

# Putting California on the High Road: A Jobs and Climate Action Plan for 2030

Briefing for Climate Center November 19, 2020

**Carol Zabin, UC Berkeley Labor Center**

Contributors: Roxane Auer, J. Mijin Cha, Robert Collier, Richard France, Jenifer MacGillvary, Holly Myers, Jesse Strecker, Steve Viscelli



# Legislative Mandate for Report

- Mandated in AB 398, asked the CA Labor Agency to make recommendations on worker supports.
- First time legislature has explicit focus on **job quality** and job access, not just “net job growth”.
- Recommends complementary job policy levers that can be incorporated into existing and future climate policies

# Tracing CA climate policies to jobs

## CLIMATE POLICY

### Mandates

RPS  
Clean Truck Rules

### Public Investment

High-Speed Rail  
Clean Buses

### Incentives

EV Rebates  
Energy Efficiency Incentives

### Market

Cap-and-Trade

## INDUSTRIES

Construction

Trucking

Vehicle  
Manufacturing

Transit

Oil & Gas

## JOBS

1/3 of California workers  
are in low-wage jobs

## High % Blue Collar Jobs in Top 3 Climate Sectors

Scoping Plan Sector	Main Policies	Subsector	Industry by NAICs	% Blue Collar Jobs
Energy	Renewable Portfolio Standard Mandate	Utility Scale Renewables	Utility System Construction	73%
			Electric Power Generation, Transmission	38%
	Incentives for home and business owners	Distributed Generation	Residential Construction	69%
			Nonresidential Construction	59%
	Incentives for home and business owners	Energy Efficiency	Residential Construction	69%
			Nonresidential Construction	59%
	Mandates	Natural Gas Leakage Abatement	Natural Gas Distribution	42%
Transportation	Fuel standards and other clean vehicle mandates	Cleaner Vehicles	Motor Vehicle Manufacturing	87%
			Vehicle Repair & Maintenance	78%
			Trucking	77%
	Public funding	Public Transit	Transit and Ground Passenger Transportation	86%
	Public funding and incentives	Clean Fuel Infrastructure	Electrical Contractors	75%
	Public funding	Transit Infrastructure	Other Heavy and Civil Engineering Construction	73%
	Incentives and local urban and regional land use and transportation planning	Infill and Transit-oriented Development	Nonresidential Construction	59%
			Residential Construction	69%
Industry	Cap and trade, pollution mandates	Manufacturing	Various	58%
	Cap and trade, pollution mandates	Fossil fuel production, refining, and distribution	Crude Petroleum and Natural Gas	41%
	Reduction in demand for fossil fuel products from all the other policies		Petroleum Refining and Hydrogen Production	55%

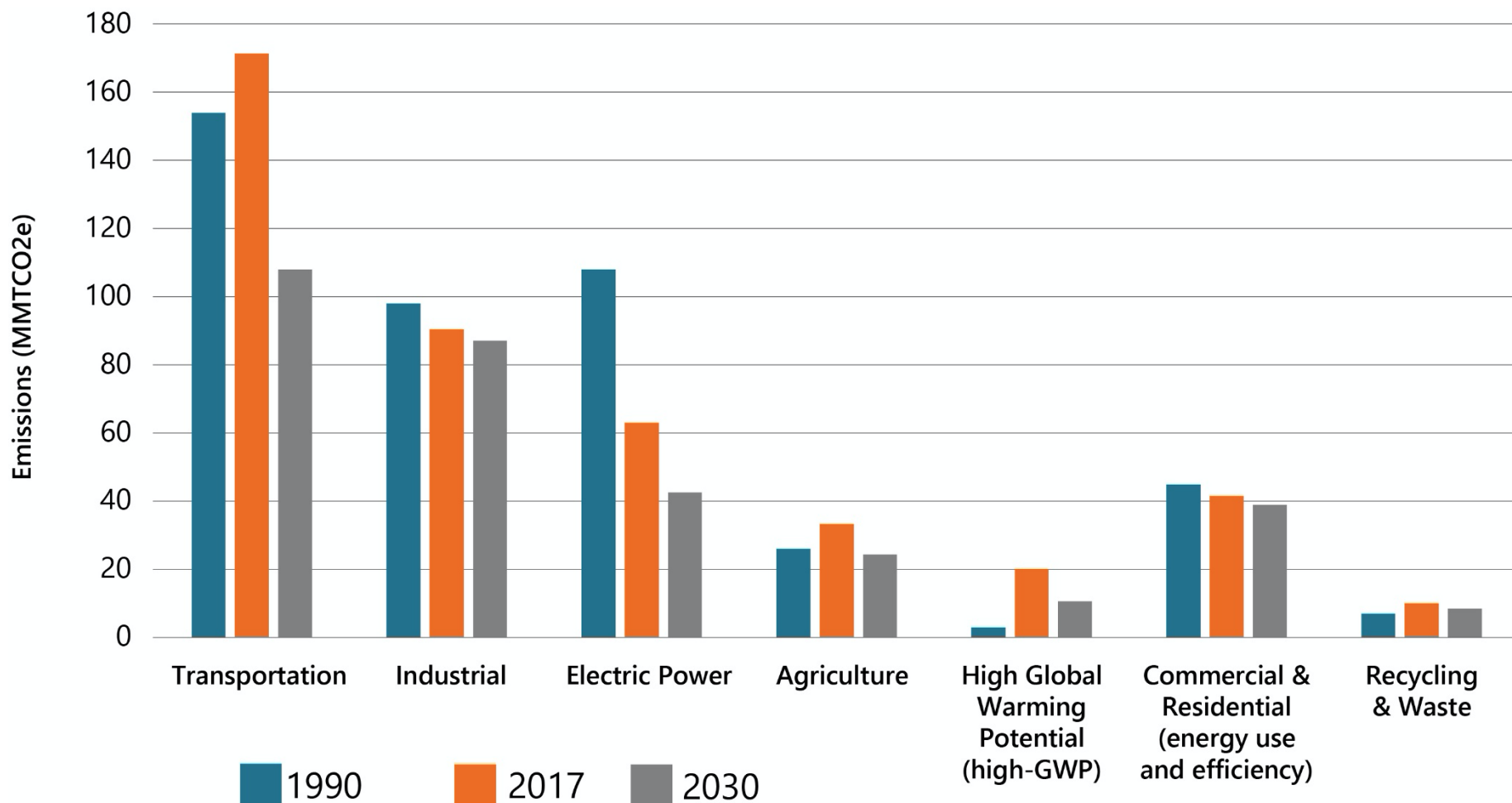
# Impact on Job Quality and Access Varies by Policy and Industry

**High road success:** Renewable Portfolio Standard-- drove increase in renewable sources of electricity, **AND** good jobs, with good career training and inclusion of disadvantaged workers.

**Low Road challenges:** Misclassification in trucking industry means that low wage immigrant truck drivers, who are forced to carry the cost of the trucks, are responsible for climate policy, rather than the trucking companies they work for. This hurts these truck drivers AND, emissions reductions aren't fully realized because these truck drivers can't afford to comply.

We have to be intentional about protecting workers and creating good jobs or improving bad jobs, can't just do climate policy and leave job outcomes to the market, because we will just perpetuate the growth of low wage jobs.

## Greenhouse Gas Emissions (MMTCO<sub>2</sub>e), by Sector 1990, 2017, and Expected Reductions by 2030



# Structure of Report follows Scoping Plan

- Three “tools” chapters with policy recommendations on:
  - Labor standards for mission-critical climate industries
  - Training strategies based on CWDB strategy
  - How to support workers in declining industries
- 6 sector chapters following CARB scoping plan, energy, transportation, industrial, waste, water, and lands.



# Low wage trouble spots where labor standards can improve job quality

- Distributed generation, rooftop solar
- Energy efficiency
- Trucking
- Ride-sourcing/Transportation Network Companies
- Waste management
- Fire prevention and forest management
- Agriculture
- Manufacturing



# Climate agencies can promote good jobs by adding labor policy levers

- Construction:
  - Project Labor Agreements with Targeted Hire (CWAs)
  - Skilled and Trained Workforce
  - Prevailing Wage
  - Responsible Contractor Requirements
- Non-construction
  - Inclusive Procurement Requirements
  - Wage and Benefit Standards
  - Skill Standards
  - Community Benefit Agreements
- Climate Agencies Need T.A. from Labor Agency

## Training is needed but must be connected to family-supporting career track jobs

- Start with the jobs, partner with employers, and customize by industry
- Support and enhance apprenticeship and other labor-management partnerships, don't create new niche “green” jobs training programs.
- Fund comprehensive training that prepares workers for careers, not one technology.
- You can't improve inclusion without job quality

# Planning is needed to address potential job loss

- Just transition for workers and communities
  - Retraining not enough
  - Need negotiated package to keep workers whole
  - Community economic development and diversification
  - Labor, business, and community engagement
  - Firm, region and state roles
  - Examples: Germany, military base closures, Diablo Canyon nuclear plan
- Necessary for fossil fuel industries but alternatives likely exist for heavy emitting manufacturing

# Recommendations for Fossil Fuel Industries

Short Term: Fully explore alternatives to plant closures when there are other strategies available that will achieve greenhouse gas emissions reductions **and** local pollution abatement.

- Avoid leakage—don't end up importing oil or gas because you haven't successfully reduced demand.
- Support and deploy industrial energy efficiency, Best Available Retrofit Technology, fugitive methane capture and other pollution abatement.

Longer-term: Transition—CARB predicts 40% reduction in demand for petroleum in CA by 2030

- Identify priority transition assistance needs to keep workers WHOLE.
- Create industrial planning process that includes labor, industry, and local communities.

## 1. CLIMATE POLICIES

### EXAMPLES:

- RENEWABLE PORTFOLIO STANDARD
- IOU EE INCENTIVE PROGRAMS
- EV INFRASTRUCTURE AND REBATES
- CAP AND TRADE PROGRAM

## 2. POLICY MECHANISMS THAT AFFECT LABOR DEMAND

### EXAMPLES:

- PUBLIC INVESTMENT
- INCENTIVES
- MANDATES
- PRICING POLICIES
- PUBLIC ENTERPRISES
- PROCUREMENT

## 3. IMPACT OF POLICIES ON # OF JOBS, JOB QUALITY, AND JOB ACCESS

### EXAMPLES:

- CONSTRUCTION
- MANUFACTURING
- TRANSPORTATION
- UTILITIES

## HIGH ROAD APPROACH

### DEMAND-SIDE LEVERS FOR CLIMATE AGENCIES:

- Skilled workforce standards
- Wage standards
- Community workforce agreements
- Procurement for the public good
- Targetted/local hire mechanisms

### SUPPLY-SIDE STRATEGIES FOR EDUCATION AND TRAINING INSTITUTIONS:

- Pre-apprenticeship and pipeline training
- Industry training partnerships
- Curricula upgrades in post-secondary institutions

### JUST TRANSITION:

- Planned industrial phase-out
- Displaced worker supports
- Community economic development
- Displaced worker assistance

### LABOR DEMAND MANAGED

### LABOR SUPPLY MANAGED

### TRANSITION MANAGED

### OUTCOMES:

- SKILL NEEDS ARE MET
- QUALITY WORKMANSHIP IS THE NORM
- JOB QUALITY IS IMPROVED
- ACCESS FOR WORKERS FROM DACS INTO QUALITY JOBS IS BROADENED
- DISPLACED WORKERS MAINTAIN THEIR LIVELIHOOD
- COMMUNITIES DIVERSIFY THEIR ECONOMIES

## LOW ROAD APPROACH

- No labor standards
- Training unconnected to jobs
- No advanced planning for displaced workers

### OUTCOMES:

- Low wage job trends permeate low-carbon economy
- Recruitment & retention of skilled workers is low
- Problems of quality workmanship persist, undermining market adoption
- Disadvantaged workers have limited access to career training and middle class jobs
- Workers lose jobs and income

# Thank you

Carol Zabin

[zabin@berkeley.edu](mailto:zabin@berkeley.edu)

[laborcenter.berkeley.edu](http://laborcenter.berkeley.edu)