

Statement by Senator Edward M. Kennedy
Senate Health, Education, Labor and Pensions Committee
“The Needs of the Working Poor: Helping Families to Make Ends Meet”
February 14, 2002

Today’s hearing gives much-deserved attention to the issues facing the working poor. It is in this forum that we can begin to address the needs of the many Americans who struggle day-to-day to earn a living wage and provide the basic necessities for their families.

I want to thank Senator Wellstone for chairing today’s hearing, and for his tireless commitment to helping working families and the working poor.

It is a pleasure to welcome the testimony of Dr. Heather Boushey of the Economic Policy Institute. Dr. Boushey brings attention to the gender and racial inequalities in unemployment and wages, and we benefit from her knowledge of the economics of working families who live below 200% of the federal poverty line.

I am pleased to welcome Ms. Ellen Bravo’s testimony this morning. Ms. Bravo’s recently released report, *Keeping Jobs and Raising Families in Low-Income America: It Just Doesn’t Work*, confirms that the conflicting demands of raising a family and keeping a job are not being adequately met.

It is an honor to welcome Peter Edelman, Professor at Georgetown University Law Center. Peter is known to many of us for his leadership and we are grateful for his expertise and insight on this very important issue.

Finally, and perhaps most importantly, are the real life voices. Ms. Barbara Ehrenreich is the author of *Nickel and Dimed: On (Not) Getting By in America*, a book that brings to life the true struggles that working American families face. And Debra Greenwood and Sharon Johnson are also here to share their personal experiences.

No one in America who works for a living should live in poverty. Yet, for the millions of

hard-working Americans with low paying jobs, that is exactly what is happening in communities across the country today.

With the enactment of the 1996 welfare reform law, the number of Temporary Assistance for Needy Families (TANF) caseloads fell dramatically. Although welfare caseloads have declined by more than half since 1996, poverty remains unacceptably high. And most workers who have moved off welfare have not moved out of poverty.

The clear purpose of the 1996 welfare reform law was to reduce caseloads and promote work. But we know that emphasizing employment alone is not enough. As Congress reauthorizes the 1996 welfare law, we must also make reducing child poverty our top priority.

Simple survival is a daily challenge for low-income working mothers in the U.S. Even if they work hard enough and their hours are long enough, they still struggle to make ends meet. They don't have time for their families. They can't participate adequately in activities with their children. They can't afford to buy birthday presents or do the countless other things that most of us take for granted.

The best first step for welfare reform is a fair minimum wage. The real value of the minimum wage has fallen dramatically over the past 30 years, and minimum wage workers are being left behind. **Working families have waited long enough. It's been more than five years since we last voted to raise the minimum wage. We must raise the minimum wage by a dollar fifty an hour and raise it now.**

The downturn in the economy has placed strains on the lives of many families. As wages stagnate, workers at the bottom suffer most. The current minimum wage is only five dollars and fifteen cents an hour. Americans earning the minimum wage, working 40 hours a week, 52 weeks a year, earn only \$10,700 a year – nearly \$4,000 below the poverty level for a family of three. On this meager income, working families fail to earn enough to afford adequate housing in any area of this country.

Raising the minimum wage is only a first step. We need **policies that not only help working men and women earn a decent living, but assure them time to meet their obligations to their children.**

The fact that many families who have left welfare for work continue have low earnings underscores the importance of access to work supports. Families leaving TANF assistance need access to work supports including Food Stamps, Medicaid, child care, transportation, and child support services. In addition, parents must be able to participate in education and training programs while they receive support.

We know that working families who need child care assistance after leaving TANF often do not receive this critical support. According to the Department of Health and Human Services, less than one-third of working parents who have left TANF assistance receive child care subsidies. The need for child care assistance for low-income families who have left welfare is overwhelming. Over 40 percent of working low-income single parents (with income below 200 percent of the federal poverty line) have children under age 13 who require care. Child care expenses consume 16 percent of a family's income – an extraordinary amount for any low-income working family struggling to make ends meet.

In addition, new parents deserve assistance so they can afford leave to care for their newborn children. A recent Packard Report, "Caring for Infants and Toddlers," notes that the rapid rise in the number of working mothers has caused dramatic changes in the care of infants and toddlers. In 1975, 34 percent of mothers with children under age three were part of the workforce. In 2000, this number nearly doubled to 61 percent. Today, over six million infants and toddlers are in some form of regular, nonparental child care. We must secure more affordable, more accessible, high quality early childhood care and education. **I am working alongside my colleagues to ensure that workers have more flexibility and their children have access to quality early care and education.**

We must stop asking parents to solve the work-family conflict on their own. Our

future depends on the development of healthy, well-educated, responsible citizens. Not only are parents working too many hours for too little pay, but often, low-wage workers don't have access to the supports and systems that they need. We need to help raise wages for these families so that they can afford to make ends meet and to improve the qualities of their lives. But, we must help build in more flexibility to their schedules and ensure that they have access to convenient and affordable transportation, high quality child care and education, safe housing, jobs with opportunities for advancement, and accessible health care.

In today's struggling economy, the working poor are struggling the most. They are often the last hired and the first fired. Now more than ever, we must make sure the systems and supports are in place to ensure that all those who want to work can find good paying jobs, and that those jobs don't force them to make untenable choices between paying for basic necessities and caring for their families. It is unfair that working families, no matter how hard they work, cannot earn enough to afford the basic necessities for their families. No one who works for a living should have to live in poverty. The time to act is now.