



GUEST OPINION

*The Gazette, Cedar Rapids
January 6, 2017
www.iowapolicyproject.org*

Overriding local democracy, wage fairness

By Peter Fisher

A third of Iowa's jobs are now covered by a minimum wage established by local, democratically elected county supervisors. As a result, tens of thousands of Iowa workers will receive a long overdue raise this year. Many are helping support a family on those wages, and even the first step — an additional dollar an hour — can mean no longer having to choose between groceries and paying overdue bills.

But now legislators in Des Moines are poised to override local democracy and take those raises back. Why? Because, apparently, having to change some numbers in their accounting software is a severe hardship to businesses. Goodness, that might take their accountant an hour to two.

No doubt you could find some businesses that have employees in one of the four counties that raised the wage, and some employees in another county where workers can still be paid a paltry \$7.25. But are we really supposed to believe that this is a serious complication and source of confusion for a business? Get real.

If firms don't want to pay different wage rates for the same job, it's in their control: simply raise the lower wage. As Iowa House Speaker Linda Upmeyer pointed out in Monday's Gazette ("Statehouse likely faces a minimum wage debate — or two"), businesses are free to pay more than the minimum.

Let's be clear: The concern is not about a "hodgepodge" of minimum wages. It's about not wanting to pay people a decent wage, period. It's about businesses wanting to continue to pay workers well below what they can live on. It's about wanting to preserve wage rates that couldn't exist without substantial work supports that allow low-wage workers to survive: food assistance, child care assistance, health care

through the Affordable Care Act. It's about businesses that want to continue to run a profit propped up by the taxpayers paying for those public supports.

Enough of this nonsense about a hodgepodge or patchwork being a problem. The problem is state legislators who do not respect local democracy, and business lobbyists accustomed to getting whatever they want.

The wage floor certainly should be much higher throughout the state. But citizens in some locales will still see a need for a minimum above that floor, perhaps because the cost of living is higher, or because they value the community-wide benefits of having more purchasing power spread among local businesses as low-wage workers get a raise. Those local decisions should be respected.

A statewide uniform "one size fits all" approach will not eliminate differences within labor markets at any rate, differences that existed before the four Iowa counties acted.

Unless the Iowa minimum wage were raised substantially, Council Bluffs workers still would be able to earn more across the river in Omaha (Nebraska's minimum is \$9), Sioux City workers in South Dakota (\$8.65), Davenport and Muscatine and Fort Madison and Keokuk and Dubuque workers across the Mississippi in Illinois (\$8.25). For some reason, local chambers in Iowa apparently were content with that "hodgepodge."

Tens of thousands of Iowans struggle to get by on the low wages they earn in restaurants, gas stations, motels and retail stores, and as home health care providers. We will soon find out the real priorities that will prevail in the Statehouse: the needs of those workers, or the "convenience" of some business owners.

Peter Fisher is research director of the nonpartisan Iowa Policy Project in Iowa City. Contact: pfisher@iowapolicyproject.org