



OverviewNewsMayor's BioOfficials

De Blasio Administration Announces Overhaul Of Workforce Development To Focus On Good-Paying Jobs, Skill-Building, And Strengthening New York City's Economy

November 21, 2014

City to apply 'First Look NYC' Hiring to procurement, moving New Yorkers to front of the line applying for work at City contractors and economic development projects

Training programs to help up to 30,000 New Yorkers per year secure middle-skill jobs and work in good-paying industries

Industry partnerships and talent pipelines in tech, health care, manufacturing, construction will align training programs to employer demands

NEW YORK—Mayor Bill de Blasio today announced a major shift in workforce development to better train New Yorkers for good-paying jobs and help secure job placements in fast-growing fields. Based on a report, *Career Pathways*, released today by the Jobs for New Yorkers Task Force, the administration will invest in middle-skill job training for up to 30,000 people each year, prioritize good-paying full-time job placements at workforce agencies, and require companies doing business with the City to move New Yorkers to the front of the hiring line.

Nearly one million working New Yorkers—a quarter of the entire labor force—earn less than \$20,000 per year. At the same time, employers in fast-growing, high-paying fields are confronting a shortage of skilled workers. There is tremendous opportunity through the City's \$500 million workforce development programs to equip more New Yorkers with skills for high-quality jobs that employers need to fill.

Based on the *Career Pathways* report, the City will also replicate its Tech Talent Pipeline and New York Alliance for Careers in Healthcare (NYACH) across four other industries, with partnerships that provide real-time feedback on employer needs in growing sectors like modern manufacturing and construction. The recommendations came from a diverse range of stakeholders, including leadership from major employers like JP Morgan Chase, educational institutions like CUNY and Cornell NYC Tech, philanthropic organizations like New York Community Trust, the Central Labor Council and social service providers.

Read the Career Pathways report: nyc.gov/careerpathways

“We are confronting inequality in every way we can, and the changes we are putting in place today will be a cornerstone of our broader efforts. By better training New Yorkers for good-paying jobs and moving them to the front of the hiring line when we spend City dollars, we're investing in the economic success of working families and our economy as a whole. The future of our city cannot be one of hardworking

New Yorkers trapped in low wage jobs with no path upward. We need to equip our people and give them a better shot so we can again be a city where hard work and opportunity go hand in hand,” said **Mayor Bill de Blasio**.

The City is taking the following steps to realign its workforce development system to lift up New Yorkers and meet the needs of a 21st Century economy:

- Establishing a “First Look” hiring process requiring employers receiving City business to review and consider local qualified workers from workforce development programs at the front end of their hiring process. In FY2015, the City spent over \$17 billion in contracting. The City is committed to leveraging that purchasing power to get more opportunities for New Yorkers.
- Reimbursing workforce contracts on the basis of job quality instead of the quantity of job placements, based on concrete measures like full-time work, wage growth and job continuity
- Training up to 30,000 New Yorkers each year for skilled occupations in growing sectors by tripling the City’s investment to \$100 million for middle-skill occupations and investing \$60 million annually in new bridge programs that allow low-skill job seekers to enter training programs and prepare them for entry-level work in a growing field
- Investing \$5 million in Industry Partnerships with real-time feedback loops in six sectors: health care, technology, industrial/manufacturing and construction, which will focus on training more New Yorkers for jobs with career potential, and retail and food services, which will focus on improving the quality of low-wage occupations. Key partners like the Greater New York Hospital Association, Etsy and AppNexus have signed on as participants in their respective fields.

The Jobs for New Yorkers Task Force further recommended the City adopt the nationally recognized ‘Career Pathways’ as its framework for the workforce development system, expand Career and Technical Training (CTE) and CUNY offerings, recognizing high-road employers in traditionally low-wage industries, and expand access to financial empowerment tools. The de Blasio administration will move forward in each of these areas.

“The labor movement supports dialogue and a real plan to create sustainable careers for all working men and women,” said **Vincent Alvarez, President of the New York City Central Labor Council, AFL-CIO**. “We are committed to ensuring that all workers have access to sustainable career paths, providing the wages and benefits that allow them to live, raise families, and invest in our city.”

“‘Career Pathways’ is a welcome response to business community concerns about fragmentation and lack of performance measures in the City’s workforce development programs,” said **Kathryn Wylde, President & CEO of the Partnership for New York City**. “The de Blasio administration is launching a new approach that promises to fully engage employers and better prepare New Yorkers for jobs in our city’s growth industries.”

Read the report: nyc.gov/careerpathways

“It is essential that we equip more New Yorkers for the higher-paying, higher-skilled jobs of the new economy. With the costs of living in our city so high, we must come up with creative and effective ways to make sure wages keep up. That is why I fought to raise the minimum wage, and I am fighting to raise it even higher. I want to commend Mayor de Blasio for his commitment to reducing inequality in our city and his vision for improving the lives of New Yorkers,” said **Assembly Speaker Sheldon Silver**.

“Brooklynites want to work, and too many have been struggling to attain the skills and opportunities needed to contribute to our economy. With our borough still facing significant unemployment and

underemployment, and as we enter the challenges of the holiday season, the efforts of the Jobs for New Yorkers Task Force could not be more timely. I appreciate Mayor de Blasio's commitment to focusing on placing New Yorkers in good-paying, full-time jobs, funding the types of workforce training that our communities have recognized as a priority for years," said **Brooklyn Borough President Eric Adams**.

"It's preposterous that we're not working harder to train people to fill job shortages," said **Manhattan Borough President Gale A. Brewer**. "By better aligning the city's workforce development programs with where the jobs are, and that have career potential, we can help build a more sustainable city and reduce income inequality."

"These changes will help New York residents access quality full time employment with good benefits and future possibilities in our city's fastest growing sectors. These efforts will help them better provide for themselves and their families and strengthen our economy as a whole. I am proud to have helped bring together Bronx stakeholders earlier this year to discuss these issues with the Office of Workforce Development and to help make recommendations for this important initiative. I look forward to the impact this effort will have in my district and in New York City as a whole," said **Congressman José Serrano**.

"In order for the entirety of New York City's residents to prosper and grow, it is imperative that we provide highly skilled job training programs. The reforms touted by Mayor de Blasio will transform the way the City trains and employs New Yorkers," said **Senator Ruth Hassell-Thompson**. "By focusing on better paying jobs with opportunities for advancement, our working class families will have the tools they need to contribute and thrive in New York City."

"Our economy is strengthened when more New Yorkers are able to hold full-time jobs that offer the potential for growth," said **Assemblyman Francisco Moya**. "By refocusing our efforts on creating and training New Yorkers for high-quality, well-paying jobs, we make good on our commitment to expand the middle class and grow our economy. I commend Mayor Bill de Blasio for taking an innovative approach to economic development and look forward to working with him to ensure that more New Yorkers are able to secure high-quality jobs."

"Workforce development in New York is not just about the numbers. It's about the effort being put into creating quality jobs that working families can depend on to build sustainable careers. By providing New Yorkers with training to fill higher-paying jobs, we are taking the necessary steps to foster economic growth and equality in all of our communities," said **Assemblywoman Nily Rozic**, who worked with the City to reform the state's wage reporting system last year.

"Workforce development programs too often set people up for jobs that leave them unemployed again after only a short time," said **Council Member Garodnick, Chair, Committee on Economic Development**. "We look forward to collaborating with Mayor de Blasio to ensure that our programs yield real benefits that last."

"In order to effectively improve lower-wage jobs, we must target both skill enhancement and job quality; and we must introduce policies and measures which promote collective action in the low-wage workforce. By organizing this task force and creating a Workforce Development Office, Mayor de Blasio is effectively addressing the challenges that confront working people in New York City. I commend the administration for working to create good jobs for all," said **Stuart Appelbaum, President of the Retail, Wholesale and Department Store Union**.

“We look forward to working with this administration to promote and expand the enormously successful and nationally recognized pre apprenticeship and apprenticeship programs for the unionized construction industry and continue to build solid middle class jobs for New Yorkers,” said **Gary La Barbera, President, Building and Construction Trades Council of Greater New York.**

“We look forward to partnering with the City as it builds out the Mayor’s vision for a workforce system that creates opportunity and income mobility for all New Yorkers,” said **Ed Lynch, Special Assistant to the Region Director, UFCW international Union, Region 1.** “Partnering with labor and other stakeholders to improve job quality across multiple industries will be transformative for thousands of hard working New Yorkers.”

“Our members are some of New York’s biggest employers and we welcome the opportunity to effectively partner with the City to inform training needs and improve job quality,” said **Bill Rudin, Chairman of the Association for a Better New York (ABNY).** “With improved partnerships between employers and job training and placement organizations, the City’s significant investment in workforce development will ensure better opportunities are available to New Yorkers who are well-trained for success in their jobs, and in their careers.”

“What’s most important is making sure there are jobs at the end and that we’re responding to demand. If employers are too distant from the programs, that’s a problem. To serve people well in careers, we need to be serving employers,” said **Daniel P. Huttenlocher, Cornell Tech Dean and Provost.**

“An international survey found that 36 million U.S. adults have low basic literacy and numeracy skills and, on average, low basic skills are more common in the U.S. than in other countries. Low-basic skills impact employment, earnings and economic mobility. Forty percent of working low-skilled adults have earnings in the bottom fifth of income distribution in the U.S. Adult basic education (ABE) programs that are linked to employment or postsecondary education can help low-skilled adult learners advance along a career path and improve their employment and earnings. ‘Rising Together’ has the strategy to create those needed linkages,” said **Andy Van Kleunen, Executive Director, National Skills Coalition.**

“In the past, workforce development focused on job placement with little consideration of ‘raise the floor’ strategies, which can promote economic stability for individuals in low-wage work. The Career Pathways report weaves in both sides of the equation—knowing that workforce services need to do more to help people connect to sufficient work,” said **Maureen Conway, Vice President, Executive Director, Economic Opportunities Program Director, Workforce Strategies Initiative, Aspen Institute.**

“Building Career Pathways systems requires the alignment of regional employers’ needs with innovative workforce development and education strategies to open the doors of success to all adults and youth, especially those with barriers to economic mobility. CLASP commends Mayor de Blasio for his leadership in connecting sector-based Industry Partnerships and Career Pathways to address the needs of workers, job seekers, and employers,” said **David Socolow, Director of the Center for Postsecondary and Economic Success, CLASP.**

“This isn’t the easiest path for New York City to take. But it is the right one to help workers obtain the skills they need to earn a middle class wage, while ensuring that businesses have the skilled workforce they need to thrive in today’s new economy,” said **John Twomey, Former President, National Workforce Association.**

“The strategy set forth in the Jobs for New Yorkers Task Force report is an exciting transition for the New York City workforce system. The Taskforce took a critical view of the current system and thoughtfully included known best practices to create a progressive vision for the most innovative system in the country,” said **Melinda Mack, Executive Director of NYATEP**.

“The NYC WIB has encouraged sector specific strategies over the last several years, and we are thrilled those investments have demonstrated better returns for jobseekers and workers than general workforce training programs. We will continue to support employer-informed, sectoral trainings and welcome the additional priorities of improving job quality for low-wage workers and system alignment. The New York City WIB, one of the largest in the country, will wholeheartedly advance these goals,” said **Horace Barker, Acting Chair of the NYC Workforce Investment Board**.

“Global shifts in the economy have resulted in a demand for workers with advanced and diversified skills and knowledge. The ‘Rising Together’ recommendations for Industry Partnerships—real feedback loops are needed to correctly identify those skills in demand,” said **Kathy Krepcio, Executive Director, Rutgers, John J. Heldrich Center on Workforce Development**.

“It would be incredibly helpful to align metrics. Providers have been telling me for years how difficult it is for them to align metrics from 10 different programs. As we shift to Career Pathways, measuring how training improves wages and retention will be important,” said **Sondra Youdelman, Executive Director, Community Voices Heard**.

“A better-trained worker doesn’t create a better job; employers create better jobs. We have to incentivize that behavior change—and show how to make entry-level jobs themselves better, not just as a stepping stone. There are too many low wage jobs to assume people will just pass through them. We have to raise the floor,” said **Steven Dawson, Founder and Strategic Advisor, Paraprofessional Healthcare Institute**.

“Our business growth and success are driven by our commitment to a diverse and supportive workplace. NYC Good Business will provide Hot Bread Kitchen with an innovative tool to identify new opportunities to nurture talent and tap the full potential of our business. We looking forward to sharing this tool with the businesses we incubate, too,” said **Jessamyn Rodriguez, CEO and Founder of Hot Bread Kitchen at La Marqueta**.

“This Task Force, long overdue in our city, has been a great challenge and an even greater opportunity. Never before, I believe, has there been such an ‘all-hands’ approach—certainly, at its conclusion, there has never been more shared optimism,” said **Leo Hindery, Managing Partner, Intermedia Partners**.

“We have a prime opportunity to leverage our respective investments—those made from the government system and those made by private philanthropy—so that we are truly building a career pathways system together that is informed by industry demand. We are excited to do this formally in partnership with the City,” said **Pat Jenny, Vice President for Grants, NY Community Trust**.

pressoffice@cityhall.nyc.gov

(212) 788-2958