

From Subminimum Wage to Competitive Integrated Employment for Illinoisans with Disabilities

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Overview

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Current Employment Data for PWD

02

**Overview of Subminimum Wage/
Sheltered Workshops**

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Intervention to promote CIE



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Current Disability Employment Data

Labor Force Participation
Percentage of Individuals Employed
Earnings
Poverty Rate



Labor Force Participation Rate

September 2022, Working Age (16-64)



Labor Force
Participation Rate

38.0%

Persons with Disabilities



Persons without Disability

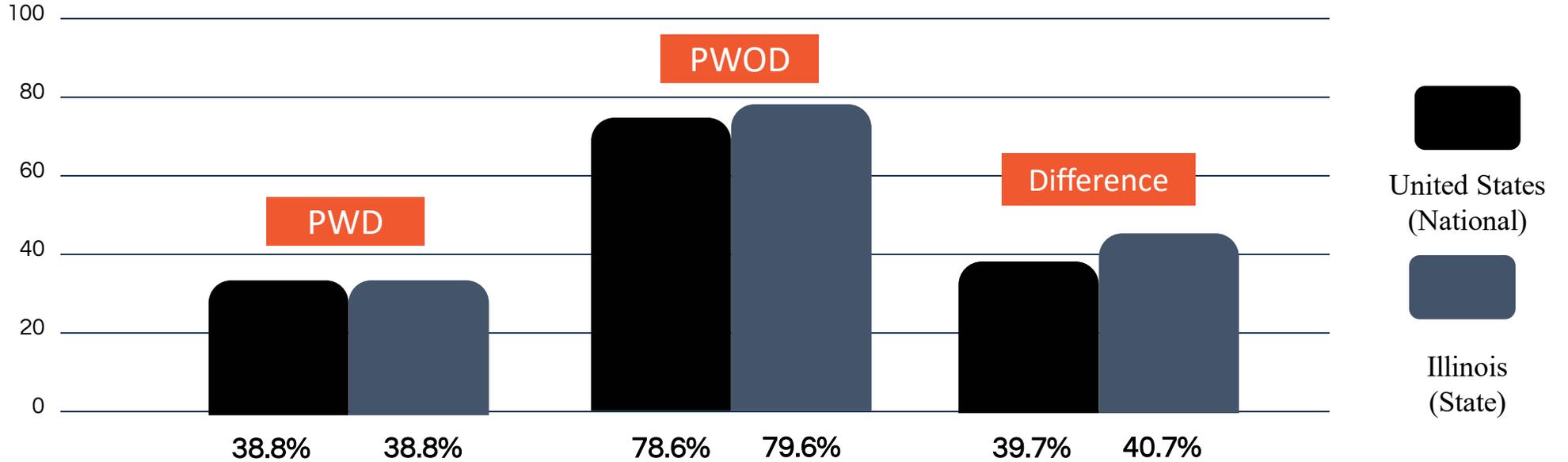


77.1%

Percentage of Individuals Employed



Percentage of Individuals Employed

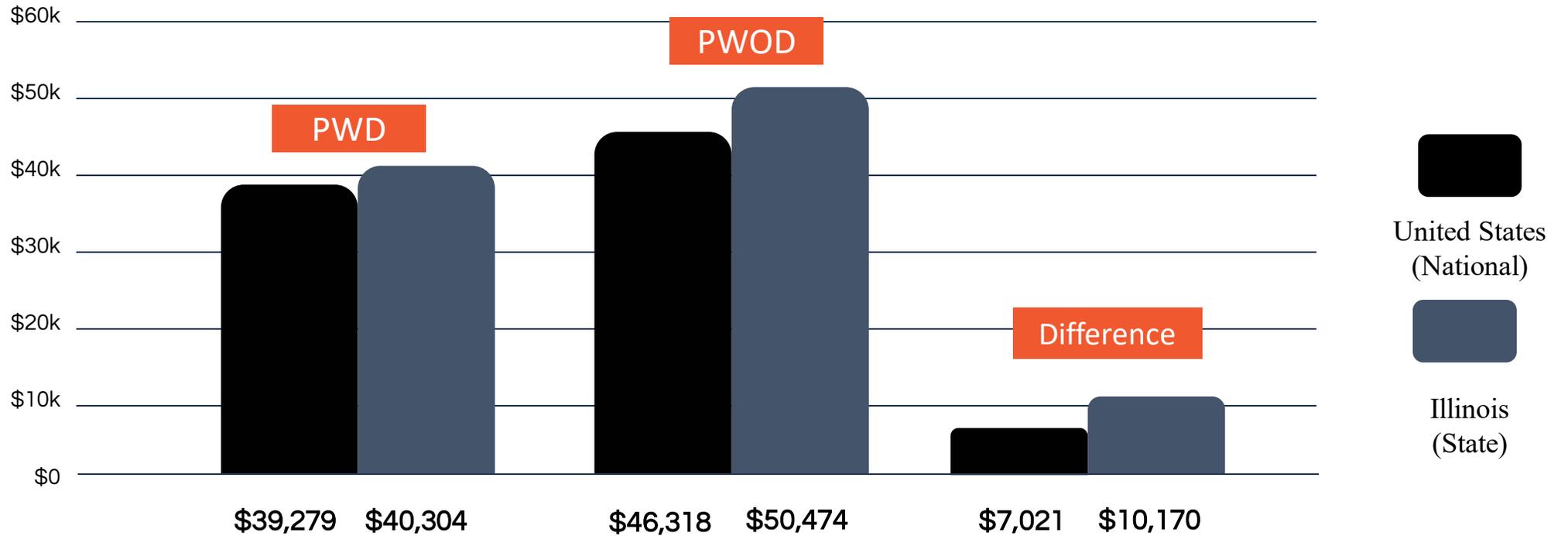


- **PWD:** People with Disabilities
- **PWOD:** People without Disabilities

Earnings

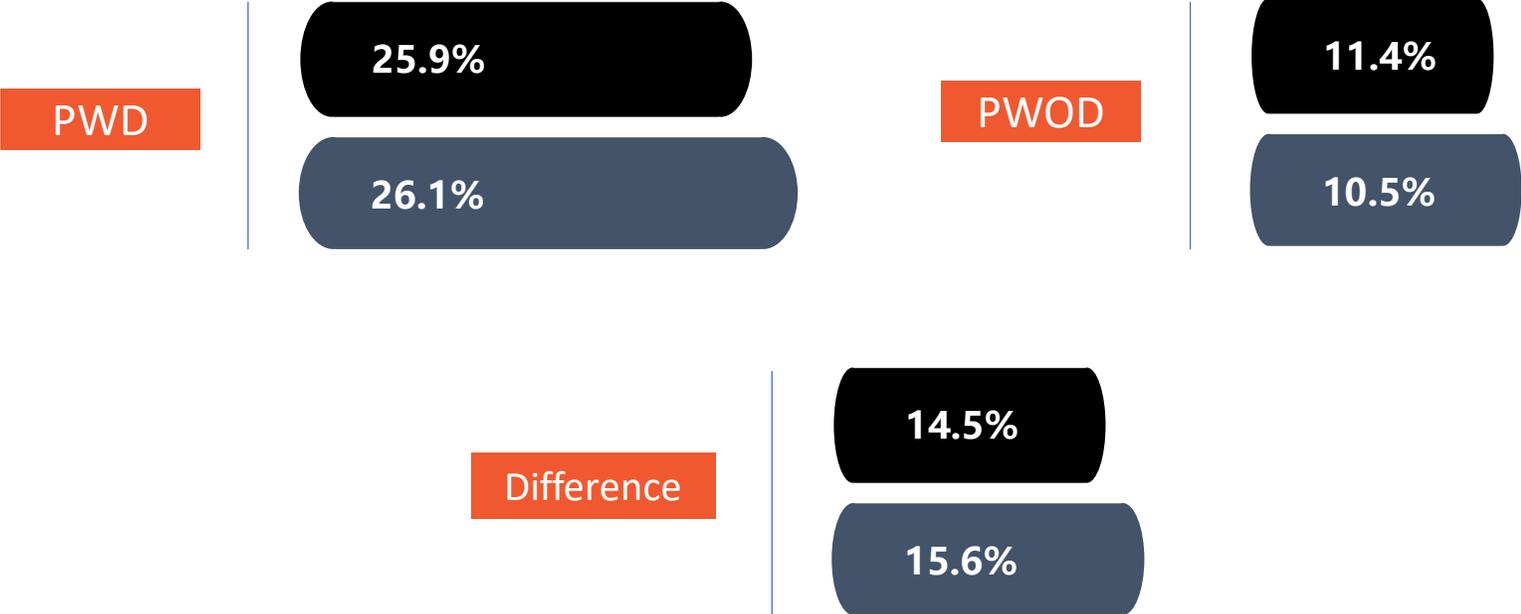


Earnings



- *PWD: People with Disabilities*
- *PWOD: People without Disabilities*

Poverty Rate



- *PWD: People with Disabilities*
- *PWOD: People without Disabilities*

United States (National) Illinois (State)

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Subminimum Wage

- Nationwide call to increase wages
- Subminimum Wage
- Reach of Subminimum Wage
- Impact of Subminimum Wage



Nationwide Call to Increase in Wages



➤ **Nationwide call to increase wages to provide a livable wage**



29 States plus the District of Columbia, Guam, and Virgin Islands have increased their respective minimum wages to exceed the federal minimum wage of \$7.25 per hour



January 1, 2022, Illinois raised the minimum wage across the state to \$12 per hour, \$4.75 above the federal minimum wage (*Public Act 101-0001*)



Despite the increase in minimum wage, it is still legal to pay people with disabilities (PWD) below the federal minimum wage in Illinois (**Subminimum Wage**)



Subminimum Wage (SMW)



- Section 14(c) of the Fair Standards Labor Act of 1938 provides the legal foundation for subminimum wage
- 46 States (*including Illinois*) plus the District of Columbia use 14(c) waivers
- Certificate holders represent a broad group of industries including but not limited to: *Hospitals/Residential Care Facilities; for profit businesses, educational programs, non-governmental community providers*



Reach of Subminimum Wage



6,672

An anticipated total employed people in subminimum wage

In Illinois, 63 current certificate holders and 36 pending (Total-99 employers)

- 4,246 people employed by the 63 certificate holders
- An additional 2,426 people anticipated to be employed by the 36 pending certificates



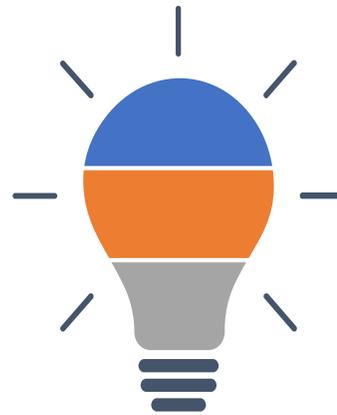
321,131 ~ 420,000

An estimated number of subminimum wage employers nationwide

Impact of Subminimum Wage



1. Unable to recognize the economic and health benefits of Competitive Integrated Employment (CIE)
 - People with disabilities live in poverty
 - Decreased quality and satisfaction of life
 - Unable to fulfill customary social roles derived from CIE

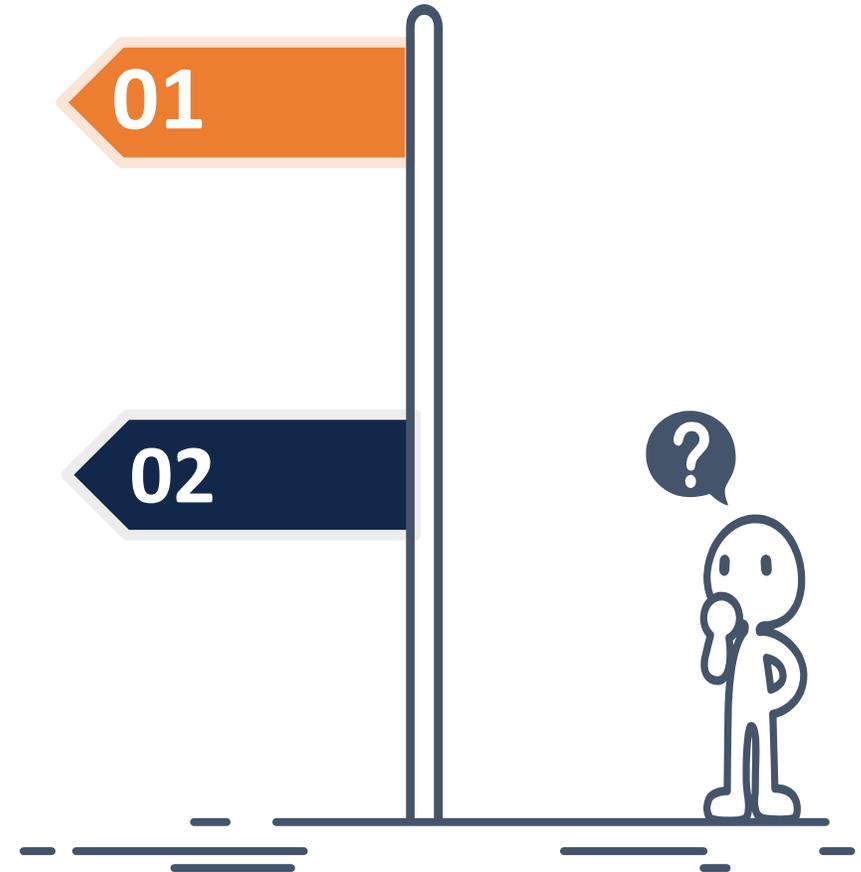


2. Research has consistently found that PWD in SMW do not differ from PWD employed in CIE within the community
3. Research has also consistently found that families of PWD overwhelmingly prefer CIE over SMW

Promoting CIE and Eliminating SWM

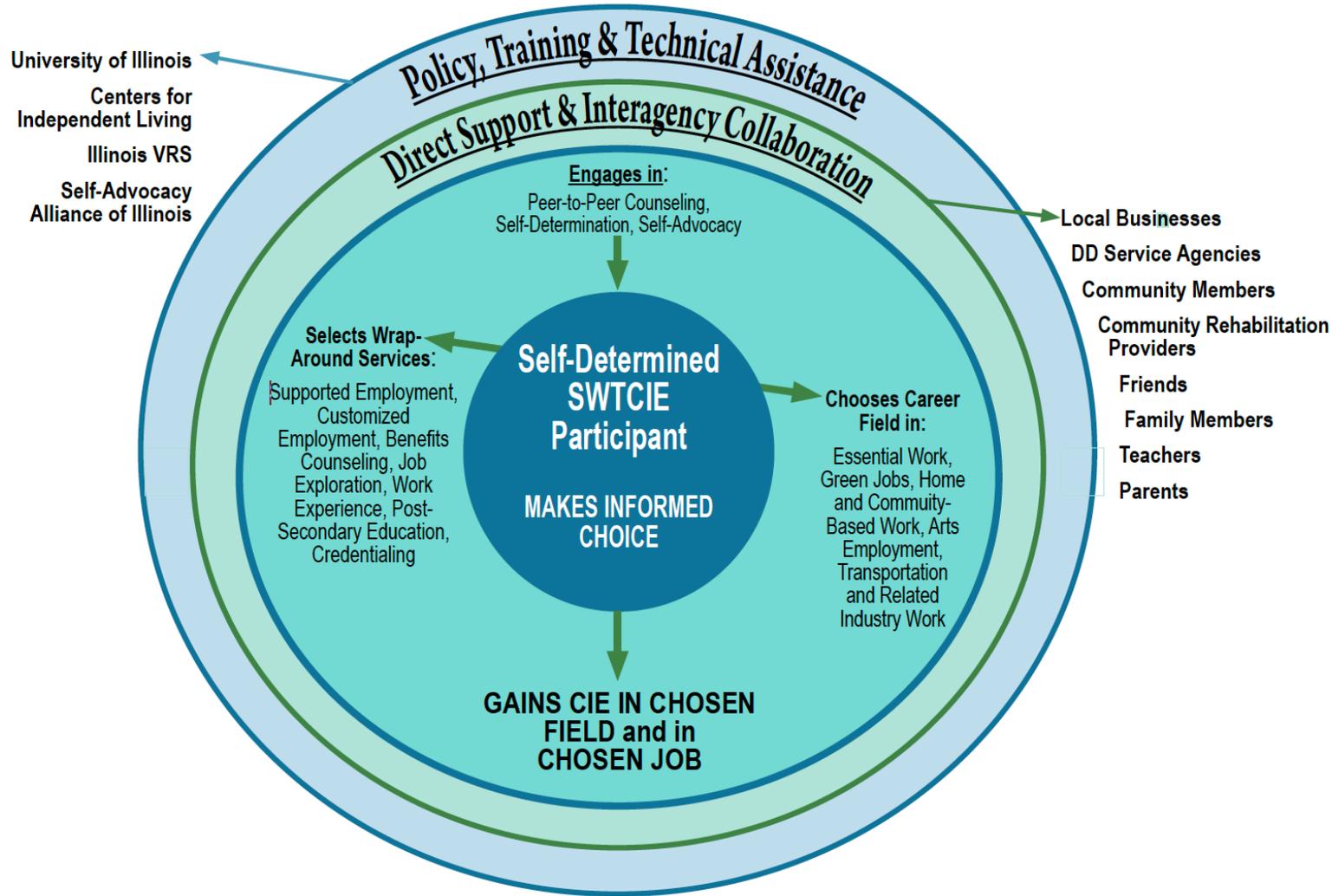


1. SMW continues despite legislation (American with Disabilities Act [1992] & Work Force Innovation Opportunity Act, [2014]) to promote competitive integrated employment
 - *Resistance to change:* Employers, Families, Sheltered Workshop lobbying organizations
2. Evidence based practices including *Supported Employment, Customized Employment, On-the-Job Training, Work Based Learning, Benefits Counseling*, support CIE for individuals with all levels of support needs.



Illinois Subminimum Wage to Competitive Integrated Employment Project (SWTCIE-Illinois)

- The purpose of this project is to reduce the use of subminimum wage in Illinois
- Funded by *United States Department of Education- Rehabilitation Services Administration (RSA)*
- *Targets adults currently working in Sheltered Workshops and youth transitioning from high school to*
- *The overall goal is to increase quality of life, economic well-being, and community integration for PWD across Illinois*



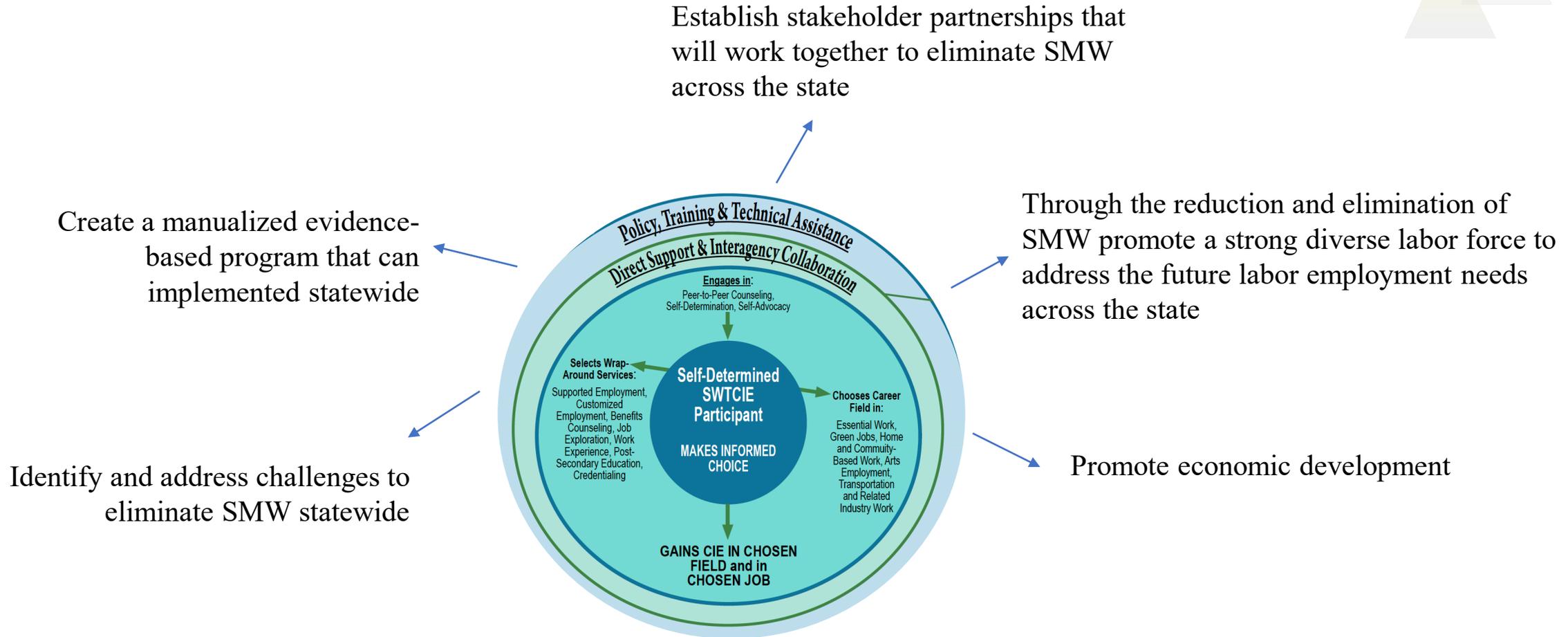
SWTCIE-Illinois: Project Components & Organizational Participation

- **6** geographically diverse sites across the state will serve as intervention sites that will employ an evidence-based program to promote CIE (*SWTCIE Illinois*).
- over **250** people will be served across the state
- Employers will be provided with a transformative business model to transition away from SMW
- Develop an integrated evidence-based service model that can be employed across the state to promote CIE

Participating Organizations

- ❑ Illinois Divisions of Rehabilitation
- ❑ Mental Health
- ❑ Health Care and Family Services
- ❑ Developmental Disabilities
- ❑ The Illinois State Board of Education

Outcomes Beyond PWD



Any Questions and Comments?



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Thank you!

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