

NEW REPORT ON YOUTH JOBLESSNESS HIGHLIGHTS STATEWIDE CRISIS FOR EMPLOYERS

PRESS CONFERENCE

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ILLINOIS – With a well-documented story of critical labor shortages across the country and especially in the <u>Midwest</u>, a new report focuses on the tens of thousands of young people in Illinois, not just young Black and Hispanic males in the state's inner cities metropolitan areas, but also white youths in the state's rural western and southern areas, who are out of school and out of work, and who, with an adequate investment of public funds, have the potential to fill those vacant positions.

The report, Industrial Restructuring and the Continuing Impact on Youth Employment in Illinois, which breaks down in detail out-of-work and out-of-school and out-of-work numbers for Illinois young people ages 16-24, was released at a May 14 news conference. Researched and written by the Great Cities Institute at the University of Illinois at Chicago (GCI), it is the latest in a series of studies commissioned by the Alternative Schools Network (ASN) and the first to drill down into the situation young people, not just those in metropolitan Chicago but across the state, are experiencing as they search for ways to support themselves.

"The data in this study cries out for stronger federal investments in job training and economic development for youth in our state and across the country," said **U.S. Sen. Dick Durbin**, D-IL, in an e-mailed statement. "The best anti-poverty, anti-crime, anti-violence program is a job. I applaud the Alternative Schools Network for their work on this critical issue, and I look forward to working with them to create more opportunities for young people to climb the economic ladder."

The report finds the tragic and continuing repression of African-American communities that leaves young black males worse off than all of their contemporaries, even though their employment situation in Chicago and Cook County has improved in the last couple of years. And, as roiling policy debates over immigration occur, the situation for Chicago's young Hispanic or Latino youths, especially females, has gotten worse.

But critically high out-of-school-and-out-of-work rates for whites in downstate cities and rural areas show that the employment crisis is not limited to Chicago and Cook County. St. Clair County had the highest percent of out of school and out of work 16 to 19-year olds with 10.5 percent. The highest out of school and out of work rate for 20 to 24-year olds, 25.1 percent, was in a sub-section of Illinois that comprised Alexander, Edwards, Franklin, Gallatin, Hamilton, Hardin, Jackson, Johnson, Massac, Perry, Pope, Pulaski, Saline, Union, Wabash, White, and Williamson counties.

"We have not had a comprehensive youth employment program at the federal level in nearly two decades," said **U.S. Rep. Danny Davis**, D-IL-7. "With the economy booming and employers looking for more workers than they can find, now is the time to bring those programs back. It would be a key piece of the anti-violence puzzle in our communities and it would help the economy grow."

"Although racial disparities continue to be a profound factor, it is also the case that white residents of mid-size cities and rural areas in part of Illinois are severely affected," the report's authors say in the conclusion section. "Give the trends that we have described, we are likely to see exacerbated inequality and disparities in wealth, along with the associated social ills, that will extend far into the future if there are not interventions that reverse the trends."

This study updates figures for Chicago, Cook County, Illinois, and the U.S on numbers and percentages of 16-24 yearolds who are out of work; out of school and out of work; and out of school and out of work with no high school diploma. It examines out of work; and out of school and out of work figures in subsections of Illinois made up of single counties or groups of counties. "As I look at the report's data, I can see that we are moving forward in the city of Chicago as we continue to recover from the Great Recession," **U.S. Rep. Bobby Rush,** D-IL-1. "But we are moving at a snail's pace and the progress is uneven. I know the private sector can do more, and it's time for them to step up. But we can't just sit back and wait for businesses to act. Government at every level must play a role."

The report also examines as case studies four Illinois counties – Peoria, Tazewell, Kankakee, and Sangamon – with data that shows economic transformations in the industrial composition of these counties since 1980, young people's position in the economy and the growing poverty of these areas.

Major findings in the report include:

- Highest Jobless Rates Outside of Chicago: The highest jobless rates for 20-24 year olds in Illinois were
 located outside of the Chicago Metro Area in South (43 percent out of work 2012-2016), West (38 percent), and
 Central (44.6 percent) Illinois.
- **Blacks Improve While Latinos Decline:** There were improvements from 2014 to 2016 in out of school and out of work rates for Black 20-24 year olds in Chicago and worsening figures for Latinos.
- Case Study Counties Demonstrate Decline: The percentage of 16-19 year olds who have jobs in Illinois-case-study counties with mid-sized cities have decreased substantially since 1980.
- Adults Replacing Youth in Retail Jobs: The mix of jobs in rural economies has changed in similar ways to Chicago, resulting in fewer opportunities for young people as older populations are increasingly employed in industries that young people have historically been employed in such as retail.
- **Shrinking Middle-Class:** Proportions of individuals in poverty and in high-income groups in the case-study counties are growing as middle-income groups are shrinking.

"We have a golden opportunity to make an investment in our state's young people that will pay for itself many times over," said **Cook County Commissioner Jesus "Chuy" Garcia**, D-7. "We know what works – programs that give them work experiences, while they complete their high school diploma, so they become entry-level-employment ready as they prepare for putting themselves through college or trade schools."

The study showed that in Chicago, Hispanic or Latino 20-24 year-olds lost ground from 2015, when 33.2 percent were out of school and out of work, to 2016, when that number went up to 34.9 percent.

"Our Latina youths are moving backwards, through no fault of their own," said **Alma Anaya, Democratic candidate for Cook County Commissioner.** "State and federal governments must intervene. The county does not have the resources needed to address this problem by itself."

Though the study focuses on Illinois youth, the results have national implications because of Illinois' demographic makeup.

"Illinois looks a great deal like the country in terms of the proportion of residents who are Black, White and Hispanic in the 16-to-24-year-old and the overall population," **ASN Executive Director Jack Wuest** noted. "Also, Illinois has a very large city and other relatively large cities and a large metropolitan area and large rural white areas, which is reflective of the country in many ways."

That makes the report's findings exemplative of the growing crisis across the nation.

"This is not just a tale of two cities but a tale of two states and really of two countries," Wuest argued. "There are two distinct populations living in one space — the haves and have nots: Those who are privileged and those who are not. Those who get resources, social capital, education, a roof over their heads and a vision for their future... and those left behind. While the nation experiences a growing employment crisis as a result of anti-immigration policies and technological transformations that require a more skilled labor force, we are left with emerging youth from 16 - 24 years of age who could help meet this crisis if they were given the proper social and educational tools. But instead there is a dearth of civil society resources or public funding being set aside to prepare them for ending the growing labor shortages.

"We know about the dire circumstances Black and Hispanic youths are in. But we are finding out that if you are white anywhere else in the state other than Cook and its surrounding counties, you are in decline and have neither the education for jobs where you live or the education or resources for social mobility to get a job."

In related developments, the State Task Force on Developing Opportunities for Youth and Young Adults Who Are Jobless and Out of School, is holding a series of Youth Employment Hearings titled, **Help Build the Economy**, **Help Strengthen Our Youth and Communities**, **Prepare**, **Educate and Employ Out-of-School and Jobless Youth**.

The first will be held at 9:30 a.m. to noon, May 14, at Southwestern Illinois College, Sam Wolf Granite City Campus, 4950 Maryville Rd., Granite City and will focus on data from Madison and St. Clair counties.

That will be followed by at least two added hearings, the first is tentatively set for June 14 or 15 in Mt. Vernon, and the next for June 25 in south-suburban Chicago.

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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For a complete copy of the report: www.asnchicago.org/May2018-Press-Conference

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