

http://www.abqtrib.com/albq/nw_local/article/0,2564,ALBQ_19858_4640052,00.html

The Albuquerque Tribune

To print this page, select **File** then **Print** from your browser

URL: http://www.abqtrib.com/albq/nw_local/article/0,2564,ALBQ_19858_4640052,00.html

Council takes 'expensive peace' on minimum wage

By [Erik Siemers](#)
Tribune Reporter
April 21, 2006

After a year of failures, the push for a higher minimum wage in Albuquerque has succeeded, thanks to a little fear and growing public support for helping low-wage workers.

The City Council's 6-3 vote to approve Council President Martin Heinrich's bill bringing the city's minimum wage to \$6.75 an hour in January was bolstered by councilors' perception that outside groups would find success with a steeper increase.

"We have a choice between a very expensive peace or a very expensive war," said Councilor Don Harris, a Republican who split from his personal ideology to vote for the measure. "I have decided I will support the expensive peace."

Proponents still argue Thursday's vote was about improving the plight of low-wage workers. But some comments in Thursday's three-hour hearing painted Heinrich's proposal as the lesser of two evils.

"This proposal of Councilor Heinrich's is the least harmful to the business community given what we would get from a referendum that we believe has a very good chance of passing," said Terri Cole, chief executive of the Greater Albuquerque Chamber of Commerce, which chose not to oppose the legislation.

The vote makes Albuquerque just the fourth municipality to pass a minimum wage higher than the \$5.15 an hour federal requirement. Santa Fe, San Francisco and Washington, D.C. are the other cities.

Heinrich's bill raises the wage to \$6.75 an hour on Jan. 1, 2007. A year later, the wage requirement rises to \$7.15 and finally to \$7.50 in 2009. The wage won't rise with inflation as some proponents had hoped.

An amendment added Thursday night allows employers that provide \$2,500 a year in health- or child-care benefits per employee to pay a wage \$1 lower than is required.

The ordinance was the result of a series of negotiations between Heinrich, representatives of the business community, advocacy groups and labor unions.

A group led by the Association of Community Organizations for Reform Now was circulating petitions aimed at putting an immediate increase to \$7.50 on a special election ballot.

The group ended that push upon hearing of Heinrich's efforts, but officials with both ACORN and the American Federation of State, County, and Municipal Employees said the referendum could restart if the proposal was compromised further.

Councilor Sally Mayer - who voted against the increase along with Craig Loy and Brad Winter - questioned AFSCME on its referendum intentions.

"There's a thread out there that if we don't (pass a higher wage) you and your forces will do another public referendum," Mayer said. "How do we know that if we do pass this that you're not going to do that anyway in a year or so?"

Union spokesman Carter Bundy said approval of Heinrich's bill - even with the added health care amendment - would stop any petition drive.

"Anybody who's been through one of these battles and would voluntarily do this is crazy," Bundy said. He said if the City Council doesn't revisit the issue in 2009, after the wage's gradual increase peaks, the referendum could resurface.

Heinrich evaded another hurdle earlier Thursday when he announced an agreement on the wage proposal with Mayor Martin Chavez.

What the ordinance does:

Starting Jan. 1, the city's required minimum wage rises to \$6.75 an hour. It rises again to \$7.15 on Jan. 1, 2008 and \$7.50 on Jan. 1, 2009.

Employers who pay \$2,500 annually in health- or child-care benefits per employee will be allowed to pay \$1 less per hour.

What the ordinance doesn't do:

The wage won't continue to rise with inflation.

The ordinance doesn't specify a wage increase for tipped employees. Tips and commissions earned will count toward an employee's minimum wage.

It doesn't include the so-called "access clause," which some believed caused the defeat of a ballot measure in October.

Previous proposals made the wage increase applicable only to businesses with 11 or more employees. The bill passed Thursday applies to all employers.

Chavez had said he would likely veto the bill, instead favoring one that started at \$6.50 an hour and provided health care incentives that weren't in Heinrich's original proposal.

After another series of negotiations, Heinrich and city Chief Administrative Officer Bruce Perlman announced an agreement Thursday afternoon that allowed Heinrich to keep his wage levels while accepting the amendment by Councilor Michael Cadigan for health and child care incentives.

"I am pleased we have assisted the working poor and provided a sound incentive to health care coverage in Albuquerque," Chavez said in a prepared statement.

Councilors heard testimony from around 30 speakers - two-thirds of whom spoke in favor of the increase.

It included testimony from economists on both sides of the issue, business owners who said they would feel the brunt of the increase, and advocates for the working poor.

Gerry Bradley, an economist and the research director for New Mexico Voices for Children, said 40,000 workers in Albuquerque make less than \$7.50 an hour. An increase to that level would add \$100 a week and \$5,000 a year to their bank accounts, he said.

Still, residents like Katherine-Marie Nail, who voted against a higher wage in the Oct. 4 city election, wondered whether her ballot mattered.

"It seems like this City Council and the mayor is usurping our vote," Nail told councilors. "Put it before the city again - for or against, I don't care - but put it before the people.

"Don't take away our vote and don't make us feel like we're sheep and you are the shepherds."

City leaders hope Thursday's vote sends a message to the Legislature and Congress to take action at a higher level.

"If it takes the city to raise the minimum wage to get the state and someday Congress to act, then that's what we need to do," said Cadigan, who voted against a Heinrich wage ordinance that failed on a 5-4 vote last June.

After the vote Thursday, Heinrich said the idea of another referendum might have been the reason for some councilors' votes.

Then Mike Taylor, who's been earning \$6.25 an hour as a cook at Kentucky Fried Chicken, came by to shake his hand.

"I wasn't really happy with this bill, but it was better than nothing at all," Taylor told Heinrich. "Those people in Congress, they need to take action."

As Taylor walked away, Heinrich pointed after him.

MINIMUM WAGE TIMELINE

June 6, 2005: By a 5-4 vote, the City Council defeats Martin Heinrich's bill that would have raised the minimum wage to \$7.15 per hour.

Oct. 4, 2005: A ballot measure that would raise the minimum wage to \$7.50 an hour and rise with inflation is defeated by less than 1,500 votes. A successful campaign against the measure by the city's business community targeted a clause that would have increased public access to business records.

January and February: Several minimum wage proposals are introduced during the 30-day state legislative session. The bills died as legislators wrangled over differing dollar amounts and whether an increase should come in phases.

"That's what this is about," he said.

Copyright 2006, The Albuquerque Tribune. All Rights Reserved.