

# Illinois and New Jersey governors sign \$15 minimum wage into law

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Last Tuesday, the Democratic governor of Illinois, J.B. Pritzker, signed into law a bill that will raise the minimum wage in the state to \$15 an hour by 2025. The first increase from the current minimum wage of \$8.25—a hike to \$9.25—is set to take place January 1, 2020, followed by another one-dollar raise in July of 2020.

Pritzker, a former venture capitalist whose estimated net worth is \$3.5 billion, became the richest governor in US history following his election in November 2018. A worker making \$15 an hour, or \$31,200 a year on the basis of 52 weeks of work at 40 hours per week, would have to work for over 112,000 years to accumulate Pritzker's fortune.

While Illinois became the first Midwest state to enact a \$15 minimum wage, last month New Jersey became the fourth state to enact similar legislation, following New York, California and Massachusetts. New Jersey Governor Philip D. Murphy, also a Democrat, signed legislation that would guarantee a wage of \$15 an hour by 2024. The current minimum wage is \$8.85.

The New Jersey legislation incorporates multiple exemptions from the 2024 time frame. For example, a stipulation was included that firms employing seasonal workers and small businesses that employ five or fewer workers will not have to comply until 2026. Hyper-exploited farm workers are also excluded under the current legislation. Instead of \$15 an hour, their minimum wage will increase to \$12.50 by January 1, 2024. A “special committee” will then be convened to determine if the minimum wage will be increased any further for farm workers.

The Illinois legislation, which Governor Pritzker hailed as “a victory for the cause of economic justice,” includes a two-tier approach that will exclude young workers under age 18 who work less than 650 hours a

year. Instead, their wages will max out at \$13 an hour by 2025. For workers employed in the service industry, who are heavily dependent on tips, the minimum wage will increase only to \$9 an hour.

At a signing ceremony, Pritzker was awarded a “Fight for \$15” t-shirt. The campaign has led the charge to institutionalize poverty wages for millions of workers throughout the United States under the guise of fighting to improve living conditions. “Fight for \$15” is heavily promoted by pseudo-left organizations such as the International Socialist Organization and Socialist Alternative, in concert with the Service Employees International Union (SEIU) and the Democratic Party.

The SEIU has stressed that \$15 an hour is only “part of the solution.” The other part involves forcing workers to join trade unions such as the SEIU, which will collect dues and eat into the meager wage increase, while serving the employers as labor contractors and industrial police to enforce low pay and exploitation and suppress workers’ resistance.

In a speech to the legislature, Governor Pritzker spoke of the struggle that over a million current minimum wage Illinois workers are forced to conduct to survive on \$8.25 an hour. Citing the precarious nature of low-income employment, Pritzker feigned concern, acknowledging that “you can’t afford a single health care emergency... or flat tire, or worn car battery.” He likened this economic anxiety to a “house on fire” and boasted that by signing the legislation he was not “waiting for the rain” to put it out.

The claim that raising the minimum wage to \$15 an hour—over four or five years and with many exemptions—will provide a “living wage” is a fraud. The average rent for an apartment in Chicago is \$1,893 in 2019, according to rentcafe.com, a 5 percent increase from 2018. This means a worker is paying nearly

\$23,000 a year just in rent. That sum equals 74 percent of the annual income of a full-time worker receiving \$15 an hour.

In addition to skyrocketing rent, consumer prices, according to the government, have increased by nearly 2 percent a year for the past four years. If this rate continues, the real value of the increase in the minimum wage will be rapidly eroded.

The signing of minimum wage legislation is a part of a concerted effort by the ruling class and its functionaries in the Democratic Party and the trade unions to try to contain the growth of working class militancy and anti-capitalist sentiment while standardizing the lowering of wages overall.

Strikes last year by hotel workers, including workers at the Pritzker-controlled Hyatt Regency, were isolated and strangled by the UNITE HERE union, which worked to stymie workers' efforts to broaden their struggle to other hotel chains and workplaces.

The specter of workers rebelling against the unions and organizing strikes and mass protests in defiance of them—as in US teachers' strikes last year and the mass wildcat strike by maquiladora workers in Matamoros, Mexico, this year—has accelerated plans by Democratic governors throughout the US to enact similar minimum wage legislation, in the hopes of driving workers back into the dead end of the Democratic Party. Presidential candidates such as Bernie Sanders have cynically equated the “Fight for \$15” with the fight against social inequality.

Sanders has also proposed appealing to major corporations such as Amazon and McDonald's to voluntarily increase their minimum wage to \$15, absent legislation. After Amazon's Jeff Bezos, the world's richest multi-billionaire, agreed to Sanders' request last year, the senator praised the man who has made a mega-fortune by brutally exploiting workers at poverty-level wages, saying he did “exactly the right thing.” Amazon has since cut benefits and increased speedup to compensate for the wage increase and satisfy voracious stockholders.



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