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# TULSA WORLD

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## Coping In Tough Times: Getting by a struggle for many

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### Low-wage jobs often make financial security elusive

Cherie McNaul lost her love of pancakes years ago -- after eating the breakfast food several days each week because it was all she could afford and still have money to buy diapers for her infant son.

"You can make pancakes with water, and it's easier and cheaper than a lot of food," McNaul said.

She said she ate a steady diet of cheap food, including bologna sandwiches, as a young single mother to cut expenses and be able to afford necessities such as infant formula and baby food.

"I did that until he got old enough to eat regular food, then I had to learn how to save money in other ways," McNaul said.

Until recently, she was one of millions of Americans on a fixed income.

"Living on disability gave us just enough to get by," she said.

In her late 20s, McNaul was diagnosed with a form of degenerative arthritis, and her medical condition forced her to leave her job and seek government assistance.

Although local and national economic indicators point toward an improving economy, 34.6 million people -- one in eight Americans -- live in poverty, and many more are living in near-poverty.

Each year, the federal government calculates the minimum amount of money required by families to meet basic needs. According to the Census Bureau, a family of four with an annual income of less than \$18,850 is living in poverty.



**Jim Rohrer (left) and Ron Volavka, owners of Once a Pawn a Time pawn shop, stand before an array of tools for sale. Rohrer says some construction workers pawn their tools when work dries up.**

*JAMES GIBBARD / Tulsa World*



*Click on a thumbnail above to view photos.*

Many experts, however, say families making much more than that are not earning enough money to pay all their bills. Families do not have to be on a fixed income such as disability to feel the need to cut expenses.

A family of four living in Tulsa needs to earn at least \$40,343 per year to meet all of its needs, said David Blatt, director of public policy for the Community Action Project.

This means that each of the two working adults in the family must earn a minimum of \$9.55 per hour, says the organization's 2002 Oklahoma Self-Sufficiency Report.

According to the Tulsa Metro Chamber, companies have added more than 6,600 jobs since January, and since December firms have announced plans to add 7,600 jobs. These announcements include call centers for Dish Network and DirecTV, and machinist jobs at Boeing Co., said Bob Ball, research manager at the chamber.

The salary range for the new jobs is between \$22,000 and \$60,000 per year, with an average annual salary of \$34,000, Ball said.

This means many of these new jobs will not provide sufficient income for people to support their families, Blatt said.

"In Tulsa and rural parts of the state, there's a prevalence of low-wage jobs that don't allow families to develop wealth and security," he said.

Families that would be called middle class, earning \$35,000 to \$50,000 each year, are just one unexpected event away from "economic precariousness," he said.

Soaring prices for gasoline and some food staples such as milk have put even more pressure on low-income consumers.

Although families may earn enough to pay all of their bills, many households do not have much if any financial cushion. An unplanned car repair, a sudden layoff or high medical expenses are often enough to put a family in bill trouble.

"Across a lifetime, there are different things that you don't anticipate, but that can throw you into poverty," said Mark Rank, author of "One Nation, Underprivileged -- Why American Poverty Affects Us All."

During the past 20 years, the United States has produced lower-paying jobs, and families have been able to put away less money for emergencies, said Rank, a professor at Washington University in St. Louis.

"People are working, but they're just not getting ahead," he said. "Many are just one paycheck away from poverty."

Often, jobs that pay less than \$10 per hour do not have benefits, and people are left to pay for their own health coverage and are at risk for accruing high medical bills.

Rank said the statistics about poverty in America are startling:

- Three-fourths of people living in the United States will experience poverty or near-poverty in their lifetimes.
- Between the ages of 20 and 65, two-thirds of Americans will use some sort of government assistance program such as food stamps or Medicaid.

During the past 30 years, workers have seen their health benefits cut or eliminated, said Tom Chabolla, associate director of programs for the Washington D.C.-based Catholic Campaign for Human Development.

Locally, the loss of higher-paying jobs at companies such as Williams Cos., WiTel Communications Group, MCI and Citgo Petroleum Corp. has diminished wealth in the community.

"We have to do what we can to attract high-skill, high-tech, higher-paying jobs," said Community Action's Blatt.

Raising the median income in Oklahoma by supporting education and job training will allow workers to be ready for jobs of the future, he said.

Training helped Cherie McNaul's story to have a happy ending.

The Ticket to Work and Self-Sufficiency Program helped her get a job she can perform despite her disease. As the office manager for the Eye Restoration Clinic, she will soon earn enough to make ends meet.

After a trial period, the clinic is putting McNaul on salary, and company officials even continued to pay her during a recent medical leave.

"They've been so good to me," she said.

At the age of 44, after 10 years of living on government subsidies, McNaul collects her final disability check this month.

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