



Summary and Press Coverage

The High Costs for Out of School & Jobless Youth in Chicago and Cook County

Press Conference Highlighting Proposed Federal Legislation (S. 984) for \$3.5 Billion to Provide Employment for Hundreds of Thousands of Out Of School and Out Of Work Youth and Young Adults Over 5 Years

June 12, 2017

U.S. Senator Dick Durbin (D-IL); U.S. Representative Robin Kelly (D-2); Cook County Commissioner Bridget Gainer (D-10); and Chicago Alderman Patrick O'Connor (Ward 40)

The Press Conference Has Been Covered by 237 Media Websites with a Total Audience of 11.7 Million

Illinois and the U.S. are losing an estimated \$9.5 billion in future tax revenue, as tens of thousands of out-of-school youth who lack a high school diploma can't find work.

On Monday, June 12, 2017, a news conference at [Youth Connection Leadership Academy](#) in Chicago with U.S. Sen. Dick Durbin (D-IL); U.S. Representative Robin Kelly (D-2); Cook County Commissioner Bridget Gainer (D-10); and Chicago Alderman Patrick O'Connor (Ward 40) addressed findings in a new report, *The High Costs for Out of School and Jobless Youth in Chicago and Cook County*.

The report, by the University of Illinois at Chicago's Great Cities Institute and commissioned by the [Alternative Schools Network](#), details the relationship between education and unemployment; education and wages, and taxes paid; and the obstacles to job access such as limited public transportation options in neighborhoods where the unemployment levels are highest.

- For the full report, *The High Costs for Out of School & Jobless Youth in Chicago and Cook County*, by the University of Illinois at Chicago's Great Cities Institute - <https://greatcities.uic.edu/2017/06/12/the-high-costs-for-out-of-school-and-jobless-youth-in-chicago-and-cook-county/> or www.asnchicago.org/press-conference-061217
- To view video footage of the June 12th news conference - <https://greatcities.uic.edu/2017/06/12/youth-joblessness-news-conference/>

Speakers at the June 12th news conference held on Chicago's South Side at Youth Connection Leadership Academy included:

- U.S. Senator Dick Durbin
- U.S. Representative Robin Kelly, D-2
- Cook County Commissioner Bridget Gainer, D-10
- Chicago Alderman Patrick O'Connor, Ward 40
- Dr. Teresa Córdova, Director, Great Cities Institute, University of Illinois at Chicago
- Jack Wuest, Executive Director, Alternative Schools Network
- Keisha Davis-Johnson, Principal, Youth Connection Leadership Academy
- A Student of Youth Connection Leadership Academy

Full hearing documents at: <http://www.asnchicago.org/press-conference-061217>



Documents included are:

- 1-Page Summary of [Creating Pathways for Youth Employment Act](#) Sponsored by U.S. Senator Dick Durbin and U.S. Representative Robin Kelly
- 1-Page Summary of [Helping to Encourage Real Opportunities \(HERO\) for At-Risk Youth Act](#) Sponsored by U.S. Senator Dick Durbin and U.S. Representative Robin Kelly
- [News Release](#)
- [Fact Sheet](#)
- [Media Alert](#)
- Press Coverage (Can be accessed below)

Key Findings from the Report, *The High Costs for Out of School and Jobless Youth in Chicago and Cook County*, produced by The University of Illinois at Chicago's Great Cities Institute, June 2017:

- **Cost of out-of-school youth to Illinois and U.S. taxpayers:** Illinois and the U.S. are losing an estimated \$9.5 billion in future tax revenue, as tens of thousands of out-of-school youth who lack a high school diploma can't find work.
- **Chicago & Cook County have the single largest share of these youth:** 44 percent of the 16- to 19-year-olds in Illinois who are out of school and out of work with no high school diploma are from Cook County. For 20- to 24-year-olds, 45 percent live in Cook County.
- **Loss of Income:** Among those with lower levels of educational attainment, unemployment rates are significantly higher and workers earn significantly less - \$504 per week – than workers with at least a high school diploma.
- **Jobs are concentrated away from the chronically unemployed:** Jobs are concentrated in the Chicago Loop and Northwest Suburbs, yet Community Areas in Chicago with high rates of joblessness have the fewest jobs within walking distance or a 30-minute commute on public transit.

Press / Media Coverage

The News Release Has Been Posted by 237 Media Websites with a Total Audience of 11.7 Million

- 6/12/17 / Lisa Schencker for Chicago Tribune / *Nearly 90,000 Cook County teens, young adults not in school or working, report says*
 - [Website Link](#)
 - [Download as PDF](#)
- 6/12/17 / Dahleen Glanton for Chicago Tribune / *Pay to train at-risk youths now pay for them later*
 - [Website Link](#)
 - [Download as PDF](#)
- 6/12/17 / Greg Hinz for Crain's Chicago Business / *Report paints dismal picture of youth joblessness in Chicago*
 - [Website Link](#)
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- 6/12/17 / Madeline Kenney for Chicago Sun-Times / *Chicago youth jobs report highlights need for better public transit*
 - [Website Link](#)
 - [Download as PDF](#)
- 6/13/17 / Chuck Raasch for St. Louis Post-Dispatch / *Trump touts apprenticeship initiative, Durbin talks of job crisis*
 - [Website Link](#)
 - [Download as PDF](#)
- 7/6/17 / Chip Mitchell for WBEZ 91.5 Chicago / *The Cost Of Jobs*
 - [Website Link](#)
 - [Download as PDF](#)
- 6/12/17 / Bernie Tafoya for WBBM NewsRadio / *Study: Jobless youth without diplomas cost billions in lost taxes*
 - [Website Link](#)
 - [Download as PDF](#)
- 6/12/17 / WGN 9 TV / *Study Suggests 90,000 Cook County youth out of school and jobless*
 - [Website Link](#)
 - [Download as PDF](#)
- 6/12/17 / Kevin Mahnken for The74Million.org / *Fewer Teens are Working - and One Senator Says Falling Youth Employment Will Cost America \$9.5 Billion*
 - [Website Link](#)
 - [Download as PDF](#)
- 6/20/17 / Mimi Kirk for Citylab from The Atlantic / *The Crisis of Unemployment Among Chicago Youth*
 - [Website Link](#)
 - [Download as PDF](#)
- 6/12/17 / Chicago Crusader / *Study: Jobless youth without diplomas cost billions in lost taxes*
 - [Website Link](#)
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Additional TV / Radio Coverage

- 6/12/17 / TV / [ABC 7 Eyewitness News on WCIU](#)
- 6/12/17 / TV / [WLS-ABC 7 Eyewitness News](#)
- 6/12/17 / TV / [WFLD FOX 32 News](#)
- 6/12/17 / TV / [WGN TV Evening News](#)
- 6/12/17 / TV / [WGN TV Morning News](#)
- 6/12/17 / TV / [ChicagoLand Television News \(CLTV\) - Morning Edition](#)
- 6/12/17 / Radio / [WGN Radio 720 - The Voice of Chicago](#)
- 6/12/17 / Radio / [CBS / WBBM Newsradio 780 & 105.9FM](#)
- 6/12/17 / Radio / [WBEZ 91.5 Chicago](#)
- 6/13/17 / Radio / [WVON 1690AM / The Cliff Kelley Show](#)

Creating Pathways for Youth Employment Act

Sen. Dick Durbin & Rep. Robin Kelly

Youth who face barriers to employment, including discrimination, childhood poverty, homelessness, involvement with the juvenile or criminal justice system, or living in a disconnected community, are significantly less likely to find and keep a job later in life. Yet, employment between the ages of 14 and 24 can significantly improve adult employment prospects, including higher earnings, lower rates of poverty, and better overall health.

The Need in Our Communities

In 2014, more than 5 million youth ages 16 to 24 were disconnected from both work and school nationwide.

- For youth of color in Chicago, joblessness is chronic and concentrated.
- Among youth ages 16 to 19 in Chicago, 84.9 percent of Black youth and 81.5 percent of Hispanic youth were out of work in 2015.
- Among youth ages 20 to 24 in Chicago, 60.2 percent of Black youth and 33.2 percent of Hispanic youth were out of work in 2015.
- A 2014 study found that among youth participating in Chicago's youth summer employment program, violent crime arrests decreased by nearly 43 percent over a 16-month period.

In urban, suburban, and rural areas nationwide, residents of neighborhoods with highly concentrated poverty and unemployment are significantly more likely to become victims of violent crime.

The Solution: Nothing Stops a Bullet like a Job

Too many youth who are faced with chronic unemployment are living in communities that lack the resources to help youth stay in school or find a job. The federal government needs to be an engaged partner by providing resources that make it easier to create and expand summer and year-round youth employment programs that serve youth in disadvantaged communities.

The Creating Pathways for Youth Employment Act

- *Invest in Summer & Year-Round Youth Employment Opportunities.* Establish five-year, competitive grant programs that provide financial support for communities seeking to create, improve, or grow summer and year-round employment opportunities for youth ages 14-24.
- *Encourage Innovation.* Planning grants would provide eligible entities with up to \$200,000 for 12 months to plan new summer or year-round employment programs for eligible youth.
- *Expand Employment Services.* Implementation grants would provide recipients with up to \$5 million over three years to expand or enhance summer or year-round employment programs.
- *Encourage Mentorship.* Require grant recipients to provide or connect youth with positive, supportive adult relationships, including mentors trained in trauma-informed care, job coaches, or peer mentors.
- *Help youth develop lifelong employment skills.* Grant recipients will assist eligible youth in developing core work-readiness skills, including financial literacy, technical skills, and soft-employment skills such as communication and problem solving.
- *Encourage Partnerships.* Require grant recipients to partner with other state and local entities in implementing the program and would give preference to recipients that have developed a plan to increase private-sector engagement and job placement in summer or year-round employment opportunities.

Helping to Encourage Real Opportunities (HERO) for At-Risk Youth Act

Sen. Dick Durbin & Rep. Robin Kelly

A significant percentage of our at-risk youth have become disconnected from the education and labor market. Research shows clear evidence of a strong correlation between communities where high rates of poverty, gun violence, and chronic unemployment among youth are prevalent. These factors suggest that increased engagement of at-risk youth in the labor market can have a considerable impact in lowering recidivism and violent crime among youth while improving their long-term health, economic, and educational outcomes.

The Need in Our Communities

Nearly 5 million low-income youth in the United States between the ages of 16-24 were neither employed nor in school in 2015. For youth of color in Chicago, joblessness is chronic and concentrated.

- Among youth ages 16 to 19 in Chicago, 12.9 percent of Black youth and 8.2 percent of Hispanic youth were out of work and out of school in 2015.
- Among youth ages 20 to 24 in Chicago, 39.1 percent of Black youth and 20.8 percent of Hispanic youth were out of work and out of school in 2015.

These startling figures reflect a long-term trend in our communities nationwide that was exacerbated by the recent recession. Many of the youth living in neighborhoods with highly concentrated poverty and unemployment are stuck in a vicious cycle that finds them lacking the necessary job experiences that prevent them from getting hired by potential employers. These barriers to employment result in economic conditions that may motivate these young people to engage in criminal activity. These factors also make at-risk youth significantly more likely to become victims of violent crime.

The Solution: Nothing Stops a Bullet like a Job

Ensuring that our at-risk youth have access to economic opportunities will help them develop the knowledge, skills, discipline, and sense of determination to live productive and rewarding lives. Further investment in targeted federal programs is necessary to provide meaningful employment opportunities for at-risk youth.

The HERO for At-Risk Youth Act

Recognizing that economic opportunity is critical to addressing the underlying causes of violence in our communities, the bill would encourage the business community to become a partner in addressing this crisis by hiring at-risk youth that reside in communities with high rates of poverty.

- *Expand job opportunities for disconnected youth*: Provides a tax credit of up to \$2,400 for businesses that hire and train youth ages 16-25 who are out of school and out of work.
- *Encourage employers to retain youth from economically distressed areas as long-term employees*: Expands the summer youth program under the Work Opportunity Tax Credit (WOTC), which provides a tax credit to businesses who hire summer youth ages 16-17 who live in highly distressed urban communities known as Empowerment Zones, by doubling the amount of the credit to \$2,400 and expanding the program to include year-round employment. The bill also would limit the number of hours eligible youth can work while in school to no more than 20 hours a week.



FOR IMMEDIATE RELEASE
MONDAY, JUNE 12, 2017

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NEWS RELEASE
NEW REPORT HIGHLIGHTS LOST TAX REVENUES FROM OUT-OF-WORK
YOUTH WITHOUT HIGH SCHOOL DIPLOMAS AMIDST NATIONAL LABOR SHORTAGE
Durbin, Kelly, Gainer & O'Connor Highlight Costs of & Solutions to Youth Unemployment

CHICAGO – Illinois and the U.S. are losing an estimated \$9.5 billion in future tax revenue, as tens of thousands of out-of-school youth who lack a high school diploma can't find work. Today a news conference with **U.S. Sen. Dick Durbin (D-IL); U.S. Representative Robin Kelly (D-2); Cook County Commissioner Bridget Gainer (D-10); and Chicago Ald. Patrick O'Connor (Ward 40)** addressed findings in the report *The High Costs for Out of School & Jobless Youth in Chicago and Cook County*.

"The best anti-poverty, anti-crime, anti-violence program is a job," Durbin said. "That's why Congresswoman Kelly and I introduced legislation to help provide our nation's youth with increased opportunities for employment. Chicago needs the federal government to be an engaged partner when it comes to expanding economic opportunity, and I will continue working to achieve this goal."

The report, by the UIC Great Cities Institute (GCI) and commissioned by the Alternative Schools Network (ASN), studies the relationship between education and unemployment; education and wages; and taxes paid. The report calls for substantive policy solutions to address underlying factors.

The report paints a grim picture of employment prospects for people ages 16 to 24 in Chicago, Cook County and Illinois. Those entities consistently approached or surpassed the nation's jobless rate for the age group.

When the rates are broken down by race and ethnicity, the picture becomes starker for some. Nationwide 30 percent of whites ages 20 to 24 are out of work, slightly higher than in Illinois and in Cook County. Chicago's pain subsides a bit, with 24 percent of people in that age group that were out of work.

While 77 percent of 16- to 19-year-old blacks in the U.S. are out of work, 85 percent of Chicago blacks in that age group are out of work. The gap between out of work rates for white and black 16- to 19-year-olds was higher in Illinois than in the nation, Cook County or Chicago -- 16.2 percentage points separated the out-of-work rates for the two groups. The largest gap between white and Hispanic or Latino out-of-work rates was in Chicago, where 8.1 percentage points separated the two groups.

For 20- to 24-year-olds, the U.S. had higher out-of-work rates for whites and Hispanic or Latinos than Chicago, Cook County or Illinois, while Chicago had the higher rates for blacks. The gaps in out-of-work rates between all racial/ethnic groups were greater in Chicago than in Cook County, Illinois or the rest of the nation.

Ultimately, taxpayers feel the impact. Based on extrapolations from figures in the report, **Illinois and the U.S. lose an estimated \$197,055 in future tax revenue** over the working life of each of the 48,108 jobless out-of-school youth who lacks a diploma, **totaling nearly \$9.5 billion**.

"Our young people need to know that they too can live the American Dream. Far too often, they are faced with bleak statistics and mantras of 'you can't do it.' Instead, let's embolden them with the skills needed for the good-paying jobs of today and tomorrow so they can achieve economic security for themselves and their families," said Kelly. "It's past time to start creating good-paying jobs by reinvesting in Illinois and our communities. We have legislation to achieve our goals, we just need the political will from our colleagues."



At-Risk Youth Still Struggle Despite Growing Labor Market

Ironically, youth joblessness comes as the U.S. economy is experiencing growing labor shortages in certain types of skilled labor and Illinois' unemployment rate is at its lowest in more than a decade. According to the Illinois Department of Employment Services, the state's April unemployment rate was 4.4 percent. However, joblessness figures, which is based on employment to population ratios, for some sections of the population is nearly 70 percent, according to the GCI report.

"Given reports that job openings are near all-time highs, it suggests that businesses are struggling to fill these positions," Beth Ann Bovino, U.S. chief economist for S&P Global Ratings, told the *Washington Post* in an article dated June 2. The Post noted that a variety of factors are at work, including companies' increasing trend to seek workers with college degrees. Discouraged diploma-less jobseekers give up searching for work, and this shrinks the unemployment rate because people who are not looking for work are not counted as unemployed.

Men ages 25 to 54, the prime age range for employment, are especially hard hit, according to a 2016 report by White House economists. Among members of the Organization for Economic Co-operation and Development (OECD), the United States has the third-lowest labor force participation rate of so-called prime-age men, and that rate has been dropping since 1954. The fall in participation for prime-age men has largely been concentrated among those with a high school degree or less, and participation rates have declined more steeply for black men, the federal report notes.

Unless something is done, the trend will continue, if Illinois is a guide. State residents ages 16 to 24 face jobless rates up to 70 percent, the GCI study reveals.

Chicago & Cook County have the single largest share of these youth: 44 percent of the 16- to 19-year-olds in Illinois who are out of school and out of work with no high school diploma are from Cook County. For 20- to 24-year-olds, 45 percent live in Cook County.

That translates to lower tax receipts for the state and federal governments. An Illinois resident without a high school diploma on average contributes \$989 a year in taxes while those with a high school diploma or equivalent on average contribute \$5,368. Those with some college experience but no degree add an average of \$8,424 to state coffers, while those with a master's degree or higher contribute \$26,084.

"Nothing builds a future like a job," Gainer said. "Think about your first job. The experience and relationships young people build at their first jobs lead to lifelong success. Jobs establish roots in communities and strengthen entire neighborhoods."

"We must prepare the next generation for work and we will, because their future is our future," O'Connor said. "And I am determined to make that future positive for them and for Chicago."

Among the study's other key findings:

- **Cook County has large numbers of 16- to 24-year-olds Who are Out of School, Out of Work and Have No High School Diploma:** In Cook County, 16- to 19-year-olds and 20- to 24-year-olds who were out of school and out of work and did not have a high school diploma amounts to 21,518 (6,551 youth ages 16 to 19 and 14,967 residents ages 20 to 24).

Percentages of Populations Who are Out of School and Out of Work and Without a High School Diploma, 2015		
Ages 16 to 19	Chicago	Cook County
	30.7%	33.5%
Ages 20 to 24	Chicago	Cook County
	23.5%	21.2%

- **City and County Have Remarkably Similar Out of School & Out of Work Rates:** While there is some variation between groups at various points in time, since 1960, out of school & out of work rates in Chicago and Cook County follow similar trend lines even when segmenting by race.
 - In Cook County black 16- to 19-year-olds had an out of school and out of work rate decrease from 29.2 percent in 1960 to 12.0 percent in 2015. In Chicago, the figures were 29.2 percent in 1960 and 12.9 percent in 2015. Rates were slightly lower for Latinos but also decreased sharply from 1960 to 2015.



- **Jobs are Far Away:** Jobs are concentrated in the Chicago Loop and northwest suburbs, yet community areas in Chicago with high rates of joblessness have the fewest jobs within walking distance or a 30-minute commute on public transit.
- **Where the jobless youth are:**
 - Jobless rates for Chicago's 16- to 19-year-olds were highest in community areas on the Far South, Far Southeast and West Sides. Many of those community areas had over 90 percent jobless rates. In Cook County outside of Chicago, jobless 16- to 19-year-olds were concentrated in the southern portion of Cook County. One census area, Olympia Fields, had a 100 percent jobless rate.
 - Among Chicago's 20- to 24-year-olds, community areas on the predominately black South and West Sides had the highest jobless rates. The highest was East Garfield Park with 72 percent jobless 20- to 24-year-olds.
- **Where the jobs are:**
 - In Chicago, jobs are heavily concentrated in and around the Loop. The Loop (408,334 jobs) the Near North Side (163,920 jobs), and the Near West Side (138,316) had 51.4 percent of all the jobs in Chicago in 2014 despite being just three of Chicago's 77 community areas. While most community areas on the North Side of Chicago range between 10,362 jobs in North Center and 31,437 jobs in Lincoln Park, no area south of Hyde Park in Chicago has more than 6,692 jobs.
 - In Cook County outside of Chicago, Schaumburg (93,235 jobs), Elgin (59,121), and Elk Grove (56,079) -- all in the northwestern portion of Cook County -- had the highest number of jobs. Meanwhile, in the southern portion of Cook County -- south of Chicago's southern border to Cook County's western border -- only Orland Park (25,414) and Tinley Park (20,412) have more than 20,000 jobs.
- **Getting to the jobs:**
 - The number of jobs available by public transit in Chicago are highest near the Loop and surrounding areas, with access to between 739,426 jobs in the Loop to 313,439 in Lakeview, 298,745 in Fuller Park, and 322,083 in East Garfield Park.
 - The number of jobs accessible by public transit decreases as one moves away from the Loop and is the lowest on the Far South Side. Most community areas on the Far South and Far South Sides had access to fewer than 30,000 jobs.

"This report includes longitudinal employment data, geographic data, as well as fiscal and demographic data to show us where Illinois, Cook County and Chicago stand in terms of the current and future impacts of high youth jobless rates," said Dr. Teresa Córdova, Director of GCI. "These numbers again remind us of the urgent need to address the devastating conditions of joblessness."

"This is a countrywide issue and poses a significant risk to the economy of our country – you could say we are a nation at risk," said Jack Wuest, executive director of the Alternative Schools Network. "But, there is a great opportunity here to marshal and build a campaign to prepare and employ the jobless youth and young adults that our economy needs now and will need in a much greater way in the future."

Earlier this spring, Durbin and Kelly jointly introduced two pieces of legislation to expand and increase access to employment opportunities for at-risk youth. The *Helping to Encourage Real Opportunity (HERO) for At-Risk Youth Act* and the *Creating Pathways for Youth Employment Act* will increase federal resources for communities seeking to create or grow employment programs and provide tax incentives to businesses and employers to hire and retain youth from economically distressed areas.

Speakers at the news conference held on Chicago's South Side at Youth Connection Leadership Academy included:

- **U.S. Sen. Dick Durbin**
- **U.S. Representative Robin Kelly, D-2**
- **Cook County Commissioner Bridget Gainer, D-10**
- **Chicago Ald. Patrick O'Connor, Ward 40**
- **Dr. Teresa Córdova, Director, Great Cities Institute, University of Illinois at Chicago**
- **Jack Wuest, Executive Director, Alternative Schools Network**
- **Keisha Davis-Johnson, Principal, Youth Connection Leadership Academy**
- **A Student from Youth Connection Leadership Academy**



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.

ABOUT THE GREAT CITIES INSTITUTE

UIC Great Cities Institute's goal is to link its academic resources with a range of partners to address urban issues by providing research, policy analysis and program development. Tied to the University of Illinois at Chicago's Great Cities Commitment, the Institute is a research hub for scholars, policymakers and stakeholders who share an interest in finding answers to the question, "What can cities and regions do to make themselves into great places?" For copies of this and previous reports, visit <https://greatcities.uic.edu>.

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FOR IMMEDIATE RELEASE
MONDAY, JUNE 12, 2017

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FACT SHEET
ILLINOIS CAN CAPTURE BILLIONS IN TAX REVENUES BY HELPING THE HIGH NUMBER
OF OUT-OF-WORK YOUTH WITHOUT HIGH SCHOOL DIPLOMAS LAND JOBS

Illinois and the U.S. lose an estimated **\$197,055 in future tax revenue** over the working life of each of the 48,108 jobless out-of-school teens and young adults who lacks a diploma, **totaling nearly \$9.5 billion**. This estimated number is extrapolated from a new report by the University of Illinois at Chicago Great Cities Institute (GCI): ***The High Costs for Out of School & Jobless Youth in Chicago and Cook County***. According to the report:

- **Education Makes a Difference:** There is a connection between educational attainment and unemployment and educational attainment and earnings: more educated individuals earn more and are less likely to be unemployed
- **High Cost to Taxpayers:** In addition to costs to individuals and households that experience joblessness, there are fiscal impacts associated with those that drop out of high school that can be measured in lost tax revenues.
 - In Illinois and the U.S., the difference between the amount of taxes paid over 45 years between an individual without a high school diploma and with a high school diploma is \$197,055 meaning that someone without a high school diploma will contribute **\$197,055 fewer dollars** to the tax base.
 - Over a lifetime of work (45 years), those with a Master's Degree will contribute over \$1 million to the tax base.
- **Cook County Has Large Numbers of 16- to 24-year-olds Out of School, Out of Work, with No High School Diploma:** In Cook County, 16- to 19-year-olds and 20- to 24-year-olds that were out of school and out of work and did not have a high school diploma amounts to 21,518 (6,551 16- to 19-year-olds and 14,967 20- to 24-year-olds).
- **Chicago and Cook County Have Remarkably Similar Out of School and Out of Work Rates:** While there is some variation between groups at various points in time, since 1960, rates of residents who are out of school and out of work in Chicago and Cook County have followed similar trend lines.
- **Joblessness Made Worse by the 2008 Recession:** While joblessness is chronic and concentrated for black and Latino youth, conditions were made worse by the recession in both Chicago and Cook County and no group has returned to pre-recession employment levels. While whites and blacks have showed some upward movements, employment levels of Latinos continue to drop.
- **Jobs are Concentrated and Not Easily Accessible to Many Residents:** Jobs are most heavily concentrated in the Chicago Loop and northwest suburbs. Community areas in Chicago with high rates of joblessness have the fewest number of jobs accessible within walking distance or a 30-minute commute time on public transit.

The report, commissioned by the Alternative Schools Network (ASN), updates data on youth joblessness for Cook County from its 2016 report; compiles and calculates longitudinal employment data dating back to 1960; identifies the location of jobs within Cook County in 2014; maps the number of jobs accessible via public transit to people living in Chicago's community areas in 2014; and calculates individuals' contribution to the tax base by levels of educational attainment. It concludes that there is a need to develop substantive policy solutions that addresses these underlying factors.



Comparing Illinois, Cook County, Chicago and the U.S.: Data highlight the joblessness that faces young Americans ages 16 to 24 who are out of school and without a high school diploma. In Illinois, Cook County and Chicago the prospects are even dimmer.

Percentage of Residents Ages 16 to 19 and 20 to 24 Who Are Out of School and Out of Work and Without a High School Diploma, 2015					
AGE RANGE	RACIAL/ETHNIC GROUP	CHICAGO	COOK COUNTY	ILLINOIS	U.S.
16 to 19	White	27.7%	30.8%	34.5%	37.7%
	(non-Hispanic or Latino)				
	Black	32.8%	34.6%	41.9%	36.5%
	(non-Hispanic or Latino)				
	Hispanic or Latino	27.7%	33.9%	33.7%	41.0%
20 to 24	Total Population (Including All Other Groups)	30.7%	33.5%	36.8%	38.3%
	White	29.2%	18.6%	19.7%	19.6%
	(non-Hispanic or Latino)				
	Black	26.5%	24.3%	27.2%	24.5%
	(non-Hispanic or Latino)				
	Hispanic or Latino	15.8%	18.9%	19.5%	28.8%
	Total Population (Including All Other Groups)	23.5%	21.2%	22.1%	23.0%

High Cost to the Illinois and Federal Tax Bases: In addition to costs to individuals and households that experience joblessness, there are fiscal impacts associated with those who drop out of high school. These effects can be measured in lost tax revenues.

Over a lifetime of work (45 years), Illinoisans with a master's degree will contribute over \$1 million to the tax base.

Average Annual Taxes Paid and Taxes Paid Over 45 Years in Illinois by Educational Attainment, 2016		
EDUCATIONAL ATTAINMENT	TAXES PAID YEARLY	TAXES PAID OVER 45 YEARS
Below High School, No High School Diploma	\$989	\$44,505
High School Diploma or Equivalent	\$5,368	\$241,560
Some College, No Degree	\$8,424	\$379,080
Associate's Degree	\$9,303	\$418,635
Bachelor's Degree	\$18,228	\$820,260
Master's Degree or Higher	\$26,084	\$1,173,780



In Chicago, Youth in Particular Communities are Hit Hard: The two Public Use Microdata Areas (PUMAs) that had the highest concentrations of out of school and out of work 20- to 24-year-olds were on the South and West Sides of Chicago. The rate was 48.6 percent in the PUMA including the South Side community areas of:

- Greater Grand Crossing
- Englewood
- West Englewood
- Chicago Lawn

The rate was 40.4 percent in the West Side PUMA including:

- Humboldt Park
- East Garfield Park
- West Garfield Park
- North Lawndale
- South Lawndale

Meanwhile, the rate was 8.1 percent or less in PUMAs that include these community areas:

- Near North Side, Loop, Near North Side (2.2 percent)
- Lincoln Park and Lakeview (5.4 percent)
- Lower West Side, Near West Side, and West Town (8.1 percent)

Looking to the North and West: In the portion of Cook County outside of the City of Chicago, seven of the 17 PUMAs had out of school and out of work rates for 20- to 24-year-olds that were lower than 10 percent. These were in the western, northern and northwest portions of Cook County.

According to the University of Chicago at Illinois Great Cities Institute, this report is meant to spur conversations on policy options. In its conclusions, it identified the need to:

- Develop relevant education and training programs that prepares teens and young adults to participate in the new economy.
- Develop policies to address the geographic mismatch between the location of jobs and where the most chronically unemployed populations live.
- Address the disparate impacts on race/ethnic groups of the changing economy. For instance, trying to understand why Latinos have not rebounded from the Great Recession of 2007-2009 like other racial/ethnic groups. This would require a deeper analysis of the participation of Latinos in different sectors of the economy linked to educational attainment and their geographic location within Cook County.

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FOR IMMEDIATE RELEASE
MONDAY, JUNE 12, 2017

FOR MORE INFORMATION:
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MEDIA ALERT

**ILL. LOSES BILLIONS OF TAX REVENUES DUE TO HIGH NUMBER OF OUT-OF-WORK YOUTH WITHOUT
HIGH SCHOOL DIPLOMAS WHO CAN'T FIND JOBS DESPITE NATIONAL LABOR SHORTAGE**
*Durbin, Kelly, Gainer & O'Connor Highlight
Costs of & Solutions to Youth Unemployment*

WHAT: While the U.S. economy is experiencing growing labor shortages and Illinois' unemployment rate is at its lowest in over a decade, joblessness for some sections of the population is nearly 70%. A news conference with **U.S. Sen. Dick Durbin, U.S. Rep. Robin Kelly (D-2), Cook County Commissioner Bridget Gainer (D-10)** and **Chicago Alderman Pat O'Connor (Ward 40)** will highlight what can be done to help youth ages 16 to 24. The cost of inaction is high: High school dropouts are more likely to be unemployed, earn less and contribute less in taxes.

Illinois loses an estimated \$197,055 in future tax revenue over the working life of each of the 48,108 jobless out-of-school youth who lacks a diploma totaling nearly \$9.5 billion. That finding is from a new report by the UIC Great Cities Institute.

Commissioned by the Alternative Schools Network (ASN), *The High Costs for Out of School & Jobless Youth in Chicago and Cook County* studies the relationship between education and unemployment; education and wages, and taxes paid. It calls for substantive policy solutions to address underlying factors.

Key Report Findings:

- **Chicago & Cook County have the single largest share of these youth:** 44 percent of the 16- to 19-year-olds in Illinois who are out of school and out of work with no high school diploma are from Cook County. For 20- to 24-year-olds, 45 percent live in Cook County.
- **Loss of Income:** Among those with lower levels of educational attainment, unemployment rates are significantly higher and workers earn significantly less than residents with at least a high school diploma-\$504 for those without a high school diploma and \$1,156 weekly for those with a bachelor's degree.
- **Jobs are concentrated away from the chronically unemployed:** Jobs are concentrated in the Chicago Loop and Northwest Suburbs, yet Community Areas in Chicago with high rates of joblessness have the fewest jobs within walking distance or a 30-minute commute on public transit.

WHO: Elected officials and presenters include:

- U.S. Sen. Dick Durbin
- U.S. Representative Robin Kelly, D-2
- Cook County Commissioner Bridget Gainer, D-10
- Chicago Ald. Patrick O'Connor, Ward 40
- Teresa Córdova, Director, University of Illinois at Chicago Great Cities Institute
- Jack Wuest, Executive Director, Alternative Schools Network
- Keisha Davis-Johnson, Principal, Youth Connection Leadership Academy

WHEN: 10:45 a.m. Monday, June 12, 2017

WHERE: Youth Connection Leadership Academy, 3424 S. State St., Chicago, IL, Third Floor

WHY: Seeking solutions in Washington, Sen. Richard Durbin and U.S. Rep. Robin Kelly have sponsored bills to assist youth ages 16 to 24: Durbin's *The Helping to Encourage Real Opportunities (HERO) for At-Risk Youth Act* and the *Creating Pathways for Youth Employment Act* and Kelly's *Today's American Dream Act*. At the news conference, national and local leaders will discuss efforts underway to address the report's findings.

###

Chicago Tribune

June 12, 2017

The Midwest's largest reporting team

Nearly 90,000 Cook County teens, young adults not in school or working, report says

By Lisa Schencker
Contact Reporters

Lilia Gomez, 19, knows what it's like to be out of school and out of work.

Amid a storm of events in her life — the incarceration of her mother, a baby at 16 and time spent living in a shelter — Gomez dropped out of high school. She took the time off to care for her son, but she also knew she needed a longer-term plan.

"In that moment I felt like, what am I going to do with my life?" said Gomez, who lives in South Chicago. "I just felt really lost."

Gomez has since restarted school at Youth Connection Leadership Academy, a charter school on the city's South Side, and is set to graduate soon with her high school diploma. It's taken a lot of hard work, but she feels if she can do it, anyone can.

"I think what people should know is any obstacle in your life, you can overcome it," Gomez said.

A new report is a reminder that those obstacles can be numerous. According to the report by the Great Cities Institute at the University of Illinois at Chicago, the good news is the percentages of young people in Chicago and Cook County who aren't in school or working are slowly decreasing after hitting highs during the last recession. Yet in 2015, nearly 90,000 teens and young adults, ages 16 to 24, in Cook County and Chicago remained out of work and out of school.

"This is really having an adverse effect on people's life trajectories," said Matthew Wilson, co-author of the report and economic development planner with the Great Cities Institute.

It's a situation that can lead to more violence, incarceration and intergenerational poverty, he said. "This is a generation of people that are experiencing something unlike any prior generation."

In 2015, 19.4 percent of people ages 20 to



Lilia Gomez, 19, is set to graduate with her high school diploma from Youth Connection Leadership Academy, a charter school on the city's South Side. It's taken a lot of hard work, after having a baby at 16 and dropping out of school, but she feels if she can do it anyone can. (Alexandra Wimley/Chicago Tribune)

24 in Cook County were out of work and out of school, down from 19.9 percent the year before. The numbers, however, are far worse for black young adults in Cook County, though they, too, are improving. In 2015, about 34.3 percent of 20- to 24-year-old black adults in Cook County were out of work and out of school, down from 39.5 percent the year before.

The report also notes that employment levels for Latinos continue to drop, even as they improve slightly for young white and black people.

Though the numbers are improving, they still haven't recovered from the 2008 recession when jobs dried up, pushing less-experienced, less-educated young people out of the workforce, Wilson said. During the recession, older people took jobs that might have once been done by younger people — and in some cases they've stayed in them, Wilson said. Consumers may notice more older faces serving them at fast-food restaurants and delivering their newspapers, he said.

Another challenge for young people? Many jobs are concentrated in the Loop and northwest suburb, away from the areas where youth joblessness is the highest, according to the report.

The city's South Side has a low number of jobs accessible via a 30-minute commute and also high numbers of 20- to 24-year-olds out of work.

"There's just a mismatch of where these kids are in Englewood, in areas of south suburbs away from areas of the jobs," said Jack Wuest, executive director of the Alternative Schools Network, which commissioned the report.

Though many who labor in the Loop are accustomed to lengthy commutes, they can be daunting for young people who might make only minimum wage, Wilson said.

"Working in the internationally important financial firm versus working at the restaurant in the building (are) very different," Wilson said.

Though they're tough problems to solve, the report's authors hope to spur conversations about developing appropriate job training for young people, the geographic mismatch between jobs and unemployed young people, and how the changing economy is affecting different racial and ethnic groups.

The report's authors and local leaders plan to discuss the report at a news conference Monday, along with ways to help, such as two bills being sponsored by U.S. Sen. Dick Durbin, D-Ill., and a bill being sponsored by state Rep. Robin Kelly, D-Matteson.

Cook County Commissioner Bridget Gainer, who will also be at Monday's event, said efforts are already underway locally to improve the situation. For example, the Cook County Land Bank Authority, started in 2013, aims to get vacant and tax delinquent properties in the hands of local developers who can then hire local people to do rehabilitation work. She also said companies like Aon have apprenticeship programs where high school graduates work within the company, learning traditionally white-collar jobs, while earning associate's degrees.

Wilson acknowledged that broad reform can be tough to come by, given funding constraints at the local level and partisanship in Washington.

"Young people are a bipartisan issue for the most part, but the solutions, for the most part, are not, especially when you're talking about spending money on programs," Wilson said.

Still, it's important to keep the conversation going and continue to push for change, said Teresa Cordova, co-author of the report and director of the Great Cities Institute.

In addition to the individual costs of not graduating from high school, a nongraduate in Illinois will pay \$197,055 fewer dollars in taxes over 45 years than someone with a diploma, according to the report.

"The costs of youth joblessness for individuals, households and the state as a whole, just isn't worth it," Cordova said.

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For the full report, *The High Costs for Out of School and Jobless Youth in Chicago and Cook County*, by the University of Illinois at Chicago Great Cities Institute [click here](#).

Chicago Tribune

June 12, 2017

The Midwest's largest reporting team

Pay to train at-risk youths now or the cost will be higher later

By Dahleen Glanton

Much of the news coming out of Chicago hasn't been good for a long time.

Recently, we learned that Chicago was the only major city in the country to lose population last year. According to the U.S. Census, 8,638 Chicagoans left — nearly twice as many as the year before.

In a city of 2.7 million people, that might not seem like such a big deal. But let's look at who those people were. The majority who left were from Chicago's South and West sides, home primarily to African-Americans.

At the same time, Chicago's downtown area is flourishing with new people moving in.

We don't know exactly where the blacks who fled the South and West sides went — maybe to the suburbs or booming areas like Atlanta. But we do know this: They aren't moving into those expensive high-rises with sweeping views of the lake.

We also don't know why they left the city. But it's probably safe to say that they would not have been so eager to leave if their neighborhoods offered even the basic amenities that others in Chicago take for granted.

Chances are many of the blacks who left were the ones who had jobs or retirement income and contributed to the tax base. Poor people often can't afford to leave. They are forced to stay behind, with no training and no diplomas, in neighborhoods where there are no jobs.

According to a study by the Great Cities Institute at the University of Illinois at Chicago, 43 percent of black men in Chicago between the ages of 20 and 24 are neither working nor enrolled in school.

The percentages are highest in the city's poorest and most crime-ridden neighborhoods.

In Humboldt Park, East Garfield Park, West Garfield Park, North Lawndale and South Lawndale on the West Side, 40 percent of



Job seeker Sandra Goulsby, second from left, takes part in a skills test during Career 360, a youth hiring event focused on careers in transportation, distribution and logistics held last month at Lacuna Lofts, 2150 S. Canalport Ave. (Antonio Perez/Chicago Tribune)

this age group was unemployed.

On the South Side, in Greater Grand Crossing, Englewood, West Englewood and Chicago Lawn, that number soared to nearly 49 percent.

We all pay a price for that. Crime is just part of it.

Chicago has had more than 270 homicides so far this year, most of them on the South and West sides. And it isn't even summer.

The institute's report released Monday, "The High Costs for Out of School and Jobless Youth in Chicago and Cook County," does not say that joblessness triggered the recent surge in Chicago's violence, but it does conclude that unemployment and violence are related.

We know about the tax revenue lost when people leave the city, but how much is lost from those who are unemployed or underemployed.

Over a lifetime of work — 45 years — someone who does not have a high school

diploma would contribute \$197,055 less in state and federal taxes than someone who graduated from high school, according to the institute.

In Illinois, 48,108 young people between the ages of 16 and 24 are jobless, out of school and have no high school diploma. That amounts to nearly \$9.5 billion lost in federal and state tax revenues over 45 years.

So the question is, what can be done about it?

Sen. Dick Durbin and Rep. Robin Kelly, both Illinois Democrats, think they have an answer. They're proposing joint legislation in Washington to increase job opportunities for at-risk youth.

One bill would encourage businesses to hire at-risk youth who live in impoverished neighborhoods. It would provide a tax credit to businesses that hire and train youths ages 16 to 25. The bill also would double the tax credit for businesses that expand summer jobs programs for 16- and 17-year-olds to include year-round employment.

The second bill would provide \$3.5 billion in competitive grants for local governments and community groups to expand summer and year-round jobs programs for young people.

It sounds like a great idea. But where will Durbin and Kelly get the \$3.5 billion?

Under President Donald Trump's proposed budget, job training programs have been slashed, and Republicans haven't been interested in funneling money into urban areas for such projects.

I spoke to Durbin by telephone Friday, and he acknowledged that their proposals are inconsistent with the Trump budget.

"If you look at the Trump budget, we don't have a chance," he said. "We hope Congress will rewrite the budget."

Now here's where you come in. I can't tell you how many times I get emails from readers asking what they can do to help ease the violence in Chicago.

One thing they — and you — can do is to contact our representatives in Washington and tell them to add money to the budget to put young people to work.

Even if you don't support these two particular bills, there are lots of other programs across the country that will be cut next year because the funds aren't there. That means young people in Chicago and elsewhere will have fewer options to keep them off the streets.

According to Durbin, taxpayers are going to end up footing the bill for these young people one way or the other.

"We can pay for summer jobs or, if their lives fail and they become statistics, we'll pay through either welfare or something else," he said.

There's truth in that. The politicians in Washington who have written off these young people can simply tune Durbin and Kelly out.

They are obligated to listen to you.

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For the full report, *The High Costs for Out of School and Jobless Youth in Chicago and Cook County*, by the University of Illinois at Chicago Great Cities Institute [click here](#).

June 12, 2017

Report paints dismal picture of youth joblessness in Chicago

By Greg Hinz

You just have to drive around and keep your eyes open to learn that the lack of jobs is particularly clobbering kids in certain neighborhoods, most of them African-American areas of the South and West sides.

A new report released today by the Great Cities Institute at the University of Illinois does a pretty good job of putting the numbers together. (You can read the full report at the end of this story.) For instance, only 15 percent of African-Americans ages 16 to 19 in Chicago are employed. Roughly 3 in 10 black young adults in the Chicago area lack either a high school diploma or a job, and are not in school trying to get either.

So, it's a bad situation, with a huge social cost: an estimated \$9.5 billion lost in projected tax revenue alone.

Nonetheless, there are real signs of progress. In some key ways, both young blacks and Latinos here are doing better overall than nationally. The progress tends to be in the 16-to-19 cohort, and it tends to be focused among women, not men.

To put that a different way, where the system really falls apart is in reaching young black men immediately after their school years.

Some specifics:

Among Chicagoans 16 to 19, a higher share of blacks and Latinos are either in school or at work with a high school diploma here than elsewhere in the country. Cook County also is somewhat better off than the rest of the country. That perhaps suggests local public schools indeed are doing a better job of curbing dropout rates among teenagers.

But that changes in the next age group, 20 to 24. While Latinos here still are much better off than their peers nationally, that's not true among African-Americans. In fact, they're somewhat worse off.

How come? A look at other data over recent



Photo by Thinkstock

decades provides some clues.

Between 1960 and 2015, blacks in both Cook County and Chicago proper gained ground relative to whites, slashing the share of teens who were neither working nor in school. But that was much more prevalent among women than men. For instance, among black women in that period here, the number who were neither employed nor in school dropped from 34.8 percent in 1960 to around 10 percent by 2015. But among men, the decline was a modest: 22 percent vs. 15.9 percent.

And that progress largely vanishes among 20- to 24-year-olds, with blacks losing ground relative to whites and Latinos, especially but not totally among men.

That tells me that jobs are hard to get even for the kids who stick it out in high school and get their diploma. Indeed, the Great Cities folks point to a heavy concentration of most jobs in the central area of the city, which requires a long commute from many South and West side neighborhoods, and to the lingering impact of the last recession.

One reason for optimism: The raw numbers of young adults we're talking about who are neither employed nor in school aren't that large in absolute terms—perhaps 26,000

combined in the city and county together. In a country that creates 200,000 jobs nationally a month, that's a solvable problem.

The report was prepared for the Alternative Schools Network.

For the full report, *The High Costs for Out of School and Jobless Youth in Chicago and Cook County*, by the University of Illinois at Chicago Great Cities Institute [click here](#).

June 12, 2017

Chicago youth jobs report highlights need for better public transit

By Madeline Kenney

A new report on youth unemployment in Chicago, scheduled to be released Monday, finds that areas plagued by high unemployment rates are the same neighborhoods that have fewer nearby job opportunities for residents and also need better public transportation to the Loop.

The Great Cities Institute at the University of Illinois at Chicago identified some specific communities on the Southwest and South Sides that have higher youth unemployment rates than some of the city's North Side neighborhoods.

Youth employment numbers are up since 2010. Among 16-to-19-year-olds, the employment rate increased to 18.7 percent from 16.5 percent.

But the majority of the city's jobs are in the Loop and Northwest Side, putting residents of the South and West sides at a disadvantage, according to the study.

Researchers found that the South and West sides have, on average, less than 50,000 accessible jobs per neighborhood. The study defines an "accessible" job as one within walking distance or no more than 30 minutes away on public transit.

Theresa Cordova, the research director for the report, said that mismatch between where jobs are located and the transportation needed to get to those jobs is key.

"It's bringing more jobs into the neighborhoods and also improving public transportation," said Cordova, who is also a professor of urban planning and policy at UIC. "People need to get to and from those jobs — expand the CTA to meet those needs. . . . As good as the CTA is, it's not elite."

In September, transit officials released details about a long dreamed of \$2.3 billion plan to extend the CTA's Red Line from 95th Street to 130th Street, which could address that problem. The expansion would give residents who live south of 95th, the current Red Line endpoint, more access to the Loop. But the earliest construction could start on the project is 2022, the CTA said at the time.

Other than job concentration correlating with unemployment rates, the report also reiterated the connection between education level, job prospects and income. People without a high school diploma are two times more likely to be unemployed



A new study finds that access to public transportation is key to addressing youth employment — and that there are fewer jobs for residents of the city's South and West sides that are within walking distance or can be reached in half an hour on public transit. | Sun-Times photo

compared to someone with a bachelor's degree.

A person who drops out of high school makes on average \$504 per week, while a person who holds a bachelor's degree makes on average \$1,156 per week, according to the study. The study found that Cook County has nearly half — 45 percent — of all 20 to 24-year-olds in the state who are out of school, out of work and who have no high school diploma.

For the full report, *The High Costs for Out of School and Jobless Youth in Chicago and Cook County*, by the University of Illinois at Chicago Great Cities Institute [click here](#).

June 13, 2017

Trump touts apprenticeship initiative, Durbin talks of job crisis

By Chuck Raasch

WASHINGTON • President Donald Trump said Monday he'll announce an initiative later this week aimed at getting technical training apprenticeships for people without college degrees.

"The apprenticeships. A very good word from the Trump standpoint, the word 'apprentice'," he said during a cabinet meeting on Monday, and that reference to Trump's NBC reality show of that name drew laughs from around the table. "Apprenticeships are going to be a big, big factor in our country."

The question: Will they be a factor for those not only without a college degree, which Trump said is an important labor-market sector to address, but for those without a high school diploma?

Simultaneously with Trump's comments in the White House, Sen. Dick Durbin, D-Ill., and others were holding an event in Chicago focusing on the dismal job prospects of those without a high school degree. Durbin and Chicago-area officials released a report by the University of Illinois-Chicago's Great Cities Institute that said that the U.S. treasury will lose an estimated \$9.5 billion in future tax revenue from current jobless people in Illinois who have no high school degree.

Trump will visit the Department of Labor Wednesday to tout the initiative. "Americans want to work," Labor Secretary Alexander Acosta told reporters on Monday. He said there are 360,000 job vacancies in manufacturing and 200,000 in construction.

Acosta said the administration would try to expand the number of apprenticeships beyond the current level, which is about 3 percent of the current workforce. Trump, he said, is "very familiar" with apprenticeships through his work with construction through the years.

The Trump initiative through the Labor De-



U.S. Secretary of Labor Alexander Acosta, left, shakes hands with Rodney Tschirhart, right, who has 41-years of service with Milton after meeting Kenneth Jaynes, center, who has 39 years of service with company, Thursday, June 1 2017, in Detroit. Acosta discussed how to better prepare American workers for careers in advanced manufacturing. Milton Manufacturing is a woman-owned business that provides metal and fabric solutions for the defense, automotive, aerospace, heavy truck, rail, agriculture and energy industries. (Todd McInturf/Detroit News via AP)

partment comes in the wake of several other more controversial initiatives. Acosta has decided to let go through, for now, a "fiduciary rule" that would require financial advisers to put the interests of clients first that is opposed by many Republicans, including Reps. Ann Wagner, R-Ballwin, and Blaine Luetkemeyer, R-St. Elizabeth, who have been vocal opponents from their positions on the House Financial Services Committee.

Critics have also pointed out that so far, the Trump administration has not committed to spending any more for apprenticeship programs than the \$90 million spent by President Barack Obama, and that it is proposing to cut other government labor-market initiatives.

Acosta told reporters that the Trump administration would push for more private initiatives in this and other labor-market develop-

ment programs, saying that simply spending money on something doesn't make it better. He used, as an example, the possibility of encouraging more apprenticeship programs to be twinned with people getting college degrees, citing the case of a former student who wanted to be a police officer but got a college degree without being qualified for it.

"Stay tuned for the announcement," Acosta said.

On Monday Durbin and others who gathered for a press conference in Chicago painted a grim picture for job possibilities for young people without a high school diploma. Cook County is the epicenter of what could be long-term economic problems in this subgroup, according to [the report](#). That county alone has more than 21,000 people aged 16-24 who don't have a job or a high school diploma, the report said. That's

nearly half – 44 percent – of all the people that age without a degree in the entire state of Illinois, according to the study.

“The best anti-poverty, anti-crime, anti-violence program is a job,” Durbin said.

Durbin and others at the press conference pointed out that many of the chronically employed in this minimally educated age group are technically not included in the national unemployment figures because they have given up looking for work.

Durbin and Trump haven’t agreed on much since the president took office, but they do on that point. Here is what the president said in his cabinet meeting on Monday:

“While we have the lowest number in terms of unemployment in many many years at the same time I have always argued with that number because it doesn’t take into account the millions and millions of people who have given up looking for jobs. And we are going to be doing something about that and we are going to be getting those people back to work.”

“I call them the forgotten men and women,” Trump said. “But they are not going to be forgotten much longer.”

He then touted the upcoming announcement, potentially later this week, on an apprenticeship initiative by his administration.

On the web: <https://greatcities.uic.edu/2017/06/12/the-high-costs-for-out-of-school-and-jobless-youth-in-chicago-and-cook-county/> UIC report on employment among people without a high school degree.

By the numbers:

48,108 – Number of jobless Illinois residents who don’t have a high school diploma, according to the UIC study.

\$197,055 – What an employed person in that above cohort would pay in federal income taxes over his or her lifetime if employed, according to the report.

\$9.5 billion – The loss on the federal treasury from Illinois alone if none of those in that group of more than 48,000 never becomes employed.

They said it:

There are “millions of good jobs that lead to great careers” that do not require four-year

university degrees and those people avoid “the massive debt that often comes with those four-year degrees.” – President Donald Trump on the need for better apprenticeship programs in the U.S.



The Cost Of Jobs

Officials say jobs are key to reducing violence, but they're not facing the scale.
So WBEZ took a crack at the calculations.

By Chip Mitchell
Illustrations by Jamie Hibdon
July 6, 2017

To tamp down Chicago's gun violence, officials are trying things such as more youth mentoring and more cops. They are also talking about another approach: getting shooters employed.

"The best anti-crime program is a job," Mayor Rahm Emanuel said last fall in a heavily hyped speech about the city's violence. "It's that simple."

Other politicians, including Illinois Gov. Bruce Rauner, and many civic leaders have said similar things.

So far, though, they have not spoken much about how big an employment program would have to be — or how much it would cost, even if focused on lower-paying jobs. So WBEZ set out to investigate what it would take.

To come up with the number of full-time, year-round jobs in a program that would eliminate a significant amount of violence, we crunched numbers with Matthew Wilson, an economic-development planner at the University of Illinois at Chicago's Great Cities Institute, which has been doing research on employment and poverty.

First we identified a group that makes up just 4 percent of Chicago's population but accounts for roughly half of the city's shooting victims this year — and potentially half the assailants. That group consists of males, ages 16 to 34, in 26 of the city's 77 community areas.

Then we used U.S. Census Bureau estimates

to find out roughly how many members of this group are out of school and out of work. That number is 32,656. To keep the math simple, we rounded it down to 30,000. That's how many jobs might be needed to take a big bite out of Chicago's violence.

The next question was how many dollars per hour those jobs would need to pay to convince most of those 30,000 people to steer clear of violence. We gathered thoughts on that from a 26-year-old man who grew up on the West Side. (To hear his story — it's a bit graphic — use the audio player above.)

His answer, \$13 an hour, fit what we have heard from other shooters, so we ran with it.

That final price tag, \$1.1 billion for the program's first year, is no small sum. But, just for context, it's around the planned cost of redeveloping Union Station downtown. It's also roughly what Illinois spends to keep its violent offenders in prison for one year.

And, while we're considering cost, it might be a lot more expensive to allow Chicago's shooting surge to continue. For starters, there's the policing, incarceration and medical care. The violence is probably also a factor in the city's population drop — a drain on the tax base. Another drain is simply having those 30,000 at-risk people jobless.

"Even the low-skilled jobs would be a good starting avenue because every penny of investment is going to result in more money circulating in our economy," said Teresa Córdova, director of UIC's Great Cities Institute.

And remember Mayor Emanuel's words? "The best anti-crime program is a job. It's that simple."

People with power and resources make a good case that employment is essential. The next step is to create a jobs program big enough to scale the violence way down.

Chip Mitchell reports out of WBEZ's West Side studio. Follow him @ChipMitchell1.

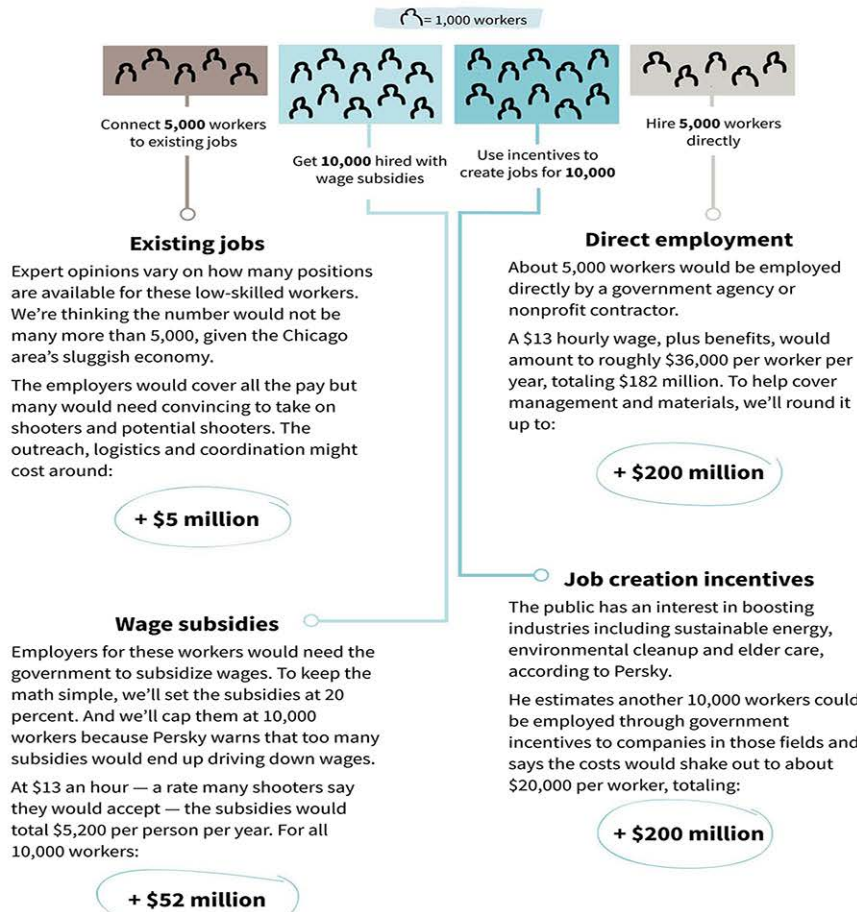
This story is part of WBEZ's Every Other Hour project. Find more stories here.

Criminal justice reporting and investigative journalism at WBEZ is supported in part by Doris and Howard Conant, The Joyce Foundation and the Robert R. McCormick Foundation.

Let's do some rough math

There are different ways to put 30,000 workers with minimal skills into jobs. They range from direct government employment, as took place during the Great Depression, to simply helping the workers connect with employers that have openings. Joseph Persky, a University of Illinois at Chicago economist, helped us come up with a combination of government strategies that might be feasible:

We'll use four main strategies to get the 30,000 workers hired



But these workers have difficult backgrounds. Many would need help to succeed in the jobs.

Supports to ensure success

"It's not enough to just give them a job and think that all their troubles are solved," said Karin Norington-Reaves, chief of the Chicago Cook Workforce Partnership.

Many of these workers would need "wrap-around services," as social workers refer to them. Those services can include anything from mentoring to work attire. And the services vary, depending on individual needs.

Norington-Reaves puts the average cost per person at \$20,000. Multiplied by 30,000 workers, we get:

+ \$600 million

For Daniel that might include:

- Counseling for traumatic stress from violence.
- Remedial education for literacy and basic math.
- A CTA pass since he doesn't have access to a car.

For Nicolas:

- Drug-addiction therapy not covered by insurance.
- Training in job-related "soft skills" such as teamwork.
- Help getting some arrests expunged from his record.

Adding it all up

Existing openings — \$5 million
 Wage subsidies — \$52 million
 Job creation incentives — \$200 million
 Direct employment — \$200 million
 Support services — \$600 million

= \$1.1 billion

Credit: Paula Friedrich/WBEZ

June 12, 2017
9:54 AM



Study: Jobless Youth Without Diplomas Cost Billions in Lost Taxes

File under: Bernie Tafoya, High School Diploma, study finds, unemployment, University of Illinois at Chicago

[Click here](#) or click the Picture (right) to hear WBBM Newsradio's Bernie Tafoya report from June 12, 2017

CHICAGO (CBS) — A new study indicates the U.S. and Illinois are losing out on billions of dollars in tax revenues, due to the number of teens and young adults who are unemployed, out of school, and have no high school diploma.

The new report by the Great Cities Institute at the University of Illinois at Chicago found nearly a quarter of 20- to 24-year-olds in Chicago and Cook County are out of work, not in school, and don't have high school diplomas. As many as 33 percent of 16- to 24-year-olds in the city and county are jobless, out of school, and have no diploma.

Overall, Illinois has more than 48,000 people between the ages of 16 and 24 who are jobless, out of school, and without a high school diploma. The study found that costs the state and federal governments an estimated \$197,000 in future tax revenue each – or \$9.5 billion total over the working life of each young person in that situation.

“With these numbers, we can't ignore the problem anymore as a city, as a region,” said Dr. Teresa Cordova, director of the Great Cities Institute, and co-author of the study *The High Costs for Out of School & Jobless Youth in Chicago and Cook County*.

Cook County Commissioner Bridget Gainer said she would like to see more companies provide apprenticeships to young adults without a diploma.

“We're looking at more and more companies that are starting to say, ‘You know what? I'm not going to make you jump the gauntlet of four-year college in order to bring you in, allow you to earn some money and learn,’” she said.

“People don't need to be saved. They just, they need to find a way. Our job is to eliminate obstacles, and create opportunities for people to be successful.”

U.S. Sen. Dick Durbin and U.S. Rep. Robin Kelly want



Click the picture above to hear WBBM Newsradio's Bernie Tafoya report from June 12, 2017

to provide incentives for employers to hire more young people. They have proposed two pieces of legislation – one to provide grants for local governments and community groups to expand youth jobs programs, and another to encourage businesses to hire more young people.

“Right now, there are tax breaks if you have summer employment. A lot of companies use them. Congressman Kelly and I want to make these tax breaks available for year-round youth employment,” Durbin said.

For the full report, *The High Costs for Out of School and Jobless Youth in Chicago and Cook County*, by the University of Illinois at Chicago Great Cities Institute [click here](#).

June 12, 2017

Study suggests 90,000 Cook County youth out of school and jobless

Updated 12:49PM, June 12, 2017 , By WGN Web Desk and Saher Khan

[Click here](#) to view WGN 9 Morning News TV coverage from June 12, 2017.

[Click here](#) to view WGN 9 Evening News TV coverage from June 12, 2017

CHICAGO — A [new report](#) by the Great Cities Institute at the University of Illinois at Chicago finds almost one-fifth of young adults in Cook County are out of school and can't get work.

The report suggests that the percentage of young people in Chicago and Cook County who aren't in school or working are slowly decreasing in recent years after the recession. But in 2015, 90,000 young people between the ages of 16 and 24 remained out of work and out of school. The report found that the employment conditions in Chicago were far worse than the the rest of the state and the nation.

Black and Latino communities were most negatively impacted by the recession and Latinos are the only group for whom joblessness has gotten worse. More than one-third of black youth aren't working, in fact, the study suggests that black youth between the ages of 20 to 24 were worse off in 2015 than in 1960.

The study states that joblessness is systemic and is tied to the flight of industry in certain neighborhoods in Chicago. When manufacturing jobs left the city, new jobs opened up in the central core of the city, where whites are employed in professional or related jobs. So while job openings exist, they're not where the job seekers live; and commuting expenses eat up much of that job income, especially for workers in



minimum-wage jobs.

The extensive report highlights in detail the downward and long-term trend of joblessness in Chicago, which is found to be concentrated and chronic joblessness, affecting generations of certain neighborhoods and communities. The neighborhoods with the highest rates of joblessness are also the ones with the highest rates of violence. The report suggest solutions and pathways to progress, stating that solving the endemic jobless could positively impact crime rates.

For the full report, *The High Costs for Out of School and Jobless Youth in Chicago and Cook County*, by the University of Illinois at Chicago Great Cities Institute [click here](#).

June 12, 2017

Fewer Teens Are Working — and One Senator Says Falling Youth Employment Will Cost America \$9.5 Billion

By Kevin Mahnken

Fewer teenagers will spend the summer bussing tables and overseeing water slides than in decades past, according to several new media analyses.

Some of this trend can be attributed to teens being pushed out of the workforce by immigrants and older employees, but reports from Bloomberg and The Atlantic both note a key change in teen behavior: Some adolescents are foregoing the summer job in favor of investing in their education, opting for summer classes, unpaid internships, and volunteer projects.

Those diligent students are making a shrewd decision, aiming for the higher salaries and better job security that come with increased educational attainment. But a new publication from researchers at the University of Illinois at Chicago suggests that joblessness among young people, especially those who are no longer enrolled in school, could cost U.S. taxpayers untold billions in the future.

The report, *The High Costs for Out of School and Jobless Youth in Chicago and Cook County*, notes that the difference in tax contributions between a high school graduate and a non-graduate totals \$197,055 over a working life of 45 years. Multiplied by the nearly 50,000 jobless, out-of-school young adults in Illinois, that comes to a staggering \$9.5 billion.

The study looks at Illinoisans ages 16 to 24 who are classified as “disconnected”: outside the K-12 education system, lacking a high school diploma, and unemployed. Their ranks in Cook County, home

An Improving Jobs Market

Teens are usually about three times more likely to be unemployed than other Americans.

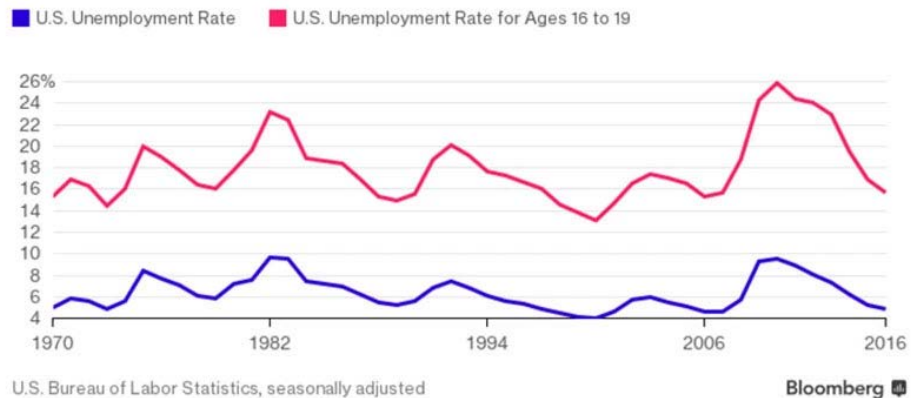


Photo Credit: Bloomberg

to Chicago and the second-largest county in the United States, have fallen since the worst of the Great Recession but still amount to 45 percent of the entire state’s unemployed young adults.

In a press conference Monday, Illinois Senator Dick Durbin hailed the report’s findings, observing that “the best anti-poverty, anti-crime, anti-violence program is a job.”

Durbin and suburban Chicago representative Robin Kelly, also in attendance, have both sponsored federal legislation to boost employment among young people.

“The cost of youth joblessness for individuals, households, and the state as a whole just isn’t worth it,” co-author Teresa Cordova told the Chicago Tribune.

Solutions to stem the tide of the disconnected are not concrete. The report notes that in Chicago, low-wage jobs are

overwhelmingly concentrated in parts of the city (such as the famous Loop) that are difficult to access for the chronically unemployed. And even among those who manage to graduate, post-secondary education is increasingly seen as a prerequisite for a middle-class career.

“This is a country-wide issue and poses a significant risk to the economy of our country — you could say we are a nation at risk,” Jack Wuest, executive director of the Alternative Schools Network, said in a statement. “But there is a great opportunity here to marshal and build a campaign to prepare and employ the jobless youth and young adults that our economy needs now and will need in a much greater way in the future.”

For the full report, *The High Costs for Out of School and Jobless Youth in Chicago and Cook County*, by the University of Illinois at Chicago Great Cities Institute [click here](#).

June 19, 2017

The Crisis of Unemployment Among Chicago Youth

A new report teases out the causes and costs of joblessness among the city's young people without high-school diplomas.

By Mimi Kirk

According to the Bureau of Labor Statistics's most recent numbers, the unemployment rate in Illinois is 4.6 percent. But if you look at certain segments of the state's population, the numbers tell a different story. Illinois's youth are experiencing joblessness at a rate of nearly 70 percent—almost 16 times the statewide average. Chicago's Cook County is home to the largest share of this demographic, with the situation particularly difficult for the 21,500 16- to 24-year-olds without a high-school diploma who are both out of school and out of work.*

When the figures are broken down by race, it's clear the hardest hit are African Americans. For instance, 85 percent of 16- to 19-year-old black residents of Chicago are out of work, versus 73.4 percent of whites and 81.5 percent of Latinos. For 20- to 24-year-olds, the comparison between blacks and whites is particularly stark: Sixty percent of blacks are out of work, while only 23.7 percent of whites are. Latinos in this age range fare somewhere in between, with 33 percent unemployed.

A [new report](#) commissioned by the Alternative Schools Network and published by the Great Cities Institute at the University of Illinois at Chicago details these statistics and highlights the lost tax revenue that occurs as a result. The report's authors found that federal and state coffers lose an estimated \$197,055 over the working life of a young person without a high-school diploma. Multiplying this figure by the thousands of such young people in Illinois reveals that the country and state lose out on nearly \$9.5 billion in potential taxes.

What is driving such high percentages of unemployed urban youth? The report's authors find that jobs are heavily concentrated in Chicago's central financial district—dubbed



A young man fills out an application at a Chicago job fair. (Peter Wynn Thompson/AP)

“the Loop”—and its wealthy suburbs just to the north and west. In contrast, the south side and the southern suburbs, known for their concentrated poverty and racial segregation, have fewer opportunities. For instance, communities in the city's north have between 10,362 and 31,427 jobs, while no area below the south side neighborhood of Hyde Park has more than 6,692 jobs. Thirteen of the 25 community areas in the south have less than 3,000 jobs each.

Compounding this problem is the fact that the southern areas are geographically far from where the jobs are. Matt Wilson, a co-author of the report, says the distance makes it difficult, if not impossible, for young people from the south to work near the Loop.

Moreover, the jobs in the city's southern areas aren't well-served by public transit, making it hard to get to a job that may even be relatively close by. Wilson and his co-author, Teresa L. Córdova, determined

that the Loop and its surroundings have the greatest number of jobs that a worker can commute to by bus or ‘L’ train, whereas the number of similarly accessible jobs decreases the farther south one goes. “When youth from the far south side see a job listing that's in the Loop, they're not even going to fill out the application,” Wilson says. “The time and cost to get there is prohibitive.”

Decades ago, the southern areas of Chicago were more economically viable. Factories that made a variety of goods, from candy to construction equipment, were located in close proximity and provided employment for thousands. Jobs were also available in the retail outfits that sprouted to serve industrial workers. A black middle class thrived.

But as in other Rust Belt cities, industry moved to cheaper locales and people lost their jobs. Once racial barriers loosened somewhat, much of the black middle class moved to more affluent suburbs. Wilson says

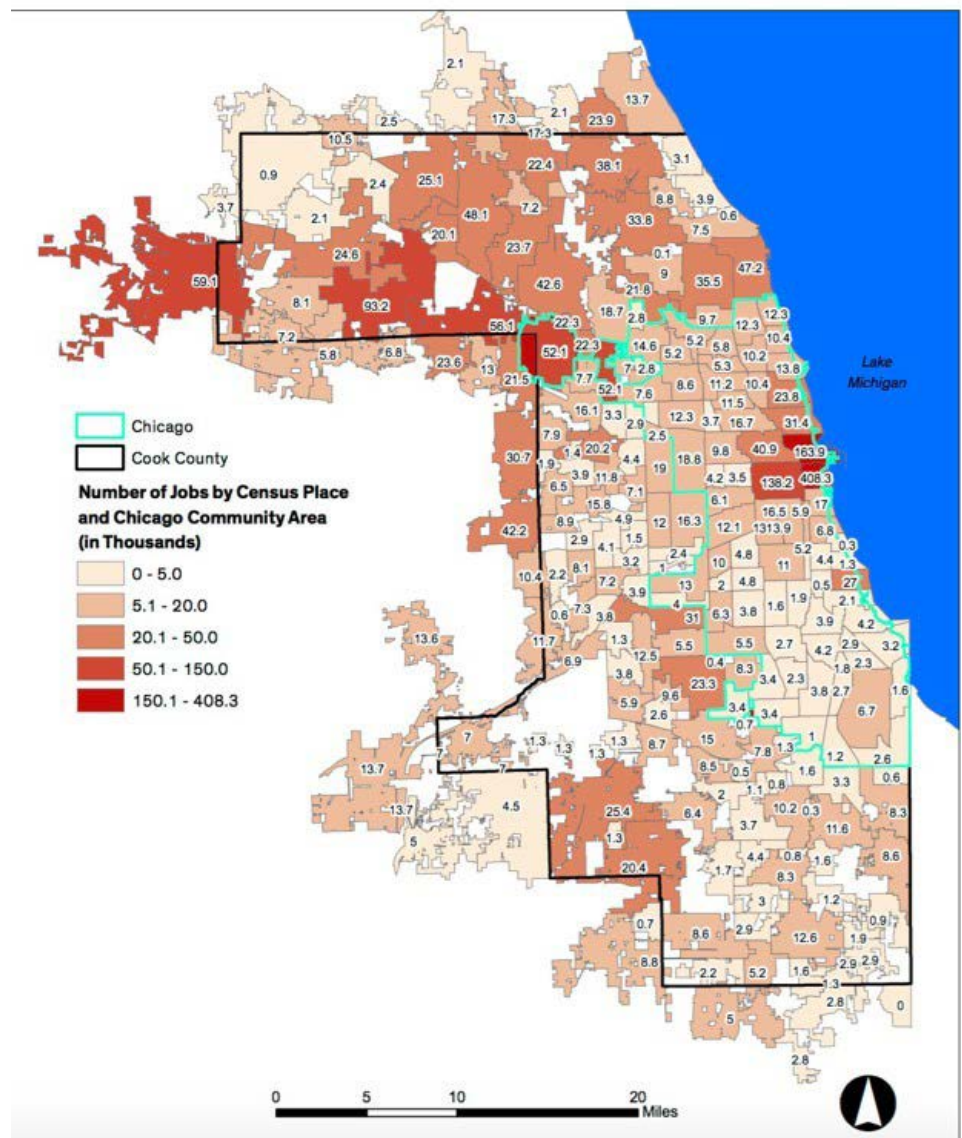
that Englewood, a neighborhood southwest of Hyde Park, had 100,000 residents in the 1960s, most of them African American. Today, it has lost around 70,000 people. “These neighborhoods are shells of their former selves,” he says. “They were once bustling middle class areas with vibrant commercial districts, but they now lack economic activity and display decades of physical decay.”

The potential loss of \$9.5 billion in tax revenue may draw more attention and support to initiatives aimed at raising employment rates among young and jobless Chicagoans. Illinois Senator Dick Durbin and Representative Robin Kelly recently introduced federal legislation that would offer tax breaks to encourage businesses to hire at-risk youth, as well as provide grants to local communities to create employment opportunities for young people.

Wilson and Córdova also call for education and training programs that help make young people more competitive in the job market, as well as for developing solutions to address the geographic mismatch between the location of jobs and where the most chronically unemployed populations live.

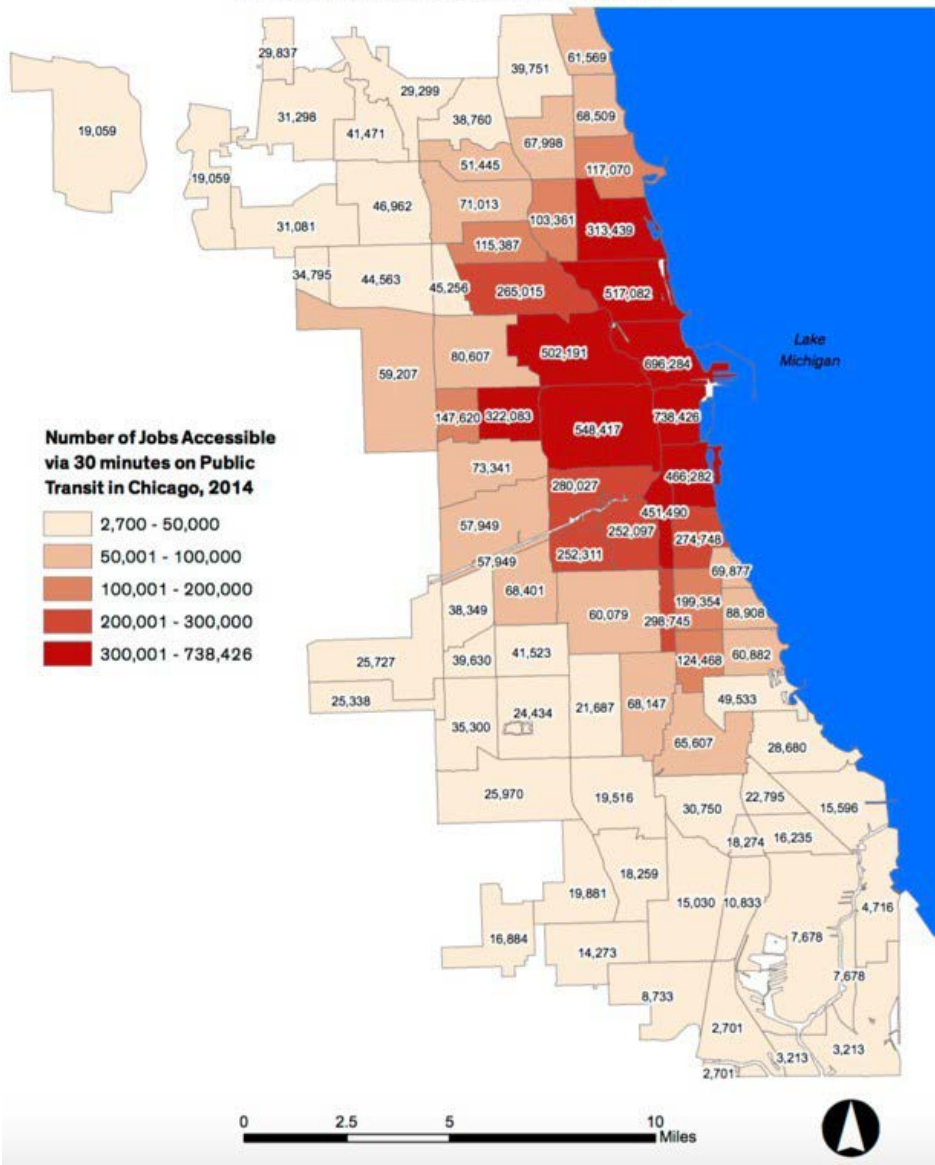
“The proposed legislation is an important beginning step,” says Wilson, “but it is not a holistic solution.”

Map 10: Number of Jobs in Cook County by Census Place and Chicago Community Area, 2014



(Courtesy of the Great Cities Institute)

Map 11: Number of Jobs Accessible via 30 minutes on Public Transit in Chicago by Chicago Community Areas, 2014



(Courtesy of the Great Cities Institute)

June 12, 2017

Study: Jobless youth without diplomas cost billions in lost taxes

By CBS Chicago



A new study indicates the U.S. and Illinois are losing out on billions of dollars in tax revenues, due to the number of teens and young adults who are unemployed, out of school, and have no high school diploma.

The new report by the Great Cities Institute at the University of Illinois at Chicago found nearly a quarter of 20- to 24-year-olds in Chicago and Cook County are out of work, not in school, and don't have high school diplomas. As many as 33 percent of 16- to 24-year-olds in the city and county are jobless, out of school, and have no diploma.

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“With these numbers, we can’t ignore the problem anymore as a city, as a region,” said Dr. Teresa Cordova, director of the Great Cities Institute, and co-author of the study *The High Costs for Out of School & Jobless Youth in Chicago and Cook County*.

Read more at <http://chicago.cbslocal.com/2017/06/12/uic-great-cities-institute-study-jobless-youth-no-diploma/>

For the full report, *The High Costs for Out of School and Jobless Youth in Chicago and Cook County*, by the University of Illinois at Chicago Great Cities Institute [click here](#).