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Testimony - April 2006

Beyond the Construction Commission

CUF Project Director David Jason Fischer testified at an April 4 City Council hearing on the work of the Mayor's Commission on Construction Opportunity, citing the Commission as a model for attaching young New Yorkers to career-track jobs in other key city industries.

by David Jason Fischer

I'm David Fischer, project director for workforce and social policy of the Center for an Urban Future, a Manhattan-based non-partisan public policy think tank that conducts research on important issues concerning economic development, workforce development and social policy for New York City. Thank you for the privilege of testifying today on the work of the Mayor's Commission on Construction Opportunity. My remarks for the most part will not address the initiatives of the Commission themselves, but rather the nature of the construction industry and how the model of the Commission might be applicable in other key sectors of our City's economy to advance the goal of creating and sustaining middle-income, career-track jobs.

The members of the Commission and the institutions they represent deserve the congratulations and thanks of all New York City for what their work has yielded. Construction is an industry of great importance to New York, both for its works—the imminent major projects that helped spur the Commission into existence will transform both the physical appearance and the character of the City—and its significance within our changing economy. Construction is one of a relatively small (and steadily shrinking) number of industries in which a woman or man can earn a family-supporting income without a college degree, and its jobs are largely sheltered from the uncertainties of the global economy. They can't really be outsourced—the work of building something mostly has to be done where the building will be—and while technological advances might somewhat reduce the need for manpower, these jobs cannot be automated to anything close to the extent of, say, automobile production.

These traits—relatively low educational barriers to entry, competitive pay, and relative security in an age of outsourcing and downsizing—render construction careers of particular value for New Yorkers who might lack advantages of wealth and access to high-quality education. In 2002, the state Department of Labor projected that more than 2,000 new construction jobs per year would be created in the City through 2012; given the additional projects that have come online since then, the

actual number might prove significantly higher. The accomplishment of the Commission is to ensure that as these jobs appear, they will be available to city residents in a more equitable and rational fashion than might otherwise have been the case, and that key institutions are committed to preserving the quality of the construction industry workforce.

But it's not only new jobs that will need to be filled. In its provisions to set up pathways for young workers to enter the field, the Commission will also help address the growing problem of construction's graying workforce. As of 2000, according to U.S. Census data, more than a quarter of New York City construction supervisors were over 50 years of age; slightly less than a quarter of plumbers; and more than twenty percent of carpenters and electricians were over 50 as well. Six years later those numbers are almost certainly higher. Many of the tradespeople who will start work soon after groundbreaking at Atlantic Yards, the Columbia expansion, Moynihan Station, and the rest will be retired by the time ribbons are cut at those sites. The Commission's initiatives will go a long way toward preparing their replacements.

Construction, however, is not the only field of major economic significance in which we are facing a potential "retirement crisis." Viewed from a slightly different perspective, however, this problem looks like a tremendous opportunity to move young New Yorkers into career-track employment. Health care is one high-profile example: of the city's Registered Nurses, nearly thirty percent were 50 or older in 2000, and among Licensed Practical Nurses the proportion is one in three. Others include teaching, government, high-end manufacturing, automotive and aviation maintenance—all fields in which aging incumbent workers are likely to vacate positions in the near future. As in construction, we can set up pathways to train the hundreds of thousands who will replace them and are eager to find not just jobs, but true careers.

If we believe that the Mayor's Commission on Construction Opportunity has been a success in aligning stakeholder interests with the public interest to broaden the reach of employment opportunities while ensuring a pipeline of highly skilled workers, the question becomes whether we can replicate the model in these other fields. The Commission shows that a cross-sector collaboration of unions, employers, educators, community activists and government officials working together can find creative ways to collaborate for shared gain. I respectfully call upon the Bloomberg administration and the City Council to investigate how we can look to the Commission's example to further expand employment opportunities for all New Yorkers.

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