



For Immediate Release
February 21, 2024

STATEMENT REGARDING CLEVELAND-CUYAHOGA COUNTY PORT AUTHORITY RAISE

The recent vote by the Cleveland-Cuyahoga Port Authority in favor of a raise and bonus for its CEO is a slap in the face to workers in our county, especially given the Port's decision to rescind the prevailing wage on bond-financed projects. Prevailing wage is a vital policy tool guaranteeing strong wages for workers, many of them union members, who are filling jobs with public funds. Considering that firms hired by the Port don't pay sales tax on building supplies, we are essentially giving tax breaks to firms who need not be from this region, while cutting the wages our union workers make in these very jobs.

For context, the roughly \$17,000 the CEO is receiving with his raise and bonus is enough for the average Cuyahoga County family of four, not indulging themselves, to attend 40 Cleveland Browns games.

Prevailing wage standards raise productivity, reduce turnover, and cause a spillover on other community businesses which also benefit those who own our corner stores, concession workers at Cavs games, and the mechanics fixing our cars. If the last century has taught us anything, it's that putting money into the hands of the middle class is the best way to expand our economy and reduce income inequalities.

Studies show that tinkering with prevailing wage can lead to wages falling by 6-8% as they did in Indiana and West Virginia. Missouri even saw a nearly 50% reduction in some prevailing wage rates. One study shows that states enacting prevailing wage lowered the racial pay gap between Blacks and Whites by seven percentage points. Expanding it to include other trades or sectors can further limit income inequalities, between the rich and middle class, and between races.

Without prevailing wage requirements, and without unions in general, greedy corporations using public funds will be relentless in pursuit of paying the lowest dollar possible, depressing wages throughout Cuyahoga County in the process. Not only will the high-quality standard of work we get from trades workers decrease, but the dream of economic mobility and generational wealth-building will slip further and further away for the average family here, until it becomes an unattainable nightmare.

Many developers and contractors in our county pay their workers well and appreciate the workforce stability that accompanies prevailing wage. Now they will have to compete with out-of-state firms and developers who can set new, lower wages.

All jobs should pay a living wage, especially ones that are the result of public financing. If sheet metal workers, pipefitters, cement masons, and others, aren't paid prevailing wage, our entire county will suffer. We as Democrats stand on the side of workers.

David Brock
Chair
Cuyahoga County Democratic Party

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