

Sisters in Need

U.S. Nuns Face Crisis As More Grow Older With Meager Benefits

Many Go on Public Welfare;
Are the Bishops Evading
A Responsibility to Help?

Meatless Meals in Milwaukee

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The nation's Roman Catholic bishops, who for two years have been deliberating how to improve the moral quality of the U.S. economy, are facing a large moral problem in their own economic house: the looming poverty of increasing numbers of Catholic nuns.

The nuns, many of whom helped build nation's largest parochial-school system by working for the bishops as teachers for subsistence wages, are now caught in what one church accountant describes as an "actuarial nightmare." With a median age now over 60, the nation's estimated 115,000 nuns find themselves beset by a lack of meaningful retirement programs and a sharp decline in the number of young nuns coming into the church to help care for their aging colleagues.

A still-unreleased study sponsored by the National Catholic Council of Bishops, the church's hierarchy in the U.S., shows a gap of almost \$2 billion between the available retirement money for the nuns and what it will take to meet their financial and medical needs. The result is a growing fiscal crisis for many of the nation's orders of nuns.

Clipping Coupons

In Milwaukee, where half the area's 4,500 nuns are now 67 or older, nuns clip grocery coupons from newspapers and have meatless meals to help make ends meet. Some orders there have stopped paying summer-school tuition for their working teachers. (Almost all U.S. nuns are also teachers.) But none of this, officials there say, has more than a "minuscule" impact on the nuns' money problems.

Increasingly, small orders of nuns, especially those who serve poorer communities, are applying for public welfare. Sister Lois Vanderbeke, the director of finance

for the Sisters of St. Dominic in Racine, Wis., says she recommends such action to hard-pressed orders "as a last resort." A 1981 bishops' survey showed at least 1,000 nuns on welfare. The number is believed to be larger now.

A growing number of religious orders are selling off their schools, their land and even their headquarters, or mother houses, to raise enough cash to pay the mounting expenses of caring for older members. But these efforts often raise still more problems. When the Sisters of Providence of Saint Mary-of-the-Woods tried to sell Immaculata College in Washington, D.C., to build their retirement fund, they were sued by a group of parents who contended that the proposed sale "defrauded" students and was designed for the nuns' "own personal enrichment." The suit was dismissed, but the dismissal is being appealed.

'If Nothing Happens . . .'

The fiscal squeeze figures to worsen as more nuns reach retirement. Most nuns don't have any retirement benefits; the rest get only meager benefits that began only recently.

"If nothing happens, there will be religious orders of women that will simply run out of money," warns the Rev. Scott Wallensfelsz, who keeps the books for one of the Milwaukee orders. "What's going to happen then? Do they go out and fend for themselves?" Father Wallensfelsz believes that the bishops will have to do something.

The nuns' problems present an embarrassment to the bishops, who complain, in the second draft of their recent pastoral letter on the economy, that wage discrimination against women is a "major factor" in high rates of poverty in the U.S. Bishop John R. McGann of Long Island, who as treasurer of the bishops' council has held several meetings with national representatives of the nuns, says about the projected \$2 billion retirement liability: "Across the board, our people were staggered. Maybe that's good."

Emergency Fund

As a first step in dealing with the problem, the bishops recently earmarked \$60,000 for an emergency fund to help orders in distress. Some of the money was used to bail out one New York order that was discovered to be in debt to its undertaker because it was unable to pay for the frequent funerals for its members.

The order had struggled with the burden for years, uncomplaining, while continuing to teach in the poor, inner-city neighborhood. "It's interesting how in the midst of New York City you can be so isolated," says Sister Frances Mlocek, an accountant

for the bishops' council who administers the emergency fund.

The immensity of the retirement problem, detailed in the study for the bishops' council by the accounting firm of Arthur Andersen & Co., has been hidden for years. One reason is that many orders of nuns consider themselves to be independent from the control of U.S. bishops. So until recently, the nuns had kept their books—and their mounting problems—to themselves.

Individual nuns still won't talk about their personal travails because to do so, they feel, would go against their basic mission of devoting their lives to the needs of others. "The feeling," explains Sister Anne Beltzinger, a member of the School Sisters of St. Francis in Milwaukee, "always was that the less you earn, the greater is your service. It was that long-range planning was somehow in conflict with the providence of God."

But since the bishops began raising moral questions about the U.S. economy, there is a new willingness by nun-organizations to discuss their financial problems and the long years of low pay by the bishops. The bishops, however, so far are reluctant to take major financial responsibility for the nuns. "Now that the sisters need money for retirement, the bishops are saying, 'You're really not our responsibility,'" says Sister Kathleen Steinkemp, a member of the Sisters of Mercy who heads the National Association of Treasurers of Religious Institutes, based in Washington, which represents over 300 orders.

"In a sense, they [the bishops] are right," Sister Steinkemp says, "but they have received the services of nuns in the dioceses over the years." When she began her career teaching mathematics in a Mobile, Ala., high school in the 1950s, there was no such thing as retirement benefits for any nuns, and she was paid only \$50 a month.

Decline in New Nuns

Traditionally, religious orders could sustain themselves on such low pay because large numbers of younger nuns were willing to take care of a small number of older ones. In the 1970s, when social and religious changes caused a dramatic decline in the number of new nuns, the situation reversed. By then, local bishops had raised the basic pay, or stipend, of the average nun to about \$300 a month, including fringe benefits, which usually are meager.

With fewer working nuns providing for retirement care for an ever growing population of older ones, the retirement problem "just got worse and worse, and our

needs got bigger and bigger," says Sister Steinkemp.

There wasn't immediate recognition of the problem at the level of the diocese, which is the equivalent of a state in the Catholic Church's structure and is governed by a bishop, who sets the wage scales. When church officials in Milwaukee questioned nuns' retirement-cost estimates, Sister Vanderbeke of Racine says, she and a committee of nuns from other local orders hired an accounting firm that estimated it would cost \$56 million to fully fund a \$100-a-month retirement benefit for today's Milwaukee-area nuns. Archbishop Rembert G. Weakland and his financial advisers balked at that amount, so the nuns hired a second accounting firm.

Price Goes Up

The second firm calculated that it actually takes \$800 a month to care adequately for a retired nun in Milwaukee, concluding that the diocese's real unfunded retirement liability was more like \$126 million. Archbishop Weakland, who is also the chairman of the bishops' committee that drafted the pastoral letter on the economy, is still studying the matter.

To deal with the new crisis, many orders are selling property or looking for new fund-raising methods. But for women often unaccustomed to thinking about large sums of money or their own financial needs, such efforts can be difficult. Some examples:

—When the Sisters of Charity of The Blessed Virgin Mary planned to put their park-like novitiate in Los Gatos, Calif., up for sale, the neighbors complained about zoning problems and raised environmental challenges against a road needed to develop the land. That fight started in 1968. It is still going on.

—When four orders of nuns in Louisville, Ky., decided to mount a professionally organized fund-raising drive for their retirement, they did a study first and dis-

covered that younger Catholics didn't feel obligated to them. So they dropped the idea. "Lay people say, 'What the sisters did, they did in charity,' and that's true, so it's kind of a hard case to make," says Sister Helen Sanders of one of the four orders, the Sisters of Loretto.

Some Do Better

Some orders have fared better. The Sisters of Mercy sold their mother house near Baltimore to the USF&G Corp., which is using it for a data-processing center. The order sold another mother home, near Detroit, to the U.S. Postal Service which is using it for a management training academy.

The 13-wing mother house of the School Sisters of Notre Dame in Milwaukee is now a Lutheran College; the remaining nuns in the order make do in a converted downtown motel. The campus-like home of the Gray Nuns of the Sacred Heart, including three schools and a mother house outside Philadelphia, has become an education center for the Federation of Jewish Agencies of Philadelphia.

The Society of Sacred Heart in St. Louis saw the problem coming in the mid-1970s and dispatched Sister Anne O'Neil to Massachusetts Institute of Technology to get a degree in financial management. Then it sold some property and began rapidly raising pay scales in the schools it owned to match those of lay teachers.

Now the order has the beginnings of a credible retirement fund. "One of our saving graces was that we never had diocesan salary scales," says Sister O'Neil.

Stipend System Attacked

In the church's internal debates over how to deal with the retirement problem, the nuns have said that the first step should be for the bishops to scrap the old stipend system—based roughly on what it costs a nun to survive—and pay salaries that are equivalent to those of public-school teachers. So far, the bishops have resisted this idea.

Francis J. Butler, president of Fadica, a Washington-based foundation trying to get lay people involved in helping the nuns, believes that the bishops might be able to do a little more to demonstrate their commitment to economic justice. So far, he notes, the only commitments by the bishops' council have been the \$60,000 emergency fund and the earmarking of \$250,000 for an office to conduct further studies on the retirement problem. "That," he says, "is not an awful lot in the scheme of things."

The prevailing view among the bishops, says Bishop McGann, the treasurer of the bishops' council, is that the retirement issue is still a local problem. "Each local situation has to be approached and then we have to put together whatever we can," says the bishop, who in his own diocese, Long Island, has been among the first church leaders to attempt to deal with the problem.

Other bishops indicate that they can give nuns only limited aid. "We have to do everything we can to help them," says Bishop Thomas C. Kelly, the archbishop of Louisville, "but in the structures of the church the different congregations are independent of the diocese. We will obviously give what we have, but I haven't got a billion dollars and I doubt if any other bishops do either. The problem is a sociological phenomenon."

Although some nuns talk hopefully of a national fund-raising drive, John F. Philbin, the financial director of the archdiocese of Chicago—the nation's largest and, according to some estimates, wealthiest church—sees political problems with that idea. Some dioceses, he notes, are relatively well off and have small numbers of nuns. Other dioceses are poorer and have large populations of nuns to deal with. "If they open this up," he says, "we'll see how much Christian brotherhood there really is out there."