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Paying Home Care Workers $15/hr Would Put an Extra $16.5 Billion in Their Pockets and Add Tens of Thousands of Jobs to American Economy

Study on economic benefits of higher pay in fastest-growing industry comes as home care workers announce town halls across the nation calling for $15 and a union

New York, NY – Paying workers in America's fast-growing home care industry $15 per hour would put $16.5 billion into their pockets and add up to $6.6 billion dollars in economic activity to the economy, a new report by the National Employment Law Project shows.

The report comes as home care workers—among the nation's lowest paid workers—announced Thursday that they would hold town hall meetings across the country with elected officials, members of the clergy and community leaders as their campaign for $15 and a union spreads to new cities. Inspired by fast-food workers, workers who care for seniors and people with disabilities joined the Fight for $15 in a handful of cities in September, and since then, home care workers in more than 20 cities have joined in.

According to the report, Giving Caregivers a Raise: The Impact of a $15 Wage Floor in the Home Care Industry, many home care workers would receive a nearly 50 percent raise if they were paid $15 per hour, an increase of $8,000 a year. Since home care workers are likely to immediately spend the additional money, the report estimates that the pay increase would generate up to $6.6 billion in new economic activity and create up to 50,000 jobs outside the home care industry.

"Home care plays a crucial role in the nation's economic future," said Sarah Leberstein, senior staff attorney at the National Employment Law Project. "It is far from the only low-paying sector of the American economy, but its role is significant because home care is growing five times faster than any other industry in America and it is one of the top employers of women. Higher wages in home care could drive a more broadly shared recovery, helping millions move into the middle class and boosting the economy."

The report shows that as the home health industry has grown 48 percent in the last decade, the real hourly income for home care workers has declined by nearly 6 percent. If earnings had kept pace with earnings for chief executives in the industry, the typical home care worker would have made $49,000 in 2013. However, many home care workers are living below the poverty level, making an average of just $18,000 a year. The report also shows that almost 50 percent of care workers rely on some form of public assistance in order to make ends meet. Women, who make up 89 percent of workers in the industry, bear the brunt of these low wages.

"We work hard to care for seniors and people with disabilities, but too often, we are not paid enough to provide basic needs like food, clothing and rent for our own families," said Lynette Reece, a home care worker of 22 years from Washington, D.C. "When we get $15 in our paychecks, we'll have more money to spend in our communities, lifting the entire economy."

Across the country, some 2 million home care workers provide daily support services like toileting, dressing and preparing meals for older Americans and people with disabilities. Some 10,000 Americans turn 65 every day and approximately half of the nation's seniors need help with daily living activities. According to the Bureau of Labor Statistics, the country will need 1 million new home care workers by 2022.

"America is facing a care crisis and unless we transition the fast-growing home care industry to a more stable, higher wage staffing model, we won't be able to meet the long-term needs of both the caregiving workforce and our aging population," said Irene Tung, senior policy researcher at the National Employment Law Project. "Paying home care
workers $15 will help stabilize a workforce that growing numbers of Americans will be counting on to deliver dependable, quality care in the years and decades to come."

**Read the full report:** [Giving Caregivers a Raise: The Impact of a $15 Wage Floor in the Home Care Industry](https://www.nelp.org)(#)(#)(#)

*The National Employment Law Project* is a non-partisan, not-for-profit organization that conducts research and advocates on issues affecting low-wage and unemployed workers. For more about NELP, visit [www.nelp.org](http://www.nelp.org)