

# Department of Justice, Peace, and Human Development

Office of Domestic Social Development

# Protecting Workers and Promoting the Dignity of Work January 2016

"There is no worse material poverty than one that does not allow for earning one's bread and deprives one of the dignity of work. Youth unemployment, informality, and the lack of labor rights are not inevitable; they are the result of a previous social option, of an economic system that puts profit above man; if the profit is economic, to put it above humanity or above man, is the effect of a disposable culture that considers the human being in himself as a consumer good, which can be used and then discarded."

-Pope Francis, Message for the World Day of Peace, October 28, 2014

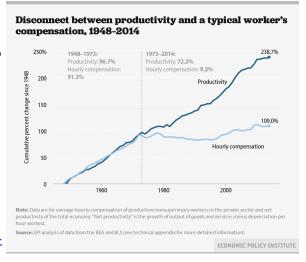
#### ISSUE

Human labor has an inherent dignity because it allows us to share in the ongoing work of creation, while providing the resources we need to build and sustain families. Because labor has this central, critical importance, it has certain attendant rights: "...the right to a just wage; the right to rest; the right 'to a working environment and to manufacturing processes which are not harmful to the workers' physical health or to their moral integrity'; the right that one's personality in the workplace should be safeguarded 'without suffering any affront to one's conscience or personal dignity'; the right to appropriate subsidies that are necessary for the subsistence of unemployed workers and their families; the right to a pension and to insurance for old age, sickness, and in case of work-related accidents; the right to social security connected with maternity; the right to assemble and form associations" (*Compendium of the Social Doctrine of the Church*, no. 301). These rights are universal, yet "conflict [between labor and capital] shows aspects that are new and perhaps more disquieting: scientific and technological progress and the globalization of markets, of themselves a source of development and progress, expose workers to the risk of being exploited by the mechanisms of the economy and by the unrestrained quest for productivity" (*Compendium*, no. 279). Challenges to workers' rights call out for a renewed commitment to the mechanisms traditionally used to protect workers and their families.

# Wages

The <u>Catechism of the Catholic Church</u> teaches, "A just wage is the legitimate fruit of work. To refuse or withhold it can be a grave injustice.... Remuneration for work should guarantee man the opportunity to provide a dignified livelihood for himself and his family on the material, social, cultural, and spiritual level..." (no. 2434). Pope John XXIII also stressed that wages are "not something that can be left to the laws of the marketplace; nor should it be a decision left to the will of the more powerful. It must be determined in accordance with justice and equity.... The above principles are valid always and everywhere" (<u>Mater et Magistra</u>, no 71-72).

In the United States, the decline in union membership has been accompanied by wage stagnation and an increase in low-wage work. The Department of Labor reports that there are over 10.5 million workers classified as "working poor." The ranks of the working poor are growing,



representing over seven percent of the total workforce--the largest percentage of the workforce in over 20 years.

#### Inequality

Over the last 30 years, the American economy has grown considerably and worker productivity has increased 20 percent. Unfortunately, the gains and benefits of this growth have not been shared fairly or equitably. According to the <a href="Organisa-">Organisa-</a>

tion for Economic Co-operation and Development (OECD), this widening income gap is part of a 30-year trend. The Congressional Budget Office similarly pointed out that the economic gains of the last thirty years went disproportionately to the wealthy. Domestic inequality, though, is more than financial--research is beginning to show inequality is a root cause of many social, emotional, and public heath problems as well.

Income inequality leads to persistent challenges in making ends meet and creating adequate savings, which leads to wealth inequality. Homeownership has long been considered the traditional path to building wealth and long-term security for most Americans. This is part of the reason why Catholic Social Teaching encourages workers and their families to obtain private property. As a result of the foreclosure crisis that precipitated the most recent recession, however, millions of Americans have lost that accumulated wealth and find themselves in less secure housing situations.

Financial assets such as stocks, bonds, and retirement funds, are heavily concentrated among the very wealthy. The wealthiest one percent owns 30 percent of all stock market wealth, while the wealthiest 20 percent owns over 80 percent of all stock wealth. In the aftermath of the most recent recession—whose effects are still being felt today by millions—the wealth of the upper 7 percent rose by 28 percent, while the wealth of the bottom 93 percent dropped by 4 percent. This is easily seen in the news: the stock market has fully recovered from the recession, but the labor market remains weak as unemployment, underemployment, and high poverty persist.

#### Right to Association

The Church has consistently upheld the right of workers to form associations. Unions, which St. John Paul II called "an indispensable element of social life, especially in modern industrialized societies" (*Laborem Exercens*, no. 20), give workers a collective voice in the workplace. "At their best, labor unions and institutions like them embody solidarity and subsidiarity while advancing the common good.... Yes, unions and worker associations are imperfect, as are all human institutions. But the right of workers to freely associate is supported by Church teaching in order to protect workers" as well as provide benefits to their family members, their communities, and even nonunionized workers (Archbishop Thomas Wenski, *Labor Day Statement 2014*).

The <u>U.S. Department of Labor reports</u> that union representation in the domestic workforce continues to decline. While 11 percent of all workers belong to unions, less than 7 percent of employees in the private sector do so. Both rates are historic lows. This means that increasingly workers are losing an important tool for protecting their rights.

#### **USCCB POSITION**

In *Economic Justice for All*, the Bishops write "Catholic social teaching does not require absolute equality in the distribution of income and wealth. Some degree of inequality is not only acceptable, but may be considered desirable for economic and social reasons, such as the need for incentives and the provision of greater rewards for greater risks. However, unequal distribution should be evaluated in terms of . . . the priority of meeting the basic needs of the poor and the importance of increasing the level of participation by all members of society. . . ." (No. 185)

USCCB has supported and will continue to support efforts to increase the economic security of workers. The bishops have recently called on Congress to raise the federal minimum wage, extend tax credits that benefit low-income working families, and increase funding for job training.

### ADDITIONAL RESOURCES

USCCB Labor and Employment page: <u>usccb.org/issues-and-action/human-life-and-dignity/labor-employment/Primer on the Rights and Responsibilities of Workers and Labor Unions</u>

**USCCB Labor Day Statement** 

Evangelii Gaudium, Apostolic Exhortation of Pope Francis. <a href="http://bit.ly/1i4OewO">http://bit.ly/1i4OewO</a>
Economic Justice for All, United States Catholic Bishops' Pastoral Letter: <a href="usccb.org/upload/economic">usccb.org/upload/economic</a> justice for all.pdf

# FOR MORE INFORMATION

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