



America's Infrastructure First. America's Workforce First.

The crumbling nature of our national infrastructure is well documented. Leaders on both ends of the political spectrum widely acknowledge the need to fix our inner cities and rebuild our highways, bridges, tunnels, airports, schools, and hospitals. President-elect Trump has noted he will prioritize advancement of an infrastructure plan during his initial days in office and has made this a centerpiece of the work of his incoming Administration. Investing in our national infrastructure has the potential to revitalize communities, make America more competitive, and create millions of jobs. However, President-elect Trump must include as part of his infrastructure plan a parallel and resourced plan for investing in our workforce.

The allocation of only direct public investment or creation of sources of revenue for infrastructure development misses a key component to ensuring that the infrastructure projects are completed and successful—the availability of a skilled workforce to fill the jobs created from such an investment. The White House Council of Economic Advisers indicates that every \$1 billion in infrastructure investment creates 13,000 jobs and the vast majority of the jobs are good paying, middle-class jobs.ⁱⁱⁱ President-elect Trump's interest in an investment in infrastructure rebuilding of over \$500 billion means the potential creation of millions of jobs, which in this full employment economy cannot be delivered. As a result, to ensure that there is the qualified workforce to take on these important jobs, the workforce and job training skills gap needs to be resourced as well.

Current Workforce Dynamics

- Working age men not attached to the labor market was at 7 percent in 1970 and is currently at 16 percent.ⁱⁱⁱ
- Nearly a fifth of nonelderly household heads in the bottom third of the income distribution did not work at all in 2014. And only 20 percent said it was because they couldn't find work.^{iv}
- By 2020, 65 percent of all American jobs will require post-secondary education and training beyond high school.^v
- Based on the current pace, the U.S. will produce only slightly more than half of the degrees and credentials needed to fill these jobs of the future.
- Almost six million youth and young adults not in school or working, a group known as "opportunity youth," cost taxpayers \$93 billion annually and \$1.6 trillion over their lifetimes in lost revenues and increased social services.^{vi}
- Opportunity youth face considerable challenges to their educational and economic mobility. Almost all are actively looking for work but struggling to find gainful employment because they lack the qualifications and skills the labor market demands.

President-elect Trump's infrastructure plan acknowledges the opportunity that investing in our infrastructure can yield for local communities and millions of Americans. The plan emphasizes providing flexibility to states, partnering with the private sector, and using incentives to drive investments and selecting projects. America Forward supports these elements of the proposed plan and also strongly encourages President-elect Trump to consider the following actionable policy ideas related to aligning infrastructure investment with investment in our workforce to make the vision of building tomorrow's economy today a reality for communities and workers alike.

Workforce Policy Ideas to Advance Infrastructure Agenda

- I. **Provide Incentives for Tying WIOA Job Training Services with Infrastructure Funding**
 - a. Tie incentives to the allocation of the infrastructure funding to the allocation of WIOA formula and Governor's reserve dollars to fund proven programs aimed at specified workforce and employment outcomes demanded by local employers and job seekers and proven to be effective with given populations.
 - b. Support the utilization of the **Pay for Performance** authority in WIOA to redirect resources to programs and initiatives that have the ability to achieve high bar outcomes, i.e. the successful acquisition of job training skills needed to fill the jobs associated with the infrastructure investment to be made in states and cities.
 - c. Encourage leveraging and incenting with WIOA formula dollars and infrastructure funding to promote, wherever appropriate and possible, **enterprising pathway programs** that support workforce education and training and skills upgrading that align with the opportunities created through the infrastructure investment. Such pathways would result by aligning workforce training with secondary education, adult education and post-secondary education (including transition for students with disabilities). Pathway programs are also needed to reconnect opportunity youth with the workforce.
 - d. Ensure that the state and local workforce system (including its workforce boards) offers accessible **career assessment and career navigation services** for workers and job seekers, especially for adults who have learning disabilities. This should include facilitating prior learning assessments for workers and job seekers to verify their mastered competencies and, thus, speed and reduce the costs of acquiring post-secondary credentials demanded by employers.
- II. **Resource Bridge Building Opportunities for Youth and Adult Workers**
 - a. Support a **Civilian Service Option** as an eligible benefit through the Department of Labor veteran's assistance program that would provide returning veterans with much-needed transition time, pathways to education, and training for jobs specifically aligned with a state or community's infrastructure investment job needs.
 - b. Educate employers and state and local governments that participate in federal workforce and educational programs about the role and value of **social enterprise** in training and preparing the workforce. In addition, federal government should support social enterprise growth by establishing procurement preferences for social enterprise organizations and by allowing access to small business programs to nonprofits that operate businesses directly related to skilling up the workforce for infrastructure related job opportunities.
- III. **Support and Scale Investment in Programs that Skill Up and Hire Opportunity Youth**
 - a. Reinstate the **Work Opportunity Tax Credit** to provide employers with an incentive to hire young adults who were neither in school nor in the workforce or to invest in apprenticeship options to help skill up this population with specific emphasis on infrastructure related investments.
 - b. Scale up effective programs such as **YouthBuild** that create opportunities for 16 to 24 year olds to work towards their GED or high school diploma while learning job skills that could be tied directly to the skills needed to fill the jobs associated with the infrastructure projects supported by states and local communities.

ⁱ Department of Treasury, An Economic Analysis of Infrastructure Investment: A Report Prepared by the Department of Treasury with the Council of Economic Advisors (2010), https://www.treasury.gov/resource-center/economic-policy/Documents/infrastructure_investment_report.pdf

ⁱⁱ Federal Highway Administration, Employment Impacts of Highway Infrastructure Investment, U.S. Dep't of Transportation (Nov. 2015), <http://www.fhwa.dot.gov/policy/otps/pubs/impacts>.

ⁱⁱⁱ <https://www.brookings.edu/research/one-third-of-a-nation-strategies-for-helping-working-families/>

^{iv} <https://www.brookings.edu/research/an-agenda-for-reducing-poverty-and-improving-opportunity-2/>

^v https://cew.georgetown.edu/wp-content/uploads/2014/11/Recovery2020.ES_Web_.pdf

^{vi} C.R Belfield, H.M. Levin and R. Rosen. "Economic Value of Opportunity Youth," January 2012, www.civicenterprises.net/MediaLibrary/Docs/econ_value_opportunity_youth.pdf; <https://opportunitynation.org/latest-news/5-6-million-youths-school-work/>