

Contact: Lucinda Nord, Vice-President
Indiana Association of United Ways
(317) 921-1394; Lucinda.nord@iauw.org



Information shared with Senate Pensions and Labor Committee on work scheduling policies, February 11, 2015

Indiana Association of United Ways (IaUW) and our 61 local United Ways work closely with local community- and faith-based organizations that help individuals and their families. Many United Ways fund and support early education initiatives in local communities, as well as financial stability efforts that help families move from poverty to financial stability.

We do not have a position on SB416, as we have not studied the best policy solutions and base our positions on research and evidence-based practices. We appreciate the opportunity to share what we have heard in communities from employees, case managers, school and community leaders.

We recently released a report that we call our “ALICE Report.” ALICE is an acronym that stands for **A**sset-Limited, **I**ncome **C**onstrained, and **E**mployed. The report provides county-level, and even city township-level data about the number of households who work yet still live in poverty and those who work hard with incomes above poverty but earn less than the actual cost of living. The report creates survival budgets based local costs of housing, childcare, healthcare and transportation. Our local United Ways are creating community conversations around the state to raise awareness about “ALICE households.” We are engaging conversations with business leaders, case managers, service providers and consumers. So in addition the research found in our *ALICE report*, we are hearing themes that relate to this topic.

Changes in employment and types of jobs –

- The types of jobs that are available have changed and certain types of jobs have increased. Many of the “ALICE” jobs that pay above poverty but below a basic survival budget. These are home health aides, delivery drivers, child care workers, teacher aides, retail workers. These are important jobs in local communities—jobs that cannot be outsourced, people in our lives who most of us need.
- 69 % of all Indiana jobs pay less than \$20/hr, and most pay between \$10 and \$15/hr. While some of these jobs come with benefits, many do not. Let me be clear. We are not criticizing employers or certain types of business; we understand that this is a reality of our new economy.
- We live in a 24/7 society. These types of jobs are often available 24/7 with major fluctuations in hours. Employers face unpredictability in labor needs. Workers face unpredictability in their work schedules. They may not be scheduled for consistent times of day or days of week. We are hearing more about situations where employees are scheduled and routinely sent home early or have their hours cancelled at the last minute.

We want to share consequences on families and on community— again, not criticizing—instead, explaining consequences of unpredictable work hours or scheduling in this new economic reality.

- **Budgeting and Financial Stability** – When Joe or Mary have unpredictable hours (28 hours one week and 35 hours the next), they have a hard time making and staying within a budget. If Mary loses 8 hours this week because her home health service cancelled two of her 4-hr shifts, that 8 hours of pay is the difference between her ability to pay a utility bill and groceries. If they cancelled her shift after she arrived at work, she spent as much in gas money to get there as she was paid. Additionally, if Joe or Mary is scheduled for unpredictable hours or a certain number of hours, then those hours are not available for a second job. We hear stories about employers asking employees to be “on call” in case workload increases. This being “on-call” also reduces an employee’s ability to schedule another part-time job.
- **Child care from two perspectives** – Unpredictable or inconsistent work schedules wreak havoc on child care arrangements and thus both on parents and on the child care homes, centers and ministries. Parents who need child care to work are challenged to find quality child care for unpredictable or inconsistent work schedules. Parents who receive child care assistance risk losing their eligibility if their incomes change OR if they do not use a consistent number of hours each week. Additionally, child care homes or centers are considered small business enterprises that operate on very thin margins. Changes to a parents schedule affect these businesses, having a ripple effect in communities.
- **Education** – We all want to see parents engaged in their children’s education. Unpredictable or inconsistent work schedules wreak havoc on parental engagement. When Mary’s boss tells her she has to cover the shift tomorrow, it often doesn’t matter that she had a parent-teacher conference or that she wanted to attend the school open house. When Mary is placed “on call” for shifts, Mary cannot volunteer to chaperone the class field trip or volunteer in the class room. She needs that next shift of 5, 6, or 7 hours to pay bills.
- **Volunteering and Giving** – This is very important observation we are hearing throughout the state. We already know that when the economy is soft, people lose confidence. When people are not confident about their financial stability, they are less likely to commit to volunteering or to give. People who work unpredictable or inconsistent shifts really face this phenomenon.

Thank you for the opportunity for dialogue about this issue. We are not sure what the best policy solution is. We are certainly sensitive to the demands on employers—both for-profit businesses and nonprofits. We understand some of the challenges of this new economy. We would not want to add burdensome requirements. However, as we travel the state, we hear a growing awareness of the challenges of this new economy and the scheduling and work hours. We hear a desire to do something about it but an uncertainty about the best policy and practice solutions to get there. We look forward to ongoing dialogue.