

Congress of the United States
Washington, DC 20515

September 25, 2013

The Honorable Barack Obama
President of the United States
The White House
1600 Pennsylvania Avenue NW
Washington, DC 20500

Dear Mr. President:

We are encouraged by your statements during your recent speech in Galesburg, Illinois about growing income inequality in which you said, “That’s why reversing these trends must be Washington’s highest priority. It’s certainly my highest priority... But I will not allow gridlock, inaction, or willful indifference to get in our way. Whatever executive authority I have to help the middle class, I’ll use it.” We stand ready to support an executive order that would help put the middle class within reach for two million workers whose jobs are currently funded by the federal government.

As you know, real wages have been stagnating for working and middle-class families for over 30 years. The prevailing wage protections put in place over the three decades from the 1930s to the 1960s now cover only 20% of federally funded private-sector work; even for covered workers, wage rates can be little higher than the federal minimum.

According to a recent study by Demos, the federal government now funds over two million jobs paying under twelve dollars per hour – more than Walmart and McDonald’s combined – in such industries as food, apparel, trucking, and auxiliary healthcare.^[1] In another report on the federal-contract workforce, the National Employment Law Project (NELP) interviewed over 500 contract workers and found that 74% are paid less than \$10 per hour and 58% receive no benefits from their employer.^[2]

Low-wage federal contract workers are also subject to serious breaches of employment and occupational safety law. Offending employers frequently continue to receive continued contract awards. A 2010 GAO report found 25 of the 50 largest assessments for unpaid wages and 8 of the 50 largest OSHA penalties imposed by the Department of Labor from 2005 through 2009 were against companies that received federal contracts in 2009.^[3] NELP’s federal

^[1] *Underwriting Bad Jobs: How Our Tax Dollars are Funding Low-Wage Work and Fueling Inequality*, Demos, May 2013.

^[2] *Taking the Low Road: How the Federal Government Promotes Poverty-Wage Jobs Through Its Contracting Practices*, National Employment Law Project, July 2013.

^[3] *Assessments and Citations of Federal Labor Law Violations by Selected Federal Contractors*, GAO-10-1033, Sep 17, 2010. <http://www.gao.gov/assets/310/309785.pdf>.

contracting report found that over one-in-five of workers contacted reported suffering violations of federal wage-and-hour law, including sub-minimum wage rates, non-payment of overtime premiums, and off-the-clock work.

Reversing the trends like these that help drive income inequality will require aggressive and creative use of every legislative and non-legislative tool at the U.S. government's disposal. With introduction of the Fair Minimum Wage Act of 2013 and other legislation that would update the minimum wage, Democrats in Congress have responded. However, in the face of continued Republican opposition, your executive authority can provide relief.

We urge you to issue an executive order to raise wage standards, safeguard the legal rights and safety and provide labor stability for the low-wage workers on whom these federal agencies rely to fulfill their mission. We also urge the creation of a structure that will monitor implementation and compliance with these orders. Addressing the rights and standards of this workforce would be a major first step in reversing the long-term decline in living standards and working conditions for America's low-wage workers. We look forward to working with you.

Sincerely,


Rep. Raúl M. Grijalva
Co-Chair of Progressive Caucus

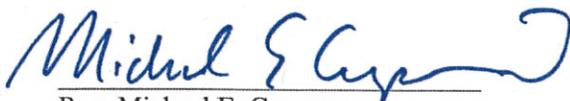

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Co-Chair of Progressive Caucus


Rep. Earl Blumenauer
Member of Congress

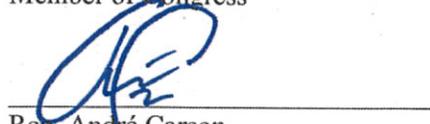

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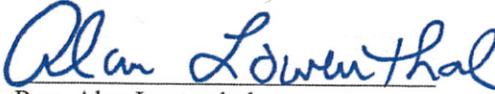
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Barbara Lee

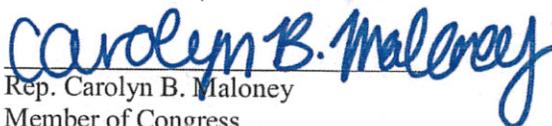
Rep. Barbara Lee
Member of Congress

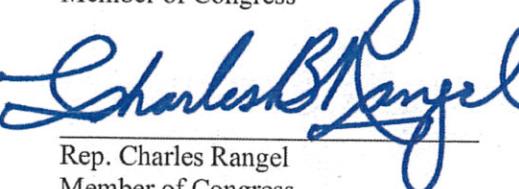

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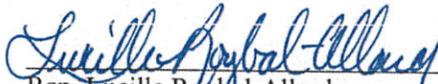

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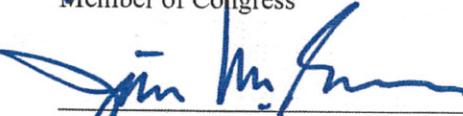

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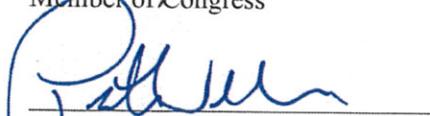

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Rep. Frederica Wilson
Member of Congress

Congress of the United States

Washington, DC 20515

December 4, 2013

Barack Obama
The President of the United States
The White House
1600 Pennsylvania Ave. NW
Washington, D.C. 20500

Dear Mr. President:

As you know, millions of Americans working on federal contracts today are not paid a living wage. Earlier this year the Congressional Progressive Caucus (CPC) requested a meeting with you to discuss how to help over two million low wage workers earn a day's pay for a day's work. We believe that the administration can take a bold step to improve the wages of these employees through executive action.

We write today to reiterate our request for a meeting with you and members of the CPC to present a proposal for an Executive Order to increase the wages of workers on federal contracts.

We share the growing frustration of the American public that incomes have increased for the wealthiest sliver of the population and stagnated or declined for everyone else. Economic inequality is the central policy issue of our time and it is a daily reality for the people we represent. This inequality is not inevitable, and it is not the fault of the working people of this country. Income inequality results from policy decisions that can be changed. We hope to start a conversation about executive action that can improve the wages of federally contracted workers. We share our constituents' disappointment that this conversation has yet to take place.

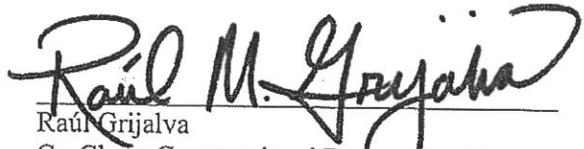
The federal government, through its contracts, employs more than two million Americans – more people than Walmart and McDonald's combined – in industries as diverse as food, apparel, trucking, and auxiliary healthcare. They are paid an average of less than \$12 per hour – that's \$23,040 a year if they take no vacation. No matter what kind of family you support, that is not a reasonable income for a working adult in this country. No serious economic policy supports paying such a miserly wage to working people and granting enormous tax breaks to large corporations at the same time.

We believe the federal government should set a positive example and pay workers a living wage. Since May, CPC Members and Senators have urged your administration to issue an executive order that would ensure a full day's pay for a full day's work for low-wage federal contract workers. Members of Congress have been supporting workers' efforts to organize and increase wages around the country – an effort supported by the vast majority of the American public. A Gallup poll conducted Nov. 5 and 6 found that three quarters of Americans support an increase in the minimum wage. You have the ability to make a living wage a reality for millions of Americans which will benefit their families and also spur needed economic growth.

The American public looks to you for economic leadership. We look forward to meeting at your earliest convenience.

Sincerely,


Keith Ellison
Co-Chair, Congressional Progressive Caucus


Raúl Grijalva
Co-Chair, Congressional Progressive Caucus