

Advancing Economic Justice and Thriving Communities

The wage equity study recently released by the University of Washington School of Social Work demonstrates that human services work, particularly in nonprofits, has been and continues to be devalued. This devaluation stems from a legacy of racial and gender occupational segregation rooted in slavery in which care work is deemed less worthy of compensation or dignity than afforded jobs typically held by White men.

Studies show:

Controlling for education, **the majority of occupations (87%) can be classified as racially segregated**. Citing a paper by Rebecca Dixon for the Minneapolis Federal Reserve, The more Black and Female an occupation, the lower the pay. *For every additional \$10,000 in the average annual wage, you will see a 7% drop in the proportion of black men in that occupation. The more female-dominated an occupation is, the more undervalued that work is, especially for care work.*

Women and Black workers are overrepresented in human services/care jobs. Women are paid less than men for similar work. Women comprise 80% of workers in this industry. Black/African American workers are three times as likely to work in human services compared to non care industries. Black women hold 1 in 5 care economy jobs.

Median wages for full-time nonprofit human services staff are 37% less-than-median wages for jobs of equivalent difficulty in non-care related industries.

Education is not a remedy for low pay. Human services workers with a bachelor's degree or other advanced degree (61% of workers) experience a 46% wage penalty relative to similarly educated workers in non-care industries.

Inequitable distribution of resources, complex grant and public contracting processes, and **funding less than the true cost of services has led to low pay, high turnover, and fewer resources reaching smaller organizations led by and for people of color.**

The racial wealth gap is the cumulative measure of how we've designed systems, institutions, and practices to produce and perpetuate inequities. White households hold 8x the wealth of Black households and 5x the wealth of Latinx households. **The devaluing of work and workers by race and gender is our founding story and a root cause of wealth inequities.** For example, in addition to low pay leading to lower retirement savings, labor income is taxed at higher rates than wealth which both contribute to wealth inequities over time.

Working collectively, we can change this story by:

- Developing new narratives that shift ideas about wealth and power and a creating a collective vision to sustain services for thriving communities
- Changing private and public funder practices, and
- Engaging in systems change