

A Livable Wage for SFO's Essential Workers

SFO is a vital economic hub, with operations made possible by thousands of essential workers. Unfortunately, these workers are being increasingly priced out of not only the region, but the jobs themselves. Workers have no choice but to look elsewhere for a living wage if the policies that support the economics of subcontracted work at SFO are not keeping pace with the real cost of living. Much of this is brought on by an industry that—despite record profits and incredible amounts of subsidization—constantly undermines standards for these workers.

One way for airlines to cut costs is by promoting a race to the bottom for their subcontracted work. The workers impacted are cabin cleaners, wheelchair service agents, baggage handlers, security professionals, and many others. This labor is much more overlooked in the public consciousness than that of pilots, flight attendants, air traffic control, and TSA. It is no less essential. SFO and the elected leaders that oversee it are charged with ensuring the long-term sustainability of one of the region's most important economic engines. This is not possible when the short-term profit motives of this industry are incompatible with the economic reality facing workers. Wage policies like San Francisco's Minimum Compensation Ordinance (MCO) are how we help ensure that the industry's cost-cutting does not go too far, but unfortunately the rates for airport workers have fallen behind.

What a Living Wage for SFO Workers Looks Like

For decades now, researchers at MIT have been tracking data on what constitutes a living wage across different parts of the country—defined as what a full-time worker must earn to cover the cost of basic needs. The San Francisco metropolitan area

is one of the most expensive regions in the nation, with a living wage for *one adult with no children* estimated at nearly \$34 an hour.¹ The current wage standard for SFO workers, based on the airport's Quality Standards Program (QSP) rate from July 2025, is barely \$22 per hour.² The QSP is itself based on the For-Profit rate of the MCO.

Table 1: Hourly Pay Necessary for a Living Wage in San Francisco Metro Area (2026)³

1 Adult		
No Children	1 Child	2 Children
\$33.71/hr	\$65.96/hr	\$91.57/hr

2 Adults (1 working)		
No Children	1 Child	2 Children
\$44.27/hr	\$54.79/hr	\$57.97/hr

2 Adults (both working)		
No Children	1 Child	2 Children
\$22.13/hr	\$35.05/hr	\$46.70/hr

Two working adults with just one child would need to earn at least \$35 per hour each to afford a living wage in this region. The current wage rates at the airport leave no room for any amount of children based on what MIT has determined is a living wage, and the 47 cent increase coming later this year to the MCO will not make that difference up.

¹ MIT, Living Wage Calculation for San Francisco-Oakland-Fremont, CA, 2/15/2026.
² SFO Workforce Standards and Development Office, QSP Notice, Effective 7/1/2025.
³ MIT, Living Wage Calculation for San Francisco-Oakland-Fremont, CA, 2/15/2026.



Average Costs of Housing, Transportation in Areas Where SFO Workers Live Show an Impossible Situation for Workers

Housing and transportation typically make up the two largest expenses in a household, and data on these costs in the areas where SFO workers most frequently live shows an untenable state of affairs. The median annual cost of housing in San Francisco, for instance, runs at about \$33,000⁴, with transportation costing around \$11,700. A full-time worker making the QSP rate earns just under \$46,000 each year before taxes.

The average household size in the San Francisco Metropolitan area is 2.67. A household of this size composed entirely of wage-earners at the QSP rate would be using over 36% of its income on housing and transportation. More realistically, a household made up of two people earning the QSP wage would be spending nearly half of their income on housing (36%) and transportation (13%). This is not a realistic, livable wage.

Daly City, where the largest group of our SFO members actually reside, has even higher annual costs. Annually, housing and transportation run about \$34,400 and \$15,300 there, respectively.⁵ A household with two wage-earners making the QSP would be spending over 54% of their income on

housing and transportation, based on average costs in that city. San Mateo County, where SFO physically located, is even less affordable, and would require a pair of QSP workers spending over 60% of their annual income on housing and transportation to afford to live there.

Industry’s Attempts to Dismantle Healthcare at SFO Threatens a Key Draw for Airport Workers to Stay

It is no secret that the cost of healthcare is increasing unsustainably in California, where rising premiums and growth in deductibles mean that households are spending a larger share of their income on healthcare.⁶ Across the past two decades, premiums for job-based insurance have risen nearly twice as fast as wages have grown in California. Deductibles have grown at nearly three times the pace.⁷

While the wage data alone speaks to how challenging it is to support a family on current airport wages, at least SFO has the competitive advantage of the Healthy Airport Ordinance, resulting in family coverage for airport workers. The industry is working to undo that, too, suing to overturn the law.⁸ SFO workers are being squeezed out of their jobs on all fronts at this point—making it all the more important for the wage economics at the airport to ensure that workers can afford to stay working.

Table 2: Median Housing & Transportation Costs Where SFO Workers Live (2026)

	Transportation (Annual)	Housing (Annual)	Housing and Transportation
San Francisco:	\$11,711	\$32,904	\$44,615
Daly City:	\$15,343	\$34,404	\$49,747
San Mateo County:	\$16,481	\$39,132	\$55,613

⁴ Center for Neighborhood Technology, Housing and Transportation Affordability Index, Municipality: San Francisco, CA, March 2026.

⁵ Center for Neighborhood Technology, Housing and Transportation Affordability Index, Municipality: Daly City, CA, March 2026.

⁶ Berkeley Labor Center, “Measuring Consumer Affordability is Integral to Achieving the Goals of the California Office of Health Care Affordability,” 1/23/24.

⁷ CA Health Care Foundation, “The 25% Problem: Why Health Care Is So Expensive (And What We Can Do About It),” 10/13/25.

⁸ Reuters, “San Francisco must face legal challenge to airline health insurance mandate,” 8/29/23.



Airlines Can Do More than Undermine the Industry’s Lowest Paid Workers

One of the most unfortunate aspects of this situation is that the industry we’re dealing with—commercial aviation—can afford to do much better by its workers. Not only has the industry bounced back financially from COVID, it is coming off of *the most profitable year in history*⁹, taking in \$39.5 billion despite “supply chain bottlenecks, geopolitical tensions, sluggish trade and mounting regulatory burdens.”¹⁰ Demand for air travel—measured by Revenue Passenger Miles, one of the key industry metrics—also reached record levels in 2025.¹¹

Every individual domestic airline of the “Big Four” saw record revenues in 2025.¹² With CEOs bringing in compensation in the tens of millions (and an average CEO to employee pay ratio of 236 to 1 across those airlines—and that’s only considering higher-wage direct airline employees), it is hard to take this industry seriously when they cry poverty and continue to oppose livable standards for low-wage, subcontracted service workers. Which is what they have consistently done in: Los Angeles¹³, Miami¹⁴, Washington DC¹⁵, Chicago¹⁶, New York and New Jersey¹⁷, Massachusetts¹⁸, Seattle¹⁹, Minneapolis²⁰, and here in San Francisco²¹, just to name a few.

Positive Impacts of Better Wages at SFO

When workers are priced out of their jobs, the airport suffers. One of the landmark studies on

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the impact of living wage policies was actually conducted on SFO workers, years ago.²² The study found that the airport’s living wage policy led to outcomes that included “dramatically reduced turnover, improved worker morale and greater worker effort,” alongside improved health benefits and an “arrest of declines in quality of life indices.” Researchers found that baggage and ramp workers saw a 25% decrease in turnover, cabin cleaners a 44% decrease, and security screeners—who received the largest wage increase—experienced an 80% decrease in turnover. The study also found no evidence to suggest that the airport’s living wage slowed passenger activity at the airport or had a significant effect on ticket prices: two points opponents of such policies often raise.

SFO generates nearly 42,400 direct jobs, and creates over \$14 billion in business activity in the region.²³ The airport is a critical contributor to the local economy: it creates about \$85 billion in business revenue, over \$31 billion in labor income, and supports nearly a quarter of a million jobs across the Bay Area.

⁹ IATA, “Airline profits hit record high but margins stay thin,” 12/19/2025.

¹⁰ IATA, “Airline Profitability Stabilizes with 3.9% Net Margin Expected in 2026,” 12/9/2025.

¹¹ US Bureau of Transportation Statistics, Air Revenue Passenger Miles, 3/18/2026.

¹² MacroTrends, AAL, DAL, UAL & LUV Revenue 2012-2025.

¹³ Re: Motion #15-0817-S1 on Living Wage at LAX, Airlines for America, City of LA Council File No. 15-0217-51, 09/19/17.

¹⁴ Miami Herald, Union pushes for better pay for service workers at Fort Lauderdale-Hollywood airport, 08/07/2014.

¹⁵ Washington Post, “Contract workers at National and Dulles look to 2017 for a wage increase win,” 12/29/2016.

¹⁶ Chicago Sun Times, “\$13.45-an-hour wage cleared for takeoff at O’Hare, Midway Airports,” 09/06/17.

¹⁷ RE: Supplemental Comments Regarding Proposed Minimum Wage Mandate, A4A, Port Authority of NY & NJ, 07/27/18.

¹⁸ Courthouse News Service, “Airlines Call Out Massachusetts Sick-Leave Law,” 04/05/18.

¹⁹ PR Newswire, “SEIU: Airport Workers Who Helped Spark Fight for \$15 Protest Alaska Airlines Shareholder Meeting” 05/07/15.

²⁰ Twin Cities Pioneer Press, “Airport commission gets pushback on possible MSP wage hike,” 4/19/15.

²¹ Legal Newswire, “Airlines say new San Francisco law goes too far,” 04/08/21.

²² Reich, Hall & Jacobs (2003) Living Wage Policies at the San Francisco Airport: Impacts on Workers and Businesses, Institute of Industrial Relations, UC Berkeley.

²³ Prepared for the SF Airport Commission, Economic Impact Study of SFO, FY 2024.



Next Steps

While our union has been able to negotiate a proper seniority scale and differential pay for specialized work, the MCO and QSP still ultimately set the wage floor for all airport service workers. In 2021, the MCO’s For-Profit rate (which is what the wage for airport workers is based on) was over a dollar ahead of the Non-Profit rate and 55 cents above the rate for Public Entities. It is now \$1.50 and \$3.50 *behind* those respective rates. In the last five years, the For-Profit MCO rate has increased at about half the rate of the other two categories.²⁴

The workers who can afford it least have been left behind by a policy meant to keep their work and pay sustainable.

We cannot afford to allow essential workers to be priced out of their jobs at a key economic hub like SFO. Whether it be through catching the MCO up to the rising costs facing workers, getting the employers to do the right thing at the bargaining table, or urging the airlines not to shortchange their subcontracted workers, we have an opportunity and obligation to ensure that all SFO workers earn a truly livable wage.

Table 3: San Francisco Minimum Compensation Ordinance, Increases from 2021-2026

	For-Profit	Non-Profit	Public
2026:	\$22.01	\$23.50	\$25.00
2025:	\$21.54	\$21.55	\$22.50
2024:	\$20.96	\$20.25	\$21.50
2023	\$20.22	\$18.93	\$20.25
2022	\$19.15	\$17.90	\$18.75
2021	\$18.55	\$17.34	\$18.00
	+19%	+36%	+39%



²⁴ SF.gov, Minimum Compensation Ordinance, Increases Between July 2021 & January 2027.

