

Two new studies published about the Seattle minimum wage ordinance

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University of Washington researchers continue to study the impact of the 2014 Seattle minimum wage ordinance. An interdisciplinary team of faculty and graduate students who have tracked various industries since the ordinance's implementation just published two new studies: These papers take a closer look at the effects on child care businesses and on food prices during the policy implementation.

The first paper, "Responding to an Increased Minimum Wage: A Mixed Methods Study of Child Care Businesses during the Implementation of Seattle's Minimum Wage Ordinance," was published in late December in a special issue of *Social Work and Society International Online Journal*.

The study found that more than half of Seattle [child](#) care businesses were affected by increased labor costs as the [policy](#) increased to \$13 per hour, and that the majority will be impacted as the policy increases to \$15 per hour between 2019 and 2021.

The most common strategic response reported by the businesses has been to raise [prices](#) or fees of child tuition and to reduce hours of or number of staff. Center directors reported that employee wages and benefits comprise the majority of [business](#) expenses and that child tuition was the primary source of business income. Thus, most businesses reported they would need a mix of strategies to accommodate increased labor costs to ensure that added expenses were not falling entirely onto the families they serve.

In this paper, researchers used quantitative and qualitative data to capture how the policy was affecting wages in the industry and how child care businesses were responding to the policy implementation. Using state payroll data from about 200 child care businesses, the study examined multiple factors including the number of staff per business, staff wages and business payrolls beginning in 2014 and into 2016. Researchers also surveyed 41 business directors at three different times during the rollout of the [minimum wage](#) policy. Finally, researchers conducted open-ended, in-depth interviews with 15 child care directors.

"This study illustrates how singular policies can affect more than just payroll and can shape organizational structure and service delivery," said lead author Jennifer Otten, an associate professor in the School of Public Health.

The second paper, "The Impact of a City-Level Minimum Wage Policy on Supermarket Food Prices by Food Quality Metrics: A Two-Year Follow Up Study," was published in early January in a special issue of the online *International Journal of Environmental and Public Health*.

In this paper, researchers examined the effect of Seattle's minimum wage ordinance on local area supermarket food prices over time and as wages phased in to \$15 per hour.

Overall, the authors found no significant evidence of price increases associated with the minimum wage ordinance. The paper also sought to evaluate the potential for differential price changes that might be related to diet quality, including analyses by food group, level of food processing, and nutrient quality. The authors found no evidence of significant price increases in any of the diet quality measures examined that could be attributed to the minimum wage ordinance.

"This is really great news for [low-wage](#) earning Seattle shoppers," said James Buszkiewicz, a doctoral candidate in the Department of Epidemiology and lead author on the study. "Typically null findings do not get that much attention, but in this case, if local [food prices](#) remain steady while earnings increase for low and minimum wage workers, then that could mean increased purchasing power for things like fresh fruit and vegetables for the consumers that need it most."

Buszkiewicz said that the study findings may not be generalizable to all cities and states experiencing minimum wage increases given Seattle's unique economic circumstances, however, he hopes that this study will serve as a model for other investigators to examine potential price hikes in their state or area.

The investigators collected prices for 106 [food](#) items from six large supermarket chain stores affected by the ordinance in Seattle and in six

of the same-chain stores in King County and unaffected by the ordinance. The price check occurred at four time points: one month pre- (March 2015), one month post- (May 2015), one year post- (May 2016), and two years post- (May 2017) ordinance implementation.

More information: Responding to an Increased Minimum Wage: A Mixed Methods Study of Child Care Businesses during the Implementation of Seattle's Minimum Wage Ordinance. *Social Work and Society International Online Journal*.

www.socwork.net/sws/article/view/538

James Buszkiewicz et al. The Impact of a City-Level Minimum Wage Policy on Supermarket Food Prices by Food Quality Metrics: A Two-Year Follow Up Study, *International Journal of Environmental Research and Public Health* (2019). [DOI: 10.3390/ijerph16010102](https://doi.org/10.3390/ijerph16010102)

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