

FOR THE RECORD



**JOBS with  
JUSTICE  
NEW YORK**

Dear Members of the Committee on Civil Service and Labor, Members of the Committee on Small Business, and Members of the Committee on Economic Development:

Thank you for inviting me to offer testimony here today on Councilmember Jessica Lappin's bill, Int. 1088.

My name is Matt Ryan and I am the Director of Organizing at New York Jobs with Justice. NY Jobs with Justice is a permanent coalition of worker and community organizations building power to secure good jobs and strong communities for all New Yorkers. We develop and implement organizing, policy, and communications strategies for New York City and state that promote social change and strengthen the movement for social and economic justice.

One of our primary areas of focus is equitable economic development. Properly targeted workforce development can be an important vehicle for giving previously disenfranchised communities the opportunity to partake in a changing economy. NY Jobs with Justice is invested in establishing a workforce development program that targets disenfranchised communities, that uses scarce resources to provide dignified training opportunities, and that develops the skills necessary to move our workforce forward.

Accordingly, workforce development is a necessary step on the path to equitable economic development. Additionally, NY Jobs with Justice is now in the process of merging with Urban Agenda, also a coalition building organization dedicated to equitable economic growth. For the past two years, Urban Agenda has convened the New York City Green Collar Jobs Roundtable to map out a path for equitable green economic growth in our city. Over 170 groups have participated in the Roundtable process.

Last fall, Urban Agenda released the *Green Collar Jobs Roadmap*, the culmination of a 1.5 year long process that tapped into the collective knowledge of Roundtable participants and offered 44 policy recommendations for how to ensure the green economy in New York City grows in a way that includes economic opportunity for all New Yorkers while making our environment, both living and built, more sustainable. Jointly, our two organizations will work to make the *Roadmap* a reality by focusing on implementing *Roadmap* recommendations over the course of the next few months.

The proposed Office of Skills and Education is essential to this effort for three main reasons:

**1. Constituents demand political leadership to create good jobs in the new green economy.**

Few viable ideas have been proposed for ending economic decline in the US. However one idea stands head and shoulders above the rest: the green economy. Sustainable and equitable economic development in the US depends upon creating the right conditions for a thriving green economy.

NYC must show the world that we are supportive of the green economy and that our workforce is ready and able to step up to the challenges of the 21<sup>st</sup> century.

The urgency of this moment cannot be overstated. If we miss this opportunity to develop a green economy in NYC, it may forever be lost.

A consolidated workforce training office will be able to coordinate a city-wide effort to attract and retain green businesses and set our workforce apart from others around the country. A consolidated workforce training office will highlight our commitment to business development and entrepreneurialism, and a well-trained workforce will back up this commitment.

Furthermore, if preparing our communities for good jobs is the goal of workforce development, then the program itself should be a model institution. HRA's Work Experience Program (WEP), which requires work in exchange for public benefits such as food stamps, is one such program that fails to reflect the goal of good jobs. Decently-paid work helps to ensure dedication to the workplace and confidence in the program. Work without direct monetary compensation should be immediately addressed by the Office of Skills and Education.

## **2. Given the challenges of our current economy, we must use our limited resources more wisely and develop a targeted, system-wide approach to workforce development.**

The workforce development system is so splintered and duplicative that some programs border on redundant, while others have insufficient resources to meet basic community needs. An Office of Skills and Education could address these redundancies and gaps in service so that NYC can maximize the potential of the nearly \$1 billion invested each year.

Agencies who provide workforce development programs include the Department of Small Business Services (DSBS), the Department of Youth and Community Development (DYCD), the Department of Education (DOE), and the Human Resources Administration (HRA), the Department of Correction, the Department of Juvenile Justice, the Department of Probation, the New York City Housing Authority (NYCHA), the New York City Health and Hospitals Corporation (HHC), the City University of New York (CUNY), as well as myriad non-governmental organizations. Few of these organizations have any coordinated approach to workforce development, let alone an emphasis on green jobs training. We must reform this system in order to illuminate the growing green job sector, as well as to maximize the effectiveness of all other programs offered.

Questions still remain about how the Office of Skills and Education will be structured. Will it replace current training programs such as HRA and Workforce 1? Or will it merely ensure that the efforts of the various workforce programs are coordinated? If it only offers oversight and support, it is in danger of being another ineffective layer of bureaucracy. If it replaces current programs, it must avoid political pressure and ensure that the right programs are bolstered and the wasteful programs are dismantled, not vice versa.

Real solutions to these issues will be arrived at only through dedicated stakeholder involvement. A roundtable or working group should be convened to analyze the field of workforce development and generate a list of recommendations for the Office of Skills and Education. The ideas that are being generated through the Working Group for Green Building Workforce Development, a part of the Greener, Greater Buildings Plan, could be integrated into this roundtable effort.

**3. Money is flooding into green workforce development and a consolidated Office of Skills and Education could serve as both as a clearinghouse for information, and a potential grant recipient for these funds.**

The following are examples of funds that have recently been allocated to green workforce development, or will be allocated in the near future:

Through the US Department of Energy's Weatherization Assistance Program, NY received \$2.75 million for job training.

The Green Jobs Corp program was recently launched by Governor Patterson, and \$7 million was granted to the Office of Temporary and Disability Assistance to be distributed throughout NY.

The US Department of Labor's Pathways Out of Poverty Grant offers money for green workforce training.

NYSERDA, through the Green Jobs/Green New York Act, is creating a green jobs training program administered by local providers, funded in part by the auction of carbon emission credits through the Regional Greenhouse Gas Initiative (RGGI).

The Federal Cash for Caulkers program will likely include a green jobs training component.

NYC needs a coordinated and thoughtful approach to accessing these resources, and the Office of Skills and Education can meet this need.

**Conclusion**

Int 1088 is essential for three reasons. It addresses clearly articulated constituent concerns by providing political leadership in a time of economic hardship, it uses our limited financial resources more wisely to target those who need the most support, and it creates a competent and credible agency for accessing workforce development funds in the future.

Int 1088 will offer an opportunity to reform those workforce development programs that don't provide direct monetary compensation and as a result serve to alienate those who are struggling to find a place in our economy. Lastly, this bill will help to move NYC forward into the new green economy by showing businesses that NYC is committed to being a leader.

I urge the Council to pass Int. 1088.

Thank you for your time and consideration.



Dear Members of the Committee on Civil Service and Labor, Members of the Committee on Small Business, and Members of the Committee on Economic Development:

Thank you for inviting me to offer testimony here today in favor of Int. 1088, as introduced by Councilmember Jessica Lappin.

My name is Mijin Cha and I am the Director of Campaign Research at Urban Agenda. Urban Agenda advocates for policies that make our city more sustainable, prosperous, and just. For the past two years, Urban Agenda has convened the New York City Green Collar Jobs Roundtable to map out a path for equitable green economic growth in our city. Over 170 groups have participated in the Roundtable process.

Last fall, we released the *Green Collar Jobs Roadmap*, the culmination of a 1.5 year long process that tapped into the collective knowledge of Roundtable participants and offered 44 policy recommendations for how to ensure the green economy in New York City grows in a way that includes economic opportunity for all New Yorkers while making our environment, both living and built, more sustainable.

Urban Agenda is now in the process of merging with NY Jobs with Justice, also a coalition building organization dedicated to equitable economic growth. Jointly, our two organizations will work to make the *Roadmap* a reality by focusing on implementing *Roadmap* recommendations over the course of the next few months.

As the *Roadmap* details, a fundamental element necessary to grow our green economy is ensuring our workforce development system is able to meet the needs of the new economy.

While the green economy will not necessitate a complete overhaul of existing training programs, current skills will need to be updated. Those entering into the labor market must have access to updated training programs that will ensure our workers are trained and ready for the new work. There are three *Roadmap* recommendations specific to our workforce development system:

- **Promote sustainability by coordinating state and city agencies**  
The city should work with current workforce development agencies, such as the Department of Education, Department of Youth and Community Development, and community youth programs to develop educational and awareness tools on sustainability and green-collar training for young people.
- **Engage in cross-agency cooperation to develop an adult education curriculum**  
City agencies should work together to develop an adult education teaching curriculum on sustainability modeled after the successful implementation of the curriculum recently completed by the Department of Health.

- **Expand Human Resources Administration programs so they include green training and workforce development and catalogue certifications**

The city should classify green training sites as Human Resources Administration- approved. This would count toward recipients of certain HRA services' mandatory work requirements and increase the Human Resources Administration's knowledge of existing green workforce development. The Human Resource Administration should also develop a centralized online resource for green training in the city and compile information on what types of certifications are available.

This last recommendation highlights some of the obstacles in our current existing workforce development that Int. No. 1088, as introduced by Councilmember Lappin, seeks to address. Currently, green training sites are not HRA approved, which prevents them from being counted towards the mandatory work requirements for HRA service recipients. Second, there is no centralized resource for green training in the city so potential job seekers are at the whim of a complex, disjointed workforce development system to figure out where and how to receive green job training.

Int 1088 takes a very important step towards overcoming these obstacles. By consolidating and coordinating the workforce development system, the city will be able to maximize resources, increase outreach, and decrease the confusing nature of our current workforce development system. The bill would create a central office that would coordinate all the workforce development initiatives administered by city agencies. This would eliminate duplicate programs, allow for a centralized database of initiatives, and make the workforce development system accessible to potential job seekers.

The bill also would make streamlining green job initiatives more simple because they could be introduced at a central point and then included in whatever programs seem appropriate, as opposed to approaching each individual city agency to determine which training programs they administer and whether or not green job elements could be incorporated.

New York City currently spends over \$900 million a year on our workforce development system. It is absolutely crucial that we invest in our workforce and we commend the city for their commitment to do so. However, particularly in these difficult financial times, we must ensure that our money is being well spent and not wasted. I urge the council to pass Int. 1088 to begin coordinating workforce development initiatives and centralizing them to not only save the city much needed funds, but also ensure our workforce development system is operating at maximum efficiency and effectiveness.

Thank you for your time and consideration.



**Small Business  
Services**

**TESTIMONY BY**

**DEPUTY COMMISSIONER ANGIE KAMATH**

**BEFORE THE**

**COMMITTEE ON CIVIL SERVICE AND LABOR, THE COMMITTEE ON ECONOMIC  
DEVELOPMENT, AND THE COMMITTEE ON SMALL BUSINESS**

**OF THE NEW YORK CITY COUNCIL**

**MARCH 23, 2010**

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Good afternoon. I'm Angie Kamath, Deputy Commissioner of Workforce Development at the New York City Department of Small Business Services (SBS). Thank you for the opportunity to testify at today's hearing.

SBS administers New York City's Workforce Investment Act (WIA) adult employment and training programs. By statute, SBS is accountable to the members of the New York City Workforce Investment Board (WIB) for most policy and financial matters.

Seven years ago, with the support of the WIB, Mayor Bloomberg placed the City's WIA adult programs within SBS to strengthen the connection between economic and workforce development. By doing so, the Mayor created a national model for business-driven workforce development that meets the needs of both businesses and jobseekers. Over the past six years, our ten Workforce1 Career Centers have placed New Yorkers in over 90,000 jobs. The centers achieved a record 25,128 job placements in 2009, a forty-six percent increase over 2008. SBS has brought strategic focus to a program that, when inherited from the Department of Employment, was operating just one center achieving only hundreds of annual job placements with forty percent more in annual funding.

A large part of our success has been driven by the guidance and support of the WIB. As a convener of workforce development stakeholders in the City, the WIB and its staff have brought agencies, colleges, and other partners together to advance our shared agenda of preparing more New Yorkers for good jobs with career opportunities. While SBS has a mandate to serve a universal customer pool through our career centers, we have learned that a one-size-fits-all solution does not always best serve individuals with varied education and employment needs. By leveraging the outstanding work done by our partners, and serving as a resource for these same partners, we collectively ensure New Yorkers receive the services necessary to meet their goals. Today, I will briefly highlight a few examples of SBS's work with city partners.

As we seek to increase the skills and competitiveness of the City's labor force, the City University of New York (CUNY) is an important resource for SBS and the jobseekers we serve. Last October, we launched the Workforce1 Healthcare Career Center at LaGuardia Community College, a sector-specific center that trains and prepares New Yorkers for careers in the growing healthcare industry. To date, the center has particularly excelled in training retention by utilizing a model that combines basic skills education or English language instruction with supportive services such as tutoring. This has been an instructive example of different partners building on their strengths in support of comprehensive and effective services.

SBS is also making advances with the Department of Education (DOE). This year, we launched *Scholars at Work*, a pilot program that provides Career and Technical Education high school seniors with career preparation and internships. Students from Aviation High School, Transit Tech High School, and Automotive High School are enrolled in the program, working for 15 hours a week at an employer in their chosen field while receiving ongoing professional development services from the Workforce1 Transportation Career Center in Jamaica. Additionally, with Speaker Quinn's support, SBS is working with DOE's Office of Adult and Continuing Education to pilot an innovative model aimed at helping more Workforce1 Career Center customers pass the General Educational Development (GED) test. As the front door for thousands of New Yorkers who do not have a GED, SBS is well positioned to help individuals achieve this important first step towards increased career potential and lifetime earnings.

There are numerous other examples where communication within the workforce community is strong. Last year, the Workforce1 Career Centers placed about 2,000 New York City Housing Authority (NYCHA) residents in jobs. The Human Resources Administration (HRA) has been at the forefront in providing necessary work supports such as food stamps to New Yorkers affected

by the economic downturn. Investments from the Mayor's Center for Economic Opportunity led us to launch the NYC Training Guide, an online tool that helps individuals receiving job training vouchers from HRA and SBS make informed decisions. Also, the community-based organization community will refer 6,000 clients for job placement at the Workforce1 Career Centers in 2010. And SBS will serve well over 100,000 unemployed New Yorkers this year together with the New York State Department of Labor.

While this is by no means an exhaustive list, it is a representative sample of SBS's ongoing relationships. With a dynamic new chairwoman, active relationships with agency leaders and workforce development thought leaders, and a well-respected staff, we are looking forward to cultivating new and existing partnerships under the leadership of the WIB. As the City's workforce development system becomes increasingly, and necessarily, more linked, the WIB is laying the foundation to further advance the quality of services provided to New York City jobseekers.



**Testimony of Philip M. Weinberg  
President, New York City Workforce Investment Board  
To the New York City Council  
Joint Hearing of the Committee on Economic Development, Committee on Civil Service  
and Labor and the Committee on Small Business**

**March 23, 2010**

Good afternoon. I'm Philip Weinberg, President of the New York City Workforce Investment Board. I am joined by Angie Kamath, Deputy Commissioner for Workforce Development at the NYC Department of Small Business Services. Thank you for the opportunity to testify today about the New York City workforce system, and the purpose and accomplishments of the organization I have the honor to lead. I also will offer some brief thoughts concerning the Preconsidered Introduction in relation to creating an Office of Skills and Education.

I'd like to start by offering some brief background and context on the Workforce Investment Board. In 1998, Congress passed and President Clinton signed the Workforce Investment Act, or WIA, which overhauled federally funded programs to provide employment services and job training. The key insight of WIA compared to its predecessor legislation was that previous efforts to support workforce development had not been sufficiently mindful of or responsive to labor market demand. In plainer English, too much job training was going on without regard to what employers actually needed in filling their job vacancies.

Among other measures to correct this problem—and as a condition of receiving federal money for workforce programs, more than \$60 million of which came to New York City in 2009 in regular WIA funding—each local area was obligated to convene a Workforce Investment Board, or WIB. The chief local elected official, in our case the Mayor, appoints the members of the WIB. By law, each Board must draw a majority of its Members from the private sector, as well as the Board Chair. The New York City Board includes executives from key economic sectors such as health care, finance, information technology, retail and hospitality, among others. Their presence helps keep us focused on employment trends within those sectors. At the same time, the strong presence of organized labor on our Board helps ensure that our system serves both employers and workers.

In addition to our private sector Members, the WIB includes Commissioners and other senior officials of the New York City agencies most deeply engaged in workforce development: the Department of Small Business Services, Department of Youth and Community Development, the Human Resources Administration, Department of Education, City University of New York, the Center for Economic Opportunity, Department for the Aging, the Economic Development Corporation, and New York City Housing Authority. Also represented are the New York State Department of Labor and Education Department, two important state partners with extensive workforce programming in the five boroughs.

The full Board meets every quarter, as do its standing Committees, which include one focused on youth issues and another on policy development. A full-time staff of six carries out the day-to-day work of the Board.

With these key public and private workforce stakeholders at the table, the WIB serves as a forum for coordinating and advancing the common interests of the City's workforce development system in pursuit of two goals: ensuring that our City's businesses have the skilled workers they need to grow and prosper, and that New Yorkers at every level of skill and educational attainment can further their employment and career goals.

To accomplish this mission, the WIB is pursuing a number of City-wide initiatives, consistent with the coordination role it plays for the City's workforce system. I'll briefly highlight a few of them.

First, we are deeply engaged in connecting workforce services in the City with literacy and adult basic education services for older youth and adults. Later this week we will join the Mayor's Office of Adult Education and the New York State Education Department and Department of Labor to co-sponsor an all-day conference on bridging the divide between literacy and adult education, and job training and employment services. A number of City agencies with workforce programming will be represented at this event. We will be joined by Council Speaker Christine Quinn, who has graciously agreed to speak at the event and whose commitment to literacy and adult education has been a tremendous support to our work in this area. Also in partnership with Speaker Quinn, we are working with SBS and the Department of Education's Office of Adult and Continuing Education to better assist low-skilled adults toward earning their GEDs in two ways: through services available at Workforce1 Career Centers and developing an online portal to help navigate a complex array of programs.

Second, at the direction of Mayor Bloomberg, we have taken the lead on coordinating the workforce components of the City's Green Economy Plan, a set of 30 initiatives to help lead New York City's transformation to a sustainable future. To ensure that our workforce has the skills that emerging "green jobs" will require, we are working closely with the Mayor's Office of Long-term Planning and Sustainability, the NYC Economic Development Corporation and numerous other City agencies on this comprehensive effort.

Third, we serve as a strong advocacy voice at the local, state and national levels for New York City's workers and businesses, advancing the City's interests on issues such as the recent federal Jobs Bills, the American Recovery and Reinvestment Act, and pending reauthorization of the Workforce Investment Act, to name a few. In 2009, we held a series of six listening sessions with public, private and non-profit leaders across the City to inform this advocacy agenda.

And fourth, since 2008, the WIB has joined with CUNY's Center for Urban Research to launch and run the NYC Labor Market Information Service, or LMIS. Now entering its third year, this partnership between the WIB and CUNY provides labor market analysis for the City's full public workforce system and has quickly emerged as a national model for local labor market information initiatives. LMIS reports, such as *Gauging Employment Prospects in New York City*, offer analysis on growth industries and occupations in the City that inform the day to day work of service providers in neighborhoods across the five boroughs.

I hope these examples provide some insight into the leadership and coordinating role that the WIB plays on behalf of the City's workforce system – the largest in the nation.

With that as background and context on the WIB, I'd like to briefly speak about the proposed Preconsidered Introduction. We share the Council's conviction that the City must have accountability and coordination across its network of workforce programs. Indeed, we think about these issues every single day. But while we agree that these are the right questions to ask, we respectfully take issue with the proposed answer of creating a new Office of Skills and Education within the executive office of the Mayor.

Our belief is that the Workforce Investment Board fulfills the accountability and coordination role we all agree is necessary. Accordingly, we believe the proposed legislation would be counterproductive, particularly at a time when every dollar and effort is needed to provide direct services to the struggling workers and jobseekers of New York City.

As envisioned in the bill language, the proposed office would largely duplicate the functions of the NYC Workforce Investment Board as I have just described them. Worse, it could threaten to undo much of the progress our system has made since 2003, when the City – with the support and through the legislative authority of the New York City Council – dissolved the Department of Employment and shifted responsibilities to SBS and DYCD with the passage and enactment of Introduction 500-A.

Since then, our system has boosted job placements from a few hundred a year to over 25,000 in 2009 despite the recession, while bringing workforce services for youth into the 21<sup>st</sup> century. In 2009, over 52,000 young people aged 14 to 24 participated in DYCD's summer youth employment program, the largest and most well-regarded of its kind in the country, thanks in large part to the strong advocacy and support of the Council.

The reason for the 2003 reorganization was two-fold. At a parallel moment of diminished resources, it was in the City's interest to find resourceful solutions to meet budget gaps by eliminating duplicative oversight and consolidating functionality and overlapping services to better fulfill the workforce development mission. The Administration and the Council meanwhile came to the same conclusion as the Congressional drafters of WIA: our system could not begin to deliver on its workforce development mandate until we effectively engaged the business community. Frankly, employers at that time had little faith in the ability of government job training and employment programs to add value—which meant that they did not hire the New Yorkers who came through our programs in hopes of finding work, building careers and providing better lives for themselves and their families. Placing the adult workforce portfolio within the Department of Small Business Services sent a clear signal that our programs would be responsive to “facts on the ground” in our local labor market.

In addition to the success story of our Workforce Investment Act-funded system over the past several years, we are also pleased to report that workforce-related agencies not primarily funded through WIA have registered significant gains as well. I would like to take a few moments to highlight the successes of these other key entities within our City's workforce system, and some of the substantive ways that coordination within the full system is taking place every day.

First and most importantly, we are serving more New Yorkers, and achieving better outcomes, than at any point in our history. For instance:

- The City University of New York, our City's largest education and training provider, has over 275,000 students enrolled in continuing education programs, preparing for careers in many of the City's leading industries, such as healthcare, information technology, real estate, business, construction and teacher education.
- The NYC Human Resources Administration, the City's social service agency which administers employment programs to recipients of Temporary Assistance to Needy Families, placed over 75,000 New Yorkers into jobs through its employment programs in 2009.
- The City's Summer Youth Employment Program, administered by the Department of Youth and Community Development, ran the nation's largest summer youth employment program, serving over 52,000 young people at over 8,000 work sites, including a record number of them in the private sector, in 2009.
- The New York City Housing Authority, under new leadership, has recently created a new Department of Resident Economic Empowerment & Sustainability to oversee its employment services, which placed over 600 residents directly into jobs in 2009. Another 2,000 residents found jobs through the Workforce1 Career Centers operated by SBS.
- And the Department of Education now offers over 330 Career and Technical Education programs of study across 126 of the City's public high schools.

Not only is New York City's workforce system performing at higher levels, but it is also aligning its programming among City workforce agencies and education and training providers in a number of intentional and innovative ways. I'd like to cite just a few examples:

- First, it is important to note the work of the Center for Economic Opportunity, housed within the Mayor's Office, which collaborates with twenty city agencies to create, implement, and evaluate a range of new anti-poverty programs, policy proposals and research projects that represent nationwide best practices and cutting-edge ideas. CEO supports dozens of highly targeted and performance-based anti-poverty interventions that build on the strengths and assets of individuals and communities. CEO works with an array of City agencies to launch new initiatives. CEO's workforce-related programs are implemented by City agencies, including SBS, DYCD, CUNY, DOE, the Parks Department, and Department of Corrections. These

pilot efforts target a range of populations with tailored interventions, including both unemployed and employed low-wage workers, disconnected young adults, and people with a history of involvement in the criminal justice system. Over the past year CEO and its agency partners were able to leverage nearly \$50 million and serve approximately 65,000 additional New Yorkers through its promising programs.

- Second, CUNY is tightly linked with a number of the City's workforce agencies through a host of innovative connections: operating a Workforce1 Healthcare Career Center with SBS at LaGuardia Community College; partnering with NYCHA, HRA and CEO on the Jobs-Plus Program at the Jefferson Houses in East Harlem; partnering with the Department of Education on the CUNY Prep Transitional High School; and collaborating with the WIB itself to support the NYC Labor Market Information Service, to name a few.
- The Department of Education has partnered with the WIB and the Workforce1 Transportation Career Center on a new pilot program to provide paid internships to a number of seniors in good academic standing at selected Career and Technical Education high schools who are considering employment after high school graduation. These internships offer both compensated work experience and the possibility of full-time employment upon graduation.
- Finally, the Department of Small Business Services, which manages the City's full array of WIA-funded job training and employment services for adults, including ten Workforce1 Career Centers, coordinates programming with a host of City agencies. As I mentioned, I am joined by Deputy Commissioner Angie Kamath, who will testify in greater detail regarding the role and successes of SBS in this area.

I hope that the examples I just described paint the picture of a workforce infrastructure that is not only stronger than ever, but that is also closely connected through a host of partnerships and programs, and under the guidance of the WIB, harnessing the best of our City's workforce system on behalf of all New Yorkers.

But make no mistake: with over 400,000 New Yorkers out of work and many more who are working but not earning enough to pull themselves out of poverty, we are certainly not prepared to proclaim "mission accomplished." We work aggressively every day as a WIB and as a workforce system to identify new ways to continue improving our services to New Yorkers, to

further align resources and programming, and to help our City weather these difficult economic times. While we disagree with the prescribed approach of the proposed legislation, we appreciate the engagement that we have had with the Council, in particular with the Speaker's office, and we thank you for the benefit of the insights that will come out of this hearing.

Finally, as we continue to strengthen and align the City's workforce programming, we look forward to continuing to work with City Council toward our shared goal of a system of job training and employment services that offers value to every New York City jobseeker, worker and employer.

Thank you for the opportunity to testify today, and I welcome any questions you might have following Deputy Commissioner Kamath's testimony.

of the record

Testimony of Anita Graham  
Community Voices Heard Member  
Workforce One  
March 23, 2010

Good afternoon. I am reading this testimony on behalf of Anita Graham. She is a 51 year old African American woman. She has one daughter at home, and lives in Bronx, NY. Currently, she is a junior at Lehman College in the Adult Degree Program. She is an experienced worker with a history in the social services field and community organizing. She returned to school in January 2009 to upgrade her skills. Currently, she is unemployed. She is providing this testimony on her recent experience, in February 2010, at the Workforce One Center in Harlem, NY.

She applied for the Certified Alcoholism Substance Abuse Counselor (CASAC) training at Lehman College. The training would be in addition to her current status as a junior at Lehman College. She was told at Lehman College that Workforce One would be able to assist with Financial Aid. She went to the Workforce One Center and signed up for their classes. She was asked, specifically, by the Workforce receptionist, why she was there and what areas did she need assistance with. She told them she wanted to apply for the Individual Training Assistance Voucher. She was told by the receptionist to come back the next day and participate in the Workforce One orientation; and she would receive more information.

The next day she participated in the orientation. She filled out many forms. The forms requested information about your work history, education, and career interest areas. Then she was told to come back the next day for part II of the orientation. On day II, the Workforce One job coach put on a video to continue the orientation. The video focused on the advanced worker. The ITA voucher is available for the worker who already has experience in the field and would acquire a better position and more money with the training.

To my surprise, the Workforce One Center was not offering the ITA voucher for the CASAC training. Now, I had written CASAC all over my forms. I was given a Workforce One membership card, to be used at any Workforce in NYC. I had been attending for the past 3 days. I have sat through the verbal orientation and the video. Now it is time for the one on one session with the job coaches. The room is cramped. There are about 50 people in one classroom.

Lined against the wall are two desk for the one on one sessions. Prior to the calling of names for the one on one sessions, a woman comes in and announced, "if anyone is here for assistance with CASAC or Commercial Drivers License (CDL), then you better choose another field because Workforce One doesn't provide ITA vouchers for these careers. At that moment, at least half of the participants left the room. I was disappointed. I thought it was all a complete waste of my time. It appeared as though no job coaches or counselors ever read my forms. In addition the video they showed said Workforce ITA vouchers would pay for high end job training. However, the counselors at Workforce could not offer financial aid with those trainings. Basically, the trainings offered were security, home health aide, cashier, retail, or customer service.

### **Recommendation**

Workforce One should have better communication with the NYC schools that are referring students to their site for job training assistance. Also, Workforce One should include real high end job training access to their list. Workforce One should offer CASAC Training certificate support. Workforce One should have one on one conversation before requiring people to go to the orientation.



## **Consortium For Worker Education**

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## **Joint Committee Hearing**

## **Testimony**

**Joseph McDermott, President  
Consortium for Worker Education**

**Edward Ott, Government Relations  
Consortium for Worker Education**

**Testimony, New York City Council Joint Committee**

March 23, 2010

The effort to provide a unified structure governing public dollars for workforce development has been a decades-old struggle in New York City. Funding is diversified and often siloed. The task of worker upskilling for job security, placement and promotion consistently relates to government mandates and sector demands. While the marketplace of employers has specific expectations, workers can only participate where there is access. With the exception of the schooling systems of CUNY and DOE, government agencies structure training and placement around the strictures and mandates of funding streams.

The vast majority of government dollars (federal and WIA) through SBS are geared to immediate job placement, with some workforce training. TANF at HRA supports short term training and placement. DYCD receives WIA for its concentration of young workers; NYCHA spends its money on housing residents and the Department of the Aging on its target constituency. To gather and reconcile these dollars under one umbrella for efficient management and oversight is a daunting task.

There is no doubt that additional transparency would increase the viability of these workforce dollars by preventing overlap and providing greater access for all workers.

The recent considerations of a systemic workforce agency and a “Workforce Czar” has been discussed in other states and municipalities and has made it onto the agenda of various workforce representatives in Washington. The primary reason is the continued fraying, due to lack of sustained funding, of programs for workers in the most-burdened low-income, mostly minority, neighborhoods (see CSS Report; NYCHA unemployment of minority men; FPI Report 12.09.) The FPI Report shows a correlation of low-income neighborhoods with a \$20,000 - \$30,000 salary range and unemployment rates of over 16%, i.e. the south Bronx and East New York. According to CEO’s “Advance at Work” project, 350,000 working New Yorkers are living in poverty:

*“Due to a lack of skills, including limited English and an inability to access training, many working poor cannot secure permanent well-paid jobs with growth potential. Employment opportunities for this population are often unstable, lack benefits, and offer few chances for advancement or increased income. Low-wage service workers, for example, are much less likely to receive health insurance through an employer as compared to all workers.”*

This description refers to the employed and underemployed low-income worker. It applies even more so to the 200,000 eighteen to twenty-four years olds with no high school diploma and the 300,000 others who are seeking employment.

The question at hand is what concrete and immediate investment is available to get additional workforce services to communities most in need. A centralized workforce agency is an interesting idea but, at this moment, not timely. The Workforce Investment

Board is another possibility. Established by WIA legislation in an oversight and advisory role, the Board has fulfilled an important function around the policies relevant to the federal dollars for programs administered by SBS, DCYD and CUNY. Its involvement with SBS presents considerable evidence of a cooperative oversight role involving policy, training, outcomes, rates and accessibility.

To move into the role of unifier, the WIB has to add to its agenda, move beyond WIA, and its government members have to put their dollars on the table which, of course, is not either an elective or easy task. At the last meeting of the WIB Policy Committee the CUNY representative made a motion to expand WIB's agenda to consider the crisis of unskilled unemployed, the young, unskilled underemployed and the low income neighborhoods with 15% to 30% unemployed.

No one suggests that our impacted neighborhoods are without workforce services. The Department of Education's "Learning Centers" are spread throughout low-income neighborhoods providing adult education, ESL, GED and computer classes for tens of thousands. CUNY's community college system also provides worker education in the south Bronx, eastern Queens and central and south Brooklyn, again for tens of thousands. Additionally there are 50,000 union members, residents of low-income communities, in union classes for skills upgrading, certification and promotionals. There are also the SBS One-Stops, mega job placement centers which operate in areas of high unemployment and have proved successful at getting jobs. As one of the few recipients of workforce "stimulus" dollars, the Workforce One Centers added staff, extended center hours,

increased business outreach and at a time of great disruption to worker confidence, represented an important effort to reduce anxiety. And make no mistake about this being a time of collective anxiety relating to the loss of a job, or a house or apartment or a child's school tuition. Getting help to get a job, or at least having the conversation, the hope of getting a job, these are the steps necessary to relieve anxiety in a neighborhood suffering multiple economic burdens.

Neighborhoods have a collective mood. The best service providers are those existing as part of the community, the community representatives of many services. New York, among only a few other cities, is fortunate to have an ingrown system of community representatives, community based organizations, (CBO's). CBO's, maligned and underfunded, know the neighborhood, represent a welcoming open place, that place for the neighbor/worker to go, get advice, training and a job. Neighborhood residents can go, can stay, come back again; they sense they belong and bring their friends and their families

Many CBO's are central to their neighborhood: Henry Street, SOBRO, Bed-Stuy Restoration. Some are fairly new and engendered with an enthusiasm to be available, be able to make things better for their constituency, such as Brooklyn Workforce Innovations and East River Development Association. The key is that they are local, they give the resident a buy-in; they know the local businesses, the elected officials and, particularly, the mayor of their constituents, their local councilmember.

One of the most innovative programs in place to help workers in low-income neighborhoods are the Council-funded Worker Service Centers (WSC) and the training and job placement program, Jobs to Build On (JTBO.) It's innovative since it is the only workforce system sponsored by a municipal legislature, with councilmembers having a role in providing -under their aegis - a skills upgrading, training and job placement program.

For five years, the Council has sponsored worker education programs through the union-based Consortium for Worker Education to community-based organizations. These Worker Service Centers refer participants to JTBO partners who operate training programs and place their neighbors in low-income council communities. This workforce structure, with CUNY, auditor and Council Finance oversight, and with the participation and guidance of the Black, Latino and Asian Caucus, is a dynamic and exciting model for low-income neighborhoods.

I thank you for this opportunity to testify before you on this very important topic. I am happy to answer any questions you have.

# *The Thurgood Marshall Plan*

*Renewing America's Promise To Our Urban Centers*



*Creating Sustainable Economic Opportunities with the  
American Renewal and Reinvestment Act*

*Proposal of the DuBois Bunche Center at Medgar Evers College*





*"The measure of a country's greatness is its' ability to retain compassion in times of crisis..." - Thurgood Marshall-*

The late Justice **Thurgood Marshall** is widely considered one of the major architects of Americas Modern Civil Rights and Human Rights covenants. Many of the rights and opportunities celebrated by African Americans and others can largely be attributed to the work of this great jurist.

Marshall was born following the sunset of the aborted reconstruction period, an era that revealed the calcification of institutionalized racism within the labor markets, capital markets and education system of the United States.

Ironically Marshall's birth also occurred during the dawn of the 20<sup>th</sup> Century Civil Rights Movement. **Thurgood Marshall** drew his first breath on this planet a few months after the launching of the **Niagara Movement** and a few months before the founding of the **NAACP**, an organization which would become the future vessel for his landmark legal victories on behalf of equal opportunity.

The recent election of the **first African American President of the United States** calls upon the advocates for expanded justice to acknowledge that this historic victory is in part a result of **Thurgood Marshall's** lasting legacy and transformative impact on the social history of the United States.

Indeed, **the election of Barack Obama occurred during the centennial birthday of Justice Marshall. The inauguration of President Barack Obama coincides with the 100<sup>th</sup> anniversary of the founding of the NAACP.** The man and the organization are representatives of all the icons for justice and equal opportunity who dared to believe and to conceive of the historic inauguration that took place on January 20, 2009. Ten decades following the birth of the 20<sup>th</sup> Century Civil Rights Movement and the birth of Thurgood Marshall, the heirs of this **historic** movement are challenged to imagine a new future.

Today those who believe in justice and equal opportunity are compelled to ask the question **"Where do we go from here?"**

**After progressively harvesting some of the gifts of equality and justice that were bequeathed to us by the patron saints of the Freedom Movement, we now ponder “What would Thurgood do?”**

**The Dubois Bunche Center** believes that the election of **Barack Obama as the 44<sup>th</sup> President of the United States** necessitates a renewed commitment to develop new laws and policies that will depose the last vestiges of inequality and systemic racism within U.S. civil society. **These actions will be in keeping with the legacy of Thurgood Marshall.**

While we acknowledge the evolution of equality within our nation’s body politic our popular culture and our public spaces we also observe the **longstanding obstacles to economic justice** that continue to beleaguer people of color and to diminish Americas promise.

**The DuBois Bunche Center** has concluded that a priority for our contemporary human’s rights movement must be **the development of a comprehensive program of action** that will save the African American community and other people of color from the crippling impact of asset and wage disparities.

The day after Barack Obama was sworn into office the unemployment rate for African American men and Latino men in New York hovered near fifty percent. Following President Obama’s inauguration many African American owned businesses were crippled as a result of the global financial crisis, and the policies of the previous president which failed to support African American businesses.

**The DuBois Bunche Center** believes that the resolution of this crisis must be embraced as a moral imperative for all advocates of justice and equal opportunity.

In this spirit we offer a proposal entitled the **Thurgood Marshall Plan an initiative that complements President Barack Obama’s stimulus recovery program**, by creating new localized systems for employment opportunities and business development within urban centers. The **Thurgood Marshall Plan** creates a model for economic recovery that is grounded in the values of **equity and economic justice**. To this end we respectfully urge our State lawmakers, City lawmakers and all advocates for economic justice to embrace the core principles inherent in the following **Thurgood Marshall Plan**:

## ***CORE PRINCIPLES OF THE PLAN...***

### ***A Plan that Celebrates Sustainable Economic Opportunities***

Named in honor of the late Thurgood Marshall; the plan calls upon New York State and New York City lawmakers to create a state and local implementation program for the American Recovery and Reinvestment Act that will reverse the negative impact of wage disparities and asset disparities that harm African American and Latino neighborhoods within New York City.

The Thurgood Marshall Plan is a workforce development and business development initiative that encourages State and City lawmakers and advocates for economic justice to insure that appropriations from the American Recovery and Reinvestment Act will enhance sustainable economic opportunities in urban neighborhoods.

### ***A Plan that Recognizes the Disproportionate Unemployment and Business Development Trends in Urban Centers***

Prior to the collapse of the global financial markets and the emergence of the U.S. recession, the **New York Chapter of the National Urban League** issued a report entitled **“The State of Black New York”** which documented that the unemployment rate among African American and Latino males was nearly fifty percent (50%) throughout New York City.

In 2004 the **New York City Council** Commissioned and released a ground breaking report, authored by the **DuBois Bunche Center** and the **Center for Law and Social Justice at Medgar Evers College** which assessed the status of African American and Latino businesses in New York City.

The report known as the **Disparity Study** documented how discriminatory contracting and bidding practices by New York City government had undermined the stability of African American and Latino businesses while contributing to asset disparities in neighborhoods predominated by people of color.

The Thurgood Marshall Plan calls upon State and City lawmakers to develop policies for the local implementation of the American Recovery and Reinvestment Act that acknowledges these disparities and guarantees outcomes that advance the principles of **equity and sustainable opportunities**.

### ***A Plan that Guarantees Sustainable Economic Opportunities with Public Dollars***

The **Thurgood Marshall Plan** calls upon State and City lawmakers to formulate local policies that will mandate that tax levy dollars from the American Recovery and Reinvestment Act; will help grow the African American and Latino working class through sustainable employment and business development.

Specifically, State and City lawmakers should develop a local implementation program that links public spending to quantifiable outcomes that would increase employment and grow business development within neighborhoods predominated by African Americans and Latinos.

### ***A Plan that Promotes Economic Recovery for Urban Neighborhoods***

State and City lawmakers should replicate the Urban Sustainability initiative that is currently coordinated by the leadership of **The New York City Council Committee on Community Development**, The Mayor's Office of Comprehensive Neighborhood Economic Development, The U.S. Environmental Protection Agency and Plan N.Y.C.

Specifically, resources for the short term and long term goals of the American Recovery and Reinvestment Act should be delivered through a neighborhood development program that empowers local actors to engage in sustainable green rehabilitation, adaptive reuse and new construction practices, including broadband telecommunications. This neighborhood development program should be identified as **Recovery Neighborhoods**. These **Recovery Neighborhoods** would emphasize smart growth in the areas of green spaces, transportation, workforce development and "minority" business development and sustainable community economic development.

### ***A Plan that Encourages Education Reform***

The **Thurgood Marshall Plan** recognizes that the largest human service component of the American Recovery and Reinvestment Act are organized around education and workforce development initiatives.

In this spirit the **Marshall Plan** urges State and City lawmakers to create local implementation policies that will harness the resources from the American Recovery and Reinvestment Act for a fundamental reform of the traditional vocational technical education that is provided to students within our urban neighborhoods.

Resources for school innovation, subsidized training, education technology and the renovation or new construction of school buildings should be orchestrated to create innovative learning models that will provide students with sustainable employment in a new economy.

### ***A Plan that Embraces Transparent Oversight***

The **Thurmond Marshall Plan** urges State and City lawmakers to protect the taxpayer's investment in the American Recovery and Reinvestment Act by enacting State and City laws that provide oversight, transparency and guaranteed opportunities for **chronically unemployed populations and minority businesses**.

## **LEGISLATIVE AND POLICY ACTIONS FOR THE PLAN...**

### **Step 1. Recovery Neighborhoods**

State and City lawmakers should create policies establishing a local delivery system for the American Recovery and Reinvestment Act that would be identified as **Recovery Neighborhoods**. These **Recovery Neighborhoods** should have the following indices:

- High rates of long term chronic unemployment.
- Large concentrations of disconnected youth.
- Older public and private buildings in need of retro fitting.
- Disproportionate low performing schools.
- Under developed minority and local business infrastructure.
- Under developed commercial corridors.
- High rates of incarcerated and formerly incarcerated persons.

### **Step 2. Recovery and Opportunity Trust Fund**

State and City lawmakers should create a budget amendment that would establish a **Recovery and Opportunity Trust Fund**. This **Recovery and Opportunity Trust Fund** would be modeled off of the **State of Massachusetts Workforce Development Fund**. State and City lawmakers should harvest a minimum of 200 million dollars from the Federal WIA, TANF, and GREEN COLLAR workforce development programs for a one time appropriation. **The Recovery and Opportunity Trust Fund** would finance the following:

- Job training for residents living within the proposed **Recovery Neighborhoods**.
- Subsidized pre-apprenticeship and apprenticeship training that would be linked to energy conservation, renewable energy, the rebuilding of core infrastructure, and the installation of broadband telecommunications networks in recovery neighborhoods throughout the city.
- **The Recovery and Opportunity Trust Fund** would provide a 50% match for “trade unions and employer partnerships”; and individual employers contracted to work on behalf of the American Recovery and Reinvestment Act.
- **The Recovery and Opportunity Trust Fund** would have a special set aside for “minority” owned businesses that are contracted on behalf of the American Recovery and Reinvestment Act. These businesses would provide apprenticeships or internships to trainees emanating from the **Recovery Neighborhoods**.

### ***Step 3. Amend the 1947 Apprenticeship Training Law***

State and City lawmakers should amend the old apprenticeship training laws that have traditionally served as a poor entry point to the unions and for job placements. The New York State apprenticeship law should be amended to enable the City of New York to reverse the chronic long term unemployment within **Recovery Neighborhoods**. The following principles should be incorporated within this legislation:

- A separate pre-apprenticeship and apprenticeship program for New York City.
- A mandate that links the apprenticeship to the conservation, renewable energy, broadband installation and construction work inherent in the American Recovery and Reinvestment Act.
- A mandate that requires that the pre-apprenticeship and apprenticeship programs in New York City should enroll a defined percentage of trainees from the **Recovery Neighborhoods** suffering from long term chronic unemployment.
- A section of the legislation should allow the New York City Department of Education to operate and sanction year round pre-apprenticeship and apprenticeship programs within existing career/technical schools and public charter schools organized to advance the training opportunities within the American Recovery and Reinvestment Act.
- A section of the bill should include enhanced equal employment opportunity mandates with authorized transparencies, oversight and fully funded compliance officers within the New York State and New York City Department of Human Rights.
- Students who demonstrate a mastery of their Regent's requirements and their trade skills should receive a Regent's diploma and a union card upon graduation. A legally binding memorandum of agreement between the trade councils and State Ed/DOE should establish the standards for a "certificate of mastery" for industries representing the **green** economy and trades involved with the building of the core infrastructure.

#### ***Step 4. Create Educational Opportunity Academies***

State and City lawmakers should harness the resources for educational innovation, education technology, school construction and workforce development within the American Recovery and Reinvestment Act. These resources should create new models for career/technical education linked to energy conservation, renewable energy, rebuilding of core infrastructure and broadband installation. Legislation and policies enabling the founding of these schools should contain the following principles:

- **Opportunity Academies** should be organized around an education and training curriculum framework that offers an extended school day and extended school year for students. This model would be in keeping with the 4000 hour minimum requirement of the New York State Apprenticeship Law.
- **Opportunity Academies** should receive appropriations from WIA, TANF and GREEN COLLAR workforce development programs to operate year round subsidized pre-apprenticeship and apprenticeship training programs linked to the American Recovery and Reinvestment Act.
- **Opportunity Academies** should be allowed to operate a new grade 9-13 graduation cycle, as compared to the traditional 9-12 graduation cycle.
- **Opportunity Academies** should enable students to enroll in advanced placement courses and/or early admission to community colleges. These opportunities will encourage social mobility through life long learning, and prevent the current trend that traps some students into marginalized labor markets.

### ***Step 5. Create an Opportunity District for the Academies***

State and City lawmakers should enact legislation creating a special “virtual” school district entitled the **opportunity district**. The **opportunity district** would be organized to enhance educational innovation and to advance reforms for career/technical education. The legislation creating the **opportunity district** will have the following features:

- **Opportunity Districts** will have education and training councils comprised of representatives from NAACP, Urban League, Community Service Society, Urban Agenda, United Federation of Teachers, Professional Staff of Congress, The Trade Council, Department of Education and parents.
- The education and training councils will develop local pre-apprenticeship and apprenticeship programs consistent with the goals of the American Recovery and Reinvestment Act and the proposed amended state apprenticeship law.
- Legislation creating the **opportunity districts** should have language with an incentive for employer and labor union collaboration in the development of curriculum frameworks, pedagogical leadership, graduation standards, graduation outcomes and union/job placement.
- The **opportunity district** would create a formal articulation with those community and senior colleges that offer degrees linked to the Green Economy and the rebuilding of the cities infrastructure.

### ***Step 6. Recovery and Opportunity Executive Order***

The Governor should create an executive order that would initiate the appointment of a special secretary who would be responsible for managing progressive outcomes for equal employment and minority business development goals linked to the American Recovery and Reinvestment Act (**see article 15a**). The special secretary would also be responsible for the development of shovel ready, interim and long term appropriations for **Recovery Neighborhoods** (i.e. neighborhoods represented by the “caucus”). The Governor should appoint a Deputy Commissioner for contract compliance within the Department of Human Rights. This Deputy Commissioner would have the power to collect data, coordinate compliance for the proposed New York City Apprenticeship Law and the minority business participation laws (i.e. **article 15a**) in association with the American Recovery and Reinvestment Act.

The executive order should have goals and timetables consistent with the economic crisis that challenges minority businesses and people of color emanating from **Recovery Neighborhoods**.

### ***Step 7. Neighborhood Recovery and Investment Development Bank***

State and City lawmakers should work with our congressional representatives and the minority business leaders within the financial services industry to create a Development Bank that would be entitled the Neighborhood Recovery and Investment Development Bank. This Development Bank would provide the following services:

- Manage a revolving loan fund for “minority” owned businesses.
- Manage a development fund for “minority” real estate developers.
- Manage a venture capital fund for “minority” businesses seeking opportunities with **green** industries (weatherization, renewable energy).
- Manage a capital expansion fund for minority businesses seeking to secure contacts linked to the American Recovery and Reinvestment Act.
- Provide technical assistance and money management services for the U.S. Treasury and Federal Reserve in response to TARP initiatives directed at the proposed **Recovery Neighborhoods** (*see Congresswoman Maxine Waters amendment*).
- Provide financial services to homeowners, businesses and institutions within **Recovery Neighborhoods** who have been impacted by the prime mortgage crisis and the global financial services crisis.

**Step 8. Non-Profit Recovery and Opportunity Fund**

State and City lawmakers should create a **Non-Profit Recovery and Opportunity Fund** that would provide resources to protect and build capacity for non-profit community based organizations located within **Recovery Neighborhoods**. The appropriation for this fund should adhere to the following principles:

- Applicants must have demonstrated a previous commitment to provide services within **Recovery Neighborhoods**.
- The fund will establish a revolving loan instrument for those non-profits who are operating within the **Recovery Neighborhoods** and who are seeking bridge loans to continue their operations.
- The fund would be administered by a chartered community foundation (i.e. The Fund for New York City, Medgar Evers Community Foundation).

**Note: The DuBois Bunche Center concludes that the policies proposed in the Thurgood Marshall Plan for New York City are applicable to the challenges faced by other urban centers within New York State (i.e. Buffalo, Rochester etc...).**

***Prepared by Hon. Roger L. Green***

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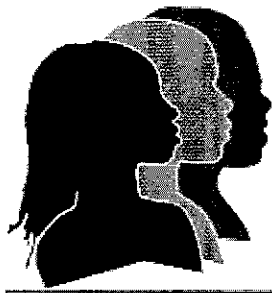
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# COMMUNITY VOICES HEARD

fighting for our families, fighting for our communities, fighting for ourselves

[www.CVHaction.org](http://www.CVHaction.org)

Hello, My name is Wanda Fossett. Thank you for allowing me to testify today. I am a member and leader at CVH Community Voices Heard. I have also been a Recipient/Client at the BTW Center Arbor (Back to Work Program) under HRA Human Resource Administration for almost three years. It would take more than a minute to express to you my experience at BTW. But with the short time I have let's cut to the chase.

My rating Experience with BTW is very low. After all the time spent, I ended up taking a part time job I found on my own a few months ago. And while on Social Services I also lost my apartment after ten years from all the hassle and mistakes and sanctions done in error by my Welfare center in Brooklyn. I was constantly running back and forth to court. Not getting any help from ARBOR or my center. While I was at Arbor I got sick and was forced to go get a doctors note for we had no sick days. I worked to keep up with the rules, as many clients do, but it was very hard to keep up with HRA. They sanctioned us for every little thing.

I also heard some disturbing news, that Workforce 1 Centers are not accepting verification letters stating that a client has attended there. While I was at Arbor, they would encourage us to go and visit different Centers especially Workforce 1 for more help in doing job search. And we would bring in a letter that we were now signed up with them. But we still had Arbor for that was part of requirements under HRA. These two job support systems should coordinate not punish people for trying to get a job.

Joining CVH (Community Voices Heard) was a life saver for sure. HRA was supposed to keep me focused and set me up to help me get back on my feet so I can get back to work, pay my bills, and live a decent life, but this did not happen. CVH helped me to know that I could help change the problems and fight to make things better.

Now! Unfortunately, I hear that Subsidized Jobs like POPs in the Parks Department is being decreased instead of expanded. Today, I beg of you to please understand the repercussions this can have on me and so many others. POPS being created has helped so many people on Welfare. CVH worked very, very hard to win the 13.1 million dollars from TANF Emergency Contingency Fund to pay for these subsidized jobs. And it was not an easy thing to do. It's A BAD idea to cut POPs and to take that money and use it for something other than to help people on Social Services get back to work.

We really need this money to go for creating jobs. There are people still out of work. People like myself who still do not have a place of my own. People who are still waiting for even a part time job. And even more people are losing their jobs.

Please do not let this cut to POPs happen. I have visited enough people who were HRA clients in hospitals, sick at home and on the streets discouraged and confused, angry and frustrated about the continued lack of consideration for people who just want to start again and get back on their feet. Please help us to go FORWARD NOT BACKWARDS.

Thank you so much for hearing me speak...

**Testimony in support of Int. No. 1088 A Local Law to amend the administrative code of the city of New York, in relation to establishing a Mayor's Office of Skills and Education.**

I am Jessica Rooks here with my colleague John Valverde from the Green Career Center at the Osborne Association, one of the oldest nonprofit organizations in New York and in the nation providing direct services to men and women in prison and released from prison, and their children and families. The Osborne Association was founded early in the last century by Auburn mayor and prison reformer Thomas Mott Osborne, who served as Warden of Sing Sing Prison nearly 100 years ago.

Our community sites are in the Bronx, Brooklyn, and Beacon, NY, and we operate programs in more than 15 state prisons. These programs range from "pre-entry" to "re-entry" – diverting defendants from jail and prison, offering programs to the incarcerated, providing services to individuals released from incarceration, and focusing efforts on the families – and especially the children – of the men and women we serve.

Our subsidiary, Osborne Treatment Services (known as El Rio), offers an OASAS licensed intensive outpatient substance abuse treatment program, as an alternative to incarceration or a condition of probation or parole. Our nationally recognized FamilyWorks program offers parenting education for incarcerated fathers, along with courses in healthy relationships and marriage, child-friendly visiting, and family counseling. Osborne provides HIV/AIDS prevention education, counseling and testing, and transitional planning in men's prisons located in the Green Haven, Sullivan, and New York City hubs. Two Hotlines (a toll free number that provides information, referrals and support for families of men and women in prison, and a collect call Smoking Quitline for incarcerated individuals) enable us to offer services statewide. Multiple reentry services are available that, in addition to family services and substance abuse treatment, include career development, soft and hard skills training and job placement.

We are mindful of the challenging fiscal environment affecting all New Yorkers. In our workforce development programs, we have not faced a more daunting challenge than supporting our participants and employer partners in this current job market. And we remain very grateful for the key support that we have received from the City Council.

Osborne's Workforce Development programs help men and women with criminal records achieve self-sufficiency, adopt healthy lifestyles, enter the workplace, reconnect with their families and rejoin their communities. The Green Career Center is the newest addition to the Osborne Association's Workforce Development Department. The Center was established with federal stimulus funding provided by the New York State Division of Criminal Justice Services. The Green Career Center provides men and women with criminal records environmental literacy and comprehensive career development training that prepares them to enter and advance in the green economy. Our goal is for each of our participants to achieve economic independence.

We are here today in support of efforts to improve our city's current workforce development system and to envision a better way to coordinate efforts in the city. We believe in creating a more centralized and coordinated system we will be have the opportunity to "green" existing workforce development, education, and training programs, providing quality skills and knowledge to both existing and new workers. **This proposed legislation also presents an opportunity to more systematically and effectively address barriers that many of our city's under and unemployed face, including the barriers those who have been incarcerated face as they work to transform their lives.**

There are specific recommendations in Urban Agenda's Roadmap that we believe should be considered. If adopted into the proposed legislation, these recommendations could provide significant changes to the current system and better services to communities that are most in need. The recommendations we would like to highlight for the proposed legislation are:

- **Promote sustainability by coordinating state and city agencies**

The city should work with current workforce development agencies, such as the Department of Education, Department of Youth and Community Development, and community youth programs to develop educational and awareness tools on sustainability and green-collar training for young people.

- **Engage in cross-agency cooperation to develop an adult education curriculum**

City agencies should work together to develop an adult education teaching curriculum on sustainability modeled after the successful implementation of the curriculum recently completed by the Department of Health.

- **Expand Human Resources Administration programs so they include green training and workforce development and catalogue certifications**

The city should classify green training sites as Human Resources Administration- approved. This would count toward recipients of certain HRA services' mandatory work requirements and increase the Human Resources Administration's knowledge of existing green workforce development. The Human Resource Administration should also develop a centralized online resource for green training in the city and compile information on what types of certifications are available.

- **Strike Incarceration Barriers (for federal funding) for Green Collar Jobs**

The city should lobby for striking incarceration barriers from federal funding for green- collar jobs and work with the Department of Corrections on the best way to achieve this. (Green Collar Jobs Roadmap, Cha and Dafoe 2009)

**In addition to lobbying for federal funding change a centralized office for workforce development and training could coordinate efforts with service providers, advocates and employers to ensure qualified, hardworking people with criminal backgrounds get a second chance. There are approximate 13,500 men and women currently on parole in to New York City. Of that number 68% percent currently report not having a job. This statistic does not include people who are no longer under supervision but have to mark "yes" when a job application asks "have you ever been convicted of a crime?"**

At the Launch of our Center a few weeks ago Acting Commissioner of the Division of Criminal Justice Services, Sean Bryne stated that this was "... New York State's and City's unemployment problem. That is why jobs initiatives for formerly incarcerated people are good criminal justice policy and good public policy".

**We believe that by taking smart and effective measures, such as this proposed legislation, we can create solutions that train and employed New Yorkers. We can create pathways out of poverty that allow men and women such as our program participants to repurpose their lives and become positive contributors to their families, their communities and the environment.**

Thank you for the opportunity to speak before you today.



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## Testimony of Carol A. Rodat, NY Policy Director for PHI

Before the Joint Hearing of the Committee on Civil Service and Labor, Committee on Economic Development and the Committee on Small Business

New York City Council Committee Hearing

Tuesday, March 23, 2010  
New York City, New York

My name is Carol Rodat, and I am the New York Policy Director for the Paraprofessional Healthcare Institute, or PHI as it is now known ([www.PHInational.org](http://www.PHInational.org)). PHI is a national organization, located in the South Bronx, that works to improve the lives of people who need home and residential care—by improving the quality of the jobs of the workers who provide that care. Using our workplace and policy expertise, we help consumers, workers, employers and policy-makers improve long-term care by creating quality direct-care jobs. Our goal is to ensure caring, stable relationships between consumers and workers so that both may live with dignity, respect, and independence. Using a *Quality Care, Quality Jobs* philosophy, PHI advocates and demonstrates a high investment and training, low turnover, high retention business model that we believe meets the goals of the employers, consumers, workers and municipalities.

We appreciate the invitation to testify at this hearing, particularly since the intent is to rationalize and improve the multitude of job training and employment programs offered throughout the City. We have considerable expertise in employment strategies and practices in the health care sector. In 2006 and 2007, with the Council for Adult and Experiential Learning, PHI conducted a study of the use of training funds for jobs in the health care sector in New York City. PHI's role in that study was to focus specifically on paraprofessional jobs, and we were able to witness the fragmentation that exists in the workforce development sector.

PHI endorses the Local Law proposal sponsored by Council Member Lappin to establish a Mayor's Office of Skills and Education, and believes that such an office would help coordinate the myriad of workforce development initiatives administered by city agencies throughout New York City. It is our hope that the proposal would coordinate and improve the multitude of job training and employment programs



offered and begin to establish and track objectives that will improve training and employment efforts.

In 2005, PHI authored a study for the New York City Workforce Investment Board, "Addressing New York City's Care Gap," which details the demographic trends shaping the home care workforce. That study, and our subsequent Fact Sheet which is attached to this testimony, project a need for an additional 65,000 new home care jobs in New York City. (All are available on the New York page of PHI's PolicyWorks at: [www.PHInational.org/policy](http://www.PHInational.org/policy).)

PHI is affiliated with Cooperative Home Care Associates (CHCA), a twenty-five year-old worker-owned licensed home care services agency in the South Bronx. CHCA trains and employs home health aides and home attendants and currently employs over 1,600 aides. Our other affiliate is Independence Care System, a Medicaid Managed Long Term Care plan that serves over 1,300 individuals living with physical disabilities in the metropolitan area. These direct experiences provide us with a perspective that is unique and attuned to the challenges and rewards that are part of both an employment and service model.

### **Home and Community-Based Care – a Labor Market Force**

Home and community-based care will provide tremendous job growth in the years to come. Within home care, it is the home care aides – personal care aides (known as home attendants in New York City), home health aides and consumer-directed personal assistants - who provide 70 to 80 percent of the paid hands on care for older persons, people living with disabilities and chronic care needs, and those with intellectual and developmental disabilities.

Today, this workforce—home care aides— constitutes the largest occupational group of New York City's economy with at least 130,000 home care workers employed; and, these jobs in the City are projected to increase by 50 percent over the decade beginning in 2006. Home attendants and home health aides are among the small handful of jobs in New York City that meet the criteria of being both the fastest growing and generating the most job openings. Together, these two occupations will add about 65,000 jobs to the City's economy between 2006 and 2016. Attached to this testimony, you will find a copy of our New York City Labor Market Projections.

It is through the lens of this large occupational group that we derive our support for this proposal, and you will find a separate Appendix with recommendations as to how the proposed Office might specifically improve the home care aide workforce.

## Entry-Level Training for Home Care

Most home care training programs in the City and state are employer-based—i.e., the training is provided by home care agencies licensed by the New York State Department of Health. New York City has 86 such training sites operated by 57 companies.<sup>1</sup> Many of these employer-based programs train their employees to serve as both home health aides and home attendants, with a minimum of 75 hours for home health aides and 40 hours for home attendants. The New York State Department of Health does not allow the training programs they license to charge the trainee tuition, although they can charge for incidentals up to \$100. The policy regarding tuition has been applied to Individual Training Grants (ITGs), which cannot be used in the training programs in offered by providers/employers.

Training instructors for home health aides must be Registered Nurses with at least two years of nursing experience, at least one year of which must be as a provider of home care services. Instructors are not required to have any training or experience in teaching. As a result, many of the state's trainers are not familiar with the adult learner-centered training techniques that have been shown to be most effective in job training programs for adults with limited language and literacy skills. Adult learner-centered techniques are also better designed than traditional didactic education to teach the critical communication and problem-solving skills that help home care aides succeed.

The problem in areas with ample numbers of training programs, such as New York City, is not access to training, but adequacy of the training and workforce supports to assist the newly trained as they enter employment. PHH has documented the case and evidence for quality training as a key to preparing the worker to do the job correctly and safely and to obtain the confidence needed to work in a largely unsupervised setting.

Not all home care employers operate training programs. Some hire their aides from the 31 proprietary schools in the City that provide home care training. These programs are licensed by the State Department of Education Bureau of Proprietary School Supervision. Unfortunately, Individual Training Grants (ITGs) are only spent at these schools – of which there are few for home health aides – and there have been questions raised as to how well the money has been spent at these programs.<sup>2</sup>

In addition, the goals and policies of state and local Workforce Investment Boards (WIBs) also need to be considered. Home care employers are often quite removed from the workforce development system, a system that nursing homes have made greater efforts to engage. Moreover, it has been our experience that the WIBs are often

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<sup>1</sup> The DOH programs were updated June 22, 2009; State Education Department programs were updated September 10, 2009.

<sup>2</sup> NYC Comptroller's report, "Demands of the Time: Turning the Workforce Development Model of the Last Century Into a Skills Education Model for Today." (October 2008)

reluctant to use their funding for home care jobs because the pay is low – on average \$8 an hour for home health aides, the home care jobs in greatest demand – and there are few opportunities for advancement; two criteria that often drive decisions around training funds and other grants.

### **The Home Care Aide’s Interaction with NYC’s Workforce Development System**

Home care aide is one of the plentiful jobs available to an individual, particularly a woman, with limited educational attainment. A potential worker might be directed to a proprietary program through which she – most aides are women—might secure the necessary hours of training. However, she may be directed to an employer that pays low wages, offers minimal benefits, and provides limited access to other supports and services that assist the individual begin a job in which she will spend most of her work experience in an unsupervised environment with the client. Even if she is directed to a training program operated by an employer, she may be hired by an entity whose wages are lower than comparable employers. She is unlikely to have a clear career path ahead of her as access to skill development such as computer training is handled separately, often via a Labor Management agreement.

Many workers leave the field within days of starting because they don’t feel prepared for the reality of the work. They may not have received a realistic job preview. It is more likely that they encounter barriers such as child care, housing, transportation, or even access to medical care.

Not all home care employers operate training programs. Some hire their aides from the 31 proprietary schools in the City that provide home care training. These programs are licensed by the State Department of Education Bureau of Proprietary School Supervision. Unfortunately, Individual Training Grants (ITGs) are primarily spent at these schools – of which there are few for home health aides – and there have been questions raised as to how well the money has been spent at these programs.<sup>3</sup>

In addition, the goals, policies and practices of state and local Workforce Investment Boards (WIBs) also need to be considered. Home care providers are often quite removed from the workforce development system, a system that nursing homes have made greater efforts to engage. Moreover, it has been our experience that the WIBs are reluctant to use their funding for home care jobs because the pay is low – on average \$8 an hour for home health aides, the home care jobs in greatest demand – and there are few opportunities for advancement -- two criteria often drive WIB decisions around training funds and other grants.

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<sup>3</sup> NYC Comptroller’s report, “Demands of the Time: Turning the Workforce Development Model of the Last Century Into a Skills Education Model for Today.” (October 2008)

## Proposed Mayor's Office of Skills and Education

PHI believes these realities make a strong case for this proposal, which is a timely and constructive response to the City's labor market needs. Council Member Lappin's proposal would begin the process of integrating all of the workforce development initiatives administered by NYC agencies, while beginning to increase transparency and accountability in many of these programs.

However, I would be remiss if I did not emphasize several elements critical to success, some of which are addressed in the proposed Local Law, and others that remain to be addressed:

- **Integration and Coordination.** The multitude of training and workforce development programs<sup>4</sup> administered by city agencies need to be better integrated with those managed by the many participants in the field (e.g., Health and Hospitals Corporation, the City University of New York, New York City Housing Authority, and federal and state governments.) The proposal stresses increased coordination between all these agencies and organizations, but we would also hope that there will equal attention paid to the adequacy and quality of these programs as well.

As previously mentioned, in the past, the WIB and other entities in the workforce development system have not focused on the home care aide jobs. Since the Law proposes that the Office will advise and assist the City's WIB, we would encourage both entities to pay particular attention to the role of home care in the City's economy given the trends in the labor market and the increasing importance of this workforce.

- **Financing.** We support the coordination of efforts to obtain funding for job training and employment programs from the federal and state government with available funding from the private sector. However, we would encourage that application and dispersion of this funding include evaluation of an employer's workforce practices.
- **Transparency and Accountability.** The law would include a data monitoring requirement that all City agencies report on the status of their workforce development programs, which would aid in keeping the system accountable for outcomes. In addition, the new Office would be responsible for maintaining a publicly accessible website that provides information on these same programs, an important feature which not only aids transparency, but may also help with outreach and recruitment of potential workers as well.

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<sup>4</sup> According to the NYC Comptroller's report, there are over 33 agencies and programs that serve the City's workforce development system, not including CUNY.

## Recommendations within the Larger Policy Context

While we support the establishment of a Mayor's Office of Skills and Education, we recognize and emphasize that this is *just one step* within the larger context of developing a well-trained stable workforce for New York City. We reiterate the recommendations of the City Comptroller's October 2008 report, which stated that any workforce development strategy moving forward should be achieved through: opportunities to secure a living wage and an upward career path; career pathways in sectors targeted for economic development; and the identification of current and emerging skills shortages in the local labor market as well as their relief. There are several ways in which these recommendations can be addressed:

1. Collect data that provides you with as accurate an indication as possible of the need for specific positions and the current vacancy levels;
2. Direct training dollars towards those who have demonstrated adult-learner techniques accompanied by higher placement and retention rates;
3. Direct trainees towards those employers who have demonstrated a commitment to the workers as shown by the percentage of the rate for services that goes towards compensation and provide supports for the newly trained and hired, including access to public benefits and other services, such as child care; and
4. Support opportunities for advancement with clear career path options.

PHI thanks the Committees and especially Council Member Lappin and her staff for this opportunity to testify on this valuable proposal that is designed to improve the coordination of workforce development initiatives within New York City. We urge you to use this opportunity not only to create a newly integrated Office, but to improve the quality of jobs throughout the City, particularly those in the direct care workforce of the health care sector. On behalf of the staff at PHI, I look forward to working with the Committees, Council Member Lappin and the staff of this future Office to make this initiative a success.

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## Appendix A. Recommendations for Home Care Workforce Development

1. Strengthen the home and community-based workforce by improving the wages and benefits of the home care aides. Home health aides in New York City lack parity with personal care aides who fall under the “Living Wage” and a minimum living wage standard for home care aides would benefit those in need as well as their families and the workers.
2. Ensure that there is a fair and transparent rate-setting process between home care contractors and providers that limits overhead and maximizes the percentage of the rate that goes to compensation (i.e., wages and benefits).
3. Improve the entry-level training for home care aides, using an adult learner centered approach to education which draws on the life experiences of the adult trainee and incorporates the skills needed to deliver person-centered care.
4. Provide supports for the newly trained and hired, as transition into this workforce can be difficult. Ongoing access to public benefits and other services, such as child care, are important to the new aide. Establishing a Peer Mentor program can also provide the kind of counseling and support that improves the work experience.
5. Provide opportunities for advancement through either a management track or through increased training in specific diseases and conditions, thereby creating a “Senior Aide,” occupational title.
6. Improve state collection and reporting of core direct-care workforce data and calculate key indicators of workforce stability (e.g., turnover rates, compensation) in order to gauge progress in building and stabilizing the home and community-based workforce and identifying shortage areas.

## New York City's Home Care Workforce

**N**ew York City is home to one of the largest home care workforces in the country. Each day, approximately 130,000 personal attendants and home health aides provide essential daily living services and supports to persons with disabilities and chronic care needs, including the elderly and those with physical or intellectual and developmental disabilities.<sup>1</sup>

Responsible for 70 to 80 percent of paid hands-on care, these workers attend to the health and safety of their clients or patients in their own homes or in community settings, helping them bathe, dress, and eat. In addition, home care aides assist with tasks that are critical to remaining in the community such as shopping, light housekeeping, and managing medications. These workers also serve as the "eyes and ears" for licensed professionals, including nurses and physical therapists, and provide critical support for family members seeking to balance employment with caregiving for a family member.

### A sizeable workforce

Accounting for nearly 60 percent of the state's home care workers, the City's home care workforce is larger than any other occupational grouping in the City.

#### New York City's Largest Occupational Groups

Home Care Aides	128,990
Primary, Secondary & Special Ed Teachers	124,450
Retail Salespersons	107,150
Janitors & Cleaners	88,450
Registered Nurses	69,620
Firefighters & Law Enforcement Workers	61,680

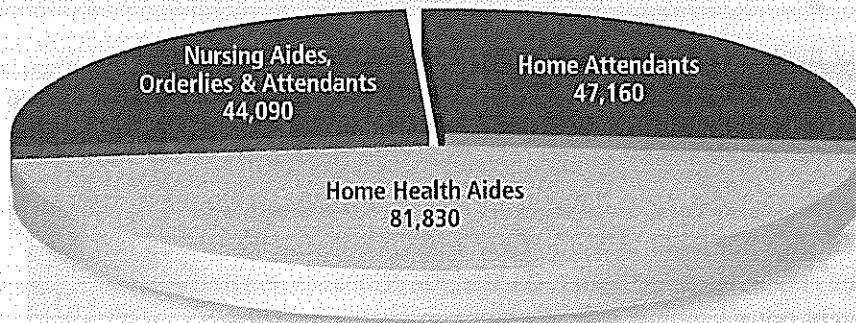
The City's home care workforce is divided into two distinct segments:

- More than 80,000 **home health aides** employed primarily by licensed home care services agencies (LHCSAs) that contract with certified home health agencies (CHHAs), Long Term Home Health Care Programs, Medicaid Managed Care Plans, and commercial insurers.

- Roughly 47,000 home attendants—known as “personal care aides” elsewhere in the state—employed by LHCSAs that contract with the City’s personal care program.

The City’s home care workforce is substantially larger than the direct-care workforce employed in nursing facilities. This reflects longstanding state and city policies to expand and enhance home and community-based care as well as the City’s housing density and easily accessible public transportation. This urban infrastructure facilitates this service delivery model.

### Breakdown of New York City’s Direct-Care Occupations



### Among the fastest-growing occupations

Home care jobs in New York City—officially counted as Personal and Home Care Aides and Home Health Aides—are among the small handful of jobs in the City that meet the criteria of being both the fastest growing and those creating the most job openings. These two occupations are expected to increase by 50 percent between 2006 and 2016, generating 65,000 new home care jobs.

### Fastest-Growing Occupations Generating the Most Job Growth, 2006–2016

Occupation	Percent change	No. of positions to be added
1 Waiters & Waitresses	63%	46,300
2 <b>Personal &amp; Home Care Aides</b>	<b>51%</b>	<b>24,200</b>
3 <b>Home Health Aides</b>	<b>50%</b>	<b>40,700</b>
4 Cashiers	48%	31,700
5 Retail Salespersons	43%	46,300
6 Customer Service Representatives	43%	27,300
7 Child Care Workers	38%	21,000

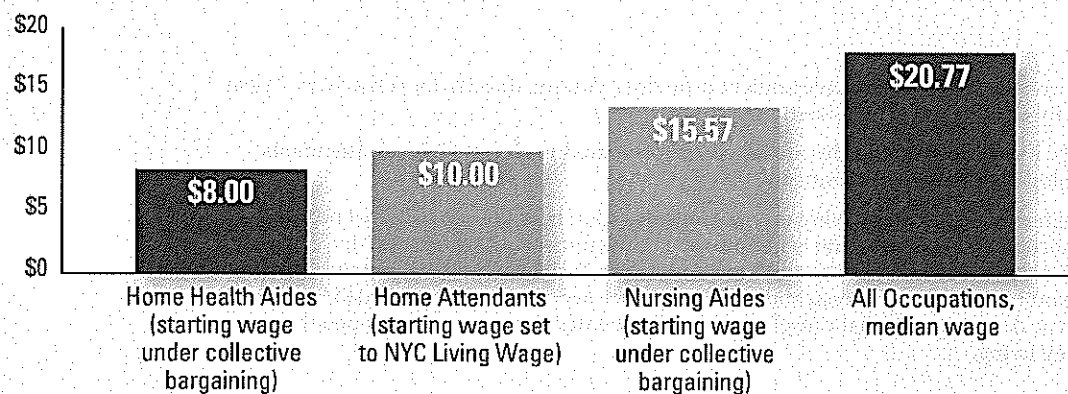
This substantial rate of increase contrasts sharply with the City’s overall job growth rate of 7.4 percent expected for this period.

### Lack of equity in home care wages

More than one in seven low-wage workers in New York City is a home care worker. Moreover, within the City’s home care workforce, there is a significant “wage inversion”: home health aides are paid up to \$2.00 less per hour than home attendants, despite receiving longer training

that allows them to perform more tasks. Home attendants receive higher wages because of their early unionization, and because they work under a city government contract that ties their wages to the City's living wage (now set at \$10 per hour). Home health aides began to unionize only recently, and since they do not work directly for the City, no "wage floor" applies other than the state's current minimum wage (\$7.25 per hour). For home health aides covered by collective bargaining, the current entry-level wage is approximately \$8.00.<sup>2</sup>

### Wages for Direct-Care Workers in New York City, 2009



Compensation disparities among the City's home care workers are a problem because they lead to recruitment difficulties and elevated turnover for home health aides. Home attendant workers as a group are significantly more stable than home health aides with turnover among the former estimated at only 12 percent compared to rates of 40 to 60 percent commonly experienced by many home care agencies across the country.

## Uneven and vulnerable health coverage

An analysis of health coverage for all home care workers across the entire state shows that these workers are twice as likely as the general population to be uninsured (27 percent vs. 15 percent). In New York City, unionization of these workers has enabled more home health aides and home attendants to secure health coverage. However, while home attendants have access to comprehensive coverage with no premium sharing, home health aides have access only to limited individual coverage capped at \$6,500 in annual medical expenses. Home health aides who do not work for a unionized employer may have no access to health insurance through their employer.

Moreover, health coverage for all home care workers is vulnerable. Coverage can be lost if a worker becomes sick or fails to work the needed hours to maintain eligibility (for home health aides, 120 hours per month; for home attendants, 80 hours per month for coverage for a mother and child).

## Growing economic role of eldercare/ disability services

Direct-care jobs constitute the employment core of eldercare/disability services, far outnumbering doctors, nurses, and other professional health care workers. This industry has assumed a pivotal role in the New York City economy.

Eldercare/disability services in New York City account for a striking 42 percent of overall health care and health assistance employment in the City.<sup>3</sup> They also constitute one of the fastest-growing industry groups in the City. Jobs in this sector increased by 21 percent from 2000 to 2007, generating nearly 40,000 new jobs.

Within eldercare/disability services, the fastest-growing industry in terms of employment has been Home Health Care Services, which increased 90 percent over the last seven years. Employment in the City's nursing care facilities actually declined by 3.5 percent during this same period.

## Endnotes

- 1 A growing number of direct-care workers are independent providers working directly for consumers. These workers tend to be heavily undercounted by government surveys.
- 2 About 50 percent of the City's home health aides are unionized compared to almost all home attendants (a few city agencies employ non-unionized attendants).
- 3 Services provided through the eldercare/disability services industry span both the conventional health care sector and health assistance services. **Health care** is traditionally defined to include three industry groupings: Hospitals, Ambulatory Health Care, and Nursing and Residential Care Facilities. **Health assistance** services refer to non-residential and non-medical personal and social assistance services and supports delivered in homes and settings such as day programs that complement health-oriented services and assist people with essential activities of daily living.

## Data Sources

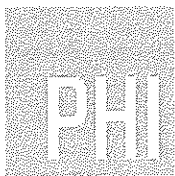
**Employment and occupational projections data** are from: New York State Department of Labor (NYS DOL), Long-Term Occupational Employment Projections, 2006-16, available at: <http://www.labor.state.ny.us/stats/lproj.shtm>. Projections include both growth and replacement needs. Baseline employment data is for 2006.

**Industry employment data** are from: NYS DOL, Quarterly Census of Employment and Wages, available at: <http://www.labor.state.ny.us/stats/lscqew.shtm>.

**Wage data** are from: 1199 SEIU collective-bargaining agreements and NYS DOL, Occupational Employment Statistics, available at: <http://www.labor.state.ny.us/stats/lswage.shtm>.

**Turnover rate** information for home attendants is from: Home Care Council of New York City, 2005 Membership Survey. For other sources, see Institute of Medicine (2008) *Retooling for an Aging America*, Washington, DC: The National Academies Press, p. 209.

**Data on health insurance coverage** is from: PHI (May 2009) *Is New York Prepared to Care? A Comprehensive Coverage Solution for Home Care Workers*, available at: <http://tinyurl.com/dcp2ul>.



PHI ([www.PHInational.org](http://www.PHInational.org)) works to improve the lives of people who need home and residential care—and the lives of the workers who provide that care. Using our workplace and policy expertise, we help consumers, workers, employers, and policy-makers improve eldercare/disability services by creating quality direct-care jobs. Our goal is to ensure caring, stable relationships between consumers and workers, so that both may live with dignity, respect, and independence.

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Also see PHI PolicyWorks, our policy website: [www.PHInational.org/policy](http://www.PHInational.org/policy)

# Addressing New York City's Care Gap

Aligning Workforce Policy  
to Support Home- and  
Community-Based Care

*Coauthors:*  
*Dorie Seavey, Ph.D.*  
*Steven L. Dawson*  
*Carol Rodat*

Prepared for:  
New York City Workforce  
Investment Board

**Paraprofessional**  
**Healthcare**  
INSTITUTE



# Paraprofessional Healthcare INSTITUTE

The nonprofit **Paraprofessional Healthcare Institute** (PHI) works to strengthen the direct-care workforce within our nation's long-term care system.

PHI's program activities include developing innovative approaches to recruitment, training, and supervision; client-centered caregiving practices; and effective public policy. PHI's premise is that creating quality jobs for direct-care workers is essential to providing high-quality, cost-effective services to long-term care consumers.

In New York City, PHI is part of a network of health care organizations that includes Cooperative Home Care Associates, a worker-owned home care cooperative with 900-plus employees; Independence Care System, a Medicaid-funded managed care program for people living independently with disabilities; and the SKILL Center, a home care training program that trains and employs over 550 home care aides annually.

PHI also runs **The National Clearinghouse on the Direct Care Workforce**, [www.directcareclearinghouse.org](http://www.directcareclearinghouse.org), a resource center informing the movement to improve long-term care by improving job quality for direct-care workers. In addition to collecting and distributing original research, news, and other writings, the Clearinghouse brings together long-term care stakeholders who want to learn from each other.

To learn more about the work of the Paraprofessional Healthcare Institute, and its special projects and initiatives, see: **[www.paraprofessional.org](http://www.paraprofessional.org)**.

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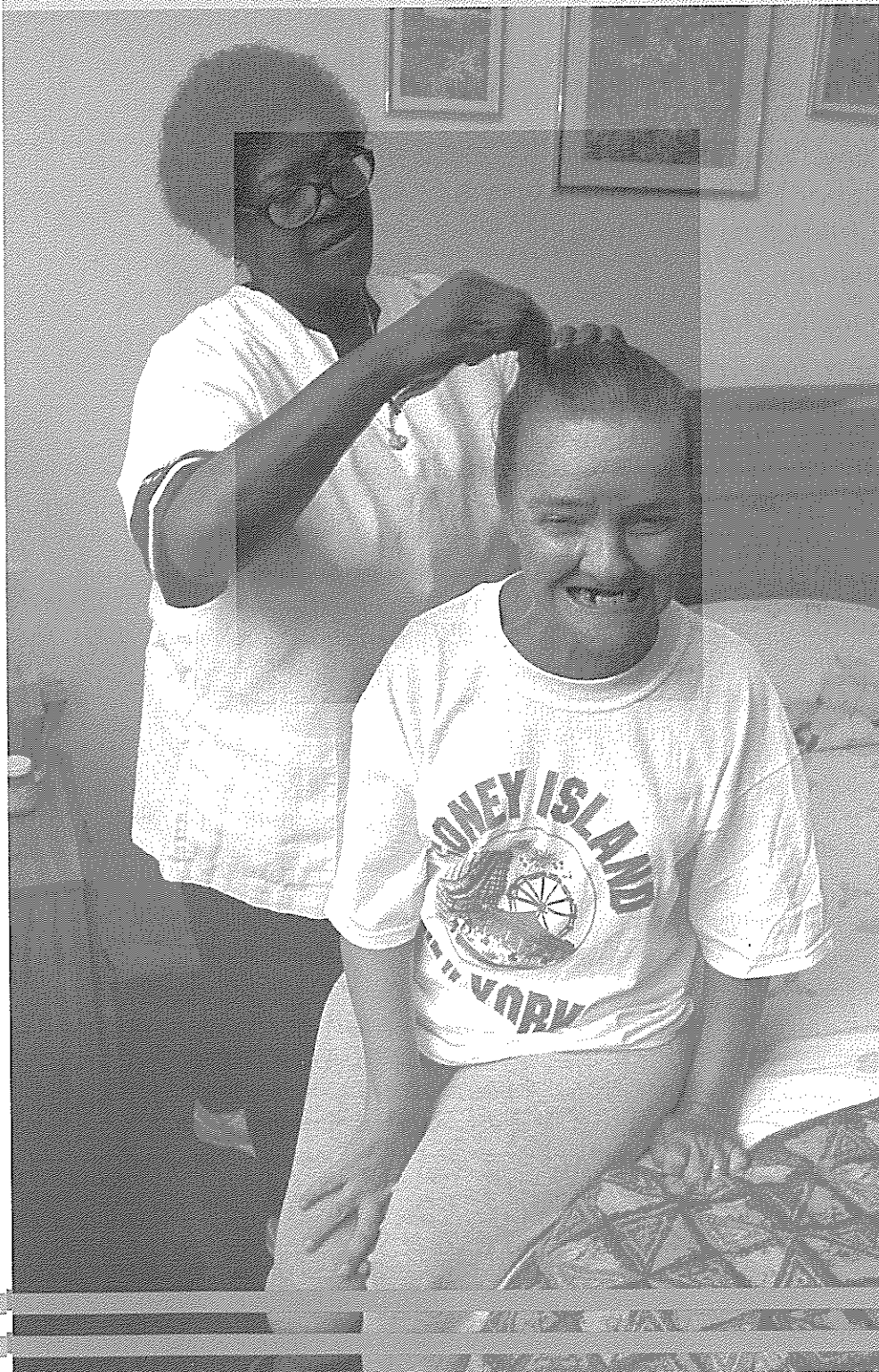
Aligning Workforce Policy  
to Support Home- and  
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New York City Workforce  
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*This is the right time to design workforce policies  
that overcome the limitations of today's  
workforce opportunities in long-term care.*



# Preface

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This paper was authored by the Paraprofessional Healthcare Institute for the New York City Workforce Investment Board to focus attention on an important and long-overlooked segment of workers in New York City—those who provide home- and community-based care to elders and people with disabilities.

With over 100,000 workers in the field and with estimated demand for 30,000 additional home- and community-based direct-care workers by 2012, this workforce category is among the fastest growing in New York City. The industry already provides employment for 1 in 7 low-wage workers in New York City, and essential services for thousands of elderly and disabled members of our community.

To ensure that these jobs are attractive and stable jobs, it is critical that the workforce development world and long-term care industry come together to envision a different future -- one in which the workers who are the heart, face, and hands of home care are rewarded and recognized for their contributions to the community, and our economy.

To this end, we have written this report to inform stakeholders and encourage discussion of specific short-term and long-term policy solutions required to meet the demand for new, qualified, and dedicated workers who will provide essential care for elders and people with disabilities living in New York City.

Although this paper focuses on New York City specifically, many areas of the country face similar “care gaps.” There simply aren’t enough people choosing direct-care occupations to care for a rapidly aging population. We believe that local workforce investment boards are well positioned to help their communities tackle this problem, by working with the long-term care industry to improve the quality of direct-care jobs. By investing in these jobs, local WIBs can improve employment opportunities for low-wage workers while also ensuring that our communities are able to meet their obligation to care for those in need.

Special thanks go to Rick Surpin, president of Independence Care System, and Bonnie Potter, executive director of the NYC Employment and Training Coalition, who provided invaluable insight in reviewing earlier drafts of this work; Christine Rico for guiding the project through to completion; and to Paul Dieterich whose efforts and analysis contributed to the core data presented in this paper.

Additionally, the authors thank Marilyn Shea, executive director of the New York City Workforce Investment Board for funding this project and providing leadership on this important issue.

*It is critical to change the long-term care delivery system to respond to the inexorable growth in demand.*



# I. Summary

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New York City is sorely in need of a strategic workforce development policy for its home- and community-based long-term care industry—one that will close the gap between the labor market demands of employers and workers; address the growing needs of one of the country’s largest urban populations of elderly and people with disabilities; and leverage the industry’s efforts at service redesign for the benefit of the thousands of workers employed in the sector.

The stakes are high on every score. In the balance are:

- At least 100,000 *current jobs* in home- and community-based direct care, plus a projected demand for nearly 30,000 *new and replacement positions* over the decade ending in 2012;
- The financial stability of hundreds of long-term care providers; and
- Access to quality services for hundreds of thousands of long-term care recipients.

*One out of seven low-income workers in New York City is a home- or community-care worker.*

Typically, direct-care occupations in home- and community-based care—usually known by titles such as home health aide and personal care attendant—are ignored by workforce development programs, because the low quality of these jobs makes them appear unworthy of

public investment. Indeed, it is true that the quality of these jobs is generally poor. PHI estimates that *one out of seven low-income workers*<sup>1</sup> in New York City is a home- or community-care worker. Furthermore, most of these jobs lack access to

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affordable benefits, offer minimal training, and often provide erratic, part-time work. In addition, supervision is often poor or non-existent, and career paths to higher-paying related work are usually unavailable. As a result, the industry suffers from high rates of “churn,” with turnover typically ranging from 40 to 50 percent annually.<sup>2</sup>

Recently, however, demographic, economic and political pressures have been steadily mounting to improve these occupations. In New York City, an array of key stakeholders within the industry, including organized labor (SEIU 1199), long-term care employers, and consumers, are working to strengthen these positions,

primarily by increasing direct-care wages and benefits. These efforts recognize that the low quality of direct-care jobs is not an “innate” characteristic of this work, but rather an attribute that can and must be changed if the long-term care industry is to respond successfully to the inexorable growth in demand for its services.

Therefore, timing is critical. The mounting pressure toward improving direct-care jobs, combined with the fact that direct care is one of the largest, high-growth employment sectors in the City’s economy, means that significant strategic opportunities exist right now for investing workforce dollars in these occupations—*precisely with the objective of improving job quality.* Careful injection of current workforce investment resources into innovative training and job redesign for home- and community-based direct-care work can help re-shape the future structure and quality of these vital occupations.

In this issue paper, we review the current state of New York City’s labor market for home- and community-based direct-care workers, and then look at projected

*Direct care is one of the largest, high-growth employment sectors in the City’s economy.*

*The low quality of direct-care jobs is not an “innate” characteristic of this work, but rather an attribute that can and must be changed.*

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demand and supply conditions over the foreseeable future. Next, we examine the implications of the data for a range of workforce development policies and the potential strategic involvement of the *NYC Workforce Investment Board (WIB)* in implementing those policies.

Finally, we argue that investing in the home- and community-care workforce potentially offers New York City multiple returns: Innovative workforce interventions can impact *tens of thousands of inner-city workers* and, at the same time, help to stabilize New York City's *network of long-term care employers*. Moreover, these interventions can improve the *quality of care received by hundreds of thousands of*



New York City residents who are elderly and disabled. And, finally, such an investment can also foster the economic development of many of New York City's *low-income neighborhoods*, for which direct-care jobs are, increasingly, a mainstay of legitimate employment.

*300,000 individuals needing long-term care in New York City receive services annually from home care agencies and community-based providers.*



## II. New York City's Caregiver Labor Market: Current Conditions and Outlook

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The labor market for caregivers in New York City is under growing demand-driven pressure as the City provides services to one of the largest long-term care populations in the country—the vast majority of whom reside not in institutions, but rather in homes and other community-based settings. Yet, at a time when employers need increasing numbers of direct-care workers, the City's providers are encountering chronic problems in retaining sufficient numbers of stable, well-trained workers.

It is important to note that the City's sizeable home-based workforce is divided, about equally, into two segments:

- 1) The "home health aide" portion, which is primarily associated with services provided by licensed home health agencies, which in turn subcontract to Medicare-certified home care agencies (the largest of which by far is the Visiting Nurse Service of New York City), and
- 2) The "home attendant" portion, which is essentially a City-run program that contracts primarily with neighborhood-based nonprofit agencies.<sup>3</sup>

Although they share much in common, these two segments rely on distinct delivery systems. Furthermore, the home health aide segment, in which direct-care workers provide a limited degree of clinical services to their clients, is currently experiencing a concerted unionization drive by SEIU 1199, whereas the home attendant segment, in which paraprofessionals provide personal care only, has been nearly fully organized by SEIU 1199 for many years.

### Demand

Roughly 300,000 individuals needing long-term care in New York City receive services annually from home care agencies and community-based providers.<sup>4</sup> In contrast, the City's nursing homes have about 120,000 beds, and adult care and residential facilities offer an additional 40,000 beds. The City's heavy reliance on home- and community-based long-term care is also apparent in its Medicaid program—approximately two-thirds of the City's long-term care Medicaid recipients receive *non-institutional* care.<sup>5</sup>

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The City's dependence on home- and community-based care settings is only likely to increase under the state's new "Right-Sizing" initiative, which allows the City's institutional providers to exchange nursing home capacity for community-based options. Therefore, expanding the capacity of the City's community-based workforce, at this time, could not be more important. This includes upgrading workforce skills in order to prepare workers to care for consumers in multiple settings, including assisted living, adult day care, and naturally occurring retirement communities.

### Accounting for the City's substantial and growing long-term care burden.

The quite substantial size of the City's long-term care population is attributable not only to its large population base, but also to its significantly higher disability rates as compared with other regions in the state and country. For example, in New York City, 12 percent of the non-institutionalized civilian population has two or more disabilities compared to 7 to 9 percent in the rest of the state.<sup>6</sup> These significant differences in disability rates in turn are tied to important differences in the City's age distribution, its racial and ethnic diversity, and its socio-economic status as compared with other regions in the state. The highest rates of chronic illness and disability in New York City, for example, occur among three groups with disproportionately high populations—non-Asian minorities, individuals with low socioeconomic status, and the elderly.<sup>7</sup>

*About 45 percent of the state's elderly live in New York City.*

About 45 percent of the state's elderly live in New York City, and "minorities" already constitute a majority of the City's total population.<sup>8</sup> Moreover, as a group, people over age 65 in the City have become considerably more racially and ethnically diverse since 1990. In 2000, people of color comprised about half the elderly population, up from 35 percent in 1990.<sup>9</sup> Statewide, by 2015 the "minority" elderly population is expected to grow substantially, with older African Americans (non-Hispanic) projected to increase by 27 percent, Hispanics by 76 percent, and Asian/Pacific individuals by over 110 percent.

While New York City benefits from an influx of younger people due to immigration, the City's overall population nonetheless is aging, and with that fundamental shift in demographics, long-term caregiving is becoming not only more widespread but more complex. Long-term caregiving must accommodate increasing numbers of individuals who are living longer and have functional limitations due to situations as diverse as cancer, AIDS, cardiovascular disease, diabetes, dementia, obesity, and a variety of cognitive and developmental disabilities. While people

with disabilities have increasing longevity, their care often requires complex medication schedules and treatment, substantial clinical skills, as well as the use of sophisticated technologies—for example, telehealth monitoring, which allows for the communication of vital signs from the home to an off-site clinician. We also know that, in general, people prefer to continue to live in their own homes, and this preference is likely to increase the demand for home-based support services.

### Indicators of growing demand for home care workers.

Changes in both the racial/ethnic and age compositions of New York City indicate that the populations most vulnerable to conditions requiring human assistance have been growing and will continue to increase. These demographic shifts are bringing with them a significant increase in the demand for long-term care services. Government occupational projections confirm this assessment: As shown in Table 1, the most recent projections by the New York State Department of Labor indicate that home- and community-based direct-care occupations are at the top of the list of occupations expected to generate the greatest increase in employment, with an increase of approximately 30,000 positions (new and replacement) expected over the decade 2002 to 2012 alone. Indeed, personal and home care aides and home health aides are among the few occupations in the City that meet the “ultimate” test of *both being the fastest growing and generating the most job openings*.

As Table 1 indicates, home-based direct-care occupations will account for roughly a third of the employment growth created by the ten top-growth occupations. Of these ten leading occupations, note that seven are relatively low-wage jobs, and of

*these, a striking 44 percent are projected to be direct-care positions in home- and community-based care settings.<sup>10</sup>*

Table 1

New York City's Top 10 Occupations with Largest Projected Change in Employment, 2002-2012			
Rank	Occupation	Change in Employment*	% Change
1	Registered Nurses	16,960	23.2 %
2	Personal and Home Care Aides	16,380	31.0 %
3	Home Health Aides	13,700	26.8 %
4	Security Guards	10,700	16.9 %
5	Receptionists and Information Clerks	7,480	20.2 %
6	Nursing Aides, Orderlies, and Attendants	6,800	16.5 %
7	Customer Service Representatives	6,370	12.2 %
8	Janitors and Cleaners, Except Maids and Housekeepers	6,280	6.9 %
9	Accountants and Auditors	6,100	12.6 %
10	Lawyers	6,060	11.6 %

Source: New York State Department of Labor, available at: [www.labor.state.ny.us/workforceindustrydata/](http://www.labor.state.ny.us/workforceindustrydata/)

\* Change in employment refers to the sum of “new positions” and “replacement” positions.

### Supply

The New York City region meets its caregiving responsibilities by employing one of the largest direct-care workforces in the country, with an estimated 155,000 workers (including nursing home paraprofessionals) providing frontline care to persons with disabilities, age-related impairments, and chronic illnesses.

## How many direct-care workers are there?

The most recent official count of direct-care workers in New York City is shown in Table 2. Of the City's 155,000 direct-care workers, over two-thirds (69 percent) provide home- and community-based services. The last column of Table 2 makes clear the paramount role that the City region plays in the state's overall direct-care workforce. Of direct-care workers statewide, 57 percent are employed in New York City. More specifically, about half of the state's home health aides are employed in the City and two-thirds of the state's personal care aides.

Notably, the official count presented in Table 2 is likely an underestimate of the City's total direct-care workforce because it does not consistently include self-employed individuals nor individuals employed by temporary staffing agencies. Using occupational data from another government source that includes independent contractors (American Community Survey), the Center for Personal Assistance

Services estimates the number of personal care aides in New York State at 147,567 in 2004.<sup>11</sup> If approximately 66 percent of these workers are from the City region (as indicated by the proportions found in the last column of Table 2), then the number of personal care aides may total nearly 100,000, bringing the total New York City direct-care workforce to about 200,000.

*Of the City's 155,000 direct-care workers, over two-thirds provide home- and community-based services.*

Table 2

Occupation	Total number of workers by occupation				Direct-care workers in NY City PMSA as a proportion of NY State direct-care
	2001	2002	2003	2004	
Personal care aides	50,520	48,800	47,840	46,910	66%
Home health aides	60,590	55,090	55,830	59,320	57%
Nursing aides and orderlies	45,060	44,990	46,010	48,780	50%
<b>Total</b>	<b>156,170</b>	<b>148,880</b>	<b>149,680</b>	<b>155,010</b>	<b>57%</b>

Source: Bureau of Labor Statistics, U.S. Department of Labor, 2001–2004 Metropolitan Area Occupational Employment and Wage Estimates. Available at: [www.bls.gov/oes/home.htm](http://www.bls.gov/oes/home.htm).

\*Note: This table shows the U.S. Bureau of Labor Statistics estimates for the NYC Primary Metropolitan Statistical Area (PMSA) region. This area consists of the following counties: Bronx, Kings, New York, Putnam, Queens, Richmond, Rockland, and Westchester. The PMSA contains three counties that are not typically included in the New York regional definition: Putnam, Rockland, and Westchester.

## Who are the City's direct-care workers?

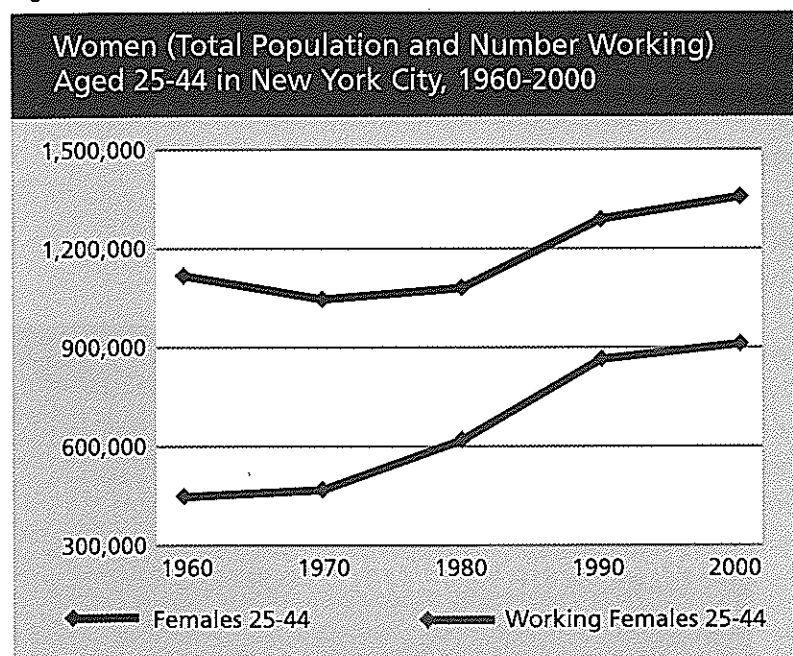
According to the U.S. Census Bureau,<sup>12</sup> for New York State as a whole, the vast majority of direct-care workers are female (on the order of 90 percent); over half of these workers are women of color, and 41 percent are white. Foreign-born workers, many of whom are not citizens, play a central role in the state's direct-care workforce, with just over 50 percent born abroad. In home health services, the percentage of foreign-born workers is nearly two-thirds (63 percent). In home health care, 58 percent of workers report having a high school degree or less. If a profile of the City's workforce were available, we would expect it to show an even higher proportion of non-white, foreign-born workers.

## The shrinking pool of traditional caregivers.

From the '60s through the '90s, as New York City's extensive home- and community-based long-term care system developed, it relied on a seemingly infinite supply of low-income women who had few other employment opportunities. Today, the underlying demographics are strikingly different. *In fact, the pool of likely entry-level workers who traditionally have made up the core of the City's direct-care workforce—namely, women in the civilian workforce aged 25 to 44—is projected to decline by 6 percent over the period 2000 to 2010 at the same time that the demand for direct-care workers is projected to increase by 38 percent.*

Figure 1 gives an historical snapshot for New York City of women aged 25 to 44 (both total and in the workforce). From 1960 to 2000, the City benefited from increasing numbers of females in this age group entering the labor force.

Figure 1



Source: U.S. Census data from 1960, 1970, 1980, 1990, 2000

Yet as shown in Figure 2 (see next page), beginning in 2000, the absolute size of this female cohort started to contract and is projected to continue to do so until the end of this decade, when it will likely become stagnant. This traditional core population group is no longer increasing, primarily because the baby boom generation has significantly lower fertility rates compared to those of its parents. Not until 2030 will this female age group re-approach its population level in 2000.<sup>13</sup>

## Direct-care jobs remain uncompetitive.

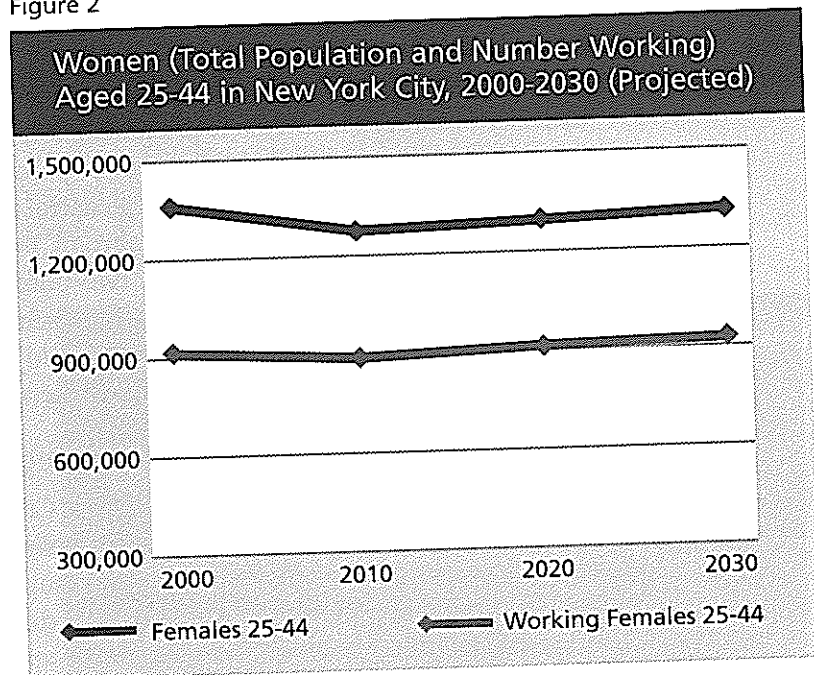
At the same time that sheer demographic forces are aligning to constrain the supply of traditional new entrants into direct-care work, underlying economic dynamics on the supply side also have changed: Direct-care jobs have become relatively less attractive because they do not offer compensation and job quality competitive with the many other opportunities that low-income women now have.

Long-term care employers—particularly those in the “home health care” segment of the industry—report problems retaining workers due to low wages, poor benefits, and erratic, part-time work. In addition, training is limited in terms of hours and scope. As a result, career paths to higher-paying related work usually are not available. All of these factors combine to create an industry with high rates of “churn,” with turnover typically ranging from 40 to 50 percent annually for home health aides and personal care aides.<sup>14</sup>

Home-based providers are among the City’s largest employers of low-wage workers.

Despite its limitations, direct-care work is the lynchpin to the livelihood of tens of thousands of low-wage City workers. In fact, *about one out of seven low-income workers in the City is employed in a home- or community-based direct-care occupation.*<sup>15</sup> As shown in Table 3, home- and community-based direct-care workers in New York City outnumber fast food workers, food prep workers, counter attendants, and dining-room and

Figure 2



Source: Population projections were calculated by PHI using data from the NY Statistical Information System ([www.nysis.cornell.edu](http://www.nysis.cornell.edu)). Labor force projections were calculated by PHI using age- and sex-specific projections from the U.S. Bureau of Labor Statistics for the United States as a whole. See Mitra Toosi, “A Century of Change: U.S. Labor Force from 1950 to 2050,” *Monthly Labor Review* Vol. 125, No. 5. May 2002.

*An array of stakeholders are working to strengthen these occupations.*

Table 3

Low-Wage Occupations in New York City, 2003: Direct-Care Work is the Second Largest Low-Wage Occupation				
Occupation Title	Employment	Median Hourly Wage	Rank by Wage	Rank by Employment
<b>Occupations up to 20th percentile of the wage distribution (up to \$8.63)</b>				
Retail Salespersons	104,770	\$8.61	8	1
Direct-care Workers, Home & Community Based *	103,670	\$8.38	7	2
Cashiers	73,850	\$7.23	3	3
Combined Food Preparation and Serving Workers, Including Fast Food	25,650	\$6.89	1	4
Sewing Machine Operators	18,050	\$7.26	4	5
Hairdressers, Hairstylists, and Cosmetologists	13,670	\$8.61	8	6
Packers and Packagers, Hand	13,200	\$7.81	6	7
Counter Attendants, Cafeteria, Food Concession, and Coffee Shop	12,710	\$7.21	2	8
Dishwashers	12,090	\$7.64	5	9
<b>Occupations between 20th &amp; 30th percentiles of the wage distribution (between \$8.63 and \$10.19)</b>				
Security Guards	65,440	\$9.71	4	1
Waiters and Waitresses	48,230	\$9.33	3	2
Stock Clerks and Order Fillers	38,800	\$8.92	1	3
Food Preparation Workers	30,830	\$10.12	5	4
Team Assemblers	11,260	\$9.33	3	5
Parking Lot Attendants	10,400	\$9.33	3	6
Couriers and Messengers	10,220	\$9.12	2	7

Source: Bureau of Labor Statistics, U.S. Department of Labor, May 2003 Metropolitan Area Occupational Employment and Wage Estimates, available at: [www.bls.gov/oes/2003/may/oes\\_5600.htm](http://www.bls.gov/oes/2003/may/oes_5600.htm).

\* Home Health Aides and Personal Home Care Aides

cafeteria attendants combined. Among low-wage occupations (low-wage refers to earning wages at the 20th percentile of the wage distribution or below), the only occupation that comes close to the number of home- and community-based direct-care workers is retail salespersons.

In sum, long-term care providers in New York City—whether they are certified home health agencies, licensed home care agencies, or adult care and residential facilities—are one of the two largest employers of low-wage workers in the City. And as the demand for home- and community-based services continues to increase, the workforces of these employers could soon surpass that of retail employers. These workers already outnumber people employed in two slightly higher paying occupations taken together: security guards and waiters and waitresses.

## New York City's Emerging Care Gap

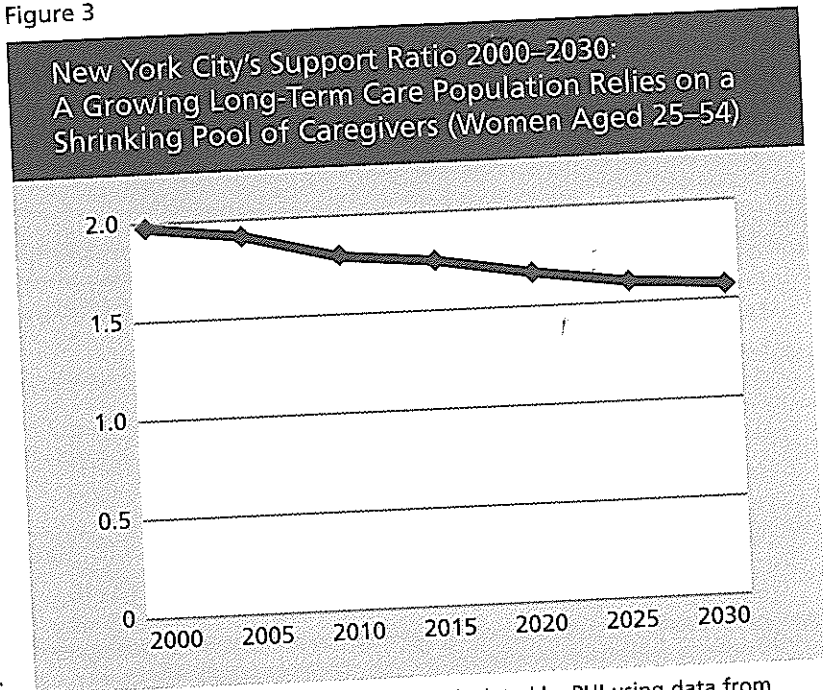
Compared to the period prior to the 1990s, the current decade and beyond present a very different dynamic for the caregiver labor market—one that sets the stage for the emergence of a serious “care gap.” Indeed, according to our analysis, the New York City region evidences the most severe current and projected care gap of any region in the state. This situation is attributable to the City’s very substantial and increasing “disability burden,” resulting in a growing long-term care population that will be depending on a shrinking pool of caregivers.

Figure 3 shows a projected decline in the number of New York City’s traditional caregivers (women aged 25 to 54) relative to the concurrent growth of the City’s long-term care population (those who are elderly and disabled). The declining ratio between those available to provide care and the elderly and disabled long-term care consumers who need care would be even more steep if we limited our analysis to the pool of potential female caregivers between the ages of 25 to 44. We used a larger age grouping of 25 to 54 to include those women most likely to work not only as paid direct-care workers, but also those most likely to serve as family caregivers (e.g., spouses, daughters, and daughters-in-law).

Note that in 2000, there were about two females aged 25–54 for every person needing long-term care. This 2:1 “support ratio” is projected to decline steadily over the next two decades, down to approximately 1.6 caregivers for each long-term care consumer. This declining availability of traditional female caregivers, many of whom provide unpaid care, is only likely to increase the potential demand pressure on the paid workforce.

The implications could not be more clear: The home- and community-care industry must find ways to make direct-care jobs more competitive—that is, these jobs need to be made more attractive relative to other job options—so that the industry can absorb a nearly 50 percent increase in demand.

Figure 3



Sources: Population projections were calculated by PHI using data from the NY Statistical Information System ([www.nysis.cornell.edu](http://www.nysis.cornell.edu)). Long-term care projections were calculated by PHI using data from the U.S. Census 2000 Disability Module ([www.empire.state.ny.us/nysdc/Census2000](http://www.empire.state.ny.us/nysdc/Census2000)).

## Pressures for change are building.

In response to growing awareness that the poor quality of direct-care jobs limits their competitiveness, an array of stakeholders within the industry—including organized labor (SEIU 1199), long-term care employers, and consumers—is working to strengthen these occupations by improving wages and benefits. Through organizing and advocacy efforts, 1199 has achieved wage gains for direct-care workers in hospitals, nursing homes, and personal care, though not yet at a significant level for home health aides serving people with clinical needs.<sup>16</sup>

Direct-care workers also are benefiting from changes in minimum wage laws. In November 2002, Mayor Bloomberg signed into law a living wage ordinance that increased the wages of direct-care workers providing homecare services under the City's Medicaid Personal Care/Home Attendant or Housekeeping Programs (50 cent increments to \$10.00 in July 2006). Additionally, as of January 1, 2005, New York State increased its minimum wage from \$5.15 to \$6.00. The wage increased to \$6.75 per hour on January 1, 2006 and will reach \$7.15 per hour as of January 1, 2007. These upward pressures on wages are an important beginning in making direct-care work in New York City a more competitive occupation.

Wage and benefit changes, however, are only a first step toward addressing the care gap. With New York State's "Right-Sizing" initiative, long-term care policy now emphasizes an expansion of options across a full range of care settings, such as adult day care and assisted living, as well as access to new services such as telehealth monitoring intended to enable elders to remain in their homes. We now

*need a workforce policy that can bear the weight of these service delivery system changes. These important changes will ultimately place new and different demands on direct-care workers while offering some new options, making this the right time to design workforce policies that overcome the limitations of today's workforce opportunities in long-term care.*



*Innovative workforce interventions can improve the quality of care received by hundreds of thousands of New York City residents.*



# III. Recommendations: Meeting the Employment Needs of Home- and Community-Based Employers through a Direct-Care Workforce Policy

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While workforce investment boards across the country are beginning to address the problem of health care worker shortages, direct-care workforce issues in long-term care are often passed over in assessments of high-priority occupations for receiving workforce investment dollars. While that perspective was appropriate in the past, we believe that the direct-care workforce now offers significant workforce development opportunities in New York City.

With the exception of one central criteria—*job quality*—direct-care jobs in home- and community-based care currently meet or exceed all the possible standards of being high-priority occupations for workforce investment dollars: namely, significance or dominance in the sector at issue; relative number of projected job openings; and evidence of worker or skill shortages.

Now, given massive changes in the City's workforce and long-term care demographics, as well as the desire to care for more people in home- and community-based settings, improved job quality is critical. This is the very dimension that the New York City Workforce Investment Board (WIB) can help forge through a careful injection of targeted workforce dollars.

## Re-framing the Home- and Community-Based Care Occupation

We have documented that the direct-care labor market overwhelmingly employs paraprofessionals who receive very low wages, have limited career mobility, and work in jobs that often have poor training, support, and supervision. These negative features mattered less when there was a more ample supply of new labor market entrants. But in an era where the supply of labor will become much more limited, these job attributes limit the attractiveness and competitiveness of these jobs and lead to poor outcomes, such as high turnover, which in turn can be very costly to providers.<sup>17</sup>

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In sum, direct-care work is in need of a fundamental “make-over.” As New York City’s premier workforce development organization, the New York City WIB is positioned to play a central role in that process, helping to define and shape the future of the City’s home care labor market. The areas in which the investment of WIB resources could substantially impact the quality of direct-care jobs, and as a result, help address New York City’s emerging “care gap,” are outlined below:

- **Supporting job re-design and revamped training and credentialing systems.**

The New York City WIB could encourage workforce activities that include: strengthening entry-level training, improving supervisory support (and thus training for supervisors), re-structuring direct-care worker roles (such as becoming full participants in care teams, with training provided for that role), and building skills related to “customer service” (e.g., problem-solving and cultural sensitivity). Best practice providers in the New York City home care industry have already created “peer trainer” models, “peer mentor” models, and “coaching supervision” models—all of which could be encouraged as the norm within this growing industry.

In addition, systematic opportunities for upgrading skills could be encouraged, perhaps as part of a credentialed, “apprenticeable” framework—which is currently being piloted in several urban centers across the country through the U.S. Department of Labor. Career pathways—particularly “senior aide” positions that reward higher skills and responsibilities, but do not require a nursing degree—could be created, leading to higher-paying caregiver jobs.

- **Strengthening recruitment and selection.**

Although New York City enjoys a growing population of non-native workers, these workers need special supports in order to become stable, high-quality care employees. Many non-native workers require English as a Second Language, and skills training in their native language.

As importantly, the industry requires assistance with improving the selection process for identifying those potential candidates who are most likely to succeed in this challenging work. Although presumed to be a “low-skilled” position, direct-care work—particularly in home- and community-based settings—in fact demands high levels of maturity, communication and problem-solving skills. To slow this occupation’s high rate of turnover, the industry needs assistance in selecting, from the beginning, the “right” type of potential employee. Again, a few industry providers have already developed best practices here, which the New York City WIB could more aggressively disseminate.

*Direct-care work demands high levels of maturity, communication, and problem-solving skills.*

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- **Creating a higher standard for entry-level training.**

The federal government requires only 75 hours of training for the clinically oriented home health care occupation, and has no requirement for the non-clinical personal care worker. New York State has chosen slightly higher requirements.

The New York City WIB could support employer-based training programs that invest more substantive up-front resources in job preparation, particularly focusing on problem-solving and communication skill-building. Also valuable would be supporting “adult learner” training models for direct-care workers, and helping other trainers incorporate these best practices.

- **Creating provider access to retention “investment funds.”**

In addition to systems-change approaches to job re-design and improved training, funding could be made available to innovative providers who would like to invest in a particular retention-improving program, but lack the operating funds to do so. The availability of “start-up” funds would allow providers to make investments in developing and retaining their workforce, and many of these investments would likely realize financial and other returns due to reduced turnover and enhanced worker effort and productivity that result from better jobs. These returns and savings, in turn, could then be used to sustain continued retention investment.

## Conclusion: Transforming a Low-Wage, High-Demand Employment Sector

New York City’s home- and community-care industry requires an effective workforce development policy that addresses the need for more workers, for improved training and job re-design, and for a career pathway infrastructure. Taking advantage of these opportunities for change will require strategic and collaborative approaches between employers, organized labor, the City’s Workforce1 Career Centers, training providers, public education institutions, and publicly funded employment intermediaries.

The stakes are high on every score: in the balance are at least 100,000 current jobs, plus the potential for about 30,000 new and replacement positions over the decade; the financial stability of hundreds of long-term care employers; and access to quality services for hundreds of thousands of long-term care recipients.

While the stakes are high, so too is the leverage created by what is undeniably one of the largest and fastest-growing sectors in the New York City economy. Indeed, *given the huge role that home- and community-based direct-care workers play in the City’s low-wage workforce, there may be no more powerful single leverage point for strengthening the City’s local economies than this workforce.*

New York City has long been a leader in program development and expenditures for home- and community-based services. It now has the commensurate opportunity to become a vanguard in workforce development for the long-term care sector that provides those very services.

# Endnotes

- <sup>1</sup> "Low-income workers" refers to workers earning wages at or below the 20th percentile of the wage distribution.
- <sup>2</sup> See turnover estimates of NYS Department of Health for home health aides and personal care aides in New York State Register (October 27, 2004) "Revised Rulemaking, Department of Health, Criminal History Record Check of Certain Non-Licensed Nursing Home and Home Care Staff," available at: [www.dos.state.ny.us/info/register/2004/oct27/pdfs/rules.pdf](http://www.dos.state.ny.us/info/register/2004/oct27/pdfs/rules.pdf). See similar estimates in Healthcare Association of New York State (January 2002) "Update on the Workforce Shortage Crisis: The Numbers," Rensselaer, NY: HANYS.
- <sup>3</sup> For a history of this workforce bifurcation, see Michael D. Sparer (1996) *Medicaid and the Limits of State Health Reform* (Philadelphia, PA: Temple University Press).
- <sup>4</sup> Including: Certified Home Health Agencies, Licensed Home Care Agencies, the Long-Term Home Health Care Program, Adult Day Health Care, and Social Adult Day Services.
- <sup>5</sup> Medicaid figure is from the NYS Department of Health.
- <sup>6</sup> Calculated by PHI from U.S. Census 2000 data available at [www.empire.state.ny.us/nysdc/Census2000](http://www.empire.state.ny.us/nysdc/Census2000).
- <sup>7</sup> Statewide in New York, disability rates among working-age whites and Asians are about 50 percent lower than those for African-Americans, Hispanics, and other non-Asian races, as well as for people of two or more races. Among the elderly, disability rates are about a third lower for whites and Asians compared to other minority racial/ethnic groups.
- <sup>8</sup> Individuals who are not white, non-Hispanic constituted 65 percent of the five-borough NYC area, according to Census 2000. Calculated from census data available at [www.nyc.gov/html/dcp/html/census/popdiv.html](http://www.nyc.gov/html/dcp/html/census/popdiv.html).
- <sup>9</sup> The New York City Department of Aging reports that "between 1990 and 2000, the number of minority elderly increased by nearly 141,000 or almost 32 percent, while the number of white non-Hispanic elderly decreased significantly, by 167,000 or 20 percent... Minorities now represent nearly one in every two elderly New Yorkers, compared to one in three in 1990." New York City Department for the Aging, Office of Management and Policy, Research Unit (Winter 2002) "The Older Population in New York City: Changes in Race, Hispanic Origin and Age, 1990 to 2000." New York City: New York City Department of Aging, p. 2.
- <sup>10</sup> Note also that the need for new direct-care positions (including nurses aides) is projected to be more than twice the predicted increase in registered nurse positions, another occupation receiving considerable attention because of labor shortages.
- <sup>11</sup> See New York data available at: [http://www.pascenter.org/state\\_based\\_stats/acs\\_workforce\\_state\\_2004.php?state=newyork](http://www.pascenter.org/state_based_stats/acs_workforce_state_2004.php?state=newyork).
- <sup>12</sup> PHI analysis of 2002 March Supplement of Current Population Statistics, US Census Bureau.
- <sup>13</sup> One factor impacting the contribution of this cohort to the overall workforce in New York City is its relatively low labor force participation rate for working-age females which is some 10 percent lower in New York City than in much of the rest of the state. This lower rate is attributable to the region's higher poverty and disability rates and the fact that the City has a relatively high proportion of Hispanics, with Hispanic women more likely than women from other ethnic groups to stay out of the formal labor force.
- <sup>14</sup> See turnover estimates of NYS Department of Health in New York State Register (October 27, 2004) "Revised Rulemaking, Department of Health, Criminal History Record Check of Certain Non-Licensed Nursing Home and Home Care Staff," available at: [www.dos.state.ny.us/info/register/2004/oct27/pdfs/rules.pdf](http://www.dos.state.ny.us/info/register/2004/oct27/pdfs/rules.pdf). See similar estimates in Healthcare Association of New York State (January 2002) "Update on the Workforce Shortage Crisis: The Numbers," Rensselaer, NY: HANYS.
- <sup>15</sup> PHI calculations using data from NYS Department of Labor on the size of the labor force, data from U.S. Bureau of Labor Statistics (Occupational Employment Survey) on wage rates and employment in direct-care occupations, and statistics from the Economic Policy Institute on percentile wage rates. All information is from 2003 and for the New York City PMSA (Primary Metropolitan Statistical Area).
- <sup>16</sup> Wage increases for these workers to date have been limited to, at most a small (3 percent) add-on to the Medicaid reimbursement rate, an increase that is insufficient to yield wage parity with home attendants providing personal care.
- <sup>17</sup> Dorie Seavey (Paraprofessional Healthcare Institute)(October 2004) *The Cost of Frontline Turnover in Long-Term Care* Washington, DC: Better Jobs Better Care, IFAS/AAHSA. Available at: [www.directcareclearinghouse.org/download/TOCostReport.pdf](http://www.directcareclearinghouse.org/download/TOCostReport.pdf)



**NATIONAL CLEARINGHOUSE**  
**on the Direct Care Workforce**

The National Clearinghouse on the Direct Care Workforce is a resource center informing the movement to improve long-term care for consumers by improving job quality for direct-care workers (home health aides, nursing assistants, personal care and home care attendants, direct support professionals, and others). The Clearinghouse distributes information on public policy, workplace practices, and other issues affecting direct-care workers. It also publishes fact sheets, research reports, and an electronic newsletter, and brings together long-term care consumers, employers, workers, policymakers, and other stakeholders to learn from one another.

Use the National Clearinghouse to:

- Find out about the direct-care workforce in your state.
- Hear directly from direct-care workers about why they do this work and the challenges they face.
- Locate key research findings and policy reports.
- Link to other organizations addressing direct-care workforce issues.
- Share ideas on an on-line bulletin board.

For the best information available on the direct-care workforce, visit [www.directcareclearinghouse.org](http://www.directcareclearinghouse.org).

Order hard copies of this or other publications, by e-mailing: [info@directcareclearinghouse.org](mailto:info@directcareclearinghouse.org) or calling, toll-free, 866-402-4138.

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Name: Michelle Pinnock (PLEASE PRINT)

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I represent: NYCHA

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I represent: WIB

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Address: 275 7th AVE.

I represent: C. W. E.

Address: 275 7th AVE

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Date: 3/24/10

(PLEASE PRINT)

Name: Wanda Fossett

Address: PO Box 70288 Bklyn NY 11207

I represent: Cvth Community Voices Heard

Address: 115E 100th 3rd Fl New York, NY 1029

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Name: JOHN VALVERDE

Address: 809 WESTCHESTER AVENUE, BRONX, NY 10455

I represent: THE OSBORNE ASSOCIATION - GREEN CAREER CENTER

Address: 809 WESTCHESTER AVENUE, BRONX, NY 10455

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Name: Roger L. Green

Address: 1600 Bedford Ave, Brooklyn N.Y.

I represent: Exec. Dir. Du Bois Bunche Center

Address: for Public Policy

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in favor  in opposition

Date: 3/23/10

(PLEASE PRINT)

Name: Carol Rodat

Address: 349 E. 149th St Bronx

I represent: Paraprofessional Healthcare Institute

Address: 349 E 149th St, Bronx

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