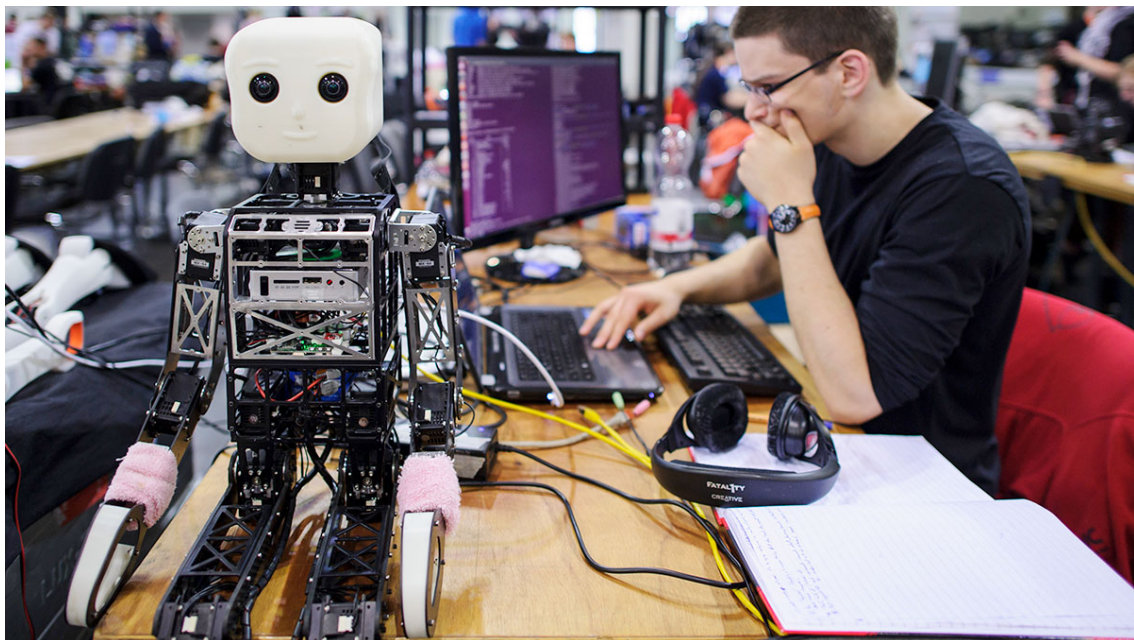


Labor

Why More Cities Should Offer Summer Jobs for Teens

by Alicia Sasser Modestino

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Summary. As of July 2018, the U.S. unemployment rate for teens remains high at 13.1% — more than twice the rate of any other group. Even more worrisome has been the decline in the share of teens participating in the labor force, which now stands at 37.1% — far below the... [more](#)

Recently, the United States marked a record seven-year stretch of continuous monthly job creation, resulting in a historically low unemployment rate of 4%. In addition to signaling a strong

economy, a tight labor market typically improves job prospects for groups with fewer skills and less experience, including teens.

However, as of July 2018, the U.S. unemployment rate for teens remains high at 13.1% — more than twice the rate of any other group. Even more worrisome has been the decline, since 2001, in the share of teens participating in the labor force. The teen share now stands at 37.1%, far below the historical peak of 59.3% in August 1978.

Teen employment has fallen for two reasons. For some teens, working has been replaced by other activities such as coding camps, preparing for academic tests, or travel — all of which look good on a college application. But for those who might not be college-bound, it appears that fewer pathways exist to enter the labor market. Over half of unemployed teens report that they are having difficulty finding their first job. The greatest difficulties are faced by African-American and Hispanic teens — especially those from low-income families in impoverished neighborhoods with failing schools, high crime rates, and few job opportunities.

Early work experience is an important tool for enhancing the future employment prospects and earnings potential of low-income youth — and summer jobs play a big role here. My research shows that summer jobs for teens are important to their future prospects. By facilitating the transition from school to the labor force, summer jobs can help students apply what they learn in school, learn more work-related skills, and develop contacts with employers. These jobs can also help firms seeking to diversify and expand their talent pipelines.

Refocusing on Summer Jobs

Many large U.S. cities have summer employment programs that provide early work experiences to inner-city, low-income youth. By placing teens in subsidized jobs with government agencies, nonprofit organizations, and private employers, these programs

were initially seen as a way to increase family earnings, improve future employment prospects, and reduce crime.

Now city and state leaders hope to use summer jobs programs to provide meaningful employment experiences that can improve teens' job readiness and financial skills and boost their academic and career aspirations. To do so, mayors are increasingly turning to private-sector employers that can provide youth with skill-building opportunities that can lead to career pathways beyond the traditional camp counselor jobs.

For example, Boston's program includes job placements at private-sector employers across a wide range of industries, including finance, health care, life sciences, and education. Some of these employers, such as Brigham and Women's Hospital, have year-round internship programs that match students with mentors, provide access to tutoring in science and math, and even help students apply to college.

Research in cities such as Boston, Chicago, and New York has demonstrated that summer youth employment programs can boost employment and wages during the summer and also have longer-term impacts on crime and schooling outcomes.

Over the past three years, I have been working with the Mayor's Office of Workforce Development in Boston to assess program impacts over both the short term (during the summer) and the longer term (during the 12 to 18 months after participation). Because there are more youth who apply than there are jobs available, participation is assigned by lottery. This means we can compare participants with a random set of similar applicants who did not win spots in the program (the control group). Here is what we've found:

Short-term program impacts. Compared with those not admitted to the summer jobs program, participants reported significant improvements in community engagement and social

skills, increased aspirations to attend either a two- or four-year college, and enhanced job readiness skills, such as being able to write a résumé or successfully answer questions in an interview.

Long-term program outcomes. Data from public records showed that youth admitted to the program also fared better in terms of employment and academic performance and were more likely to avoid trouble in the criminal justice system, compared with the control group. Arrests in the 18 months following participation in the program decreased by 35% for violent crimes and by 57% for property crimes, relative to the control group. Average school attendance increased by 2.5 percentage points and course reductions fell by 15.3 percentage points. Among older minority youth (ages 19 to 24), employment grew by seven percentage points and wages by 12 percentage points.

Future research will try to pinpoint which program features matter most for these effects. For example, how much did it matter that youth were placed in a private-sector versus a community-based job? To what degree did the program's formal career readiness training enhance outcomes? Did it matter if youth participated over multiple summers?

Expanding the Reach of Summer Jobs Programs

Despite encouraging results, little has been done to expand summer jobs programs at either the local or the federal level. In the early 1990s, federal funding ended on the assumption that in a full-employment economy, employers would hire youth without any government subsidy. Some mayors of large cities pulled together funds from various sources to sustain their programs, recognizing that inner-city youth rarely got hired even in the best economic times. But program slots have not been sufficient given a rising minimum wage and growing applicant pools. In Boston, roughly half of those applying must enter a lottery, and among those who do not win program slots, only one in four find a job on their own.

With little help from the federal government, cities search for alternative sources of funding. In Boston, my evaluation was used to explore whether additional dollars could be attracted from the private sector. By linking the survey responses from participants to subsequent administrative data about them and others not admitted to the program, our study was able to explain how summer jobs programs improved job skills and career prospects. This may make it possible to attract more funding for these summer programs in order to incentivize activities that lead to better outcomes down the road.

Another way to expand summer jobs programs is to increase private-sector engagement by forming new partnerships with employers. This was an important part of the mayor's summer jobs program in Boston. In fact, the Boston Private Industry Council (PIC) had the highest number of private-sector jobs brokered for youth (1,081, or 68.7%, of direct placements in 2017), including positions at employers such as Massachusetts General Hospital, State Street Corporation, Bank of America, Liberty Mutual, Vertex Pharmaceuticals, General Electric, Aramark, and Harvard University. PIC specialists prepared students for jobs through a series of workshops and career exploration activities during the school year and then matched them with employers based on their interests and skill sets.

What's in it for the employers? In Boston, many employers use their summer programs to help identify students for highly sought-after school-year internships. In these cases, students continue to be paid through a centralized budget for community relations and workforce development, and work eight to 12 hours per week in their departments. At other employers, supervisors have been so pleased with their summer interns that they have agreed to pay students directly out of the department budget in order to retain them throughout the school year. Employers are also able to expose a more diverse population to potential careers in their industries.

This should serve as a national model for public-private partnerships aimed at increasing youth employment. Early work experiences provide an important opportunity to build the skills and career interests of any city's future workforce. By providing access to employer networks, career mentoring, and skill development, summer jobs programs can provide youth with the tools and experience needed to navigate the job market on their own while also expanding the city's talent pipeline.

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