

# Office of Labor Standards (OLS) Jan 2022 Update

Chris Rhode – Management Analyst





# Background

- Passed as Ballot Measure in November 2016
  - Voter Protected
- Goal of \$15 per hour by 2021
  - Phasing out tipped minimum wage by 2026
- Currently \$15.50 per hour
  - \$13.00 per hour for tipped workers
- Future increases tied to Consumer Price Index (CPI)
- State and Federal governments are exempt



# Responsibilities of OLS

- Enforce Title 14 of City Code
  - Publish posters, notices, and other resources for businesses
  - Conduct education & outreach to community
  - Investigate possible wage violations
  - Enforce payment of fines and back wages



# Calculating the Minimum Wage

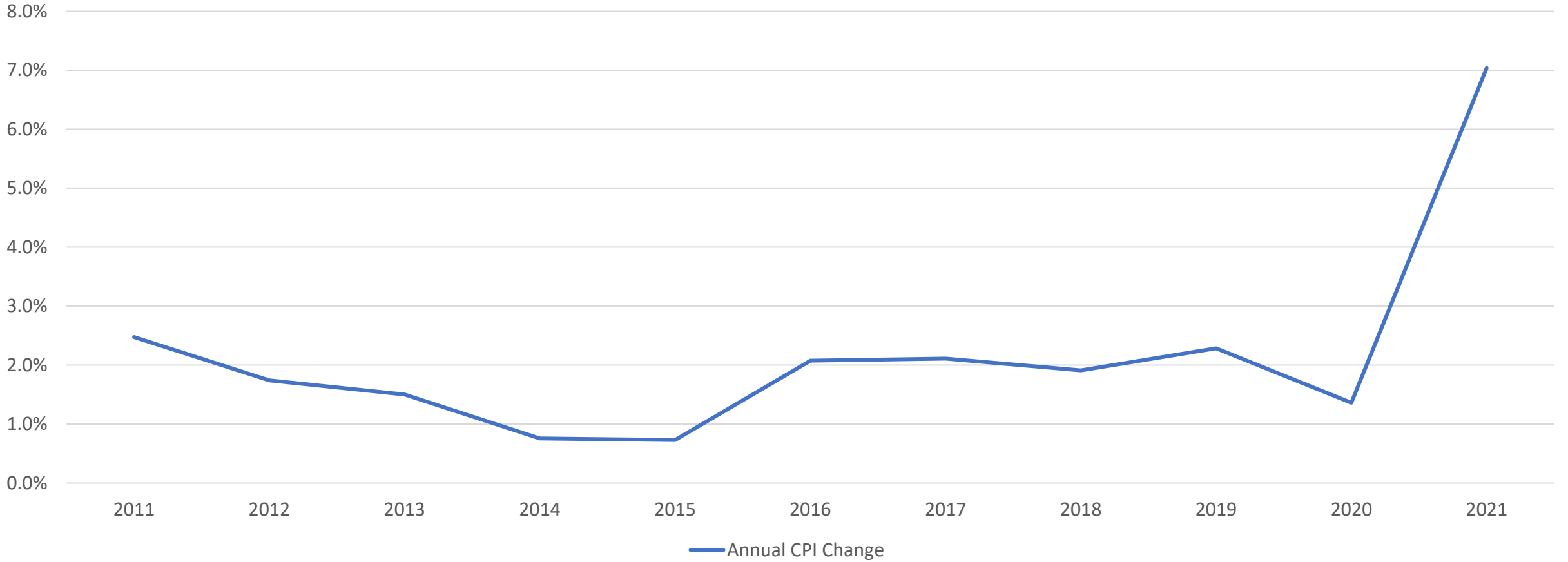
- Percent increase of CPI from previous year
  - All urban consumers, U.S. city average for all items
- Measured in August
- Numbers released in mid-September
- 2023 Min Wage to be announced shortly thereafter



# 10-year Inflation History



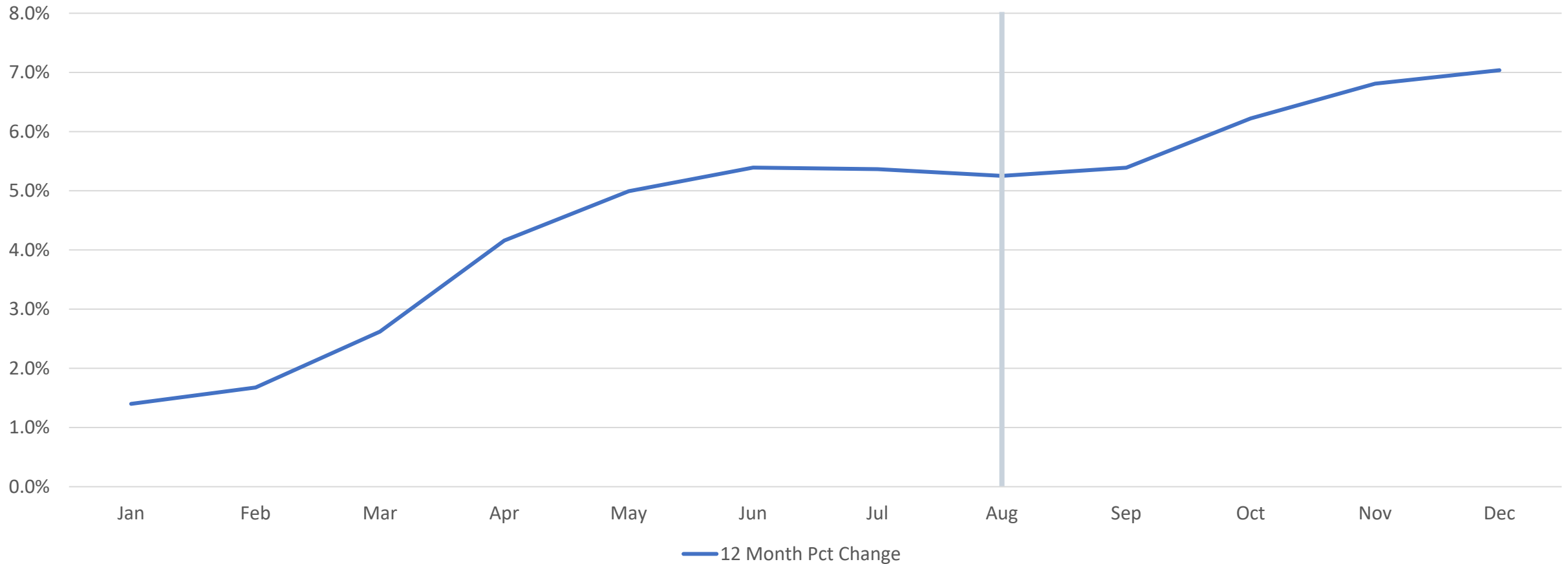
2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
2.5%	1.7%	1.5%	0.8%	0.7%	2.1%	2.1%	1.9%	2.3%	1.4%	7.0%





# Inflation in 2021

Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
1.4%	1.7%	2.6%	4.2%	5.0%	5.4%	5.4%	5.3%	5.4%	6.2%	6.8%	7.0%





# 2023 Minimum Wage

- Heightened inflation began before August
- Aug – Dec Inflation: 1.9%
  - Average: 0.48% per month

12 Month Pct Change	Potential Min Wage
1%	\$ 15.65
2%	\$ 15.80
3%	\$ 15.95
4%	\$ 16.10
5%	\$ 16.30
6%	\$ 16.45
7%	\$ 16.60
8%	\$ 16.75
9%	\$ 16.90
10%	\$ 17.05



# 2021 OLS Cases



- Staff changed in May
- 6 formal cases
  - 1 rolled over from 2020
  - 1 still open
- All concluded cases were resolved without legal action



# 2021 Outreach



- Direct Business Contact
  - Written notice via e-mail and USPS
  - Sent to approximately 3800 licensed businesses
- Social Media
  - Posts in English & Spanish
- Radio
  - Radio ads on 8 local stations in English, Spanish, and Navajo
  - Staff appeared on 4 local news shows
    - KAFF, Big Talker, Yavapai Broadcasting, KNAU



# 2021 OLS Activities



- Changes to Website
  - Reduced from 8 pages to 3
  - Placed updated publications in easy-to-find locations
- Simplified Complaint Declaration Form
  - Removed redundant/unneeded information
  - Improved electronic compatibility



# Future OLS Activities

- Expand Spanish information and resources
  - Complaint Form
  - Website
- Improve Online Filing
  - Update integration with website
  - Allow attachment of more supporting docs
- Prepare for Fall Outreach
  - First CPI-based increase