



# The Living Wage Initiative

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Why are we here today?

Why do we need a living wage?

What is a living wage?

How will it help?

What can I do?



# Why are we here today?

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- To discuss issues surrounding a living wage at Texas A&M.
- To ask you to support the adoption of a living wage for full-time workers at Texas A&M University.



# Why do we need a living wage?

## “Janice’s” Story

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- “Janice” is 50 years old; lives in Bryan.
- Single-mom with two teenage sons.
- Full-time custodian for 9 years
- Hourly Wage = \$7.71
- Annual Wage = \$14,803
- Monthly Take Home Pay = \$810



# What does this mean for “Janice” and her family?

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## One Month of Impossible Choices

<b>Expenses</b>	<b>Cost</b>	<b>Balance</b>
Rent	\$395.00	\$415.00
Utilities	\$256.00	\$159.00
Gas	\$50.00	\$109.00
Telephone	\$40.00	\$69.00
Transportation	\$60.00	\$9.00
Food	\$200.00	-\$191.00
Doctor's Visit	\$25.00	-\$216.00
Medicine	\$30.00	-\$246.00
School Pictures	\$23.00	-\$269.00
School Dance	\$5.00	-\$274.00



## Is “Janice” alone?

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- Poverty-Level Wage Earners at A&M

■ Clerk I	\$6.15/hr	\$12,841/yr
■ Food Service Worker	\$6.57/hr	\$13,718/yr
■ Custodial Worker I	\$6.57/hr	\$13,718/yr
■ Asst Pantry Cook	\$7.02/hr	\$14,658/yr

Data gathered December 2004

<http://hr.tamu.edu/classification/table1.asp>



## How many employees are affected?

Wage	Number of Employees
\$0-7.00/hour	90
\$7.01-8.00/hour	381
\$8.01-9.00/hour	330
\$9.01-10.00/hour	379
<b>Total</b>	<b>1180 Employees</b>

Personal Communication (September 29, 2004). Lallah M. Howard, CPA, Assistant Vice President for Finance, Texas A&M University. [Note: Total income based on 2088 hours/year.]



# What's it like at other universities?

## Big Twelve Universities' Custodial Annual Starting Wage

<b>University</b>	<b>Starting Wage</b>	<b>Annual Wage</b>
Iowa State University	\$9.19	\$19,115
University of Texas	\$8.51	\$17,701
University of Missouri	\$8.21	\$17,076
University of Colorado	\$8.20	\$17,056
Kansas State University	\$8.12	\$16,890
University of Kansas	\$8.10	\$16,848
University of Nebraska	\$7.59	\$15,787
<b>*Texas A&amp;M University</b>	<b>\$6.36</b>	<b>\$13,229</b>
*Texas Tech University	\$6.36	\$13,229
*Oklahoma State University	\$6.00	\$12,480
*University of Oklahoma	\$5.15	\$10,712

\*Below U.S. Poverty Guidelines

Data gathered May, 2002 from Big Twelve University's Human Resources Departments



# Cost of Living Comparison

University	Adjusted Wage	Starting Wage	Difference
Colorado University	\$15,438	\$17,056	+ \$1,618
University Kansas	\$14,883	\$16,848	+ \$1,965
Kansas State	\$14,883	\$16,890	+ \$2,007
University Nebraska	\$14,433	\$15,787	+ \$1,354
Iowa State	\$14,380	\$19,115	+ \$4,735
University Texas	\$13,957	\$17,701	+ \$3,744
University Missouri	\$13,705	\$17,076	+ \$3,371
<b>Texas A&amp;M</b>	-----	<b>\$13,299</b>	-----
Texas Tech	\$13,163	\$13,299	- \$66
Oklahoma State	\$13,097	\$12,480	- \$617
University Oklahoma	\$13,097	\$10,712	- \$2,385

Source: Sperling's *Best Places*. (2002). Cost of Living Salary Calc. BLS Consumer Price Index.

<http://www.bestplaces.net/html>



# What does this mean for our community?

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- In Brazos County
  - Persons living below the poverty line = 26.9%
  - Food stamp recipients = 8,455 (\$8,230,251)
  - Temporary assistance to needy families (TANF) = 2,128 (\$1,602,821)
  - BISD economically disadvantaged = 60.2%
  - CSISD economically disadvantaged = 24.8%

U.S. Census Report FY2002; Academic Excellence Indicator System FY2002-03 & Texas Department of Human Services

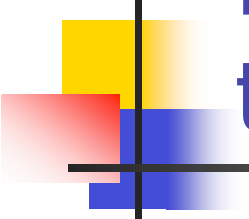


# What can we do?

## Implement a Living Wage

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- A living wage is for full-time workers
- A living wage enables workers to afford the basics in their community:
  - Housing
  - Food
  - Transportation
  - Child Care
  - Health Care



# How does “Janice’s” salary compare to a Living Wage?

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- **The Housing Situation**

- Based on HUD calculations, a unit is considered affordable if it costs no more than 30% of a renter’s income.
- Fair Market Rent for Two Bedroom in Bryan/College Station
  - **\$596.00 monthly**
  - **\$23,840 annually**
  - **\$11.42 hourly**

- **Therefore,**

- “Janice” and her 2 sons are \$9,037.00 too poor for a two bedroom apartment



# How does a living wage help employees?

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- Earning a Living Wage may:
  - promote self-sufficiency
  - reduce dependency on government assistance
  - provide better for employee and family's needs



# How does a living wage help our community and university?

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- Community benefits
  - Decrease in emergency health care, food programs, housing and community service costs
  - Increase in worker buying power
- TAMU benefits
  - Decreased turnover
  - Support Vision 2020 by treating all workers with respect and civility (Core Value #4)



# How can I help?

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- Join the Living Wage Initiative

There is nothing but a lack of social vision to prevent us from paying an adequate wage to every American citizen. . . There is nothing except shortsightedness to prevent us from guaranteeing an annual minimum and livable income for every American family...

Martin Luther King, Jr.