



## Governor's report could kill minimum wage effort

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By JENNIFER DOBNER, Associated Press Writer

For nearly 40 years, Sen. Ed Mayne, D-West Valley City, has worked for the AFL-CIO, negotiating labor contracts for Utah workers, and he says the experience has taught him something about the rate of wages.

"You make more money and you're able to take care of more of your family on your own, which gives you that esteem," said Mayne, who is the president of Utah's AFL-CIO. "You make more money and suddenly the economy goes up, because people are spending what's in their pocket."

Those are just some of the reasons Mayne is sponsoring a bill to raise Utah's minimum wage from \$5.15 per hour the same as the federal rate to \$7.

But a report from the governor's office working group threatens to squash the bill before it is even gets a committee hearing.

Culling information from the state Department of Workforce Service, the committee found that 19,000 Utahns earn the minimum wage, but that there was little information about who those workers are. And it was unclear what economic effect a wage hike might have on the state, even when various economic statistical models were applied.

"Some models showed a loss of jobs in the economy if the minimum wage was raised, some showed net gains and others showed no change," the report said.

Lisa Archuleta, 22, makes \$6.25 an hour at a suburban Salt Lake City drive-in restaurant. In six years of working, it's the

highest paying job she's had. A raise to \$7 an hour appeals to her.

"It would help out a lot. The bills would be easier to pay and I wouldn't be living paycheck to paycheck," said Archuleta, who wants to go to college to be a massage therapist.

She lives with a roommate now, and "I have to work things out with the utility company and my landlord" to pay her bills on her current wage.

Pamela Atkinson, a well-known advocate for the homeless chaired the committee, which was made up of religious community organizations, policy groups, lawmakers and business community leaders. She first presented the committee's finding to a legislative business and labor committee in October, but said final recommendations only became available this week.

The inconclusive findings left the committee with so many questions that Atkinson thinks it might be wise to wait on legislation to raise wages.

"I'm not against raising the minimum wage, it's just that I don't think that we have sufficient information to get it through the House and Senate," she said. "It's hard to go to legislators with inconclusive evidence."

The committee recommends four studies to collect additional information:

Utah should commission a quantitative study of workers earning minimum wage to determine if employees are teenagers, single heads-of-households, women,

minorities or others, what types of industries employ them and whether they receive benefits.

The state health department should examine the list of employers whose workers are enrolled in Medicaid or the Children's Health Insurance Program (CHIP) to see if the state is subsidizing poor labor practices.

Adopt a state **self-sufficiency standard** to determine the costs of basic necessities, including food, shelter, transportation and child care.

State lawmakers should restore \$1 million removed from the adult education programs budget in 2003 to enhance learning opportunities. An additional study of working-age recipients of public assistance should be done to assess their education level and used to craft training and work programs.

"I'd be interested in that information also," Mayne said. "But it shouldn't stop us from doing what's morally right, what's economically right and what's right for the people of Utah."

He said he doesn't see a conflict with the committee's report because he believes the information would only support what he already believes: "Utah deserves a raise."

Mayne also points out that most committee members continue to support the bill and haven't encouraged or advised him to pull it and wait until the 2007 session.

But he does believe some Republicans may use it as "cover" for voting against it.

"As far as I'm concerned those that use the issue as cover, and some of them will, then shame on them," Mayne said.

Sen. Greg Bell, R-Fruit Heights, shakes his head at the suggestion, but says he's convinced more data is needed.

"I'm not convinced that the minimum wage is the answer," said Bell, "but I really want to know why people at that end of the spectrum aren't enjoying the benefits of our good economy."

He also thinks he can help persuade his fellow lawmakers to support the kind of study the committee has recommended. And he believes the data will help answer the question the committee couldn't: Is there really a problem with the rate of the minimum wage, or are there other factors that keep some workers at low wages, in a market that responds to competitive wage rates.

If lawmakers give their blessing to studies, Atkinson thinks the work could be complete in about six months. And while she understands Mayne's concern that the committee report could kill his bill for this year, she still thinks it's worth a debate.

"I don't know that it's detrimental," she said. "Senator Mayne will be raising awareness, it's raising the consciousness level."