

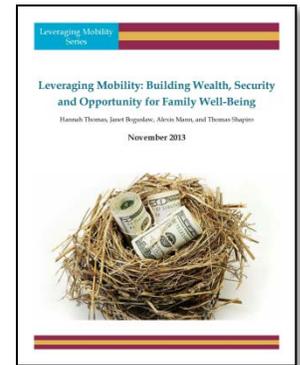
Leveraging Mobility: How Employment Builds and Protects Family Wealth and Security

The Leveraging Mobility Project

- How do working and middle class families use assets to advance security and mobility?
- Or, how do they struggle to gain ground in the absence of assets?

Unique Longitudinal Data-Set

- Longitudinal Interview Study – 1998 and 2010
 - 1998 sample – 180
 - 2010 sample – 137
- Half white and half African-American
- Three Cities across U.S.: East Coast, West Coast, Mid-West
- Baseline families with kids aged 3-10 years old
- 2010 Families
 - ❖ Adults between 40 and 60 years old
 - ❖ Kids at end of high school working, or at college
- Questions included information on: education histories, aspirations for future, financial situation (income, wealth), work history, and extended family financial and non-financial assistance.



Overall Trends

Wealth increased as a result of:

- Family incomes increasing
- Employment benefits
- Family assistance through financial gifts or inheritance
- Extended family financial independence
- Rising home equity

One third of families saw their wealth depleted

Interaction of multiple variables led to downward wealth

- Health problems
- Change in marital status
- Unemployment
- Decrease in income
- Support kin networks

The Role of Work in Building and Protecting Wealth

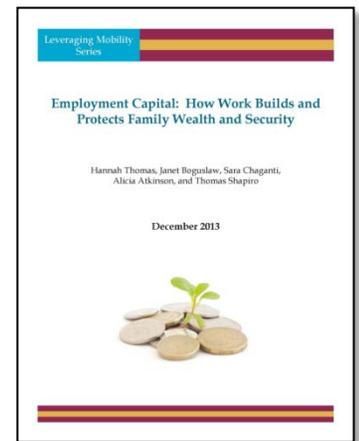
- Characteristics of employment facilitate a pathway to accumulating wealth
- Not everyone has access to the same kinds of jobs

Employment Capital: What is it?

Job Benefits: retirement savings, paid sick and vacation days, health insurance subsidies, disability insurance, tuition benefit

Job Flexibility: modified work schedules around care-giving needs, compressed work weeks, job sharing, paid personal days

Consistent Work: stable employment with no gaps between employment, long tenure with one employer, sufficient hours to qualify for benefits



Building Wealth through Employment Capital

Margaret Dove

- Income Increases: 1998 - \$75,000; 2010 - \$160,000
- Employment Capital: access to retirement benefits, health insurance, life insurance, longevity and stability in position, paid sick and vacation, severance pay

Ansy Adams – education benefit, job promotions, tuition benefit for both kids.

Laticia Curley – job stability, matched retirement savings

When Employment Capital is Missing

What happens when miss employment capital?

- Paid sick time • Retirement Savings • Health Insurance
- Job Flexibility • Consistent Work

Who is missing employment capital?

- self-employed workers • part-time workers • low-wage workers
- certain occupations less often see employment capital

Policies that Build Employment Capital

- Incentivize and encourage long-term saving plans and health care utilization for employees across income levels
- Increase ease of access to and portability of retirement accounts
- Establish minimum employment capital standards
- Provide publicly run marketplaces for smaller employers
- Require employment capital opportunities to be made available to all workers employed on behalf of a firm whether full, part-time, contract, or temporary
- Strengthen access to worker representation in the workplace
- Promote job sharing and job flexibility to reduce work-family
- Mandate a minimum number of sick and vacation days