

# Funding cuts jeopardize jobs for at-risk youth

Dear Editor,

I am writing in response to the article I read in the New York Times, March 20, 2006 issue about the plight of our young African-American men. The article is entitled, "Plight Deepens for Black Men, Studies Warn," by Erik Eckholm. The article heightened my frustration as the Executive Director of Chicago's leading youth employment agency Jobs For Youth/Chicago (JFY).

We have seen our funding decrease to a point where we will have to cut the very services these young men desperately need. We need financial support from the City of Chicago, Cook County, the State of Illinois, and Corporate America to keep this program alive. We are clearly a part, albeit a small one, of the solution to this problem and we have the data to back it up.

The article talks about a 72 percent unemployment rate among African-American male high school dropouts and 50 percent rate for those who completed high school. Jobs For Youth Chicago has helped a total of 677 young men between the ages of 17 and 24 get jobs during FY03, FY04, and FY05 with an average hourly wage of \$8.34. Some young men are making as much as \$15/hour as Customer Service Representatives, \$12.25/hour as Doormen, and \$17.50/hour as Cable Installers.

Since we opened our doors in 1979, we have seen our youth placed in more than 24,000 job placements. 88 percent of our clients are African-American and 8 percent are Latino. We can do more, serve more clients and address employers' needs with merely adequate funding to maintain our program.

Through a comprehensive Work-Readiness/Life-Skills program and GED preparation program, JFY has demonstrated that a job leading to a career does make a difference in the lives of these young men. My frustration comes from the lack of funding to keep programs like Jobs For Youth not only continuing but also expanding to address the need. In Chicago alone, there are 100,000 16-24 year olds not working or in school, with only 1 in 10 African-American teens in Chicago employed in 2004.

If we are going to reconnect our young men to school and work, we need to expand programs that work. Programs should show their effectiveness. The National Youth Employment Coalition's "Youth Notes" dated January 2006, reviewed four components of education and training policy for at-risk youth:



**Youth development efforts**, such as after-school and mentoring programs for adolescents and early teens;

**High School programs**, including career and Technical education, school-to-career efforts, and independent alternative schools for youth at risk of dropping out or those who have;

**Post-secondary education**, with a heavy focus on community colleges;

**Training programs** for disadvantaged out-of-school youth.

Illinois has taken one step in the right direction by raising the minimum wage to \$6.50/hour. The study suggests that the federal minimum wage should be increased to roughly 45% of the average wage in the economy for production workers, which currently would be roughly \$7/hour. Our average wage is over \$8/hour.

Having received 5,126 telephone inquiries and 2,093 online applications from youth last year, clearly JFY has become the organization of choice for out-of-school youth who are looking for positive alternatives. The majority of our clients come to us through word of

mouth referrals. We don't have to do an aggressive marketing strategy to get the young people to come. Most of them have decided they want to better their current life situation and believe work and a job can help them. Of course, work is only one part of the larger solution.

As the article, "Plight Deepens for Black Men, Studies Warn" by Erik Eckholm in the New York Times stated, the family, or lack of family, plays a major role as well. We are all humans who have physical, emotional, mental, and spiritual needs, which must be addressed for any of us to be well-balanced individuals.

In closing, JFY analyzed 137 clients who were placed in 2003. We know a key aspect of cost effectiveness is the value one receives in return on investment. We looked at their current employment status and calculated that the young men and women in this sample had total earnings of more than \$1.75 million dollars during just the five quarters (15 months) we looked up.

At an average unit cost of \$3,000 for placement and retention, the investment of about \$411,000 in these 137 young people has been multiplied four times over in terms of increased tax revenue, decreased public expenditures, and general economic activity.

We know the problems our young men face all too well. Where is the will to address them and provide viable solutions? JFY must have the financial support to continue to help these young men and women become part of our economic mainstream. We invite you to visit anytime to see first hand the work that we do, and we hope you'll appreciate the importance of our mission.

Thank You,

Robert Barnett  
Executive Director  
Jobs For Youth/Chicago

# MOWD: we're responding in new ways

Dear Editor:

In response to Mr. Barnett's discussion of funding, I agree whole-heartedly with his assertion that the workforce development system can do even more to improve employment opportunities for low-income Chicagoans with a fully-funded system. The Mayor's Office of Workforce Development, which oversees training and workforce activities in Chicago, is likewise facing a nearly identical, if not more dire situation. According to current projections, MOWD will have 20% less funding to operate Chicago's workforce development system in the upcoming program year. While we will continue to seek funding from new sources and continue to work with the Mayor and City Council to allocate more funding to workforce development, we must acknowledge that this creates a very serious situation for MOWD and partners like Jobs For Youth.

As this situation shows no signs of reversal in the near future, we must instead modify our departmental philosophy and look to innovative programming for solutions. In the last year, MOWD has shifted its overall operating philosophy to a demand-driven, business-based model that capitalizes on the links between workforce development and economic development, and taps directly into the business community. By working with employers to address critical skills shortages in the Chicago labor pool, we can better prepare job-seeking residents for meaningful careers in industries where positions are currently going unfilled. MOWD is also working with new partners on social enterprise ventures - workforce development programs with a profit-making component that, we hope, will help these programs become self-sufficient parts of our City's system.

In response to the questions surrounding future funding, MOWD will continue to contribute to the economic development of Chicago by seeking out opportunities that improve the lives of low-income individuals and help those with barriers to employment. By refining our process, seeking innovation from our service providers, and adapting to changing funding environments, MOWD, and partners like Jobs For Youth will continue to put Chicagoans to work.

Sincerely,

David Hanson  
Commissioner  
Mayor's Office of Workforce  
Development