



UNDERSTANDING POVERTY

LESSON THREE: "IF THEY'D JUST GET A JOB, THEY WOULDN'T NEED HELP."

STORY FOR THE DAY

A church missions group decides to include ministering to the community as a focus of its mission work. In particular, the group wants to offer families emergency support for rent, utilities, food, and other basic needs. The group realizes that it has a limited amount of money to use each month to help people in its community. The group gathers for a meeting to determine how it can best help people who seek assistance from the church. The focus of this meeting is to discuss how to determine who is eligible for help and who is not. The group discusses helping single mothers, people who are disabled, and people who are unemployed but currently looking for a job. One member asks the group if they should help families where at least one member of the household is employed. The group discusses the positives and negatives of helping people who are employed versus helping those who "need a leg up." The group decides not to provide assistance to those who are working because they should be able to meet their own needs and don't need additional help.

INTRODUCTION TO THE LESSON

Many Americans believe that everyone who works should be able to provide the basic necessities for their family: food, shelter, clothing and access to education. However, 25 percent of American workers (30 million people) do not make enough to provide these basic necessities. Many people work full time jobs at minimum wage (some work two or more jobs) and yet cannot provide for their families without assistance. People in this situation are often labeled "the working poor." The working poor are those who are just on the precipice of poverty. Many people in this situation go unnoticed. They are not poor enough to qualify for many government programs, yet they do not make enough to live a "comfortable" life. They also may be referred to as "the invisible poor."

Today we will learn more about the working poor and some of the factors that contribute to working people living on the precipice of poverty.

WHO ARE THE WORKING POOR?

People labeled the working poor are generally single wage earners: unmarried women, single mothers, and young adults. Many work full time for minimum wage or slightly higher. Many work more than one job and are employed in low- or moderate-skill jobs (hourly) – retail, service industry, clerical work, and teachers' aides, etc. – with no prospect for advancement.

CONTRIBUTING FACTORS

1. Minimum wage / living wage and inflation:

In *Ending Poverty in America*, Beth Shulman states, "the minimum wage is not a liberal or conservative issue. It is a human issue." Everyone who works full time should be able to provide basic necessities for his or her family. The inability to provide these necessities is dehumanizing and devaluing. The rise of the minimum wage in America has not kept pace with the rise in inflation. In 2008, the minimum wage was less than \$7 per hour. If it had been raised to meet the rate of inflation it would have been more than \$9 per hour. Although better, that still would not have been a living wage in many areas of the country.

A living wage is the amount that allows a worker to provide basic necessities for his or her family. The living wage depends upon the region or city in which a person lives but is generally more than \$10 per hour. Many states have increased their minimum wage higher than the federal level. In the states that have a higher minimum wage, employment rates are also higher.

2. Suburbanization

Sometimes referred to as “white flight,” suburbanization occurred in the late 1950s through 1970s and played a major role in creating a subset of working people who live on the edge of poverty in urban areas. White flight occurred as the working- and middle-class white people of urban areas relocated to the suburbs when middle-class African Americans moved into the city neighborhoods. Suburbanization was also a result of industries and manufacturing concerns moving into the suburbs, with management and employees following. As the people moved out of the cities, so did the work. Many of the people who were left in the urban areas were faced with lower paying jobs and were not able to relocate or maintain reliable transportation to access the jobs in the suburban areas.

3. Insufficient workplace benefits

The majority of these lower-paying or hourly jobs do not provide workplace benefits such as insurance and healthcare, benefits that are standard with salaried positions. Most employers rarely offer benefits for hourly employees and if they do, they require a high premium.

- *Insurance/Healthcare:*

To acquire benefits to protect their family, these employees must seek expensive private insurance, which further depletes their monthly take-home pay. Children of low-income families are eligible for state Children's Health Insurance Programs (CHIP), but parents are not eligible for these benefits. Working parents or single people living on the precipice of poverty generally make enough of a salary to disqualify them for Medicaid (low-income health insurance).

- *Retirement:*

Guaranteed retirement benefits are less and less common. One plan used often is the 401(k), which allows an employee to save for retirement while deferring income taxes on the saved money and earnings until the time of withdrawal. Employees must choose a percentage of their salary to contribute to the plan. The employee can select from a number of investment options, usually an assortment of mutual funds that emphasizes stocks, bonds, money market investments, or some mix of the above. These types of plans can be precarious and depend on the strength of the stock market. Most companies that employ hourly workers for minimum wage or slightly above minimum wage do not offer pension, retirement planning or 401(k)s. Therefore, many working people on the edge of poverty look toward a long life of hard work to continually make ends meet.

4. Just one setback

What seems like minor inconveniences to a middle class family – car trouble, illness of self or family member, disruptions in child care – are major problems to working people barely meeting expenses. A missed day of work for any of these reasons can cost a person in a lower-income position a day's wages, or worse, his or her job; they are so replaceable. The expenses incurred from any of these events can wreak havoc on the monthly budget of a person living in poverty.

» MAKING IT REAL

Split the class into three groups.

- **Group 1:** Single mom; two children (ages 3 and 8); works 40 hours a week at a superstore making \$8 per hour.
- **Group 2:** Family of six; mom and dad, four children (ages 6, 8, 10, 12). Mom is a teacher's aide at the local school and makes \$20,000 per year. Dad works as a mechanic making \$15 per hour.
- **Group 3:** Immigrant family of four from Mexico. Mom and dad, two children (ages 10, 12). Mom works at a local hotel as a maid making \$10 per hour and dad works on a farm making \$20 per hour.

Each group develops a monthly budget for its family, including budget lines for rent/housing, food, clothing, car, gasoline, utilities, childcare, medical expenses, and insurance. When groups have finished, ask them to explain their budget to the class.

CLASS DISCUSSION

1. What do you think of the church's response in the story of the day? Do you agree or disagree?
2. Were you familiar with the term "the working poor" before today? Did you learn anything new about this group?
3. What is the responsibility of the church and/or the individual believer to the working poor?
4. How have the jobs of the working poor changed over time? What used to be considered a low paying job?
5. What are some of the factors beyond those mentioned in the lesson (suburbanization, lack of benefits, etc.) that contribute to the plight of the working poor? Why is it that people who are working harder are not getting by?
6. What ideas from our religious education, childhood or other life experiences play into the idea that "people who work should be able to provide for their families"?

INDIVIDUAL REFLECTION

Spend time in silence or journaling and reflect on your thoughts and feelings about the following quote.

"Every day in America, low-wage workers make our lives possible through their labor as security guards and teaching assistants, nursing-home aides and hospital workers, janitors and hotel workers, child-care workers and retail clerks. Yet we have turned these hardworking men and women and their families into the new poor. It is a blight on our democracy and our understanding of fair play that in such a prosperous country hardworking Americans cannot make ends meet no matter how hard they work."

Source: Shulman, B. (2007). Making work pay. In S. J. Edwards, M. Crane & A. L. Kalleberg (Eds.), *Ending poverty in America: How to restore the American dream* (114-124). New York: The New Press.



BENEDICTION

"We listen to the evening news with its usual recital of shabbiness and horror, and God, if we believe in him at all, seems remote and powerless, a child's dream. But there are other times – often the most unexpected, unlikely times – when strong as life itself comes the sense that there is holiness deeper than shabbiness and horror and at the very heart of darkness a light unutterable."

Source: Buechner, F. (2006). *Secrets in the dark: A life in sermons*. New York: Harper Collins.

CALL TO BE ATTENTIVE

Think about the programs and services your church offers. Are they geared to be convenient and accessible to working families? For instance, are they offered in the evenings and weekends, and is inexpensive or free childcare provided?

Now consider ministries of your church. Do you have a food pantry or clothes closet? Do you collaborate with other organizations to offer services for people living in poverty? What is a need you see that is not currently being met?



WHAT DO YOU THINK?

I would never take welfare!

Is Social Security welfare? Medicare and Medicaid? Disability? Millions of Americans accept these benefits without thinking twice about it. But, in fact, they are government-subsidized payouts to individuals to help them through difficult times. Is this different from food stamps? How so?