

Minimum wage for Fast Food workers Soars, No Foolin’

April 13, 2024



The minimum wage for fast food workers soared 25 percent, effective April 1.

The wage hike affects ONLY CALIFORNIA.

Employees of fast food franchises will now make \$20 per hour. The impact locally and up and down the Golden State is profound.

In Crescent City, franchises or company stores totaling over 60, must now pay their employees the higher rate, effective immediately.

Employees who work in this industry are among the lowest paid, across the state and country.

Nationally, the minimum wage is \$7.65 per hour. Rural Oregon which includes Brookings has a \$13.20 hourly minimum wage. Now, California has skyrocketed its fast food minimum wage to \$20 per hour. An estimated 500,000 fast food worker are employed in California.

The Triplicate surveyed several stores in Del Norte affected by AB 1228 and signed into law by Gov. Gavin Newsom last August, and took effect, in April.

Both State legislators, State Senator And Senate Pro Temp Mike McGuire and out-going Assemblymember Jim Wood supported this legislation.

Quite naturally, employees expressed their glee with the raise. In contrast, management warned of impending cutbacks, accelerated movement toward automation and significant price increases on the menu.

Management / ownership was very concerned about employee layoffs and steep price hikes. One local manager told The Triplicate “ I’m just waiting for ownership to send me the list on who gets cut and new pricing across the menu. We expect a \$2-4 price increase per each item or combination of items. The higher prices in California reflect the 8.25 percent sales tax combined with the new hourly wage. Exempted are grocery stores, airport locations and other similar venues. The deal to approve the 1228 law was struck with the blessing and support of the Service Employees International Union(SEIU) and singles out the identified national fast food franchises operating in California.

Fast food franchises just across the border Brookings, Oregon have no sales tax and a significantly lower employee hourly wage.

California’s minimum wage remains at \$16 per hour, outside of the fast-food industry.

Under the new law, a Fast Food Council has been formed as part of California’s Industrialization Department. It consists of nine voting board (and two non-voting) members who will have the flexibility to raise the hourly wage as much as 3.5 percent and regulate employee working conditions. Council Members will be compensated with an unannounced per diem rate plus mileage to attend these meetings. The Board held its first meeting March 15, in Oakland.

The Governor did not disclose total funding for the Department as the fiscal deficit soars between eight and \$35 billion in the red for fiscal year 2024-2025.