

Dr. Marta Perez, Member

SUBJECT: LIVING WAGE POLICY

COMMITTEE: BUSINESS AND FINANCIAL SERVICES

A number of residents in our community earn a wage that is barely enough for themselves and their families to subsist on the fringes of poverty. A living wage resolution can be adopted by the School Board to insist on private employers to become aware of the needs of these persons who work and should not live in poverty.

The purpose of this initiative is based on the following:

- People who work should not also live in poverty
- South Florida has 43 "Extreme Poverty Census Tracts"; those census tracts where more than 40% of the population lives below the poverty line. In 1980, there were only 22 Extreme Poverty Tracts.
- Low wage industries, including agriculture, retail and tourism make up more than 60% of the jobs in South Florida.
- A minimum wage worker would have to work 105 hours per week to afford a two bedroom rental unit at Fair Market Rent, currently at \$702 per month.
- "Accountability" - Private businesses that receive the benefit of tax dollars often create mostly part-time, unbenefitted poverty wage jobs.

A feasibility study to determine the impact, if any, on District disbursements for personnel goods and services may provide the basis for a Board Rule that may result in much needed raises for low-income workers. While there is no evidence of job losses as a result of living wage initiatives, facts show that even if the costs to contractors do increase, it is still profitable for these firms to do businesses with local governments. Most firms will choose to sacrifice some of their profit margins, which are estimated to range from 10% to 20% of production, since wage increase from a Board rule would only amount to an estimated 2% of production costs.

**ACTION PROPOSED BY
DR. MARTA PEREZ:**

That The School Board of Miami-Dade County, Florida approves a feasibility study that should be completed in four to six months. This feasibility study may ultimately be the basis to develop a Board Rule on the Living Wage Policy