

Illinois SEP candidate condemns Chicago mayor's veto of minimum wage law

Joe Parnarauskis, SEP candidate for Illinois Senate
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On September 11, Chicago Mayor Richard Daley, a Democrat, vetoed the so-called "Big Box" ordinance requiring mega-stores such as Wal-Mart, Target and Home Depot to pay a higher wage than the minimum wage set by Illinois law. The Chicago City Council, which passed the original ordinance by a 34-15 margin, failed to override Daley's veto after three Democratic aldermen switched sides to oppose the measure.

The following is a statement issued by Joe Parnarauskis, Socialist Equality Party candidate for state Senate from Illinois' 52nd District:

I condemn Mayor Daley's decision to veto the "Big Box" ordinance in Chicago. This, the first veto of Daley's 17 years as mayor, shows that the mayor and the Democratic Party machine over which he presides are opposed to any measure, no matter how timid, that limits the ability of big business to amass profits by subjecting workers to poverty-level wages.

The measure itself was very limited. It would have affected only a handful of businesses—those with square footage of over 90,000 feet and annual gross earnings of over \$1 billion, such as Wal-Mart, Target and Home Depot. The measure would have initially raised the minimum wage at these stores to \$9.25 an hour and given workers \$1.50 in benefits. By 2010, workers would have received \$10 an hour, with \$3 an hour in benefits. The current minimum wage in Illinois is \$6.50 an hour.

Ten dollars an hour in Chicago is not enough to live on. One study estimates an annual income of \$50,000 a year—or \$24 an hour—is needed for a family of four to be "self-sufficient." It takes an \$18 an hour wage just to be able to afford a two-bedroom apartment. With housing prices skyrocketing by 40 percent since 2000, a wage of \$37 an hour—or \$74,208 a year—is needed to buy a home.

In other words, from the very beginning the ordinance was nothing more than a token gesture. Not only did it fail to guarantee a real living wage, it did nothing to raise the wages of tens of thousands of employees working for the minimum wage at McDonalds, Walgreen's drugstores, and other locations not considered "Big Box" companies.

The ordinance was promoted by a section of the Democratic Party for purely electoral purposes. It targeted Wal-Mart in a two-faced attempt to present a populist and "labor friendly" face in order to cover up the fact that the Democrats have

overseen a devastating decline in the living standards of workers, whose median household income has fallen by nearly \$2,000 since 2000. The campaign has been supported by the AFL-CIO and the United Food and Commercial Workers, which want to promote Democratic candidates in November and provide the unions with a cover for their own treachery and impotence.

The conflict between Daley and the Democrats on the City Council who promoted this ordinance is one between different factions of a right-wing, pro-business party. Daley speaks for those sections of his party who consider any limitation, no matter how small, on corporate giants like Wal-Mart and Home Depot to be out of bounds. Joining Daley were several black and Hispanic city council members, clergymen and business owners who have benefited from the exploitation of minority workers.

The federal minimum wage has not gone up in nine years. It was last increased to its present level of \$5.15 in 1997. A full-time worker making the Illinois minimum of \$6.50 an hour would earn approximately \$13,000 per year, much less than what is needed to keep a family of four from living in poverty. In real terms, the federal minimum wage has been declining since 1968, when it was \$1.60 an hour—or \$9.12 in today's dollars. Even if the federal minimum wage was increased to \$10 an hour, a full-time worker on minimum wage would make only \$20,800 a year—roughly the same as the official poverty line for a family of four.

There is a growing track record of such "living wage" measures being implemented but never enforced in other cities. A US District Court judge in July, for example, overturned a Maryland law that would have required Wal-Mart to allocate as much as 8 percent of payroll to health-care costs.

Daley emphatically defended his veto of the "Big Box" wage ordinance. Any increase in the minimum wage, he declared, "would drive these businesses, jobs and revenues from our city to suburban areas, where those wage and benefit rules don't apply and with whom we must remain competitive." He added, "The losers would be the people in communities most in need of the jobs and other economic activity these stores would generate. All parts of our city need the same access to retail and good job opportunities."

Daley could have lifted these remarks from the statements of any number of Republican politicians as well as such business lobbies as the Illinois Manufacturers Association and the Illinois Chamber of Commerce, which opposed the measure. One could not find a better illustration of the bipartisan unity of the two parties when it comes to the fundamental class interests of the corporate and financial oligarchy. In fact, the same day the City Council upheld Daley's veto, California's Republican governor Arnold Schwarzenegger vetoed legislation that would have required Wal-Mart and other large employers to provide health care benefits for their employees or pay into a state health fund.

In keeping wages and benefits as low as possible in Chicago, Daley wants workers to believe that he is doing them a favor! According to the mayor, in order to keep their jobs, workers in Chicago must be "competitive"—that is, they must be exploited more than their suburban counterparts in order to "attract business."

I reject all such claims with contempt! This is nothing but the standard refrain of those who exploit labor. The Daleys of the world claim that, "realistically," the only way for workers to keep their jobs is for them to compete with one another for the lowest wages and fewest benefits. The same logic he employed this week against the minimum wage increase might have worked just as well against any of the gains workers have made in a century and a half of struggle: weekends, pensions, health care, holidays, equal pay for equal work, or child labor laws. Any of these "could drive jobs and businesses from our city." Daley's line of argument, taken to its logical conclusion, leaves workers without anything at all!

Decent wages and economic security are social rights that must be fought for and won by working people in a struggle against the CEOs and billionaire investors who are plundering the social infrastructure to further line their own pockets. This is a struggle against both of the parties that are financed by big business and defend its interests.

My Democratic opponent, Michael Frerichs, has proposed a statewide minimum wage increase of \$1—a totally inadequate raise that would still leave a family of four well below the official poverty line.

The entire political and corporate establishment claims that decent-paying jobs, pensions, health benefits and social services such as public education have become unaffordable. This is another lie. Economic output has grown enormously over the past 30 years, but those who do the work have gained little or nothing from it. Instead, the increased wealth has been monopolized by a small fraction at the top of American society. Since 1979, the wealthiest 1 percent of the American population has more than doubled its share of the national wealth, from 19 percent to over 40 percent.

A far-reaching redistribution of the wealth, taking it away from the super-rich and using these resources for the good of all, has become an urgent social necessity. We demand the

reorganization of economic life on rational and humane—that is, socialist—foundations: that the wealth produced by the working class be used to meet the needs of the people, rather than the profit interests of giant corporations and the accumulation of personal wealth by a privileged elite.

Economic security is a basic human right, not a privilege to be enjoyed by the few who are rich. The SEP demands the organization of economic life to guarantee all working people a comfortable standard of living. We call for the following:

- * the establishment of a guaranteed annual income, indexed to inflation, to ensure economic security for all;

- * guaranteed healthcare benefits and pensions;

- * a reduction of the workweek to 30 hours with no loss of pay in order to hire tens of thousands of unemployed workers;

- * a program of public works to rebuild the cities and rural areas, provide high-quality, low-cost housing, construct new schools and improve mass transit and roads;

- * the placement of giant retailers such as Wal-Mart, as well as all of the major industrial and financial enterprises, under public ownership.

The only way American workers can stop the loss of jobs and the lowering of their wages is to build up an international socialist political movement that can confront global capitalism and fight to reorganize the economy to meet human needs. In the US, this means that workers must break with the Democratic Party and build a genuinely independent political movement of the working class, based on a socialist program.

The Democratic Party in Illinois knows that millions of working people are fed up with their claims to represent working people when, in fact, they are the second party of big business. That is why the Democrats have expended tremendous resources to keep my name off the ballot—because I fight for a program that advances the interests of working people, and not the profit interests of corporate America.

I urge voters in the 52nd District and throughout the state to oppose the effort to keep me off the ballot, actively support my campaign, and vote for the Socialist Equality Party in November. Consider our program and make the decision to join and build the SEP as a socialist alternative to the two capitalist parties.



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