Majority of US public aid recipients are from working families

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25 April 2015

A recent report by the University of California, Berkeley, shows that 73 percent of people enrolled in welfare programs are from working families, surviving on poverty-level wages. An earlier study by the UC Berkeley reported that 25 percent of all workers in the United States relied on some form of public aid.

Titled *The High Public Cost of Low Wages*, the study reports that of the 29 million families that depended on SNAP (Supplemental Nutrition Assistance Program) for food assistance in the period 2009- 2011, 10.3 million had working family members, but still needed assistance. Some 34.1 million workers and their family members were dependent on Medicaid for health care and did not receive health insurance from their employers. Overall, some 56 percent of combined state and federal assistance goes to working families.

The authors point out that data in the study does not include the impact of the Medicaid expansion contained in the Obama administration's Affordable Care Act. Both state governments and the federal government will share these costs.

The report noted that despite the official claims of an economic recovery, the wages and benefits for most American workers have continued a "decades-long stagnation." In fact, inflation-adjusted wages for the bottom decile of wage earners were 5 percent lower in 2013 than they were in 1979. During the same period, real median hourly wages of American workers overall were just 5 percent higher.

Between 2003 and 2013, the real wages of the bottom 70 percent of households, i.e., those with an annual income at or under $83,000, either stagnated or declined. According to the US Census Bureau, the real median household income in 2013 was 8 percent lower than in 2007.

The overwhelming majority of jobs that have been created in the wake of the 2008 financial crash are low-wage or part-time and offer few if any benefits. Compared to the start of the recession, the number of full-time jobs in the US has decreased, while the number of part-time jobs has increased by 2 million.

Many of these jobs are in the service industries, particularly retail stores and restaurants. According to the UC Berkeley report, nearly half of all fast-food workers, child-carers, and home health aides, and a quarter of part-time college faculty, are enrolled in at least one public assistance program.

The wages of these jobs often sink below $10.30 per hour. Federal law permits employers to pay tipped workers, such as those working in restaurants, a sub-minimum wage of $2.13 per hour. The federal minimum wage is $7.25, well below the official poverty line for a family of two. Many of these workers are forced to work multiple jobs just to stay afloat.

Workers employed part-time at colleges and universities often must search for other sources of income during the summer months between academic terms. Some states ban adjunct professors and other teachers from claiming unemployment benefits during this time.

The majority of fast-food workers are employed part-time, working 30 hours per week. The US Bureau of Labor Statistics puts the average wage of a fast-food worker at $9.03 per hour, amounting to an average annual income of just $14,000. However, even full-time employment is not enough to supplement the meager wages in the industry. The families of more than half of fast-food workers rely on welfare programs. One in five lives in poverty.

Though tens of millions of families depend on welfare benefits to survive, the ruling class is carrying out ruthless attacks on these vital social programs.

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SNAP’s budget will be slashed by $8.7 billion over the next decade. The TANF (Temporary Assistance to Needy Families) program itself is a product of reactionary “welfare reform,” imposing arbitrary time limits on child care benefits and requiring adults to find employment in order to continue receiving aid past a certain time period.

While mass layoffs, austerity, and savage attacks on the standard of living have defined the “economic recovery” for the working class, a tiny financial elite has seen their coffers balloon. Between 2003 and 2013, the net worth of the world’s billionaires more than tripled from $1.4 trillion to $5.4 trillion. The wealth of the world’s billionaires set a new record this year, at $7.05 trillion.

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