## United States Senate

WASHINGTON, DC 20510-4606

COMMITTEES: FINANCE

BANKING, HOUSING, AND URBAN AFFAIRS

BUDGET

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**RULES AND ADMINISTRATION** 

March 11, 2020

The Honorable Eugene Scalia Secretary of Labor U.S. Department of Labor 200 Constitution Ave, NW Washington, DC 20210

Dear Secretary Scalia,

The Centers for Disease Control and Prevention (CDC) recently put out a public health response to a potential coronavirus disease outbreak in the United States that included recommendations for social distancing. The CDC is urging Americans to stay home when ill, work remotely, and seek medical care when infected. As The New York Times recently noted, however, following the CDC's recommendations in response to the potential spread of the coronavirus can often be a luxury some workers can't afford. Some workers may simply not be able to follow these recommendations without experiencing some kind of financial hardship. I write to urgently ask that the Bureau of Labor Statistics (BLS) start collecting information on the extent to which all workers in the economy – including contingent workers and those in alternative work arrangements – have access to these kinds of benefits.

Based on what we know from the BLS's current data collection efforts, 10.1% of the labor force is engaged in alternative employment arrangements as their primary form of occupation.<sup>3</sup> That translates to roughly 15 million workers in the United States. Unfortunately, we don't know how many of those workers are working without access to a broader worker benefits system.

As The Washington Post recently wrote, gig workers – and contingent workers more broadly – are likely the most vulnerable workers to a potential spread of the coronavirus. They may be working without access to a healthcare plan or paid sick leave. As a consequence, they're not likely to follow the CDC's coronavirus recommendations. They may not go to the doctor when

<sup>&</sup>lt;sup>1</sup> Centers for Disease Control and Prevention. February 24, 2020. "Public Health Response to the Coronavirus Disease 2019 Outbreak." Retrieved: <a href="https://www.cdc.gov/mmwr/volumes/69/wr/mm6908e1.htm">https://www.cdc.gov/mmwr/volumes/69/wr/mm6908e1.htm</a>

<sup>&</sup>lt;sup>2</sup> Miller, Claire Cain, Sarah Kliff, and Margot Sanger-Katz. March 1, 2020. "Avoiding Coronavirus May Be a Luxury Some Workers Can't Afford." The New York Times. Retrieved: https://www.nytimes.com/2020/03/01/upshot/coronavirus-sick-days-service-workers.html

<sup>&</sup>lt;sup>3</sup> Bureau of Labor Statistics. 2018. "2017 Contingent Worker Supplement, Current Population Survey." Retrieved: https://www.bls.gov/news.release/conemp.nr0.htm

<sup>&</sup>lt;sup>4</sup> Tiku, Nitasha. March 2, 2020. "Gig workers face the spread of the new coronavirus with no safety net." The Washington Post. Retrieved: <a href="https://www.washingtonpost.com/technology/2020/02/29/gig-workers-face-spread-new-coronavirus-with-no-safety-net/">https://www.washingtonpost.com/technology/2020/02/29/gig-workers-face-spread-new-coronavirus-with-no-safety-net/</a>

they are sick for lack of insurance and they may not stay home due to loss of income.

From the information we do know about worker benefits provision in the United States – thanks to the BLS's current data collection efforts – access to healthcare and other benefits is already a problem for low to middle wage workers. Your most recent March 2019 Employee Benefits Survey results suggest we're facing a worker benefit polarization problem in the United States. We know, for example, that only 44% of service sector workers, 23% of part-time workers, and 37% of workers in the bottom quartile of wages have access to a healthcare plan. <sup>5</sup>

A majority of these workers also tend to work without access to paid leave. Only 43% of service sector workers, 23% of part-time workers, and 56% of workers in the bottom quartile of earnings have access to some type of paid leave. This last statistic is particularly salient for public health reasons because we know that more than 43% of workers in the bottom quartile needed to take leave in 2018 for their own illness or medical care and didn't take it. Of those workers that needed to take leave, your surveys tell us that over 60% of part-time and lowest wage workers didn't do so either because they did not have enough leave, could not afford the loss of income, feared negative employment repercussions, or simply did not have access.

The other important piece of information we know as a result of current data collection efforts is that the ability to work from home is a benefit concentrated among those with higher levels of education. Your surveys note that roughly 12% of workers with a high school degree worked at home on an average day, while nearly 42% of workers with an advanced degree did. This same trend holds true for full-time workers making the lowest weekly earnings – less than 8% work from home on an average day – while almost 35% of workers with the highest earnings do. <sup>10</sup>

<sup>&</sup>lt;sup>5</sup> Bureau of Labor Statistics. 2019. "Table 9. Healthcare benefits: Access, participation, and take-up rates, private industry workers, March 2019." Bureau of Labor Statistics Employee Benefits Survey 2019. Retrieved: https://www.bls.gov/ncs/ebs/benefits/2019/ownership/private/table09a.pdf

<sup>&</sup>lt;sup>6</sup> Bureau of Labor Statistics. 2019. "Table 6. Employed persons working at home, workplace, and time spent working at each location by full- and part-time status and sex, jobholding status, and educational attainment, 2018 annual averages." Bureau of Labor Statistics American Time Use Survey 2018. Retrieved: https://www.bls.gov/news.release/atus.t06.htm#tus\_tu\_ur6.f.1

<sup>&</sup>lt;sup>7</sup> Bureau of Labor Statistics. 2019. "Table 7. Workers who needed to take leave from their jobs but did not take it: reasons for needing to take leave by selected characteristics, averages for the period 2017-2018." Bureau of Labor Statistics American Time Use Survey 2018 - 2017-18 Leave and Job

Flexibilities Module. Retrieved: https://www.bls.gov/news.release/atus.t06.htm#tus\_tu\_nr6.f.1

<sup>&</sup>lt;sup>8</sup> Bureau of Labor Statistics. 2019. "Table 8. Workers who needed to take leave from their jobs but did not take it: reasons for not taking leave by selected characteristics, averages for the period 2017-2018." Bureau of Labor Statistics American Time Use Survey 2018 - 2017-18 Leave and Job

Flexibilities Module. Retrieved: https://www.bls.gov/news.release/atus.t06.htm#tus\_tu\_nr6.f.1

<sup>&</sup>lt;sup>9</sup> Bureau of Labor Statistics. 2018. "Table 6. Employed persons working at home, workplace, and time spent working at each location by full- and part-time status and sex, jobholding status, and educational attainment, 2018 annual averages." Bureau of Labor Statistics American Time Use Survey 2018. Retrieved: https://www.bls.gov/news.release/atus.t06.htm#tus\_tu\_nr6.f.1

<sup>&</sup>lt;sup>10</sup> Bureau of Labor Statistics. 2018. "Table 7. Employed persons working on main job at home, workplace, and time spent working at each location by class of worker, occupation, and earnings, 2018 annual averages." Bureau of Labor Statistics American Time Use Survey 2018. Retrieved:

https://www.bls.gov/news.release/atus.t06.htm#tus\_tu\_nr6.f.1

Similarly, less than 10% of workers in the service, construction and extraction, production, and transportation and material moving sectors seem to work from home.<sup>11</sup>

Our American system of social insurance should not be a benefit we offer to the most privileged of workers. The entire premise of the Affordable Care Act was to solidify that basic access to healthcare should not be conditional on worker status, sector of employment, or take-home pay – every American should have access to affordable healthcare. In the U.S. Congress, I have advocated for experimentation of a portable benefits system for independent workers that would include a broader set of worker benefits. It seems increasingly clear that – for certain workers – not having access to benefits that are portable, that they can take from job to job and gig to gig, is a public health issue for the rest of American society.

Again, I strongly urge that the Department of Labor start collecting information about access to worker benefits for all workers, including those in alternative work arrangements. Thank you in advance for your prompt attention to this matter. I look forward to working with you on your next steps.

Sincerely,

Mark R. Warner United States Senator

Cc: Commissioner William W. Beach

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<sup>11</sup> Ibid.