SHRM (/Pages/default.aspx) » Legal Issues (/LegalIssues/Pages/default.aspx) » Federal Resources

Strike Calls for Raise in Minimum Wage to \$15 Per Hour

By Allen Smith 5/14/2014

The National Fast Food Strike on May 15, 2014, "is designed to create additional momentum to increase minimum wages on the state and city level, as we are seeing in areas like Seattle," according to Michael Lotito, an attorney with Littler and co-chair of the Workplace Policy Institute. Seattle has adopted a \$15 minimum wage.

The strike is aimed at fast-food restaurants and will be held in 150 cities in the United States and 33 countries around the world. In the United States, it is being referred to as the "Fight for 15."

But Lotito said "a national rate of \$15 is not realistic. Some areas may support it, but others clearly cannot. The U.S. is highly diverse in many ways and pay and cost of living are among the factors that make us diverse."

The strike is being organized by various organizations, including the International Union of Food, Agricultural, Hotel, Restaurant, Catering, Tobacco and Allied Workers' Associations; and the Bakers, Food and Allied Workers Union.

Eric Oppenheim, chief operating officer and franchisee at Republic Foods Inc. in Rockville, Md., called the strike "a PR move by nontraditional labor groups, such as Fast Food Forward, to use the media to deliver their message. These are not unions in the traditional sense, but they are supported behind the scenes by SEIU and the AFL-CIO. The strikes are a long-term approach to continue to frame the debate through public pressure this notion that entry-level workers should make \$15 per hour."

He added that protesters in his experience "are flown in from across the country, whose role it is to stir up chaos in local communities."

Global Protests

The protests will be held from Casablanca, Morocco, to Hong Kong, Milan, Italy, and Panama City. And in the United States, the strikes will be held from Oakland, Calif., to Raleigh, N.C., including the first-ever walkouts in Philadelphia, Sacramento, Calif., Miami and Orlando, Fla.

"We've gone global!" said Ashley Cathey, a McDonald's worker from Memphis, Tenn., who makes \$7.75 after six years on the job. "It's amazing that our fight for \$15 and a union has inspired workers around the world to come together. Our campaign is growing and gaining momentum, and the highly profitable fast-food industry needs to know we won't stop fighting until our voices are heard."

And Fast Food Rights put out a release observing that "if fast-food companies can afford to pay CEOs 8.45 million pounds, we're fairly sure that they can find the money to pay their front-line staff a living wage at the very least."

Workers announced on May 7, 2014, their intent to walk off their jobs in cities around the world, making the announcement outside a McDonald's in Manhattan. McDonald's is the second largest private-sector employer in the world after Wal-Mart.

Heidi Barker Sa Shekhem, with McDonald's global external communications, issued a statement saying the chain offers, "part-time and full-time employment, benefits and competitive pay based on the local marketplace and job level. McDonald's and our owner-operators are committed to providing our respective employees with opportunities to succeed, and we have a long, proven history of providing advancement opportunities for those who want it. We invest in training and professional development that helps them learn practical and transferable business skills whether at McDonald's or elsewhere. It's important to know approximately 80 percent of our global restaurants are independently owned and operated by small business owners, who are independent employers that comply with local and federal laws."

'Important Discussion'

She added, "This is an important discussion that needs to take into account the highly competitive nature of the industries that employ minimum wage workers, as well as consumers and the thousands of small businesses which own and operate the vast majority of McDonald's restaurants."

Jerry Glass, president of F&H Solutions Group, an HR and labor relations consulting firm in Washington, D.C., anticipated that "the strike will be mostly in major metropolitan areas. But with literally tens of thousands of fast-food outlets in the U.S., I don't think the strike will be all that widespread. It will garner a lot of media attention, which will make it appear that the impact of the strike will be larger than it actually will be."

He said, "I do not believe the strike will have any economic impact on the industry. There will be sufficient workers to cover any absences and sales declines. ... A partial-day strike should be minimal. If the strike lasted for days or weeks and was truly nationwide, it would have a significant impact on the industry."

Glass remarked that "In reality, what will occur on Thursday is really a rally, because even the worker center movement understands that the people who participate in the strike have to earn a living, so I don't expect to see workers out for a very long period of time during the day."

As for a hike in the minimum wage, Glass said, "I think there is an increasing recognition nationally that the minimum wage has to go up by some amount as it is getting increasingly more difficult for people to get by, even in two-income households. As more and more states and municipalities increase the minimum wage or so-called living wage, the federal minimum wage will be lagging behind most states, so I think it is inevitable that the minimum wage will go up."

Allen Smith, J.D., is the manager of workplace law content for SHRM. Follow him @SHRMlegaleditor (https://twitter.com/SHRMlegaleditor).

Obtain reuse/copying permission