



## Department of Justice, Peace, and Human Development

Office of Domestic Social Development

### Just Wage and the Federal Minimum Wage

February 2014

*“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 man the opportunity to provide a dignified livelihood for himself and his family on the material, social, cultural, and spiritual level, taking into account the role and the productivity of each, the state of the 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, No. 2434

#### ISSUE

The federal minimum wage is currently \$7.25/hour, meaning a full-time worker earns \$15,080 over the course of a year. According to the [Census Bureau](#), the poverty level for a single parent raising one child is \$15,825, and for a couple with one child is \$18,480, meaning the current federal minimum wage fails to meet the most fundamental of Catholic criteria for just wages: it does not promote family stability.

The federal minimum wage is static, meaning that it does not raise annually to adjust for inflation or cost of living increases. As a result, workers at the low end of the wage scale fall further behind every year. The federal minimum wage has lost more than 30% of its value and would be more than \$10/hour today if it had merely kept pace with the cost of living over the past forty years. If it had kept pace with worker productivity growth over the same period, it would be over \$18/hour. Low-wage workers are doing and making more with the same amount of time, working harder, but not enjoying the fruits of their labor.

According to [recent research](#), raising the federal minimum wage to a level consistent with current proposals would have a substantial benefit for 30 million low-wage workers, who would make about \$51 billion more. Numerous studies suggest it would [lower overall poverty](#) by varying degrees, but it would certainly have an effect on the economic security of those families.

An increase in the minimum wage would substantially benefit children and families:

- One-quarter of all workers who stand to benefit from a proposed federal minimum wage increase are parents, raising 14 million children.
- Over one-third of them are married, and close to 90 percent of them are older than 20 years old. Contrary to some assertions, only a small percentage of affected workers would be teenagers.
- Forty percent of minimum wage workers are the sole breadwinner of their family.

#### *The Prevalence of Low-Wage Work*

An increase in the federal minimum wage is of vital importance to our economy because job growth at the lower end of the wage scale has been so substantial.

According to the [Social Security Administration](#), half of all jobs in this country pay \$27,500 or less. This is the lowest level in 15 years. The job loss during the most recent recession was distributed across the economy and

income levels. Since the recession, however, 58% of new jobs have been in low-wage occupations like cashiers and food preparation where the minimum wage sets many pay scales.

There are [over 10 million workers](#) classified as “working poor.” The ranks of the working poor are growing, representing over seven percent of the total workforce--the largest percentage of the workforce in over 20 years.

The federal minimum wage needs to be raised, not just for the financial security of the worker but also for their dignity and health of their families.

## **USCCB POSITION**

Work has a special place in Catholic teaching. Work is more than just a job; it is a reflection of our human dignity and a way to contribute to the common good. Blessed John Paul II called work “probably the essential key to the whole social question” (*Laborem Exercens*, No. 15). Wages earned from work are the primary way people meet their material needs and contribute to the common good.

The family is the fundamental cell of society and where we first learn, love, and develop. A living wage is a fundamental right of workers and a moral imperative of employers because it provides workers with the means and resources to form and support a family. The *Compendium of the Social Doctrine of the Church* points out, “In order to protect this relationship between family and work, an element that must be appreciated and safeguarded is that of a family wage, a wage sufficient to maintain a family and allow it to live decently. Such a wage must also allow for savings that will permit the acquisition of property as a guarantee of freedom. The right to property is closely connected with the existence of families, which protect themselves from need thanks also to savings and to the building up of family property” (No. 250).

Catholic Bishops in the United States have long supported increases in the federal minimum wage to ensure that no full time worker and their family lived in poverty. The federal minimum wage is not a living wage, and it is not a silver bullet to solve all economic problems, but it is one way to ensure workers are compensated fairly.

Last year, Bishop Stephen Blaire of Stockton, CA testified to the Senate Committee on Health, Employment, Labor, and Pensions regarding Catholic teaching on wages and the Church’s longstanding support for raising the federal minimum wage, saying, “For the Catholic bishops of the United States, advocating a just minimum wage is foundational. Every time Congress or an Administration has suggested raising the minimum wage, the bishops have been supportive simply because it is consistent with our teaching and we see the effects firsthand in the families of our parishioners and our own communities.”

Earlier this year, Archbishop Thomas Wenski and Fr. Larry Snyder, President of Catholic Charities USA, told the US Senate that “Just wages allow us to develop more fully as individuals, families, neighborhoods, communities, parishes, and even society as a whole. The current federal minimum wage falls short of this standard for its failure to provide sufficient resources for individuals to form and support families.”

## **ADDITIONAL RESOURCES**

USCCB Labor and Employment Page: <http://bit.ly/1b4LIH7>

Letter of Archbishop Thomas Wenski and Father Larry Snyder to the US Senate regarding the federal minimum wage: <http://bit.ly/1bSfmZV>

Testimony of Bishop Stephen E. Blaire on the Catholic tradition on just wages: <http://bit.ly/1cnRvFl>

## **FOR MORE INFORMATION**

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