movement has stumbled over criticisms that requiring employers to pay more than the federal \$5.15-per-hour minimum wage leads to layoffs, consequently benefiting only those who keep their jobs.

Living-wage ordinances often are not as radical as they sound. None of them applies to all workers in a city — most cover only city employees or private firms with significant government contracts. And Neumark said that the average pay raise equals 3.5 percent, though it may be significantly higher for some workers.

Still, the movement has been growing.

California has at least 10 living-wage cities, according to the study, including Los Angeles, Oakland, San Francisco and San Jose. Baltimore passed the first living-wage law, with Boston, Chicago, Denver, Detroit, Milwaukee, Omaha and San Antonio among the large cities that followed.

Urban poverty rates fell from 1996 through 2000, the span Neumark studied using Census Bureau data. But the living wage accelerated the drop in those cities, he said.

Neumark concluded that cities where the living wage is 50 percent higher than the federal or state mini-

mum saw poverty drop 1.8 percentage points.

There are losers, too. According to Neumark's projections, the 10 percent of workers who earn the least in these cities would experience a 7 percent increase in unemployment.

On balance, however, "it looks like the winners win more than the losers lose," Neumark said.

Santa Cruz's living wage of \$11 to \$12 an hour is about 50 percent higher than the state's \$6.75-an-hour floor. In a full-time 2,000-hour work year, that could mean a \$6,500 raise to \$20,000 — and the difference between official poverty and a lifestyle less desperate.

The government says a family of two adults and one child needs \$15,020 a year to stay out of poverty, though that is low for a high-cost regions such as the Monterey Bay Area.

Chris Johnson-Lyons, a member of the city's Living Wage Advisory Committee, which decided to spend the city's living-wage money on increasing the pay of child-care staff like Webber, said that's especially important in a city as unaffordable as Santa Cruz. Earlier this year, the National Association of Home Builders declared Santa Cruz County the least affordable place to live in the country, because of the combination of low wages and high home prices.

Bob Fitch, who was co-chair of the Coalition for a Living Wage when the campaign came to Santa Cruz, said those few extra dollars can often mean the difference between spending time with your children or not, or getting sufficient sleep or not.

"These are real basics," he said. "The living wage puts money into pockets of people who often have three or four jobs. If it means that they can cut back the number of jobs to two or even three, it's an enormous advantage."

Home health-care worker Claudia Arevalo said her life changed in 2000, when San Francisco enacted its living wage and her employer, which receives city funds, raised her pay.

In 1998 she earned \$6 an hour and to get by rented out a room in her apartment and worked 300-hour months, which included night shifts as a janitor. Now Arevalo, 37, works a regular schedule.

"I have more time for my family, for myself. I have a better life," she said. "It's the living wage that made the changes come."

Critics counter that there are better ways, such as the earned income tax credit, to help the poor.

Workers who hover around the poverty line can lose valuable federal benefits if they earn just a few thousand dollars more, according to Richard Toikka of the Washington-based Employment Policies Institute.

"It's not the best way to go," Toikka said. "The workers that are harmed

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A look at major cities across the country that have passed 'living wage' laws. The first column is the city; the second column is the city's per-hour living wage; the third column is the otherwise mandated per-hour minimum wage (either state or federal).

Baltimore;	\$7.90;	\$5.15
Boston;	\$8.53;	\$6
Buffalo;	\$6.22;	\$5.15
Chicago;	\$7.60;	\$5.15
Dayton;	\$7;	\$5.15
Denver;	\$8.20;	\$5.15
Detroit;	\$8.53;	\$5.15
Durham;	\$7.55;	\$5.15
Hartford;	\$9.38;	\$6.15
Jersey City;	\$7.50;	\$5.15
Los Angeles;	\$7.99;	\$6.75
Milwaukee;	\$6.80;	\$5.15
Minneapolis;	\$8.53;	\$5.15
Oakland;	\$9.13;	\$6.75
Omaha;	\$8.19;	\$5.15
Portland;	\$8;	\$6.50
St. Louis;	\$8.84;	\$5.15
San Antonio;	\$9.27;	\$5.15
San Francisco;	\$10;	\$6.75
San Jose;	\$9.92;	\$6.75
Tucson;	\$8;	\$5.15

A look at some California cities that have passed 'living wage' laws. The first column is the city; the second column is the city's hourly living wage if benefits are included. The state minimum wage is \$6.75 an hour.

Berkeley;	\$9.75
Los Angeles;	\$7.99
Oakland;	\$9.13
Pasadena;	\$7.25
Santa Cruz;	\$11
San Fernando;	\$7.25
San Francisco;	\$10
San Jose;	\$9.92
West Hollywood;	\$7.25

Represents level in 2000

Source: 'How Living Wage Laws Affect Low-Wage Workers and Low-Income Families,' by David Neumark. Published by the Public Policy Institute of California; Associated Press research.

are the ones that have the most serious skill deficits."

The Associated Press contributed to this report.

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