

# CLASP

CENTER FOR LAW AND SOCIAL POLICY

## **OPPORTUNITY AT WORK: Creating Better Jobs for a Stronger Economy**

**December 4, 2006**

The Center for Law and Social Policy (CLASP) is pleased to announce a new initiative, **OPPORTUNITY AT WORK: Creating Better Jobs for a Stronger Economy**. The initiative will promote a national conversation about policy innovations and best practices to improve job quality for low-wage workers.

**OPPORTUNITY AT WORK** is born out of CLASP's conviction that economic and productivity growth fairly shared is essential to our nation's continued progress. For an increasing number of workers, hard work and playing by the rules are no longer enough to achieve economic security. Employment insecurity and economic inequality have grown, due to numerous factors: globalization, rapid technological changes, changing workforce demographics, the reduced real value of the minimum wage, the decline of unionization, and government disinvestment in education and training. The historic link between rising productivity and rising wages has been broken. Wages are now growing by substantially less than productivity or inflation, leaving one in four American workers earning poverty-level wages.

*The challenge for policy-makers is to ensure that the benefits of global economic integration are sufficiently widely shared—for example, by helping displaced workers get the necessary training to take advantage of new opportunities.*

Ben Bernanke  
Chairman  
Federal Reserve

### **America Needs Better Jobs**

America needs to be in the business of creating good jobs and promoting employment practices that improve job quality—better wages, benefits, advancement opportunities, flexibility, and workplace health and safety—for all workers, not just those at the top.

Increasingly, new jobs are concentrated at the high- and low-wage ends of the labor market.

The number of good jobs available to workers with lower levels of education has declined dramatically in the last 25 years. Millions of prime-age workers are stuck in low-wage jobs that do not allow them to achieve economic self-sufficiency.

Investment in education and skills is essential for individual advancement, as well as for the economy, which needs a skilled and adaptable workforce. But educational attainment is no longer synonymous with advancement or sufficient to achieve it.

Both the private and public sectors are putting the squeeze on today's workers. Companies are providing less and less for their workers—most dramatically, in the areas of health insurance and pensions. “Contingent workers,” who are not attached to specific employers, get even fewer benefits. And, as the private sector is retrenching, the federal government's safety net programs are serving an ever smaller share of eligible families. The share of unemployed workers receiving unemployment insurance has declined significantly since the 1960's—in 2003, only one in four unemployed workers reported receipt of UI during their first quarter of unemployment—and the rules make it especially unlikely that low-income workers will receive benefits.

In many high-poverty communities, these broad economic trends are coupled with shrinking public investment in essential services. Poorly performing schools, limited literacy and language training, and inadequate mental and social health services all contribute to labor force detachment, low levels of educational attainment, incarceration, and chronic unemployment in substantial segments of the working-age population.

These trends are not just bad for workers; they're bad for companies and bad for America. Many middle-class families fear that their children will not be as economically well off as they are. As our families feel vulnerable, so should our nation. If workers do not share in America's prosperity, we are at risk of losing one of the values we cherish—fairness. Our economy loses its adaptability if families are unable to weather the insecurities of employment in a turbulent economy. Further, when so many of our young people grow up in communities devoid of skills and services, we risk losing our competitive edge—our productivity. There is a widening skills gap between available workers and available jobs, a gap that threatens to put the brakes on those sectors of the economy that are most critical to economic growth.

### **The OPPORTUNITY AT WORK Initiative**

CLASP is launching the OPPORTUNITY AT WORK initiative in 2007 to advocate for job quality policies that increase our nation's prosperity and ensure that this prosperity is shared fairly. The focus on job quality is an important and necessary addition to our existing work on skill upgrading and work supports. Taken together, these three areas of work represent a comprehensive approach to improving the economic prospects of low-income people.

Over the coming year, the initiative will promote job quality policies and practices that link economic, employment, education, and social policies in mutually reinforcing strategies. The initiative will include the following activities:

### **OPPORTUNITY AT WORK: From Global Challenge to Local Action**

Beginning in January 2007, CLASP will convene a series of national audio conferences, in which cutting-edge thinkers will discuss policy options for addressing—at local, state, and national levels—these challenges facing low- and middle-income workers and their families. The audio conferences will include:

- **Job quality and the new Congress:** How are concerns about the quality of work in the U.S. shaping the legislative agenda for the 110<sup>th</sup> Congress?

Hear from House and Senate leaders about legislation in such areas as protecting workers' rights to organize, raising the minimum wage, and ensuring workers have access to paid leave.

- **Getting the job quality picture right:** What's the problem? What's the solution?

How should state and local policy makers respond to seemingly mixed messages regarding skills shortages, which impede economic growth, and the fact that wages are stagnant and declining even for some workers with higher levels of education?

- **Creating middle-class jobs:** Will systems bridge their silos to get there?

How can workforce, education, and economic development policies and systems better align to add value to current low-wage jobs, and to stem the loss of middle-class jobs and create new ones?

- **Making low-wage jobs family friendly:** An oxymoron or cutting edge?

How are some employers restructuring low-wage service jobs to make them more family friendly? Does this benefit business? What do workers say?

- **Socially responsible staffing agencies:** Can they make temporary work a viable solution for low-income workers?

Can social venture alternative staffing agencies provide regular hours, year-round employment, benefits, and skill upgrade training for low-income temporary workers? Can they serve as a vehicle for increasing worker participation in public work supports to increase worker income and promote retention?

- **Employers who advance workers:** How businesses promote skills and workers

What employer strategies are already in place to provide skills, upgrading, and educational advancement to low-wage workers? How do employers decide what training to offer and who should provide it? What is the impact on employees and on the business bottom line?

### **OPPORTUNITY AT WORK: Promising Policy Innovations to Improve Job Quality**

In January 2007, CLASP will also launch “Promising Innovations to Improve Job Quality” to showcase new ways in which our workforce, education, economic development, and human services systems are responding to the seismic shifts in the economy. CLASP will issue a call for nominations from around the country of promising policies and practices on emerging ideas—along with others more firmly in place—to provide opportunity and economic security in the changing U.S. economy. Such strategies may include:

- Using incumbent worker and new entry training subsidies to leverage private sector investment in the skills of low-skilled workers, and as an incentive to improve the quality of low-wage jobs
- Linking career pathway and modernization initiatives, to expand opportunities for advancement and transform poor quality jobs into higher value-added jobs
- Building job quality measures into the accountability measures for job training programs
- Targeting workforce development programs and placement activities to better jobs and high-road employers
- Building job quality measures into workforce and economic development accountability systems

These promising practices will be highlighted in a publication to be released on Labor Day 2007. In addition, CLASP will publish “Jobs that Measure Up,” a series of issue briefs on work quality and public- and private-sector strategies being used in the U.S. and internationally, to promote better jobs. These will include tools such as recognition of employers, local and national awards, and contracting practices that incorporate job quality standards.

CLASP will use blog technology to support an interactive Web site that fosters information exchange and debate of the issues raised by the audio conferences and publications. The Web site will also offer links to related resources.

## **OPPORTUNITY AT WORK: New-Generation Leaders**

CLASP will offer a new generation of leaders a ‘101’ on job quality issues that impact low-income workers. In collaboration with the Center for Policy Alternatives, the Women Legislators’ Lobby, and People for the American Way Foundation’s Young Elected Officials Network, CLASP will provide workshops to young members—at annual meetings or other venues—so that these new-generation leaders can gain information and tools related to new workforce issues.

## **OPPORTUNITY AT WORK: Building Benefits**

In addition to promoting job quality policies at the federal and state levels, CLASP, in partnership with colleague organizations, has initiated a local effort to improve employment conditions for low-wage building service workers in the nation’s capitol. The project, Building Benefits, seeks to enlist building tenants in Washington, D.C.—nonprofits and others—in encouraging building owners and contractors to improve employment conditions for janitorial and other employees who run the building’s infrastructure. Building Benefits will link with the ongoing efforts of CLASP and others to obtain paid sick days legislation for the city.

## **OPPORTUNITY AT WORK: Advisory Committee**

CLASP has assembled an advisory committee to help guide the initiative. This committee is made up of elected officials, policy leaders, and researchers from the workforce, economic development, education, and human services fields. Advisory committee members include Diane Baillargeon, SEEDCO; Jared Bernstein, Economic Policy Institute; Anthony Carnevale, National Center on Education and the Economy; Joan Fitzgerald, Northeastern University; Laura Dresser, Center on Wisconsin Strategy; Barbara Ehrenreich, author; Mark Greenberg, Center for American Progress (on leave from CLASP); Laury Hammell, Business Alliance for Local Living Economy (BALLE) network; Austin King, President Madison WISC common council; Clyde McQueen, Full Employment Council, Kansas City, MO; Nancy Mills, AFL-CIO Working for America Institute; Amy Rynell, Mid-America Institute on Poverty; and Bill Schweke, CFED (formerly the Corporation for Enterprise Development).