## JUSTICE CENTER

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North Carolina needs more jobs. And we need more, good jobs. Job creation is lagging and for every three unemployed jobseekers, there is only one available job opening.<sup>1</sup> But North Carolina doesn't just need any jobs; it needs good, quality jobs. Over the last 20 years, our state has experienced a dramatic shift from jobs that provide a path to the middle class to an explosion of jobs in the service sector – jobs that often pay too little to lift families out of poverty, provide few if any benefits families need to get by, and lack career advancement potential.<sup>2</sup>

**Good jobs are jobs** that allow families to maintain basic spending on necessities like food and doctor visits. Good jobs not only create a path to the middle class, they are essential for building thriving communities and economies. When profitable companies get away with paying their workers too little to afford the basics, spending slows down and our economy suffers. **An economy that works for all depends on good jobs**.

## When your elected representatives talk about bringing much-needed jobs to North Carolina, ask the question: **"Are these jobs good jobs?"**

- Will these jobs pay a living wage? A conservative market-based approach to estimating how much income a working family with children in North Carolina must earn in order to pay for basic expenses finds that a family of three (one adult and two children) needs \$41,920 per year to afford the actual costs of essential expenses like food, housing, transportation, and childcare. That translates to just over \$20 per hour.<sup>3</sup> Paying employees less than a living wage makes it likely that workers must rely on government assistance to make ends meet.
- Will these jobs provide health insurance? The implementation of the Affordable Care Act (ACA) is making health care more accessible for more North Carolinians, building on employer-provided coverage. But because North Carolina elected officials made the choice to deny Medicaid to those with incomes below 133 percent of the federal poverty level (most of whom are not eligible for coverage under the ACA), it becomes even more important for employers to provide insurance coverage to ensure a healthy, thriving workforce.
- Will these jobs provide earned paid sick days? In North Carolina, almost half of the private-sector work force and two-thirds of low-income workers lack access to any earned paid sick days.<sup>4</sup> Due to the lack of state and federal policies addressing the reality that everyone gets sick, it's still up to employers to ensure that workers don't have to choose between their job and a paycheck.
- Will these jobs offer career advancement? The opportunity for less-skilled workers to move up into higher skilled, higher-paid positions is a win-win for workers and employers. Career pathways help workers attain mobility and provide employers with a skilled, dedicated workforce.<sup>5</sup>
- Will these jobs help provide financial security in retirement? Fewer than half of the U.S. workforce has a retirement plan at work, and more than a third of families arrive at retirement with only Social Security.<sup>6</sup> Federal and state policymakers have put forth proposals to address the coverage gap, but for now, many workers rely on employers to ensure an adequate retirement.

What about the right to organize? North Carolina is a right to work (RTW) state, but that doesn't mean that unions aren't allowed. RTW simply means that when companies are unionized, the unions can't require all workers to pay dues to the union for negotiating with management. North Carolina has long suffered the effects of being the least unionized state in the nation. Research demonstrates that increased union membership leads to higher wages and greater access to benefits for union members and non-union members.

<sup>&</sup>lt;sup>1</sup> See Freyer, Allan, December 2013. "The Jobs 'Miracle' That Never Happened," NC Budget and Tax Center.

<sup>&</sup>lt;sup>2</sup> See Freyer, Allan and Tazra Mitchell, February 2014. "North Carolina's Broken Economy: Hard Work Not Enough to Climb Out of Poverty," NC Budget and Tax Center.

<sup>&</sup>lt;sup>3</sup> Sirota, Alexandra Forter, 2011. "Making Ends Meet After the Great Recession," NC Budget and Tax Center.

See Schoenbach, Sabine, 2012. "Time to Care: How North Carolina Can Promote Health, Support Workers, and Strengthen Families," NC Justice Center.

<sup>&</sup>lt;sup>5</sup> See Freyer, Allan and Sabine Schoenbach, 2012. "The Career Pathways Model – Connecting North Carolina's Workers to Skills, Supporting Growing Industries, NC Budget and Tax Center.

<sup>&</sup>lt;sup>6</sup> Munnell, Alicia, Rebecca Cannon Fraenkel, and Josh Hurwitz, September 2012. "The Pension Coverage Problem in the Private Sector," Center for Retirement Research at Boston College.