

Labor Day Statement 2018

Just Wages and Human Flourishing

Most Reverend Frank J. Dewane
Bishop of Venice
Chairman of the Committee on Domestic Justice and Human Development
United States Conference of Catholic Bishops
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The plight of our brothers and sisters who work hard but struggle to make ends meet calls us all to reflect in a special way this Labor Day. Today, we read in St. Luke's Gospel how Jesus, upon returning home to Nazareth, read from the prophet Isaiah in the synagogue declaring, "The Spirit of the Lord is upon me, because he has anointed me to bring glad tidings to the poor."¹ Sadly, in our times too many people are excluded, marginalized, and politically and economically disenfranchised. The struggle of working people, of the poor, as Pope Francis reminds us, is not first a "social or political question. No! It is the Gospel, pure and simple."² There has been some notable progress in our economy in recent years, but it is also apparent that it is not where it should be for many, and we can all play a productive role in making sure it is a system that upholds the dignity of all people.

Recent economic news and data report that poverty continues to decline, unemployment is down to one of the lowest levels in decades and there has been economic growth with production, stocks and profits rising to record levels. But is this the whole story? Do these developments give an entirely accurate account of the daily lives and struggles of working people, those who are still without work, or the underemployed struggling with low wages?

It is encouraging that poverty has gone down, but still almost one in three persons have a family income below 200% of the federal poverty line.³ Today, there are many families who, even if they have technically escaped poverty, nevertheless face significant difficulties in meeting basic needs. Wages for lower income workers are, by various accounts, insufficient to support a family and provide a secure future. A recent study examined whether a minimum wage earner could afford an average two-bedroom apartment in their state of residence. Shockingly, in all 50 states, the answer was no.⁴ A recent report from the Federal Reserve shows that four in ten adults could not cover a \$400 emergency expense, or would rely on borrowing or selling something to do so.⁵

Although the national median income has increased over the last two years, it is still relatively stagnant when compared to top earners. Taking into account inflation and the rising cost of living, workers at the lower end of the income spectrum have seen their wages stagnate or even decrease over the last decade.⁶ From 2014 to 2015, the rate of income growth was more pronounced at the lower end of the spectrum, possibly due to state increases in the minimum wage and increased employment. But from 2015 to 2016, the rate of growth was highest at the top.⁷

Another alarming trend is the continuing disparities in median incomes between different racial and ethnic groups and between women and men. For example, in 2016, the median household income of

non-Hispanic whites was \$25,500 more than that of blacks, and the real median earnings of women were \$10,000 lower than that of men.⁸ Clearly no examination of our economy, in light of justice, can exclude consideration of how discrimination based on race and sex impacts the just distribution of wages.

Every worker has a right to a just wage according to the criterion of justice, which St. John XXIII described as wages that, “give the worker and his family a standard of living in keeping with the dignity of the human person.”⁹ St. John Paul II elaborated on the systematic implications of just wages, describing them as “the concrete means of *verifying the justice* of the whole socioeconomic system.”¹⁰ However, when a society fails in the task of ensuring workers are paid justly, questions arise as to the underlying assumptions of that system. A society that is willing to exclude its most vulnerable members, Pope Francis suggests in *Evangelii Gaudium*, is one where “the socioeconomic system is unjust at its root.”¹¹ Pope Francis warns that absent a just response, these disparities can lead to deep societal divisions and even violence.

The Church’s traditional teaching holds that wages must honor a person’s dignity and ability to contribute to the common good of civil society and family well-being. As the Catechism states, “The development of economic activity and growth in production are meant to provide for the needs of human beings. Economic life is not meant solely to multiply goods produced and increase profit or power; it is ordered first of all to the service of persons, of the whole man, and of the entire human community.”¹² The economy must serve people, not the other way around. Work is more than a way to make a living; it is a form of participating in God’s creation. If the dignity of work is to be protected, then the basic rights of workers must be respected, including the right to productive work, to decent and fair wages, to organizing and joining unions, to private property, and to economic initiative.

All persons can help build an economy that recognizes the dignity of every life. Business owners and managers have a duty to seek profits to ensure the stability and long-term success of their businesses. However, they also “have an obligation to consider the good of persons and not only the increase of profits.”¹³ A part of this obligation is to pay a just wage, which provides a dignified livelihood for workers and their families to meet their basic needs. A just wage not only provides for workers’ financial well-being, but fosters their social, cultural and spiritual dimensions as individuals and members of society. This is the essence of what the Church refers to when speaking of integral human development.

The traditional teaching of the Church also recalls that the mere fact that workers and employers have agreed to a certain wage “is not sufficient to justify morally the amount to be received in wages.”¹⁴ Questions of justice and wages need to be examined in the context of the well-being and flourishing of the individual, the family and society. The cost of severe wage inequality, besides injury to the dignity of the person, is ultimately society’s peace and harmony.

How are we as Christians, who are members of society, called to respond to the question of wages and justice? First, we are called to live justly in our own lives whether as business owners or workers. Secondly, we are called to stand in solidarity with our poor and vulnerable brothers and sisters. Lastly, we should all work to reform and build a more just society, one which promotes human life and dignity and the common good of all. We also need to recognize the gifts and responsibilities that God has entrusted to each of us. In his recent Apostolic Exhortation *Gaudete et Exultate*, Pope Francis asks us to

reflect on the following: “Do you work for a living? Be holy by laboring with integrity and skill in the service of your brothers and sisters. . . . Are you in a position of authority? Be holy by working for the common good and renouncing personal gain.”¹⁵

For reform to be possible, Pope Francis calls us to see our “life as a mission,” and to “ask the Spirit what Jesus expects from you at every moment of your life and in every decision you must make, so as to discern its place in the mission you have received.”¹⁶ This will require personal conversion and corresponding action in civil society. Practically speaking, in the setting of wages, there must be due consideration for what justly ensures security for employees to establish and maintain all significant aspects of family life, and care for family members into the future. Likewise, those engaged in public policy and finance should consider the structural causes of low wages, especially in the way that corporations distribute profits, and respond by working to address unjust disparities. The rights of workers to organize should be respected, as should the rights of unions and worker centers to advocate for just wages, health benefits that respect life and dignity, and time for rest, and to guard against wage theft. Labor too, must pursue its mission with integrity, as Pope Francis recently said, “Renewing labour in an ethical sense means in fact renewing the whole of society, banishing fraud and lies which poison the market, civil coexistence and the lives of people, especially the weakest.”¹⁷

As Christians, we believe that conflict or enmity between the rich and the poor is not necessary or inevitable. These divisions are in fact sinful. But we live in the hope that our society can become ever more just when there is conversion of heart and mind so that people recognize the inherent dignity of all and work together for the common good. This Labor Day, let us all commit ourselves to personal conversion of heart and mind and stand in solidarity with workers by advocating for just wages, and in so doing, “bring glad tidings to the poor.”

¹ Lk. 4:18.

² “Pope Francis dedicates Mass to ‘noble Chinese people,’” Vatican News (May 24, 2018) <https://www.vaticannews.va/en/pope-francis/mass-casa-santa-marta/2018-05/pope-francis-mass-chinese-people-sheshan.html>.

³ U.S. Dep’t of Comm’r, U.S. Census Bureau, *Income and Poverty in the United States: 2016*, 17 (Sept. 2017).

⁴ Tracy Jan, “A minimum wage worker can’t afford a 2-bedroom apartment anywhere in the U.S.,” *The Washington Post* (June 13, 2018).

⁵ Board of Governors of the Federal Reserve System, *Report on the Economic Well-Being of U.S. Households in 2017*, 21 (May 2018).

⁶ See, e.g., U.S. Dep’t of Comm’r, U.S. Census Bureau, *Income and Poverty in the United States: 2016*, 31 (Table-A2) (Sept. 2017); Patricia Cohen, “Paychecks Lag as Profits Soar, and Prices Erode Wage Gains,” *The New York Times* (July 13, 2018).

⁷ See *id.*

⁸ U.S. Dep’t of Comm’r, U.S. Census Bureau, *Income and Poverty in the United States: 2016*, at 5 (Figure 1); 10 (Figure 2).

⁹ Pope John XXII, *Pacem in Terris*, no. 20.

¹⁰ Pope John Paul II, *Laborem Exercens*, no. 19 (emphasis in original).

¹¹ Pope Francis, *Evangelii Gaudium*, no. 59.

¹² *Catechism of the Catholic Church*, no. 2426.

¹³ CCC, no. 2432.

¹⁴ CCC, no. 2434.

¹⁵ Pope Francis, *Gaudete et Exultate*, no. 14.

¹⁶ *Gaudete et Exultate*, no. 23.

¹⁷ Pope Francis, Address to Participants at the National Convention of the Italian Masters of Labour Federation (June 15, 2018) http://w2.vatican.va/content/francesco/en/speeches/2018/june/documents/papa-francesco_20180615_federazione-maestri-dellavoro.html.