

CITY OF BALTIMORE

BERNARD C. "JACK" YOUNG, Mayor



**MAYOR'S OFFICE OF
EMPLOYMENT DEVELOPMENT**

JASON PERKINS-COHEN, Director
417 E. Fayette Street, Suite 468
Baltimore, Maryland 21202

February 18, 2020

The Honorable President and Members
of the Baltimore City Council
Attn: Labor Committee
Room 409, City Hall
100 N. Holiday Street
Baltimore, Maryland 21202

Re: City Council Resolution 20-0193R-Informational Hearing-State of Baltimore City's
Labor Market

Dear President and City Council Members:

The Mayor's Office of Employment Development (MOED) is herein reporting on City Council Resolution No. 20-0193R introduced by Councilmember Sneed. This resolution would invite representatives from MOED, The Baltimore Development Corporation and The Mayor's Office of Children and Family Success to brief the City Council on the City's labor market.

MOED is the City's workforce agency responsible for management and oversight of federal, state and City funds allocated for workforce and for designing and implementing strategies that improve outcomes for job seekers and employers.

In 2018, Baltimore City's population was estimated at 602,495 (American Community Survey). As of December 2019, the Baltimore City labor force consisted of 298,765 people (Bureau of Labor Statistics). To be in the labor force, according to the Bureau of Labor Statistics, a person must be either working or looking for a job in the past 4-weeks. A person may not be in the labor force because he or she has a significant disability, is a stay-at-home parent, inmate, child, caretaker, student or a resigned job-seeker.

Of the Baltimore City labor force, about 4.2% or 12,459 were unemployed as of December 2019 (Bureau of Labor Statistics). This is compared to a national unemployment rate of 3.5% and the state unemployment rate of 3%.

There is a myriad of reasons for these differences in the local unemployment rate compared to the state and national rates. The most important reason is institutional racism. This is represented in national numbers where the rate of unemployment for Black/African Americans



The Honorable President and Members
of the Baltimore City Council
Attn: Labor Committee
Room 409, City Hall
100 N. Holiday Street
Baltimore, Maryland 21202
February 18, 2020
Page 2

is 5.4% compared to 3.0%. Closing the gap between Maryland and Baltimore's unemployment rate will only be possible by addressing the root of systemic and institutional racism.

There are many other interconnected barriers to Baltimore's unemployment.

- About 15% of Baltimoreans don't have a high school diploma and only 31.2% don't have a bachelor's degree (American Community Survey).
- In 2017, over one quart of household don't own a car (American Community Survey).
- In 2014, it was estimated that 1/3 people had criminal records, which are certainly higher for Baltimore, since a recent report by Justice Policy Institute showed that Maryland imprisons black men at higher rates than any other state in the US (Justice Policy Institute).
- In 2017, a limited point-in-time count from US HUD estimated 2,669 were in emergency shelters, transitional housing, or unsheltered on any one night in Baltimore City (HUD), which doesn't include those who are temporarily staying with relatives or friends with no certainty of whether they may be in a month.
- In a world where internet is necessary for online applications, about one quarter of households lacked internet access or a computer at home (American Community Survey).
- In 2018, about 60% of households with children in Baltimore are single-parent households (U.s. Census Bureau), while the average cost of infant care and childcare in MD are \$15,335 and \$10,254 respectively (Economics Policy Institute). This is about 20% of the median income a Baltimore household (while US Health and Human Services recommends childcare costs to not exceed more than 7% of household income).
- In 2017, a typical Baltimorean could only get to 9% of the region's jobs in under an hour using public transportation (Central Maryland Transportation Alliance)

Across the City, MOED operates Career Centers that assist more than 4000 residents enter employment each year. Additionally, MOED Business Services holds approximately 700 consultative meetings with employers and delivers over 9,000 business services per year.

The Honorable President and Members
of the Baltimore City Council
Attn: Labor Committee
Room 409, City Hall
100 N. Holiday Street
Baltimore, Maryland 21202
February 18, 2020
Page 3

The Re-Entry Center (ReC) specifically provides comprehensive services to thousands of individuals who leave prison and come to Baltimore City to find a home, a job and to start a new life. The ReC is the largest provider of re-entry services in the City and assisted over 1600 ex-offenders with employment services last year.

YouthWorks, Baltimore City's summer jobs program provides 7500 young people with employment opportunities. Youth Works helps young people develop essential workplace skills, exposes them to career options and pathways, keeps them productively engaged during the summer, and prepares them to successfully enter the labor market.

MOED looks forward to continued collaboration with agencies and service providers across the City to support job seekers and employers. MOED supports City Council Resolution No. 20-0193R.

Sincerely,



Jason Verkins-Cohen
Director