SUBSIDIZED JOBS FOR PEOPLE EXPERIENCING OR AT-RISK OF HOMELESSNESS

June 2021



Workers across the United States are suffering. The <u>labor market is much weaker than it appears</u>, and adults and youth of color, women, and those who face barriers to employment like homelessness or unstable housing are hurting the most. Millions of <u>people are struggling</u> to keep a roof over their heads, and <u>homelessness</u> was on the rise even before COVID-19. To promote an **inclusive economic recovery**, we need **bold, large-scale, and transformative jobs solutions** that can quickly get people back to work and intentionally reach those most impacted by the recession. **Congress must enact an equity-centered national subsidized employment program in <u>any recovery legislation</u>.**

SUBSIDIZED JOBS + HOUSING STABILITY



- ► Earned income and housing stability go hand in hand. Subsidized employment gets people to work rapidly and earning much-needed income that can be put toward the basics, like rent.
- People experiencing or at-risk of homelessness often face multiple structural barriers to finding and keeping good jobs that pay the rent, especially in high cost markets.
- Subsidized employment programs create inclusive job opportunities for people experiencing or at-risk of homelessness, helping more people enter the labor market and support themselves and their families.

CONGRESS MUST ACT

More than <u>9 in 10 Americans</u> (93%) favor a national initiative that creates paid work and job training opportunities as part of recovery efforts. Moreover, subsidized employment is the only workforce intervention <u>proven</u> to put large numbers of unemployed people to work rapidly and put income in the pockets of those who need it most - including people experiencing homelessness or struggling to pay the rent.

An <u>equity-centered and permanent national subsidized employment program</u> can support an inclusive COVID-19 economic recovery: <u>increase job quality</u>: expand access to <u>green-economy jobs</u>: bolster investments in traditional and <u>caregiving infrastructure</u>; help people get or keep safe, stable housing; and lay the groundwork for a more fair, just, and prosperous economy.







Over 20 million workers need the opportunity a subsidized job provides.

An investment of \$45 billion in federally subsidized employment would serve as a down payment on that need and begin to redress longstanding inequities.

WHAT IS SUBSIDIZED EMPLOYMENT?

Subsidized employment means the government partially or fully pays for workers' wages, which encourages hiring of all kinds of workers and helps **redress deep-seated economic inequities**. Whether it supports those displaced due to economic downturns or those who face chronic unemployment <u>even when the economy is growing</u>, **subsidized employment has helped people get to work <u>since the Great Depression</u>. During the <u>Great Recession</u>, federal investments in subsidized employment connected more than a quarter-million jobseekers with low incomes to work, including people experiencing or at-risk of homelessness.**

WHY INVEST IN SUBSIDIZED EMPLOYMENT NOW?

11M

The United States has a shortfall of 11 million jobs.
This deficit, if left unchecked, could take more than a year to reverse.



Almost 11 million adults living in rental housing are not caught up on rent, with nearly 1 in 3 Black renters reporting they are struggling to pay rent. Subsidized employment can help stave off a massive eviction crisis.

22M

The official unemployment rate is just part of the story. In total, over <u>22 million</u> workers have been economically harmed by the COVID-19 recession.



As emergency housing supports phase out, many people experiencing or at-risk of homelessness will need to connect to work quickly in order to secure or maintain safe, stable housing.

SUCCESS STORIES



An evaluation of Michigan's Earn and Learn program, which included people experiencing housing instability, found that the program increased earnings by nearly 300% and led to greater rates of employment after completion.



<u>LA:Rise</u> connects people in Los Angeles who are experiencing **housing instability** to subsidized jobs combined with support services that help workers retain **both** <u>employment and stable housing.</u>



Bright Endeavors is an <u>employment social</u> <u>enterprise</u> in Chicago that offers subsidized jobs and skill building to young moms who are at-risk of homelessness. In FY20, Bright

Endeavors helped nearly 100 young moms obtain permanent employment.

The United States needs **bold**, **large-scale**, **and transformative jobs solutions**. An equity-centered national subsidized employment program can support a COVID19 economic recovery, **open doors to economic opportunity and the income needed for housing stability for all jobseekers**, and must be a part of <u>any recovery legislation</u>.





