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 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.*

**Full study**: 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; [https://www.realchangener.org/sites/default/files/UW_SocialServicesWorker_WageStudy.pdf](https://www.realchangener.org/sites/default/files/UW_SocialServicesWorker_WageStudy.pdf)
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.

<table>
<thead>
<tr>
<th>FACTOR</th>
<th>TEACHING ASSISTANT</th>
<th>NON-PROFIT SECTOR</th>
<th>ADMINISTRATOR/PROJECT MANAGER</th>
<th>PUBLIC SECTOR</th>
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<td>Knowledge</td>
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<td>60</td>
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<td>Skills</td>
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<tr>
<td>Mental</td>
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<td>Physical</td>
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<td>Mental</td>
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<td>20</td>
</tr>
<tr>
<td>Emotional</td>
<td>20</td>
<td>10</td>
<td>20</td>
<td>10</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>404</strong></td>
<td><strong>370</strong></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**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.

**Full study** 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; [https://www.realchangenews.org/sites/default/files/UW_SocialServicesWorker_WageStudy.pdf](https://www.realchangenews.org/sites/default/files/UW_SocialServicesWorker_WageStudy.pdf)
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

- Whitehouse, Gillian, and Meg Smith. 2020 "Equal pay for work of equal value, wage-setting and the gender pay gap." Journal of Industrial Relations 62, no. 4: 519-532. (Special Issue on Comparable Worth).

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
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

• 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
References


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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
Industry and sector wage penalties, Washington state
Relative to workers in non-care industries...

Workers in Non-Profit+ Human Services are paid 37% less.
Workers in Human Services are paid 30% less.
Workers in Other Care Industries are paid 11% less.

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.
Findings: non-profit human services workers are paid less for jobs that are as or more demanding than other jobs.
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
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.
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.
### 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
August/September 2022
Organizing Academy
HSC held the Organizing Academy, a series of workshops that equip human services workers with advocacy tools.

February 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.

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**

- **April 27th 2023**
  - Final FY24 Budget:
  - Included a **4% COLA** for human service workers – nearly double the 2.5% COLA the Governor originally proposed.

- **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.

**CITY**

- **April 27th 2023**
  - **$40 million** workforce enhancement for human services workers secured in the FY24 City budget, growing to **$90 million** in FY25.

- **May 24th 2023**
  - 30+ orgs. testified in support of 6.5% COLA before City Council.

- **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.

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

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

6,000+ people rallied.
**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!
Thank you!

Stay connected to the conversation using the following hashtags:

#CareConference
#CareEconomy
#IWPResearch

@IWPResearch | @AU_PGAE