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Commentary: Greater New Orleans Inc. will need help meeting job creation goal

BYLINE: Terry O'Connor

Greater New Orleans Inc. has proclaimed creating 30,000 jobs over the next five years as its goal. It will need the help of the entire community to make this goal a reality. GNO Inc. cannot do it alone.

The stakes are high. A little-known report - The Self-Sufficiency Standard for Louisiana - released in September by the statewide advocacy group Agenda for Children details why this is so important.

In Orleans Parish, a single mother with one infant and one pre-schooler needs an annual income of \$27,660 to pay all bills without outside assistance, according to the report.

Unfortunately, the independent wage level is closer to the median wage for Orleans Parish, which means at least half the population falls under this break-even point. At least half the population in Orleans Parish struggles to pay their bills on an income of less than about \$74 a day.

Making it even more difficult, a single adult working full time at the minimum wage earns only \$14,097 or just slightly below poverty level.

Those on minimum wage make do on less than \$38 a day.

When income inevitably falls short in those households, poor families are more apt to turn to drugs and crime. If the family is unable to afford basic repairs, a home can become blighted. These sad truths are evident throughout New Orleans.

The Self-Sufficiency Standard for Louisiana report applauds the aid government offers lower-income workers. Medicaid health insurance and a child care subsidy lower the bar for independent living to \$25,275 annually, or about \$11.97 an hour.

But eventually, more and better-paying jobs filled by well-educated workers are the only lasting answers to breaking this cycle of poverty.

New Orleans can solve many of its own social problems, particularly when groups such as GNO Inc. fill leadership roles.

But workers in the community have to prepare themselves to take advantage of available opportunities

through education and ambition. If not, the poverty cycle will continue.

"Unfortunately, many families do not earn self-sufficiency wages, particularly if they have recently re-entered the workforce," said Dr. Diana Pierce of the University of Washington Center for Women's Welfare. "They cannot afford their housing, food and child care, much less their other basic needs. This forces them to make painful choices between necessities or to accept substandard or inadequate childcare, insufficient food or substandard housing."

The Self-Sufficiency Standard for Louisiana helps draw the line families need to cross to become financially independent and free of all public or private supports. Most significantly, the report illustrates that no one group can bear the burden of moving families and ultimately the community to economic independence. Government, business advocates and families all have roles to play.

We urge the next governor to use the Self-Sufficiency Standard for Louisiana as a benchmark in making decisions on social welfare policy, public education and workforce investment.

We urge GNO Inc. to maintain its steadfast focus on job creation.

And we urge the entire New Orleans business community, which became truly engaged after the election of Mayor C. Ray Nagin, to continue to work toward its goals of reducing

poverty, retaining and attracting business and enhancing profits. All these needs and goals are intertwined. We can reach them by working together.

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