Los Angeles City Council proposes minor increase in minimum wage

Kevin Martinez 20 October 2014

Earlier this month, the Los Angeles City Council introduced a proposal that would call for a study on how to increase the city's minimum wage to \$15.25 an hour by 2019.

The move is a calculated political maneuver, coordinated with the Obama administration—a fact that was made evident by a meeting between Vice President Joe Biden and Los Angeles Mayor Eric Garcetti to discuss the minimum wage at an event the day before the city council vote.

The city council motion tracks Garcetti's proposal to raise the city's minimum wage to \$13.25 an hour by 2017, followed by an annual increase based on the Consumer Price Index. The proposal to increase city wages to \$15.25 an hour by 2019 is more of a suggestion based on an "independent study" that was called for by the city council members.

City council members also voted at the end of September to raise hotel workers' minimum wage to \$15.37 an hour, 70 percent above the state's \$9 an hour minimum wage.

Los Angeles is the 9th most expensive city in the US. A recent report found that 40 percent of families either make poverty wages or are unemployed. Housing alone is 147 percent the national index. Last spring, the National Low Income Housing Coalition issued a report finding that California renters must earn \$26.04 an hour, or about \$54,000 annually, to afford a two-bedroom home.

The so-called \$15 minimum wage hike is similar to various proposals elsewhere in the country, including in Seattle by City Councilwoman Kshama Sawant of Socialist Alternative and factions of the Democratic Party. As the WSWS has explained, these minimum wage proposals at best would still leave thousands of working class families in poverty.

The "Fight for 15" campaign, moreover, has the backing of the Service Employees International Union (SEIU) and seeks to provide political cover for the Democratic Party in an election year, in addition to attempting to defuse popular opposition to historic levels of social inequality. The minimum wage proposal in Los Angeles has also been heavily backed by the unions.

The language used to introduce the wage proposal in Los Angeles is couched with this phony populism in mind. It reads, "Los Angeles is already the poorest major city in America, and the growing disparity between the cost of living in Los Angeles and the income earned from working full-time at the current minimum wage, has made income inequality one of the most pressing social, economic and civil rights issues facing the city."

The Obama administration is chiefly responsible for this "growing disparity" in income. Since 2008, Obama has supported the trillion-dollar bank bailout at the expense of thousands of families losing their homes to foreclosure and unemployment. No major public works programs have been offered. Instead, funding for public education and social services has been decimated.

The administration spearheaded a nation-wide attack on wages and jobs through the government-structured bankruptcy of the auto companies in 2009. Mass unemployment persists, while those jobs that have been regained since the onset of the recession have been low-paying, with few if any benefits. The only consistent government spending has been on militarizing the police and funding non-stop imperialist aggression overseas.

Yet this has not stopped the Democrats from seeking to present themselves as advocates of workers. At the aforementioned event held the day before the city council's motion at the L.A. Baking Company, Vice President Biden met with Mayor Garcetti, members of Congress and small business owners to declare, "No one in America should be working 40 hours a week and living below the poverty level." This from an administration that has been principally responsible for creating such conditions.

Even if the proposal of a \$15.25 minimum wage were implemented, there would be a hundred loopholes that corporations and businesses would employ to not pay workers their due.

At best these proposals are a palliative that ensure continued poverty level wages. For example, Garcetti's proposal of \$13.25 an hour by 2017 is based on 1.5 workers in a family of four earning 20 percent above the California Poverty Measure, a standard developed by Stanford University and the Public Policy Institute of California that takes into account the state's high cost of living, which the federal poverty line does not.

According to a report by the Public Policy Institute of California earlier this month, at least one of four children in the state live in poverty. If one were to include children who live near the poverty line, more than half of California's children would be considered poor or near poor. This despite the fact that the majority of poor children live in a household with one or two working adults.



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