

**IN THE
MISSOURI SUPREME COURT**

MISSOURI HOTEL AND MOTEL
ASSOCIATION, *et al.*,

Appellant,
v.

Case No. SC84107

CITY OF ST. LOUIS
and
ST. LOUIS LIVING WAGE
CAMPAIGN, *et al.*,

Appeal from the Circuit Court of the
City of St. Louis
The Honorable Robert H. Dierker
Division 3

Respondents,.

BRIEF OF *AMICI CURIAE* NATIONAL LAWYERS GUILD, LABOR AND RELIGION
COMMITTEE OF THE CATHOLIC ACTION NETWORK FOR SOCIAL JUSTICE,
JEWS FOR RACIAL & ECONOMIC JUSTICE, ST. LOUIS JOBS WITH JUSTICE,
ALLIANCE FOR DEMOCRACY AND GRASS ROOTS ORGANIZING
IN SUPPORT OF RESPONDENTS

Saura James Sahu
Julie H. Hurwitz, Executive Director
NLG/Maurice & Jane Sugar Law Center
for Economic & Social Justice
733 St. Antoine, 3d Floor
Detroit, Michigan 48226
Tel. (313) 962-6540
Fax (313) 962-4492

Arthur J. Martin (Mo. Bar #34197)
Cooperating Attorney
NLG/Maurice & Jane Sugar Law
Center for Economic & Social Justice
Schuchat, Cook & Werner
1221 Locust Street
St. Louis, MO 63103
Tel. (314) 621-2626
Fax (314) 621-2378

Attorneys for Amici Curiae

TABLE OF CONTENTS

Error! No table of contents entries found.

TABLE OF AUTHORITIES

CASES

<i>Mayor & City Council of Baltimore v. Sitnick</i> , 254 Md. 303, 255 A.2d 376 (1969).....	8
<i>McMillen v. Browne</i> , 14 N.Y.2d 326, 200 N.E.2d 546 (1964).....	8

STATUTES & Municipal Ordinances

29 U.S.C. § 218(a).....	8
D.C. Stat. § 32-1001 <i>et seq.</i>	8
Kansas City (Mo.) Admin. Code § 2-1651.....	9
St. Louis City Code Rev. § 6.20	9

BOOKS, ARTICLES & REPORTS

<i>234,000 New Jobs in November Kept Economy Humming</i> , N.Y. TIMES A1 (Dec. 4, 2000).....	12
Bernstein, Jared & John Schmitt, <i>Making Work Pay: The Impact of the 1996-97 Minimum Wage Increase</i> (Economic Policy Institute 1998).....	15
Bernstein, Jared, <i>Increasing the Minimum Wage: Don't Let the Slowdown Slow It Down</i> , EPI Issue Brief (Economic Policy Institute June 11, 2001).....	15
Bikle, Henry Wolf, <i>Judicial Determination of Questions of Fact Affecting the Constitutional Validity of Legislative Action</i> , 38 HARV. L. REV. 6 (1924).....	1
Boushey, Heather, Chauna Brocht, Bethney Gundersen & Jared Bernstein, <i>HARDSHIPS IN AMERICA: THE REAL STORY OF WORKING FAMILIES</i> (Economic Policy Institute 2001)	13
Card, David & Alan Krueger, <i>A Reanalysis of the Effect of the New Jersey Minimum Wage Increase on the Fast Food Industry with Representative Payroll Data</i> (Indus. Rel. Sect., Princeton Univ., Working Paper no. 393, Jan. 1998).....	15

Card, David & Alan Krueger, MYTH AND MEASUREMENT: THE NEW ECONOMICS OF THE MINIMUM WAGE (1995).....	15
Card, David, <i>Using Regional Variation in Wages to Measure the Effects of the Federal Minimum Wage</i> , 46 INDUS. & LAB. REL. REV. 22-37 (1992).....	15
Collins, Michael G., ‘Economic rights,’ <i>Implied Constitutional Actions, & the Scope of Section 1983</i> , in <i>Symposium Section 1983: The Constitution and the Courts</i> , 77 GEO. L.J. 1493, 1508 (1989).....	6
Deale, Frank, <i>The New Federalism and State Immunity</i> , 58 GUILD PRACTITIONER 42 (2001)	5
East-West Gateway Coordinating Council, THE FAMILY-SUPPORTING WAGE FOR THE ST. LOUIS REGION (June 2000)	13
Galbraith, John Kenneth, THE GOOD SOCIETY (1996).....	16, 23
Glickman, Lawrence B., A LIVING WAGE: AMERICAN WORKERS AND THE MAKING OF CONSUMER SOCIETY (1997).....	25
Joyce Foundation, <i>Welfare to Work: What Have We Learned?</i> (March 2002), available at http://www.joycefdn.org/welrept	21
Karst, Kenneth, <i>Legislative Facts in Constitutional Litigation</i> , 1960 SUP. CT. REV. 75 (1960)	1
Kraut, Karen, Scott Klinger & Chuck Collins, <i>Choosing the High Road: Businesses that Pay a Living Wage & Prosper</i> (Responsible Wealth 2000), available at http://www.responsiblewealth.org	12, 16, 22
Levin-Waldman, Oren M., THE CASE OF THE MINIMUM WAGE: COMPETING POLICY MODELS (2001)	7
Liebling, Rabbi Mordechai, <i>The Commandment for a Living Wage</i> , available at http://www.socialaction.com/1999andearly2000/liebling-livingwage.phtml (viewed on April 30, 2002).....	27
Mason, J.W., <i>Living Wage Junkonomics</i> , CITY LIMITS (May 2002).	15
Neumark, David, <i>How Living Wage Laws Affect Low-Wage Workers and Low Income Families</i> (Public Policy Institute of California 2002), available at http://www.ppic.org ..	18

Neumark, David, Robert J. Kleine & Nick A. Khouri, <i>Economic Consequences of Detroit's Living Wage Ordinance</i> (Public Sector Consultants, Inc. March 1999).....	18
Niedt, Christopher, <i>et al.</i> , <i>The Effects of the Living Wage in Baltimore</i> (1999 ed.), a working paper of the Economic Policy Institute, available at http://www.epinet.org	20
Pollin, Robert, Stephanie Luce & Mark Brenner, <i>Economic Analysis of the New Orleans Minimum Wage Proposal</i> (Univ. of Mass. Political Econ. Research Inst., Research Report no. 1 1999).....	15
Pollin, Robert, Mark Brenner & Stephanie Luce, <i>Intended vs. Unintended Consequences: Evaluating the New Orleans Living Wage Proposal</i> (Univ. of Mass. Political Econ. Research Inst., Working Paper no. 9 2001).....	19
Pollin, Robert & Stephanie Luce, <i>THE LIVING WAGE: BUILDING A FAIR ECONOMY</i> (1998)	17
Research & Planning, Mo. Dep't of Econ. Devel., <i>THE MISSOURI SELF-SUFFICIENCY STANDARD: NECESSARY WAGES FOR ESSENTIAL NEEDS</i> (June 30, 2000)	13
Roston, Eric, <i>How Much is a Living Wage?</i> , TIME MAGAZINE _ (Apr. 8, 2002).....	18
Sahu, Saura James, <i>Living Up to the Living Wage</i> , forthcoming in _ GUILD PRACTITIONER _ (2002)	6
Spriggs, William & John Schmitt, <i>The Minimum Wage</i> , in RECLAIMING PROSPERITY: A BLUEPRINT FOR PROGRESSIVE REFORM (Todd Schafer & Jeff Faux eds. 1996).....	15
Tribe, Lawrence, <i>AMERICAN CONSTITUTIONAL LAW</i> (2d ed. 1988)	1
Uchitelle, Louis, "A Pay Raise's Impact," N.Y. TIMES at D1 (Jan. 12, 1995).....	15
Waltman, Jerold, <i>THE POLITICS OF THE MINIMUM WAGE</i> (2000).....	7
Wood, Daniel B., 'Living Wage' Laws Gain Momentum Across US, CHRISTIAN SCIENCE MONITOR 1 (March 15, 2002).....	18

OTHER SOURCES

Association of Community Organizations for Reform Now (ACORN) Living Wage Resource Center, "Living Wage Wins," available at http://www.livingwagecampaign.org	10
---	----

CATECHISM OF THE CATHOLIC CHURCH.....	22, 26
Deuteronomy	27
General Assembly, Union of American Hebrew Congregations, Resolution on Living Wage Campaigns, adopted Dec. 15-19, 2002, available at http://www.rac.org/issues/issuemwres.html	26
Jewish Council for Public Affairs, Resolution On Living Wage and Low-Income Workers, adopted Feb. 28, 2000, available at http://www.jewishpublicaffairs.org/equal/resolutions/low-income-2-28-00.html	26
Pope John Paul II, <i>Apostolic Exhortation Familiaris Consortio: Regarding the Role of the Christian Family in the Modern World</i> (Nov. 22, 1981), available at http://www.catholic.org/veil-of-innocence/famout.htm	26
Pope Paul VI, Address (1972).....	25
Pope Pius XI, <i>Encyclical Letter on Christian Marriage</i> (Dec. 31, 1930), available at http://www.catholic.org/veil-of-innocence/casti.htm	25
SOCIAL PRINCIPLES OF THE UNITED METHODIST CHURCH 2001–2004 (2000)	22, 26
State of Wisc. Dep’t of Workforce Devel., Equal Rts. Div., Labor Standards Bur., Historical Resume of Minimum Wage Regulations in Wisconsin (1998), available at http://www.dwd.state.wi.us/notespub/dwdpub/236e/LS-39E-P.pdf	8
U.S. Dep’t of Labor, Chart of Minimum Wage Values in Constant Dollars, available at http://www.dol.gov/dol/esa/public/minwage/main.htm	12
U.S. Dep’t of Labor, Minimum Wage Laws in the States, available at http://www.dol.gov/dol/esa/public/minwage/america.htm	11

INTRODUCTION

With the consent of all parties, and in keeping with the tradition of the “Brandeis briefs,”¹ *amici curiae* National Lawyers Guild/Maurice & Jane Sugar Law Center for Economic & Social Justice, Labor and Religion Committee of the Catholic Action Network for Social Justice, Jews for Racial and Economic Justice, St. Louis Jobs With Justice, Grass Roots Organizing, and Alliance for Democracy (collectively “*Amici*”) respectfully submit this brief in this appeal from litigation involving the St. Louis Living Wage Law. *Amici* recognize that the validity of the St. Louis Living Wage Law itself – which was struck down by the lower court – is not at issue in this appeal. Instead, the case concerns the constitutionality of Missouri Revised Statutes § 67.1571 – a state law that purports to forbid Missouri cities from adopting local “minimum wage” legislation but which the lower court found was enacted in violation of the Missouri Constitution. Nevertheless, the appeal has implications for future living wage laws in Missouri, as Appellant would likely attempt to invoke Section 67.1571 against future ordinances if the statute were not unconstitutional.

Accordingly, *Amici* believe it would be helpful to the Court to be aware of the

¹ See generally LAWRENCE TRIBE, AMERICAN CONSTITUTIONAL LAW § 8–3, at 569 (2d ed. 1988) (“The famous ‘Brandeis briefs’ in such cases as *Muller v. Oregon* [, 208 U.S. 412 (1908),] helped save a number of statutes from invalidation.”); Henry Wolf Bikle, *Judicial Determination of Questions of Fact Affecting the Constitutional Validity of Legislative Action*, 38 HARV. L. REV. 6 (1924); Kenneth Karst, *Legislative Facts in Constitutional Litigation*, 1960 SUP. CT. REV. 75 (1960). The briefs were written by Louis Brandeis and his associates before he ascended to the United States Supreme Court. The papers detailed the poor conditions endured by workers and used social science to persuade the Court, in considering doctrinal applications, to carefully review the facts that underlay employment legislation.

important public policies that are promoted by living wage laws. By providing background on the need for and national experience with living wage legislation, the economic evidence concerning the impact of such laws, and the broad support for such measures among leading voices for the disadvantaged in our nation's faith and other communities, *Amici* endeavor to provide important context for the Court's consideration of the legal issue posed in this appeal. *Amici* suggest that this record establishes sound policy grounds for preserving the discretion of local lawmakers and citizens in Missouri to adopt prudently tailored living wage ordinances to address the needs of the working poor in their communities.

In light of the legal arguments presented by Respondents, the City of St. Louis and the St. Louis Living Wage Campaign, *Amici* respectfully urge that the Court should affirm the ruling of the court below that Missouri Revised Statutes § 67.1571 was adopted in violation of the Missouri Constitution and therefore does not prevent local governments in Missouri from adopting living wage legislation.²

STATEMENTS OF INTEREST OF AMICI

Amici are a group of Missouri and national non-profit organizations committed to promoting sound public policy initiatives to help working families support themselves with dignity. Drawing on the social justice teachings of our country's

² *Amici* further note that even if Section 67.1571 were constitutional, they believe that it still would not prevent Missouri cities from adopting living wage laws. Unlike minimum wage laws which extend to all employers in a jurisdiction, living wage laws

faith communities, the experience with living wage laws in cities across the country, and current economic evidence, *Amici* support the enactment of ordinances like that in St. Louis as important tools for protecting the working poor against economic hardship.

Amicus National Lawyers Guild/Maurice & Jane Sugar Law Center for Economic & Social Justice (Guild Law Center) is a national public interest law center that focuses on issues of economic and environmental justice. The Guild Law Center has a specific litigation project to support the implementation and enforcement of living wage ordinances across the country. As part of this effort, the Guild Law Center has conducted extensive research on living wage issues. The Center has also participated in litigation in the Missouri courts and has served as *amicus curiae* in a variety of cases including *Alexander v. Sandoval*, 532 U.S. 275 (2001).

Amicus the Labor and Religion Committee of the Catholic Action Network for Social Justice is a St. Louis-based organization of Roman Catholics dedicated to promoting justice in the workplace and the dignity of the working person. Grounded in the Church's longstanding commitment to these concerns, the Committee works to translate faith into effective action. The Committee's mission is to mobilize support for public policies such as the St. Louis Living Wage Law that safeguard the well-being of the economically vulnerable in our society.

apply only to businesses that choose to accept city contracts or subsidies – an area where cities have long enjoyed the prerogative to set wage standards.

Amicus Jews for Racial and Economic Justice (JFREJ) is a Jewish organization committed to realizing the Jewish tradition's duty of *tikkun olam* – repairing the world. With other Jewish community organizations and congregations, JFREJ works to promote the Jewish tradition's commitment to a just society, the dignity of labor, and public policy that ensures that employers do their part to enable our nation's workforce to keep their families out of poverty.

Amicus St. Louis Jobs with Justice is a coalition of faith-based, community, and labor organizations committed to addressing the root causes of poverty while working for an economic base that benefits the entire community. JWJ supports sound economic policies, like living wage ordinances, to help working families help themselves.

Amicus Grass Roots Organizing (GRO) is a Missouri-based organization that works to give a voice to individuals and communities in the pursuit of economic justice and human rights. With a membership comprised largely of low-wage Missourians, GRO believes that living wage laws are one important tool for helping move families out of poverty.

Amicus Alliance for Democracy (AFD) is a citizens' movement dedicated to promoting social and economic justice, government accountability, and fairness in public policy. AFD supports the living wage concept as a sensible way to lift low-wage workers out of poverty and a basic requirement of economic justice. AFD also sees the effort to deny local lawmakers and citizens in Missouri the power to adopt living wage laws as a troubling threat to democracy and public accountability.

SUMMARY OF ARGUMENT

The St. Louis Living Wage Law reflects a broad movement in recent years by local governments across the Midwest and the United States to adopt living wage ordinances as a tool to help the working poor support their families. Building on a long history of similar action by local governments across the country, over the past decade more than eighty cities and counties have enacted such legislation. In doing so, these governments have responded to the reality that in recent decades the value of the federal minimum wage has eroded to the point that it no longer ensures a minimally decent standard of living for working people. Current economic research supports these policies, suggesting that living wage laws are sensible tools for fighting poverty and have few adverse economic consequences. For these and other reasons, across the nation and in Missouri, organizations committed to addressing the needs of low-income families – and in particular leading religious denominations – have endorsed living wage laws as elements of a sound and just public policy.

ARGUMENT

I. Drawing on a Long History of Wage Legislation by Every Level of Government in the United States, American Cities Like St. Louis Are Increasingly Exercising Their Power to Protect Low-Income Working People against Economic Hardship by Adopting Living Wage Laws

The living wage ordinances adopted by St. Louis and scores of other cities and counties since 1994 are but the latest chapter in a long history of wage legislation by local governments in Missouri and across the United States. As the federal

government has reduced its own role in protecting the working poor in recent decades, cities and states have been forced to step in. Persuaded by new research suggesting that minimum wage and living wage increases do not result in job losses, more and more cities have turned to living wage laws. The national experience shows that these new ordinances can help combat local poverty by ensuring that when city tax dollars are spent, they create decent jobs.

A. There Is a Long History of Wage Legislation at the Local Level

Under our nation's system of concurrent federal, state and local powers, city governments have long played a role in enacting wage legislation to protect the working poor. While "federal laws have obscured the important role that [state and local governments] play in establishing labor protections[,] . . . [t]he eminence of the federal government in such matters . . . is a relatively recent phenomenon."³

Historically, matters of wage regulation have been local, as well as state and federal concerns.⁴

The movement to adopt wage protections in the United States began near the dawn of the twentieth century as a response to the increasing urban squalor and abusive working conditions documented by journalists like Upton Sinclair and Jacob Riis. Drawing on the successful experience of Australia, where minimum wage

³ Saura James Sahu, *Living Up to the Living Wage*, forthcoming in _ Guild Practitioner _ (2002); Michael G. Collins, 'Economic rights,' *Implied Constitutional Actions, & the Scope of Section 1983*, in *Symposium Section 1983: The Constitution and the Courts*, 77 Geo. L.J. 1493, 1508 (1989).

legislation had been adopted in 1896, Progressive Era reformers promoted the idea of government legislation to ensure minimally decent working conditions.⁵

Despite growing national attention – including Theodore Roosevelt’s embrace of the notion of a “living wage” and call for federal minimum wage legislation as a central plank in his 1912 campaign for President under the Progressive (Bull Moose) Party⁶ – the country’s first laws to reform abusive working conditions were adopted at the local and state levels. Turn-of-the-century Republican reform mayors such as Sam “Golden Rule” Jones in Toledo and Tom Johnson in Cleveland guided the passage of some of the earliest laws mandating an eight-hour day and a minimum wage for city employees. Then, beginning with Massachusetts in 1912 and followed by seven more states in 1913, a total of fourteen states enacted minimum wage laws by 1923, and twenty-five did so by 1938.⁷

National minimum wage legislation finally emerged in 1938, when Congress passed the last major domestic reform of the New Deal — the Fair Labor Standards Act (“FLSA”).⁸ But recognizing the important and complementary role that state and

⁴ *Id.* (“During the late 1800s and early 1900s, Congress offered no such relief [for oppressive wages and labor standards], and workers looked to state and local law to find a safe harbor from the abuses of corporate power.”).

⁵ In doing so they were joined by some of the most eminent people of the day including economists like John Bates Clark, business leaders like Edward Filene, and legal reformers like Louis Brandeis. These reformers believed that a minimum wage not only would help the poor to avoid economic hardship, but also would promote a more efficient business climate. *See* OREN M. LEVIN-WALDMAN, *THE CASE OF THE MINIMUM WAGE: COMPETING POLICY MODELS* 54-57 (2001); JEROLD WALTMAN, *THE POLITICS OF THE MINIMUM WAGE* 10-12, 30 (2000).

⁶ *See* LEVIN-WALDMAN, *supra*, at 54-57; WALTMAN, *supra*, at 10-12, 30.

⁷ WALTMAN, *supra*, at 29-30. While the earliest legislation focused on particular categories of employees (chiefly, women and minors about whom lawmakers and regulators were especially concerned), over the next decades the states gradually began to extend the protections to male workers. *Id.* at 30.

⁸ As with the state laws, the categories of workers initially covered by the FLSA were narrow, but they have expanded somewhat over the years.

local governments had played in this area, Congress expressly elected in the FLSA to preserve a multi-tiered regulatory system under which state and local governments retain the power to enact more demanding wage requirements. *See* FLSA § 18, 52 Stat. 1069, 29 U.S.C. § 218(a).⁹ The decision to preserve this system of concurrent federal, state and local powers reflected an understanding that appropriate wage standards may need to be tailored based on region and industry, with some having the need or ability to sustain higher wage standards than others.

Since then, select cities have continued to exercise this wage regulatory authority preserved for them by Congress. For example, in 1961, at a time when the federal minimum wage was just \$1.00 per hour, New York City enacted a local ordinance which – foreshadowing the recent living wage laws – established a wage standard of \$1.50 per hour for workers employed under city contracts.¹⁰ In 1964, Baltimore enacted a true citywide minimum wage higher than the federal and state minimum wages for all employers in that municipality,¹¹ as did the District of Columbia after it received home rule authority from Congress.¹²

Missouri has been a leader in this field even before St. Louis’s recent living wage legislation. In 1990, Kansas City adopted an ordinance establishing a wage of

⁹ 29 U.S.C. § 218(a) (“No provision of this chapter or of any order thereunder shall excuse noncompliance with any Federal or State law or municipal ordinance establishing a minimum wage higher than the minimum wage established under this chapter.”).

¹⁰ *See McMillen v. Browne*, 14 N.Y.2d 326, 200 N.E.2d 546 (1964).

¹¹ *See Mayor & City Council of Baltimore v. Sitnick*, 254 Md. 303, 255 A.2d 376 (1969) (reviewing history of and upholding Baltimore City Minimum Wage Ordinance).

¹² D.C. Stat. § 32-1001 *et seq.* Even some state minimum-wage laws have established higher wage rates for major cities, as well as ones that have a higher cost of living. For example, from 1947 until 1967, Wisconsin enforced a multi-tier minimum wage under which employers in larger cities were required to pay a higher rate. *See* State of Wisc. Dep’t of Workforce Devel., Equal Rts. Div., Labor Standards Bur., Historical Resume of Minimum Wage Regulations in Wisconsin (1998), *available at* <http://www.dwd.state.wi.us/notespub/dwdpub/236e/LS-39E-P.pdf>.

75 cents per hour above the minimum wage for janitorial employees of city contractors.¹³ The same year, St. Louis adopted similar legislation requiring all city service contractors to pay their employees at least the prevailing industry wage for the type of service provided.¹⁴

B. The Recent Movement to Adopt Living Wage Laws Responds to Local Needs

Today's living wage laws are simply the latest chapter in this history of local governmental authority. Since the passage of the first living wage ordinance in Baltimore in 1994, scores of local governments have chosen to address the needs of their working poor by ensuring that when tax dollars are spent, they help to create decent jobs. In so doing, cities act comfortably within their traditional authority and their collective responsibility — envisioned by Congress — to respond directly and efficiently to the immediate wage needs within their borders.

The circumstances that spurred Baltimore to adopt its living wage law in 1994 are typical of those faced by many American cities. Lawmakers and citizens' groups found that increasing numbers of working families in the city were beginning to rely on soup kitchens and food pantries for support because the minimum wage jobs most of them held simply did not provide the resources they needed to meet even very basic needs. As they examined further, they found that a surprising number of these

¹³ Kansas City (Mo.) Admin. Code § 2-1651.

¹⁴ St. Louis City Ordinance no. 62124 (1990), codified at St. Louis City Code Rev. § 6.20. While cities in Missouri are required to mandate prevailing wages for their construction contractors, this ordinance went beyond state requirements and establish wage standards for contractors in sectors not covered by state law.

food assistance clients were employed by firms performing city-contracted or subsidized work. In response, Baltimore's city council enacted legislation requiring that city contractors must pay their employees at least \$6.10 per hour, rising to \$7.70 by 1999 and indexed for inflation thereafter. In the eight years since then, Baltimore has been joined by more than eighty cities and counties across the United States, which have adopted similar legislation.¹⁵ In addition to St. Louis, these include major municipalities in the Midwest and on both coasts such as Cleveland, Detroit, Chicago, Los Angeles, San Francisco, Miami and Boston.

Cities have labeled these measures "living wage" laws to communicate that the higher wage levels required – typically ranging from \$7.00 to \$12.00 per hour – are closer to (although still less than)¹⁶ the amount that a full-time working person needs in order to support a small family at a bare subsistence level. Although similar to minimum wage laws in their aim of protecting the working poor, living wage ordinances differ from them significantly in their scope and operation. Unlike state and federal minimum wage legislation, living wage ordinances generally apply only to businesses that choose to seek and accept either (1) taxpayer-funded contracts to

¹⁵As of May 2002, more than 80 cities and counties had adopted living wage ordinances. *See* Association of Community Organizations for Reform Now (ACORN) Living Wage Resource Center, "Living Wage Wins," *available at* <http://www.livingwagecampaign.org>.

¹⁶ While the local laws frequently are tied to the federal poverty income guidelines, local costs of living can be so high that the federal measure fails to yield a subsistence living. To measure the level of income actually needed to support a family at a subsistence level, academic and think-tank researchers have calculated more accurate "basic family budgets" for families of various sizes in each metropolitan region of the country.

perform services for a city government, or (2) taxpayer-funded economic development grants that cities award to businesses that agree to create new jobs in the locality. Whereas minimum wage laws chiefly regulate the private labor market, these laws effectively define the terms under which cities choose to do business. Employers that prefer not to pay living wages remain free to do so. Only those that seek the special privilege of receiving taxpayer-funded benefits must agree in exchange to pay a living wage to their subsidized employees.

Beyond the basic aim of aiding the working poor, a set of related policy concerns generally have driven local lawmakers and voters to adopt such legislation. First, these governments have sought to ensure that, to the degree possible, taxpayer dollars support the creation of family-supporting jobs, not jobs that keep full-time workers in poverty. Many local governments fear that when employers pay very low wages, taxpayers end up paying the cost, since poor families are forced to rely on the public safety net for their healthcare, supplementary food supports and so on.

Second, many local governments have concluded that they receive more reliable services, with increased workforce stability and lower employee turnover, when the firms performing service contracts for the city pay at least a living wage. Some localities have found that without a wage floor for their service contractors, responsible employers that are trying to offer better pay and better service are unable to do so lest they be underbid by very low-wage vendors.

Third, for their taxpayer-funded economic development grant programs, state and local governments across the country – including the State of Missouri – are

increasingly concluding that to get the best return for their limited public dollars, it simply makes good fiscal sense to steer subsidies toward employers that will agree to create better-than-average jobs for their communities – not minimum wage jobs. These cities have concluded that there is little need to subsidize the creation of minimum wage jobs and that living wage policies ensure that local economic development agencies focus their efforts on sectors and firms where the benefits for the local economy will be greatest.

C. The Erosion of the Federal Minimum Wage in Recent Decades Has Spurred State and Local Governments to Step in to Protect the Working Poor Against Economic Hardship

This movement toward increased local government action to shore up wages for the working poor has stemmed in large part from the substantial decline in value of the federal minimum wage. Starting in the mid-1970's, Congress began to allow the real value of the federal minimum wage to erode substantially. If the 1968 federal minimum wage of \$1.60 per hour had been updated to keep pace with inflation, it would be worth more than \$8.00 per hour today — 55% more than today's federal minimum wage of \$5.15.¹⁷ Indeed, by the year 2000, more than one-quarter of all jobs in the United States paid less than \$8 per hour.¹⁸

Moreover, during this same period, the cost of living for low-income Americans — especially the costs of housing and healthcare — has risen even faster

¹⁷ See U.S. Dep't of Labor, Chart of Minimum Wage Values in Constant Dollars, available at <http://www.dol.gov/dol/esa/public/minwage/main.htm>.

¹⁸ 234,000 New Jobs in November Kept Economy Humming, N.Y. TIMES, Dec. 4, 2000, at A1, cited in Karen Kraut, Scott Klinger & Chuck Collins, *Choosing the High Road: Businesses that Pay a Living Wage & Prosper* (Responsible Wealth: 2000), available at <http://www.responsiblewealth.org>.

than the overall rate of inflation, and poor families have incurred significant new costs such as childcare, since more women have needed to work outside the home. The result has been that minimum wage earners increasingly face serious hardships in meeting the food, housing, healthcare and childcare needs of their families. A recent study by the Economic Policy Institute found that 74% of families subsisting at the federal poverty level — an income level roughly comparable to the annual earnings of a full-time minimum wage worker — suffer from an inability to meet one or more of such basic needs.¹⁹

Indeed, the Missouri Department of Economic Development and the East-West Gateway Coordinating Council in St. Louis have studied the wages that an individual working parent would need to earn to support even a small family in various Missouri communities in light of average housing, child care, food, transportation, and other expenses. They have found, for example, that a single working parent in the City of St. Louis supporting just an infant must earn a full-time wage of somewhere between \$10.45 and \$12.26 an hour in order to achieve just a basic subsistence level.²⁰

Faced with this circumstance, over the past twenty years, cities and states have responded by enacting or updating state and local wage laws to fill the gap left by Congress. Over that period, eleven states and the District of Columbia have raised their minimum wages above the federal level.²¹ And at the local level, increasing

¹⁹ See HEATHER BOUSHEY, CHAUNA BROCHT, BETHNEY GUNDERSEN & JARED BERNSTEIN, *HARDSHIPS IN AMERICA: THE REAL STORY OF WORKING FAMILIES* at 30 fig. B (Economic Policy Institute 2001) [hereinafter *HARDSHIPS IN AMERICA*].

²⁰ See RESEARCH & PLANNING, MO. DEP'T OF ECON. DEVEL., *THE MISSOURI SELF-SUFFICIENCY STANDARD: NECESSARY WAGES FOR ESSENTIAL NEEDS* (June 30, 2000); EAST-WEST GATEWAY COORDINATING COUNCIL, *THE FAMILY-SUPPORTING WAGE FOR THE ST. LOUIS REGION* (June 2000).

²¹ Those states are Alaska, California, Connecticut, Delaware, Hawaii, Maine, Massachusetts, Oregon, Rhode Island, Vermont and Washington. U.S. Dep't of Labor, *Minimum Wage Laws in the States*, available at <http://www.dol.gov/dol/esa/public/minwage/america.htm>.

numbers of cities and counties have chosen to exercise their regulatory authority to adopt local living wage laws providing wage protections for low-wage workers in the context of locally funded programs.

II. Recent Economic Research Suggests That Living Wage Laws Can Raise Living Standards for Low-Income Workers without Risking Job Loss

Informing the movement by St. Louis and other major cities to adopt living wage legislation in recent years, important new research findings have verified the favorable economic impact of increases in both living wage and minimum wage standards. These findings suggest that such policies can feasibly raise wages for low-wage families without a risk of significant off-setting negative effects such as job loss.

A. The Economic Literature Shows That Recent Minimum Wage Increases Have Resulted in No Discernable Job Losses

Over the past decade, a mounting body of empirical economic research has suggested that increases in the minimum wage — even those adopted during recessionary periods such as 1990 and 1991 — have resulted in no discernable job losses. This important reassessment of the degree to which minimum wage increases are associated with job losses began with the pioneering work of University of California economist David Card and Princeton economist Alan Krueger. Card and Krueger examined the impact on fast food jobs — one of nation's the most low-wage and price sensitive industries — when New Jersey raised its state minimum wage in

1992, while neighboring Pennsylvania did not. Their research found that no discernable job losses or reduction in employee work hours resulted.²² Later studies examining the impact of other recent state or federal minimum wage increases have yielded similar findings.²³

Such research has prompted many leading American economists to adjust their analyses of the economics of the minimum wage. For example, Nobel laureate Robert Solow at the Massachusetts Institute of Technology explains, “The main thing about the research is that the evidence of job loss is weak. And the fact that the evidence is weak suggests that the impact on jobs is small.”²⁴ In the words of Richard Freeman of Harvard University, perhaps the country’s foremost labor economist, “the entire literature on the minimum wage [now agrees] that employment losses are

²²See DAVID CARD & ALAN KRUEGER, MYTH AND MEASUREMENT: THE NEW ECONOMICS OF THE MINIMUM WAGE (1995); David Card & Alan Krueger, *A Reanalysis of the Effect of the New Jersey Minimum Wage Increase on the Fast Food Industry with Representative Payroll Data* (Indus. Rel. Sect., Princeton Univ., Working Paper no. 393, Jan. 1998); David Card, *Using regional variation in wages to measure the effects of the federal minimum wage*, 46 INDUS. & LAB. REL. REV. 22-37 (1992); see also Jared Bernstein, *Increasing the Minimum Wage: Don’t Let the Slowdown Slow It Down*, EPI Issue Brief (Economic Policy Institute June 11, 2001) (discussing the preceding research findings).

²³See, e.g., Jared Bernstein & John Schmitt, *Making Work Pay: The Impact of the 1996-97 Minimum Wage Increase* (Economic Policy Institute 1998), discussed in William Spriggs & John Schmitt, *The Minimum Wage*, in RECLAIMING PROSPERITY: A BLUEPRINT FOR PROGRESSIVE REFORM (Todd Schafer & Jeff Faux eds. 1996); Robert Pollin, Stephanie Luce & Mark Brenner, *Economic Analysis of the New Orleans Minimum Wage Proposal* at 22-24 (Univ. of Mass. Political Econ. Research Inst., Research Report no. 1 (1999)).

²⁴Quoted in Louis Uchitelle, *A Pay Raise’s Impact*, N.Y. TIMES at D1 (Jan. 12, 1995).

modest.”²⁵ The eminent Harvard economist, John Kenneth Galbraith, has commented even more pointedly: “That [a socially adequate minimum wage] will diminish employment opportunity, the argument most commonly made in opposition, may be dismissed out of hand, for that is, invariably, the special plea of those who do not wish to pay the wage, and it is without empirical support.”²⁶ In short, the grim warnings that minimum wage hikes reduce jobs are unwarranted.²⁷

B. Living Wage Laws Are More Narrowly Targeted Than Minimum Wage Laws and So Are Even Less Likely to Have Unintended Adverse Effects

While the risk of adverse affects such as job loss from increases in a general minimum wage is thus small, living wage laws are understood to be even *less* likely to yield such results in light of their far narrower, more targeted focus. Unlike general minimum wage laws that extend to all employers in a jurisdiction, living wage ordinances like St. Louis’s apply only to businesses that choose to seek and then accept contracts to perform services for the city government, or economic development subsidy grants. Further, whereas minimum wage laws reach even very low-wage employers such as fast food restaurants and discount retailers, the average

²⁵ Quoted in J.W. Mason, *Living Wage Junkonomics*, CITY LIMITS (May 2002).

²⁶ JOHN KENNETH GALBRAITH, *THE GOOD SOCIETY* 67 (1996).

²⁷ Indeed, the former Republican Governor of Massachusetts, Paul Cellucci, “admitted that his prior belief — that increasing the minimum wage would hurt the economy — was wrong. He changed his mind after witnessing the continued economic growth in Massachusetts following a previous minimum wage hike in the mid-1990s.” Kraut, Klinger & Collins, *Choosing the High Road: Businesses that Pay a Living Wage & Prosper*, *supra*, at 8.

firm performing a city service contract does not have an entirely low-wage workforce. Thus, the cost for such employers of raising wages is not nearly as great. In addition, contractors will likely share some (although probably not all) of the mildly higher cost with the city in the form of slightly higher contract bids, thus sharing the cost increase with the city and mitigating further the impact on the firm.

With respect to city economic development grant programs, living wage requirements play out somewhat differently. By establishing that businesses must pay a living wage in order to merit such taxpayer-funded subsidies, living wage laws instruct city economic development agencies to refocus their grant programs on higher-wage, more desirable employers. Doing so does not lead to job losses, but simply ensures that city economic development programs invest their job creation revenues with firms where the local payoff will be greatest.

Economic impact studies projecting the effect of living wage laws on city programs, budgets and economies have confirmed these assessments. They have found that the likely impact on both employers and city budgets of wage increases flowing from living wage laws are moderate in scope and affordable. Such research has generally found that for the average employer, living wage associated cost increases fall in the range of 0.5%-1.0% of overall firm costs²⁸ – an amount generally accepted as well within the range of what can be easily absorbed by most businesses.

²⁸ See, e.g., ROBERT POLLIN & STEPHANIE LUCE, *THE LIVING WAGE: BUILDING A FAIR ECONOMY* 120 (1998) (in simulation of proposed Los Angeles living wage law, 86% of firms would face a wage increase equal to 0.8% of production costs).

Lending additional support to these conclusions is a study published recently by a long-time critic of minimum wage and living wage legislation, David Neumark of Michigan State University.²⁹ Neumark had previously doubted whether living wage laws were, on balance, actually beneficial.³⁰ But after an extensive study, he has concluded that living wage laws are, in fact, effective at raising wages and reducing poverty in cities where they have been adopted.³¹

Although leading economists have raised important criticisms of Neumark's methodology and conservative assumptions, the key point is this: Even when a person makes assumptions and uses methods that tend to obscure the benefits of a living wage law, the evidence still shows a clear reduction of poverty and a boost in the earnings of the low-wage workforce. Thus, while Neumark's findings might not ultimately be reliable, it is significant that this skeptic of living wage laws has changed his position and is now guardedly supportive of such measures.

²⁹ David Neumark, *How Living Wage Laws Affect Low-Wage Workers and Low Income Families* [hereinafter *Living Wage Laws and Low Income Families*] (Public Policy Institute of California: 2002), available at <http://www.pplic.org> (viewed on April 30, 2002).

³⁰ See Eric Roston, *How Much is a Living Wage?*, TIME MAGAZINE (Apr. 8, 2002); Daniel B. Wood, 'Living Wage' Laws Gain Momentum Across US, CHRISTIAN SCIENCE MONITOR 1 (March 15, 2002) ("Pro-living-wage forces got a boost from a study released yesterday by the nonpartisan Public Policy Institute of California. Done by an early skeptic of the benefit of living-wage laws, the report examined 36 cities . . ."); David Neumark et al., *Economic Consequences of Detroit's Living Wage Ordinance* (March 1999) (predicting negative consequences of the Detroit living wage ordinance).

³¹ Neumark, *Living Wage Laws and Low Income Families*, *supra*, chs. 5, 7, especially at 73, 100–102.

In addition to the risk of job loss, another concern frequently voiced about living wage laws is the fear that they would lead businesses to relocate from cities that adopt such policies. Happily, however, there is little reason to fear such business flight. Simply reflecting on the scope and operation of living wage laws makes this clear. Unlike a general minimum wage, living wage laws apply only to businesses that choose to seek and accept special taxpayer-funded benefits such as city contracts or economic development grants. Any firm that would prefer to continue paying less than the prescribed living wage may do so simply by electing not to participate in these programs – business location simply has no bearing on whether a firm is covered.

Moreover, even if – unlike most living wage laws – a city were to adopt a citywide general minimum wage for all employers, other research suggests that the risk of firm relocation would still be low because of the nature of the low-wage jobs affected. Most low-wage jobs involve the provision of services — restaurant, hotel, janitorial, and home healthcare services, for example — that often must be performed at a particular location. These employers are less likely to retain their client bases if they run away to avoid wage regulation.³²

Finally, experience in the field bears out this conclusion. For example, in Baltimore, Maryland, a living-wage ordinance was passed while the city was laboring to attract business back into the community. During the campaign, low-wage

employers argued vigorously that the wage would deplete their profits, city contracting costs would sky-rocket and businesses would leave the city (or refuse to locate there) if required to pay a living wage to employees working under city subsidies.³³ However, once the law took effect, the city in fact found that the real cost of government contracts went *down*³⁴ and businesses did not appear to be deterred from locating in the city.

In short, the empirical evidence suggests that living wage laws help reduce poverty, pose little if any risk of job loss or relocation, and result in modest cost increases for affected businesses and for local government – costs that can be readily absorbed on both sides.

³²See Robert Pollin, Mark Brenner & Stephanie Luce, *Intended vs. Unintended Consequences: Evaluating the New Orleans Living Wage Proposal* at 17-19 (Univ. of Mass. Political Econ. Research Inst., Working Paper no. 9 2001).

³³ Christopher Niedt, *et al.*, *The Effects of the Living Wage in Baltimore* 1 (1999 ed.), a working paper of the Economic Policy Institute, available at www.epinet.org (viewed on May 17, 2002) (“The law was extremely controversial, and it was opposed by both the private sector and by important segments of the city’s bureaucracy as threatening the ‘competitiveness’ and economic health of Baltimore. Critics charged that higher wages on city contracts would worsen Baltimore’s already precarious financial state, with negative consequences for tax rates and the provision of urban services, and, by tending to raise the minimum wage more generally in the city, would reduce the city’s ability to attract private investment.”).

³⁴Researchers concluded that the rate of general inflation substantially outpaced the 1.2% increase in the price of government contracts. *See id.* at 6, 7. The article cited a similar finding by the Preamble Center, which saw that during the first effective year of the living wage obligation, contract prices increased by only 0.25%. Adjusting for the rate of inflation, this amounted to a 2.4% *decrease* in the overall cost of contracts. *Id.*

C. Living Wage Laws Are a Useful Policy Tool for Local Governments as They Struggle to Assist the Working Poor After Welfare Reform and Address Other Needs of Their Communities

Over the past decade, our nation has pared back longstanding social safety net programs and instead focused on employment and the low-wage labor market as the primary vehicles for providing economic support for poor Americans and their families. But state and local governments have recognized that in order for this policy to succeed, the work must pay enough to allow for survival. Up to now, welfare reform efforts – while stressing the benefits of wage-work and abdicating public responsibility for the poor – have consigned many working families to harsh circumstances. Local governments are recognizing that public policy must provide ways for working people without college degrees to keep their families out of poverty.

Even during the 1990's – the most sustained period of economic expansion in the post-war history of the United States – millions of former welfare recipients and their families faced serious economic hardship as they attempted to support their families on minimum wage jobs. As a recent study of welfare reform in the Midwest commissioned by the Joyce Foundation explained:

In the best of times and given the best of intentions, poor mothers struggle to stay employed and to earn enough to support their families at even a minimum level. . . . Many families face substantial hardships each month. Meanwhile, some people—700,000 families nationally, according to the Center on Budget and Policy Priorities—actually have lower annual incomes than they would have had if the 1996 [federal welfare reform] law had not been passed. . . . That's in the best of times.³⁵

³⁵ Joyce Foundation, *Welfare to Work: What Have We Learned?* 7 (March 2002), available at www.joycefdn.org/welrept (viewed on April 30, 2002). Although the study did not address wage policies, it found that in most Midwestern states, people

As outlined above, living wage laws can help to help to foster a healthy business environment even as they help to combat working poverty. Thus, cities have increasingly turned to living wage policies – together with other related initiatives – as part of a coordinated package of public policy tools to help working families help themselves.

Cities have also found that boosting wages of residents is an effective strategy for helping stimulate the economy in low-income neighborhoods because low-wage workers tend to spend any new income at neighborhood businesses:

[E]ntire local communities, particularly low-income communities, gain when low-wage workers' wages increase. Low-wage workers are more apt to spend earnings locally, circulating money back into local economies, which has the potential to help rebuild America's poorest communities and spur job growth.³⁶

Thus, cities concerned with the health of their local economies have a strong interest in enhancing the wages of their lowest-paid constituents.

Indeed, every economy — large and small — ultimately exists to satisfy human needs and wants.³⁷ To a significant extent, therefore, the fulfillment of basic

who went from welfare to work earned an average annual income of less than or only slightly above the federal poverty income guideline for a family of three. *See id.* at 16. Further, these workers were substantially less likely to find the permanent jobs that might allow their wages to translate into a subsistence living. *See, e.g., id.* at 13.

³⁶Kraut, Klinger & Collins, *Choosing the High Road*, *supra*, at 6.

³⁷ As discussed below (*see* discussion *infra* Part III), our nation's faith traditions have long recognized this important reality. *See, e.g.,* CATECHISM OF THE CATHOLIC CHURCH [*hereinafter* CATECHISM] ¶ 2426 ("The development of economic activity and growth in production are meant to provide for the needs of human beings. Economic life is not meant solely to multiply goods produced and increase profit or power; it is ordered first of all to the service of persons, of the whole man, and of the entire human community. Economic activity, conducted according to its own proper

needs is fundamental to the vigorous performance of an economy. When needs go unfulfilled, the economy breaks down. The harsh effects of poverty in a city can create a negative climate in which to live and do business, and local governments are left with the arduous task of jump-starting the economic engine. For these and other reasons, the eminent economist John Kenneth Galbraith recently observed that the political right to earn a livable wage is essential to a sustainable economy.³⁸ Regardless of the size of an economy — national or local — the need for such a right is elemental.

In summary, cities like St. Louis have viewed the economic research and concluded that by raising wage standards for employers enjoying significant taxpayer-subsidized benefits, they can help to protect poor families against economic hardship. As discussed above, the empirical evidence supports their conclusion, indicating that living wage laws reduce poverty and encourage work, yet have just moderate cost

methods, is to be exercised within the limits of the moral order, in keeping with social justice so as to correspond to God's plan for man."). *Compare* SOCIAL PRINCIPLES OF THE UNITED METHODIST CHURCH 2001–2004, ¶ 163 (2000) ("We claim all economic systems to be under the judgment of God no less than other facets of the created order. Therefore, we recognize the responsibility of governments to develop and implement sound fiscal and monetary policies that provide for the economic life of individuals and corporate entities and that ensure full employment and adequate incomes with a minimum of inflation.").

³⁸ GALBRAITH, *supra*, at 66–67 ("For many workers . . . organization is not a practical solution. This is especially true in the widely dispersed service industries. As was once the case with the employment of women and children, direct action by the state on behalf of those in need outside the unions is required, including provision for health insurance and unemployment compensation and, *currently most important*, a

impacts on employers and city budgets. Indeed, the experience nationally has been that living wage ordinances do not drive businesses away from cities and that healthy urban business climates are fully compatible with such targeted measures. Thus, the ordinances constitute good policy while avoiding the “parade of horrors” predicted by business associations.

The challenge of addressing urban poverty and promoting decent jobs for city residents is one of the most urgent priorities of local governments like St. Louis. Together with other initiatives to encourage the growth of good jobs in their communities and to expand access to necessary work-supports such as affordable healthcare and child care, living wage laws are an important public policy tool for beginning to address these problems.

III. Living Wage Laws Have Been Endorsed as Elements of a Sound and Just Public Policy by Representatives of the Faith Community and Leading Anti-Poverty Groups in Missouri and Nationally

Strongly endorsing the movement by local lawmakers to adopt living wage policies, a range of organizations committed to addressing the needs of low-income families have come forward. Prominent among them have been leading religious denominations and other representatives of our nation’s faith communities. Finding that the tenets of their religious traditions – in addition to the national public policy experience and economic evidence – support the call for a living wage, faith-based

socially adequate minimum wage. In the good society the last is an absolute

organizations have played a significant role in the development and passage of local living wage laws.

Major Christian and Jewish denominations have historically played a leading role in urging government and society to safeguard the well-being of the working poor. In the nineteenth century “[r]eligious reformers were the first group of people outside of the labor movement to call for a living wage, beginning with Pope Leo XIII’s encyclical of 1891”³⁹

The same has been true of the living wage movement in the United States during the last decade. Major Christian denominations and organizations including the National Council of Churches, at least twenty Roman Catholic dioceses in communities ranging from Chicago and Cleveland, to Charlotte and Houston,⁴⁰ the United Methodist Church, and the United Church of Christ (a major national association of churches in the Congregational tradition) have all called for living wage legislation. These and the other Christian denominations have grounded this support in the social and moral teachings of their traditions. Among Catholics, Canon Law and Papal teaching have long recognized the moral imperative of a basic wage that is

essential.”) (emphasis added).

³⁹ LAWRENCE B. GLICKMAN, A LIVING WAGE: AMERICAN WORKERS AND THE MAKING OF CONSUMER SOCIETY 134 (1997).

⁴⁰ At least seven Catholic dioceses – Los Angeles, Houston, Richmond, Milwaukee, Minneapolis, Portland, and Burlington (Vermont) – were active participants in living wage campaigns. Thirteen more dioceses – Cleveland, Chicago, San Francisco, Washington D.C., Duluth, Lexington (Kentucky), Albany, Brooklyn, Syracuse, Raleigh, Charlotte, Austin, and San Antonio – formally endorsed and supported living wage legislation.

sufficient to maintain a family.⁴¹ As summarized in a leading Catholic Catechism, it is Catholic moral teaching that “Everyone should be able to draw from work the means of providing for his life and that of his family, and of serving the human community.”⁴² Similarly, the United Methodist Church’s official statement of basic social principles simply declares: “Every person has a right to a job at a living wage.”⁴³ These institutional statements reflect the belief common to many in the faith community that there exists a duty on the part of employers to pay a wage that meets the basic needs of poor working people.

In addition, nationally and in states across the country, numerous Jewish faith and community organizations have similarly endorsed and actively supported living wage campaigns and laws. These include the Union of American Hebrew

⁴¹ See, e.g., Pope Pius XI, *Encyclical Letter on Christian Marriage* ¶ 117 (Dec. 31, 1930) (“[I]n . . . the State such economic and social methods should be adopted as will enable every head of a family to earn as much as, according to his station in life, is necessary for himself, his wife, and for the rearing of his children, for ‘the laborer is worthy of his hire. . . [N]or is it lawful to fix such a scanty wage as will be insufficient for the upkeep of the family in the circumstances in which it is placed.’”) (citations omitted), available at <http://www.catholic.org/veil-of-innocence/casti.htm>; Pope Paul VI, Address (1972) (“In work, it is (the human person) who comes first. An end has been put to the priority of work over the worker, to the supremacy of technical and economic necessities over human needs . . .”).

⁴² CATECHISM, *supra*, at ¶ 2428, see also *id.* at 2434; Pope John Paul II, *Apostolic Exhortation Familiaris Consortio: Regarding the Role of the Christian Family in the Modern World*, Part IV, § 81(b) ¶ 4 (Nov. 22, 1981) (“[T]he public authorities should . . . [issue] directives ensuring housing fitting for a family life and by creating opportunities for work and life.”), available at <http://www.catholic.org/veil-of-innocence/famout.htm>.

⁴³ SOCIAL PRINCIPLES OF THE UNITED METHODIST CHURCH, *supra*, ¶ 163(c).

Congregations (representing Reform Judaism, America's largest Jewish movement),⁴⁴ the Jewish Council for Public Affairs,⁴⁵ and numerous congregations and Jewish community organizations across the nation. These groups' support derives in large part from the Jewish tradition's social justice commitment to *tikkun olam* – repairing the world – and the conviction of the organized Jewish community that it must be active in the effort to build a just society. This commitment is grounded as well in the Hebrew Bible and Talmudic law, which teach that it is unacceptable to pay a worker so little that she goes hungry,⁴⁶ and considers unconscionably low wages tantamount to theft – to “stealing one's life.”⁴⁷

Grounded in these Judeo-Christian traditions, major religious denominations and other faith-based organizations have been outspoken supporters of efforts across the United States to secure living wages for working people. Together with other organizations committed to addressing the needs of low-income families, the faith community has been a leading voice for public policy that helps ensure a family-supporting wage for all working Americans.

⁴⁴ General Assembly, Union of American Hebrew Congregations, Resolution on Living Wage Campaigns, adopted Dec. 15-19, 2002, *available at* <http://www.rac.org/issues/issuemwres.html>.

⁴⁵ Jewish Council for Public Affairs, Resolution on Living Wage and Low-Income Workers, adopted Feb. 28, 2000, *available at* <http://www.jewishpublicaffairs.org/equal/resolutions/low-income-2-28-00.html>.

⁴⁶ Deuteronomy 24:14–15 (“You shall not abuse a needy and destitute laborer You must pay him his wages on the same day . . . for he is needy and sets his life on it”); *see also* Rabbi Mordechai Liebling, *The Commandment for a Living Wage*, *available at* <http://www.socialaction.com/1999andearly2000/liebling-livingwage.phtml> (“The law [Deuteronomy 24:14-15] is designed to protect a worker's dignity and physical needs.”).

CONCLUSION

The national experience and economic evidence highlight how living wage laws such as that in St. Louis are sound policy tools for beginning to address the needs of the working poor in our communities. Studies reveal that living wage laws reduce poverty while allowing businesses to make a fair profit. Companies have not fled from urban areas that have enacted such laws; the price of government contracting has not skyrocketed; and yet people are earning better wages. Local economies also benefit from these laws because living wages generally are earned by the people who are most likely to spend them in local markets.

History and tradition also support the position of the City of St. Louis and the living wage advocates in this case. For more than a century, local governments have played a role in the enactment of wage and other employment legislation in the United States. Living wage laws are simply the latest example of the ability of local governments to create effective measures to address such local concerns. Further, living wage laws are consistent with the social justice teachings of the Judeo-Christian faiths and traditions.

Accordingly, living wage laws have won the support of a broad range of organizations committed to addressing the needs of low-income families, including prominent representatives of our nation's faith communities. Indeed, increasingly

⁴⁷ *Id.*

⁴⁸ See <http://www.responsiblewealth.org>.

across the country, members of the business community – although regrettably not the Associated Industries of Missouri – are also recognizing that paying a living wage to their low-wage workers is a reasonable and affordable way for corporate citizens to do their part in helping build a decent society.⁴⁸

In light of the legal arguments presented by Respondents, the City of St. Louis and the St. Louis Living Wage Campaign, *Amici* respectfully suggest that the Court should affirm the ruling of the court below that Missouri Revised Statutes § 67.1571 was enacted in violation of the Missouri Constitution and therefore cannot deny local lawmakers and citizens in Missouri the authority to adopt living wage laws.

DATED: June 27, 2002

St. Louis, Missouri

Respectfully submitted,

Arthur J. Martin (Mo. Bar #34197)
Cooperating Attorney
NLG/Maurice & Jane Sugar Law Center
for Economic & Social Justice
Schuchat, Cook & Werner
1221 Locust Street
St. Louis, MO 63103
Tel. (314) 621-2626
Fax (314) 621-2378

Saura James Sahu
Julie H. Hurwitz,
Executive Director
NLG/Maurice &
Jane Sugar Law Center
for Economic & Social Justice
733 St. Antoine, 3d Floor
Detroit, Michigan 48226
Tel. (313) 962-6540
Fax (313) 962-4492

Counsel for *Amici Curiae*