ECONOMIC REDEVELOPMENT OF THE BOSTON STATE HOSPITAL SITE:
Creating Jobs for Local Disadvantaged Residents

by

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ABSTRACT

In the approaching summer of 1984 the Massachusetts Division of Capital Planning and Operations (DCPO) is scheduled to convene a public planning process where representatives of state and city agencies and community organizations, as well as representatives of the neighborhoods of Roxbury, Mattapan, Franklin Field, Dorchester and the entire City of Boston will develop a plan for how to utilize the valuable 200 acre state-owned Boston State Hospital site. While the development should serve the City of Boston and the State of Massachusetts, it is the state's primary charge to assure that the site's reuse addresses the needs of the area's residents.

One very basic need is for access to decent jobs. The problem of joblessness is very severe in the communities that live near the Boston State Hospital site. The state is planning to address this problem by developing the site to create jobs for local residents. Because many of these residents are socially and economically disadvantaged, the DCPO must develop a comprehensive employment development plan for the site's re-use that includes strategies for job creation, target group employment goals, employment and training programs, and child care support. Only if a comprehensive employment development plan that breaks down the employment barriers of the poor is developed will the economic development of the site result in local employment and justify the public and private resources devoted to the project.
This thesis is a contribution to such a plan. By presenting an analysis of the local unemployment problem, the thesis arrives at four employment development goals for the project. These are:

1. The Boston State Hospital site redevelopment should create quality jobs with primary labor market characteristics.

2. The project should target jobs to local residents who face disadvantages in the labor market.

3. The project should prepare the local disadvantaged labor force, through training and other employment services, to qualify for jobs created on the site.

4. Access by single mothers to jobs created by the re-use of the Boston State Hospital site requires that child care services be made accessible to employees.

This thesis explores strategies to fulfill these goals. An operations center development is measured against several employment development criteria. Target group employment goals for construction and permanent jobs are reviewed as examples for the project. A plan for an immediate manpower service strategy for Boston State Hospital area residents, and a plan for linking the local employment and training system to on-site job opportunities, are outlined. Finally, the need for child care services by on-site employees is roughly projected and an investigation into approaches to fulfill that need is begun. Based on this exploration, this thesis concludes with several recommendations to the DCPO for the appropriate next steps the agency should take in pursuit of the project's goals.

Thesis Supervisor: Bennett Harrison, Ph.D.
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INTRODUCTION

In the approaching summer of 1984 the Massachusetts Division of Capital Planning and Operations (DCPO) is scheduled to convene a public planning process where representatives of state and city agencies and community organizations, as well as representatives of the neighborhoods of Roxbury, Mattapan, Franklin Field, Dorchester and the entire City of Boston will develop a plan for how to utilize the valuable 200 acre state-owned Boston State Hospital site. While the development should serve the City of Boston and the State of Massachusetts, it is the state's primary charge to assure that the site's reuse addresses the needs of the area's residents.

One very basic need is for access to decent jobs. The problem of joblessness is very severe in the communities that live near the Boston State Hospital site. The state is planning to address this problem by developing the site to create jobs for local residents. Because many of these residents are socially and economically disadvantaged, the DCPO must develop a comprehensive employment development plan for the site's re-use that includes strategies for job creation, target group employment goals, employment and training programs, and child care support. Only if a comprehensive employment development plan that breaks down the employment barriers of the poor is developed will the economic development of the site result in local employment and justify the public and private resources devoted to the project. This thesis is a contribution to such a plan.

But before we pursue strategies to fulfill the goals of the development, Chapter I highlights the history and context of the project. In Chapter
II, a brief discussion of the local unemployment problem is presented. Evolving from an understanding of the local unemployment problem are several employment development goals which are presented in Chapter III. Strategies to fulfill these goals are explored in Chapters IV - VII. Chapter VIII concludes the thesis by offering recommendations to the DCPO.
I.

HISTORY AND CONTEXT

Location

The Boston State Hospital site is a 200-acre campus located about five miles southwest of downtown Boston. (see map, page 16.) It is situated amidst the Boston neighborhoods of Franklin Field to the northeast, Mattapan to the south, Roslindale to the southwest and Jamaica Plain to the northwest. The site has housed and treated the mentally ill since 1884 and has been owned by the Commonwealth of Massachusetts since the state took over the operation of the then Boston Lunatic Hospital in 1908. In its heyday during the 1940's the hospital cared for a patient population of over 3,500. By the early 1960's, however, the development of psychotropic drugs and community-based mental care resulted in mass deinstitutionalization of mental patients.

Current Land Uses

Currently the state departments of Mental Health, Corrections and Youth Services use 10 of the campus' 41 buildings to deliver a variety of in-patient and out-patient mental health and correctional services. (see map, page 18) Less than 200 clients live on the site. The remaining land use on the site is the Community Garden Project. This program's approximately 500 local participants till 14 acres to serve their recreation and food needs. Aside from these uses, the site remains largely vacant. Thus, like many obsolete state mental institutions
throughout Massachusetts and in other states as well, the Boston State Hospital site presents a vast land resource. It is one of the largest remaining tracts of developable land in the City of Boston.

**Previous Proposals**

Before the current efforts, some groups have sought to tap this resource. Recent proposals include a housing, retail and light industry plan offered by the Massachusetts Department of Mental Health in 1978\(^1\) and an agricultural, community agricultural industry and community-run services proposal set forth by the Massachusetts Department of Food and Agriculture in 1981.\(^2\)

**A 1981 Industrial Development Proposal**

The recent proposal with perhaps the most momentum, and certainly the most controversy, was set forth by Governor Edward J. King's Administration.\(^3\) In November 1981, King filed a bill to transfer 120 acres of Boston State Hospital land to the Massachusetts Government Land Bank. The Land Bank would then dispose of the land to private developers for industrial development. In a March 1982 case study, the Massachusetts Office of the Inspector General criticized the King Administration's attempt for "poor planning and disregard for statutory and administrative safeguards." In short,

> The Administration's predilection for industrial redevelopment of the site shaped its decisions throughout, resulting in 1. lack of full consideration of other potential uses of the property, 2. lack of full disclosure of the industrial development's costs, 3. lack of citizen participation, and 4. suppression of dissent."
Open Planning Process

To address the failures of this approach the Inspector General's most important recommendation is that the DCPO establish an open public process to develop a reuse plan for the Boston State Hospital site. The DCPO began such a process by convening a series of four public workshops during the spring and summer of 1983. These focused on 1. site and process overview, 2. agricultural and environmental issues, 3. job creation and 4. the development process. The workshops were attended by representatives of state and city agencies, community and neighborhood organizations, private developers and local residents. The workshops alerted the public that the state was beginning efforts to redevelop the site and provided information so that residents could participate in the effort. Moreover, they introduced the DCPO to neighborhood concerns to help guide the agency in investigating development possibilities that are responsive to area residents.

Create Jobs

Under the leadership of Governor Michael Dukakis, the DCPO entered into these meetings, and the reuse effort itself, with the goal to develop the site in order to create jobs for local residents. At the first workshop, Deputy Commissioner Tunney F. Lee proposed that local job creation constitute the primary goal of the development and requested that anyone who might disagree please voice that disagreement. He repeated this goal at subsequent workshops and there was basic agreement among the participants that creating jobs for local residents should be the primary
development goal. Naturally participants expressed their concerns that any job creating activity not harm the environment of the neighborhood and also not circumscribe other desirable uses of the site such as recreational development and community gardens.

As evidenced in the DCPO's April 1984, Boston State Hospital Technical Memorandum I, the state has upheld the creation of jobs for local residents as the primary goal for the redevelopment:

The primary public purpose for re-use of any surplus lands at Boston State Hospital is job creation. The state is under no obligation to dispose of the property for municipal or private re-use, and is prepared to retain the property without redevelopment if job creation objectives cannot be met. These objectives call for both addition of new jobs to those already available in the Boston Metro area; and for effective job access for those individuals in most need - including the unemployed, female heads of households, and residents of that area likely to be affected by redevelopment of the hospital site.

The Technical Memorandum I details the site's development opportunities and constraints and is the first in a series of reports which summarize the findings of in-depth research conducted by the DCPO since the conclusion of the workshop series in July 1983.

Development Process

In the summer of 1984 the DCPO is scheduled to establish a Boston State Hospital Advisory Committee, comprised of representatives of state agencies, city agencies, residents and community organizations. Task group subcommittees will investigate various areas of concern. The Advisory Committee will work with the DCPO to establish a set of development guidelines.
The development guidelines will cover many areas, including design, neighborhood impact, small business development, environmental impact and employment development. The development guidelines will be incorporated into the request for development proposals (RFP) and the DCPO and the Advisory Committee will judge developers' responses for their ability to respond to the project's goals. This potential development process is diagramed below:

A POTENTIAL DEVELOPMENT PROCESS FOR THE RE-USE OF THE BOSTON STATE HOSPITAL SITE

DCPO convenes summer workshop series to learn community concerns (summer 1983).

DCPO researches the site's capabilities and constraints (summer 1983 - present).

Boston State Hospital Advisory Committee and DCPO develop, and eventually issue, Development Guidelines which include employment guidelines.

Land Disposition Legislation must be approved by the State Legislature before development may proceed.

DCPO issues a request for development proposals (RFP). The RFP incorporates the Advisory Committee's development guidelines.

Detailed negotiations commence between the selected developer and the DCPO/Advisory Committee.

When permanent on-site employers are identified, a coordinating agency such as the Neighborhood Development and Employment Agency works with the employers and the developer to develop an employment plan which includes target group employment goals and a training and placement plan.

The employment development plan outlined in this thesis will assist the
development process outlined above at three different points. It will: 1. help focus discussion to build consensus in the citizens' planning process; 2. lay out goals for the drafting of re-use disposition legislation; and 3. provide a basis for guidelines to issue in the request for development proposals. The first step in the evolution of a comprehensive employment development plan is to understand the unemployment problems of the area's residents. In the next chapter I try to present my perception of these problems as efficiently as possible.
Notes to Chapter I

1. Boston College Planning Team, for the Massachusetts Department of Mental Health, Planning for Re-Use of Boston State Hospital, May 1978.

2. Harvard Univ. Graduate School of Design, for the Mass. Department of Food and Agriculture, the Community Garden Project at BSH and the Boston Urban Gardeners, The Productive Landscape: Boston State Hospital, Fall 1981.


5. Minutes of the workshops were recorded and published by the DCPO and copies are available from the agency.

BOSTON STATE HOSPITAL

Site Boundaries
II.

UNDERSTANDING THE LOCAL UNEMPLOYMENT PROBLEM

Residents near the Boston State Hospital site suffer from a lack of sufficient employment that traps many of them in poverty. (In the 1983 workshops the DCPO proposed a primary "impact area" for the economic benefits of the project which included the Boston Redevelopment Authority/Neighborhood Development and Employment Agency Neighborhood Statistics Areas of Franklin Field, Roxbury and Mattapan. On the whole, Mattapan residents are better off in terms of income, employment and educational attainment. Thus in this section social statistics are often presented for the remaining two "impact area" neighborhoods in order to illustrate the spatial concentration of employment problems in the area of the BSH site.)

Poverty

A full thirty percent of the families in the neighborhoods of Franklin Field and Roxbury (4,008 families out of 13,124 families) struggled under poverty levels in 1979. (1980 Census). This family poverty rate is almost twice the Boston-wide rate of 17 percent. Thus a concentration of poverty-stricken families reside near the Boston State Hospital site who are probably unable to adequately meet their basic needs and wants.
Public Assistance

Perhaps many of these families survive only because of public assistance payments. For the same two neighborhoods in 1979, slightly more than a third (34 percent) of their residents were public assistance recipients, more than twice the city-wide rate of 15 percent.

Unemployment

Others might manage from low-paying jobs, but the unemployment rate in Roxbury and Franklin Field was almost twice as high as the City of Boston rate in 1979: 10 percent of the area's labor force, compared to 6 percent of the entire city's labor force, was counted as unemployed in 1979. Along with the rest of the country's, Boston's unemployment rate has climbed steadily since 1979. In 1980 Boston's annual average unemployment rate was 7 percent; 1981: 8 percent; 1982: 9 percent.\(^2\) We can assume that the Boston State Hospital neighborhoods' rates similarly climbed. A conservative estimate of the current unemployment rate in Roxbury and Franklin Field would be around 15 percent.

Joblessness

Of course the unemployment statistic is an inadequate measure of the area's employment problems and their resultant human hardships. It takes no account of discouraged workers who have given up looking for jobs, and are therefore not counted in the labor force. Neither does it consider residents who have rarely or never entered the labor force, or who have recently dropped out.
Underemployment and Low Incomes

Further, unemployment statistics do not capture underemployed workers who work in part time or unstable jobs when they would rather work full time and year-round. Moreover, this group would comprise only part of the working poor who, although they hold jobs, are unable to satisfy their shelter, food, clothing and material needs and wants at decent levels because their jobs pay so little and provide so few benefits. The low median 1979 household income in Roxbury of $8,991, compared to $12,530 Boston-wide, indicates that the area's workers have low-paying jobs.

Two Theoretical Explanations of Unemployment

Neo-classical/Human Capital Economic Theory

Labor market theorists fall into essentially two camps with their explanations of why such severe unemployment, persists. The first group of theorists, the neo-classical/human capital economists, focus on the "stock of human capital," or the education, ability, talent skills, experience and capacity each individual brings to the production process. An employer hires an employee, and then compensates her/him with earnings and benefits, according to how productive s/he is.

Lack of Sufficient Education and Training

Human capital theorists therefore would explain the concentrated lack of adequate employment of residents near the central city Boston State Hospital site by citing the shortage of human capital embodied in the
local labor supply that can be "sold" to employers. In other words, most of the local residents have only low-paying, unstable jobs, or no jobs at all, because they do not possess the education, training, skills and experience necessary to compete for and win decent jobs in the urban labor market. While only 28 percent of all of Boston's residents 18 years old and over had attained less than a high school education, 43 percent of Roxbury's and 40 percent of Franklin Field's adults had less than a high school education in 1979. This educational disparity is even more striking when we compare the area's residents to their affluent suburban neighbors: Only 19 percent of the Boston metropolitan area's adult residents (excluding Boston proper) had attained less than a high school education in 1976.3 The obvious labor market policy that flows from the human capital analysis is to educate and train the local disadvantaged residents.

**Imperfect Information Flows and Geographic Isolation**

Neo-classical economists would further explain the "impact area's" employment problems as partly caused by market imperfections. One market imperfection is the fact that the flow of information between employers and employees is imperfect. Employers looking for workers do not always know where to find them and people looking for jobs have trouble finding the openings. To improve the information flow and match employers up with workers, these theorists recommend job search and placement services. Another market imperfection is the geographic isolation of potential workers who reside in central city poverty areas from jobs which have migrated to the suburbs. To address this problem, placement services and
improved public transportation are required.

**Structural Theory**

The second basic group of labor market theorists is what I will call "the structuralists." Whereas the neo-classical/human capital school approaches employment problems from the labor supply side of the labor market, the structural theorists look at both the labor supply and the demand for labor. In other words, structuralists ask not only, "What's wrong with the workers?", but also, "What's wrong with the jobs?" In short, structural theorists look at the institutional structure of the labor market to see how the impoverished and the working poor are barred from the economy's good jobs and trapped in a web of unstable employment and welfare dependency.

**A Dual Labor Market**

In the late 1960's and early 1970's structuralists researched the labor market problems of urban poverty areas. Their empirical work revealed that the urban labor market seemed divided into two sectors. In one sector, the "primary labor market," the economy's better jobs were clustered. These jobs payed high wages and provided employment stability and security, good working conditions, better benefits, fair workplace rules, channels for work problem arbitration, and opportunities for upward mobility. The "secondary labor market," on the other hand, was comprised of jobs that payed low wages and provided few benefits, unstable employment, low status, poor working conditions and few chances for upward mobility.
Beyond the sorting of the economy's jobs into two separate clusters, the structural theorists sought explanations for the separation. Not surprisingly, they found interdependencies between the characteristics of jobs and their work behavioral requirements on the one hand, and workers' behavioral characteristics on the other. Secondary labor market workers tend to work unreliably and intermittently. This work behavior matches up with secondary labor market employers' fluctuating demand for labor. Employers increasingly organize jobs and production so that worker behavior will not disrupt the flow of goods and services. Work behavior patterns and behavior requirements reinforce each other.

Goods with stable consumer demand require reliable production. It is more profitable for employers to organize production in this stable demand market by offering better wages and benefits to encourage reliable worker production behavior. In the primary labor market are clustered jobs that require more formal education or more specialized skills. Thus credentials are very important for entry. Earnings are responsive to experience or age and skills are more general rather than firm-specific.

In contrast, where product demand is unsteady, it is more cost-effective to allow and even encourage unstable work behavior. Production organized for low-skill and unsteady work helps suppress wages and since workers have little attachment to and expectations from their jobs (and the jobs provide little security or other incentives for workers to be attached) lay-offs are easy for employers to make. The secondary labor market thus enables employers to draw on a cheap pool of labor when it is needed to meet product demand.

The separation between the primary and secondary labor markets is
widened by the increasing development of structured internal labor markets in the primary sector. An internal labor market is the "job ladder" within an occupation -- how the occupation itself is divided into ranks with the skill acquisition levels and wage levels that accompany those ranks. The gap between the unstructured secondary market and the structured primary market widens as primary firms increase on-the-job training and the division of the job into more specific skill levels.

Racial and Sexual Discrimination

Because of the gap there is little worker mobility between the two sectors. Secondary labor market workers cannot work themselves into the primary labor market because the gap requires too big a leap. Widening the gap even more results from pervasive racial and sexual discrimination in the labor market. With "statistical discrimination" employers discriminate on the basis of preconceived race and sex stereotypes about potential employees' abilities to perform jobs. Employers use individuals' superficial traits in hiring and promotion decisions as shorthand predictions for workers' reliability for example. But, discrimination really becomes institutionalized in the dual structure of the labor market because statistical discrimination relegates minority group members and women to secondary labor market jobs. This channelling process starts early in a person's education and training -- institutional barriers are omnipresent. Racial discrimination may well play a key role in the labor market problems of the BSH area's population. Eighty-six percent of the residents of Franklin Field, Roxbury and Mattapan are Black, compared to Boston's total Black composition of 22 percent. Just
over half of the entire city's Black population resides in the proposed "impact area."

The gap between the two labor market sectors presents a tremendous obstacle to secondary workers because there is not much connection between a worker's capacities and his/her labor force status in the secondary market. There is little increasing return to skill acquisition in the secondary sector. Education and training tend to have little effect on wages or stability in the secondary market. The primary obstacle to secondary labor market workers is their lack of access to internal job structures.

The Need for Primary Labor Market Jobs

The major policy implication of the structuralist analysis to overcome poverty and underemployment is that government should create jobs in the public and private sectors that have internal labor markets (job ladders) and on-the-job training. Public service jobs and private sector jobs with primary labor market characteristics are seen as a bridge between the secondary and primary labor market sectors. Only when the disadvantaged gain access to primary labor market jobs will education and training pay off in wages and benefits sufficient to adequately support workers and their families and liberate them from welfare dependency. Structuralists stress on-the-job training because skills are not something workers can best passively consume on the open market but rather are better learned collectively in a work setting.
The Boston Intergovernmental Employment and Training System

The Job Training Partnership Act

Most employment development policy over the years has stemmed from the human capital school of thought and focused on correcting workers' labor market problems. The new federal Job Training Partnership Act (JTPA) of 1982, which maintains this labor supply side emphasis, replaced the Comprehensive Employment and Training Act (CETA) of 1973 and went into effect on October 1, 1983.

Fewer Funds

The new law differs from its predecessor on many counts which are important when considering its implementation. First, its budget is far smaller than the CETA's. Not adjusting for inflation, the JTPA is currently authorized to provide less than half the funds the CETA did at its peak. Massachusetts currently receives about $40 million each year under the JTPA, while the state received about $197 million in 1980 under the CETA.

Strong Roles for the State and for Private Industry Councils

Second, responsibility for supervising and coordinating the system, the role of federal government under the CETA, is assigned to State Governors. Third, the act mandates the creation or elevation of business-dominated Private Industry Councils (PICs) in each service delivery area to operate
as equal partners with local government in guiding training programs and policies. The law's designers hope that the enhanced involvement of the local business communities will ensure a better match between workers' skills and the labor needs of business.

**Emphasis on Training**

Fourth, public service employment was once a major thrust of the CETA — the CETA provided for about 750,000 public service job slots throughout the U.S. at its peak. Under the JTPA the only thrust will be training and the act will fund no public service employment. Finally, the CETA had at times been labeled "the cream of the federal income maintenance programs." In comparison, although the JTPA requires that 90 percent of its participants be economically disadvantaged, it provides them with no stipends while in training programs.

**Local Actors**

JTPA funds make their way to Boston via the state's Department of Manpower Development (DMD) and the Division of Employment Security (DES), both of which receive their policy directions from the Governor's Office of Economic Affairs. The DES provides job placement services to Boston residents at its Job Matching Center in downtown Boston. The DMD allocates JTPA funds to local Private Industry Council/local government partnerships throughout Massachusetts. In Boston, the mandated partnership was recently formed of the Boston Private Industry Council (BPIC), in business since 1979, and the City's Neighborhood Development and Employment Agency (NDEA).
The BPIC/NDEA provides intake and assessment functions, job development and placement services at its downtown Boston Job Exchange, and adult and youth training and education programs. The training and education programs are contracted out to about 20 community-based and non-profit organizations such as Action for Boston Community Development, the Opportunities Industrialization Council and the Economic Development and Industrial Corporation of Boston's, Boston Technical Center. There are other funding and program resources for employment and training efforts and job creation planners would do well to keep them in mind. For example, the Massachusetts Executive Office of Communities and Development (EOCD) has Community Development Block Grant money it can spend on training and job-related programs. Further, the state Department of Public Welfare (DPW) has recently launched a training program for Aid to Families with Dependent Children recipients and the Boston Public Schools receives vocational education funds. The NDEA/BPIC training system, however, comprises the core of Boston's public training system -- If not all of the available training money comes from the JTPA pot, most of it does, and the NDEA/BPIC system encompasses nearly every training implementation body that serves disadvantaged Boston clients. Other training agencies, such as the Bay State Skills Corporation, purchase training slots from contracting agencies, such as the Boston Technical Center and Roxbury Community College, with non-JTPA funds.

Thus the NDEA/BPIC JTPA system is the core of Boston's human capital building network, but when assessing the extent of training services in Boston it must be remembered that there are other training slots that augment this core. An assessment of Boston's intergovernmental employment
and training system, comprised of the JTPA core as well as additional training services, reveals two key deficiencies.

**Severe Shortage of Employment and Training Services**

The first deficiency of the system is one of sheer numbers: 1980 Census statistics indicate that the local potential need for employment and training services far exceeds the supply of services currently being delivered in Boston. As an illustration of the extent of this service deficiency, in the 1983 program year, about 1,540 slots in adult training and work experience were offered in Boston to a potential population of 16,747 in need of such services. (The 1980 Census counted 16,747 Boston residents' labor force status as unemployed.) There were 2,787 labor force participants counted as unemployed in the proposed "impact area" of Franklin Field, Roxbury and Mattapan alone in 1980. To the extent that the unemployment count represents a potential need population, the undersupply of training services is staggering.

Other illustrations are useful: Although 122,233 Boston residents (18,902 in the "impact area") were counted as having attained less than a high school education in 1980 and 40 percent of the city's adult population is believed to be functionally illiterate, only about 1,146 slots in basic education, high school equivalency and English as a Second Language programs are currently funded throughout Boston. This figure includes the approximately 700 slots in the newly-created Boston Adult Literacy Initiative. Recognizing the high degrees of adult illiteracy in Boston and the fact that most training and employment programs require educational attainment beyond elementary school as a prerequisite, the
NDEA now delivers the literacy program through 14 community schools and community-based organizations in Boston. More than 250 people were on the waiting lists for this program in March 1984.11

A similar service shortage exists for out-of-school youth, ages 16-19, who have not graduated from high school. Of this population, the 1980 Census counted 750 youths as unemployed and 2,252 youths as not in the labor force in Boston. When compared to the 465 Boston 1983 slots I counted for out-of-school youth remedial education and training programs, again, the programs only begin to address the city's labor force problems.

Similarly, Boston's job placement services only make a dent in the city's unemployment and underemployment problems. The Division of Employment Security's (DES) Boston Job Matching Center, although it carries an "active file" caseload of about 6,400 jobseekers12, its placement rate is reportedly as low as 11 percent. Doing much better is the NDEA/BPIC's Boston Job Exchange. Of its 593 applicants in 1982, it placed 330 (56 percent). Still, these amounts were only a drop in the bucket of the City of Boston's 26,092 unemployed labor force participants in 1982.13

**Insufficient Neighborhood-Level Access Points**

A second major deficiency of Boston's intergovernmental employment and training services system, from the standpoint of Boston State Hospital job creation efforts, is the severe lack of sufficient neighborhood-level employment service access points. Within a neighborhood abutters' 20-minute walk radius of the BSH site, the DCPO identified only 2 agencies
that deliver a work experience program to 30 in-school youth at Jeremiah Burke High School and a literacy program to 50 adults at Mattahunt Community School. This neighborhood area also contains several community service and health agencies including the large Lena Park Development Corporation, but these (so-far) do not provide direct employment or training services.

Just out of the 20-minute walk area in Roslindale is a Division of Employment Security (DES) Outreach Station that connects area residents to the services of the DES's downtown Boston Job Matching Center. Also lying just outside the neighborhood area is the Jamaica Plain Community School which helps 100 adults build literacy skills.

The Roxbury neighborhood, which is a large part of the DCPO's proposed "impact area," contains more employment and training service neighborhood access points. Five agencies deliver training services from Roxbury offices for 428 adults. Roxbury's Hubert H. Humphrey Occupational Resource Center, the primary vocational education wing of the Boston Public School System, has an underutilized capacity to train 1,800 in-school youth.

Most of the city's supply of employment and training programs are concentrated in downtown Boston. Unfortunately the downtown concentration trend has increased over the past few years as employment and training agencies such as the large Action for Boston Community Development have had to close down neighborhood field offices in response to funding cutbacks. Although services are geographically distant from the BSH site and its neighboring residents, Boston's employment and training system is not necessarily inaccessible to them. Because the "residency"
compositions of agencies' clients are in most cases unavailable, we do not know to what degree employment and training services are skewed away from residents in the BSH area. It is nevertheless safe to say that the lack of neighborhood-level service access points certainly does not help the employment problems of the local disadvantaged population.15

Job Creation Efforts

Federal Expansionary Fiscal Policy

Realizing that workers in abundant supply, no matter how well trained or starved for work they are, are merely "excess" supply if they do not have jobs, employment development planners have also approached unemployment problems from the labor demand side of the labor market. Government job creation strategies include, of course, the 40 year history of federal expansionary fiscal policy. Federal stimulation of aggregate demand through government spending, transfer payments and decreases in corporate and personal income taxes, however, is only capable of confronting cyclical unemployment -- unemployment resulting from an economy in the contraction phase of the business cycle.

Public Service Employment

Structural unemployment -- the disproportionate unemployment of disadvantaged group members during boom as well as bust -- requires different labor demand side approaches. One approach is public service employment of disadvantaged citizens, typified by CETA public service jobs.
Tax Credits

Other federal initiatives include employment subsidies such as the Targeted Jobs Tax Credit program of 1979\textsuperscript{16} with which employers may claim a credit against their income tax liabilities for hiring members of groups whose unemployment rates are traditionally above the national average. (youth, Vietnam veterans, ex-convicts and public assistance recipients)

Location and Development Incentives

A more direct, microeconomic, local level approach is the intergovernmental system of location incentives to private companies. Broadly, these incentives include land, capital, site infrastructure and amenities and labor subsidies and tax credits to attract companies, and their demands for labor, to locate in particular jurisdictions.\textsuperscript{17}

The Boston Economic Development and Industrial Corporation's (EDIC) assortment of financial assistance programs illustrates the types of incentive strategies used to attract and keep manufacturing ventures in the Boston area.\textsuperscript{18} The EDIC offers subsidies to smaller companies in the form of Small Business Administration loans and loan guarantees and a local small business revolving loan fund. This results in the availability of loans to small businesses with long term pay back periods, low down payments and low interest rates.

Similarly for large projects, the EDIC's primary financial incentive to persuade firms to locate or expand in Boston is the offering of subsidized loans. The EDIC assembles project financing packages from federal Industrial Revenue Bonds (IRBs), U.S. Housing and Urban Development (HUD)
Section 108 loans and HUD Urban Development Action Grants (UDAGs). All of these loans are long term with low interest rates. In addition, the interest payments of IRBs are federally tax exempt.

Several recent large Boston land developments have applied these financing tools. For example, the Crosstown Industrial Park (CTIP) development utilized U.S. Economic Development Administration grants for site preparation and construction, an UDAG for land acquisition, relocation and site preparation and an IRB for construction financing. The Digital Equipment Corporation plant at CTIP now employs 302 persons and about 60 percent of them are residents of the surrounding Roxbury and South End communities.19 The Copley Place commercial project and the Teradine and Wang industrial developments also harnessed UDAGs and issued employment guidelines for developers and end users.

Job Creation Goals and Higher Expectations

In recent years the local job creation objectives and expectations have increased, in terms of number and quality of jobs created for local residents, for private land developments with high degrees of public sector participation. Criticisms of some job creation efforts include that they often create low-wage, secondary labor market jobs, require too extensive public subsidies and provide too few jobs for local disadvantaged citizens. Perhaps because the Boston State Hospital redevelopment effort begins with local job creation as its primary goal, it will be able to address these criticisms. Job creation strategies are explored in Chapter IV.
Welfare Work Barriers

Manpower development programs on the supply side, and job creation efforts on the demand side of the labor market are not sufficient to adequately target the disadvantaged residents in the Boston State Hospital area. Crucial benefits such as child care and health care must be provided to workers in order to allow them to risk their families' well being by working and forgoing public assistance. Unless it appears that she will reasonably be able to meet her family's needs through the world of work, why should a welfare mother gamble in the labor market?

Concentration of Female-Headed Families

The public assistance benefit/work disincentive structure is of critical importance in the Boston State Hospital job creation effort. A striking concentration of female-headed families reside in the proposed Boston State Hospital "impact area." Over 6,600 female-headed in the "impact area," comprising 44 percent of all families with children in the area. (The concentration is even more pronounced when the three "impact area" neighborhoods are disaggregated -- 64 percent of Roxbury's families with children are female-headed.) The female-headed families of the "impact area" alone represent 32 percent of all such families in the entire city. From the high percentage of public assistance recipients in the "impact area" (34 percent in Roxbury and Franklin Field, 18 percent in Mattapan), we know that many of the female-headed families survive on Aid to Families with Dependent Children (AFDC) benefits.
Work "Disincentives"

Although "work incentives", along with work requirements and employment-related social services, have been included in federal welfare legislation as a basic strategy to encourage employment among welfare recipients, the total welfare benefit package has nevertheless created a "disincentive" to work. The work incentives include the "30 and one third" income exemption, whereby the first 30 dollars and them one third of an AFDC recipient's income is disregarded when computing the AFDC grant. They also include allowances for work-related and child care expenses. Alone these could represent considerable incentives to work, but when the benefits of Medicaid and foodstamps are figured in (these are lost after a certain degree of employment — Medicaid eligibility is lost after monthly income climbs above $597 for a female-headed family of three), the total welfare benefit package makes work, in many cases, a costly alternative to welfare. This is a sad comment on the quality of low-paying, secondary labor market-type jobs available to the typical welfare recipient.

These barriers to employment have been raised higher by the Reagan Omnibus Budget Reconciliation Bill of 1981. This bill drastically reduced work incentives by setting lower limits on work-related and child care expenses and restricting the thirty and one third income disregard to 4 months and computing it after the other deductions. Thus fewer AFDC recipients that had chances to acquire higher-paying jobs are likely to take the risk and the existing disincentive for low-wage work has been exacerbated.
In its February 1983 report, "Up the Down Escalator," the Massachusetts Human Services Coalition illustrates the critical interplay between increases in the earned income of the working poor and the resulting withdrawal of publicly provided benefits. The report demonstrates the need of low-income single mothers for jobs with pay and benefits sufficient to overcome poverty and welfare dependency. It hypothesizes a typical low-income family of three: a single mother and two children, ages two and six. It estimates what the relative financial position of this typical family would be if the mother's earned income were at six different levels, ranging from $0 to $1,083 per month, with monthly expenses for rent, heat, utilities, food, medical, clothing and other expenses remaining constant and work-related expenses such as day care and transportation varying with the degree of work.

Even with increasingly higher-paying jobs the hypothetical family still faces a monthly shortfall at each of the six income levels because of the public benefits lost. Emerging from this discussion of the area's unemployment problems are several job creation goals for the Boston State Hospital development. In the next chapter these goals are broadly stated and the remainder of this thesis is devoted to the exploration of approaches to fulfill those goals.
Notes to Chapter II

1. Unless otherwise noted, demographic statistics are from the 1980 US Census, Summary Tape File 3, compiled into neighborhood statistics areas by the Boston Redevelopment Authority.


6. According to a spokesperson for the Mass. Department of Manpower Development.


8. Primary sources for this assessment are the NDEA's FY 1983 Program and Services Inventory, February 1983, the Bay State Skills Corp.'s 1983 Annual Report, the NDEA's Adult Literacy Initiative List of Grantees and telephone reports from other training providers.


10. Ibid.

11. Ibid.


14. Opportunities Industrialization Center (129); Roxbury Community College (24); Dimmock Community Health Center (40); Contractors Assoc. of Boston (215) and Officina Hispana (20).
15. Telephone interviews with several Boston training program administrators revealed that while most considered their programs "available to people all over Boston who need training," most also reported that in general, their clients predominately live in the immediate neighborhood.


19. EDIC/Boston, "Crosstown Industrial Park: Inner City High Technology Perspective," project profile.


22. Ibid.
III.

THE PROJECT'S EMPLOYMENT DEVELOPMENT GOALS

Several basic job creation goals emerge from the review of the labor market problems of the area's economically disadvantaged residents. Fulfillment of these goals, which are broadly stated in this section below, is necessary to assure the employment generation and job access objectives of the project.

1. The Boston State Hospital site redevelopment should create quality jobs with primary labor market characteristics. In other words the jobs must pay adequate wages and provide sufficient benefits to allow local disadvantaged residents to overcome poverty and welfare dependency. The discussion of the dual labor market theory in the previous chapter showed how secondary labor market jobs are inadequately suited to this task. The discussion of welfare work barriers demonstrated that health care is an important benefit that jobs created on the Boston State Hospital site should provide.

The jobs created should also provide stable employment to promote stable labor force participation of the local employees. Work behavioral characteristics such as dependability and punctuality that make individuals more employable and able to demand higher wages, can be best encouraged through stable employment that requires such behavior. Finally, the project should create jobs for local disadvantaged residents that provide opportunities for upward mobility. Internal labor markets, or "job ladders," for employees to work their way up are essential for
career development. Opportunities for advancement provide necessary incentives to remain employed and choose work over welfare. On-the-job training, because it builds workers' skills and often increases their wages and status, makes work less alienating and improves workers' abilities to gain access to good jobs in the primary labor market.

It would be unrealistic to demand that all jobs created by the Boston State Hospital site redevelopment be primary labor market jobs. Rather, the project will generate a range of employment opportunities from entry-level to management positions. Such a range is consistent with the diversity of employment needs and qualifications of the local potential labor force. Contrast for example the job needs and abilities of a recent high school graduate looking for his first job with a single mother with two children seeking to move beyond her current job as a department store clerk. The role of this goal for the development—that it should create quality primary labor market-type jobs—is to serve as an assessment criteria for alternative job creation strategies. The job generation potentials of two job creation strategies are measured against this goal in the next chapter.

2. The Boston State Hospital job creation project should target jobs to local residents who face disadvantages in the labor market. The primary public purpose of the site's redevelopment is to create jobs for citizens who face disadvantages in securing employment in the absence of government intervention in the local economy.

The exploration of the local unemployment problem set forth in the preceding chapter suggests that group employment goals should be developed to increase the accessibility of Boston State Hospital site jobs by
members of several groups. Job accessibility should be developed for the following overlapping target groups in order to overcome the problems listed:

1. Economically Disadvantaged
   Long-term lack of adequate income and insufficient education, skills, experience and work histories place many individuals at severe disadvantages in the labor market. The "working poor" should also be considered economically disadvantaged along with the unemployed because their marginal employment does not compensate them with sufficient earnings and benefits to maintain a decent standard of living.

2. Minorities
   Members of minority groups face racial discrimination in the labor market. Most of the residents of the project's proposed "impact area" are Black.

3. Women
   Women face sexual discrimination in the labor market.

4. Single Mothers
   Single mothers face a double barrier in the labor market: sexual discrimination and a lack of affordable child care. The "impact area" includes a striking concentration of households with children headed by females, many of whom are public assistance recipients.

5. Boston Residents
   In contrast to their more affluent suburban neighbors, a higher proportion of residents of Boston suffer from unemployment and income deprivation.

6. Boston State Hospital "Impact Area" Residents
   Within the City, high incidences of unemployment and inadequate incomes are concentrated in the Boston State Hospital "impact area." Local residents should benefit from the economic benefits of the development.

7. Youth
   The incidence of unemployment is highest among youths, ages 16-19 and among adults, ages 20-24. Unemployment is disproportionally high for Black youth, compared to white. Often youth require assistance in the transition from school to work. Assistance is particularly important for members of the young adult group who are experiencing difficulty making the transition from casual employment to "settling down" with stable employment.

8. Unemployed
   Unemployment, including long term joblessness, is concentrated in the neighborhoods surrounding the site as well as in the City of Boston as a whole.

Target group employment goals, designed to enhance the accessibility by
members of these groups to the development's jobs, are discussed in Chapter V.

3. The Boston State Hospital site redevelopment project should prepare the local disadvantaged labor force, through training and other employment services, to qualify for jobs created on the site. Basic education, job readiness, training, counseling and placement programs should be provided to local disadvantaged residents to address the current undersupply of these services. The severe shortage of neighborhood-level access points to employment and training services in the Boston State Hospital area needs to be addressed by establishing a local employment services clearing house. This office could link area residents to education, training and employment opportunities resulting from the site development as well as those throughout the greater Boston area. These programs are necessary to build up economically disadvantaged residents' employment capacities, overcome some of the barriers to employment that confront them, and train them in skills required for jobs created by the Boston State Hospital site development. Approaches to fulfill this development goal are explored in chapter VI.

4. Access by single mothers to jobs created by re-use of the Boston State Hospital site requires that child care services be made accessible to employees. Securing adequate and affordable child care services is one of the most important obstacles to the employment of disadvantaged parents. It is especially crucial that child care be provided to welfare mothers to allow them to risk their families' well being by working and forgoing public assistance. Along with the primary labor market characteristics required of the jobs, especially livable pay levels and
family health plan benefits, affordable child care must be made available to make work a viable alternative to the welfare benefit package. Provision of child care is discussed in Chapter VII.
IV.

JOB CREATION STRATEGIES

After researching various job creation strategies, the DCPO has identified several land uses that appear feasible in a mixed-use development of the Boston State Hospital site. These include:

1. a state operations center;
2. a corporate operations center;
3. small community businesses; and
4. a light industrial development.

One development scenario might evolve like this: In a first phase, a state operations center could anchor other developments, especially a corporate operations center. Space and assistance could be provided to develop small community businesses that might supply the other users with their retail and service needs. A light industrial development, or additional office space, could potentially follow in a later phase.

A detailed exploration of the job creation capabilities of a state and corporate operations centers development is pursued below after a brief look at the small community business and light industrial strategies.

Small Community Businesses

Several on-site community businesses appear supportable by retail and service consumer demand generated by a large number of employees working at the operations centers.¹ Such ventures might include the following:

1. a convenience store;
2. a fast food shop;
3. a day care service;
4. a laundry and/or dry cleaners; and
5. a small goods shop.

Other small businesses might conceivably find a market on-site for facility and business support services such as:

1. security;
2. grounds maintenance;
3. delivery services; and
4. copying services.

In addition, the Boston State Hospital Community Garden Project in conjunction with the Boston Urban Gardeners has expressed interest in establishing on-site community agriculture-related businesses. The group's ideas include:

1. a garden supply store;
2. a landscape contracting business;
3. a greenhouse nursery;
4. a composting business; and
5. a food service operation.\(^2\)

These various small business possibilities could be pursued by local small business entrepreneurs, Community Development Corporations or other community organizations. The Boston Community Development Coordinating Council (CDCC), a group of community leaders in the Boston State Hospital area, is currently studying small community business possibilities for the Boston State Hospital site. In conjunction with a small community business working group for the Boston State Hospital Advisory Committee, the CDCC may help develop proposals for small business development at Boston State that complement the enterprises of area merchants.

An adequate demand for the products and services of small community businesses is a vital ingredient for their success. Because of its apparent ability to generate such demand a large-scale development of the
Boston State Hospital site offers a unique opportunity for community economic development. Small community businesses can augment the development's creation of jobs as well as provide community residents with experience in the management of small businesses.

**Light Industry**

In a mixed-use development of the Boston State Hospital site, the DCPO predicted that the site itself could support a light manufacturing concern of around 100,000 to 200,000 gross square feet of developed space. Although different industries' space requirements and labor compositions vary, a light industrial use of this scale, using a 300 gross square feet per worker rule of thumb, might yield between 333 and 667 jobs.

Because Boston's Economic Development and Industrial Corporation is currently marketing large amounts of industrial space and land, however, it appears that there is not a strong demand for industrial space at this time. Light industrial development, and the jobs it could generate, appears more feasible in a later development phase after the project demonstrates its viability.

**Operations Centers**

Naturally, investigation of the feasibility and desirability of different re-uses of the site is a continual process. As part of that process, this chapter presents an early examination of the state operations center and corporate operations center potentials for employment generation. For both the state and corporate operations centers development ideas, I project how many jobs might be generated, what type
of jobs they might be, what they might pay, what benefits would likely be offered and what opportunities for upward mobility would probably be available to workers. But first a definition of "operations centers" is in order.

The DCPO has begun a review of operations centers which could include the following facilities:

<table>
<thead>
<tr>
<th>Organization</th>
<th>Location</th>
</tr>
</thead>
<tbody>
<tr>
<td>New England Mutual Life</td>
<td>Burlington, MA.</td>
</tr>
<tr>
<td>Bank of New England</td>
<td>Malden, MA.</td>
</tr>
<tr>
<td>State Street Bank</td>
<td>Quincy, MA.</td>
</tr>
<tr>
<td>Blue Cross/ Blue Shield</td>
<td>Braintree, MA. and Portsmouth, N.H.</td>
</tr>
<tr>
<td>Bank of Boston</td>
<td>Columbia Point in Boston, Framingham, MA. and Natick, MA.</td>
</tr>
<tr>
<td>Internal Revenue Service</td>
<td>Andover, MA.</td>
</tr>
<tr>
<td>Liberty Mutual</td>
<td>Portsmouth, N.H.</td>
</tr>
<tr>
<td>Aetna Life and Casualty</td>
<td>Fall River, MA.</td>
</tr>
<tr>
<td>Massachusetts State Lottery</td>
<td>Braintree, MA.</td>
</tr>
</tbody>
</table>

Thus far DCPO staff have interviewed six actors involved in planning the first two operations centers listed above. Although subsequent interviews should provide an increasingly clear picture of the site, facility and labor force requirements for successful operations centers at the Boston State Hospital site, a profile of what operations centers imply in terms of employment is already emerging.

Operations centers are often called "back offices" or "support office centers" and are usually established by large banks and insurance companies as well as by large government offices like the Internal Revenue Service. Employment in such organizations is dominated by clerical work. For example, clerical employment represents about 54 percent of total
employment in the insurance industry\textsuperscript{3} and, excluding tellers, about 48 percent of total employment in the banking industry.\textsuperscript{4} This is quite high when compared to other industries: Clerical employment in most manufacturing industries only represents from 9 to 20 percent of total industry employment.\textsuperscript{5} Paper transactions like bank checks and insurance claims are the products these companies sell and the need to process such transactions is why they open operations centers.

To facilitate the flow of paper, operations centers are usually built low and horizontally with wide aisles on the office floor. To reduce the costs of each transaction, utilization of capital equipment is maximized often by running operations centers up to 24 hours a day. Operations centers are usually located near public transportation and in suburbs to provide employers access to the "second-earner housewife" labor force. The facilities of operations centers usually provide ample parking to accommodate overlapping crews. Building setting and office environment is typically aesthetically pleasing and often includes recreation facilities and cafeterias.

\textbf{A State Operations Center}

Several Commonwealth of Massachusetts agencies perform a lot of paperwork processing. The Department of Revenue, for example, examines Massachusetts tax forms and the Department of Public Welfare reviews assistance applications. Agencies such as these, which rely on numerous clerical workers, are currently pressed for affordable office space in
downtown Boston.

The Boston State Hospital campus could provide the site for the relocation of one or several agencies' processing divisions. To illustrate, the Department of Revenue (DOR) is currently assessing its long-range space needs, both for its current processing division as well as for the agency as a whole. Currently its processing division has 430 employees, and the department is considering the consolidation of other operations into this processing division. Recently, the DOR made a rough estimate of its projected space needs for its processing division by 1990, arriving at around 200,000 square feet. While the DOR would consider the Boston State Hospital site as one among several potential relocation sites, its current planning illustrates the likely demand of other agencies with similar space needs for their processing workers.

Based on the site's development opportunities and constraints and the current and projected space needs of state agencies, a state processing office complex of between 250,000 to 450,000 gross square feet could be developed. Figuring roughly 300 gross square feet per worker, this translates into a conservative job estimate in the range of from 833 to 1,500 jobs.

Initially, because they would largely be transferred from other locations, most of these jobs would not represent new employment opportunities to Boston State Hospital area residents. But in order to successfully relocate the processing functions of an agency, the current state workers must be guaranteed employment, either at the new facility or in another job or agency altogether. Thus new job opportunities will likely be generated through attrition from the relocation. New job
opportunities will also become available from employee turnover after operations commence as well as from agencies' processing department expansions.

Judging by the high percentage of clerical employment usually found in operations centers (around 80 percent of total jobs in an operations center are clerical jobs), several entry-level positions appear accessible to local area residents with labor market disadvantages if they receive the appropriate basic education and training. Several state clerical/processing jobs are profiled in this section. The standard State of Massachusetts clerical occupation titles described were chosen because of their predominance on a computer listing of state employees who work in Boston for three state agencies with large amounts of clerical workers.  

General Qualifications

Most of the clerical jobs profiled here require several general qualities of applicants. These are:

1. working knowledge of business English, spelling and arithmetic;  
2. working knowledge of, or the ability to learn, clerical office practice; and  
3. ability to communicate orally and in writing.

In addition, state agencies tend to hire applicants who have attained a high school education or its equivalent for clerical positions.
State Clerical/Processing Job Profiles

Junior Clerk

Job Description: A junior clerk performs routine clerical duties such as the following:

1. Checks the accuracy and completeness of records, forms and documents.
2. Compiles simple statement data, codes data and posts to various records such as ledgers, payrolls, invoices and employee record cards. Performs simple numerical computations such as the totaling of inventories or simple cost computations.
3. Sorts, indexes and files materials such as bond coupons, claim record cards, employment registrations, ledger cards and correspondence.
4. Searches files.
5. Opens, stamps, sorts and distributes mail.
6. Receives telephone calls and answers inquiries for routine information.
7. Receives and directs visitors.
8. Types for a small percentage of the time.

Pay: $205.33 starting pay per 37.5 hour week ($5.48/hour)

Senior Clerk

Job Description: A senior clerk performs most of the same functions as a junior clerk, except the work is usually more complex, requiring more knowledge of the agency or section. A senior clerk may supervise a few employees in the performance of routine clerical work.

Special Qualifications: A senior clerk position usually requires some experience in the performance of general clerical duties.

Pay: $222.64 starting pay per 37.5 hour week ($5.94/hour)

Principal Clerk

- 53 -
Job Description: A principal clerk performs more complex clerical duties that require more decision-making and a thorough knowledge of the functions of the department or section. A principal clerk may act as working supervisor over a small number of employees performing less complex clerical work. A principal clerk may perform secretarial tasks for an administrative officer or section head.

Special Qualifications: A principal clerk position requires experience in responsible general clerical work.

Pay: $246.60 starting pay per 37.5 hour week ($6.58/hour)

Head Clerk

Job Description: A head clerk performs complex clerical work requiring a high degree of decision for conformance with departmental regulations and established procedures. A head clerk may supervise employees performing less complex clerical work and may act as secretary to the head of a major department.

Special Qualifications: A head clerk position requires considerable experience in responsible general clerical work including some supervisory experience.

Pay: $267.18 starting pay per 37.5 hour week ($7.12)

Junior Clerk and Typist

Job Description: A junior clerk and typist performs many of the same routine clerical duties as a junior clerk, but also performs work for which considerable typing skill is required for a large percentage of the
time.

Special Qualifications: A junior clerk and typist position requires skill in typing rapidly and accurately.

Pay: $205.33 starting pay per 37.5 hour week ($5.48/hour)

Senior Clerk and Typist

Job Description: In addition to the tasks a junior clerk and typist performs, a senior clerk and typist performs more complex clerical duties and types material of more than average difficulty. A senior clerk and typist may also exercise supervision over a small number of employees in the performance of routine clerical work.

Special Qualifications: A senior clerk position usually requires skill in typing rapidly and accurately as well as some experience in the performance of general clerical duties.

Pay: $222.64 starting pay per 37.5 hour week ($5.94/hour)

Electronic Data Processing Entry Operator I-IV

Job Description: An EDP Entry Operator I operates typewriter-style keyboard controlled electronic data processing data entry machines to transcribe or verify information from source documents. An operator codes, verifies and corrects data entry information to convert the information to computer acceptable format. More advanced levels of operators exercise more supervision over lower grade employees and require increasing degrees of on-the-job experience.

Special Qualifications: An EDP Entry Operator I job requires the ability to operate electronic data processing data entry equipment after a brief
An EDP Entry Operator Level II position requires six months experience. Level III and Level IV require one year and two years of experience, respectively.

Pay: Starting Weekly Salaries for 37.5 hour weeks:

<table>
<thead>
<tr>
<th>Level</th>
<th>Salary</th>
<th>Hourly Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>Level I</td>
<td>$216.85</td>
<td>$5.78</td>
</tr>
<tr>
<td>Level II</td>
<td>$237.07</td>
<td>$6.32</td>
</tr>
<tr>
<td>Level III</td>
<td>$255.53</td>
<td>$6.81</td>
</tr>
<tr>
<td>Level IV</td>
<td>$282.63</td>
<td>$7.54</td>
</tr>
</tbody>
</table>

**Senior Statistical Clerk**

Job Description: A senior statistical clerk performs a variety of clerical duties in the accumulation and presentation of statistical data requiring statistical judgement and a general knowledge of the department or section. These duties might include the following:

1. Records data and prepares standard statistical tables from such sources as birth certificates, mortality reports, reports of automobile accidents, alcoholic beverage price schedules, manufactures’ census reports, labor market information reports or reports on agency activities.
2. Checks accuracy of computations and examines reports.
3. Codes data, computes percentages, and applies standard formulas to arrive at averages and other statistical information.
4. Prepares charts and graphs and compiles routine statistical reports.

Special Qualifications: A senior statistical clerk job usually requires working knowledge of statistical methods and procedures and the ability to make arithmetic and statistical computations accurately and with reasonable speed.

Pay: $237.07 starting pay per 37.5 hour week ($6.32/hour)

**Senior Bookkeeper**
Job Description: A senior bookkeeper participates in the activities required for the maintenance of a double-entry system of bookkeeping for a state agency. A senior bookkeeper might supervise a few clerical employees.

Special Qualifications: A senior bookkeeping job requires a working knowledge of the principles and techniques of bookkeeping for a state agency, specifically the ability to maintain a double-entry bookkeeping system.

Pay: $228.06 starting pay per 37.5 hour week ($6.08/hour)

Principal Bookkeeper

Job Description: A principal bookkeeper generally maintains a double-entry bookkeeping system for a state agency, controls appropriation accounts, prepare periodic reports and supervises a few clerical employees.

Special Qualifications: A principal bookkeeper position requires considerable knowledge of the principles and techniques of bookkeeping and the ability to develop, lay out and install clerical procedures and operations from general instructions.

Pay: $255.53 starting pay per 37.5 hour week ($6.81/hour)

Junior Accountant

Job Description: A junior accountant participates in developing and maintaining books or records such as the general journal, cash book, subsidiary ledgers and general ledger for a state agency. S/he might
supervise a few bookkeeping and clerical employees.

Special Qualifications: A junior accountant position requires working knowledge of the fundamentals of accounting theory and practice. Generally, a community college program in accounting would prepare an applicant for a junior accounting position.

Pay: $265.57 starting pay per 37.5 hour week ($7.08/hour)

Senior Accountant

Job Description: A senior accountant supervises and performs complex accounting work such as the maintenance of the general books of a state agency.

Special Qualifications: A senior accountant position requires thorough knowledge of and experience with accounting for a state agency.

Pay: $330.37 starting pay per 37.5 hour week ($8.81/hour)

Health Care Benefits

All full-time state employees receive group health plan coverage if they elect to pay the nominal employee charge. The Commonwealth pays ninety percent of each health insurance plan's premium rate. A choice of plans is available, each of which covers medical care, emergency service and hospitalization of the employee, his/her spouse and children. Boston area employees usually choose between the Blue Cross and Blue Shield Plan, the Harvard Community Health Plan and the Bay State Health Care Plan.

The Blue Cross and Blue Shield Plan costs the employee $13.74 per month for individual coverage or $28.64 per month for family coverage. The employee chooses his/her own personal physician and office visits are
usually covered under the plan.

The Harvard Community Health Plan is available to state employees for 18 cents per month for individual coverage or $8.88 per month for family coverage. Doctors and hospitals are chosen from Harvard Plan locations in Boston and Cambridge. Office visits cost $1.00 and medication is $1.00 for one month's supply.

The Bay State Health Care Plan carries a charge of 18 cents per month for an individual employee or $32.44 for the entire family's monthly coverage. Medical care is provided by over 1200 Doctors affiliated with the Bay State Plan throughout eastern Massachusetts. Three dollars is charged for each office visit.

Upward Mobility

The State of Massachusetts clerical occupations profiled above offer opportunities for employees to progress into higher paying jobs with more responsibility for decision-making and supervision of other employees. Upward mobility opportunities in state clerical employment fall into three categories: pay increases, job upgrading and continued education.

1. Five Step Salary Schedule

In addition to collective bargaining wage increases designed to keep pace with inflation, state clerical employees progress up a five step salary schedule. An employee advances from one step to the next step after each year of service in her/his job. (see chart, page 72) For example, a junior clerk would work in a grade 4 position and would earn $205.53 per week when newly hired (step 1). After a year of credible
Job Upgrading

Massachusetts clerical employees may be promoted to higher positions after superior job performance. For example, a junior clerk might advance to a senior clerk position and then later to principal clerk and head clerk positions. Similarly, employees in the other clerical occupations outlined above may work up their particular job ladders. Movement up a job ladder depends on demonstrated personal ability, seniority and the availability of higher positions. When a clerical position opens up, lower level clerical employees have the opportunity to interview for the job, and state agencies generally prefer to promote existing employees to open positions.15

Continued Education and Training

The Commonwealth provides full remission of tuition to full-time employees enrolled in a degree program in any state institution of higher education, excluding UMass Medical Center. Fifty percent remission of tuition is provided to full-time state employees enrolled in continuing education programs.16

In the recent collective bargaining agreement between the Commonwealth and the National Association of Government Employees (July 1, 1983 to June 30, 1986), which covers clerical employees, the parties agreed to establish a statewide "Training and Career Ladders Committee." This committee is charged with the development and coordination of training programs in departments and agencies in the Commonwealth "to facilitate
individual career development and equitable employment opportunity structures." Programs eventually formulated by this committee are scheduled to be implemented beginning in July 1984. 17

A Corporate Operations Center

The DCPO's on-going study of the Boston State Hospital site's development possibilities recognizes a potential for the development of 100,000 to 200,000 gross square feet of corporate operations space in a first phase. Based on a 300 gross square feet per worker rule of thumb, this range of square footage development could produce 333 to 667 permanent jobs. A corporate operations center development of this size would be comparable to the New England Mutual Life Insurance Company's "support offices" in Burlington. There, about 600 office jobs are located in around 150,000 gross square feet of space.

New Jobs

If a company decides to build an operations center as a result of its expansion, then a large proportion of the jobs generated could represent new employment opportunities for local residents. Many jobs could be transfers of existing company employees to the new facilities, but one of the main reasons a corporation opens an operations center outside of the central business district is "to build a new employment base." 18

The Bank of New England is planning a mid-1985 relocation of some of its operations to Malden. In their survey of other organizations' relocations, the bank's planners found that most organizations experienced high
employee attrition rates after a move.\textsuperscript{19} Thus the development of a corporate operations center could generate many new employment opportunities for local residents. In addition, employee turnover would produce more openings every year. For example, New England Life's overall employee turnover rate is about 12 percent annually and for clerical employees it is higher.\textsuperscript{20}

**Operations Centers Occupations**

Operations centers are dominated by clerical work. The Bank of New England's Malden development team projects about 80 percent of their center's jobs will be in clerical occupations while the remaining 20 percent will include supervisors, professionals and managers.\textsuperscript{21} The bulk of the work performed at an operations center is the processing of transactions such as insurance claims and banking transactions. The jobs are similar to the State of Massachusetts clerical positions profiled above. Some of the predominate job titles of employees of bank and insurance company operations centers are:

1. Accounting Clerk
2. Claim Examiner
3. Claims Adjuster
4. Claims Clerk
5. Clerical Supervisor
6. Computer Operator
7. Electronic Data Processing (EDP) Operator
8. File Clerk
9. General Office Clerk
10. Key Punch Operator
11. Proof Machine Operator
12. Rater
13. Statistical Clerk
14. Typist
Operations centers often run more than one shift. The Bank of New England is planning to operate its 1,000 worker Malden center with 3 shifts, 24 hours a day.

Qualifications

Generally, companies prefer high school and junior college graduates for their clerical positions in operations centers. One demographic group that often meets this requirement is "second-earner housewives" returning to the labor force. Operations centers are comprised of high proportions of women workers. Some of the jobs require special skills or education. For example, a bookkeeping clerk position usually requires either a strong focus in high school on business math, bookkeeping and principles of accounting or completion of a community or junior college program in business or accounting.22

Pay

As an illustration of the earnings these jobs typically generate, the current starting pay of the Bank of New England's clerical workers ranges from about $165 to $230 per week, depending on the job. The bank anticipates that it will pay its operations center employees who work during off-shifts a ten percent salary differential.23

The Boston Metropolitan Area Wage Survey of August 1983 by the U.S. Department of Labor24, reports the following "middle ranges"25 of weekly earnings of selected office workers: (Starting wages would typically be below the lower rate.)
August 1983
Middle Range of Weekly Earnings
Boston Area Office Workers in Nonmanufacturing Industries

<table>
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<tr>
<th>Occupation</th>
<th>Weekly Earnings</th>
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<tr>
<td>Typists</td>
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<td>File Clerks</td>
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<td>Payroll Clerks</td>
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<td>$300 - $382</td>
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<td>(maintenance of books)</td>
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</table>

**Benefits**

In general, large corporations like the ones who open operations centers offer full-time employees a range of benefits. For example, the Bank of New England's benefit package includes health plan coverage, a life insurance plan, tuition aid, free banking services and a subsidized cafeteria. In addition, the bank offers permanent part-time employees participation in the benefit plan on a pro-rated basis. 27

**Upward Mobility**

Interviewees described operations centers as "flat" organizations because they are usually comprised of a large proportion of routine clerical workers (80 %), a small number of supervisors who divide up the work load and a smaller number of managers who essentially maximize the
use of the capital equipment. There are not many positions in between the clerical workers and the managers.

Thus career paths within an operations center do not seem very extensive without post-secondary education. Nevertheless an employee who entered a clerical job with a high school degree could advance to a higher position. For example, a claims trainee might progress to a senior claims approver and then to a clerical supervisory position. Moreover, an employee might build skills and experience on-the-job within an operations center and "move up" to the company's parent office where more extended job ladders might exist.

An Assessment of the Employment Development Potentials of State and Corporate Operations Centers

The DCPO's in progress survey of operations centers, and assessment of state agencies' operations space needs, should provide an increasingly clear picture of the employment ramifications of developing operations centers on the Boston State Hospital site. At this point, based on the criteria discussed above and summarized below, in my judgement operations centers certainly warrant further pursuit as a job creation strategy for Boston State Hospital. In short, the development of operations centers might generate substantial numbers of new jobs, and employment in operations centers offers many of the qualities characteristic of the primary labor market: Earnings are decent, adequate benefits are provided, jobs are stable, work environment is comfortable and jobs offer opportunities for advancement.
Employment Development Criteria

1. Would the development of state and corporate operations centers at the Boston State Hospital site generate new employment opportunities for citizens of Massachusetts?

A state operations center, as outlined above, might relocate up to 1,500 permanent jobs in the Boston State Hospital area. Since most of these state jobs would likely represent the relocation of state clerical positions that currently exist in downtown Boston, they would not represent net new employment opportunities for citizens of the Commonwealth. On the other hand, through attrition from the relocation and normal employee turnover, a state operations center would bring new job opportunities to the communities neighboring the Boston State Hospital site.

But the state's investment in a Boston State Hospital operations center, in development incentives and infrastructure development terms as well as the ongoing public commitment demonstrated by developing state offices on-site, could leverage a corporate operations center development. A corporate operations development, as discussed above, could generate up to 667 permanent jobs in a first phase. If the corporate location decision were a result of the expansion of a Massachusetts firm or the attraction of an out-of-state company, most of these jobs would represent net new employment opportunities for the citizens of Massachusetts.

If the corporate decision to locate at Boston State Hospital were a relocation or consolidation of the existing functions of a Massachusetts firm, the jobs generated by a corporate operations center development
would represent a retention of jobs that might otherwise move to other states.

2. Would the jobs created by developing state and corporate operations centers at the Boston State Hospital site be accessible by local area residents who face disadvantages in the labor market?

The bulk of operations centers jobs do not require post-secondary education. Access by local disadvantaged residents to the new employment opportunities created in their community depends on successful basic education, training and placement programs, effective target group employment goal agreements and adequate provision of affordable child care. These targeting mechanisms, together with other support services such as improved public transportation to and from the site, can help assure that those area residents most in need receive government assistance to overcome the labor market disadvantages and barriers to employment that confront them.

After basic education and training programs, operations centers jobs seem within reach of economically disadvantaged residents in the Boston State Hospital area because they do not require unrealistic degrees of additional formal education and training. At the same time these jobs address the need for adequate wages to overcome poverty and welfare dependency. The jobs also seem well matched to women, single mothers and young adults, large Boston State Hospital area target groups: Operations centers typically employ large numbers of women and young adults. Therefore the quests for employment in this industry by individuals of these groups would not be further obstructed by jobseekers' personal barriers to "non-traditional" occupations.
3. Do jobs in operations centers pay adequate wages and provide sufficient benefits to allow a worker to overcome poverty and welfare dependency?

The starting weekly earnings in the typical operations centers jobs reviewed in this chapter range from $205 to $265 for state clerical/processing jobs and between $165 to $230 for corporate jobs.

A typical operations center worker is a bookkeeping clerk earning a starting pay of about $200 per week or $10,400 per year in 1984. To make this 1984 annual income figure comparable to 1980 Census statistics, we "deflate" it to 1979 terms. In 1979 dollars this would be about $7,630 which is 73 percent of the $12,530 1979 median annual household income in Boston and 136 percent of $5,600, the 1979 U.S. poverty level annual income for a family of three.

Of course different households have different income requirements. A single person without children or a person living in a two-income household might manage to support his/her needs on annual before-tax earnings of $10,400 (1984 dollars).

For other households, higher wages in the upper end of starting salaries at operations centers would likely be required. Such would be the case for a household headed by a single mother with two children. Based on the Massachusetts Human Services Coalition's report, Up the down Escalator, discussed in Chapter II, a single mother with two children, ages three and six, would need weekly before-tax earnings of around $263 to cover her family's expenses.

The Coalition assumed that the hypothetical family was able to secure
subsidized child care through the Department of Social Services, an optimistic assumption. If the mother were to receive a more extensive subsidy for her child care costs, either from her employer or the state, she would be able to make ends meet with a less-skilled job that payed a lower salary.

The provision of sufficient health care benefits is a crucial part of the work compensation package for this mother as well as for other operations centers employees. Both the state and corporate operations centers jobs offer health plans. The structure of benefit plans varies with different companies. Because of the importance of medical benefits to allow low-income mothers to increase their earned income, thereby forgoing Medicaid, particular companies' benefit plans should be as carefully reviewed as their wage structures when considering them for job creation strategies.

4. Does employment in operations centers offer opportunities for upward mobility?

State of Massachusetts clerical occupations offer annual pay raises (in addition to inflation-offsetting increases), job ladder promotion opportunities and support for continued education and training. Corporate operations centers appear to offer similar opportunities.
Notes to Chapter IV

1. Judging by a visual survey of office parks, a windshield survey of commercial areas along Blue Hill Avenue and a survey of operations centers, all of which are currently being undertaken by the DCPO.


4. (SIC 60), Ibid., pp. 10-13.


6. A computer listing of 5,802 employees in the Dept. of Public Welfare, Dept. of Revenue and the agencies under the Ex. Office of Human Services on file at the Central Transportation Planning Staff. Programer was D. Sarota, Job #55500.

7. According to a personnel director of one state agency.

8. The job descriptions profiled here are summaries of the standard State of Massachusetts job descriptions which are on file at the Division of Personnel Administration.


11. Health Plan profiles included in DCPO "New Employee Folder."

12. Agreement: Unit 1, pp. 41-46.

13. State job titles are assigned a "grade." For example, a junior clerk is assigned to grade 4, a principal clerk to grade 10 and an EDP Entry Operator to grade 13.

15. Interview with personnel director for the DCPO. Civil Service status enhances and employee's ability to advance and adds to job security. Conversely, lack of Civil Service status may interfere with an employee's upward mobility opportunities and threaten job security.


17. Ibid., pp. 67-69.


19. Interview with a representative with the Bank of New England.


25. Ibid., p. 24: "The middle range is defined by two rates of pay; 1/4 of the workers earn the same as or less than the lower of these rates and 1/4 earn the same as or more than the higher rate."

26. Ibid., p. 15-16: Table A-12, for establishments employing 500 or more workers.

27. Interview, Bank of New England.


**APPENDIX A (3)**

Schedule of Weekly Salary Rates

Effective April 1, 1984


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V.

EMPLOYMENT GOALS FOR TARGET GROUPS

Going by several different names -- "quotas, set-asides, affirmative action, job goals" -- goals for employing members of certain groups with disadvantages in the labor market, constitute a crucial targeting strategy. Although probably worth little without a range of job creation, education, training, placement and support services behind them, employment goals provide the mechanism to focus multiple employment development efforts. The goals are most often expressed as requirements to companies or a developer for receipt of financial assistance.

The target group employment goal process for the Boston State Hospital project might work like this: First the Boston State Hospital Advisory Committee, working with the DCPO, would issue job target goals as part of its development guidelines. The guidelines would be incorporated into the Request for Development Proposals (RFP) and prospective developers' proposals would be judge on, among other things, how well their plans respond to the project's employment development goals. The RFP would likely set specific group employment participation goals (expressed as percentages of total hours of construction employment) for construction jobs for the developer to follow. (See chart, "A Potential Development Process," p. 13.) The permanent job goals might be established in the RFP by simply listing the several overlapping target groups that the permanent on-site employers should provide affirmative action job access to, such as the groups discussed above in Chapter III. Listed again here they are:
1. Economically Disadvantaged.
2. Minorities.
3. Women.
4. Single Mothers.
5. Boston Residents.
7. Youth.
8. Unemployed.

An implementing agency such as the Neighborhood Development and Employment Agency could then develop an employment plan and work out an employment agreement regarding jobs for local disadvantaged residents with the on-site employers.

The next step in the target group employment goal process is to carry out the employment plan to fulfill the placement of target group members in on-site jobs. This plan would outline goals for placing members of the various target groups in construction jobs and permanent jobs. It would also establish how the goals would be linked to Boston's employment and training system and how outreach and monitoring will be carried out. It is useful to review several cases where target group employment goals and plans have been used, to illustrate the structure of the employment goal targeting mechanism. Various cases prove illustrative for their goals for construction jobs, permanent jobs and linkage to the employment and training system.

**Construction Job Goals**

There are several models that can help the Boston State Hospital redevelopment project establish its construction job goals, notably the construction contract requirements of the Boston Housing Authority, the Cambridge Housing Authority and the City of Boston. The construction
contracts of these three entities all contain affirmative action and equal employment opportunity clauses. They also include employment goals for various target groups.

**Equal Employment Opportunity/Non-Discrimination and Affirmative Action Clause**

The essence of federal equal construction employment opportunity and affirmative action is expressed in the following clause from the Housing and Community Development Act of 1974:

The contractor agrees not to discriminate against any employee or applicant for employment because of race, color, religion, sex, or national origin. The contractor will take affirmative action to ensure that applicants are employed, and that employees are treated during their employment, without regard to their race, color, religion, sex or national origin. Such action shall include, but not be limited, to the following: Employment, upgrading, demotion, or transfer, recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. The contractor agrees to post in conspicuous places, available to employees and applicants for employment, notices to be approved of provided by the city setting forth the provisions of this nondiscrimination clause.¹

Incorporated into these Community Development Block Grant terms and conditions is federal Executive Order 11246 of September 24, 1965. This order requires the contractor to "take specific affirmative actions to ensure equal employment opportunity" which it describes in a lengthy list.² Among the required actions are the following, expressed here in summary form:

1. Ensure and maintain a working environment free of harassment, intimidation, and coercion.

- 75 -
2. Conduct recruitment and referral efforts with minority, female and community organizations, schools with minority and female students, minority and female recruitment and training organizations, and unions.

3. Develop on-the-job training opportunity and/or participate in training programs for the area which expressly include minorities and women.

4. Disseminate the contractor's equal employment opportunity policy to unions, training programs, and employees, and request their cooperation in assisting the contractor in meeting its equal employment opportunity obligations. Disseminate the policy externally by including it in any news media advertising.

5. Review the company's equal employment opportunity policy and affirmative action obligations under these specifications with all employees having any responsibility for employment decisions.

Executive Order 11246 also requires that contractors make progress toward fulfilling affirmative action hiring goals. The goals are expressed as percentages of the total hours of employment and training of minority and female utilization the contractor should reasonably be able to achieve in each construction trade in which it has employees in the covered area.

The minority and women employment goals and the definition of the "covered area" are set by the local government in its contract solicitation.

Construction Employment Goals for Target Groups

The Boston Housing Authority, the Cambridge Housing Authority and the City of Boston offer examples of construction contract employment goals that have been established by local governments for various target groups.
1. Minority Persons

The Boston Housing Authority requires a ratio of at least 30 percent minority employee person hours to total employee person hours in its construction contracts.

The Contractor and each of its Subcontractors shall take affirmative action, as provided in this provision, to maintain in each job category, including, but not limited to, bricklayers, carpenters, cement masons, electricians, ironworkers, operating engineers, and those "classes of work" enumerated in Section 44F of Chapter 149 of the Massachusetts General Laws, a ratio of at least 30 percent Minority employee person hours to total employee person hours. The Contractor or Subcontractor shall meet the percentage stated in this section, unless the Contractor or Subcontractor shall demonstrate to the satisfaction of the Authority that it has taken or is taking every possible measure to achieve compliance, but is unable to do so because insufficient Minority workers are available.5

The Cambridge Housing Authority, consistent with Cambridge's lower percentage of minority residents, requires of its contractors a lower minimum minority labor hours participation proportion of 20 percent.6

Between the two local housing authorities' requirements is the City of Boston's 25 percent craft-by-craft minority worker hours requirement. This requirement was set by the Mayor's Executive Order on Construction Employment of 1979 and holds for all projects financed by city-administered funds.7

2. Minority Businesses

Established in another executive order in 1978, the Executive Order Encouraging Minority Business Enterprise, the City of Boston requires that "at least ten percent of the value of all construction, goods and services
procured by the City during each fiscal year will be obtained from minority business enterprises."8

The Boston Housing Authority requires a higher minority business participation rate of 30 percent for its construction contracts.

The Contractor shall utilize Minority Business Enterprises to perform work and/or supply goods or services for a total price not less than 30 percent of the Contract price; provided that at least 75 percent of the required dollar amount shall be allocated to Minority Business Enterprises which are construction Subcontractors.9

3. Women

The Boston Housing Authority10, the City of Boston11 and the Cambridge Housing Authority12 all require that a minimum of 10 percent of their construction contracts' work force hours in each trade accrue to women workers.

4. Local Area Low Income Residents

The Community Development Block Grant terms and conditions, which the Boston Housing Authority and the Cambridge Housing Authority work under, require "that to the greatest extent feasible opportunities for training and employment be given lower income residents of the project area."13 Most of the time the "project area" is defined as the entire city.

5. City Residents

The Boston Housing Authority, following Community Development Block Grant regulations, requires its contractors to "maintain a not less than
50 percent ratio of Boston resident employee work force hours to total employee work force hours in each trade.\textsuperscript{14} Similarly, the Boston Housing Authority also requires that at least 50 percent of all a contractor's training categories be filled with Boston residents.

As established in the Executive Order on Construction Employment of 1979, the City of Boston also requires 50 percent Boston resident participation in city-contracted construction work.

6. Housing Authority Residents

For the recent Comprehensive Renewal Program for the Franklin Field Development, the Boston Housing Authority required that contractors employ at least 18 Boston public housing residents as apprentices, and at least 12 as laborers, in the contract's construction work. Residents were defined as anyone 18 years of age or older who maintained his or her full-time principal residence at any of the Boston Housing Authority's public housing developments.\textsuperscript{15}
Summary of
Target Group Employment Goals
for Construction Contracts

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<th>City of Boston</th>
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<tr>
<td>Minorities</td>
<td>30%</td>
<td>20%</td>
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<tr>
<td>Minority Businesses</td>
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<tr>
<td>Women</td>
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<tr>
<td>City Residents</td>
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<td>Local Area</td>
<td>Greatest extent</td>
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<td>Low-Income Residents</td>
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<td>Housing Authority</td>
<td>Varies</td>
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<td>Tenants</td>
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Permanent Job Goals

As with construction job goals, there are several local development projects whose employment goal formats may help the Boston State Hospital redevelopment project establish its permanent job goals. The process of establishing and carrying out permanent job goals often works like this: First a development committee sets forth employment guidelines which are incorporated into the Request for Development Proposals (RFP) for the developer to respond to with a plan for meeting construction employment goals. Next, after the permanent employers are identified, the employers work out an employment agreement with a coordinating agency such as the Neighborhood Development and Employment Agency. This agreement identifies
employment goals for employing members of target groups. Finally, the agreement and goals are supported by an employment plan that outlines the actions necessary to fulfill the agreement. Each of these steps is discussed in more detail in this section.

Employment Guidelines for a Development Project

One of the development goals established by the Citizens Review Committee for the Copley Place development was that maximum possible permanent jobs and training benefits be available to residents of the surrounding communities. The Citizens Review Committee issued several guidelines for permanent jobs and training to help assure this goal was fulfilled. These guidelines included the following recommendations:

1. The developer will work with community groups engaged in manpower and training. The developer will supply job projections and manning tables as they are available.

2. The community organizations will seek all available public programs and funds.

3. A recruitment program should be developed.

4. The State and the City will give technical assistance and help to integrate public programs.16

Employment Agreements and Employment Goals

The employment goals agreed upon by the City of Boston and employers in three different development projects are illustrative.

<table>
<thead>
<tr>
<th>Percentage of Jobs</th>
<th>Target Group</th>
</tr>
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<tbody>
<tr>
<td>50%</td>
<td>Boston residents</td>
</tr>
<tr>
<td>30%</td>
<td>Minorities</td>
</tr>
</tbody>
</table>

1. Copley Place, 198417
Employment Plan

An employment plan projects the jobs generated by a development (see Chapter IV) and states the project's target group employment goals for permanent jobs. It also outlines the linkage to the local employment and training system necessary to prepare the local labor force for the jobs as well as refer and match applicants to the jobs. (see Chapter VI)

Monitoring, Compliance and Results

For construction jobs, contact persons at both the Boston Housing Authority and the Cambridge Housing Authority report that non-compliance with employment requirements rarely occurs. Most contractors are able to maintain the percentage employment requirements established. The agencies
hold pre-bid conferences where requirements are clearly laid out. They operate referral systems to help contractors maintain the percentage goals.

Both agencies closely monitor contract compliance and if a contractor dips below an employment percentage requirement, early warning systems are triggered to warn him/her. Both housing authorities withhold payment on construction contracts for any periods the contractor is not in compliance and fines are levied for each week of non-compliance.

For permanent jobs, major employers at Copley Place, for example, have been able to meet or exceed the goals set forth in the employment agreement. 20

Establishing Target Group Employment Goals for the Boston State Hospital Site Redevelopment

Construction Jobs

For construction jobs, based on the models above, the DCPO and the Boston State Hospital Advisory Committee would likely establish the following employment goals in the RFP for the developer to follow:

1. Racial Minorities 30%
2. Women 10%
3. City of Boston Residents 50%

The RFP would also likely stipulate minority construction contract participation of between 10 and 30 percent of total construction costs.

In addition to these goals, the RFP would likely request that
prospective developers submit construction employment plans which outline how they propose to work with local employment, training and placement agencies to provide local disadvantaged residents access to construction employment.

**Permanent Jobs**

For on-site permanent jobs, specific percentages for target group employment goals are less predictable before specific employers are identified. For example, observe the variations between goals for federal training program participants (economically disadvantaged), women and minorities in the three developments listed above.

These variations are explained by various factors such as plant location, the skills required by the specific companies, the extent to which new job opportunities are generated and the availability of workers with the requisite skills. For example, Wang located in Chinatown and developed on-the-job and English language training programs, raising its ability to employ a high percentage of (Chinese) minority group members.\(^{21}\) In another case, Teradyne's occupational composition contains a large proportion of high skill occupations, limiting overall participation by the economically disadvantaged.\(^{22}\)

The specific target group percentages for permanent job goals are thus points of negotiation to be discussed in a dynamic, interactive bargaining process between permanent employers, once they are identified, and the DCPO/BSH Advisory Committee and a coordinating agency like the Neighborhood Development and Employment Agency.
In the RFP, prospective developers should be informed of the main public purpose of the project, that is, to provide job opportunities for members of target groups with labor market disadvantages. (Target groups are listed on page 43 and page 74.) The RFP should also request that developers propose plans for how they would work with public agencies and the development's on-site employers to provide job access by the target groups. In this way developers will understand that a proposed scheme's ability to generate jobs and facilitate access by the disadvantaged to those jobs is a condition of selection.
Notes to Chapter V


3. Ibid.

4. Ibid., p. C4-10.

5. Boston Housing Authority, Minority Participation Provisions, Article 17.3.1, p. 2.


22. *Teradyne, UDAG*. 

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VI. PREPARING THE LOCAL LABOR FORCE

In order to assure that disadvantaged citizens gain access to jobs created by the Boston State Hospital site redevelopment they must learn skills required to enter those jobs. Different people have different training needs according to their current skill levels and work histories. Accordingly education and training programs for the Boston State Hospital site redevelopment project should range from literacy and job readiness training to new skill acquisition for career development.

A comprehensive education, training and employment services program for the Boston State Hospital project should include two basic approaches. One approach, which should be implemented immediately, recognizes that a number of years are required to build up the employment capacities of the local disadvantaged population. The second approach provides a range of employment services directly linked to job opportunities created by the Boston State Hospital site development.

An Immediate Manpower Service Strategy: The Boston State Hospital Area Employment Initiative

Successful access to new Boston State Hospital site jobs by disadvantaged citizens with currently low levels of educational attainment and occupational skills requires that human capital building programs be made available to them sufficiently ahead of the site's active re-use. Efforts to build the employment capacities of local disadvantaged
residents should begin as soon as possible to address the severe undersupply of education, training and employment programs. The large scale redevelopment potential for the Boston State Hospital site presents and opportunity to focus education, training and employment service efforts to a concentration of the city's economically disadvantaged population.

An informal focusing of manpower programs to area disadvantaged residents appears to be soon possible. DCPO staff members and actors in the local employment, education and training field discussed the job generation possibilities of redeveloping the Boston State Hospital site. As discussed in Chapter II, there are shortages of education and training program opportunities and neighborhood-level service access points for area residents.

**Direct More Resources to the Area**

Several agency representatives thought that it would be possible to direct more resources toward employment and training programs for residents in the Boston State Hospital area. For example, the Boston Housing Authority could identify the nearby Franklin Field and Franklin Hill housing projects as prime locations to recruit tenants for its Skills Training Program. The Neighborhood Development and Employment Agency(NDEA)/Boston Private Industry Council(BPIC) could conduct more outreach in the area to bring local residents education and training opportunities in the Job Training Partnership Act system. As another example, the Division of Employment Security could open up a neighborhood outreach field station in the Boston State Hospital area to link people to
its job placement system.

An On-Site Clearing House

These and other efforts, such as the training and career development programs offered by the Humphrey Occupational Resource Center, Roxbury Community College and the University of Massachusetts College of Public and Community Service, need to be focused within an immediate comprehensive manpower strategy. The creation of an on-site clearing house to link area disadvantaged residents to education, training and employment services is the crucial first step of this strategy.

The coordinated employment service strategy should be clearly linked to the Boston State Hospital site's eventual redevelopment. A name such as, "The Boston State Hospital Area Employment Initiative" would help promote this association. The Boston Private Industry Council (BPIC)/Neighborhood Development and Employment Agency (NDEA) is a candidate for undertaking overall coordination and organization of the Boston State Hospital Area Employment Initiative. Services could be delivered in conjunction with a local community-based organization such as the Lena Park Development Corporation which has a working familiarity with the local client population.

Programs

The Initiative would include several programs which could be developed and coordinated by the BPIC/NDEA:

1. Outreach and Occupational Assessment
2. Job Readiness Training and Career Counseling
The most important function of the Boston State Hospital Area Employment Initiative on-site office during the project's pre-development period are placement in, and referral to, employment and training opportunities throughout the greater Boston area. To address the low levels of educational attainment of some area residents, many more basic education and occupational literacy program slots must be created for them. As reviewed in Chapter IV, most positions in operations centers require a high school education or its equivalent.

Skills training programs need not be directly linked to the Boston State Hospital site redevelopment in the early years of the Initiative, but they should train for occupations in high demand and growing industries. As time draws nearer to the project's opening, skills learned in training programs should be increasingly linked to on-site job opportunities.

As the Area Employment Initiative begins, an issue that should be investigated is whether or not the effort to coordinate and focus services increases the capacity of the city-wide employment and training system. It could instead conceivably shift program resources from residents in other Boston neighborhoods to residents in the Boston State Hospital Area. To the extent that disadvantaged residents in Franklin Field, Roxbury and Mattapan are currently underserved, the shift is perhaps desirable.

On the other hand, the Initiative might not shift resources away from other neighborhoods, but rather might focus and coordinate programs at levels that currently exist in the Boston State Hospital area. A review
of the education and training programs throughout Boston, and a survey of Boston State Hospital area neighborhood-level access points, however, leads us to believe that the area's current supply of such programs is insufficient.

**Need for Funding**

Naturally new funding sources are required to really augment the present manpower service system and provide a comprehensive range of services to disadvantaged residents in the Boston State Hospital neighborhoods. If an education and training program were tied to a credible job creation project, it might augment the efforts of participating agencies in applying for additional funds from outside the Job Training Partnership Act system.

**Local Development Catalyst**

The prompt creation of an on-site clearing house for the Boston State Hospital Area Employment Initiative would provide a local development catalyst and generate positive neighborhood perceptions of the project. It would be a primary access route for local disadvantaged residents to the economic benefits of the redevelopment. This access route can be supported by the provision of child care and improved public transportation for education and training program participants as necessary parts of the Initiative. Funding sources should be sought for the provision of these support services during the Boston State Hospital site redevelopment project's pre-development phase.
Employment and Training Services for the Boston State Hospital Site Redevelopment

An on-site clearing house established soon can also provide an in place, comprehensive delivery system for the recruitment, assessment, training and placement services eventually required by the project's construction and permanent jobs. As plans for the different land uses for the site become increasingly solidified it will become possible for the Boston State Hospital Area Employment Initiative clearing house to link applicants up with on-site jobs. The Area Employment Initiative's clearing house, if established earlier, can continue to perform its primarily placement and referral functions, and employment opportunities on-site, as they evolve, will be a major source of job placements for disadvantaged residents. The Initiative's office can screen applicants and offer them occupational assessment and career counseling. Job-ready applicants already adept in skills required by on-site jobs can be referred to them.

If an applicant needs additional training, the occupational assessment can determine if s/he possesses the basic math and language skills required to enter a skills training program. If not, s/he can be provided an opportunity to enroll in a basic education program. If so, the Initiative's office can then send the applicant to a skills training program that is linked to employment opportunities offered by on-site employers. The training programs would build participants' abilities in skills needed for on-site jobs. The assessment, education, training and placement services of the on-site clearing house can provide employers
with a pool of trained local workers to help fulfill the employment goals of the project. Because many employment opportunities will become available to local disadvantaged residents over the years, outreach and placement services should be sustained. The development's full job creation benefits for local disadvantaged people will take many years to realize.

**Clerical Skills Training**

If state and corporate operations centers were developed on the Boston State Hospital site, most job opportunities would require clerical skills. Currently the NDEA/BPIC contracts with 3 training agencies to teach clerical skills to about 334 program participants in Boston.¹

Organizations outside of the Job Training Partnership Act system also contract with local training agencies to teach clerical skills. For example the Bay State Skills Corporation, in conjunction with various Massachusetts Corporations, purchases training services from four local agencies to teach over 525 people clerical skills in Boston.² Participating companies include:

1. Arthur Andersen Co.
2. Bank of New England
3. Blue Cross/Blue Shield of Massachusetts
4. Boston Gas
5. Boston Globe
6. Brigham and Women's Hospital
7. Eastern Gas and Fuel Association
8. First National Bank of Boston
9. Hill, Holiday, Connors and Cosmopolous
10. Honeywell
11. John Hancock Mutual Life
12. Little, Brown and Co.
13. Prudential Insurance Company
On a smaller scale, individual organizations also purchase training slots. Recently the Boston Housing Authority contracted with a Boston training agency to teach clerical skills to 20 Authority residents. 3

Boston Training Agencies which specialize in clerical skills instruction include:

1. Action for Boston Community Development
2. Chinese American Civic Association
3. EDIC/Boston Technical Center
4. Officina Hispana
5. Opportunities Industrialization Council

For in-school youth the Humphrey Occupational Center operates a variety of clerical vocational programs.

An Implementation / Coordination Role for the Neighborhood Development and Employment Agency / Boston Private Industry Council

The new federal Job Training Partnership Act (JTPA) and the intergovernmental employment and training system in Boston were discussed in Chapter II. The JTPA mandates a supervisory and coordination role for State governments. At the same time, by elevating the role of business-headed Private Industry Councils and providing funds primarily for training, the Act emphasizes the linkage of education and training programs to private sector employment (as opposed to public service employment). Planners at the Massachusetts Department of Manpower Development have identified that an important way to follow this Act's mandate is by linking training programs to job creation projects. 4
It appears that the NDEA/BPIC are the appropriate co-agencies to coordinate training and placement programs for the state's Boston State Hospital employment development efforts. But also apparent is that Boston's employment and training system is severely strapped for funds. This results in the drastic undersupply of employment and training services to the needs of Boston residents, as observed in Chapter II. The NDEA/BPIC can provide the core of a training and placement services delivery system for the Boston State Hospital site redevelopment. That core should be supplemented by placement services of the Division of Employment Security and training programs offered by large agencies like the Bay State Skills Corporation and smaller organizations like the Lena Park Development Corporation.

But in order to allow that delivery system to provide sufficient employment and training services for the Boston State Hospital project, additional state funding must be set aside for that purpose.
Notes to Chapter VI


4. According to a consultant to the Department of Manpower Development.
VII.

MEETING CHILD CARE NEEDS

As discussed in Chapter II, there are about 6,600 female-headed families with children in the Boston State Hospital "impact area." One of the most formidable obstacles to the employment of single mothers is the unavailability of affordable child care. Because child care takes such a large bite out of low-income single mothers' earnings, work often offers a costly and risky alternative to public assistance. Suppose a single mother had one preschooler that needed 40 hours of care while she worked each week. If she earned a low (yet above minimum-wage) wage rate of $4.00 per hour, her day care costs of around $60 per week would represent over 37 percent of her $160 gross weekly earnings. If she earned a moderate salary of $240 per week or $6.00 per hour, comparable to what most operations centers jobs pay, her child care costs would still consume a full fourth of her gross earnings.

Subsidized Child Care

To address the difficulties of covering child care costs under the constraints of moderate and low earnings, the Massachusetts Department of Social Services (DSS) subsidizes day care for low-income working parents according to a sliding fee scale which allows parents to retain subsidization as earned income increases.

According to advocates for low-income women, there is a severe shortage of subsidized day care slots (as well as a general shortage of all day
care services) in Massachusetts. As an indication of the magnitude of the shortage, consider that the DSS contracts only approximately 13,300 subsidized child care slots in the entire state while about 20,759 single mothers live in Boston alone. (1980 Census)

Exacerbating the shortage of affordable child care for working single parents is the fact that the DSS, given the limited amount of subsidized slots, places slot allocation priority on children classified as abused. From another direction, subsidized slots are earmarked for children of participants in the Department of Public Welfare's employment training program. This further erodes the availability of subsidized child care for low-income single mothers with jobs.

A Projected Need for Child Care Services by Boston State Hospital Site Operations Centers Employees

Set against the backdrop of a severe shortage of affordable child care, a large-scale job creating development of the Boston State Hospital site could generate a substantial need for child care services by the development's employee-parents. An effective method of assessing employees' child care needs appears to be the full-scale survey of employees such as the survey conducted for the relocation of transportation agencies to the new State Transportation Building in downtown Boston. Of course an employee survey method does not apply in this early stage of the project, but should be kept in mind as efforts progress.

The director of a local employer-provided day care program suggested a
rule of thumb for planning employees' demand for work site child care: For industry in general, employees tend to fill about 10 pre-schooler (ages 2.75 - 6 years) on-site day care slots for every 350 plant employees. Applying this rule of thumb to the number of employees estimated in Chapter IV for state and corporate operations centers taken together, results in an estimated pre-schooler on-site child care demand of between 33 and 62 slots.

Operations centers, however, are not typical industries because they generally employ much higher percentages of women. Thus child care demand is likely to be much higher than the industry average. Further investigation into the demographic composition of operations centers' work forces should allow refinement of child care needs projections. Moreover, to enhance the accessibility of jobs by low-income single mothers, the development must provide more child care than the industry average. In addition to pre-schooler care, care of infants and toddlers should be pursued. At this level of information, the DCPO's current estimate of 120 child care slots (100 pre-school and 20 infants and toddlers) seems appropriate for the investigation of the financial feasibility of various development scenarios.

Approaches for Child Care Provision

If the development is to fulfill its goal of job access by single mothers, it must enhance the availability of affordable child care. Several approaches seem possible to make child care available to the parents who hold jobs located at the Boston State Hospital site. These
include a range of plans for employer support, discussed below. They also
include the development of small community child care businesses. The
Community Development Coordinating Council, in conjunction with the Boston
State Hospital Advisory Committee, might want to investigate the
development of community child care businesses. A model to consult is the
experience of ASIAN, Inc., in San Francisco, which recently established
small business child care services.8 Another approach is the formation of
parent cooperatives. The Child Care Resource Center in Cambridge offers a
library of child care reference materials and employs a staff of child
care planners with whom the Child Care Working Group for the Boston State
Hospital Advisory Committee might wish to consult on the range of
approaches to child care provision.

Employer-Supported Child Care

Employer-supported child care begins with information and referral
services provided by the employer. The next degree of support is a
voucher subsidy program provided by the employer to help cover employees'
child care needs. Finally, work site day care can be provided by the
employer.

Information and Referral

Many employers provide their employees with child care information and
referral services. One local method of service delivery is accomplished
through contracting information and referral services from the Child Care
Resource Center (CCRC). The CCRC currently has local service contracts
with two banks, an insurance company, two manufacturing companies and a
government agency.9
**Voucher Subsidy Program**

In a child care voucher subsidy program employees choose child care providers on the open market or from day care slots earmarked through agreements between employers and particular day care providers, and the employer covers a percentage of the costs. The Polaroid Corporation, for example, subsidizes child care for its employees with family incomes under $20,000. The company calculates voucher amounts on a sliding scale, dependent on family income and size, and parents may select either center or home-based child care. The child care needs of about 100 families are supported each year by the program and the majority of parents participating are single. 10

**Work Site Child Care**

Several models of employer-provided work site child care are illustrative for the development of child care services at the Boston State Hospital site. As discussed above, if operations centers were built on the site employees would likely have a strong need for child care. Two local models demonstrate that employers can help meet their employees' child care needs, utilize child care provision to help recruit and retain productive employees and derive positive public relations publicity from their efforts.
Wang Laboratories

After surveying 6000 employees and discovering that child care often posed work-related problems, Wang opened a child care center in Tewksbury for seventy children in 1980. In 1981 it relocated the center in Chelmsford. Currently the new center cares for around 200 children, including infants and toddlers. The center is centrally located for seven Wang plants and the company provides bus transportation for the children. In January 1983 preschool tuition was $33 per week for employees and $66 for parents in the community. Infant/toddler tuition was $45 per week for employees and $90 for others.

Stride Rite Children's Centers

The Stride Rite Corporation is a pioneer of work site child care. In 1971 it opened the Stride Rite Children's Center in Boston South End. After the success of the first center the company established a second center in 1983 when it opened its new sales office in Cambridge Center.

Currently the Boston center provides day care for 30 community children in slots contracted by the Department of Social Services (DSS), and 25 children of employees. The Cambridge center has 12 DSS slots and 18 positions for employees' children.

Employees pay 10 percent of their gross weekly wages for each child care slot per week, but if their earnings are over $250 per week then they contribute 15 percent of their weekly wages. The company makes up the balance. The actual cost of running the center in Boston is around $75
per child per week. In Cambridge the figure is around $85. In 1983 Stride Rite provided $158,000 to support both centers.

According to the director of Stride Rite's two child care centers, the company's managers feel their investment in child care "pays for itself" in attracting and keeping qualified personnel as well as in the positive public image of the corporation it generates. She stressed the inclusion of community children as well as the children of company employees as crucial to the company's community relations.

**Toward Joint Commonwealth–Corporate Employer Support of Child Care at the Boston State Hospital Site**

**Further Investigation**

DCPO staff and the Child Care Task Group for the Boston State Hospital Advisory Committee should conduct further research of employer support of child care. Key areas where more information is needed include the following:

1. **Tax Incentives for Employer Supported Child Care Programs**
2. **Child Care Needs Projection**
   A more detailed profile of the possible demographic composition of the Boston State Hospital site's potential work force, should evolve from the in-progress operations center survey discussed in Chapter IV and exploration of other job-creating re-uses. This will help in projecting the development's potential child care needs. Local child care needs in the neighborhoods should be assessed to project the need for community child care slots. Interviews of actors involved in the transportation agencies' employee survey and relocation also appear useful as does and analysis of their survey results.
3. **Financial Feasibility of Employer-Supported Child Care**
An in-depth review of organizations' experience with work site child care provision and other child care support programs would help determine the financial feasibility of child care support efforts for the Boston State Hospital site redevelopment. The Child Care Research Center conducts "Employer Project Seminars" to educate employers about various methods of supporting their employees' child care. 14

4. Linkage with Other Initiatives
The new Governor's Day Care Partnership Project is developing policy recommendations for the Governor regarding, among other concerns, the allocation of state day care subsidies and how state resources can be used to encourage employers to invest in day care services. Final recommendations will be submitted to the Governor in September. 15 The DCPO should follow the events and outcomes of this project.

Perhaps the Boston State Hospital site can provide a setting where both the State and corporations, as employers, provide support for their employees' child care. Strong support for child care services is especially necessary to provide job access to low-income single mothers.
Notes to Chapter VII


6. As estimated by the director of Stride Rite Children's Centers.

7. \((1/35) \times (833 \text{ state jobs} + 333 \text{ corporate jobs}) = 33 \text{ day care slots}; (1/35) \times (1,500 \text{ state jobs} + 667 \text{ corporate jobs}) = 62 \text{ slots.} \)


12. Interview with the director of Stride Rite's Children's Centers.

13. Several resources are listed in the Bibliography.

14. I am arranging DCPO participation in one of these seminars.

VIII.
CONCLUSION:
RECOMMENDATIONS TO THE DCPO

After developing an understanding of the local unemployment problem in Chapter II, four employment development goals were presented for the Boston State Hospital site redevelopment project in Chapter III. Briefly, these goals are:

1. The Boston State Hospital site redevelopment should create quality jobs with primary labor market characteristics.

2. The Boston State Hospital job creation project should target jobs to local residents who face disadvantages in the labor market.

3. The Boston State Hospital site redevelopment project should prepare the local disadvantaged labor force, through training and other employment services, to qualify for jobs created on the site.

4. Access by single mothers to jobs created by the re-use of the Boston State Hospital site requires that child care services be made accessible to employees.

Fulfillment of each of these goals is necessary to promote access to employment by Boston State Hospital area residents who face disadvantages in the labor market. Chapters IV through VII explored strategies to fulfill these goals. An operations center development was measured against several employment development criteria. Target group employment goals for construction and permanent jobs were reviewed as examples for the Boston State Hospital project. A plan for an immediate manpower service strategy for Boston State Hospital area residents, and a plan for linking the local employment and training system to on-site job
opportunities, were outlined. Finally, the need for child care services by on-site employees was roughly projected and an investigation into approaches to fulfill that need was begun.

The DCPO will soon identify a citizens advisory committee for the project. The Boston State Hospital Advisory Committee will work with the DCPO to issue development guidelines, which will serve as the basis for land disposition legislation and a request for development proposals. At this point in the project's evolution, there are several actions which the DCPO should consider taking in the four employment development strategy areas.

Job Creation

1. The DCPO should continue the pursuit of corporate operations centers as a job creation strategy. As discussed in Chapter IV, an operations center could generate substantial numbers of new jobs. Employment in operations centers offers many of the qualities characteristic of the primary labor market and, with basic education and training programs, operations centers job seem within reach of economically disadvantaged residents in the Boston State Hospital area.

The pursuit should include the completion of the DCPO's review of operations centers to determine companies' labor requirements, site and facility needs and potential demand for the site. To continue "testing the market" for the site, the DCPO should profile the local labor force's positive qualities. Such a profile could be used to demonstrate the skills and education levels that local residents have attained which, together with publicly-provided training and placement services and
support services like child care, offer potential employers a qualified pool of labor. The profile would be useful for pursuing any job creation re-use of the site (to "market" the labor force).

2. The DCPO should explore the development of small community businesses on-site. The project's RFP should request the inclusion of space for community businesses. Plans for the formation of a small community business working group for the Boston State Hospital project should be carried out. This working group should include representatives from the DCPO, the Community Development Coordinating Council, local area merchants and merchant associations, Lena Park Development Corporation, the Community Development Finance Corporation, the Community Economic Development Assistance Corporation and the Executive Office of Communities and Development. This working group might also include a representative of the Bank of Boston's community investment department in order to link up with their small business development program.

Besides researching and developing on-site small business possibilities for the community, this working group should also evaluate the jobs likely to be produced by such enterprises. The evaluation could be similar in form to what I have done for operations centers jobs in Chapter IV, including the criteria of number, quality, earnings, benefits and upward mobility opportunities. It is likely that such an evaluation would show that on-site small business jobs (in retail and service enterprises) would typically be low-paying and offer insufficient benefits. The number of jobs generated would also be small relative to larger-scale industry.

Nevertheless, such employment would be appropriate as early work experience for in-school youth. Moreover, if designed carefully, small
community businesses on-site could provide some local residents with small business management and ownership experience. If organized as community-owned, non-profit ventures, small on-site businesses might be better able to serve the social objectives of adequate wages and benefits.

3. The DCPO should continue the investigation of light industrial development on the Boston State Hospital site. Analysis of the Bank of Boston's industrial survey is the next step in this regard. As with other job creation strategies, a potential light industrial development should be evaluated for its ability to generate jobs, and the typical earnings, benefits and opportunities for advancement provided by those jobs.

**Target Group Employment Goals**

1. The DCPO should include in the RFP specific target group percentage employment goals for the project's construction jobs, such as those suggested on page 75.

2. The RFP should request developers to submit employment projections which estimate for each development scheme the numbers and types of jobs that might be available for members of the various target groups who face disadvantages in the labor market, and the likely wages and benefits offered by the permanent employers the developers have in mind.

3. The RFP should also instruct developers to include employment plans for how they would work with the Neighborhood Development and Employment Agency/Boston Private Industry Council and other employment and training agencies, the DCPO/BSH Advisory Committee and the development's permanent employers to facilitate job access by members of the target groups. The
RFP should request that such employment plans include a willingness to develop percentage employment goals for the various target groups for permanent jobs. The goals are necessary to provide lasting focal points for the public purposes of the development.

**Employment and Training Services**

1. Regardless of what the specific on-site jobs turn out to be, if they are primary labor market jobs they will carry the effective entrance requirement of a high school education or its equivalent. To address the low levels of educational attainment of many of the Boston State Hospital area's residents the current scarce supply of basic education and occupational literacy programs in the local area must be increased. This should be the primary focus of the pre-development "Boston State Hospital Area Employment Initiative." If at all possible, the DCPO should obtain funding from the Executive Office of Economic Affairs (channeled through the Department of Manpower Development) or the Executive Office of Communities and Development for the Neighborhood Development and Employment Agency (NDEA) and the Lena Park Community Development Corporation to immediately begin a minimum of one basic education/occupational literacy program. The program could be an extension of the NDEA's Adult Literacy Initiative and might be housed on the Boston State Hospital site, on Blue Hill Avenue or at the Lena Park CDC office. Perhaps state funding committed to such a Boston State Hospital area literacy program through the DCPO could leverage additional city dollars and private foundation grants (to Lena Park CDC) for additional Boston State Hospital area employment services.
2. Besides a minimum of one basic education/occupational literacy program, the Boston State Hospital Area Employment Initiative might also include the range of employment services discussed in Chapter VI. At least if a local office is opened for literacy training, residents seeking jobs and training can be referred to the counseling, training and placement system located predominately in downtown Boston.

**Child Care and other Employee Support Services**

1. In the RFP the DCPO should request applying developers to include child care space in their plans.

2. The DCPO should continue to investigate the feasibility of various joint employer-Commonwealth support strategies for day care for Boston State Hospital site employees. A critical area of information to pursue is the relationship between day care centers' operating costs and the provision of child care at affordable costs to working parents. The Stride Rite model suggests that a center should be operated as a non-profit enterprise with tuition per child limited to around 10 percent of an employee's gross weekly wages.

   The DCPO should form a child care working group for the redevelopment project and representatives of the Governor's Day Care Partnership Project should participate in such a group.

3. When considering the critical support services required to make employment accessible to individuals who face disadvantages in the labor market, this thesis has focused on child care. While the positive effects of affordable local day care undoubtedly spill over to benefit several target groups, affordable day care particularly enables low-income single
mothers, a large proportion of the Boston State Hospital project's "impact area" population, to choose work as a viable alternative to welfare.

Child care is thus illustrative of a range of support services the DCPO should pursue that address the work participation needs of disadvantaged Boston State Hospital area residents. Such support services as improved public transportation, career counseling and development, family counseling, legal services and health care enable workers to economically and psychologically maintain their work participation. For career development, the DCPO should link on-site jobs to programs such as those offered by the UMass-Boston College of Community and Public Service and Roxbury Community College. To adequately address health care needs, on-site jobs should include health insurance plans as part of workers' benefits.

* * *

The Boston State Hospital site stands as a rich land resource among communities where the deprivation of employment has reached crisis proportions. A comprehensive employment development plan such as the one begun here can break down the employment barriers which confront the local poor and allow jobs generated on the site to accrue to local disadvantaged residents.
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