

Fight Hunger by Making Work Pay

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The best way to end hunger in America is to make work pay. In New Mexico, almost 80 percent of families receiving SNAP benefits are working at least part time,ⁱ they simply are not earning enough to put food on the table and pay all their other living expenses. The median annual income for SNAP households in New Mexico is just \$18,242.ⁱⁱ That's below the poverty level for a family of three. Because these families earn such low wages, they must spend a much bigger share of their income on groceries. New Mexicans in the bottom income quintile spend 25 percent of their income on food, while those in the middle quintile spend just 7 percent.ⁱⁱⁱ

New Mexico has a preponderance of jobs in occupations that pay low wages. Nearly 70 percent of our jobs are in occupations that pay less than 200 percent of the federal poverty level for a family of four.^{iv} And despite having a slightly higher minimum wage than the federal minimum (\$7.50 an hour), New Mexico has one of the highest rates of poverty in the nation and one of the highest rates of food insecurity to go along with it.^v

But New Mexicans are not alone in living under an economy that does not work for them. Much of America is barely getting by because of public policies that have left them behind. These include:

- A stagnant minimum wage;
- Wages that have not kept up with huge increases in productivity;
- Income and wealth inequality of historic proportions as the majority of income growth continues to go to the top 1 percent;
- Wages that are often taxed at a higher rate than unearned income such as capital gains;
- Trade deals like NAFTA and tax incentives that have encouraged companies to ship good-paying jobs overseas;
- Union-busting legislation that's been enacted by state legislatures;
- The fact that, thanks to deregulation, Wall Street has become a casino for short-term gains at the cost of the long-term health of the economy;
- The fact that corporations—which the Supreme Court now says are people, and which have extraordinary privileges under the law—are not required to: pay a living wage, give their employees adequate notice on scheduling, provide paid sick leave, pay women the same as men, or make accommodations for pregnant employees; and
- The fact that predatory lenders can get away with charging interested rates upwards of 1000%

While America used to be the land of opportunity, fewer and fewer people have access to the opportunities they need in order to get ahead. The same forces and systems that help the top 1 percent maintain their gains also serve to keep those who are at the bottom trapped in low-wage jobs. Poverty is an extremely difficult cycle to break for many reasons. Some include:

- The fact that public school funding is not equitable so low-income schools are shortchanged;
- The fact that the U.S. has no early childhood policy beyond Head Start;
- The widespread use of zero-tolerance policies that have turned our schools into pipelines to prison for low-income and minority children;
- The misguided war on drugs, which has disproportionately impacted low-income and minority populations, broken up families and kept people from gainful employment;

- TANF incentives that reward states for moving people to work but create a disincentive for states to serve those who need the most help; and
- The fact that college has become unaffordable and graduates are now saddled with life-long debt.

Public policies that would help hard working families get ahead include:

- Raising the federal minimum wage to at least \$15 an hour and indexing it to rise with inflation;
- Passing and adequately funding President Obama's Preschool for All initiative, along with offering states more assistance in expanding their own effective early childhood programs;
- Reducing the cost of college and making student loans interest-free;
- Capping how much corporate CEOs and other executives can earn and tying the cap to how much their lowest-paid employee earns;
- Taxing capital gains income and other unearned income higher than wages are taxed;
- Deducting payroll taxes from all earned income over \$100,000;
- Closing the myriad loopholes that allow highly profitable corporations to pay no income taxes; and
- Improving funding for and regulations of state-run SNAP work training and employment programs.

Given our high poverty rate and our lower wage levels, New Mexico may seem like an outlier in a more prosperous nation. But Washington would be wise to take an interest in improving New Mexico's trajectory over the next few years because our populace represents the nation's future. It's estimated that, due primarily to increases in the Hispanic population, the nation's child population will be minority-majority by 2030.^{vi} Even so, 45 percent of the nation's children will be non-Hispanic White while just 29 percent are Hispanic. Already in New Mexico, just 26 percent of our children are non-Hispanic White, while 59 percent are Hispanic. Our current demographics make us a bellwether for the nation. That we have the third highest rate of food insecurity among children and the second highest child poverty rate should be of great concern to state and national leaders alike. As a state and a nation we must do all we can to improve our children's prospects if we are to have a prosperous future and we can do that in part by ensuring that no American child goes hungry.

ⁱ Profile of SNAP Households, US Department of Agriculture, 2015

ⁱⁱ Ibid

ⁱⁱⁱ Consumer Expenditure Survey, Bureau of Labor Statistics

^{iv} Analysis of Occupational Employment Statistics, BLS, 2012

^v Map the Meal Gap, Feeding America, 2015

^{vi} *Race for Results*, Annie E. Casey Foundation, 2014