

Understanding & Preparing for the Future of Work

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NLC NATIONAL
LEAGUE
OF CITIES

CITIES STRONG TOGETHER



NLC

WHO WE ARE

The National League of Cities (NLC) is the voice of America's cities, towns and villages, representing more than 200 million people across the country.

OUR MISSION

To strengthen local leadership, influence federal policy and drive innovative solutions.

Workforce Development is Our Members' Top Priority



Workforce & Economic Development are **the** highest priority for city leaders, outranking even housing and infrastructure.



Key Questions

- 1. What does the future of work look like, and what does that mean for the present?**
- 2. How are cities responding, and what questions can you be asking?**

The President has stated “I regard it as the major domestic challenge to maintain full employment at a time when automation, of course, is replacing workers.”

1962: President John F. Kennedy

A Fortune 100 CEO stated “it is entirely possible ... we will have a permanent segment of our society unemployed, but which will have to be provided for.”

1963: John Snyder, U.S. Industries Inc.

- 1. Increasing educational attainment remains critical for economic competitiveness.**
- 2. Demographic pressures on the labor market are continuing to mount, with no relief in sight.**

Education Beyond High School is Critical for City Vitality



During the Great Recession, over 95 percent of net new jobs went to workers with at least some college education. We saw a similar trend play out post-pandemic.

The Bureau of Labor Statistics projects that 89 percent of net new jobs over the next decade will be in occupations that require a postsecondary credential.

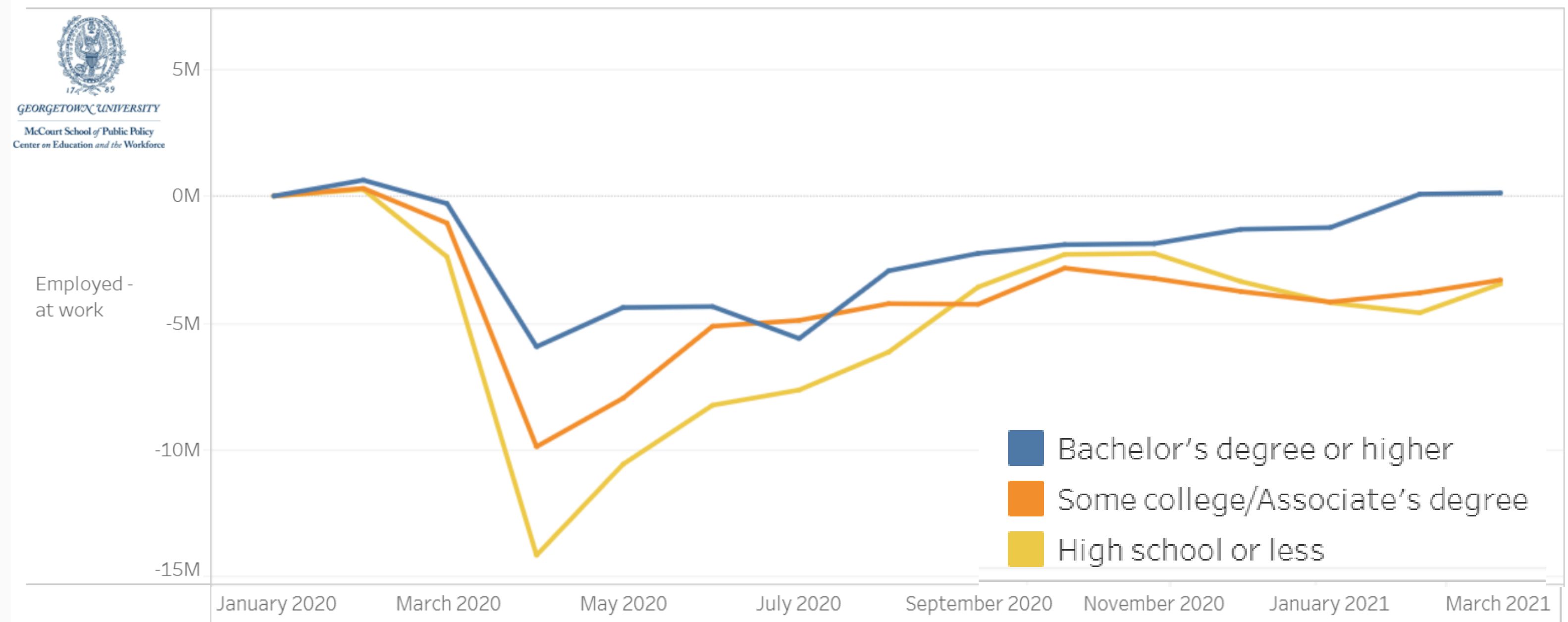
Jobs between January 2020 and March 2021:

BA & Above:
+121,904

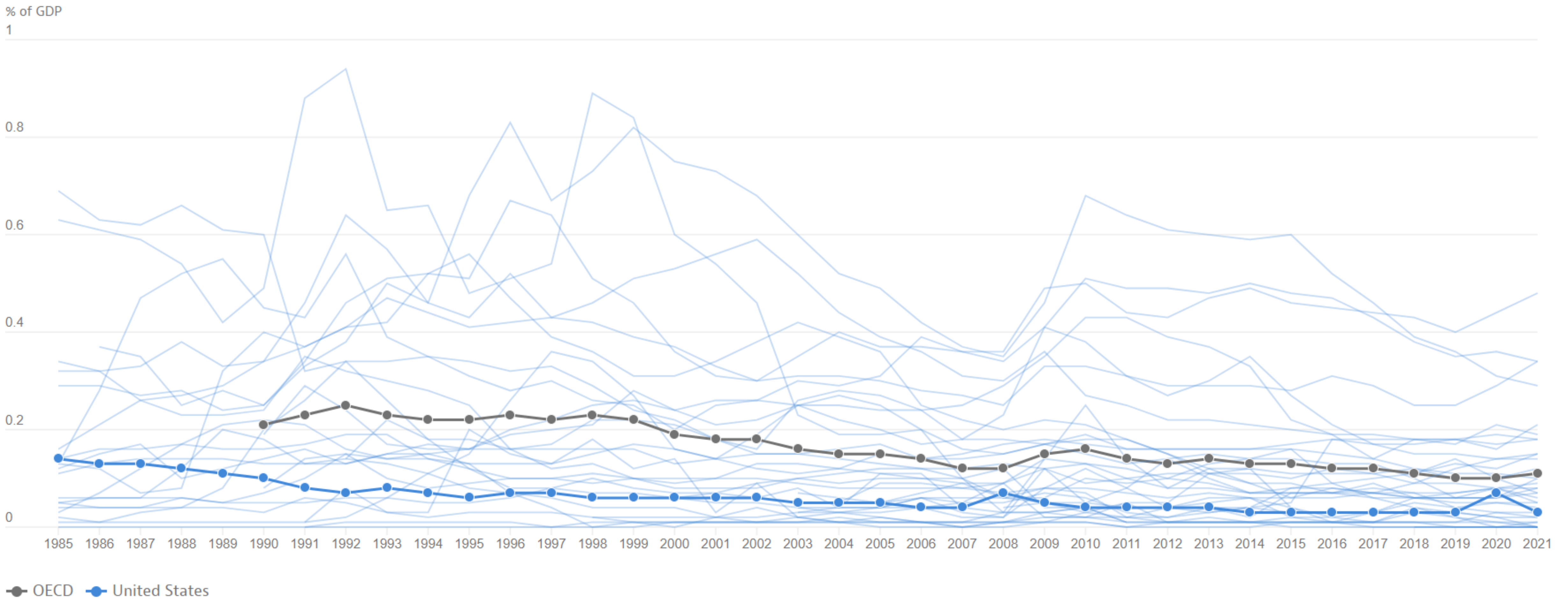
AA/Some College:
-3,313,188

HS or Less:
-3,465,557

Number of Job Losses by Education Level



US Public spending on training as a share of GDP, 1985 - 2021



2021 US Expenditures are at 21% of their 1985 levels.

Americans don't feel they have good jobs

Gallup surveyed American workers about their job across ten dimensions of job quality:

- Only **4-in-10** Americans feel they're in a 'good job'. Most don't feel like a good job is within their reach.
- Race, ethnicity and gender are strongly correlated with job quality: Nearly one-third (31%) of black women work in bad jobs, a higher percentage than in any other racial or gender group.
- Quality isn't about just pay: enjoying your work, having stable and predictable pay, and having a sense of purpose each rate more highly than level of pay among all workers

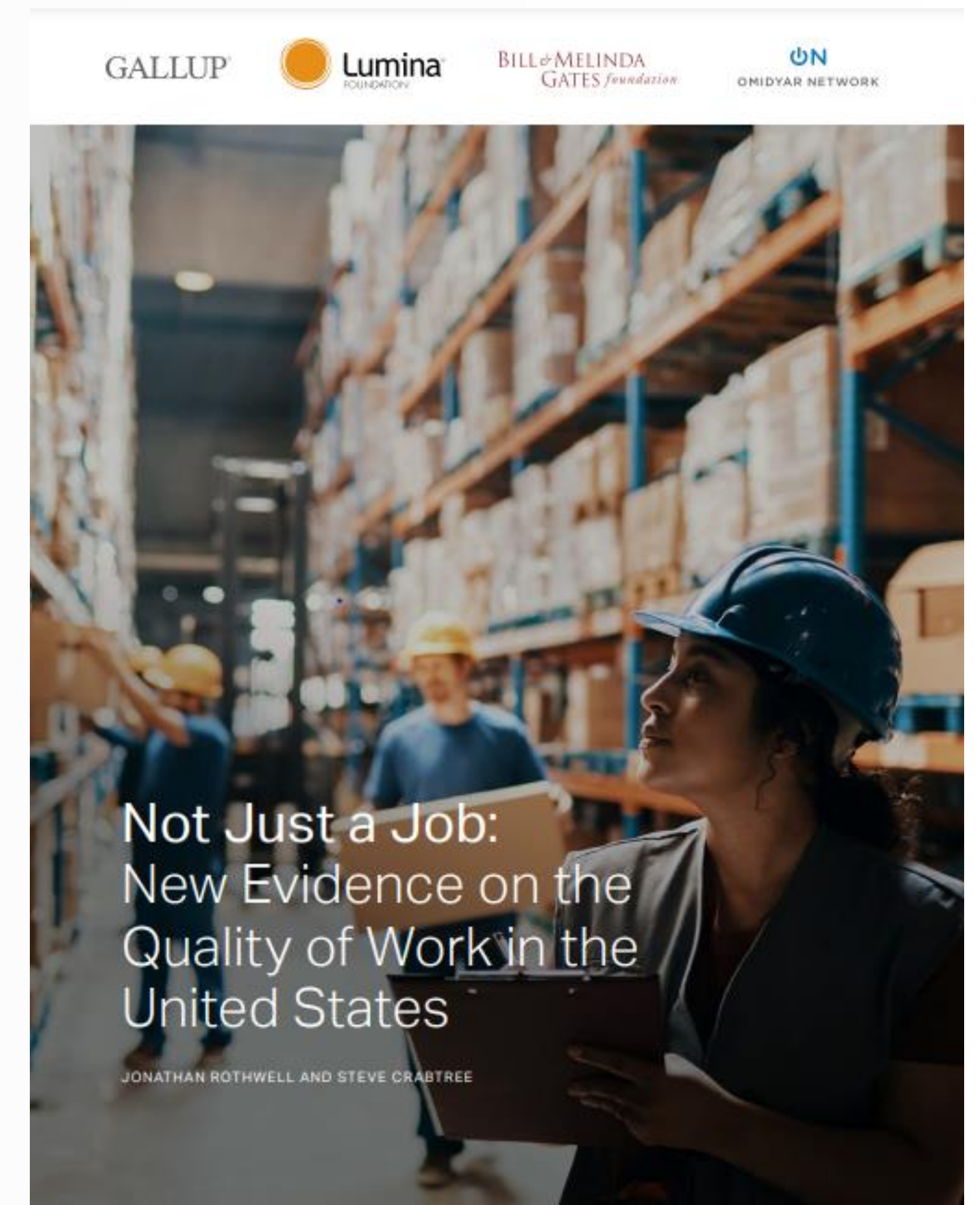
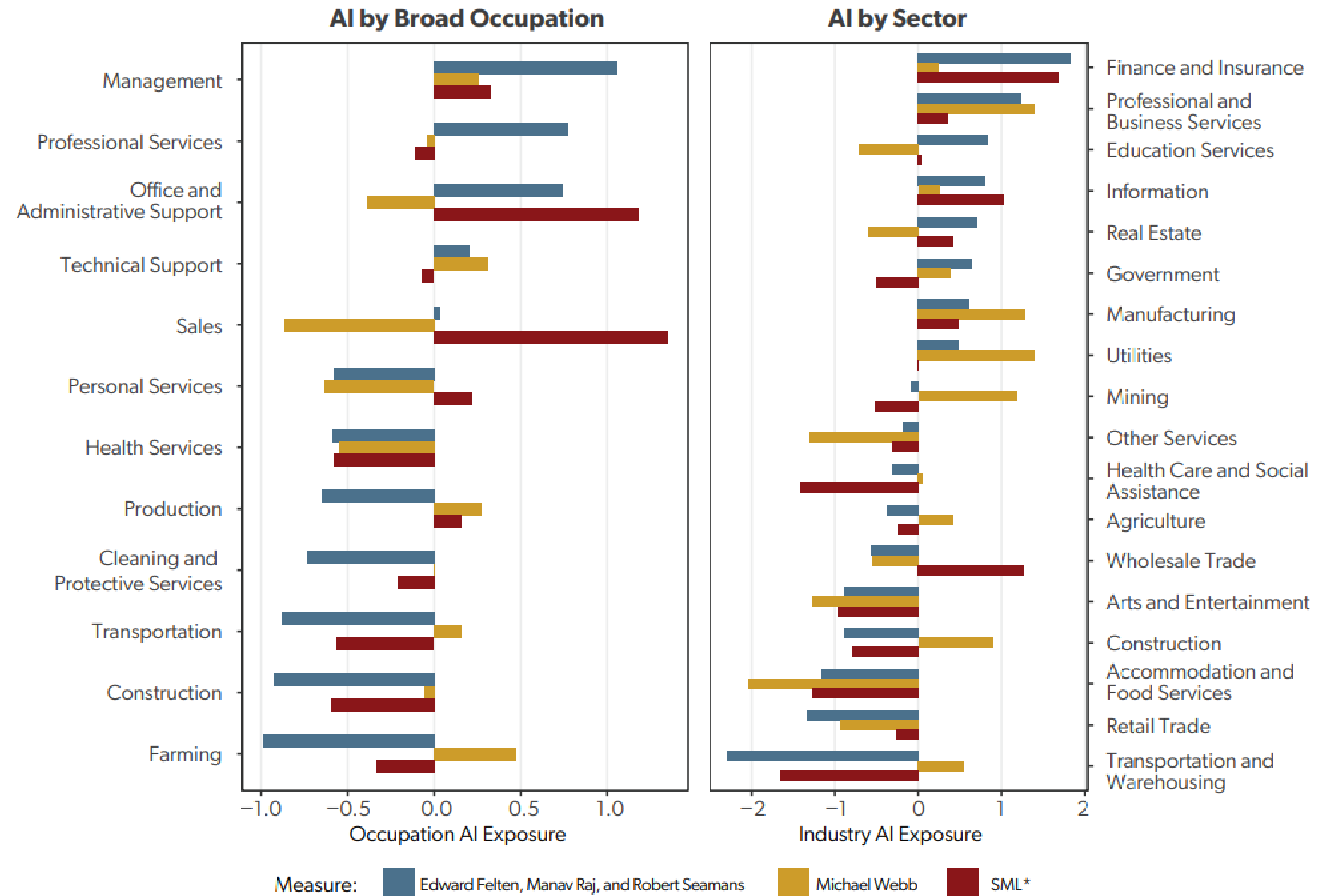


Figure 5. Occupations and Industries Have Varying Levels of Exposure to AI-Enabled Automation

The general consensus is that AI, as with prior waves of automation, is most likely to lead to **net job growth**.

Occupations with largely repetitive tasks (including many white-collar occupations) face the largest risks from automation.



Note: * "SML" refers to Erik Brynjolfsson, Tom Mitchell, and Daniel Rock's "suitability for machine learning" index.
 Source: Acemoglu et al. (2022), 33.

The “Demographic Drought”

1. Labor force participation is projected to fall from 62.2 percent in 2022 to 60.4 percent in 2032.
2. US population growth will outpace labor force growth by nearly 8 to 1.
3. All growth in the labor force since 2019 can be attributed to foreign-born workers.
4. Substance addiction and incarceration have taken 4.6 million Americans out of the labor force, predominately prime-age men.



Summing Things Up



- Human knowledge and labor will increasingly be at a premium.
- Policymakers have no easy options to address the underlying population math at play.
- The low-hanging fruit are policies that enable more workers to join from the sidelines.
- The occupations growing the fastest (Home Health Aides, Food Service, Retail, Trucking, Construction) are all labor intensive, and further, they:
 - Are difficult to automate.
 - Have few educational requirements.
 - Tend to be low-wage and low-quality (ie not competitive for labor vis-à-vis other sectors).

What are some steps local leaders can take?



1. How are cities responding, and what questions can you be asking?



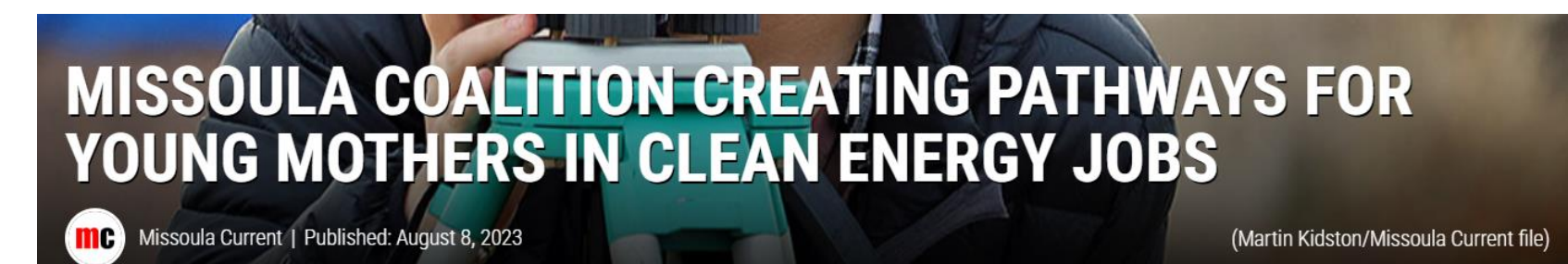
To tackle these challenges head on, the National League of Cities and the U.S. Department of Labor launched the **Good Jobs, Great Cities Academy**, an intensive year-long effort to develop innovative and scalable city-supported solutions that upskill and reskill workers into quality, high-demand jobs in infrastructure, clean energy, and advanced manufacturing jobs. We've learned how cities act as:

- Planners, by setting community wide visions and measuring the impact of workforce programs;
- Policy Makers, by leveraging city procurement and hiring policies to promote economic mobility; and
- Program Implementers, by directly funding and operating programs that connect residents to good jobs.



O'Connor announces plans for jobs, housing and those formerly incarcerated

By Ryan Marshall rmarshall@newspost.com Aug 29, 2023 22



Cities as Planners



COMMUNITY-WIDE PLANS

Cities develop strategic goals and detailed plans for advancing workforce development strategies across their entire community. Louisville, KY, has developed a comprehensive roadmap to expand their infrastructure workforce in a way that benefits residents.² The city launched new pre-apprenticeship programs, a community benefits program and instituted local hiring requirements, leading to residents getting more than 1,200 infrastructure-related jobs in 2020 alone.

MEASURING THE IMPACT OF WORKFORCE PROGRAMS

Capture and publicly report the outcomes of workforce development programs. Austin, TX, since 2017, has produced annual impact reports showing regional outcomes compared to initiative goals. In the most recent evaluation period, 14,870 residents had enrolled in training and education programs, with 71 percent of training completers entering employment, seeing wage increases of more than 250 percent compared to pre-program enrollment.

Cities as Policy Makers



HIRING POLICIES

Cities can update and change their own hiring practices to recruit talent and act as a model employer for local businesses. San Francisco, CA's Access to City Employment (ACE) program offers an alternative pathway for qualified disabled individuals to apply for entry-level roles.

LOCAL TAX ADJUSTMENTS

City-wide tax levies can raise funds for workforce development and education programs. San Antonio, TX, passed a 1/8 cent sales tax to fund the city's Ready to Work program. Adult workers making no more than 250 percent of the federal poverty guideline can apply for free career coaching, training programs and connections with resources like childcare and transportation. Since 2020, more than 1,275 city residents have completed training and been placed in a job.

Cities as Program Implementers



YOUTH EMPLOYMENT PROGRAMS

Richmond, VA, launched the Mayor's Youth Academy and MYA Forward programs, serving youth starting in the 8th grade and through the age of 24. Youth and young adults participate in work-based learning programs and receive career coaching, financial literacy training, skill development and mentorship.

JOB TRAINING, PRE-APPRENTICESHIP AND REGISTERED APPRENTICESHIP PROGRAMS

Denver, CO, offers high school seniors youth apprenticeship opportunities within city government, with participants splitting time between their high school classrooms and municipal agencies where they explore careers in local government and earn a living wage. Participants are also expected to take classes from local colleges to develop their individual skillsets and can work toward industry-recognized credentials.

Seattle, WA, invested \$1.75 million in a partnership with the Port of Seattle and Sound Transit to connect incarcerated individuals with apprenticeship programs. The initiative is part of the city's Priority Hire program, which helps those from economically disadvantaged communities find jobs in construction and trades.

Discussion Questions

- 1. Do these challenges and strategies resonate with your experiences? What other important ideas or information should we all consider?**
- 2. As NLC looks to engage a new administration on workforce development, what are the specific issues we should consider prioritizing?**