

Future of Work Commission
Employment Social Enterprise (ESE) Town Hall
January 8, 2020

“An Equity Dashboard for the Future of Work”

Co-Hosts: Commissioners Maria Salinas, CEO LA Chamber of Commerce; and Carla Javits, CEO REDF

Carla provided background on FoW Commission; also briefed on REDF’s proposed Local Empowerment Fund concept that would create a fund to invest through local private and public intermediaries in local initiatives geared toward economic mobility for disadvantaged individuals. The Governor did not include the Fund in the budget proposal just released. We will incorporate this with other policy ideas helpful to the ESE community as the Future of Work Commission develops its’ May submission to the Governor.

Maria noted the diversity of her constituency with 285,000 businesses in LA and the Inland Empire, including 70% small businesses; offered remarks about the role the business community plays in creating a more inclusive workforce, and the high priority her members place on workforce issues along with the initiatives they are participating in locally.

Carla’s ask – What are the issues facing the workforce served by ESEs? What policy ideas should Maria and Carla and the Commission consider? Ideas in which local government can play a part? The business community?

Comments from 20+ participants which included social enterprise leaders and local government:

- **Immigrant workers/promotoras.** It’s important to focus on immigrant workers. There’s an opportunity to help [promotoras](#) – experienced community health workers -- to move from volunteers into paid workforce. [Avionte](#), a Latino-owned, California staffing agency for the tech sector, could be a model for promotoras/community health workers.
- **Role of ESEs and co-ops.** Are we looking at end of the era of large corporations as major employers (note to the Commission – useful to get more data on this question). Can employment social enterprises (ESEs) and cooperatives fill economic/jobs void in underinvested neighborhoods and employ those impacted by automation. What is the intersection of affordable housing public policies and employment? How does this fit with governor’s equity objectives? Sustainable wage will be driven largely by cost of housing. Also suggest looking at [Cooperation Jackson](#) in Jackson, Mississippi fostering cooperative economic development models.
- **Invest in ESEs #1.** Recommendations: local economic development policies need to be more creative to scale up ESEs to address employment, and community land trusts to address affordable housing. Scaling up these entities should be a more explicit part of the economic development/workforce toolkit.
 - Maria Salinas notes that the intersection with housing is unavoidable and something the Commission has noted it needs to address – it has come up repeatedly.
 - Carla – 2 main affordable housing issues: 1) people becoming homeless despite working and 2) is affordable housing infrastructure development an opportunity for ESEs and cooperatives as first or second tier suppliers to generate employment.

- **Invest in ESEs #2.** Recommendations: 1) local and state governments should introduce bid preference for businesses that partner with ESEs; 2) tax credit at state level for employers that are hiring people who are prepared for work by certified social enterprises – e.g. build in a financial incentive to hire; 3) LA’s target local hire program (alongside the [Los Angeles Regional Initiative for Social Enterprise – LA:RISE](#)) shows how to also integrate government/public sector as employers. In LA, public sector is a large employer. The offered streamlined application process for people with high barriers – 600 hired to date, many with barriers.
- **Value of smaller organizations/business partnerships.** Have been working locally to connect ESEs to the business community, local foundations, and especially sports teams. By telling stories of the successes of individual participants who get off the streets and get jobs, they are convincing elected officials that it is not just about investing in organizations that can put up big numbers. Have to take smaller organizations/businesses into account – and aggregate their impact.
- **Apprenticeship.** Apprenticeship program seems to have support of the Governor. [Kitchens for Good](#) – an ESE in San Diego has had tremendous success when they have been able to access innovative apprenticeship dollars to develop more creative apprenticeship opportunities for people with barriers. These programs help open the door, then people can get promoted and get raises very rapidly even if they don’t deliver a \$20/hour job initially. This has been state funded (CA-certified apprenticeship program). In talking to [Catalyst Kitchens](#), CA is one of the few that has been successful in developing an innovative apprenticeship program.
- **Inclusion.** Another participant noted that often CBOs are providing training to front line workforce in health care and other sectors, but can’t document it in the evidence-based way that may be required by funders – important to address this.
- **Housing.** Opportunities that may be related to more innovative housing stock (micro houses, manufactured housing, modular housing, etc.). Can CA do it at a scale, invest, use competitive advantage and be a leader nationally in this sector. Northeast seems to be starting to do modular construction to get costs down. Opportunity for CA.
- **Reentry.** Lift up re-entry population given the large share of the population that has had contact with the justice system. Category that needs to be looked at by the Commission given the collateral consequence and barriers. Commissioners should consider creating an **equity dashboard for the workforce of the future.**
- **Food.** The food industry is negatively impacted by the focus on technology/job growth in the tech industry. Yet small business and food businesses disproportionately hire people from marginalized communities. Incentives and tax credits should be provided to food businesses for doing the hard work that truly make a difference in the lives and communities where there are so many marginalized members employed.
- **ESE incentives.** Recommendations: Add ESEs to a favored business list published by the Governor's office. And provide special incentives to other businesses that support ESEs through hiring and procurement.
- **Domestic violence and ESEs.** Domestic violence survivors need to be assisted in securing employment by providing organizations that specialize in serving domestic violence

survivors with funds to start social enterprises which offer jobs and wages to them, with additional support for those serving underserved survivors, including those facing language and cultural issues or other special challenges, single mothers, et. al. Could use workforce funds for this purpose. Current domestic violence programs often assist the most difficult to serve – criminal backgrounds, chronically homeless – jobs in social enterprise will be a preventative solution.

- **Be explicit w/ language.** Recommend that all stakeholders start using the term "Social Enterprise" and "Employment Social Enterprise" - and use it often. To demonstrate that Governor Newsom believes in the work that so many of us are doing, then it is critical to talk about it explicitly. Business is the focus in California. Talking about the value of and importance of SE and ESE is absolutely essential for more traction

Concluding remarks – Carla and Maria: FoW Commission recommendations go to the Governor in May, will be other opportunities to provide feedback. To provide additional input:

<https://redfworkshop.org/question/what-are-your-policy-ideas-to-shape-cas-economy-of-the-future-to-be-more-inclusive-of-social-enterprise-employees/>

[California Future of Work Commission](#) meetings are public, take place all over the State, and public testimony is always welcome.