

Committee on Labor and Civil Service
June 8, 2016

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COUNCIL OF THE CITY OF PHILADELPHIA
COMMITTEE ON LABOR AND CIVIL SERVICE

Room 400, City Hall
Philadelphia, Pennsylvania
Wednesday, June 8, 2016
12:20 p.m.

PRESENT:

COUNCILWOMAN CHERELLE L. PARKER, CHAIR
COUNCILMAN BOBBY HENON
COUNCILWOMAN MARIA D. QUINONES-SANCHEZ
COUNCILMAN AL TAUBENBERGER

BILL 160278 - An ordinance amending Section
17-1305 of The Philadelphia Code, entitled
"Compensation Required to be Paid to
Employees," to revise the compensation and
benefits required to be provided in connection
with application of the Philadelphia 21st
Century Minimum Wage Standard...

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2 COUNCILWOMAN PARKER: Good
3 morning. This hearing is called to
4 order. This is the public hearing of the
5 City Council Committee on Labor and Civil
6 Service. The purpose of this public
7 hearing is to hear testimony on Bill No.
8 160278.

9 I recognize the presence of a
10 quorum of Committee members. Members of
11 the Committee in attendance are, to my
12 left, Councilman Taubenberger,
13 Councilwoman Sanchez, and Councilman
14 Henon.

15 We also have several other
16 Councilmembers. There's a concurring
17 meeting taking place as we speak, so when
18 you see other members of the Committee
19 come in, you know they are coming from
20 another meeting that is currently being
21 held.

22 Let me just ask for the record,
23 are there any comments or opening remarks
24 that members of the Committee would like
25 to make at this time?

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2 (No response.)

3 COUNCILWOMAN PARKER: There
4 being none, the Clerk will now read the
5 title of the bill being considered today.

6 THE CLERK: An ordinance
7 amending Section 17-1305 of The
8 Philadelphia Code, entitled "Compensation
9 Required to be Paid to Employees," to
10 revise the compensation and benefits
11 required to be provided in connection
12 with the application of the Philadelphia
13 21st Century Minimum Wage Standard, all
14 under certain terms and conditions.

15 COUNCILWOMAN PARKER: Thank
16 you.

17 Let me just, from a background
18 perspective, provide a brief summary for
19 the benefit of the public. This bill
20 adds one phrase to the 21st Minimum Wage
21 Ordinance, "provided that the minimum
22 wage shall not be less than the previous
23 year's minimum wage."

24 During the previous
25 Administration, an Executive Order was

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2 issued and the terms of the living wage
3 to include a CPI adjustment and a \$12
4 floor. However, the Executive Order only
5 applied to the first tier of
6 subcontractors, and former Councilman
7 Wilson Goode, now senior member of our
8 technical staff, authored legislation to
9 extend the living wage to all tiers of
10 subs. Unfortunately, at the public
11 hearing on this bill, there was a
12 question asked pertaining to the living
13 wage, and the question was simply, Could
14 the living wage ever go down if the CPI
15 went down, and the answer that the
16 Council received was no. Unfortunately,
17 as of January 2016, we found out that the
18 answer to the question was actually yes
19 and the minimum wage went down to \$11.94
20 due to a drop in the CPI. And so this
21 legislation is to ensure that the minimum
22 wage will never go down if the CPI goes
23 down.

24 With that being said, will the
25 Clerk call up the first witness to

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2 testify.

3 THE CLERK: Richard Lazer.

4 (Witness approached witness
5 table.)

6 COUNCILWOMAN PARKER: Good
7 morning.

8 DEPUTY MAYOR LAZER: Good
9 morning.

10 COUNCILWOMAN PARKER: Can you
11 please state your name for the record and
12 then proceed with your testimony.

13 DEPUTY MAYOR LAZER: Sure.
14 Richard Lazer, Deputy Mayor for Labor.

15 Good afternoon, Chairwoman
16 Parker and members of the Committee. My
17 name is Richard Lazer and I am Deputy
18 Mayor for Labor. Thank you for the
19 opportunity to appear before you today to
20 testify in support of Bill No. 160278.

21 I would like to begin by
22 thanking the Chairwoman for authoring
23 this bill. Bill No. 160278 corrects a
24 technical flaw in the language of Chapter
25 17-1300 of The Philadelphia Code,

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2 "Philadelphia 21st Century Minimum Wage
3 Standard," which under a specific set of
4 circumstances could expose workers on
5 contracts covered by this ordinance to a
6 wage decrease.

7 Currently, the minimum wage
8 standard is annually adjusted based on
9 changes in the Consumer Price Index,
10 without accommodation for maintaining the
11 living wage if the CPI goes down. This
12 means a negative inflation rate could
13 actually lower the minimum wage. Bill
14 No. 160278 adds new language to Chapter
15 17-1300, which provides that regardless
16 of the annual CPI calculation, the
17 minimum wage standard shall not be less
18 than the previous year's minimum wage.
19 This is just one example of Chairwoman
20 Parker's leadership on issues of economic
21 security, like, for example, Resolution
22 160105, which will shed light on the
23 state of retirement security both in the
24 public and private sectors in
25 Philadelphia.

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2 The Administration strongly
3 supports Bill No. 160278 and thanks the
4 Chairwoman for her continued leadership
5 on this matter.

6 I would be happy to answer any
7 questions at this time.

8 COUNCILWOMAN PARKER: Thank
9 you, Mr. Lazer.

10 Are there any questions or
11 comments from members of the Committee?
12 And I do have to state for the record
13 that while Councilman Taubenberger and I
14 are newer members of this body, both
15 Councilwoman Sanchez, along with
16 Councilman Henon, you all were here and
17 present during this discussion and I know
18 echoed the sentiments of Councilman
19 Wilson Goode during that time.

20 So any comments or anything you
21 want to make for the record?

22 (No response.)

23 COUNCILWOMAN PARKER: Okay.

24 Thank you.

25 Is there anyone else here to

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2 testify on this bill?

3 (No response.)

4 COUNCILWOMAN PARKER: Hearing
5 none, this concludes the public hearing.
6 And thank you, Mr. Lazer, again for your
7 testimony and the Administration. We
8 appreciate your support of this very
9 important legislation.

10 DEPUTY MAYOR LAZER: Thank you,
11 Councilwoman.

12 COUNCILWOMAN PARKER: This
13 concludes the public hearing. We will
14 now go into a public meeting to consider
15 the action to be taken on the bill heard
16 today.

17 The public meeting and motions
18 for Bill No. 160278, the Chair
19 recognizes -- and we want to call our
20 public meeting to order, and present is
21 Councilman Taubenberger, members Henon,
22 along with Sanchez, and the Chair
23 recognizes Councilwoman Sanchez for a
24 motion on Bill No. 160278.

25 COUNCILWOMAN SANCHEZ: Thank

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2 you, Madam Chair. I move that Bill
3 160278 be moved out of this Committee
4 with a favorable recommendation and
5 further move that the rules of Council be
6 suspended to permit first reading at our
7 next Council session.

8 (Duly seconded.)

9 COUNCILWOMAN PARKER: It's been
10 moved and properly seconded that Bill No.
11 160278 be reported from this Committee
12 with a favorable recommendation and
13 further moved that the rules of Council
14 be suspended to permit first reading of
15 this bill at the next session of Council.

16 All those in favor of the
17 motion will signify by saying aye.

18 (Aye.)

19 COUNCILWOMAN PARKER: Those
20 opposed?

21 (No response.)

22 COUNCILWOMAN PARKER: The ayes
23 have it. The motion carries. Bill No.
24 160278 will be reported from this
25 Committee with a favorable

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2 recommendation, with a request that the
3 rules of Council be suspended to permit
4 first reading at the next session of
5 Council.

6 This concludes the business of
7 the Committee on Labor and Civil Service
8 for today.

9 Thank you all so very much for
10 your attendance.

11 (Committee on Labor and Civil
12 Service concluded at 12:25 p.m.)

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CERTIFICATE

I HEREBY CERTIFY that the
proceedings, evidence and objections are
contained fully and accurately in the
stenographic notes taken by me upon the
foregoing matter, and that this is a true and
correct transcript of same.

MICHELE L. MURPHY
RPR-Notary Public

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