

New York City Hall Rally for a Living Wage

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Coalition of Labor and Community Groups Kicks Off Campaign for Family-Sustaining Jobs

Tomorrow in City Hall Park, a rally of workers, labor unions, and community, religious, and non-profit groups will launch a campaign to enact a living wage law in New York City. The proposed law requires City contractors and subsidy recipients to pay their employees \$10 an hour plus health benefits.

When: Thursday, May 24th, 5:00pm – 6:30pm

Where: City Hall Park

Who: Paul Sonn, Associate Counsel at the Brennan Center for Justice, is the principal author of the living wage law backed by the groups rallying at City Hall. Mr. Sonn has been a leader in drafting and defending living wage legislation around the country and serves as an advisor to New York's Living Wage Coalition. He is available for

comment.

Members of the Living Wage Coalition include The Working Families Party, ACORN and scores of local unions together with community, religious, and non-profit groups. Members and leadership of these organizations will be in attendance.

Why: The City of New York each year awards billions of dollars of contracts in order to provide services to the public and to City government. Too often, the firms receiving these service contracts do not pay their employees adequate wages or health benefits. Such poverty-level wages deny the employees of service contractors the resources they need to support their families. Moreover, where employers do not pay a living wage, their employees' families are forced to rely on the already overburdened social services system for support, increasing the burden on the city, state, and federal governments and taxpayers. Equally importantly, sub-standard wages often result in high employee turn-over, compromising the quality of the services provided to the City, and encouraging public agencies to contract out services that are currently performed by City employees simply to cut wage and benefits costs. By contrast, jobs paying an adequate wage will increase consumer income, decrease poverty and invigorate neighborhood business.

The City also expends substantial resources each year to provide grants, loans, tax incentives and other forms of assistance to businesses for the purpose of retaining or creating employment opportunities for City residents. But it simply does not make sense to expend scarce public resources to subsidize the creation or retention of poverty-wage jobs. Requiring that recipients of economic development subsidies pay a living wage will ensure that these scarce subsidy dollars are targeted where they will do the greatest good by expanding the pool of family-supporting jobs for City residents.

History: New York City enacted the nation's first local living wage law in 1961 under Mayor Robert Wagner. At a time when the federal minimum wage was just \$1.00 an hour, New York City required all City contractors and subcontractors to pay their workers no less than \$1.50 an hour, later updated to \$2.50 an hour in 1970. Mayor Wagner's living wage would be worth nearly \$11.00 an hour today if it had continued to be updated to keep pace with inflation.

In 1996, as the living wage movement began to sweep the country, the New York City Council enacted a modest living wage law that covered four categories of service workers: janitorial, security, food service and office temporary. But this limited measure reaches only an estimated 1,400 of the many thousands of low-wage workers employed by City contractors.

Nationally: Dozens of major American cities including Boston, Cleveland, Chicago, Detroit, St. Louis, Los Angeles, and San Francisco have enacted broad living wage laws. Rooted in the simple principle that working people in our society need to be able to support themselves and their families, these laws prohibit firms that receive taxpayer-funded benefits from continuing to pay their workers poverty wages. In this era of prosperity, it is time for New York to join other major cities and restore its historic commitment that City dollars should not support employers that pay poverty wages.

The Brennan Center for Justice is a public interest research and advocacy institute affiliated with NYU School of Law. Founded in 1995 in honor of the late U.S. Supreme Court Justice William Brennan, the Center pursues a nonpartisan agenda of scholarship, public education, and legal action that promotes equality and human dignity, while safeguarding fundamental freedoms.

The Center's Economic Justice Project promotes initiatives to combat our nation's widening economic inequality. Focusing on strategies for

expanding access to decent, family sustaining jobs for low-income people, the Economic Justice Project currently is serving as legal and policy counsel to the national grassroots movement working to enact living wage legislation. The Economic Justice Project designs legislation, provides legal and strategic guidance to activists and lawmakers, and defends and enforces reform legislation once enacted.

For more information about the rally, the Living Wage Campaign or the Economic Justice Project, please contact Amanda Cooper at 212.998.6736.