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### **Putting Youth To Work: A Jobs Strategy Linking Youth to Our Economic Recovery**

- Between 2.3 million and 5.2 million youth ages 16-24 are out of school and out of work.
- Unemployment rates for teens age 16 -19 are 27.6%, nearly triple the national rate. For youth aged 16 -24, the unemployment rate is 18.5% -- nearly twice the national rate.
- Youth with less education and those with lower incomes have higher rates of unemployment. In 2008, 40 percent of all young dropouts in the country were jobless for the entire year.
- Youth of color are hardest hit by the economic downturn. Unemployment rates for black youth are more than ten percentage points higher than those of their white counterparts.
- On any given day, nearly 23 % of all young Black men aged 16 - 24 who have dropped out of high school are in jail, prison, or a juvenile justice institution in America.
- Young dropouts are raising families. Nearly 38% of young female dropouts aged 16 -24 are mothers.

The number of unemployed youth and young adults in the United States is reaching record highs. According to the Bureau of Labor Statistics, 3.9 million people under the age of 25 are considered “officially” unemployed.<sup>i</sup> This number does not include the hundreds of thousands of youth who have simply given up looking for jobs. Even more daunting, youth in high poverty communities, those with disabilities and black teens – whose “official” unemployment rate rose eight points this November to 49.4 percent<sup>ii</sup> – have been particularly hard hit.

Unfortunately, this is not a new phenomenon. Youth began experiencing the effects of the downturn in the economy well before the adult unemployment rates began to rise. In 2007, U.S. Bureau of Labor Statistics reported that the youth employment rates were the lowest in more than 60 years. At the close of 2008, young adults under the age of 25 constituted fully one-third of the unemployed in the nation. The precipitous rise in adult unemployment further exacerbated the situation for youth as college students, adults, and older workers began taking jobs that had traditionally been filled by low income and unskilled youth and young adults.

As the Administration and Congress contemplate passage and enactment of a Jobs Bill, it is essential that this vehicle puts young people to work. The Campaign for Youth (CFY) is calling for federal investments to create jobs and provide paid work experiences with educational opportunities in the public, nonprofit, and private sectors, so that youth

can earn income and benefit from occupational and workplace skills, experiences, and training that would improve their ability to compete in the labor market and go on to higher education. These investments should build on proven strategies to create the maximum number of opportunities for youth to work, learn, and be a positive force in rebuilding our communities' physical and social services infrastructures.

### Ensure the Connection of Youth and Young Adults to Short and Long-term Job Creation

Economists project that job growth will lag behind the economic recovery and it will take time for the economy to create jobs in sufficient numbers to significantly reduce the unemployment rate. There will be fierce competition for those jobs and low income, unskilled youth and young adults will not fare well in that competition. We have learned from previous recoveries that while the rising tide of a recovery raises most boats – young people, especially young black males, are often left behind.<sup>iii</sup> Conscious policies must be implemented to ensure the same thing does not happen in this recovery.

**Public sector job creation programs for young people create more net jobs per slot than for any other age group.**<sup>iv</sup> Without purposeful efforts to connect unemployed youth to jobs, paid work experience, education, and training to prepare them for openings in the new economy, those youth will most likely spend the better part of a decade with few opportunities to work, gain skills, or earn family sustaining wages.<sup>1</sup>

### Put Youth To Work: Subsidized Jobs, Job Training, and Education Supports

**Minority youth and young adults are often the first and last to feel the impacts of a recession.** Youth must be a focus of job creation and retraining strategies currently being considered by the Administration and Congress. The Campaign for Youth recommends an investment of at least \$3 billion to create jobs and paid work experience opportunities for disconnected youth and young adults, and a minimum of 25% of funding investments in infrastructure, green jobs, and public sector employment be directed to train and employ disconnected youth and young adults.

CFY proposes funding be directed to communities with high youth unemployment and to low income youth (ages 16-24) with limited education and jobs skills. Focused both on job creation and paid work experience, these investments would:

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<sup>1</sup> The Organization of Economic Co-operation and Development (OECD) recently advised the U.S. to significantly raise funding to fight against youth unemployment to gain long-term development.

- Create jobs and paid training opportunities in the public, private, and non-profit sectors that are part of a community revitalization effort, including: infrastructure repair and improvement, conservation and stewardship of public lands, construction and retrofitting of affordable housing and public facilities, provision of human services including health care services; and/or jobs that are part of a structured internship or on-the-job training (OJT), apprenticeship, or formal pipeline to occupation in a growing sector. All such jobs should identify the set of skills, beyond basic work skills, that will be transferable to other jobs in the economy.
- Provide education and training supports to all engaged youth. Work alone won't prepare youth and young adults for good jobs in today's labor market or tomorrow's. For youth without high school diplomas, participation in jobs programs should include opportunities to complete their secondary education, earning either GED's or high school diplomas. For youth with high school diplomas, training should involve learning marketable skills and include bridge programs to help youth access postsecondary education and training.
- Have a community-based support infrastructure to provide supervision and quality control, mentoring, job and career counseling, leadership development, access to support services, and transition support.
- Have structured business and labor union involvement to provide guidance in paid work experience, OJT, and apprenticeships to link to and prepare youth for existing jobs that have labor market value.

### Build on Existing Strength, Experience, and Capacity

Our youth development system already has the experience and substantial under-utilized capacity to mount such an effort and take it to scale. Those who have been successful in working with traditionally disconnected youth populations know what works.

- The Youth Workforce System under the Workforce investment Act (WIA) has demonstrated its ability to quickly create jobs for disadvantaged youth. With \$1.2 billion through the American Recovery and Reinvestment Act, WIA provided 306,466 youth with jobs and work experience through the summer jobs initiative. We should build on this success, increase funding for WIA, and provide year-round and summer jobs for in-school and out-of-school youth up to age 24. We also need to adjust the eligibility requirements for out-of-school youth so that more qualify for WIA youth programs and can get a job by demonstrating that they are out-of-school and have not earned a high school diploma, regardless of income.

- The Youth Opportunity program<sup>v</sup>, taught us that with enough targeted financial and human capital, efforts can realize benefits for youth in a relatively short period of time and increase opportunity for youth in affected communities. More investment would not only put income in the pockets of youth and allow them to support themselves and their families, but would arm them with the skills necessary to compete in the labor market.
- The YouthBuild program authorized under WIA as a program of the Department of Labor (DOL)-Employment Training Administration that attracts highly disadvantaged young adults, especially young men, and provides full education and training while students receive a stipend for building and retrofitting affordable housing in their own communities, demonstrated that it could also ramp up quickly with ARRA funds. It could expand still further by funding existing grantees to accept more of the thousands of applicants they are currently turning away for lack of funds, and by funding organizational applicants already in the DOL pipeline. A study of YouthBuild programs by Professor Mark Cohen of Vanderbilt University reported that every dollar spent on a court-involved YouthBuild student returned at least \$10.90 in value to society.
- National networks of programs for disconnected youth, including service and conservation corps and transitional jobs programs, provide work experience to tens of thousands youth every year and could quickly provide jobs to thousands more if given the resources to do so. These approaches provide youth with a blend of high quality work experience, education, and the opportunity to engage in service and give back to their communities. There are limited opportunities for disadvantaged youth to develop these skills. However, when given the opportunity, young people excel. In a comprehensive study of national youth corps programs, researchers found that young people who join a Corps experience significant employment and earnings gains and reduction in arrests and out-of-wedlock pregnancies.<sup>vi</sup>

Using existing federal programs and national non-profit networks, an allocation of no less than 25% of investments in infrastructure, green jobs, and public sector employment, and funding of \$3 billion will allow communities to create at least 1,000,000 well-structured jobs and paid training for disconnected youth and young adults, while building pipelines to connect youth to emerging industries. This will boost their long-term earnings potential and ensure that the nation will have an adequately trained workforce.

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<sup>i</sup> United States Department of Labor, Bureau of Labor Statistics. Retrieved December 14, 2009.  
<http://data.bls.gov/PDQ/servlet/SurveyOutputServlet;jsessionid=a230783fd41a5c69647f>

<sup>ii</sup> United States Department of Labor, Bureau of Labor Statistics. Retrieved December 14, 2009.  
<http://data.bls.gov/PDQ/servlet/SurveyOutputServlet;jsessionid=a23086f863963c562766>

<sup>iii</sup> Peter Edelman, Harry J. Holzer, and Paul Offner. *Reconnecting Disadvantaged Young Men*, The Urban Institute 2006, <http://www.urban.org/pubs/reconnecting>

<sup>iv</sup> Andrew Sum, Joseph McLaughlin, Ishwar Khatiwada, et al., *Out With the Young and In With the Old: U.S. Labor Markets 2000-2008 and the Case for An Immediate Jobs Creation Program for Teens and Young Adults*, Center for Labor Market Studies, 2008,  
[http://www.clms.neu.edu/publication/documents/job\\_creation\\_for\\_teens\\_and\\_young\\_adults.pdf](http://www.clms.neu.edu/publication/documents/job_creation_for_teens_and_young_adults.pdf)

<sup>v</sup> Decision Information Resources, Inc., “Evaluation of Youth Opportunity Grant,” 2008,  
[http://wdr.doleta.gov/research/FullText\\_Documents/YO%20Impact%20and%20Synthesis%20Report.pdf](http://wdr.doleta.gov/research/FullText_Documents/YO%20Impact%20and%20Synthesis%20Report.pdf)

<sup>vi</sup> JoAnn Jastrzab, John Blomquist, Julie Masker, and Larry Orr, *Youth Corps: Promising Strategies for Young People and Their Communities*, Abt Associates, Inc. Studies in Workforce Development and Income Security, 1997, 16-21,  
<http://www.nascc.org/images/pdfs/abtreport.pdf>

#### **ABOUT THE CAMPAIGN FOR YOUTH**

Housed at the Center for Law and Social Policy, the Campaign for Youth is an alliance of organizations who are concerned about the persistence, yet seeming invisibility, of the challenges confronting more than 5 million young people in this nation who are disconnected from education, employment and opportunity. Established in 2002 by the leadership of national youth serving organizations, the Campaign for Youth’s mission is to build a united voice for disadvantaged and disconnected youth in this nation, and to build a constituency for action. For more information on the Campaign for Youth and the partnering organizations, please visit [www.campaignforyouth.org](http://www.campaignforyouth.org) or email [kbird@clasp.org](mailto:kbird@clasp.org).