

# Jobs, Job Training and the Future of Lynn



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**THE FUTURE OF**

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**WORK**

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## Lynn, Massachusetts: The Road to Good Jobs



*High Rock Tower, Lynn, MA*

### Lynn, Massachusetts: The Road to Good Jobs

Lynn is a city loved by its residents, like few other places. Whether our families came with the early immigrants who organized unions in the shoe factories, or more recently with those who marched on May 1 of this year for immigrant and workers' rights, Lynn has been a welcoming place.

Lynn has the ocean, the woods, dozens of social service agencies staffed by great people, and dedicated firefighters, cops, teachers and other public employees; it has GE, it has an active City Council, great athletes, thriving small businesses, a growing number of restaurants, a visionary downtown association and arts district, the City Hall Auditorium concerts, and a multilingual workforce.

Lynn has a history of firsts—and not just the jet engine and marshmallow fluff. Call them the social justice firsts. Many of the best traditions of the United States began in Lynn such as the first political meeting involving both men and women under the same roof (“promiscuous” was the term at the time) when anti-slavery lecturer Angelina Grimke spoke at the Methodist church on the Commons in 1837. Lynn was home to the first great labor strike in the United States: the Great Shoe Strike of 1860 led by Lynner Alonzo Draper, which sparked President Abraham Lincoln’s famous statement of support for the right of workers to strike, and his opposition to slavery. The first black player to play on a racially-mixed professional baseball team was not Jackie Robinson in the majors, but Bud Fowler, who pitched for the Lynn Live Oaks, in 1878. The lead House sponsor of the “Magna Carta” of labor law in the United States: Congressman William Connery (of Post 6 fame) who successfully passed the National Labor Relations Act, in 1935 came from Lynn.

More recently the social justice movements still flourish. In 1947 the Harry Agganis-led Classical High football team refused the honor of playing for the national high school title in the segregated Orange Bowl—they would not leave their black teammates behind. In 1969 GE workers struck for 101 days, with the broad support of the city. Just this year, hundreds marched for workers’ and immigrant rights, from North Shore Community College to the Commons. Lynn is a hundred such stories, waiting to be told.



jobs, and lacks sufficient good job training and education for adults who need and seek it.

- Thousands of Lynnens make \$8 an hour, many of whom contribute to supporting families;
- There are waiting lists of many months, or even years, to be accepted to adult basic education or English classes;
- 22.1 % of our adult population have no GED or high school diploma;
- Thousands of workers, including undocumented immigrants, don’t receive even the current minimum wage or other minimum job protections—which pulls down the entire wage structure in the area



*Alonzo Draper*

And of course, Lynn has problems including a record number of drug overdoses in 2012, persistent unemployment and underemployment. Thousands of workers in Lynn are making the hunger level minimum wage of \$8 an hour, or barely above it. Lynn has crime problems. From Ward 1 through Ward 7, the city faces rates of foreclosures above the state average--although the recent anti-foreclosure ordinance passed by the City Council will help residents fight that scourge.

But most of all, Lynnens face a lack of good jobs.

The following report, by UMass Lowell researcher Tiffany Phaneuf, spells out the case clearly and in detail. Lynn lacks good

There are two ways to address the jobs crisis in Lynn. First, you can develop the training for Lynn workers to gain the skills for good jobs that will be available in the coming years. The chronic waits for classroom space at Operation Bootstrap for English classes and for Adult Basic Education makes it extremely challenging for unskilled workers or new immigrants to gain adequate job skills. The de-funding of the successful E-Team machinist training program is another loss for the city.



We can tie large-scale development in the city on the Waterfront to funding for job training through a “linkage” program, modeled after successful programs in cities like Boston and Somerville. We can negotiate community benefit agreements that will encourage local hiring and living wage jobs both in construction and permanent jobs.

Second, you can make bad jobs better, by a variety of means. You can take legislative action at the city level like enforcing the moribund Responsible Employment Ordinance. We can raise the state minimum wage, which would put money in the pockets of over 6000 workers in “Greater Lynn” (which includes Saugus and Nahant). This would benefit local businesses and create jobs as the extra money will be spent here. You can enforce the wage and hour laws, health and safety laws and other legal means so that Lynn’s low-wage workers, including undocumented workers, can receive the pay for which they work each day.

We can help unionize more jobs in Lynn. The reduction of the percentage of union jobs in the workforce is even more important, according to current research, than the lack of education and training for the workforce. Jobs which have recently unionized, such as Lynn’s 324 personal care attendants, received increased pay and benefits, including

educational opportunities that will allow those workers to move to higher paying work. Workers whose unionization efforts were defeated, such as the contract cleaners at GE, are stuck at low hourly rates with no benefits and not even a single paid holiday.



We do not rule out, of course, the wise use of tax incentives or government assistance to attract employees to Lynn. And efforts to streamline and bring as much transparency to permitting procedures are admirable. These approaches, carefully used and balanced with care evaluation of results and the concerns of neighborhoods, have their place. But the notion that somehow “the market” will address the jobs crisis in Lynn on its own finds no factual support in our history, and can be dismissed. The key is

to improve the jobs that exist and train our residents for the jobs that will exist in the future.

Some of the elements of a Lynn jobs program discussed above are already underway. Some can be achieved in the near future. Some await significant Waterfront development, which is, we believe, likely to happen at some point in the next ten years.

But the time to start orienting our thinking to jobs- good jobs- for Lynn, is now.

Maria Carrasco, President  
New Lynn Coalition  
Lynn School Committee

Jeff Crosby, Executive Director  
New Lynn Coalition  
Pres. North Shore Labor Council

Pete Capano, Board Member  
New Lynn Coalition  
Ward 6 Lynn City Councillor

## The Lynn Jobs Crisis

*"Job opportunities should be available for the residents of successful cities and widely dispersed throughout the community. Successful cities should be able to generate collective wealth that is adequate to support their public and non-profit sectors at a level which allows both to be healthy partners in maintaining and improving the standard of living in that community."*<sup>1</sup>

A workforce composition that is adequately trained and adequately compensated is an essential factor for economic growth in any city. The current skills and educational level that the workforce of Lynn possesses is below the rest of Massachusetts and workers in Lynn make relatively low wages because of their lack of skills and legal or union protection on the job. The lack of educational attainment in Lynn cannot be taken lightly; a host of research in economic development demonstrates that a large factor considered by firms in their decision to locate is a workforce that is adequately skilled. Businesses, more often than not, are willing to pay higher wages for workers that have the skills they need despite unions and higher labor costs.<sup>2</sup> The Economic Development Self-Assessment Tool developed by the Dukakis Center for Urban and Regional Policy at Northeastern University emphasizes, "having job training and academic programs that align with the needs of the industries a municipality wants to attract is a valuable selling point because the programs will continue to train workers with the necessary skills to meet future demand for workers."

This paper looks at the jobs available in Lynn and in the surrounding North Shore region, and the extent to which Lynn's workforce is ready to fill those jobs. Moreover, this paper looks at the people of Lynn who are filling jobs within the city, and conversely, whether people who work in Lynn also live in Lynn. Integral to this report are the ways in which the skills gap can be remediated so that Lynn's population is ready to take advantage of jobs in Lynn as well as jobs in the surrounding area. The report begins by turning attention to educational demographics to get a sense of where Lynn stands in comparison to surrounding areas and gives particular attention to the high percentage of foreign born people in the region and the exploitation that immigrant workers in the area face. The report ends with recommendations for workforce development and training; primarily by advocating for investment in adult based education, ESOL programs, and other academic and skills training programs that align the workforce with job demand within Lynn and the surrounding North Shore region.

The extent to which Lynn's economy is independent and able to support itself or whether it is an extension of Boston's economy can be evaluated by looking at where people live and work, where Lynn residents are spending disposable income, particularly for social services, and the effect on the population of constraining budgets on social services within the city.

### **Lynn's Educational Attainment: A Comparison of Lynn to Surrounding Region**

Steady economic development depends largely on the skill and education level of a region. The population of Lynn is well behind surrounding areas in educational attainment. The disproportion is especially evident at the four year undergraduate and graduate level. Review of the 2011 and 2012 MCAS scores for Massachusetts show that Lynn is consistently in the bottom 10<sup>th</sup> percentile for public school systems. The following 2012 MCAS scores for Lynn public school system are as follows:

6th grade English LPS bottom 2%  
Math LPS bottom 5%

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<sup>1</sup>Lynn: Economic Development and Outlook. SalemStateUniversity. April 2012

<sup>2</sup>Draft EDSAT draft sheet. Dukakis center for Urban and Regional Policy. July, 28 2011

8th grade English LPS bottom 2%  
 Math LPS bottom 5%  
 Science LPS bottom 6%

10th grade: English LPS bottom 13%  
 Math LPS bottom 9%  
 Science LPS bottom 6%

Lynn has a population aged 25 and over of 58,064. The proportion of the population with less than a 9<sup>th</sup> grade education is 12.1 percent. The proportion of the population with some high school but no diploma is 10 percent. The proportion of the population with a high school diploma or GED is 35.7 percent. The proportion of the population with some college education but no degree is 16 percent. The proportion of the population with an associate’s degree is 8.2 percent. The proportion of the population with a bachelor’s degree stands at 11.2 percent and the proportion of the population with a graduate or professional degree is 6.8 percent.

Comparatively, Essex County has a population over 25 of 498,319 with proportions in educational attainment as follows: The proportion of the population with less than a 9<sup>th</sup> grade education is 6.5 percent. The proportion of the population with some high school but no diploma is 10 percent. The proportion of the population with a high school diploma or GED is 26.8 percent. The proportion of the population with some college education but no degree is 17 percent. The proportion of the population with an associate’s degree is 8.2 percent. The proportion of the population with a bachelor’s degree stands at 21.7 percent and the proportion of the population with a graduate or professional degree is 14.4 percent.<sup>3</sup> The table below presents figures from the educational attainment (high school diploma or higher) of surrounding towns including Marblehead, Swampscott, Salem, and Saugus for reference. Following the table, pie charts are presented for further reference of how Lynn’s educational attainment looks in comparison to Essex County, and the United States.

<b>Surrounding Town</b>	<b>Percent of population with high school diploma or higher</b>
Marblehead	98.30%
Swampscott	97.90%
Salem	87.80%
Saugus	92%
Lynn	78.7%

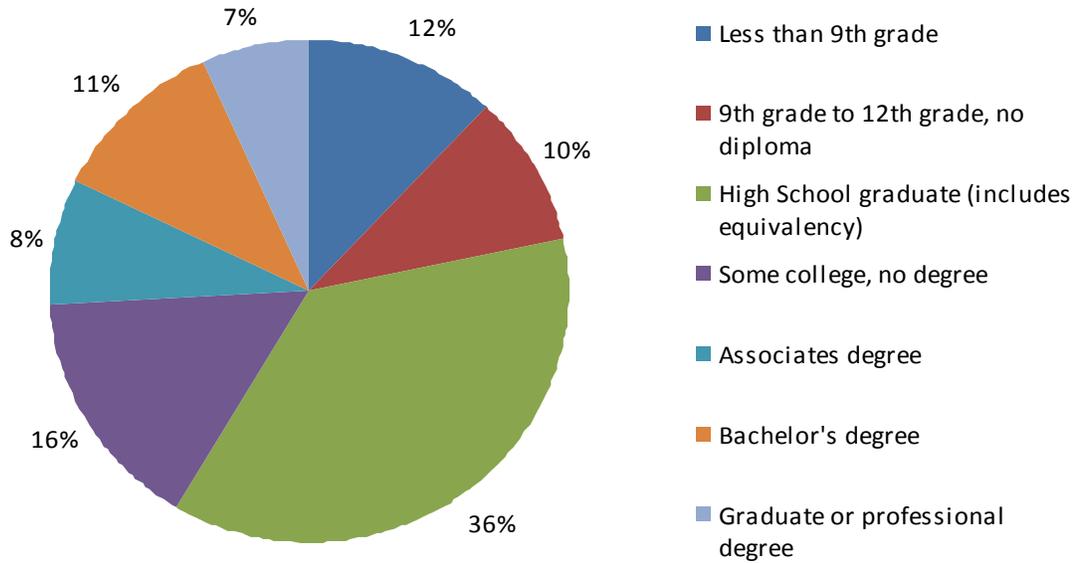
The following pie charts give further break down of various levels of educational attainment in Lynn, Essex County and in the United States. The charts demonstrate that approximately 22% of Lynn residents over 25 years old did not earn a high school diploma in comparison with roughly 12% of the population who hold no high school diploma in Essex County. Lynn’s comparatively high foreign born population with limited ability to speak English may be one of the reasons for this lack in educational attainment. ESOL (English for Speakers of Other Languages) and ABE (Adult Based Education) programs are in high demand, but are unable to accommodate the number of people who need the service because of lack of state and federal funding. Depending on which class and which level the wait can be longer than 2 years. For instance, the waitlist for Bootstrap, an ESOL and ABE program in Lynn, today stands at 1,200.<sup>4</sup>

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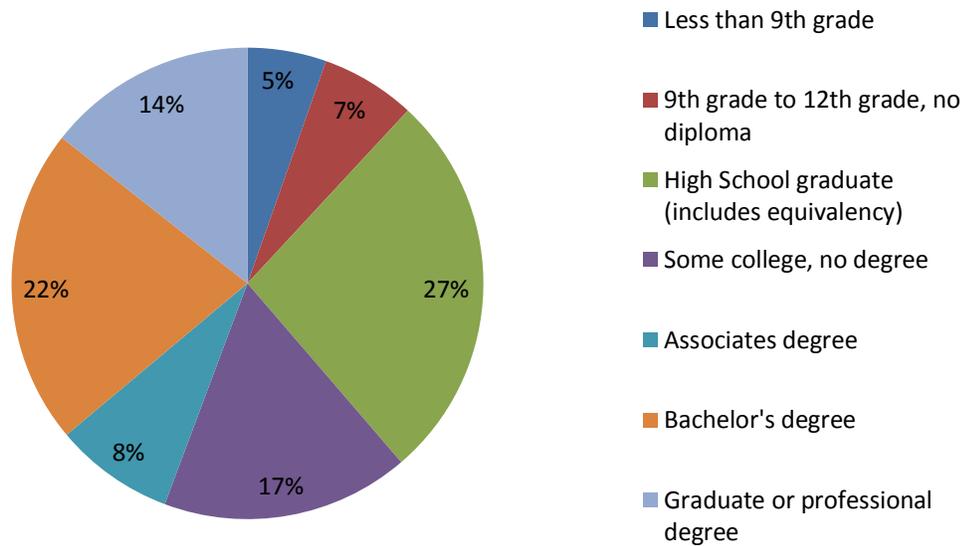
<sup>3</sup>American Community Survey

<sup>4</sup> Edward Tirrell, Director Operation Bootstrap. October, 2012.

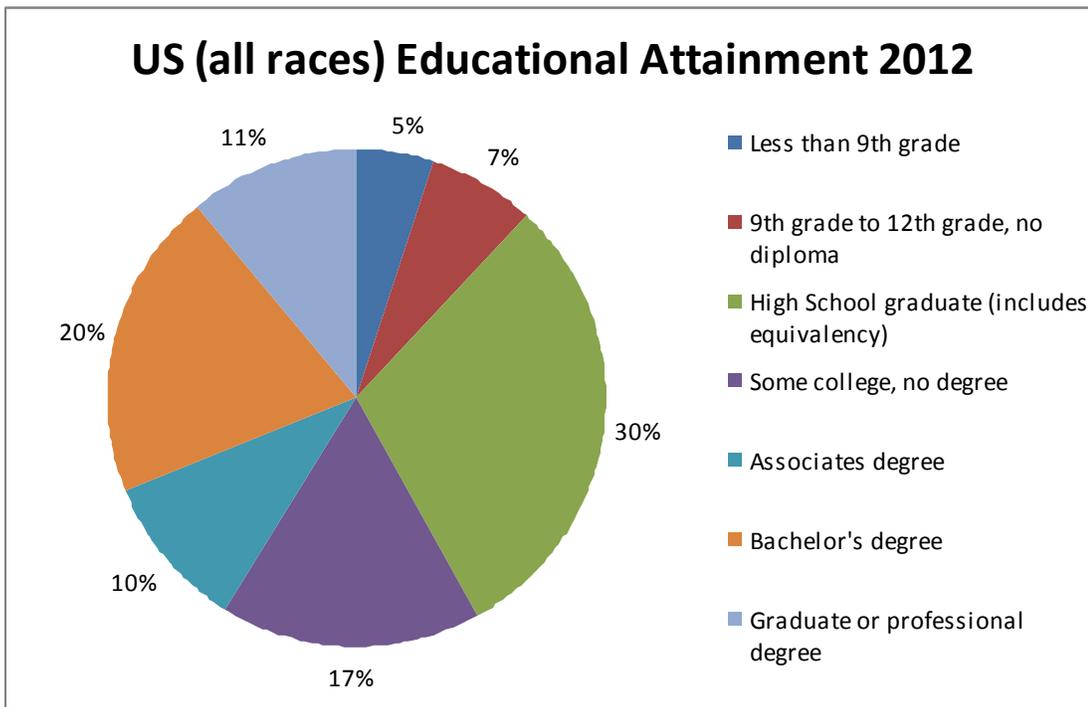
## Lynn Educational Attainment



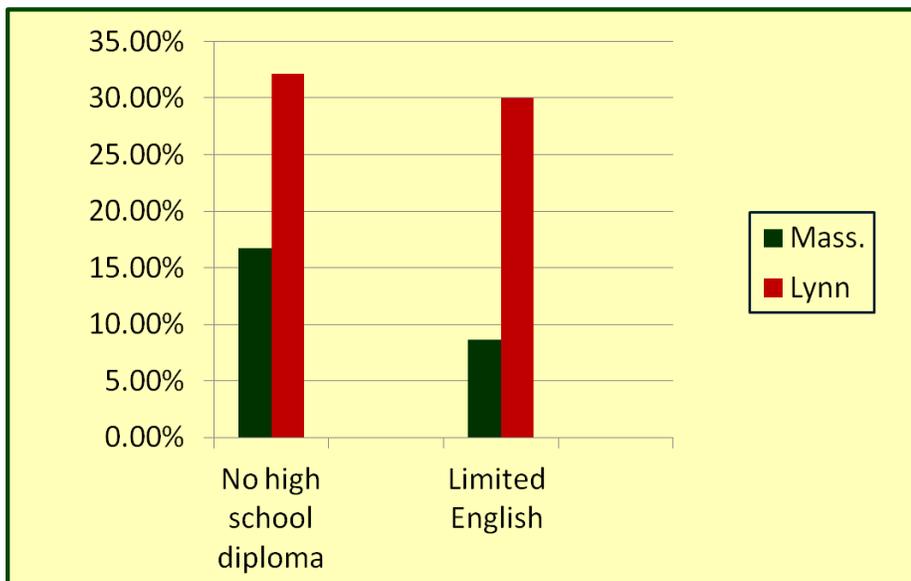
## Essex County Educational Attainment



## US (all races) Educational Attainment 2012

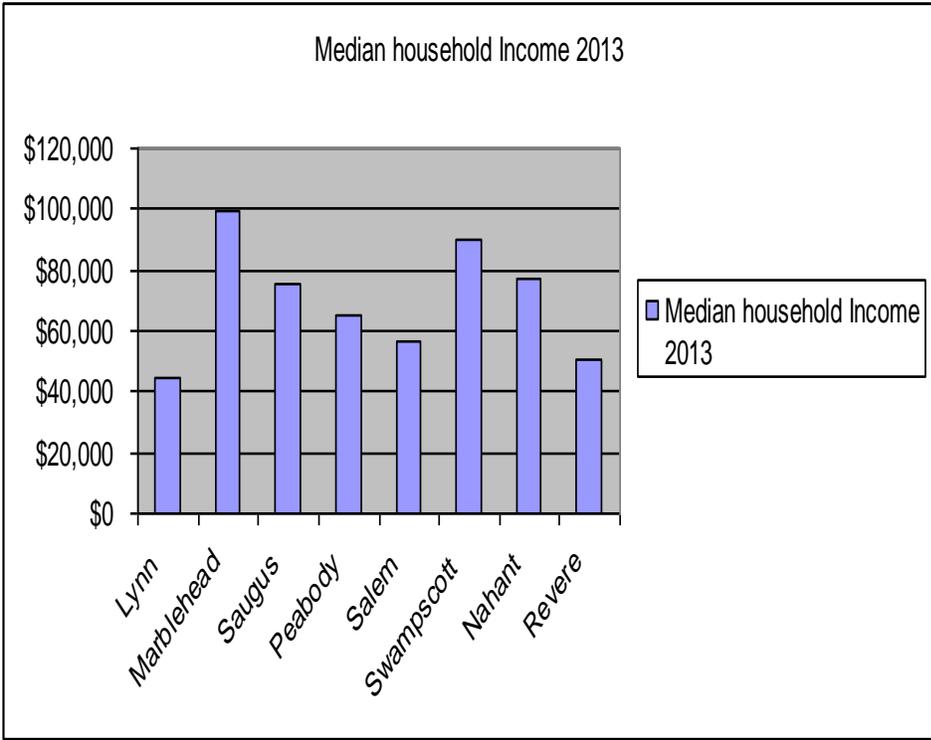


The bar chart below shows the percentage of the population in Lynn with no high school diploma compared to Massachusetts. It also represents the percentage of the people in Lynn who are limited in their ability to speak English compared with that of Massachusetts. There is nearly double the percentage of people without high school diplomas in Lynn than in Massachusetts and that there are more than three times as many limited English speakers in Lynn than the Massachusetts average.

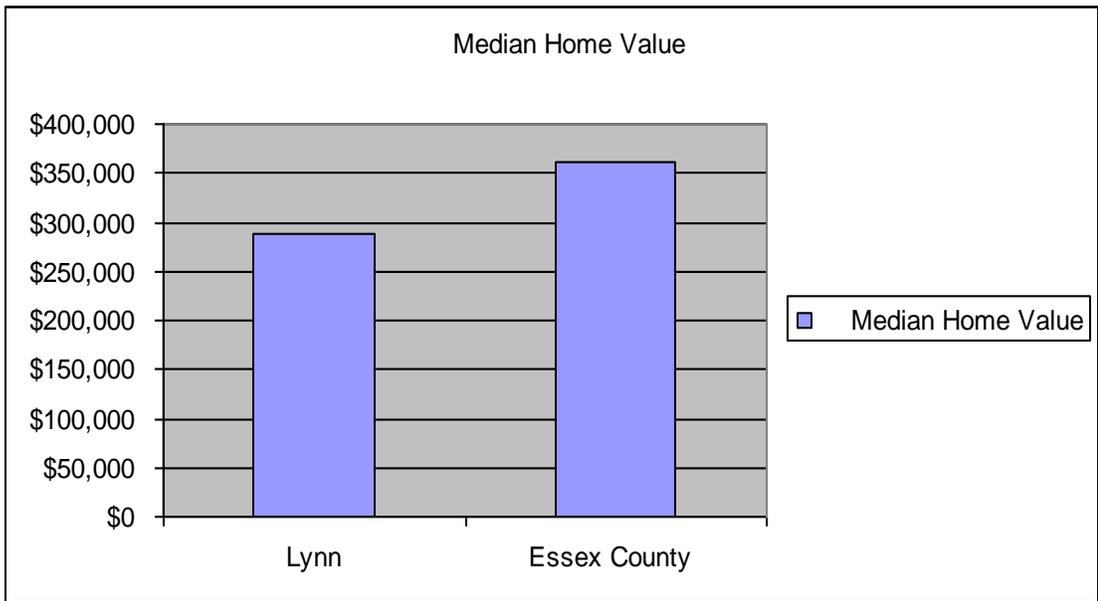


Lynn's low levels of educational attainment and high percentage of the population with limited ability to speak English, leads its workforce to primarily work in low paying jobs. The median income in Lynn is 2/3 of Massachusetts average income. Lynn's median household income has **fallen** by a 5 percent in the past 20

years<sup>5</sup>. Comparatively, Massachusetts statewide median income has increased by 10 percent during the same period. Among the towns bordering Lynn, Salem and Marblehead, the increase has nearly doubled at 20 percent and 19 percent respectively. <sup>6</sup>The chart below gives 2013 median income for Lynn compared to surrounding towns.



The median home value for a Lynn is \$287,600 compared to median home value of \$362,300 in Essex County.



<sup>5</sup> Torname, Joe. Lynn: A Little City with Big Potential. A publication of the New Lynn Coalition

<sup>6</sup> Torname, Joe. Lynn: A Little City with Big Potential. A publication of the New Lynn Coalition

In addition, Lynn has a higher unemployment rate, higher percentage of the population that is foreign born and a higher poverty level than the surrounding towns. Notably, the median age for the population of Lynn is about 15 years younger than that of surrounding towns. The employment rates in the table below include people who are in the labor force who are employed and people in the labor force who are not employed (unemployed). The table does not account for those who are not in the labor force. The percentage of people in the labor force in Lynn is 66.5%. The percentage of people in Lynn who are not in the labor force is 33.5%.<sup>7</sup>

<b>Town or City</b>	<b>population</b>	<b>Median age</b>	<b>percent in labor force who are employed</b>	<b>Percent in labor force who are unemployed</b>	<b>Foreign born</b>	<b>Poverty level</b>
<b>Lynn</b>	<b>90,329</b>	<b>30.4</b>	<b>59.2%</b>	<b>7.2%</b>	<b>29%</b>	<b>19.2%</b>
<b>Marblehead</b>	<b>19,808</b>	<b>45.7</b>	<b>65.3%</b>	<b>3.1%</b>	<b>7%</b>	<b>5.4%</b>
<b>Saugus</b>	<b>26,628</b>	<b>43.9</b>	<b>62.86</b>	<b>5.3%</b>	<b>10%</b>	<b>5%</b>
<b>Peabody</b>	<b>51,251</b>	<b>44.6</b>	<b>60.9%</b>	<b>4.7%</b>	<b>13.5%</b>	<b>6.2%</b>
<b>Salem</b>	<b>41,340</b>	<b>37.6</b>	<b>64.3%</b>	<b>7.3%</b>	<b>16.6%</b>	<b>12.3%</b>
<b>Swampscott</b>	<b>13,787</b>	<b>45.3</b>	<b>67%</b>	<b>3.8%</b>	<b>13.4%</b>	<b>5.2%</b>
<b>Nahant</b>	<b>3,410</b>	<b>50.6</b>	<b>64.6%</b>	<b>3.6%</b>	<b>6.6%</b>	<b>1.8%</b>

The lack of educational attainment and consequent lack of skill development account for the relatively low level of employment, income, and poverty in Lynn. Community colleges and adult based education and ESOL programs funded by the state can play a large role in remediating this trend. As we will see later in the report, adult education programs and ESOL programs are making strides in the right direction to solve this problem, but they are in need of support. In the next section, the paper will look at foreign born workers in Lynn and the exploitation they encounter.

### **Foreign Born Workers: a Valuable Workforce**

The long- term trend in Lynn has been towards a more diverse population with substantial increases in the numbers and percentages of minority and Hispanic residents.<sup>8</sup> The African-American population is at a steady 13% and there is a small but rapidly increasing group of African immigrants, many of whom are highly educated. Forty-eight percent of the population is non-Latino white, 30.2 percent of Lynn’s population is Hispanic or Latino (of any race), of whom an estimated 53.4% are foreign born.<sup>9</sup> The percentage of the population that is Hispanic or of Latino origin in Lynn is high compared to the statewide estimate of 9.6%. Twenty-seven percent of the population of Lynn speaks Spanish and an estimated 13.7% of those who speak Spanish “speak English less than very well,” according to the 2011 American Community Survey.

<sup>7</sup> 2011 American Fact Finder

<sup>8</sup>Lynn Consolidated Plan

<sup>9</sup> American Community Survey 2011 5 year estimates

The 2011 American Community Survey marked 9,412 Dominicans, up from 5,517 in 2000. In 2011 there were 4,552 (5.1%) Puerto Ricans, which increased from 3,769 in 2000. The amount of Guatemalans in Lynn has increased significantly from 1,442 in 2000 to 6,140 in 2011. The number of Mexicans in Lynn has increased from 853 in 2000 to 1,057 (1.2%) in 2011. The latter two nationalities grew at a rate 5-8 times greater than Dominicans and Puerto Ricans between 1990 and 2000 [Vasquez, 2003; 2],<sup>10</sup> and continue to grow from 2000 to 2011. While a third of Latino nationalities such as Salvadorans, Hondurans and Colombians live in Boston, only a fifth of Guatemalans lived in Boston in 2000. Rather, Lynn has become a major growth center of Guatemalans. Next to Boston, Lynn had the second highest percentage of the state's Guatemalans. [Uriarte et al, 2003: 13]<sup>11</sup>



May Day March in Lynn 2012

Like other immigrant groups in Lynn, the Guatemalan arrivals are a hard-working group in which to invest for skill and workforce development; despite making wages that are about 40% below the median of all workers and having a lower educational level, they have a relatively low poverty rate and a steady growth rate away from poverty.<sup>12</sup> According to a report on recent immigration patterns in Lynn, Crosby points out that “These numbers are consistently higher than other groups and than the population as a whole” (Crosby, 2007).

In order to address the widespread immigrant worker exploitation in the region, the North Shore Labor Council engaged immigrant workers, community allies, and labor representatives in a series of deliberations about how to solve this problem. The solution they came up with was to establish a democratic, constituent-led Worker Center called *The Worker Center for Economic Justice*. The center aspires to build the power of low-wage and undocumented immigrant workers on the North Shore, particularly in Lynn and other urban communities. It aims to organize for safe, decent, and just working conditions for immigrant workers. The center uses a “high-impact four-tiered model—popular education, participatory action research, community organizing, and public policy

development and advocacy—the Worker Center for Economic Justice engages its constituents directly in the process of identifying and developing strategies to promote change in their workplaces and communities.”<sup>13</sup>

According to the director at the Worker Center for Economic Justice, most of the immigrant workers the center assists do not have a high school diploma and most of them (about 95%) live in Lynn with a few others coming from Chelsea. Ninety-seven percent of the workers the center assists do not speak English and about 50% of them could be classified as “under the table” workers. Such workers are vulnerable to inexcusable exploitation. Since the center opened in 2011, there have been 86 workers that have been assisted. Of those 56, 32 have come to the center in 2013 alone.<sup>14</sup>

According to the publication from the Worker Center for Economic Justice (WCEJ), “Immigrant workers suffer the highest risk of exploitation, work related injuries, illness and fatalities.” In order to support exploited,

<sup>10</sup> Crosby, Jeff. Labor and New Immigrants in Lynn, Massachusetts.

<sup>11</sup> Crosby, Jeff Labor and New Immigration in Lynn Massachusetts

<sup>12</sup> Crosby, Jeff. Labor and New Immigration in Lynn Massachusetts pg.22

<sup>13</sup> Workers’ Center for Economic Justice Website. Accessed March 1, 2013.

<sup>14</sup> Iveth Martinez, Coordinator at the Workers’ Center for Economic Justice.

abused, and temporary workers, the WCEJ, unions and other Community Groups joined the campaign to pass the Reform the Employment Agency Law (REAL) (HB 1393). The law streamlines provisions governing the industry, places all employment and staffing agencies on a level playing field, simplify requirements imposed by the Division of Occupational Safety (DOS), and protect workers in temporary jobs.”<sup>15</sup> The law was signed by the governor on August 6, 2012 in chapter 225 of the acts of 2012 as “An Act Establishing a Temporary Worker’s Right to Know,” and went into effect on January 31, 2013.<sup>16</sup>

The urgency for such reforms in the Lynn area is great. I met and interviewed three immigrant workers receiving assistance from WCEJ. One undocumented worker from the Dominican Republic who came to Lynn 20 years was working as an under the table window washer. He told me “On the day I fell 25 feet down to the ground cleaning windows, I was denied surgery at the hospital. My boss was afraid to get me workman’s comp or medical treatment.” The worker was denied surgery for 13 days after the incident even though the injury required immediate care. It took intervention with the WCEJ and pro-bono work from a local lawyer to get this worker the treatment he deserved.

Another undocumented worker who came to Lynn from Mexico in 1983 spoke to me about the exploitation he faced renovating a restaurant for someone he described as a “friend”. He and another man worked for 3 months renovating the restaurant, and neither one got paid. He told me that he submitted a formal complaint through the district attorney and the WCEJ who got in touch with the employer who finally agreed to pay him. “My friend never got paid,” he told me. He also told me that the cook at the restaurant, a Guatemalan, was not being paid.

Similar exploitation was faced by a worker from the Dominican Republic who had worked cleaning houses under-the-table. She worked over the course of 10 days, totaling 52 hours. By the end of the 10 days, the employer vanished; leaving the worker unpaid. Involvement from the WCEJ made the employer agree to pay the woman for her hours worked.

Compounding the struggle that Latino immigrant workers already face finding and securing jobs, is that Eastern European immigrants have the ability to “become white” in a way that is not accessible to non-white immigrants. The Latino workers suffer from exploitation on the job and lack of a legal outlet by which to gain justice. Seventy percent of immigrant workers that come to the Worker Center for Economic Justice are from the Dominican Republic and 30% from Central America, particularly from Guatemala.

According to the director at the Worker Center for Economic Justice, “There are many small, family businesses and individuals with their own policies and low regulation from enforcement agencies until a worker reports.” A worker may report under the table work if he/she is receiving less than minimum wage, violations of other wage and hour regulations, no insurance or workers compensation and violations to OSHA regulations.<sup>17</sup>

The types of work the immigrant workers who come to the Workers’ Center are involved in are as follows: about 60% work in landscaping, 20% in painting and construction, 10% in restaurants, and about 10% in other work such as cleaning, factories, and housekeeping. In addition, the source at WCEJ estimates that “90% of workers work for small businesses of less than 20 workers or temporary agencies.” Moreover, about

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<sup>15</sup> Worker Center for Economic Justice publication.

<sup>16</sup> Chapter 140 of the of the General Laws, as appearing in the 2008 Official Edition, is hereby amended by striking out sections 46A through 46R, inclusive. An amended law was passed in August 2012. For information see <http://www.malegislature.gov/Laws/SessionLaws/Acts/2012/Chapter225>

<sup>17</sup> Iveth Martinez, Coordinator at the Workers’ Center for Economic Justice, 2012

95% of the workers who come to the center both work and live in Lynn and while an estimated 5% come from surrounding towns such as Chelsea, Peabody, or Everett.

Though concrete data of the number of undocumented workers in Lynn is difficult to obtain, a variety of sources have attested to their existence. “It certainly exists,” says Edward Tirrell, director of Operation Bootstrap, an adult based education and ESOL program in Lynn. “A number of our students in here [at Operation Bootstrap] are undocumented. We’re not required to ask about that, and so we don’t.” Edward believes that there are a lot of people who are undocumented in Lynn. “It’s very hard to get a hand on that because of people’s fears; people literally live in fear all the time,” he says.

The large amount of under-the-table work can be remediated by providing opportunities for immigrant populations in Lynn access to skill development and workforce training, as well as enforcement of wage and hour laws by local and state agencies, and by successful immigration reform that will give working class Lynnians a path to citizenship. According to the Economic Development Self Assessment Tool developed by Northeast’s Dukakis Center, “Lynn can begin to offer job training for the unskilled portion of the workforce and English language classes in preparation for the arrival of new businesses or to meet any demand from existing businesses.” This can be done “By working with the local community college and technical and vocational schools.”

## **Job Training and the Future of Lynn**

Skills development of the workforce should be aligned to meet the demands of critical industries and jobs in the region. According to the Work Force Investment Board’s 2010 Labor Market Blue Print, there are five critical industries that have traditionally stood out as the industries that characterize the North Shore Region. Selection criteria for critical industries include:

- Number of jobs
- Skill and education requirements
- Wage levels of critical occupations
- Career ladder opportunities
- Projections of future employment opportunities

The WIB lists Construction, Financial Services, Health Care, Durable Goods Manufacturing, and the life sciences as “critical” industries in the North Shore region. Critical does not necessarily imply these industries are growing, but it does mean that they have historically been strongly rooted in the North Shore economy. On May 13, 2013, the North Shore Career Center listed approximately 340 jobs in the Lynn area only of which about 30 are in manufacturing and construction. Most of the jobs listed are in health care.<sup>18</sup> The fastest growing jobs in the North Shore region predicted for 2010 to 2020 by the Massachusetts Department of Labor include retail sale persons, cashiers, waiters and waitresses, customer service reps, registered nurses, food preparation and serving workers, including fast food; personal care aids; home health aides, industrial engineers, and mechanical engineers. Employment growth is expected in the health care, social assistance, and financial industries in the North Shore region.

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<sup>18</sup> Jobs listed in the North Shore Region on May 13, 2012. See: <http://nscareers.org/new%20hot%20job%20lynn.pdf>

### Predicted Annual Job Openings 2010-2020 and Growth Rates

Job	Expected Annual Openings	Growth
Retail sales persons	227	21.11%
Cashiers	237	12.06%
Waiters and waitresses	237	10.6%
Home health aids	181	30.2%
Customer Service Reps	167	16.21%
Registered nurses	155	8.25%
Food Prep and service workers, including fast food	128	16.9%
Personal care aids	68	15.45
Tellers	68	4.2%
Mechanical Engineers	30	4.24%
Medical Assistants	24	0.5%
Industrial engineers	19	3.21%

The October 2010 WIB's Labor Market Blueprint lists critical degrees, credentials and skills required for some of the fastest growing occupations in growing industries. The occupations and suggested career paths, including critical skills and degrees are listed below:

**Occupation: Bank Teller Critical Degrees/ Skills:** High school diploma or GED, prior experience with cash handling and/ or customer service generally preferred, excellent communication skills, attention to detail. The average hourly wage of a bank teller is \$14.65 and the annual mean wage is \$30,480.<sup>19</sup>

In the current economic environment many tellers have bachelor's degrees as well as prior experience as part-time tellers before being hired for a full time position. Over the past few years the qualifications for entry level positions have become more rigorous. Banks in the North Shore region have difficulty finding applicants

<sup>19</sup> May 2012 Metropolitan and Non Metropolitan Area Occupational Employment and Wage Estimates. NECTA Division. Bureau of Labor Statistics: Occupational Employment Statistics.

that fully meet their requirements due to applicant lack of foundational skills including basic math, writing, business writing, computer skills and customer service.<sup>20</sup>

**Occupation: Medical Assistant Critical Degrees/ Skills:** Certificate and/ or on the job training, interpersonal skills. Certificates or two-or four year degrees must be obtained for LPN, RN, Medical Technician, and Medical Technologist positions. The average hourly wage for a medical assistant is \$16.92 and the annual mean wage is \$35,190.<sup>21</sup>

**Occupation: Housekeepers (Environmental Service, Unit Service) Critical Degrees/ Skills:** None; some hospitals do not require English fluency, while others require basic fluency to communicate with patients, family members, and read directions. The average hourly wage for a housekeeper is \$11.58 and the annual mean wage is \$24,090.<sup>22</sup>

**Occupation: Certified Nursing Assistant (CNA) Critical Degrees/ Skills:** Certificate and 75 hours of outside training, fluency in English, interpersonal skills. Certificates or two-or four year degrees must be obtained for LPN, RN, Medical Technician, and Medical Technologist positions. The average hourly wage for a certified nursing assistant is \$14.36 and the annual mean wage is \$29,870.<sup>23</sup>

**Occupation: Food Service Worker Critical Degrees/ Skills:** Fluency in English, multilingual ability preferred, interpersonal skills. On the job training and positive work history are required for advancement. The average hourly wage for a food service worker is \$10.17 and the annual mean wage is \$21,160.<sup>24</sup>

Important to note is that the last four occupations listed here are available to persons without a high school diploma, and a CNA position is obtainable with a high school degree or a GED. Moreover, multilingual ability is sought after in several occupations now, including health care. Therefore these occupations will be available to a large fraction of Lynn residents, but the problem, again, is that these jobs pay relatively low wages.

Efforts by employers to defeat unionization of low-wage work has also contributed to maintaining poorly paid jobs in these categories. General Electric and a vendor, for example, recently defeated an effort to unionize cleaners at the Western Avenue plant, locking workers there into \$9-11 an hour jobs with no benefits or paid time off. Most of these workers live in Lynn. Many Logan airport workers in the food service industries are currently attempting to unionize. Most of the airport workers live in East Boston, Chelsea and Lynn. Lynn airport workers at Budget Rent A Car organized several years ago and have seen increases in wages and benefits and improvements in health and safety on the job, and are currently negotiating educational opportunities with state support.

One key aspect in diagnosing the potential “mismatch” between Lynn residents and the jobs projected to grow is to give due attention to the lack of educational attainment. According to the Economic Development

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<sup>20</sup> Work Investment Board, 2010. Labor Market Blueprint

<sup>21</sup> May 2012 Metropolitan and Non Metropolitan Area Occupational Employment and Wage Estimates. NECTA Division. Bureau of Labor Statistics: Occupational Employment Statistics.

<sup>22</sup> May 2012 Metropolitan and Non Metropolitan Area Occupational Employment and Wage Estimates. NECTA Division. Bureau of Labor Statistics: Occupational Employment Statistics.

<sup>23</sup> May 2012 Metropolitan and Non Metropolitan Area Occupational Employment and Wage Estimates. NECTA Division. Bureau of Labor Statistics: Occupational Employment Statistics.

<sup>24</sup> May 2012 Metropolitan and Non Metropolitan Area Occupational Employment and Wage Estimates. NECTA Division. Bureau of Labor Statistics: Occupational Employment Statistics.

Self-Assessment tool, Lynn has more four year colleges (8) within ten miles of the city than the median number (2) among the Comparison Group Municipalities (CGM). The Economic Development Self Assessment Tool by the Northeastern Dukakis Center points to the close proximity of colleges to the city as an important strength to be built upon. For instance, employers could collaborate with colleges to develop training programs that will create a workforce with ready skills. The E team, a free machinist training program at the Lynn Vocational Technical Institute initiated by the Essex County Community Organization and IUE-CWA Local 201, was an example of this.

My interview with Tony Dunn, former director of the E-team, which is currently suspended due to lack of funding, reveals the key role that it played in preparing Lynn's workforce and immigrant population to fill entry level positions in machinist occupations.<sup>25</sup> The E-team began about 15 years ago in 1997. The program was a state and federally funded machinist training program for adults at no cost to them.

According to Dunn, the program was, "one of the only machinist training programs in the state that low income people could access." About 30 people entered the program each year and the E-Team produced an 80% graduation rate and a high job placement rate as well. Dunn notes that eventually almost all of the graduates got jobs in manufacturing. More than 75 of the graduates went on the work at GE, where they are making 25-30 dollars an hour or better. Graduates populate the smaller shops in the Greater Boston area such as Boston Centerless, EZ Machines, PV Engineering, and there are about 30 graduates at the Custom Group in Woburn and Sterling Machine Company in Lynn.

Dunn reports, "It didn't matter if they had a high school degree or not- testing centers for anyone above the 8<sup>th</sup> grade level were considered for admission to the program." There were about 75 to 100 candidates for every entering class, "but we could only take about 30 per class".

Donated space for classrooms began in St. Stephens Memorial Church basement and ran there for about 10 to 11 years. Space was available at Lynn Vocational and Technical Institute for machinist training in their machine shop, and at North Shore Community College. There were two types of space used: at Lynn Tech for the machine shop and various places for the classroom training. North Shore Community College provided free classroom space where the program ran for two years until it was forced out due to limited space. After that the program was given donated space to run classes from the SPIN (Serving People in Need) center. The majority of students in the program were residents of Lynn. Dunn notes that the program produced "very successful entry level machine operators." He says that he still gets applications and phone calls. "There is a huge need out there and the state stopped funding this program which addressed this hole in training," Dunn adds. The cost for the type of training that the E-team offered for free is about \$150,000 per class.

In order to accommodate the large percentage of immigrant workers in Lynn the E-Team received a grant from the Mass Department of Education to partner with Operation Bootstrap to develop a program called PRIMO, which was a contextualized English language program built around the vernacular of the machine shop. After implementation of this program in 1999, the E-Team was composed of about 50% immigrants including Asians, Latinos, East Africans and refugees from Kosovo.

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<sup>25</sup> Currently Mass Secretary of Housing and Economic Development Gregory Bialecki is reviewing a proposal to re-fund the E-Team.

Efforts from programs such as the E-team that attempt to align workforce training with job demands are essential for addressing some of the relative weaknesses for the city of Lynn as pointed out by the EDSAT (2011):

- Lynn has a higher proportion of unskilled workers than comparison group municipalities (CGM) and the city has a higher proportion of English Language Learners.
- The percentage of residents age 25 and older in Lynn with at least a high school diploma or GED is lower (77%) than the median range among the CGM (85% or greater); and the percentage of residents age 25 and with at least a bachelor's degree is lower (17%) than among the CGM (21-35%).

Because the skills of Lynn residents do not yet meet the requirements of the higher paying occupations expected to grow in the North Shore region, the City of Lynn is vigorously working with workforce training resources that include local and state employment agencies, regional high schools, vocational and technical schools, and human service and non-profit career training centers. In particular, the EDSAT points out that Lynn is at a "relative disadvantage for adult education programs. An adult education program exists, but has insufficient capacity, while programs among the CGM tend to be able to meet demand." For instance, according to the director of Operation Bootstrap, an adult education center that provides programs for GED attainment, Adult Based Education (ABE) and English for Speakers of Other Languages (ESOL), "the waitlist grows daily." There are currently 380 enrolled students. In October 2012 there were approximately 250 people on the waitlist for ABE classes and 500 on the waitlist for ESOL classes- about 750 total. Since then, that total has climbed to about 1,200 people waiting for Operation Bootstrap in spring 2013. In addition, there are 100 people in ESOL classes who have gained enough ability in speaking English and are now waiting to take regular classes.

According to EDSAT, providing adult job training is difficult because there are so many human factors involved and funding is a persistent challenge. They suggest that one way for Lynn to focus limited resources is to "target training for skills that are in demand by existing firms and to align future training to industries the city wants to attract and to emerging job trends." For example, they point to the emerging shortage for skilled jobs such as the technical trades (electricians, plumbers, finish work in construction), healthcare support staff (hygienists, technicians, and therapist assistants), clerical, and machine operators. In general, these jobs require a high school diploma, but less than a bachelor's degree. EDSAT predicts that, "Businesses that relocate will bring or recruit senior management and subject matter experts, but look to the local workforce to fill technical positions, middle level skilled positions, first line supervisors, and unskilled positions." (From EDSAT 2011) In the next section of the report, we will look at economic trends in Lynn and pay particular attention to whether residents of Lynn are filling jobs within the city.

## **Labor, Economic Trends and Workers in Lynn**

*"80% of people who live in Lynn don't work in Lynn- there are not jobs here. GE has been the biggest private employer in Lynn since before World War II. They had nearly 20,000 employees at one time here in Lynn and now I think they're down to a few thousand."*

*-Edward Tirrell, Operation Bootstrap*

One way to access the most important industries in a particular region is to determine the location quotient for a given industry. A location quotient is a calculated 'score' that indicates how concentrated a particular industry is in a region relative to a larger reference area, in this case the United States and Massachusetts. A location quotient above 1 for a particular industry indicates that the industry accounts for a greater fraction of total employment in the region than it does in the reference area. The location quotient data for Essex County, shown below, reveals the high concentration of health and social service industries in the

region relative to the nation. This list gives an idea of which industries are most concentrated in the region compared to the United States and compared to Massachusetts.<sup>26</sup>

Industry	L.Q. for Essex County Relative to Massachusetts	L.Q. for Essex County Relative to the United States
Agriculture, forestry, fishing and hunting	0.95	0.22
Mining, quarrying, and oil and gas extraction	0.48	0.03
Utilities	0.73	0.54
Construction	0.96	0.76
Manufacturing	1.79	1.52
Wholesale trade	0.89	0.77
Retail trade	1.15	1.05
Professional and technical services	0.70	0.92
Management of companies and enterprises	0.56	0.67
Administrative and waste services	1.03	0.84
Educational services	0.49	0.97
Health care and social assistance	1.09	1.31
Transportation and warehousing	0.58	0.39
Information	0.67	0.82
Finance and insurance	0.60	0.71
Real estate and rental and leasing	0.80	0.65
Arts, entertainment, and recreation	1.11	1.11
Accommodation and food services	1.03	0.93
Other services, except public administration	1.06	1.28

<sup>26</sup>Torname, Joe. Lynn: A Little City with Big Potential. A publication of the New Lynn Coalition

The location quotients displayed above suggest that the industries that are most concentrated in Essex County, relative to both the United States and Massachusetts are manufacturing; retail trade; health care and social assistance, arts, entertainment, and recreation, and other services, excluding administration. Industries that are concentrated in Essex County relative to Massachusetts (but not to the nation) are accommodation and food services and administrative and waste services. The table presented below use the industries with location quotients above 1, meaning that those particular industries are more concentrated in Essex County compared to Massachusetts and compared to the nation. It compares the percentage of people in the labor force who are employed in these industries in Lynn relative to the percentage of people in the labor force who are employed in these industries in Essex County. The table also lists the average weekly wages of employees in these industries both for Lynn and for Essex County.

Industry	Lynn Employment	Essex County Employment	Lynn Average weekly wage	Essex County Average weekly wage
Manufacturing	10.8%	11%	*\$1,649	\$1,443
Retail Trade	5%	10%	\$558	\$526
Health care and Social services	15%	15%	\$728	\$852
Arts, Entertainment and Recreation	.2%	.0002%	\$338	\$421
Other Services	3%	4%	\$417	\$437
Accommodation and food services	3%	7%	\$315	\$340
Administrative and Waste services	2%	4.5%	\$624	\$655

\* Manufacturing income is higher in Lynn in part due to unionized General Electric plant.

The figures in the table above show that Lynn's percentage of employment in these concentrated industries is very similar to Essex County's. Likewise, the wages earned at these jobs by Lynn residents are comparable to the wages earned by Essex County residents who work at the same jobs, although Lynn residents are not necessarily filling these jobs, which explains the gap in median home income compared to Essex county. Nearly double the amount of the labor force in Essex County is employed in Retail Trade compared to Lynn. The same is true for Accommodation and food services. The lack of employment retail trade in Lynn relative to Essex County might suggest that working class Lynn residents are spending money outside the city instead of at local retailers.

## **Economic Trends and Shift Share Analysis**

Like the rest of the country, Lynn suffered from the 2008 recession. From 2001 to 2009 Lynn lost 2,712 jobs. The losses were across a number of industries, but most concentrated in the manufacturing industry, construction industry, retail trade, and public administration. The losses in manufacturing accounted for more

than half of the job losses during this period.<sup>27</sup> Finance and insurance and professional and technical services accounted for 85% of all job gains during this period. The country as a whole lost several million jobs after the 2007-2009 crash. Generally, towns like Lynn suffered the most and re-gained the least since then, but there has been some recovery since 2009. For instance, those employed in retail trade since 2008 has increased slightly from 2,003 employees to 2,087 in the third quarter of 2012. The number of establishments in retail trade has also increased slightly from 203 in 2000 to 214 in the third quarter of 2012<sup>28</sup>. The industries that lost jobs, manufacturing, construction, and retail trade are ones that would have likely provided jobs for less educated residents in Lynn. The industries that gained employment, however, would have provided jobs higher up the education and pay ladder.

From 2008 to 2012, employment in these industries continues to decline. For instance, the average monthly employment in construction in 2008 was 556 with 114 establishments. In 2012, that figure dropped to 435 employees with 97 establishments. Employment in manufacturing also declined since 2008 from 5062 to 4,605 with the number of establishments decreasing from 50 to 38. As mentioned above, jobs in retail trade increased slightly in Lynn even though they decreased slightly in Massachusetts from 2008 to 2012. (From an estimated 348,778 monthly employees to 346,712 employees). Employment in public Administration in Lynn decreased from 972 in 2008 to 868 in 2012, while it increased slightly statewide, from 133,140 to 136,090.<sup>29</sup>

The middle of the last decade saw an overall growth in jobs at the national level. Massachusetts experienced an employment expansion from 2003 to the middle of 2008.<sup>30</sup> However, the North Shore and Lynn in particular did not experience such expansion in employment. In fact, the city of Lynn saw a decline of 1,379 jobs during this period. A shift share analysis of the employment change from 2002 to 2012 allows us to see how the industries in the city Lynn performed relative to the same industries overall in the United States. If the economic performance of the industries in Lynn was on par with the performance of these same industries overall in the United States from 2002 to 2012, there would have been an estimated increase of 2,843 jobs in Lynn.

Shift share analysis takes an actual employment change, in this case this is the 1,379 jobs Lynn actually lost, and breaks this into two pieces. One piece is called the “share,” and this represents what would have happened, hypothetically, if the industries in Lynn performed the same as they did overall in the United States, that is, if the industries in Lynn had simply followed national trends. This number is a gain of 2,843 jobs. The second piece of the actual change is called the “shift,” and represents how the industries in Lynn did *relative to these same industries overall in the US*. This is the negative 4,222 jobs that we calculated above. The share is what you would have gotten if you just maintained your employment share of industry totals for country. Shift, on the other hand represents the difference between actual employment change and the share. So it shows gain or loss in competitive position relative to the nation as a whole. Positive shift means gain in competitive position; negative shift means loss.

Therefore, *relative to the US*, Lynn is behind by 4,222 jobs, which is equal to the 1,379 jobs Lynn actually lost plus the 2,843 jobs Lynn would have gained if her industries did as well as these industries did in the overall US.<sup>31</sup> The table below presents a more detailed shift share analysis of the employment changes from 2002 to the beginning of 2012 for a set of industries in Lynn.

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<sup>27</sup> Torname, Joe. Lynn: A Little City with Big Potential. A publication of the New Lynn Coalition

<sup>28</sup> Massachusetts Department of labor ES-202 data 2012.

<sup>29</sup> Massachusetts Department of Labor ES-202 data 2012.

<sup>30</sup> Torname, Joe. Lynn: A Little City with Big Potential. A publication of the New Lynn Coalition

<sup>31</sup> Torname, Joe. Lynn: A Little City with Big Potential. A publication of the New Lynn Coalition

## Shift Share Analysis for Relevant Industries in Lynn 2002 -2012

Industry	2002 Employment	First Quarter Employment	Actual Change	Share	Shift
Construction	907	417	-115	187	-302
Manufacturing	5,781	4,454	-1,327	1,331	4
Specialty Trade Contractors	667	313	-354	-138	-216
Finance and Insurance	859	1,015	156	-22	178
Depository Credit Intermediation	259	838	320	1	319
Educational Services	2,789	3,288	499	400	99
Health Care and Social Assistance	5,182	6,100	918	1181	-263
Professional Scientific and Technological Services	530	645	115	93	22

The analysis above shows that relative to the nation, Lynn is losing ground in construction, manufacturing, and specialty trade contracting, while the financial, educational, health care and social service and scientific and professional services are growing in Lynn relative to these industries in the nation.

The Workforce Investment Board for the North Shore lists Registered Nurses, Customer service representative and computer software engineers as the top three Massachusetts occupations projected to create the most new jobs in 2006 through 2016. For shorter two year term projections (2011-2013), the Massachusetts Department of Labor and Workforce Development lists the most occupational openings occurring in registered nurses, home health care aids, and personal care aids for the North Shore workforce investment area. The top 5 short term industry projections for the same area are health care and social assistance, ambulatory health care services, educational services, professional scientific and technical services, and hospitals.<sup>32</sup>

As industry skill requirements change in the North Shore Workforce Investment Area, there will be increased demand for higher levels of skill and education. In Lynn, the education and skill levels of the workforce are far below that of the North Shore region. It is clear that there will be a mismatch between the skills of the workforce and the skills that employers are looking for, except for occupations such as home health aides and personal care aids which do not require high levels of skill or education, but also pay quite low wages. The conditions of personal care attendants, over 300 of who live in Lynn according to SEIU 1199, have recently benefited from improved circumstances after unionizing and gaining wage increases and educational benefits to access an employment ladder.<sup>33</sup> The low skill and education level of the workforce of Lynn will deter business from locating in the city.

### Short Term Occupational Projections 2011-2013 North Shore WIA

Occupation	Employment		Change			Annual Average Openings	
	2011	2013	level	percent	total	growth	replacements
Registered Nurses	3,902	4,073	171	2.17%	146	86	60
Home Health Aids	2,618	2,869	251	4.68%	156	126	30

<sup>32</sup> Massachusetts Department of Labor and Workforce Development.

<sup>33</sup> The SEIU recently held an open meeting in Lynn at the senior housing authority to showplace these results.

Industry	Job Openings
Health Care and Social Assistance	1,290
Ambulatory Health Care Services	676
Educational Services	492
Professional, Scientific and Technical Services	356
Hospitals	244

## Where do Lynn workers live? Where do Lynn residents work?

One important criteria used to determine how independent Lynn’s economy is in relation to Boston, is to examine whether or not residents of Lynn occupy the jobs available in Lynn. One way to speculate about whether residents of Lynn work in Lynn is by looking at transportation and commute data. 71% of Lynn workers drove to work alone between 2005 and 2009, 11 % carpooled, 10 % took public transportation, and 6% used other means. The remaining two percent worked at home. Among those who commuted to work, it took them on average 26.7 minutes to get to work.<sup>34</sup> A 26.7 minute commute to work on average suggests that residents of Lynn are working outside of Lynn. Moreover, compounding the problem, according to the Lynn Consolidated plan, “Lynn is currently losing retail money to surrounding towns; workers are spending their money outside of the local economy”.<sup>35</sup> The lack of Lynn residents occupying jobs in Lynn, along with spending on services outside of the economy, makes it difficult to determine the degree to which Lynn is a stable, or independent economy compared to Boston.

According to Edward Tirrell, director of Operation Bootstrap, there have been periods when Lynn has been its own economy- for example during shoe manufacturing and the height of GE. But now, he says “Lynn residents are working all over the place.” Edward points out that adult learners who have graduated from the Operation Bootstrap program are working in Lynn or very close to the city, but they are working very low wage jobs. “They’re doing maintenance, cleaning, bagging at Market Basket, Dunkin Donuts, McDonald’s or Wendy’s. They are the service economy,”<sup>36</sup> he says.

Because educated graduates of adult learning programs appear to work within Lynn instead of looking outside of Lynn for work, one implication is that jobs that already exist in Lynn could be improved to accommodate the skills of these graduates. Improving the quality and pay of these jobs by adult education and upward mobility or unionization would increase the overall economic health of Lynn, money spent at local merchants, ability to stabilize rents, etc.

According to the director at the Worker Center for Economic Justice, “Lynn’s budget is much more limited than Boston.” For instance, Lynn lacks affordable legal services. She says, “The Neighborhood Legal Services is the only institution offering affordable legal services other than private lawyers who do pro bono

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<sup>34</sup>American Factfinder 2011

<sup>35</sup>City of Lynn Consolidated Plan

<sup>36</sup> Edward Tirrell

work, and resources are being cut from many services including unemployment and welfare.”<sup>37</sup> The cuts in service spending lead residents of Lynn to seek services outside of Lynn, which means that efforts should be made to keep services available within the city.

Data from five large employers and industries in Lynn including health care workers, human service workers, GE workers, custodial workers, and firefighters and police officers was collected from the unions that represent the workers. The data focuses on how many of the employees actually live in Lynn. Figures were collected from SEIU Local 509, which is a Massachusetts union for Human Service Workers, IUE CWA Local 201 which represents workers at General Electric and four other area employers, SEIU 615 which is a union representing property service workers such as janitor and custodial jobs as well as workers at Logan Airport, 1199 SEIU which represents health care workers at Lynn Community Health Center and Union Hospital, as well as the town union for fire fighters and police officers that require employees to live within the city.

Data from SEIU Local 509 Members by Employer and whether or not they work or live in Lynn is shown in the table below. Bridgewell includes workers who live in Lynn that work at Bridgewell institutions both in and outside of Lynn. Other employers reviewed here such as GE only have facilities in Lynn.

Employer Type	Employer	Work in Lynn	Live in Lynn
Non Profit Human Service	Eliot, Bridgewell, Edinburg, Walnut St, HSO, CHS,CES, NSMHA	371	321
State Agency	DCF, DMH, DDS, DYS, Mass health, DTA, DESE, DOR, MRC, DOC, DEEC	101	99
Union	Local 509	0	1

According to Jon Grossman at SEIU local 509, “Both the State Agencies and Non Profit Human Service Agencies have multiple sites in Massachusetts.” The table above suggests that the overlap of the workers represented by local 509 who both work and live in Lynn is about 73 people. For instance Eliot employs 118 people, of whom only 60 live in Lynn (about 50%).

<sup>37</sup> In 2008, when the economy crashed, interest rates were reduced to .5% then .25% - and legal services second source of revenue – IOLTA – lost 78% of its funding almost instantly. For NLS, that meant \$1 million cut in late 2008, and 5 laid off immediately. Over the next 2 years, NLS lost 5 more staff through attrition and one attorney passed away, then in 2011 NLS laid off 4 – losing a total of 14 staff and about 50% of our funding. The legislature kept NLS at level funding (\$9.5 million in 2009, then up to \$10.5, and last year at \$12million. NLS is still in the debate for this year (12 in House, 11 in Senate, 15.5 Governor & GOAL). In addition, philanthropic funding is more difficult. Source: Sheila Casey, executive director NLS.

Data from Local 201 on workers at General Electric suggests that of about 2000 total employees about 600 or 33% of them live in Lynn. Figures such as this attest to the importance of programs such as the E-Team that train Lynn residents in entry level mechanic occupations.

Data from SEIU 615, which represents workers in custodial and janitorial services, is presented in the table below:

Bargaining Unit	Total People
Commercial cleaning (janitorial services in commercial real estate)	339
Janitorial services in higher education	68
Property security services in commercial real estate	36
Unknown	3
Unknown	64
<b>Total People</b>	<b>502</b>

SEIU Local 615 is a property services union that represents 18,000 workers in Massachusetts, Rhode Island, and New Hampshire, including janitors, security officers, maintenance and custodial workers, and window cleaners. There are 477 workers who live in Lynn who work in the custodial industry, but there are only 23 people who work in the custodial industry in Lynn. This suggests an overlap of only 5 workers who both live and work in the custodial industry in Lynn.

There are an estimated 50 to 60 unionized passenger service workers at Logan Airport who live in Lynn, who are contracted by SEIU 615. That represents about 5% of all passenger service workers at Logan Airport. Definitive data is difficult to obtain, because there is no way to account for terminated or excluded workers.

According to the Local 615 website, Omale Rodriguez, who works for a passenger service contractor at Logan Airport and testified in 2012 saying. “A lot of the workers were being paid \$16 an hour and now they are getting \$9,” he said. “I don’t know how they are getting away with it.” The Lift Off Coalition, composed of organizations including Lynn-based North Shore Labor Council and SEIU Local 615 and community and faith-based organizations, and recently supported by a motion passed by the Lynn City Council, hope to change the situation at the airport by promoting responsible contracting policies to benefit workers and communities. The cities of Boston and Revere passed similar resolutions over the past few months. Most of the contracted jobs at Logan Airport pay minimum wage, and in some circumstances, below. According to Local 615 “This substandard contracting costs Massachusetts taxpayers millions of dollars by burdening public assistance programs and increasing poverty rates in local communities. The City of Lynn, for example, has a poverty rate of 20.3%, accompanied by high foreclosure rates, poor public health, and violent crime.” Because Logan Airport is one of the largest employers for low skill jobs in the area, it is important to improve working conditions because jobs can be occupied by the relatively low skilled workforce of Lynn.

Data from 1199SEIU on employees at the Community Health Center and at Union Hospital suggest that there are 261 members at the Lynn Community Health Center and 151 (58%) of them also live in Lynn. In

addition there are 805 members who work at Union Hospital and 249 (31%) of them also live in Lynn. The low percentages of people working at these jobs that actually live in Lynn again speaks to the need for adequate workforce training and skill development for Lynn residents.

Finally data from the union representing Police and Firemen in Lynn suggests that 183 people are working in the police department, all of who live in Lynn and 180 working at the fire department, all of who live in Lynn. Together, these decent paying unionized jobs make up only about .8% of the total employed labor force in Lynn.

### **Linkages between Workforce Training and Economic Prosperity**

Jobs within Lynn and in the surrounding area can be made available to the residents of Lynn in two ways; one is by investing in workforce training programs that prepare the workforce to obtain higher skill and higher paying jobs and matching the low skill jobs already in the area with the relatively low skills that the workforce currently possesses, and the other is increasing the strength of unions. According to a recent report by the Center for Economic and Policy Research, increasing unionization appears to be as effective, if not more than comparable expansion of college and educational. The research finds that for all workers, increases in unionization consistently raise the share of good jobs more than similar increases in college education. Considering that college is a long and costly process and is likely to be less effective for older workers, the findings of the report emphasize the importance of considering both unionization *and* education as a key path to improving job quality.

In addition, the wide range of occupations that are suitable for varying levels of skill skills within a growing industry, such as health care are, are sometimes overlooked says the Boston Indicators Report for 2012. The report suggests that within an industry or a cluster is a wide range of occupations, many of which are seemingly unrelated. For example, a study conducted by the Commonwealth Corporation found that just 50% of the jobs in Massachusetts' Health Care & Social Assistance industry sector were health-related, while the other half were jobs such as accountants, janitors, secretaries, food service workers, child care workers, social workers.<sup>38</sup> The information again emphasizes the importance of job training and education programs for higher level jobs in a growing industry, but also recognizes the importance of improving the lower skilled jobs within a growing industry, primarily through efforts by unions. Because growing high skill industries in the North Shore region will also provide a large amount of low paying, low skill jobs, Lynn residents can fill these jobs. Improving job opportunities for the workforce of Lynn, either by developing the workforce's skills or by improving already low paying jobs- by paying a living wage and giving fair benefits at work- can align Lynn residents to growing jobs and provide them with means to generate collective wealth that is adequate to support public and non-profit sectors at a level which allows improvement in the standard of living in the community.

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<sup>38</sup> City of Ideas: Reinventing Boston's Economy. Boston Indicators Report, 2012.

<http://www.bostonindicators.org/~media/Files/IndicatorsReports/Reports/Indicator%20Reports/Indicators2012.pdf>



### **Conclusion: Building a New Lynn**

Not so many years ago, Lynn had a flourishing economy. Old time residents of Lynn recall Lynn's heyday fondly. At its height, Lynn had nine movie theatres, many bowling alleys and other attractions. Lynn's train station was busy with people coming in from other parts of the North Shore and Boston who came to spend the day shopping and eating out in the busy downtown.

Jobs were plentiful in Lynn. One GE worker shared the experience of his grandfather who told him that at one point if you quit your job at one shoe factory, you could walk down the street

and start a job somewhere else the same day. As the shoe industry declined, there were great jobs to be had at GE. Those jobs did not require a high school or college education or English fluency and allowed many families to reach a comfortable lifestyle. Today, some of the best working class jobs in the city are still held by the GE Workers, but those jobs have declined steadily over the past 30 years. Further, less than 20% of the people who live in the city actually work in the city, including municipal employees. Based upon census data contained in this report, the average Lynn residents commutes 27 minutes to work which suggests that Lynn residents are driving well outside the city to work.

If only 20% of Lynn residents work in the city, the question is why? There are still manufacturing jobs in Lynn. Further, there are good jobs in health care and education. The answer to this puzzle can be found at least in large part to low-levels of education and skills attainment. There seems to be a perception, real or otherwise, that Lynn residents are under-qualified for the higher skilled jobs in the city.

This education and skills gap can be addressed through increased resources to the successful educational providers in the city as well as through improving the quality of the low-skills jobs currently available. In addition to the push for living wage jobs, it is imperative that city devote time and energy to ensuring that any large scale development creates "good jobs" rather than more low-paying jobs that maintain the status quo.

We look forward to working with our neighbors, friends and elected officials to address the jobs crisis in Lynn. Specifically, we will work with the City of Lynn on the following programs and issues:

#### **E-Team Machinist Training Program**

The E-Team, a result of a 15 year partnership with the Essex County Community Organization and local unions, trained over 300 hundred machinists, 80% of whom are now employed in the industry. The program was de-funded during the recent state budget crisis. Lynn State Legislators are working to re-fund this program.

#### **Lynn Worker Center for Economic Justice**

The Worker Center for Economic Justice aims to build the power of low-wage immigrant workers on the North Shore to organize for fair pay and benefits and safe working conditions. The Worker Center empowers low-wage workers to become leaders in building a just society by engaging them in grassroots organizing strategies.

The Lynn Worker Center has recently forged a connection with Operation Bootstrap, the largest adult education provider in the city of Lynn. This partnership involves working with the students at Bootstrap on civic engagement and voter registration



as well as traditional worker center issues.

### **Worker Owner Business**

Freedom Machine, a worker owned machine shop, is part of our response to the lack of jobs in Lynn. We have built on our own skills, the area's history as a metal working center, and our experience of 15 years of training machinists and placing them in the industry through the E-Team, and visits to Mondragon in Spain and various US worker-owned cooperative projects. In May our lead co-op funder committed to raising \$150,000 in loans to launch the business. We have a site located in Lynn and expect to get started within a year. We view this as part of building a working class social movement in Lynn as well as being a catalyst of economic development and jobs.

### **Gateway Project**

We are working closely with the AFL-CIO Housing Investment Trust (HIT) and the Lynn Housing Authority on a development in Lynn using union labor and involving a community benefits agreement crafted by the New Lynn Coalition. Because of our initiative and relationships, it appears as though in 2014, work may begin on the Washington St. Extension (a mixed use project with 70 housing units), the first work done on the proposed Waterfront Development.

In addition to the above, we will work to change policy to make a real impact on good jobs:

#### **Raise the minimum wage:**

Over 2000 Lynn residents work at jobs that pay the minimum wage. Many more make just over the minimum wage. This wage is inadequate.

#### **Create a Linkage Ordinance:**

Pass an ordinance like Boston and Somerville which creates a fund that large-scale developers pay into which can be accessed as grants by local adult education providers who can offer training and education to Lynn residents.

#### **Enforce the local Responsible Employer Ordinance:**

Lynn already has an ordinance that sets reasonable guidelines so that construction jobs in Lynn will pay a living wage. But it has rarely been enforced, and may need to be strengthened.

The challenges the Lynn Community face are many and the New Lynn Coalition strives to meet those needs through Economic Development, Political Action, Research, and Cultural and Political Education. Lynn can become the city that its residents dream it can be, but it will take an organized concerted push to ensure that a rising tide in our city lifts all boats.

Carly McClain, New Lynn Organizing Coordinator

