

The Mobility Agenda
New Ideas and Strategies for Low-Wage Work
National Scan Summary

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Over 40 million jobs in the United States—about one in three—pay low wages of \$11.11 or less, often providing no employment benefits and little flexibility. Even though the United States is among the wealthiest nations in the world, employers pay these workers less than workers who hold similar jobs elsewhere.

The last decade has seen some progress on advancing a number of well-known policies to improve job quality by boosting the minimum wage and expanding publicly subsidized employment benefits, like child care and wage subsidies such as the Earned Income Tax Credit. Similar progress has been made to address education and advancement strategies to prepare workers for skilled jobs.

However, when one worker advances out of a low-wage job and another worker takes it, the job does not change. Across the nation, state and local stakeholders are experimenting with a host of new initiatives to improve low-wage jobs. These innovative ideas are far less well known and are not commonly incorporated into an anti-poverty agenda.

We work to identify and develop a more complete understanding of a new and exciting set of policies to improve the jobs in this large and growing segment of our labor market. Based on our national scan, these policies can be divided into seven categories.

1. Leave and Flexible Work Schedule Policies include a broad spectrum of options such as offering and permitting paid sick days, an expansion of the Federal Family and Medical Leave Act (allowing time off from work for family medical leave when a family member is seriously ill or to care for a new child) to smaller employers, paid family leave, “flex time,” and occasional flexible scheduling with considerations for an employee’s health and family commitments. Other proposals focus on creating part-time and overtime options, additional job options like part-time work with benefits, unpaid family leave, and optional (as opposed to mandatory) overtime.

2. Employer Investment Strategies include a broad array of employment benefits provided by employers. Providing such benefits is not only beneficial to employees but also pays dividends to employers by enhancing recruitment, retention, and productivity. These benefits can include homeownership and rental assistance, public transportation subsidies and assistance with car purchase, child care, and lower-interest loans (to combat the high interest of payday lenders and buy-here-pay-here car dealers). Some organizations are developing initiatives designed to improve employee engagement by developing and supporting employee understanding of job expectations and importance, providing on-the-job career planning and advancement options, promoting positive relationships between workers and a shared understanding of organizational

goals and values. Other employers are considering providing assistance accessing public and private employment benefits through in-house human resource offices or outsourced providers.

3. Democratic Workplaces address the system of leadership and decision-making within the workplace. New strategies focus on employment sectors that have traditionally been excluded from activities such as collectively negotiating better working conditions. Recent examples include state policy changes that give home-based child care workers the right to organize and collectively bargain with state and local governments for better pay and benefits. Employee ownership and co-ops can also address issues of job security and quality.

4. Accountable Development is a broad category describing the opportunity for policymakers to ensure that economic development efforts, particularly those that involve providing public subsidies to developers and businesses, result in real returns on investment for the community, such as better jobs. Strategies include community-benefit agreements (CBAs) between developers or employers and the community in which a proposed development or business wants to locate. Such agreements ensure an open process for utilizing public resources and considering benefits for all sectors of the community. The benefits negotiated as part of a CBA can include hiring from a specific geographic area for development and permanent jobs, allowing workers to negotiate and organize, paying a living wage, providing health coverage, and creating jobs with advancement opportunities. In addition, some workforce development agencies are negotiating for better job quality in exchange for providing employer-designed training opportunities.

5. Universal Voluntary Retirement Accounts fill the gap created when employers do not provide a tax-deferred retirement option for workers. Under this proposal, workers would be able to open an account with a sponsoring state agency and make contributions that employers and states could match. For small employers, this policy could create an opportunity to provide some retirement security without the expense of account setup and management.

6. Healthcare Coverage proposals move toward providing affordable healthcare coverage and benefits for *all* residents of a community or state, while beginning to de-link health care coverage from employment. Proposals include a universal method of healthcare coverage, financed with a combination of government, individual, and employer resources (as in Massachusetts and San Francisco). These proposals utilize the collective buying and bargaining power of residents to obtain affordable insurance rates for services such as vision, dental, routine medical care, more complex procedures, and preventative care. Many proposals would provide coverage for people independent of their employment or residency status. Healthcare counseling is an additional option that could assist workers in navigating health care options.

7. Wage and Hour Enforcement policies and proposals ensure that employers pay workers the legal minimum wage, including appropriate pay for overtime work. Researchers find that employers in the restaurant, garment, and nursing home industries routinely violate the wage and hour laws. Barriers to enforcement include inadequate funding for enforcement agencies at all levels of government, and the misclassification of many jobs (in the health care and domestic sectors, for example) resulting in exclusion from wage and hour protections. Proposals to reduce these violations and expand coverage include worker-center organizing (particularly for immigrant workers who are often subject to pressure to accept below minimum wage rates of pay), encouraging collective action by employee groups, reducing illegal retaliation against workers, enforcing full repayment, and creating disincentives to reduce the economic rationale for sub-legal payments.