New report finds foundations in Ohio to build green pathways out of poverty

The newly released Policy Matters Ohio report, Building Green Pathways out of Poverty, finds that Ohio has enacted a number of foundational policies and programs to drive investment in the clean energy economy, align economic development strategies with workforce training needs, and help prepare women and minority workers for these opportunities. The report examines the best practices nationwide, assesses Ohio’s progress, and makes recommendations to accelerate Ohio’s progress.

“Ohio has taken several positive steps in the direction of having a clean energy economy and preparing formerly excluded workers to be part of it,” said Amanda Woodrum, report author and researcher at Policy Matters. Among the steps she cited are that Ohio has: adopted renewable energy and energy efficiency standards for electric utilities; created the Green Pathways Advisory Council to bring together employers, labor and community leaders, and agency officials to align sustainability and workforce training; built new schools to green standards and encouraged responsible bidders promoting career pathways to apply for the work; and grew a network of apprenticeship prep programs to help build skills and prepare low-income workers, particularly women and minorities, for the clean energy economy.

“The clean energy revolution is driven in part by a partnership between labor, environmental, community, business and government leaders, working together toward policy that promotes economic-development, good jobs, environmental protection and career pathways,” said Woodrum.

The report cites best practices elsewhere. To achieve the greatest return on public investment, a growing number of state and local governments are using best value contracting practices such as community benefits agreements—agreements between project employers and labor, community, environmental, and faith-based leaders designed to ensure benefits from the projects accrue to the communities in which they are located. These agreements incorporate provisions that ensure skill development and target women and minorities for jobs, training, and training preparation. Publicly-funded green projects provide an opportunity to create on-the-job training opportunities for apprentices. To encourage use of apprentices, however, Ohio’s contracting process for awarding public funds must be reformed.
Contracts currently go to the lowest bidder, a system that rewards contractors who concentrate more on costs than on quality. Low-quality work can mean higher energy bills and more rapidly degrading infrastructure while low wages contribute to rising poverty rates, fewer roads to the middle class, and increased use of public work support systems to supplement low wages.

“Ohio should take the high road when spending public funds,” said Steve Lipster, Director of the Electrical Trade Center in Columbus and member of the International Brotherhood of Electrical Workers. “‘Best-value’ contracting gives a better return on taxpayer investment, by allowing the state to select projects based on qualifications, overall project cost, quality of the work, training opportunities, workforce diversity, environmental benefits and more.”

To bridge existing skill gaps, Ohio’s Constructing Futures Initiative, started in September of 2009 using $4 million in federal stimulus funds, launched an Ohio network of apprenticeship prep programs. The report describes three of the five programs receiving funds from this effort:

- In Columbus, the Construction Trades Network offers an eight-month apprenticeship prep training program for construction trades, housed at the IBEW Electrical Trades Center. The group expects to train 125 people, 90% of whom will be connected to supportive services, and all of whom come from the federally designated enterprise zone in Franklin County which has a high concentration of low-income, African-American workers with limited education. The first class this summer had 32 enrollees, of whom 30 were minorities and three were women.
- In Northwestern Ohio, an apprenticeship prep training program will serve rural, urban, and suburban communities in the area. The program expects to train and provide support services to 80 participants and hopes to place half in registered apprenticeship or employment. As of July 2010, the partnership had graduated it first class and started its second class with 24 enrollees, 90% of whom were minorities, and 23% women.
- The Greater Cincinnati Regional Construction Trades Partnership developed a unique program focused on recruiting, training, mentoring, and serving women. The partnership expects 230 participants altogether, with at least 60 women, 60% of whom will enter Registered Apprenticeship Programs. As of June, the group served 58 participants, 90% minority, and nearly 20% female, most of whom received stipends and access to supportive services.

The report recommends Ohio build on existing policies and programs by:

- Continuing to enact policies and programs to drive investments in the clean energy economy. Significant energy savings potential remains in the industrial, transportation, residential, commercial and electrical utility sectors.
- Using best-value contracting when awarding sustainability projects. One ways to do so would be to require use of community benefits agreements on publicly-funded projects.
- Finding sustainable funding for Ohio’s Constructing Futures Initiative, growing it to more areas, and leveraging existing resources to support it. Sources could include Workforce Investment Act discretionary funds, TANF employment dollars, or designated fund from new projects.

“Our economy, communities, workforce, and environment are at a crossroads,” said Woodrum, “Past policies produced an economy with vast amounts of waste and low-road economic development that left workers behind, communities impoverished, residents dependent on fossil fuels imported from out of state, and our environment polluted. Policies recommended in this report can simultaneously address poverty, low-wages, job loss and pollution, leaving Ohio better positioned to face the future.”