

Benefits and the Care Economy

The United States has a long history of excluding people of color and women from social benefits; the ramifications still reverberate today. During The Great Depression, President Roosevelt passed unprecedented legislation to help the economy and society rebound from collapse. However, this legislation almost always was directed to benefit white, middle-class, able-bodied, men. [The groundbreaking Fair Labor Standards Act intentionally excluded domestic, agricultural, and tipped workers, all professions composed chiefly of people of color, specifically Black workers, and women.](#) Vulnerable populations were excluded from Social Security, Unemployment Insurance, and the right to organize. The effects of exclusion are still felt today in the gender and racial wealth gap. These policy decisions have trapped individuals and families in the cycle of poverty, which they will not be able to exit without meaningful interventions. The task force has a chance to grapple with the United States legacy of marginalizing communities by centering the experience of vulnerable populations in their solutions for Illinois' future of work.

The latest [Heartland Alliance report on poverty in 2019 concluded that 1 in 4 Illinoisians are low income](#), which is not evenly distributed. Black women face the largest share of poverty, at a rate “3.6 times higher than white men ” (Black Men’s being 3.3 times higher, and Latina women’s 2.2 times higher). In Illinois, [people with disabilities have a 15.6% higher poverty rate](#) than their able-bodied counterparts. 22% of households in Illinois were also [“Asset Limited, Income Constrained, Employed.”](#) signaling that the employment many

Illinoisians can find isn’t enough to support their needs. Unfortunately, poverty can be prohibitive for many to enter the workforce and find long term stable employment. CareerBuilder found that, [on average, it cost employees \\$3,300 to go to work](#), including costs such as childcare, apparel, transportation, food, among others. Families who are low-income or impoverished can struggle with balancing the cost and benefits of employment as well as having enough capital to start their careers. The poverty rate among marginalized groups is a reflection and component of employment barriers.

The physical landscape of our society further impedes many workers from employment. Transportation for [disabled workers](#) and [rural workers](#) can inhibit their access to a job location. While the explosion of work from home policies has helped, the new trend of returning to the office may again push these vulnerable workers out of the job. Work from home policies has also highlighted the inequality of internet access. [Broadband access was disproportionately low income and families of color in Chicago](#) and [rural workers also face problems with broadband](#) through lack of critical infrastructure. Current housing policy has also left behind workers. Homelessness can be a significant roadblock to long-term, stable employment and is [most common for people of color, disabled people, veterans, people who are mentally ill, and domestic violence victims.](#) Employment is often more than the desire to work, but a reality of access to shelter, food, technology, transportation, business clothing, hygiene access, and so

much more. The policies this task force suggests should consider these challenges in their solutions.

The history of exclusion from societal and employer benefits also extends to criminalized populations. The long history of the incarceration of Black communities, and largely communities of color, has limited the employment and wealth prospects for many Illinoisians. Heartland Alliance reports [“There are 1,189 unique sanctions in the State of Illinois that act in 1,260 ways to impact people’s access to housing, employment, education, and other opportunities”](#)). The punishments that follow formerly incarcerated people lead to fewer social and basic needs and, in turn, employment discrimination.

Beyond benefits, occupational segregation, [“a groups’ overrepresentation or underrepresentation in certain jobs or fields of work,”](#) is a major factor in inequality. Industries staffed largely by minoritized groups often have less respect, lower wages and benefits. According to the [Washington Center for Equitable Growth](#), as women enter the workforce and begin to outnumber men in the profession, average wages fall, even accounting for work history and education. Similarly, race-based job stratification has not seen improvement since the Baby Boomers generation. In Illinois, industries with the [highest rates of non-U.S. born employees, food service, retail trade, and construction](#) which [all report high rates of labor standards violations with low enforcement](#). The ramifications of occupational segregation are not only short-term but bleed into the inequality of wealth for people of color and women.

The Care Economy is an excellent example of the problematic nature of occupational segregation. Domestic labor is mostly staffed by women of color, [“just over half \(52.4%\) Black, Hispanic, or Asian American/Pacific Islander women,” and are more likely to not be born in the United States](#). Compensation and benefits are lower on average for domestic workers than similar workers. The highest percentage of domestic workers are in-home health aides which [have the highest rate of labor standards violations](#). The devaluing of domestic labor is even more problematic considering it is the fastest growing sector of the U.S. economy. Without care work, many families would be unable to even participate in the job market because of their needs for childcare, eldercare, or home maintenance. Something about reversing the trend with portable benefits?

Without addressing the inequality of the job market and the needs of our most vulnerable workers Illinois can exacerbate exploitative workplaces and ultimately labor trafficking. Workers who are trafficked [often face high levels of exploitation before ultimately falling into labor trafficking](#). The National Human Trafficking Hotline reported [Illinois has over 900 reports regarding trafficking from 2020 to 2021](#). The top industries named for labor trafficking were undefined, domestic labor, and construction.

Supporting employees and businesses with good practices will be essential for everyone in the future of work. [This](#) video shares the perspective of a nomadic worker and his struggle with the American Dream.



During the 6th meeting of the Future of Work Task Force, we will be discussing solutions to raise the floor for vulnerable workers. The meeting will begin with an introduction to different benefit models from the Aspen Institute. PayPal and Uber will be sharing their business perspective on how their companies are taking on the challenge of supporting their workers and making their business thrive. Finally, Ai-Jen Poo and Erica Bland will zoom into the Care Economy where the task force can discuss the central values the final report will advocate regarding the care economy.

Reports Referenced:

Heartland Alliance- [Never Fully Free: The Scale and Impact of Permanent Punishments on People with Criminal Records in Illinois](#)

National Conference of State Legislatures- [Getting to Work Effective State Solutions to Help People with Transportation Challenges Access Jobs](#)

[City of Chicago 2021 Homeless Point-in-Time Count & Survey Report](#)

Heartland Alliance- [Poverty, Income & Health Insurance Update](#)



[Matthew J. Notowidigdo](#) studies a broad set of topics in labor economics and health economics. In labor economics, his research has focused on understanding the causes and consequences of long-term unemployment and the economic effects of unemployment insurance over the business cycle. Notowidigdo's research in health economics focuses on the effects of public health insurance on labor supply and the effects of income on health spending. He is currently working with several state governments on large-scale randomized experiments of existing social insurance programs.

[Justin King](#) is an Associate Director of the Aspen Institute Financial Security Program. Previously, Mr. King was Policy Director of the Family-Centered Social Policy program at New America. He has spent much of his career working to develop and advance innovative public policies that expand economic opportunity by better supporting the financial needs and desires of striving Americans. He spent more than 12 years developing policy, managing partnerships, and overseeing public communication and education at New America.



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[Dan Schulman](#) is the President and CEO of PayPal. He is focused on democratizing and transforming financial services and e-commerce to improve the financial health of billions of people, families and businesses around the world. With extensive experience in payments and mobile technology, Dan is leading PayPal to reimagine how people move and manage money, and how merchants and consumers interact and transact. Under Dan's leadership, PayPal has been named as one of the top companies on JUST Capital and Forbes' JUST 100 list, featuring "companies doing right by America". PayPal has also been recognized as a Fortune Change the World company for its work to tackle the biggest challenges facing society today.

[Ai-jen Poo](#) is the co-founder and Executive Director of the National Domestic Workers Alliance, a non-profit organization working to bring quality work, dignity and fairness to the growing numbers of workers who care and clean in our homes, the majority of whom are immigrants and women of color. In 12 short years, with the help of more than 70 local affiliate organizations and chapters and over 200,000 members, the National Domestic Workers Alliance has passed Domestic Worker Bills of Rights in 10 states and the 2 cities, and brought over 2 million home care workers under minimum wage protections.



Erica N. Bland-Durosini is a community advocate, political activist, and grass roots strategist. She is currently the Executive Vice President of SEIU Healthcare Illinois, Indiana,



Missouri, and Kansas, where she has spent the last 17 years championing for the rights of healthcare and childcare workers across multiple states. Since 2014, Erica has led the union's legislative agenda in the State of Illinois on funding increases for homecare, childcare, nursing homes and health systems, in addition to spearheading their agenda on social, racial, and economic justice. She also co-created and staffed United Working Families, a new independent political organization. In 2015, UWF endorsed Chuy Garcia for mayor of Chicago and assisted him in earning placement in the runoff. As a prominent leader in UWF, Erica continues to focus on building grassroots political power in an effort to return city hall to the working-class citizens of Chicago.

Darby Anderson serves as Executive Vice President and Chief Strategy Officer for Addus HomeCare. Mr. Anderson served as Senior Vice President at Addus HomeCare until December 2014. Mr. Anderson joined Addus HomeCare in 1996 as its Midwest Regional Manager until 2000. In 2000, Darby became Regional Vice President of Midwest/East. Mr. Anderson has also been appointed or elected to board and advisory committee positions, including the Older Adult Services Advisory Committee and the Community Care Program Advisory Committee in Illinois. He earned a Bachelor of Arts degree from Michigan State University.



Kate Buchanan brings more than 25 years of experience in children and family services, advocacy, and systemic improvement to her role as Illinois State Deputy Director at A Council for A Stronger America. Previously, Kate served as Associate Director at a child welfare membership organization where she led efforts to improve systems and strengthen the legislative and policy landscape at the state and



federal levels. In that role, her portfolio included early childhood education, child welfare, juvenile justice, adoption, children's mental health and member services. Prior to that, she worked as a staff attorney at Loyola University School of Law's Child Law Center focusing on reforming the Illinois juvenile justice system. She began her career as a social worker at Children's Home and Aid in Chicago where she became a manager leading permanency, adoption, foster parent licensing, and post adoption programs.