

Legislation Text

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Authorizing the creation of a "Special Committee on Income Inequality in the City of Philadelphia," to identify trends, impacts and opportunities associated with income inequality in the City of Philadelphia.

WHEREAS, Income inequality refers to how income is unevenly distributed across a regional or national economy and highlights the gap between the households earning a higher proportion of the nation's income and those earning the least; and

WHEREAS, According to an article in The Economist, research by economists at the International Monetary Fund (IMF) suggest that income inequality slows growth in the economy, suggesting that the growing inequality is one of the biggest social, economic and political challenges of our time; and

WHEREAS, Since the 2010 recession, states and metropolitan areas have varied in their recovery, particularly in the areas of job growth, poverty rates and income inequality. As a national trend, income inequality in the U.S. has been steadily increasing since the 1970s. In 1975, the top 20% of households accounted for 43.6% of the nation's income, by 2012, the top 20% held 51.1% of the income, while the income level of the nation's bottom 20% fell from 4.3% to 3.2%; and

WHEREAS, The 2013 census data indicates that 26.5% of Philadelphians live below the poverty level and struggle to afford such basic needs as housing, nutritious foods, child care and transportation; and

WHEREAS, Based on the Gini Index, a census measure of income inequality, income inequality in Philadelphia is higher than the state and national averages; and

WHEREAS, Income inequality is increasing in Philadelphia, a trend shared by Pennsylvania, which was one of 15 states in which the gap between rich and poor continued to widen through 2013; and

WHEREAS, Income inequality implications affect numerous economic and social policy considerations including tax revenues, economic growth, job creation, affordable housing, educational opportunity and poverty levels, amongst others. Policy makers can benefit from an informed understanding of the impact of income equality on economic and social conditions in Philadelphia; and

WHEREAS, Section 2-400 of the Home Rule Charter authorizes the entire body of Council or any of its committees to make inquiries and conduct investigations in aid of its legislative powers and functions; and

WHEREAS, It is crucial to the general welfare of all residents and to the economic progress of the City of Philadelphia for Council to identify trends, impacts and opportunities to address income inequality in the City; now, therefore, be it

RESOLVED, BY THE COUNCIL OF THE CITY OF PHILADELPHIA, That Council hereby authorizes the creation of a "Special Committee on Income Inequality in the City of Philadelphia," consisting of at least 5 City Council members, appointed by the Council President, to identify trends, impacts and opportunities associated with income inequality in the City of Philadelphia.

FURTHER RESOLVED, That the "Special Committee on Income Inequality in the City of Philadelphia" shall submit a full report to the Council and the Mayor and make its findings and recommendations available to the public.