



Improving Wages and Working Conditions in San Diego

Economic Development and
Intergovernmental Relations
Committee

March 24, 2014

Earned Benefits and Higher Wages



We need to provide San Diegans with access to earned sick leave and a higher minimum wage to ensure we RAISE UP San Diego.

INSTITUTE FOR WOMEN'S POLICY RESEARCH

Briefing Paper



www.iwpr.org

IWPR # B325 February 2014

Access to Earned Sick Leave in San Diego

An analysis by the Institute for Women's Policy Research (IWPR) reveals that about 433,500 private sector employees in San Diego¹ lack even a single earned sick day. Access to earned sick leave promotes healthy work environments by reducing the spread of illness,^{2,3} increasing productivity,⁴ and supporting work and family balance.⁵ This briefing paper presents estimates of lack of earned sick leave in San Diego by sex, race and ethnicity, industry, and occupation through analysis of government data sources, including the 2011–2012 National Health Interview Survey (NHIS) and the 2009–2011 American Community Survey (ACS).

**MAKING
ENDS
MEET** 2014

When wages fail to meet
basic costs of living
in San Diego County

Earned Benefits and Higher Wages



Basic Workplace Standards Benefit All San Diegans

- **Benefits for Employers:**
 - Increases workplace productivity; and
 - Saves costs through reduced turnover.
- **Benefits for Employees and Families:**
 - Boosts the income for tens of thousands of San Diego families; and
 - Restores work/family balance
- **Benefits the Public**
 - Boosts the local tax base through increased purchasing power; and
 - Reduces health care costs.



Current Access to Earned Sick Leave

In February 2014, The Institute for Women's Policy Research released a report on access to earned sick leave in San Diego. Findings from the report show hundreds of thousands of members in San Diego's private workforce lack access to earned sick days, including:

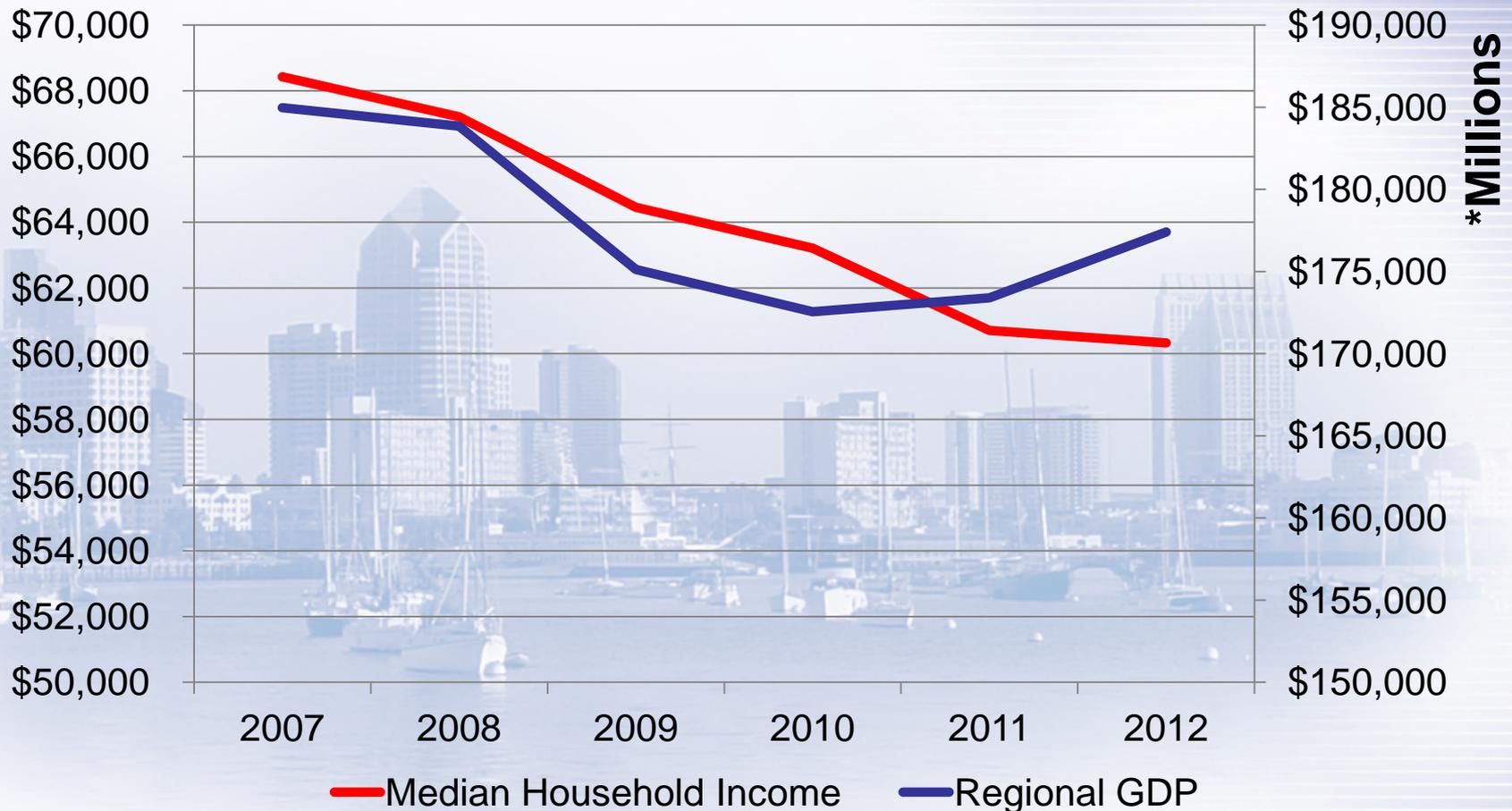
- 44% of private-sector workers;**
- 55% of Hispanic workers;**
- 74% of workers engaged in personal care and service occupations (child care workers, elderly care workers); and**
- 82% of workers in the Food Services industry.**

San Diego Families Can't Keep Up



- **37.8% of all working-age households cannot make basic ends meet, up from 30% pre-recession.**
- **26.7% of households with at least 2 people working fall below the self-sufficiency standard.**
- **23.5% of households headed by someone working a full-time, year-round job had incomes below the self-sufficiency level.**

Household Incomes Continue To Decline As The Economy Recovers



*All values in constant 2012 dollars

Making Ends Meet in San Diego



Self-Sufficiency Standard:

A monthly budget for no-frills living, without public or private assistance

Average Monthly Costs in San Diego County	1 Adult	1 Adult + preschooler	2 Adults + infant	2 Adults + infant + preschooler
Housing	\$1,032	\$1,354	\$1,354	\$1,354
Child Care	\$0	\$1,003	\$1,293	\$2,297
Food	\$270	\$410	\$655	\$771
Transportation	\$290	\$299	\$567	\$567
Health Care	\$137	\$398	\$456	\$466
Miscellaneous	\$173	\$346	\$432	\$545
Taxes	\$402	\$788	\$982	\$1,328
Child Care Tax Credit (-)	\$0	(\$50)	(\$50)	(\$100)
Child Tax Credit (-)	\$0	(\$83)	(\$83)	(\$167)
TOTAL household income needed monthly	\$2,305	\$4,465	\$5,606	\$7,062
TOTAL income needed yearly	\$27,655	\$53,580	\$67,277	\$84,739
Hourly wage needed per adult working 40 hours/week	\$13.09	\$25.37	\$15.93 each	\$20.06 each

For links to more data on other family types, see www.onlineCPI.org/MakingEndsMeet

Self Sufficiency vs. Federal Poverty



Official poverty rates don't reflect the true extent of economic distress.

The official rate of 15% poverty in San Diego County doesn't include 205,642 of the local households living below the Self-Sufficiency Standard – who make up 25.8% of all working-age households in the county. Their incomes exceed Federal Poverty Thresholds but are insufficient to cover the cost of basic necessities in the region.

The Federal Poverty Thresholds, which vary by family size but not geographical location, use a 1960s methodology based on the cost of food, without accounting for regional differences or costs such as housing, childcare, healthcare and taxes.

Measure of annual income needed	1 Adult	1 Adult + preschooler	2 Adults + infant	2 Adults + infant + preschooler
Self-Sufficiency Standard for San Diego County	\$27,655	\$53,580	\$67,277	\$84,739
Federal Poverty Thresholds, 2012	\$11,720	\$15,825	\$18,480	\$23,283

New Jobs Are Not Keeping Pace



2010-2020 Occupations With the Most Openings San Diego-Carlsbad-San Marcos Metropolitan Statistical Area

SOC Code*	Occupational Title	Total Job Openings [1]	2012 First Quarter Wages [2]	
			Median Hourly	Median Annual
41-2031	Retail Salespersons	19,250	\$11.01	\$22,887
41-2011	Cashiers	19,240	\$9.55	\$19,854
35-3031	Waiters and Waitresses	19,210	\$8.97	\$18,660
35-3021	Combined Food Preparation and Serving Workers, Including Fast Food	13,390	\$9.24	\$19,219
43-9061	Office Clerks, General	12,000	\$14.32	\$29,784
43-4051	Customer Service Representatives	9,210	\$17.17	\$35,716
53-7062	Laborers and Freight, Stock, and Material Movers, Hand	7,830	\$12.01	\$24,986
29-1111*	Registered Nurses	7,700	\$40.72	\$84,711
37-2011	Janitors and Cleaners, Except Maids and Housekeeping Cleaners	6,340	\$11.27	\$23,445
43-1011	First-Line Supervisors of Office and Administrative Support Workers	6,330	\$25.26	\$52,529
37-3011	Landscaping and Groundskeeping Workers	6,260	\$11.12	\$23,124
35-2021	Food Preparation Workers	6,150	\$9.62	\$20,008
43-5081	Stock Clerks and Order Fillers	6,120	\$10.52	\$21,885
11-1021	General and Operations Managers	5,870	\$54.01	\$112,339
35-3022	Counter Attendants, Cafeteria, Food Concession, and Coffee Shop	5,840	\$9.29	\$19,309

9 Source: Employment Development Department, Labor Market Information Division

[1] Total jobs are the sum of new jobs and replacement needs.

[2] Median hourly and annual wages are the estimated 50th percentile of the distribution of wages; 50 percent of workers in an occupation earn wages below, and 50 percent earn wages above the median wage. The wages are from 2012 first quarter and do not include self-employed or unpaid family workers.

Proposed Policy Metrics



- **Access to five days of earned sick leave for all people working in the City of San Diego, regardless of industry or business type;**
- **A meaningful increase in the minimum wage for all people working within the City of San Diego;**
- **A cost of living index attached to the minimum wage which shall be updated annually; and**
- **A phase-in period, with a slightly slower phase-in for small businesses and non-profits.**

Requested Action



Direct the City Attorney's Office to work with The Office of the Council President to review and bring back a DRAFT Ordinance for consideration at the April 30, 2014 Economic Development & Intergovernmental Relations Committee.