



Legislation Text

---

File #: Res 0199-2004, Version: \*

---

Res. No. 199

Resolution commending the New York State Assembly for passing A.9710, a bill that would increase the minimum wage to \$7.10, and calling upon the New York State Senate to pass the accompanying legislation, S.3291-C, and for the Governor to sign the bill into law.

By Council Members Foster, Reed, Baez, Barron, Comrie, Dilan, Jackson, Lopez, McMahon, Rivera, Sanders Jr., Seabrook, Vann, Koppell, Quinn, Addabbo, Avella, Clarke, Fidler, Gentile, Gerson, Gonzalez, James, Jennings, Liu, Martinez, Monserrate, Nelson, Recchia, Serrano and Weprin

Whereas, The minimum wage was first enacted in 1938 as part of the Fair Labor Standards Act (FLSA); and

Whereas, Initially just 25 cents per hour, the minimum wage has been raised several times in the decades since its establishment, and according to the Coalition for Human Needs, in real (inflation-adjusted) terms, the minimum wage reached its peak in 1968, when it was worth \$6.92 in 1998 dollars; and

Whereas, Despite increases in the minimum wage during the 1990s, the buying power of the federal minimum wage has declined by nearly 25 percent over the last 20 years; and

Whereas, According to the Coalition for Human Needs, the real value of today's minimum wage is 40% below its peak in 1968, and 24% below its level in 1979; and

Whereas, New York's minimum wage currently stands at the minimum FLSA level of \$5.15 an hour, so that a full-time minimum wage earner makes only \$10,700 a year, which is well below the federal poverty level of \$15,260 for a family of one adult and two children; and

Whereas, According to the New York City Central Labor Council (NYCLC), 74% of workers earning the minimum wage are adults; and

Whereas, Additionally, according to NYCLC, minimum wage workers are disproportionately

immigrants (25% of the workforce, but would constitute 32% of the beneficiaries of a minimum wage increase), of color (34% of the workforce, but would constitute 43% of the beneficiaries of a minimum wage increase) and women (49% of the workforce, but would constitute 61% of the beneficiaries of a minimum wage increase); and

Whereas, According to a 1998 report by the Economic Policy Institute, the last federal minimum wage increase (to the current amount of \$5.15 per hour) in 1996 resulted in no measurable effect on unemployment or inflation; and

Whereas, The Fiscal Policy Institute (FPI) noted in a report, entitled “Raising the Minimum Wage in New York: Helping Working Families and Improving the State’s Economy,” released January 7, 2004, that increasing the minimum wage to \$7.00 per hour would directly benefit nearly 700,000 workers statewide who earn between \$5.15 and \$6.99 an hour (almost 290,000 in New York City alone); and

Whereas, Furthermore, the FPI report stated that approximately 500,000 workers (approximately 220,000 workers in New York City) earning between \$7.00 and \$7.99 would likely benefit from a “spillover” effect that would raise their pay if the minimum wage was increased; and

Whereas, Additionally, the FPI report stated there is no evidence that increasing the minimum wage would be harmful to New York State's economy; and

Whereas, On March 1, 2004, the New York State Assembly passed A.9710, a bill which would increase the minimum wage incrementally to \$7.10 on and after January 1, 2006; and

Whereas, On March 1, 2004, the accompanying legislation, S.3291-C, was amended and referred to the New York State Senate committee on Labor; and

Whereas, Twelve states have enacted laws increasing the minimum wage above \$5.15 and hour; and

Whereas, Alaska, Connecticut, Oregon, Vermont and Washington have minimum wages that exceed \$7.00 per hour, and the city of San Francisco has enacted an ordinance effectively making the minimum wage \$8.50 per hour; and

Whereas, Increasing the New York State minimum wage to \$7.10 per hour would allow a worker who works 40 hours per week and 52 weeks a year to make \$14,768; and

Whereas, In order to ensure that minimum wage workers are able to provide for themselves and their families, the Governor and the State Legislature should periodically study the minimum wage as compared to the consumer price index and provide for annual inflationary adjustments to the minimum wage; now, therefore, be it

Resolved, That the Council of the City of New York commends the New York State Assembly for passing A.9710, a bill that would increase the minimum wage to \$7.10, and calls upon the New York State Senate to pass the accompanying legislation, S.3291-C, and for the Governor to sign the bill into law.

THC  
3/5/2004  
H:\Civil Service and Labor Committee\Resolutions\minimum wage.doc