



April 12, 2016

Candidates for the Office of President of the United States:

We write to request your support for raising the wages and living standards of Americans by committing to build upon President Obama's legacy of bold executive action on behalf of federal contract workers. In the face of an obstructionist Congress, President Obama has used his executive power to raise the minimum wage for federal contract workers to \$10.10 an hour¹, crack down on federal contractors who violate federal wage and safety statutes², extend paid leave benefits³, extend worker protection from discrimination⁴ and advance equal pay. Together, these actions are helping turn back the tide of rising income inequality - a phenomenon the President has called the "defining issue of our time." Yet, we can and must do more. Specifically, we call on the next president to establish a "Model Employer Executive Order" aimed at ensuring that federal contracts go to employers who provide their workers with good wages and benefits, and the opportunity to form a union. We also call on you to establish a "White House Office of Good Jobs" that would ensure that the \$1 trillion the government spends on contracts, loans, and grants each year are going to private sector corporations that treat their workers with dignity.

The federal government has a major presence in the private-sector economy. Federal contracts and grants directly support 10.5 million private-sector jobs, while private employers who receive these funds employ an additional 20 million workers.⁵ This spending gives the government leverage over the employment standards of one-in-five U.S. workers. By harnessing the purchasing power of the federal government, we can ensure that taxpayer dollars are being used to underwrite good jobs. When a worker's take home pay covers the needs of his or her family, we see increased economic growth, increased tax receipts, and reduced spending on social safety net programs. Private sector contractors also benefit from these policies through productivity gains and reduced employee turnover.

Implementing a Model Employer Executive Order and a White House Office of Good Jobs are effective approaches to make progress on income inequality. Through a Model Employer Executive Order, the federal government would provide a contracting preference for corporations that provide their workers with good wages, good benefits, and remain neutral during union organizing campaigns. Similarly, a White House Office of Good Jobs would have a

¹Executive Order 13658, Establishing a Minimum Wage for Federal Contractors

²Executive Order 13673, Fair Pay and Safe Workplaces EO

³Executive Order 13706, Establishing Paid Sick Leave for Federal Contractors

⁴Amends Executive Order 11246, Equal Employment Opportunity

⁵ Lew, Daley and Robert Hiltonsmith, "Underwriting Good Jobs," *Demos*, available at

http://www.demos.org/sites/default/files/publications/UnderwritingGoodJobs_2.pdf

broad mandate to deliver economic benefits to working Americans by promoting good job standards wherever federal agencies impact private-sector employment through their spending or regulatory activities. The Office would work hand-in-hand with the National Economic and Domestic Policy Councils, as well as cabinet departments, to ensure that procurement, grant-making, and regulatory decisions encourage appropriately paid jobs, collective-bargaining rights, and responsible employment practices. This new office will ensure that your commitment to restoring the middle class is reflected across agencies with diverse leadership, mandates, and internal cultures. We believe that the Office for Faith Based and Community Based initiatives provides a strong model for this type of office.

Our nation has a proud history of ensuring that federal tax dollars incentivize sustainable work. In 1931, Congress passed the Davis-Bacon Act to ensure that the construction of our physical infrastructure also helped build up the middle class. In 1965, President Johnson issued Executive Order 11246 to outlaw racial discrimination in federal contracting. Now it's your chance to make history. President Obama has made tremendous progress with his bold executive action. It's up to the next President to finish the job.

Sincerely,

Rep. Keith Ellison

Rep. Raúl Grijalva

Rep. Mark Pocan

Rep. Barbara Lee

Rep. Ruben Gallego

Rep. Mike Honda

Rep. Jan Schakowsky