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Building an Equitable Recovery for Workers and Families

CLASP Principles for Subsidized Employment

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CLASP
The Center for Law and Social Policy

The coronavirus pandemic laid bare the glaring inequities in our economy. Yet even before the pandemic, structurally racist and exclusionary U.S. systems disadvantaged people of color, youth and young adults, immigrants, individuals impacted by the criminal justice system, workers earning low wages, people with disabilities, and other historically marginalized groups.

The problems we are facing are systemic and require systems-wide solutions. People and communities struggle to survive—let alone succeed—because of an untenable environment created by centuries of discrimination; segregation; unstable and low-quality jobs; and a lack of investment in education, child care, and other crucial supports. These problems predate the pandemic and will continue in its wake unless we intervene. That is why the Center for Law and Social Policy (CLASP) advocates for federal, state, and local policies that expand access to subsidized employment. CLASP is also supportive of a federal jobs guarantee, which would ensure that any person who wants a job can get one.¹

Background

In the broadest terms, subsidized employment uses public funds to create jobs for unemployed or underemployed workers, either through public sector jobs or wage subsidies paid directly to employers.² Policymakers have historically used subsidized employment during periods of recession and expansion to link displaced and disconnected workers to paid work opportunities. In times of recession, subsidized employment can avert widespread job loss, economic instability, and a spike in poverty. In times of expansion, subsidized employment programs target jobseekers who are chronically unemployed and typically experience multiple structural barriers to employment.³

The need for a large-scale public employment program was plain even before the pandemic: disproportionate unemployment among youth and young adults, people impacted by the criminal justice system, people of color, and people with disabilities, just to name a few, is proof enough of the structurally racist and exclusionary labor market. Pandemic driven economic devastation makes this need more pressing. Federally subsidized employment can offer stability to families seeking relief from pandemic-related economic strain and avert the long-term damage of unemployment. Moreover, a subsidized employment program can ensure that communities most harmed by the pandemic achieve economic opportunity through accessible pathways to stable, long-term employment once it is safe to return to work.⁴

Numerous policy briefs already detail the history of subsidized employment in the United States and recommend best practices for program design and implementation.⁵ While we value those approaches, this brief seeks to contribute to the rising public consciousness of racial inequities permeating American culture, systems, and infrastructure. This brief also explores how targeted workforce development policies can address some of these inequities. Finally, we propose a set of principles and recommendations for a more equitable and inclusive subsidized jobs program.

Laying the Groundwork for Subsidized Employment

The notion of subsidized employment is not new, yet the need for targeted workforce development investment has never been more dire. American families are in crisis as the public health pandemic and ensuing economic and social upheaval press in from all sides. Our nation is undergoing an economic crisis unlike any other that results from a sharp decline in job openings; record unemployment, even surpassing levels seen in the Great Recession; a dip into recession; and a faltering recovery.⁶

Current Alleviation Efforts Are Insufficient and Expiring

Workers and families need immediate, bold federal action to restore stability and carve out pathways to long-term economic security. Despite the unprecedented nature of the current health, economic, and social crisis, current federal responses lack the scale and ambition necessary to provide true relief.

One-time stimulus payments authorized under the Coronavirus Aid, Relief, and Economic Security (CARES) Act failed to meet families' ongoing economic needs and left millions of families with low-incomes and immigrant families without any support.⁷ Policymakers allowed expanded unemployment insurance that buoyed displaced workers to expire July 31 without any concerted effort to renew.⁸ The paid leave and paid sick days provisions extended via the Families First Coronavirus Response Act are set to expire in December.⁹ Finally, a temporary suspension of federal student loan payments has provided some relief, though borrowers will be forced to resume payments in January, many with no job or with limited income.¹⁰ Now is the time to enact a more permanent and meaningful economic recovery strategy.

Principles of an Equitable Subsidized Jobs Program

Subsidized employment is a targeted equity tool and can help communities harmed by the pandemic achieve economic opportunity through accessible pathways to stable employment in good-quality jobs. In light of the recession and long road to recovery, CLASP has developed five principles to guide the creation of a subsidized jobs program:

1. Prioritize a subsidized jobs proposal in future economic recovery packages, including large-scale investments in infrastructure.
2. Center people of color, youth and young adults, immigrants, people with disabilities, people impacted by the criminal justice system, and other historically marginalized populations in subsidized employment and address pre-pandemic economic inequities by expanding labor and employment protections.
3. Invest in high-quality career pathways with navigation services and wraparound supports that connect participants to good jobs with advancement potential, living wages, and comprehensive benefits.
4. Target the populations most harmed, providing critical supports and culturally responsive interventions that allow them to access good jobs in their communities.
5. Remove obstacles and provide pathways to economic security for people with structural employment barriers and other historically marginalized people.

1. Prioritize Subsidized Employment in Large-Scale Federal Investments

Along with addressing Americans' immediate basic needs in virus-response stimulus packages, Congress must also incorporate a large-scale federal subsidized employment program into COVID-19 recovery. Such an investment would lay the groundwork for a long-term economic recovery strategy for workers who have been most harmed by the pandemic, including people of color, immigrants, people with disabilities, and people impacted by the criminal justice system. Any subsidized employment proposal should address and counteract the structurally inequitable effects of economic recession and centuries of disinvestment have had on households of color.

The versatility of subsidized employment program design means that state and federal agencies can prioritize specific occupations and sectors.¹¹ Policymakers can do this by ensuring the programs

- spur economic growth in local and state economies;
- support workers in accessing good jobs;
- support priority sectors, like infrastructure, the green economy, and care economy; and
- bolster recovery in sectors hit by the pandemic like health care, hospitality, and tourism.

Use Infrastructure Investments to Rebuild America's Economy

The nation is at a critical juncture in examining how to rebuild the economy once it is safe to fully reopen. The next coronavirus-response bill should lay the groundwork for a subsidized employment plan that prioritizes high-quality, high-wage work within the infrastructure sector.

In our view, Congress can make strategic investments in areas that serve the public interest. Federal policymakers should adopt a large-scale infrastructure package creating millions of new jobs that target youth and adults who have been most affected by the pandemic. Congress cannot continue to ignore America's roads, bridges, waterways, electrical grids, and transit systems in desperate need of repair and improvement.¹² The current moment provides a unique opportunity to invest in both workers and the physical infrastructure that connects us.¹³ Infrastructure investment should be an essential component of economic recovery and drive needed revitalization, especially in rural communities and in communities of color where disinvestment is especially stark. These jobs should pay living wages with benefits for displaced workers. Infrastructure investments can also help to green the economy and create jobs in this growing sector.

2. Center Racial Equity

Communities of color are disproportionately impacted by the pandemic and its economic aftermath. From the outset, Black, Latinx, Native American, and other people of color have been more likely to catch the virus, develop severe illness from COVID-19 due to structural racism that causes pre-existing conditions and comorbidities, and die due to complications from the virus coupled with lack of health care access.¹⁴ People of color, and especially young adults of color, are more likely to work in sectors gutted by the pandemic-fueled downturn and suffer from resulting food and housing insecurity.¹⁵ While people who are still employed—specifically those essential workers in frontline health care, grocery, and custodial roles—are at increased risk of exposure. Subsidized employment is a potential lifeline to recovery, particularly for communities of color that experience economic recoveries more slowly.¹⁶

The pandemic's immediate aftershocks caused unemployment to spike at 14.7 percent in April when an additional 20.5 million workers lost their jobs. Workers earning low wages and workers of color, and especially women of color, were particularly hard hit by pandemic-related economic blowback.¹⁷ In August the official unemployment rate for white workers was 7.3 percent, yet much higher for Black (13.0 percent), Asian American (10.7 percent),¹⁸ and Latinx workers (10.5 percent),¹⁹ as well as workers with disabilities (14.3 percent),²⁰ immigrant workers (10.2 percent),²¹ and other populations experiencing structural barriers.²² While devastating, this is not unusual; the unemployment rates for Black, Indigenous, and people of color (BIPOC) and other structurally disadvantaged groups are consistently higher than whites—and these gaps widen swiftly in recessions and narrow much more slowly throughout economic recovery.²³

Without targeted job creation efforts in communities experiencing the highest rates of unemployment, today's economic crisis will have a lasting negative impact both on workers of color and those facing other structural barriers to employment, including people impacted by the justice system and people with disabilities. Subsidized employment can close that gap by providing immediate access to employment and earnings, work experience, educational opportunities, professional connections, and social capital that help people find good jobs after the subsidized employment ends.

Address Systemic Economic Inequities for Lasting Impact

The pandemic upended life for millions and was particularly harmful to households still reeling from the last recession. Pervasive underemployment, a lack of comprehensive benefits and paid leave, low wages, and inconsistent scheduling left millions of workers vulnerable to the impacts of the recession. These same factors also mean workers are less able to weather the pandemic's economic impact. While a subsidized employment program could stabilize life for millions of Americans, it must coincide with an expansion of the civil rights and labor protections that insulate workers and families from future disruptions and eliminate the structural inequities leading to economic insecurity in the first place.

More than 10 years after the Great Recession, millions of workers still struggled with persistent underemployment and all the financial, emotional, and physical stress that comes along with it, despite the prevailing narrative of a "healthy" and "robust" pre-COVID-19 economy. Because underemployment is more widespread than federal measures indicate, many underemployed workers go uncounted.²⁴ Underemployment disproportionately affects historically marginalized communities and those facing barriers to economic security and mobility, including:

- Black and Latinx workers;
- young workers under 26 and older workers over 65;
- women;
- unmarried people;
- workers with low incomes and working in jobs paying low wages;
- hourly workers and workers with variable schedules; and
- workers employed in specific service sectors like leisure, education, health, transportation and retail.²⁵

Underemployment is likely to increase dramatically during the recession, leaving millions economically vulnerable. Expanding equitable access to better jobs is one way to mitigate the economic fallout of the pandemic and jumpstart an inclusive economic recovery. A subsidized employment proposal that supports underemployed workers must prioritize high-quality, high-wage full- and part-time jobs with

- comprehensive benefits,
- consistent work hours and scheduling,
- genuine skill-building opportunities, and
- pathways for career advancement.

But in the meantime, legislators can act now to support underemployed workers by

- increasing access to paid leave;

- expanding fair workweek laws and access to hours for part-time workers;
- ensuring part-time and full-time workers are treated equally on pay rates and the accrual of benefits; and
- increasing the federal minimum wage.²⁶

One piece of the puzzle: To be clear, CLASP firmly believes that subsidized employment and other workforce development policies are not the only methods of addressing the incalculable human and economic toll wrought by the COVID-19 pandemic, nor are they the only solutions for closing racial and ethnic disparities exacerbated by the pandemic. Rather, a federal subsidized employment program can provide immediate earned income that, together with other workforce development policies and wraparound supportive services, provide a pathway to lasting economic security and equity for the millions of families reeling from the direct and indirect economic effects of the pandemic.

3. Prioritize Good Jobs

A subsidized jobs proposal can lay the groundwork for an equitable, inclusive recovery that supports newly impacted individuals as well as those workers and families who struggled with economic insecurity even before the pandemic-fueled recession. The first goal of subsidized employment should be to connect jobseekers—especially historically marginalized groups like people who are Black, Latinx, Native American, Asian American and Pacific Islanders, as well as immigrants; youth and young adults of color; people with disabilities; and people impacted by the justice system—to high-paying occupations with comprehensive benefits and advancement potential. Yet without a commitment to quality, even a robust investment in subsidized employment could perpetuate existing workforce and societal inequities.

Paid Work and Living Wages

First, all federally subsidized jobs must be paid and provide quality, transferrable work experience for the employee. Unpaid employment favors those who can afford to work without wages in exchange for experience. This practice directly disadvantages those who cannot afford to work for free, including workers with low incomes or few financial assets and who often most need those connections to work. Unpaid subsidized employment will not be sufficient to support workers and their needs; any federal proposal must attach living wages to subsidized employment.

Advancement Potential

Providing subsidized jobs with living wages is just the first step. A federal investment in subsidized employment must also help workers and jobseekers build economic security. While subsidized employment has traditionally targeted individuals with low incomes or people living in poverty,²⁷ a federal program created in response to the pandemic will require a wider focus—and career pathways can provide that flexibility. Career pathways include a combination of education, training,

and supportive services tailored to equip participants with the skills and experience necessary to obtain high-wage, high-quality employment in the in-demand industry of their choice.²⁸ All partners involved in the pathways system must share a commitment to quality and positive outcomes.²⁹ Integrating career pathways within a federal subsidized employment program can provide the opportunity for economic mobility that historically marginalized populations and others experiencing structural barriers to employment need to flourish economically.

Expanded Worker Protections for a New Era of Work

Congress must extend and expand measures to safeguard workers' health and financial stability.³⁰ Although workers need an immediate response to the pandemic (e.g., with expanded health and safety protocols to protect them from new pandemic-era hazards), those who have long been ignored by public policy also need deeper structural change. And once it is safe to return to work, all workers, whether engaged in subsidized employment or not, need benefits and protections like expanded telework, paid family and medical leave, paid sick days, fair workweek policies, and others.

Child Care

Child care is an essential service millions of working families depend on. Prior to the pandemic, quality child care was unaffordable for most families, and public subsidies reached just a fraction of eligible families. Since COVID, the child care industry is teetering on the edge of collapse as programs are unable to meet health and safety standards necessary to keep children and caregivers safe without additional funds.³¹ A federal proposal for subsidized employment must include sufficient funding to provide child care services. Because this recession disproportionately impacts women, policymakers must meet child care needs so women with caregiving responsibilities can participate in the employment program.

4. Promote Equitable and Culturally Responsive Practices

In the economic fallout of the pandemic, millions of displaced workers could benefit from targeted interventions that remove barriers to economic security once it is safe to return to work. However, when the need for programming is so widespread, determining how to serve different populations well and with care to their individual needs and the barriers they experience is even more important.

A primary strength of publicly funded jobs programs is their tangible connection to work and work experience, especially for those disconnected from the workplace or with no prior work experience. However, the populations that fall into these two categories vary significantly, meaning they need tailored interventions and services. To be universally beneficial to everyone seeking relief from COVID-19-related economic impacts, a subsidized jobs program must center racial equity, consider the individual needs of workers, and anticipate and accommodate potential barriers to success.

Targeted Interventions

The list of people who need help connecting to work after the pandemic is long and likely to grow as the true impact of the pandemic becomes clearer.³² Right now, we know that people who experienced

difficulty finding work before the pandemic are even less secure after the economic fallout. This includes

- unemployed, underemployed and long-term unemployed people;
- youth and young adults;
- people impacted by the justice system;
- people experiencing homelessness;
- people with disabilities;
- English language learners;
- people with limited foundational skills like literacy;
- people living in poverty and others.

Everyone experiencing pandemic-related displacement will require new and bold workforce development strategies to get them back on track.

Priority of Service

Workers who experienced jobs loss or were struggling prior to the pandemic will need more targeted interventions to transition into good jobs with living wages and benefits. One way to ensure a subsidized jobs proposal supports individuals with the highest need is by including a priority of service clause.³³ When paired with significant new federal investment, priority of service could help a subsidized jobs program support those with the greatest need by centering equity, targeting jobseekers with multiple barriers, or both.

5. Remove Population-Specific Barriers and Model Best Practices

Good program design is essential to the success of a large-scale subsidized employment program. Luckily, legislators and workforce advocates do not have to start from scratch: numerous existing high-quality programs that excel in serving high-barrier populations can be models for a scalable federal program. People with barriers to employment often have individualized needs beyond the necessities of living wages, comprehensive benefits, and wraparound supports. Crucially, any subsidized employment proposal must first center equity in both program design and implementation to ensure it does not reinforce or exacerbate existing racial, ethnic, and economic inequities.

Unemployed, Underemployed, and Long-Term Unemployed

While unemployment rates are now trending downward since their dramatic spikes at the beginning of the COVID-19 crisis, millions are still reeling from the loss of income and security associated with unemployment. Subsidized employment with robust connections to high-quality jobs, skill-building opportunities, benefits, and advancement opportunities can stabilize life for millions of American households just as they need it most.

Local initiatives like the **Bridge to Jobs Program (BRIDGE) in California** connect individuals with limited work experience to assistant-level public sector jobs with the City of Los Angeles. Candidates receive full-time hours; living wages; health, retirement, and commuting benefits; and paid on-the-job training and development to progress in their career. BRIDGE serves an array of populations who experience hiring discrimination and structural barriers to employment.

Economic transition also pushed **San Antonio, TX** residents to innovate. As the local industry mix shifted away from manufacturing, community members convened to create a strategy that connected residents with low incomes to emerging job opportunities in the service and tech industries. The resulting program, **called Project QUEST**, is outcomes based and prioritizes training and career pathways that offer family-sustaining wages and advancement potential. Participants receive intensive case management services to ensure personal and financial barriers do not derail their success. Project QUEST has a long track record of successfully training and placing jobseekers— especially jobseekers of color—in high-paying, in-demand jobs that drive the regional economy.

An equitable subsidized jobs program designed with the needs of unemployed, underemployed, and long-term unemployed people in mind must provide access to:

- Living wages;
- Work-enabling wraparound support services like case management, child care, and transportation; and
- Pathways for career advancement and economic mobility.

Youth and Young Adults

Young people ages 16 to 24—and particularly young people of color—are often overlooked in policy and programmatic initiatives that prioritize adult workers, young children, or both. Unemployment for youth and young people is generally higher than the 25-and-older adult population, though the pandemic has accentuated this disparity. Nearly one in five youth are unemployed (18.5 percent), double the rate from last year. The average also hides steep racial disparities: One fourth (25.4 percent) of Black and Asian youth are unemployed, while nearly 22 percent of Latinx youth are unemployed.³⁴

Displacement is just one barrier youth and young people face. While youth disconnection from both work and school has fallen since the Great Recession, the pandemic will undoubtedly cause

disconnection rates to spike. Just between March and April 2020, the share of Americans ages 16 to 24 who were disconnected jumped from 12 percent to 20 percent. By June 2020, three in ten youth—or roughly 10.3 million young people—were not engaged in school or work.³⁵ Even before the pandemic, youth and young people of color were most affected: Nearly one in four (23.4 percent) Native American youth are disconnected from work and school, followed by Black teens and young adults (17.4 percent), Latinx youth (12.8 percent), and white youth (9.2 percent).³⁶ The economic fallout of the pandemic will harm youth and young people, especially youth and young people of color, for years if not decades without swift and robust interventions targeted to this group’s varied needs.

ALLIES for Innovation is a coalition of partners in **Silicon Valley, CA** committed to create a “no wrong door” system for immigrant integration in Silicon Valley. ALLIES outlines a broad set of balanced goals and metrics to measure immigrants’ success beyond acquiring English language skills. The coalition’s Immigrant Integration Framework maps eight areas for success, including holistic interpretations of economic security and educational and career advancement. ALLIES charts success in economic security by measures including

- employment and career progression,
- meeting essential needs and managing household expenses,
- asset building and asset protection, and
- maintaining household income.

These measures of what economic success means for immigrant communities and how to aid in their progress could inform the design for an inclusive subsidized employment program.

An equitable subsidized jobs program designed with the needs of youth and young people in mind must provide access to:

- Living wages, comprehensive benefits, and wraparound support services;
- Opportunities for economic empowerment and mobility;
- Positive mentorship opportunities; and
- Pathways to long-term success in vocational education, postsecondary education, and careers.³⁷

Immigrants, Asylees, and Refugees

Immigrant children and families face unique barriers to basic services, including laws that restrict even lawfully present immigrants’ access to federal means-tested benefits. Systemic barriers, confusing rules and immigration-related concerns collide to undermine this population’s economic security. The effects of the pandemic on unemployment are already clear: the unemployment rate for those born outside the United States was 10.2 percent in August, more than three times higher than it was one year ago. Women are faring even worse: one of every eight (12.3 percent) women born outside the

United States was unemployed in August.³⁸

An equitable subsidized jobs program designed with the needs of immigrants, asylees and refugees in mind must provide access to:

- Culturally and linguistically responsive occupational skill building programs;
- Mental health counseling services;
- Case management and navigation services;
- Living wages and comprehensive benefits; and
- Wraparound support services like child care and transportation that enable full participation.

English Language Learners

English language learners, whether recent immigrants or U.S.-born nonnative speakers, face the added challenge of developing English language proficiency while simultaneously learning occupational or academic content in English. In the midst of the pandemic, language and access barriers for youth and adult English language learners with low incomes are widening as remote learning becomes the new normal.³⁹ Many employment and integration programs cater to English language learners and immigrants as a monolith. To account for the diversity of work experience and English language proficiency, a subsidized jobs proposal must include highly individualized employment opportunities and wraparound services.

The **state of Washington** offers one example of a transitional, unsubsidized employment pathway for refugees and other recent immigrants to gain work experience while building English language skills. **The Limited English Proficiency (LEP) Pathway program** couples English as a Second Language instruction and work activities (like job readiness and skills training, job placement, and work experience) to help refugees adapt to their new home. State agency staff like social workers refer clients to the program who have difficulty understanding or communicating in English. In addition to English instruction, participants receive culturally appropriate case management services and assistance from a bilingual site supervisor who helps participants navigate unfamiliar workplace cultures and demands. LEP Pathway participants successfully found employment at the same rate as non-refugee participants in the state's subsidized employment program.

An equitable subsidized jobs program designed with the needs of English language learners in mind must provide access to:

- English instruction personalized to their proficiency level that includes an emphasis on culture and prepares them for the work activities in their career of choice;⁴⁰
- Blended learning models that couple in-person occupational training with digital or online instruction for better outcomes;
- Living wages, comprehensive benefits, and wraparound support services.

People with Disabilities

Despite legal protections that require employers to provide reasonable accommodations to create equally accessible workplaces, people with disabilities continue to encounter barriers in the workplace. Some of these barriers came down when the pandemic caused a culture shift in the way people work and, almost overnight, workplace accommodations (e.g., remote work, telecommuting, livestreaming of events, and distance learning) became widely available. Even so, access barriers like the digital divide and the availability of online accessibility functions still inhibit people with disabilities from employment opportunities and dictate which jobs and sectors they can pursue. And if disabled jobseekers manage to surmount those barriers, they may still face discrimination and wage theft due to a federal loophole.⁴¹

While updated figures detailing unemployment disaggregated by race and ethnicity are not yet available, even before the pandemic Black people with disabilities were unemployed at nearly twice the rate (11.8 percent) of white people with disabilities (6.6 percent) and Asian people with disabilities (6.7 percent). We can assume the pandemic will exacerbate racial disparities.⁴² Compounded inequities across gender and ability are also driving up unemployment for women. While the aggregate unemployment rate for all people with disabilities is elevated, one in six (16.3 percent) women with disabilities was unemployed in August.⁴³ In short, our country still has more work to do to ensure people with disabilities have access to good jobs with a living wage, educational opportunities, public benefits, and the accommodations they need to lead healthy, independent, and prosperous lives.

An equitable subsidized jobs program designed with the needs of people with disabilities in mind must provide access to:

- Part-time or flexible work schedules for those who cannot or choose not to work full-time hours;
- The option to work remotely, telecommute, and participate in distance learning based on both ability and individual choice;
- Case management and navigation services to help maintain benefits eligibility;
- Living wages, comprehensive benefits packages, and wraparound support services.⁴⁴

People Impacted by the Justice System

Over two million people are incarcerated in the United States today. Because of discriminatory public policies across education, employment, and criminal and juvenile justice systems, people of color with low incomes are disproportionately represented in that population. Formerly incarcerated people face staggering barriers to employment—even in normal labor market, the unemployment rate for formerly incarcerated people is nearly five times the national average.

Mass incarceration's harm is widespread and inequities for people impacted by the justice system are compounded by the intersections of gender, race, and carceral history. Black women are particularly affected: two out of every five formerly incarcerated Black women are unemployed (43.6 percent) compared to one out of every three formerly incarcerated Black men (35.2 percent) and roughly one out of every five formerly incarcerated white women (23.2 percent) and white men (18.4 percent).⁴⁵

Roca Inc.—a program based in **Boston, MA**—tackles the intersections of carceral history and race head on. Roca's model is highly tailored to serving high-risk young people and building genuine, transformational client relationships. From there, Roca's programming advances from education, to life skills coaching, and into paid transitional employment. Ongoing job readiness training, navigation, and retention services help participants adjust to transitional employment and successfully shift to full-time unsubsidized employment outside of the program.

Another model run by **Center for Employment Opportunities (CEO)** in **11 states and 30 cities nationwide** connects formerly incarcerated people to job-readiness training, transitional employment, job coaching and placement, and retention services. CEO uses evidence-based employment programs to target interventions to their diverse client base before helping them transition into unsubsidized employment. More than half of CEO's clients have no prior work experience, are parents, have a high school equivalency, or are younger adults between the ages of 18 and 30. A large majority are male or people of color.

An equitable subsidized jobs program designed with the needs of people impacted by the justice system in mind must provide access to:

- Quality jobs with living wages and comprehensive benefits;
- Access to mentoring and counseling services for mental health and substance dependency;
- Comprehensive case management, including support accessing identification, housing, connections to public benefits systems, health supports, and other services; and
- Flexible hours and wage payment schedules.

Moving Forward

While the pandemic upended life as we know it, millions were already drowning. Long before the onset of the pandemic, structurally racist and exclusionary systems have disadvantaged people of color, youth and young adults, individuals impacted by the criminal justice system, workers earning low wages, people with disabilities and other historically marginalized. A well-designed subsidized jobs program can extend pathways to economic security for millions of households and be the first swipe at eliminating centuries of structural racism embedded in the workforce system by using targeted interventions and investments. In the face of an unprecedented crisis, we need Congress to meet the moment.

All workers and families deserve the stability that good jobs, living wages, comprehensive benefits, and wraparound supportive services can provide. Robust investments in workforce development now can transition workers into good jobs with family-sustaining wages and benefits once it is safe to return to work. In addition to providing immediate relief, a large-scale subsidized employment program can usher in the strategic and inclusive economic recovery the country so desperately needs.

With millions still unemployed and a meandering road to “normal” ahead, workers and families cannot afford for Congress to wait. We urge lawmakers to turn to these principles as they consider drafting and implementing a federal subsidized employment proposal. These principles can guide lawmakers in creating a subsidized employment program that promotes equity and economic security for all rather than perpetuating or exacerbating existing disparities.

Endnotes

¹ For a deeper discussion of the federal jobs guarantee, see: Mark Paul, William Darity, Jr., and Darrick Hamilton, *The Federal Job Guarantee – A Policy to Achieve Permanent Full Employment*, Center on Budget and Policy Priorities, March 9, 2018, <https://www.cbpp.org/research/full-employment/the-federal-job-guarantee-a-policy-to-achieve-permanent-full-employment>.

² Any subsidy paid to employers to subsidize employment includes the full cost of wages paid to the employee and all employee benefits paid, like health care.

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