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ABOUT THE ORGANIZATIONS

MAINTENANCE COOPERATION TRUST FUND
The Maintenance Cooperation Trust Fund (MCTF) is a nationally recognized statewide watchdog that works to eliminate illegal and unfair business practices in the janitorial industry in California. MCTF is a non-profit joint labor-management cooperation committee established by unionized janitorial employers and United Service Workers-West (the largest union representing janitors in California) in 1999. MCTF believes that legal, responsible business practices provide the necessary stability to create sustainable upward mobility for all stakeholders. Our investigators, former janitors themselves, work with janitors to identify potential employment law violations and expose unlawful business practices. We partner with responsible janitorial contractors as well as local, state, and federal enforcement agencies to hold law-breaking employers accountable in the industry.

UCLA LABOR CENTER
For more than fifty years, the UCLA Labor Center has created innovative programs that offer a range of educational, research, and public service activities within the university and in the broader community, especially among low-wage and immigrant workers. The Labor Center is a vital resource for research, education, and policy development to help create jobs that are good for workers and their communities, to improve the quality of existing jobs in the low-wage economy, and to strengthen the process of immigrant integration, especially among students and youth.
EXECUTIVE SUMMARY

Janitors are an essential part of California’s economy. Janitors clean, sanitize, and maintain buildings and other indoor spaces while being some of the most exploited workers in the service industry. Many private sector janitors earn poverty wages and lack benefits. They are routinely misclassified, subjected to wage theft, experience sexual harassment, and are exposed to unsafe working conditions.

Based on our analysis of government data from the 5-year sample (2015–2019) of the American Community Survey (ACS) and a pooled 10 year sample (2011–2020) of the Current Population Survey Outgoing Rotation Group (CPS ORG), this research brief provides a profile of private sector janitorial workers in California—who they are, their employment conditions and the economic vulnerabilities they face due to their low wages, employment status, and gender. The report also uses information collected by the Maintenance Cooperation Trust Fund (MCTF) to expand on the experiences of subcontracted janitors in California.
KEY FINDINGS

• The private sector janitorial industry is staffed primarily by immigrant workers of color. About 83% of private sector janitors are Latinx, Asian American/Pacific Islander, or Black. Latinx janitors comprise 70% of the workforce. The vast majority of private sector janitors are middle-aged or older.

• Subcontracting is a widespread practice in the janitorial industry. Nearly 2 in 5 (37%) of private sector janitors work for subcontractors. In other words, they work for firms that contract with building owners and property managers, rather than being hired directly by the owners or tenants of the buildings themselves. This is notable because subcontracted janitors tend to have worse employment conditions and economic outcomes than private sector janitors overall.

• Almost two-thirds (62%) of private sector janitors are low-wage earners. The median wage for private sector janitors was $13.51 per hour, lagging far behind the median hourly wage for all private sector workers in California, at $19.32.

• Private sector janitors experience higher rates of poverty, with 40% having family incomes that fall below 200% of the federal poverty line. This is almost twice the rate of California’s private sector workers overall. As a result, private sector janitors are nearly twice as likely to rely on public safety-net programs such as Medi-Cal and CalFresh, with 20% relying on Medi-Cal for health insurance coverage and 16% on CalFresh to access food.

• Across almost all measures of job quality and economic well-being, private sector female janitors are significantly worse off than their male counterparts. Private sector female janitors have lower wages, higher rates of poverty, are more likely to be CalFresh or Medi-Cal beneficiaries and are less likely to have employment-based health insurance.
AT A GLANCE

DEMOGRAPHICS

About 83% of private sector janitors are Latinx, Asian American/Pacific Islander, or Black.

70% of the workforce are Latinx janitors.

37% of private sector janitors work for subcontractors.

62% of private sector janitors are low-wage earners.

MEDIAN WAGE

For private sector janitors: $13.51/hr

For all private sector workers in California: $19.32/hr
INTRODUCTION

Janitors are an essential part of California’s workforce. They are responsible for cleaning, sanitizing, and maintaining buildings and other indoor spaces. Yet despite playing a crucial role in the economy, janitors are some of the most vulnerable and exploited workers in the service industry, particularly in the private sector. Many are paid low wages, experience misclassification and wage theft, and face difficult workplace conditions exacerbated by sexual harassment and assault. These issues are compounded by the fact that non-traditional employment relationships, such as subcontracting, utilization of independent contractors, and part-time work, are common in the janitorial industry, and a substantial portion of janitors work in the underground economy.¹

This report describes the employment conditions and the economic well-being of California’s private sector janitorial workforce. We use data from the U.S. Census Bureau’s Current Population and American Community surveys to provide basic financial and demographic information about California’s private sector janitorial workforce. We supplement this data with information that the Maintenance Cooperation Trust Fund (MCTF) has collected through its role as a watchdog for California’s janitorial workforce. This includes a 2020 survey focusing on the economic and workplace safety impacts of COVID-19 on non-union California subcontracted janitors² and profiles of 157 non-union building services companies offering janitorial services in California.³

For this report, businesses in the building services industry will either be called “building services” or “janitorial services companies”. A janitorial services company solely provides janitorial services. “Building services” is a more general term referring to companies that provide one or more basic services to property owners, including janitorial, security, window washing, routine maintenance, etc. “Janitorial services companies” are a subset of building services companies.

The report is divided into nine sections. The first section provides an overview of janitors and the industries they work in. Section II details full-time and part-time employment arrangements. Section III provides hourly wage estimates and low wage estimates for janitors. Section IV discusses poverty and food insecurity as measured by CalFresh recipiency, while section V reviews health insurance coverage. Given the unique experiences of independent contractors and female janitors, we analyzed selected employment outcomes for these groups in sections VI and VII, respectively. Section VIII provides an overview of worker demographics, and section IX closes with some final remarks.
KEY ISSUES IN THE INDUSTRY

The following presents key research findings from previous studies that highlight the nuances of the industry.

SUBCONTRACTING

Subcontracted janitors work for building services companies that contract with building owners, managers or tenants to provide janitorial services. Unlike most other workers, subcontracted janitors are not employed by the owner or tenant of the property where they work. The employers of record for subcontracted janitors are instead building services companies, including companies that solely focus on janitorial services.

Since the janitorial services industry has very few barriers to entry and requires minimal special skills and equipment, the number of small undifferentiated janitorial companies has dramatically grown, outpacing the number of cleaning contracts that are available. This has created a highly competitive market, in which the primary source of competition is price. As such, building services companies often lower wages for workers and violate minimal standards and labor laws to remain competitive in this environment.

Subcontracting also contributes to the high rates of regulatory violations that undermine janitors’ employment conditions in the building services industry. Subcontracting distances the property managers, owners, and tenants with the power to set prices for janitorial services from the janitorial company that is the actual employer of record. This means that the building owners, managers, and tenants who have the power to set labor conditions in the industry have traditionally not been the entities held liable for labor violations that occur. Instead, it is the smaller janitorial companies, who are under intense competitive pressure and thus have limited ability to increase labor costs that they are held liable for. In fact, many janitorial firms will purposefully set up subcontracting relationships in a way that shields them from any legal liability resulting from the sub-standard employment conditions that they help create.

In recent years California has attempted to address this issue through legislation. Two examples include AB 1897 and SB 588, both of which make it easier to hold client employers, such as building owners, managers, and tenants, accountable for workplace violations originating from their subcontractors, such as janitorial services companies. These reforms have resulted in fines being issued to hold client employers liable for violations committed by their subcontractors. However, there are still barriers that undermine the effective use of these new enforcement tools. For example, fear of retaliation is still a major barrier preventing employees from reporting employer violations.

Janitorial subcontractors often operate in the underground economy, where it is much harder for regulators to detect employment law violations. MCTF has found substantial evidence of building services firms operating in the underground economy and evading employment law obligations. This includes unregistered building services companies, companies failing to carry adequate workers’ compensation insurance, and the chronic underreporting of employees to regulators. For example, between 2018 and 2021, MCTF found that in its profiles of janitorial services contractors, 65% were not registered with the California Employment Development Department, and 34% were not carrying workers’ compensation insurance.
It is often easy for janitorial services companies to dissolve and reform under a different name in order to avoid being held accountable for employment law violations. This is due to characteristics of the janitorial industry such as low barriers to entry, high levels of competition, the proliferation of small and undercapitalized janitorial companies, and a significant portion of the industry operating in the underground economy. Furthermore, when these companies are caught, these characteristics make it so that they frequently do not have sufficient resources to pay for any liabilities incurred as a result. Some of the most common violations that subcontracted janitors experience are misclassification, wage theft, tax fraud, gender discrimination, and sexual harassment and assault.

**MISCLASSIFICATION**

The misclassification of workers is rampant in California’s janitorial industry. Misclassification occurs when a company classifies a worker as an independent contractor despite the worker meeting the legal requirements to qualify as an employee.

Misclassification is an important issue because workers classified as employees have many legal protections that workers classified as independent contractors do not have. These legal protections include wage and hour laws, anti-discrimination protections, and the right to organize.

Building services companies can achieve significant savings by misclassifying janitorial employees as independent contractors. Misclassified workers do not qualify for employer-provided health insurance and other benefits such as paid time off. Furthermore, companies can avoid paying their share of employment taxes if they classify their workers as independent contractors rather than employees. A 2021 study by the Economic Policy Institute found that these additional costs can add as much as 30% to the total cost of each worker. This creates a powerful incentive for building services companies to misclassify workers in order to gain an edge in the highly-competitive janitorial services industry.

**WAGE THEFT**

Wage theft is defined as the failure of employers to pay workers their legally required wages. This can take the form of paying workers less than minimum wage, failing to pay overtime, requiring workers to work off the clock, and a variety of other wage and hour violations. Many low-wage workers in California, such as janitors, are frequent victims of wage theft. A 2010 survey of low-wage workers in Los Angeles found that 30% of janitors had experienced minimum wage violations, 80% reported not being paid overtime as required by law, and 79% were not paid their full wage rate for all time worked. In 2018, the California Labor Commissioner’s Office assessed $4.8 million in wage violations as a result of inspecting just 11 janitorial employers.
SEXUAL HARASSMENT AND ASSAULT

Sexual harassment and assault are egregious forms of sex and gender discrimination that disproportionately afflict female janitors. Sexual abuse and assault are often left out of discussions of janitors’ employment standards despite its direct and indirect impact on worker’s mental health, work dislocation, and loss of pay and job opportunities.

There is significant evidence that sexual harassment and assault affect a large percentage of janitors in California and that employers have not been responsive when janitors reported such behavior. For example, a 2018 survey of more than 700 California janitors found that almost one-third (32%) of female janitors had experienced sexual harassment in the workplace.27 The same survey found that nearly all female janitors who were victims of sexual harassment or assault and reported it to their employer either experienced employer inaction, retaliation, or stigmatization as a result. About 15% of female janitors who experienced sexual harassment said they changed their job or position as a result.28

There are several characteristics of the janitorial workforce that make female janitors particularly vulnerable to sexual harassment and assault. As financially precarious low-wage workers with limited alternative employment opportunities, many female janitors often cannot afford to leave abusive workplaces, nor can they risk retaliation or stigmatization that can occur from reporting abuse.

Since many subcontracted janitors are immigrants with limited English proficiency, they are less likely to be aware of their legal recourses if they have been sexually harassed or assaulted in the workplace.29 Furthermore, janitors classified as independent contractors have more limited options for recourse if they are victims of sexual harassment or assault in the workplace. As such, these problematic statistics are exacerbated by the high rate of misclassification and independent contracting in the janitorial services industry.
SECTION I:
OVERVIEW
OF JANITORS

ESTIMATES OF JANITORIAL WORKFORCE
According to the American Community Survey (ACS), in 2019, there were approximately 278,000 janitors in California. Four out of 5 janitors (80%) are employed in the private sector.

For the purposes of this study, we limit our analysis to private sector janitors only. In looking at different worker characteristics and employment outcomes, we provide comparisons to all workers in California employed in the private sector for reference.

SUBCONTRACTED JANITORS
About 37% of private sector janitors in California are subcontracted, meaning that they are employed by building services companies that contract with building owners, managers, and tenants to provide janitorial services, not by the owners or tenants of the buildings themselves. The employers of record for subcontracted janitors are building services companies, including companies that solely focus on janitorial services. Janitors that are not subcontracted are referred to as “directly employed” janitors.

The estimate for subcontracted janitors also includes janitors who clean government buildings, but are employed by a building services company that contracts with the governmental entity that controls the buildings where the janitors work. In such a scenario, the janitor’s employer of record is the private sector building services company, not the governmental entity.
INDUSTRIES

California’s private sector janitors work in a wide variety of industries. However, the largest percentage of janitors work in the building services industry. For this report, we identify subcontracted janitors as workers whose occupation is “janitors and building cleaners” employed in the “services to buildings and dwellings industry.” Excluding services to buildings and dwellings, janitors are spread out across a large number of different industries, none of which make up a similarly large percentage of California’s private sector janitorial workforce.

FIGURE 3: Top industries for private sector janitors in California

<table>
<thead>
<tr>
<th>Industry</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Services to Buildings &amp; Dwellings</td>
<td>37%</td>
</tr>
<tr>
<td>Finance, Insurance &amp; Real Estate</td>
<td>8%</td>
</tr>
<tr>
<td>Healthcare &amp; Social Assistance</td>
<td>6%</td>
</tr>
<tr>
<td>Arts, Entertainment &amp; Recreation</td>
<td>5%</td>
</tr>
<tr>
<td>Restaurants &amp; Bars</td>
<td>5%</td>
</tr>
<tr>
<td>Educational Services</td>
<td>5%</td>
</tr>
</tbody>
</table>

Source: Authors’ analysis of the 2015-2019 American Community Survey
SECTION II:
FULL-TIME AND PART-TIME WORK

About 70% of private sector janitors worked full time (35 hours or more per week). The rate of part-time work for private sector janitors is higher than that of all private sector workers in California, at 30% and 23% respectively. Subcontracted janitors have higher rates of part-time work than their directly employed counterparts (33% vs 28%).

Nearly one third (32%) of part-time private sector janitors would prefer full-time employment, compared to 24% of all private sector part-time workers. This is significant because part-time janitors tend to have lower wages and worse employment outcomes than full-time janitors.

FIGURE 4:
Part-time and full-time status of California’s subcontracted, directly employed, and private sector janitors

<table>
<thead>
<tr>
<th></th>
<th>Subcontracted Janitors</th>
<th>Directly Employed Janitors</th>
<th>Private Sector Janitors</th>
<th>All Private Sector Workers</th>
</tr>
</thead>
<tbody>
<tr>
<td>FULL-TIME</td>
<td>67%</td>
<td>72%</td>
<td>70%</td>
<td>77%</td>
</tr>
<tr>
<td>PART-TIME</td>
<td>33%</td>
<td>28%</td>
<td>30%</td>
<td>23%</td>
</tr>
</tbody>
</table>

Source: Authors’ analysis of the 2015-2019 American Community Survey
SECTION III: WAGES

MEDIAN HOURLY WAGE

Median hourly wages for private sector janitors in California lag far behind the median hourly wages of California workers ($13.51 versus $19.32). This is especially true for janitors who are subcontracted and not represented by a union, whose median hourly wages are $12.85.

It should be noted that wages for subcontracted and directly employed janitors do not operate independently of each other. One significant motivation for outsourcing janitorial services is reducing costs. This motivation, combined with the ease with which janitorial services can be outsourced, puts directly employed janitors into competition with their subcontracted counterparts. Therefore, lower janitorial wages in the building services industry exerts downward pressure on wages for directly employed janitors.32

We also note a considerable difference between the median hourly wages of part-time versus full-time private sector janitors—$11.47 and $14.06 respectively. This is especially concerning considering the reduced hours that part-time jobs necessarily entail and the significant percentage of part-time janitors that would prefer full-time status.

FIGURE 6:

Median hourly wages for non-union subcontracted, subcontracted, directly employed, and private sector janitors in California

<table>
<thead>
<tr>
<th>Janitor Category</th>
<th>Median Hourly Wage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Subcontracted, Non-Union Janitors</td>
<td>$12.85</td>
</tr>
<tr>
<td>Subcontracted Janitors</td>
<td>$13.22</td>
</tr>
<tr>
<td>Directly Employed Janitors</td>
<td>$13.52</td>
</tr>
<tr>
<td>Private Sector Janitors</td>
<td>$13.51</td>
</tr>
<tr>
<td>All Private Sector Workers</td>
<td>$19.32</td>
</tr>
</tbody>
</table>

Source: Authors’ analysis of the 2011-2020 Current Population Survey, Outgoing Rotation Group. Earnings were adjusted for inflation to 2020 dollars using California CPI-U.
LOW WAGES

We define low-wage workers as those who earn less than $15.09 an hour, which is two-thirds of the 2020 median wage for full-time workers in California. Private sector janitors are much more likely than all private sector workers to earn low wages. Over three-fifths (62%) of private sector janitors earn low wages, compared to 35% of all workers in California. The rates of low-wage workers are slightly higher for subcontracted janitors at 65%.

Among part-time private sector janitors, the low-wage rate is considerably higher, at 81%, compared to 56% of full-time private sector janitors.

FIGURE 8:
Low-wage rates for subcontracted, directly employed, and private sector janitors in California

<table>
<thead>
<tr>
<th>Subcontracted Janitors</th>
<th>Directly Employed Janitors</th>
<th>Private Sector Janitors</th>
<th>All Private Sector Workers</th>
</tr>
</thead>
<tbody>
<tr>
<td>65%</td>
<td>61%</td>
<td>62%</td>
<td>35%</td>
</tr>
</tbody>
</table>

SECTION IV: POVERTY, ECONOMIC DISTRESS AND FOOD INSECURITY

POVERTY RATES

Family earnings below two hundred percent of the federal poverty line (FPL) is a common definition of economic distress. Two hundred percent of the poverty line is used as a measure of economic distress because families can have earnings above the poverty line and still struggle to afford basic necessities such as food and healthcare.

About two-fifths (40%) of private sector janitors are economically distressed (have earnings below 200% of the poverty line), compared to one-fifth (21%) of all workers in California. The rate of economic distress is even higher for subcontracted janitors at 46%.

Economic hardship is even more acute for part-time janitors. Almost half (49%) of part-time janitors have family incomes below 200% of the federal poverty line, versus 36% of full-time janitors.

A survey of non-union subcontracted janitors conducted in the summer of 2020 by the MCTF highlights the kinds of hardships these families face as a result of high poverty rates and economic distress. Even after controlling for job loss resulting from the COVID-19 pandemic, the survey found that more than half (56%) of employed janitors reported struggling to afford at least one of the following: food, water, medical expenses, or power, electric, or other kinds of bills. This includes 28% of surveyed janitors that reported struggling to afford food or water and 29% that reported struggling to afford basic medical expenses.33

FIGURE 9: Poverty rates among subcontracted, directly employed, and private sector janitors in California

<table>
<thead>
<tr>
<th></th>
<th>FAMILY INCOME BELOW 200% OF THE FPL</th>
</tr>
</thead>
<tbody>
<tr>
<td>Subcontracted Janitors</td>
<td>46%</td>
</tr>
<tr>
<td>Directly Employed Janitors</td>
<td>36%</td>
</tr>
<tr>
<td>Private Sector Janitors</td>
<td>40%</td>
</tr>
<tr>
<td>All Private Sector Workers</td>
<td>21%</td>
</tr>
</tbody>
</table>

Source: Authors’ analysis of the 2015-2019 American Community Survey
POVERTY RATES IN JANITOR HOUSEHOLDS WITH CHILDREN

Over half (52%) of private sector janitors have at least one child living in their home. The proportion of subcontracted janitors with at least one child in their household is higher, at 60%.

Nearly half (45%) of private sector janitors with children in their household have family incomes below 200% of the federal poverty line. This is nearly twice the rate for households of California workers overall with children, at 24%. The economic precarity is considerably higher for subcontracted janitors with children, with 52% reporting family incomes falling 200% below the poverty threshold.
CALFRESH RECIPIENCE

Low wages push many workers and their families to rely on public assistance in order to make ends meet. Eligible low-income Californians receive monthly food benefits through CalFresh, known at the federal level as the Supplemental Nutrition Assistance Program or SNAP. About one-in-six (16%) of private sector janitors and their families receive CalFresh benefits, compared to 9% of all private sector workers in the state.

CALFRESH RECIPENCY RATES IN JANITOR HOUSEHOLDS WITH CHILDREN

One-in-five (20%) private sector janitors with children in their household are CalFresh recipients. This is significantly higher than the rate of California’s private sector workers with children in their household overall, at 12%. Similarly, the proportion of subcontracted janitors with children in their household receiving CalFresh benefits is 21%. Food insecurity is a major problem for California janitors. In fact, the percentage of subcontracted janitors receiving CalFresh benefits almost exactly matches the findings of MCTF’s 2020 survey of non-union subcontracted janitors who had not experienced job loss or a reduction in hours during the height of the COVID-19 pandemic. MCTF’s survey found that 17% of these workers reported struggling to afford food and water. Among those that experienced a reduction in hours, 41% reported not being able to afford food and water.
SECTION V:
HEALTH INSURANCE COVERAGE

HEALTH COVERAGE FOR FULL-TIME JANITORS

Half (50%) of full-time janitors employed in the private sector have health insurance provided by their employer or union, compared to 64% of California’s private sector workers overall. The rate of employer/union-provided health insurance is significantly lower for full-time subcontracted janitors, at 39%.

When employers do not pay high enough wages to cover basic needs and do not offer health insurance benefits, many workers turn to public safety net programs to make ends meet. Over one-quarter (26%) of full-time subcontracted janitors received health coverage through Medi-Cal, California’s Medicaid health care program. Supported by federal and state taxes, Medi-Cal pays for a variety of medical services for children and adults with limited income and resources.36

The rate of Medi-Cal coverage for full-time private sector janitors almost doubles that of all private sector workers, at 20% and 11% respectively. But perhaps more concerning is the percentage of full-time subcontracted janitors who don’t qualify for Medi-Cal and can’t afford to purchase insurance directly, forgoing health insurance coverage altogether, at 23%.

MCTF’s 2020 survey offers some additional information on health coverage for non-union subcontracted janitors. The survey found that 55% of respondents who were still working without a reduction in hours did not have any health insurance coverage, and 17% struggled to afford medical expenses.37 This is especially problematic because these janitors are classified as essential workers, and therefore have greater exposure to ongoing pandemic-related health risks.

FIGURE 15:
Type of health insurance coverage among full-time subcontracted, directly employed, and private sector janitors in California

<table>
<thead>
<tr>
<th>Type of Insurance</th>
<th>Subcontracted Janitors</th>
<th>Directly Employed Janitors</th>
<th>Private Sector Janitors</th>
<th>All Private Sector Workers</th>
</tr>
</thead>
<tbody>
<tr>
<td>Health insurance through employer or union</td>
<td>39%</td>
<td>56%</td>
<td>50%</td>
<td>64%</td>
</tr>
<tr>
<td>Purchased directly</td>
<td>8%</td>
<td>6%</td>
<td>7%</td>
<td>10%</td>
</tr>
<tr>
<td>Medi-Cal</td>
<td>26%</td>
<td>18%</td>
<td>20%</td>
<td>11%</td>
</tr>
<tr>
<td>Other</td>
<td>4%</td>
<td>6%</td>
<td>6%</td>
<td>5%</td>
</tr>
<tr>
<td>No health insurance</td>
<td>23%</td>
<td>14%</td>
<td>17%</td>
<td>10%</td>
</tr>
</tbody>
</table>

Source: Authors’ analysis of the 2015-2019 American Community Survey
HEALTH COVERAGE FOR PART-TIME JANITORS

Health insurance coverage for part-time janitors is even lower than for full-time janitors. About 19% of part-time private sector janitors and 26% part-time subcontracted janitors have no health insurance coverage. About 35% of part-time private sector janitors and part-time subcontracted janitors in California are Medi-Cal recipients, compared to 24% of all part-time private sector workers. Only one-quarter of part-time private sector janitors and part-time subcontracted janitors (24% for both) receive employment-based health insurance. In comparison, the percentage of part-time California workers overall with employment-based health coverage is much higher, at 40%).

FIGURE 16:
Type of health insurance coverage among part-time subcontracted, directly employed, and private sector janitors in California

<table>
<thead>
<tr>
<th></th>
<th>Subcontracted Janitors</th>
<th>Directly Employed Janitors</th>
<th>Private Sector Janitors</th>
<th>All Private Sector Workers</th>
</tr>
</thead>
<tbody>
<tr>
<td>Health insurance through employer or union</td>
<td>24%</td>
<td>24%</td>
<td>24%</td>
<td>40%</td>
</tr>
<tr>
<td>Purchased directly</td>
<td>7%</td>
<td>9%</td>
<td>8%</td>
<td>13%</td>
</tr>
<tr>
<td>Medi-Cal</td>
<td>35%</td>
<td>35%</td>
<td>35%</td>
<td>24%</td>
</tr>
<tr>
<td>Other</td>
<td>8%</td>
<td>17%</td>
<td>14%</td>
<td>11%</td>
</tr>
<tr>
<td>No health insurance</td>
<td>26%</td>
<td>15%</td>
<td>19%</td>
<td>12%</td>
</tr>
</tbody>
</table>

Source: Authors’ analysis of the 2015-2019 American Community Survey
While misclassification remains an endemic issue in the janitorial industry, there are insufficient estimates of the number of misclassified janitors in California. Our best approximation to understand the conditions these workers face is to take a deeper look at employment outcomes and selected characteristics of independent contractor janitors.

**EMPLOYMENT TYPE**

About 8% of janitors in the private sector report being independent contractors. Among those that are subcontracted, or in the building services industry, a higher percentage are independent contractors: 18%.

For many subcontracting firms, misclassification is a routine practice used to cut down labor costs. A common practice of large building services companies is to divide janitorial services contracts into smaller pieces and let smaller janitorial services companies bid on each piece. This practice creates multiple layers of subcontractors. The top layer consists of building owners, managers, and tenants and the bottom layer consists of small janitorial services companies. These layers of subcontracting allow the pressure to reduce costs to be pushed down the chain of subcontractors to the smallest companies that have the least power to set employment conditions. It also further distances the property managers, owners, and tenants with the power to set prices for janitorial services from the janitorial company that is the actual employer of record.

**FIGURE 17:**
Employee and independent contractor status of California’s subcontracted, directly employed, and private sector janitors

<table>
<thead>
<tr>
<th></th>
<th>INDEPENDENT CONTRACTOR, NOT INCORPORATE</th>
<th>EMPLOYEE</th>
</tr>
</thead>
<tbody>
<tr>
<td>Subcontracted Janitors</td>
<td>18%</td>
<td>80%</td>
</tr>
<tr>
<td>Directly Employed Janitors</td>
<td>3%</td>
<td>97%</td>
</tr>
<tr>
<td>Private Sector Janitors</td>
<td>8%</td>
<td>92%</td>
</tr>
<tr>
<td>All Private Sector Workers</td>
<td>10%</td>
<td>90%</td>
</tr>
</tbody>
</table>

Source: Authors’ analysis of the 2015-2019 American Community Survey
This distance—between the entity with the power to set prices for janitorial services and the entity that is the janitors’ employer of record—is a major contributor to the high rate of misclassification.40

As of June 2022, over half of MCTF’s total claims filed with the California Labor Commissioner’s Bureau of Field Enforcement include allegations of misclassification.41 In addition, MCTF found that nearly half of the 157 building services companies profiled between January 2018 and June 2021 had either misclassified janitors as independent contractors or were employing them off the books altogether.42 Furthermore, a majority of the janitors classified as independent contractors that MCTF investigators have encountered in the field have been misclassified.

Independent contractor status can be especially harmful to private-sector janitors because it disqualifies them from many workplace protections such as minimum wage and anti-discrimination laws, makes them ineligible for employment-based health insurance and workers’ compensation benefits, and makes their jobs more precarious. Private sector janitors who are independent contractors have higher rates of part-time work, with over half reporting being part-time, compared to 28% of janitors classified as employees. Independent contractor janitors are also more likely to experience economic hardship than their employee counterparts. The rate of poverty for families of janitors who are independent contractors is 17% compared to 11% of families of janitors who are classified as employees. Full-time janitors who are independent contractors are also more likely to lack health insurance, with 27% reporting not having any coverage at all, and 30% relying on Medi-Cal.

### FIGURE 18:
Selected worker characteristics of private sector janitors in California by employment status

<table>
<thead>
<tr>
<th>% Within Janitors Classified As</th>
<th>Independent Contractors</th>
<th>Employees</th>
</tr>
</thead>
<tbody>
<tr>
<td>Part-time</td>
<td>53%</td>
<td>28%</td>
</tr>
<tr>
<td>Percentage below 100% of the FPL</td>
<td>17%</td>
<td>11%</td>
</tr>
<tr>
<td>Medi-Cal</td>
<td>12%</td>
<td>16%</td>
</tr>
<tr>
<td>No health insurance coverage, private full-time</td>
<td>27%</td>
<td>16%</td>
</tr>
<tr>
<td>Medi-Cal, full-time</td>
<td>30%</td>
<td>20%</td>
</tr>
</tbody>
</table>

Source: Authors’ analysis of the 2015–2019 American Community Survey
Female janitors often face more difficult working conditions than their male counterparts. Using a gender lens, we provide an overview of selected employment outcomes for female janitors in the private sector.

**GENDER**

Women make up over one-third (35%) of the private sector janitorial workforce. The proportion of women is much larger among subcontracted janitors, at 48%.

In the popular consciousness janitorial work is often portrayed as predominantly male. This is reinforced by the fact that women only make up 35% of the overall private sector janitorial workforce in California. However, women are disproportionately concentrated in the more precarious and disempowered segments of California’s janitorial workforce. For example, almost half of subcontracted and part-time janitors are women.

Failing to recognize the concentration of females in these segments of the janitorial workforce obscures the importance of workplace issues of special concern to women such as sexual discrimination, harassment, and abuse, as well as work-life balance and childcare. For example, as discussed in the introduction, female subcontracted janitors experience high rates of sexual harassment and abuse at work. The following data showcases the ways in which gender, part-time, and subcontracted work intersect to lower employment standards for female janitors.

**FIGURE 19:**
**Subcontracted, directly employed, and private sector janitors in California by gender**

<table>
<thead>
<tr>
<th></th>
<th>MALE</th>
<th>FEMALE</th>
</tr>
</thead>
<tbody>
<tr>
<td>Subcontracted Janitors</td>
<td>52%</td>
<td>48%</td>
</tr>
<tr>
<td>Directly Employed Janitors</td>
<td>73%</td>
<td>27%</td>
</tr>
<tr>
<td>Private Sector Janitors</td>
<td>65%</td>
<td>35%</td>
</tr>
<tr>
<td>All Private Sector Workers</td>
<td>56%</td>
<td>44%</td>
</tr>
</tbody>
</table>

Source: Authors’ analysis of the 2015-2019 American Community Survey
Across almost all measures of job quality and economic well-being, private sector female janitors are significantly worse off than their male counterparts. Private sector female janitors have lower wages, higher rates of poverty and economic distress, are more likely to be CalFresh or Medi-Cal beneficiaries, and are less likely to have employment-based health insurance than their male counterparts.

Female janitors are twice as likely to be employed part-time than male janitors (43% vs. 23%). They are also more likely to be subcontracted than their male counterparts, at 51% and 29% respectively, and more likely to be classified as independent contractors (11% vs. 7%).

Across all subcategories of California’s private sector janitorial workforce examined in this report, the hourly wages of female subcontracted janitors lag behind their male counterparts. For the private sector, median wages for male janitors are about 15% greater than for their female counterparts ($14.08 vs. $12.21).

Poverty rates are also greater among female janitors. About 45% of private sector female janitors have family incomes that fall below 200% of the federal poverty line, compared to 37% of male janitors. Female janitors were more likely to be Medi-Cal beneficiaries than their male counterparts (25% vs. 19%).
SECTION VIII: WORKER CHARACTERISTICS

RACE/ETHNICITY

Latinx workers constitute the largest share of the janitorial workforce. About 7 in 10 private sector janitors are Latinx, compared to nearly 4 in 10 of all private sector workers. The proportion of Latinx workers is higher among subcontracted janitors compared to directly employed janitors, at 80% and 64% respectively.

Asian and Black workers make up a larger percentage of California’s directly employed janitorial workforce than the state’s subcontracted janitorial workforce. About 8% of California’s private sector directly employed janitors are Asian compared to 4% of subcontracted janitors. Similarly, Black janitors make up 6% of the directly employed workforce compared to 3% of subcontracted janitors.

FIGURE 21: Subcontracted, directly employed, and private sector janitors in California by race/ethnicity

<table>
<thead>
<tr>
<th>Race/Ethnicity</th>
<th>Subcontracted Janitors</th>
<th>Directly Employed Janitors</th>
<th>Private Sector Janitors</th>
<th>All Private Sector Workers</th>
</tr>
</thead>
<tbody>
<tr>
<td>Latinx</td>
<td>80%</td>
<td>64%</td>
<td>70%</td>
<td>38%</td>
</tr>
<tr>
<td>White</td>
<td>12%</td>
<td>20%</td>
<td>17%</td>
<td>38%</td>
</tr>
<tr>
<td>Asian</td>
<td>4%</td>
<td>8%</td>
<td>7%</td>
<td>16%</td>
</tr>
<tr>
<td>Black</td>
<td>3%</td>
<td>6%</td>
<td>4%</td>
<td>5%</td>
</tr>
<tr>
<td>Other</td>
<td>1%</td>
<td>2%</td>
<td>2%</td>
<td>3%</td>
</tr>
</tbody>
</table>

Source: Authors’ analysis of the 2015-2019 American Community Survey
AGE

California’s janitorial workforce tends to skew older than California’s workforce overall. The median age for private sector janitors is 45, compared to 40 for California’s overall workforce.

Janitorial work is hard physical labor. Therefore, it is notable that more than one in four (27%) of private sector janitors in California are over the age of 55 and more prone to injury. This issue is exacerbated by MCTF’s findings that many janitorial and building services companies do not carry sufficient workers’ compensation insurance and janitors misclassified as independent contractors are unlikely to have workers compensation insurance.

FIGURE 22:
Subcontracted, directly employed, and private sector janitors in California by age

<table>
<thead>
<tr>
<th>Age Group</th>
<th>Subcontracted Janitors</th>
<th>Directly Employed Janitors</th>
<th>Private Sector Janitors</th>
<th>All Private Sector Workers</th>
</tr>
</thead>
<tbody>
<tr>
<td>18-24</td>
<td>7%</td>
<td>11%</td>
<td>10%</td>
<td>12%</td>
</tr>
<tr>
<td>25-29</td>
<td>9%</td>
<td>8%</td>
<td>8%</td>
<td>13%</td>
</tr>
<tr>
<td>30-39</td>
<td>22%</td>
<td>16%</td>
<td>18%</td>
<td>24%</td>
</tr>
<tr>
<td>40-54</td>
<td>41%</td>
<td>35%</td>
<td>37%</td>
<td>31%</td>
</tr>
<tr>
<td>55-64</td>
<td>16%</td>
<td>21%</td>
<td>20%</td>
<td>15%</td>
</tr>
<tr>
<td>65+</td>
<td>5%</td>
<td>8%</td>
<td>7%</td>
<td>5%</td>
</tr>
<tr>
<td>MEDIAN AGE</td>
<td>44</td>
<td>46</td>
<td>45</td>
<td>40</td>
</tr>
</tbody>
</table>

Source: Authors’ analysis of the 2015-2019 American Community Survey
NATIVITY

About 60% of private sector janitors are immigrants, compared to 37% of all private sector workers in California. The subcontracted workforce is overwhelmingly foreign-born (70%) compared to directly employed janitors (54%).

ENGLISH PROFICIENCY

About one-third (31%) of private sector janitors in California have limited to no proficiency speaking English. English proficiency among subcontracted janitors is even lower, with 11% of janitors not speaking English at all, and 29% not speaking English well. A workers’ lack of English proficiency can be a significant barrier to reporting illegal employment practices and accessing social safety-net benefits. This barrier is especially significant for janitors. As established earlier in this report, private sector janitors in California are frequent victims of employment law violations, including wage theft, misclassification, and sexual harassment. Furthermore, fear of retaliation is a significant barrier to reporting such violations. This report also found high levels of economic precarity for private sector janitors. Therefore, it is important that education and outreach efforts by advocacy organizations, as well as government aid agencies and regulators, be multilingual.
SECTION IX:
CONCLUSION

Private sector janitors endure employment standards far inferior to those of the typical California worker. These poor employment standards have a negative impact on the well-being of private sector janitors, resulting in high rates of poverty, food insecurity, reliance on public benefits, lack of health insurance coverage, and access to healthcare. This is especially true for certain subsets of janitors whose employment conditions and economic well-being are worse than those of California’s private sector janitorial workforce as a whole. These subsets of California’s private sector janitorial workforce include subcontracted janitors, female janitors, part-time janitors, add janitors in households with children, and janitors classified as independent contractors.

This report found that subcontracted janitors are an economically distressed workforce, with wages and benefits that are significantly lower than the median California worker. As a result, subcontracted janitors are more likely to be below or just above the poverty line and rely on government programs designed to help low-income individuals and families. This impacts not just janitors themselves, but also their families, including children, adding an intergenerational dynamic to the poor labor conditions found for private sector janitors in California.

Female janitors earn lower wages, have higher rates of poverty, and have greater dependence on government programs to make ends meet. Furthermore, female janitors are concentrated in sectors with particularly harmful working conditions, such as subcontracted and part-time work.

Part-time and independent contractor janitors have higher rates of poverty and economic distress than private sector janitors overall. Furthermore, part-time janitorial work is also associated with a lack of employment-based health insurance and reliance on government programs such as CalFresh and Medi-Cal. There is comparatively little data available on janitors classified as independent contractors. However, there is substantial evidence that a large portion of independent contractor janitors have been misclassified and therefore illegally disqualified from numerous workplace protections and benefits, such as minimum wage and anti-discrimination laws as well as employment-based health insurance.
FUTURE RESEARCH

This report raises significant questions about California’s private sector janitorial workforce that could be addressed in future research. It examined a number of interrelated characteristics of California’s janitorial workforce that are associated with especially poor economic outcomes for workers, such as low wages and food insecurity. However, some areas remain underexplored, like the profile and conditions of janitors employed in the underground economy. As discussed in this report, MCTF has found a significant amount of evidence that these janitors make up a substantial portion of California’s private sector janitorial workforce. It is likely that these janitors endure especially substandard working conditions, such as wage theft, low pay, and no benefits.

Future reports could also attempt to overcome data limitations and provide more detailed statistics on janitors that are classified as independent contractors, especially those that have been misclassified. The data on this topic is limited and contains results that lead to further questions. For example, given the high poverty rate among janitors classified as independent contractors, a comparative few utilize CalFresh benefits. Therefore, a deeper analysis of the low utilization of CalFresh benefits is needed to identify barriers preventing this group from accessing these benefits.

Additional research could also be conducted on the effectiveness of recently enacted legislation intended to address issues undermining janitors’ employment standards and financial condition. AB 1897 and SB 588, discussed in Section I, are two examples of such legislation. California also passed AB 5, which went into effect in 2020. AB 5 narrows and more clearly defines the criteria a worker must meet in order to be classified as an independent contractor rather than an employee. A future study could look at whether AB 5 has reduced the percentage of janitors that are misclassified.

There have also been numerous recent increases in both state and local minimum wages. As described in this study, more than 60% of private sector janitors are low-wage workers and therefore may be significantly impacted by minimum wage increases. Exploring the effect of these minimum wage increases on janitors’ employment, median wages, rates of poverty, and reliance on CalFresh could help inform additional legislative efforts.

Finally, future reports could look at additional factors that negatively impact subcontracted janitors in the workplace, such as violations of workplace safety laws. MCTF’s 2020 survey of non-union janitors in California’s building service industry found evidence of widespread violations of COVID-19 safety regulations as well as other workplace safety laws. This is especially problematic because, as discussed previously in this report, MCTF has also found that a substantial percentage of building service companies do not carry sufficient workers’ compensation insurance to cover their janitorial workers.
Figures and tables in this research brief use data from the American Community Survey (ACS), an ongoing annual survey of American households by the U.S. Census Bureau. The ACS 5-year estimate (2015–2019) is pulled from IPUMS-USA extract, which harmonizes U.S. census microdata.49

Wage and unionization data were collected from the Current Population Survey, Outgoing Rotation Group (CPS), the U.S. Census Bureau monthly survey of unemployment and labor force participation. In order to have enough observations to conduct the analysis presented in this report, we pooled data across 10 years, 2011–2020. CPS ORG data was obtained from the Economic Policy Institute extracts.50

LOW WAGES

We used hourly wage variables for the CPS to calculate low wage thresholds, following the steps outlined by the UC Berkeley Labor Center.51 We calculated the median wage for full-time workers in California at $22.86, using the 2011–2020 CPS ORG sample. Wages were adjusted for inflation to reflect 2020 dollars. Following the UC Berkeley Labor Center’s methods, we define workers as low-wage if they earn less than two-thirds of the full-time median wage.52 For California, the cutoff is $15.09.
JANITORIAL WORKERS

Broadly, the estimates for janitorial workers included those who are U.S. civilians in non-institutionalized quarters, currently employed, and whose occupation is janitors and building cleaners (IPUMS OCC 4220). We limited our study to those who work for wages (private and nonprofit) and are independent contractors (incorporated and not incorporated; census class of worker codes 22, 23, 24, 13, and 14). Using the industry and worker classification system in the ACS dataset, janitorial workers are grouped and defined as follows:

- **Private sector janitors**: includes janitorial workers who are employed in the private sector. We used the detailed classification of workers to identify them (IPUMS CLASSWKRD independent contractors, not incorporated CLASSWKRD = 13, independent contractors, incorporated CLASSWKRD = 14, wage/salary, private CLASSWKRD = 22, Wage/salary at non-profit CLASSWKRD = 23).

- **Subcontracted janitors**: includes private sector janitors as identified above. We used the detailed industry classification to identify subcontracted janitors as those employed in the services to buildings and dwellings (except cleaning during construction and immediately after construction) industry sector (IPUMS IND 7690).

- **Directly employed janitors**: includes private sector janitors as identified above. We used the detailed industry classification to identify directly employed janitors as those not employed in the services to buildings and dwellings (except cleaning during construction and immediately after construction) industry sector (all other IPUMS IND codes).

- **Subcontracted, non-union janitors**: includes private sector janitors as identified above, who are not represented by a union as a member and are not covered by a contract (CPS ORG Union = 0).
ACKNOWLEDGMENTS

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Report Citation: Paul Hayes, Lucero Herrera, Guadalupe Palma, and Yardenna Aaron.
“Profile of Janitorial Workers in California.” UCLA Labor Center and the Maintenance Cooperation Trust Fund, August 2022.


3These profiles are of building services companies that employ janitors that MCTF investigators have come into contact with as a result of their outreach work in the period between January 2018 and June 2021.


5Hinkley et al., “Race to the Bottom,” 21.

6Hinkley et al., “Race to the Bottom,” 19.

7Ruckelshaus et. al., “Who’s the Boss,” 1-10.

8Ruckelshaus et. al., “Who’s the Boss,” 1-10.


15Hayes et al., “The Pandemic’s Unseen Essential Workers,” 18-19


17In order to be considered registered with the California Employment Development Department, the specific company appearing on workers’ pay stubs or other identifying information must be registered under its own name with the EDD or it must be registered as a FBN by an entity that is registered with the California EDD. For the purposes of this analysis, if only alter-ego or successor companies are registered, then the company is not counted as registered with the California EDD.

18In addition to the 34% of profiled building services companies not carrying workers’ compensation insurance, MCTF found evidence that another 14% were underreporting the number of workers they employed. For the purposes of this analysis, a company is counted as carrying workers’ compensation insurance if it either purchases workers’ compensation insurance through an outside entity or self-insures.

19Hayes et al., “The Pandemic’s Unseen Essential Workers,” 8-10

20In recent years, California has passed legislation to address this issue. AB 3075, implemented on January 1, 2022, is one example of such legislation. AB 3075 created additional disclosure requirements and expanded successor liability for labor code judgments for newly created corporations and LLCs. The effectiveness of such recently passed legislation is unknown. (Hayes et al. “The Pandemic’s Unseen Essential Workers,” 10.)

21Hinkley et al., “Race to the Bottom,” 12.


23Rhinehart et al. “Misclassification, the ABC Test, and Employee Status”, 5


West et al., “Sweeping Change.,” 24


As with other service sector worker estimates, the analysis of the ACS data is likely to be an undercount due to underrepresentation of immigrants in national surveys and the large proportion of janitors who are paid “under the table” and are therefore less likely to report their work.

See variable definition in Appendix.


The statistics used in this section were calculated using data from the same survey that was used to publish “The Pandemic’s Unseen Essential Workers” (Hayes et. al. Maintenance Cooperation Trust Fund, April 2021). However, these statistics did not appear in the study. They were calculated specifically for this report, after the publication of the previous study, “The Pandemic’s Unseen Essential Workers.”


This number is derived from an analysis of all of MCTF’s internal corporate research. For example, of the 157 non-union janitorial services companies that provide janitorial services that MCTF reviewed for its profiles between Jan 2018 and June 2021, the organization found that 34% did not carry workers’ compensation insurance. MCTF also found that an additional 14% of janitorial companies profiled that did carry workers’ compensation insurance, were likely underreporting the number of workers they employed to the California Employment Development Department (EDD).


MacGillvary and Jacobs, “The Union Effect in California #3,” 3

Hayes et. al. “The Pandemic’s Unseen Essential Workers,” 15-18

