

The Working Poor

A just wage is the legitimate fruit of work. To refuse or withhold it can be a grave injustice. In determining fair pay both the needs and the contributions of each person must be taken into account. "Remuneration for work should guarantee the person the opportunity to provide a dignified livelihood for herself or himself and her or his family on the material, social, cultural, and spiritual level, taking into account the role and productivity of each, the state of business, and the common good." Agreement between the parties is not sufficient to justify morally the amount to be received in wages.

Catechism of the Catholic Church, #2434

Case Studies

Portland, Oregon: KATRINA GILL, a 36-year old certified nursing aide, worked in one of the premiere long-term care facilities near Portland, Ore. From 10:30 p.m. to 7 a.m., she was on duty alone, performing three rounds on the dementia ward, where she took care of up to 28 patients a night for \$9.32 an hour. She monitored vitals, turned for bedsores, and changed adult diapers. There were the constant vigils over patients like the one who would sneak into other rooms, mistaking female patients for his deceased wife. Worse was the resident she called "the hitter" who once lunged at her, ripping a muscle in her back and laying her flat for four days. Last month, Gill quit and took another job for \$0.68 an hour more, bringing her salary to \$14,400 a year. But like so many health-care workers, she has no health-care benefits from her job. So she and her garage mechanic husband pay \$640 monthly for a policy and have racked up \$160,000 in medical debts from their youngest son Brandyn's cancer care.

New York City: JOSEPH SCHIRALDI, 41, guards one of the biggest terrorist targets in the world: the Empire State Building. For eight hours a day, he X-rays packages, checks visitors' IDs, and patrols the concourse. But on \$7.50 an hour in the priciest city in the U.S., he's a security officer without security-no pension, no health care, and no paid sick days, typical for a nonunion guard.

Bellingham, Washinton: day-care teacher MANDY SMITH can't afford child care for her 6-year-old son, Jordan, on her take-home pay of \$60 a day. Neither can commercial cleaner Theresa Fabre on her \$8.50 an hour job. So her son, Christian, 9, waits for her after school in a crumbling upper Manhattan library where the kids line up five-deep to use one of two computers. The librarian doubles as a de facto babysitter for 40 or so other kids of the working poor.

Pittsburgh, Pennsylvania: native EDWARD PLESNIAK, 36, lost his \$10.68-an-hour union job as a janitor when the contractor fired all the union workers to make way for cheaper, nonunion labor. So far, Plesniak has been able to dredge up work only as a part-time floor waxer. The pay: \$6.00 an hour, with no benefits. "I feel like I'm in a nightmare," says the married father of three. "And I can't wake up."

*All case studies are from "Working and Poor," *Business Week*, May 31, 2004, p. 58

Loving God, we pray for the working poor. Let us be attentive to the cries of frustration of those who pour their hearts and souls into work, but are rewarded with meager wages. Let us stand against the degradation of human dignity. Let us advocate for the working poor.



Who Are the Working Poor?

	Low-Wage* Workforce	Total Workforce
Percent	24%	100%

Average Hourly Wage (2003)

Wage	\$7.09	\$17.15
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Gender

Female	58%	45%
Male	42%	55%

Race

White	58%	73%
Hispanic	22%	11%
Black	14%	10%
Asian/other	6%	6%

Education

Less than High School education	23%	6%
High School	37%	29%
Some College	31%	29%
College or more	9%	36%

Age

18-25	37%	10%
26-35	22%	25%
36 plus	41%	65%

Occupation

Services	50%	18%
Operations	21%	24%
Clerical	15%	16%
Managers	12%	41%
Other	2%	1%

*Low-wage refers to hourly wage rate necessary for a family of four to just surpass the poverty line (weighted) with full-time, full-year work in 2003.

**Source: Economic Policy Institute

The Wal-Mart Effect

The new name for the downward pressure on wages is the “Wal-Martization” of the economy. This phrase describes the quandary local businesses and smaller chains find themselves in when Wal-Mart or another conglomerate enters the area. Businesses often find that they cannot compete with Wal-Mart’s low wages, meager health insurance benefits, and non-unions. In early 2004, a five-month Southern California supermarket strike involving three chains - Safeway, Albertson’s, and Kroger - said they had no choice but to cut pay and benefits drastically because of 40 Wal-Mart Stores supercenters in the area. The reason: Wal-Mart pays its full-time hourly workers an average of \$9.64, about a third of the level of the union chains. It also shoulders much less of its workers’ annual health insurance costs than rivals, leaving 53% of its 1.2 million employees uncovered by the company plan.

After the strike, new hires find themselves confronted with lower wages and a much higher share of health costs than current union members, making health insurance too expensive for many of them. Jon Lehman, a former manager of a Louisville Wal-Mart who now works for the United Food & Commercial Workers Union, says of his 17 years with Wal-Mart, “I used to load workers into my truck to take them down to United Way.” He also kept a Rolodex with numbers for homeless shelters, food banks, and soup kitchens. “They couldn’t make it on their paychecks.”

“Working and Poor,” *Business Week*, May 31, 2004, p. 64

Discussion Questions

1. From reading the case studies and studying the chart, how would you answer this question: Who are the working poor?
2. The CST quote on the previous page says that fair wages should “guarantee the person the opportunity to provide a dignified livelihood for herself or himself and her or his family on the material, social, cultural, and spiritual level.” Discuss whether those in the case studies have these opportunities. Why or why not?
3. People who have only a high school education are more likely than those with more schooling to receive low wages. What are the deeper causes of why many people receive low wages?

