



## Ideas Changing the World

### Seattle's Proposed Minimum Wage Killing Jobs

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Seattle's proposed \$15 minimum wage has yet to pass, but it is already hurting the labor market, according to the Washington Policy Center.

A proposal to raise Seattle's minimum wage up to \$15 is controversial, and while the measure has not passed, small businesses are panicked. Many businesses are holding off on expanding or hiring additional workers, while those who want to start new businesses have postponed their plans.

- Northwest Caster and Equipment has spent decades operating in Seattle. But recently, the business announced plans to move outside of the city. According to the owner, "It just seems like increasingly the city's become a more difficult place to do business," specifically citing the \$15 wage proposal.
- According to reports from local radio station KUOW, multiple business owners are delaying expansion plans.
- Jody Hall, small business owner of Cupcake Royale, initially supported the \$15 wage increase. However, her feelings have changed, saying that the proposal is "keeping me up at night like nothing ever has."

The mayor of Seattle proposes to phase in the \$15 increase, spreading it out over seven years. However, when they head to the ballot box in November, voters may face a ballot measure that would require all large employers to begin paying \$15 next year. Small business owners would have just three years to adjust to the new wage. Jody Hall says that she would be forced to close half of her seven business locations if the proposal passes, in addition to firing 50 of her 100 employees.

While a study, commissioned by Seattle's mayor Ed Murray and the City Council last year, predicted that the \$15 wage would reduce poverty and help workers, the study did not even examine the proposal's impact on employment. As movement within the Seattle business community indicates, the wage increase will hurt jobs, curb growth and send businesses to neighboring cities.