

## GOOD JOBS IN FEDERAL INVESTMENTS:

# A TOOLKIT FOR EMPLOYERS, WORKERS, AND GOVERNMENT



#### Introduction

Through the Bipartisan Infrastructure Law (BIL), the CHIPS and Science Act and the Inflation Reduction Act (IRA), the Biden-Harris Administration is making historic investments in infrastructure, clean energy, and domestic manufacturing that will accelerate the economy, strengthen supply chains, and boost American competitiveness. These laws will grow the economy from the bottom up and the middle out by ensuring that federal funds support quality jobs and equitable pathways into these good jobs. The Department of Labor (DOL) advances the Administration's job quality and equity priorities through its workforce development and enforcement programs, as well as the technical assistance and guidance that the Department's Good Jobs Initiative provides to its partners and stakeholders within the federal government and beyond.

This toolkit is designed to support federal agencies, state, local, territory, and tribal governments, employers, labor and worker advocacy organizations, as well as other entities as they focus on improving job quality and equity. It provides information on DOL's Good Jobs Initiative, delineates basic elements of a good job, identifies actions that employers, workers, and government can take to support job quality, and outlines a framework for leveraging federal funding to support equity and job quality.

#### **Biden-Harris Administration Commitment to Working People**

The Biden-Harris Administration is committed to an economic vision that "works for everybody" by centering "good paying jobs" with the free and fair choice to join or form a union.¹ This simple commitment represents a monumental shift in how government works and who government serves. Historically, women,² people of color,³ individuals with disabilities,⁴ people living in rural areas,⁵ and other underserved⁶ communities experienced limited benefits from federal economic investments and related job creation or suffered as the result of purposeful exclusion from the benefits of such investments.¹ This Administration is focused on redressing past harms⁶ and enduring inequities to ensure that government works for all people across our nation. This commitment to economic opportunity will unlock greater talent, strengthen the labor force, and grow our economy in communities nationwide.

Workers' wages and benefits are not what they need to be. Wages are often low; adjusted for inflation, the typical male worker earned no more in 2019 than his counterpart did 40 years earlier. And for women, people of color, and many others, poor and unsafe working conditions, low pay, unpredictable schedules, and lack of career opportunities are a common experience due to a long history of discrimination, labor exploitation, and overrepresentation in low-wage industries. In fact, the Job Quality Index —which measures the rate of good paying jobs in the economy — has been on the decline for decades. These dynamics have been exacerbated by the COVID-19 pandemic, during which Black and Hispanic workers, and workers in low paying jobs experienced the greatest deterioration of job quality. Data shows that workers in low-paid industries where women and people of color are overrepresented are leaving their jobs at record rates and seeking good jobs.



In order to recruit and retain a skilled workforce, job quality must improve. High quality jobs are a winwin-win for workers, employers, and communities.

Workers in good jobs have lower turnover, higher productivity, and their employers spend less time and money hiring and training new workers.<sup>12</sup>

Projects utilizing union workforces also experience fewer delays and higher on-time completion rates compared to non-union contractors. This is why it is paramount that federal investments in infrastructure and supporting industries support good quality jobs and project labor agreements.<sup>13</sup>

#### What Is the Good Jobs Initiative

The Good Jobs Initiative, led by the Department of Labor, is focused on providing valuable tools and information to workers, employers, and government as they work to improve job quality and expand opportunity for all working people. Through the Good Jobs Initiative, DOL has formalized partnerships with other **federal agencies** to strengthen job quality through billions of dollars in federal investments. The Good Jobs Initiative supports employers in implementing job quality by promoting DOL's compliance assistance, educating employers about job quality provisions in federal investments, and amplifying case studies and best practices. Finally, the Good Jobs Initiative seeks to empower workers by providing information about worker rights, resources, and workforce development opportunities in key industries. For more information about the broad array of work supported by the Good Jobs Initiative visit GoodJobs.gov.

#### For Federal Agencies

The Good Jobs Initiative helps federal agencies leverage their grant-making, procurement, and other investment dollars to improve job quality, promote equity, and support economic empowerment for communities across the nation. As of February 1, 2023, inter-agency teamwork coordinated by the Good Jobs Initiative has resulted in the availability of over \$97 billion dollars in Bipartisan Infrastructure Law funds with equity and job quality incentives.<sup>14</sup> Moreover, the hundreds of billions of dollars administered by the federal government stemming from the CHIPS and Science Act<sup>15</sup> and

#### Job Quality at DOL

The work of the Good Jobs Initiative is informed by, and informs, DOL's efforts to ensure that its own grantees provide good jobs to their employees and create pathways to high-quality jobs for their participants.

For example, the Women's Bureau's Women in Apprenticeship and Nontraditional Occupations (WANTO) program, which helps to expand pathways for women to enter and lead in industries where they are underrepresented, awards merit points for applicants that demonstrate commitment to equity and job quality for their own employees.

Furthermore, DOL's Employment and Training Administration (ETA) has strengthened its Apprenticeship Building America (ABA) grants by requiring that applicants specify how their programs will expand the diversity, equity, inclusion, and accessibility of Registered Apprenticeships and move participants into high quality jobs in critical and in-demand industries. Merit points were awarded based on how successfully applicants were able to demonstrate their commitment to these priorities, which guarantees that all awardees will have a strong equity and job quality focus.

The Good Jobs initiative is incorporating lessons learned from DOL programs into the Technical Assistance it provides to its partners, and similarly applying the insights from these partnerships to other DOL programs.

# Job Quality in DOT's Raise Grants

in collaboration with the Good Jobs Initiative, the Department of Transportation included incentives for the creation of good jobs in their Rebuilding American Infrastructure with Sustainability (RAISE) Grant. There, applicants could demonstrate that they met the "Economic Competitiveness and Opportunity" criterion in the RAISE Grant by indicating their commitment to use "project labor agreements," "local hire provisions," "Registered Apprenticeships," or other tools proven to support the creation of good paying jobs.

RAISE Grant applicants that satisfied this criterion and other key criteria were more likely to be selected as an awardee. Committing to equity and job quality gave applicants a preference in the RAISE Grant selection process.

Inflation Reduction Act<sup>16</sup> provide federal agencies with many other significant opportunities to engage in this important work.

Partnership between DOL's Good Jobs Initiative and federal agencies are often formalized via Memoranda of Understanding (MOU) or Memoranda of Agreement (MOA). These agreements provide both parties with a platform to clearly communicate their shared intention to leverage federal funding to support equitable workforce development pathways into good jobs where workers have the free and fair opportunity to join a union and collectively bargain.<sup>17</sup> Additionally, the structure of the MOUs outlines the working relationship between agencies and the Good Jobs Initiative and facilitates regular discussion and collaboration. Agencies benefit from DOL's technical assistance and tailored recommendations.

As a part of their work with the Good Jobs Initiative, federal agencies explore and utilize the legal authority they may have to embed job quality incentives into formula funding, competitive grants, and cooperative agreements. In cases where agencies have the statutory authority to embed equity and job quality incentives into their grants, they often appear as preference points or merit criteria.

Partnership with the Good Jobs Initiative also includes leveraging procurement to create good jobs. The U.S.

federal government is the largest purchaser of goods and services in the world. By leveraging this purchasing power, the federal government can establish practices that impact our society, economy, and labor markets for generations to come. Smart procurement policy can support the success of small businesses, Bensure efficient completion of construction projects, and improve wages and access to paid sick leave for workers on federal contracts. DOL's Good Jobs Initiative partners with federal agencies to explore how they can maximize their use of existing procurement policies to support equity and job quality.

#### For States, Tribes, Territories, and Localities

While most of the government-facing work of the Good Jobs Initiative focuses on federal agency partners, states, tribes, territories, and localities also will benefit from this guide, which can serve as a model for cross agency collaboration designed to support equitable workforce development pathways into good jobs. Many of the federal funds that are being coordinated through Good Jobs Initiative partnerships will be dispersed to states, Tribes, territories, and localities that can explore their legal authority to embed requirements or preferences in their funding opportunities that are designed to support equity and job quality. Governments receiving federal funds may be able coordinate



Workforce Innovation and Opportunity Act (WIOA) funding and other <u>DOL competitive grants</u> to support workforce development connected to infrastructure investments.

In addition, state agencies receiving federal dollars (like state transit authorities, energy departments, etc.) may want to consider entering into MOUs with their state or local workforce boards (if such a partnership does not already exist) to support the development of critical talent pipelines that can train and recruit diverse workers from underserved communities to meet the increased demand for skilled labor spurred by federal investments. Understanding this Administration's focus on equity and job quality, and the resources that are available, will help states, tribes, and localities become more competitive as they apply for federal funds.

#### For Employers

Employers that apply for contracts under BIL, CHIPS, or IRA programs should use this guide to learn more about the administration's equity and job quality priorities and how they may be incorporated in federal funding opportunities. Employers should proactively consider what they can do to improve job quality for their workers and promote a diverse, equitable, inclusive, and accessible workplace. The Department of Commerce, in partnership with the Department of Labor, has developed a Job Quality Toolkit to assist all kinds of organizations in improving the quality of jobs they offer. Even when not required by procurement criteria, any employer can adopt proven methods that promote job quality and project success, such as Project Labor Agreements (PLAs) and Community Benefit Agreements (CBAs). This resource, in combination with the materials provided in this guide, can help employers become more competitive for infrastructure contracts while increasing worker retention and productivity. We encourage employers that are interested in becoming leaders in the field to contact the Good Jobs Initiative (at GoodJobsInitiative@dol.gov) to learn more.

#### Job Quality in Procurement

The General Service Administration (GSA) is working with the Good Jobs Initiative to incorporate terms that require participation in DOL's Office of Federal Contract Compliance Programs (OFCCP) Mega Construction Project Program into Bipartisan Infrastructure Law procurements.

When OFCCP designates a construction project as a Mega Construction Project, OFCCP offers contractors and subcontractors extensive compliance assistance, conducts compliance evaluations, and fosters collaboration across the public and private sectors to support equal employment opportunities. From the earliest stages of a designated Mega Construction Project, OFCCP engages a wide range of stakeholders in the community to remove hiring barriers and promote consideration of a diverse pool of qualified workers for jobs in the trades.

Through this partnership, GSA and DOL are working to expand the reach of existing procurement policy.

#### For Labor and Worker Organizations

Labor and worker advocacy organizations should use this guide to learn more about what the administration considers essential elements of a good job, as well as read through resources that will inform efforts on the ground to improve job quality. The resources listed in the following section



can help labor and worker advocacy organizations educate their members and better engage state and local government, as well as area employers, on job quality and equity commitments. Additionally, organizations can view open federal funding opportunities with a job quality focus to better collaborate with other area stakeholders in applying for and maximizing these opportunities. These opportunities are accessible via formula and competitive grants, cooperative agreements, and other arrangements. Finally, organizations should frequently check the Department of Labor Grants website to view currently available and upcoming funding opportunities that seek to expand workforce development and better prepare organizations to develop successful partnerships in pursuing federal investments.

### How Federal Agencies Can Ensure Funding Supports Quality Jobs

Federal agencies administering Bipartisan Infrastructure Law (BIL), CHIPS and Science Act, and Inflation Reduction Act (IRA) funds have a historic opportunity to support high quality jobs. However, to ensure that federal investments create good jobs, agencies must have an ongoing commitment to embed job quality and equity principles in their programs, with critical interventions both before and after awarding funding. This section provides an overview of policy levers that may be available to **federal agencies** as well as resources to assist agencies in unleashing their power to promote quality jobs and equity. The items included in this guide are intended to be broadly applicable to a range of programs, including grants that are awarded to public, nonprofit, and private sector organizations. Many of these resources are also applicable to **states**, **tribes**, **territories**, **or localities** that receive and distribute infrastructure funding. Finally, **employers** and worker organizations can use the information provided here to better understand how the administration is prioritizing job quality and equity in infrastructure investments and how they can engage with one another around these issues.

#### Before Federal Funding Is Awarded

- Review the Department of Labor and Department of Commerce Job Quality Principles.
- Explore the list of DOL curated <u>tools</u>, <u>resources</u>, <u>and technical assistance for making good jobs</u>. Agencies may find the <u>Project Labor Agreement</u> and <u>Union 101</u> guides particularly useful.
- Federal agencies can use the <u>Good Jobs Initiative Job Quality Checklist</u> to identify critical
  job quality and equity policies to embed into their funding opportunities as requirements,
  preferences, or encouragements. Review <u>Previous Bipartisan Infrastructure Law (BIL) grants</u>
  with focus on equity and job quality for examples on how to embed job quality in funding
  announcements.
- Reference the <u>Job Quality and Equity Notice of Funding Opportunity (NOFO) Draft Language</u>
   for Federal Agencies to find sample language for requirements, preferences, or encouragements
   for job quality and equity standards. Critical job quality and equity policies covered in this
   document include the use of labor peace, project labor, or collective bargaining agreements;
   union neutrality; distribution of workplace rights to workers; local and economic hiring; preventing
   worker misclassification; preventing labor abuses in outsourcing; diversity, equity, inclusion, and
   accessibility (DEIA); workforce development; and prevailing wages. Agencies may also consider
   requiring grant recipients to fund community monitoring initiatives where trusted community



- groups provide oversight on project implementation to ensure that it meets job quality, health and safety, and DEIA standards. As agencies consider implementing Good Jobs policies in funding opportunities, agencies must review what is allowable pursuant to their underlying statutory authority and must follow the OMB Uniform Guidance where applicable (note that some agencies may have promulgated exceptions to or deviations from the Uniform Guidance in their adoption of the Uniform Guidance).
- To the extent allowable under their existing authority, federal agencies should add language to funding announcements encouraging, preferencing, or requiring funding recipients and subrecipients to collect and report job quality data to the funding agency. At a minimum, this data should include characteristics about workers employed on grants or contracts, including race, ethnicity, age, gender, and disability status, and characteristics of supported jobs, including average wages, hours worked, and union coverage. Whenever possible, data should be made publicly available to promote transparency, accountability, and community monitoring. Review the <u>Job Quality Measurement Initiative report</u> and refer to the <u>Data and Reporting Appendix</u> for additional guidance on the type of data that federal agencies should require of public and private sector grantees.
- Government agencies should contact the DOL Good Jobs Initiative at <a href="GoodJobsInitiative@dol.gov">GoodJobsInitiative@dol.gov</a> for a deeper dive on critical job quality and equity policies, assistance in drafting funding opportunity language, and to provide technical assistance to grant reviewing staff on these principles.
- Agencies should provide technical assistance, including presentations, for funding applicants and other stakeholders on how to embed good jobs priorities into their grant applications.
- Agencies should assess what funds are available for workforce development, whether in BIL, CHIPS, IRA funds or elsewhere, and what are allowable expenses for those funds. Create requirements, preferences, or encouragements for how those funds are spent with a focus on proven tools for ensuring high job quality for all workers, such as supportive services during training, pre-apprenticeship, apprenticeship, and employment.

#### After Federal Funding Is Awarded

- Agencies administering funding should provide technical assistance to grant awardees on how to implement job quality priorities as they develop project plans and implement grant agreements.
- Agencies should create opportunities for funding recipients to convene with other local stakeholders including local government; minority, and women-owned businesses; education and vocational training partners; state and local workforce development boards; and unions, tradeswomen, contractors, and community groups trusted by the communities they serve to discuss and implement effective strategies for recruiting, hiring, and retaining a diverse and highly-skilled workforce. Encouraging or funding community monitoring initiatives and access and opportunity committees may be an effective strategy to ensure stakeholder engagement and oversight.
- Agencies should develop job-quality and equity-focused monitoring functions to measure program outcomes against benchmarks established in funding recipients' project plans. When necessary, agencies should use data to provide targeted technical assistance to grantees. Agencies should establish feedback loops to ensure job-quality and equity data is being used to improve program



- administration and oversight. Whenever possible, agencies should make job quality and workforce data public to inform relevant stakeholders, community monitoring efforts, and workforce system partners. Refer to the <u>Data and Reporting Appendix</u> for additional guidance.
- Agencies and grantees should contact DOL for assistance with creating their workforce training plans. DOL's Employment and Training Administration (ETA) can help federal and private sector partners develop a workforce strategy that centers equity and leverages evidence-based training models to prepare workers for quality jobs, either directly or through facilitating connections to technical assistance centers and workforce boards. ETA can also assist by providing labor market data and insights, developing and sharing skills and competency models, and delivering technical assistance on emerging and proven approaches to workforce development. Finally, ETA may be able to support partners by engaging with grantees at the national, state, and local level to ensure that there is a feedback loop which encourages continual improvements.
- Specific information about investments can complement labor market statistics and provide actionable information to those engaged in workforce preparation. Agencies should share information about BIL, CHIPS, and IRA-funded projects with DOL, including analyses or data which is useful for understanding and anticipating existing and emerging workforce and skill needs. This might include information on the estimated number of jobs and occupations associated with specific investments; existing quantitative analysis or narrative reports for specific sectors or projects; information on specific skills and credentials associated with projected or actual jobs connected to the investments; statute-mandated research studies, data releases or analyses; and other sources that inform labor market preparation. As appropriate, this information should also be made public to better inform the public workforce system, key stakeholders, and workers.
- Agencies, workers, and employers should publicize projects that have committed to equitably
  creating quality jobs and share success stories with stakeholders and the Good Jobs Initiative (at
  GoodJobsInitiative@dol.gov).

#### **At Every Opportunity**

- Agencies should find opportunities to educate grantees and stakeholders on why job quality
  and equity are important. Include job-quality and equity content in external presentations and
  stakeholder outreach. Watch DOL's <u>Good Jobs Summit</u> for inspiration or contact DOL's Good
  Jobs Initiative (at <u>GoodJobsInitiative@dol.gov</u>) for assistance.
- Agencies should organize community outreach events or listening sessions in local communities to better understand what job quality and equity issues are important to them.

#### **Endnotes**

- <sup>1</sup> https://www.whitehouse.gov/briefing-room/speeches-remarks/2022/11/02/remarks-by-president-biden-at-the-infrastructure-talent-pipeline-challenge-event/
- <sup>2</sup> https://www.brookings.edu/research/reversing-americas-poor-track-record-on-inclusivity-in-infrastructure-jobs/
- 3 Ibid
- <sup>4</sup> During the New Deal, the Works Progress Administration which spanned the 30's and 40's –and is often held up as a successful infrastructure and jobs initiative— was imbued with gender, race, and disability discrimination. At the time, women made up 25% of the civilian labor force but were only employed in 12% to 18% of WPA jobs, states were permitted to undermine and limit job access for disabled workers, and Black workers and women workers were found to be less qualified for training and employment. <a href="https://www.brookings.edu/research/reversing-americas-poor-track-record-on-inclusivity-in-infrastructure-jobs/">https://www.brookings.edu/research/reversing-americas-poor-track-record-on-inclusivity-in-infrastructure-jobs/</a>
- <sup>5</sup> https://www.irp.wisc.edu/resource/many-rural-americans-are-still-left-behind/
- <sup>6</sup> BIPOC individuals, LGBTQ+ individuals, women, immigrants, veterans, individuals with disabilities, individuals in rural communities, individuals without a college degree, individuals with or recovering from a substance use disorder, and justice-involved individuals. <a href="https://www.dol.gov/general/good-jobs/about-us">https://www.dol.gov/general/good-jobs/about-us</a>.
- <sup>7</sup> https://www.brookings.edu/research/reversing-americas-poor-track-record-on-inclusivity-in-infrastructure-jobs/
- In the Executive Order on Advancing Racial Equity and Support for Underserved Communities through the Federal Government, President Biden committed to systemically redress inequities in federal policies, advance equity across the Federal Government, and create opportunities for the improvement of communities that have been historically underserved to the benefit of us all. <a href="https://www.whitehouse.gov/briefing-room/presidential-actions/2021/01/20/executive-order-advancing-racial-equity-and-support-for-underserved-communities-through-the-federal-government/">https://www.whitehouse.gov/briefing-room/presidential-actions/2021/01/20/executive-order-advancing-racial-equity-and-support-for-underserved-communities-through-the-federal-government/</a>
- 9 https://fred.stlouisfed.org/series/LES1252881900Q
- 10 https://ubwp.buffalo.edu/job-quality-index-jqi/
- " https://www.bls.gov/news.release/jolts.t04.htm; https://www.pewresearch.org/fact-tank/2022/03/09/majority-of-workers-who-quit-a-job-in-2021-cite-low-pay-no-opportunities-for-advancement-feeling-disrespected/
- https://www.whitehouse.gov/cea/written-materials/2022/04/06/blocking-the-low-road-and-paving-the-high-road-management-practices-to-improve-productivity/
- <sup>13</sup> https://illinoisepi.files.wordpress.com/2022/02/ilepi-pmcr-construction-labor-shortage-agc-report-final.pdf
- <sup>14</sup> Please visit <a href="https://www.dol.gov/general/good-jobs/gji-impact">https://www.dol.gov/general/good-jobs/gji-impact</a> for an up to date estimate of GJI's impact
- 15 https://www.axios.com/2022/08/09/biden-chips-bill-signing
- 16 https://www.democrats.senate.gov/imo/media/doc/inflation reduction act one page summary.pdf
- See MOU with DOT <a href="https://www.dol.gov/sites/dolgov/files/OPA/newsreleases/2022/03/OSEC20220210.pdf">https://www.dol.gov/sites/dolgov/sites/dolgov/files/OPA/newsreleases/2022/06/OSEC%20DOE%20MOU.pdf</a>; and MOU with Commerce <a href="https://www.dol.gov/sites/dolgov/files/OPA/newsreleases/2022/06/OSEC%20DOC%20MOU.pdf">https://www.dol.gov/sites/dolgov/files/OPA/newsreleases/2022/06/OSEC%20DOC%20MOU.pdf</a>
- 18 https://www.whitehouse.gov/cea/written-materials/2021/12/01/the-benefits-of-increased-equity-in-federal-contracting/
- <sup>20</sup> https://www.whitehouse.gov/briefing-room/presidential-actions/2022/02/04/executive-order-on-use-of-project-labor-agreements-for-federal-construction-projects/
- <sup>21</sup> https://www.whitehouse.gov/briefing-room/statements-releases/2021/04/27/fact-sheet-biden-harris-administration-issues-an-executive-order-to-raise-the-minimum-wage-to-15-for-federal-contractors/
- <sup>22</sup> https://www.govinfo.gov/content/pkg/DCPD-201500601/pdf/DCPD-201500601.pdf

