

The Construction Careers Handbook

How to Build Coalitions and Win Agreements That Create Career Pathways for Low Income People and Lift Up Construction Industry Jobs



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This project reflects the collective wisdom of organizers, advocates, city staff, union and community leaders who have worked to create construction career pathways for low-income people in dozens of cities over the past 15 years. During this time, staff and leaders of the Partnership for Working Families affiliates have succeeded in winning construction careers programs on a wide variety of projects, including public infrastructure, commercial redevelopment, schools, community colleges and even residential energy efficiency. These leaders are the true owners and pioneers of this work – through their efforts to ensure that public investment creates real benefits for all communities, hundreds of unemployed and hard-to-employ workers have been employed on billions of dollars in public and private construction projects.

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The Partnership for Working Families is a national network of leading regional advocacy organizations who support innovative solutions to our nation's economic and environmental problems. Together we are a voice for working families, promoting policies that create quality jobs and thriving, healthy communities. We advance innovative campaigns, provide issue specific resources and share winning strategies and lessons with allies dedicated to creating a new economy that creates opportunity for all.

The Partnership and affiliates share the goal of developing powerful local organizations that pursue and win campaigns that connect and enhance worker and community organizing, expand democracy and combat poverty by raising job standards and addressing the needs of low-income communities. We share a commitment to building labor and community power and base-building, developing new leaders and organizing strong regional and national alliances based on mutual self-interest and respect. We maintain a commitment to racial justice and believe that regional organizing around power-building agendas can help transform the poverty and inequality that are endemic to metropolitan regions.

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INTRODUCTION

- **Overview of Construction Careers**
- **Job Quality and Job Access Standards in Construction Careers Programs**
- **How to Use This Manual**

Introduction

Across the country, a diverse array of community, environment, faith and labor movement leaders are uniting to win construction careers agreements and policies. These leaders know that all communities have a stake in ensuring a high quality construction industry serves our cities, because we need a greater supply of real career opportunities and construction is one industry that can be leveraged to help supply them.

A construction careers approach uses policies, programs and in some cases private agreements to create a higher quality construction market while also increasing access to construction careers for low-income workers, women, veterans, and workers of color.

Construction careers models typically include **job quality** standards that specify the wages and benefits that must be paid, require contractors to provide skills and safety training, and/or ensure that contractors with violations of state wage and hour laws are not eligible to get work on publicly funded construction projects. Sometimes these standards and requirements are part of procurement regulations or of a negotiated **project labor agreement**, but they can also be established through other kinds of legal agreements.

Construction career models also include **targeted hiring programs**, with requirements that workers from low-income neighborhoods (often workers of color) get a percentage of the work hours on public projects and concrete mechanisms to implement and enforce these requirements.

In a good construction careers model, job quality and targeted hiring outcomes are **tracked and reported** so the general public can see how a good construction project benefited the community.

Construction careers approaches can apply to one big project, like the agreement that governed the 10-year redevelopment of the Port of Oakland. Or they can apply to a series of projects that receive public funding, like the Construction Careers Policy implemented by the Los Angeles Community Redevelopment Agency, which required this model be applied to all subsidized construction projects governed by the CRA.¹

Through these mechanisms, construction careers models provide three central benefits.

1 Construction careers models create higher quality career opportunities. Job quality in the construction industry is in decline. In the 1970s, construction wages outpaced most other industries, but in recent years, construction wages have stayed right near the average for all industries.² Average wage indicators mask the reality that there are two kinds of construction jobs: high quality careers that pay well, offer benefits and provide opportunities for advancement; and low quality seasonal and temporary jobs. Construction careers models shift the balance back toward good careers.

2 Construction careers models connect communities with high unemployment to new career opportunities. Civil rights leaders and leaders from communities of color have expressed concern about racial and gender disparities in the construction workforce.³ Increasing access to construction careers for these workers benefits their households and neighborhoods, and the construction industry as a whole. Projected long-term shortages in the construction workforce indicate the need to attract and support new workers. Many workers from low-income communities and communities of color are already engaged in construction, but they are concentrated in low-wage and temporary jobs that do not support their families. Getting these workers into the highest quality apprenticeship programs can solve multiple problems at once.

3 Construction careers models support a training-focused business model that can create the workforce of tomorrow. Strong skills drive quality construction. It is simply impossible to support metropolitan construction needs — which include complicated infrastructure projects, high-rise offices and hotels, and urban retail and entertainment complexes — without a skilled workforce. Contractors do not share in the costs of this training equally. Some pay nothing for training, while others incorporate training into their business model. Construction careers models place a premium on contractors who help fund and participate in the best training programs with the strongest graduation rates.



Business Owner's Success Began with Apprenticeship

Andre Johnson • San Diego, California
Contractor

Electrical contractor Andre Johnson began his apprenticeship with IBEW in 1995. After working as a journey level electrician and then foreman, he started Johnson Electric in the summer of 2006. Johnson now employs local electricians and apprentices, and provides health care and retirement benefits, proving that a small business can provide family-sustaining careers and succeed.

Johnson's successful career began with an apprenticeship and he now takes pride in creating the same opportunities for others. "It is important to employ apprentices and make sure they are mentored and supported and learn all the aspects of the trade, so they can take their careers in whatever direction they want to go," Johnson said. ■

Union Wages Make the Difference

John Sergant • New York, New York
Painter

After working for 24 years as a union painter, John Sergant became an organizer with the Painters and Allied Trades, District Council 4 in 2009 in Rochester, NY. As a painter, he generally earned between \$32,000 and \$40,000 per year, depending on how much he was able to work in a year.

In a typical year, he was only able to be employed for 9 or 10 months. Construction work in Western New York is seasonal, so workers normally face periods of unemployment. In addition to these wages, he received a benefits package that included health insurance and a pension plan. “These health insurance benefits assured me peace of mind knowing that if my wife or son ever had to go to the doctor, they would be taken care of and we wouldn’t have to go into debt to pay medical bills out of pocket. These wages and benefits are incredibly important to me and my family. Without them, I would not be able to afford a home, own a reliable car, or treat my family to dinner at a local restaurant,” Sergant said.

When he worked for a non-union contractor, the wages were so low that he struggled to afford an apartment or reliable transportation. The job sites were often much less safe than sites managed by union contractors, and workers were often exposed to dangerous conditions.

“These wages have not made me rich, but have provided me with an income that enables me to be a homeowner, pay property taxes, and put more money into my local economy.” ■



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Cities need construction careers approaches because without them, public policy can drive industry standards down, hurting workers and communities alike.

Governments and public agencies have a big impact on the construction industry. Local governments (municipalities, counties, school districts, water and sewer authorities, community and technical colleges, and the like) are large purchasers in the construction market. Public sector construction accounts for one-fourth to one-third of all construction, depending on the year.⁴ Local governments also subsidize private construction, by offering low-interest loans and other forms of assistance that enable private projects to go forward. In many metropolitan areas, very little construction takes place without some form of government financial assistance.

Governments can leverage their power to improve the construction industry or hasten its decline. When public policy requires contractors to pay basic wages and benefits to workers — including FICA/payroll taxes, social security and workers compensation — workers across the board are likely to get better pay. When public policy encourages contractors to underbid projects by short-changing pay and benefits, workers across the board are less likely to have good wages and benefits. Without requirements for all contractors to support training programs, the most responsible contractors will have a harder time competing for work.

What is a Construction Careers Approach?

A **construction careers approach** establishes a set of job quality standards to ensure that publicly funded construction sites create high quality jobs, coupled with a targeted hiring program to help low-income people get better access to those jobs. A construction careers approach can be developed as a policy that covers many construction projects, or as a stand-alone agreement or program related to one big construction project. Construction careers have



been won and implemented in a diverse array of cities and regions. The types of job quality standards and the exact dimensions of the targeted hiring programs can vary tremendously, depending on local conditions. In any case, though, the goal of job quality standards is to make it easier for high-road contractors to compete for the work.

Job quality standards can be incorporated into a comprehensive framework that covers nearly every aspect of the job and is negotiated among contractors, workers and the project owner or be laid out as a more piecemeal set of requirements that help advance standards on particular aspects of the job.



See Chapter 3 for more detail on community workforce agreements and project labor agreements.

In Los Angeles, for example, several government departments and local government units have created construction careers by requiring **community workforce agreements** — project labor agreements that include targeted hiring provisions. Community workforce agreements typically include strong job quality provisions. They require all contractors on the project to adhere to wage and benefits standards and to pay into a training fund. They also often include elements that synchronize all different trades that will work on the project around work hours, time off, holidays and vacations, and the like. They typically include a conflict resolution process that will be used to resolve disputes on the job site, a provision that helps avert delays.

Those provisions have been a standard part of project labor agreements for decades, but recent innovations have added targeted hiring programs to this menu. These new, innovative agreements are called community workforce agreements. They can lead to real and positive advances in getting low-income people and people of color into construction careers.

In other regions, community and union leaders have found alternative mechanisms to improve job quality and job access. They have focused on establishing stronger wage standards or basic contractor qualifications alongside targeted hiring programs. In Milwaukee, for example, the Good Jobs and Livable Neighborhoods Coalition won an ordinance requiring that construction contractors on all subsidized downtown development projects meet wage standards, use apprentices, and comply with a targeted hiring requirement. In Denver, FRESC convened a coalition around the redevelopment of the old Gates Rubber Factory. Among their victories was a provision that required the public infrastructure part of the construction to meet wage standards and enhanced use of the City’s existing first-source hiring system.

In these cases, requiring a negotiated agreement on all aspects of construction might have been a lofty goal, but local leaders agreed on the importance of starting a conversation about job quality and winning smaller and more incremental standards that could make it easier for high-road contractors to compete.

Targeted hiring programs are a central element of construction careers models. These programs bring workers from particular categories onto the job. They can target residents of specific neighborhoods, minority or women workers, low-income job seekers, workers who live near the project, veterans, hard-to-employ or at-risk workers (like those with criminal records or who have recently received public assistance). Targeted hiring programs have the potential to bring hundreds of new workers into qualified apprenticeship programs, especially if they attach to big, multi-year construction projects or if they cover whole categories of projects over time. Some construction careers programs have created new apprenticeship slots for graduates of pre-apprenticeship programs that serve poor people. Where pre-apprenticeship programs are not in place to anchor the recruitment and orientation for job-seekers, a construction careers effort might focus on generating resources and support to create a good program.

Job Quality Standards	Job Access Standards
<ul style="list-style-type: none"> ■ Participate in a project labor agreement ■ Pay prevailing wages and benefits ■ Participate in joint labor-management apprenticeship program ■ Use apprentices for a certain percentage of the work ■ Submit certified payroll to verify employment status (vs. independent contractor) ■ Offer OSHA 10 hour training ■ Have a 3-year track record with no wage/hour violations ■ Workers have access to grievance/dispute resolution process 	<ul style="list-style-type: none"> ■ Hire targeted workers for a percentage of the work hours on the project ■ Employ apprentices, and reserve a percentage of apprentice hours for first year/period apprentices ■ Recruit targeted workers into apprentice slots ■ Pay into a job access fund to help pay for recruitment & orientation ■ Provide graduates of quality apprenticeship readiness programs easier entry or guarantee them a spot in an apprenticeship program
<p><i>Anytime these standards are incorporated into a policy or agreement, strong reporting requirements ensure that project owners can verify compliance and provide workers and communities with information on how the standards are being met.</i></p>	

Construction careers programs and policies have been passed and implemented on a wide array of construction projects, including:

- The seven-year modernization of the Port of Oakland, and the upcoming redevelopment of the Oakland Army Base;
- A wide array of public infrastructure construction, including roads, police stations, water systems, libraries and other public buildings, in Los Angeles, Milwaukee, San Francisco, & New York;
- Hospital and casino projects in Cleveland;
- Secondary and technical school construction and renovation in Los Angeles, New York, and Boston;
- Site preparation and infrastructure construction for a major urban redevelopment project in Denver;
- A series of construction projects on the Brown University campus in Providence;
- Public housing construction in San Francisco, Boston, Philadelphia and New Orleans;
- All public construction projects worth more than \$500,000 in Santa Fe; and
- Energy efficiency retrofitting projects in Portland, Seattle, San Jose, Albuquerque, Boston, San Francisco and Atlanta.

Recently, coalitions of labor, community and environmental leaders have developed a specific focus on creating construction career frameworks for green construction. Green construction projects include large-scale retrofit of public buildings, as well as applying more energy efficient construction techniques to more conventional projects. The construction careers tools outlined in this handbook apply equally to these kinds of projects as to any other.

Energy efficiency retrofits of single-family homes and small multi-family buildings require a different set of tools that draw on the lessons learned from these projects. Historically, residential energy efficiency retrofit has made up a very small part of the overall construction market, and the sector has been characterized by low-wages and lack of a real career path. New funding streams and increasing evidence that carbon emissions are fuelling climate change are focusing new attention on the inefficiency of old buildings, and the challenge of developing access to what can be expensive home retrofits.

Across this body of work, local leaders are realizing the importance of framing the home energy efficiency market with high-road standards. Because this work is intensely local, the jobs cannot be outsourced. For residents of poor urban neighborhoods, the possibility of an ongoing construction project dedicated to retrofitting local homes also poses a set of opportunities for entrée into a construction career. And construction careers models focused on home retrofits can also help win better access to energy efficiency — which translates into real savings in the form of lower energy bills — for low-income people.

To take advantage of this opportunity, local governments are entering into high road agreements that set standards for job quality and job access, and sometimes also address the need to do targeted outreach in low-income communities to ensure home-owners and job-seekers alike have access to publicly-funded retrofit programs. These high road agreements have been attached to a variety of home retrofit programs, and do not rely on any particular funding mechanism for their relevance.

Construction Careers Programs Get Results

Many construction careers programs are still very new, but the first generation programs boast an outstanding track record, and point the way to even better outcomes as new programs take root and unions, contractors, local government and job-seekers develop a better understanding of how to work within them.

- In Los Angeles, construction projects undertaken with construction careers programs have employed targeted residents for about 35% of all worker hours.⁵
- The Port of Oakland's program employed targeted workers for 31% of all worker hours, creating opportunities for new construction industry employees to get 900,000 of work hours on the port's modernization.⁶
- For almost 20 years, the City of Milwaukee has had a construction careers policy for its public infrastructure construction. Outcomes have regularly exceeded the targeted hiring requirements, resulting in a successful effort in 2009 to increase the targeted hiring goal to 40%, with support from building trades unions and staff of the Department of Public Works who implement it.⁷

The point is that construction careers programs have shown success by placing low-income job seekers into the best kind of construction training and supporting them to graduate into full-time, life-long construction careers.



Interested in Winning a Construction Careers Policy? How This Manual Can Help

This manual is designed to provide insight into all the elements of a construction careers approach. Winning and implementing effective construction careers programs requires an understanding of the industry, a commitment to a policy model that can work in your region, and strong relationships between building trades and community leaders, who work together to win new allies and champion effective public policy. No construction careers campaign starts out with all of these resources in place. This handbook is designed to give you a basic understanding of each of these critical areas of work, and to help you figure out where to start.

Understanding the construction industry is essential to understanding how job quality and job access mechanisms work together. Chapter two addresses these issues.

Chapters three and four focus on different strategies for combining job quality and job access. These chapters lay out the basic elements of job quality in the construction industry and how they can be addressed in public policy. Chapter three focuses on community workforce agreements, an innovative approach to project labor agreements that fully integrates targeted hiring with the strongest job quality provisions. Chapter four addresses other mechanisms that can combine job quality and targeted hiring in innovative and effective ways.

For many readers of this handbook, designing, winning and implementing effective targeted hiring programs are a core goal. Chapter five lays out the key elements of a good program, and provides some tools to illustrate what makes these programs effective.

Chapter six outlines the unique tools developed to address equity and access to all the benefits of residential energy efficiency programs.

Finally, chapter seven addressed the critical importance of developing relationships among building trades and community leaders. This vital and intangible resource is both a strategy and a tactic. Positive relationships are essential to winning good policy; they are the anchor for long-term and effective implementation. Working together on a winning campaign can create opportunities for new relationships and deepen existing ones. In too many of our cities, construction workers face daunting threats to their livelihood. At the same time, low-income people and people of color suffer from structural unemployment. These communities are hungry for real opportunity. Without stronger relationships, they are vulnerable to divide and conquer tactics that prop up anti-worker policies, funnel public resources into private profit-making, and leave both groups of stakeholders worse off. Working together, community and labor allies can win policies and agreements that spur renewal. Construction careers coalitions offer the chance to develop a unified vision for metropolitan regions that offers workers and communities alike a real stake in how their communities get built. We offer this handbook with the goal of helping realize the transformative potential of that vision.

HOW CONSTRUCTION WORKS

- **Risks and Opportunities for the Construction Workforce**
- **Job Quality Standards: Employee vs. Independent Contractor**
- **Pre-Apprenticeship, Apprenticeship and Getting Hired**

Understanding Hiring & Employment in the Construction Industry

Advocating for and winning a construction careers program will require you to engage in a public conversation about a lot of topics that may not be entirely familiar. You'll need to understand and explain:

- The vocabulary commonly used to talk about construction;
- Why job quality standards are needed in the construction industry, and how the particular policy you propose will be effective;
- How the hiring process in construction works and why a construction careers policy is the best way to help low-income people and people of color navigate that process.

This chapter gives you the basic understanding you'll need to be an effective advocate for this approach.

Construction Industry Basics

The construction industry supports an enormous part of the US economy. In 2010, it accounted for over \$800 billion in economic activity, down from a peak of over \$900 billion at its peak in 2006.⁸ The construction workforce includes over seven million paid employees.⁹

Construction employers work in a very unique market, the characteristics of which structure their approach to competition. Small contractors oversee most construction work in this country. Almost 80% of the 710,000 contractors with paid employees have fewer than 10 workers.¹⁰ Across all types of construction and all contractors, the cost of materials takes up about 31% of income; 22% of income goes to subcontracting, and only about 24% of income goes to employee wages and benefits.¹¹ Contractors must constantly bid for more work — they compete with other contractors for projects that range in duration from 6 weeks to many years.

Construction is an intensely skill-based industry. Even with — or perhaps as a result of — increasing use of technology, construction workers need very specialized skills. Their abilities determine the safety and effectiveness of the job site, the speed of the operation, and quality of the final product.



How contractors manage to succeed in a fiercely competitive industry drives job quality and job access. Some contractors compete by trying to lower workforce costs. They offer lower wages, skimp on benefits, fail to invest in training, and pass those supposed cost savings on to the project owner in the form of lower bids. We typically call these *low road* contractors.

Other contractors focus their competitive edge on better management, scheduling and juggling multiple jobs at once, cost savings on materials, and providing better quality products. We typically call these *high road* contractors.

The Worker's Perspective

For construction workers, this picture can mean a constantly shifting and changing work situation. Working in the construction industry is unlike almost any other. Collective bargaining and the foundation of building trades unions developed to deal with a number of challenging aspects of this industry, and to improve safety, skills, and sustainability.

These realities include:

1 Construction workers may have multiple employers in a year. When a worker gets hired into a construction job, it is nothing like being hired to work at a grocery store or a hotel. A grocery worker has a reasonable expectation that as long as he or she does a good job and the store stays open, the job will continue. And when you go to work in a grocery store – you usually go to the same place each workday, and you can expect to have one employer for the duration of your time there. But when a construction worker gets hired, it's always a temporary gig. Let's say you are an electrician and you find work for a large contractor who's been tapped for the wiring on five new schools your district is building. You only work for that contractor as long as it takes to finish the wiring. It might be a couple of weeks or a couple of months, or even a couple of years. When that wiring job is done, though, you either hope the contractor has another job lined up that you can move onto, or you find another contractor who does.

The point is that construction workers might have many different employers in any given year. They don't go to the same location day after day, year after year, but instead have to be dispatched to where the work is.

2 For many workers, construction amounts to temporary or seasonal work. Construction workers have to keep one eye on the job market and prepare to earn their next position even while finishing their current job. In between jobs, they might spend days or weeks unemployed, and in the winter they often have longer periods of unemployment when weather disrupts construction.

3 Contractors have little incentive (or ability) to invest in the workforce on their own. From a purely theoretical perspective, contractors have little incentive or ability to provide good benefits and critical skills training. If you only have a particular worker on the books for a few months at a time, managing health insurance provision, for instance, is a huge challenge. And if you know that one of your employees today might go on to work for your competition next week, there is little incentive to pay for skills training. Of course many contractors recognize that they do better when the workforce does better. Those contractors may be union signatory and provide training and benefits through union programs, or they may find ways to navigate the training and benefits challenge on their own.

4 Construction is a regional occupation. Workers have to travel to stay employed. In a single year, a construction worker could work on a hotel downtown, a housing project in an urban neighborhood, and a suburban shopping mall. When one job ends, workers need to be ready to travel to neighboring communities or regions to create continuity of employment. No construction job is a permanent job, and no construction site is a permanent job site. The work travels and the workers have to follow.

Construction careers models provide tools that are tailored to these realities of the industry. Job quality standards have to fit with the shifting nature of employment and the competitive demands contractors face. Job access programs have to focus on getting new workers a foothold in the industry, including an opportunity to make better wages, have better working conditions, and be able to compete for work across a whole region and not just on one job.

Construction Job Quality

In a high quality construction job, the following are true:

- ✔ Workers are correctly classified and treated as employees and not as independent contractors.
- ✔ Workers are paid according to an industry-determined wage and benefits scale.
- ✔ Workers receive access to safety training, and they work on job sites where their co-workers and supervisors have been trained for safety.
- ✔ Workers have the opportunity to upgrade their skills and receive portable credentials that give them bargaining power in the labor market. If they get more credentials, they can make better wages.
- ✔ Workers have continuity of employment. When one job ends, they are already in line for another one. The regional economy provides enough employment to keep them on the job.

These seem like basic characteristics of a good job, but in fact many construction workers lack the protections and job quality they signal.

Breaking Gender Barriers

Karen Salisbury • Cleveland, Ohio

Ironworker

Before I had heard of Hard Hatted Women, I was working doing heavy merchandising in the retail world. I wanted to transition to a different career, but didn't know what my options were. I knew I was good with tools and didn't mind being up on a ladder. I heard about HHW and attended an orientation to learn more about what they offered. One program was Pre-Apprenticeship Training (PAT) which offered classes, hands on construction experience, and exposure to tradeswomen in the field, while teaching mental and physical skills needed to successfully work in the skilled trades.

After PAT, the teachers, HHW staff, fellow PAT students and others offered me the support I needed to find a job, including giving me resources such as contacts with possible employers and conferences or meetings I could attend in order to participate. Part of PAT was job placement and HHW never gave up on assisting me in my job search. When I was becoming discouraged, the encouragement, "don't give up" attitude and continued support from my PAT teachers and the HHW staff kept me motivated. ■

✓ Workers are treated as employees.

State laws generally govern when a worker must officially be considered an employee and when a worker can be considered an independent contractor. In some states, the rules are quite strict and very few workers can be considered independent contractors. In other states, the rules are vague and classification of workers is not strictly regulated. In either case, without a robust enforcement program to ensure state law is followed, contractors can flout the law and call workers independent contractors without incurring consequences.

The impact of being **misclassified as an independent contractor** can be profound.

Employees are protected by wage and hour laws — they have to be paid at least minimum wage on a per hour basis. Independent contractors can “negotiate” a price for a job and they do not have wage and hour protections. This is all well and good if an individual is truly independent and operating his/her own business, but not when employers decide to classify their employees as

such to get around the laws that protect both their employees and the public. Employers must pay into social security, FICA (payroll tax) and in most states workers’ compensation for their employees. Independent contractors are considered to be small business owner-operators. The entities they contract with do not pay into these funds on their behalf. In real terms, construction workers who are misclassified as independent contractors:

- can be paid sub-minimum wage,
- do not accrue social security credits towards retirement,
- do not have access to unemployment insurance when out of work, and
- do not have access to the workers’ compensation system, despite the fact that they work in an incredibly dangerous industry.

✓ Workers are paid according to industry-specific wage and benefits scale.

In a high quality construction career, workers are paid the **prevailing wages** determined for their trade and region. Prevailing wages were first set in the 1930s by a federal law widely referred to as the Davis Bacon Act. The provisions of the Davis Bacon Act still apply to most federally funded construction, and dozens of states and localities have passed their own version. When Davis Bacon rules are in effect, local government surveys the local construction industry to determine the commonly paid wages. The survey might look at the average wage paid, for example, for electrical work in a metropolitan region. Or it might be defined to determine the most commonly paid wage (the modal wage) for a trade in an area. Either way, the theory is that public participation in the construction market should not undermine regional wages. So anyone working on a prevailing wage or Davis Bacon job must be paid at the standard set by the survey.

Benefits of Employee Classification

Economic Benefits & Workplace Protections

- ✓ Industry based wages
- ✓ Accrual of social security credits towards retirement
- ✓ Access to unemployment insurance when out of work
- ✓ Access to workers’ compensation system



Prevailing wages are typically higher than minimum wage. Sometimes they are higher than what is often referred to as the *living wage*. In regions where construction workers typically have access to health care and benefits, the costs of providing those benefits are rolled into the prevailing wage. Sometimes training costs are also included. Because of this calculation, prevailing wages can *appear* to be quite high.

For example, the prevailing wage rate for a journey level electrician working in Milwaukee in 2011 was \$31.10 in hourly wages and an additional \$20.39 for health, pension and training. When you look at the hourly rate in total — \$51.49 — it seems like a lot of money. But considering that a big chunk of that money is paid into benefits (this is cash that workers don't actually see) and that most construction workers can only work 75% of the year because of how weather and the economy affect availability of work, a qualified journey level electrician in Milwaukee might still only earn about \$50,000 a year before taxes.

Often, when a construction project is governed by prevailing wage requirements, contractors must submit certified payroll records to show who they employed, where those workers live, and what they were paid. As a result, prevailing wage standards can help to ensure that construction workers are also correctly classified as employees and their rights are protected.

Workers receive access to safety training and work on safe construction sites.

OSHA (a federal agency that is part of the Department of Labor) has developed safety training specific to different industries, including the construction industry. On a safe construction site, workers receive the 10-hour OSHA safety module, and supervisors receive the 30-hour OSHA safety training program.

It is not difficult to see why this affects job quality. In 2010, construction had more fatalities than any other industry.¹² In the category of nonfatal injuries, the construction industry ranks third, behind only agriculture and transportation.¹³ Though fatality and injury rates have been steadily declining since 2006, construction sites remain inherently dangerous places. Because all construction work requires teamwork and collaboration, any construction worker is only as safe as the least careful or safe coworker.

 **Workers get skills training, and can get paid more if they have more skills.**

Construction work is often thought of as low-skilled labor, but in fact most construction jobs require tremendous skill levels. It typically takes 2–5 years to be certified as a journey level construction worker, and that time includes classroom and on-the-job learning. The need for higher skills intensifies with increased attention to green construction practices across our economy. But construction workers may or may not receive skills training and credentials that allow them to bargain for better wages as they advance up a career ladder. A high quality construction career provides opportunities for skill development and a career ladder that rewards workers who take advantage of them.

High road construction contractors operate on a business model that makes job quality a standard feature of any project. In the high road part of the industry, contractors compete by having better efficiencies, stronger management and supervision, and better skilled and more efficient workers. Simply put, they make sure their employees have high quality jobs, and compete for work based on high quality management. Low road contractors offer diminished quality jobs. They may pay sub-minimum wage by offering a per-job rate for work instead of an hourly rate, and by misclassifying workers as independent contractors they claim that this is legal. They may pay \$8 or \$9 an hour — a rate that is attractive to un- and under-employed workers but that does not reflect the danger of working on a construction site or the skill levels required to complete most construction jobs effectively.

Job quality standard	High quality career	Low quality job
Classification	Employee	Independent Contractor
Wage Scale	Regional prevailing wage standard, including benefits	No wage standard, may not offer benefits
Safety training	Workers receive OSHA 10 hour, supervisors receive OSHA 30 hour	No safety training, or not uniformly offered
Skills training	Access to training and wage increases accordingly	No training, training not sponsored, no wage scale for workers increasing their skills

Construction Job Access

All of us who advocate for getting low-income workers better access to the construction industry envision a scenario in which un- or under-employed residents of low-income neighborhoods get into good construction jobs, make real wages and benefits, succeed on safe job sites, and help lift themselves, their families and communities out of poverty.

This is only possible if we develop a model that gets low-income workers into the high road side of the industry.

Making real on this promise requires an understanding of how people get hired in construction, and what support they need to navigate the hiring process.



So many crafts, so many trades!

There are literally dozens of different jobs on a construction site. Different workers with different skill sets may dig and pour the foundation; frame up the walls; lay the bricks; install plumbing; set up the wiring; create the heating, ventilation and cooling systems; drywall, paint, and install windows. And that's just a start! Bigger jobs with more complicated construction needs may employ even more specialized workers who can work on the highest floors on an unfinished high rise, or on sites abutting deep water.

Getting into a construction apprenticeship requires a basic understanding of the different crafts and jobs on a site – what the actual work is, what skills are required to succeed on the job, and what qualifications needed to gain entry into an apprenticeship program.

All construction crafts require skills. The organization of the apprenticeship system reflects the diversity of skills of the workforce. There are dozens of apprenticeship programs, each with its own entry requirements and process. And the affiliation of particular types of work with particular unions is not always immediately obvious.

Which union does the training and credentialing for which body of work varies slightly according to the location, though for the most part these decisions are agreed on by national unions. Every apprenticeship

program has its own rules, refers workers to its own union hiring hall, and can prepare workers for one or at most a few different types of construction work. Getting into an apprenticeship starts with understanding what kind of work you want to do, and whether the skills needed to qualify for apprenticeship are readily attainable.

Different trades may have different perspectives on what policy measures can maximize job quality and job access for a particular project, an important reality for coalition partners to understand and navigate. And remember that trades leaders are rooted in a specific system developed to support a specific craft. They may not know much about other crafts' apprenticeship programs — their entry requirements and their adaptability to targeted hiring strategies. ■

For most workers who are under-represented in the construction industry, getting into a high quality construction career starts with getting into a registered apprenticeship program. Simply put, apprenticeship is the doorway to a construction career.

An apprenticeship is a training program that provides a curriculum for workers to learn the skills and abilities they will need to be a fully functioning worker on a construction site. Most certified apprenticeship programs include classroom training as well as training on a job site, and they can take from 2-5 years to complete. During that time, apprentices typically hope to work full time or nearly full time, and take classes a few evenings a week, or on weekends, to satisfy the training requirement. In some cases, rather than take additional education in the evenings, apprentices enroll in training modules for two or three weeks at a time throughout the year. This arrangement allows them to invest in classroom training when work is slow.

Standards and curricula for apprenticeship programs are regulated by State and federal governments. Some States have their own State Apprenticeship Council. These states register all apprenticeship programs in the state according to regulations they develop. Though they have to be in accordance with federal regulations, they can set higher standards or establish recruitment and enrollment processes that are more specific than what federal regulations require. In states that don't have their own Apprenticeship Council, federal regulations pertain and apprenticeship programs in those states are registered with the federal government.

In the construction industry, apprenticeship programs are categorized in a couple of different ways.

- **Registered Apprenticeship Programs** meet minimum state and federal requirements around equal employment opportunity, related training, and relevance of on-the-job training to learning, among other things. They can be operated by unions or non-union contractors or contractor associations, like the ABC (Associated Builders & Contractors) or the NCCER (National Center for Construction Education and Research).
- **Joint labor-management programs** are typically registered programs that have unions and contractors as part of their board. These programs usually are operated by non-profit organizations. They are governed by a board that includes labor union leaders and contractors or a contractor association. Each craft has its own program; these are not joint because they are operated by multiple trades. Rather they are jointly developed and administered by contractors — the employers — and unions in a single or grouping of trades within a general craft who supply the workers.

There are also programs that are informally referred to as apprenticeship but which are not registered and do not meet state and federal registration requirements.

What makes apprenticeship a great training system?

- 1 Workers and employers set the rules.** Joint labor-management programs are training the workforce of tomorrow, according to the needs and standards developed together with the employers of tomorrow. Apprenticeship curriculum is acutely tailored to the needs of the marketplace. A joint labor-management structure means the curriculum reflects the skills and needs that employers and workers' representatives have prioritized. So the training provides workers with a credential that means something in the marketplace and generally has sufficient breadth to support a career.
- 2 A registered apprenticeship means paid training.** Apprentices, in theory, work full time and are paid (at a lower rate than journey-level workers) while they work toward journey-level credentials. Their hourly wage levels increase as they make their way through the program.
- 3 Joint labor-management programs are almost entirely self-funded.** Contractors and workers pay into an apprenticeship and training fund that is used to cover program costs. Workers are paid as they move through the program by the employers who benefit both from their initial lower wage rate, and from their eventual mastery of critical skills. A major benefit of these programs is their self-sufficiency and ability to function independently of local, state and federal funding. Training is provided throughout a craft worker's career through journey-level upgrading and specialty certification training so that as technology changes workers' skills are kept current.

4 Apprenticeship is the doorway into a real career. Apprentices are paid and receive benefits while they are enrolled in an apprenticeship. When apprentices complete apprenticeship training to become journey-level workers, they have portable credentials that allow them to go anywhere and command wages and benefits commensurate with the value of their skills. And typically, if they graduate as union journeymen, their wages include access to health and retirement benefits — a set of perks not widely available across the industry.

Completing an apprenticeship provides a low-income worker with direct access to a middle class career, but getting into (and graduating from) a program is not simple.

Entry requirements typically include passing math and reading comprehension tests. The material on the tests varies by trade, but many require 8th or 10th grade math & reading skills. Some require more sophisticated skills. Most require a high school diploma or GED. Typically, applicants need to have a driver's license.

Aside from those skills though, getting into an apprenticeship also requires some basic knowledge and orientation to the construction industry that most people — and especially poor people and workers of color with no family history in the trades — don't have. You have to know which trade you're interested in, and how to find out the requirements for that particular program. You have to know when the test is offered and where, and what you have to do to register for it.

When aspiring workers pass the apprenticeship test, they are placed on a ranked list. How well they score affects where they land on the list. Sometimes, workers can pass the test, but not actually get into the program. Why?

Because there are a limited number of slots, and the number available is based largely on how much work there is for high-road construction contractors and how many contractors participate in the apprenticeship program. The program will decide each year how much work they anticipate, and only let in the number of apprentices they can reasonably expect to keep employed during the program. One of the main requirements to complete apprenticeship is working a certain number of hours a year, 1200 – 1500 minimum. So if construction isn't happening, fewer apprentices will be enrolled that year.

Sometimes, there's plenty of construction work going on, but not enough contractors who have agreed to have apprentices on their jobs. Using apprentices can actually be cost effective, because apprentices get paid less than full journey level workers. But some contractors don't participate in an apprenticeship program at all – they don't pay into a program and they don't employ apprentices as part of their business model. They try to hire the same workers over and over again, or bring people onto the job as helpers and hope they figure out the critical skills needed to succeed for the long term. Other contractors do participate, in the sense that they pay into the program so they can have access to trained workers. But they don't actually provide training opportunities on their own work. Maybe they think it's too much of a hassle, or they think their work is too technical.

A comprehensive construction careers policy addresses these barriers.

Seattle Vocational Institute Pre-Apprenticeship Construction Training

Apprenticeships provide access to training opportunities and a clear path to a career for low income people and people of color. But meeting the qualifications and figuring out how to get into a trades apprenticeship can be a challenge, especially for workers that lack basic job readiness or need help with transportation or simply need help learning about the various apprenticeship programs. This is where pre-apprenticeship programs come into play. Pre-apprenticeship programs help workers prepare and navigate entry into apprenticeship programs.

The Seattle Vocational Institute Pre-Apprenticeship Construction Training (SVI PACT) works to address the skills gaps that keep people from entering apprenticeship programs and meet the demand in the local construction industry for qualified, well-trained workers. PACT maintains a close relationship with many of the local trades unions and has developed a comprehensive curriculum and program that provides recruitment, training,

support services, and job placement. Their training program focuses on basic construction skills, general job readiness skills and math. Upon completion of the program, students earn many certifications including CPR, OSHA, forklift driving.

Currently the PACT program trains 75 students each year of which about 85% graduate. Depending on the state of the local economy, 60%-90% enter construction trades apprenticeship programs. PACT serves low income communities and populations that are underrepresented in the construction trades including women and people of color. All PACT students qualify as low income, 15% are women and 93% are people of color. Additionally this program also provides a second chance to ex-offenders with about 55% having been incarcerated. The key to PACT's success is the relationship that is built between the training staff and the student. PACT strives for an environment of trust and respect combined with high standards. ■

“The SVI pre-apprenticeship program is a life changing program...everything positive in my life stems from this program. It's been a ball having goals and dreams and seeing them come true.”

— **Ray Hall,**
Journey level Electrician &
PACT Graduate

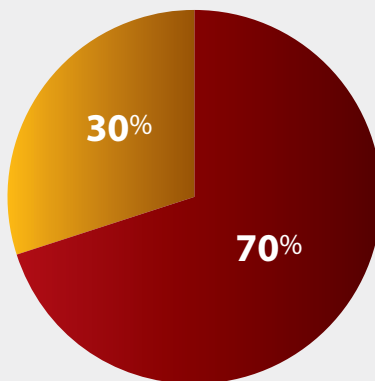


Making the Case for Union Apprenticeship Programs

Regardless of the trade, construction work is hard work. It is physically demanding, requires specialized skills and can be very dangerous. Apprenticeship programs ensure that workers are prepared for the demands of the job, possess the necessary skills and most importantly ensure that workers know how to stay safe on the job. These programs provide workers with the skills and training they need to make sure our roads, bridges, office buildings and homes are built to last and are safe.

While the value of construction apprenticeship programs is universally recognized, the structure, outcomes and quality of apprenticeship programs varies a great deal. There are two types of construction apprenticeship programs, joint-management or union programs and unilateral management or non-union programs. Joint-management programs are run in cooperation by unions and contractors, while unilateral management programs are run independently by contractors. The different structures of union and non-union programs create very different outcomes for its participants. Here are some examples of why it matters if an apprenticeship program or union or non-union.

Union apprenticeship programs benefit from greater levels of coordination than non-union programs. The rigorous planning and oversight that union apprenticeship programs engage in creates a high degree of consistency in curricula across training programs. This consistency, ultimately, sets equal standards for instructors, and creates uniform evaluation measures to assess apprentices' progress.



Union programs train the majority of construction workers

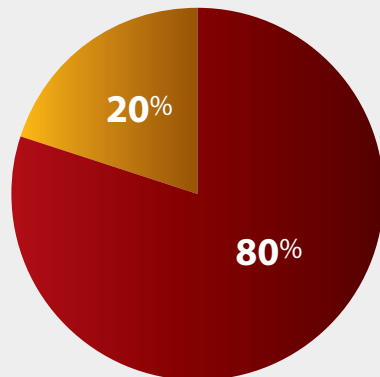
Union programs enroll about 70% of all apprentices in the construction industry, while non-union programs enroll about 30%.

- Union
- Non-union

Union programs alleviate the burdens and risks employers face in training new workers by spreading the costs and benefits among all stakeholders, while non-union programs place the entire burden on single employers. Union apprenticeship programs are organized under collective bargaining agreements where each employer contributes a defined amount to a training trust fund for every hour of labor hired. This multi-employer structure enables workers to move from one contractor to another while maintaining their benefits and their status in the union training program. Non-union programs are typically

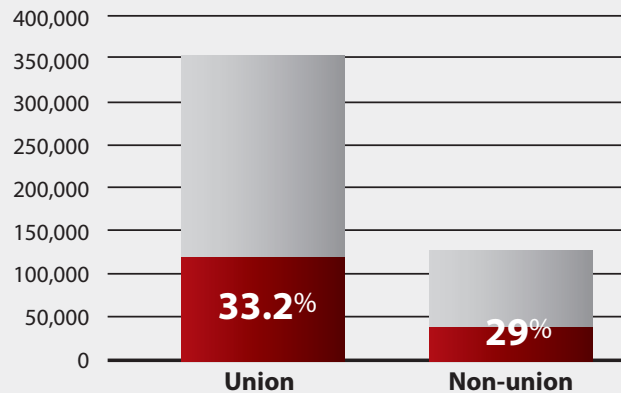
Enrollment of Women in Apprenticeship Programs

■ Union
■ Non-union



Enrollment of People of Color in Apprenticeship Programs

■ White Apprentices
■ Apprentices of Color



Union programs are more effective at incorporating women and people of color into apprenticeship programs.

Although the percentages seem close, union programs enroll far more people of color than non-union programs. Union programs enroll over 110,000 people of color while non-union programs enroll about 37,000 people of color. Similarly, union programs enroll 80% of all women that participate in construction apprenticeship programs.

Sources: Glover, Robert W., Cihan Bilginsoy. *Registered Apprenticeship Training in the US Construction Industry*. Education + Training, 2005.
Xiuwen (Sue) Dong *The Construction Chart Book*, Center to Protect Workers Rights, 2013.

sponsored by a single employer or by multiple employers, and each employer's financial contribution is completely voluntary. When contributions to training programs are voluntary, employers that are committed to creating quality training cannot count on other employers to contribute and may have to incur the cost themselves. In addition employers generally do not invest in training in fear that the trainee will go for work someone else. What's the impact of this?

Union programs produce a significantly higher number of graduates who become journey level workers.

The graduation rate is 42.8% for union apprenticeship programs and 29.5% for non-union apprenticeship programs. Like good colleges, union apprenticeship programs ensure high quality training which results in more students completing the program and graduating. ■

Associations that represent non-union contractors do sometimes offer their own apprenticeship programs. The curriculum and quality of these programs vary greatly — by state, by craft, and by program. A recent review of California’s apprenticeship showed that non-union programs graduate only a tiny fraction of the all apprentices. There are a large number of non-union programs, but they don’t produce many graduates. We can’t say why this is the case, but it’s another reason why it makes sense to advance registered apprenticeship programs as part of construction careers programs and policies.

When apprentices graduate from the program, they are considered journey-level workers. Graduation therefore indicates they have mastered the skills required for their craft and entitles them to a higher wage rate and sometimes better benefits.

Getting Hired as a Construction Worker — How It Works and Why It Matters

For registered apprentices and journey level workers, finding work is an important challenge. Having a credential doesn’t mean you have a job or a paycheck, and as we mentioned at the outset of this section, finding work in the construction industry is unlike most other kinds of work.

Whether and how workers navigate this process together with employers varies. Contractors are constantly bidding on work. Every project has its own terms and parameters – the size of the job, how long it will take, the timing for when a particular contractor or type of work will be needed, etc. All of these factors have bearing on who is looking for work, and who will get hired and when.

Contractors have the power to decide who to hire. They may keep a handful of core employees on the payroll all the time. But when they win a bid on a big job, they need to bring a lot of workers on in a hurry. If the contractor is not a union signatory, they will have to recruit a workforce on their own. They may have contacts with workers they’ve hired in the past or they may try to recruit new workers. They may or may not be sure of the skill level of the new workforce. New workers may or may not have experience or skills and safety training.

Union signatory contractors have mechanisms for recruiting high quality workers with skills when they need them.

A union signatory contractor is one that has a signed area agreement with a labor union. This signed agreement usually stipulates wages and benefits they pay, and allows the contractor to participate, for its employees, in the health insurance, pension, and apprenticeship training funds. That contributes to the stability of their workforce, because the workers have access to ongoing benefits that are not very common in the non-union side of the industry.

Union signatory contractors typically also agree to hire their workforce out of the hiring hall and the union usually is required to respond within 48 hours after which the employer may hire “off-the-street.” These arrangements are called “exclusive hiring halls.” Many union hiring halls are non-exclusive, where the employer has the option of calling the union and workers are dispatched from the union’s “out of work” list. In non-exclusive systems, the employer need not give the union first opportunity to supply workers and may choose to hire workers directly from the first day.

Pre-apprenticeship: A key element of the workforce pipeline



Pre-apprenticeship, sometimes called pre-training or apprenticeship readiness, can be an important part of the construction workforce pipeline. Some aspiring construction workers have the skills and know-how to go right into a high quality apprenticeship program without any additional help or preparation. Those workers can take the test and move directly into apprenticeship.

But reaching deep into the community to recruit workers may require specialized organizations that can orient and recruit new workers, help them identify the apprenticeship program most suited to them, prepare them to take the test, and support their initial career efforts.

Good pre-apprenticeship programs do all of these things. In addition to orientation to the industry, they provide other kinds of support. Sometimes they provide life skills training, help with budgeting and job readiness. Sometimes they provide a small stipend to help pay for tools and equipment. Some of them help workers secure transportation and childcare.

The relationships between pre-apprenticeship and apprenticeship programs are different in every community. In some regions, pre-apprenticeship programs work directly with apprenticeship coordinators and contractors to secure placements for their graduates. Unfortunately, in some regions, pre-apprenticeship programs do not regularly place graduates into the best apprenticeships. There's plenty of disagreement about why that might be the case, but the best explanation is that the two entities simply haven't aligned their visions and activities. Working together in coalition, community and trades leaders may get to know each other better, develop a better sense of the challenges and opportunities they face, and find ways to build new bridges. Construction careers coalitions often need good pre-apprenticeship programs to help tell the story of how new workers get into the trades, but they can also strengthen relationships in a way that makes those programs more successful at placing graduates.

In recent years, new developments have helped improve the relationships between pre-training programs and union apprenticeship programs. For one thing, a number of programs, including many profiled elsewhere in this report, have developed a strong track record for delivering qualified graduates who can succeed in the industry. At the national level, the Building and Construction Trades Department has worked to develop a core curriculum for pre-training. This curriculum covers an array of basic skills that can help a candidate prepare for any apprenticeship.



Learn more about pre-apprenticeship [Construction Pre-Apprenticeship Programs: Interviews with Field Leaders](http://www.aspenwsi.org/resource/constructioninterviewswithleaders/)
<http://www.aspenwsi.org/resource/constructioninterviewswithleaders/>

Learn more about the Building Trades Multi-Craft Core Curriculum
<http://www.emeraldcities.org/?q=multi-craft> ■

The hiring hall is basically an office that maintains a list of all the apprentices and journey level workers seeking work. For journey level workers, that list is ranked based on how long workers have been job hunting. If you've been out of work for 2 months, you'll be higher up on the list than someone who's only been out of work for two weeks.

Workers can get hired onto a job in a couple of different ways. They can keep their name on the list until a signatory contractor gets a big job and calls the hiring hall dispatcher to ask for a set number of workers with the necessary qualifications. If they're high enough on the list, they'll be sent out to work.



Some workers develop a good relationship with a particular contractor and stay on that employer's payroll most or all of the time. These workers are typically called *core workers*, and contractors are often allowed to bring some number of core workers to a job even if they are required to go through the hiring hall for the rest of their workforce. In other cases, workers may not stay with one contractor as a core worker, but the contractor might specifically ask for them by name when soliciting workers from the hiring hall. This practice is generally referred to as *name-calling* and its use reflects the importance for workers of building strong relationships with contractors by showing up, doing a good job and helping employers meet their obligations.

So let's say a contractor wins a bid and they will need 20 workers for a concrete job coming up. They have only five core employees on the books. The contractor calls the hiring hall and gets the first 15 qualified names off the list referred to their job.

First, contractors can usually call up any workers they have designated as their core employees. For example, maybe a contractor tends to keep five workers on the payroll on a fairly continuous basis. For any project that takes more than five workers, they'd call the hiring hall and get dispatched additional employees. But things have been slow and last month, two of the core employees even had to get laid off and sit "on the bench." When the contractor gets a new job, he can ask for those two core employees back even if they're not at the top of the list.

Sometimes there are other exceptions. Some State Apprenticeship Councils have allowed workers to be called up from lower rankings on the list if the terms of the project require it. For example, a project may require a certain number of workers who live in a particular area of the city, or who passed the apprenticeship test after graduating from a specific pre-training program. In those cases, the contractor can tell the hiring hall about the job requirements and workers will be referred even if they aren't in order on the list. Having a signed project labor agreement in place helps smooth this process, and ensures the hiring hall and the workforce understand how this will happen.

West Oakland's Cypress Mandela Pre-Apprenticeship Program is Changing Lives

The Cypress Mandela Training Center is a community based organization located in a predominantly African American neighborhood of West Oakland with the highest unemployment rate in the city. This organization is dedicated to improving the lives of people by providing a range of skill trainings including: boot camp pre-apprentice construction, energy efficiency, and environmental training program; life skills training; and employment assistance. The program is endorsed by the Environmental Protection Agency, Cal-Trans, Justice Department, Laney College, UC Berkeley, Alameda County Building Trades Council, and five crafts: Carpenters, Operating Engineers, Ironworkers, Cement Masons, and Laborers. Cypress Mandela offers a free 16-week pre-apprenticeship program that provides both hands-on and classroom training that prepares students for skilled trades jobs in the construction industry. This includes physical training, basic math, trigonometry, and carpentry skills. The program graduates about 150 people each year and places

75% – 90% in construction, environmental, and solar jobs depending on the economy. On average, 48 out of every 50 trainees who enter the program graduate and 95% of graduates go on to union apprenticeships. For trainees with previous conviction histories, the program is providing a critical second chance at good job opportunities. Cypress Mandela is playing a critical role in helping reduced crime and poverty for people of color by placing graduates into good union construction careers, as the majority of participants are disenfranchised, unemployed, veterans, ex-felons, and women. In addition to the life changing impacts this program has on its graduates, Cypress Mandela also serves employers by producing a reliable and qualified pool of potential employees. Program participant Dyane S. wrote, "I've had several jobs, none of them had benefits like a union job can offer. Construction training has gotten me in shape to face any obstacle in this world. I confidently can say I will be able to comfortably support my family." ■



Why is it important to know all of this?

1 Getting a job in the construction industry is a complicated endeavor and lots of barriers can arise when new workers try to navigate the system.

Oftentimes, community and civil rights advocates express frustration at the diversity levels in the construction workforce. And their union allies may agree with them, but getting workers of color into apprenticeships and then into paid work requires all the elements of this system to function effectively. But it is important to remember that the formality of the hiring process that often exists in the unionized construction industry provides an opportunity to implement affirmative action programs that cannot be implemented in the far more subjective non-union industry where hiring decisions are discretionary, in the hands of the employer alone, and largely opaque.

2 A good construction careers program has to be designed and written up so that it will diminish the barriers in this system.

It is not enough just to say that low-income workers should get hired on the job. Instead, the program has to delineate the responsibilities of all the different actors involved in construction hiring – the project owner (whoever is building the project), the general contractor, the hiring hall, the apprenticeship coordinator and the many subcontractors who typically work on a big project. Creating exceptions to the ranked list system is crucial because low-income workers who get accepted into apprenticeship may still be too far down the list to ever get called into a job. But if those exceptions are not written up specifically, they are unlikely to get implemented. A good targeted hiring program has to be written with the construction industry in mind. A program that is developed to help get workers into manufacturing, grocery, hotel or health care work is unlikely to address all of these elements of the hiring process that are common to construction.

Developing pathways to construction careers requires advocacy work on two levels. On one hand, public policy must be designed to support a high-road construction industry, where family-supporting wages, benefits, and skills and safety training are the norm. On the other hand, public policy must create a demand for targeted workers and establish a workforce and training system that ensures qualified workers are ready to fill new jobs. Construction careers policies and approaches – such as best value contracting, targeted hiring, and project labor agreements – find innovative ways to work on both levels at once. These policies promote both the supply of good jobs and the targeted demand for trained workers to fill those jobs.

In the next few chapters, we'll review some more concrete ways you can convene a coalition to promote and win a construction careers approach in your region.

COMMUNITY WORKFORCE AGREEMENTS/ PROJECT LABOR AGREEMENTS

- **Challenges and Implementation**
- **Agreements and Accountability**
- **Advantages of the PLA/CWA Approach**

Creating Comprehensive Construction Careers Programs Through Community Workforce Agreements

Community workforce agreements provide an opportunity to create a comprehensive approach to construction careers. These agreements build off of a standard construction industry strategy for defining the terms of a large project (or set of projects) through a project labor agreement.

For decades, public and private construction projects have been completed under the terms of project labor agreements — comprehensive, legally-binding documents that are negotiated and signed by the developer or project owner, the general contractor and labor unions. These agreements set the terms for the project: working conditions and schedules, hiring requirements, pay rates, safety rules, communication among key stakeholders, and the process for resolving any conflicts that may arise.

When a construction project is governed by a project labor agreement, it means that all parties have sat down together in advance and negotiated a set of principles and guidelines that will ensure the project can be completed on time and on budget, and without disruption of the workforce.

There are many reasons these agreements have proven to be useful. When a big construction project is being authorized, the project owner (a developer, a private corporation, a public entity like a port authority or school district) has a huge investment in making sure the project can be done safely and completed on-time and on-budget. Because a construction project is a carefully choreographed endeavor, with many subcontractors and suppliers involved, a delay at one stage can cause exponential problems down the road. PLAs help align all the different trades that will work on the project, and establish communications channels and a conflict resolution process among the entities responsible.

Even aside from these extraordinary problems, though, a project labor agreement can be a huge boon to the project owner. That is exactly because of the need to sync up many different contractors and workers with the overall project demands. Each contractor may have a different

Project labor agreements are usually negotiated between local building trades leaders and project owners, but they are subject to approval by the national Building and Construction Trades Department, AFL-CIO. The Department maintains a standard PLA template that local building trades councils can use, and includes mandatory language that must be included for the PLA to be approved. Learn more, and see the mandatory language, here: <http://www.bctd.org/Field-Services/Project-Labor-Agreement.aspx> ■

set of standard work habits — start and end times, breaks, days off allotted. A project labor agreement can be used to get to consensus about how the worksite will operate on all of these terms, facilitating a smoother and more efficient construction project.

Why does that matter so much? Because having one group of workers start at 7 and another at 7:45 can be problematic if they have to work together. The project owner is basically losing 45 minutes of productive time while group A waits for group B to come to work. Maybe a holiday occurs on an upcoming weekend. One group of workers is given Friday off, while another group gets Monday off. That means the construction schedule has to be adjusted and compensate for those days. It would be less costly and more efficient if everyone got the same day off — that way workers whose workload overlaps can continue to make progress together. These are small but critically important elements of a construction project and they can be negotiated and addressed in a project labor agreement.

From the perspective of a community coalition seeking a construction careers program, a project labor agreement offers an incredible opportunity to establish a comprehensive program.

- **PLAs create good jobs.** A project labor agreement safeguards job quality — establishing standards for wages, benefits, safety and skills training that ensures community members hired under its terms get access to a real career.
- **PLAs govern hiring requirements.** A project labor agreement can lay out the hiring process for all workers on the site. Without a PLA, hiring processes are governed by collective bargaining agreements, federal regulations and the standard practices of contractors. Any of these ways of determining who gets hired and when and why may work against the goal of getting low-income job seekers into the jobs. For those of us who want to make sure that community members are among the workforce, this agreement can establish the rules and process by which that happens.
- **PLAs create agreement and accountability across all stakeholders.** Because it is negotiated and signed by a wide array of stakeholders in the project, it offers the best opportunity to get everyone to agree on why and how community members should be integrated into the workforce. Project labor agreements nearly always stipulate that their terms are binding on all subcontractors who work on the project, and that the general contractor has to ensure subcontractors know and comply with the terms. That means no one is exempt and there is no excusing poor performance by claiming ignorance of its terms.

All of these facts make a project labor agreement a great tool for creating and implementing construction careers.

Sometimes, project labor agreements are negotiated with targeted hiring requirements among their terms. These kinds of agreements (project labor agreement plus targeted hire) are often called *community workforce agreements*. There are also cases where they are just called PLAs even when they include targeted hiring requirements. But do not assume that a PLA always includes targeted hire.

PLAs Save Money!

Opponents of project labor agreements typically argue that they increase costs.

In fact, project labor agreements are most often used to establish the work conditions for large and complicated projects exactly because they create efficiencies and coordination that help reduce costs and make sure projects are finished on-time and on-budget.

Here's how PLAs add value to construction projects:

- **PLAs increase efficiencies**, helping ensure big construction projects are completed on-time and on-budget.
 - ▶ PLAs ensure that qualified, skilled workers are available to complete the job.
 - ▶ PLAs include provisions to address grievances and resolve conflicts. Without these provisions, disagreements about worksite conditions, safety, work hours, and a myriad of other issues can hold up progress on the job.
 - ▶ PLAs harmonize work times, breaks and days off, to ensure that all workers' schedules are coordinated for maximum efficiency.
- **Private developers and businesses use PLAs more often than public entities.** One study of California found that 72% of PLA projects were for private sector construction. Private interests use PLAs because they know they add value.
- **PLAs support a competitive bid process.** Union and non-union contractors alike bid on PLA projects. One study found that only 3-4 bids for a project are needed to establish competitive pricing and ensure the best deal for the project. An analysis of bids before and after PLAs were negotiated for Los Angeles' city infrastructure projects found that bids submitted under a PLA were closer to the engineers' estimates. Bids submitted for non-PLA projects tended to be higher than engineers' estimates. ■



PLAs Save Money! *continued*

Despite these facts, opponents of PLAs use flawed research to claim that PLAs increase costs. These commonly cited studies are rife with analytical errors.

- **They compare apples to oranges.** Many studies make no distinctions among the size and complexity of projects, but then claim cost increases. Bigger projects with more complicated skills requirements and more demanding levels of coordination among different contractors are more likely to have PLAs. Cost increases may be due to the greater demands established by the project. Valid research controls for size and complexity.
- **They assume, rather than demonstrate, increased wage costs.** In fact, PLAs typically reflect the prevailing wages in the regions where projects are situated. Higher labor costs cannot be assumed, they must be empirically demonstrated. Without any evidence of higher labor costs, analysts should assume prevailing wages as the baseline for calculating wages and benefits.
- **They project increased labor costs across the whole project.** On average, labor costs make up 20-30% of the total cost of construction. Materials are by far the largest expense. Studies that claim a 10% increase in labor costs results in a 10% increase in cost for the entire project fail to account for the significant expense created by materials.
- **They fail to analyze or account for increased efficiencies or coordination of benefits.** In fact, the best studies have shown that states with prevailing wage laws (the baseline typically use for PLAs) have lower construction costs than those without. Why? Higher productivity among workers in states with prevailing wage laws. ■



Be prepared to take on the cost arguments! Here are some excellent resources that document the costs and benefits of PLA's and that can help provide context for projects in your region:

Mahalia, Nooshin. 2008. *Prevailing Wages and Government Contracting Costs: A Review of the Research*. Economic Policy Institute Briefing Paper #215. Washington, DC. Available at <http://www.epi.org/page/-/old/briefingpapers/215/bp215.pdf>

Belman, Dale, Russell Ormiston, William Schriver, and Richard Kelso. 2005. *The Effect of Project Labor Agreements on the Cost of School Construction*. Industry Studies Association, Working Paper: 01. Available at http://isapapers.pitt.edu/57/1/2005-01_Belman.pdf

Phillips, Peter. 1996. *Square Foot Construction Costs for New Constructed State and Local Schools, Offices, and Warehouses in Nine Southwestern and Intermountain States: 1992-1994*. Available at http://www.faircontracting.org/PDFs/prevailing_wage/sq_ft_report.pdf

Phillips, Peter. 1998. *Kansas and Prevailing Wage Legislation*. Available at http://www.faircontracting.org/PDFs/prevailing_wage/kansas_prevailing_wage.pdf

Belman, Dale, Matthew Bodah, and Peter Phillips. 2007. *Project Labor Agreements*. Foundation for Electrical Construction Inc. Available at http://massbuildingtrades.org/sites/massbuildingtrades.org/files/PLA_NECA_Report.pdf#

PLA/CWA Models Get Results for Low Income People

People typically think of PLAs as a tool that benefits organized labor — unions — and that can be true. But the fact remains that PLA/CWA agreements are the best way to get low-income people access to high quality construction careers. PLA/CWA models work because they solve four challenges that make it difficult for targeted hiring programs to succeed.

First, the communication challenge. Lots of different actors have a role in making sure targeted hiring happens. The project owner — like a city or school district — has the power to set guidelines and goals but they don't usually hire anyone. The contractors do the hiring, but when targeted hiring fails they often complain that they didn't know they were required to do anything. And if there are union hiring halls or apprenticeship programs involved, they, too, need to understand the requirements and be able to get support for figuring out what the requirements mean for their standard procedures. PLA's/CWA's ensure that everyone understands the requirements, believes they are real, and has an opportunity to be involved in the creative process of making them work.

Second, the timing challenge. Getting new workers ready to go into apprenticeship programs can take months. Sometimes the job readiness programs don't know apprenticeship candidates are needed until it's too late to train and prepare them. In order to make a targeted hiring program work, job readiness and apprenticeship admissions have to be synced up with when major pieces of construction work will be taking place. There's no point in training workers to go into the cement masonry apprenticeship program if that work was done three months ago. Similarly, if a huge amount of bricklaying is being planned, apprenticeship prep work should be planned and timed accordingly. PLA/CWA negotiations create an opportunity for that timing to be worked out in advance, and convene a table that can monitor timing to make it most effective.

Third, the legal challenge. Getting new workers into apprenticeship programs and onto a job site might mean that union hiring halls and apprenticeship programs have to change how they normally refer workers. Namely: they might be required to move low-income workers up the list and refer them out of order. Navigating the complex legal issues is not easy. A PLA/CWA provides a way for all parties to negotiate this process.

Fourth, the supply challenge. You can only get workers into apprenticeship if apprenticeship slots are available. PLA/CWA agreements can create apprenticeship through apprenticeship utilization language, and link those new slots directly to the targeted hiring goals. It's the cleanest, most integrated process to combine job quality and job access in a way that really works.

CWA, Ironworkers Local Provide New Opportunity

The San Diego Unified School District negotiated a community workforce agreement (locally dubbed a project stabilization agreement) for \$2.1 billion in bond-funded school construction. The CWA included a requirement that 70% of the work be done by school district residents and 35% by residents of targeted, low-income zip codes.

In response, Ironworkers local 229 changed its apprenticeship requirements to facilitate entry by targeted workers. The results? The school district is extremely happy with the outcomes of the agreement. A private evaluation commissioned by the school district found:

- No cost increases from the agreement;
- Projects continued to meet budgets and deadlines; and
- The targeted hiring provisions created many new career opportunities.

Anhalina Tachiquin (Nina) took advantage of these new opportunities. A Native American single mother of two, Nina entered the Ironworkers apprenticeship program as part of the SDUSD construction. She has had great success, finding more work on the U.S. Federal Courthouse and the San Diego Airport Expansion Terminal. Since entry into the training program Nina has been working diligently to acquire her welding certifications and has received 2 citations of Excellence in Safety!

Read the evaluation of SDUSD's agreement here: <http://www.sandi.net/cms/lib/CA01001235/Centricity/Domain/138/psastudy12-7-11.pdf> ■

The evidence shows that these agreements can make significant progress in recruiting and hiring low-income workers into high quality construction careers. Major projects in San Francisco, Oakland, Los Angeles, Cleveland, and New York City, among others, are governed by CWA agreements. Most of these agreements were developed because of widespread community concerns that public money was creating construction careers but that low-income workers had too much difficulty accessing those careers. The results are impressive.

The experience in Los Angeles is most instructive, because the PLA/CWA model has been in effect long enough to see real outcomes. Across almost a decade of CWA implementation by three major city agencies (LA's Department of Public Works, Community College District and Unified School District), Los Angeles has seen an average of 30% of worker hours go to residents of low-income neighborhoods adjoining major construction projects. At LAUSD, workers made an average of \$29.58 in hourly wages, with good benefits. Workers who lived in high-poverty zip-codes worked 49% of the hours on DPW projects. These outcomes are in sharp contrast to earlier projects, like the rebuilding of the sewer system after the Northridge earthquake, in which only about 2% of the work went to city residents.

For examples of projects that have used this model, along with outcomes and policy information visit our website at www.communitybenefits.org/article.php?id=1745.

Local leaders may decide to call this agreement a PLA or a CWA, because those terms resonate differently in different communities. The most important thing is making sure the right elements are in it. Negotiating a good agreement takes a strong coalition, a good policy approach, and the political power to bring all negotiators to the table.

Apprenticeship is A Way into A New Life

Bob Henley • Los Angeles, California
Pipefitter

Bob Henley is a pipe fitter with UA Local 250. When he was a teenager he started getting in trouble with the law and even went to jail a few times. The last time he went to jail, he was there for three years. "I can honestly say that if I had a better environment and a good job, I wouldn't have been in trouble so much. I just didn't have an incentive to do good when all I could get was a job paying minimum wage. It's embarrassing when you can't provide for your family because your wages are so little. That just makes you frustrated."

After being in trouble so much, his dad suggested that he turn his life around and join an apprenticeship program. And he did. "Because the money and the benefits were good, I didn't want to mess up anymore. I wanted to be sure that I kept my job."

"Now I make over \$27 an hour. With overtime, last week my paycheck was \$2,700. It gives me the incentive to do good in life. To take care of my kids and be proud that I can take them to the doctor when they get sick or give them gas money. It gives me the incentive to save up and buy a home instead of slinging drugs in an old vacant house. That's what a good middle-class job does. It gives you pride to know you too can contribute to making your life, and the lives of those that you love, better." ■



Negotiating a CWA

A typical CWA negotiation takes time. A typical CWA negotiation takes time. The three main parties at the table — project owner, general contractor and the local building trades council — have to assemble and present their priorities. Negotiations do not necessarily happen with all parties at the same time or in the same room. Each party engages legal counsel to ensure the agreement will be functional and enforceable.

Typically, the community is not part of these negotiations. Instead, community leaders work with trades leaders and the project owner (especially if it is a public project) to ensure their priorities are part of the negotiation. It may seem that this arrangement diminishes community power, but the fact is that most of the issues that are at the core of PLA/CWA negotiations involve technical aspects of the construction process that community leaders are ill-prepared to speak to.

That does not mean community coalition members have no power. During the negotiations for the MAPLA (the agreement that governed the modernization of the Port of Oakland), for example, community leaders were in the room during the building trades negotiations.

Additionally, community priorities can be incorporated into the public documents that typically accompany a project with a PLA/CWA. A publicly-funded project, for example, is usually governed by a range of agreements, ordinances and financing documents that can lift up the community benefits written into the PLA/CWA. It is especially valuable for the monitoring and accountability process to include community members, and public agencies can help set up a community advisory body to analyze targeted hiring progress and make recommendations for improving the system. See chapter 5 for more about monitoring and accountability. ■



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Typically, a CWA is negotiated with three parties at the table: the project owner, the general contractor and the local building trades council. These three parties have legal responsibility to the terms of the agreement, and many of the core provisions they negotiate go to the heart of the values and goals of the project.

Thousands of construction projects have been undertaken with PLAs, but many more move forward every year with no agreement governing their terms. **Don't assume that a big project in your region will automatically have a PLA or CWA!** The role of a coalition effort is **both** to ensure that a PLA/CWA is incorporated into the vision and implementation of the project **and** to ensure that strong targeted hiring components are in the agreement.

Your local building trades council (BTC) represents the organized construction workforce in your area. The building trades council is a membership body with elected leadership. Their job is to represent the interests of the union building trades workforce across all crafts and all projects. Your BTC leader may have a long history and body of experience negotiating PLAs, or this may be new to him. But you should not embark on an effort to win a PLA or CWA without securing the active support of the building trades in your region — both because they are parties to this binding agreement and need to be at the center of the negotiations, and because targeted hiring provisions are unlikely to succeed without their understanding and support for what they will entail.

City of Los Angeles Creates Thousands of Jobs for Local Residents

In 2001, the City of Los Angeles began construction on the North East Sewer Interceptor, which was constructed under the terms of the city's first Community Workforce Agreement. Since then, the city has negotiated CWAs on a wide range of public works projects, including fire, police and detention center construction as well as sewer extensions. In 2010, six CWAs were in effect, covering over \$375 million in construction value and over 7500 construction jobs. The agreements vary slightly, but tend to require 30-40% of new construction jobs created be filled by residents of neighborhoods adjacent to the project. The agreements establish further requirements that 10–15% of construction work hours be performed by at-risk workers, including workers from poor households and workers with a history of incarceration or receipt of public assistance, among other things (Targeted hiring programs in California have tended to focus on these categories, because state law prohibits any provisions that explicitly target for advancement of women and people of color).

With almost a decade's worth of experience implementing CWAs, the City of Los Angeles has developed strong relationships with pre-apprenticeship programs that can provide job-seekers ready to work as well as community-based organizations whose recruitment helps fill the workforce pipeline. The City's Bureau of Contract Administration monitors implementation, providing guidance and support for contractors in the system. ■



In some cities, PLAs are the norm for big construction projects. In other cities, there hasn't been a PLA in recent memory. In either case, a construction careers coalition can help make the case for why a PLA/CWA is good for the community.

Understanding and being able to explain why CWAs are the best way to get low-income workers into high quality apprenticeships is a key part of this effort.

Conclusion

A PLA/CWA is a complicated document. You may feel that working toward this outcome requires technical knowledge you lack. Don't be intimidated! Partner up with your building trades leaders and dive in. The benefits for low-income workers are tremendous.

At the same time, you and your coalition partners probably already know more about the construction industry than most members of the general public as well as the community of elected officials you are trying to convince. Go slow and find ways to explain to them why PLA/CWA documents bring broad public benefits. Remember that showcasing apprenticeship programs and successful apprentice graduates can be the best tool for demonstrating the benefits of this work.

OTHER POLICY APPROACHES

- **Achieving Our Goals Absent a CWA**
- **Responsible Contracting Standards and Policies**
- **Best Value Contracting**

Other Strategies for Introducing Construction Career Approaches

While a community workforce agreement provides the most comprehensive framework for establishing and implementing construction careers programs, it can also be the most challenging. In order to negotiate a community workforce agreement you need:

- **Political power** to garner public support and bring contractors and project owners to the table,
- **Established relationships between community and labor organizations**, and mutual trust that each will advocate for and protect each others' interests,
- **A recruitment and training infrastructure** that includes apprenticeship and pre-apprenticeship programs that can serve the communities you want to engage,
- **A base of contractors** who can do the work within the terms of a CWA,
- **A targeted project or set of projects** representing substantial investment in job creation (without the prospect of substantial numbers of new jobs, it is difficult for stakeholders to justify the investment of time and resources needed to create an agreement), and
- **Strong leadership** across all the stakeholder groups — community, labor, public agencies, elected offices — to hold a coalition together through sometimes challenging negotiations.

Coalitions can win community workforce agreements even if there are weaknesses in some of these areas, but if there are lots of deficiencies, it will become harder. Devoting time and resources to being as strong as possible in each area is worthwhile in the long run!

Making a strategic decision that you may not have all the elements in place to pursue a community workforce agreement does not mean you can't make progress on creating a construction careers framework in your region. Instead, you will need to develop a strategy that builds on what you do have and starts to fill in the gaps. Your strategy is likely to be more piecemeal, but will still include policies or privately negotiated agreements that improve the quality of construction jobs in your region and create a more incremental targeted hiring strategy.

How do you know if you should go for a community workforce agreement or something more piecemeal? The most important thing is to communicate with your building trades union and council leaders to find out what they think. If they feel a community workforce agreement is a

good goal, then you should work together to build political support, develop the targeted hiring components, and create a negotiating position.

If you decide, as a coalition, to pursue a different construction careers strategy, you can work on three levels to improve the conditions in your market, and lay the foundation for a more robust high road construction industry that can better serve low-income people. First, you can force a public conversation about the benefits of high road construction. This conversation is crucial, because elected officials and community leaders alike are too often in the dark about the opportunities that are created by a high road construction industry. Creating a public discussion about what opportunities are being missed helps educate decision-makers and the general public about alternative construction careers strategies and ensures you have developed champions who support a new approach.

Second, you can develop campaigns around alternative policy strategies for creating construction careers, such as those described below.

Finally, you can work to build stronger relationships between communities of color, environmental leaders, union leaders and the apprenticeship training programs and contractors who are needed to work together to anchor a construction careers coalition.

Creating the public conversation and building stronger relationships are topics covered in chapter 6, because they are important elements of any construction careers program. In this chapter, we will focus on how to develop an alternative policy strategy for your region.





Mechanisms that Create Construction Careers: Job Quality, Targeted Hiring and Training

Your construction careers proposal should do three things: lift up job quality standards, make training the norm, and create a basic targeted hiring program.

Any of these strategies can be established on public or private construction projects. You can also work to develop public policies that will establish these standards across publicly-funded or subsidized construction, for example by winning a responsible contractor ordinance.

✔ Lift Up Job Quality Standards

Lift up job quality standards in your region. In many markets, wages are low, safety and skills training are not the norm, and contractors cut costs by misclassifying workers as independent contractors and foregoing the responsibility to pay social security and payroll taxes. Establishing any standards that can make family-supporting wages, benefits and training more prevalent in the market will allow high road contractors to compete.

Job quality improvements can be leveraged incrementally. Rather than go for a whole raft of job quality standards, like those typically incorporated into a CWA, you can work for job quality standards that create a floor in the market. That is, they ensure that all contractors that work on public projects meet a minimum standard. Lifting up job quality standards in this way can start to improve the overall quality of the construction industry in your region, and create a better foundation for advocating for a more comprehensive approach in the future.

What Are Apprenticeship Ratios?



An apprenticeship ratio is the number of apprentices that can work on a job alongside journey level workers. An apprenticeship ratio, usually one in four, means that a contractor can have one apprentice on the job for every three journeymen. Apprenticeship ratios are set by state and federal government, and they vary according to the particular trade. The ratio for electricians, for example, is different than the ratio for plumbers or cement masons. Individual trades may have input into the ratio, but once it is set it is not negotiable. So requiring the maximum allowed by the existing apprenticeship ratio will mean every contractor has to use the maximum number of apprentices allowed, based on the number of journey-level workers on the job. ■

Some strategies that can improve job quality include:

- Establishing prevailing wage standards;
- Requiring contractors to demonstrate that they hire workers as employees and not as independent subcontractors, and using certified payroll records to verify this practice;
- Requiring contractors to provide OSHA 10 hour safety training to all workers, and ensuring that supervisors have received OSHA 30 hour safety training;
- Requiring contractors to demonstrate that they participate in an apprenticeship training program; and
- Set reporting requirements so that community and government leaders can assess how wages, benefits and other job quality indicators measure up.

Attaching any of these standards to a major project ensures that contractors with a low-road business model will not be able to win bids based solely on undercutting wages and working conditions. In any given market, one of these standards may be more useful than others in helping to leverage improvements across a wide array of contractors. How will you know which standards will have the biggest impact? Talk to high road contractors and construction union leaders. They will know best the existing practices in the market that allow low-road contractors to win low-bid contracts. Setting these basic standards ensures that high road contractors compete on an even playing field, and that low road contractors do not win projects just because they cut corners in compensating their workforce or investing in training.

✔ **Make Skills Training the Norm**

Make skills training a standard component of any construction project. When construction unions have few members and their contractors have difficulty competing for work, apprenticeship programs end up being poorly funded. Some trades may not have an apprenticeship program in the region. Contractors may not have a standard practice of participating in apprenticeship by hiring apprentices as part of their workforce. All of these trends undercut the long term goal of creating a high road construction industry. They shift costs of training outside of the industry and make it more difficult for new workers to get a foothold in high quality construction careers. Requiring contractors on publicly funded projects (or as part of private negotiations) to use workers from joint labor-management registered apprenticeship programs

boosts the market while also creating new opportunities for low-income people to get into construction careers. It's a two-fer! And a strategy that can yield many dividends.

Chapter two outlined the importance of having a robust training standard in the construction industry. You can contribute to creating a stronger norm around skills training by insisting that publicly-funded projects include provision of training for all workers. Whatever the elements of your broader construction careers agenda, you should always consider including:

- A requirement that every contractor on a covered project participate in registered apprenticeship program;
- A requirement that every contractor hire apprentices to work on the project at the maximum ratios allowed by state and federal law;
- A project-wide goal that 20% of the work be completed by apprentices.

These requirements expand opportunity in the first rung of the construction career ladder, creating more access for new workers. They also ensure that everyone participates in creating the next generation of construction workers, and ensures the development of a highly skilled workforce. They also spread the costs of training across a wider group of contractors, and ensure that no one individual or group of contractors bears a greater burden for training than others.

✔ **Require Targeted Hiring for Journey-level Workers**

In the previous chapter, we explained that getting *new* workers into construction careers requires a focus on apprenticeship, and that's an incredible value-add for local communities. But focusing on getting new workers into apprenticeship might be difficult if you don't have a good system of pre-training programs that are adept at getting new workers ready for the apprenticeship programs. In that case, you can still make headway by developing a targeted hiring program that ensures journey-level workers will get a chance to work on the job. Often, there are low-income workers and workers of color on the journey level roster. Targeted hiring programs can ensure that these workers get off the bench and on the job. When they get a chance to work on publicly-funded projects, their families, households and communities benefit from the increased purchasing power. And they may get a chance to work for contractors they haven't met before, increasing their ability to compete for work on projects that don't have targeted hiring provisions.

Making Training Opportunities A Priority

In November of 2004 taxpayers in the Denver Metro region voted to invest in a more environmentally friendly and better connected future by passing a sales tax to fund a mass transit expansion known as FasTracks. The build out of the transit system and associated development around transit stations will stimulate billions of dollars in economic activity and create thousands of new jobs. FRESC: Good Jobs — Strong Communities seeks to ensure that the benefits of these investments uplift communities and benefit working families.

FRESC proposed that the Regional Transit District incorporate targeted hire and apprenticeship utilization language into the RFP. FRESC's proposal included the following standards:

- 30% of total work hours be completed by people that live within the county and 10% by people who qualify as "disadvantaged"
- 15% of total work hours be completed by individuals enrolled in registered apprenticeship programs
- 50% of total apprentice hours be completed by county residents

A community workforce agreement may not work in every situation; however there are elements of this framework that can be applied in any city. For updates on the progress of FasTracks go to: www.fresc.org ■

A targeted hiring program for journey-level workers can include:

- A percentage of work hours that should be completed by members of the targeted category;
- A description of how those workers will be recruited, starting with coding the existing journey level list and ensuring contractors know they need to request those workers.
- A provision for getting targeted workers hired if they're not already on the list. This can include provisions that allow contractors to hire from any source if the hiring hall cannot provide sufficient targeted journey level.

A Model Pre-Training Program



BIG STEP was founded in 1976 by the Milwaukee Building and Construction Trades Council and Milwaukee Public Schools. It merged with the Wisconsin Regional Training Partnership (WRTP) in 2002 to help improve minority and low-income residents' access to construction apprenticeship programs. With the mission of improving employers' and unions' ability to recruit train and develop qualified community residents for skilled trades and industries WRTP/ BIG STEP is helping supply the next generation of construction workers.

This program provides hands on pre-employment training certificates, individual tutoring, and job readiness training. With a focus on serving communities of color and other marginalized populations the majority of participants are African-American and 45% having been involved with the criminal justice system.

Through a long standing and cooperative relationship with many of the local trades, WRTP/BIG STEP is able to provide local employers and unions with qualified candidates for apprenticeship programs, with 50–75% of their graduates being placed in apprenticeship programs.

WRTP/BIG STEP serves as the foundation for moving community members into apprenticeship programs. Through a sustained partnership with local employers and unions, WRTP/BIG STEP is able to supply qualified workers and is connecting community members to family sustaining job opportunities. ■

Creating Access for New Workers

You can also work to develop a strong pre-training/pre-apprenticeship program that can get new workers ready for apprenticeship. Good pre-training programs usually include outreach and orientation, basic introduction to the various trades, some experience working with tools, preparation for the apprenticeship test, and sometimes even soft skills training. Construction careers agreements can specify funding sources for pre-training programs, to build up the training infrastructure needed to get new workers into the field in the long term.

Remember — when there aren't many jobs, union leaders and apprenticeship coordinators are not eager to take on more workers because they can't be sure they can place them on a job site. So you may need to be prepared to start small. Even getting a few workers into an apprenticeship program can yield incredible long-term dividends.

Public Contracting Rules and Procedures

One way to lift up construction industry standards is to create a responsible contractor standard.

A responsible contractor standard establishes the basic foundation for evaluating bids on public projects. Remember that low-road contractors typically underbid high-road contractors — the difference is that they don't pay workers a fair wage and benefits package and don't invest in training, which means they can do the work more cheaply but with hidden negative effects that ultimately cost the public. Under a responsible contractor approach, all bidders have to observe basic rules.

You can establish responsible contractor standards on a single, large-scale project, like a major redevelopment project in your community that will create a lot of construction jobs and receive public money. You can also establish this standard as a matter of public policy, so that any and all construction undertaken by a particular public agency has to be carried out through a responsible contractor approach.

You can imagine the benefits of having a responsible contractor standard for something like a port or airport expansion, or a school district that is entering a phase of major construction and rehabilitation. When many jobs are on the line, and multiple contractors doing different types of construction work will participate, having a responsible contractor standard can make a real difference.

A responsible contracting ordinance can be passed by any local government entity that oversees construction, including city public works departments, technical college systems, public school systems, water and sewer districts, and the like. A responsible contracting ordinance basically says that the system will only consider bids for public contracts from contractors who can demonstrate that they act responsibly in the marketplace. Contractors who don't adhere to a basic set of standards are unable to bid on these projects.

What it means to be a responsible contractor varies from place to place, but the basic components are similar across all ordinances. Typically, responsible contractors must show that they:

- Pay prevailing wages according to the local standard;
- Hire workers as employees and not as independent subcontractors,
- Provide OSHA 10 hour safety training to all workers, and provide supervisors with OSHA 30 hour safety training;
- Participate in a registered apprenticeship training program;
- Can show that they have had no violations of any state prevailing wage or wage and hour laws for the last several years; and
- Agree to participate in a targeted hiring program, and submit a detailed plan showing how they will meet targeted hiring goals.

This list should look familiar — because it incorporates many of the standards enumerated at the beginning of this chapter! Essentially, a responsible contractor policy creates a framework for evaluating bids that ensures low-road contractors aren't competing on the same playing field as high road actors who treat their workers better and invest in the long-term health of the construction industry. Instead, under a responsible contracting system, all contractors have to submit bids on the same basis. Their bids vary because some are more efficient than others, or because some have better management or skills and can get the work done faster.

Responsible contractor ordinances are nothing new — hundreds of state and local government entities have adopted responsible contractor provisions because their leaders understand the broad benefit to the public. Including targeted hiring requirements in a responsible contractor program is new. It is an innovation that allows a responsible contractor program to serve a larger set of goals. The targeted hiring language can be simple, but it has to be clear and explicit. As documentation that they meet the responsible contractor standard, contractors should submit a plan that shows how they will comply with the targeted hiring program, signaling that this is a serious component of the overall program.

Spotlight on Milwaukee MORE Ordinance

In 2009 the city of Milwaukee passed *Milwaukee Opportunities for Restoring Employment*, known locally as the MORE Ordinance. The MORE Ordinance extends the City's Resident Preference Program (RPP) and Emerging Business Enterprise Program (EBE) provisions to private development projects seeking financial assistance from Milwaukee's taxpayers. Essentially this ordinance establishes a set of requirements developers must meet in order to be considered for development subsidies or assistance. The ordinance includes a prevailing wage requirement, as well as increased apprenticeship training and job opportunities for residents of Milwaukee's poorest neighborhoods. The ordinance also provides a contracting advantage for businesses located in Milwaukee. ■



What about Best Value Contracting?

Another approach to incorporating basic standards into the public contracting process is sometimes called Best Value Contracting. Best value and responsible contractor systems have similarities, but differ in how they play out at the implementation stage. Under a Responsible Contractor program, no one can bid on public construction unless they meet basic standards. Bids can still be evaluated and awarded based on who quotes the lowest price and within the best timeframe. But the pool of bidders is limited — if you aren't a responsible contractor, you simply cannot submit a bid.

Under a Best Value Contracting system, anyone can bid, but the process for evaluating bids gives points for job quality, targeted hiring and other benefits the project might deliver. Evaluation does not rest solely on the price tag.

This is an enormous difference and it places tremendous importance on the bid evaluation process. When a best value contracting system is in place, implementation is critical. The way points are allocated for meeting particular wage/benefits or safety standards can determine whether a bid is considered or not. If the best value system does not allocate enough additional points for meeting these standards, then low-road contractors will still have a leg-up on the bidding process.

Which approach will be the best for you depends on your local context. Sometimes responsible contractor programs are an easier lift politically, because the bids that get accepted are still evaluated according to the lowest bidder model and that can be easier to defend. In addition, responsible contractor programs can be simpler to implement, because they don't rely on a complicated matrix that assigns points for various elements of the proposal. And in some cases, state and local laws require some kind of lowest bidder evaluation. But in some communities, best value contracting may seem more appealing and there may be reasons to pursue it despite these complexities.



SPOTLIGHT ON TARGETED HIRING

- **Definitions and Goal Setting**
- **Processes and Best Practices**
- **Implementation, Monitoring and Compliance**

Key Elements of a Targeted Hiring Program

Regardless of whether you decide to try to win a PLA/CWA, or a responsible contracting policy, or something else entirely, you will have to develop the basic outlines of a targeted hiring program as part of this effort.

Making sure the targeted hiring provisions are strong, enforceable, and tailored to meet the needs and interests of community partners is undoubtedly one of the most important roles you can play in a construction careers effort.

The program you develop and the legal language that defines it are vitally important, because your work will be used to create the processes and practices that will determine how and whether low-income people actually get access to the jobs.

Remember these key points from earlier sections of this manual:

- Many different entities have to be coordinated & work in concert for any low-income person to get hired.
- Some of those entities — especially subcontractors and apprenticeship coordinators — may know little about the intentions behind this targeted hiring program; very likely all they have to go on is what is written into the broader agreement (the PLA or responsible contractor ordinance) and the procedures put into place by other actors in the project.
- Timing and coordination are key. In order for the targeted hiring provision to be effective, community organizations, job readiness providers, pre-apprenticeship training and the apprenticeship coordinators have to understand the timeline and know when new apprentices will be needed.

So there is a high demand for this language to be thorough and comprehensive.

What's the real goal of a targeted hiring program?

Most targeted hiring programs include mechanisms that do two things:

- Maximize the chances that workers from the targeted category who are already in the construction industry will get called to work on that job.
- Create opportunities for new workers — aspiring apprentices who want training and a construction career — to get trained and hired.

Calling up workers who are already on the bench is sometimes referred to as zip-coding (meaning the hiring hall determines which workers meet geographical targeting) or name-calling (the hiring hall tags specific workers who meet other kinds of targeting criteria).

Achieving the right balance of these two elements of a targeted hiring program requires local leaders to work together. How many workers are on the bench (and out of work), how many targeted workers are already in the construction workforce, how many apprenticeship openings the targeted projects will create — all of these considerations help determine the right balance.

Designing a targeted hiring program — and establishing the basic rules that will make it effective — requires the following: clearly articulated hiring goals, a definition of the targeted employment category, and provisions for monitoring, problem-solving and accountability. You can be sure you have a comprehensive program if you have detailed answers to the following questions:

- ✔ *What are the hiring goals?*
- ✔ *Who will count as a targeted worker?*
- ✔ *How will the hiring process work?*
- ✔ *Who will monitor and what will be the problem-solving and compliance process?*

✔ **What are the hiring goals?**

Your outline should establish numerical goals for hiring targeted workers on covered projects. These goals provide a concrete way to demonstrate how this construction project will benefit the local community by establishing a commitment that everyone involved with the project will make to offer new and/or underrepresented workers access to construction careers.

Three sets of hiring goals should be included.

1 Some defined percentage of all worker hours should be performed by targeted workers. What's the right number? It depends on the project and the community. Remember that real goal is to get low-income people into good jobs, not to make a point. Agreements that establish extremely high goals are unlikely to be successful unless there is a lot of training capacity in the community and deep connections with construction trades apprenticeship programs already in place. Unrealistic targeted hiring goals can be self-defeating for those that propose them.

Many existing agreements have established a 30% requirement. For some kinds of work, higher requirements may be realistic. The City of Milwaukee has a residence preference program for all public infrastructure that regularly exceeded its long-standing 30% requirement. Because the track record was so good, city officials decided in 2009 to raise the requirement to 40%.

2 An apprenticeship utilization requirement. The key to making a difference for low-income people with construction projects is to get them into apprenticeships. If contractors on the project are able to use their own discretion to decide if they want apprentices on the job or not, then new workers may not have meaningful opportunities to enter the construction trades through the project. The Oakland MAPLA established a goal that 20% of the work be performed by apprentices. To pre-qualify as a potential contractor or subcontractor, a bidder must participate in a legitimate, certified and registered apprenticeship program. This language can be part of a CWA/PLA or a responsible contractor system.

3 A goal that a certain percentage of first-year apprentices and/or of total apprentices come from the targeted hiring category. Creating a mechanism for placing new apprentices on public construction projects supports the “earn while you learn” apprenticeship model and provides the best opportunity for new workers to get into construction careers. In addition to requiring that 20% of the work be performed by apprentices, the Oakland MAPLA also set an ambitious target that all of the apprentices should come from the targeted employment category. The LA Community College District CWA requires 30% of the hours be worked by apprentices, with half of those hours targeted to first year apprentices. Consider also the value of identifying particular pre-training and pre-apprenticeship programs by name as sources.

Getting Workers of Color Into Construction Careers



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While low-income communities and communities of color are key constituencies for targeted hire agreements, actually identifying workers of color and women workers as the target employment categories can create legal problems, and may render the agreement vulnerable to a lawsuit. In some places, it may be legal and politically viable. In other communities, it may be extremely difficult or impossible.

Some regions have state and local laws that prohibit any targeting based on race or gender, like Proposition 209 in California. Even where no similar law is in place, local elected leaders are often reluctant to pass race-based targeting programs because of the real or perceived threat of a lawsuit. Across the country, some cities and local governments are shifting their race-based minority business programs by reshaping them as disadvantaged or emerging business programs. Instead of focusing on creating opportunity for businesses owned by people of color, these new programs focus on the size of the operation, or other criteria that indicate a need for assistance.

A key Supreme Court decision — *City of Richmond v. J.A. Croson Company* — allows for race-based targeting but only under specific conditions. A program designed to target workers of color (or businesses owned by people of color) must be (a) supported by a substantial disparity study demonstrating past discrimination in the relevant market and (b) narrowly tailored to remedy the disparities identified in the study.

In some places, targeted hiring programs have explicitly focused on workers of color. The agreement between Missouri Department of Transportation and Metropolitan Congregations United in St. Louis specified that minorities, women and economically disadvantaged workers should have access to work on construction to upgrade and rebuild I-64.

But even where it is possible to develop a legal program that targets workers of color, it is not always politically viable. Hence the emergence of programs that establish a wide array of targeted categories that help address many of the underlying barriers that make it difficult for people of color to access construction careers.

✔ *Who Counts as a Targeted Worker?*

Your outline must identify the group of workers whose employment will satisfy the targeted hiring goals, and who are the intended beneficiaries of this program.

The definition could include:

- Residents of census tracts or zip codes that have high poverty or unemployment rates (zip codes and census tracts should be identified specifically by number);
- Residents of neighborhoods that surround the project, especially if the project area is in a low-income part of the region (e.g., workers or job-seekers who reside within a three mile radius of the project);
- “Hard-to-employ” workers, including people who are on or recently left public assistance, single parents, workers with a history of homelessness, and workers with a criminal record;
- Women and/or minority workers;
- Un- or under-employed residents of low-income households throughout the city or region; and/or,
- Graduates of named pre-apprenticeship programs or job-seekers referred through community organizations that focus on working with low-income people.
- Veterans.

When deciding how to define the targeted employment category, keep these considerations in mind:

- Target strategically — establish a targeted employment category that provides new opportunities for poor people to get into high quality construction careers and demonstrates how the covered project(s) will benefit the broader community;
- Think about implementation — however you define the targeted workforce, make sure it is easy (and legal) to verify and track. Certified payroll records already show zip code of residence, so contractors can easily show compliance. Graduates of named pre-apprenticeship programs are easily verified. For any definition that includes more detailed requirements, be sure there is a way to identify and verify that workers hired for the covered project(s) have those characteristics.



Helmets to Hardhats Provides a Model for Construction Targeted Hiring

Established in 2002, *Helmets to Hardhats* is a federally funded program that provides support and tools to help military veterans get into construction union apprenticeship programs. The approach is simple, and yields benefits for veterans, construction contractors, and communities.

Veterans can enroll in *Helmets to Hardhats* online. They take a career assessment test to determine the best fit. They can be given credit for previous training or experience. They receive financial support through the GI bill and other federal veterans' assistance programs. And an advocate who understands their background and the transition they are undertaking helps them navigate the whole system.

Furthermore, veterans that enroll in *Helmets to Hardhats* can benefit from direct entry agreements established in 30 states. These agreements allow qualified veterans to move immediately into apprenticeship programs.

The total number of veterans who have moved into construction careers nationally through *Helmets to Hardhats* is unknown, but one staff person reported 1,056 placements confirmed for 2009, and 869 confirmed for 2010. In those years, 88 of the veterans placed have been at least 30 percent disabled.

Tiffany Ince, a veteran of the Iraq war and Guyanese immigrant, enrolled in *Helmets to Hardhats* and opted for an apprenticeship with the Metallic Lathers Local 46. "This is my first experience with the building and construction trades and I am enjoying it," Tiffany said. "I really toughened up while in the military and couldn't see myself working at a desk job. I enjoy working outside and being out of an office setting. The work is difficult, but I like the challenge. My local really takes care of their members and they appreciate my military skills. I am glad that I signed up with *Helmets to Hardhats* and recommend that others do the same."

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✔ *How Does the Hiring Process Work?*

The best targeted hiring program lays out clearly the responsibilities of every actor in the hiring process. That list includes (at a minimum) the project owner, the managing agency, contractors and subcontractors, union hiring halls, and apprenticeship programs. Some programs establish a good faith effort provision. Under these provisions, when projects do not meet the hiring targets, these entities can only avoid penalty by demonstrating they have met all their responsibilities.

These responsibilities include the following:

- **Contractors** must show that they have asked the hiring hall for referrals that fit the targeted hiring requirements. They should be able to document these requests and show that they have made every effort to hire and keep targeted workers on the job.
- The union **hiring halls** must be willing to refer workers from the targeted category as they are needed. In some cases, this may mean that targeted workers are referred before other workers that are above them on the list.¹⁴ The hiring halls should be able to show that they have a mechanism for identifying the targeted workforce and referring them to the job.
- **Apprenticeship programs** must show that they have opened up or reserved slots for new apprentices who meet the targeted hiring requirements, and that they refer those workers to contractors as requested. They may also be asked to demonstrate that they are working with named pre-apprenticeship programs (if there are any) in the community to help identify and recruit workers into their apprenticeship programs.

- **Managing Agencies**, typically the public entity that has funded or subsidized the project, and **project owners** (e.g. owner of a private development project) must show they have clearly communicated requirements to all bidders, and required bidders to establish a plan for meeting the targets.

✔ **Who will monitor and what will be the problem-solving and compliance process?**

Your targeted hiring program should say what information contractors must submit to show they have met the hiring goals. The monitoring information should include specific explanation of how often the information is submitted, to what entity (preferably a public agency or a committee with broad representation of project stakeholders), and how often that information is reviewed to determine progress.

A few tips:

- **Make it easy!** One way of monitoring is to ask contractors to submit monthly certified payroll records that document which workers on their crew met the targeted hiring criteria. If there are prevailing wage requirements on the job, contractors are likely to have to submit this information anyway.
- **Don't wait — start collecting and analyzing progress right away!** Monitoring progress toward hiring goals should start early in the project. Once the project is half over, or more, it becomes harder and harder to make up lost ground on the targeted hiring program because too much of the work is already committed or completed. Contractors should be able to show early on that they are meeting the targeted hiring requirements, or that they have a plan to meet them.

An Innovative Approach to Targeted Hire: Direct Entry

Some communities are experimenting with an innovative approach to targeted hiring, typically called Direct Entry or Direct Access.

Direct Entry refers to a targeted hiring system in which graduates of a named pre-training program (or programs) who meet apprenticeship eligibility criteria have a direct route into an apprenticeship program. Typically, pre-training programs that are selected for a direct entry relationship serve low-income workers and workers of color, and they have a proven track record for producing highly qualified graduates who can succeed on the job. Aspiring construction workers who graduate from these programs skip the list and go right into apprenticeship after demonstrating they meet the entry qualifications.

This approach is still in a stage of innovation. Many apprenticeship programs in the state of New York have received approval from the state's apprenticeship regulation body to reserve slots for graduates of particular pre-training programs. Direct entry agreements exist widely for trades sponsoring Job Corps programs, and for the Helmets-to-Hardhats program. Several other cities have also seen apprenticeship programs and quality pre-training programs experiment with direct entry agreements. Many apprenticeship coordinators have come to recognize that working with these pre-training programs serves dual purposes — it helps them recruit stronger apprenticeship classes with candidates who will make valuable contributions to the building trades workforce, and it helps them develop a diverse membership that more closely reflects the communities they work in.

- **Make it public!** Ensuring that everyone has confidence in the program and is helping make it succeed requires that hiring data be assembled and released to the public. The best targeted hiring programs establish a committee of stakeholders to receive the data, evaluate progress, and provide problem-solving support for contractors who are having difficulty meeting the hiring goals. This committee could include representatives of the general contractor and end-user, as well as the union hiring halls and apprenticeship programs and representatives from community-based organizations.
- **Prioritize problem solving!** The monitoring committee may have a direct role in problem-solving on a case-by-case basis with contractors who aren't meeting the hiring goals. The committee could call these contractors to a meeting where committee members help identify obstacles and ensure communication among the entities required to make the program work. This committee could also develop creative solutions that help ensure more workers get hired.
- **Don't rush to penalize, but use penalties when you need them!** Good monitoring and implementation focuses on getting workers into jobs. Penalties for failure to make progress should be a last resort. But make sure someone — perhaps the monitoring committee — has the power to establish penalties if they are needed. Penalties can include fines, withholding payment, or debarment from working on this project or future projects overseen by the same entity.
- **Do not jump to the conclusion that the unions and their hiring halls are at fault!** As we have discussed, the employer makes hiring decisions, frequently has a list of core workers, and may arrive on day one of the job with an entire crew drawn from a job recently completed. As a result, the hiring process created by the PLA may have been ignored and these early decisions frequently throw the hiring goals and best intentions of the participating unions and their community partners under the bus. More than one project has had this kind of problem, and the early sloppiness in implementing the hiring process leaves everyone else of good intention playing catch up for the remainder of the job.

However your coalition decides to handle these matters, make sure your program is summarized in a plain-language document that is easy for everyone to understand. Ultimately, you might also need some legal assistance to make sure the official version of the agreement treats these program elements as you intended.

Don't Be Scared Off by Legal Objections, But Don't Ignore Them Either!

Make Sure Your Proposed Program Rests on a Solid Legal Foundation

A construction careers approach can give rise to a number of legal issues, especially when incorporated into government policy. Too often, however, those issues are raised as road blocks to good policy. They don't have to be. Your coalition should take confidence in the fact that construction careers approaches have been successfully adopted at every level of government — local, state and federal. Today there are construction careers policies and agreements in place in cities across the U.S. governing billions of dollars worth of construction work.

That isn't too say that you can ignore the legal issues. To the contrary, your coalition needs an approach that properly navigates legal considerations and will stand up in court if challenged. Working with a local attorney who understands these matters is an important step in your campaign, and one that you should take early in the process. The Partnership also offers legal resources for local attorneys and campaigns.



Strategies for Success

In addition to the policy language in your agreement, there are also some best practices that have emerged in existing PLA/CWA projects.

- **Have a Pre-employment Conference.** The project owner (local government or developer) should hold a pre-employment conference for all contractors that have bid on or want to bid on the project. This conference should explain the requirements to all bidders, provide them with resources that will help them comply, and answer questions they may have. The conference is important both for communicating the importance of the targeted hiring program and increasing the capacity of your community of contractors to work within its terms. If your targeted hiring program applies to many projects overseen by a public agency, the agency should hold regular conferences to make sure new bidders on the work understand their obligations.
- **Require contractors to use a craft request form to call-up workers.** Contractors should be required to use a craft request form to ask workers to be referred to them for the project. This form documents that contractors asked for targeted workers, and provides hiring halls or other referral agencies to explain who they referred and why. If no eligible targeted workers are available, the form can explain that. This form provides a way to get around the “he said/he said” problem, which happens when every actor claims they did their part but no one else did and that’s why outcomes weren’t met. The craft request form documents who did what.
- **Designate a jobs coordinator.** Some successful targeted hiring programs have designated a jobs coordinator — typically a community based organization that works with low-income people, or a workforce intermediary — who is tasked with syncing up all the actors in the system. The jobs coordinator might be funded by the same public agency, or they might apply for federal funds to serve in this role.

GOING GREEN

- **Challenges and Scale**
- **Model Training Programs**
- **Neighborhood Focus**

Green Construction Careers

You've probably noticed that so-called *green construction* has gotten a lot of attention in the past few years, and with good reason. *Green construction* is a term that is used in many ways, but generally is understood to include projects like retrofitting old buildings to improve energy efficiency, increasing efficiency standards on new buildings, or building new transit systems that decrease reliance on cars. Green construction projects can bring great environmental benefits and they have the potential to create substantial numbers of new construction jobs. An influx of high quality construction jobs is especially attractive in low-income communities and communities of color, which are often saddled with negative environmental impacts. Without a construction careers approach, however, job access and job quality standards may get lost, and the communities we care about may get left out.

Recognizing these opportunities, organizations and local governments around the country have worked to bring a construction careers approach into the world of energy efficiency building upgrades. This chapter draws on some of the lessons of that experience, which has largely taken place in *residential* construction. That sector presents a more challenging terrain for construction careers measures, and the several great successes described below should be seen in that light.

The basic construction careers principles regarding high quality training, good jobs and job access apply equally to more traditional kinds of construction projects as they do to green construction. Without strong standards, a job installing solar panels can be a short-term, temporary or seasonal position. It can be just as dangerous as any other construction job. There is nothing that makes a green construction job a good job, absent construction careers provisions. It is just as important in this area of the industry to create high quality careers that provide opportunity for low-income people and people of color.

However, lifting up this part of the construction industry does pose some unique challenges.

- **There aren't many high road contractors doing residential work of any kind.** Contractors have been doing energy efficiency work for years, but on a very small scale. The existing base of contractors tends to have few employees, offer fairly minimal wages and benefits. And they are not ready to take on the hundreds or thousands of jobs needed to make meaningful change. The only way to make this work attractive to contractors who can operate with more employees and get more homes retrofitted is to bundle the work — allow contractors to bid on dozens or hundreds of homes at once.

- **Wage and benefits standards that apply in other parts of the industry are not easily applied to residential energy efficiency.** Prevailing wage standards apply in some places but not in others. In some programs, state prevailing wage standards apply but not federal. And even when prevailing wages are used, the complicated question of what worker classification is used to calculate prevailing wages can make it hardly helpful for setting a meaningful floor on wages and benefits. A set of tried-and-true tools that can be readily adapted to this work does not already exist.
- **Local government leaders feel pressure to get more homes retrofitted; they may argue that adding too many standards will slow down implementation and make it harder to get energy efficiency outcomes.**
- **Access to retrofits is a core issue for low-income communities.** We typically think about construction careers as being concerned with job quality and job access, but in this case, strong programs also have to make sure low-income home-owners and renters have a chance to save money on energy bills. Ensuring that low-income communities and communities of color get to participate in energy efficiency programs requires policy measures that make program resources available and actual outreach and organizing in those communities to generate interest and trust.

In this chapter, we'll see that coalitions have succeeded in navigating these challenges and won high road standards that achieve better outcomes in energy efficiency programs by taking a construction careers approach.

Single Mother Supports Family on New Career Path



Roberta is a single mother of five who was trying to support her family as a school bus driver. She worked less than 24 hours a week for \$9/hour; she and her family were barely making ends meet. Robert had been enrolled in a green construction course at Mi Casa Resource Center in Denver, CO. Through an outreach presentation conducted by FRESA: Good Jobs, Strong Communities, she learned about the green construction course training and registered building trades apprenticeship opportunities. Roberta gained valuable skills in the “Fundamentals of Energy Efficiency” class and was interested in becoming a BPI-certified Residential Energy Auditor. Roberta took the next step toward her solid career path and became an electrical apprentice. The green job training opportunities and outreach at Mi Casa struck a chord with Roberta and illustrated the significant benefits

of becoming a registered construction apprentice. An electrical apprenticeship offers her employment and training on a progressive wage and skilled career path. This was not just another job, but an opportunity that would allow her to truly support her large family as a single mother, as well as to show her dedication to learning a new skill set and her passion for hard work. As a registered apprentice, Roberta now works a full 40 hour week and her hourly wage has increased significantly. Roberta joins a construction workforce where only 3% are women, but she now has the skills and certifications to succeed far beyond her dreams. ■

Ensuring Job Quality in a Challenging Industry

Defining a quality job in the residential retrofit arenas has not been easy. Prevailing wage standards have not been universally applied. Even when they do apply, sometimes they are artificially low (because new worker classifications were used) and do not provide a good standard. Sometimes they are artificially high, pricing the work out of the reach of most contractors.

Coalitions that have succeeded in navigating these issues have done so by working with local building trades leaders to create standards that work for everyone. The result in most cases has been a unique, program specific, wage floor that includes benefits and provides a higher wage for highly skilled work.

- Seattle's Community Power Works and Energy Efficiency Web Portal Programs requires participating contractors to pay most employees performing weatherization work at least \$21.50 per hour plus \$2.50 per hour in benefits or additional wages. For highly specialized types of work, contractors must pay wage and benefits level specified in Washington State prevailing wage laws. In addition, applicants for the contractor pool receive additional points for providing health and pension benefits to employees.
- In Santa Clara County, CA, thanks to a coalition campaign led by Working Partnerships USA, contractors participating in the County's residential energy efficiency program must pay at least 250% of the California state minimum wage. For advanced weatherization work workers must be paid at least 400% of the California state minimum wage.
- In Boston, the statewide Green Justice Coalition convened by Community Labor United negotiated contractor standards for the state utility's energy efficiency program. According to one agreement, the minimum hourly wage package will be no less than \$17.50/hr. The total hourly package will include a family health plan with reasonable deductibles and a training contribution, totaling not less than \$21.00/hr.

In some places, requiring contractors to pay prevailing wage may make sense. Seattle's HomeWise energy efficiency upgrades program includes requirements in the contractor application that contractors pay Washington state prevailing wages.

Model Job Quality Standards from Milwaukee

The Milwaukee Energy Efficiency program (Me2)



provides residential and non-residential

energy efficiency building improvements, with \$8.5 million worth of residential construction projected through early 2013. As part of the Me2 program, the City adopted a CWA that promotes job access and job quality. The program employs a pre-qualification approach, creating a pool of eligible high road contractors, and terms of the CWA are incorporated into the Request for Qualifications (RFQ) and contractor participation agreements. Specifically:

- Contractors working on private residences have to pay workers at least \$17 per hour, and all other contractors have to pay prevailing wages under Davis Bacon.
- All workers must have completed an OSHA 10-Hour safety course and an Environmental Hazard Awareness Course.
- Contractors are required to utilize only employees, rather than independent contractors, temporary workers or any other individuals holding non-employee status.
- All workers must be trained and certified under Building Performance Institute, LiUNA or other high quality standards.
- Forty percent of all work hours performed must be performed by unemployed or underemployed city residents.

Model Pre-Apprenticeship Program in San Jose, CA



In San Jose, **Working Partnerships USA** worked with building and construction trades unions, including Roofers and Waterproofers Local 95, and the local Workforce Investment Board to create a 160-hour Apprentice Readiness Program that prepares students—primarily women and people of color—to enter the construction trades, leading to placement in jobs with a wage and benefits sufficient to support a family and a dream. The 2012 class, held with the support for the Santa Clara County Office of Women's Policy, is targeted to local women with convictions.

Utilizing the nationally recognized Building & Construction Trades Dept. Multi-Craft Core Curriculum plus a 40-hour hands-on “boot camp,” students undergo extensive hard and soft skills training that imparts the essential skills they need to successfully enter apprenticeship and advance up the career ladder. The size and timing of each class is planned to match

employer demand, and participating employers and apprenticeships come into the classroom to educate students on the industry.

All of this leads to success: the program's placement rate is over 70 percent, with an average starting wage of \$14 per hour plus benefits. ■

Of course, wages and benefits aren't the only component of a good job. Your coalition will also want to establish standards that ensure workplace safety, and provide workers with the benefits of employment, like access to workers compensation and OSHA protections. Standards that help advance the core values of safety and worker well-being include:

- A requirement to have a systematic written health and safety program,
- A requirement to comply with laws and rules regarding environmental conditions on the job,
- A requirement to maintain a workers' compensation policy,
- A prohibition on improperly classifying workers as independent contractors, and/or
- Incentives to contractors who classify all program workers as employees.

There are two approaches to lifting up job quality for residential retrofit workers, and good programs figure out how to do both. One is to establish standards that make these better jobs for everyone who works on them. The second is to recruit contractors who already use a high-road business model — meaning fair wages and benefits, and good safety and skills training — to take on more of the work. Recruiting high road contractors is a challenging task. One strategy is to bundle the work, allowing contractors to bid on multiple projects at once. This is important because it allows contractors to spread the expense of training and benefits across a wide range of individual projects, and because it allows contractors to hire more workers. High road contractors invest significantly in their workers and infrastructure, so small jobs are often not cost effective for them. Remember that the system has to make sense from a business perspective, and contractors have to be able to do the work within the parameters established.

How Many Jobs?



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Community members and elected leaders want to know how many jobs will be created by residential energy efficiency upgrade programs in coming years. Why? Because investing in good programs with high quality training can create real opportunity for low-income workers and workers of color, but only if the jobs materialize. Estimates vary. One recent study concluded that green building retrofits would generate 7 direct jobs and 4.9 indirect jobs for every \$1 million in expenditure, vastly outpacing the job-creating capacity of comparable investment in oil and gas. Other research calculates the ratio at eight to eleven direct jobs per \$1 million invested. Another study tried to calculate total job creation based on an estimate of how much green building retrofit would be required to make a significant enough dent in energy consumption, concluding that getting to scale would create nearly 81,000 construction jobs.

It's taken longer to build momentum in job creation than was initially anticipated. Many city and state residential retrofit programs are still developing, and even where money has been allocated, much of it remains unspent. It's critical to manage expectations as this work evolves. Nowhere has it created hundreds of new construction careers for low-income workers. Some workers who already had experience in this arena are getting better jobs or more consistent hours. In some cases, graduates of new training programs are finding new opportunities. But many observers believe it is critically important to build a high-road approach to this type of construction, and as systems are developed, workers trained, contractors recruited into the work, and state and local governance refined, workers will find more opportunity. ■



For more info, see:

Robert Pollin et al., "The Economic Benefits of Investing in Clean Energy," Political Economy Research Institute. & Center for American Progress (2009)

Sarah White & Jason Walsh, "Greener Pathways: Jobs and Workforce Development in the Green Economy," Center on Wisconsin Strategy (2008)

Global Insight, "U.S. Metro Economies: Current and Potential Jobs in the U.S. Green Economy" (2008)

Maggie Comstock & Curt Garrigan, "Building Design and Construction: Forging Resource Efficiency and Sustainable Development," UNEP Sustainable Buildings and Climate Initiative, July 2012.

Training for Green Careers

Requiring contractors to participate in high-quality training programs typically helps establish a high road approach to construction. As with wage and benefits standards, on residential energy efficiency jobs the existing training standards are not always sufficient to ensure high quality jobs. The training infrastructure for weatherization and energy efficiency work is also evolving. Some existing high road programs have been training in this area for some time: union electrician apprentices are already learning solar panel installation as part of the standard curriculum. The Laborers' union has created an 80-hour weatherization worker training that is being implemented in several cities, and community-based programs have established excellent pre-apprenticeship training programs that focus on energy efficiency measures.



Overall, however, the picture is decidedly mixed. Thus, as with wages, it is critical that the approach to training be negotiated with building trades and community partners at the local level. It is also critical to calibrate the number of training participants based on the number of anticipated jobs, so that participants can move directly into work. Lastly, when designing or seeking out programs, be sure that the program provides a solid foundation for a career in skilled construction work and is not narrowly tailored to the basic needs of the job at the moment.

- Under the Boston agreement, a contractor must provide a minimum of 1 week of training in Air Sealing and Insulation, orientation to the weatherization industry, lead renovation training as per EPA, OSHA 10, and hands-on training in the use of weatherization tools and work practices.
- In the Community Power Works program, contractors must pay for or provide at least 80 hours of classroom training to entry-level workers who are not enrolled in State-registered apprenticeship programs during the first year of employment of that worker.
- Santa Clara County requires that on-site workers have completed an OSHA 10-hour safety course and all supervisory personnel overseeing retrofit projects have completed an OSHA 30-hour course. The county also awards additional points to contractor applicants that hire from registered apprenticeship programs and utilize a workforce in which all on-site workers have completed an Environmental Hazard Awareness Course.

Why not a PLA?

Project labor agreements have rarely been negotiated around residential weatherization work. There are many reasons why and most of them are too technical to get into here. Instead, community coalitions have focused on developing high-road agreements, or articulated standards that ensure the work will follow a high-road model.

In Portland, the Clean Energy Works Portland program first took the step of getting a broad group of stakeholders, including City officials, to sign on to a non-binding agreement that set specific standards and created the clear expectation that those standards would be applied in the program. The standards in the non-binding agreement were later incorporated into the application (and evaluation criteria) for contractors seeking to participate in the program. Among those standards was a requirement to enter into a labor peace agreement that included neutrality toward unions, card check, no work stoppage, and binding arbitration.

In connection with the Clean Energy Works Oregon (CEWO) program, a group of community, labor, and contractor groups came together to form the High Road Community Contractor Alliance. The Alliance's basic approach is to have



community groups drive demand for the contractors and the contractors operate under a project labor agreement or other union agreement for the work that the community or labor groups deliver to them. The result is that a portion of the CEWO program work is covered by a project labor agreement. What you call your agreement is less important than what is in it! To learn more about high road agreements:

<http://www.greenforall.org/what-we-do/building-a-movement/community-of-practice/citywide-retrofitting-resources>

Because low-income workers can't simply give up their job to attend training, your coalition should also consider the use of employment positions that compliment pre-apprenticeship training. For example, local governments may create or utilize existing pre-craft-helper or entry-level operations and maintenance positions for targeted workers.

Access to Green Jobs

The job access piece of the energy efficiency world is somewhat less complicated. Several leading energy efficiency programs have adopted the lessons of successful construction careers approaches to include targeted hiring measures that create access to opportunity for low-income workers and workers of color. Other programs have focused on recruiting new workers from high quality training programs that tend to serve low-income communities.

For example, Seattle's HomeWise program requires that 75% of new hires retrofitting single family homes must be graduates of qualified training programs. These programs must outreach to and enroll disadvantaged populations, and can charge only at most modest fees to targeted enrollees.

Seattle's Community Power Works requires that applicants for the contractor pool ensure that 100% of new entry-level hires are graduates of City-certified training programs. Such programs must agree to take all available steps within the program's admissions requirements to recruit and support progress of targeted workers, with a goal of having targeted workers as at least 50% of the program's metro Seattle area graduates. In addition, applicants for the contractor pool receive additional points for demonstrating a history of employing targeted workers.

Just as with construction careers programs for other types of construction, you'll want to design your own job access measures to in a way that ensures meaningful access and creates a jobs pipeline that makes use of the best training programs available and a reliable, dedicated outreach program.

Creating Neighborhood Focus

Many community leaders fear that residents of low-income communities and communities of color are less likely to benefit from programs that are supposed to increase the availability and affordability of energy efficiency. Energy efficiency measures often cost more on the front end but result in greater energy savings over time. Inability to invest a modest amount of money up front to create increased efficiency leaves many low-income renters and homeowners to





pay larger energy bills month after month. In higher income communities, homeowners have more borrowing power and bigger savings accounts. They can afford to pay the up-front cost of creating a more efficient home, and then reap the longer term benefits. Without a concerted effort from your coalition, energy efficiency programs may end up disproportionately serving these higher income communities.

The fact is low-income households have a huge interest in energy efficiency. They are likely to pay a much higher percentage of monthly income in heating and cooling costs than middle- and higher-income households. And they are more likely to live in neighborhoods with lower-quality housing, meaning their homes have leakier windows and roofs, older furnaces and water heaters, and systems that waste a lot of energy. Construction careers coalitions can win more friends and recruit greater support by working to increase access to the energy efficiency services themselves.



The Green Justice Coalition in Massachusetts has confronted this issue head on. The coalition successfully argued to include high road standards in the state utility plans. All rate-payers — including low-income utility users — had long paid into a fund earmarked for energy efficiency retrofit, but the record showed that low-income ratepayers were rarely able to access the fund because they didn't have enough money to pay for retrofit costs that exceeded the utility's subsidy. Under the terms of a set of pilot programs across the state, low-income homeowners will have increased access to retrofit assistance.

The coalition entered into an agreement with contractors working within Boston's program that established an affordable set of prices for energy efficiency measures. Based on that agreement, 1% of the revenue from weatherization work will go to community groups for community outreach work related to the program.

Ensuring the Green Economy Includes Everyone!



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In 2009 the state of Massachusetts's Energy Efficiency Advisory Council (EEAC) approved a plan that will incorporate an innovative equity and job quality model presented by Community Labor United's statewide Green Justice Coalition (GJC). This \$1.4 billion, 3-year energy efficiency program is expected to retro-fit 140,000 homes. As a result of the GJC's efforts, a set of equity and job quality standards are being implemented in a series of pilot programs that began in 2010 including:

- Financing for an extensive door-to-door outreach program conducted by trusted community organizations that will enroll low- and moderate-income households for high quality energy retrofits;
- Up-front financing for homeowners;
- Bundling of contracts allowing larger, responsible contractors to do the work while creating steadier work for residents; and
- A set of job quality standards that include a livable wage, benefits, access to training opportunities and participation in a local hire program.

In addition to this state wide program, the GJC also negotiated a series of high road standards with contractors participating in the city-wide Renew Boston energy efficiency program which extends financing assistance to moderate-income households. This agreement establishes that contractors and sub-contractors will pay livable wages, provide benefits, participate in a local hire program and provide access to training programs. Most recently, the GJC negotiated a similar responsible contractor agreement with Conservation Services Group, one of the largest auditing, energy efficiency, and administrative contractors in the region.

Currently, the Green Justice Coalition and Massachusetts' leading utility companies have entered into an intensive process to explore ways to improve how the residential energy efficiency programs serve hard to reach communities (such as working class neighborhoods and renters). The process will examine the rebate and financing options available, look at community mobilizing styles of outreach and marketing, and explore ways to implement stricter contracting standards around hiring policies, higher wage rates, and health and safety standards. Both sides expect to use this process to reach agreement later this spring on policy changes which will ensure the move towards a greener Massachusetts is done in a more equitable way.

The Green Justice Coalition's commitment to equity and good jobs have maximized the potential of these innovative programs by ensuring the delivery of real energy cost savings to low- and moderate-income families, creating good family sustaining jobs for local residents and significantly reducing of carbon emissions in Boston and throughout the state of Massachusetts. ■

CONSTRUCTION CAREERS CAMPAIGNS

- **Coalition Building**
- **Process and Partnership**
- **Creating a Public Mandate for Quality Jobs**

Getting Started, Staying Focused on the Big Picture, Building For Victory!

Obviously the goal of convening a construction careers coalition is to win real victories for workers and communities. How you establish your coalition, and the elements of a campaign you put together, will have a big impact on what policy or private agreement you get. This chapter provides some ideas for how to get started, how to help community and labor leaders develop a rapport and work together better, and how to think about all the elements of a good campaign.

In addition to winning a construction careers program, your efforts can also lead to two areas of progress. By creating a public conversation that helps elected officials, appointed leaders (like board commissioners, or key staffers) and the general public understand the value of a high-quality construction industry, you can lay the groundwork for more victories later. And by helping to build stronger relationships and a deeper sense of shared values and vision among all of your coalition partners, you create a firmer foundation for the long-term partnerships required to bring these agreements to fruition.

Convening your Coalition

In some communities, building trades leaders and community leaders have had open conflict. In other communities, they may not be openly antagonistic, but they may have little history of working together. If you are interested in convening a coalition, start with a series of one-on-one meetings with key leaders across all stakeholder groups. Try to understand what their challenges are for their own organization, what has been their history of trying to work with other stakeholder groups, what interest do they have in being in a coalition, and what concerns or obstacles do they perceive. Be curious about who they are accountable to, and the priorities of their governing bodies (board of directors, advisory board, executive committee, etc.). Knowing the history will help you understand where there is common ground.

Remember that allies contribute to coalition work if they can see a clear self-interest and understand how the coalition will help them achieve it. Many of your potential partners will not come to a coalition table solely because they like your idea. They have to see how it connects to their organizational and personal mission and values, and believe that the coalition can deliver on outcomes.

Construction careers coalitions typically include representatives from the following:

- **The local Building Trades Council.** The Building Trades Council represents most (or all) of the building trades unions in matters that affect all trades, like public policy and decision-making. The council also takes a lead role in negotiations over big projects for PLAs or CWAs.
- **Leaders of specific building trades union affiliates.** Every affiliate has its own organization with an elected business manager. Examples of affiliates are the International Brotherhood of Electrical Workers (IBEW), the Sheetmetal Workers International Union (SMWIA), and the Laborers' International Union of North America (LIUNA) — there are many others. Each affiliate has different concerns based on how their workers participate in a big construction project
- **Leaders of community-based organizations and job training providers.** Every urban community is dealing with job loss and the creation of more bad jobs that don't serve low-income workers' needs. Some of these organizations work with specific populations — like workers who have a history with the criminal justice system, women seeking non-traditional employment or unemployed fathers. Community-based organizations may also have other concerns about construction that may affect the conversation in your coalition.
- **Leaders of civil rights groups.** The NAACP, the Urban League and other civil rights organizations have a special interest in ensuring that the construction workforce represents the diversity of the broader community. They can be a powerful voice for using construction careers frameworks to increase workers' of color access to apprenticeship. In some communities, these organizations have been openly critical of building trades unions, and vice versa. But creating partnerships and alliances among these groups can be a powerful force for changing this history.
- **Faith leaders.** In some communities, faith leaders are aligned within congregation-based organizations. In other communities, faith leaders may sometimes meet together and speak out on social justice issues, but not have an organized forum for this participation. Either way, faith leaders can be extremely important coalition partners. Churches, synagogues and mosques serve many low-income people and they can help showcase the impact of job loss and poverty on families and communities. Faith leaders also provide a voice for elevating the higher purposes of government — to ensure that everyone in a community has an opportunity to make a decent living and provide for their families.
- **Leaders from environmental organizations.** These participants may care deeply about a specific issue, but often their advocacy is linked to a broader concern about the well-being of the community. Construction has a direct impact on the environment, and construction careers agreements can directly address sustainability concerns.
- **Other allies you know and like!** Every construction careers coalition is different, with a diverse array of interests representing the dynamic energy of the local community. Reach out to existing allies, and seek out new ones. Don't limit your reach — you may find new opportunities to work together with groups you don't know well. That's one of the benefits of this coalition and policy approach.

Once you have this basic orientation, you can decide how to convene an initial coalition meeting.

Tips for keeping a functional coalition working effectively:

- **Prioritize transparency!** Be clear & transparent about the interests represented around the table. Know what you are there for, understand what other folks are there for, and respect that the intersection is where the coalition can be most productive and powerful. Leave other issues off the table.
- **Communicate!** Establish regular and proactive communication. Coalitions flounder when groups don't know what is happening and why, and when leaders don't know how they can influence the conversation. Have regular meetings and phone check-ins, and be patient with all of your coalition partners' need to understand what is happening.
- **Clarify decision-making.** Ensure transparency about how decisions get made. Lots of decisions have to get made during a campaign, ranging from big-picture strategy decisions to smaller (but often just as meaningful) decisions about who will speak at a press conference or who will host a meeting with a key decision-maker.
- **Plan & strategize together.** Sometimes coalition partners want to leave the lengthy meetings and planning sessions to a few people. Many coalition leaders report that some of



their most important members say, “I don’t have time for all these meetings. Just figure out what you want me to do and tell me.” Though this may be necessary from time to time, it’s not ideal. Coalitions do better when key participants plan and strategize together. It’s the only way to make best use of the talent and expertise organized around the table, and the only way to ensure real buy-in on coalition activities. It can be time consuming, but there’s little point in phoning in coalition leadership.

- **Make commitments to stand together.** Anticipate that your opponents will try to divide and conquer. They will likely offer commitments on targeted hiring without job quality standards, or with extremely watered down job quality provisions. Or they will provide strong union guarantees without targeted hiring or other considerations that the community cares about. Talk about this risk up front and have ongoing check-ins. Make an agreement about the coalition’s decision process for compromise. Be clear with your partners if there’s any chance you will decide to leave the coalition and go it alone. And if you feel pressure to do so, work with your coalition allies to help them understand the dilemmas you face and see if there’s a better way to move forward. Remember that violating the coalition position will only hurt the longer term project of deepening trust and relationship among partners, and can set the construction careers effort back years or decades.
- **Focus on maximizing resources.** Every organization or leader doesn’t have to do every activity. Some groups are great at research. Others have strong mobilization programs and can develop leaders to speak out on the program. Others may have relationships with elected officials that can help the coalition. Know what talent you have at the table and use it to best effect.
- **Be careful not to tread on your partners’ toes.** Community leaders are often sensitive about how others speak about their community. So don’t do that. Building trades leaders want to have decision-making power over agreements that affect their members. Make sure they do. Have a thoughtful and transparent conversation at the coalition table about what you need veto power over, and make sure to honor other partners’ concerns equally.

Coalition organizing poses many challenges. Coalition meetings take time and they often engage many stakeholders with completely different ways of working. It can be easier to make your own decision and move forward without having to consult with others. Because construction careers coalitions often unite forces that have been opposed in the past, they also need time and space to process past conflict and move beyond it.

Nonetheless, coalitions form when leaders recognize they can win more together than separately. Keep that reality in focus when the going gets tough. Our communities and our workforce are equally under attack. Coalitions that unite communities and workers around common threats, and push for solutions that help all of us, are worth the hard work!

Building Out Your Campaign

As your coalition convenes, it is important to remember that winning a campaign takes a lot of different kinds of activities. Coalitions typically emerge around an immediate opportunity. You hear that the city is about to greenlight a major infrastructure project, for example, and gather your allies and stakeholders to talk about how to make it function best for everyone. Or you know that your region is undergoing a major school construction and expansion period and you want that construction to serve low-income families whose children are represented in the student population. In any case, organizing around a project often means you have to hit the ground running and start to get involved even before you fully understand that nature of the project or how the coalition will function.

Oftentimes, coalitions struggle to integrate the various strategies and approaches that different coalition members are familiar with. One group may want to work on a behind-the-scenes approach, relying on a single well-placed legislator to insert the right language at the right time. Others may focus on a media campaign, and hope that creating a broad-based understanding of the issue will lead to a good outcome.

In our experience, winning a construction careers campaign takes a thoughtful, focused, and comprehensive strategy. As your campaign evolves, you will need:

- **Agreement on the platform.** What are you trying win, exactly? What are the job quality and targeted hiring provisions? How will they be established — through public policy and legislation, through an administrative process that doesn't require legislation, or through a private agreement?
- **A plan for getting support from elected officials.** Even if you are not trying to win legislation, elected officials need to know what you are planning and be convinced of its value. Undoubtedly, they will be asked to weigh in, either officially or informally. Having a few elected champions who understand what you are trying to do and why can be a huge value add to the campaign.
- **A plan for mobilizing members.** Turning people out to events that call attention to the issue will also draw the attention of the media and the elected officials, staff and corporate leaders who make and influence decisions. Mobilizing members effectively often requires some kind of leadership development plan, including training a few spokespeople to talk about how your proposal would benefit their community.
- **A plan to conduct research.** You'll need to research the policy and/or administrative decision-making process if you are working with a public agency. It will also be helpful to use existing data to draw a picture of how the construction industry contributes to overall patterns in the economy.
- **A plan for dealing with the media.** This might include meeting with editorial board and preparing op-eds to explain your position at key times. It could also include a plan for getting media attention at your events, and for commenting on your effort as it progresses. The media plan should include talking points and an agreed-upon messaging framework that everyone in the coalition will use, as well as agreement on who are the right spokespeople for different campaign events and activities.

- **A timeline.** When will the key decisions likely be made? Start your campaign plan with an idea of when victory (or defeat) will happen, and work backwards. Remember that you want to escalate a campaign over time, so there will need to be more work and attention to creating the public buzz and convincing decision-makers as you get closer to the decision-date.
- **Legal support.** Every aspect of a construction careers program has potentially significant legal implications. Get help drafting the legal language and ensuring that any compromises you agree to are written so as to maximize the likelihood of the program's effectiveness.

This seems like a lot of work, and it is! But having a broad coalition allows you to spread the work around. Use coalition meetings to review the plan, make sure everyone knows the role they need to play, and adjust strategy as new developments transpire.

As you develop your plan, it is helpful to remember that winning in the short term can also help you make progress toward longer-term change. If you are effective in every campaign at creating a more thoughtful public conversation about how the construction industry functions in your region, and at developing better relationships between building trades leaders and community leaders, then you are making progress.



Where do I find data on the construction industry?



Research is an essential part of any campaign. As we've said before, it is often the case that the people making decisions that impact the construction industry know very little about how the industry works and why it's so important to our local and national economies. And it's up to you to help them understand. You will need to learn as much as you can about how the construction industry works, the contribution it makes to different levels of the economy, and the characteristics of the construction workforce.

Here are a few places that you can find national, state, and local data on the industry:

US Census Bureau

<http://www.census.gov/econ/construction.html>

This source will help you quantify the economic impact of the construction industry and describe the wages and size of the workforce on the local, state and national levels.

US Bureau of Labor Statistics

<http://www.bls.gov/home.htm>

This source provides several databases that will help you understand the characteristics of your local construction workforce including wages, employment, and job related injuries and fatalities.

Labor Force Statistics from the Current Population Survey

<http://www.bls.gov/cps/#data>

You can use this database to find statistics like union and non-union wages, employment, weekly and hourly earnings.

Injuries, Illnesses, and Fatalities

<http://www.bls.gov/iif/data.htm>

You can use this database to find statistics on job related injuries and fatalities within the construction industry.

Construction Chartbook

<http://www.cpwr.com/rp-chartbook.html>

This resource really is a goldmine of statistics on the construction workforce and how the industry works. It includes data on the economic impacts of the industry, labor force characteristics, employment and income, education and training, and health and safety.

The Center on Policy Initiatives in San Diego used many of these sources in their publication, *Working Without a Healthcare Net: Health and Health Insurance Among California Construction Workers*. This report paints a clear picture of the health and health coverage issues within the construction industry and makes the case for structural changes that will create a safer work environment and a safety net for the construction workforce. <http://onlinecpi.org/reports/construction-working-without-a-healthcare-net/>

This publication is a great example of how you can use statistics in a way that supports your campaign and educates a variety of audiences on why the construction industry is important, the issues that impact the industry and the solutions you are proposing.

Create a Public Conversation

One of the most powerful lessons of the construction careers efforts undertaken by affiliates of the Partnership for Working Families is the critical importance of increasing understanding of the construction industry and building a base of leaders who understand how the industry works. Time and again, when our affiliates send delegations to meet with elected officials or testify at public hearings on the importance of a high-road construction industry model, they are surprised to find that the leaders who make critical decisions on public construction contracting know very little about how the industry works. Winning a short-term campaign — and shifting your regional industry over the long-term — requires you to change this reality!

Using a campaign to call attention to the cost of a low-road construction model can change the nature of the political conversation in your region, and increase public support for construction careers approaches. Successful efforts to change the conversation can also transform the opportunities and challenges you face. When elected officials better understand the construction careers model, they become champions. When the voters see the cost of failing to invest in training, the impact of poor safety records on workers and communities, then you have a better opportunity to win real change.

Forcing this public conversation can have any one of a myriad of starting points. You can help jumpstart this conversation by:

- ✓ Publicizing job quality and hiring patterns on existing projects that have received public funds;
- ✓ Connecting elected officials and their staff to best practices from other cities;
- ✓ Staging a public tour or education program on apprenticeship training and how it benefits the general public;
- ✓ Researching statewide data (which is often collected and compiled by the US Census Bureau) on your construction industry's safety and wage records and using that data to ask whether public policy is doing enough to promote the right kind of industry;
- ✓ Contrasting high road and low road construction jobs, including impacts on families and communities through real workers' stories:
 - ▶ Tell the success stories of journey level construction workers in your region who enjoy middle class careers, especially those who came out of low-income communities; and
 - ▶ Invite workers to share their experiences of working in low-wage and dangerous construction jobs.

Building Stronger Relationships

Amazingly, though community and union leaders usually want each others' support, they don't always know much about each others' organizations. In many communities, community leaders may not know how the apprenticeship programs work, what the entrance requirements are, who the apprenticeship coordinators are and how they can work together. Similarly, construction union leaders may be aware that they have come under criticism from community leaders, but not know the constituencies they represent, not be connected on a deeper level, and not have an action plan for developing better relationships. When community and union leaders

have a relationship and have established trust, targeted hiring programs will function better. Leaders will know how to work together to solve problems in the moment and will understand why breakdowns happen and how to address them. And they will be better able to win new programs and policies by aligning their messaging, working together to develop campaign plans, and maximizing the resources each can bring to the table.

Leaders are great, but they are leaders because they are connected and accountable to a broader constituency. Often we find that community and labor leaders want to work together, but lack of understanding and concerns among their members makes it difficult. Even when leaders are aligned, relationship building that connects union members with community members can yield benefits for the coalition effort.

If you want to work toward a stronger construction careers framework in your region, efforts to deepen relationships among community and labor union members and leaders are essential. You can help create deeper relationships by:

- Organizing joint events, like a job fair at a congregation where apprenticeship coordinators talk to low-income residents and community leaders about their programs;
- Supporting each others' individual events, like organizing the coalition to attend a constituent members' annual public meeting;
- Encouraging coalition leaders to do regular one-on-ones with each other to understand each others' organizations and how the coalition relates to the rest of their work;
- Organizing site visits, like inviting community leaders to tour an apprenticeship training facility, and then inviting union leaders to tour a neighborhood job readiness center.

Building new relationships between community and labor leaders requires us to understand what ideas we have about each other, to be curious about whether those ideas are true, and to be willing to revise the stories we tell about what has happened historically between us. Construction careers coalitions are powerful exactly because they unite a set of stakeholders who have sometimes been opposed in the past. That means it's not always smooth sailing and those old conflicts often have to come up in order for us to recognize them and find new ways to resolve them. But building stronger relationships is a cornerstone of this work. When you incorporate into your campaign plan activities that serve the current campaign while also meeting a relationship building goal, you are making a real difference for the future!

Appendix I: Glossary

Apprenticeship programs are training programs that provide a curriculum for workers to learn the skills and abilities they will need to be a fully functioning worker on a construction site. Most certified apprenticeship programs include classroom training as well as training on a job site, and they can take from 2-5 years to complete. During that time, apprentices typically hope to work full time or nearly full time, and take classes a few evenings a week to satisfy the training requirement. Standards and curricula for apprenticeship programs are regulated by State and federal governments. Some States have their own State Apprenticeship Council. These states register all apprenticeship programs in the state according to regulations they develop. In states that don't have their own Apprenticeship Council, federal regulations pertain and apprenticeship programs in those states are registered with the federal government.

Apprenticeship utilization requires that a certain percentage of labor hours for a given construction project be performed by participants of approved apprenticeship programs. These requirements create a mechanism for placing new apprentices on public construction projects supporting the “earn while you learn” apprenticeship model and provides the best opportunity for new workers to get into construction careers.

Best Value Contracting is a process of awarding public construction contracts in which contractors are rewarded or receive points for job quality, targeted hiring and other benefits the project might deliver. This process is unique because it does not score bids solely based on price.

Building trades council represents most (or all) of the building trades unions in matters that affect all trades, like public policy and decision-making and multi-trade agreements (like PLAs).

Community workforce agreements are project labor agreements that include targeted hiring provisions. Community workforce agreements typically include strong job quality provisions. They require all contractors on the project to adhere to wage and benefits standards and to pay into a training fund. They also often include elements that synchronize all the different trades that will work on the project around work hours, time off, holidays and vacations, and the like. They typically include a conflict resolution process that will be used to resolve disputes on the job site, a provision that helps avert delays.

Construction careers models typically include job quality standards that specify the wages and benefits that must be paid, require contractors to provide skills and safety training, and/or ensure that contractors with violations of state wage and hour laws are not eligible to get work on publicly funded construction projects. Sometimes these standards and requirements are part of a negotiated project labor agreement, but they can also be established through other kinds of agreements or policy measures. They also include targeted hiring programs, with requirements that disadvantaged individuals (such as workers from low-income neighborhoods or individuals with barriers to employment) get a percentage of the work hours on public projects and concrete mechanisms to implement and enforce these requirements. In a good construction careers model, job quality and targeted hiring outcomes are tracked and reported so the general public can see how a good construction project benefited the community.

Core workers are workers that are on an employer's or contractor's payroll most or all of the time. A project labor agreement may specifically define who qualifies as a core worker, and how many core workers a contractor can bring to a project before having to hire through the targeted hiring system.

The Davis-Bacon Act (1931) is a federal law that requires prevailing wage rates and benefits to be paid for construction work on federally-funded or federally-assisted construction projects. When Davis Bacon rules are in effect, local government surveys the local construction industry to determine what the commonly paid wages are in that area. The survey might look at the average wage paid, for example, for electrical work in a metropolitan region. Or it might be defined to determine the most commonly paid wage (the modal wage) for a trade in an area. Either way, the theory is that public participation in the construction market should not undermine regional wages. So anyone working on a prevailing wage or Davis Bacon job must be paid at the standard set by the survey. Today, 31 states, the District of Columbia, and many cities have enacted "little Davis-Bacon" laws requiring payment of prevailing wages on public works projects funded by the city or state.

Direct entry refers to a targeted hiring system in which graduates of a named pre-training program (or programs) who meet apprenticeship eligibility criteria have a direct route into an apprenticeship program. Typically, pre-training programs that are selected for a direct entry relationship serve low-income workers and workers of color, and they have a proven track record for producing highly qualified graduates who can succeed on the job. Aspiring construction workers who graduate from these programs skip the list and go right into apprenticeship after demonstrating they meet the entry qualifications. Direct entry is sometimes also called *direct access*.

General contractors are hired by the project owner to manage all of the elements of a construction project.

High road contractors pay family-supporting wages, provide benefits and training, and focus their competitive edge on better management, scheduling and juggling multiple jobs at once, cost savings on materials, and providing better quality products.

Hiring halls are operated by local construction unions and refer qualified workers when contractors submit a request for workers.

Job access standards establish requirements that **disadvantaged job seekers (such as workers from low-income neighborhoods, workers of color, or individuals with barriers to employment)** get a percentage of the work hours on a construction project.

Job quality standards specify the wages, benefits and working conditions on a construction project. Job quality standards can range from a comprehensive framework that covers nearly every aspect of the job and is negotiated among contractors, workers and the project owner to a more piecemeal set of requirements that help advance standards on particular aspects of the job.

Journey level worker is a worker who has attained a level of skill, abilities, and competencies recognized within an industry. A journey level worker is seen as having mastered the skills and competencies required for the occupation.

Labor-management apprenticeship programs are programs that are jointly administered by contractors and unions.

Low road contractors offer lower wages, skimp on benefits, fail to invest in training, and pass those supposed cost savings on to the project owner in the form of lower bids.

Misclassification occurs when employers treat workers as “independent contractors” rather than employees to avoid liability for things like payroll tax, workers compensation and labor law obligations. In the construction industry, there is also a tendency for nonunion contractors to misclassify skilled workers in lower paid occupations and categories. For example, a journeyman might be misclassified as an apprentice or a bricklayer could be misclassified as a laborer.

Name calling workers may not stay with one contractor as a core worker, but the contractor might specifically ask for them by name when soliciting workers from the hiring hall.

OSHA 10 & OSHA 30 training programs provide instruction for workers and employers on the recognition, avoidance, abatement, and prevention of safety and health hazards a worker may encounter on a job site. OSHA 10 also provides information regarding workers’ rights, employer responsibilities, and how to file complaints related to the workplace.

Pre-apprenticeship programs recruit and orient new workers, help them identify the apprenticeship program most suited to them, prepare them to take the test, and support their initial career efforts. In addition to orientation to the industry, they sometimes provide other kinds of support including life skills training, help with budgeting and job readiness. Some pre-apprenticeship or pre-training programs provide stipends to help pay for tools and equipment, and may even offer help with transportation and childcare.

Pre-bid conference is a meeting between potential bidders on a project and representatives of the project owner and others, such as city officials, who are setting the terms of the bids. For projects with targeted hiring measures, such a meeting can provide an important opportunity to educate potential contractors about their targeted hiring obligations, how those obligations will be monitored and enforced, and good ways to meet those obligations.

Prevailing wage is the wage standard required by federal and state law for publicly-funded or –assisted projects. Prevailing wages represent the hourly wages, benefits, and overtime paid to the majority of workers in a particular area, for a particular trade, as determined by a survey conducted by the Department of Labor. (also see The Davis-Bacon Act).

Project labor agreements (PLA) are comprehensive, legally-binding documents that are negotiated and signed by the developer or project owner, the general contractor and labor unions. These agreements typically require labor peace on the projects and set the terms of work for the project: working conditions and schedules, hiring requirements, pay rates, safety rules, communication among key stakeholders, and the process for resolving any conflicts that may arise. When a PLA includes targeted hiring requirements, it is sometimes called a **community workforce agreement**.

Registered apprenticeship programs meet minimum state and federal requirements around equal employment opportunity, related training, and relevance of on-the-job training to learning, among other things. They can be operated by unions or non-union contractors or contractor associations, like the ABC (Associated Builders & Contractors) or the NCCER (National Center for Construction Education and Research). These programs have registered with either the appropriate state or the U.S. Department of Labor's Office of Apprenticeship.

Responsible Contracting Standards establish a basis for evaluating bids on public projects under which all bidders have to observe basic rules and/or demonstrate that they have complied with basic rules in the past. Responsible contractor standards can be applied to a single project or as a matter of public policy so that any construction undertaken by a particular public agency has to abide by the standards. Responsible contracting standards typically require a demonstration of past and ongoing compliance with applicable health, labor, and environmental laws and regulations.

Subcontractors are hired by the general contractor to complete specific parts of a construction project.

Targeted Hiring Programs promote the hiring of individuals who meet certain criteria – often geographic and/or socioeconomic – for construction jobs associated with a development project. As a high-road strategy, targeted hiring policies often provide employment opportunities for women, minorities, at-risk youth, veterans, people with convictions, public assistance recipients, or other groups facing employment challenges.

Targeted workers are individuals that meet the criteria established in a targeted hire program. The criteria are often geographic or socioeconomic and can include residents from census tracts or zip codes with high unemployment, residents from the neighborhoods that surround the project, workers with a criminal record, veterans, workers coming off public assistance, women, and people of color.

Zip-coding is the use of zip codes to target job applicants in a targeted hiring program. For example, a targeted hiring program may require that 30 percent of all work hours be performed by residents of zip codes in which the average annual unemployment rate exceeds 10%. Often, this means relying on census-tract-level data related to poverty or unemployment that allows particular zip codes to be selected.

Appendix II: Notes


1. State legislation passed in 2011 eliminated California's redevelopment system. Technically, the CRA/LA no longer exists.
2. Xiuwen (Sue) Dong The Construction Chart Book, Center to Protect Workers Rights, 2013, chart 24b. Dong provides further explanation of the change over time on construction wages:

While overall employment costs increased in recent years, real wages (see Annex 1) or wages adjusted for inflation, did not show this pattern for construction workers. After adjusting for inflation so that wages over time are more comparable, average hourly pay for construction workers in 2010 was \$20.74, 10% below their adjusted earnings of \$22.99 in 1974 (chart 24b). Construction wages have also declined more than earnings for all workers. In 1974, construction wages were 29% higher than the average hourly earnings of \$17.76 for all industries, but in 2010, the wage level in construction was less than 2% above that for all industries (\$20.42). In the period from 2004 through 2007, hourly earnings in construction even dropped below all industries despite the booming housing market at that time. (Dong 2013, page 24)

3. Bureau of Labor Statistics and Census data bear out these concerns. In 2010, racial minorities made up approximately 19% of the construction workforce, lower than more other industries. Women workers comprised 9% of the total construction workforce, but only 2.2% of production workers (Dong, 2013, page 19 & 20). See also: Losing Ground. NAACP & University of Wisconsin-Milwaukee, March 2010;
4. Dong, 2008, chart 5a; Dong, 2013, page 5.
5. Sebrina Owens-Wilson Constructing Buildings and Building Careers: How Local Governments in Los Angeles Are Creating Real Career Pathways for Local Residents Partnership for Working Families, 2010.
6. Kathleen Mulligan-Hansel Making Development Work for Local Residents Partnership for Working Families, 2008.
7. City of Milwaukee, Department of Public Works. 2004 Annual Report 2005. See also http://www.city.milwaukee.gov/ImageLibrary/Groups/ccCouncil/2010PDF/01NLC_Award.rel.pdf.
8. Dong 2013, p5.
9. Dong 2013, p2.
10. Dong 2013, p2, chart 2a.
11. Dong 2013, p4, chart 4d.
12. Dong 2013, p38, chart 38b.
13. Dong 2013, p38, chart 38e.
14. This may require changes in referral procedures and/or waivers from established dispatch rules, which should be set out in the CWA.

The Partnership for Working Families network, together with allies in labor, the environmental justice and environmental movements, and local governments, is leading the effort to transform the trash industry and make it work for communities, workers, and the environment.



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