Job Standards and Accountability for Large Retailers

Over the past several years, growing attention has been focused on the spread of low-wage jobs and the daily struggles of the working poor. Wal-Mart and other large retailers have stood at the center of that discussion, crystallizing both the problem and its impact on our workers, our families and our communities. As these low-wage retailers expand, other employers face growing pressure to cut wages and benefits in order to compete. The result is a loss of decent jobs for working families in one of the largest industries in our economy.

In response, new community coalitions have formed in states and cities across the country. Using a variety of tools, advocates are holding large retailers accountable and asking them to meet basic standards - in terms of decent wages, affordable health benefits, and fair economic development. The driving principle behind these strategies is to level the playing field for responsible "high road" employers, thereby rebuilding job quality in this key employment sector.

The Brennan Center is providing research to help policymakers and community coalitions better understand the impact of large retailers, and working with them to develop new policy responses.

Our current focus is on developing living wage laws for the retail industry. High-road retailers such as Costco have already demonstrated that decent wages and health benefits are economically sustainable in the industry. By asking all large retailers to pay a living wage, state and local governments can raise the wage floor for the industry and ensure that economic development - especially the recent wave of big retail expansion into urban areas - delivers good jobs for their residents.

Chicago's Retail Living Wage Law

In July 2006, the Chicago City Council approved the nation's first ordinance requiring large retailers in the city to pay their employees a living wage. The policy represents an important new
tool for communities working to ensure that economic development delivers good jobs for their residents. However, in September, Mayor Richard M. Daley vetoed the bill, and the City Council fell three votes short of the two-thirds majority needed to override the mayor’s veto.

Supporters are planning to reintroduce the retail living wage ordinance and expect it to come up for a vote this spring. With 71% of Chicagoans supporting the measure, advocates are confident that, in the end, the needs of Chicago’s working families will prevail.

The Brennan Center worked with Chicago leaders to develop the proposed law and is providing economic and policy research to help policymakers assess its impact. The campaign is being led by ACORN and Chicago’s Grassroots Collaborative, and includes a broad coalition of anti-poverty, labor and faith community groups.

See http://www.brennancenter.org/subpage.asp?key=413&tier3_key=8492 for more information.