

Health Care for the Homeless Mobilizer

The National Health Care for the Homeless Council

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“Everyone who works has the right to just and favorable remuneration ensuring for [oneself] and [one’s] family an existence worthy of human dignity, and supplemented, if necessary, by other means of social protection.”

Universal Declaration of Human Rights, Article 23

Signed 10 December 1948

A Labor Day Call for Fair Compensation

The history

We take a day of rest at this time each year to honor the contributions of our nation’s workforce. Since President Grover Cleveland signed legislation in 1894 enshrining the Central Labor Union’s unofficial “workingmen’s holiday,” the United States has celebrated the first Monday of September as Labor Day, and so with days off, parades and backyard barbecues we pay tribute to the workers who move our country ever forward. For many laborers, however, there can be no true respite on this or any day. Insufficient wages leave millions of Americans unable to provide safe shelter and basic necessities for themselves and their families, despite their full-time employment. The National Health Care for the Homeless Council urges *Mobilizer* readers to commemorate this Labor Day, September 5, by calling for fair living wages for all people.

The idea

The campaign for living wages is rooted in the idea that anyone who works forty hours per week should earn enough to afford housing, food, clothing, and health care. The cost of fulfilling these basic needs depends on the locality in which an individual lives and works. For instance, small-town wages generally go further than earnings in larger metropolitan areas. Likewise, a national or state minimum wage suited to an urban area may be too high for small town businesses to pay their employees and remain profitable. A logical and widely supported solution is to link wage levels fluidly to local housing costs, thereby accommodating the needs of workers while respecting economic differences from place to place.

The case

The federal Department of Housing and Urban Development (HUD) holds that housing costs should not consume more than 30% of household income in order for housing to remain affordable. This standard is also supported by American banking institutions for household loans. Annually, HUD determines every locality’s Fair Market Rent (FMR). Using FMRs and the 30% standard, it becomes clear that a reasonable living wage would vary from community to community. In the state of Illinois, for instance, similar *one*-bedroom apartments in the cities of Chicago (population 2,896,016) and Fairfield (population 5,421) will rent for \$802 and \$306 respectively. A full-time worker who earns the Illinois minimum wage of \$6.50 per hour can afford an apartment in Fairfield, but a worker in Chicago would have to earn \$15.42 per hour.

A two-bedroom unit for a worker's family would necessitate a raise to \$7.48 per hour in Fairfield and \$17.33 per hour in Chicago. There is in fact *no jurisdiction* in the United States in which a minimum-wage earner can afford a two-bedroom apartment for her family, even in states with minimum wages exceeding the federal standard of \$5.15 per hour. Across the country, startling disparities between wage levels and actual costs of living keep many individuals and families in a state of perpetual poverty and at a heightened risk of homelessness.

The debate

The path to economic justice is not free of impediments. Opponents of the living wage campaign contend that it would hurt business and force massive layoffs. Decades of national data, however, show that the rate of employment has actually seen consistent *increases* during periods in which the federal minimum wage has been raised. Furthermore, researchers at Wayne State University and elsewhere suggest that paying a living wage tends to *increase* morale while *reducing* absenteeism and turnover, thus addressing employers' motivational concerns and decreasing training costs. On the other hand, if a company can increase its profits simply by shrinking its employees' paychecks, there is little incentive for innovation or improved productivity. Living wage ordinances, by limiting the ability of one employer to undercut another through poverty wages, support companies that embrace ethical and progressive competitive strategies. The immediate expense of increasing wages is far outweighed down the road by the benefits of a more productive and self-sufficient workforce.

On this Labor Day and throughout the year, join a growing campaign to ensure that full time work never results in homelessness.

ACTION:

- **Support local and national living wage campaigns.** Help the Universal Living Wage Campaign "bridge the economic gap" (www.universallivingwage.org), utilize ACORN's frank talking points (www.livingwagecampaign.org), and learn more from the research of Wayne State University (www.laborstudies.wayne.edu) and the Economic Policy Institute (www.epinet.org).
- **Write a letter to the editor of your local newspaper.** Call attention to the difference between housing/living costs and the current minimum wage standard. Find your area's Fair Market Rent in HUD's 2006 data set (www.huduser.org/datasets/fmr.html), or locate your local housing wage in the National Low Income Housing Coalition's 2004 Out of Reach report (www.nlihc.org/oor2004/).
- **Contact your Members of Congress** in support of universal living wages. Call 202/224/3121 or access the House and Senate websites (www.house.gov and www.senate.gov).
- **Thank workers!** Labor Day is a day of celebration and gratitude, so take the opportunity to thank the laborers you encounter for their unique contributions, and use the conversations that ensue to introduce people to the campaign for living wages.

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