Low-Wage Workers Speak Out:
The Emerging Future of Work Is Not Improving Their Jobs
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The Emerging Future of Work Is Not Improving Their Jobs

By Jeremy Rosen, Militza Pagán, and Wendy Pollack

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Introduction

Work is a cornerstone of most adults’ lives. All workers deserve to be paid a living wage and have basic workplace protections so that they can sustain themselves financially, be healthy, and be able to take care of their families. But what makes for a “good job”? And how should policies governing work change to ensure economic security for all workers, including low-wage workers and workers of color?
The last 25 years have seen dramatic growth in the “gig” economy. Driven by increased use of technology to hire, schedule, and manage workers, more and more workers are taking part-time or temporary work and are classified as independent contractors. Many workers are entering into these arrangements to supplement income from other jobs; others can only find part-time work.

Although workers of color have historically been marginalized into low-wage, low-skill jobs, the growth of gig work has exacerbated this trend. The growth in gig work has led to rampant misclassification of employees (who are entitled to significant benefits and protections) as independent contractors (who are entitled to almost no protections). One study estimates that 368,685 workers in Illinois are misclassified as independent contractors.

All workers should be protected by laws and policies governing their employment, whether they are classified as an employee, a gig worker, a temporary worker, self-employed, or an independent contractor, or where, when, or how many hours they work or for whom. This includes people who are undocumented.

The COVID-19 pandemic exposed the perilous employment conditions facing many low-wage workers, many of whom also faced new health and safety issues at work. Programs put in place during the pandemic, such as expanded unemployment compensation, stimulus checks, and the child tax credit, improved conditions for all workers. But these temporary work supports have ended during the recovery, leaving many low-wage workers vulnerable.

Post-pandemic, more than 47 million Americans have voluntarily left their jobs in search of better pay, more opportunities for advancement, greater respect in the workplace, and greater access to childcare in the much-lauded Great Resignation, which some argue could better be characterized as the Great Renegotiation. Although higher paid workers appear to have gained some short-term benefits, particularly office workers who are now embracing remote work from home, the lowest income workers, who may not be in the financial position to “resign” or able to find new positions, have failed to see significant gains as a result of these changes.

<table>
<thead>
<tr>
<th>Latino Men</th>
<th>Latina Women</th>
<th>Black Women</th>
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<td>Make up</td>
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<td>10%</td>
<td>7%</td>
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<tr>
<td>61%</td>
<td>42%</td>
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<tr>
<td>Of Drywall Installers, Ceiling Tile Installers, and Tapers</td>
<td>where they earn on average</td>
<td>Of Maids and Housecleaners</td>
<td>where they earn on average</td>
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<td>$32,091/year</td>
<td>$18,919/year</td>
<td>$23,803/year</td>
<td>$27,364/year</td>
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The stories workers told us suggest that the future of work is grim for workers clinging to the bottom of the economic ladder. Improving the working conditions of the lowest paid workers would significantly improve the financial stability and economic mobility of workers of color.

Studies of the future of work, including a recent report from the Illinois Future of Work Task Force, have attempted to assess the changing nature of work and to identify policies and practices that will help businesses, workers, and communities thrive. Yet the voices of low-wage workers have been missing from much of this research.

Low-wage workers know what they need to lead healthy, productive lives. It is critical for advocates and policymakers to listen to these workers, particularly workers of color and immigrant workers, when planning policies for the future of work.

This paper lifts up the voices of low-wage workers to inform policy decisions about the future of work. When workers spoke with us, they told us that despite the prevailing media narrative, their jobs are not improving at all. Workers raised concerns that fall into four categories:

- **wages**
- **benefits**
- **health and safety protections, and**
- **income and job security**

The stories workers told us suggest that the future of work is grim for workers clinging to the bottom of the economic ladder. Informed by these stories, this paper presents policy recommendations designed to ensure that every worker, whether defined as an employee, independent contractor, self-employed, gig worker, or temporary worker, has secure employment that allows them to meet their own needs and those of their families—in short, a good job.

Policymakers should listen to the stories these workers are telling. Low-wage workers often lack sufficient bargaining power with their employers to demand long-lasting, systemic change. Government must step up to improve working conditions for workers and ensure that all people are treated with dignity and respect. Only then can we claim to have a successful economy and a just society.
What Workers Told Us

Wages

Whether at the city, county, or state level, minimum wages in Illinois are insufficient to meet a family’s basic needs. Available to workers aged 18 or over, the City of Chicago minimum wage is $15.40 per hour for many workers ($14.50 for people who are employed by smaller employers). The Cook County minimum wage is $13.35 per hour. And the Illinois minimum wage is $12 per hour. Moreover, several hundred thousand Illinois workers (mainly women working in restaurants and bars) do not receive even a minimum wage. Employers may pay tipped employees up to 40% less than the minimum wage, as long as the employee can earn enough in tips to make up the difference. This means that tipped employees in Illinois can earn as little as $7.20 per hour, or 60% of the full minimum wage. With the pandemic driving tips down and harassment up, this life-threatening situation for service workers resulted in over 70,000 workers leaving the restaurant industry in Illinois. During this period, the restaurant and retail industries not only survived while endangering their workforce, but thrived, with retail and restaurant sales hitting a historic high.

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Lucia needs to work two jobs and around 60 hours a week to make ends meet. She works 10-hour days, six days a week, at two gyms to provide for herself and her children. Lucia begins her first job at 6:00 am and leaves her second job at 8:00 pm.

“I don’t like that I need to work two [jobs] instead of only 1 [job].”
A $15 per hour minimum wage for all workers is essential to racial and gender justice. The low-wage workforce is racially diverse, and disproportionately female, with both Latino/a/x and Black workers overrepresented relative to their share of the overall workforce. If the U.S. enacted a nationwide $15 per hour minimum wage, nearly one-third of Black workers, one quarter of Latino/a/x workers, and nearly 60% of adult women would get a raise. In those states and localities that passed a $15 per hour minimum wage between 2021 and 2021, 46% of the workers whose wages increased were people of color. Of the more than $150 billion in annual additional income resulting from these increases, the share going to workers of color was nearly $76 billion, or 50%.

All workers should be paid a living wage. While Chicago, Cook County, and the State of Illinois do have higher minimum wages than most states, that income is not adequate to support a family. A living wage is defined as how much a family must earn to afford food, childcare, health insurance, housing, transportation, and other basic necessities—including clothing and other personal items. The living wage for a single adult supporting two children in the Chicago metropolitan area is $44 per hour. For two adults and two children with one parent working it is $39 per hour, and for two adults and two children with both parents working it is $25 per hour. Critically, these figures assume that the individual is working full time—a worker paid an hourly rate that meets the living wage but who works only 20 hours per week cannot be said to earn a living wage.
Almost none of the workers we spoke with is paid a true living wage. Although a few of the workers we spoke with earn the minimum wage, most earn slightly above minimum wage (between $16–$18 per hour). Only a few made as much as $25–$27 per hour.

Low hourly wages are compounded by other issues that affect workers’ overall earnings. Some workers cannot get full-time hours even if they want them; others are compelled to work hours without pay or risk losing their jobs; and still others must pay a significant amount of money to cover work-related costs, all of which comes out of their salary.

Day laborers, who perform jobs that include landscaping, construction, painting, cleaning, moving, and other odd jobs, discussed the difficulty they experience in finding consistent work. Sebastián, a 51-year-old day laborer from Mexico living in Chicago, described standing in a corner hoping that someone will come to offer him work. “In reality, many times we go to work, to wait for a job, but we wait for three, four hours and if we take a job, we work, but if not, then we return home.” Although many day laborers are available to work every day, they may not get the opportunity. Emiliano, a day laborer from Mexico living in Chicago, described his workday: “As a day laborer, I get up early and every day I go and stop at the corner . . . and I stop to see if [work comes]. Sometimes we work, sometimes we don’t, and well, if there’s no work, we come home and rest for the next day.”

Domestic workers told us that they are not paid enough for the work they do, and they are too often not paid for all the hours they work, such as when they work overnight. Maria José, a live-in caregiver, said that, although her shift ends at 7:00 pm, her client demands she stay later. “When seven o’clock comes she doesn’t want me to leave so she keep[s] yelling and yelling at me to [stay] later.” Some domestic workers report that their employers added new responsibilities to their jobs, such as having to do work that is not for their client, without additional compensation. Samuel, a live-in Filipino caregiver for a 97-year-old man, described how his client’s wife required him to do things that are not part of his job when she believed he was not working, and did not provide him an opportunity to rest. “They will say that you are part of the family, but it’s not part of the family, they are taking advantage [of you] as a caregiver.”

Rideshare drivers agree that they cannot make a living on the current per trip wage structure of companies like Uber and Lyft, even with pandemic-related bonuses that the companies have touted. As Zofia, a rideshare driver, says, “Their bonuses don’t make any sense...it’s like a gimmick.” Rideshare drivers also incur extraordinary expenses related to their vehicles—maintenance, repairs, gas, insurance, etc.—which an employer would pay for if the drivers were deemed employees. Moreover, all these costs have risen due to inflation. Although rideshare companies may advertise a good wage for drivers, once these work expenses are deducted, drivers see much lower take home pay, an estimated $12.72 per hour.29
Warehouse workers told us about some particularly troubling disparities in compensation affecting longer term employees. New employees who started during the pandemic received higher starting salaries than employees who started before COVID-19 but remained working at the warehouse. These new employees also received signing bonuses, while the company found flimsy reasons not to provide promised bonuses to workers who had been with the company since before the pandemic. As Teddy told us, “I wish they’d pay those who’ve been there as much as new hires. Plus, they get a $3,000 bonus. We got offered a [lower] bonus when we started, but they changed the dates on us so we didn’t get it.” Moreover, all employees were subject to days on which they were sent home early, without pay, due to lack of sufficient work.

The impact of the pandemic on wage growth cannot be ignored. Although low-wage workers experienced faster wage growth than middle- and high-wage workers over the last year, wage levels remain vastly unequal. There has been little to no progress in narrowing the gender wage gap over the past few decades, and the Black-white wage gap has widened significantly. In particular, women of color are perpetually underpaid. Both the immediate- and long-term impact of these disparities cannot be ameliorated with small, incremental increases in wages over time. Unions also play an important role in ensuring workers make a living wage and have good jobs. A worker covered by a union contract earns 10.2% more in wages on average than a worker with similar education, occupation, and experience in a nonunionized workplace in the same sector. Unions help to reduce gender and racial/ethnic wage gaps in part by increasing wages for women and for Black and Hispanic workers. Unions also provide workers better benefits and safer workplaces. In 2021, unionization among Illinois wage and salary workers stood at 13.9% compared to 10.3% nationally. And while the overall unionization rate has been declining, workers’ rights activity among low-wage workers is increasing, including in Illinois where Starbucks workers have voted to unionize and El Milagro workers are fighting for better wages and working conditions.

The workers we spoke to hold a variety of low-wage jobs in a variety of industries. But even within the same industry and job category, workers may be classified as employees, gig workers, temporary workers, independent contractors, or self-employed. All workers need to benefit from the laws and policies that make a job a good job, regardless of how they are classified.

**Benefits**

Benefits are crucial to allow workers to both perform their jobs effectively and take care of themselves and their families. Necessary benefits include paid time off for both sick and vacation leave, paid time off for longer-term family and medical leave, health insurance to ensure affordable and quality health care, and retirement benefits. Workers also must receive compensation for injuries sustained on the job.
Leave benefits are particularly essential to gender and racial equity in the workplace. The lack of paid family and medical leave disproportionately affects low-wage workers, particularly low-wage workers of color. Research shows that Black women lose $3.9 billion each year in lost wages while on leave. And Black and Latino/a/x mothers are more likely than their white counterparts to report being fired by an employer for taking leave after childbirth or quitting jobs after childbirth.

Low-wage workers are unlikely to receive needed benefits without a mandate that they be provided. For example, lower wage workers are significantly less likely than other workers to have employer-sponsored health insurance. Most housecleaners receive no paid time off. Neither do many independent contractors, who have no financial cushion if they get sick and cannot work. More often, time off is discouraged, and when allowed it is unpaid, leaving workers struggling to pay their bills if they need to be away from work. Indeed, 1.5 million workers in Illinois classified as employees do not have access to even one day of paid sick leave.

Self-employed workers or independent contractors, including rideshare drivers, domestic workers, day laborers, and others who are not classified as employees, are especially unlikely to receive benefits. Sebastián, a day laborer we spoke with, surmised that businesses employ day laborers to avoid paying for benefits: “They look for us because we don’t cause any problems when there is an accident, they look for ways to pay cheap.”

These workers have no employer and thus cannot access workers’ compensation if injured while working. If they do not work, they do not get paid, whether the worker is taking needed time, or they are sick or a family member is sick, as many were during the pandemic. Given the lack of an employment relationship, these workers will not even have the possibility of receiving health care or retirement benefits. And although self-employed workers who file taxes may receive Social Security, they must pay a higher portion of their wages in payroll taxes than employees, whose Social Security tax deductions are split 50/50 with their employers.

Even when employers provide benefits, the benefits can be either too expensive or the coverage so limited that it is not worth the cost. As Martín said, “As far as I know, the only benefit they offer is some kind of medical insurance, but I haven’t even looked into it because I noticed that it would cost me a lot of money.” Workers also expressed concern that if they actually sought to use a benefit, such as paid leave or workers’ compensation, they would get fired. Warehouse workers we spoke with said that, although they are able to file workers’ compensation claims if injured on the job, actually receiving benefits is difficult.
Some workers said that their employers make it difficult to use their benefits—such as by demanding documentation for one day of sick time, when the law in Chicago or Cook County does not require documentation unless three or more consecutive days are taken. Lucia, who works at two gyms to make ends meet, described the problems she had taking paid sick time when she was sick with COVID. “When I tried to use the benefits that they offered me even though I had met the requirements to use the benefits, it was lot of work to use the benefits. Benefits are nice on paper. While you don’t have to use them, you’re in a honeymoon,” she said, but when you need to use the benefits, “that’s when the problems begin.”

Warehouse workers told us that the company discourages them from taking paid leave, putting employees in fear of losing their jobs if they want to leave work early because of illness or to pick up a child from school. For example, for years a leading national company that employs thousands of warehouse workers mismanaged its leave programs, resulting in workers on leave being fired as well as workers not getting paid for time off. As a result, many of those employees left for jobs offering more flexibility.

Obtaining enough hours to qualify for benefits can also be a barrier.

For example, some warehouse employees must work at least 20 hours per week to be eligible for benefits. The workers we spoke with told us that the company finds ways to keep workers under 20 hours per week, preventing eligibility for benefits, and it hires temporary workers who are not eligible for benefits because they are employed by a labor agency and not by the company.

Whatever their category of work, low-wage workers do not receive the full range of benefits essential both to perform their jobs effectively and to take care of themselves and their families, even when offered by the companies they work for or required by law.

**Health and Safety Protections**

Many low-wage workers, who are disproportionately Black, Latino/a/x, and Asian American, experience conditions detrimental to their well-being at work. In 2019, more than 5,300 U.S. workers lost their lives due to preventable workplace trauma—incidents such as a fatal collision with machinery, a fall from a height, or drowning in a trench. Deaths from workplace trauma increased by 10.3% over the five-year period between 2015 and 2019—and fatalities are increasing even faster for workers of color.
Between 2015 and 2019, the rate of death from workplace trauma increased by 1.7% among white workers, 28% among Black workers, 20% among Latino/a/x workers, 59% among Asian-American workers, and 56% among Native Hawaiian workers.\(^47\)

<table>
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<tr>
<th>Group</th>
<th>Percent Increase</th>
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<tbody>
<tr>
<td>Asian-American</td>
<td>59%</td>
</tr>
<tr>
<td>Native Hawaiian</td>
<td>56%</td>
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<tr>
<td>Black</td>
<td>28%</td>
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<tr>
<td>Latino/a/x</td>
<td>20%</td>
</tr>
<tr>
<td>White</td>
<td>1.7%</td>
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</table>

In addition, an estimated 95,000 U.S. workers die each year from long-term exposure to carcinogens, asbestos, silica, and other deadly hazards.\(^48\) More than 2.8 million non-fatal occupational injuries and illnesses were reported by U.S. employers in 2019.\(^49\)

When considering health and safety issues that affect low-wage workers, it is important to think broadly about workers’ well-being. The workers we spoke to raised health and safety issues beyond what are traditionally thought of as occupational hazards, such as exposure to hazardous chemicals. For example, exposure to toxic cleaning supplies and poorly ventilated rooms are major health concerns for domestic workers, warehouse workers, food production workers, and other workers. Workers have also long reported not being able to take lunch or restroom breaks or being required to work through their lunch or breaks, which can also be detrimental to a worker’s well-being. Two out of three Illinois workers said that they or a co-worker worked overtime when they preferred not to or skipped breaks to avoid being fired.\(^50\)

Day laborers in particular expressed concerns about coming home safely every day, as their ability to earn any income is dependent on their physical health. “Basically, I focus on the fact that if I get to work well, then I have to leave that job well, without any injury or problem of injury or accident that I have in any job that I am doing, especially when one works in general construction,” said Carl, a day laborer in Chicago. “[General construction is] risky work . . . People look for [someone to] do the hardest work. Basically, I focus on . . . protect[ing] [myself].”

The COVID-19 pandemic highlighted and exacerbated the difficult conditions workers already face. While many companies saw their businesses grow and profits soar during the pandemic, they often failed to hire more workers
to cover the increased workload. Consequently, workers have been required to work more days and hours, skip lunch and breaks, stand for hours, and work while sick. Mariana, who works at a fast casual restaurant, described her job as draining. “We face a lot of pressure in our job because of the high volume of sales and people are angry. We have a bad atmosphere because everyone is doing the job of two or three people. I think every day things are getting worse.” Another worker, who was recently fired from her job at a food production company after trying to bring safety concerns to her employer, said that although business was growing, the company did not hire any more workers. “There are not enough employees for [workers] to take breaks and lunch.”

Even in situations where additional staff has been brought in, new hires were often poorly trained, putting workers at risk. Mariana described how “the managers do not do good training for the new employees. And because we are so short-staffed . . . managers . . . cannot ensure that everything is going well because they are doing the jobs of employees.”

And of course, COVID-19 itself made work more dangerous for low-wage workers, who are disproportionately workers of color, and often cannot work remotely. According to the Centers for Disease Control (CDC), Black and Latino/a/x populations are over two times as likely to become hospitalized with COVID-19, in large part because of increased risk of occupational exposure in frontline workplaces. People of color are disproportionately represented in frontline work settings such as healthcare facilities, farms, factories, warehouses, food processing, accommodation and food services, retail services, grocery stores, and public transportation. Workers in these settings have more chances to be exposed to COVID-19 due to close contact with the public or other workers, not being able to work from home, and needing to work when sick because they do not have paid sick days. The risk of dying from COVID-19 is 1.7 times as high for Black people as white people, and 1.8 times as high for the Latino/a/x population.

The enforcement of COVID-19 policies and protocols has been a national failure. Over two years since the beginning of the pandemic, there is still no federal enforceable standard to protect any workers from COVID-19 in the workplace. As the Department of Labor’s Inspector General reported in February 2021,

**Compared to a similar period in 2019, OSHA received 15 percent more complaints in 2020, but performed 50 percent fewer inspections. As a result, there is an increased risk that OSHA is not providing the level of protection that workers need at various job sites….. With most OSHA inspections done remotely during the pandemic, workplace hazards may go unidentified and unabated longer, leaving employees vulnerable….. While OSHA has issued several guidance documents to enhance safety provisions during the pandemic, guidance is not enforceable like rules or standards would be.**

The workers we interviewed reported that their employers required workers to do their work in unventilated, cramped spaces, with no regard for masking or for whether other workers might be coughing or sneezing or otherwise displaying COVID-19 symptoms, thereby putting the workers we spoke with at high risk of contracting the virus. Robert, a warehouse worker, said “[The] company didn’t handle COVID with too much urgency. . . . [They have an] enclosed breakroom with people coughing and sneezing . . . in close proximity. [People] should be masked up. . . . [They are] acting like COVID is over with.” Joe, a temp worker at a warehouse, described how there are “five hundred people per shift, and nobody can get fresh air for 8 hours…even for 15 minutes.”
Most of the workers felt that their employers did not take COVID-19 seriously and had no regard for the workers’ health and well-being. “If they were a little more compassionate,” said Teddy, a warehouse worker. “COVID is real. . . . But every day we get a text that someone got COVID in the building but [our boss keeps] going on like nothing is wrong.”

**Income and Job Security**
Good jobs must provide workers with reasonable measures of income and job security. Sadly, low-wage workers, including workers we spoke with, have limited income and job security and often fear losing their jobs at any moment.18

In Illinois (and most other states), employment is presumed to be at-will, meaning employers can fire workers abruptly—without notice or even a good reason—so long as no other law or employment contract is violated.19 Since the vast majority of workers depend on their paychecks to survive, at-will firings wreak havoc on the lives of workers and their families and leave them with bills due and no paychecks or severance pay. The at-will employment doctrine underlies a large and enduring power imbalance between workers and their employers. At-will employment grants employers inordinate control over workers’ livelihoods, undermines workers’ bargaining power and ability to speak out at work, and perpetuates long-standing racial and gender inequities.60

Unfair and arbitrary firings are widespread in Illinois. Almost half of Illinois workers have been fired or let go at some point in their lives.62 Of workers who were fired, 42% said they weren’t given a reason at all.61

Further, at-will firings reinforce systemic racism in the workplace. Black workers are most likely to have experienced unfair discharges—41% as compared to 32% of Latino/a/x workers and 35% of white workers.61 Latino/a/x and Black workers were much more likely to have experienced unfair discipline at work, with 46% and 42% reporting such experiences, respectively, as compared to just 36% of white workers.64 Latino/a/x workers are much more likely than other workers to report that they or a co-worker worked under harmful conditions out of fear of firing or discipline.66

As long as these companies are allowed to exploit us, they will continue to do so.
—Art, food delivery driver
The stress of always worrying if your livelihood will be taken away at a moment’s notice is incompatible with a healthy and humane society. Martín, a rideshare worker who does all he can to prepare for being unable to work or having an unexpected major expense, has lost work due to his vehicle needing repairs. “I lost work for 3 months...and sought help from [the company for the cost of repairs].... [Their] response was nonexistent.” The company’s failure to offer help when he needed it demonstrated to Martín that he just did not matter to the company. Zofía, a rideshare driver for five years and a single mom, summed it up: “I can be deactivated [without warning]...[and] they will not investigate [to determine whether the deactivation is legitimate].... They can shut me off. You don’t have job security.”

And while unemployment insurance is supposed to replace workers’ income when they lose their jobs, many workers are not eligible for unemployment insurance because they are considered independent contractors or do not work a full-time job for one employer. Moreover, many workers are ineligible due to their immigration status, which reinforces racial inequity.

The unemployment insurance program, as it was originally designed to do, continues to prioritize non-Hispanic white male workers, resulting in jobless Black and Latino/a/x workers being less likely to receive unemployment benefits than unemployed white workers. Over the last 30 years, unemployed Black workers were 24% less likely to receive unemployment benefits than their white counterparts. Workers of color—and especially women of color—disproportionately work in low-paying positions that are excluded from unemployment insurance.

**Over the last 30 years**

Unemployed black workers were

24% less likely to receive unemployment benefits than their white counterparts
Black and Latino/a/x workers are also overrepresented in app-based jobs where they are frequently misclassified as independent contractors and wrongfully excluded from unemployment benefits in many states. Many states, including Illinois, also exclude workers who have held or are seeking part-time employment. These restrictions disproportionately shut out women and people with disabilities who are more likely to seek part-time work, as well as Black and Latino/a/x workers who are more likely to be stuck in part-time jobs despite wanting full-time employment.

Workers who are correctly classified as independent contractors, which may include many day laborers and housecleaners, will always maintain very precarious employment, because they will never be considered employees and have access to unemployment insurance. In our focus groups, day laborers expressed frustration with the uncertainty of available work and not having any other source of income. Housecleaners, some of whom lost their jobs in the wake of COVID-19, talked about how their employment can be terminated at a moment’s notice. Overnight, many housecleaners went from being employed and making a living wage to having zero income.

One the other hand, many workers, including rideshare and food delivery workers, are misclassified as independent contractors and are denied unemployment insurance, despite state law that arguably requires them to be considered employees and provides them access to unemployment insurance. Gig and other companies have levered multi-million-dollar campaigns to pass policies that lock so-called “gig” workers who find jobs via online platforms into independent contractor status, stripping them of the basic labor rights and protections afforded to employees, including unemployment insurance.

The issue of how a worker is classified or misclassified, whether as an employee, a gig worker, a temporary worker, an independent contractor, or self-employed, or if they are undocumented, goes to the heart of income and job security—but it should be a non-issue. Classification as an employee grants workers benefits and protections that all workers need to achieve income and job security. There should be no excluded workers.

Workers often accept working conditions that they know are bad, because speaking up comes at too great a cost—the risk of the ability to support themselves and their families. Illinois workers feel pressure to accept harmful workplace conditions because of fear. A third of Illinois workers (32%) say that fear of being fired or disciplined prevents them from raising workplace health and safety concerns to their employer. More than two in three workers (68%) report that they or a co-worker have worked when sick or injured to avoid being fired.

And workers’ fear is reasonable. Employers often terminate workers who try to enforce employment and labor rights for themselves and their colleagues. One worker we spoke to was recently fired from her quality control job at a food production company after trying to bring safety concerns to her employer. “[When they fired me], they didn’t care that I had to pay rent or money to pay my bills. Simply because I brought my coworkers together to learn about our rights, they fire you. I am home now without knowing what’s going to happen tomorrow and when I’m going to work again.”

Workers often turn to poor quality jobs—underpaid, dangerous and/or temporary—as a last resort, and our tattered public safety net makes it nearly impossible for them to walk away from even an abusive or unsafe job.
**Policy Recommendations**

Illinois policymakers can shape the future of work to increase racial equity and protect low-wage workers from the harms they currently face. Based on our conversations with low-wage workers, here are several policy recommendations designed to ensure that all Illinois workers can have good jobs.

**Immediate Policy Priorities**

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<th>Recommendation</th>
<th>Explanation</th>
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<tr>
<td>Provide paid time off for all Illinois workers</td>
<td>All workers deserve the ability to have a minimum number of paid vacation and sick days guaranteed. Local jurisdictions should have discretion to improve upon any minimum paid leave set by state law.</td>
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<tr>
<td>Ensure that all Illinois workers have access to paid family and medical leave</td>
<td>At some point in their working lives, nearly all workers will need to take significant time off to care for themselves or for a family member. The federal Family and Medical Leave Act does not cover many workers, and many others cannot take advantage of the law because the time off that it guarantees is unpaid. Illinois should ensure that all workers can afford to use family or medical leave by adopting a state program that ensures people are paid while off and have the right to their old job back upon return, regardless of their immigration status and classification as an employee or independent contractor. Eleven states and the District of Columbia have passed paid family and medical leave programs.77</td>
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<td>Recommendation</td>
<td>Explanation</td>
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<tr>
<td>Provide all workers with portable benefits</td>
<td>Historically, many workers received essential benefits such as health insurance, retirement benefits, workers’ compensation, and paid time off from their employers. Yet over the last several decades, employers have provided fewer and fewer benefits to workers, even to workers classified as employees. Companies have adopted hiring practices, including increased use of contract, temporary, and gig workers, that have resulted in jobs that offer fewer or no benefits. A portable benefits system can provide all workers with benefits that are essential to financial security and a pathway to economic mobility. Portable benefits are connected to an individual, rather than a particular employer, and so they can be taken from job to job without interruption in coverage or loss of funding. An early example of portable benefits is the federal Social Security program, which provides millions of individuals with cash payments once they have turned 62 years old and have worked for 10 years. Although Social Security should be extended to all workers regardless of immigration status, it has been effective in decreasing poverty in older adults. Illinois has taken an important first step in providing portable benefits to many workers by creating a portable voluntary retirement savings program through the creation of Illinois Secure Choice. Illinois should build upon this step by creating universal access to portable benefits such as paid leave, retirement benefits, workers’ compensation, and life insurance.</td>
</tr>
<tr>
<td>Implement a permanent guaranteed income program in Illinois</td>
<td>A baseline guaranteed income would make it less likely that workers would need to take and stay in bad, dangerous jobs to make ends meet. It would also make workers more comfortable to demand better working conditions and push employers to improve bad jobs because their financial security would not be completely dependent on a bad job. Cook County, the City of Chicago, and several other communities around Illinois have successfully implemented guaranteed income pilot programs. Illinois should follow their lead and create a statewide guaranteed income program for people below the poverty line, to ensure that everyone in the state has at least a minimum level of income.</td>
</tr>
<tr>
<td>Require “just cause” to terminate a worker</td>
<td>Illinois should require a “just cause” standard to prevent unjust and arbitrary termination. Proposed legislation should require employers to have a reason to fire a worker and require severance pay for terminated workers.</td>
</tr>
</tbody>
</table>
## Additional Recommendations

### Wages

<table>
<thead>
<tr>
<th>Recommendation</th>
<th>Explanation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Enact a living wage</td>
<td>Workers cannot support themselves and their families on the current minimum wage. This was true before the pandemic. It has been exacerbated during the pandemic and is being accelerated with recent high inflation, driving up the cost of basic needs—including food, clothing, transportation, and housing. In Illinois, the living wage both statewide and in the Chicago Metropolitan Area, for a family of four with two working adults and two children, is approximately $25 per hour. We recommend a $25 per hour living wage for Illinois, indexed annually for inflation.</td>
</tr>
<tr>
<td>Eliminate the tipped subminimum wage</td>
<td>A direct legacy of slavery, the subminimum wage for tipped workers was a problem long before the pandemic. Tipped workers should earn at least the minimum wage, with tips on top of that wage. In the seven states that have already phased out the tipped subminimum wage, workers experience half the sexual harassment that plagues the restaurant industry, and fewer restaurants in those states have closed during the pandemic than in Illinois. Eliminating the subminimum wage would raise wages for an Illinois workforce of nearly 200,000 tipped workers, 63% of whom are women and 40% of whom are people of color, and positively impact an overall restaurant workforce of 333,000 workers in Illinois.</td>
</tr>
<tr>
<td>Enact and implement laws and policies that foster unionization</td>
<td>Unionized workers can collectively bargain for higher wages and therefore are more likely to earn them. The Federal Protecting the Right to Organize (PRO) Act would make it easier for workers nationwide to form a union and bargain collectively. Recent strong progress in unionizing low-wage workers includes the first ever union at an Amazon facility in New York and unions at more than 80 Starbucks locations, including multiple locations in Illinois.</td>
</tr>
<tr>
<td>Improve enforcement of minimum wage and overtime laws</td>
<td>Employers who ask people to work extra uncompensated hours are likely in violation of minimum wage and overtime laws. Better enforcement of these laws will prevent workers from having to work beyond 40 hours a week—unless they agree to do so and receive overtime pay.</td>
</tr>
</tbody>
</table>
**Recommendation** | **Explanation**
--- | ---
Enact policies that ensure all workers—regardless of immigration status—have meaningful access to affordable, comprehensive health insurance coverage | Workers struggle to access affordable, comprehensive health insurance coverage. Increasingly, employers do not offer health insurance coverage to their employees and, if they do, the plans that are offered are often unaffordable and not comprehensive. Low-wage self-employed workers cannot afford health insurance coverage on their own. And many low-income immigrant workers cannot access affordable comprehensive health coverage due to their immigration status. Although several health insurance options are available thanks to the Affordable Care Act (ACA), understanding those options can be complicated for many. Illinois should provide state-financed subsidies to ensure workers can afford to purchase a health insurance plan from Illinois’s ACA marketplace and provide state-funded comprehensive health insurance to all low-income immigrant workers. Illinois should also fund a robust statewide community-centered enrollment assistance program to power community health workers and in-person assisters to connect people to health coverage in their communities and in their preferred language.

**Health and Safety Protections**

<table>
<thead>
<tr>
<th>Recommendation</th>
<th>Explanation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Require worker health and safety committees at all individual work locations, regardless of the employer’s size or number of locations</td>
<td>Workers understand what they need to protect themselves at job sites. For this reason, they should be involved in setting organizational health and safety standards that comply with all applicable federal, state, and local laws. In 2020, Los Angeles County approved a program for workers to form public health councils to curb coronavirus spread.</td>
</tr>
<tr>
<td>Expand the jurisdiction of the Illinois Occupational Safety and Health Administration (OSHA) within the state’s Department of Labor to cover private sector workplaces, not just state and local government workplaces</td>
<td>All Illinois workers deserve a state agency focused on ensuring that their workplaces are safe. While federal OSHA is charged with ensuring that workers in private workplaces are safe on the job, the federal agency failed to protect workers during the COVID-19 pandemic. In response to federal inaction, states with federal OSHA-approved state health and safety plans (which allow states to enforce worker health and safety laws in private sector workplaces) adopted statewide enforceable standards to protect workers from COVID-19. Illinois should join 22 states (including Michigan, Indiana, Iowa, Minnesota, and California) in expanding its jurisdiction to private workplaces to ensure all Illinois workers are safe on the job.</td>
</tr>
</tbody>
</table>
**Recommendation**

Implement co-enforcement models between worker centers, the federal OSHA, and local public health agencies to keep workers safe during the pandemic and beyond

**Explanation**

Instead of waiting for individual complaints, the federal agency should engage with worker centers to identify noncompliant employers and take aggressive enforcement actions to protect worker health and safety. In addition, local public health agencies, which can also take complaints about violations of COVID-19 protocols, should cooperate more closely with worker centers to ensure that employers are providing a safe environment for workers.

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**Income and Job Security**

**Crack down on worker misclassification**

Employers often misclassify workers as independent contractors to avoid paying them benefits, seeing them covered by worker protection laws, and paying unemployment taxes so that the workers are able to secure unemployment insurance if they lose their jobs. Illinois should pass legislation to prevent misclassification and ensure that anyone who is truly an employee is appropriately classified.

**Make unemployment insurance available to everyone losing a job**

The traditional unemployment insurance program is available only to workers classified as employees, in most cases only full-time employees. People who are self-employed, independent contractors, or gig workers do not qualify. During the pandemic, so many people in these jobs lost work that Congress stepped in and created a federal program that provided them with a benefit nearly identical to unemployment insurance. That temporary program has since expired. Illinois must enact a permanent program that covers all workers, including people who are undocumented. Anyone who works deserves wage protection when that employment ends.
Conclusion

All workers deserve a living wage, benefits that allow them to perform their jobs and take care of themselves and their families, workplace protections that ensure their health and safety, and income and job security. Low-wage workers, most of whom have little power or agency in their workplaces, historically have struggled with poor jobs and working conditions. The recent growth in gig work has led to rampant misclassification of employees that has exacerbated this trend. Furthermore, the COVID-19 pandemic exposed the perilous working conditions faced by many low-wage workers.

Any examination of the future of work must take into consideration the voices and experiences of these workers—the nannies, housecleaners, day laborers, rideshare drivers, and other low-wage workers who labor in the shadows.

Low-wage workers know what they need to improve their jobs and lives. Our recommendations—from encouraging unionization to bargain over working conditions, to raising wages, to improving health and safety conditions, to providing a robust safety net for everyone in our state—are based on what workers have told us. These solutions are within our reach. The time is now for the Governor and General Assembly to embrace policies that will ensure that everyone can have a good job.
This paper was made possible by funding from:

About the Joyce Foundation
The Joyce Foundation is a nonpartisan private foundation that invests in public policies and strategies to advance racial equity and economic mobility for the next generation in the Great Lakes region.
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The Chicago Community Trust is a community foundation dedicated to strengthening the Chicago region by creating equity, opportunity, and prosperity for all people who call it home. For more than 100 years, the Trust has united generous donors, committed nonprofits, and caring residents to effect lasting change. Following creating a new strategic plan in 2019, the Trust stands committed to addressing Chicago’s legacy of systemic inequity and closing the racial and ethnic wealth gap while responding to our most vulnerable residents’ critical needs. Thanks to our generous donors, in the fiscal year 2021, more than 7,000 organizations received more than $1.4 billion in funding from the Trust and affiliated donor advised fund programs.
To learn more, visit www.cct.org
Partner Organizations

We are grateful to the following partner organizations, who helped us organize and conduct focus groups of low-wage workers across the State of Illinois.

**Alliance of Filipinos for Immigrant Rights and Empowerment (AFIRE)**
Founded by Filipino immigrants, AFIRE that carries the legacy of People Power. Founded on the belief that the people most affected by structural injustice should be at the forefront of our movements, AFIRE seeks to amplify the voices of those most silenced in our community: undocumented families, new immigrants, domestic workers, low-wage workers, seniors, and youth.

**Arise Chicago**
Arise Chicago builds partnerships between faith communities and workers to fight workplace injustice through education, organizing, and advocating for public policy changes. The Arise Chicago Worker Center is a membership-based community resource for workers, both immigrant and native-born, to learn about their rights and organization with fellow workers to improve workplace conditions.

**Chicago Workers Collaboratives (CWC)**
CWC’s mission is for “Alt-Workers,” from temporary workers to gig workers, to promote the creation of stable, living wage jobs with racial and gender equity in through leadership development, advocacy, direct action and community accountability.

**Latino Union of Chicago**
Latino Union of Chicago collaborates with low-income immigrant and U.S.-born workers to develop the tools necessary to collectively improve social and economic conditions.

**The People’s Lobby (TPL)**
TPL is a membership-driven organization of people across the Chicago region that work together to build widespread support for public policies and candidates—including people from our communities—that put racial and gender justice and the needs of people and the planet before the interests of big corporations and the very rich. TPL trains leaders to build bases in our communities and organizes support for progressive policies and legislation. As part of its mission TPL organizes and works with rideshare and delivery drivers to win policies that benefit these workers.

**Warehouse Workers for Justice (WWJ)**
WWJ is a worker center founded in 2008 to win stable, living wage jobs with dignity for the hundreds of thousands of workers in Illinois’s logistics and distribution industry. WWJ provides workshops about workplace rights, unites warehouse workers to defend their rights on the job, builds community support for the struggles of warehouse workers and fights for public and private policies that promote full-time work at decent wage in the warehouse industry.
The Shriver Center on Poverty Law fights for economic and racial justice. Over the past 50 years, we have secured hundreds of law and policy victories with and for people experiencing economic instability in Illinois and across the country.

Everything we do is powered by communities most affected by poverty. We litigate, shape local policy, and train and convene multi-state networks of lawyers, community leaders, and activists to advance opportunity for all—not just the few.

Our country is rife with laws and policies that systematically disadvantage certain groups while advantaging others based on their race, gender, and other facets of their identities. We believe laws and policies—and the institutions that apply them—should be designed to support people. Together, we’re turning this ideal into reality.

We are building a future where all people, families, and future generations have equal dignity, respect, and power under the law. Join the fight at povertylaw.org
Methodology

The Shriver Center has years of experience collaborating with directly impacted communities to support their efforts to achieve lasting, systemic change. For this project, we partnered with six worker centers that support individuals working in a variety of industries and occupations that are fighting to improve the conditions of their employment. To learn from and elevate the voices of these individuals, we conducted seven focus groups, providing interpretation services as needed (Spanish and Polish).

Each focus group had between three and seven participants. Each participant was asked to complete a brief questionnaire prior to the focus group and was provided in advance with a copy of the questions that would be asked during the focus group. We sought to learn more about the everyday experiences of each worker interviewed. We conducted follow-up interviews with several workers to gain further information about their experiences. Any information shared in this document about a particular participant is with the knowledge and consent of that individual.

We interviewed a total of 33 workers (all workers currently live in Illinois).

<table>
<thead>
<tr>
<th>Race/Ethnicity</th>
<th>Gender Identity/Sexual Orientation</th>
<th>Average Age</th>
<th>Age Range</th>
</tr>
</thead>
<tbody>
<tr>
<td>Black</td>
<td>Female</td>
<td>50.68</td>
<td>30–72</td>
</tr>
<tr>
<td>Asian</td>
<td>Male</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Latino/a/x</td>
<td>Heterosexual or straight</td>
<td>27</td>
<td></td>
</tr>
<tr>
<td>White</td>
<td>Gay</td>
<td>1</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Born outside the United States</th>
<th>Born in Illinois</th>
</tr>
</thead>
<tbody>
<tr>
<td>(Including in Mexico, Philippines, Poland, Colombia, El Salvador, Honduras, Ecuador, and Lithuania)</td>
<td>(Including Chicago, Joliet, and Blue Island)</td>
</tr>
</tbody>
</table>
We spoke with people who are considered employees (warehouse workers as well as food production workers). And we interviewed temporary workers who have identical jobs to some of the employees, but none of the benefits. We talked to gig workers (rideshare drivers and food delivery workers) and domestic workers (housecleaners and caregivers to both children and older adults or adults with disabilities). We spoke with day laborers, who often take on work for multiple individuals within the course of even a week. And finally, we talked to workers who were self-employed, in construction, selling cosmetics, or working as cosmetologists.

• Each worker was asked for their wages and for the number of hours worked. Based on the information provided, no worker made a living wage. While some workers may have made a living wage on an hourly basis, they did not work enough hours per week to earn a living wage

• In our interviews, we asked workers if they had access to benefits such as paid vacation, paid sick leave, paid family leave, health insurance, and childcare assistance

• In considering health and safety protections, we noted whether individual workers we interviewed were employees who are covered by federal occupational health and safety standards. We also looked at the workers’ eligibility for workers’ compensation if injured on the job

• In considering job security, we focused on how precarious work was for many people. Recognizing that Illinois, like nearly every state, is an at-will employment state allowing people to be fired at any time for any legal reason, we wanted to see whether workers felt that their jobs offered security that made termination unlikely, or if they felt that they could lose employment at the whim of their employer. We also examined whether financial support would be present for workers who lost their jobs for any reason. Workers also told us about scheduling issues
All workers’ names in this paper have been changed to preserve their anonymity.


How a worker is classified determines the legal protections and rights to which the worker is entitled. Workers classified as “employees” are entitled to core rights and protections such as minimum wage, overtime pay, contributions to Social Security, the right to collective bargaining under the National Labor Relations Act, workers’ compensation, unemployment compensation, and protection from discrimination. Anyone not classified as an employee, such as independent contractors, are not entitled to these rights and protections. See National Employment Law Project, supra note 7.


Occupational segregation is defined as a group’s overrepresentation or underrepresentation in certain jobs or fields of work. See Kate Bahn & Carmen Sanchez Cumming, Factsheet: U.S. Occupational Segregation by Race, Ethnicity, and Gender, Washington Center for Equitable Growth, (Jul. 1, 2020) https://equitablegrowth.org/factsheet-us-occupational-segregation-by-race-ethnicity-and-gender/.


13 Id.


17 The wage is lower for a family with two adults and one working than for a family with only one adult because the model assumes that the second parent provides childcare.

18 Living Wage Calculation for Chicago-Naperville-Elgin IL, supra note 16.


23 Id.


26 See Heidi Shierholz, supra note 34.


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Endnotes


48 Workers compensation is a program that provides wage replacement, medical benefits, and other assistance to workers who are injured, made sick, or killed on the job. Because workers compensation is funded by employers, workers who do not have an employer are not eligible to receive assistance.


60 Centers for Disease Control & Prevention, supra note 51.

Endnotes

10 *One Fair Wage*, supra note 10.

11 *Id.*


