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Seattle Restaurant Data Demolishes Conservative Argument Against \$15 Minimum Wage

by [Alan Pyke](#)  Posted on April 10, 2015 at 9:30 am

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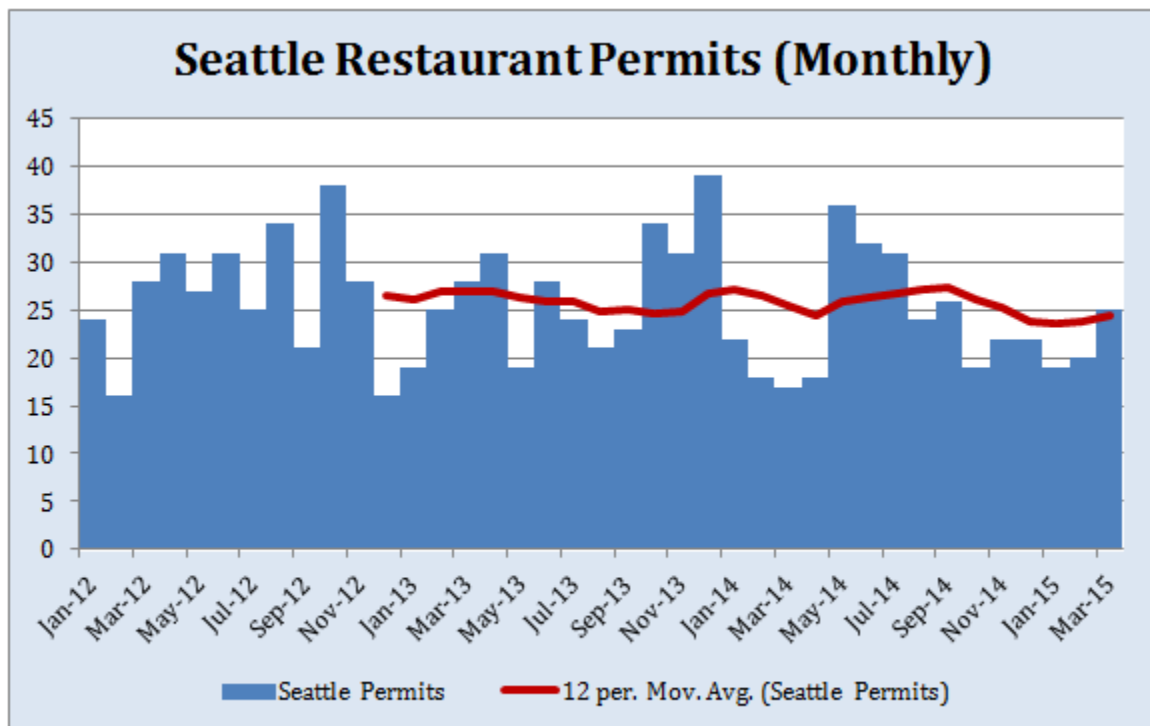
Signs supporting a \$15 minimum wage in Seattle

CREDIT: AP

Weeks before the first gradual increase in Seattle's minimum wage kicked in, conservative pundits decided that the city's vibrant restaurant scene was shuddering to a halt. Numerous prominent outlets on the right touted a thin report in a local magazine that a handful of well-liked restaurants were closing down to avoid the wage law.

High-profile writers confidently proclaimed that Seattle's once-proud restaurant scene was in retreat and that the wage hike was already chilling business activity and killing jobs, based on one anecdotal report. [None of that was true](#). When the Seattle Times asked them about the story, the restaurant owners in question [laughed off the claim](#) that their decisions were motivated by the wage law. But even that direct testimony didn't stop the media wave all the way. The conservative National Federation of Independent Business ran a post [parroting the disproven restaurant closures claim](#) days after the Times debunked the anecdote underlying the narrative.

Now, there's even harder evidence that the right was wrong. The Big Picture [pulled the numbers](#) on how many restaurant permits have been issued by the city each month going back to the start of 2012. The chart shows plenty of ups and downs – what data scientists call “[noise](#)” – but the 12-month average for permits is almost perfectly steady:



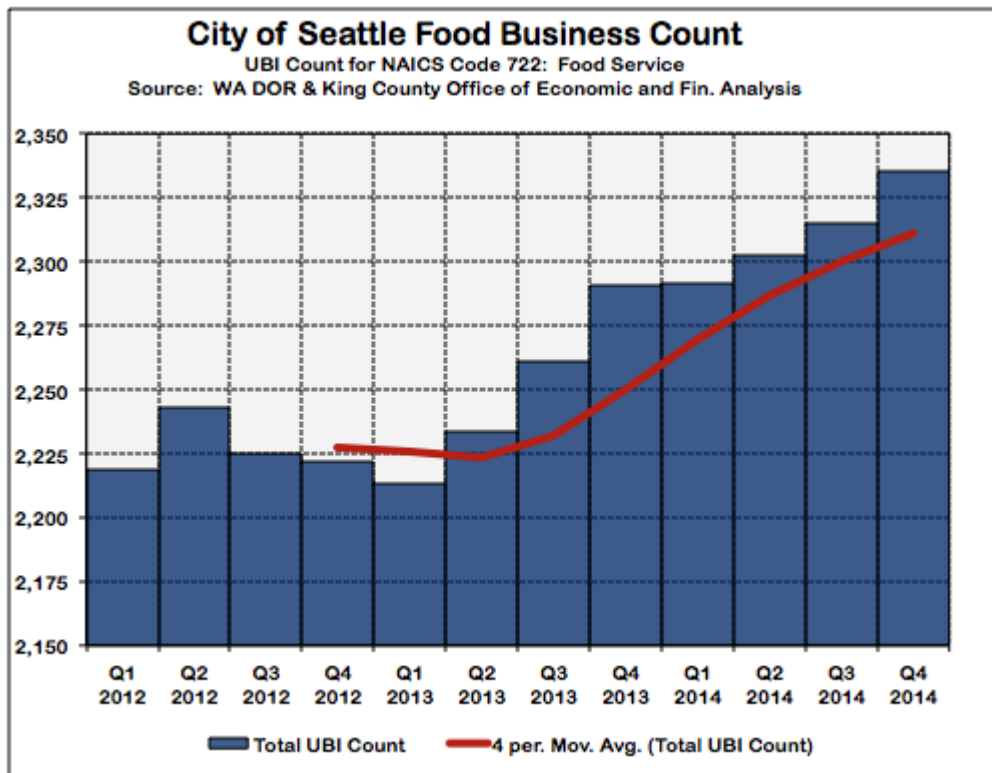
(Source: Seattle Office of Economic and Financial Analysis)

CREDIT: The Big Picture

The city has been issuing about 25 restaurant permits a month on average, sometimes a little more or less, since late 2012. It continued to do so throughout the 2013 mayoral election when the \$15 minimum wage became a near-certainty. The rate held over the subsequent months of [negotiating between business, labor, and community leaders](#). And since the compromise bill to raise the city wage over the next several years [became official](#), it's hovered right around there. In short, the city restaurant scene “looks very much today (in terms of permits) as it did prior to any notion of a higher minimum wage,” the finance expert who ran the numbers wrote.

In a [second post](#), the author looked at the quarterly figures for total restaurant businesses operating in Seattle, which reflects the net of restaurants closing and opening in the city. The city doesn't have these figures for the first quarter of 2015 yet. But restaurant owners have known for about a year that gradual

minimum wage increases would begin this month. In that time, the numbers show, the city's restaurant scene has grown consistently, with more people opening up food and drink places than closing them:



CREDIT: The Big Picture

Ideological opponents of the minimum wage will doubtless find other avenues to argue against the notion that such laws enhance economic growth. But the Seattle restaurant scene simply isn't the smoking crater they wanted it to be.

Of course, higher wages will bring changes to how Seattle businesses operate. There just isn't evidence that their response will be to "go Galt," in the language of free market fundamentalists who insist that minimum wage laws kill jobs. So far, at least one local restaurant has decided to handle the increase by raising wages to \$15 an hour immediately – years ahead of when the law would require it – and [do away with tips](#) while [raising menu prices](#) significantly. Two other restaurants had started printing a 2 percent "Seattle Ordinance Wage Equity Surcharge," but [abruptly canceled that quiet protest](#) days later after customers said they disliked the notation.