

GLOBE EDITORIAL

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When wages don't pay the bills

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MODERN LIFE depends on the efforts of millions of low-wage workers - cooks, waiters, hair stylists, and child-care providers. But in these and other fields, according to a new report, wages can be so low that workers can't even cover their basic living expenses. Americans, the report declares, "have not gotten serious enough about making work work for families."

Released in part by the Center for Social Policy at UMass-Boston, the report says some 41 million people nationwide live in families facing a "hardships gap." Breadwinners work, and many get assistance from six public programs (welfare, food stamps, child-care subsidies, housing support, Medicaid, and the earned income tax credit), but they still don't earn enough to cover costs. Massachusetts results, released yesterday, indicate that 900,000 state residents fall in this gap.

To tackle this problem, the country needs a workers' safety net woven from smart, new programs and expanded existing ones.

One existing success is S-Chip, the government-funded health insurance for children whose families earn too much to qualify for Medicaid. By minimizing healthcare costs, S-Chip can free up family income. But while Congress wants to cover more children, President Bush has unwisely vetoed the measure, saying it could lead to government-sponsored healthcare. But what S-Chip really does is give workers a financial break.

The report, coauthored by the Center for Economic and Policy Research in Washington, also says welfare could be more worker-friendly, especially since some recipients view it as a last resort, not a work support. Welfare has tried to keep up, but many newly minted workers lose benefits when they are still financially frail. They need new, nimble programs that can help struggling families by, for example, paying for a week's groceries or a car repair. To do this, state governments have to work more closely with community organizations that know their neighbors and can respond to legitimate needs.

The country should also modernize the federal poverty line, which grossly understates poverty, especially in high-cost states. The 2007 level is set at \$20,650 a year for a family of four. But that's a pittance in places like Boston, where a family of four with two school-aged children actually needs \$53,760 to cover costs, according to the self-sufficiency standard published by the Crittenton Women's Union, a local nonprofit.

A laundry list of other improvements are needed, including more training, so workers can advance; faster processing of applications for food stamps and other programs; and innovative experiments in providing benefits for part-time workers, a likely boon for single mothers with young children.

Low-wage work keeps lawns cut, gas pumped, and fences mended. It should also keep families whole. ■