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ILLINOIS LEADS AS ONE OF TOP TEN IN NATION FOR TEEN UNEMPLOYMENT

88% Of Illinois Black Male Teens Jobless In 2012

CHICAGO – As the nation marks the **50th anniversary of the “War on Poverty”** legislation, introduced by President Johnson during his State of the Union address on January, 8, 1964, a new report on teen unemployment was released showing that the progress made in youth employment has been lost over the past decade.

According to the new report prepared by the Alternative Schools Network: ***Trends In Teen Employment In Chicago, Illinois And The United States***, teens have experienced unremitting drops in employment rates and have failed to capture any substantive job growth post Great Recession. Both the U.S. and Illinois teen employment rate dropped to 27% in 2012, continuing to track as the lowest employment rate in the nation’s entire post-World War II history and **putting Illinois among the ten highest state jobless rates in the nation**. The figures are bleakest for African American teens in the city of Chicago where **92% of all Black males ages 16-19 in Chicago were jobless in 2012**.

In addition to the release of the report, students that include former dropouts testified on the importance of summer jobs in combating challenges of unemployment at a hearing entitled, ***“The Power of a Job – Youth Employment Builds the Future”*** with state and local legislative leaders.

Chicago Urban League President and CEO, **Andrea L. Zopp** and Chicago Board of Education member, **Jesse Ruiz** opened the hearing on behalf of convening co-sponsors: **Chicago Urban League; Chicago Area Project; Chicago Jobs Council; Youth Connection Charter School; Black United Fund of Illinois; Westside Health Authority; and the Alternative Schools Network**.

“While the economy appears to be growing at a stronger rate, youth employment has seen little to no growth. The numbers for Black youth, in particular, remain dismal and this persistent lack of job opportunities coupled with continued low projections for teen summer employment make it clear that we must take immediate action to meet the 2014 summer employment needs of youth and young adults in the Chicago area,” said **Andrea L. Zopp, president and CEO of the Chicago Urban League**. “We must ensure that the voices of our youth are heard by policy makers at all levels and that we commit to investing in them and the future of our communities.”

The report explains how teens and young adults have been significantly left behind in the labor market at rates which continue to match that of the Great Depression era. The prolonged and substantial loss of work experience and work exposure not only reduces the economic output of Illinois and the nation today, but also has long-term societal impact.

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 loss of teen employment poses serious policy implications nationally and locally including 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.

“Youth employment is not only a vital and effective violence prevention vehicle, but also a means for encouraging youth to stay in school and provides much-needed financial support to youth and their families while serving as a critical stepping-stone to future employment” said **Jack Wuest, executive director, Alternative Schools Network**. “The staggering number of Black and low-income teens who were jobless in 2012 provides a sobering reminder that we must do everything in our power to find jobs for all of our young people.”

REPORT KEY FINDINGS

The Alternative Schools Network (ASN) in Chicago prepared the report: *Trends in Teen Employment in Chicago, Illinois, and the United States*, part of an ongoing series highlighting the labor market problems of teens (ages 16-19) from 2006 to 2012.

LOW-INCOME & MINORITY TEENS CONTINUE TO EXPERIENCE LOWEST EMPLOYMENT RATES

For the past decade, minority, male and low-income teens have fared worse than their counterparts in their ability to obtain employment in the U.S., Illinois and the city of Chicago.

- While the overall trend of dropping employment rates for all race-ethnic groups continued through 2012, **Black teens had the lowest employment rates across all geographic areas.**
 - Nationally, the employment rate of Black teens has sustained a declining trajectory dropping from 25% employed in 2006 to 18% in 2012 and faring worse than their Hispanic and White peers.
 - **In 2012, only 16 out of 100 Black teens in Illinois were employed and only 11 out of 100 Black teens in the city of Chicago were employed.**
- Black male teens, in particular, faced challenges in their ability to obtain employment in the U.S., Illinois and the city of Chicago.
 - Black male teens in Chicago experienced the bleakest employment rates with the number of Black male teens with jobs dropping from 10% in 2006 to 8% in 2012. **A startling 92% of all Black males ages 16-19 in Chicago were jobless in 2012.**
- Minority, low-income teens continued to face more challenges in obtaining employment with Blacks and Hispanics experiencing significantly lower rates of employment than other race-ethnic groups.
 - Across the nation in 2012, only 13% of Black teens from low-income households were employed and slightly less than 16% of low-income Hispanic teens had jobs.
 - In Illinois less than 9% of Black teens living in low-income households (<\$20,000) and only 13% of Black teens living in households with an income between \$20,000-\$39,000 were employed in 2012.
 - In Chicago in 2012, only six out of 100 Black teens from low-income households (<\$20,000) were employed; equating to **94% of low-income, Black teens were jobless.**
 - Black male teens from low-income households had the lowest employment rate of all groups. **Only 4% of Black male teens from low-income households in Chicago were employed in 2012.**
- While not as steep of a decline as teens, young adults (20-24 years old) in Illinois and the city of Chicago also experienced great difficulty finding jobs and a persistent decline from 2006 to 2012. **Males, Blacks, and city of Chicago residents 20-24 years of age were the most significantly impacted young adults.**

CITY OF CHICAGO TEENS FACE TOUGHEST EMPLOYMENT SITUATION

In 2012, teens in the city of Chicago (19%) had worse employment rates than peers statewide (27%).

- Only 11% of all Black teens in the city of Chicago were employed in 2012.
- Only 11% of low- to mid- income household (\$20,000 - \$40,000) Black teens in the city of Chicago held a job in 2012; 89% were jobless.
- Only 6% of all low-income (<\$20,000) Black teens in the city of Chicago were employed in 2012.

MINORITY YOUNG ADULTS MORE LIKELY TO BE OUT OF SCHOOL & OUT OF WORK

Across the country, young adults (20-24 years of age) were twice as likely as teens to be out-of-school and out-of-work in 2012.

- Incidence of disconnection from school and work was greater for City of Chicago young adults than the rest of Illinois or the nation.
- In Chicago, nearly 23% of 20-24 year olds were out-of-school and out-of-work versus less than 10% of the city's teens.
- The disconnection from school and work was highest among Blacks.
 - In the city of Chicago, Black 20-24 year olds were 8.6 times as likely to be disconnected as their White, non-Hispanic counterpart.
 - Among 20-24 year olds in Chicago in 2012, more than four of every 10 Black youth were disconnected versus 21% of Hispanic youth and only 5% of White, non-Hispanics.

KEY RECOMMENDATIONS: URGENT NEED FOR SUMMER JOBS PROGRAM FOR TEENS

While the *2011 American Recovery Act* allocated funds for summer employment, in 2013 there was limited additional funding and not enough to meet a predicted shortfall of 18,000 youth jobs. The impact is likely to be the same or worse for summer 2014 and investment must be made to create 2014 summer and year-round employment opportunities for teens and young adults in order to have a substantial affect on the record youth joblessness.

The report recommendation is for Illinois' congressional delegation, the Governor and state legislators, mayors and town officials to actively pursue legislation that will provide the additional funds needed to create summer and year-round employment opportunities for teens and young adults 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.

"Every year thousands of youth apply for jobs and every year there simply are not enough. The exclusion of teens from the job market is likely to continue and brings with it bleak economic prospects, limited earnings potential and significant taxpayer burden for the magnitude of jobless youth," said **Wuest**. "Job creation for teens and young adults for 2014 has to be an immediate priority."

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 9:30 a.m. to 11:30 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, Cory Foster; Illinois Department of Human Services, Secretary, Michelle Saddler; Illinois Department of Commerce & Economic Opportunity, Deputy Director, Therese McMahon; City of Chicago, Deputy of Education, Beth Swanson; City of Chicago Department of Family & Support Services, Commissioner, Evelyn Diaz; After School Matters, Communications Director, Michael Crowley;** 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 an ongoing series reviewing youth joblessness and the consequences of dropping out high school and is based on new American Community Survey data. To obtain a full copy of the report go to www.asnchicago.org.

ABOUT CHICAGO URBAN LEAGUE

Established in 1916, the Chicago Urban League is a civil rights organization that empowers and inspires individuals to reach and exceed their economic potential. The Chicago Urban League supports and advocates for economic, educational and social progress for African-Americans through our agenda focused exclusively on economic empowerment as the key driver for social change. For more information, visit www.thechicagourbanleague.org.

ABOUT ALTERNATIVE SCHOOLS NETWORK

The Alternative Schools Network (ASN) is a not-for-profit organization in Chicago working to provide quality education with a specific emphasis on inner-city children, youth and adults. Since 1973, ASN has been supporting community based and community-run programs to develop and expand training and other educational services in Chicago's inner-city neighborhoods. In addition to supporting direct services, ASN has been a consistent and effective advocate for community-based services whereby the people involved are active participants in developing and running programs – not passive recipients of services. To shape policies and programs, ASN has built an impressive track record of operating successful education, employment and support service programs. For more information please visit www.asnchicago.org.

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