

Congress of the United States
Washington, DC 20515

January 15, 2009

President-Elect Barack Obama
Office of the President-Elect
451 6th Street, NW
Washington, D.C. 20001

Dear President-Elect Obama,

We salute your leadership on working towards equity for women in the workplace, and applaud your commitment to sign H.R. 11, the Lilly Ledbetter Fair Pay Act, and H.R. 12, the Paycheck Fairness Act. We also appreciate your dedication to delivering an effective, well-balanced recovery package to Congress and look forward to acting favorably upon it. However, we believe it is important that every American, regardless of gender, fully participates in the recovery, and we look forward to working with you to ensure that women also benefit from our important investment in the infrastructure sector.

Introduction

Descriptions of the economic stimulus package under development indicate that a large portion of federal spending, perhaps as much as 20%, will focus on infrastructure construction, including transportation and school projects, energy efficiency improvements, and green economy investments such as smart grid expansions. While more details about the stimulus package will be revealed in the coming days, the inclusion of a robust infrastructure component is indeed critical for jump-starting our economy and creating jobs. However, the significant gender imbalance in occupations related to physical infrastructure development means that the direct job creation will benefit mostly men who by far represent the largest share of this workforce. Absent efforts to increase worker diversity in infrastructure-related jobs, this could lead to a shift of hundreds of billions of dollars of wealth from women to men.

This letter explores the potential gender inequity effects of the anticipated infrastructure spending, and in particular the impact of construction expenditures. Previous public works spending, most notably during the New Deal, disproportionately employed men, but today women compose nearly half of the workforce. It was a mistake then and it would be an even greater mistake today to do nothing to address this inequity. This letter briefly presents potential policy remedies to prevent a shift of wealth away from women-maintained families and single women households, whose federal taxes and debt obligations could end up subsidizing jobs for men-maintained families and single men households. The objective is to ensure that the largest federally funded jobs program since the Great Depression does not have the effect of

redistributing America's taxes from the poorest and mostly female households to a group that is almost entirely male.

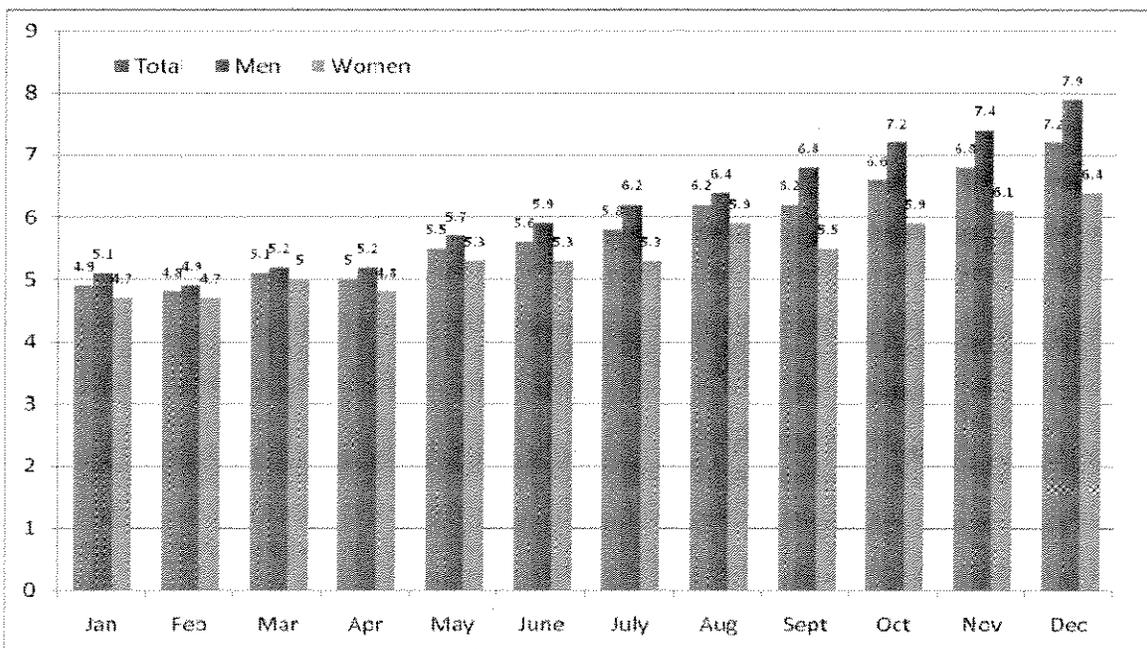
Who Needs Help

In 2007, women comprised 46% of the total U.S. labor force of 153 million. Specifically, 71 million (59.3%) of all women age 16 and over were either working or actively looking for a job, compared to 82 million (73%) of all men.¹ While men have experienced slightly higher unemployment rates than women in 2008,² as shown in Figure 1, their respective rates have been quite similar since 2000,³ as shown in Figure 2. It is also important to note that women with children experience much higher unemployment rates than men with children,⁴ as illustrated in Figure 3.

Worse still, there is evidence that women who have experienced job displacement face a harder time finding new jobs than men. Although 1.6 million women and 2 million men were displaced from jobs they had held for at least 3 years during 2005-2007, by January 2008, the reemployment rate for women was 64%, compared with 70% for men, and women were almost twice (20%) as likely as men (11%) to have exited the labor force.⁵

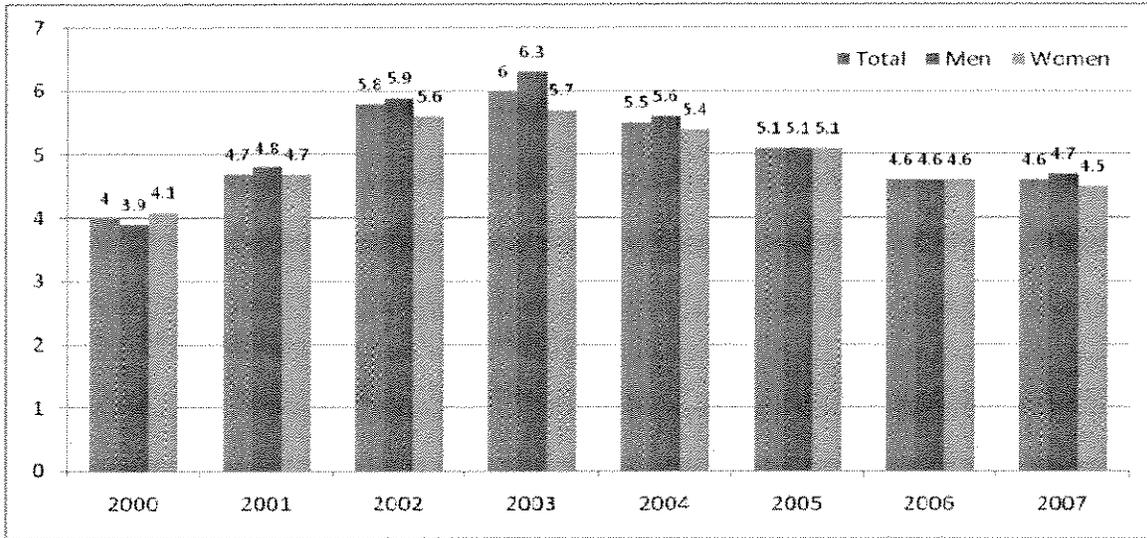
Reflecting persistent gaps in wages and employment, women are more vulnerable to poverty than men. This is especially the case with female-headed families, which in 2007 faced a 28.3% poverty rate (4.1 million families), compared to 4.9% of married-couple families (2.8 million) - rates that are rising dramatically for both groups as unemployment escalates, but that will continue to hit women particularly hard.⁶

Figure 1: Monthly unemployment rates by sex, 2008



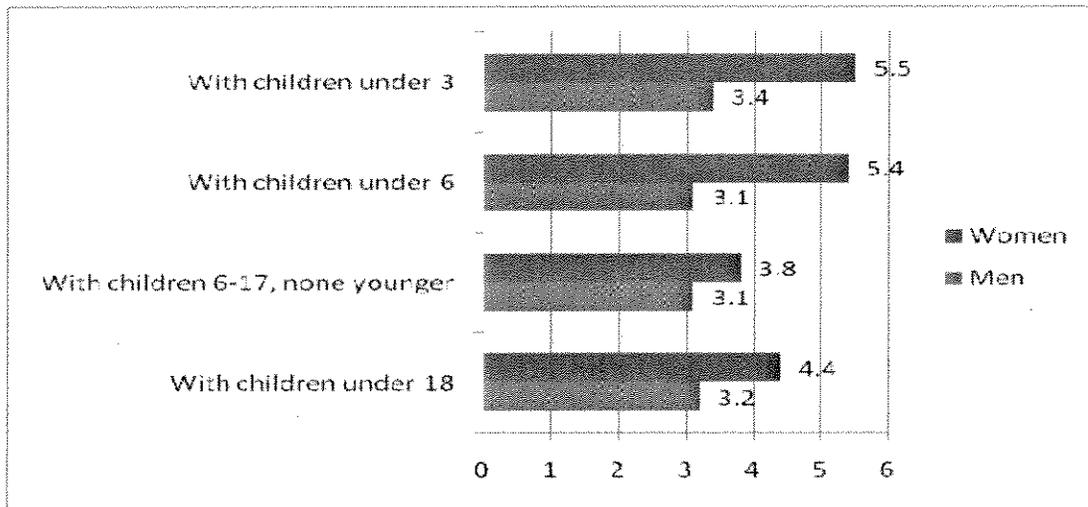
Source: U.S. Bureau of Labor Statistics.

Figure 2: Average annual unemployment rates by sex, 2000-2007



Source: U.S. Bureau of Labor Statistics.

Figure 3: Unemployment rates by sex, and presence and age of children, March 2007



Source: U.S. Bureau of Labor Statistics.

Who Will Benefit from Infrastructure Spending

In 2007, only 9.4% of the 11.9 million workers in the construction industry were female.⁷ The construction industry is made up of the following components: heavy and civil engineering activities such as highway and bridge building, residential and nonresidential building, and specialty trade contractors. And while 10.7 million or 13.7% of the 78.3 male workers were employed in the construction industry, only 1.1 million or 1.7% of the 68 million female workers were in this occupational sector.⁸

Worse, of the actual development-related occupations with a national employment base of at least 100,000 jobs, only about 3.9% are women. The U.S. Department of Labor defines “nontraditional occupations” as those in which women comprise 25 % or less of total employed. The figures in Table 1 clearly demonstrate that most occupations in infrastructure development-related fields fall deep into this category.

Table 1: Employed persons and percent women by infrastructure development-related occupation, 2007 annual average

Occupation	Total employed (in 000s)	Percent women
Carpenters	1,824	1.9
Construction laborers	1,771	2.7
Electricians	912	1.7
Painters, construction and maintenance	714	6.9
Pipelayers, plumbers, pipefitters, and steamfitters	697	1.5
Welding, soldering, and brazing workers	577	5.6
Industrial truck and tractor operators	571	5.9
Maintenance and repair workers, general	488	3.1
Machinists	422	5.2
Operating engineers and other construction equipment operators	411	2.7
Heating, air conditioning, and refrigeration mechanics and installers	403	0.9
Civil engineers	382	11.5
Electrical and electronic engineers	347	8.6
Mechanical engineers	296	7.3
Roofers	269	0.9
Carpet, floor, and tile installers and finishers	258	2.1
Brickmasons, blockmasons, and stonemasons	233	1.2
Drywall installers, ceiling tile installers, and tapers	232	3.6
Telecommunications line installers and repairers	227	7.5
Industrial engineers	161	17.5
Sheet metal workers	143	3.7
Helpers, construction trades	117	4.2
Engineering managers	114	8
Cement masons, concrete finishers, and terrazzo workers	112	2.2
Highway maintenance workers	109	0.5
Construction and building inspectors	107	10
Electrical power-line installers and repairers	103	1.4

Source: U.S. Bureau of Labor Statistics.

Women are also dramatically underrepresented in the installation, maintenance, and repair occupations category, with only 3.9% of the 5.3 million jobs being held by female workers. Another area of economic activity that should experience a boost from the infrastructure spending is utilities. Renewable energy production, smart grid development, and water and sewage treatment systems upgrades, would result in job creation in this industry. In 2007, women held 21.6% of the 1.2 million jobs in the utilities industry, which includes electric power and natural gas generation and distribution, as well as irrigation systems, among other components. Certain sectors of durable goods manufacturing should experience job creation from the infrastructure spending also, and specifically the following categories: 1) primary metals and fabricated metal products (18.6% female workers), 2) machinery manufacturing (21.1% female workers), and 3) wood products (18.7% female workers).

How to Help Women Workers Participate in the Recovery

Addressing the gender inequity in infrastructure-related jobs can be accomplished by diversifying the workforce. This can be achieved through additional investments in training for women in non-traditional jobs that pay “20 to 30 percent more than traditionally female jobs,”⁹ as well as enforcement of existing requirements and establishing new requirements and incentives for federal contractors to recruit and retain women employees. Such remedies are not without precedent. The Carter administration through its revision of the Comprehensive Employment and Training Act and the Youth Employment Training Act began to channel money toward job training for low-income women in these areas, and promoted their hiring in the construction trades.

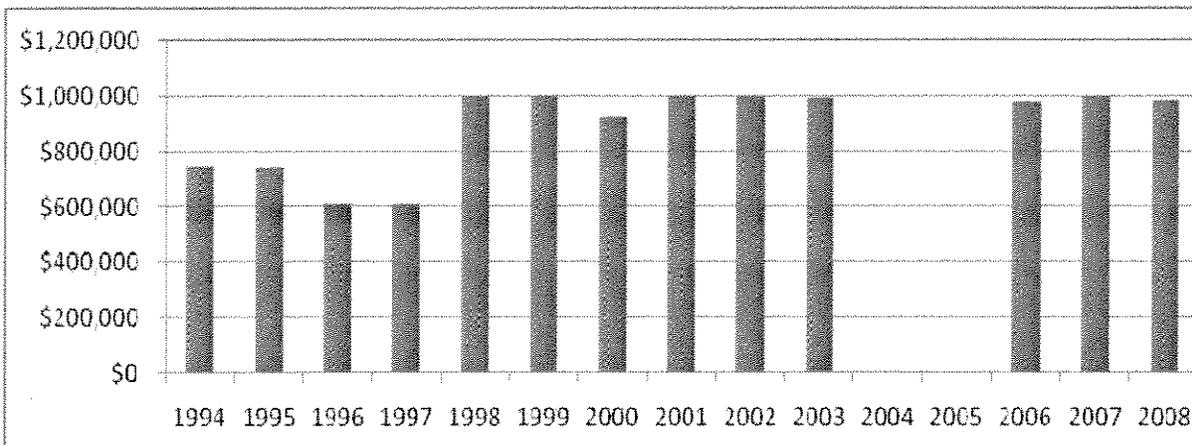
These steps can be implemented swiftly. During World War II, with the urgent need to ramp up war production, women were brought into traditional male jobs that necessitated skilled training—welding, iron molding, skilled machine work—within months.

Following is a brief discussion of some of these options.

1. Expand Training for Women in Non-Traditional Jobs:

For example, the Women's Bureau and the Employment and Training Administration's Office of Apprenticeship (U.S. Department of Labor) have jointly administered a grant program that “awards competitive grants to recruit, hire, train, and retain women in apprenticeships and nontraditional occupations. The grants focus on conducting innovative projects to improve the recruitment, selection, training, employment, and retention of women in the construction industry”¹⁰ Authorized under the Women in Apprenticeship and Nontraditional Occupations (WANTO) Act of 1992, this program provides approximately \$1 million to “community-based organization/registered apprenticeship program consortia to conduct innovative projects to improve the recruitment, selection, training, employment, and retention of women in apprenticeships in the construction industry. However, funding for this pr has been very limited in scope, as shown in Figure 4:¹¹

Figure 4: Funding for the Women in Apprenticeship and Nontraditional Occupations, FY 1994-2008



Source: U.S. Department of Labor.

The President’s budget request for FY 2009 proposed eliminating funding for WANTO as of July 2009. In contrast, funding for this program that is of vital importance to women should be expanded.¹²

Also, the Carl D. Perkins Career and Technical Education Improvement Act of 2006 includes a provision that states may retain up to 10% of their total Perkins grant for state leadership activities, “such as professional development, expanding the use of technology, assessing career and technical education services, integrating academic and career and technical education to improve student achievement, preparing students for employment in fields that are traditionally dominated by one gender, delivering career and technical education in correctional institutions, and providing services for special populations.”¹³ Specifically, states must use “not less than \$60,000 and not more than \$150,000 ... for services that prepare individuals for non-traditional fields,” defined as “occupations or fields of work, including careers in computer science, technology, and other current and emerging high skill occupations, for which individuals from one gender comprise less than 25 percent of the individuals employed in each such occupation or field of work.”¹⁴

In FY 2008, the Department of Education’s Office of Vocational and Adult Education was appropriated \$1.16 billion for Carl D. Perkins Career and Technical Education (CTA) State Grants from the total \$1.27 billion Carl D. Perkins CTA appropriation. The Bush Administration requested no funding for the CTA State Grant program for FY 2009, while the House Subcommittee and Senate Committee requested zero increases to the FY 2008 appropriation. Not only should federal funding increase for state CTA grants, but the 10% set-aside requirement for state leadership activities could be increased to 20% and more narrowly focused for programs geared toward gender diversification. Other steps to promote gender equity could include establishing accountability measures for nontraditional job training and creating a gender equity coordinator position at the state level to ensure that local plans dedicate funds for such training.

The reauthorization of the Workforce Investment Act of 1998 (WIA) also offers enormous opportunities to promote gender equity in nontraditional jobs for women. For example, by requiring that local board membership includes representatives with expertise in training women for non-traditional occupations, mandating local agencies to fund non-traditional training programs and states to provide technical assistance to staff serving individuals, adding specific accountability measures for training and moving women into such jobs, providing information about non-traditional occupations for women to WIA customers, and designating funding for essential support services - such as child care and transportation - as well as for organizations with expertise in meeting women's needs.

2. Emphasize and Enforce Goals for Women's Hiring and Retention in Nontraditional Jobs Funded by Federal Contracts:

The Department of Labor, Employment Standards Administration, Office of Federal Contract Compliance (OFCCP) enforces a "current goal for the utilization of women" of 6.9% of work hours, which was established in 1978 and extended indefinitely in 1980 and requires "federally-involved construction contractors with a construction contract in excess of \$10,000 to take affirmative action steps."¹⁵ As the data demonstrate, this approach is now outdated and has not continued to yield the desired progress. The target share of women jobs should be increased and OFCCP should require construction contractors to develop written affirmative action programs, in addition to the utilization goals and good faith steps it has established for contractors to follow.

Contractors who receive federal economic recovery funding should be required to design and implement plans for hiring qualified women workers.¹⁶ Contractor selection criteria could include an assessment of their strategies to actively recruit, train and retain women employees in nontraditional jobs with measurable goals and specific timelines. To ensure full compliance, OFCCP should be adequately funded and mandated to strengthen its oversight and enforcement activities. In general, effective enforcement will require more resources for equal opportunity offices at all levels of government, so that they can investigate and resolve complaints in a timely manner, as well as engage in additional compliance evaluations and audits examining contractors' affirmative action efforts and employment practices.

3. Provide Incentives for Companies Employing Women:

An existing tax credit - The Work Opportunity Tax Credit (WOTC) - primarily benefits women employees. WOTC, which was authorized by the Small Business Job Protection Act of 1996, is meant to induce employers to hire members of families receiving benefits under the Temporary Assistance for Needy Families (TANF) program and other groups thought to experience employment problems regardless of general economic conditions (e.g., food stamp recipients and ex-felons). In 2006, Congress folded the Welfare-to-Work (WtW) tax credit into WOTC to focus specifically on more disadvantaged TANF recipients. In early 2007, the Senate included the WOTC in a package of small business tax incentives meant to offset the impact of raising the federal minimum wage and expanded eligibility for certain employee groups. According to an October 2008 CRS report, most WOTC tax credits have been used for hiring

women,¹⁷ which is explained by the fact that “around 90% of the adult TANF caseload are women, the vast majority of which are single mothers.”¹⁸ The size of the WOTC could be increased, thus making it an even stronger incentive for employers.

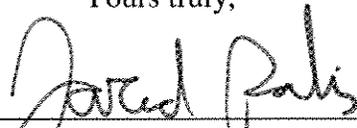
Similar to the existing Small Business Administration’s Women-Owned Small Business (WOSB) Program, another option would entail assisting companies with a certain threshold of women employees in non-traditional sectors to access federal infrastructure stimulus dollars. The Federal Acquisition Streamlining Act of 1994 (P.L. 103-355) established the federal government goal for WOSB contract participation level of no less than 5% of the total value of all prime contract and subcontract awards per fiscal year. And the Small Business Reauthorization Act of 2000 (P.L. 106-554) allowed federal agencies to “restrict competition” when soliciting in industries where WOSB are underrepresented, but final rules are still under development. According to the Small Business Administration, “prime contract dollars increased from \$4.6 billion in 2000 to \$11.6 billion in 2006. In 2006, WOSBs received a \$1.5 billion increase in contracts from the previous year, their largest one-year increase ever.”¹⁹ This represents “a 152 percent increase over the period” and “on a percentage basis, women-owned small business’ share of federal procurement increased from 2.47% to 3.41%.” While we must continue to do a better job at ensuring that women-owned businesses access more federal contract dollars and surpass the 5% goal, we should also explore a similar assistance program for companies with women workforces above 25% in nontraditional occupations, especially in construction. Gender parity goals should be expanded from the capitalist class to the vast-majority of women who don’t own businesses with federal contracts.

Discussion

This letter represents an initial assessment. As stated above, the enormous gender gap in infrastructure occupations clearly indicates that women-maintained families and single women households will not benefit significantly from the projected infrastructure-sector job creation. This strengthens the argument for policy interventions to narrow the gender gap and ensure that women access the job opportunities that the stimulus spending will create. The renewed federal interest in funding infrastructure projects also presents a new opportunity to break down a persisting pattern of gender inequity in the construction industry and enhance opportunity for women. Incorporating the proposals mentioned above would not only meet the immediate, urgent need of the “emergency” stimulus and the long-term goals of improving the skill and preparation of our workforce, but would also offer a future of greater economic security for women and their families.

Thank you for your consideration of this important issue, and we look forward to working with you to pass an economic recovery package that ensures all Americans benefit from the recovery.

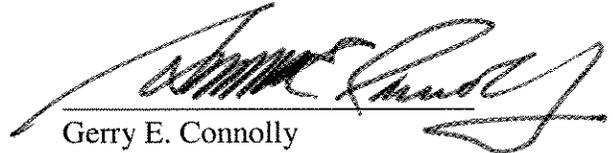
Yours truly,



Jared Polis
Member of Congress



Tammy Baldwin
Member of Congress



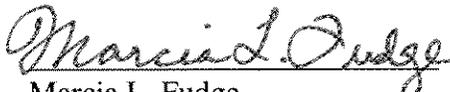
Gerry E. Connolly
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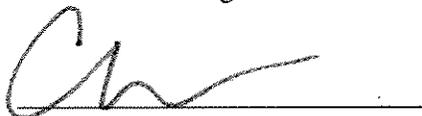
Ron Kind
Member of Congress



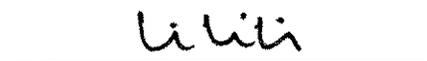
Eric J.J. Massa
Member of Congress



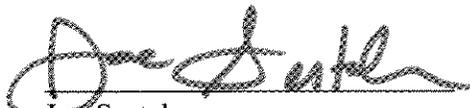
Michael Michaud
Member of Congress



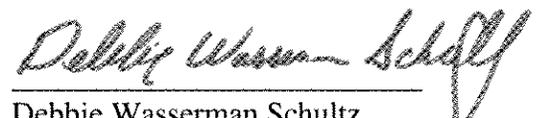
Chellie Pingree
Member of Congress



Gregorio Kilili Camacho Sablan
Member of Congress



Joe Sestak
Member of Congress



Debbie Wasserman Schultz
Member of Congress

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