

Regional Labor Review

VOLUME 26

Fall 2023

New York's Green Jobs Future: Picking Up Speed? ▶ <i>by Gregory DeFreitas</i>	p. 5
Latest Labor Market Indicators	p. 8
On the Front Lines in New York's Energy Transition: A Conversation with Electricians Union Leader Chris Erikson ▶ <i>by Gregory DeFreitas</i>	p. 10
Why Workers Swing to the Right ▶ <i>by Alan Singer</i>	p. 14
Navigating Race and Class in Today's Political Climate: Exclusive Excerpt from a New Book ▶ <i>by Michael Zweig</i>	p. 18
Work, Community and Activism in a Gentrifying Factory Town ▶ <i>by Ornov Ganguly</i>	p. 23
How Segrenomics Undermines U.S. Education Today ▶ <i>by Melanie Quackenbush</i>	p. 25
Calendar	p. 29

New York's Green Jobs Future: Picking Up Speed?

by Gregory DeFreitas

This year is on track to be Earth's hottest ever recorded in human history. Over the past four years, New York State and New York City have adopted among the most aggressive policies anywhere to combat the forces fueling climate change. In fact, last month, NY Governor Kathy Hochul launched the largest set of renewable energy initiatives ever undertaken by any state in the country. She promised that:

“An investment of this magnitude is about more than just fighting climate change – we’re creating good-paying union jobs, improving the reliability of our electric grid, and generating significant benefits in disadvantaged communities. Today, we are taking action to keep New York’s climate goals within reach, demonstrating to the nation how to recalibrate in the wake of global economic challenges while driving us toward a greener and more prosperous future for generations to come.”

The promise of lots more jobs paying union wage scales comes at an important juncture for the region's working people. For all the substantial progress since the depth of the pandemic, by this September New York City's total job count had only just reached pre-COVID levels. And there are dramatic differences by sector (see the “Latest Trends” article that follows). Health Care, Social Assistance and Private Education recorded the most rapid recent growth: +8.7% more jobs (+96,300) over the 12-month period through September. Government employment rose 2.6% (+14,700) and there are now 10.5% more Construction jobs (+15,200) among local residents than in September 2022. The hard-hit Leisure/Hospitality sector expanded by 6.1% as tourism partially rebounded, but still provides 26,000 fewer jobs than in September 2019. Retail and Wholesale Trade, Transportation and Warehousing, and Information (hurt by the writers' and actors' strikes) were all job losers.

With such mixed job patterns by industry, the city's unemployment rate has stagnated at 5.3% (seasonally adjusted; see Figure 1 in “Latest Trends”) throughout 2023. That is, it has risen above last September's jobless rate of 4.9%, and remains over 1 percentage point above that of nearby Long Island (2.9%) and the national average.

At the same time, wages have struggled to keep up with the consumer prices straining workers' budgets. This can only partially be blamed on the inflationary trend of 2021 to mid-2022. That spike – a global phenomenon largely unrelated to U.S. policies – was actually far slower in New York City than nationwide. But by 2023, the falling NYC inflation rate (measured over the 12 months since last Sept.) matched the national pace (3.7%). But growth in real wages (adjusted for inflation) has dropped in most years since 2019. That year saw real pay levels improve +2.15% over 2018. But in the pandemic years 2020-21, they fell -1.1% and -2.3%, respectively. Then 2022 brought a whopping -6.3% plunge in real wages. So far this year, pay for the average New Yorker has rebounded, but only

by 1.3%. The city's workers today receive an average real wage nearly \$4 lower than in 2019.

So, the New York Metro Area could certainly use a jolt of both job and wage growth, given the post-pandemic slowdown in both. Can the city and state's ambitious decarbonization initiatives create enough decent new jobs with union-level pay, benefits, training and working conditions to offer a sustainable solution?

That has clearly been the motivation for legislators, community and labor leaders who have rallied behind these efforts. In the spring of 2019, the New York City Council and Mayor Bill de Blasio recognized that the city and country faced a “climate emergency,” demanding a major reduction in fossil-fuel-based energy by 2030. Since the single-largest source of the city's greenhouse gas emissions is its buildings (producing 70% of emissions citywide), the primary focus was to shift to renewable building power and dramatically improve insulation and design. But instead of just announcing unenforceable targets, it passed the 2019 Climate Mobilization Act, containing Local Laws 96 and 97 that mandated compliance, under threat of steep fines. To aid landlords in meeting the new requirements, the city established the NYC Accelerator to freely advise on available incentives and loan sources. If all went according to plan, estimates put the reduction in emissions at 10% by 2030.

While some unions resisted offering early support to this Climate Mobilization Act, crucial backing for these and other initiatives came from numerous labor organizations, who rallied together in the Climate Jobs Coalition. Among the most active have been: IBEW, NYS Nurses Association, Service Employees International Union Local 32BJ, Service Employees International Union Local 1199, NYS United Teachers and the United Federation of Teachers NYC.

What are the job impacts of these policy changes? In 2019, the mayor's office forecast that the Climate Mobilization Act would create about 26,700 new green jobs. But the onset of the COVID-19 pandemic the following year wiped out any growth in both green jobs and most others for years. With the city still inching its job count back toward the 2019 level, we lack updated research on green job changes.

It is, however, likely that the job volumes affected are substantial. In 2022, economists at the NY State Comptrollers Office used detailed occupational data from the US Bureau of Labor Statistics to estimate the size and growth of green employment pre-pandemic. They used an admittedly broad definition of green employment, including both jobs directly involved in renewable energy and related activities and those jobs indirectly affected by related changes in consumer and labor demand (including retail, food and other sectors). By their estimates, NY State had

NEW YORK CITY'S RECENT CLIMATE CRISIS POLICY CHANGES:

The Greener, Greater Buildings Plan (GGBP, enacted 2009) required buildings to regularly measure and publicly disclose key facts on their emissions and energy use, through a series of new local laws:

NYC Local Law 84 (LL84): requires building owners to make annual benchmarking measurements and reports of their energy and water usage.

NYC Local Law 85 (LL85): created NYC Energy Conservation Codes.

NYC Local Law 87 (LL87): requires large building owners to submit detailed energy audits every 10 years

Climate Mobilization Act (CMA; enacted April 2019) includes a series of important new local laws:

NYC Local Laws 92 & 94 (LL92; LL94): require installation of solar PV and green roofs in most new buildings.

NYC Local Law 95 (LL95): requires city buildings to publicly display Energy Star efficiency scores.

NYC Local Law 96 (LL96): It aids buildings in reducing greenhouse gas emissions by establishing a third-party loan program. This Property-Assessed Clean Energy (PACE) financing program will help fund qualifying energy efficiency efforts.

NYC Local Law 97 (LL97): mandates benchmarks to reduce greenhouse emissions, increase energy efficiency and promote sustainable design among covered buildings. Covered buildings were those exceeding 25,000 square feet. Limits on their greenhouse gas

emissions and new reporting requirements start in 2024. It set the goal of achieving a 40% reduction in aggregate greenhouse gas emissions from covered buildings by 2030 and an 80% reduction in citywide emissions by calendar year 2050.

NY STATE'S RECENT CLIMATE CRISIS INITIATIVES:

2019 – NYS adopts Climate Leadership and Community Protection Act (CLCPA): law requires a statewide 40% reduction in greenhouse gases by 2030 and an 85% reduction by 2050 (compared to 1990 levels). Important worker protections include contractor participation in apprenticeship programs and prevailing wage and safety standards on affected jobs.

2022 (Sept.) – Executive Order 22: sets new environmental performance standards for state operations, including: mandates that 100% of electricity used in state operations must come from alternative energy by 2030; and 100% of the state government's non-emergency vehicles must be zero-emission vehicles by 2035.

2023 (May) – NY State Build Public Renewables Act (BPRA): The state-owned NY Power Authority is required to provide all state-owned properties with renewable energy by 2030. All municipally owned properties – from hospitals and schools, to public housing and public transit – must switch to renewable energy by 2035.

2023 (Oct.) – NYS Governor Kathy Hochul announces a "10-Point Climate Action Plan" – a new set of multi-billion-dollar renewable energy investments – the largest of any state in the U.S:

about 1.7 million green jobs by 2019 – a sizeable 17.3% of statewide employment. Moreover, they were rapidly growing: green jobs expanded by over 13% in 2015-19, twice as fast as total employment.

It is likely far too early to get solid estimates of the 2019-23 laws' direct and indirect job impacts to date. And most data sets still lack reliable identifiers of, for example, which new jobs are mainly "green jobs" and which aren't. But anecdotal evidence at least suggests that a flurry of new hiring, job search and training is underway in the city as landlords scramble to meet approaching energy conversion and insulation deadlines. Unions and other nonprofit organizations report expanding training programs to meet the rising labor demand (see the following interview with IBEW leader Christopher Erikson).

Gregory DeFreitas is a Professor of Economics and Director, Center for Study of Labor & Democracy at Hofstra University.

REGIONAL LABOR REVIEW, vol. 26, no. 1 (Fall 2023).

© 2023 Center for the Study of Labor and Democracy, Hofstra University.

NOTES:

¹ NY State Governor’s Office: <https://www.governor.ny.gov/news>

² See the website: www.nyc.gov/accelerator.

³ NYS Comptroller’s Office, Green and Growing: Employment Opportunities in New York’s Sustainable Economy (Feb. 2022).

⁴ On this and other issues in such economic research, see for example: Gray, W., et al. “Environmental Regulation and Labor Demand,” *Annual Review of Resource Economics* (June 2023), as well as the studies referenced there.

⁵ This section benefitted from the expert advice of Laura Piraino.

	Job Growth Rates (%): Sept. 2019-2023				
	2019	2020	2021	2022	2023
All U.S.	1.3	-6.3	4.2	4.0	2.1
NYC	2.2	-12.9	5.8	6.5	2.7
Long Island	0.0	-8.7	4.3	3.8	1.0

	Real Wage Growth Slows: Sept. 2019-2023					
	2018	2019	2020	2021	2022	2023
All U.S.						
Real Wage/hr [\$2023]	\$33.47	\$32.99	\$33.70	\$34.05	\$33.69	\$33.88
Annual % Change		-1.4	2.2	1.0	-1.0	0.6
NYC						
Real Wage/hr [\$2023]	\$45.06	\$46.03	\$45.53	\$44.49	\$41.68	\$42.24
Annual % Change		2.15	-1.09	-2.30	-6.30	1.34

