

Minimum Wage Survey November 2, 2015

The city of Sunnyvale's current minimum wage rate is \$10.30 per hour with annual increases based on the Consumer Price Index (CPI). The State of California's minimum wage is currently \$9.00 per hour and is scheduled to increase to \$10.00 per hour on January 1, 2016. Staff is currently exploring the following potential approach to raise the minimum wage to \$15 per hour by 2018:

Proposed Effective Date	Proposed Minimum Wage Rate
7/1/2016	\$12.00
7/1/2017	\$13.50
7/1/2018	\$15.00
July 1 Each Following Year	CPI Increase

Staff would like hear from you regarding the above approach.

Responses: 46

Which of these do you most closely identify with?

		Response Percent	Response Count
Sunnyvale business owner	<input type="checkbox"/>	34.8%	16
Sunnyvale resident	<input type="checkbox"/>	39.1%	18
Sunnyvale business employee	<input type="checkbox"/>	4.3%	2
Other	<input type="checkbox"/>	21.7%	10

How many minimum wage employees do you currently employ in Sunnyvale?

		Response Percent	Response Count
0	<input type="checkbox"/>	29.4%	5
1-5	<input type="checkbox"/>	17.6%	3
6-10	<input type="checkbox"/>	23.5%	4
11-15	<input type="checkbox"/>	17.6%	3
26+	<input type="checkbox"/>	11.8%	2

If the proposal is adopted, how would it impact your business? (check all that apply)

	Response Percent	Response Count
I pay my workers more than the current minimum wage.	<input type="checkbox"/> 29.4%	5
I would have to raise wages of my non-minimum wage workers.	<input type="checkbox"/> 35.3%	6
I would lay off workers.	<input type="checkbox"/> 35.3%	6
I would delay future hiring.	<input type="checkbox"/> 52.9%	9
I would cut back on workers' hours to adjust for new wage.	<input type="checkbox"/> 47.1%	8
I may move my business out of Sunnyvale.	<input type="checkbox"/> 41.2%	7
I wouldn't open another business/location in Sunnyvale.	<input type="checkbox"/> 52.9%	9
Other	<input type="checkbox"/> 29.4%	5

Do you operate a business in Sunnyvale and other cities?

	Response Percent	Response Count
Yes <input type="checkbox"/>	70.6%	12
No <input type="checkbox"/>	29.4%	5

If you operate a business in other cities, where?

Answered – 6: Skipped - 40

- entire bay area fremont san jose hayward oakland sfo peninsula east bay
- company is incorporated in New york but all primary operations are in Sunnyvale including manufacturing
- San Jose
- Mountain View Los Altos, Milpitas and more
- Santa Clara, San Jose, Morgan Hill
- Santa Clara

Please indicate your business sector:

	<input type="checkbox"/>	Response Percent	Response Count
Food/Entertainment	<input type="checkbox"/>	36.8%	7
Financial Services/Insurance	<input type="checkbox"/>	10.5%	2
Medicine/Hospital	<input type="checkbox"/>	5.3%	1
Retail	<input type="checkbox"/>	10.5%	2
Technology/R&D	<input type="checkbox"/>	21.1%	4
Other	<input type="checkbox"/>	15.8%	3

Do you support the City of Sunnyvale's goal to increase the minimum wage to \$15 by 2018 using the proposed schedule?

	<input type="checkbox"/>	Response Percent	Response Count
Yes	<input type="checkbox"/>	43.5%	20
No	<input type="checkbox"/>	56.5%	26

If you answered "No" in the previous question about increasing the minimum wage, please explain.**Answered – 26: Skipped - 20**

- It is unnecessary and will increase the cost of living.
- We already have robots serving food in SF - why reduce jobs
- A minimum wage discourages entry level, on-the-job training by employers, especially for younger, unskilled workers. This leads to long-term unemployment or employment in unregulated businesses such as illegal drug dealing.
- It appears the council wants to sound like they are helping the poor. It only creates problems for business and the youth
- Not the city's right or business to regulate free enterprise system and interfere with commerce. Well-intentioned, but misdirected, ineffective and will cripple some industries. Watch what has already happenend in socialist seattle. don't repeat mistakes of other lib cities. deliver services taxpayers are deserving of and quit social engineering with OPM
- Let the marketplace drive wages, its fair and competitive and allows small business to stay in business
- Raising the minimum wage creates unemployment and disrupts wages well above the \$15 minimum.
- we currently pay a min of \$11 to trainees and secondary household wage earners without experience
- should be more closely aligned with the federal minimum with a fair adjustment.
- Hurts low end workers. Encourages automation, job loss.
- The Government should not interfere with the free market

If you answered "No" in the previous question about increasing the minimum wage, please explain. (comments continued)

- This will decrease the number of available jobs and place a burden on every business (especially small businesses).
- With 50% increase in salary, what our bottom line number will be?
- Our small business has small profit margin now. By increasing 50% minimum wage, we are not able to survive. It doesn't make sense for me to keep the business.
- The added expense would likely drive me out of business
- The wage increase will most likely erode our profits. No profits, no business
- small businesses will be negatively impacted and forced to close their business
- \$15 /hour for entry level workers is excessive and makes it difficult to sustain a viable business in Sunnyvale.
- A minimum wage should never be considered a 'sustainable' or 'living' wage. It is a starting wage to positions that over time will develop in both responsibility and pay. Frankly the \$10.30 minimum wage is too high to pay a first time job holder with no experience. Perhaps years of experience needs to be developed into the formula. We would support a first year on the job starting wage, followed by a second-fifth, followed by a 6-10, etc. A person becomes more valuable and hence would earn more when that value is appreciated.
- The current proposal raises the minimum wage very quickly. A more palatable proposal would be to raise the minimum wage by CPI+2% every year until it reaches the minimum wage of surrounding cities, and then raise it by CPI.
- This is totally inadequate.
- I don't think it's the government's role to determine the minimum wage. I think that is something that the market should dictate. Businesses will never take on the added cost of raising the minimum wage, they will just pass it on to the consumer and prices will rise.
- Because it's ineffective, and it impacts the least advantaged people the most, by reducing the number of unskilled jobs. This is a terrible idea.
- Restaurants cannot afford to stay open with such increases. We just raised twice in the last 2 years and it is making it hard to staff already. This increase also effects the workers comp, payroll tax etc owner have to pay to run the business
- The main purpose for the minimum wage increase is for a better cost of living for the employees but will this really make it better? What will end up happening is that as soon as the minimum wage increases, so will everything else. What will be the result? Everything will be more expensive and the employees will be in the exact same situation they were before the wage increase....struggling.
- Why should a third party (government) intervene in a 2-party contract between employer and employee??!!

If the City of Sunnyvale adopts the proposal to reach a minimum wage of \$15 per hour by 2018, do you support annual increases after 2018 based on increases to the Consumer Price Index?

	Response Percent	Response Count
Yes <input type="checkbox"/>	37.8%	17
No <input type="checkbox"/>	62.2%	28

If you answered "No" in the previous question about increasing the minimum wage after 2018 based on the Consumer Price Index, please explain.

Answered – 25: Skipped - 21

- parallel the federal rules
- Let's not focus on being a magnet for minimum wage jobs - how about looking to create incentives for teachers/DPS to live in the communities they serve
- The real (inflation adjusted) minimum wage should be allowed to fall to encourage job training by employers and reduce teen unemployment rates.
- See above.
- the market decides fair compensation. i have paid my staff well above minimum wage for over 30 years.
- same response - let the market drive, you can't predict the future of the economy
- Let the market set wages.
- I believe the city has good intentions but market should determine wages based on value added by employee education and many other factors , not just making people more comfortable
- Let workers and employers decide.
- Raising the minimum wage hurts people and businesses
- The City Councilors are not economists, and should not be pandering to a specific political movement by sticking their fingers into how businesses operate; this is local government at its worst, making "feel good" decisions purely to get re-elected, meanwhile making overall life *worse* for their town.
- We are a retail store, unlike high tech companies, we have very small profit. Increasing 50% minimum wage would not impact companies like Google, Yahoo, but it will have huge cost impact on small business owners like us.
- Business growth doesn't match the CPI
- Annual minimum wage increases are extremely dangerous to the local community
- small business cannot afford such a high minimum wage
- All wage increases should be left to businesses to decide. It should depend on how good the worker performs.

If you answered "No" in the previous question about increasing the minimum wage after 2018 based on the Consumer Price Index, please explain. (Comments continued)

- It's a horrible policy that has no basis of support to encourage employers to hire the first time wage earner or younger employee who has no experience at all. It will force business to fundamentally raise prices annually, increasing the cost of living and voiding the purpose of trying to increase disposable income of persons in general. If you're not paid well, leave the company. If you want to earn more money, educate yourself to become invaluable to the business. If you think you can do it better and pay people more in doing it (whatever 'it' is) then do what it takes to open a competing business and beat them at their own game.
- Nearly doubling the minimum wage in three years seems very aggressive. Rather, it seems to make more sense to start with more gradual increases.
- By 2018 the minimum wage should be at least \$17
- While I cannot say that I support increases after 2018, I do not currently oppose them either. I think the issue needs to be evaluated again before further action.
- I think wages should be determined by the business paying the wage. If the city raises it to \$15 per hour, the consumer price index will not correctly reflect what the cost of goods and services should be.
- Because it's a stupid idea to begin with. Why compound the stupidity with more stupidity?
- The cost of living will increase as soon as the minimum wage increases.
- Continually changing the CPI is a problem for managing the business. If you want to review it every couple of years, do that. Mandating pennies here and there is a waste of time.
- Government can mandate that an employer pay a given wage, but cannot mandate that the worker is producing value at that rate, or even that the specific job is worth that much per hour.

Do you have any additional comments?

Answered – 31: Skipped - 15

- cut taxes and fees instead of increasing them each year
- Perhaps there should be a reduced rate for hiring youth.
- None of this addresses the problem of retired people on fixed incomes, many of whom are long term residents, who are being priced out of their homes by the inexorable 10% annual rent increases. What Sunnyvale really needs is rent control.
- A minimum wage sounds like a good idea but there should be exceptions for the first year(s) on a new job, young unskilled workers, disabled workers, and others who will suffer a lifetime of underemployment as a result of good intentions.
- Minimum wage is not supposed to support a family. Rent control or incentives for business will increase the work force and make Sunnyvale livable

Do you have any additional comments? (comments continued)

- Please raise the minimum wage! It increases the amount of money low income and part time workers can spend in the community. Most low-wage workers are not teens on summer vacation and the extra dollar helps put food on the table and helps to afford rent.
- Improper, wrong to mandate, and why many businesses are leaving this state.
- These huge minimum wage increases are killing small businesses and it doesn't just effect the city that initiates it, it effects all the cities around it too.
- In addition to increased unemployment and disruption for many workers, Sunnyvale would be at a disadvantage to surrounding communities with lower minimum wages. Commuting would also increase due to the higher wage scale. Small business who could not automate would move or close. Sunnyvale should focus on attracting enterprises requiring higher skills, and building NON-subsidized affordable housing. Study the impact that is already happening in Seattle before harming Sunnyvale's economy in this way.
- take a more reasonable approach and keep it tied to Fed Min Wage plus 10-20 percent max
- Minimum wage is primarily meant for lower education, first start, less skilled workers. Forcing small business to move to another city or shut down as expenses becoming increasingly high, and margins are small.
- Use gov't power to deter hiring of illegals so our kids and disadvantaged youths can get starter jobs.
- Don't stick your nose in this. After "Measure C" we've had more gun deaths. After the minimum wage increase, we'll have fewer jobs.
- I demand City of Sunnyvale to send out letter to Sunnyvale's residential stated clearly that with 50% increase in minimum salary will effect all consumers, because YOU will have to pay at least 25% higher than you are paying now or you have to do your business with neighbor City where the cost still affordable. I'm curious to see how people will react to your letter. Don't scamming the working class people with higher salary, come on - being honest, the increase will trigger the living cost increase way higher than people can expected.
- Re-examine the question after 2018. Note that \$15 is pretty close to inflation-corrected from e.g. 1977, \$3.25/hour if I recall.
- Let the Market determine competitive wages, not Government!
- We invest in the local community by creating jobs. However, job creation is becoming a risky investment
- ultimately the public/customer will have to pay for the increase. the end products which are purchased by the customers will be impacted. how will the customers pay for this increase? they will expect and need increased wages as well, where does it end? Let the market decide, not Government.

Do you have any additional comments? (comments continued)

- This increase in wage will simply require a higher fee for service in our business. There should be a clarity of difference for what is a minimum wage or starting wage for a first time job holder - regardless of age - to that of an experienced person on the same job for a defined period of time - to the 'living wage' that \$15 or even higher doesn't even accomplish in this area. At no time in the history of the world has a society ever taxed itself to prosperity and that's essentially what you are doing when you devalue a persons education in lieu of standardized wages across all industries when the abuses are really about a few industries or employers and people in general are discouraged from personal and professional enhancement.
- I think the city should be on par with the county's living wage.
- I think people should be empowered to reach for greater heights. If they want higher pay, go out and earn it, work hard for it. Don't just give someone a handout, you're not helping them at all by doing that.
- Wages are largely a factor of supply and demand. If you really want to do something about the current low wages for unskilled labor, do something about the oversupply of unskilled laborers.
- People who work hard and play by the rules should not have to live in poverty and struggle to feed their families.
- You will run restaurants out of Sunnyvale. We are already getting hit with insurances, and absorbed two increases in the last two years. I will stop hiring, shorten hours and not extend employment to others
- I feel that this is something that really needs to be thought out. Will it really improve the cost of living in the long run? What is going to happen to the small businesses that are struggling to keep afloat as it is? They will be forced with not just having to increase their employees wages but at the same time, prepare themselves for the increase in everything else.
- The minimum wage has fallen in value compared to the rising cost of living here. It is only fair to raise the wage as so many cities in the Bay Area have. It is a shame that low-income cities like Oakland now have a higher minimum than Sunnyvale. I LOVE Sunnyvale's downtown restaurant area, but will avoid it in favor of cities like Mountain View that treat their restaurant workers well, if Sunnyvale does not go to \$15/hour. Please raise your wage. I want to continue dining in Sunnyvale!
- I'll avoid shopping in Sunnyvale if you don't raise the wage. I will ONLY support cities that raise the wage to \$15 with my shopping and dining dollars.

Do you have any additional comments? (comments continued)

- Education to the community that shops at our business is required. When prices go up, and they will go up significantly, customers need to know why and not complain. You, the mandating body, needs to educate the community. No one is doing this. Almost 50% of my business expense is payroll. Also, why stop at \$15? What makes \$15 a livable wage...it is not. The only difference is, who can handle the issues that will occur when the wage keeps increasing, as do the consumer prices? It's great to vote for this at the ballot box, but the same people need to vote for this with their wallets at the businesses.
- I believe that the minimum wage should be raised to \$15.00 per hour right now
- Please, Sunnyvale, do not add to this lunacy sweeping our region.
- For regional consistency, adopting Mountain View's recently approved schedule to achieve \$15 by 2018 is even better. People at the low end of the pay scale deserve a fair wage for their hard work, so they can support themselves and their families.