

# Equity-Oriented Workforce Strategies for a Progressive Infrastructure Plan

By Livia Lam April 22, 2019

Federal investments in infrastructure are vital to economic growth and development, but the benefits tend to move disproportionately toward wealthier communities. American households rely on public infrastructure for connection to where they work, attend school, see the doctor, and buy groceries. It can be vital for workers and their families—and can even act as a pathway out of poverty and unemployment, advancing equity outcomes through social and economic mobility. Yet federal infrastructure policy has not always produced broad-based and inclusive prosperity for all American workers, consequently failing to realize the full potential of equitable public infrastructure investments.

To ensure that the benefits of federal investment in infrastructure are shared equitably and incentivize systematic changes that advance equitable economic growth, lawmakers must take an inclusive approach to any infrastructure plan, forming partnerships with existing workforce development systems to integrate stronger employment connections between critical public infrastructure entities and less advantaged workers living in affected communities.<sup>1</sup>

As members of Congress consider the economic potential of new federal investment in infrastructure, they should employ the theory of targeted universalism when crafting legislation. This equity framework, which was developed by John A. Powell of the Haas Institute for a Fair and Inclusive Society, is "inclusive of the needs of both the dominant and the marginal groups, but pays particular attention to the situation of the marginal group." The theory states that universal approaches alone will not bring change and, in many cases, will exacerbate the current divide. By embedding an equity framework that is especially focused on improving workforce development systems through targeted employment strategies, members of Congress can improve the quality of future projects and better ensure that all communities benefit from investments that protect workers, expand opportunities for advancement, establish strong labor standards, and redress discriminatory policies that have unfairly burdened low-income communities and communities of color with pollution or geographic isolation.

### Centering an equity-oriented workforce in infrastructure development

Throughout legislative history, public funding for infrastructure and public works has primarily reflected the economic, environmental, political, and social context of its era.<sup>3</sup> Current federal infrastructure policy overwhelmingly distributes money based on the geography of political power and industry pressure, rather than on community need. Moreover, most federal programs function as lightly structured block grants for states, with few requirements about how these dollars are spent. This means that national policy goals have little effect beyond the rhetorical, as state block grant funding has failed to adequately address the challenges of those most in need.<sup>4</sup>

Additionally, current federal infrastructure policy does not account for the harms caused by past investments that have displaced residents, created barriers to opportunity, and resulted in unequal infrastructure burdens. The Federal-Aid Highway Act of 1956, for example, used federal dollars to design the interstate system across the country as a means of easing intracity traffic. This act, while deemed universally beneficial, further entrenched racially isolated urban residents from newly formed, predominately white suburbs. While relatively affluent communities were able to shorten their commutes between their suburban homes and downtown offices, the most disenfranchised neighborhoods were turned into surface parking and highways.

Yet state and local governments continue to plan and build infrastructure projects that create unequal burdens instead of maximizing benefits for local communities. For example, according to the Bureau of Transportation Statistics, the volume of cargo that the top 50 U.S. water ports currently handle is about 2.2 billion tons annually. When a port authority expands its maritime port complex to allow for larger cargo volumes, the regional economy and consumers nationally benefit. While ports are increasing economic activity, they are also increasingly becoming sources of local and regional pollution. Moreover, researchers at the Natural Resources Defense Council found that residents living in proximity to the port or along connecting highway corridors often experience reduced property values and are exposed to higher levels of air pollution, noise, vibrations, and accidents.

As Congress gears up to potentially take on the major issue of infrastructure investment, it is imperative that it prioritize the economic needs of local communities by including equity-oriented workforce development strategies that break down structural and geographical barriers to employment.

### Harnessing the mutual benefits of universally targeted workforce strategies

The Workforce Innovation and Opportunity Act (WIOA) is the primary federal law that authorizes workforce development programs that provide a combination of education and training services to prepare individuals—particularly those who

face the greatest barriers to employment—for work and help them improve their prospects in the labor market. <sup>10</sup> Among other elements, the WIOA emphasizes sector partnerships and workforce development strategies by requiring local workforce development boards (WDBs) to lead efforts to develop career pathway strategies and to implement industry sector partnerships with employers. Directing entities that are eligible for infrastructure funding to leverage the existing capacity of the public workforce system and strategically facilitate and align quality training and hiring has the potential to create a pipeline of qualified workers while also providing career opportunities for low-wage workers and job seekers.

Lawmakers should consider the following targeted workforce strategies for an inclusive infrastructure package that mutually benefits workers, business, and communities.

### Maximize federal investment by incentivizing and measuring strategic partnerships with local or regional workforce systems

How the federal government spends money is just as important as how much and where money is spent. In order to address emerging and changing workforce needs in infrastructure, it is important to promote collaborative problem-solving through formal partnership agreements with local and regional workforce systems, as this strategy would help to develop the trust, communication, and action planning necessary for responding to industry needs. However, federal funding commitments for infrastructure projects are often referenced without consultation from local or regional workforce agencies, let alone meaningful collaboration—despite the need to project staffing gaps.

Encouraging eligible entities to create new or bolster existing collaboration with local or regional workforce intermediaries would support alignment between the private sector's business stake in a federally funded infrastructure project and the government's goal of acting in the public interest. By institutionalizing collaboration in the form of memorandums of understanding (MOUs) with the local or regional workforce agency, federally funded contracting entities would increase their capacity to assess current workforce composition; enhance support of complex development projects such as ports and intermodal hubs; and project future workforce needs throughout the process of a given project.

A progressive infrastructure package should direct investments toward projects that demonstrate partnership with the public workforce system, including by funding tripartite initiatives such as labor-management intermediaries to support entry into a registered apprenticeship or paid training and advancement in a particular career field throughout the development timeline.

Performance management based on progressive outcome metrics—such as understanding and accounting for job quality and career advancement—developed in consultation with local and regional workforce agencies would provide another targeted

approach that demonstrates how mutually beneficial relationships can ensure that public dollars deliver the greatest social and economic return on investment for local and regional workers, families, and communities. Furthermore, evaluating the effectiveness of partnerships to determine the recruitment and retention of individuals who often face barriers to employment—such as women and people of color—living in the affected communities would provide an outcomes measure that demonstrates the benefits of project preparation designed by targeted universalism.<sup>11</sup>

## The Trade Adjustment Assistance Community College and Career Training grant

The Trade Adjustment Assistance Community College and Career Training (TAACCCT) grant program, a \$1.9 billion federal workforce investment from 2011 to 2018, is an example of an initiative that emphasizes formal partnership agreements as a core element of strategic alignment with other systems in order to increase capacity and provide education and training programs for in-demand jobs. While a larger evaluation of TAACCCT remains underway, early research findings suggest overall satisfaction with the partnership approach. Community colleges, WDBs, employers, and other entities that collaborated for six to 10 years involved multiple staff in the partnership, worked together to pursue grant funding, and cooperated on more than one education and training program more frequently than employers with shorter or longer collaborations.

Forming and evaluating partnerships creates another accountability metric in which every stakeholder involved has the opportunity to advance long-term goals toward investing in the knowledge, skills, talents, and experiences of communities that rely on strong public investments in both physical infrastructure and the labor to create it. Policymakers can employ formal partnership agreements with local or regional WDBs over the life of the federally funded contract to improve the quality of infrastructure projects and to better position workers, business, and all communities involved to mutually succeed in building a modern and efficient 21st century infrastructure.

### Support apprenticeship programs and set equitable training, advancement, and hiring standards<sup>14</sup>

Registered Apprenticeships is a proven training model that combines structured classroom instruction with paid on-the-job training. Employers in the building and construction industry have long used Registered Apprenticeships to provide a steady pipeline of highly qualified workers who meet federal and state standards for safety and training. For workers, earning an industry-issued, nationally recognized credential through apprenticeship leads not only to high-paying jobs but also to opportunities for career advancement.

Cities and states are increasingly adopting "targeted hire" standards and preapprenticeship programs to ensure that local residents—especially individuals with barriers to employment, such as women, people of color, low-income residents, and residents with past involvement with the criminal justice system—are able to obtain the construction and permanent jobs created with the support of public expenditures. 15 For example, Washington state and Alaska have both adopted policies to ensure that 15 percent of the work on publicly supported construction projects is performed by apprentices.<sup>16</sup> In another example, the city of San Francisco has significantly expanded access to publicly supported construction projects by mandating that local residents complete 30 percent of total work hours on a project and 50 percent of apprenticeship hours; it has also partnered with industry, labor, and community nonprofits to create an 18-week pre-apprenticeship program. <sup>17</sup> And in the city of Seattle, women apprentices performed 33 percent of the apprentice hours on Seattle's Community Workforce Agreement (CWA) projects in 2016, compared with just 9.1 percent in 2015. Moreover, in 2016, women performed 12 percent of all craft hours—training for a skilled trade in industry—on Seattle's CWA projects, compared with 4.5 percent in 2015; on CWA projects nationwide, women performed 3 percent of craft hours on average. 18 Of nearly 20,000 apprentices statewide, women make up more than 10 percent and minorities make up close to 30 percent.<sup>19</sup>

Despite these signs of progress, in 2017, the Trump administration announced that it was ending a pilot program at the U.S. Department of Transportation that allowed communities to establish local hire preferences. <sup>20</sup> The administration also established a parallel apprenticeship program that will allow third-party industry groups outside of construction to develop apprenticeship programs without having to meet existing federal or state Registered Apprenticeship standards. <sup>21</sup>

Lawmakers should require that at least 15 percent of labor hours on large-scale infrastructure projects be performed by apprentices participating in programs that meet federal and state Registered Apprenticeship standards. They should also incentivize these projects to adopt a targeted hire initiative that establishes mandatory hiring requirements and partners with local community groups to ensure that affected groups—such as local residents, women, people of color, workers with disabilities, and other disadvantaged groups—are able to access these jobs. Doing so would boost public infrastructure investment to also expand economic opportunity by creating employment and career paths and offering concrete ways to ensure that investments are directed to affected, low-income communities.

#### Protect against occupational segregation

A growing body of evidence demonstrates that occupational integration helps both women and men contribute to enhancing the productivity of firms.<sup>22</sup> Yet for the past two decades, women's wages have grown more slowly than men's wages, and women overall have been less likely to participate in the labor force; labor force participation rates of some women—particularly women of color—is irregular or has stagnated.<sup>23</sup>

In the face of employment discrimination, persistent racial and ethnic wage gaps only compound challenges for many women of color, who disproportionately work in low-wage jobs. <sup>24</sup> Investments in infrastructure have the potential to create higher-wage jobs in professions where men have traditionally predominated, such as construction and engineering. Women, especially women of color, could benefit from the opportunity to access these high-paying jobs; but institutional support will be key.

Portable benefit systems are a promising solution to provide workers with paid family and medical leave, health insurance, retirement plans, and workers' compensation. A long-standing practice in the union construction trades, this range of benefits exists outside of traditional employer allocation systems, meaning that workers would be able to access them when they move between jobs or if they have multiple jobs. One example of a successful targeted model for providing portable benefits for workers is state paid family and medical leave programs—in which workers contribute to a social insurance system through a payroll tax in order to access paid leave to care for a new child or for their own or a family member's health. Six states and Washington, D.C., have passed paid family and medical leave laws, helping improve the economic security and health of workers and their families. On the paid of the providing portable benefits are provided to the providing portable benefits for workers are provided to the providing portable benefits for workers is state paid family and medical leave laws, helping improve the economic security and health of workers and their families.

In addition to incentivizing the recruitment of women to apply for infrastructure jobs, lawmakers should reward states and localities that have established innovative policies to promote social and occupational integration, which would be particularly powerful for groups that face persistent discrimination—such as women and people of color. Any policymakers who take a targeted universalism approach in their infrastructure package should prioritize equity-oriented workforce strategies by incentivizing eligible entities to seek out new and essential workplace standards as a mechanism to prevent against occupational segregation and ensure economic security for all workers—particularly women of color.

#### Incentivize fair chance hiring policies<sup>27</sup>

Having a criminal record can limit one's opportunities for employment and, more often than not, pose a permanent obstacle to one's economic security. This is especially true for black and Latinx communities, who have disproportionately felt the effects of mass incarceration and overcriminalization.<sup>28</sup> It does not have to be that way, however; thoughtful, well-executed reforms can ease entry into the labor market for people with criminal records.

In recent years, states and the federal government have taken steps to unwind the damage done by these harsh criminal justice policies by implementing fair chance policies such as "ban the box" and record clearing, as well as paying incarcerated individuals at least the minimum wage for any work they perform.<sup>29</sup> These policies require employers to remove the box on a job application that asks about an applicant's criminal record and to hold off on performing a background check until a candidate is under serious consideration for hire. While this body of research is emerging, 33 states have adopted ban the box policies to date.<sup>30</sup>

Infrastructure investments that encourage cities, counties, and states to experiment or adopt targeted hiring strategies such as these—paired with workforce development efforts that ease previously incarcerated individuals' pathway to re-entry—can help ensure more equitable access to employment.

#### Conclusion

Comprehensive national infrastructure investment represents the best opportunity to meaningfully rebuild struggling communities. As Congress continues to craft legislation for a federal infrastructure plan, it should adopt a targeted universalism approach in which policymakers create a decision criterion that promotes equity in infrastructure. By emphasizing meaningful local and regional partnerships, eligible entities for infrastructure investments can turn to existing workforce development systems to grow regional talent pipelines. In addition, lawmakers should design infrastructure policy that encourages recipients of federal money to experiment with local innovative or tested workforce strategies around quality labor standards, occupational integration, and fair chance hiring in an effort to remove structural barriers to employment. It is crucial for any progressive infrastructure plan to build in these inclusive workforce strategies, so that it can open up opportunities for eligible entities of infrastructure investments to support equitable growth in affected communities and to deliver greater environmental, social, and economic benefits to everyone.

Livia Lam is a senior fellow and the director of Workforce Development at the Center for American Progress.

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