Pathways To The Middle Class

THURSDAY, JANUARY 22\textsuperscript{ND}, 2015

US CONFERENCE OF MAYORS- WORKFORCE DEVELOPMENT COUNCIL, WASHINGTON D.C.
Presenters

Trinh Nguyen, Director, Mayor’s Office of Jobs & Community Services (JCS)

Mark Erlich, Executive Secretary-Treasurer of the New England Carpenters Union

Brian Doherty, General Agent, Building and Construction Trades Council of the Metropolitan District (this position was previously held by Mayor Martin J. Walsh.)

Marie Downey, Executive Director, BEST Corp., Local 26

Richard Galvin, CV Properties, LLC
Economic Opportunity Agenda

- Increasing access to high quality jobs
- Improving job skills and capacities
- Creating wealth for Boston’s lowest income households
Boston Labor Market

Boston is job rich:

With 580,292 jobs in 2013, Boston is the economic hub of Massachusetts*

According to Wanted Analytics, 82% of advertised jobs require at least an Associate’s Degree.

*Massachusetts Executive Office of Labor and Workforce Development, ES202 Employment Data 2013
Boston residents hold jobs at the lower end of the wage spectrum

Boston Jobs 2013

- Boston Residents, 239068, 41%
- Non-residents, 341,224, 59%

Mean Annual Earnings

- Those who work in Suffolk County but live outside: $81,048.00
- Boston residents who work in Suffolk County: $51,863.00

Sources:
- Massachusetts Executive Office of Labor and Workforce Development, ES202 Employment Data 2013
- US Census Bureau, 2013 American Community Survey PUMS Data.
- Estimate based on 2013 ACS PUMS Data and ES202 Employment data.
Barriers to economic mobility

- Income and social inequities are concentrated by race and geography
- Poverty is concentrated
- Educational attainment rate for adult residents along the impoverished areas is less than half that of the rest of Boston
- Youth employment, a high predictor of future work prospects, is extremely low for low income youth of color
- Boston’s is a high cost city and over 23% of households pay more than 50% of their income towards housing
Legacy Systems Problems

- Antiquated technology and lack of upgrade systems
- Overbearing administrative burden
- Redundancy and minimal cost-efficiencies
- Multiple brands and marketing
- Multiple uncoordinated channels for job seekers
- Lack of coordination and systems alignment for career advancement continuum
- Diminishing financial resources on the federal, state and city level
- Research, labor and market data not aligned with real time
Strategies

- Increase the share of family sustaining jobs for Boston residents
- Increase capacity and improve the quality and alignment among and between job training programs, vocational and adult education institutions
- Build the financial and income assets of Bostonians through homeownership, savings, insurance, business development, education
The Economic Opportunity Continuum:

Employed and Under-employed workers

Households in poverty
Working poor

Economic Security
Financial Literacy
Income maximizing through public benefits

Employed

Workforce Development
Career Readiness
Sector-Based Training
Post-secondary/Voc. Ed.

Entrepreneurship
Business Planning
Access to Social and Financial Capital

Innovation
STEM Training
Technological Innovations
Local Food & Economic Systems

Low income Boston Households

Asset Building & Wealth Creation
Savings
Asset Ownership
Future Planning

Boston’s low income neighborhoods and residents

Security

Community Vitality & Economic Prosperity

Capacity

Stability

Resilience
Strategies in Action

➢ **Building Pathways (BP):** BP is a Building Trades Pre-Apprenticeship Program serving residents in the Boston metro area. The goal of Building Pathways is to prepare and connect residents to union apprenticeships, the pathway to a high-paying career in construction. Participants of Building Pathways come from some of Boston’s most underserved neighborhoods and communities, including women, minorities, veterans, ex-offenders and the long-term unemployed. Following successful completion of Building Pathways, each graduate is placed in the union trade of his or her choice.

➢ **About BEST Corp.:** BEST Corp.’s Hospitality Training Center trains unemployed and underemployed participants for careers in the hospitality industry, an industry that is currently booming in Boston. BEST Corp. partners with the Unite Here Local 26 employers, so program graduates get placed in hospitality jobs that pay well and have comprehensive, affordable benefits.
First registered Pre-Apprenticeship Program in Massachusetts
- Targets Boston Housing Authority and Section 8 residents as well as other low income Boston area residents – especially women and minorities
- 6 weeks of classroom and hands-on learning
- Enrollment of 15 participants on average per cycle
- Case management and career placement support

Sponsored by:
Building and Construction Trades Council of Metro District (MBBTC)
The Construction Institute (TCI), Boston Housing Authority (BHA), Action for Boston Community Development, Building Trades Training Directors Association

Partners:
Registered Apprenticeship Programs, signatory employers, Career Centers, community- and faith-based organizations, public agencies
Core Program Elements

- Partnership development and growth - Project Labor Agreements, MOUs with Trades and Employers
- Outreach & recruitment
- Applicant intake & assessment
- Case management/Support Services
- Employability and Occupational Skills training
- Employment/apprenticeship placement
- Retention
Results

Building Pathways started in 2011, and thus far it has conducted 8 training cycles, graduating 122 participants, and placed 82 in the various building trades.
A holistic workforce development partnership builds a strong community.
**Focus on:**

**Room Attendant Training Program**

The Room Attendant Training program helps individuals seeking employment in the hospitality industry gain necessary skills. The program includes instruction in English, housekeeping skills, interviewing, resume writing, and technology and offers two weeks of job shadowing. The program’s objective is to place graduates in well-paid positions with comprehensive benefits.

**Program Participants**
- 108

**Graduate Placement Rate**
- 90%

**Job Retention since 2011**
- 92%

**Social Return on Investment**
- 673%

**Employment Outcomes**

**Before**
- 15% Unemployed
- 45% Less than $10 per hour
- 40% More than $10 per hour

**After**
- 12% Unemployed
- 8% Less than $10 per hour
- 80% More than $10 per hour

**Average Wage**
- **Before**: $9.40
- **After**: $16.48

**Employer Sponsored Health Benefits**

**Before**
- = One person, with employer sponsored health benefits

**After**
- = One person, without employer sponsored health benefits

**Before Training**
- **Before**: 108 people
- **After**: 108 people

**After Training**
- **Before**: 108 people
- **After**: 108 people
Union vs. Average Boston Hotel Jobs

LOCAL 26 MEMBER BENEFITS

- Medical
- Disability
- Dental
- Education & Training – BEST Corp.
- Prescription Drug
- Vision - Life Insurance
- Legal
- Employee Assistance
- Housing Assistance
- Adoption Assistance
- Defined Pension Plan

Union Housekeeper vs. Average Housekeeper

$12.96; US Bureau of Labor Statistics
Best Practices

- Create broad-based partnership with career centers, CBOs, RAPs, academic institutions, employers, labor organizations
- Develop MOA with RAPs and employers to establish apprenticeship/job placement commitments
- Take advantage of robust economy- Scalability is important, but make certain it is done correctly with measurements and accountability
- Government hiring goals for women and minorities may facilitate placement
- Other programs are successful: SuccessBoston: College completion program; The Skilled Careers In Life Sciences (SCILS) Initiative is designed to improve career opportunities for residents in the region's biotech, pharmaceutical, laboratory, and medical device industries: SEIU 1199 Health Care Training and Upgrading Fund, Financial Empowerment Centers, Re-Engagement Centers for out of school youth, SummerJobs