ADVANCING WORKFORCE EQUITY
IN THE BAY AREA
A BLUEPRINT FOR ACTION

In partnership with ReWork the Bay

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ACKNOWLEDGMENTS

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ADVANCING WORKFORCE EQUITY
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FOREWORD

In this time of social upheaval and racial reckoning, Covid-19 has forced us to confront deep vulnerabilities in our economic system. The measures that have long been accepted as signaling a healthy economy—booming stock market, low unemployment, record corporate profits—hid the painful truth that the US economy is built on far too many low-wage, low-quality jobs and deeply entrenched racial occupational segregation that has left 100 million people in the US economically insecure.

Our nation cannot afford another inequitable "recovery" like the one that followed the Great Recession. Dismantling structural racism must be at the center of our response to this crisis, which presents an opportunity to redesign a more just, inclusive, and sustainable economy: one built around jobs that actually boost the economy, not just prop it up, and one that values the well-being and dignity of all workers so that they may achieve their full potential.

Racial inequities are entrenched in the workforce development system. While the problems of workforce inequity are national, many of the best solutions are local—and the *Advancing Workforce Equity* series represents the insights of disaggregated data and the transformative power of local leadership, design, and influence in five US regions that are poised to put this research into action: Boston, Chicago, Dallas, San Francisco, and Seattle.

Achieving workforce equity is a key component of building a thriving and inclusive economy that benefits all workers, residents, and communities. It will require coordination, collaboration, and integrated solutions across multiple systems. This calls for a systems thinking mindset and bold action. Business leaders and employers must adopt new mindsets and new practices that prioritize workforce equity and good jobs. Policymakers and philanthropic and community

organizations must align their resources and efforts toward ensuring that working people can be uplifted rather than dislocated and insisting on high standards of job quality for all workers. The time is now.

Michael McAfee, President and CEO, PolicyLink
Amanda Cage, President and CEO, National Fund for Workforce Solutions

The *Advancing Workforce Equity* project supports regional workforce partners to develop explicit, data-driven equity strategies. The communities involved—Boston, Chicago, Dallas, San Francisco, and Seattle—are partners in the National Fund for Workforce Solutions national network of workforce practitioners. Each city formed equity workgroups to guide the work, identify the key drivers of inequity, and prioritize actionable strategies to advance equity through their policy efforts, programs, and investments.

The work is documented in this series of reports, which will serve as the basis for long-term equity-focused efforts. This work is a collaboration between the National Fund for Workforce Solutions and the National Equity Atlas, a partnership between PolicyLink and the USC Equity Research Institute.

2.0
PREFACE

ReWork the Bay envisions a Bay Area where everyone lives full lives with security, dignity, and agency in our work, home, and communities. We believe the key to that vision is to center people in all that we do and fight for.

Centering people, rather than business, profit, ego, or turf, means embracing the complexity and messiness that is humanity. It means challenging assumptions, tearing down silos, redistributing power, and elevating the voices of people who have historically been relegated to the margins of policy and systems design—all while staying in relationship with each other.

Advancing Workforce Equity in the Bay Area: A Blueprint for Action was an opportunity to do just that. ReWork the Bay's Equity at Work Council, an incredible group of local leaders with diverse views on how the Bay Area has become so economically stratified (and what we need to do to repair these injustices), led our work on this project. Driven by shared values and a commitment to racial justice, these community-based workforce development, workforce development board, community college, small business, equity investing, and worker organizing leaders embraced the messiness and complexity of the challenges driving dramatic racial disparities among Bay Area workers.

They selected local data indicators reflecting the reality that our ability to succeed at work has as much to do with commute times and housing costs as it does skills and education. Their strategic recommendations reflect a broad, person-centered perspective that includes the supports and protections workers need from and between jobs, pushing beyond the more narrow interpretation of "workforce development" as a set of employer-centered direct service policies and programs. Systemic solutions like these that center people are needed to address the systemic racism and exploitation ingrained in America's brand of capitalism since its inception.

We have deep gratitude for all the work that went into this report; and much more work lies ahead. We look forward to partnering with our Equity at Work Council and like-minded workforce leaders and funders to implement these recommendations as first steps toward a diverse and equitable Bay Area.

ReWork the Bay

3.0
SUMMARY

The Covid-19 pandemic has exposed and deepened the racial inequities baked into the US economy and labor market. In the San Francisco Bay Area, as in the rest of the nation, longstanding systemic and structural racism resulted in people of color being overrepresented both in the essential jobs most likely to put workers at risk of exposure to the virus and in the nonessential jobs most profoundly impacted by economic shutdown orders enacted to stem its spread. The structure of work was already rapidly evolving. In the wake of the coronavirus-related economic crash, automation, digitalization, and weakening of labor protections are only accelerating and putting workers of color at a higher risk of job dislocation, discrimination, and instability than their White peers. Amid these transformations, the aging and diversification of the labor force only increase racial inequities in the Bay Area.

This regional analysis is part of the *Advancing Workforce Equity* series building on the insights of our previous research, *Race, Risk, and Workforce Equity in the Coronavirus Economy*,[1] and *Race and the Work of the Future,*[2] to inform a tailored, ground-level blueprint for advancing workforce equity. Through a data-driven evaluation of racial inequities in workforce outcomes in the nine-county San Francisco Bay Area, the report examines how systemic racism manifests in the labor market and the impact of the Covid-19 pandemic on these dynamics. It also examines the impact of the trends that center profit over people in the deployment of technological innovation in workplaces. We analyzed labor force data from the Bureau of Labor Statistics, disaggregated data on wages and employment from the 2018 5-year American Community Survey microdata from IPUMS USA, data on current and historical job demand and automation resiliency in the United States from Burning Glass Technologies, and other sources of local data for the region. Unless otherwise noted all data presented in this report are based on the authors' original analysis of these sources (further details can be found in the methodology).

Our key findings include the following:

- **As the workforce grows more diverse, racial inequity carries mounting economic costs.**

  — *People of color are already the majority of the region's workforce, but they do not share equitably in its economic prosperity.* Workers of color make up almost 60 percent of the workforce between the ages of 25 and 64 years in the Bay Area, and more than 70 percent of the population under the age of 25 years. But racial gaps in wages and employment remain deeply entrenched.

  — *Racial economic exclusion hampers the region's economic growth.* In 2018 alone, racial gaps in wages and employment for working-age people cost the region $348 billion in unrealized GDP. With racial equity in income, the average income of Latinx workers would be 173 percent higher, while the average annual income of Black workers would more than double, and the region's GDP would increase by 37 percent.

- **The structure of the regional economy and evolving labor-market demand reinforces racial gaps in employment and wages.**

  — *The workforce remains deeply segregated.* Despite the diversity of the Bay Area workforce, workers of color are acutely crowded in lower paying and lower opportunity occupational groups, such as agriculture, cleaning and maintenance, health-care support, and food preparation and service jobs.

  — *The region has a shortfall of stable jobs that do not require a college degree.* Overall, about 47 percent of workers are in stable, automation-resilient jobs that pay family-sustaining wages. And the share drops to just 12 percent among workers in jobs that require no more than a high school diploma.

- **People of color—predominately Black, Indigenous, and Latinx residents— face systemic and structural barriers to opportunity.[3]**

  — *Equity in higher educational attainment is essential, but insufficient, to achieve racial economic inclusion.* Higher education significantly narrows racial gaps in labor force participation, employment, and earnings, but does not equalize income across racial/ethnic groups with equivalent degrees. On average, White workers with only a high school diploma earn $25/hour, the same as Latinx workers with an associate's degree and even more than Black workers with an associate's degree ($24/hour). White workers with some college but no degree earn $31/hour, about 24 to 30 percent more than Latinx and Black workers, respectively, with a two-year degree.

  — *Systemic inequities in the social determinants of work—factors that strongly influence access to good jobs, such as education, health and health care, transportation, housing quality and affordability, and access to reliable childcare—reinforce racial inequities in workforce outcomes.* Roughly six in 10 Black women renters and over half of Latina renters are both economically insecure and housing-cost burdened (meaning they spend more than 30 percent of their income on housing).

- **The Covid-19 pandemic is compounding pre-existing racial inequities and economic inequality. It is likely to further disrupt the labor market by accelerating automation and digitalization, if current trends in the profit-driven deployment of technology continue.**

  — *The early recovery in labor-market demand has been concentrated in jobs that require little formal preparation.* As of October 2020, demand for jobs that require some experience or education was up about 9 percent relative to February 2020 levels, but demand for jobs that require considerable experience and/or education—and tend to provide higher wages and greater resilience to economic turbulence—was still down by more than 30 percent.

— ***Black and Latinx workers face a significant, disproportionate risk of automation-driven job displacement.*** Black workers are about 36 percent more likely and Latinx workers 58 percent more likely than White workers to be in jobs that are susceptible to automation (based on the likelihood that the underlying tasks of the job will be computerized if current trends and business models continue).

The Blueprint for Action

ReWork the Bay "envisions an equitable Bay Area where everyone has access to quality, empowered jobs that allow them to benefit from and shape the region's growing economy, and believes it should be possible for everyone to live full lives with security, dignity and agency in our work, home and communities."[4] Drawing on the data in this report, ReWork the Bay's Equity at Work Council has established the following recommendations to guide the actions of funders, employers, and community-based organizations advancing workforce equity in the Bay Area.

1. **Create a health and wellness scorecard.** Create a worker health and wellness rating system and scorecard for employers and develop incentives for meeting defined scorecard standards.
2. **Establish a worker bill of rights.** Invest in the advancement of a worker bill of rights.
3. **Invest in community-centered economic planning.** Invest in and convene a multistakeholder regional board that brings together communities, businesses, workers, and government to develop community-centered economic plans.
4. **Strengthen the social safety net and worker benefits.** Build a broad multistakeholder coalition to strengthen the social safety net and improve worker benefits.
5. **Design workforce training programs to empower workers.** Integrate workers' rights/labor standards training and wraparound supports into workforce development programs.
6. **Redistribute funder power.** Increase the role and decision-making authority of the Equity at Work Council within ReWork the Bay as a model for greater power sharing in the region's philanthropic sector.

4.0
INTRODUCTION

The nine-county Bay Area in California—which includes the San Francisco and San Jose (Silicon Valley) metro areas—is one of the world's strongest and fastest-growing economies, and it is at the center of the digital revolution. The region's growth has far exceeded the nation's growth over the last decade, and the tech boom is largely responsible. One in five Bay Area jobs are in tech, and each of them is estimated to support four or five other jobs in the local service sector.[5,6] At $748 billion, the combined GDP of the nine-county Bay Area would have ranked 19th among world nations in 2017.[7]

But while the region has enjoyed unparalleled economic growth and momentum at the aggregate level, not everyone shares in the benefits. Inequality is rising as highly educated, predominantly White knowledge-economy workers reap the benefits of the region's advanced growth. At the same time, gentrification and displacement continue to devastate communities of color. Low-wage service-sector workers—who are disproportionately people of color—are pushed further to the margins of the region's economy, cut off from resources and opportunities, and often unable to make ends meet as basic costs continue to soar while their wages remain stagnant.

In a place where three in five workers are people of color who are significantly more likely than their White counterparts to be economically insecure, these inequities pose a serious threat to households and families and to the region's economic prosperity as a whole.

In the context of the Covid-19 pandemic, regional workforce inequities will only intensify as people of color continue to face significant barriers to accessing good jobs and opportunities. Obstacles such as discriminatory hiring practices, inequities in the social determinants of work (such as health, housing, transportation, and childcare), gaps in educational attainment, and dangerously low standards of job quality persist. And the coronavirus recovery has already begun to accelerate automation, digitalization, and the classification of workers as contractors rather than employees with full labor protections and benefits, with low-wage Black and Latinx workers most likely to be impacted in this process.[8]

5.0
STRUCTURAL RACISM DRIVES WORKFORCE INEQUITIES

Inequitable economic outcomes in the Bay Area are part of the legacy of historical and ongoing racial exclusion in the region, including redlining, racial segregation, and disinvestment in communities of color; discrimination, bias, and systemic racism in employment practices; and an economic system that privileges the corporate sector at the expense of working people and the common good. The fundamental dynamics perpetuating workforce inequity in the Bay Area include the following.

- **An economic system that disempowers workers.** The economic engine driving growth in the greater Bay Area gives primacy to increasing shareholder value rather than creating shared prosperity and community well-being. The centralization of power in capital owners' hands is intensified by disinvestment in the public sector, the decline of union power, and the rise of alternative labor models (subcontracting, outsourcing, and contingent work) that diminish worker power. Without a strong policy and cultural environment that centers people's needs and addresses historical inequities, the very technological change and innovation propelling the region's economy forward has become a driver of massive and widening racial gaps. Public policy—and labor policy in particular—has not kept up with the pace of innovation. This lag has simultaneously created large numbers of high-quality jobs at the top of the income distribution and deepened inequality and economic insecurity at the bottom.

- **Structural racism in the labor market.** Overlapping economic, social, and political structures disempower workers of color in navigating the labor market. National research indicates that racial bias and discrimination in recruitment and hiring remain significant barriers for people of color: with identical resumes, White applicants (or applicants with "White-sounding names") are called back 36 percent more often than Black applicants and 24 percent more often than Latinx applicants.[9] But deeper structural issues also give rise to racial inequities in employment. Employer hiring practices, like credit checks and criminal background checks, disproportionately impact people of color, compounding inequities in the financial and criminal-legal systems. Black residents are eight times more likely to be arrested than White residents in San Francisco, and four times more likely in Alameda County,[10] and deep racial injustices throughout the criminal-legal system—from policing and arrests to convictions and sentencing—can severely impact returning community members' ability to secure jobs and housing. Exceptions to labor standards also overburden workers of color, who are disproportionately in low-wage occupations (e.g., agricultural, domestic, restaurant, and gig work), and these exceptions leave them unprotected

by specific federal and state labor standards such as minimum wage, health insurance coverage, workplace harassment protections, and overtime laws. In the Bay Area, people of color and immigrants are overrepresented in frontline industries such as building cleaning services and agriculture, in which workers are more likely to lack health care. They are also more likely to pay too much for housing, to be caring for children and/or seniors at home, and to lack internet access.[11]

- **Inequitable access to vital support systems.** Workforce stability depends on more than expanding education and training and ensuring equitable hiring practices. Workers need to be able to access job opportunities close to where they live or accessible via affordable and brief commutes. This need underscores the important overlap of workforce development, affordable housing, and transportation equity. Workers also need dependable and affordable family care and secure benefits, like paid leave and health care, which support employment stability and worker well-being. In the Bay Area, people of color are about 33 percent more likely than their White peers to be housing-cost burdened. And low-income workers of color are substantially more likely to rely on public transportation, resulting in longer unpaid commute times. Without access to these resources, and in the face of discriminatory employer practices, bias in hiring, and inadequate policy protections, people of color are more likely to be unemployed or crowded into low-quality jobs. In the midst of the health and economic crises of Covid-19, too many workers are unable to access the basic safety net of unemployment insurance because of worker misclassification, immigration status, and other limitations.

These manifestations of structural racism and economic exclusion in the Bay Area continue to shape and constrain the opportunities available to workers, and drive the racial inequities we see across workforce indicators.

6.0
AS THE BAY AREA GROWS MORE DIVERSE, RACIAL EQUITY IS A CRITICAL PRIORITY

While the United States is still 25 years away from a people-of-color majority, the Bay Area has long since passed this demographic milestone. Three in five residents of the region are people of color, and 30 percent are immigrants. The Bay Area's diversity is a tremendous asset to the region's social and economic vitality, but entrenched inequities undermine the region's prosperity, underscoring the urgent need to center racial equity.

Workforce Demographics

Nearly three out of five workers in the Bay Area region are people of color.

Current and Emerging Workforce Demographics by Race/Ethnicity, Nine-County Bay Area, 2018
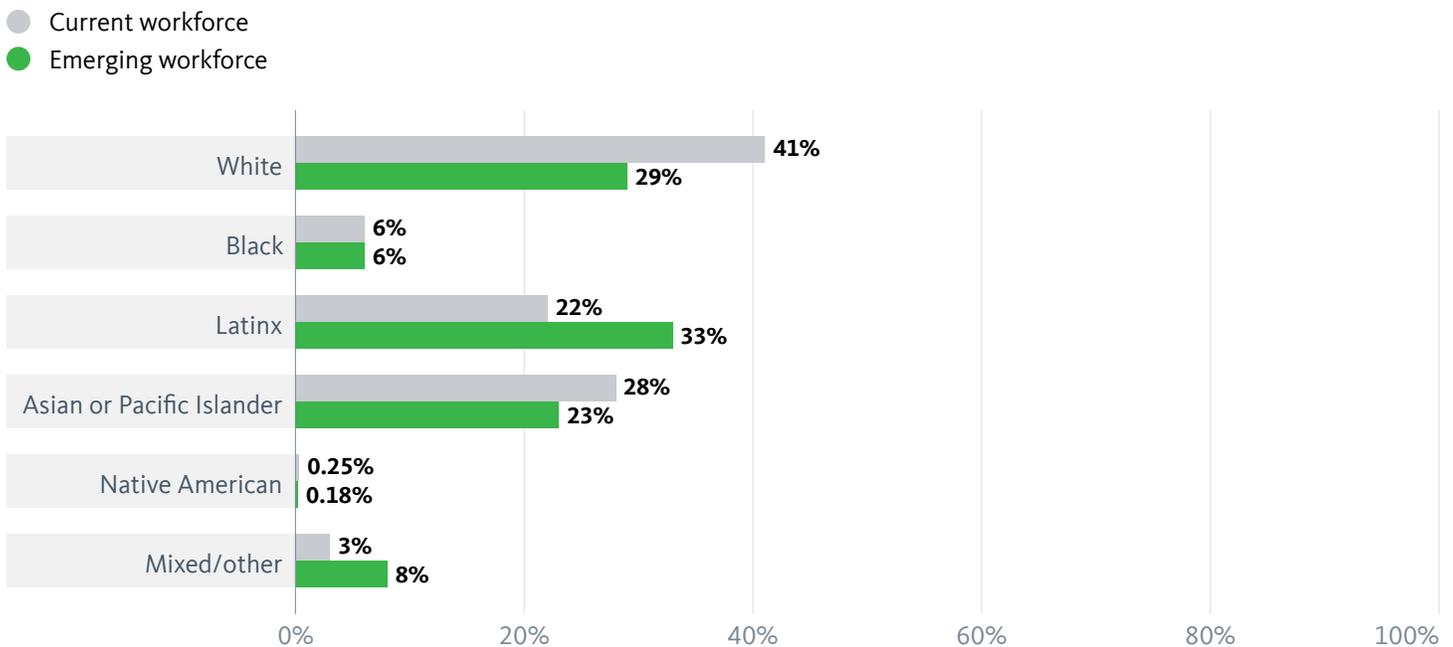
- Current workforce
- Emerging workforce

Race/Ethnicity	Current workforce	Emerging workforce
White	41%	29%
Black	6%	6%
Latinx	22%	33%
Asian or Pacific Islander	28%	23%
Native American	0.25%	0.18%
Mixed/other	3%	8%

Source: Authors' analysis of the 2018 5-year American Community Survey microdata from IPUMS USA. **Note:** Universe of emerging workforce includes all people under the age of 25 years, while the current workforce includes the employed population between the ages of 25 and 64 years.

The Bay Area's workforce is already about 60 percent people of color. White workers account for the largest single racial/ethnic group (41 percent of the workforce), followed by Asian American or Pacific Islander workers (28 percent) and Latinx workers (22 percent). Only around 6 percent of workers identify as Black. These demographics will continue to shift as older workers retire and younger people enter the labor force. Among the next-generation workforce under the age of 25, around 70 percent are youth of color—primarily Latinx and Asian or Pacific Islander.

Racial Equity Is a Win-Win for Workers and the Economy

The region's GDP could be $348 billion (37 percent) larger if racial gaps in income were eliminated.

Actual GDP and Estimated GDP with Racial Equity in the Workforce ($ Billions), Nine-County Bay Area, 2018

⬤ GDP in 2018
🟠 GDP if racial gaps in income were eliminated
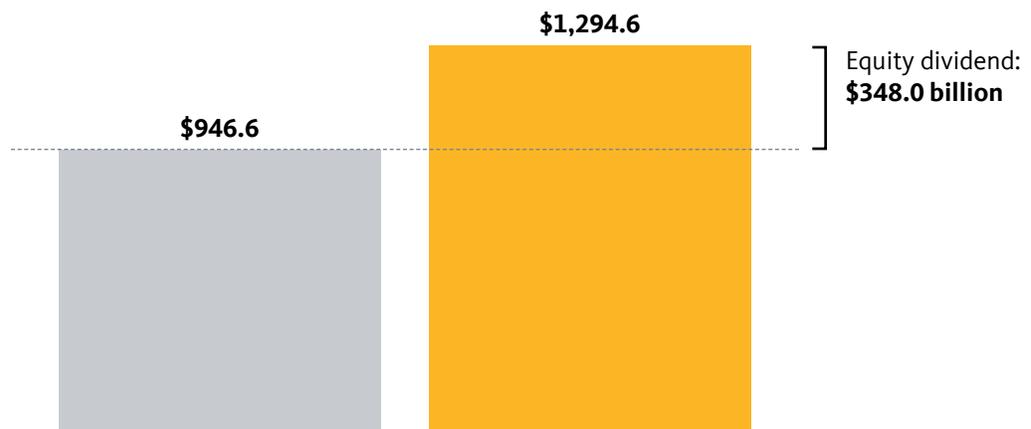
$946.6

$1,294.6

Equity dividend:
$348.0 billion

Source: Authors' analysis of the 2018 5-year American Community Survey microdata from IPUMS USA. **Note:** Universe includes the population ages 25–64 years. Data reflect a 2014–2018 average. Values are in 2018 dollars. See the methodology for details on the analysis.

Workforce equity and shared prosperity are fundamental to a robust and resilient economy—as the population becomes more diverse, this economic imperative will continue to increase in importance. In 2018 alone, the Bay Area region's GDP could have been around $348 billion larger (a 37 percent increase) if there had been no racial gaps in employment or wages for the working-age population.

Racial equity would nearly double the average incomes of people of color, from about $59,000 to more than $113,000 per year.

Annual Income Gains with Racial Equity in the Workforce, Nine-County Bay Area, 2018
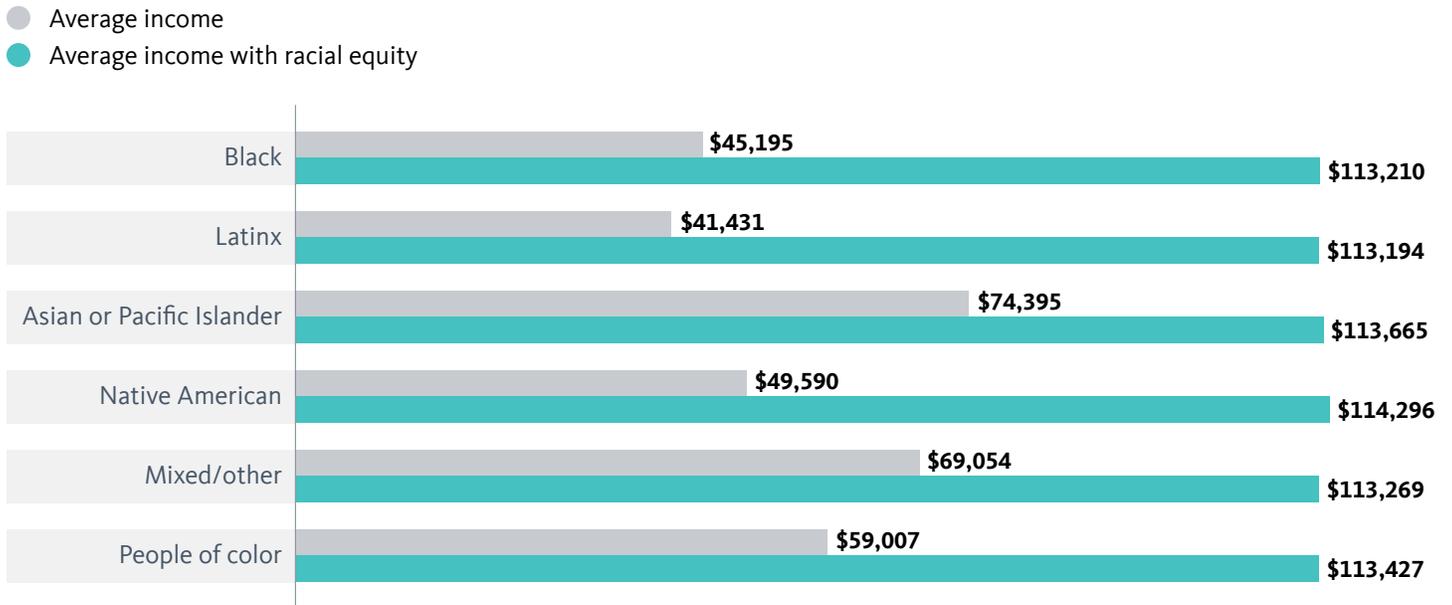
- Average income
- Average income with racial equity

	Average income	Average income with racial equity
Black	$45,195	$113,210
Latinx	$41,431	$113,194
Asian or Pacific Islander	$74,395	$113,665
Native American	$49,590	$114,296
Mixed/other	$69,054	$113,269
People of color	$59,007	$113,427

Source: Authors' analysis of the 2018 5-year American Community Survey microdata from IPUMS USA. **Note:** Universe includes the population ages 25–64 years. Data reflect a 2014–2018 average. Values are in 2018 dollars. See the methodology for details on the analysis.

Achieving racial equity in income relies on closing racial gaps in both employment and wages. Latinx workers would make the greatest gains in income with racial equity, from about $41,000 to $113,000 a year (an increase of 173 percent). Annual incomes for Black workers would increase by 150 percent, to $113,000. Overall, racial gaps in wages account for about 71 percent of income inequity for people of color, while racial gaps in employment account for 29 percent.

7.0

THE REGION'S PROSPERITY IS NOT EQUITABLY SHARED

Low-wage jobs have grown twice as fast as middle-wage jobs over the past three decades.

Growth in Jobs and Earnings by Wage Level, Nine-County Bay Area, 1990–2018

- 🟠 Low-wage
- 🟢 Middle-wage
- 🟢 High-wage
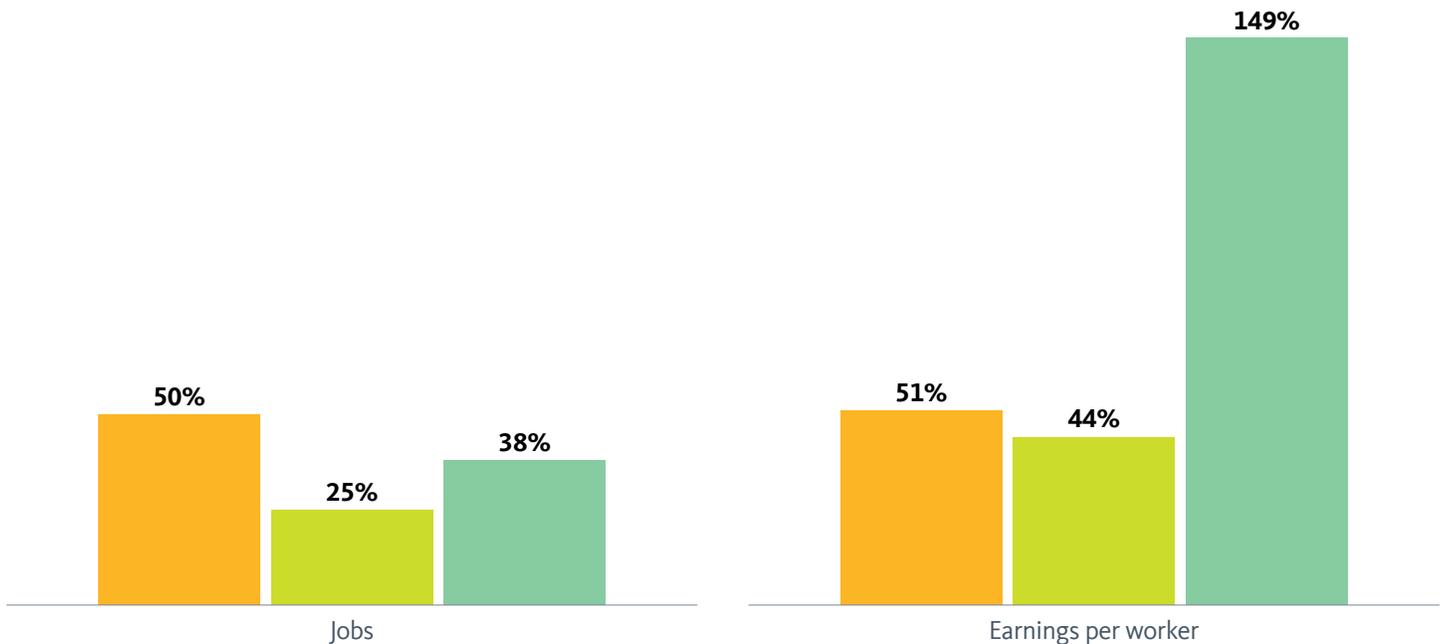
Source: PolicyLink/USC Equity Research Institute, National Equity Atlas, www.nationalequityatlas.org. Available at: https://nationalequityatlas.org/indicators/Job_and_wage_growth#. **Note:** Universe includes all jobs covered by the federal Unemployment Insurance (UI) program.

Over the past 30 years, the Bay Area has achieved job growth that is similar to the national average across all wage levels, but wage growth has been nearly three times as fast. Growth in low-wage jobs has been about 30 percent higher than growth in high-wage jobs and double the rate of middle-wage job growth. Alongside lagging growth in middle-wage jobs, earnings growth has been highly polarized: earnings per worker in high-wage jobs have grown three times as fast as those for workers in low- and middle-wage jobs.

Occupational segregation remains a significant challenge for achieving workforce equity.

Occupational Groups by Race/Ethnicity, Nine-County Bay Area, 2018

- ● White
- ● Black
- ● Latinx
- ● Asian or Pacific Islander
- ● Native American
- ● Mixed/other

Total
Arts, Design, Entertainment, Sports
Education, Training, and Library
Management
Community and Social Services
Life, Physical, and Social Science
Business Operations Specialists
Sales
Financial Specialists
Protective Service
Health-Care Practitioners and Technical
Architecture and Engineering
Office and Administrative Support
Installation, Maintenance, and Repair
Personal Care and Service
Computer and Mathematical
Construction Trades
Transportation and Material Moving
Production
Food Preparation and Serving
Health-Care Support
Building and Grounds Cleaning and Maintenance
Farming, Fishing, and Forestry

Source: Authors' analysis of the 2018 5-year American Community Survey microdata from IPUMS USA. **Note:** Universe includes the employed population ages 25–64 years. Data reflect a 2014–2018 average.

The Bay Area labor market is still characterized by pronounced occupational segregation that excludes people of color, particularly Black and Latinx workers, who are underrepresented in good jobs. Latinx workers make up about 22 percent of the total workforce in the Bay Area, but more than 55 percent of workers in the construction trades; more than 67 percent of building, grounds cleaning, and maintenance occupations; and more than 80 percent of workers in farming, fishing, and forestry occupations. By comparison Latinx workers are significantly underrepresented in financial specialist occupations (9 percent), architecture and engineering occupations (7 percent), and computer and mathematical occupations (5 percent).

Black workers are significantly concentrated in a select few occupational groups. While they account for 6 percent of the workforce overall, Black people hold around 14 percent of protective service occupations, 11 percent of transportation and material moving occupations, and 15 percent of military occupations. They are especially underrepresented in architecture and engineering occupations (less than 2 percent) and computer and mathematical occupations (less than 3 percent).

Wages

Roughly nine in 10 White workers earn at least $15/hour, but just 62 percent of Latinx immigrants are paid this basic wage.

Share of Workers Earning at Least $15/Hour by Race/Ethnicity and Nativity, Nine-County Bay Area, 2018
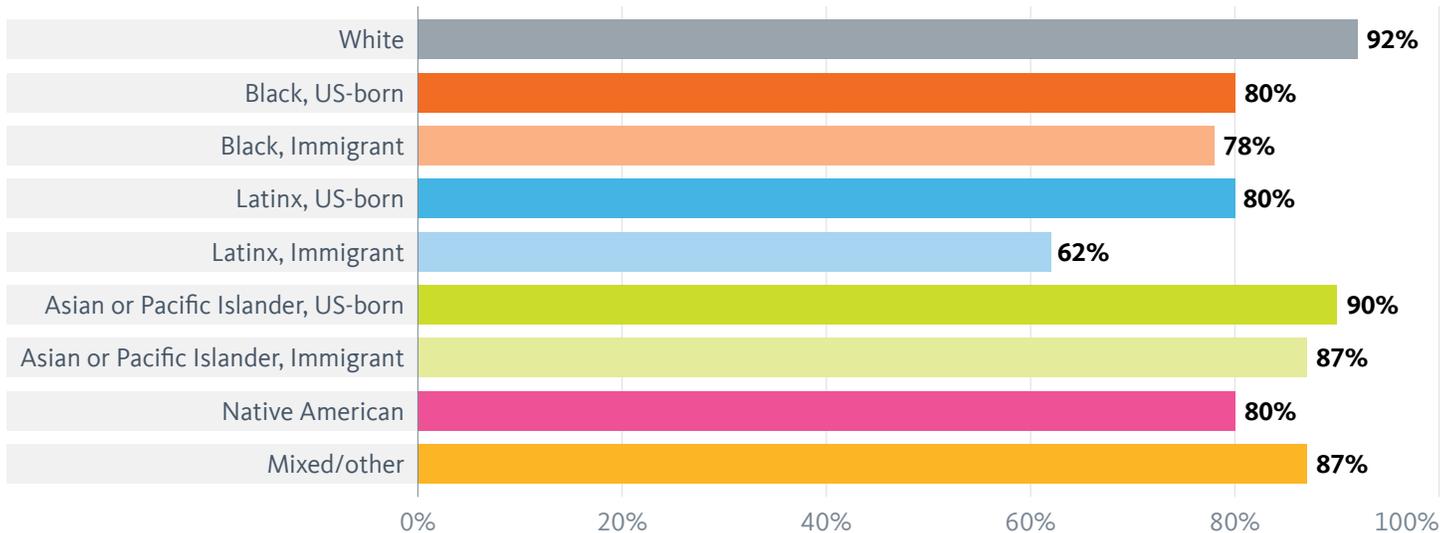
Category	Percentage
White	92%
Black, US-born	80%
Black, Immigrant	78%
Latinx, US-born	80%
Latinx, Immigrant	62%
Asian or Pacific Islander, US-born	90%
Asian or Pacific Islander, Immigrant	87%
Native American	80%
Mixed/other	87%

Source: Authors' analysis of the 2018 5-year American Community Survey microdata from IPUMS USA. **Note:** Universe includes civilian noninstitutionalized full-time wage and salary workers ages 25–64 years. Data reflect a 2014–2018 average. The $15/hour wage threshold is based on 2018 dollars.

Racial gaps in the share of workers earning at least $15/hour have been stubbornly persistent over the past several decades. Over 90 percent of White workers are paid at least $15/hour, compared to around 80 percent of Black, Native American, and US-born Latinx workers and 62 percent of immigrant Latinx workers. Even when controlling for education, White workers earn higher median wages than people of color.

While the aggregate share of Asian or Pacific Islander workers earning at least $15/hour is similar to the share of White workers, there are significant gaps between different ancestry groups within this broad population. In the state of California, 80 percent of Asian or Pacific Islander workers make at least $15/hour, but the share drops to 71 percent among Pacific Islanders. The figure is even lower among certain South Asian and Southeast Asian groups: just 60 percent of California workers of Hmong ancestry and 63 percent of those of Nepali ancestry earn at least $15/hour.[12]

Higher Education

Just 12 percent of immigrant Latinx, 19 percent of Native American, 28 percent of US-born Latinx, and 29 percent of Black working-age adults in the Bay Area have a bachelor's degree.

Educational Attainment by Race/Ethnicity and Nativity, Nine-County Bay Area, 2018

- High school diploma or less
- Some college or associate's degree
- Bachelor's degree or higher
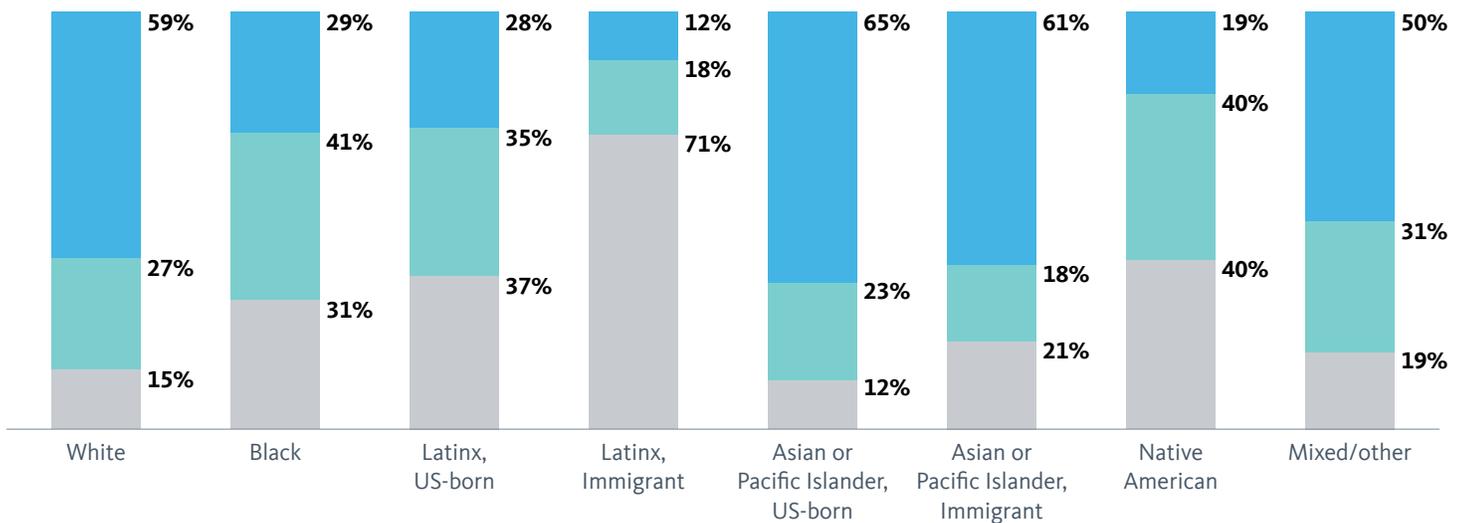
	White	Black	Latinx, US-born	Latinx, Immigrant	Asian or Pacific Islander, US-born	Asian or Pacific Islander, Immigrant	Native American	Mixed/other
Bachelor's degree or higher	59%	29%	28%	12%	65%	61%	19%	50%
Some college or associate's degree	27%	41%	35%	18%	23%	18%	40%	31%
High school diploma or less	15%	31%	37%	71%	12%	21%	40%	19%

Source: Authors' analysis of the 2018 5-year American Community Survey microdata from IPUMS USA. **Note:** Universe includes the population ages 25–64 years. Data reflect a 2014–2018 average.

The attainment of a bachelor's degree correlates strongly with lower unemployment, higher wages, and lesser vulnerability to automation-related job disruptions. About half of all adults have earned at least a bachelor's degree, but this varies significantly across racial/ethnic and nativity groups. The rate for White and mixed/other race individuals is at or above the population average, while nearly two-thirds of Asian American or Pacific Islander adults have a bachelor's degree. While not shown because of data unavailability, educational attainment rates vary dramatically across Asian or Pacific Islander subgroups, similar to the earning gaps noted above. This data underscores the importance of addressing racial inequities in education and wealth that prevent many people of color from attaining a college degree, and it also suggests that employers and policymakers should take explicit steps to democratize the economic benefits associated with a bachelor's degree to a wider swath of the workforce—including by removing specific educational requirements for employment wherever possible.

Higher educational attainment narrows racial gaps in employment, but benefits too few workers of color.

Joblessness by Educational Attainment, Race/Ethnicity, and Nativity, Nine-County Bay Area, 2018

- ● White
- ● Black
- ● Latinx, US-born
- ● Latinx, Immigrant
- ● Asian or Pacific Islander, US-born
- ● Asian or Pacific Islander, Immigrant
- ● Mixed/other

Less than a HS diploma
- White: 49%
- Black: 63%
- Latinx, US-born: 42%
- Latinx, Immigrant: 26%
- Asian or Pacific Islander, US-born: 47%
- Asian or Pacific Islander, Immigrant: 39%
- Mixed/other: 49%

HS diploma, no college
- White: 31%
- Black: 41%
- Latinx, US-born: 25%
- Latinx, Immigrant: 22%
- Asian or Pacific Islander, US-born: 26%
- Asian or Pacific Islander, Immigrant: 27%
- Mixed/other: 30%

Some college, no degree
- White: 25%
- Black: 32%
- Latinx, US-born: 21%
- Latinx, Immigrant: 19%
- Asian or Pacific Islander, US-born: 20%
- Asian or Pacific Islander, Immigrant: 23%
- Mixed/other: 27%

AA degree, no BA
- White: 25%
- Black: 28%
- Latinx, US-born: 20%
- Latinx, Immigrant: 17%
- Asian or Pacific Islander, US-born: 19%
- Asian or Pacific Islander, Immigrant: 23%
- Mixed/other: 22%

BA degree or higher
- White: 16%
- Black: 17%
- Latinx, US-born: 12%
- Latinx, Immigrant: 18%
- Asian or Pacific Islander, US-born: 13%
- Asian or Pacific Islander, Immigrant: 20%
- Mixed/other: 15%

**Source:** Authors' analysis of the 2018 5-year American Community Survey microdata from IPUMS USA. **Note:** Universe includes the civilian noninstitutionalized population ages 25–64 years. Joblessness is defined as those unemployed or not in the labor force as a share of the total population. Data reflect a 2014-2018 average. Data for Native American workers are not available because of small sample size.

Across racial/ethnic and nativity groups, joblessness declines steadily as educational attainment increases, but racial inequities persist. Black adults experience the highest rates of joblessness at every educational level except among those with a bachelor's degree or higher. Around 31 percent of Black, 37 percent of US-born Latinx, and 71 percent of immigrant Latinx working-age adults have a high school degree or less, meaning they are more concentrated among educational attainment groups with the highest rates of joblessness. Conversely, about three in five White adults have a bachelor's degree or higher.

Black and Latinx workers earn substantially less than their White counterparts at every level of educational attainment.

Median Hourly Wages by Educational Attainment and Race/Ethnicity, Nine-County Bay Area, 2018
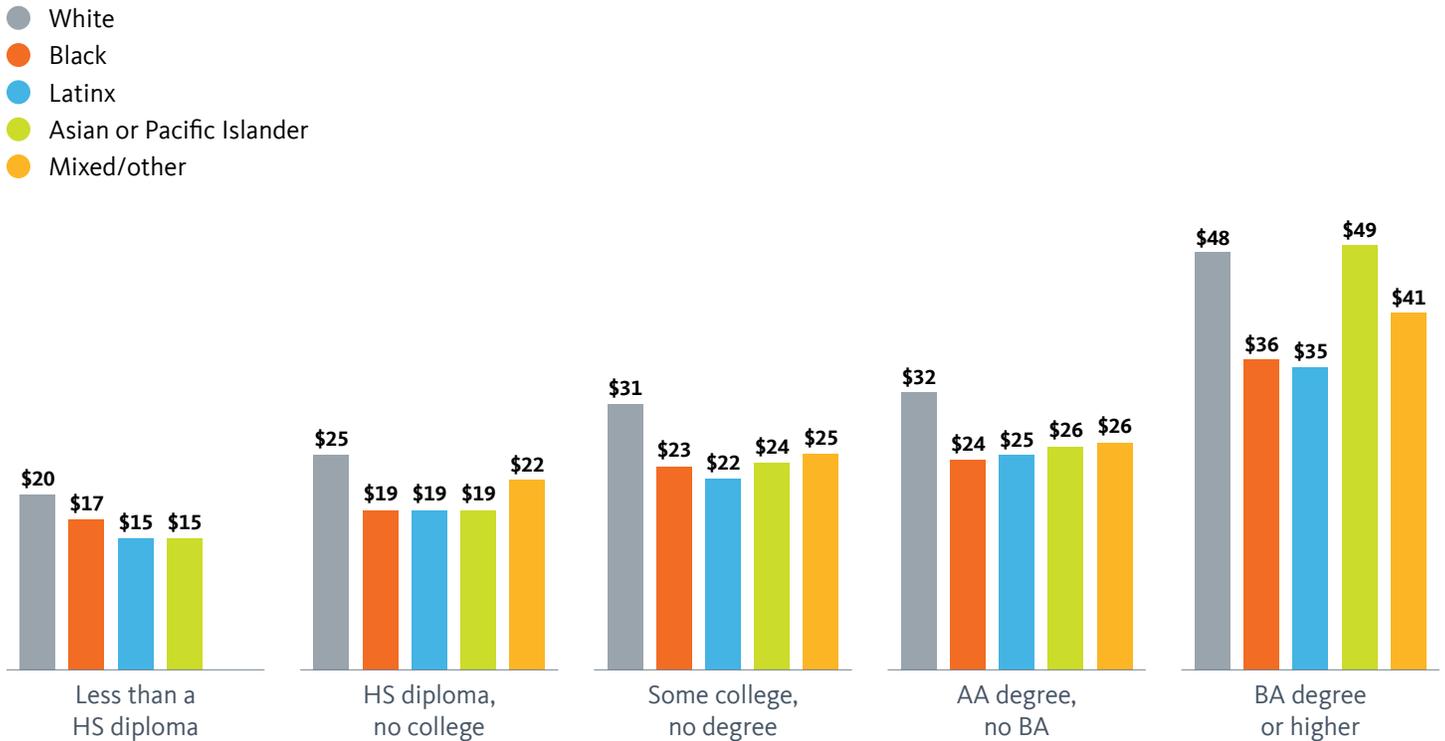
- ⬤ White
- 🔴 Black
- 🔵 Latinx
- 🟢 Asian or Pacific Islander
- 🟠 Mixed/other

|	Less than a HS diploma	HS diploma, no college	Some college, no degree	AA degree, no BA	BA degree or higher
White	$20	$25	$31	$32	$48
Black	$17	$19	$23	$24	$36
Latinx	$15	$19	$22	$25	$35
Asian or Pacific Islander	$15	$19	$24	$26	$49
Mixed/other		$22	$25	$26	$41

Source: Authors' analysis of the 2018 5-year American Community Survey microdata from IPUMS USA. **Note:** Universe includes civilian noninstitutionalized full-time wage and salary workers ages 25–64 years. Data reflect a 2014–2018 average. Values are in 2018 dollars. Data for Native American workers, and for mixed/other race workers at certain educational levels, are not available because of small sample size.

Higher educational attainment is associated with higher median wages across all racial/ethnic groups, but racial gaps are also evident at each level of education. White workers earn more than people of color across every level of education, except among those with a bachelor's degree or higher, where Asian American or Pacific Islander workers have median wages similar to that of Whites. And the relative wage gains are not equivalent: the median hourly wage premium for earning a bachelor's degree as opposed to a high school diploma is highest for Asian Americans or Pacific Islander individuals at more than 150 percent (a $30/hour increase). The same educational achievement carries around a 90 percent median wage increase for Black and Latinx workers.

8.0

# GEOGRAPHIC AND POLITICAL BARRIERS CURTAIL WORKER POWER

Education and training are not the only determining factors contributing to the good-jobs gap for people of color. The geography of opportunity in the Bay Area is racially uneven. Many people of color and low-income households cannot access or afford housing near employment centers, must spend too much of their income on rent, and are burdened by lengthy and expensive commutes to work. And changes in the balance of power between workers and employers, as indicated by declining rates of union membership, are linked to diminished civic participation in the political process, where policy change is rooted.

Housing and Transportation

More than half of Black women and Latina renters are both rent burdened and economically insecure.

Share of Renters Who are Both Rent Burdened and Economically Insecure by Race/Ethnicity and Gender, Nine-County Bay Area, 2018
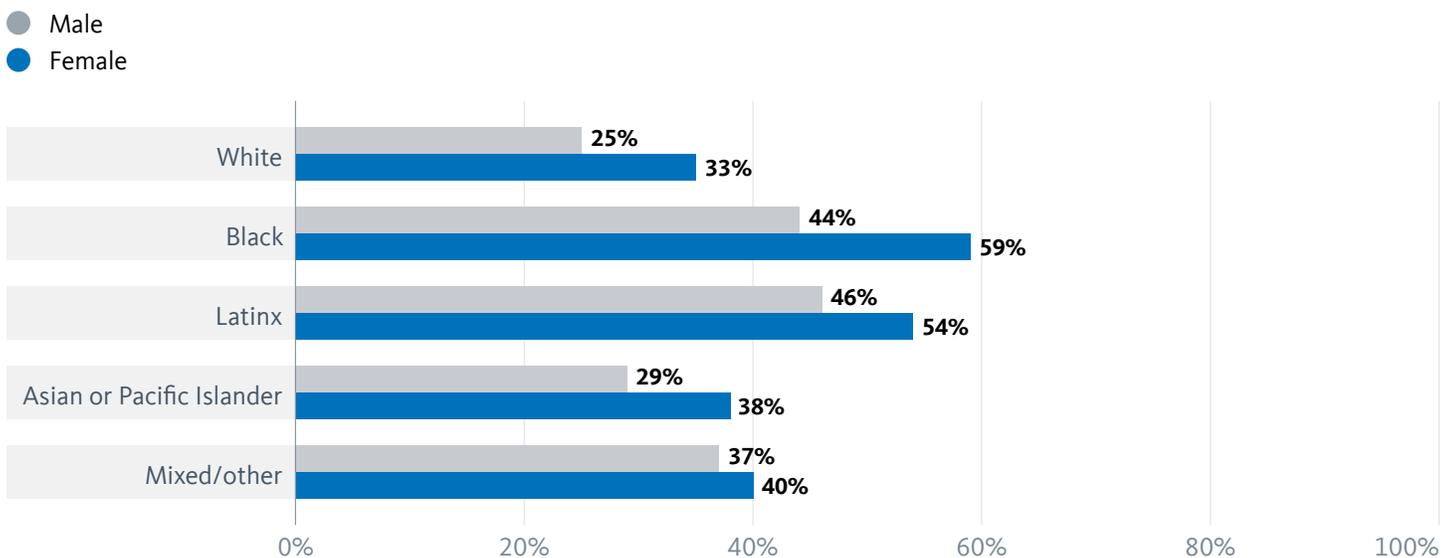
● Male
● Female

| Race/Ethnicity	Male	Female
White	25%	33%
Black	44%	59%
Latinx	46%	54%
Asian or Pacific Islander	29%	38%
Mixed/other	37%	40%

Source: Authors' analysis of data from 2018 5-year American Community Survey microdata from IPUMS USA. **Note:** Universe includes renter households for whom poverty is determined; no group quarters. Rent burden is defined as paying more than 30% of income on rent; economically insecure is defined as having family income below 200 percent of the federal poverty level. Data reflect a 2014–2018 average.

The cost of housing adds another major barrier for many workers and their families in the Bay Area, especially for renter households. Nearly six in 10 Black women renters and more than half of Latina renters are both housing-cost burdened (meaning they spend more than 30 percent of their income on housing) and economically insecure (meaning they have family incomes below 200 percent of the federal poverty level). This is more than double the rate for White male renters.

Low-income Black workers are the most likely to rely on public transportation for their commute, including more than one in five who earn less than $15,000 per year.

Percent of Workers Using Public Transit by Race/Ethnicity and Annual Earnings, Nine-County Bay Area, 2018

- White
- Black
- Latinx
- Asian or Pacific Islander
- People of color
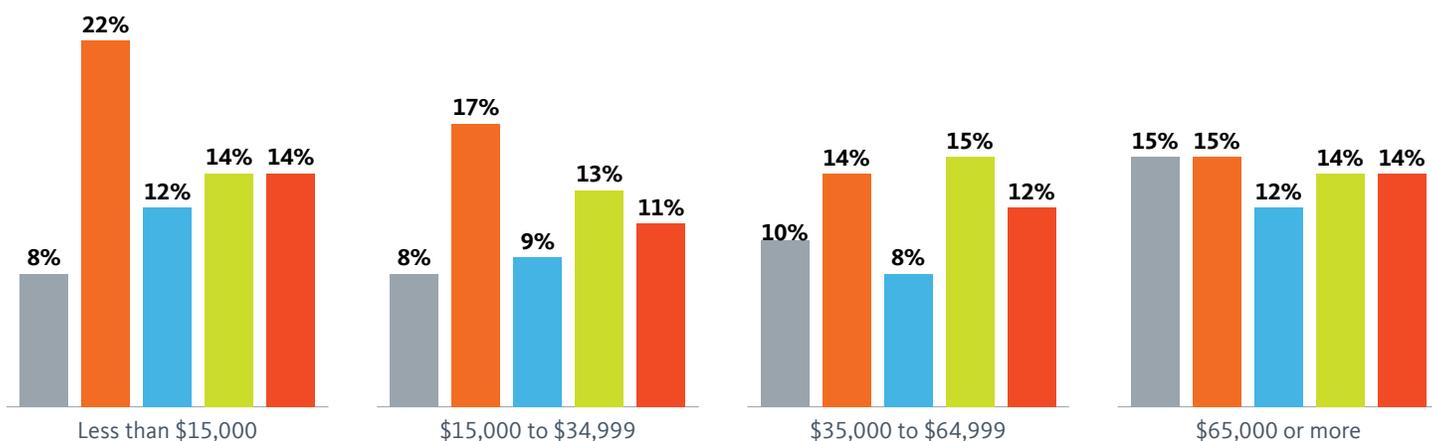
	Less than $15,000	$15,000 to $34,999	$35,000 to $64,999	$65,000 or more
White	8%	8%	10%	15%
Black	22%	17%	14%	15%
Latinx	12%	9%	8%	12%
Asian or Pacific Islander	14%	13%	15%	14%
People of color	14%	11%	12%	14%

Source: Authors' analysis of data from 2018 5-year American Community Survey microdata from IPUMS USA. **Note:** Universe includes persons age 16 years or older who worked outside the home during the week prior to the survey. Data reflect a 2014–2018 average. Data for some racial/ethnic groups are unavailable due to inadequate sample size.

Low-income Black workers who rely on public transportation spend an average of 53 minutes traveling to work.

Average Travel Time to Work (Minutes) for Workers Below 150 Percent of the Federal Poverty Level by Race/Ethnicity and Transportation Mode, Nine-County Bay Area, 2018
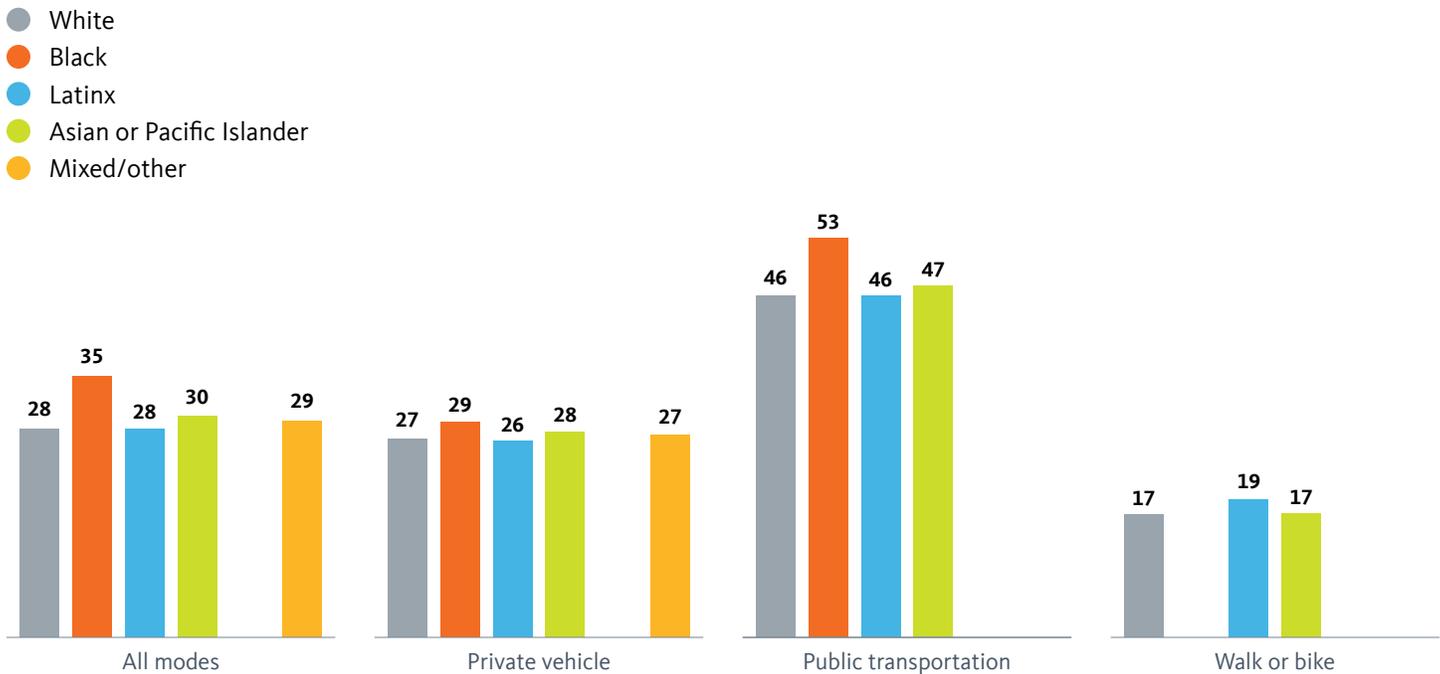
- White
- Black
- Latinx
- Asian or Pacific Islander
- Mixed/other

	All modes	Private vehicle	Public transportation	Walk or bike
White	28	27	46	17
Black	35	29	53	
Latinx	28	26	46	19
Asian or Pacific Islander	30	28	47	17
Mixed/other	29	27		

Source: Authors' analysis of data from 2018 5-year American Community Survey microdata from IPUMS USA. **Note:** Universe includes persons age 16 years or older below 150 percent of the federal poverty level who worked outside the home during the week prior to the survey. Data reflect a 2014–2018 average. Data for some racial/ethnic groups are not available because of inadequate sample size.

Overall, about 12 percent of workers across different earnings cohorts use public transportation. Rates are far higher, however, for Black workers in general and particularly for those in low-wage jobs: among Black workers earning under $15,000 per year, 22 percent use public transit to get to work. Not only are lower income Black workers most likely to rely on public transit, but also they have the longest commute times. While low-income workers using public transportation spend an average of 47 minutes traveling to work, the average one-way commute for low-income Black workers is 53 minutes—about twice as long as the average low-income worker who drives to work.

Worker Power and Civic Participation

Union membership is at its lowest rate since 1990 for both public and private sector workers.

**Union Membership by Employer Sector, San Francisco-Oakland-Hayward MSA, 1990–2018**

- Private sector
- Public sector
- All
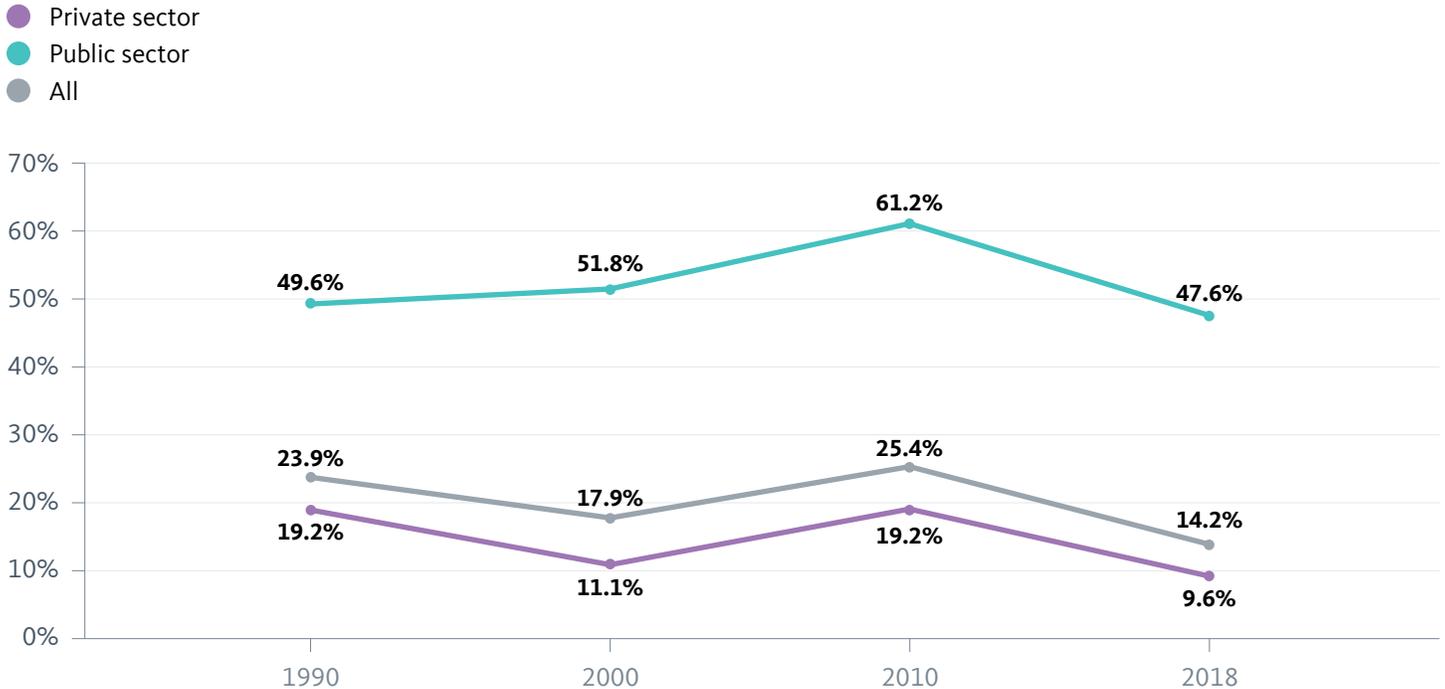
Source: Authors' analysis of data from Unionstats.com. **Note:** The San Francisco-Oakland-Hayward MSA includes San Francisco, Alameda, Contra Costa, Marin, and San Mateo counties.

Union membership, often seen as an indicator of worker power and a driver of job quality, has declined since 1990. Between 1990 and 2018, the private sector unionization rate in the San Francisco-Oakland-Hayward Metro Area (San Francisco, Alameda, Contra Costa, Marin, and San Mateo counties) halved from about 19.2 percent to 9.6 percent. The public sector saw union membership decline from 49.6 percent to 47.6 percent. This presents a particular challenge for advancing racial economic equity, as public sector jobs—and specifically union jobs—have historically provided an important pathway to economic security for Black workers and had an ameliorating effect on the racial wealth gap.[13,14] In the Bay Area, union coverage is estimated to carry an annual wage premium of about $5,300 per worker; in California, union workers are 37 percent more likely to have employer-provided health insurance coverage and 52 percent more likely to have a retirement plan or pension through work than nonunion workers.[15]

Eligible Latinx and Asian or Pacific Islander citizens are much less likely to vote than other citizens.

Voters as Percentage of the Voting-Age Citizen Population by Race/Ethnicity, Nine-County Bay Area, 2012 and 2016

● 2012
● 2016
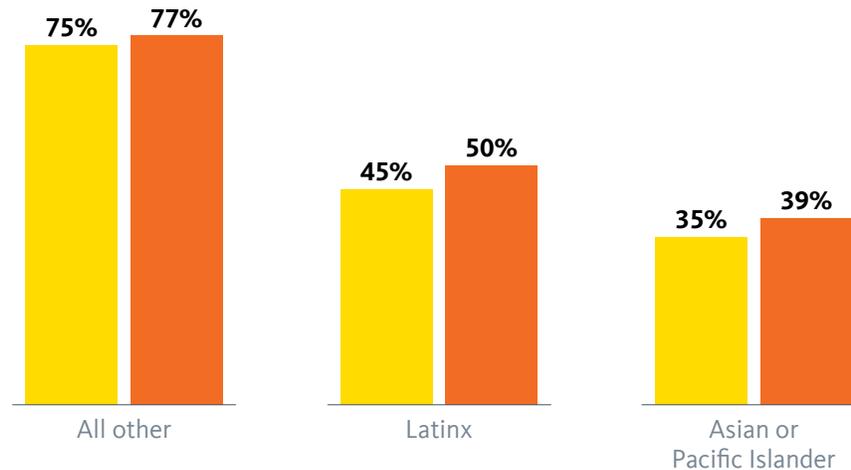
Sources: Author analysis of data from the UC Berkeley Statewide Database and the American Community Survey, 5-year summary files from 2012 and 2016. **Note:** Data on voters are for the November election of each year while data on the citizen voting-age population reflect 2008–2012 and 2012–2016 averages, respectively. Data for Black voters is unavailable because of small sample size.

Civic participation is an essential part of a thriving equitable economy and a healthy workforce. When workers are able to exercise power over the economic policies that affect them, they are more connected and engaged in their design and implementation, as with the coalition of unions, workers, and worker organizations who were instrumental in advocating for minimum-wage increases in the region.[16] Latinx and Asian American or Pacific Islander workers make up a growing segment of the population; however, disaggregated data show that voter registration and voting rates are lower for these groups than for the overall population. In 2016, only 50 percent of Latinx citizens ages 18 years and older voted, along with 39 percent of Asian American or Pacific Islander adult citizens.

9.0
# THE WAVERING COVID-19 RECOVERY IS LEAVING WORKERS OF COLOR BEHIND

In the midst of the Covid-19 pandemic, the labor market remains turbulent. The unemployment rate in the Bay Area reached 13.3 percent in April and May of 2020 before dropping to 7.3 percent in October 2020. The early recovery has also unfolded unevenly across the labor market. Considering the racial stratification of different occupational groups in the region, these gaps have significant consequences for racial economic equity.

People of color have experienced greater unemployment volatility than White workers.

Unemployment Rates by Race/Ethnicity, Nine-County Bay Area, January–September 2020

- White
- Latinx
- Asian or Pacific Islander
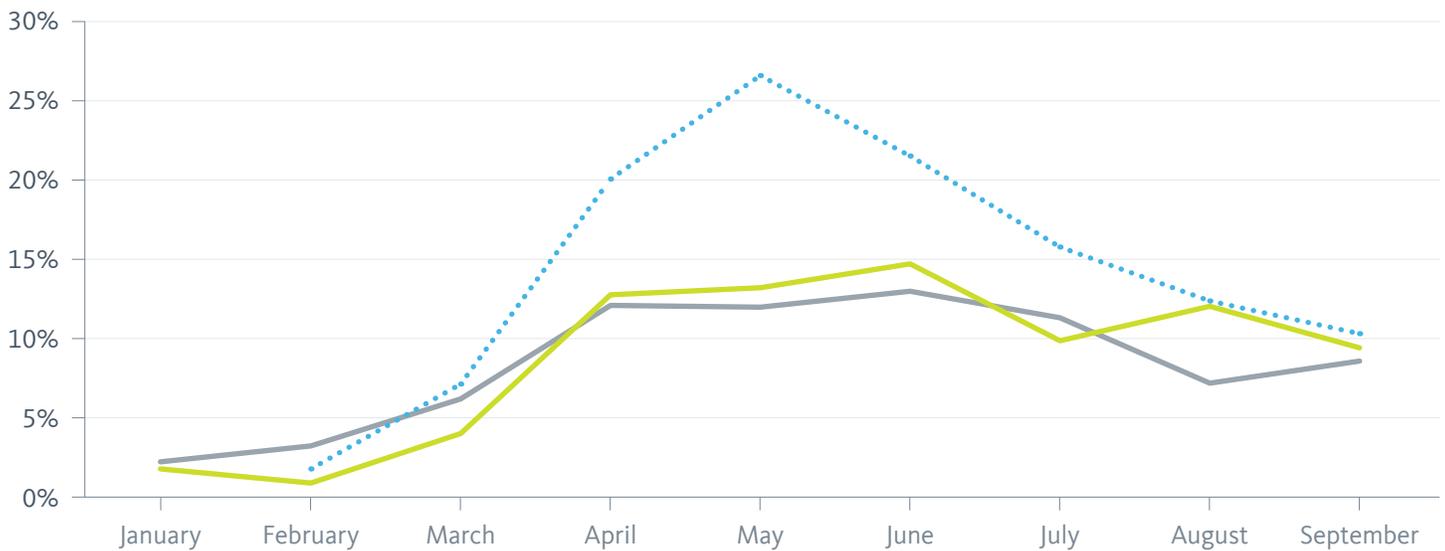
Source: Unemployment estimates from the Current Population Survey (CPS) microdata from IPUMS USA. **Note:** Dotted line denotes two-month rolling average of unemployment rate because of small sample sizes. Black workers could not be included in this analysis because of small sample size.

Unemployment rates rose for all workers in the Bay Area region during 2020, peaking in June at 14.7 percent and 12.9 percent for Asian or Pacific Islander and White workers, respectively, and peaking at a substantially higher rate of 26.5 percent for Latinx workers in May. The jump in unemployment was steepest for Latinx workers relative to other workers, highlighting much of the Latinx workforce's precarity. A significant fraction of workers faces health risks in essential jobs and layoffs that are vulnerable to business cycle swings and Covid impact. As of September 2020, the unemployment rate for all workers had decreased substantially but remained high, with a range of 8.5 percent (White workers) to 10.3 percent (Latinx workers).

In most Bay Area counties, employment losses have hit low-wage workers the hardest.

Percent Change in Employment by Worker Annual Wage Level by County, January–October 2020

- 🟠 Low-wage workers (<$27k)
- 🟢 Middle-wage workers ($27k–$60k)
- 🟢 High-wage workers (>$60k)

| County	Low-wage	Middle-wage	High-wage
Alameda	-22%	-15%	-0.9%
Conta Costa	-33%	-12%	0.1%
Marin	-44%	-18%	-6%
Napa		-23%	0.8%
San Francisco	-20%	-25%	-13%
San Mateo		-23%	-7%
Santa Clara	-20%	-11%	-0.8%
Solano	-34%	-12%	2%
Sonoma	-39%	-13%	-5%
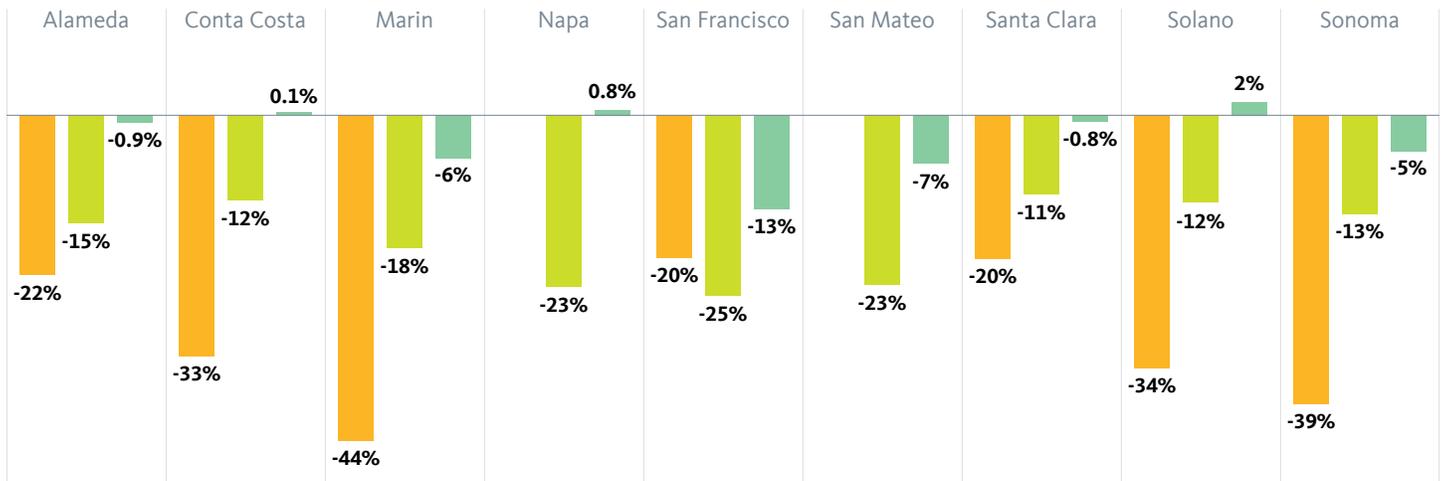
Source: Opportunity Insights Economic Tracker.[17]

The overall loss of employment during the Covid era has varied from county to county. San Francisco County has seen the steepest decline in employment among workers earning more than $60,000 per year, at 13 percent. But in most Bay Area counties, low-wage workers have been hit the hardest by job losses. Employment among workers making less than $27,000 per year is down 44 percent in Marin County, 39 percent in Sonoma County, and by about a third in Solano and Contra Costa counties.

The early labor market recovery has been concentrated in jobs that require only some preparation and training. Postings for jobs requiring more formal education, training, and experience remain down significantly from the February 2020 baseline.

Monthly Job Postings by Degree of Preparation Required, Nine-County Bay Area, February–October, 2020

- ● February
- ● April
- ● June
- ● August
- ● October
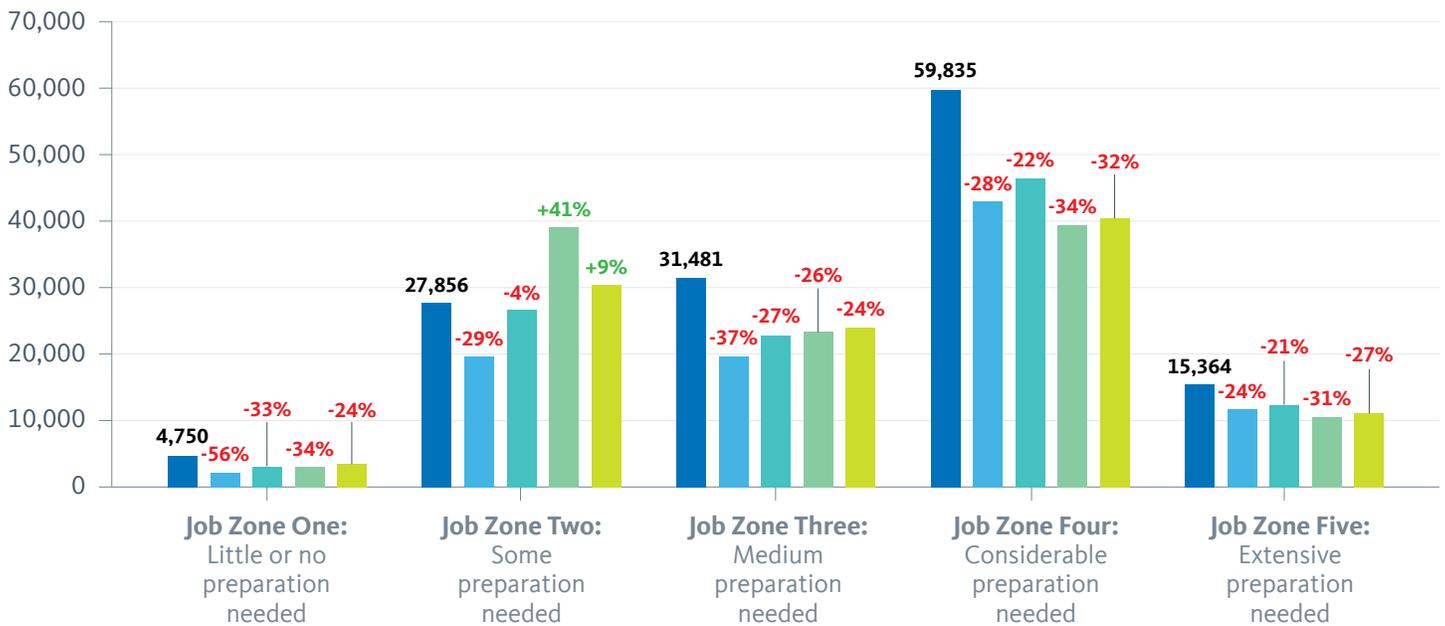
Source: Authors' analysis of Burning Glass Technologies data on monthly job postings, using O*NET occupational classifications. **Note:** For more information on job zone definitions, see https://www.onetonline.org/help/online/zones.

In the Bay Area, demand for jobs requiring some to moderate preparation—such as limited work experience, a high school diploma, or vocational training—has returned more quickly than demand for jobs that require either extensive preparation or no preparation at all. The Bay Area's recovery is led by lower wage work, relative to the median Bay Area worker with a postsecondary degree and an annual income above $100,000. This trend highlights the immense importance of many jobs that require little formal preparation, such as frontline care workers, gig workers, production workers, and service workers, who have kept the economy afloat. Yet these "essential" jobs are also valued least in terms of compensation and stability in the region.

Meanwhile, demand for jobs that require considerable or extensive preparation—often a bachelor's or advanced degree and significant specialized skills or experience—remained down 32 percent and 27 percent, respectively, as of October compared to February 2020, as many tech workers and companies have relocated out of the region with the prospect of indefinite remote work.[18] Workers in jobs that require greater experience and education are often more insulated from economic volatility than other workers, but this trend suggests that many workers may be reentering the labor market as "underemployed"—taking jobs for which they are overqualified.

10.0

GOOD JOBS ARE THE CORNERSTONE OF WORKFORCE EQUITY

Technological innovation has spurred the creation of unprecedented wealth in the Bay Area, and tech-sector leaders have proposed that the "future of work" should be understood as an emerging high-tech economy promising ever greater productivity, dividends, and flexibility. But greater flexibility for businesses often means greater precarity for workers. New business models designed to maximize profits and minimize risk for corporations often hinge on undercutting the formal relationship between employers and employees that is the basis of many worker protections and on implementing labor practices that put the livelihoods of working people at risk: unlivable wages, unpredictable schedules and income, lack of benefits and job security, attacks on worker organizing, and exclusion from corporate decision-making and prosperity.

The effects of automation, digitalization, and other tech-driven changes in the way work gets done have thus far largely benefited corporate owners because the changes have been controlled by corporate owners. Data projections about the labor market impacts of these "disruptive innovations"[19] suggest that without a change of course they will continue to exacerbate economic inequality and racial inequities. Black and Latinx workers are already far less likely than White workers to enjoy stable employment, and if current trends hold, these workers are projected to be even more concentrated among low-quality jobs 10 years from now.

These data underscore that an equitable future of work requires more than diversifying the talent pool for high-quality jobs in growing sectors. More fundamentally, it means balancing the power between workers, communities, and employers to ensure that all jobs are good jobs, to create high-quality employment opportunities that meet community needs, and to guarantee that new technologies are developed and deployed in ways that benefit and uplift rather than disempower working people.

To better understand the shortage of good jobs in the region, we analyze access to jobs that offer a minimum baseline of stability in the Bay Area region by race, ethnicity, and level of required education, using the localized definition of stable jobs summarized in the table below.

Characteristics and Examples of Stable Jobs by Typical Education Requirements, Bay Area, 2019

Characteristics of stable jobs:
- Living-wage compensation: Average annual wage for the occupation is sufficient to sustain a working family—$47,362 each for two full-time workers in a household of four, in the Bay Area.[20]
- Strong or growing base of employment: The number of jobs is projected to grow or to remain relatively stable for the next decade—employment in the occupation is not declining by more than 10 percent over 10 years, or more than 2 percent over 10 years for small occupations.
- Automation resilient: The occupation has a probability of computerization lower than 50 percent, given the full array of tasks that comprise the role and assuming that the current course of corporate-driven trends in automation continues. Automation risk is best calculated in terms of the likelihood of computerization of the underlying tasks that make up a given occupation, which can lead to worker displacement.[21] Very few jobs consist *entirely* of tasks that can be computerized,[22] but most occupations include enough automatable tasks to be considered at risk of automation. The national average risk is about 52 percent, indicating that about half of job tasks performed by the US workforce can be automated.[23]

| Example occupations accessible to workers with a high school diploma or less:	Example occupations accessible to workers with a postsecondary certificate, license, or vocational training through an apprenticeship:	Example occupations accessible to workers with an associate's degree:	Example occupations accessible to workers with a bachelor's degree or higher:
• First-line supervisors of retail sales workers • First-line supervisors of nonretail sales workers • Sales representatives of services, except advertising, insurance, financial services, and travel	• Electricians • Plumbers, pipefitters, and steamfitters • Emergency medical technicians	• Registered nurses • Surveyors, cartographers, and photogrammetrists • Air traffic controllers and airfield operations specialists	• Elementary and middle school teachers • Software developers • Civil engineers

Just under half of Bay Area workers are in stable jobs.

Share of Workers in Stable Jobs, Overall and by Educational Requirements, Nine-County Bay Area, 2019

| Category	Percent
Overall	47%
High school diploma or less	12%
Postsecondary certificate, license, or appenticeship	27%
Associate's degree	65%
Bachelor's degree or more	83%
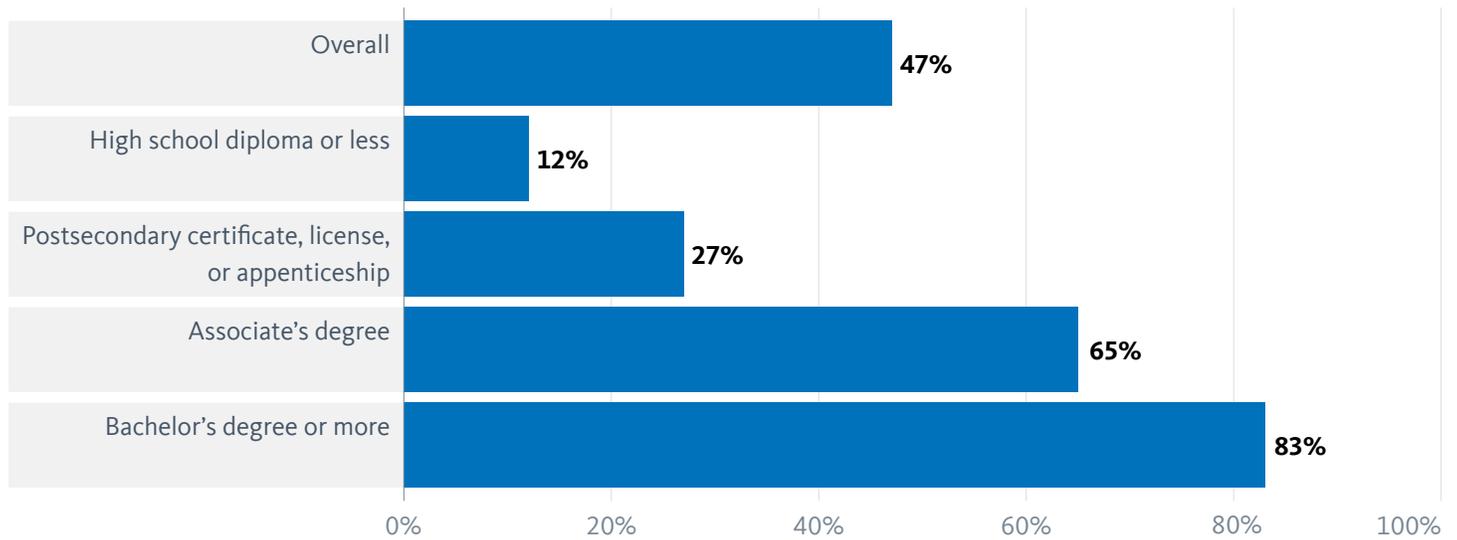
Sources: Employment from 2018 5-year American Community Survey microdata from IPUMS USA, and occupational characteristics from Burning Glass job posting data and 2018 5-year American Community Survey microdata from IPUMS USA.

In the Bay Area, only 47 percent of the region's four million workers are in stable jobs that offer basic family-supporting wages and insulation from automation-driven displacement, leaving more than two million workers without access to these basic job qualities. The share of workers in stable jobs increases as the level of education required for the job increases, but even among occupations that require nondegree postsecondary certifications, licenses, or apprenticeships, just 27 percent of workers are in stable jobs. The vast majority of jobs that require postsecondary degrees (associate's and higher) are relatively stable, but these educational requirements are a systemic barrier for many. Nearly 1.7 million Bay Area jobs require no more than a high school diploma, but only 12 percent of them are stable.

White workers are particularly overrepresented in stable jobs while Black and Latinx workers are underrepresented.

Distribution of Workers by Race/Ethnicity and Job Stability, Nine-County Bay Area, 2018

- ● White
- ● Black
- ● Latinx
- ● Asian or Pacific Islander
- ● Native American
- ● Mixed/other

|		
Stable jobs	50% · 4% · 12% · 30% · 4%	
Unstable jobs	34% · 6% · 32% · 24% · 4%	

0% 20% 40% 60% 80% 100%

Access to the three key dimensions of stable jobs (minimum livable wages, large or stable base of employment, and automation resiliency) varies between racial/ethnic groups, with systemic racial inequities. White workers are especially overrepresented among stable jobs: they make up 41 percent of the total workforce, but 50 percent of workers in stable jobs. Latinx workers make up 22 percent of the overall workforce but just 12 percent of those in stable jobs. And Black workers make up 6 percent of the workforce, but just 4 percent of workers in stable jobs.

If occupational segregation remains as it is today, just one of the 10 occupations projected to add the most Latinx workers and three of the 10 occupations projected to add the most Black workers over the next decade will be stable jobs, compared to eight of the 10 occupations that are projected to add the greatest number of White workers.

Latinx workers are overrepresented in automation-vulnerable jobs by about 50 percent, compared to their representation in the overall workforce.

Automation Risk by Race/Ethnicity, Nine-County Bay Area, 2018

- ⬤ White
- ⬤ Black
- ⬤ Latinx
- ⬤ Asian or Pacific Islander
- ⬤ Native American
- ⬤ Mixed/other

	White	Black	Latinx	Asian or Pacific Islander	Mixed/other
Overall workforce	42%	5%	22%	27%	4%
Workforce facing high automation risk	33%	5%	32%	25%	4%

0%   20%   40%   60%   80%   100%
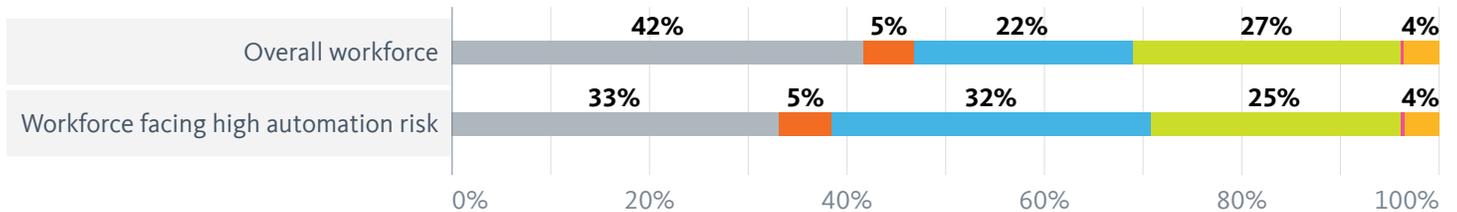
Sources: Authors' analysis of the 2018 5-year American Community Survey microdata from IPUMS USA and automation scores from "The Future of Employment: How Susceptible Are Jobs to Computerisation?" (Carl Benedikt Frey and Michael A. Osborne, 2013). **Note:** Universe includes the employed civilian noninstitutionalized population age 16 or older.

The projected risk of automation is also concentrated among the region's low-wage workers of color, perhaps unsurprisingly given the relative lack of economic power and agency afforded by most low-wage jobs in the region. White people in the Bay Area constitute 42 percent of the workforce, but only 33 percent of workers in jobs with high automation risk. Inversely, Latinx workers make up 22 percent of the workforce overall but 32 percent of automation-vulnerable workers.

11.0
A BLUEPRINT FOR ACTION IN THE BAY AREA
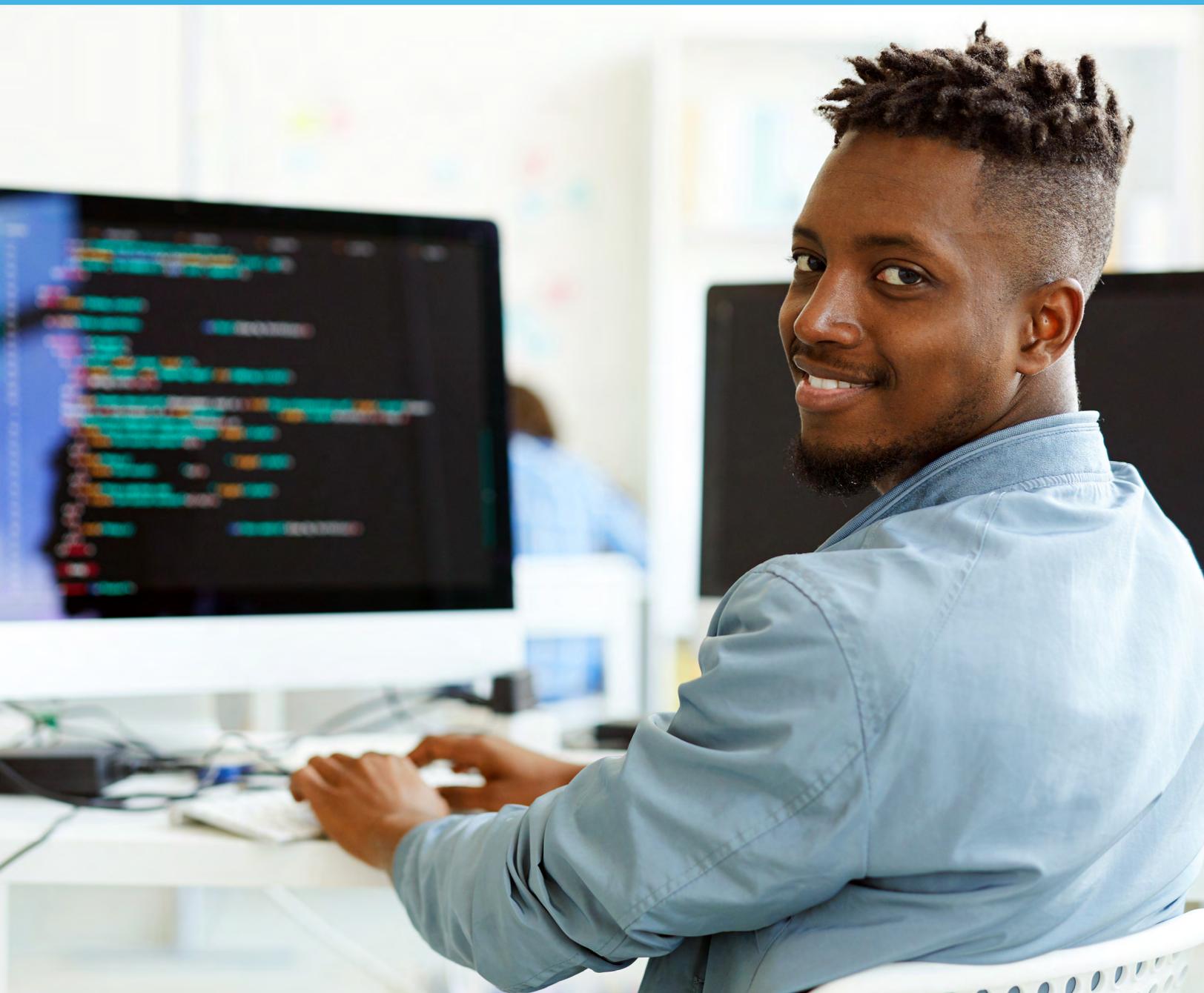
The data presented in this report underscore the urgent need for funders, policy-makers, employers, and community-based organizations to prioritize workforce equity in the Bay Area. None of these outcomes are inevitable; rather, they are a consequence of policy decisions, systems designs, and business strategies that have for too long excluded the voice and wisdom of the workers and residents driving the region's economic prosperity and cultural vitality. Ensuring that all workers have good jobs and the support they need to thrive in the emerging economy is critical to the region's future economic growth and stability, and requires growing the number of high-quality, well-compensated jobs; ensuring that workers have agency, dignity, health, and safety in the workplace; closing racial gaps in access to good jobs; and expanding access to the essential support systems that workers need.

Now is the moment for workforce funders and advocates to align with community and worker organizations to cultivate an equitable future of work and a thriving Bay Area for all. The Equity at Work Council has prioritized the following recommendations to move a cross-cutting racial equity agenda for the region's workforce.

1. Create a health and wellness scorecard.

Worker wellness and safety are essential to cultivating a sustainable, equitable, and diverse workforce. Employer practices are a key determining factor in health and safety outcomes for workers. By creating a worker health and wellness scorecard for employers, and developing incentives for meeting defined scorecard standards, workers and advocates can motivate employers to achieve these outcomes. Workers, advocates, and workforce intermediaries should take the lead to identify challenges and issues that impact worker wellness and to establish clear guidance for employers to implement equity-driven standards. Funders can support this foundational design work, and provide adequate resources to create a robust scoring and reporting system that can keep employers accountable and focused on improvements; uplift employers who provide healthy, empowered jobs; and empower workers with transparent data to inform their employment decisions and advocacy.

The specific indicators included in the scorecard should be selected and defined in collaboration with workers and advocates and informed by the data presented in this report. Worker wellness is an integral measure of job quality, including physical and mental health and adequate wages, high-quality benefits, job security,

advancement opportunities, and an equitable, meaningful voice in the workplace. Indicators could include racial and gender gaps in wages; fair hiring practices; racial representation in retention and advancement; supportive policies related to scheduling, childcare, and commuting; and worker voice and ownership. A well-resourced scorecard and rating system will provide a framework for worker advocacy in corporate and public policy, incentivizing (or mandating) employers to raise the floor on labor standards, and growing the number of good jobs available in the region.

2. Establish a worker bill of rights.

Labor standards and practices based on human and community needs, rather than profit maximization, are the foundation of shared and sustainable prosperity. It is time for a worker bill of rights at the state policy level to institutionalize high standards for worker rights in California, addressing exclusions in current labor laws and strengthening protections for all workers regardless of industry, classification, or documentation status. Advocacy and organizing around a worker bill of rights can provide an opportunity for collaboration among employees and employers—particularly small businesses—at the regional level, through a multistakeholder process to identify the jobs and job-quality standards that workers and communities need to thrive.

The ultimate goal will be for the bill of rights to be taken up legislatively and legally codified, as a statewide policy that improves working conditions and standards, with appropriate funding and enforcement mechanisms, to achieve population-level results. In the interim, the bill of rights would provide a coalition-building and advocacy mechanism to bring together industry and precarious workers most impacted by labor rights exclusions and violations (such as gig, domestic, and undocumented workers). Leveraging the Equity at Work Council's convening power to align multiple stakeholders across the region, articulating a strong worker bill of rights should be a part of an equitable recovery from the Covid-19 recession, with essential and dislocated workers positioned to create collective bargaining agreements.

3. Invest in community-centered economic planning.

Community and economic development initiatives have historically been driven by the power and priorities of capital owners (philanthropic foundations, big businesses, and government actors) rather than the needs of workers and communities. To counterbalance this power dynamic, workforce funders and intermediaries should create and convene a multistakeholder regional board that brings together communities, small businesses, and workers to identify community-centered investment opportunities. This board would identify, launch, and evaluate economic investment pilot programs that align small business goals with people-focused and place-based community priorities through shared decision-making power and aligned objectives. This strategy would bring together philanthropic investors, large businesses, government, workers, small business owners, and community leaders to design and shepherd pilot development projects created to improve specific equity indicators and to identify scalable solutions.

4. Strengthen the social safety net and worker benefits.

Measurable benefits like health care, paid sick time, paid family leave, unemployment benefits and retirement savings—as well as intangible qualities like dignity and belonging—contribute to a resilient and productive workforce and should be guaranteed for all workers. Worker organizations, advocates, workforce organizations, and values-aligned businesses can establish a broad, multistakeholder coalition with the support of funders to strengthen the social safety net and improve worker benefits equitably for all workers. Promoting, documenting, and tracking outcomes from local policy and programmatic solutions can help to advance a statewide agenda and build political will for public sector investments. A need also exists to ensure mechanisms are in place to counterbalance corporate practices that externalize risks and costs onto working people and taxpayers.

5. Design workforce training programs to empower workers.

In a post-Covid era, the collective importance of a safe and healthy workforce and safe and healthy workplaces is paramount, and an informed and empowered workforce—and active diligence on the part of public agencies—is key to successful enforcement of labor standards. Workforce development and vocational education programs are vital points of support and connection for low-wage workers and job seekers, especially those facing barriers to employment (such as limited-English speakers and immigrants, returning citizens, and people with children). Yet many job seekers are unable to take advantage of workforce programs, or drop out before completion. The value of these programs is also diminished by the lack of available good jobs in the region for graduates, which erodes trust and interest in workforce programs.

For workforce programs to truly address systemic inequities, they must address the needs job seekers have for steady income, childcare, transportation, ESL training, and other issues that prevent them from full participation in such programs. To increase the value of workforce and vocational education programs and democratize access to good jobs, workforce education and training providers should integrate worker-rights training and wraparound supports into existing training and services to ensure that low-wage workers and job seekers actually benefit from workforce development offerings.

Funders, employers, and worker organizations should also prioritize integrating worker-rights education as a core component of preparing people for employment. This can ensure that workers, especially those long excluded from good jobs, can actively exercise their rights once they are on the job. Specifically, community-facing organizations, including community colleges, need resources to build capacity and coordinate training to empower workers to assert their rights and demand higher standards from employers, and to help replicate successful labor-management partnerships and workplace training programs co-designed with worker organizations.

6. Redistribute funder power.

Philanthropy has a key role to play in cultivating workforce equity and creating a more equitable Bay Area economy, which must transform the concentration of decision-making power that accompanies the concentration of wealth and power. To this end, ReWork the Bay should increase the Equity at Work Council's authority and role within its scope of work. Creating a participatory funding model that elevates the Equity at Work Council's expertise to govern and deploy funds across the Bay Area region would prioritize community trust, dismantle paternalist philanthropic practices, sharpen the strategy, and deepen the collective impact of the collaborative.

This commitment would necessarily restructure investment strategies to be co-designed by a cross-section of leaders with deep ties to communities and worker organizations. Such a reimagined process might surface priorities and techniques that go beyond the existing approaches taken by the collaborative. ReWork the Bay should commit to transparency in decision-making and sharing best practices and lessons learned from this radical model of collaborative and participatory investment to inform the field of philanthropy at large and build the capacity of other collaboratives focused on supporting an inclusive recovery and just economy.

12.0
METHODOLOGY

The analyses presented here were drawn from two key data sources: the 2018 5-year American Community Survey (ACS) microdata from IPUMS USA and a proprietary occupation-level dataset from Burning Glass Technologies expressed at the six-digit Standard Occupational Classification (SOC) level. While sources and notes are included beneath each figure in the report, here we provide additional information on these two key data sources and methods used for the analysis of "good jobs," automation risk, and income/GDP gains with racial equity in the workforce. Unless otherwise noted, all data reflect the nine-county San Francisco Bay Area including Alameda, Contra Costa, Marin, Napa, San Francisco, San Mateo, Santa Clara, Solano and Sonoma counties in the state of California.

The ACS is the largest annual survey of US households administered by the US Census Bureau, collecting a wealth of socioeconomic and demographic information. It is released in both a "summary file" format that includes a limited set of summary tabulations for a wide variety of geographies as well as a "microdata file" that includes individual-level responses for the survey, and affords an analyst the flexibility to create custom tabulations. These files also come in both 1-year and 5-year versions, which cover about 1 and 5 percent of the US population, respectively. We used the 5-year sample of the microdata to achieve a larger sample size, and we use the version released by IPUMS USA because it has been harmonized to be more consistent over time and augmented with many useful variables.

Unless otherwise noted, the ACS microdata was the source of all tabulations of demographic and workforce equity metrics by race/ethnicity and nativity included in this report. Also, unless otherwise noted, racial/ethnic groups were defined such that all groups are non-Latino (excluding those who identify as Hispanic or Latino), leaving all persons identifying as Hispanic or Latino in the "Latinx" category. The term "US born" refers to all people who identify as being born in

the United States (including US territories and outlying areas), or born abroad of at least one US citizen parent, while "immigrant" refers to all people who identify as being born abroad, outside of the United States, of non-US citizen parents. The ACS microdata was aggregated to the detailed occupation level and merged with data from Burning Glass Technologies to conduct the "good jobs" and "automation risk" analyses that appear in the report.

The proprietary data from Burning Glass Technologies is based on job postings by collecting data from close to 50,000 online job boards, newspapers, and employer sites daily. Burning Glass then de-duplicates postings for the same job, whether it is posted multiple times on the same site or across multiple sites. Finally, Burning Glass applies detailed text analytics to code the specific jobs, skills, and credentials requested by employers. The equity gap for good jobs was calculated using occupation characteristics from the ACS (employment and average salary), Burning Glass data models (typical education requirements advertised on job postings and metropolitan-area occupational employment projections), and the automation risk associated with each occupation from the 2013 paper, "The Future of Employment: How Susceptible Are Jobs to Computerisation?" by Carl Benedikt Frey and Michael A. Osborne.

The income and GDP gains with racial equity in the workforce are based on a methodology used for the "racial equity in income" indicator on the National Equity Atlas. That analysis estimates aggregate income and income per person for the population ages 16 years or older, by race/ethnicity, under the status quo and under a hypothetical scenario in which there is no inequality in age-adjusted average income and employment by race/ethnicity. That is, it assumes that all racial/ethnic groups have the same average annual income and hours of work, by income percentile and age group, as non-Hispanic Whites. The aggregate income gains are then used to estimate the gain in GDP by applying the percentage increase in aggregate income (for all racial/ethnic groups combined) to actual GDP as reported by the US Bureau of Economic Analysis.

For the income and GDP gains with racial equity in the workforce analysis included in this report, we replicated the same methodology used in the National Equity Atlas but restricting it to the working-age population (ages 25–64 years). Care was taken to ensure that the percentage (and total) gain in GDP we estimated was based on the percentage gain in overall aggregate income (i.e., for the population ages 16 years or older) that we would expect if there were racial equity in income for just the population ages 25–64 years.

13.0
NOTES

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14.0
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