

Benefits21: Benefits in Illinois and the United States of America

Presentation to the Illinois Future of Work Task Force
February 25, 2022

Benefits21 works toward a future in which all workers across the U.S. have access to—and make use of—equitable benefits.

Private Benefits V. Public Benefits (Old View)

PRIVATE BENEFITS

- For Workers
- Privately Funded
- Offered by Companies to Attract & Retain Talent
- EXAMPLES:
 - Retirement Plans
 - Paid Leave
 - Health Insurance

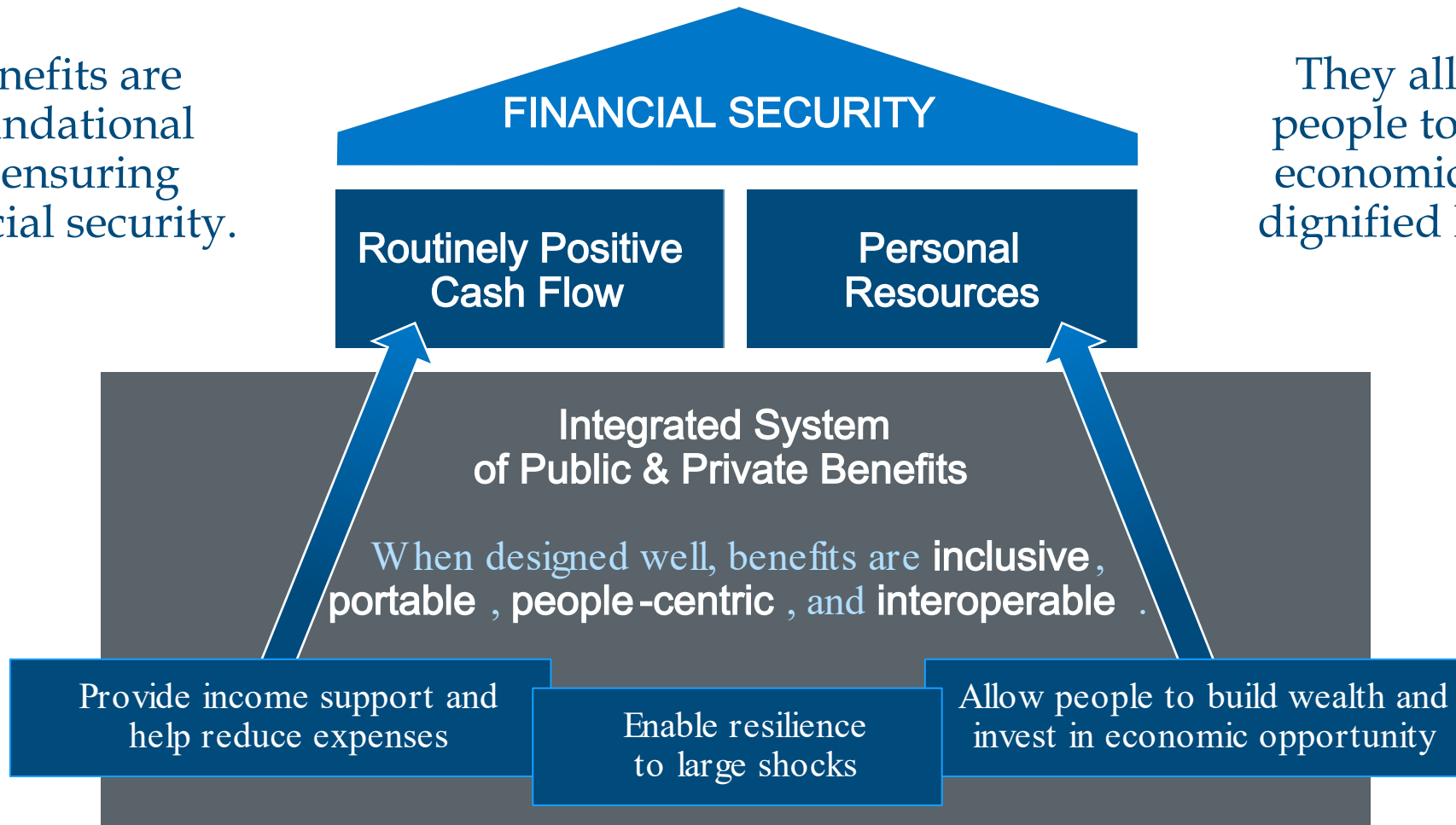
PUBLIC BENEFITS

- For Non-Workers/"The Poor"
- Provide "Safety Net" / minimum standard
- EXAMPLES:
 - SNAP (Food Stamps)
 - TANF (Cash Welfare)
 - Earned Income Tax Credit

Benefits21 | Framework

Benefits are foundational to ensuring financial security.

They allow people to live economically dignified lives.



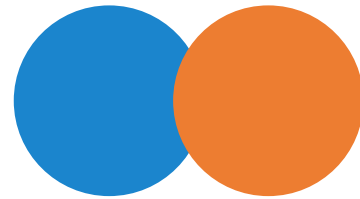
Workers are Living Financially Precarious Lives

53 million

Workers earn median hourly wage of \$10.22

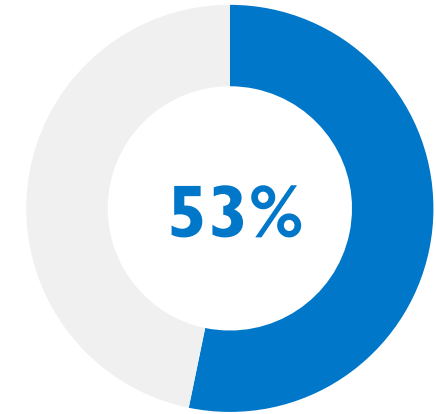
The Brookings Institute
2019

Nearly 1/2



Ratio of households whose income does not exceed their expenses

FHN 2019



Workers earning hourly wages of \$7.42 to \$9.91 receive public assistance

Economic Policy Institute 2016

Illinois Workers Are No Exception

12.6%
Poverty Rate

\$65,000
Median Net Worth

37.5%
Liquid Asset
Poverty Rate

19%
Zero Net Worth
Households

\$11
Hourly Minimum
Wage

Inequitable Access to Workplace Benefits

Impacts low-wage workers, workers in non-traditional work arrangements, and workers of color

Worker	Health	Retirement
Lowest wage	36%	43%
Part-time	21%	39%
Temp Agency	13%	13%
Contract Firm	41%	48%
On-call	28%	35%

Worker	Health	Retirement
Highest wage	91%	87%
Full-time	84%	77%
Traditional Work Arrangements	53%	51%

U.S. Bureau of Labor Statistics

Paid Sick Leave

78% of civilian workers have access to paid sick leave benefits:

91% of state and local government workers
75% of private industry workers
















86% of full-time workers
45% of part-time workers

88% of union workers
74% of non-union workers

92% of workers in management, professional, and related occupations
59% of workers in service occupations

88% of workers at employers with 500+ employees
82% of workers at employers with 100 to 499 employees
74% of workers at employers with 50 to 99 employees
66% of workers at employers with 1 to 49 employees

In our current system of work and benefit arrangements, **only one type of worker**—higher income, full-time employees receiving workplace benefits—stands a reasonable shot at financial security.

ATTACHMENT TO AN EMPLOYER	APPROXIMATE SHARE OF US ADULTS	NOT RECEIVING ANY BENEFITS	RECEIVING PUBLIC BENEFITS	PARTICIPATING IN WORKPLACE BENEFITS
Full-time, Wage or Salaried Workers for a Single Employer	47% 	Not Applicable 	Somewhat Stable/Relatively Stable 	Most Financially Secure 
Part-time, Wage or Salaried Workers for One or More Employers	10% 	Financially Precarious 	Somewhat Stable 	Relatively Stable 
Workers in Nonstandard Arrangements	43% 	Financially Precarious 	Somewhat Stable 	Relatively Stable 
Not Currently Earning Labor Income		Most Precarious 	Financially Precarious 	Somewhat Stable/Relatively Stable 

Key Questions

- How can we ensure a more inclusive system of workplace benefits, especially for low-wage, part-time, temporary, and “nonstandard” workers?
 - How does the answer to this question differ if the future of work means more of these kinds of jobs?
- Many full-time workers depend on the public safety net in addition to private benefits. What changes need to be made to improve how our public and private benefits systems function together?

Four Key Principles Guide Benefit Design and Delivery



Inclusive, protecting all workers, irrespective of their work arrangement and employment status



People-centric, ensuring workers and their voice, life, and experience are critical and central to the design and delivery of benefits



Portable, ensuring continued access and funding as workers experience job loss or transition, enter new work arrangements and piece together different types of work



Interoperable, using technology to effectively integrate benefit systems and platforms to ensure seamless access

Key Examples of State Benefits Innovation

Secure Choice Illinois, promotes retirement savings inclusion, by covering previously uncovered workers. Embodies principles of portability, inclusion, & people-centric.

Kansas Employee Emergency Savings Account (KEESA), legislation to allow employers to create and contribute to employee emergency savings accounts. Incentivized by tax credits to employers. Responds to clearly expressed employee & employer need.

Mnbenefits, new people-centered, interoperable benefits application in Minnesota. Offers access to nine public benefits programs, application time on average is 12 minutes.

Thank You



Justin King

Associate Director, Financial Security Program, Aspen Institute

Justin leads the public benefits portfolio of the Benefits21 Initiative.

justin.king@aspensinstitute.org

