Center for an Urban Future

JUNE 2009

MORE HELP NEEDED

UPDATE

In 2007, we published a report which found that growing number of New York City teens were being turned away from the city's Summer Youth Employment Program as a result of federal funding cuts to the program. Last month, the Bloomberg administration announced that the city will use millions of dollars in federal stimulus money to pay for the summer jobs program. But as this update details, a significant shortfall remains.

NEW YORK CITY TEENAGERS LOOKING FOR WORK got some much-needed good news a few weeks ago, as Mayor Bloomberg and other city and state officials announced plans to use more than $18 million in federal stimulus dollars to create jobs through the city's Summer Youth Employment Program (SYEP). Combined with millions from state and city coffers, these funds will support approximately 51,000 jobs this summer—an increase of about 8,000 from 2008—at businesses and nonprofit organizations across the five boroughs. Each job pays the minimum wage of $7.25 per hour, and in addition to their 30 hours of work per week, participants get classroom instruction on subjects from financial literacy to work readiness and public health.

The Center wrote about the importance of summer jobs for young New Yorkers two years ago, in a policy brief titled "Summer Help." We certainly believe that the additional job slots represent a clear win for the city youngsters who fill them. Unfortunately, the program is still likely to leave at least as many others on the outside looking in. Last year, the Department of Youth and Community Development, which administers SYEP and allocates the jobs through a lottery, received more than 103,000 applications but ultimately fielded only about 43,000 job slots. As of early May 2009, the agency already had received more than 81,000 applications for this summer, and with the program now open to individuals aged 14 to 24, up from 21 in prior years—a condition of the federal funding influx—that number easily could surpass last year's total.

Perhaps worst of all, teens from the poorest families in the city—those with household incomes of less than $20,000 per year—were by far the least likely to work. Less than one in every ten teens from this group had jobs in 2005. By contrast, teens from families earning more than $80,000, which typically can tap a wider circle of social and professional contacts, were more than twice as likely to have worked that year.

But does the public have a real interest in making sure that young people can find employment?

Research suggests the answer is an unambiguous yes, for the simple reason that those who get into the habit of working as a teen are statistically much more likely to keep doing so into adulthood. Andrew Sum, director of the Center for Labor Market Studies at Northeastern University and perhaps the country's leading youth employment researcher, states, "Communities that provide jobs for kids have a much better employment record for their young adults." Particularly for individuals who do not go on to college immediately after graduating high school, work experience during their teen years has a positive impact on both the likelihood of employment and higher earnings in young adulthood. The implications of this trend are clear for city tax revenues, as well as expenditures on corrections, welfare, and other social services.

Even before the current recession, local youth suffered in the competition for jobs by the presence of unskilled immigrants and individuals transitioning off of public assistance. Now they also must contend with out-of-work adults who can offer employers more education and work experience. As we celebrate the addition of 8,000 job slots to SYEP, public officials, business leaders and all concerned citizens should redouble their efforts to ensure that every young New Yorker who wants a job can find one.

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by David Jason Fischer

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