

## **Future of Work Task Force**

Meeting 6 Minutes

February 25, 2022

I. Call to Order

Meeting is called to order at 9:05 am by Sen. Don DeWitte.

II. Welcoming remarks from Sen. DeWitte. Sen. DeWitte briefly summarized meeting agenda and shared with the task force that all remaining scheduled meetings will be held at 9 AM and held via the WebEx format. Also noted that final report has to be voted on and approved by task force, and requested that the task force support in making edits.

III. Roll Call

Sen. DeWitte requests to call the roll. The following task force members were present:

Senator Ram Villivalam

Senator Don DeWitte

Representative Ryan Spain

Erica Bland

Robert Bruno

Stephen Campbell

Michael Ciaccio

John Cusick

Magda Derisma

Tyler Diers

John Gedney

Delmar Gillus

Sarah Hartwick

Clark Kaericher

Andrea Kluger

Ai-Jen Poo

Marsha Prater

Juan Salgado

Sean Stott

Brad Tietz

David Tovar

Acting Director Sylvia Garcia

Director Kristin Richards

Brian Durham

Ginger Ostro

Marci Johnson

IV. Approval of minutes from January 31 meeting

Clark Kaericher moves to approve the minutes. Seconded by Sarah Hartwick.

V. Approval of Agenda

Tyler Diers moves to approve the agenda. Seconded by Hannah Gregor.

- VI. Senator Ram Villivalam added some opening words. Reminded members that they're reaching latter point of task force, so requests that any members with comments, questions, or suggestions please provide them so that report authors can provide the best possible report that's representative of the task force.
- VII. Sen. DeWitte introduced Misuzu Schexnider of the Inclusive Economy Lab at the University of Chicago to provide an update on the task force report. Ms. Schexnider provided updates on the report and analysis from partners.
- Noted that they are going to adopt the job quality index discussed at previous meeting into the report.
  - Started by showing draft task force vision, consisting of four points, as well as 7 guiding principles for how the task force viewed the future of work and how it would go about preparing a report and providing recommendations. These were largely drawn from language in the statute.
  - Proposed examples of outcomes and metrics that they could use as targets for how to track progress toward preparing for the future of work. Examples included number of Illinoisans in quality jobs and associated metrics, as well as job growth and polarization. All metrics would use equity lens to identify disparities by gender, race, age, ability and region.
    - Erica Bland commented that we need to track both, and Ms. Schexnider agreed that they are not mutually exclusive options.
    - Clark Kaericher noted it would be useful to see how Illinois compared relative to neighboring states or other peer states.
    - Sen. DeWitte suggested that we add education level to equity lens metrics.
    - Sarah Hartwick expressed concern with lack of discussion about presentations to formulate recommendations, and that what is being presented is based on policies or data that have been submitted directly and not discussed by task force. Ms. Schexnider responded that these output measures are not based on any recommendations they've received, but rather that they're based on task force goals and policy recommendations would be selected and developed guided by desired outcomes.
    - Juan Salgado at City Colleges requested that the task force look at ability as state to fill high-quality jobs in timeframe responsive to business, so a metric to measure that would be valuable.
    - Brad Tietz mentioned it would be great to measure economic outputs, especially in respect to other states, as well as information around remote or hybrid work.
    - Bob Bruno remarked that we should lean into tracking quality jobs, in particular, as things like job growth and polarization do not really show how the middle class is doing because it doesn't reflect potential degradation in quality of jobs. Noted that someone in chat suggested measuring sense of belonging, and that there are survey instruments developed that help measure that.

- Ms. Schexnider continued that at March meeting, they would share the report introduction and also provide sections on job quality and labor standards, and discuss policy recommendations they've received tied to those sections. Ultimately for any policy recommendation, they would use evidence that it will have a positive impact on outcomes in the course of determining whether to include it.
- Went on to present an analysis on the Illinois workforce prepared by Matt Notowidigdo from the Booth School of Business, who was unable to attend the meeting.
  - Found that the number of middle-wage jobs has declined, while low- and high-wage jobs have increased.
  - Smaller share of population engaged in gig economy than commonly perceived.
  - For the task force, this implies that there is a need to improve protections and pathways to advancement for low-wage workers; remove barriers to postsecondary credentials; and build or expand on-ramps to high-wage jobs.
- Sen. DeWitte noted that data shown in presentation related to clean energy economy was intriguing given the direction that the state is going due to CEJA. John Cusick remarked it would be interesting to see effectiveness of well-resourced vocational schools available in high schools throughout the state, particularly for students who may not go onto college. Marci Johnson agreed with Mr. Cusick, and added that it's much harder for rural communities to have diverse CTE programs due to lack of resources and support. Mr. Salgado said that community college partnerships with K-12 schools was a way to bridge that gap through extending dual credit/enrollment.

VIII. Sen. DeWitte introduced Justin King from the Aspen Institute to present on worker benefits.

- Benefits are critical for workers and financial security, and are a core part of ability for households to achieve stability and financial opportunity.
- We should view benefits for workers as an integrated system of public and private benefits. In thinking of future of work, consider where private and public benefits interact, where there are conflicts, and how workers can seamlessly receive benefits throughout working lives.
- Only about half of workers receive income that exceeds household expenses and more than half of low-wage workers receive public benefits while they work.
- Examples of innovation in state benefits embody principles of portability and inclusion. Some good examples include Secure Choice Illinois (retirement savings), Kansas Employer Emergency Savings Account (employer incentives to establish savings accounts for employees), and MNBenefits (easier access to public benefit programs).

IX. Sen. DeWitte introduced keynote speaker Dan Schulman, CEO and President of PayPal.

- Dan Schulman discussed efforts at PayPal to ensure that workers at PayPal were financially secure.
- Found via a survey that entry-level employees – even though they were paid at or above market rates – were struggling to get by and not able to take advantage of benefits. Set up employee relief fund, and found that they were getting constant requests about short-term financial hardships.

- Sought to find out what the net disposable income (money left over after paying for essentials) was for employees. Found that for majority, NDI was between 4 and 6%. Talked to people in academia and NGOs and found that a minimum NDI of 20% would make people feel financially secure.
- Decided that investing in employees was the most important thing they could do as a company. Raised wages in all places where it seemed they were too low and also provided equity in company. Also provided financial health education program, and gave people access to wages in between pay periods free of charge.
- As a result, all PayPal employees now have NDI of 18% or more. Enrollment in health care and retirement savings have shot up; employee absenteeism and churn has dropped.
- They've recruited other companies to measure the financial health of their employees to help them understand the situation; now have 20 companies signed up.
- Sen. DeWitte asked about the impact of the education they provided. Did it result in reduction in requests for financial assistance? Mr. Schulman responded financial literacy is foundational particularly for employees that were receiving equity and being asked to sign up for retirement and health care plans. Now most of the requests from employee relief fund are only the rare major requests, like a funeral or serious injury.
- Prof. Bruno asks whether the main way to increase NDI was by mitigating health care costs through insurance. Mr. Schulman responds that health care was a big piece for stability and security, but they also really needed higher wages. Also providing equity tied together people as a team in the company.

X. Senator introduced the next presenter, Claire Rice from the Arts Alliance.

- Ms. Rice shared how culture industry workers are a range of professions: graphic designers, cultural organizations, artists with Etsy shops, and more. Creatives are the original gig workers – about 34% of artists are self-employed. These are highly-skilled workers, and they have attributes that are in high-demand such as emotional intelligence, communication, adaptability, and leadership.
- Policy changes and recommendations for creatives that are gig workers are the same as you might have for other gig workers. Reauthorization of WIOA to allow for coverage of traditional/non-traditional work, unemployment expansion for sole proprietors, support for health care, child care, and housing, and broadband, particularly over the last two years with people shifting to digital content. Debt reduction also important – student debt the main reason people leave or don't enter the creative field.
- Other issues of interest include access to capital, particularly for those with limited collateral, and apprenticeship programs.
- Working with DCEO on the IL Creative Workforce Activation Program, involving cross-skilling program that allows people in creative industries to find high-wage, supportive job options using skills they have.

XI. Sen. DeWitte shared that Dalene Bramer – a task force member and on agenda as a presenter – was unable to attend the meeting due to family emergency.

- XII. Senator DeWitte introduced the next series of five speakers, who would give brief presentation involving the future of work in the care economy.
- First of the five speakers was Ai-Jen Poo of the National Domestic Workers Alliance
    - Ai-Jen Poo defines care economy as the policies, programs, institutions, and people who provide and rely upon child care and long-term care for aging and people with disabilities, and paid family and medical leave.
    - People are now living 20 years longer on average than when we first established our social safety net, so our policy is way behind. Our system is expensive and inaccessible because we have not invested in it. And COVID broke the camels back as schools and day care centers shut down, and parents were in lockdown in nursing homes. More than 4 million women were driven out of workforce as a result of caregiving challenges. Made it clear we need access to child care, long-term care, and paid leave.
    - At federal level, considering large-scale investment in funds for states on child care and Medicaid home care. The proposed investment in home and community based service would: enable the improvement of existing poverty-wage jobs and creation of new quality jobs in home care, enable working family caregivers who work in range of sectors to get to work, enable dignified quality of life for consumers of care, and enable disabled people to work and participate in the workforce. It would also save the state money long-term since it is cheaper than nursing homes.
    - These jobs will be a huge share of jobs in the future, but they are currently very low-wage. Illinois can make investments even beyond the federal government that will ensure these jobs are better in the future.
  - Second speaker was Erica Bland, executive director of SEIU-HCIL
    - Care work essential to future of work because: quality of care for children and elderly are essential for people to remain in the workforce, and care work is the fastest-growing sector in the economy.
    - These jobs are growing as low-wage jobs with uneven protections and career ladders. Also, largely being carried out by women of color.
    - A recent MIT report found that the odds of being in a low-wage job decreased by 39% if a worker is covered by a union contract. Research has demonstrated union membership increase commitment to the democratic process and norms.
    - Care workers benefit from union organizations. Recommends that the task force consider sectoral standards board or a similar system for setting sector-wide standards. When rates have been raised, it's been through joint efforts with employers that recognize this is not minimum-wage work.
    - The board would include a group of stakeholders that come together to evaluate and determine wage and provider rates. This would include worker orgs and unions, employers, consumers, family caregivers, and elected officials. The state would ensure that providers comply with rates. The board could address other issues such as benefits, training, and safety standards for workers and individuals receiving care.

- Recommends adoption of a training and incentive program that attracts workers into this field. This could work by partnering with community colleges and high schools, and provide funding to expand current programs, like that offered through SEIU-HCIL.
- Third speaker was Darby Anderson, Chief Strategy Officer for Addus Home Care.
  - Addus Home Care is an employer of personal care aides providing in-home care.
  - Agreed with Ai-jen and Erica's points on the growth in the sector and the importance of those jobs. BLS says this position will increase by more jobs than the growth in the 2<sup>nd</sup>- and 3<sup>rd</sup>-fastest growing positions combined.
  - According to Paraprofessional Health Institute, these workers are 87% female, 62% people of color, and 31% born outside the U.S. Recent immigration policy trends are intensifying the workforce crisis.
  - This is often-isolated care provided in an unsupervised setting in the home, so the need for high-quality employees is significant. This workforce is not considered or treated as part of the larger healthcare system, yet they spend more time with patients and know more about their needs than others in the system. That information and real-time reporting is necessary for better interventions to avoid more costly care. Need to better coordinate Medicare and Medicaid services.
  - Critical to professionalize the system and increase satisfaction people get from this work. People often leave the industry because they're not valued and respected, just as much as due to low pay and benefits.
  - Noted that his company has an important partnership with the union to ensure more professionalization of the workforce, identify bad actors who might be taking advantage of a fast-growth industry without providing quality care, and pass good policies.
- Fourth speaker was Kate Buchanan of Ready Nation.
  - Ready Nation is a nationwide nonprofit organization with about 270 employer members in Illinois. Success depends on high-quality early child care and education.
  - The early care and education workforce requires development and investment. High quality child care programs provide parents with the peace of mind they need to be productive and engaged. Insufficient child care costs IL parents \$1.6 billion annually, including reduced hours, loss of pay, turning down promotions or even job loss.
  - Losses of employment opportunities and foregone wages hit women especially hard, so investing in child care helps women, in particular.
  - Skills-building pipeline for the workforce of the future begins in early childhood; however, only 3 in 10 kindergarteners in IL are prepared for academic success. Access to quality child care is a challenge in IL with 58% of families living in a child care desert.
  - There are challenges in attracting and retaining early educators, and the field suffers from major inequities in pay and poor compensation. People in early childhood education with bachelors degree are paid 30% less than colleagues in

K-8 education. Low compensation leads to high turnover, and results in struggles to staff classrooms.

- IL Childhood Funding Commission has already done a lot of work to identify solutions to expand early childhood workforce, and we just need to amplify and implement this work.
- Ms. Buchanan introduced the fifth speaker, Jeff Hettrick, Ottawa Chamber of Commerce.
  - Started by meeting with businesses and realized that child care was a huge issue – of 9 census tracts, 7 identified as child care deserts. During COVID, found that there was a large drop in workforce particularly among 20 to 40-year-old women, which was broadly impacting businesses in the area.
  - In Ottawa, because of lack of child care, without family to help, they found people could not work the higher-paying jobs. Federal and state resources like Child Care Restoration Grants have provided short-term lifeline during COVID, but need a solution long-term.

The task force had a discussion with the four presenters.

- Sarah Hartwick mentioned working with several IMA members to establish day care options. Asked Ms. Buchanan if there are other obstacles they've faced on child care side to meet needs for families. Ms. Buchanan responded that businesses find a lot of barriers in setting up on-site child care, even though tax benefit is available, particularly for smaller and mid-sized. Also particular burdens for manufacturers/distro centers where workers might have nontraditional hours. Get a lot of waiting lists because centers can't staff up.
- Bob Bruno mentions that all speakers discussed raising quality of work in the profession and professionalizing it. Asks what recommendations there are beyond raising pay. Mr. Hettrick noted that there's a need to increase awareness of training and tough working conditions that child care workers face to increase value and respect for workers. Mr. Anderson notes that, working through HFS, they can develop programs to better integrate long-term health care into health care delivery systems (e.g. through value-based purchasing).

XIII. The task force broke out into small groups for discussion on a statement of principles from the care economy panel, and two questions:

- How has the need for care work affected your industry?
- How can we ensure Illinoisans have access to care work and that care workers are adequately supported?

Each small group had a designated note-taker for the conversation and reported out a brief summary.

XIV. Public Comment

There was no public comment.

XV. Brad Tietz moved to adjourn, and Misuzu Schexnider seconded. Meeting adjourned at 11:58 am.