

# PROJECT FOR MIDDLE CLASS RENEWAL

## ABOUT THE PROJECT FOR MIDDLE CLASS RENEWAL

The Project for Middle Class Renewal's mission is to investigate the working conditions of the workers in today's economy and elevate public discourse on issues affecting workers with research, analysis and education in order to develop and propose public policies that will reduce poverty, provide forms of representation to all workers, prevent gender, race, and LGBTQ+ discrimination, create more stable forms of employment, and promote middle-class paying jobs.

Each year, the Project will be dedicated to a number of critical research studies and education forums on contemporary public policies and practices impacting labor and workplace issues. The report that follows, along with all other PMCR reports, may be found by clicking on "Project for Middle Class Renewal" at [illinoislabored.org](http://illinoislabored.org)

If you would like to partner with the Labor Education Program in supporting the work of the Project or have questions about the Project please contact Bob Bruno, Director of the Labor Education Program at (312) 996-2491.

## 2016/17 Research Contributors:

**Ashley Baber, Ph.D. candidate**  
Loyola University

**Monica Bielski Boris, Ph.D.**  
University of Minnesota

**Robert Bruno, Ph.D.**  
Labor Education Program—UIUC

**Brandon C. Grant**  
School of Labor & Employment Relations UIUC

**Alison Dickson, M.U.P.P.**  
Labor Education Program—UIUC

**Stephanie Farmer, Ph.D.**  
Roosevelt University

**Lonnie Golden, Ph.D.**  
Labor Education Program—UIUC

**Robert Habans, Ph.D.**  
Labor Education Program—UIUC

**Emily E. LB. Twarog, Ph.D.**  
Labor Education Program—UIUC

**Frank Manzo IV M.P.P.**  
Illinois Economic Policy Institute

**Jill Manzo**  
Illinois Economic Policy Institute

**Lauren Nolan, AICP**  
Nathalie P. Voorhees Center—UIC

**Chris Poulos, Ph.D. candidate**  
University of Illinois at Chicago

**Janet Smith, Ph.D.**  
Nathalie P. Voorhees Center—UIC

**Justin Wiegand**  
School of Labor & Employment Relations—UIUC

# 2017 Annual Report



LABOR EDUCATION PROGRAM  
SCHOOL OF LABOR &  
EMPLOYMENT RELATIONS  
UNIVERSITY OF ILLINOIS AT URBANA-CHAMPAIGN

## IN THIS REPORT:

- ◆ Highlights of 16 research reports released in FY 2017, sponsored by the Project for Middle Class Renewal
- ◆ PMCR in national news outlets
- ◆ April forum highlights
- ◆ Project for Middle Class Renewal offered open-enrollment classes: "Communities Fight Back: Make Your Voices Heard"

# PMCR IN THE NEWS

## SENIOR PMCR RESEARCH ANALYST, LONNIE GOLDEN FEATURED IN EPI, PUBLIC RADIO, AND THE HILL

Dr. Golden has been featured in 4 different articles from December 5th, 2016 to June 20th, 2017 on the Economic Policy Institute website. Article titles include: “Rescheduling—now is a good time for its reintroduction!,” “Testimony before the New York City Council on ‘Fair Workweek’ legislation,” “6.4 million Americans are working involuntarily part time: Employers are shifting toward part-time work as a ‘new normal,’” and “Still falling short on hours and pay: Part-time work becoming new normal.” To read the full articles, go to [epi.org](http://epi.org) and search “Lonnie Golden.”

In addition to articles, Dr. Golden was featured on Illinois Public Media and New Hampshire Public Radio for discussions on part-time work. With the question most often posed “is part-time work the new normal,” Golden talks to hosts about the struggles workers face in the post-recession labor market, with its unprecedented high rates of underemployment and how policy may be constructed to both protect part-time workers and deliver them the additional hours they want.

PMCR's Lonnie Golden and LEP's Alison Dickson were featured in The Hill with their article titled, “It's high time to address fluctuating work schedules for low-wage jobs.” Quoting from the article: “Restaurants and retail can be tough, competitive and unpredictable businesses. That is why we need to establish minimum floors, to prevent a race to the bottom of more employees effectively becoming on-call workers.”



## RESEARCH ANALYST, ROBERT HABANS' PMCR RESEARCH FEATURED IN THE CHICAGO TRIBUNE AND ILLINOIS PRESS RELEASE



On May 22nd, the Illinois News Bureau featured Dr. Habans in the Business section in an article titled “Paper: State of Illinois’ Middle Class Shrinking.” This article reviews the findings from Dr. Habans’ report “Taking the Pulse of Illinois’ Middle Class: The Changing Size and Composition of Middle Income Households” and discusses the wide range of characteristics that often accompany descriptions of the middle class. The article neatly summarizes Habans’ thoughts and includes his own commentary on its findings.

The day following this report, the Chicago Tribune picked up the story in an article titled “Illinois’ middle class shrank over the last 40 years. Here’s why.”

Manzo of the Illinois Economic Policy Institute has been quoted on this report along with a variety of other PMCR partner reports, in news bureaus throughout the country including Huffington Post, Chicago Tribune, Chicago Reporter, and Progress Illinois.

Eric Zorn of the Chicago Tribune interviewed Robert Bruno for his article *Unions will face a tough challenge when the Supreme Court says ‘yes!’ to freeloaders*. The article references the PMCR report “The Impact of Right-to-Work Laws on Labor Market Outcomes in Three Midwest States” and indicates that such laws have the effect of lowering wages and unionization rates by more than 2%.

## LABOR EDUCATION PROGRAM DIRECTOR, ROBERT BRUNO, ILLINOIS ECONOMIC POLICY INSTITUTE DIRECTOR, FRANK MANZO, AND PMCR CONTRIBUTORS FEATURED IN NATIONAL NEWS OUTLETS

The PMCR report, “The Impact of a Minimum Wage Increase on Housing Affordability in Illinois” garnered much attention in a variety of outlets, many including interviews with LEP Director Robert Bruno. The Daily Chronicle reported on April 24 about the political efforts to raise the Illinois minimum wage to \$15. On June 30, 2017, Illinois Public Media radio station WILL featured an interview on the impact of raising the state minimum wage on housing affordability with reference to the same report.

Workday Minnesota featured “The State of the Unions 2016” in its article *Unions Play Significant Role in Boosting Income for People of Color, New Report Shows*. The article credits the Project for Middle Class Renewal for the report that “offers evidence that labor unions provide an important path up the economic ladder for people of color.” Frank



Labor Education Program Director Robert Bruno

# APRIL '17—JUNE '17 RELEASES

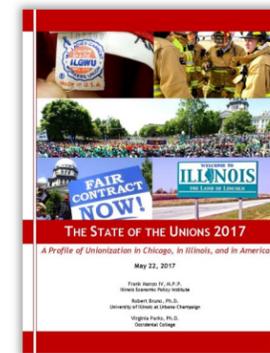


## THE IMPACT OF “RIGHT TO WORK” LAWS ON LABOR MARKET OUTCOMES IN THREE MIDWEST STATES: EVIDENCE FROM INDIANA, MICHIGAN, AND WISCONSIN (2010-2016)

The movement to implement “right-to-work” (RTW) legislation has accelerated over recent years. Since 2012, RTW laws have been passed in Indiana, Michigan, Wisconsin, West Virginia, Kentucky, and Missouri. This report investigates the impact of RTW laws passed in three Midwest states for which there is available data – Indiana, Michigan, and Wisconsin – compared to a control group of three Midwest counterparts that remained collective-bargaining states – Illinois, Minnesota, and Ohio – from January 2010 through December 2016.

## TAKING THE PULSE OF ILLINOIS’ MIDDLE CLASS: THE CHANGING SIZE AND COMPOSITION OF MIDDLE INCOME HOUSEHOLDS

Over recent years, the hollowing out of the American middle class has been a topic of much speculation and concern. During the middle of the twentieth century, the middle class rose to a position of economic and demographic dominance. The question of whether this is no longer the case is closely related to the issues of rising income and wealth inequality and the changing distribution of labor market opportunity. This report aims to broadly document trends affecting the middle class in Illinois with a focus on employment.



## THE STATE OF THE UNIONS 2017 : A PROFILE OF UNIONIZATION IN CHICAGO, IN ILLINOIS, AND IN AMERICA

Since 2007, unionization has declined in Illinois, in the Chicago region, and in America. There are approximately 30,000 fewer union members in Illinois today than there were in 2007, contributing to the 1.1 million-member drop in union workers across the nation over that time. Declining union membership in Illinois has primarily been the result of decreases in male unionization. Consequently, the total number of labor unions and similar labor organizations has declined over the past 10 years. While the unionization rate declined from 15.2 percent to 14.5 percent, the union membership rate for public sector workers is 5.5 percentage points higher in 2016 than it was in 2007. From 2015 to 2016, unionization rates marginally increased for Latino and Latina workers.

## A HAPPINESS AND OBJECTIVE WELL-BEING INDEX (HOW-IS-IL) FOR LIVING AND WORKING IN THE STATE OF ILLINOIS, 2016-17

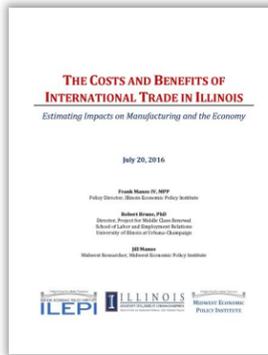
How happy are people in Illinois and how well are they doing? Specifically, how well is Illinois producing a high and growing standard of living for its working households? How well are its working citizens faring generally? How would we measure the answer to this question? How can we help Illinois’ households to become happier? This is the first assessment to focus exclusively on the State of Illinois and the state of its citizens’ well-being, with a single set of measures that indicates the quality of working and living in Illinois. The main purpose of this report is to create a handy, yet meaningful and useful index of eight composite indicators.



# JULY '16—OCTOBER '16 RELEASES

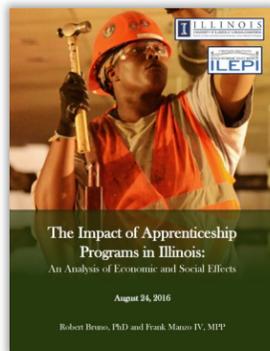
## THE COSTS AND BENEFITS OF INTERNATIONAL TRADE IN ILLINOIS: ESTIMATING IMPACTS ON MANUFACTURING AND THE ECONOMY

There has been a general consensus among economists that international free trade is an important source of economic growth for countries. However, recent evidence finds that trade hurts local jobs and worsens income inequality. Mass job displacement can have significant effects on the national economy and public budget. This report focuses on the impact of trade on Illinois' manufacturing sector. As the 5th-largest exporter state and the 6th-largest importer state in the nation, Illinois is particularly exposed to international trade. Imports and exports help make Illinois the transportation hub of America. Illinois, however, has lost more than 100,000 total manufacturing jobs over the past decade.



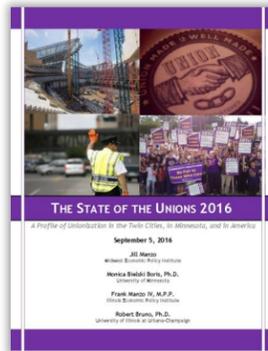
## THE IMPACT OF APPRENTICESHIP PROGRAMS IN ILLINOIS: AN ANALYSIS OF ECONOMIC AND SOCIAL EFFECTS

Despite the presence of registered apprenticeships in many Illinois industries, especially construction, little policy research has been conducted to analyze their economic and social impacts. This study, authored jointly by the Project for Middle Class Renewal at the University of Illinois at Urbana-Champaign and the Illinois Economic Policy Institute, investigates the effect of registered apprenticeship programs on the workers, businesses, governments, and economy of Illinois. The study reveals that registered apprenticeship programs in Illinois' construction industry provide \$1.25 billion in long-term economic benefits to the state. If all registered apprenticeship programs for construction were combined, they would be the 7th-largest private post-secondary educational institution in Illinois.



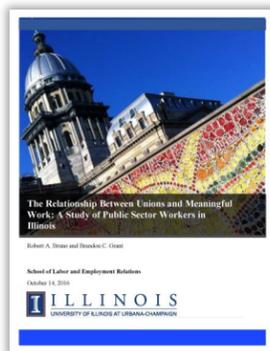
## THE STATE OF THE UNIONS 2016: A PROFILE OF UNIONIZATION IN THE TWIN CITIES, IN MINNESOTA, AND IN AMERICA

Almost one half of all public sector workers are unionized in Minnesota and over half of all public sector workers are unionized in the Twin Cities metropolitan area. Meanwhile, slightly more than one-third of all public sector workers are unionized across the nation. In comparison, fewer than one-in-ten (8.0 percent) Minnesotans who work in the private sector are union members while just 6.7 percent of private sector workers are now unionized across America. There is a lot of positive news for Minnesota's labor movement. Labor unions increase individual incomes by lifting hourly wages – particularly for low-income and middle-class workers. In Minnesota, unions raise worker wages by an average of 11.1 percent. The state's union wage effect is the 11th-highest in the nation. The union wage differential is higher for the median worker (13.6 percent) than the highest paid 10 percent of workers (11.0 percent), helping to foster a strong middle class and reduce income inequality.



## THE RELATIONSHIP BETWEEN UNIONS AND MEANINGFUL WORK: A STUDY OF PUBLIC SECTOR WORKERS IN ILLINOIS

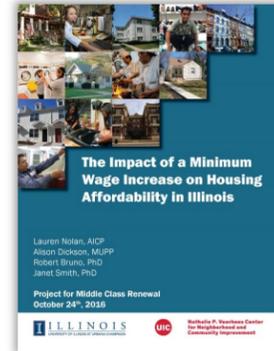
Researchers have investigated the reasons why people pursue a career in the public sector. A compelling case has been made that individuals who pursue careers in the public sector are more highly motivated by intrinsic factors such as "work that is important" and work that "provides a feeling of accomplishment." This report describes findings from a survey of a small group of Illinois public sector workers which investigates the work motivations of public employees. The study shows new evidence that government employees are strongly motivated to find "purpose in work that is greater than the extrinsic outcomes of the work." Additionally, we find that government employees view their public sector union as a primary source of intrinsic motivation.



# OCTOBER '16—FEBRUARY '17 RELEASES

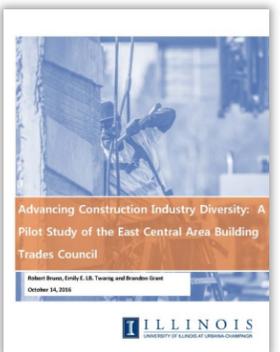
## THE IMPACT OF A MINIMUM WAGE INCREASE ON HOUSING AFFORDABILITY IN ILLINOIS

Higher earnings for Illinois workers resulting from a minimum wage increase stand to have impacts on their ability to sustain families and cover expenses. The greatest impact, however, might be in housing affordability. Housing costs, whether in the form of rent or mortgage payments and maintenance costs, make up the largest monthly expense for most households. This report examines what impact a minimum wage increase would have on housing affordability among working households. Minimum wage increases, however, effect more than just housing affordability. This report also explores reductions in reliance on public assistance programs as well as what impact changes to the minimum wage will have on employment levels and on state and local tax revenue. This study was funded by the University of Illinois Urbana-Champaign Labor Education Program Project for Middle Class Renewal and was co-authored by the Nathalie P. Voorhees Center for Neighborhood & Community Improvement at the University of Illinois at Chicago and the Labor Education Program at the University of Illinois Urbana-Champaign.



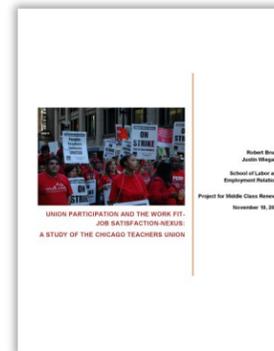
## ADVANCING CONSTRUCTION INDUSTRY DIVERSITY: A PILOT STUDY OF THE EAST CENTRAL AREA BUILDING TRADES COUNCIL

The importance of the construction trades and apprenticeship programs as a unique and unparalleled pathway into middle class job opportunities for non-college graduates, inspired the Project for Middle Class Renewal in the Labor Education Program at the University of Illinois' School of Labor and Employment Relations to invite building trades' apprenticeship programs to participate in a pilot diversity study. The study was designed to determine not only levels of access and involvement in the apprentice building trades by minority and female workers, but also to recommend practices that would enhance inclusivity in the industry. The goal was to address the question of how to make the apprenticeable construction trades the preferred labor force for both white and non-white workers.



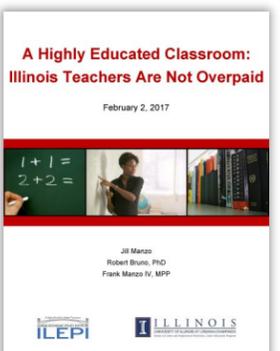
## UNION PARTICIPATION AND THE WORK FIT-JOB SATISFACTION-NEXUS: A STUDY OF THE CHICAGO TEACHERS UNION

The exit-voice tradeoff has helped scholars explain lower job satisfaction among union workers compared to nonunion workers. Scholarship has further extended the exit-voice tradeoff to within-union samples by examining the relationship of job satisfaction to union participation. But how exactly does the exit-voice tradeoff apply to moderately or highly-satisfied union members? Are they participating in the union or is low job satisfaction a pre-requisite for union activism? This report identifies the presence of a missing moderator that provides insight into the job satisfaction-union participation relationship. We suggest that the need to protect a job that is personally meaningful has inspired CTU members to become stronger, active union members. They are in effect using their union, not to preserve the best available job open to them, but to bridge the distance between the teaching profession's aspiration and reality.



## A HIGHLY EDUCATED CLASSROOM: ILLINOIS TEACHERS ARE NOT OVERPAID

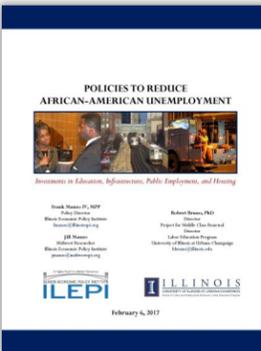
This report finds that public school teachers in Illinois are highly skilled and are compensated accordingly through competitive salaries. Properly understanding teacher pay is critical to developing an efficient teacher compensation structure. Teachers in Illinois are among the best-educated in the nation and earn appropriate incomes that reward their skill. Illinois' teachers are highly educated, with over 62 percent of full-time public elementary, middle, and secondary school teachers in the state having earned a master's degree. An additional 36 percent of full-time public school teachers have a bachelor's degree. These highly skilled educators help foster the next generation of workers and innovators who will grow Illinois' economy.



# FEBRUARY '17—MARCH '17 RELEASES

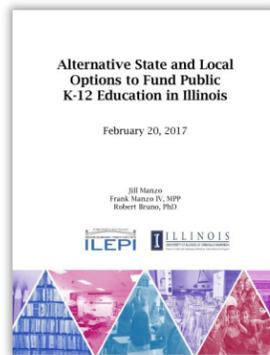
## POLICIES TO REDUCE AFRICAN-AMERICAN UNEMPLOYMENT

The City of Chicago is experiencing extremely high rates of African-American unemployment compared to the rest of the nation. This report, conducted by researchers at the Illinois Economic Policy Institute and the Project for Middle Class Renewal at the University of Illinois at Urbana-Champaign, seeks to understand the causes of high African-American unemployment in Chicago and other urban areas across the United States. It offers seven public policies and economic phenomena that make a difference in lowering the African-American unemployment rate.



## ALTERNATIVE STATE AND LOCAL OPTIONS TO FUND PUBLIC K-12 EDUCATION IN ILLINOIS

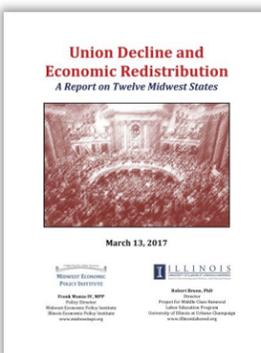
Illinois needs to revamp its system of funding public education. Currently, school districts receive the bulk of their revenue from property taxes. With relatively high property tax rates and funding inequities across the state, raising property taxes in Illinois is often not an option for school districts. There are alternative policies that can be enacted at both the state- and local-level to enhance revenue for public education in Illinois. This report identifies six potential ways to increase revenue for public school districts.



**FULL ELECTRONIC VERSIONS OF ALL PMCR REPORTS ARE AVAILABLE ONLINE AT [GO.ILLINOIS.EDU/PMCR](http://GO.ILLINOIS.EDU/PMCR)**

## UNION DECLINE AND ECONOMIC REDISTRIBUTION: A REPORT ON TWELVE MIDWEST STATES

Inequality has risen to historically high levels in the United States. While there are many causes, this PMCR report finds that the most important labor market change has been the long-term decline in labor union membership. Unions raise wages, particularly for lower-income and middle-class workers. Union decline explains between one-fifth and one-third of the overall increase in inequality in the United States.



## CLOSED BY CHOICE: THE SPATIAL RELATIONSHIP BETWEEN CHARTER SCHOOL EXPANSION, SCHOOL CLOSURES, AND FISCAL STRESS IN CHICAGO PUBLIC SCHOOLS

Over the past five years, Chicago Public Schools (CPS) has confronted annual budget crises prompting CPS to cut resources from classrooms, reduce the number of teaching professionals inside schools, and close public schools. Our research examines how the proliferation of charter schools in neighborhoods of declining population has contributed to CPS' fiscal stress resulting in the widespread denigration of public education in Chicago.

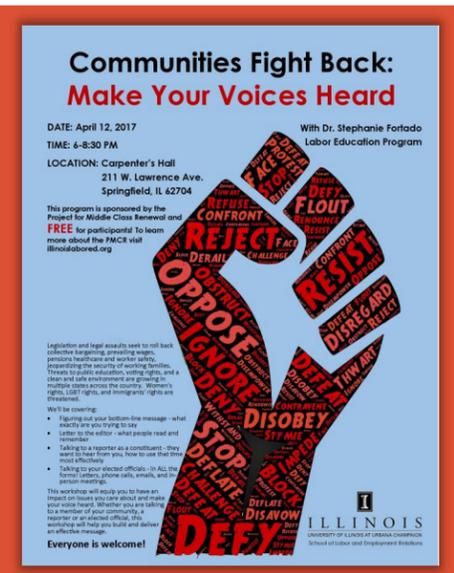


# EVENTS HOSTED BY PMCR

## COMMUNITIES FIGHT BACK: MAKE YOUR VOICES HEARD

Sponsored by the PMCR, this class focused on messaging and empowering union and community members to talk about issues that matter to them. Held at union halls in Springfield, Marion, and Bloomington, these no-cost workshops led by Labor Education Program's Dr. Stephanie Fortado included how to write letters to the editor with a clear message, talking to reporters as a constituent, and engaging elected officials through a variety of media forms. The workshops helped empower attendees from a wide range of backgrounds to connect their personal stories to policy issues that matter to working families. Dr. Fortado included research completed by the Project for Middle Class Renewal as evidence for stances on these topics as well as talking points for conversation on a variety of working family issues.

If your community is interested in offering this event, please contact us at [illinoislabored@illinois.edu](mailto:illinoislabored@illinois.edu) and we will be happy to arrange a time.



## WORK, WELL-BEING, AND THE MIDDLE CLASS IN ILLINOIS A FORUM BY THE PROJECT FOR MIDDLE CLASS RENEWAL

On April 20, 2017, the Project for Middle Class Renewal hosted a forum on the University of Illinois' Urbana campus to debut the research work of two in-residence researchers, Dr. Robert Habans and Dr. Lonnie Golden. Dr. Habans presented research based on his report, "Taking the Pulse of Illinois' Middle Class: The Changing Size and Composition of Middle Income Households" while Dr. Golden



presented research based on his report, "A Happiness and Objective Well-being Index (HOW-IS-IL) for Living and Working in the State of Illinois, 2016-17." A lively discussion followed these presentations, chaired by Labor Education Program's Director, Dr. Robert Bruno. The panel was comprised of a variety of experts in both the labor movement and public policy, and researchers of the working class, including Robert G. Reiter, Jr. Secretary-Treasurer of the Chicago Federation of Labor, Dr. Benjamin Radcliff, Professor of Political Science at Notre Dame, Illinois State Representative Carol Ammons, of the 103rd District, and Illinois State Senator Daniel Biss, of the 9th District.

In addition to the panel discussion, the Project for Middle Class Renewal featured six reports on display throughout the room, and copies of full reports for interested participants. These poster displays provide

an opportunity for attendees to see a visual representation of the most important findings in the Project's research and can help community members grasp the important facts and key take-aways. These visual aids can be made available electronically or the Labor Education Program can provide them at our next educational class near you.



## Upcoming PMCR events:

Spring Forum 2018

Spring Fundraiser 2018

Be sure to keep an eye on your email and our website for more information:

[go.illinois.edu/PMCR](http://go.illinois.edu/PMCR)