FUTURE OF WORK:
Workforce Investment Strategies to Support Local Economies

As cities across America work to strengthen their economic standing and competitiveness, we must build strong workforce development systems. Key areas to consider include supporting and scaling pathways to employment, equity and access, and the impact of emerging technologies. Working together with state and federal partners, we can ensure more pathways to employment.

Supporting & Scaling Pathways Through Apprenticeships

Apprenticeships are valuable programs that provide a pathway to learning, earning and ultimately employment. In many cases, an apprenticeship can also provide credits towards an associate's or bachelor’s degree or a national industry certification.

Registered apprenticeships have an 80-year history which has been marked by a recent increase in funding and expansion. With additional shifts in prioritizing apprenticeships in the Workforce Investment and Opportunity Act (WIOA) and the increased awareness of these potential pipelines to employment, apprenticeships continue to increase in number and expand into new and emerging industries including health, technology (IT), finance and transportation.

In order to continue to implement and expand apprenticeships and allow them to be pathways to learning and employment for more Americans, a few key issues and policy shifts should be considered:

1. **Increase overall awareness, diversity & equity** - Many apprenticeship programs report a lack of access to and awareness of this pathway as an option to reach education and employment success. We should increase awareness by sharing success stories and identify ways to help local programs engage employers and increase investment.

2. **Support WIOA Revisions**
To further the prioritization of apprenticeships, there should be a decrease in some of the overly regulated WIOA administration. Clearer guidance must be provided on how this funding stream can be used locally to support apprenticeship programs.

3. **Expand the Pell Grant system**
Pell Grants should be expanded to cover needed workforce skills training such as short-term programs leading to a certificate. Many existing higher education and short-term certificate training programs are not covered by financial aid, but they are often the stepping stone to getting an individual back into the workforce or providing an entry point to earning a meaningful wage.

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Ensuring Workforce Equity and Access

Creating opportunities for all populations is critical to our national and global success. We must establish a pathway to success for immigrants, opportunity youth and other special populations. Already, immigrant workers make the U.S. economy (GDP) an estimated 11 percent larger ($1.6 trillion) each year, and immigrants’ role in Main Street businesses, which are the backbone of neighborhoods around the country, is striking – 28 percent of Main Street business owners are immigrants. Simultaneously, we know that unemployment rates for youth ages 16-24 are double the national average and that rates of underemployment have many adults resigned to low-wage work.

To ensure that these valuable portions of our nation’s workforce continue to contribute to the economy and have access to employment pathways, we must:

1. **Ensure a legislative solution for Dreamers**
   This should include a pathway for in-state college tuition for undocumented students and provide local governments with financial and technical assistance to alleviate the local impact of new immigrants.

2. **Increase summer job opportunities and after school programming**
   We must invest in workforce skills training and wrap-around supports for young people both in and out of school to engage them in the workforce system. We need to ensure we are teaching young people how to balance responsibilities while building soft skills that lead them to better jobs.

3. **Consider reengagement strategies**
   Cities need reengagement strategies to help high school dropouts resume their education and expand employment options for individuals with prior juvenile or criminal justice involvement. Childcare and other work supports are also essential.

Responding to Advancements in Technology

The rise of new technologies and automation will vastly improve productivity and raise wages in some jobs while erasing or transforming others. Current estimates suggest 15-25 percent of tasks in manufacturing, packing, construction, maintenance, and agriculture could be automated by 2025.

Another significant shift is the move away from the 40-hour work week to the notion of “gigs” or short-term work where income is typically reported through IRS form 1099-MISC. The gig economy is an increasingly important component of the labor market, and it is characterized by its participants’ dependence on short-term or contractual work, freelance opportunities, and oftentimes, multiple simultaneous sources of income. The gig economy covers approximately 34 percent of the workforce.

To respond to the broad workforce shifts that have already occurred and those that are yet to come, we suggest the following approaches:

1. **Consider portable benefit systems**
   As workers change jobs more frequently and on-demand and contract work becomes more common, portable benefits – where benefits are tied to individuals rather than employers – should be considered. These benefits can include paid leave, health insurance, workers’ compensation/unemployment, and retirement fund matching.

2. **Accommodate past-prime and technologically displaced workers**
   To ensure people have enough savings as they near retirement, a framework for mandatory 401(k)s can be instituted. Training programs for technologically displaced individuals and older workers that enable them to develop competitive new skills should also be established.

3. **Require affordable childcare and paid leave policies**
   Paid family leave allows individuals to maintain their careers while starting a family, which helps organizations retain employees who might otherwise opt out for financial reasons and brings stability to the workforce and economy. Childcare has come to represent another stressor for many participants in the workforce. To offset that challenge, offer childcare subsidies and work with community, home, center and school-based pre-k providers to increase the number of affordable seats available for children.