

# THE CALIFORNIA HIGH ROAD: A ROAD MAP TO EQUITY

Diversity is an asset in the global economy, and California is fortunate to be among the most diverse states in the country. Although California's economy generates enormous wealth and prosperity for a few, over a third of all workers are earning low wages, and the majority are people of color. Systemic barriers, such as geographic segregation, discrimination, hiring bias, and unemployment prevent communities of color from realizing their full economic potential.

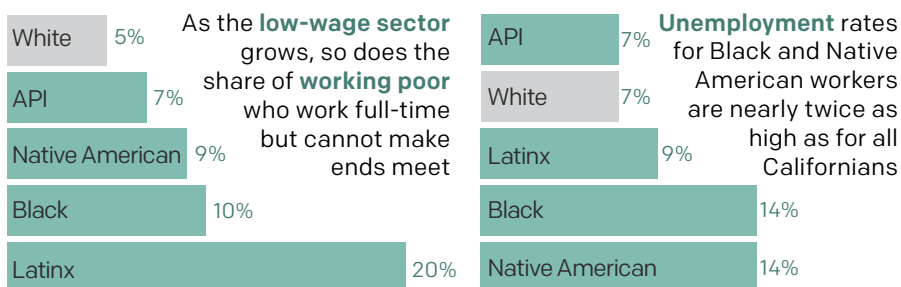
## AS PEOPLE OF COLOR BECOME A LARGER SHARE OF OUR WORKFORCE, THEIR SOCIAL AND ECONOMIC WELL-BEING WILL DETERMINE THE STATE'S LEVEL OF PROSPERITY

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| Unfairness and workplace discrimination costs U.S. companies<br><b>\$64B</b> annually | <b>2M</b> workers leave their jobs because of unfairness and discrimination | In 2017, the U.S. economy would have been<br><b>\$2.1T</b> larger had there been no racial income gaps | Closing educational achievement gaps between Black, Latinx, and White children would contribute<br><b>\$2.3T</b> to the U.S. economy by 2050 |
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Sources: National Equity Atlas, Center for American Progress, W. K. Kellogg Foundation

High road training partnerships (HRTPs) are raising industry standards by building partnerships that connect those at the lower end of the labor market, such as low-income workers, gig workers, and the unemployed and underemployed, to quality jobs and a supporting workforce development infrastructure to reach economic success. HRTPs increase the capacity of firms and workers to adapt and compete by creating pathways for women, minorities, immigrants, and other marginalized populations into California's key industries.

## INEQUITIES IN CALIFORNIA



Source: National Equity Atlas

## WHAT IS ECONOMIC EQUITY?

All workers would have access to quality jobs, structural opportunities for upward mobility, wealth-generating opportunities, and safe and healthy workplaces—regardless of race, ethnicity, gender, sexual orientation, religious beliefs, or ability—and productivity gains would be widely distributed to workers. Firms remain competitive in a high road economy that generates profitability, growth, and stability.

## CREATING A WORKFORCE DEVELOPMENT SYSTEM THAT ENSURES EQUITY

### Work Access Equity

All workers have similar success in finding quality jobs. Employers engage in partnerships with worker organizations, educational institutions, and other workforce development providers to develop recruitment pipelines, training opportunities, retention strategies, and other mechanisms to create strong industry-based workforce development systems.

### High-Quality Training Infrastructure

Organizations, online platforms, and other educational services are accessible and provide culturally and linguistically inclusive education, training and mentoring opportunities, and wraparound support, like internet access, childcare, and transportation, for those with the highest barriers to employment and workers with limited socioeconomic mobility.

### Diverse Workforce

With access to more and better jobs, firms and communities benefit from the expertise and insight of communities of color that inform and improve quality services and products for our state.

### Quality Jobs

Employers offer stable, predictable, safe jobs that pay family-sustaining wages, include health benefits and pensions, and provide for worker advancement and collective worker voice.

### High Road Industry Standards

Employers, labor and worker organizations, workers, and other key partners work together to set new standards that raise the floor in the industry and create workforce development practices and systems to sustain those standards.

## THE H RTP APPROACH CREATES AN ECOSYSTEM OF ECONOMIC PROSPERITY

### Workers

An equitable workforce system would ensure workers get a larger share of productivity gains, provide the economic opportunity to afford housing near work and reduce long commutes, and support other lifestyle changes that improve quality of life.

### Employers

Equity would reduce employee turnover and training costs and, through improved quality of service and products, increase productivity and profits, and employers' competitive edge.

### Worker Organizations

Equity would increase and diversify worker organizations' base, strengthen worker power on the job, and more effectively institutionalize industry standards.

### Communities

An equitable workforce development system would reduce the social determinants that perpetuate poverty, generate local opportunities for economic prosperity for the most vulnerable families, and improve the health and environmental well-being of the community and region.