

COUNTY DISTRIBUTION OF WASHINGTON'S MINIMUM WAGE JOBS

BRIEFLY

Any increases in the state's minimum wage would be felt in every county to varying degrees, as shown by data from the Washington Employment Security Department.

Washington has the nation's highest statewide minimum wage. Despite that, there are currently several proposals to increase the minimum wage further. Data from the Washington Employment Security Department shows that such increases would be felt in every county to varying degrees. As we will detail in an upcoming policy brief, the increases would fall heavily on the accommodation and food services (restaurants and hotels), retail trade, and agricultural sectors.

Nation's Highest Minimum

Washington's nation-leading minimum wage climbed to \$9.32 per hour in January 2014. The federal minimum wage is currently \$7.25. Washington is one of

seven states that do not have a lower minimum wage for tipped employees, and it is one of 11 states that link their minimum wage to the consumer price index. (For more on the minimum wage, see "[Labor Costs in Washington](#).")

County Data

Based on data from the Washington Employment Security Department, of total full time equivalent (FTE) jobs in the state in 2012, 3.03 percent were at the minimum wage (68,567 FTE jobs). Of the state's minimum wage jobs, 21.9 percent were in King County. Although King County has by far the state's largest number of minimum wage jobs (15,043), only 1.60 percent of the county's jobs are at the minimum wage—that's the second lowest share in the state (after San Juan County). (See charts on page 2.)

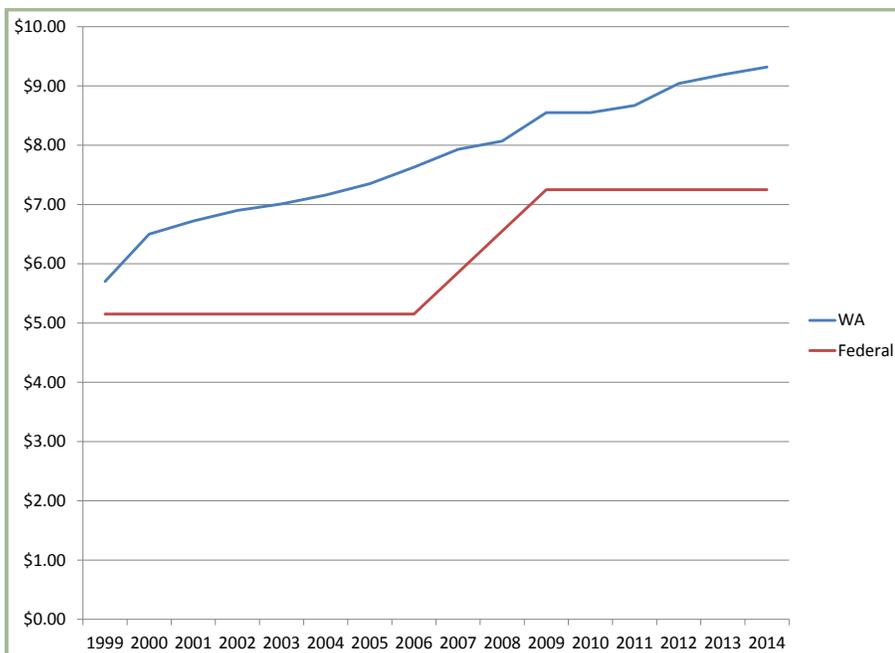
Okanogan County has the highest percentage of minimum wage jobs (8.36 percent) and the 16th highest number of minimum wage jobs. Yakima County is high on both measures: it has the third highest number of minimum wage FTE jobs (5,980) and the second highest percentage (7.30 percent).

Current Proposals

Last year, SeaTac voters approved a \$15 minimum wage (see "[Proposition 1 and the 'Living Wage Movement' in SeaTac: Increasing Unemployment, Decreasing Opportunity](#)").

In Seattle, Mayor Ed Murray created an

Chart 1: Minimum Wage History



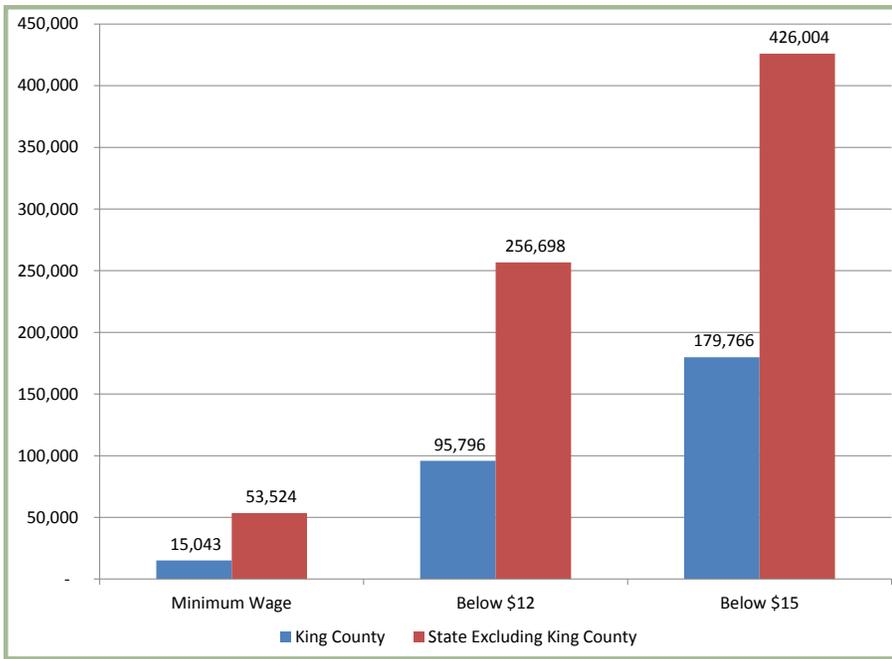


Chart 4: Number of FTE Jobs

“Income Inequality Advisory Committee” made up of individuals from the business and labor communities, along with city councilmembers. He has asked the [committee](#) to come up with “an actionable set of recommendations for increasing the minimum wage within the city of Seattle” (IIAC). Additionally, in January, Mayor Murray signed an [executive order](#)

directing all City Department Directors to prioritize and work in coordination with the City Personnel Department and the City Budget Office to develop a comprehensive implementation plan that ensures a minimum hourly wage of fifteen dollars (\$15) for employees of the City of Seattle. (Murray)

On Jan. 27, the city budget office estimated that doing so would cost about \$1 million. [According](#) to the *Seattle Times*, Mayor Murray “said he would forward legislation to the City Council for approval” (Thompson).

Seattle City Councilwoman Kshama Sawant promotes a \$15 minimum wage for all workers. In the state Legislature, Rep. Jessyn Farrell has introduced a bill ([HB 2672](#)) that would increase the state minimum wage to \$10 per hour in 2015, \$11 per hour in 2016, and \$12 per hour in 2017. After that, the minimum would

be indexed to inflation.

Washington’s minimum wage has been indexed to inflation since voters approved Initiative 688 in 1998; the largest single year increase was 80 cents in 2000. The significant jumps contemplated in current proposals would encompass an increasingly large number of workers, directly increasing mandated wages and potentially leading to wage increases all the way up the chain in order to maintain a wage premium for higher skilled workers.

In King County, 1.60 percent of employment is at the minimum wage, 10.18 percent is under \$12 per hour, and 19.11 percent is under \$15 per hour. In the rest of the state, 4.04 percent of employment is at the minimum wage, 19.4 percent is under \$12 per hour, and 32.2 percent is under \$15 per hour.

Increasing the minimum wage to \$12 or \$15 would substantially increase labor costs, leading to slower employment growth, job losses, restructured business operations and a competitive disadvantage for Washington employers.

References

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- Murray, Edward B. 2014. “[Planning and Implementation of \\$15/hour minimum wage for City Employees](#).” Executive Order 2014-01. January 3.
- Thompson, Lynn. 2014. “[\\$1M price tag tied to paying Seattle city workers \\$15/hr](#).” *Seattle Times*. January 27.
- Washington Research Council (WRC). 2012. “[Labor Costs in Washington](#).” PB 12–21. October 22.
- . 2013. “[Proposition 1 and the ‘Living Wage Movement’ in SeaTac: Increasing Unemployment, Decreasing Opportunity](#).” Special Report. August.