



The District's Dime

Going Beyond the Budget Book

The DC Fiscal Policy Institute blog
www.dcfpi.org

August 29, 2013

A Visual Guide To Help Mayor Gray Sign The Living Wage Bill

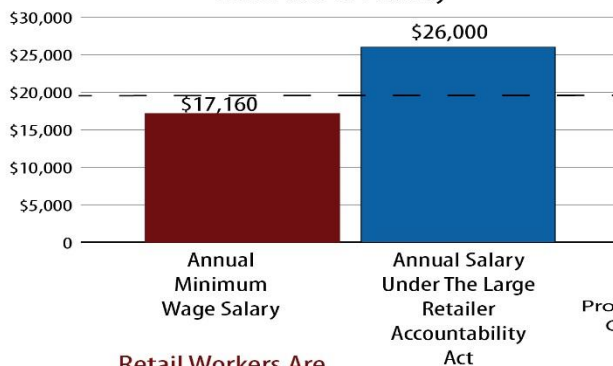
Jessica Fulton and Elissa Silverman

Press reports indicate that Mayor Gray will receive the living wage bill tomorrow, at the close of a week that has focused on the historic March on Washington for Jobs and Freedom and trailblazing words of Dr. Martin Luther King. In *Where Do We Go From Here: Chaos or Community*, King wrote: "There is nothing except shortsightedness to prevent us from guaranteeing an annual minimum — and livable — income for every American family."

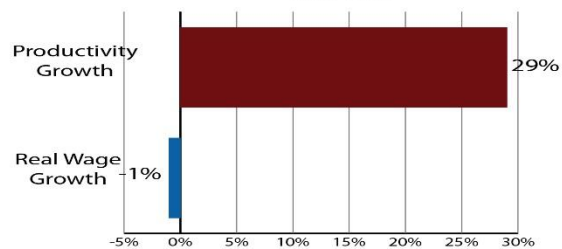
In order to help Mayor Gray clearly see what is at stake, the District's Dime offers these visual facts.

WHY RAISING WAGES FOR RETAIL WORKERS IS IMPORTANT

A Starting Wage of \$12.50/Hour Would Lift A Family of Three Out Of Poverty



Nationally, Real Wages for Retail Workers Have Fallen While Retail Worker Productivity Has Grown 2001-2011

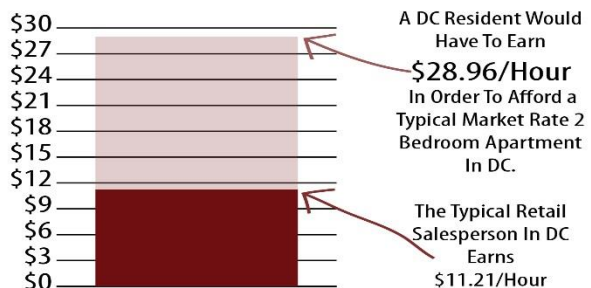


Retail Workers Are **3X** As Likely To Live In Poverty Than Other DC Workers



Did You Know That...

- Low Wage Workers Spend Almost All Of Their Income In The Local Economy
- Some DC Retailers, Like Costco, Pay A Living Wage Now And Succeed

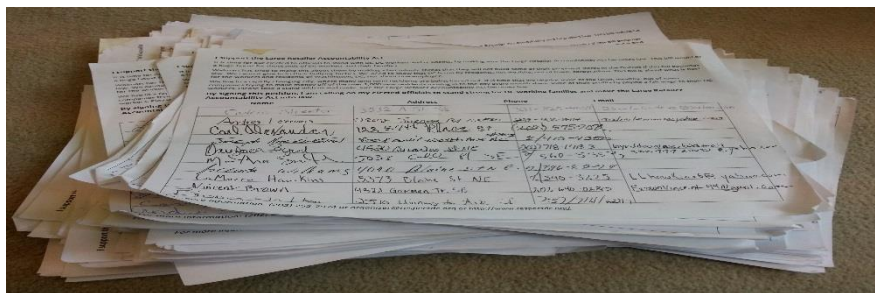


The Large Retailer Accountability Act, which was passed by the DC Council twice, guarantees retail workers, for companies which gross more than \$1 billion annually and have stores in the District larger than 75,000 square feet, a living wage of \$12.50 an hour. It is now up to Mayor Gray to sign the bill and help families in one of our growing industries to be able to afford to live in our city.

A few highlights to reassure the Mayor that signing the Living Wage bill is doing the right thing:

- **The Large Retailer Accountability Act reflects research that shows large retail is a good place to start raising wages because the industry is fast-growing and very profitable, but also the source of many low-wage jobs.** The bill also mirrors what one of the companies impacted by the legislation told DC residents: that it would pay a living wage of \$13 an hour. That's what Wal-Mart, which is now threatening to pull out of at least three of six planned stores in the District, told a group of ministers this spring. Wal-Mart may have been referring to an *average* of \$13/hour, but it is clear that the impression they were trying to get across was that they would pay a living wage.
- **The Large Retailer Accountability Act would lift many DC families above poverty, which not only helps individual households but helps our entire economy.** As the graphic above shows, a guaranteed wage of \$12.50 an hour minus benefits is a full-time yearly salary of \$26,000. According to research from the Economic Policy Institute, the average age of a retail worker in DC is 34, which means it is likely many retail workers are heads of households. The additional wages earned will go right back into the DC economy. But even at \$12.50 an hour, it would be difficult to rent an average two-bedroom apartment.
- **The Large Retailer Accountability Act reflects worker productivity, and other retailers have found that paying employees a living wage is a successful company strategy.** Costco, which recently opened in Ward 5, has a starting hourly wage of \$11.50 an hour and the company reports an average wage above \$20 an hour. Requiring others to pay good wages would prevent them from using low wages to under-cut Costco and other employers.

Mayor Gray has asked to hear from District residents. More than 1,500 have signed petitions in support of the bill, and thousands of others have called his office.



The message has been clear. DC residents need living-wage jobs. Residents want access to retail, too, but they don't think they should have to accept poverty wages to get it.