



# News Release

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## **FLORIDA'S LIVING WAGE MOVEMENT EXPOSED** *Study Reveals Higher Wages Could Cause Job Loss, Business Exodus*

**TALLAHASSEE** - Enacting so-called "living wage" ordinances in Florida would spur tax dollars to create jobs, advocates claim. But a new James Madison Institute study shows that an artificial rise in wages will not reduce poverty in the state.

Chaos caused by these individual wage ordinances would likely send business out of Florida in search of a more favorable business climate, according to Gary Landry, policy analyst at The James Madison Institute. In "The Living Wage Movement and Its Implications for Florida," Landry chronicles the history of the living wage movement and examines its effects on Florida's economy.

Using information from the labor union-backed New Party and the Association of Community Organizations for Reform Now (ACORN), Landry defines the movement's players and uncovers its plans to mount living wage campaigns in more than 13 Florida communities. He finds that proponents view the living wage as one in a series of economic sanctions to impose on the business community, including a progressive tax, a guaranteed minimum income, and universal health care, child care, and vacation time. Landry also reveals that as of February 2003, living wage campaigns remain active in 137 jurisdictions, including Alachua and Palm Beach counties, as well as the cities of Coral Gables, Jacksonville, Tampa, and Orlando. "Taken from the 'all politics is local' playbook of former Democrat Speaker of the House Tip O'Neill, these are separate initiatives from a national campaign," he says.

Floridians affected by a higher wage are less likely to be supporting a family than the typical Florida worker, and more than 30 percent of these workers are age 24 or younger, according to Landry, who cites research from Florida State University Professor David Macpherson. He also notes evidence that an important effect of the increase is that some workers will lose their jobs because it will no longer be profitable for firms to employ them. "This is destabilizing to our state economy," Landry says. "To remedy this situation, Florida should prevent local jurisdictions from creating these 'zones' in which employers would be forced to pay inflated wages."

Copies of Policy Report #38, "The Living Wage Movement and Its Implications for Florida," can be obtained online at [www.jamesmadison.org](http://www.jamesmadison.org) or by calling (800) 376-1119.

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