



December 4, 2006

Dear All:

Attached you will find the complete set of recommendations that has been received from the community so far. You have worked very hard to create these solutions to address poverty in our community and to improve the quality of life for all Athenians. Thank you for your work!

There are over 100 recommendations addressing a variety of issues including Education, Early Learning, Dependent Care, the Economy, Housing, Health, Workforce, Mentoring, Service Providers, Transportation, and Adult Education.

Your participation and recommendations have made several things very clear. First, poverty affects all of us. It reflects negatively on our community and limits economic growth. Poverty makes government, education, health care, and social services more expensive not just for the poor, but for everyone.

As a community we have learned that the issues of poverty are interrelated and must be addressed with a holistic approach. High expectations must be maintained not only of our citizens, but also of our institutions. Business as usual is not working. To break the cycle of poverty we need innovation and creativity.

During the next two months we will continue working with the committee chairs and Steering Committee to research and refine the recommendations. The Steering Committee will agree upon the set of PPA recommendations at its retreat in February. These PPA recommendations will be posted on the web and discussed with you at Town Meetings in March prior to them being sent to the Co-Conveners for their approval. Your continued involvement is critical to ultimate success.

Thank you for your commitment to our community!

Sincerely,
Steve Jones, Chairman
Partners For A Prosperous Athens

COMMITTEE RECOMMENDATION WORKSHEET
The Initiative to Raise Wages and Benefits at the University of Georgia

PREFACE

The founding principle of Partners for a Prosperous Athens (PPA) bears repeating: that we, as Athenians, seek the elimination of our city's poverty. The various committees of PPA have thoughtfully explored the nature of poverty in this community. This Subcommittee has come to accept a definition offered by Father John Ryan in 1906: poverty is synonymous with "living below the living wage." While the elimination of poverty invites a number of peripheral discussions, the most simple observation is the most significant; that is, nearly 1 in 3 Athenians lack the necessary income to support him/herself.

Athens' economy is marked by an unusual pairing of phenomena---high poverty and high employment. Athens-Clarke County consistently ranks among the poorest counties in the United States. Unemployment, though, cannot be blamed for the unusually high poverty rate. In fact, Athens consistently posts impressive employment figures, with local unemployment commonly two full points below the national average.

With consistently high levels of employment, if poverty is to be remedied the community must confront the unique economic challenges associated with a "college town" economy. As the largest employer in the community, the University of Georgia dramatically affects the local economy by serving as a wage-setting actor in the economy. Economists note that the employer-size wage premium dictates that an economy's largest employer marks the upper end of the wage continuum. In Athens, this means that the university sets a wage ceiling, effectively depressing wages because of the low wages paid to many of its hourly workers. In addition, the university-dominated economy tends to favor the retail, food, and service sectors, all of which involve low-wage jobs.

Poverty is certainly a multi-faceted problem. At a fundamental level, though, it is an income problem: people in poverty have too little money. This is certainly the case in Athens where the poor are predominantly employed but are not paid a wage sufficient for sustaining themselves or their families. Unless we address the fact that the poor in our "college town" economy are the working poor, the cycle of poverty will not and cannot be broken.

A substantial body of empirical, statistical, and anecdotal evidence points to one realistic remedy: higher wages. Clearly, providing a living wage is a tall order and will require a major commitment by all members and institutions of the community, especially the University of Georgia and the other major employers. Whether or not to pay a living wage to all workers is an important policy issue, involving a wide range of deeply held positions. But interest groups, citizens, and decision-makers will need to look beyond perceived self-interest and consider the larger common good of the community. The poverty issue we confront, then, poses an important moral question: What kind of community do we want Athens to be? What kind of a community do we want to live in?

The following proposals are intended to help the working poor, and we believe that our community values fairness, especially for the hard-working, less fortunate among us.

I. List the Learning(s) that this recommendation is addressing

- a) The University of Georgia is the largest employer in Clarke County
 - b) Historically, the University has always paid its hourly wage workers at devastatingly low levels. This is beginning to change.
 - c) In its “Auxiliary Services,” many full time, year round workers are classified as “temporary” without benefits, and at low wages.
 - d) Among “temporary” workers, Georgia law requires the U. to take GDCP funds from the workers’ wages, offering no social security benefits.
 - e) The University budget of approximately \$1.4 billion has many contingency pockets in it which could be manipulated to shift funds to the hourly wage workers. Also, “compression” at higher salaried levels could be used to make funds available.
- **WRITE THE COMMITTEE RECOMMENDATION** (limit focus to one subject or action item, more than one recommendation may be needed to address a particular learning):**

We recommend that: (a) \$11.55 be promoted at UGA as the minimum wage, resulting in an annual income of \$24,000. We also recommend that (b) auxiliary services which maintain full time and year-round workers should not treat them as “temporary” workers, but as "regular payroll" people with full benefits. Data are needed on the number of full time workers classified as “temporary.” We recommend that (c) health benefits be made affordable to the lowest paid employees in the university and that (d) those who are truly "temporary" employees be paid at a minimum of \$14 per hour, so that they are able to afford health care. At the same time, (e) employees classified as temporary should receive social security benefits, not the GDCP funds which takes money from the workers, but to which the University does not contribute. This may require a change in state law. Meanwhile, when workers leave, they should routinely be notified of their right to request their GDCP funds. Finally, we propose that (f) the University avoid outsourcing any routine jobs to contracted companies.

- **Identify any research, or other kinds of information that was used to craft this recommendation.** (add additional sheets as necessary)

Interviews have been held with as many as fifty hourly wage workers, many of them in Auxiliary Services, such as the Food Service. Those interviews and a document from management demonstrate that the Food Service’s style of management is punitive and domineering in nature.

Two Open Records Requests have yielded voluminous data on all University employees. At least 2,500 are paid less than the Living Wage level of \$10.50 per hour. There are disproportionately many more minorities and women in the substandard categories.

We have seen various numbers of “temporary” workers who work full time.

- **Identify additional research or information that could help clarify this committee recommendation. List potential sources if possible.**

Additional research could be done on the specific categories of workers who are treated disrespectfully through their wages and (lack of) benefits. Utility Worker I is an example. Food service workers, security guards, and custodians are other examples. On the other hand, “regular” and “temporary” bus drivers are often student workers. More research could be done on their treatment, in a schedule of work that is persistent throughout the day, with minimal breaks.

An Open Records Request is recommended to reveal the number of temporary workers, their hourly wage, length of time having worked at UGA, number of hours per week, and the number who are students.

- **Indicate people or groups that we need to talk to help clarify this committee recommendation. List any recommended locations.**

The University Council established an “Ad Hoc Committee” to study these recommendations. Charles O’Kelley and Tom Gausvik are co-chairs.

The director of the Economic Justice Coalition has interviewed many workers, as have the members of the UGA Living Wage Network.

- **What kind of action or resources would be necessary to implement the recommendation?**

The actions listed in the recommendation are reasonably specific, but the administration will need to determine on their own how to find the resources. For example, (a) faculty and administrators’ pay increases and (b) contingency funds for equipment could be tweaked in favor of funds for the hourly wage workers. The legislature and Board of Regents could be lobbied for additional funds, and the Arch and UGA Foundations could help support these initiatives at beginning stages.

The Director of Human Resources, Tom Gausvik, has indicated that between \$10 and 20 million are needed. In a budget of \$1.4 billion or more, these funds can be gleaned, perhaps with some difficulty.

- **Indicate what forces and influences are likely to occur that will support or oppose implementation.**

Forces that support (please list):

The Economic Justice Coalition, the UGA Living Wage Network, and at least 42 collaborative organizations that have been involved in our educational and rallying work.

We would like to believe that each of the conveners of the PPA will support these recommendations, in that the University is known to be a “standard setter” for other businesses in the community. The issue here is that the more funds that go into the families of hourly wage workers, the more money goes into the local business sectors, especially retail and small businesses. Indigent care in the hospitals will decline. Rates of incarceration and healthy raising of children will improve, to the extent that healthier and more respectful wages, benefits, and managerial styles can be implemented.

Statewide and national opinion polls have shown that the majority of American citizens are in favor of initiatives to raise wages and benefits. Specifics on the initiative to raise the Minimum Wage in Georgia can be provided.

Forces that oppose (please list):

There is an ideological movement against living wage movements, suggesting that they interfere with the “free market” (the labor market is not free and open) and suggesting that jobs will be put in jeopardy. Please refer to the Community Change Paper of the Living Wage Committee of PPA for data which provides evidence on the realities of wages and movements to raise them.

Overall, we seriously believe that the "disrespected" sectors of the Athens-Clarke County population can be positively impacted by raising wages and by the increased availability of jobs with respectful wages and benefits. Parenting, family cohesion, health status, rates of neighborhood chaos and incarceration rates could all be improved, thus making it more possible for workforce development activities to be fruitful. Under current conditions, these activities will continue to be difficult, if not impossible. There is a cycle there, and the cycle needs to be broken.

We also believe that economic development activity, bringing in new businesses, may simply result in: a) more good jobs going to people outside the county, and b) no impact on workers whose wages are devastatingly low, unless there are specific changes in the wages and benefits at that level.

Community Change Paper
The Livable Wage Sub-Committee
PPA Economy Committee

TERMS: Persuasive action can be taken in a variety of ways. First, the term "poverty" has various definitions, but it is synonymous with "living below the living wage." Father John Ryan established this definition in 1906, on a stimulus of Pope Leo XIII. It is simply the moral thing to do to raise all wages to the living wage (being able to pay the basic expenses for survival in a small family). Other expressions used for this are "family supportive wage and benefits," "family sustainable wages," "survivability wage," "self sufficiency standards," "workplace fairness," (Footnote no. 1), or "worker friendly compensation."

CONSEQUENCES OF POVERTY: Second, the options below the family supportive wage are simply not healthy for the community:

- 1) dependence on governmental benefits
- 2) working 60-90 hours per week at, perhaps, two or three jobs
- 3) going hungry or homeless or both
- 4) selling or stealing things illegally.

It has been documented that these options generally lead to higher rates of illness (Footnote 2) and incarceration (Footnotes 3 and 4), and are expensive and harmful to the community. Family breakup is just one of the consequences (Footnote 5), but it leads to the cycle of poverty. Each of the above options results in mutual disrespect within the family. Children do not get the attention they need, and parents have incentives to move away from each other. Children often lack preparation and support for school, leading to poor education and high dropout rates. Children grow up feeling abandoned, without the possibility of gaining attention from legitimate sources (Footnote 6).

RESULTS FROM WAGE CAMPAIGNS: Third, a number of the arguments against pushing for raises in the minimum wage in the direction of the living wage are, overall, inaccurate. For example, it has been found that the states which have recently raised the minimum wage have not experienced reductions in new business development or reductions in available jobs. On the contrary, with new money flowing among the lowest wage workers, local retail and small businesses are doing better, new jobs are created (Footnote 7), and government revenues from sales taxes are on the rise. There is a great deal of evidence supporting the idea that workers become better employees when they are treated with respect, including respect in their wages and benefits. They become more dependable, more thoughtful on the job and helpful in promoting efficiency, with less turnover, thus reducing training costs to the business or public institution (Footnote 8). In other words, respect by the employer generates respect by the employee.

JOBS IN ATHENS-CLARKE COUNTY: Fourth, Department of Labor data show 33 occupational categories in which a significant majority of workers in Clarke County are paid below the living wage level. At the same time, average wage levels for jobs in the county are higher than in surrounding counties. So the question, then, becomes "why does the county have such a high level of poverty?" The answer is, over 27,000 of the county's 66,000 jobs, in most cases the higher level jobs, are held by residents of the surrounding counties. It may also be true that some of the low wage jobs in surrounding counties are held by residents of Clarke County. Because of this arrangement, we are skeptical that economic development activities alone will make a difference in

the county's poverty level. A large portion of the higher paying jobs will be held by people who reside elsewhere. Progress can be made, however, by raising the levels of the lowest paying jobs. (<http://explorer.dol.state.ga.us/mis/wages2005/lda//TOC029.htm>). (<http://explorer.dol.state.ga.us/mis/profiles/Counties/clarke.pdf>)

CONNECTIONS AMONG THE ISSUES: Fifth, most of the issues raised in the PPA are dependent in some degree on higher wages: child and dependent care, housing, transportation, health and mental health services, education and training. People with low incomes will only be able to access these programs if wages and benefits are more substantial.

PROPOSALS FOR CHANGE:

1. We propose that the PPA Steering Committee should ask the conveners to pursue the following campaigns to raise wages:

1) The largest employer in Athens-Clarke County is the **University of Georgia**. They have a budget of over 1.4 billion dollars. Yes, they have many fixed expenditures, but they also have budgets all over the university that are can be manipulated, as evidenced in the cuts made during the last recession. We recommend that (a) \$11.55 be promoted at UGA as the minimum wage, resulting in an annual income of \$24,000. We also recommend that (b) auxiliary services which maintain full time and year-round workers should not treat them as "temporary" workers, but as "regular payroll" people with full benefits. Data are needed on the number of full time workers classified as "temporary." We recommend that (c) health benefits be made affordable to the lowest paid employees in the university and that (d) those who are truly "temporary" employees be paid at a minimum of \$14 per hour, so that they are able to afford health care. At the same time, (e) employees classified as temporary should receive social security benefits, not the GDCP funds which takes money from the workers, but to which the University does not contribute. This may require a change in state law. Meanwhile, when workers leave, they should routinely be notified of their right to request their GDCP funds. Finally, we propose that (f) the University avoid outsourcing any routine jobs to contracted companies.

2) **The Chamber of Commerce** is in a pivotal position in terms of being able to **a) educate their membership**, large and small businesses, on the advantages of respectful wages and benefits-- advantages to the business, to the family, and to the community at large. The work of a range of economists (e.g., Robert Pollin; David Reynolds) can be tapped to support this effort. Businesses that pay numbers of their workers above the living wage, with benefits, can be used as models for those who pay numbers of workers below the living wage. Economists have shown that higher wages and benefits are associated with more dependable work forces, more thoughtful, more productive workers. Also, lower rates of turnover, which save the expenses of recruitment and training of new workers, are related to higher wages and benefits. The Chamber could urge companies to follow the lead of those companies who do pay more and cut turnover. Toyota, Nucor, and Costco are examples of companies that have established highly respectful practices (Footnote 10). Also, companies that provide child care could be models.

We propose that the Chamber can work to influence the major industries in Athens-Clarke County to **b) give preference to participants in the workforce committee's programs** when respectable jobs at the blue collar level become available. At this time, a number of businesses hire a majority

of their employees from outside the county. At this time, "networking" when jobs become available, favors people outside the county. To a great extent, this is a racial issue. Preferences given to whites are not acceptable, and the transition to in-county hires can make a huge difference. Industries could partner with agencies working on job skills and other workforce issues.

We propose that the Chamber and the University of Georgia could develop a partnership in negotiating with and **c) training business leaders, especially small business leaders**, in their styles of management regarding employee sustainability. A key factor in worker anxiety is job security. A key factor in management relates to the various ways of expressing respect for their workers. These practices lead to greater dependability among workers, lower rates of turnover, and lower cost to the employer in management of workers. For evidence, see David Sirota's The Enthusiastic Employee, among others. We urge the Chamber and UGA to develop a training module on this issue. Peer-to-peer training may be a model to follow. There are costs to the business, for example, from employee turnover, to as much as 15% of budget, with rates of turnover going as high as 70% per year.

In looking at the "Explorer" charts in the Department of Labor statistics, as noted above, we have counted 33 subcategories of occupations whose median pay is consistently below the "family supportive wage." Many are paid far below the "survivability" (family supportive) level. Thousands of workers (probably 18,000), many of whom are in small businesses, are paid at "disrespectful" levels. Many of the higher paying jobs are undoubtedly held by residents of other counties. The Chamber should **d) offer technical assistance in growing and streamlining a business so that it can pay living wages and put into place "Worker Friendly" policies and procedures**. In this way, small businesses within the county can learn how to manage with higher levels in wages and benefits, just as the Costco Company has done in other parts of the country. The workers in these cases can stay as residents within the county.

3) **The Athens-Clarke County government** has privatized a number of their full-time, year-round workers to private contractors. As in the case of the University, professionalism and effectiveness are not the issue (as suggested in arguments for privatization). Rather, it is cheap labor. As suggested by Si Kahn (Footnote 11), however, privatization can be harmful to the community in that it distances the employees from respectful consideration by the government. It is true that state law prohibits local governments from establishing policies for such contractors which would affect wages or benefits. There is no legal impediment, however, to terminating the contracts and bringing the employees back into the county payroll. They could then be paid respectful wages and benefits, as are other employees in the county government.

4) **Additional institutions** should be encouraged to raise their wages and benefits. These institutions are:

- a) **The Athens Regional Medical Center and St. Mary's Hospital**. We propose that they pay their cleaners, food service workers, nursing assistants, and other low wage workers at living wage levels. They do have major resources, and they could do a much better job of compressing salaries and wages, so that lower levels are raised.
- b) **The Board of Education**. Likewise, we propose that efforts be made to raise wages and benefits of the workers, such as custodians, substitute teachers, food service workers, paraprofessional aides, clerical workers, and bus drivers, to the living wage level with benefits.

c) **Family Connections.** The 80 social agencies that are members of this collaborative should make every effort to raise their workers, including clerical and service workers, bookkeepers and record keepers, to living wage levels with benefits.

d) **Churches.** Again, churches should make every effort to demonstrate that they are committed to achieving moral levels of compensation to their workers, including cleaners, accounting, and clerical workers.

e) **Athens Regional Library.** All workers, including custodians, clerical, accounting, and librarian workers should be paid, at least, at the living wage level. If this requires negotiations with state officials, that should be pursued.

5) A statewide survey has been conducted by the UGA Survey Research Center, asking for public opinion on the idea of **raising the minimum wage** in the state. Three questions provided rather compelling evidence: (a) "Do you think the minimum wage should be increased?" 89.7% said, "yes." (b) "To what level do you think they should be raised?" (options provided). 68.7% responded at the level of \$7 per hour or higher, including 45.9% at the level of \$7.50. And (c) "Would a candidate's position on this issue affect how you vote?" 53.8% said, "yes."

We propose that the PPA conveners and steering committee look at the results of this survey, and add their voices to the members of the legislature who might consider making such a change. Each of the partners in the PPA can be advocates for a minimum wage of \$7.25 per hour or more, beginning with the Clarke County Commission's session with the new legislative delegation.

6) Finally, we propose that a positive, consumer minded assessment be made for those businesses that are willing to present themselves as **Worker Friendly** businesses. At this time, a small group is working on establishing criteria at three levels: a) minimum wage (\$7.25), b) living wage (\$11.54 per hour with health benefits), and c) living wage with full benefits, which includes retirement, vacation, sick leave, and family leave. The PPA could help by assisting in identifying Worker Friendly businesses and advertising those businesses to the communities' consumers and workers. The Worker Friendly Coalition group will take responsibility for the judgments that need to be made.

Overall, we seriously believe that the "disrespected" sectors of the Athens-Clarke County population can be positively impacted by raising wages and by the increased availability of jobs with respectful wages and benefits. Parenting, family cohesion, health status, rates of neighborhood chaos and incarceration rates could all be improved, thus making it more possible for workforce development activities to be fruitful. Under current conditions, these activities will continue to be difficult, if not impossible. There is a cycle there, and the cycle needs to be broken.

Footnotes:

1) “The Self Sufficiency Standard for Georgia,” prepared for the Women’s Policy Group, 2002, by Dianna Pearce, with Jennifer Brooks

<http://www.sixstrategies.org/files/GA-FINAL-fullreport.pdf>

Short-changed: America’s Workers Are Giving More and Getting Less, *Workplace Fairness*, 2006

<http://www.workplacefairness.org/sc/incomegap.php>

2) Helen Epstein, (NYT, Oct. 12, 2003) “Enough to Make You Sick

<http://www.mindfully.org/Health/2003/Urban-Poor-Sick12oct03.htm>

http://www.researchmatters.harvard.edu/story.php?article_id=78

3) Grogger, Jeffrey T., "Market Wages and Youth Crime" March 1997, NBER Working Paper No. W5983

http://papers.ssrn.com/sol3/papers.cfm?abstract_id=225762

4) Weiss, Harald. E., Lesley Williams Reid (2005) Low-Quality Employment Concentration and Crime: An Examination of Metropolitan Labor Markets, *Sociological Perspectives* Vol. 48, no. 2, pages 213-232

<http://caliber.ucpress.net/doi/abs/10.1525/sop.2005.48.2.213>

”Over the past two decades, numerous studies have investigated the effects of employment quality on crime. Many of these studies have investigated employment quality with regard to its effect on individual criminality. However, the quality of employment available in a labor market also affects crime at an aggregate level of analysis...relating differences in the quality of employment, on an aggregate level, to crime rates in metropolitan areas. Metropolitan areas with few quality jobs for less-educated workers have significantly higher rates of both violent and property crime.”

5) <http://www.healthymarriageinfo.org/aboutmarriage/?d=%7B2ADCB954-ACC9-40FC-BD8A-165F3942CB1F%7D>

<http://www.aifs.gov.au/institute/pubs/WP20.html>

6) Kempson, E. (1996) *Life on a Low Income* York Publishing Services Ltd.

<http://www.jrf.org.uk/knowledge/findings/socialpolicy/SP97.asp>

7) “States With a Minimum Wage Above the Federal Level have had Faster Small Business and Retail Growth,” Fiscal Policy Institute, March, 2006

<http://www.fiscalpolicy.org/FPISmallBusinessMinWage.pdf>

8) David Sirota, Mischkind, and Meltzer (2005), *The Enthusiastic Employee* Wharton School Publishing <http://www.enthusiasticemployee.com/excerpt.htm>

9) The Georgia Defined Compensation Plan replaces Social Security benefits for workers classified as “temporary.”

10) **Toyota:** trust and helping--

http://findarticles.com/p/articles/mi_m0FWH/is_7_113/ai_76878498

Nucor: job security, fairness, equity--<http://www.nucor-fastener.com/nucor.html> **The Costco Challenge:** An Alternative to Wal-Martization? (July 5, 2005) LRA Online; News and Analysis from the The Labor Research Association <http://www.laborresearch.org/print.php?id=391>

11) Si Kahn and Elizabeth Minnich (2005) *The Fox in the Henhouse: How Privatization Threatens Democracy* Bk Books

COMMITTEE RECOMMENDATION WORKSHEET
Chamber of Commerce Education and Training Programs

I. List the Learning(s) that this recommendation is addressing

The Athens Chamber of Commerce is a pillar in this community of leadership for businesses, large and small. Approximately 25% of all businesses belong to the Chamber, but it could gain more attention by stepping up and taking a leadership role in addressing poverty wages and benefits across the community.

Of the 66,000 jobs in Clarke County that are registered with the Georgia Department of Labor, 27,000 of those jobs are taken by people living outside the county. Those are, by and large, the higher paying jobs. Indeed, some of the low wage jobs in surrounding counties are taken by residents of Clarke County. Poverty is centered in the Clarke County community.

Of the 86 occupational categories listed with the Department of Labor, at least 33 categories show that a major section of the category is paid at devastatingly low levels. In many cases, the entire category is paid below the living wage. Numbers of workers are not provided here, but it is estimated to be between 18,000 and 22,000.

A large number of businesses are small, and many businesses are not required to register with the Department of Labor because they are not required to pay Unemployment Compensation. In other words, these businesses fall under the radar, and the data are missing.

Businesses that pay numbers of their workers above the living wage, with benefits, can be used as models for those who pay numbers of workers below the living wage. Economists have shown that higher wages and benefits are associated with more dependable work forces, more thoughtful, more productive workers. Also, lower rates of turnover, which save the expenses of recruitment and training of new workers, are related to higher wages and benefits.

- **WRITE THE COMMITTEE RECOMMENDATION** (limit focus to one subject or action item, more than one recommendation may be needed to address a particular learning):**

We wish to make four recommendations:

1) that the Chamber **educate their membership**, large and small businesses, on the advantages of respectful wages and benefits--advantages to the business, to the family, and to the community at large. The work of a range of economists (e.g., Robert Pollin; David Reynolds) can be tapped to support this effort. Businesses that pay numbers of their workers above the living wage, with benefits, can be used as models for those who pay numbers of workers below the living wage. Economists have shown that higher wages and benefits are associated with more dependable work forces, more thoughtful, more productive workers. Also, lower rates of turnover, which save the expenses of recruitment and training of new workers, are related to higher wages and benefits. The Chamber could urge companies to follow the lead of those companies who do pay more and cut turnover. Toyota, Nucor, and Costco are examples of companies that have established highly respectful practices (Footnote 10). Also, companies that provide child care could be models.

2) We propose that the Chamber can work to influence the major industries in Athens-Clarke County to **give preference to participants in the workforce committee’s programs** when respectable jobs at the blue collar level become available. At this time, a number of businesses hire a majority of their employees from outside the county. At this time, "networking" when jobs become available, favors people outside the county. To a great extent, this is a racial issue. Preferences given to whites are not acceptable, and the transition to in-county hires can make a huge difference. Industries could partner with agencies working on job skills and other workforce issues.

3) We propose that the Chamber and the University of Georgia could develop a partnership in negotiating with and **training business leaders, especially small business leaders**, in their styles of management regarding employee sustainability. A key factor in worker anxiety is job security. A key factor in management relates to the various ways of expressing respect for their workers. These practices lead to greater dependability among workers, lower rates of turnover, and lower cost to the employer in management of workers. For evidence, see David Sirota’s The Enthusiastic Employee, among others. We urge the Chamber and UGA to develop a training module on this issue. Peer-to-peer training may be a model to follow. There are costs to the business, for example, from employee turnover, to as much as 15% of budget, with rates of turnover going as high as 70% per year.

4) In looking at the “Explorer” charts in the Department of Labor statistics, as noted above, we have counted 33 subcategories of occupations whose median pay is consistently below the “family supportive wage.” Many are paid far below the “survivability” (family supportive) level. Thousands of workers (probably 18,000), many of whom are in small businesses, are paid at “disrespectful” levels. Many of the higher paying jobs are undoubtedly held by residents of other counties. The Chamber should **offer technical assistance in growing and streamlining a business so that it can pay living wages and put into place “Worker Friendly” policies and procedures**. In this way, small businesses within the county can learn how to manage with higher levels in wages and benefits, just as the Costco Company has done in other parts of the country. The workers in these cases can stay as residents within the county.

- **Identify any research, or other kinds of information that was used to craft this recommendation.** (add additional sheets as necessary)

Documentation of the effects of raising wages and benefits can also be found in the document by K. Kraut, S. Klinger, and C. Collins called “**Choosing the High Road: Businesses That Pay a Living Wage and Prosper.**”

Georgia Employment and Wages, 2005, Michael Thurmond, documents wages in each county of the state.

County’s Largest Employers. U.S. Department of Labor Bureau of Statistics, 2002

A Poverty Reduction Plan of Savannah: “Create a Culture of Family Support Among Employers” (p. 28)—a) “encourage local governments and larger employers to provide benefits and family supportive wages to their employees,” b) “develop a database and recognition/reward program for employers, such as *Corporate Voices for Working Families* model programs and policies for lower wage and hourly employees.”

Robert Pollin, *The Living Wage: Building a Fair Economy* (co-authored with Stephanie Luce, 1998). **Robert Pollin** is an economist at the University of Mass., Amherst.

David Reynolds, *The Impact of the Detroit Living Wage Ordinance*, 1999, and **Guide to Building the Movement for Economic Justice**, and, **Labor and the Living Wage Movement, 2001.**

David Reynolds is a labor educator in the Labor Studies Center at Wayne State University.

Examples of companies that pay well, with healthy and productive workers, are: Nucor:
<http://www.nucor-fastener.com/nucor.html>

Toyota: http://findarticles.com/p/articles/mi_m0FWH/is_7_113/ai_76878498

Costco: <http://www.workerscompinsider.com/archives/000334.html>

Another Costco:

http://www.vault.com/companies/company_main.jsp?product_id=727&ch_id=285&co_page=1

- **Identify additional research or information that could help clarify this committee recommendation. List potential sources if possible.**

It would be helpful to have specific data on the effects of hourly wage increases, with benefits, on the productivity of hourly wage workers, their thoughtfulness and dependability, their rates of turnover, and the ease of management when employees are treated with respect through their wages, benefits, and managerial styles. Again, the book by David Sirota, *The Enthusiastic Employee*, is a good start.

It would be useful to have data on the effects of workforce development activities and training programs on specific workforces within prospering businesses.

It would be useful to have more information on the number of small businesses that are not registered with the Department of Labor, the nature of their employees and their wages and benefits.

- **Indicate people or groups that we need to talk to help clarify this committee recommendation. List any recommended locations.**

Obviously, the Chamber of Commerce would be the first and foremost organization with which to negotiate to develop this program. The University of Georgia College of Business may be able to help, along with the Institute of Government and the Fanning Leadership Institute.

- **What kind of action or resources would be necessary to implement the recommendation?**

Sources of funding may be available at the Foundations listed by Corporate Voices for Working Families: <http://www.cvworkingfamilies.org/>

- **Indicate what forces and influences are likely to occur that will support or oppose implementation.**

Forces that support or oppose (please list):

The ideological opposition to issues of raising wages often refers to mandates that are governmentally issued through ordinances. This program is voluntary and persuasive, not mandatory.

Overall, we seriously believe that the "disrespected" sectors of the Athens-Clarke County population can be positively impacted by raising wages and by the increased availability of jobs with respectful wages and benefits. Parenting, family cohesion, health status, rates of neighborhood chaos and incarceration rates could all be improved, thus making it more possible for workforce development activities to be fruitful. Under current conditions, these activities will continue to be difficult, if not impossible. There is a cycle there, and the cycle needs to be broken.

We also believe that economic development activity, bringing in new businesses, may simply result in: a) more good jobs going to people outside the county, and b) no impact on workers whose wages are devastatingly low, unless there are specific changes in the wages and benefits at that level.

COMMITTEE RECOMMENDATION WORKSHEET
Clarke County Government Contractors

I. List the Learning(s) that this recommendation is addressing

It is known that the Clarke County Government contracts a number of its maintenance and security workers to private contractors. Three years ago, when asked what are those workers paid, the response in the finance office, anonymously, was “We don’t care about that.” In other words, by interpretation, “We are saving money, so we don’t care about the devastation it causes to the lives of those workers.”

The original rationale for privatization of workers was that it would 1) be more efficient and cost effective, and 2) higher levels of professionalism will increase the quality of services. On the contrary, nationwide, most privatization of services has simply resulted in cost savings because of the utilization of “cheap labor.” Extremely low wages and no benefits are the norm in most cases.

On the other hand, those county workers who are maintained within the county payroll are primarily paid at the living wage level or better, with some exceptions.

- **WRITE THE COMMITTEE RECOMMENDATION** (limit focus to one subject or action item, more than one recommendation may be needed to address a particular learning):**

Given that the State Preemption Law prohibits local governments from enacting any policy that affects wages or benefits of contracted workers and that the county appears to be committed to maintaining a minimum pay near the standard of the living wage, we recommend that the Clarke County Government terminate the contracts and bring the employees back into the county payroll. They could then be paid respectful wages and benefits, as are other employees in the county government.

- **Identify any research, or other kinds of information that was used to craft this recommendation.** (add additional sheets as necessary)

Data was gathered by the Economic Justice Coalition over two years ago on county payroll workers wages and benefits. They looked reasonably respectful, with some exceptions. We were later told that those workers paid below the standard of \$10.50 per hour were raised to that level. More recently, we have been told that the “floor” is really \$9.50 per hour.

As noted, data was reviewed on the contracts over three years ago, but hourly wages were not provided.

- **Identify additional research or information that could help clarify this committee recommendation. List potential sources if possible.**

The county Department of Human Resources can provide up-to-date information on payroll workers.

Additional information is needed on the contracted workers. If it is not provided, we think it can be inferred that the workers are not paid respectfully, with benefits.

- **Indicate people or groups that we need to talk to help clarify this committee recommendation. List any recommended locations.**

The Clarke County Department of Finances and the Department of Human Resources can clarify this recommendation by providing documented evidence and the names and contact information for their contracts.

- **What kind of action or resources would be necessary to implement the recommendation?**

The county commission would need to: a) determine the cost of this recommendation, b) allocate the resources, c) terminate their year round contracts, and d) hire the workers, placing them on the payroll with respectful wages and benefits.

- **Indicate what forces and influences are likely to occur that will support or oppose implementation.**

Forces that support or oppose (please list):

The Mayor and County Commission will argue that they do not have the resources—or that the resources they have are needed for other things.

It has been pointed out by Si Kahn and Elizabeth Minnich, **The Fox in the Henhouse: How Privatization Threatens Democracy**, that privatization removes workers from the scrutiny of the government. In other words, our democratically elected leaders are distanced from their responsibility to treat individual workers fairly. We regard this action as undemocratic.

Overall, we seriously believe that the "disrespected" sectors of the Athens-Clarke County population can be positively impacted by raising wages and by the increased availability of jobs with respectful wages and benefits. Parenting, family cohesion, health status, rates of neighborhood chaos and incarceration rates could all be improved, thus making it more possible for workforce development activities to be fruitful. Under current conditions, these activities will continue to be difficult, if not impossible. There is a cycle there, and the cycle needs to be broken.

We also believe that economic development activity, bringing in new businesses, may simply result in: a) more good jobs going to people outside the county, and b) no impact on workers whose wages are devastatingly low, unless there are specific changes in the wages and benefits at that level.

COMMITTEE RECOMMENDATION WORKSHEET
Additional Institutions To Be Addressed

I. List the Learning(s) that this recommendation is addressing

a) A wide range of occupations in Clarke County are listed with extremely low wage levels, including:

1) nursing aides, orderlies and attendants, 2) pharmacy aides, 3) surgical technologists, 4) medical records technicians, 5) food preparation and serving workers, 6) security guards, 7) office support workers, 8) human service assistants, 9) rehabilitation counselors, 10) janitors and cleaners, 11) landscaping and groundskeeping workers, 12) dishwashers, and 13) bus drivers.

b) Many of these institutions (hospitals, schools, churches, and social agencies) serve as models to the people who are suffering for various reasons. They provide medical, educational, spiritual, and social services, yet they put many of their own workers in dire straits because of low wages and the lack of respectful benefits.

- **WRITE THE COMMITTEE RECOMMENDATION** (limit focus to one subject or action item, more than one recommendation may be needed to address a particular learning):**

We propose that Athens Regional Medical Center, St. Mary's Hospital, the Clarke County Board of Education, the Athens Regional Library, and the numerous churches and social agencies serving the community give serious consideration to paying all of their employees a living wage (\$11.54 per hour plus health care benefits).

Serious consideration would involve a) identifying employees who currently receive less than the living wage and who do not receive a health care benefit and b) calculating the additional expense (including the financial effect on the organization's existing pay plan/salary schedule) to be incurred in bringing their compensation up to the community's living wage standard.

We would hope that this information could be shared with the community so that the Athens-Clarke County Mayor and Commission could assist these organizations (e.g., by marshaling community support and enlisting the programmatic and financial assistance of appropriate federal and state agencies) in their efforts to improve the compensation packages of their low-wage employees.

- **Identify any research, or other kinds of information that was used to craft this recommendation.** (add additional sheets as necessary)
Department of Labor statistics for the Clarke County area have been reviewed. Occupations are listed for the MSA (metropolitan statistical area) and for the county. Interviews with workers and managers have also been used.
- **Identify additional research or information that could help clarify this committee recommendation. List potential sources if possible.**
Research on all of these institutions could be done on the managerial decisions that have been made to expand services while maintaining low levels of wages and

benefits. The impact that raising wages and benefits would have on the level of services and expansion of buildings could be factored in.

At the same time, an economics perspective could be used in calculating the extent to which raising wages will enhance tax revenues and reduce the rates of indigent care. It is predicted here that the level of services needed will decline as the general levels of income rise.

- **Indicate people or groups that we need to talk to help clarify this committee recommendation. List any recommended locations.**

The state government, the Clarke County government, the hospital boards, the Board of Education, and the churches' boards of trustees will need to be involved.

- **What kind of action or resources would be necessary to implement the recommendation?**

Multiple forms of action will be needed, given that many different institutions are listed here. Each institution needs to be reminded that they are servants of the public interest. They have a responsibility to play a role in generating a healthier community. Many scriptural and faith based institutions can be commended for having developing policies in line with this recommendation. They must make their own decisions, but should do so in the light of public scrutiny. In the case of the Athens Regional Library, negotiations with state officials will be necessary.

- **Indicate what forces and influences are likely to occur that will support or oppose implementation.**

Forces that support (please list):

Each institution will complain that they do not have the resources. They must be reminded that the resources that they do have should be used wisely and in the public interest. Balanced decisions must be made.

Overall, we seriously believe that the "disrespected" sectors of the Athens-Clarke County population can be positively impacted by raising wages and by the increased availability of jobs with respectful wages and benefits. Parenting, family cohesion, health status, rates of neighborhood chaos and incarceration rates could all be improved, thus making it more possible for workforce development activities to be fruitful. Under current conditions, these activities will continue to be difficult, if not impossible. There is a cycle there, and the cycle needs to be broken.

We also believe that economic development activity, bringing in new businesses, may simply result in: a) more good jobs going to people outside the county, and b) no impact on workers whose wages are currently devastatingly low, unless there are specific changes in the wages and benefits at that level.

COMMITTEE RECOMMENDATION WORKSHEET
Advocating for a Raise in the Minimum Wage Statewide

I. List the Learning(s) that this recommendation is addressing

In 1968, the federal minimum wage reached a peak, which with inflation, would equal \$9.34 today, by comparison with the actual rate of \$5.15. The economy was not hurt back then. Jobs flourished. The same thing could be done today, over a period of three years.

The state and the federal minimum wage at this time is \$5.15 per hour. About 5% of the population is paid at that level, but another 15% are paid below \$7.50 per hour. About 38% of those paid of the \$5.15 level are teenagers. Many of them and all of the adults paid at that level are members of families that are struggling to survive on a daily basis. The issues of health, incarceration, and family breakdown are associated with these wage levels.

- **WRITE THE COMMITTEE RECOMMENDATION** (limit focus to one subject or action item, more than one recommendation may be needed to address a particular learning):**

We propose that the PPA conveners and steering committee look at the results of the survey cited below, and add their voices to the members of the legislature who might consider making such a change. Each of the partners in the PPA can be advocates for a minimum wage of \$7.25 per hour or more, as proposed by Senator Brown and Rep. McKillip, beginning with the Clarke County Commission's session with the new legislative delegation.

- **Identify any research, or other kinds of information that was used to craft this recommendation.** (add additional sheets as necessary)

A statewide survey has been conducted by the UGA Survey Research Center, asking for public opinion on the idea of **raising the minimum wage** in the state. Three questions provided rather compelling evidence: (a) "Do you think the minimum wage should be increased?" 89.7% said, "yes." (b) "To what level do you think they should be raised?" (options provided). 68.7% responded at the level of \$7 per hour or higher, including 45.9% at the level of \$7.50. And (c) "Would a candidate's position on this issue affect how you vote?" 53.8% said, "yes."

Twenty-nine of the states, post-election 2006, have raised their statewide minimum wage. Also, it has been found in 2005 that the states that had raised the minimum wage had created jobs at the level of 6%, while the states that did not raise it have created jobs at the level of 4%. Retail and small businesses are the primary beneficiaries. Raising the minimum wage creates a healthier economy because there is more money circulating at the local level. **"States With a Minimum Wage Above the Federal Level have had Faster Small Business and Retail Growth," Fiscal**

Policy Institute, March, 2006

<http://www.fiscalpolicy.org/FPISmallBusinessMinWage.pdf>

- **Identify additional research or information that could help clarify this committee recommendation. List potential sources if possible.**

The Georgia Living Wage Coalition is searching for senators and house members of the legislature who will be open to supporting a raise in the minimum wage. Senator Robert Brown, District 26, has agreed to sponsor the bill. Further research could be done on the perspectives and political positions of the leaders of the legislature and then on all of the members. This can begin with our locally elected legislators.

- **Indicate people or groups that we need to talk to help clarify this committee recommendation. List any recommended locations.**

The co-chairs of the Georgia Living Wage Coalition are Cindia Cameron, director of Women's 9 to 5 in Atlanta and Sandra Robertson, director of the Georgia Citizens Coalition on Hunger. They will be launching this campaign in Athens on December 11, 2006. Ms. Cameron is chair of the legislative committee of the campaign. Ms. Robertson is chair of the grassroots organizing committee. Mr. Charles Winfrey is chair of the media committee.

- **What kind of action or resources would be necessary to implement the recommendation?**

As noted in the campaign committee structure, we believe it will take a considerable effort assessing and persuading members of the legislature. Grassroots organizing is essential in other parts of the state, and we do not expect the PPA Conveners to take on that project. Media are essential to the task of spreading the message, and we do anticipate that the Atlanta TV channels will be helpful. For example, WSB, Channel 2, has expressed interest.

- **Indicate what forces and influences are likely to occur that will support or oppose implementation.**

Forces that support (please list):

The data indicate that women are strong supporters statewide. Democrats, minorities, and anyone making less than \$40,000 annually are strong supporters. There are sources of support that one might not anticipate. For example, Wal-Mart nationally has expressed support for it, knowing that they already pay all of their workers above the \$7.50 level and knowing that raising the minimum wage will increase their sales and revenues.

The Economic Policy Institute and the Fiscal Policy Institute are research organizations that tend to support such policies.

Forces that oppose (please list):

There are ideological opponents who believe that raising the minimum wage will result in loss of jobs and business profits. The “Employment Policy Institute” is a research organization that is dedicated to opposing any kind of mandate on wages.

COMMITTEE RECOMMENDATION WORKSHEET
Wage Friendly Business Honoring

I. List the Learning(s) that this recommendation is addressing

There are over 3,000 businesses in Clarke County. Of these, over 2,600 are “service” businesses, including retail, wholesale, finance, real estate, professional, and many other types of businesses. Many of these businesses pay their workers well, with benefits, and with respectful managerial styles. Many do not. There are multiple variations, of course, on these statements.

- **WRITE THE COMMITTEE RECOMMENDATION** (limit focus to one subject or action item, more than one recommendation may be needed to address a particular learning):**

We propose that the PPA assist in developing a “wage friendly” environment among Clarke County’s businesses by:

- a) establishing criteria for “wage friendliness,” including wages, health benefits, family leave, vacation time with pay, and retirement benefits,
- b) inviting businesses who want to participate to provide their data on these issues,
- c) determining at what level they meet the criteria, if they do, and
- d) advertising their wage friendliness so that consumers and workers will know what they are supporting when they shop or look for a job, and
- e) not selecting any business for a negative assessment.

- **Identify any research, or other kinds of information that was used to craft this recommendation.** (add additional sheets as necessary)

- a) Other organizations and communities that have pursued similar goals have been identified.
- b) The criteria of various levels of “living” have been identified by looking at the 1) increased minimum wage (\$7.50), 2) “living wage (\$11.54), plus health benefits,” and 3) the living wage plus FULL benefits (health, vacation, sick leave, retirement).
- c) Some specific business practices with regard to workers’ needs have been identified anecdotally.

- **Indicate people or groups that we need to talk to help clarify this committee recommendation. List any recommended locations.**

A small group of people have been meeting locally to initiate this process. We recommend that this group continue in its role of establishing criteria with the support of the PPA staff, the conveners, and the Steering Committee. The group consists of Jessica Magnarella, Chris Todd, Patty Freeman-Lynde, and Ray MacNair.

- **What kind of action or resources would be necessary to implement the recommendation?**

Resources will be needed to put together the advertisements of the selected wage friendly businesses. Resources could also be put into identifying those businesses that want to be assessed and selected.

Additional volunteers are needed to staff the committee.

- **Indicate what forces and influences are likely to occur that will support or oppose implementation.**

Forces that support or oppose (please list):

It is difficult to imagine anyone opposing the project, unless the committee acts on information that turns out to be misleading. People can decide for themselves whether they want to use the information in making shopping or employment decisions. Any business that wants to be considered can make itself known.

We believe that there are many businesses that voluntarily pay a living wage and provide opportunities for employee growth. Businesses benefit when the community that supports them is economically healthy. When the community thrives, every individual should have enough income to meet basic needs, medical expenses, and education.