

America's Tomorrow: Equity Is the Superior Growth Model



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Features

From Prison to Paycheck: Grand Rapids' 30-2-2 Initiative



Source: Cascade Engineering
Workers at Cascade Engineering in Grand Rapids, Michigan.

Jahaun McKinley of Grand Rapids, Michigan, defied the odds when he landed a \$9.50-an-hour job after his release from prison – nationwide, more than half of former inmates are unemployed. Now he is on the front lines of a business-led effort to change the prospects for people with criminal records throughout the region.

Launched by two Grand Rapids firms, the 30-2-2 initiative aims to enlist 30 area companies to hire two people each, track their job performance for two years, and help build the business case for removing employment barriers for people returning to the community. Seventeen employers, predominantly in health care and manufacturing, have signed on so far.

In a nation where 700,000 people, disproportionately African American and Latino, are released from state prisons annually, efforts like this are instrumental in building a

In Brief

Reminder: Equity and the Future of the American Economy

Join PolicyLink, SEIU, and dozens of other equity advocates on February 4 in Washington, DC for a conversation about what policy strategies can advance an equitable economy.

Speakers will include *Angela Glover Blackwell (PolicyLink)*, *Mary Kay Henry (SEIU)*, *Ai-jen Poo (National Domestic Workers Alliance)*, *William Spriggs (AFL-CIO)*, and many more.

[Registration required.](#)

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Number of Working Poor Increases

The number of low-income working families grew by 200,000 in 2011, according to a new [report](#) by the Working Poor Family Project.

The report notes families of color are disproportionately represented in this number because workers of color are often concentrated in low-wage jobs.

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sustainable economy. More than four in 10 of those released from state prisons return there within three years, at huge costs. Michigan spends [\\$35,000 a year](#) to keep an inmate behind bars, more than the cost of educating a student at the University of Michigan, according to the *New York Times*. That does not include the costs of police and courts, lost wages and taxes, and squandered human potential.

"Provide a man or a woman with a job, and that stops them from even contemplating crime," McKinley says. "As a society we demonize people who have been in prison, but there are many of us out there who just want an opportunity to live a productive life."

Removing job barriers pays off

The initiative's organizers at Cascade Engineering, McKinley's employer, and Butterball Farms, which makes specialty butters, believe the job performance data will confirm what they have witnessed in their workforces: that former inmates rank among the most diligent, productive, and successful employees.

"Our experience is that people with criminal backgrounds make great employees," says Mark Peters, CEO of Butterball. "They found an employer willing to take a chance on them, so they're eager to prove themselves and grow with the company."

Cascade Engineering, a global manufacturer, has about 60 formerly incarcerated people among its 500 Grand Rapids employees. The company has an explicit [anti-racism statement](#) and a [felony convictions policy](#) that removes prior convictions as a bar to employment. It also supported a "Ban the Box" campaign to eliminate the standard question on job applications regarding prior convictions. At Butterball, nearly 30 of its 170 employees are former prisoners. Peters initially championed hiring them on grounds of fairness, but now he also recognizes their significant contribution to the company.

A few years ago Butterball upgraded its packaging technology and downsized about two-thirds of that part of the workforce. To make choices about layoffs and retention, the company evaluated each employee on various measures, including job performance, attendance, promotions, and participation in education and training programs. Company officials later realized that nobody with a past in prison had lost their job.

Martin Luther King's Vision for an Equitable Economy

This week is a time to reflect on Martin Luther King's legacy for racial and social justice.

In a recent [post](#), the NAACP's Dedrick Muhammad highlights Dr. King's economic vision, including a proposal for a [Freedom Budget](#) that is still very relevant today: investing in infrastructure, funding workforce training programs, and raising the minimum wage.

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New Films Tell Story of Equity and the Economy

At the Sundance Film Festival this week, several new films highlight why equity matters for our future prosperity.

[Inequality for All](#) shows how widening income inequality is undermining our economic future. [American Promise](#) tells the story – through the eyes of two black boys and their families – of how diversity and identity in our education system impacts opportunity.

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"That was a significant indicator for me," Peters says. "It got me wondering, how can I build a case for productivity and the engagement of people coming out of the prison system who genuinely want to work? And it got me thinking we need to engage other employers and track this."

Restoring lives, ensuring success

Jahaun McKinley's story illustrates the obstacles to successful re-entry and the potential benefits. McKinley went to prison at age 18 on a felony assault conviction. Paroled 19 years later, in December 2009, he lacked work history and even rudimentary computer knowledge. "People would tell me to send something in PDF form, and it was like a foreign language to me," he recalls. "I didn't have any skills relatable to today's workforce."

He applied for any job he thought he could do, but the rejections piled up. One human resources manager crumpled his resume and tossed it in the trash.

Through a faith-based organization, Hope Networks, McKinley received computer training and landed a 90-day AmeriCorps position cleaning debris from vacant lots. That helped build his resume. Hope Networks connected him with Cascade, which hired him in May 2010 to build trash containers for \$9.50 an hour. He had never before earned more than \$4.70 a day. "I felt like the richest man in the world," he says.

McKinley showed himself to be a problem solver who was nimble on the factory floor. He took advantage of overtime opportunities and attended classes at a community college. Within a year of joining the company he was promoted to supervisor. He now manages 12 people and earns more than \$17 an hour.

Grand Rapids Community College, Hope Network, and several other nonprofits are partners in the 30-2-2 initiative. In addition to recruiting companies, the initiative is developing a coordinated network of community support for all people who face barriers to employment and a best practices guide for employers to help formerly incarcerated workers reach their full potential.

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Six Ways to Build an Equitable

Economy in 2013

This year, Congress must play a pivotal role in reviving America's sluggish economy. Prosperity and economic security depend on a growth model that harnesses the talents and skills of all our people – in short, a growth model based on equity. Federal policy can lead the way in preparing our changing population for the needs of the global economy and in making investments that maximize the potential of all. Here's how:

1. Invest in infrastructure and career pathways.

Why it matters for growth: An equitable, competitive 21st century economy requires up-to-date transportation systems, communication systems, and other vital infrastructure – and training to prepare low-income people and people of color for the jobs these investments would create.

Action needed: Addressing our most vital infrastructure needs will cost an estimated minimum of [\\$262 billion](#) a year for the next 10 years and create 2.4 million jobs. The proposed [infrastructure bank](#) would move us in the right direction this year – and in 2014, we need a [better](#) transportation bill. Proposals to create workforce training partnerships, such as the [SECTORS ACT](#), should be passed to ensure that underinvested communities share in these economic benefits of infrastructure investment.

2. Improve access to healthy food and create jobs in a new Farm Bill.

Why it matters for growth: Supermarkets and other fresh food retail do more than offer communities healthy food choices – they also create jobs, support local businesses, and revitalize neighborhood economies.

Action needed: After a last-minute temporary extension of the current bill earlier this month, a new Farm Bill is likely to be passed in 2013. It must include full funding for a [healthy foods financing initiative](#) to expand access to business opportunities and jobs in low-income communities and communities of color. And [SNAP](#) funding must be preserved and strengthened to provide basic food and economic security for families – an essential for national

prosperity.

3. Increase the federal minimum wage and index for inflation.

Why it matters for growth: Low-income workers and workers of color are disproportionately concentrated in low-wage work. Raising the minimum wage is one of the most effective ways to lift working families out of poverty.

Action needed: Raising the minimum hourly wage from its current \$7.25 to \$9.80, as proposed by Senator Tom Harkin last year, would add [\\$40 billion](#) in additional wages and economic activity. For more information about local, state, and federal minimum wage campaigns, click on [Raise the Minimum Wage website](#).

4. Create a pathway to citizenship for immigrant workers and their families.

Why it matters for growth: In addition to bringing desperately needed relief for an estimated [11 million undocumented immigrants](#), a pathway to citizenship would create [\\$21 billion to \\$45 billion](#) in new earnings over the next 10 years, which would increase our GDP by \$32 billion to \$52 billion.

Action needed: Federal immigration policy reform is long overdue. New policy must create a pathway to citizenship for all workers and their families, regardless of educational attainment or current status.

5. Improve educational outcomes for low-income youth and youth of color.

Why it matters for growth: They are America's future. Today's low-income youth and youth of color will represent a majority of tomorrow's workforce.

Action needed: The Elementary and Secondary Education Act (ESEA) outlines federal guidelines for education standards and funding; it was last reauthorized in 2001 as the No Child Left Behind Act. Any reauthorization this year must expand opportunities for children in low-performing school districts by improving academic results and wraparound family and community supports. And funding should be

expanded for the [Promise Neighborhoods](#) program to ensure that neighborhoods support children's success.

6. Support equitable regional economies.

Why it matters for growth: [The Sustainable Communities Initiative](#) is proving to be an effective tool for regions and communities to plan better local economies that create and sustain jobs. Through integrated planning, communities, government, and business are working together to create vibrant regional economies.

Action needed: While \$166 million in grants have been made since 2010, the need by regions for more resources is still overwhelming. Congress should fund the program at \$150 million in the 2013 budget, as proposed in the President's budget request.

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America's Tomorrow highlights campaigns, leaders, policies, reports, and local models that are advancing equity as an economic imperative. It is produced by Chris Schildt, Sarah Treuhافت, Fran Smith, and Ana Louie. To learn more, visit the [America's Tomorrow webpage](#).

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