

swarthmore living wage & democracy campaign

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FACTSHEET: Debunking Common Myths about the Living Wage

Myth: The community doesn't support a living wage.

We know that the Swarthmore community supports a living wage in principle. This has been demonstrated over the past four years through a petition garnering over 1,200 signatures, well-attended rallies, a faculty straw vote, and the expressed sentiments of the administration. What is in question is the community support for this specific proposal tied to its concrete budgetary implications. The administration's community input process has so far not included any assessment of support. The only such assessment that we know of was an anonymous survey distributed by a dining services worker among her co-workers, which garnered 48 responses, all of which were pro-living wage.

Myth: Swarthmore doesn't need to set its own wage floor – the national minimum wage already does that for us.

The income of a full-time minimum-wage earner supporting a family falls well below the federal poverty line. In fact, the minimum wage is arbitrarily set by Congress, does not take into account the cost of living, and is not systematically adjusted for inflation. In 1997, Congress set the minimum wage at \$5.15 an hour – a rate far below the cost of living for many American families. Six years later, the current dollar amount remains the same, while the real value of the wage continues to fall. The federal minimum wage is not designed to, and does not, meet the needs of working families. It is imperative that employers examine the regional costs of living, rather than relying on outdated and insufficient national numbers, when setting wages.

Myth: The 'living wage' is a radical idea.

At its base, the idea behind the living wage is that people who work 40 hours a week should be able to live decently, support themselves and their families, and to make economic choices in their lives without working second (or third) jobs or receiving government benefits. This is common sense, and furthermore its not even a new idea. Workers began talking about winning a living wage over 100 years ago, and at its inception, they won this battle with the federal minimum wage. Since the 1970s, however, the minimum wage has ceased to be an adequate wage, and so the current effort to secure a living wage is an effort to regain lost ground. One hundred and ten living wage ordinances have been put into place, while over 100 municipal and 30 college campus campaigns are actively working on this issue. While some victories have been won at large universities, Swarthmore could be one of the first liberal arts colleges to take this step. Furthermore, there is nothing radical about paying a wage that meets the basic needs of those who work every day to meet *our* most basic needs.

Myth: Swarthmore students are only educated in the classroom.

Swarthmore students are the kinds of students who could have elected to attend any college or university in the United States, but most choose Swarthmore because of its distinctive commitment to fostering an engaged community. Therefore Swarthmore students, like most people, learn as much from their environment as they do from their books and professors. In order to instill students with a sense of ethical intelligence, the College must model in its processes a community grounded in democracy and in respect for all of its members.

Myth: If Swarthmore pays a living wage, it will have to fire existing employees or subcontract jobs. Current employees will face competition from a more skilled labor pool.

There is no reason to believe that Swarthmore workers will lose their jobs as a result of earning a living wage. While studies of municipalities that have enacted living wage ordinances indicate that there was no loss of jobs, it is even less likely that jobs will be lost at Swarthmore. The work that low-wage staff perform on this campus is essential to its daily operation. For example, even when classes are cancelled due to inclement weather, workers in Sharples Dining Hall must report to work, as they are considered “essential staff.” Swarthmore cannot do without these employees without seriously impairing its ability to function. Unlike a private company, Swarthmore cannot cut corners by shutting down the new science center or cutting off the meal plan. Just as Swarthmore can choose to implement a living wage, it can choose not to fire workers, subcontract to companies that pay below a living wage, or hire from a more skilled labor pool.

Myth: The proposal isn't financially feasible – the budget's too tight and alumni won't give.

The Ad Hoc Committee's proposals range in cost from \$750,000 to \$2 million. Given that Swarthmore College's annual budget is approximately \$85 million (with an endowment currently around \$1 billion) , we believe that funding this proposal is not an issue of feasibility, but rather one of priorities. Historically, the College has found the money necessary to pay for projects that it prioritizes, such as the construction of the new science center and the implementation of need-blind admissions. Moreover, the College annually writes hundreds of thousands of dollars into its budget for new projects. While the SLWDC has been eager to initiate a conversation about what students can give up to help pay for the Committee's proposal, the administration has been unwilling to seriously engage this possibility as a significant funding source. The administration has repeatedly said that alumni will not donate towards a living wage, while refusing to systematically assess alumni interest. Faculty members have expressed interest in contributing part of their yearly raise, but the administration has also refused to consider this possibility.

Myth: “Wage Compression” is not a problem.

Wage compression has been repeatedly identified as a problem by staff members, the director of Human Resources, and two committees studying compensation at Swarthmore. Any attempt to dismiss this problem encourages division and opposition to the entire proposal. For instance, most Environmental Services workers will see no wage increase if the \$10.72 minimum is implemented with no decompression. Many on the Ad Hoc Committee argued that people could not meet their basic needs on less than \$13.89/hour, hence the range of wage floors in the Committee's proposal. Implementing the decompression plan will create a balanced wage structure and will allow a significantly greater proportion of employees to meet their needs.

Myth: “Qualification creep” is an insurmountable problem and only hurts those we're trying to help.

Most importantly, it should be clear that a living wage is not about charity – it is about creating jobs that fairly compensate those whose hard work keeps the College running. Still, as the Ad Hoc Committee's report states, the College ultimately decides who it does and does not hire; if it wishes to keep positions as entry-level, it has the complete authority to do so. Moreover, ‘qualification creep’ is a misleading term that, in the case of entry-level positions, speaks to a candidate's years of experience, which may give that individual an advantage, no matter what the wage. By creating more higher-wage jobs, Swarthmore is doing just that – the work stays the same, and for the most part, so will the employees, though some will now be earning what they deserve.