

# San Antonio Express-News

## Alamo Colleges, other San Antonio employers embrace ‘living wage’

By Lynn Brezosky April 2, 2019 Updated: April 5, 2019 5:25 p.m.

After 13 years of service in the U.S. Navy, Luis Rodriguez was glad to land a job as a facilities scheduling assistant with the Alamo Colleges District.

His job keeping track of and caring for fighter pilots’ flight gear gave him the skills it takes to make big campus events go off without a hitch. And with the job’s flexibility, combined with his GI Bill education benefits, he was able to work toward a bachelor’s degree.



*Alamo College worker Luis Rodriguez has received a raise to increase his pay up to \$15 an hour, on Monday, March 25, 2019. Photo: Bob Owen, Staff-photographer / SA Express-News*

Still, financial problems were bubbling up.

His benefits were running out, and he wasn’t sure if he’d be able to afford graduate school. Also, with pay of \$12.88 an hour and some old debt dragging down his credit score, the 35-year-old wondered if he would ever be able to afford a home loan.

In September, he’ll get a needed boost. Alamo Colleges adopted a \$15 minimum wage for all campus workers. The community college’s board of trustees approved the increase last month.

Of its approximately 2,400 nonfaculty staff, the raises will affect about 146 full-time employees. Another 420 part-time or temporary employees will be affected by a pay floor increase from \$10 an hour to \$12.50.

Alamo Colleges’ move is part of a nationwide push for a “living wage,” defined as enough income to pay for food, child care, medical care, housing and transportation.

The Texas living wage threshold for a single adult is considered to be \$11.48. But for a single parent with one child, it jumps to \$23.42 — meaning a single parent earning the college district’s new entry-level wage would still fall short of meeting basic expenses.

The fight for living wages has focused attention on whether minimum wage requirements are effective in decreasing poverty. In San Antonio, the issue also underscores the fact that area workers continue to earn less an hour on average than their counterparts across the state and nation.

### A little relief

Rodriguez's pretax pay bump of \$4,410 annually, or \$367.50 monthly, could help him pay off his debt, buy a house and eventually pursue a master's degree.

"Getting this pay, it kind of offsets whatever money I was getting from the GI Bill," Rodriguez said. "You know, (the military) gives you a little stipend for housing and stuff. This actually helps me cover those expenses."

Before the pay raise, Jennifer Wilgren, 42, a college graduate and administrative assistant at the Alamo University Center, knew — because of San Antonio's strong job market — she could do better than \$13.64 an hour.

With her \$1.36 an hour raise, she's more inclined to stay at Alamo Colleges.

"For me, it was like, well, I need to pay rent and I need to buy food and stuff like that," she said. "So if someone's offering me this job with this or so much an hour, I can either take it or try to hold out. Well, I can only hold out for so long."

For someone earning the colleges' current minimum of \$11.50 per hour, the 30 percent raise to \$15 means about \$6,406 a year after taxes, assuming a 12 percent tax bracket. That's enough for a used car or 6½ months of San Antonio's average \$1,010 apartment rent.

Between 20,000 and 30,000 San Antonians have received raises, thanks to the living wage campaign, according to the grassroots organization COPS/Metro Alliance, which has pressured Alamo Colleges, the city of San Antonio and other government entities to increase their minimum wages. The jury's still out on how much the bigger paychecks will help the local economy.

Alamo Colleges' move wasn't entirely altruistic.

The city, Bexar County and several school districts already had agreed to gradually boost their entry-level pay to \$15 an hour. And with a historically low unemployment rate, it's a job seeker's market in most fields.



*Alamo College worker Jennifer Wilgren says that with her \$1.36-an-hour raise, she's more inclined to stay at her present position, although the job market is booming. Photo: Bob Owen /SAEN*

Among businesses in the private sector, USAA has raised its minimum pay to \$16 an hour, Amazon to \$15 and Target is moving toward \$15 an hour by 2020.

The college district also saw that despite qualifying for financial aid, its own workers couldn't take courses because they were working multiple jobs.

“Poverty, and intergenerational poverty in particular, in San Antonio is a challenge,” Alamo Colleges Chancellor Mike Flores said. “We want to ensure as a public entity that our wage earners and our student workers are more successful and are more able then to support themselves and support others.”

For COPS/Metro, the living wage fight goes back to the 1990s, said Mike Phillips, one of the organization's leaders. Since Texas law prohibits mandating private employers pay above the federal minimum, currently \$7.25 an hour, they focused on local public entities.

When school districts had trouble passing their bond issues, COPS/Metro offered its mobilization muscle — if the districts agreed to raise wages not just for teachers but also for cafeteria and janitorial workers and their other employees.

COPS/Metro also relentlessly pressed city officials to adopt a living wage for municipal workers. City Council did just that in 2017.

“Whenever they're using our tax money, we don't want to be responsible for holding people in poverty,” Phillips said.

At Bexar County, county commissioners extended the wage floor to private-sector contractors.

“Some of the employers they're now contracting with have thanked us, because they don't have as much turnover,” he said. “If it's a level playing field for contractors, it's not a race to the bottom on salaries.”

### **A 'cheap labor town'**

Workers in the San Antonio metro area earned an average of \$22.43 an hour a year ago — about 11.4 percent below the national average of \$24.98 and 6.6 percent below the state average of \$23.90, according to the U.S. Bureau of Labor Statistics.

For comparison, the Austin area's average hourly wage was \$25.87, Dallas-area workers made an average of \$25.28, and Houston-area employees \$26.10.

A BLS analysis showed that San Antonio-region wages in 2017 were lower than the national average in 12 of the 22 major occupational groups, including legal services and construction.

“Your manufacturing sector is not quite as large as other manufacturing sectors, which is where you’re going to find things like production workers,” said Cheryl Abbot, a Dallas-based BLS economist. “And they’re generally among the higher (paying) blue-collar occupations.”

## **An old debate**

The debate over whether minimum wages help or hurt the economy is close to 100 years old, said David Neumark, chancellor’s professor of economics at the University of California, Irvine, and the author of books on the subject.

“Obviously, minimum wages help some people,” Neumark said. “But the standard economic theory would lead us to predict that there are trade-offs in that some employers will now economize on the use of low-skilled labor.”

In other words, companies may hire fewer entry-level workers or reduce their workforce.

A study of Seattle’s minimum wage increase, conducted by the University of Washington, found that employers did not lay off workers, but they did cut hours — particularly hours for low-wage workers. More experienced workers came out ahead because employers were reluctant to pay for training.

“If you are a dishwasher in a restaurant kitchen, you are going to be using equipment. And if you have some familiarity with that equipment already, you don’t need to be trained,” study author Jacob Vigdor said in an interview on economist Russ Robert’s “EconTalk” podcast. “You can be productive starting from Day 1 on the job. And that’s really what employers are emphasizing.”

Nationally, 2.1 percent of workers earn at or below the federal minimum wage.

The way Neumark sees it, measures such as the earned income tax credit, which allows workers to take home more nontaxed income, are more likely to help poor families than raising the minimum wage.

“I think what policymakers want to do, and maybe even think they’re doing, is pass a law that says, ‘Thou shall not be poor,’” he said. “But it’s hard to pass that kind of law. So, instead, they passed a law which they think is the same thing but it isn’t, and that’s ‘Thou shall not pay low wages.’”

*Lynn Brezosky is a San Antonio-based staff writer covering trade, agriculture and the economy. Read her on our free site, [mySA.com](http://mySA.com), and on our subscriber site, [ExpressNews.com](http://ExpressNews.com).*

*| [lbrezosky@express-news.net](mailto:lbrezosky@express-news.net) | Twitter: [@lbrezosky](https://twitter.com/lbrezosky)*