

# Office of Labor Standards (OLS) 2023 Update

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# Ordinance Background

- Passed as Ballot Measure in November 2016
  - Voter Protected
- Goal of \$15 per hour by 2021
- Currently \$16.80 per hour
  - \$14.80 per hour for tipped workers
  - Tipped Wage phased out in 2026
- Future increases tied to Consumer Price Index (CPI)
- State and Federal governments are exempt



# 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
  - Numbers can be amended without notice for 10 years
- Min Wage for next calendar year announced shortly after

## **Staff Recommendation:**

Add clarification that CPI at time of publication will be used to calculate minimum wage



# Responsibilities of OLS

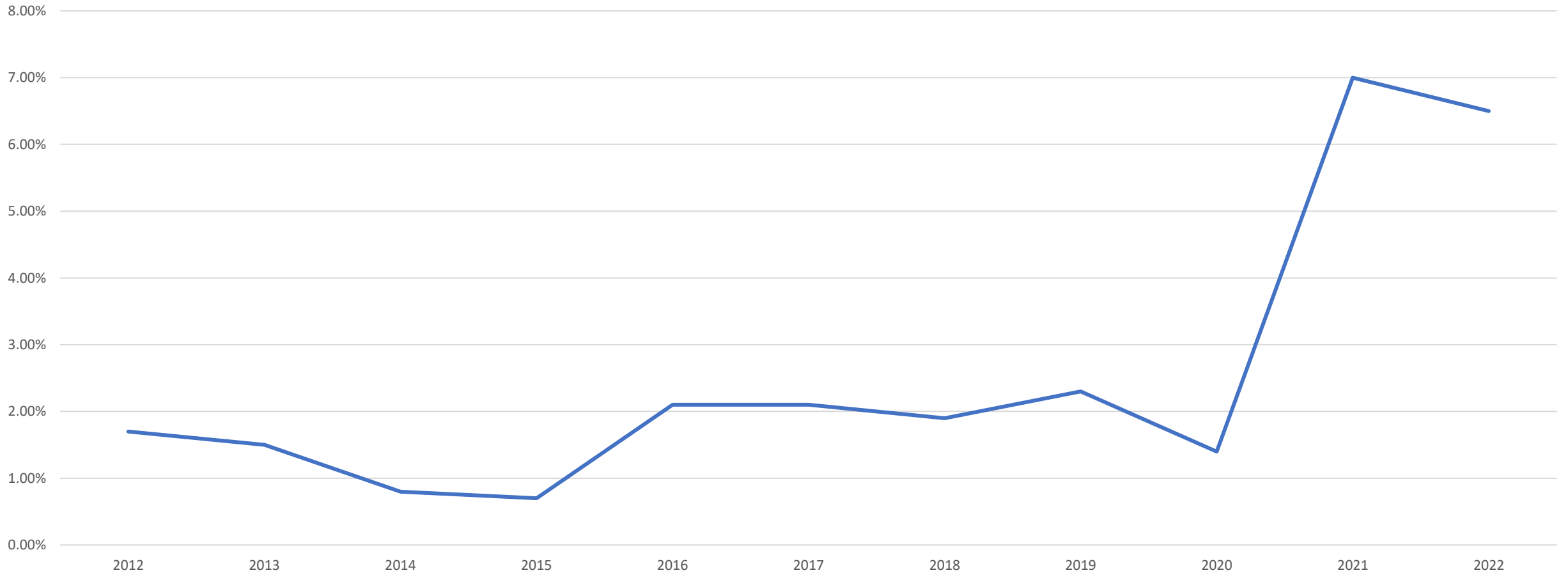
- Enforce Title 14 of City Code
  - Publish posters, notices, and other resources for businesses
  - Conduct education & outreach to community
  - Investigate possible wage violations
  - Enforce payment of fines and back wages



# 10-year Inflation Detail



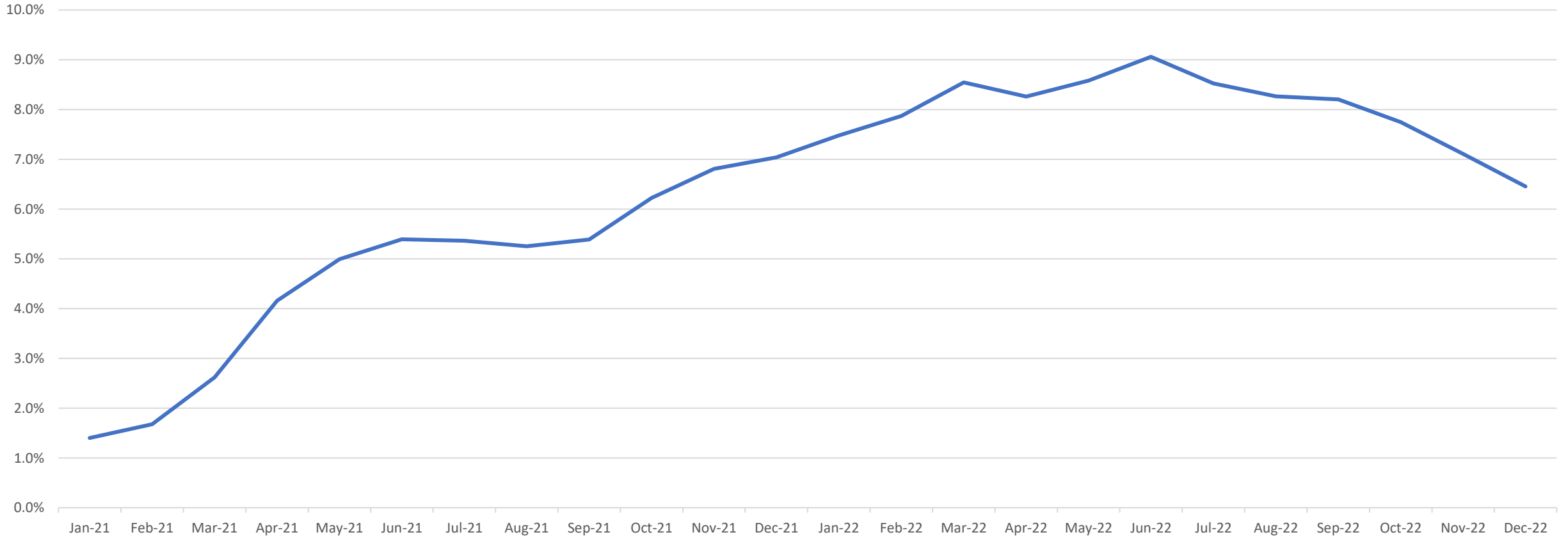
2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
1.7%	1.5%	0.8%	0.7%	2.1%	2.1%	1.9%	2.3%	1.4%	7.0%	6.5%





# 2-year Inflation Detail (Annual)

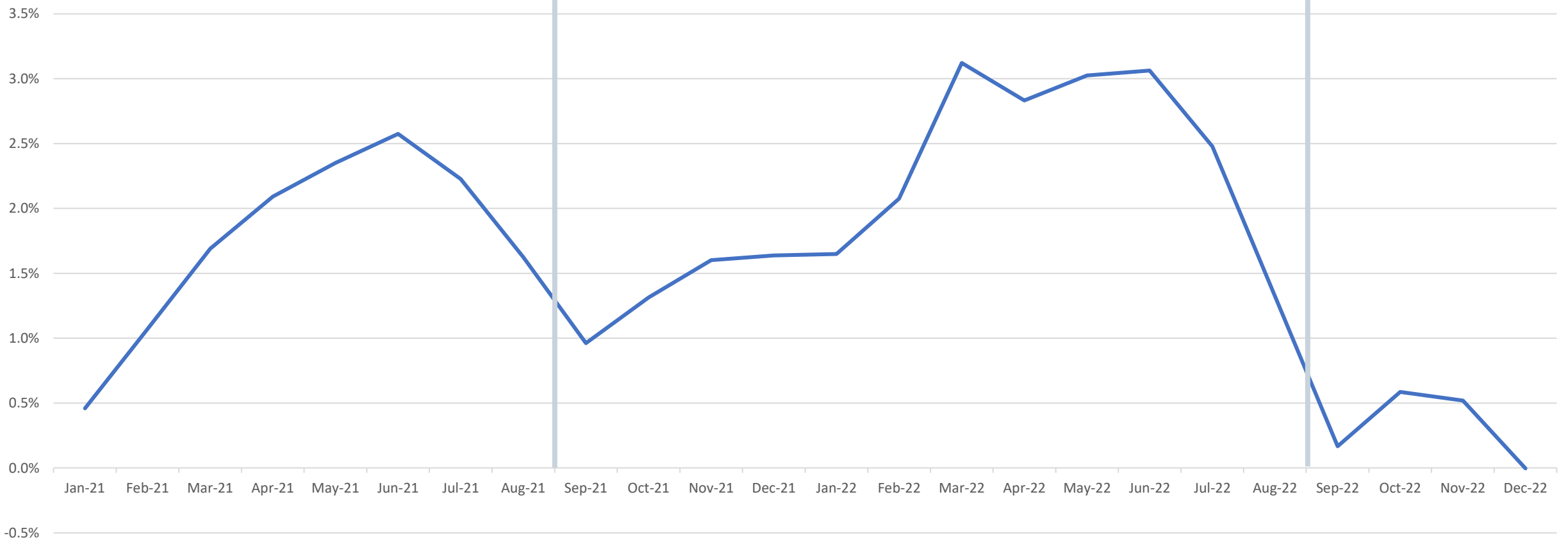
2021												2022											
Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
1.4%	1.7%	2.6%	4.2%	5.0%	5.4%	5.4%	5.3%	5.4%	6.2%	6.8%	7.0%	7.5%	7.9%	8.5%	8.3%	8.6%	9.1%	8.5%	8.3%	8.2%	7.7%	7.1%	6.5%





# 2-year Inflation Detail (3 month)

2021												2022											
Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
0.5%	1.1%	1.7%	2.1%	2.4%	2.6%	2.2%	1.6%	1.0%	1.3%	1.6%	1.6%	1.6%	2.1%	3.1%	2.8%	3.0%	3.1%	2.5%	1.3%	0.2%	0.6%	0.5%	0.0%





# 2024 Minimum Wage

- Significantly reduced inflation since Sept 2022
- Current CPI: 6.4% (Jan)
- Aug – Jan Inflation: 1.0%
  - Average: 0.2% per month
  - 12-Month Pace: 2.4%
- 1 Year Ago:
  - Aug – Dec Inflation: 1.9%
  - Average: 0.48% per month

12 Month Pct Change	Potential Min Wage
1%	\$ 16.95
2%	\$ 17.15
3%	\$ 17.30
4%	\$ 17.45
5%	\$ 17.65
6%	\$ 17.80
7%	\$ 18.00
8%	\$ 18.15
9%	\$ 18.30
10%	\$ 18.50



# 2022 OLS Cases



- 3 formal cases
  - Substantiated allegations made by 2 filers
  - Recovered \$1205.17 on behalf of filers



# 2022 Outreach



- Direct Business Contact
  - Written notice via e-mail and USPS
    - Sent to approximately 3800 licensed businesses
  - Met with & Presented to 4 local business organization
- Social Media
  - Posts in English & Spanish
- Radio
  - Radio ads on 11 local stations in English, Spanish, and Navajo
- Print
  - Print ads in three local publications in English & Spanish



# 2022 and Future OLS Activities

- Improved accessibility of Complaint Declaration Form
  - Made all versions bi-lingual
  - Electronic form is accessible to visually impaired
- Aggregated data on all OLS cases
- Established new connections with local organizations
- Will seek more contact with groups representing employees
  - Would like to have presence at more events & job fairs