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New York City Wants to Supersize the 'Fight for \$15'

Even if fast-food workers haven't voted to unionize, a new proposal would let them pay pseudo-dues.



Protesters in New York, Feb. 13. PHOTO: GETTY IMAGES

By *Michael Saltzman*

14 COMMENTS

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These are difficult times for the American labor movement. Only 6.4% of the private workforce is unionized, an all-time low. Although dues still put an estimated \$9 billion a year into union coffers, according to federal filings, increasing that figure depends on recruitment. Hence the New York City Council's proposal, expected to come up for vote on Wednesday, that would allow hard-to-organize fast-food workers to direct a part of their paychecks toward union-affiliated organizations.

For years, workers at fast-food restaurants have pushed for higher wages and "union rights" through the "Fight for \$15." The initiative has collected flattering newspaper headlines and even a few policy victories in blue jurisdictions like New York state and Seattle. All the signs and rallies have cost a lot more than \$15 an hour. The Center for Union Facts [estimates](#) that the Service Employees International Union has spent more than \$90 million on the Fight for \$15. But the union thus far hasn't won the victory that would really matter: thousands of new dues-paying members.

In part that's because the franchise model makes a traditional corporate unionization campaign difficult. Each franchisee is independently owned and operated, so the SEIU can't simply sign up all [McDonald's](#) workers—it has to organize employees separately at thousands of locations. Unions were hoping that a friendly National Labor Relations Board would change this by passing regulation to make the franchiser a "joint employer" of people working under its brand. But that became less likely once Republicans won the November elections.

The legislation in New York City, described as the "first of its kind" by its sponsor, is designed to solve these problems by enlisting employers in the fight before they are even unionized. Here's how the Fast Food Worker Empowerment Act, as it is called, would work: If a fast-food worker so chose, his employer would be required to deduct contributions from his paycheck each month and remit them to a not-for-profit organization. That could include union-aligned nonprofits. A New York City local of the SEIU has already created one called Fast Food Justice.

At a March hearing, a representative of Mayor Bill de Blasio explained that New York law already permits employers and employees to arrange voluntary payroll deductions—say, to the United Way. What the New York City bill would do is remove the employer's choice in the matter. If the worker wants the deduction, his boss couldn't say no.

At the March hearing, Councilwoman Julissa Ferreras-Copeland was hardly circumspect about the intended beneficiary. She said that her bill would “enable fast-food workers to form their own nonprofits” to “advocate for changes they need in their communities.”

Put differently, the bill would give labor groups the ability to collect pseudo-dues from a handful of disgruntled employees in each restaurant, across dozens or even hundreds of different companies, even if none of the employees have explicitly voted to join a union.

That the money would go to a union-affiliated nonprofit is a small formality. The Fight for \$15 was launched through so-called worker centers funded by the SEIU. The New York City bill could turn these centers or their successors into self-sustaining entities that no longer need the union subsidy. Which isn't to say they wouldn't coordinate. Fast Food Justice is listed as having the same address as the SEIU local, and its spokesperson is a union employee.

The Fast Food Worker Empowerment Act is bad news for the majority of fast-food workers, who aren't union members and may not be interested in the SEIU's agenda. The City Council is also considering a package of companion bills that would impose union-style work and scheduling rules on the fast-food industry. A similar legislative package, passed by San Francisco in 2014, resulted in less schedule flexibility and fewer part-time jobs, according to [a survey](#) conducted by CorCom Inc. and released by my organization.

Such consequences would be a step back for New York City: An analysis of Census Bureau data, conducted last year by Aaron Yelowitz, an economist at the University of Kentucky, found that only 10% of part-time fast-food employees in the city are working that schedule involuntarily. Most seem to prefer flexible part-time work instead of the rigid scheduling that these bills would create.

If employees in a fast-food restaurant are interested in unionizing, they already have that right. Instead of enhancing these workplace rights, the Fast Food Worker Empowerment Act is a giveaway to labor groups interested in employees' paychecks. The city's elected officials should remember that their job title is “Council Member,” not “Labor Organizer.”

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