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FOR IMMEDIATE RELEASE:

THURSDAY, JANUARY 24, 2013

PRESS RELEASE

**TONI PRECKWINKLE WITH STATE & LOCAL LEADERS ATTEND HEARING ON
YOUTH JOBLESSNESS AT CHICAGO URBAN LEAGUE**

*Hearing Highlights Impact of Persistent Drop in Youth Employment Rates & Lack of Summer Jobs Program
Resulting In Increased Violence In Chicago Area Communities*

CHICAGO – A diverse group of Chicago area youth testified before Cook County Board President **Toni Preckwinkle**, along with state and local legislative leaders, educational leaders, civic and community leaders at a public hearing on the impact of continued youth joblessness and the dire need for a youth employment program. Youth were joined in testimony by approximately 20 education and youth advocacy organizations who shared programs and policies that could help reduce violence, shown to have direct correlation to unemployed youth, in Chicago-area communities,.

Chicago Urban League President and CEO, **Andrea L. Zopp**, and **Jesse Ruiz**, chairman, Illinois Council on Re-Enrolling Students Who Dropped Out of School, opened the hearing on youth joblessness on behalf of convening co-sponsors which included the Chicago Urban League, Youth Connection Charter School, Chicago Area Project, Black United Fund of Illinois, Westside Health Authority, Chicago Jobs Council and the Alternative Schools Network.

In addition to the testimonies, a new report outlining data on teen (ages 16-19) unemployment was released at the hearing as part of an ongoing series commissioned by the Alternative Schools Network and prepared by the Center for Labor Market Studies at Northeastern University, Boston, Mass. **The report explains how teens, particularly low-income and minority teens, continue to be forced out of the labor market, with teen employment rates in Illinois dropping to just 27.8% in 2011-2012, and how this substantial loss of labor has significant economic and long-term societal impact for Illinois.**

“The persistent economic challenges in America, coupled with increased violence in Chicago area communities and low projections for teen summer employment in 2013, make it imperative that effective program responses to address joblessness for youth and young adults in the Chicago area be developed in time to impact summer employment needs for 2013,” said **Andrea L. Zopp, president and CEO of the Chicago Urban League**. “Our youth have a chance to directly impact their future today. We’re at a crucial turning point to implement a jobs plan and policy-makers at all levels need to hear the voices of these youth and take immediate steps to invest in them and in the future of our communities.”

Teens have failed to capture any reversal in employment trends in recent years. Rather, their employment rate continues to hit record-level lows. Illinois high school students (-58%) and high school dropouts (-52%) had the steepest declines in employment rates between 1999/2000 and 2011/2012, and **less than 11% of Black teens (ages 16-19), living in low- to mid-income households were employed in 2011-2012. Had Illinois been able to sustain its teen employment rate of nearly 50% in 1999-2000, there would be approximately 151,000 additional teens at work in Illinois in 2011-2012.**

The absence of in-school work among low- to middle-income high school students is associated with a higher frequency of dropping out of high school, a higher incidence of teenaged childbearing, and a greater incidence of juvenile delinquency and arrests. The enormous loss of teen work experience and work exposure also poses serious policy implications nationally and locally, significant adverse affects on future employability, earnings, family incomes, and marriage rates, as well as serious fiscal burdens on the rest of society associated with lower lifetime earnings, lessened tax contributions and higher correctional costs.

“The number of low-income African American and Hispanic teens who were unable to find employment and were disengaged from both work and school, just last year alone, is staggering. Our teens are facing a very bleak situation and they need our help. If we turn our back on creating a summer employment plan we are directly turning our back not only on the future of these youth, but also our future workforce and the underlying issues contributing to violence in our communities,” said **Jack Wuest, executive director, Alternative Schools Network**.

REPORT KEY FINDINGS

The Alternative Schools Network (ASN) in Chicago commissioned Professor Andrew Sum with the Center for Labor Market Studies at Northeastern University in Boston, Mass., to prepare a report: ***The Persistent Depression in the Teen Labor Market in Illinois in Recent Years***, highlighting the severe labor market problems of teens (ages 16-19) in the U.S., the state of Illinois, and the city of Chicago.

CONTINUED STEEP DECLINE IN EMPLOYMENT RATES FOR TEENS

Over the past decade, and particularly in recent years, teens (ages 16-19) have experienced steep declines in employment rates, across the nation, throughout the state and in the city of Chicago.

- **In the nation, the teen employment rate fell from 45% in 1999-2000 down to 26% in 2011-2012, once again hitting the lowest rate in the nation's entire post-World War II history.**
- Illinois has fared worse than other states with a 22% drop in the teen employment rate over the past decade, making Illinois among the ten highest in the entire country.

MINORITY & LOW-INCOME TEENS FARE WORST IN OBTAINING EMPLOYMENT

In Illinois, low income and minority teens (ages 16-19) had significantly lower employment rates than their White peers. **Black and Hispanic teens living in low- to mid-income households (<\$40,000 in household income) in Illinois fared the worst in their employment rate.**

- **Blacks:** Between seven and 10 out of every 100 Black teens, or less than 11%, living in low- to mid-income households (<\$40,000) were employed in 2011-2012.
- **Latinos:** Latino teens living in low- to mid-income households (<\$40,000) fared slightly better than Black teens but still only 18.5% were employed in 2011-2012.
- **Income gap:** The differences in employment rates became significantly wider as household income levels increased.
 - Black teens living in households with annual incomes between \$100,000-\$150,000 had employment rates of about 18.5%.
 - White teens in households with incomes between \$100,000-\$150,000 had employment rates five times higher than low- to mid-income, Black youth.

HIGH SCHOOL STUDENTS & DROPOUTS EXPERIENCED HIGHEST LEVELS OF JOBLESSNESS

High school students and high school dropouts had the lowest employment rates in 2011-2012, both nationally and in Illinois, when compared with non-enrolled high school graduates and college students. The steep decline in high school student employment rates has severe implications:

- **In Illinois, only 16% of high school students and 26% of high school dropouts were employed in 2011-2012, compared with a 58% employment rate for high school graduates not enrolled in school or training programs.**
- **Over the past decade the employment rates for Illinois teens in all groups of school enrollment/educational attainment fell substantially. However high school students (-58%) and high school dropouts (-52%) had the steepest declines in employment rates between 1999/2000 and 2011/2012.**
- **In 2011-2012, only 26% of high school dropouts were employed, or stated another way, 74% of young high school dropouts in the state of Illinois were disengaged from both school and work.**

SHARP RISE IN TEEN LABOR FORCE UNDERUTILIZATION

The underutilization rate, which combines the unemployed, underemployed and hidden unemployed, of Illinois teens has exploded over the past decade, surpassing any other age group in the state.

- **In 1999-2000, 23% of the state's teens were underutilized compared with 41% in 2011-2012 (tied with the national average).**

CITY OF CHICAGO TEENS FACE TOUGHEST EMPLOYMENT SITUATION

Teens in the city of Chicago (14.8%) had far worse employment rates than peers in the suburbs (32.2%) and the rest of the state (32.3%).

- **Only 8.7% of all Black teens in the city of Chicago were employed in 2010-2011.**
- **Only 6% of low- to mid- income (<\$40,000) Black teens in the city of Chicago held a job in 2010-2011; 94% were jobless.**
- **Only 7% of low-income, minority high school students in the city of Chicago in 2010-2011 were employed.**

KEY RECOMMENDATIONS: URGENT NEED FOR SUMMER JOBS PROGRAM FOR TEENS

Investment must be made to create 2013 summer and year-round employment opportunities for teens and young adults in order to have a substantial affect on the record youth joblessness. The **2011 American Recovery Act** allocated funds for summer employment but in 2012 there was no additional funding and predictions were for a shortfall of 18,000 youth jobs. The impact is likely to be the same or worse for summer 2013 without additional investment.

The report recommends that Illinois' congressional delegation, the Governor and state legislators, mayors and town officials should actively pursue legislation to provide additional monies to create summer and year-round employment opportunities for teens in the city of Chicago and across the state.

Additionally, the proposed **Pathways Back to Work Act** should be revived as the proposed act would create a \$5 billion fund providing \$1.5 billion for summer and year-round employment opportunities for low-income youth, \$1.5 billion for a competitive grant program for work-based training and education programs for both adults and youth, and create a \$2 billion subsidized employment programs for unemployed, low-income adults.

"Youth employment and re-enrollment programs that keep teens and young adults actively engaged in school, training, and/or employment, is key to the economic future of our youth and our future workforce as well as an underlying factor that must be addressed if we are to reduce the societal implications of youth violence and delinquency. Job creation for teens and young adults has to be an immediate priority and we are at a turning point in 2013 to make an impact," said **Jack Wuest, executive director, Alternative Schools Network**.

The report's findings and the testimonies on youth joblessness and program and policy solutions were the subject of the public hearing held today from 9 a.m. to 11 a.m. at the Chicago Urban League, 4510 South Michigan Avenue. Panelists for the hearing on youth joblessness included: Illinois Governor Patrick Quinn's Office, Deputy Chief of Staff, Toni Irving; Illinois Department of Human Services, Director, Michelle Saddler; Cook County Board President Toni Preckwinkle; Cook County Clerk of the Circuit Court, Dorothy Brown; Chicago Board of Education, President, David Vitale; as well as a number of Illinois State Senators and representatives, City of Chicago Aldermen, and Cook County Commissioners.

The new report is part of a series reviewing the consequences of dropping out high school and youth joblessness based on new U.S. Census data. To obtain a full copy of the report go to www.asnchicago.org.

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