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FOR IMMEDIATE RELEASE July 1, 2021

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MAYOR LIGHTFOOT CELEBRATES HISTORIC \$15 MINIMUM WAGE IN CHICAGO

Increase in minimum wage delivers additional financial stability to over 400,000 Chicago workers, including domestic workers

CHICAGO – Today, Mayor Lori E. Lightfoot joined City officials, workers, labor leaders, and worker advocacy groups to celebrate a historic raise for hundreds of thousands of Chicago workers while calling on the federal government and corporate partners to join Chicago and ensure that all workers receive a living wage. Effective July 1, as a result of the mayor's landmark efforts to create financial stability for the most vulnerable workers, the Chicago minimum wage increases to \$15 an hour for most workers, four years earlier than the rest of Illinois. Mayor Lightfoot today also celebrated recent efforts to ensure that domestic workers receive a fair wage through the Chi Biz Strong Package that passed City Council last week. Significantly, all domestic workers will now benefit from the \$15 minimum wage starting on August 1, generating up to \$28 million in additional income for roughly 8,000 domestic workers over the next two years.

"Our dedicated workforce deserves to be protected and treated with dignity and respect—especially after the devastating socioeconomic fallout caused by the pandemic," said Mayor Lightfoot. "With the implementation of this historic minimum wage ordinance and the Chi Biz Strong package, we will be able to uplift our most vulnerable workers and ensure that they are paid a living wage. Chicago, however, isn't the only city with workers who have gone far too long without proper protections, so it is my hope and expectation that our members of Congress and national corporate partners join our city and work to implement a federal living wage to give workers all around the country the opportunity to lead financially stable lives."

Beginning today, as part of Mayor Lightfoot's ongoing commitment to lift up the most vulnerable Chicagoans, over 400,000 Chicago workers will receive a raise. This raise is possible due to Mayor Lightfoot's historic 2019 effort to accelerate the move to \$15 an hour and remove exemptions that prevented employees in certain industries and business types from receiving the minimum wage. Effective today, workers at businesses with 21 or more employees will be guaranteed a minimum



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wage of \$15 an hour, while workers at businesses with 4-20 employees will see their minimum wage raised to \$14 an hour as part of a gradual move to a \$15 an hour by 2023 for small businesses.

"The City of Chicago has pledged to create the most worker-friendly city in the country, and today took another meaningful step towards that goal," said BACP Commissioner Rosa Escareño. "No Chicago worker should have to worry about putting food on the table for their family, and today marks an increase in the minimum wage that will deliver much-needed financial stability to hundreds of thousands of workers at a critical time."

As part of Mayor Lightfoot's landmark 2019 legislation, Chicago became one of the first cities in the country to include all domestic workers on an accelerated path to \$15 an hour. Through Mayor Lightfoot's bold Chi Biz Strong Package, which passed City Council last week, this timeline has been further accelerated – all domestic workers, including those that work for small employers (under 20 employees), will receive a minimum wage of \$15 an hour beginning on August 1, 2021.

"I commend Mayor Lightfoot for being a national leader in securing rights and fairness for domestic workers, acknowledging their value and dignity," said Ai-jen Poo, co-founder and Executive Director of NDWA. "Increasing the wages of domestic workers is good for workers, households and our economy. This is a necessary step toward creating the care infrastructure we need to fully recover from the COVID-19 pandemic."

Established in 2019, BACP's Office of Labor Standards oversees Chicago's landmark labor laws – including Minimum Wage, Paid Sick Leave, and Fair Workweek. In 2020, the Office of Labor Standards received 102 complaints regarding the minimum wage and cited 48 businesses, with fines totaling \$146,500. Any Chicago worker that believes they are not getting paid the required minimum wage should call 311, use the 311 mobile app, or submit a <u>complaint form</u> on the <u>Office of Labor</u> <u>Standards website</u>, which is available in multiple languages.

"Today, we celebrate a hard-fought victory for Chicago's workers," said Susan Sadlowski Garza, 10th Ward Alderwoman and Chairwoman of the Committee on Workforce Development. "Thanks to the \$15 Minimum Wage, Chicago's working families will receive a new level of economic stability and certainty. In partnership with Mayor Lightfoot, we have worked hard to pass historic worker protections, and this Minimum Wage increase is the next important step in our ongoing effort to make Chicago a leader for progressive worker policies."



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Throughout her time in office, Mayor Lightfoot has worked tirelessly to ensure that Chicago's workers, especially the most vulnerable, can benefit from critical protections. In addition to the historic minimum wage increase, Mayor Lightfoot's signature Fair Workweek Ordinance came into effect in 2020, ensuring fair working conditions and schedule stability for Chicago workers. During the COVID-19 pandemic, Mayor Lightfoot implemented two groundbreaking Anti-Retaliation Ordinances to protect workers from retaliation if they take time off to adhere to public health orders or receive the COVID-19 vaccine. Through this work, Chicago has established itself as a model for how progressive worker protections can lift up the most vulnerable residents and the City now calls on our partners, including the federal government and private corporations, to deliver financial stability to millions of workers through a \$15 minimum wage.

"We are excited that starting August 1 all domestic workers in the City of Chicago must be paid \$15 per hour. This moment is long overdue." said Militza Pagán, staff attorney at the Shriver Center on Poverty Law. "We look forward to working with the City to inform workers of their rights, and to support enforcement activities against employers who do not comply with the law."

Last week, Chicago's City Council passed Mayor Lightfoot's Chi Biz Strong Initiative, which puts workers front and center as we recover from the pandemic. Among <u>other initiatives</u>, this forward-thinking legislative package will implement Chicago's first Wage Theft Law beginning on July 31. This legislation will grant the Office of Labor Standards greater authority to crack down on bad-faith employers that steal wages from their employees and help the Office recoup those wages for the workers. Additionally, through the Chi Biz Strong Package, all domestic workers will be given the right to a written contract beginning on January 1, 2022.

"I am glad that domestic workers in the City of Chicago will now have the right to contracts and a minimum wage of \$15 an hour, and that those rights will be protected," said Małgorzata Pinska, home cleaner and board member of Arise Chicago. "This work, which is hard and requires a lot of responsibility, is performed mostly by women. The minimum wage for domestic workers in Chicago will give us some stability. I hope that more cities and the state of Illinois will go in the same direction."

Chicago businesses are required to post a <u>notice</u> with information for their employees on their rights under the Chicago Minimum Wage Ordinance – the notice is available in multiple languages on the <u>Office of Labor Standards website</u>. To help workers and employers understand their rights and responsibilities under the new minimum wage and other worker protections, BACP will hold a series of webinars in the coming weeks. To register and learn more, visit <u>chicago.gov/laborstandards</u>.



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