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Wage Policy from the Grassroots

By Annette Bernhardt

When it comes to labor issues, the policy mantra during recessions - and recoveries - is that wages are off the table. The argument sounds formidable: the economy is too weak, employers are only starting to dip their toes in the water, and any attempt to raise wages will choke growth and trigger layoffs.

Which makes it all the more amazing that against all odds, there's a movement building at the city and state level to increase wages through legislation and organizing. Whether in the form of wage theft bills, a new generation of living wage laws, or communities fighting for good jobs on development projects, grassroots groups are making the bold case that now is exactly the right time to raise wages.

Take Miami, where advocates in February succeeded in passing a local ordinance to fight wage theft, setting up a city process for workers to bring legal action against employers who fail to pay them (their state barely does any enforcement of workers' rights). In Illinois, a grassroots coalition succeeded last month in winning a state law that includes criminal charges for employers who repeatedly fail to pay minimum wage and overtime. And New York state legislators are currently considering an omnibus bill promoted by community groups that would stiffen penalties for wage theft and encourage more workers to come forward by protecting them from retaliation.

More than a dozen cities and states across the country are considering similar legislation, the culmination of a growing movement of immigrant worker centers and their allies lifting up chronic exploitation in low-wage industries - workers being paid less than the minimum wage, not being paid for overtime, being paid off the clock, having their tips stolen, or not being paid at all.

Make no mistake, these are policies that raise wages. In a [study](#) released last year, low-wage workers in Chicago, New York and Los Angeles lost a stunning \$56.4 million to wage theft every week. Robust enforcement of labor laws means boosting the wages of day laborers, restaurant workers, home care aides, domestic workers, laundry workers, security guards and car wash workers across the country (and in the process, leveling the playing field for responsible employers and boosting local economies).

But the minimum wage is not nearly enough to support a family, and that's the recognition behind a new wave of organizing in the living wage movement. In the past, living wage laws have typically applied just to employers who have contracts with a city (for example, to provide janitorial services for government buildings). This time around, advocates are hoping to go broader and cover economic development projects that receive public subsidies - and they are succeeding in making their case.

The genesis for this approach lies in Los Angeles, where local coalitions developed a model of hard-nosed negotiations with developers to win community benefits on projects in their neighborhoods. Since then, the goal has been to institutionalize community benefits in city policy. For example, advocates in Pittsburgh recently won a law that will require fair wages for hotel, janitorial, cafeteria and grocery store workers at large developments that get city aid. The Chicago city council is currently considering a similar living wage law that will cover, among others, retail workers at subsidized developments. New York City is in a watershed moment. Last December, Bronx residents and their city council allies stood down a local developer who refused to adopt a living wage policy; they are now advancing several laws that would institutionalize living wages on taxpayer-funded projects such as malls and stadiums.

Then as now, the passion of the living wage movement is firmly grounded in low-income communities and communities of color, which have borne the brunt of three decades of growing inequality and the proliferation of the low-wage, dead-end jobs. Even before the recession, 38 million workers were struggling to survive on poverty wages. As growth starts again in industries such as restaurants, retail, temp agencies, home health care and nursing homes, America's low-wage jobs problem is resurfacing full-force.

Critics will no doubt pull out the usual job killer arguments; one imagines wild-eyed advocates running amok proposing \$30 an hour wage mandates, hell-bent on destroying the economy. We've even heard employer advocates argue that simply being forced to pay the minimum wage would run businesses into the ground.

But in truth these are temperate policies. Take wage theft legislation: all that is being asked is that employers comply with existing law (presumably this is not an imposition). And in the case of living wage policies for subsidy recipients, all that's being asked is that when mall developers choose their retail tenants - or stadium owners choose their food concessions, or banks choose their janitorial contractors - that they choose the ones that pay a living wage, rather than the ones that pay poverty wages.

None of the laws being passed will threaten our economic health. They are sound public policy based on principles we can all agree on: That when taxpayer money underwrites job creation, it should result in living wages and health benefits. That our economic recovery must not be built on the backs of illegal working conditions. And that working families deserve better - much better - than being forced to choose between a bad job or no job at all.

We hear a lot these days about angry voices at the grassroots that are demanding change in Washington. But there's another movement underway that is bringing real, concrete change to people where they work and where they live - those are the voices the beltway needs to listen to, and it is their principles that should drive our national economic recovery.

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