

CITY COUNCIL  
CITY OF NEW YORK

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TRANSCRIPT OF THE MINUTES

of the

COMMITTEE ON CIVIL SERVICE AND LABOR

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March 13, 2013  
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HELD AT: Council Chambers  
City Hall

B E F O R E:  
MICHAEL C. NELSON  
Chairperson

COUNCIL MEMBERS:  
John Doe  
Council Member James F. Gennaro  
Council Member Melissa Mark-Viverito  
Council Member Domenic M. Recchia, Jr.  
Council Member Eric A. Ulrich

## A P P E A R A N C E S (CONTINUED)

Stuart Applebaum  
President  
Retail, Wholesale and Department Store Union

Paul Sonn  
Position  
National Employment Law Project

Nadia Stephens  
Representing Arthur Cheliotas  
Local CW 1180

Joseph Rosenberg  
Executive Director  
Catholic Community Relations Council

Maritza Silva Farrell  
Position  
Alliance for a Greater New York

Rosia Loyola  
Member  
Make the Road New York

Kevin Pin  
Committee Clerk  
Committee on Civil Service and Labor

1  
2 CHAIRPERSON NELSON: Good morning,  
3 everybody. I'd like to thank everybody for being  
4 here. This is the Committee on Civil Service and  
5 Labor. And March 13<sup>th</sup>, 2013. We're doing a  
6 preconsidered resolution today and I'd like to say  
7 that we're hearing and voting upon a preconsidered  
8 resolution calling upon New York State, the New  
9 York State Senate, to pass legislation to raise  
10 the minimum wage to \$9.00 per hour and index  
11 future automatic increases to inflation. The  
12 minimum wage in New York is currently the same as  
13 the Federal rate which was increased last in 2009,  
14 to \$7.25 an hour. Because we do not index  
15 increases to the minimum wage to inflation, the  
16 effective income of minimum wage workers has gone  
17 down every year due to inflation for the people up  
18 in the balcony and the students as PS124. Plus,  
19 the minimum does not take cost of living into  
20 account at all. Even though three of the most  
21 expensive areas in the country are boroughs of  
22 this city. Manhattanites have a cost of living  
23 twice the national average, and your teachers can  
24 explain what this means. Our Governor, Andrew  
25 Cuomo, announced early this year that he was in

1 favor or increasing the minimum wage in this  
2 state. Then in a surprise announcement during the  
3 State of the Union speech last month, President  
4 Obama announced that he would press for the  
5 passage of an increase in the minimum wage to  
6 \$9.00 per hour. The President's plan, like then  
7 states that have increased their minimum wages  
8 above the Federal rate will include a yearly cost  
9 of living adjustment based on inflation, commonly  
10 known as COLA, which is not outlawed in this case  
11 based upon the amount of ounces. The Assembly has  
12 done the right thing and passed legislation  
13 increasing the minimum wage in this state to \$9.00  
14 per hour. Now it's the State Senate's turn. So,  
15 today the committee will consider a resolution  
16 calling upon the Senate to do the right thing for  
17 minimum wage workers in this city. Making the  
18 minimum wage \$9.00 per hour and once and for all  
19 tie annual increase to inflation. Before I  
20 proceed I wanted to acknowledge the members of the  
21 Committee present. We have to my left, Marissa  
22 Mark-Viverito, and to my far right Councilman  
23 James Gennaro. And other Committee Members will  
24 be joining us, I have little doubt. And I'd like  
25

1  
2 to announce that we've been joined by students, as  
3 I mentioned earlier, from PS 124 from Ozone Park  
4 with Miss Cindy Lau. Welcome, nice to see you.

5 [applause] And if you're not bored to tears right  
6 now then you have an interest in politics. Okay?  
7 Most of it is not very exciting. [laughter] Okay?

8 So, patience, patience and you'll do great. I'd  
9 like to call the first witnesses, of course,

10 Stuart Applebaum, and also from RWDSU and Paul  
11 Sonn [phonetic] from 75 Main and Lane, the  
12 National Employee Law Project. Okay, Nadia  
13 Stephens Arthur Cheliotos for CWA Local 1180.

14 Thank you for being here and for joining the  
15 panel. - - go right ahead. [off mic] Oh, yeah.

16 Good morning, Chairman Nelson.

17 Good morning members of the Committee. Thank you  
18 for inviting me to testify today on the resolution  
19 calling upon New York State's Senate to pass  
20 legislation to raise the minimum wage to \$9.00 per  
21 hour and to index future automatic increases to  
22 inflation. As Chairman Nelson said, I'm Stuart  
23 Applebaum, I'm the President of the Retail,  
24 Wholesale and Department Store Union. The RWDSU  
25 represents 100,00 of the United States with 45,000

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2 residing in New York. The RWDSU represents  
3 predominantly workers in retail, food processing  
4 and other sectors including many low wage workers.  
5 My union is deeply involved in progressive  
6 activism and movements for economic and social  
7 justice. The RWDSU is united by a shared  
8 commitment to raising job standards across  
9 industries and occupations. Dr. Martin Luther  
10 King once said, once asked, what good does being  
11 able to sit at a lunch counter do if you can't  
12 afford to buy a hamburger and a cup of coffee.  
13 Dr. King, who was throughout his life an ardent  
14 supporter of fair wages and the labor movement  
15 knew that true progress and civil equality can  
16 only be achieved by bringing working families out  
17 of poverty. That's why it's so important that we  
18 take immediate action in New York State to raise  
19 the minimum wage with indexing that would  
20 automatically raise the wage to keep pace with  
21 inflation. Far too many working people in New  
22 York are struggling just to survive. They worry  
23 how they will afford to house and feed their  
24 families. The working poor go to work each day  
25 and still they can't provide the basic necessities

1  
2 of life. When wages don't keep pace with rising  
3 costs and prices survival becomes more and more  
4 difficult. The minimum wage in New York State has  
5 increased only ten cents in the last six years.  
6 It has remained stagnant at \$7.25 an hour since  
7 2009. At this rate, a full time worker is earning  
8 just over \$15,000 a year. This salary is so low  
9 that most full time employees supporting a family  
10 on minimum wage are eligible for tax payer funded  
11 public assistance programs. New York is one of  
12 the most expensive states to live in and the  
13 \$15,000 annually that a minimum wage earner brings  
14 home is outrageously low. But it doesn't have to  
15 be that way. Last week I stood with State  
16 Assembly Speaker Sheldon Silver and member of the  
17 Assembly as their House passed the increase with  
18 \$9.00 in indexing, raising New York's minimum wage  
19 to \$9.00 and indexing it to inflation will help  
20 New York's low wage workers who are being squeezed  
21 by flat wages and rising prices. Over one million  
22 lives would be changed instantly by increasing the  
23 minimum wage by \$1.75 per hour. My union, the  
24 RWDSU was proud to join together in Albany with  
25 other labor unions, clergy, major community

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2 leaders, elected officials, advocacy groups and  
3 more than 200 businesses throughout the state in  
4 supporting this increase. Speaker Silver and the  
5 Assembly have taken the first step towards making  
6 it possible for low wage workers to live in  
7 dignity. However, their reactions aren't enough.  
8 The need to raise the minimum wage in New York is  
9 coming on the heels of growing momentum for this  
10 popular legislation. President Obama supports  
11 increasing the minimum wage. Governor Cuomo  
12 supports raising the minimum wage. The Assembly  
13 passed a bill increasing the minimum wage to \$9.00  
14 with indexing. The people of the state by a  
15 margin of more than 80 percent of New York voters  
16 support raising the minimum wage. But where is  
17 New York State Senate? Over the past four decades  
18 New York's minimum wage is consistently lagged  
19 behind the rise in cost of living. If New York's  
20 minimum wage had simply kept pace with inflation  
21 since 1970 it would equal \$10.70 per hour today.  
22 Instead, legislative inaction has left the minimum  
23 wage stuck at \$7.25 per hour. 19 states have  
24 already raised their minimum wage higher than New  
25 York's, including our neighbor states of



1  
2 Connecticut and Massachusetts. Ten states  
3 currently index their minimum wage to rise  
4 automatically with the cost of living. New  
5 Yorkers need a wage led recovery from the  
6 recession. It's time to transform economic  
7 vulnerability into economic security. This  
8 legislation tells low wage New Yorkers they are  
9 not invisible or forgotten and that government can  
10 improve their lives. Not only is the hirer  
11 indexed minimum wage the right thing to do for the  
12 working poor but it's also good for our State's  
13 economy. When a low wage worker receives an extra  
14 dollar they will have to spend every penny of it  
15 for basic necessities, growing our economy in the  
16 process and creating more jobs. The State Senate  
17 needs to follow the Assembly's lead and move  
18 aggressively to pass a strong minimum wage bill  
19 with indexing. Your decision today to pass this  
20 resolution will send an important unified message  
21 to the State Senate. It is long past time to  
22 raise New York's minimum wage to \$9.00 an hour  
23 with indexing. It's not just the right thing to  
24 do. It's the smart thing to do. New York State  
25 Senate must act now. I also hear talk in the

1  
2 State Senate of a training wage. That is  
3 nonsense. People don't need to be trained on how  
4 to survive in this city. They need to be able to  
5 survive in the city and in the state. A training  
6 wage is just a way to avert providing the minimum  
7 wage that people need, a sub minimum wage does not  
8 cut it. It doesn't cut it for our working people,  
9 it does not cut it for the working poor. It does  
10 not cut it for young people and it would be  
11 harmful if it were to be included in this  
12 legislation. New York's working poor can't afford  
13 to wait any longer. Thank you for your time and  
14 for your consideration.

15 CHAIRPERSON NELSON: Thank you,  
16 sir. Editorial that it's hard to argue with any  
17 of your points.

18 MR. APPLEBAUM: Thank you.

19 CHAIRPERSON NELSON: Thank you.  
20 Who would want to? [off mic] Thank you, Paul.

21 MR. PAUL SONN: Paul Sonn with the  
22 National Employment Law Project. I just have a  
23 [off mic] Thank you. I'm Paul Sonn with the  
24 National Employment Law Project. As Mr.  
25 Applebaum, I believe, detailed the proposal on the

1  
2 table in Albany not to raise the minimum wage to  
3 \$9.00 and to index each year to keep up with the  
4 cost of living is very modest, you know, very  
5 reasonable. The least New York, a very high cost  
6 of living state, can afford. This, ten other  
7 states currently have these indexing to the cost  
8 of living provisions where the minimum wage  
9 increases each year, usually by 15 or 20 cents to  
10 keep up with inflation. That includes many red  
11 states, like, Arizona, Florida, Montana, and it's  
12 a sensible public policy to keep the minimum wage  
13 from eroding. It's especially important in a  
14 state like New York, which has a terrible track  
15 record of revisiting and regularly addressing the  
16 minimum wage. It's been nine year since Albany  
17 voted to raise the minimum wage. Before that, it  
18 was almost ten years. And again, one of the  
19 highest cost of living states in the country. The  
20 handout I just distributed details how much  
21 working New Yorkers will lose each year if Albany  
22 cuts a deal for less than \$9.00 and in particular  
23 one that does not include the annual cost of  
24 living increases. And it's real money. It's  
25 would be \$500 the first year out of a full time

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2 minimum wage workers pocket, \$936 the second year,  
3 \$1,300 the third year and so on. Over five years  
4 a full time minimum wage earner would lose \$6,700  
5 if New York does not adopt cost of living  
6 increases. These are very modest proposals. Mitt  
7 Romney backed cost of living increases for the  
8 minimum wage when he ran. And the \$9.00 proposal  
9 on the table is much smaller than the last minimum  
10 wage deal that Joe Bruno brokered in New York in  
11 2004. That was an increase of \$2.00, 39 percent.  
12 If we were raising it the same amount this time  
13 we'd be raising the wage to \$10.10. Instead, it's  
14 a very modest \$9.00 plus inflation indexing that's  
15 on the table, just passed the Assembly. It's the  
16 same proposal President Obama has backed. And  
17 most observers believe there actually are a  
18 majority of votes in the Senate to pass it. The  
19 27 regular Democrats are on board and the five  
20 members of the Independent Democratic Caucus have  
21 passed back indexing and similar proposals. But  
22 because of the unfortunate governing structure in  
23 the Senate, there is not a process, they're not  
24 letting it come up for vote. Everyone thinks it  
25 would pass, you know, overwhelmingly, probably

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2 with some Republican votes as well if it went to  
3 the floor. So, what New Yorkers really need is to  
4 insist on a democracy that a fair package  
5 supported by overwhelming majority of New York  
6 residents and by majorities of both Houses be  
7 allowed to go to a vote and pass. Thank you very  
8 much.

9 CHAIRPERSON NELSON: Yes, ma'am.

10 MS. NADIA STEPHENS: Hi, My name is  
11 Nadia Stephens and I'm representing Arthur  
12 Cheliotas from CWA Local 1180. Our proposal is  
13 not as modest but it still makes sense. My name  
14 is Arthur Cheliotas, President of Communication  
15 Workers of America, Local 1180. I represent 8,500  
16 workers who live and work in New York City. The  
17 proposal to raise the minimum wage is simply  
18 common sense. This should not be a subject of  
19 controversy or political dispute. This is about  
20 improving the quality of life for our lowest wage  
21 earners so that rewarding hard work is about  
22 promoting dignity, it's about upholding the social  
23 contract. It's about how our society compensates  
24 its workers for their contributions to it. It's  
25 about doing what's right. I unequivocally support

1 raising the minimum wage from \$7.25 to \$11.50, and  
2 indexing future increases to the rate of  
3 inflation. Ten states in America today raise  
4 their minimum wage annually to keep up with  
5 inflation and while New York City has a highest  
6 standard of living in the country, 19 states have  
7 higher minimum wages than we do including  
8 Connecticut, \$8.25, Massachusetts. \$8.00, Vermont,  
9 \$8.60. The last time the minimum was raised  
10 substantially in New York was nine years ago.  
11 This is unacceptable, disgraceful and unjust.  
12 Raising the minimum wage is long overdue,  
13 especially since wages have not kept up with the  
14 productivity of workers since the 1980's. in the  
15 '50's and '60's when union density was at its peak  
16 of 33.5 percent raises were increasing in tandem  
17 with the productivity. During this time workers  
18 saw their wages double and the middle class  
19 started to grow. The United States was  
20 benefitting from an implicit social contract.  
21 Workers saw that by working hard and contributing  
22 to productivity and economic growth they and their  
23 families could expect improved standards of  
24 living, greater job security, and a secure and  
25

1 dignified retirement. After 1980 as employees  
2 lost their collective bargaining power to union  
3 busting this contract broke down. Since then,  
4 productivity has grown more than 70 percent while  
5 real compensation of non managerial workers has  
6 remained flat. Wages for the lowest paid workers  
7 have collapsed even more than that of the average  
8 worker. According to the Fiscal Policy Institute  
9 the purchasing power of New York's minimum wage  
10 was, peaked in 1970 and has lost a third of its  
11 value since that time as the basic cost of good  
12 continue to rise. If New York's minimum wage had  
13 kept pace with inflation in 1970 it would equal  
14 \$11.15 per hour today. In addition, - - if  
15 minimum wage had kept pace with inflation since  
16 the 1960's it would be more than \$12.00 today.  
17 When we analyze this brief history we see that  
18 wages of low income workers have been suppressed  
19 for decades. Conversely, while low wage worker pay  
20 was dropping executive compensation was  
21 skyrocketing. In 1980, CEO pay equated to 42  
22 times the average workers salary. In 2010 that  
23 number ballooned to 343 times the median workers  
24 pay. Meanwhile, the average private sector  
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2 workers salary grew by a paltry 5.7 percent over  
3 the same period. Average CEO pay is currently  
4 over \$11 million. Wages of low wage workers were  
5 pressed by while the salaries of high wage workers  
6 were amplified. We need a substantial increase in  
7 the minimum wage for nothing else to minimize the  
8 vast income inequality that this blanket  
9 redistribution of wealth has produced. Raising  
10 the minimum wage to \$11.50 would simply correct  
11 the discriminatory discrepancy that has been  
12 ignored for far too long. Other proposals to  
13 raise the minimum wage by anything less than  
14 \$11.50 are simply not enough. Critics of raising  
15 the minimum wage alleged it would hurt the  
16 economy. This contention has been disproven  
17 repeatedly. There is an abundance of evidence  
18 showing that increase in wages will actually help  
19 the economy. A report released by the New York  
20 State Senator Klein's office notes that raising  
21 the minimum wage will infuse over \$600 million  
22 into the economy. This is because minimum wage  
23 has an important multiplier effect. People with  
24 lower incomes spend a larger share of their  
25 paychecks on necessity like food, shelter and



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2 clothing. If workers receive more money each week  
3 they will use their additional income to purchase  
4 more goods and services and inject that money  
5 right back into their local economy. This will  
6 act as a stimulus to the local businesses and to  
7 our economy in general. Critics also say that  
8 raising the minimum would kill jobs. This is fear  
9 mongering. When the minimum was raised in 2004  
10 there was no appreciable impact on unemployment.  
11 Since resisting the minimum would be an across the  
12 board increase there will be a negligible impact  
13 on employment level. Fiscal Policy Institute  
14 explains industries that pay the minimum wage tend  
15 to serve small markets. It's not as if there's  
16 competition for their services in other states so  
17 it's unlikely that workers or businesses are going  
18 to relocate in response to an increase in their  
19 minimum. In addition, when the minimum grows  
20 productivity increases. In fact, studies show  
21 that if the rate was raised to \$11.50 the state  
22 would stand to gain over 7,500 jobs. So, the  
23 argument of killing jobs simply has no basis in  
24 reality. It's not surprising that those who  
25 oppose the minimum wage increase are not trying to

1  
2 live off of one. The directive of some of the  
3 organizations who oppose raising the minimum make  
4 hundreds of thousands of dollars a year. They  
5 cannot fathom trying to survive on \$15,080 per  
6 year the minimum wage currently amounts to yet the  
7 are striving and fighting to deprive over one  
8 million New Yorkers the modicum of dignity that  
9 increasing their incomes would amount to. This is  
10 not fair and it's the responsibility of government  
11 to advocate for those without advocates. The  
12 response of government on this issue is critical  
13 and long overdue. This is New York City. This is  
14 home to three of the top five areas in the country  
15 with the highest cost of living, Manhattan is  
16 first, Brooklyn second, Queens is fifth. In  
17 Manhattan, the standard of living is more than  
18 twice the national average. In order for the  
19 minimum wage to be a living wage it has to be  
20 raised in accordance with the cost of living in  
21 that area. According to Living Wage Project, the  
22 salary that it takes to actually live in the city  
23 is \$11.86 an hour. According to the US Census we  
24 are, New York is the state with the highest level  
25 of income inequality in the country. If New York

1  
2 City were a nation it would rank in between Chile  
3 and Honduras in terms of income inequality. This  
4 is not a New York that we can be proud of. This  
5 is an embarrassment. The only people who will  
6 benefit from raising the minimum wage are people  
7 who work. If this bill passes it's sending a  
8 message that New York encourages employment and it  
9 rewards workers for their efforts. Dr. King said  
10 that all labor that uplifts humanity has dignity  
11 and importance. If we want social order, if we  
12 truly value the dignity of work, people need to  
13 have jobs that allow them to live with dignity.  
14 We've had a trickle down economy for three  
15 decades. We've all learned the heard way that it  
16 doesn't work. We need a bottom up economy, one  
17 that puts earned money in the hands of people who  
18 spend it on the necessities of life. This is what  
19 will generate greater income activity. - - poll  
20 illustrates that 70 percent of New Yorkers polled  
21 support an increase in the minimum wage while 20  
22 percent oppose it. Why are we disputing something  
23 with such widespread support? New York needs a  
24 raise and it's about time we got one. Thank you  
25 very much.

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2 CHAIRPERSON NELSON: Thank you, Ms.  
3 Stephens. You all, of course, put forth  
4 compelling support statements. I'd like to  
5 mention that we've been joined by Eric Bulrish who  
6 has something to say as well.

7 COUNCIL MEMBER ULRICH: Thank you,  
8 Mr. Chairman. And thank you for your testimony.  
9 I want to say, I support raising the minimum wage.  
10 I was probably the first Republican in the state  
11 to say that last year. People like to bring that  
12 up to help me and to hurt me, depending on who's  
13 bringing it up. I believe that the taxes and the  
14 cost of living in New York are so astronomically  
15 high that it is impossible for anyone to  
16 realistically live on \$7.25 an hour. I also think  
17 that if the goal of the government is to get  
18 people back to work then we need to create  
19 incentives for people to work. Right now people  
20 make more money staying on public assistance and  
21 unemployment than they do having a job paying  
22 minimum wage. And I believe that creates a  
23 disincentive for people to work, they say, why  
24 should I work? I'll make more money staying home.  
25 Some people can't work. I'm not demonizing people

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2 or targeting those people in a bad way. What I'm  
3 saying is that it's not enough, \$7.25 an hour is  
4 simply not enough to pay the rent, to pay for food  
5 at the supermarket, to pay to support your family  
6 and yourself. It's just not enough. Now, the  
7 Governor came out, I think two years ago in his  
8 State of the State Address and he mentioned that  
9 he thought the minimum wage should be raised to  
10 \$8.75 an hour, I think that was the number that he  
11 had come up with. The Assembly bill that's  
12 proposing that we raise it to \$9.00 an hour. The  
13 only concern that I have is our ability to compete  
14 in the region. And if Connecticut's minimum wage  
15 is \$8.00 or \$8.25 and or \$8.50. What is  
16 Connecticut's minimum wage, do you know?  
17 Massachusetts is \$8.00. I mean, they're all  
18 higher than New York, there's no question about  
19 that. But by us exceeding that number I don't  
20 know how that, what type of business climate that  
21 would create for us regionally, talking about, you  
22 know, areas that also have high cost of living and  
23 high taxes. Certainly Connecticut, Massachusetts,  
24 New York, New Jersey, all of these states have  
25 similar cost of living issues. So, I had hoped

1 that the Assembly would take that into  
2 consideration. \$9.00 is higher than the other  
3 states. I'm not against it. I'm just saying the  
4 other states aren't \$9.00 and I don't want that to  
5 backfire on us and impact small businesses in the  
6 negative way. But, I am in favor of raising the  
7 minimum wage and if I was in the State Senate I'd  
8 be the prime sponsor of the bill. But, I tried to  
9 get there and a hurricane prevented me from going  
10 there. But that's another story for another day.  
11 There are Republicans who would support it because  
12 they believe in the rights of working men and  
13 women, the people who have built this city and  
14 built this state. It's not a Democratic issue.  
15 It's not a Republican issue. As a matter of fact,  
16 one of the people, the first President really to  
17 champion the rights of workers was Theodore  
18 Roosevelt, a Republican. Child labor laws,  
19 minimum wage laws, worker protection laws,  
20 consumer protection laws. I mean, the rights of  
21 working men and women were championed at the turn  
22 of the last century by a Republican President.  
23 And there have been very good Republicans on this  
24 issue and there have been Republicans who are very  
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1  
2 unsympathetic and don't want to hear anything  
3 about it and I think they're doing themselves and  
4 their constituents a disservice because, as we  
5 stated here, it's just, it's too expensive to live  
6 here and \$7.25 an hour is not going to cut it.  
7 I'm interested in Nadia's testimony because you're  
8 saying we should raise it to \$11.50.

9 MS. STEPHENS: Yeah.

10 COUNCIL MEMBER ULRICH: So, you're  
11 against this bill? I mean, you said anything less  
12 is not [crosstalk].

13 MS. STEPHENS: I mean, if you make  
14 \$11.50 it still comes out to \$24,000 a year. It's  
15 not even, it's \$23,090.

16 COUNCIL MEMBER ULRICH: Yeah.

17 MS. STEPHENS: So, you're still  
18 below the poverty level, like, I mean, we're just  
19 trying to play catch up and instead of doing that  
20 we need to put it where it needs to be. And it's  
21 still too low.

22 COUNCIL MEMBER ULRICH: One of the  
23 things that probably should happen is the Federal  
24 Government really should set, yeah [off mic].

25 MS. STEPHENS: It was.

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2 COUNCIL MEMBER ULRICH: The Federal  
3 Government really should step in and standardize  
4 these things and just say, you know, it's like the  
5 gun laws, it's the same thing. The fact that we  
6 have different laws in different states is kind of  
7 silly. The Federal Government came in and said  
8 the minimum wage would be \$9.00 an hour, that  
9 would be great. It would be the same in every  
10 state. We wouldn't have to worry about regional  
11 competition. We wouldn't have these issues. I  
12 think businesses would be able to absorb that into  
13 their business model and plan for that and they,  
14 and how they, you know, how they run their  
15 business. But we don't have that luxury. It's  
16 like immigration. It's like gun laws. It's like  
17 minimum wage laws we have. We have laws varying  
18 in different states and it creates other problems.  
19 But I think people do, people who work hoard,  
20 people working in PATH MARC for \$7.25 an hour.  
21 The people working in hotels and retail and  
22 hospitality jobs, the people that do the jobs that  
23 a lot of people don't want to do but they get up  
24 every day because they want to work and they want  
25 to support their families. They are worth more



1  
2 then \$7.25 an hour. I don't know anybody that's  
3 worth \$7.25. I think people are created by god in  
4 his image and his likeness and no one is wroth  
5 \$7.00 an hour as a person. The, no. We're worth  
6 less than that. But the point is, when we talk  
7 about human dignity. People are worth more than  
8 that. They deserve to be treated better than  
9 that, especially people who are getting up every  
10 day and playing by the rules and working hard.  
11 They deserve the opportunity to give their kids  
12 and better shot at life. And that's why I support  
13 raising the minimum wage because I believe it's an  
14 issue of fundamental fairness and human dignity.  
15 And so I'm going to vote for this. I'm a little  
16 concerned about it being higher than the other  
17 states because I believe in it that principal and  
18 I think New York needs to lead the way. We don't  
19 need to be lagging behind other states but we need  
20 to do more to help these people and I'm going to  
21 vote for it.

22 COUNCIL MEMBER ULRICH: Thank you.

23 Now, Rand Paul? No. I think TR when he was doing  
24 it, an enlightened Republican, which is always  
25 very pleasant. I think he was, a member the bull

1  
2 moose party of that point but we'll have to go  
3 back and look in the history books. I'm not quite  
4 certain. Yeah, the light is on. It's red,  
5 ironically. That's a go. Anybody would like to  
6 respond?

7 MR. APPLEBAUM: I'd like to thank  
8 the Council Member for his comments and his  
9 concerns and his serious engagement in this issue.  
10 I think you raised a valid question about what  
11 happens vis a vis our neighboring states. People  
12 have looked into that. People have looked at what  
13 has happened when the minimum wage has gone up and  
14 they've compared states next to each other. And I  
15 think that they've found that there really has not  
16 been the negative impact that we've been afraid  
17 of. We have not seen jobs going across the  
18 state's border when another state's minimum wage  
19 has been raised. But I think that Paul probably  
20 knows much more about this than I do. But it's a  
21 valid question. It's a valid concern and it's one  
22 worth looking at. And thank you for your  
23 comments.

24 MR. SONN: Yeah, just very briefly.  
25 Mr. Applebaum is exactly right. I mean, New York

1  
2 had a higher minimum wage than New Jersey, then  
3 Pennsylvania, from 2004 to 2009 our minimum wage  
4 was \$2.00 higher. You know, 39 percent higher and  
5 it was studied extensively. There was no evidence  
6 that it resulted in job losses. In fact, there  
7 was an excellent Cranes [phonetic] editorial  
8 calling to raise and index the minimum wage which  
9 discusses this. It agrees that there was, the  
10 predicated job loss is that the opponents  
11 predicted didn't pan out. It explains that, you  
12 know, much of the reason for this is most of the  
13 low wage jobs are service jobs that must be linked  
14 to their location. You can't, you know, sell  
15 groceries in a PATH MARC in Manhattan from  
16 Pennsylvania. You can't clean a Manhattan office  
17 building from New Jersey, you know, most of, the  
18 lion's share of the jobs are service jobs that  
19 can't be relocated. And but, it's long overdue  
20 for the Fed's to raise the national minimum wage  
21 but that's just a basic floor that has to apply in  
22 Arkansas and Alabama as well as the rest of the  
23 country and that's why, typically the high cost  
24 states in the northeast and in the west coast then  
25 go up from the federal level to have a higher

1 minimum wage that matches their cost of living.

2 So, you know, New York's, it's part of why, you

3 know, if the Fed's are shooting for \$9.00 then New

4 York really ought to be higher. And the other

5 high cost of living states are doing that.

6 Connecticut's proposing \$9.75, Maryland and

7 Illinois are proposing \$10.00, Massachusetts is

8 proposing \$11.00. So, \$9.00 is a very modest

9 first step. And another factor that really should

10 be on the table for another discussion is even,

11 you know, if we go to \$9.00 or higher that really

12 is not enough for New York City. It's one of the

13 highest cost of living places in the country.

14 Other high cost cities like San Francisco and San

15 Jose have adopted higher city minimum wages. It's

16 \$10.50 in San Francisco, \$10.00 in San Jose,

17 California. Albuquerque, New Mexico has a higher

18 one. Unfortunately, New York City tried this in

19 1961 under Mayor Robert Wagner and the courts

20 ruled that they don't, unlike many areas where the

21 city can supplement state law on the minimum wage

22 the state law is the ceiling not a floor and the

23 city can't go above. That's a decision that

24 really ought to be revisited in reverse because

25

1  
2 New York City really, if any place in the country  
3 needs a higher cost of living than the state, New  
4 York City does. The minimum wage that's not too  
5 high for upstate is always going to be just far  
6 too low for New York City.

7 COUNCIL MEMBER ULRICH: I think  
8 there are legal issues there. I mean, the State,  
9 New York City is a unitary system and the city is  
10 really a creature of the state. It would be very  
11 difficult to do that. I understand--

12 MR. SONN: [interposing] We need  
13 authority from Albany.

14 COUNCIL MEMBER ULRICH: Yeah.

15 MR. SONN: It would be unlike other  
16 states where the cities have that authority.

17 COUNCIL MEMBER ULRICH: Where you  
18 can do that. But, getting back to the point  
19 before though. When you raise the minimum wage  
20 for a lot of these workers they have more  
21 disposable income. And they're not paying their  
22 credit card bills. They're not paying their debt.  
23 They're not like people like me, paying down their  
24 debt and paying their bill. These people are  
25 going to take that money and buy more food and buy

1  
2 more goods and go out to dinner more often and go  
3 to the pizzeria and go, you know, shopping and buy  
4 more clothing for their children. So, that money  
5 goes right back into the economy 'cause they have,  
6 they're income to the, the lower level is more  
7 disposable, I think.

8 MR. SONN: Absolutely.

9 COUNCIL MEMBER ULRICH: I mean,  
10 this is not--

11 MR. SONN: [interposing] There's a  
12 study from the Chicago Federal Reserve Bank  
13 quantifying that. You're absolutely right.

14 CHAIRPERSON NELSON: Yes, then we  
15 have to get moving because we have a City Council  
16 meeting coming up in this very room.

17 MR. APPLEBAUM: I just mentioned.  
18 I just - - very quick.

19 CHAIRPERSON NELSON: [crosstalk]  
20 sure, - - .

21 MR. APPLEBAUM: Quickly, that I  
22 think you're also very right about people being  
23 treated with dignity. I think that there should  
24 be a notion of a social compact. We want people  
25 to work, we, if they're able to. We want them to

1  
2 be productive. And the notion was that if you  
3 want to work as society wants you to you would  
4 earn enough to be able to support yourself and  
5 your family. And instead, with the minimum wage  
6 we have now you go to work just like society wants  
7 you to and you're still condemned to a life of  
8 poverty.

9 CHAIRPERSON NELSON: Sounds humane,  
10 Nadia, Stuart, Paul, thank you so much for taking  
11 time out of your busy schedules to testify. I  
12 appreciate it. And we have three other witnesses.  
13 I hope to pronounce it correctly, Rossio Loyola.  
14 If I didn't, you can correct me, of course. And  
15 Manitza Silva Farrell [phonetic], if you're still  
16 here and Joseph Rosenberg from the Catholic  
17 Community Relations Council, I'm sorry, Miss  
18 Farrell is from Align, the Alliance for a Greater  
19 New York, and did I pronounce that right, Rossia?  
20 Is that close? Is from Make the Road, New York.  
21 Sure, sure, so, whoever would like to begin,  
22 please do.

23 MR. JOSEPH ROSENBERG: It's  
24 actually, good afternoon. Good afternoon Chairman  
25 Nelson, members of the New York City Council, the

1  
2 Committee on Civil Service and Labor. I'm Joe  
3 Rosenberg, Executive Director of the Catholic  
4 Community Relations Council. We're a not for  
5 profit corporation that represents the archdiocese  
6 of New York and the diocese of Brooklyn and Queens  
7 on local legislative and policy matters for the  
8 City Council and the Mayor's office, the Mayoral  
9 agencies and community boards. I appear before  
10 you this morning in strong support of resolution  
11 5943 calling upon the New York State Senate to  
12 pass legislation raising the minimum wage to \$9.00  
13 per hour and index future automatic increases to  
14 inflation. The State Assembly passed such a  
15 measure several days ago by a vote of 102 to 44  
16 and we applaud the City Council in urging that the  
17 New York State Senate follow suit and pass a  
18 companion bill immediately. Everyone in this  
19 chamber today and everyone throughout our city  
20 knows and has seen the heartbreaking social and  
21 economic consequences that occur when a worker is  
22 unable to provide food, clothing, medicine and  
23 shelter for their family. And it's not just a  
24 human tragedy. It's a societal one as well and  
25 one that can help to be ameliorated with exactly



1  
2 the kind of action that the Council is calling for  
3 today. Many of our residents, especially the  
4 newest immigrants to our city are often on the  
5 doorstep of homelessness and have children who go  
6 hungry. Raising the minimum wage is a humane act  
7 that can help to alleviate their plight. The  
8 current minimum wage in New York is \$7.25 an hour.  
9 This translates to an annual wage for a full time  
10 worker of just over \$15,000 a year, a shockingly  
11 low level. Just imagine trying to support a  
12 family's food, shelter, clothing and health needs  
13 at little over \$1,200 per month. It just cannot  
14 be done. Catholic social teaching is clear on  
15 this subject of work. Work is more than a job it  
16 is a reflection of human dignity. It should be  
17 able to provide an individual with the ability to  
18 provide sustenance for their family on many  
19 levels, not just material, but also socially,  
20 cultural and spiritual. Increasing the minimum  
21 wage ends up being a matter of fairness and  
22 justice. It's a measure that should be embraced  
23 and passed by all legislative bodies in our  
24 government without delay. Accordingly, we  
25 strongly support this resolution and I appreciate

1 the opportunity to testify before you today.

2 Thank you.

3  
4 Good morning. Thank you for giving  
5 me the opportunity to speak to the Committee on  
6 Civil Services and Labor in support of the City  
7 Council's proposed resolution calling on the State  
8 Senate to raise the minimum wage to \$9.00 an hour  
9 and link it to inflation. My Name is Maritza  
10 Silva Farrell. I work for Align, the Alliance for  
11 a Greater New York. We are a non profit labor  
12 community coalition that works to create good jobs  
13 by - - communities and accountable democracy for  
14 all New Yorkers. I first would like to thank the  
15 Chair of the Committee, Council Member Nelson and  
16 his colleagues on the Committee, Council Members  
17 Gennaro, Mark-Viverito, Recchia and Ulrich for  
18 bringing this important issue to the attention to  
19 the residents of New York City. The current state  
20 mandate minimum wage is nearly impossible to live  
21 on in New York City. A full time worker earning  
22 \$7.25 an hour, which is currently the minimum  
23 wage, will basically earn \$15,000 per year. The  
24 poverty line is \$15,130 a year, that's for a  
25 family of two. Therefore, a full time worker

1  
2 earning minimum wage falls below the definition of  
3 poverty and even farther below the self  
4 sufficiency index, which for an adult and child in  
5 New York's least expensive borough, The Bronx, is  
6 still nearly \$50,000 per year. Each day, hundreds  
7 of thousands of New Yorkers face the reality of  
8 working full time and living below the poverty  
9 line. Align wrote a report in September of 2012  
10 titled Poverty in New York City, A Borough by  
11 Borough Analysis of Data from the US Census Bureau  
12 on 2011 the American Community Survey. Some of  
13 our key findings are that extreme poverty, one of  
14 every ten New York City residents lives in extreme  
15 poverty which is defined as 50 percent below the  
16 poverty line. Working poverty, one of every ten  
17 New York City residents that has a full or part  
18 time job still lives below the Federal poverty  
19 line. Economic inequality, during the supposed  
20 recovery from the great recession 93 percent of  
21 the gains were captured by the top one percent in  
22 New York City. The top one percent of New York  
23 City controls 43 percent of the income while the  
24 bottom 20 percent controls just 2.4 percent.  
25 Racial inequality, Latino households earn less

1  
2 than half the income of white households in New  
3 York City. Black households earn just 55 percent  
4 of what white households earn. High growth in low  
5 wage jobs. Low wage jobs are expected to outgrow  
6 nearly all other occupations in New York City over  
7 the new decade. Particularly in healthcare,  
8 childcare, retail and restaurant work. Median  
9 wages for these occupations are only slightly over  
10 the Federal poverty line. This study - - clearly  
11 point to the need to raise the minimum wage. You  
12 will do the most good for the most number of  
13 people. A study by the Economic Policy Institute  
14 show that minimum wage workers who earn \$1.25 more  
15 each hour would spend an additional \$3,500 in the  
16 following year. This is the sort of stimulus the  
17 economic needs, that we looking for. Raising the  
18 minimum wage will help those who need it most and  
19 generally increase economy activity and job  
20 creation in New York City. Thank you, and New  
21 York State too. Thanks.

22 MS. ROSIA LOYOLA: [phonetic]

23 [Spanish language, 41:11 to 42:58] Good afternoon.  
24 My name is Rosia Loyola and I'm a member of Make  
25 the Road, New York. I came from Mexico six years

1  
2 ago seeking a better economic future. I left my  
3 grandmother who cannot work anymore because she's  
4 elderly. I work hard not only to support myself  
5 but also my grandmother who depends completely on  
6 my help. Here in New York I earn the minimum wage  
7 so I know how difficult it is trying to survive on  
8 \$7.25 the hour. Right now I'm working selling  
9 carpets part time. It's not enough to support  
10 myself and my family. I only have enough for  
11 food, rent and utilities. There was absolutely no  
12 money left over and at times I have to choose  
13 between basic necessities such as food or  
14 utilities. My grandmother depends on me and this  
15 is, on me, and the only way I can help her is to  
16 work two jobs. But right now I can only, I'm only  
17 working one job. With a minimum wage of \$7.25 the  
18 hour I don't have enough to survive much less  
19 achieve my dream of owning my own Mexican  
20 restaurant. The minimum wage of \$7.25 is not  
21 enough to live in this state, especially in a city  
22 that is so expensive. So, I'm here today asking  
23 for the Senate to please pass a vote to increase  
24 the minimum wage to \$9.00 plus index so that we  
25 may have a more dignified life and so our children

1 and family members can have a better future.

2 Thank you for your support.

3  
4 COUNCIL MEMBER MARK\_VIVERITO: I  
5 just wanted to add my voice. I mean, I know I've  
6 spoken on this issue but I particularly really  
7 want to commend Council Member Ulrich 'cause he's  
8 been on the right side of some of these workplace  
9 fairness issues. And it's very much appreciated  
10 when we have that type of bipartisan support to  
11 really talk about the dignity of work and being  
12 able to create an environment in which that is  
13 effective. I believe it's inhumane, you know, that  
14 we are, have such a low minimum wage and I think  
15 that it's way overdue that in the State of New  
16 York it's been a conversation that has only  
17 happened twice in the past 20 years is really, you  
18 know, unforgivable. So, I want to thank everyone  
19 that is here to testify and your advocacy as well,  
20 because obviously we've, how, that all has helped  
21 to create a groundswell in which now it has to  
22 become something that happens. I know we've got  
23 the Governor's support but we definitely do need  
24 to have this tied to indexing and it needs to pass  
25 in this session and I'm hoping that all of this

1  
2 resolutions and the mobilizations that are  
3 happening and the press conferences and the  
4 pressure and the calls will get us there. It's  
5 the right thing to do for our economy and it's the  
6 right thing to do for our workers. So, again, I  
7 thank you all for being here and those that  
8 testified before as well. And obviously, I would  
9 be more aligned with the testimony of the \$11.50  
10 an hour but what we have before us is definitely a  
11 resolution that I support. Thank you.

12 CHAIRPERSON NELSON: Thank you,  
13 Council Member. Ready to do this? Well, Council  
14 Member Gennaro, I think we're going to do a little  
15 vote.

16 MR. KEVIN PIN: Kevin Pin,  
17 Committee Clerk. Roll call on the Committee on  
18 Civil Service and Labor. Council Member Nelson?

19 CHAIRPERSON NELSON: Aye.

20 MR. PIN: Gennaro?

21 COUNCIL MEMBER GENNARO: Yes.

22 MR. PIN: Mark-Viverito?

23 COUNCIL MEMBER MARK-VIVERITO: Aye.

24 MR. PIN: Ulrich?

25 COUNCIL MEMBER ULRICH: Mr.

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Chairman, I vote aye.

MR. PIN: By a vote of four in the affirmative, zero in the negative, no abstentions, the item has been adopted and is placed on the Committee report.

CHAIRPERSON NELSON: And we'll hold the vote open for 15 minutes. There are some of our colleagues that are chairing other committee meetings right now. [off mic] Yeah, we'll be in recess 'til that other member votes. [background conversation]

MR. PIN: Recchia? Dominic M. Recchia, Jr.

COUNCIL MEMBER RECCHIA: Aye on all.

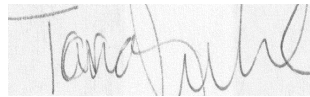
MR. PIN: Final vote on the Committee on Civil Service and Labor, five in the affirmative, zero in the negative, no abstentions. [background conversation]



C E R T I F I C A T E

I, Tara Juhl certify that the foregoing transcript is a true and accurate record of the proceedings. I further certify that I am not related to any of the parties to this action by blood or marriage, and that I am in no way interested in the outcome of this matter.

Signature

A rectangular box containing a handwritten signature in cursive script that reads "Tara Juhl".

Date 3/29/13