

Living Wage for Retail Workers Moves Forward in Chicago

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New Law Would Be First in the Nation

Chicago, IL --A Chicago city council committee yesterday voted 15 to 6 to send to the full council a proposed ordinance requiring large retailers in the city pay their employees a living wage of \$10 an hour and benefits. If approved by the full city council this summer, the Chicago law would become the first of its type in the nation, and would raise pay for tens of thousands of local residents working for large retail employers such as Wal-Mart, Target and Home Depot.

"This policy is about whether people who work for some of the largest companies in America should be able to support themselves with dignity – and should not have to turn to soup kitchens to feed their families," says Jennifer Sung, a lawyer at the Brennan Center for Justice at NYU School of Law.

The Brennan Center advised in the design and drafting of the proposed

law, and is assisting policymakers in Washington, D.C. and New Jersey on similar proposals. The campaign for the new law was organized and led by Chicago's Grassroots Collaborative and ACORN, and includes a broad coalition of labor, anti-poverty and faith community groups.

If approved by the full city council, the living wage law would ask large retailers with sales of \$1 billion or more operating stores larger than 90,000 square feet in Chicago to pay a \$10 living wage and help pay for employee benefits. In a poll by a national public opinion firm released this week, 84% of Chicago voters supported the proposed law.

Like many urban areas, Chicago is in the midst of a wave of large retail development, as major chains including Wal-Mart, Target, Home Depot and others open new stores to serve the profitable and largely untapped urban consumer market. The new law would ensure that new development meets community needs by creating living wage jobs.

"This law is about harnessing the city's growth to make sure that residents benefit with living wage jobs," says Paul Sonn, deputy director of the Poverty Program at the Brennan Center for Justice. "We know that retail is going to keep expanding in Chicago – they need urban consumers. The question is, is it going to be with poverty wages or with wages that can sustain a family?" Leading retailer Costco already pays all of its employees at least \$10 per hour plus health benefits.

If enacted into law, the Chicago law would be one of the first industry living wage laws in the country. On Monday, a committee of the Washington, D.C. city council held a hearing on a similar living wage law for large retailers. In November 2005, Emeryville, CA enacted a living wage for hotel workers in that city.