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## YOUTH COMMISSION

## MEMORANDUM

- TO:Honorable Mayor Gavin Newsom<br/>Honorable Members, Board of Supervisors
- CC: Angela Calvillo, Clerk of the Board Starr Terrell, Mayor's Liaison to the Board
- **FROM:** Youth Commission
- DATE: December 13, 2010
- **RE:** Youth Commission support of and statement concerning proposed ordinance file no. 101311 [Administrative Code Amendment - San Francisco Local Hiring Policy for Construction]

At its regular meeting of December 6, 2010, the Youth Commission voted 14-2 to support the following item:

Proposed ordinance file no. 101311 [Administrative Code Amendment - San Francisco Local Hiring Policy for Construction].

The commission issues the following statement:

Over the course of two different meetings, the Youth Commission bore witness to intense, impassioned perspectives on this proposed ordinance. The debate among commissioners was similarly full of vigor.

Those Youth Commissioners who opposed supporting this proposed ordinance made the following argument. Despite the fact that job creation is important, most especially in rough economic times like this the present, there is nonetheless a limit to how much taxpayers should be on the hook for paying for new jobs. In the case of this local hiring ordinance, the cost for each job created is much too high. As the City Controller's Office of Economic Analysis has reported, the amended version of this ordinance will cost San Franciscans \$6,250 per job created;<sup>1</sup> it's important to note that, in this moment of fiscal calamity, this ordinance would necessitate hiring 8 new bureaucrats.

In sum, then, though in the short term there may be positive effects of hiring more people within the city, in the long term, this law will quite possibly become too much of an economic burden

http://sfcontroller.org/Modules/ShowDocument.aspx?documentid=1423



<sup>&</sup>lt;sup>1</sup> "Local Hiring Policy for Construction: Economic Impact Report,"

on the City—and, in the end, potentially harm our economy and future job creation. This ordinance could be bad for the youth of the city because as they grow older and enter the job market, the economy will be hindered by all the tax dollars that are going to create so few jobs, not to speak of what could happen in the construction industry if certain jurisdictions retaliate by enacting similar laws.<sup>2</sup> In the end, there very well may be fewer jobs for youth.

On the other hand, the Youth Commissioner who made the (ultimately successful) motion to support the local hiring law made the following argument.

The Chartered role of the Youth Commission is to identify the "unmet needs" of San Francisco's children and youth. To be sure, young people are very much in need of good, steady jobs. To quote a recent missive from the Editor's Desk of the Bureau of Labor Statistics of the United States Department of Labor:

In July, the employment-population ratio for youth—the proportion of the 16- to 24-yearold civilian noninstitutional population that was employed—was 48.9 percent. This was the lowest July rate on record for the series, which began in 1948. (The month of July typically is the summertime peak in youth employment.)<sup>3</sup>

Employment is thus a manifest unmet need, and this proposed ordinance addresses that need.

Moreover, we are not experts in economic analysis, but Youth Commissioners—that is, policy advisors charged with offering the Board and the Mayor (in addition to research and data) *the unique perspectives that come with being young people ourselves*. This is not to say that the perspectives of Youth Commissioners on questions of economic importance are baseless, nor that Youth Commissioners are by definition intellectually unequipped to provide comment and recommendation on the adverse effects of the public policy questions that come before us. However, the fact remains that it is the Youth Commission's job to represent the youth population, in broad economic *and moral respects*.

Thus, the Youth Commission supports this proposed ordinance because:

a) the law intends to provide our most vulnerable low-income residents with steady, honest employment—this is a just aim for any law;

b) ultimately, the Controller's Office of Economic Analysis has not found dire consequences with the amended version of the law; and

c) most probably, no San Francisco young person will be adversely affected by the legislation, seeing as it only causes detriment to out-of-city residents.

Thank you.

<sup>&</sup>lt;sup>2</sup> Of course, if every applicable jurisdiction had such a local hiring policy, the net effect would be meaningless. "For Local Hiring Law to Succeed, Plenty of Cooperation Is Required," Jonathan Weber, *The Bay Citizen*, December 11, 2010.

http://www.nytimes.com/2010/12/12/us/12bcweber.html?ref=sanfranciscobayarea <sup>3</sup> "Youth unemployment and employment in July 2010,"

http://www.bls.gov/opub/ted/2010/ted\_20100903.htm