

Living Wage Matters

Larry Campbell



CORNERS

OUTREACH

The cycle of poverty

Why understanding Living Wage is important

Our Families

Corners works with Title I schools, which means most of our families live in poverty. We are focused in the worst areas of the United Way Child well-being map. Also, while many of our parents are undocumented with no clear path to citizenship, but most of our students are U.S. citizens. This is important because these families are not eligible for any government programs, which leaves them to stand on their own, and results in more hours working to make ends meet, multiple families occupying one apartment and a constant struggle to pay bills. When our students become teenagers, they feel pressure to drop out and get a minimum wage job just to help the family survive.

Why does poverty become a cycle and how do you measure it? Does family size impact poverty?

What is Living Wage

The Department of Urban Studies & Planning at MIT conducted a study of each community in the US and calculated the living wage model. This is an alternative measure of basic needs. This market-based approach draws upon geographically specific expenditure data related to a family's likely minimum food, childcare, health insurance, housing, transportation, and other basic necessities (e.g. clothing, personal care items, etc.). It does not include any prepared foods or any dinners out.

Quantify the Difference

The Georgia state minimum wage is **\$5.15**. Employees covered under the federal Fair Labor Standards Act are subject to the federal minimum wage of **\$7.25**, but those not covered under the FLSA may be paid the state minimum wage of **\$5.15**.

According to the MIT student above in Gwinnett County, for a family of 4 (2 adults and 2 children with one working), the living wage is **\$25.86** (3 children = **\$28.63**). For comparison, the poverty wage is **\$11.83** and **\$13.84** for those families.

Take a moment and look at the great difference in hourly wages. To help quantify, \$5.15 (state wage) means \$886/month, \$7.25 (federal wage) = \$1,247. **Could you and your family live on either of those incomes?**

Ramon's Story

I met Ramon when I tutored his daughter in math. Ramon is an extremely hard worker and works many hours. Ramon's wife also works to support their two children. His living wage calculates to \$17.39.

Ramon has worked for the same landscaping company for 20+ years and is the crew lead. He was making \$14.00 an hour. Corners industries hired Ramon as a salary employee paying him \$20/hour plus two weeks of vacation and nine holidays.

This gives him and his family job security and the opportunity to be dad and husband.

How Corners is changing the poverty cycle

There are three ways of impacting the poverty cycle according to the John Perkins model¹.

1. **Relief** - direct aid to meet immediate physical, material, and economic needs. Relief means temporary shelters, food and clothing, caring for foster children, the elderly, and the physically handicapped through home care or the establishment of institutions.
2. **Development** - giving an individual, family, or entire community what they need to move beyond dependency on relief into a condition of economic self-sufficiency... It includes education, job creation and training, job search skills, and financial counseling, as well as helping a family into home ownership. Development, of course, is far more time consuming, complex, and expensive than relief.
3. **Social Reform** - moves beyond the relief of immediate needs and dependency and seeks to change the conditions and social structures that aggravate or cause that dependency.

For each level you need a solution that connects programs, community leaders and relationships where you can help the families understand why change will be helpful. We must change *with* them; not for them.

At Corners that means:

- Utilizing **Asset Based Community Development** (ABCD), Corners has learned the vocation skills of most of the parents and **connects them to better jobs and employers**.
- After learning that the largest area of experience was landscaping, Corners launched Corners Industries to hire parents. Parents are paid a **20% wage increase**, including vacation and holidays and increasing shared time to assist more in life decisions. With **15% of all industries revenue used to fund tutoring**, Corners is creating a self-sustaining nonprofit. And by selling landscaping services to other parents in the school and local churches, businesses, and apartments, we are **connecting the community; creating neighbors**.
- Corners partners with other community leaders to **bring social reform** that breaks the poverty cycle.
- Partnering with the school to add **tutoring focused on dual language**, creating smaller teaching groups and **individualized education plans** and implementing a rewards systems to move **ownership to the student**. Through relationship, change occurs, and learning is accomplished.
- By performing our work in the neighborhood and loving the students, we connect with the parents. We bring the parent into the education plan by listening, validating their importance and caring about them. Corners provides **transportation and translation**, which allows them to better communicate with teachers and **take a bigger role in their child's education**.
- Corners facilitates **8 parent workshops** in the local center each year focused on the parents' topics of interest.

What can you do?

There are 3 paths of investment:

1. **Volunteer**- We need tutors, mentors and parent workshop volunteers. [Sign up today](#).
2. **Become a client** – Landscaping covers normal yard maintenance plus projects like new shrubs, flowers, pine straw, sod, sprinklers, retaining walls, drainage, etc. [Request a quote here](#).
3. **Become an investor** - Join our [931 Club of recurring donors](#). Commit to donating one penny for each student we tutored last year (or more if you're willing). Can't donate monthly? [Make a one-time donation](#).

Through education and improved job options, together we can break the cycle of poverty and improve lives in our community today and for generations to come. Please join us!

1. For more info on the John Perkins model, see Timothy Keller's [Generous Justice](#)