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Workshop II

The Undervaluation of Care Work in the Human Services Sector



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The High Price of Doing Good:

Earnings in Social Assistance Jobs in the U.S.

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Employees in Care Occupations and Industries

- Paid less than comparable workers in other jobs--even other care jobs.
- Provide social benefits and “public goods” with value difficult to measure or capture
- Their commitment to the well-being of their clients also reduces their bargaining power.

Social Assistance Workers

- Clients have little political voice and are often culturally stigmatized
- Increased sub-contracting to private firms is a cost-cutting strategy that has put downward pressure on wages.

Trends

- Declining unionization: from 24% in 1984 to 11% in 1984
- Increased subcontracting (58% public in 1980, 25% in 2019)
- For both men and women, earnings relative to “other industries” have declined since 1980
- Today: major staff shortages and high turnover

Definitions & Data

- Within the Social Assistance industry category:
 - “individual and family services,”
 - “community food and housing and emergency services”
 - and “vocational rehabilitation services”
- “Other care workers” --employed in Health and Education
- 2015-2019 pooled data from American Community Survey
- Annual earnings of full-time, full-year workers

Some Descriptives

Individual characteristics:

75% women (40% in non-care industries)

21% African American (11% in non-care industries)

42% Bachelor's degree

Type of employment organization

45% non-profits

25% public sector

30% for-profit

**Annual Earnings:
Full-Time Workers with a Bachelor's
Degree**
(no additional degrees, in \$2019)

In **social assistance:**
\$42,000

In **other care services:**
\$52,000

In **non-care industries:**
\$70,000

Some Statistical Results

(net of controls)

All care services: earnings 11% less than in non-care industries

Social assistance: earnings 23% less than workers in non-care industries

Within social assistance, non-profit employees: earnings 6% less than for-profit employees

In healthcare and education, public sector workers face the greatest penalties; in social assistance pay penalties are the largest within the non-profit sector.

Since 1990, the pay penalty for social assistance has substantially increased.

Thanks for your attention.

Efforts to publicize these results could support efforts to increase earnings in social assistance.

However, this research has not been fully peer-reviewed, and will gain credibility when accepted for publication.

(Un)equal Pay for Equal Worth

**Demonstrating the Undervaluation
of Human Services Work Using
Comparable Worth Principles**

Ariane Hegewisch
April 5, 2024

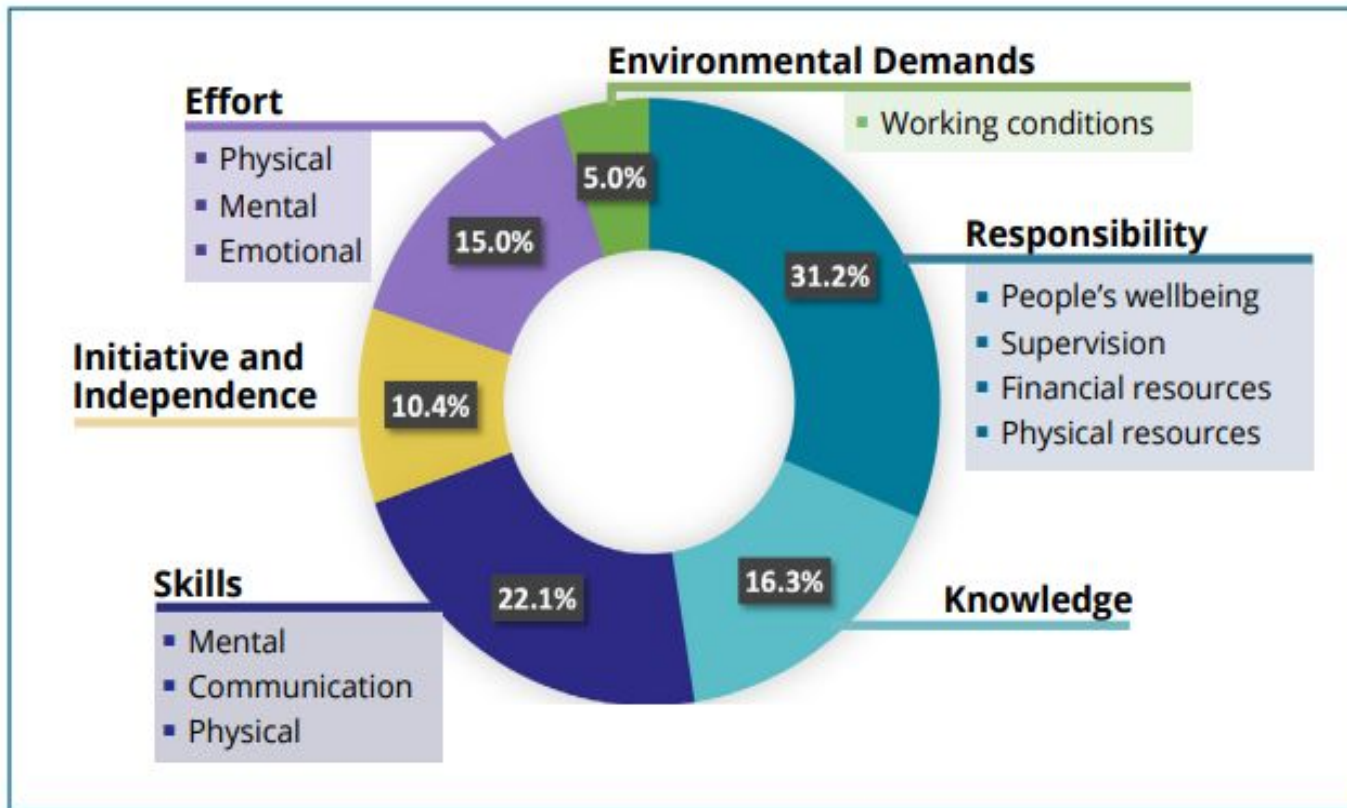
Equal Pay for Equal Value/ Comparable Worth

Occupational segregation and equal pay

- **Occupational and industry segregation is a key feature of the labor market**
 - 38% of women work in occupations where women are at least 75% of workers; 39% of men work in occupations where women are fewer than 25% of workers.
 - Women are 78% of workers in the Health Care and Social Assistance but just 11% of workers in Construction Industry
- **Occupational and industry segregation explains over half of the wage gap between women and men**
- **The U.S. is the only high-income country where equal pay laws are limited to prohibiting unequal pay for the same work:**
 - *ILO Equal Remuneration Convention, 1951 (No. 100):*
Equal pay for men and women for work of equal value or comparable worth (beyond equal work)

How to Operationalize Comparable Worth

- **Job evaluation** is a the systematic (and well established) process for determining the relative value of different jobs as part of designing compensation schemes. It compares jobs on generic components.
- Historically, job evaluations have often **undercounted typically female job characteristics** (care work, administrative work, responsibility for people).



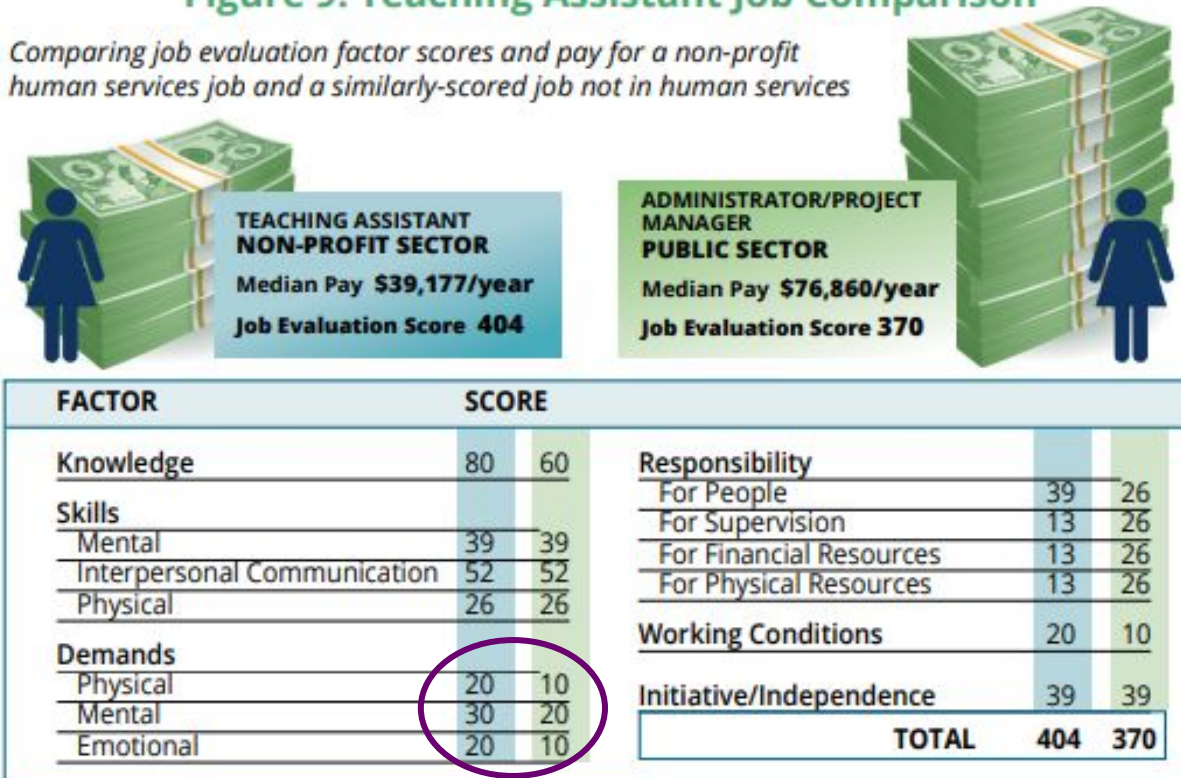
Note:
no points for educational attainment independently of the direct knowledge needed for the job

Seattle Wage Equity Study

Teaching Assistant (child care) scores **higher** (404 v. 370 points) but is paid much less (51%) than public sector administrator/project manager in Seattle

Figure 9. Teaching Assistant Job Comparison

Comparing job evaluation factor scores and pay for a non-profit human services job and a similarly-scored job not in human services



Source: Job evaluation scores from study analysis (see text and Appendix 4 for details). Human services salary data from 2021 King County Nonprofit Wage and Benefit Report (501 Commons, 2021). Comparison salary data from Bureau of Labor Standards (2022) for Seattle-Bellevue-Tacoma metro area.

How Can We Use Comparable Worth Principles to Increase Pay for Human Services Workers

- Is this helpful beyond making a moral case?
- Can we use 'equal pay for equivalent work' elements in state equal pay laws?
- Can this inform bargaining? (Can we move beyond the same employer)
- Can we integrate such a perspective into public procurement processes & budget allocations?

References & further reading

- Wage Equity Study Team, 2023. "Wage Equity for Non-profit Human Services Workers: A study of work and pay in Seattle/King County." Seattle, WA: University of Washington;
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- Treiman, Donald J., and Heidi I. Hartmann (eds). 1981. *Women, Work, and Wages Equal Pay for Jobs of Equal Value* / Donald J. Treiman and Heidi T. Hartmann, Editors; Committee on Occupational Classification and Analysis, Assembly of Behavioral and Social Sciences, National Research Council. Washington, D.C: National Academy Press, 1981.

Thank you!

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The Undervaluation of Care Work in Human Services

Advocating for the Social Work Workforce

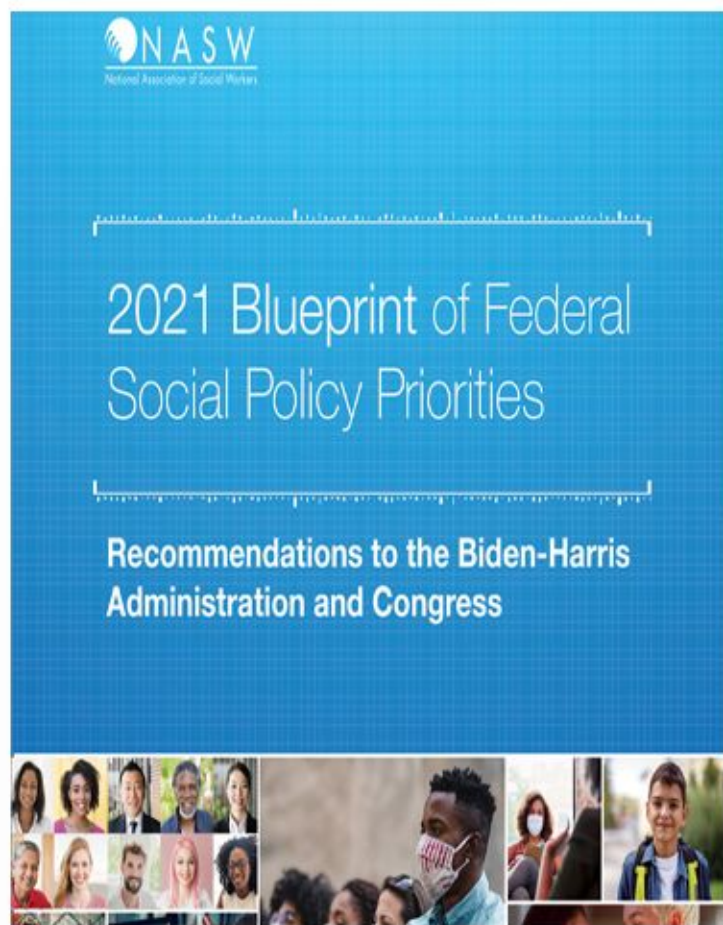
April 5, 2024

Sarah Christa Butts, MSW (she/her)

Director of Public Policy

National Association of Social Workers

NASW's Blueprint of Federal Social Policy Priorities



Actionable recommendations to the Administration and Congress

21 issue areas, organized using the Grand Challenges for Social Work

Workforce

Social Justice

Endorsed by the American Academy of Social Work and Social Welfare

Social policy: many opportunities, under any administration and regardless of which party controls Congress

<https://www.socialworkers.org/Advocacy/Policy-Issues/2021-Blueprint-of-Federal-Social-Policy-Priorities>

Social Work Workforce

- Social Workers are one of the largest providers of mental health and social care services in the nation.
- Social workers are licensed and credentialed at the Bachelor's, Master's, DSW and PhD levels.
- Approximately 700,000 Social Workers nationwide.
 - About 250,000 are Clinical Social Workers, who are required to be licensed and have a Master's degree to practice independently.
- Social Work is a female majority profession and new Social Work graduates are increasingly racially and socioeconomically diverse.
 - In recent years, nearly 90% of MSW graduates have been women. And more than 22% of new social workers are Black/African American, and 14% are Hispanic/Latino. These percentages are much higher than in most health professions.

Social Work Workforce

- Many new Social Workers are the first generation in their families to graduate college. In 2019, for example, more than 46% of the MSW graduates were the first ones in their families to graduate college.
- Median pay for Social Workers is approximately \$55,350 per year in 2022.
- The mean starting salary for Social Workers with MSWs is \$47,000.
- Social Workers have substantial student loan debt:
 - MSW graduates have a mean total student debt of approximately \$67,000.
 - Debt from their social work education is substantially higher for new social work graduates who are Black/African American (averaging \$92,000 for attainment of both bachelors and master's degrees) and for Hispanics (averaging \$79,000).

Limitations in Medicare and Impact on Providers and the System

- Reimbursement rates in Medicare for Clinical Social Workers are very low.
 - CSWs are reimbursed at 75% of the Physician Fee Schedule for Psychotherapy. The CSW rate is less than reimbursement for other non-physician providers and substantially less than Psychologists.
- CSW scope of practice is also limited and has not been reevaluated since 1989 when CSWs became Medicare providers.
- Medicare is not required to comply with parity requirements of the *Mental Health Parity and Addiction Equity Act*.
- NASW has been working to advance the *Improving Access to Mental Health Act* for over a decade.
- The *Mental Health Access Improvement Act* passed in December of 2022 which allows MFTs and LPCs to become Medicare providers. It took over 20 years to pass the bill.

State of Play- Recent Federal Advocacy Progress

118th Congress, 2nd session (Jan. 3, 2023 - Jan. 3, 2025)

- Two of the *Improving Access to Mental Health Act* provisions were included in the *Better Mental Health Care, Lower-Cost Drugs, and Extenders Act*, which passed the Senate Finance Committee in late 2023.
- CMS included in the PFS final rule that clinical social workers will be able to bill for HBAI services beginning January 1, 2024.
- NASW served on the negotiated rulemaking committee for Student Loan Debt Relief (Oct. – Feb. 2024). We are now awaiting proposed rules from the Department of Education.

State of Play- Recent Federal Advocacy Progress

- Congress passed a spending bill to avoid government shut down, but many of the health provisions were not included.
- President Biden's budget includes many mental and behavioral health priorities.

Prior progress to note:

- In 2020, Congress passed provisions of the *Employer Participation in Repayment Act*.
- Department of Education implemented many reforms to the PSLF program, including a PSLF waiver.

Recommendations:

- Policy that supports recruitment and retention of human services, mental health and social care workforce.
 - Sufficient reimbursement and valuation of services.
 - Providers practicing at the top of their license.
 - Sufficient salary/compensation.
 - Budgets will need to be increased.
 - Student loan debt and scholarship support that are not taxable.
 - Reforms to higher education that allow for non-traditional student pathways to attain required education, training and credentials.
 - Addressing unpaid internship requirements, cost of supervision and licensing.
 - Adjust caseloads and workload to reduce stress and burnout.

NASW's Policy Resources

- NASW's Blueprint of Federal Social Policy Priorities
<https://www.socialworkers.org/Advocacy/Policy-Issues/2021-Blueprint-of-Federal-Social-Policy-Priorities>
- NASW Legislative Alerts
<https://www.socialworkers.org/Advocacy/Legislative-Alerts>
- NASW Comments, Statement and Letters
<https://www.socialworkers.org/Advocacy/Sign-On-Letters-Statements>
- NASW Policy Updates
<https://www.socialworkers.org/Advocacy/Policy-Updates>

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- Fitzhugh Mullan Institute for Health Workforce Equity, *The Social Work Profession: Findings from Three Years of Surveys of New Social Workers* (2020) at 12, 6. <https://www.cswe.org/CSWE/media/Workforce-Study/The-Social-Work-Profession-Findings-from-Three-Years-of-Surveys-of-New-Social-Workers-Dec-2020.pdf>

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WAGE | EQUITY | STUDY

Wage Equity for Non-Profit Human Services Workers:

A study of work and pay in
Seattle and King County

**For more information, see
<https://socialwork.uw.edu/wageequitystudy>**



WAGE | EQUITY | STUDY

Industry and sector wage penalties, Washington state

Relative to workers in non-care industries...



Multivariate analysis of American Community Survey data for full-time, full-year workers ages 18-64. Analysis controls for worker characteristics and time trends. Source: Appendix 3, Exhibit H.

WAGE | EQUITY | STUDY

Findings:
non-profit
human
services
workers are
paid less for
jobs that are
as or more
demanding
than other
jobs

Figure 10. Director of Housing Services Job Comparison

Comparing job evaluation factor scores and pay for a non-profit human services job and a similarly-scored job not in human services



**DIRECTOR OF HOUSING SERVICES
 NON-PROFIT SECTOR**
 Median Pay **\$78,162/year**
 Job Evaluation Score **716**



**CONSTRUCTION PROJECT
 MANAGER
 FOR-PROFIT SECTOR**
 Median Pay **\$104,458/year**
 Job Evaluation Score **710**

FACTOR	SCORE	
Knowledge	121	142
Skills		
Mental	65	78
Interpersonal Communication	65	65
Physical	26	39
Demands		
Physical	20	20
Mental	40	40
Emotional	40	20
Responsibility		
For People	65	52
For Supervision	65	39
For Financial Resources	52	65
For Physical Resources	39	52
Working Conditions	40	20
Initiative/Independence	78	78
TOTAL	716	710

Short-term recommendations

1. Raise real wage rates by a minimum of 7% for non-profit human services workers in the near term.
2. Adjust for inflation separately.
3. Maintain or improve benefits and job characteristics.
4. Consider wages in racial and gender equity work.

Longer-term recommendations

5. Substantially increase wages for non-profit human services workers to align with those of workers doing comparable work in other sectors and industries.
6. Create a salary grade system.
7. Use public contracts to further wage equity.

For more information, see
<https://socialwork.uw.edu/wageequitystudy>

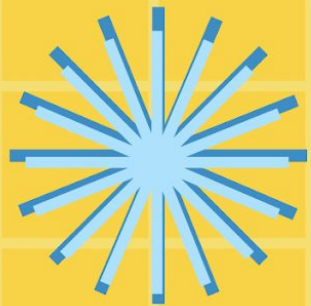


WAGE | EQUITY | STUDY



JUSTPAY

committed to **ending the government exploitation of human services workers** by demanding sector employees under contract with the New York City and State be paid fair wages for their labor.





WHY WAGES?

- Roughly two-thirds of all full-time human services workers had 2019 earnings below the City's near-poverty threshold.
- Human services workers make 30% less than what government employees make for the same role.
- 22% of human services workers received SNAP benefits in 2021.

WHY NOW?

- Going into 2020, HSC members reported wages being the number one issue they wanted to address
- **Both New York City and State have failed to appropriately invest in wages**
- The pandemic illuminated how essential this workforce is, and how much we need to find for change



FRAMING



1. **Government is the predominant funder of human services through contracts with nonprofits, therefore they are the primary setter of wages**
2. **Contracts can last 7-10 years with no cost-escalators, which means providers lose money over time**
3. **No single nonprofit can break this cycle: If they turn down a contract, they lay off staff and remove a program from the community, but if they take this contract, they perpetuate low wages**
4. **This campaign needs to be a MOVEMENT for the sector to demonstrate power.**



EQUITY



1. **NYC human services workers are overwhelmingly workers of color (75 percent) and women (70 percent).**
2. **57 percent of human services workers are women of color.**
3. **The jobs vary greatly in terms of education, skill, and requirements**
4. **These are good, community jobs that add value to the economy and our neighborhoods.**

2022-23

Policy Achievements

City

- \$60 million human services workforce investment in the FY23 City budget.
- Workforce Enhancement Investment increased to \$150 million over 3 years (FY23-FY25)
- Prevailing Wage Floor Bill Introduced

State

- \$500 million investment for a 5.4% COLA for over 800,000 human service workers- the first State human services worker COLA in over a decade
- An additional 4% COLA for FY24
- Wage Board Legislation Introduced

Campaign Highlights



Two rallies at City Hall with over 1,000 attendees in FY23.



Rally of over 6,000 people in FY24



“Up All Night” Action had 50 nonprofit leaders outside City Hall overnight



Over 2,300 emails sent to City Leaders



#JustPay was mentioned in over 6,000 tweets and received more than 17 million impressions on Twitter

STATE ADVOCACY



**August
September
2022**

HSC held the **Organizing Academy**, a series of workshops that equip human services workers with advocacy tools.



**February
March
2023**

HSC held additional **workshops** to prepare workers to speak with legislators.



**March 8, 2023
Albany
Advocacy
Day.**

200+ workers held a press conference with the BPHA Caucus human services and spoke with **50+ legislators** to fight for Wage Board Bill an 8.5% cost-of-living adjustment (COLA)



**March
16th 2023**

State Assembly and Senate included an **8.5%COLA** for Human service workers in their one house budget

CITY ADVOCACY

February 15-22 2023

Week of Action:
850+ emails sent to the Mayor and City Council.



**March 22 2023
Social Work Day of
Action:**

700+calls made to the Mayor & City Council.



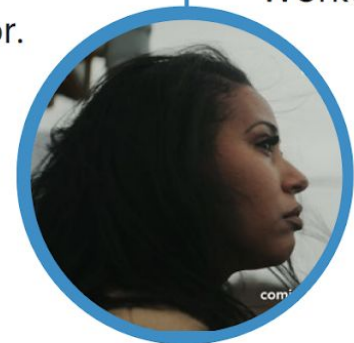
April 26 2023

**Ping the Mayor
Action: 1400+
emails** sent to the Mayor.



May 17 2023

Launch of **short film** about Marlena a Human Services Worker at Queens Community House.



FY23 #JUSTPAY ACHIEVEMENTS

STATE

CITY



April 27th 2023

Final FY24 Budget:

Included a **4% COLA** for human service workers – nearly double the **2.5% COLA** the Governor originally proposed.



4% cost of living adjustment (COLA) for human service workers secured in the FY24 State budget.



200+ human services workers spoke 50+ legislators in Albany.



#JustPay mentioned in **4,000+** tweets & received **14 million** impressions.



\$40 million workforce enhancement for human services workers secured in the FY24 City budget, growing to \$90 million in FY25.



7,500+ emails sent to the Mayor and City Council.



6,000+ people rallied.

May 24th 2023

30+ orgs. testified in support of **6.5% COLA** before City Council.



May 25th 2023

Day Without Human Services

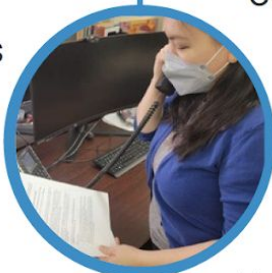
100+ organizations participated & **6000+** workers rallied.



June 14th – 28th 2023

Advocacy Activation:

Advocates contacted the Mayor & City Council Budget Negotiation Taskforce.



June 25th 2023

Up all night for #JUSTPAY

50+ nonprofit leaders slept outside City Hall



June 29th 2023

Final FY24 Budget: Included a **\$40 million** workforce enhancement for human services workers, growing to **\$90 million** in FY25.





STATE



- 1. Fund a 3.2% cost-of-living adjustment (COLA) for State-contracted human services workers at approximately \$200 million.**
- 2. Pass S7793/A8437, sponsored by Senator Persaud and Assemblymember Hevesi, to include all State nonprofit human services contracts under the COLA statute.**
- 3. Pass S4675/A8937 (Wage Board legislation) introduced by Senator Ramos and Assemblymember Bronson, which will investigate and give recommendations on adequate and equitable wages for the human services sector.**



CITY



- 1. A 5% cost-of-living adjustment (COLA) for City-contracted human services workers in the FY25 budget, at a cost of approximately \$150 million.**
- 2. A public commitment from the Mayor to fund a 3% COLA in each of the next two years, bringing the full investment in human services workers to 16% in 5 years from FY23-FY27.**



The Mayor and New York City Council announced a major investment in the human services sector: over the next three years, the City budget will include an almost 9.27% increase to City- contracted human services workforce wages, in addition to the Workforce Enhancement funding.

Here's what to expect:

- A 3% cost-of-living adjustment (COLA) for FY25 – on top of the \$170 million already allocated for the Workforce Enhancement Initiative
- A 3% cost-of-living adjustment for FY26, and
- A 3% cost-of-living adjustment for FY27.



Contact Us!

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Join The Fight!





Q&A

 **INSTITUTE
FOR WOMEN'S
POLICY
RESEARCH**

IN
PARTNERSHIP
WITH


**COLLEGE of
ARTS & SCIENCES**
AMERICAN UNIVERSITY • WASHINGTON, DC

**CARE
CONFERENCE**

Thank you!

CARE
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Stay connected to the conversation using the following hashtags:

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