STATE OF THE WORKFORCE 2003 16-24-Year Olds in South Central Connecticut: A Workforce in Peril

Prepared for The South Central Regional Workforce Development Board New Haven, Connecticut

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Introduction

Between 1980 and 2000 the Connecticut labor market experienced a fundamental change in the nature of labor demand. Jobs in the service and trade sectors grew while those in the state's dominant manufacturing sector fell by more than 177,000. This means that by the year 2000, there were 40 percent fewer manufacturing jobs in Connecticut than there were just two decades earlier. The shift in the relative size and importance of services, trade and manufacturing has had profound consequences for those seeking to enter the labor market, especially younger workers.

Within traditional manufacturing, employees typically developed many of the skills they needed to work in the machine trades, metalworking, repair, operative, assembly and most other skilled and semi-skilled occupations on the job. In services, however, especially professional services, finance and government, employers have come to prefer workers who are job ready, possessing much of the skill, knowledge and ability they need to do their jobs by virtue of their years of schooling. Indeed, within the past two decades there has been an explosion in the level of demand for workers with post-secondary education, both in Connecticut and elsewhere. During the same period, the demand for workers with fewer years of schooling, especially dropouts, has dramatically declined. In an economy dominated by the service and trade sectors rather than by traditional manufacturing, educational attainment and academic ability are much more powerful in determining the degree of success individuals experience in the labor market.

The dramatic change in both the locus and content of jobs in the state economy means that the decisions young people make regarding their own education and training have more important long-term effects on their life pathways and labor market outcomes than ever before. Decisions about whether to stay in high school, the kind of courses to take, whether to enroll in a post-secondary program, the level and type of degree or certificate to pursue and major field of study to select are just a few of the critical educational choices that young adults must make at a very early age. In light of recent economic changes in Connecticut, these decisions will have a powerful effect on life outcomes. The occupational choices made by young adults in their late teens and early 20's now determine the kind of employment and earnings experiences they will have throughout their working lives. In a labor market that favors knowledge and experience, choices about summer jobs, part-time work, formal work-based learning such as cooperative education and apprenticeships also have a strong connection to future employability, lifestyle and quality of life. Taken as a whole, therefore, the decisions Connecticut's young people between the ages of 16 and 24 make about work, education and training in this economy will be important determinants of their economic, social and personal futures.

This paper utilizes just released micro data files from the U.S. Bureau of the Census to analyze the educational and work activities of the young adult population in South Central Connecticut.¹ It examines the school enrollment, educational attainment and work activity of young adults in the region, the City of New Haven and the state as a whole. Finally, it explores the connections between work and school and identifies those young adults in the state and region who are disconnected from both types of activity.

School Enrollment Status and Educational Attainment of the Young Adult Population

Formal education is crucial for the development of young people into successful adults. The economic evidence that additional years of schooling have strong labor market returns is incontrovertible. Moreover, the economic gains to additional years of schooling appear to have increased over time due to the aforementioned changes in the overall economy.

The years between age 16 and 24 are typically times of intensive schooling activity for young adults. The opportunity costs of enrolling in school, in terms of both foregone earnings and lost family time, are generally lower at these ages than for adults age 25 and over. The higher pay levels that accrue to additional years of work experience and the much higher rates of family formation for those over the age of 25 make young adulthood the best time to engage in formal schooling activities that bolster long-term labor market success.

During the 2000 decennial Census, respondents to the long form questionnaire were asked a wide variety of questions concerning their educational attainment level and

¹ The data in this report are derived from the Public Use Microdata Sample (PUMS) 5 Percent Data file. The estimates provided in this paper were produced by the Center for Labor Market Studies based on a sample of 5 percent of all households in a given geographic area contacted as part of the 2000 Census.

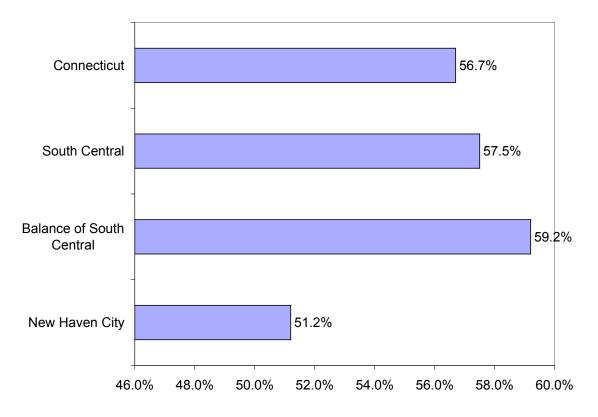
school enrollment status at the time of the Census. The Center for Labor Market Studies has analyzed the data on school enrollment behavior for the young adult population in the city of New Haven, the South Central workforce board region and the state of Connecticut as whole. Our analysis was restricted to only those young adults who were not in the military and who resided in households within the area at the time of the Census enumeration in the early spring of 2000. This restriction is important because it excludes large numbers of college students living in group quarters such as dormitories.²

The resulting data reveal that in the South Central region, 57.5 percent of all those age 16 to 24 were enrolled in some type of schooling activity at the time of the Census, an enrollment rate just above the statewide average of 56.7 percent. However, within the South Central region there was a larger disparity in enrollment rates between young adults in the city and those in suburban areas. In the city of New Haven, the enrollment rate for those age 16 to 24 was just 51.2 percent, while the rate for those in the balance of the South Central region was 59.2 percent. This means that young adults in the region who lived outside of New Haven were 1.16 times more likely to be enrolled in school as their city counterparts. Overall, the school enrollment rate in the South Central region of 57.5 was close to the 56.7 percent rate observed for the state as a whole.

The school enrollment rate was similar for males and females across all of the areas included in our analysis, with the Census finding no major gender gaps in school enrollment in the city of New Haven, its surrounding communities or the state as whole (see Chart 1). However, the findings in Table 1 do reveal sharp differences in school enrollment behavior across race/ethnic groups. For example, in the city of New Haven, about 60 percent of the white, non-Hispanic population was enrolled in school at the time of the Census. This proportion was similar to that for white young adults residing in the balance of the South Central region and in the state as a whole. The overall school enrollment rates for young non-Hispanic blacks in New Haven was 55.6 percent, a level of school enrollment modestly below that observed for young whites in the city.

 $^{^{2}}$ In New Haven, one third of the 16 to 24 year old population lives in group quarters. Statewide, about 12 percent of the 16-24 year old population lives in either institutional or non-institutional group residences.

<u>Chart 1:</u> <u>School Enrollment Rate of the Civilian Non-Institutional Population of Young Adults in</u> New Haven, the South Central Region and State of Connecticut in 2000



The enrollment rate for black young adults in the outlying communities and the state as a whole were quite similar to that observed for these individuals in New Haven, although the black enrollment rate was slightly higher in the city and the region than for the state as a whole. The school enrollment rate for Hispanic young adults was much lower than that observed for either their white or black counterparts in New Haven, its suburbs or the state of Connecticut as a whole. Only one in three young adult Hispanics in New Haven were enrolled in school at the time of the Census. White young adults in the city were 1.8 times more likely than their Hispanic counterparts to be enrolled. Black young adults were also considerably more likely to be in school compared to Hispanics. The black enrollment rate for the 16 to 24 year old population was 1.7 times that of Hispanics in the same age group. Similar differences across race/ethnic groups exist in the remainder of the South Central region and the state.

| | Male | Female | White | Black | Hispanic |
|--------------------------|-------|--------|-------|-------|----------|
| New Haven | 50.7% | 51.7% | 60.4% | 55.6% | 33.5% |
| Balance of South Central | 58.7% | 59.7% | 61.5% | 57.1% | 42.9% |
| South Central | 57.1% | 57.9% | 61.4% | 56.2% | 38.3% |
| Connecticut | 55.7% | 57.6% | 60.4% | 54.0% | 41.0% |

<u>Table 1:</u> School Enrollment Rates of the 16-24 Civilian Non-Institutional Population in New Haven, South Central Region and Connecticut, 2000

Data on the educational attainment of those young adults <u>not</u> currently enrolled in school reveal a sizable dropout population among young adults in the South Central region and especially in the city of New Haven. The findings provided in Table 2 reveal that in the South Central region, more than one fifth of the 29,500 young adult household residents had failed to complete high school. In the city of New Haven the picture was much worse. Young adults in New Haven were somewhat more likely <u>not</u> to enroll in school than their counterparts in either the balance of the South Central region or in the state as a whole. Worse still, one out of three out of school youth in New Haven were high school dropouts at the time of the Census. Thus, about 2,500 persons age 16 to 24 were high school dropout share was equal to the share of non- enrolled high school graduate young adult residents in the city.

| Table 2: |
|--|
| The Educational Attainment of the 16-24 Year Old Non-Enrolled, Non-Institutional |
| Civilian Population in New Haven, South Central Region and Connecticut, 2000 |

| | Balance of | | | |
|----------------------------|-------------------|------------------|------------------|-------------|
| | New Haven City | South Central | South Central | Connecticut |
| High School Dropout | 33.1% | 17.7% | 21.6% | 24.0% |
| High School Graduate Only | 33.4% | 39.3% | 37.8% | 39.9% |
| Some Post Secondary | 19.0% | 26.0% | 24.2% | 21.8% |
| Four Year College Graduate | 14.5% | 17.0% | 16.4% | 14.2% |
| Total | 100.0% | 100.0% | 100.0% | 100.0% |

This clearly indicates a severe dropout problem in the city's school system and provides a partial measure of the magnitude of the human resource deficiencies of the young adult population there.

The dropout problem in Connecticut appears to be more heavily concentrated among young males relative to females. Table 3 shows the gender composition of 16 to 24 year olds in the three areas under discussion. Statewide, about 26 percent of all nonenrolled males age 16 to 24 were high school dropouts while about 22 percent of females were classified as dropouts at the time of the Census. In New Haven, the proportion was much higher. An extraordinary 39.5 percent of males in the city had dropped out of school before earning a diploma or GED. Among city females, this proportion was 27 .1 percent. The dropout share for males in New Haven was more than double that measured for the communities that combined, make up the balance of the South Central region. These findings suggest a problem of great magnitude in the development of the labor market potential of a very large fraction of young male residents of the city.

Table 3:

The Gender Composition of the 16-24 Year Old High School Dropout Civilian Non-Institutional Population in New Haven, South Central Region and Connecticut, 2000

| | New Haven City | Balance of South Central | South Central | Connecticut |
|--------|-------------------|-----------------------------|---------------|-------------|
| Male | 39.5% | 17.7% | 22.8% | 26.1% |
| Female | 27.1% | 17.6% | 20.1% | 21.9% |
| Total | 33.1% | 17.6% | 21.6% | 24.0% |

The data on dropouts from the decennial Census suggest a substantial gender gap in the educational attainment of the non-enrolled young adults in both the state and the South Central region. Chart 2 compares male and female dropout ratios for New Haven, South Central per se, the balance of the South Central area and Connecticut as a whole. The analysis reveals that statewide, there were 128 male dropouts between the ages of 16 and 24 for every 100 females in the same population group. This relationship varied considerably by geographic area. In New Haven, there were 137 male dropout residents age 16 to 24 for every 100 females. In contrast, this ratio was only 112 in the balance of the South Central region.

<u>Chart 2:</u> <u>The Number of Male Dropouts per 100 Female Dropouts in the 16-24 Year Old Non-</u> <u>Enrolled Civilian Non-Institutional Dropout Population in New Haven, South Central</u> <u>Region and Connecticut</u>

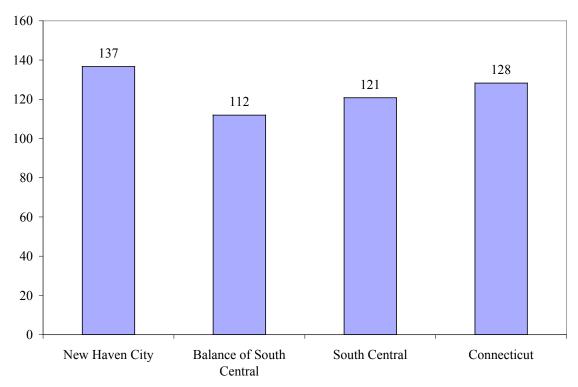


Table 4 describes the distribution of young adult dropouts by race and ethnicity in the four geographic areas. As shown there, young adults who had dropped out of high school in the South Central region were quite likely to be members of a race/ethnic minority group. More than 60 percent of all dropouts in the region were black, Hispanic or member of another non-white race/ethnic group. Statewide, nearly two-thirds of all high school dropouts age 16 to 24 were members of a race/ethnic minority. Young adults in New Haven who had dropped out of school before graduation were overwhelmingly members of minority communities. Indeed, Hispanics between the ages of 16 and 24 accounted for 57 percent of all dropouts in the city, while black, non-Hispanic persons that age accounted for an additional 28 percent of the dropout population in New Haven. In contrast, not only is the overall relative size of the dropout problem smaller in the communities that make up the balance of the South Central region, but white young adults account for 60 percent of all dropouts

| <u>I able 4:</u> |
|---|
| Distribution of the 16-24 Year Old Non-Enrolled Civilian |
| Non-Institutional Dropout Population in New Haven, South Central Region and |
| Connecticut by Race/Ethnicity, 2000 |

Table 4.

| | New Haven | Balance of | South | |
|----------|-----------|---------------|---------|-------------|
| | City | South Central | Central | Connecticut |
| White | 10.0% | 61.8% | 39.2% | 36.4% |
| Black | 28.1% | 10.4% | 16.8% | 13.9% |
| Hispanic | 57.0% | 27.8% | 37.9% | 43.7% |
| Total | 100.0% | 100.0% | 100.0% | 100.0% |

in those cities and towns. Nonetheless, Hispanic young adults still account for more than one in four dropouts in the balance of South Central and nearly 38 percent of all dropouts in the region.

A key question is whether the large minority proportions of young adult dropouts are merely reflective of a large minority population in the 16 to 24 year old age group or whether black and Hispanic young adults are more likely to be dropouts. The data in Table 5 are effectively a measure of the likelihood that a young adult within a given race/ethnic group and within a particular geographic region will drop out.

They reveal very sharp differences across race/ethnic groups in the chance that a young adult will become a high school dropout, regardless of geographic area. White, non-Hispanic young adults in the city of New Haven, in the South Central region and in the state as a whole are much less likely to leave school before completion than other young adults. For example, the dropout incidence among white, non-Hispanics age 16 to 24 in New Haven is 15.6 percent—less than one half the average incidence of dropping out found in the young adult population in the city. In contrast, the data reveal that non-enrolled Hispanics age 16 to 24 are very likely to have dropped out of high school. In New Haven, for example, 46 percent of all non-enrolled Hispanics were high school dropouts. At the same time, about 29 percent of black, non-Hispanic young adults in New Haven not enrolled in school were high school dropouts.

The data reveal, therefore, that geographic residence does not appear to have much influence on the incidence of dropping out for any group included in the table. While the overall dropout incidence in New Haven is double that of the balance of the South Central region, the data indicate that for white and black young adults, the size of the differences appear to be relatively small. The major exception to this is among Hispanic young adults. Young Hispanic men and women not in school at the time of the Census who resided in New Haven were considerably more likely to be high school dropouts than Hispanic young adults who lived in the balance of the South Central region.

| Table 5: |
|--|
| The Incidence of Dropouts Among Race/Ethnic Groups in the |
| 16-24 Year Old Non-enrolled Civilian Non-Institutional Population in |
| New Haven, South Central Region and Connecticut |

| | New Haven City | Balance of South Central | South Central | Connecticut |
|-------------------|-------------------|-----------------------------|------------------|----------------|
| White | 15.6% | 13.5% | 13.7% | 14.2% |
| Black Hispanic | 28.7% 45.8% | 26.7% 36.9% | 27.9% 41.6% | 29.0% 49.5% |
| Total | 33.1% | 17.6% | 21.6% | 24.0% |

The findings on the educational attainment of the young adult population in the area reveal the existence of a serious dropout problem, especially among young men and race/ethnic minorities. Young women in the area are more likely to be enrolled in school than their male counterparts and, when they are not enrolled, are considerably more likely to have completed a high school program, to have acquired some additional post-secondary schooling or earned a college degree than their male counterparts. Race/ethnic minorities are especially likely to have failed to complete high school.

Employment Activities of the Non-Enrolled Population

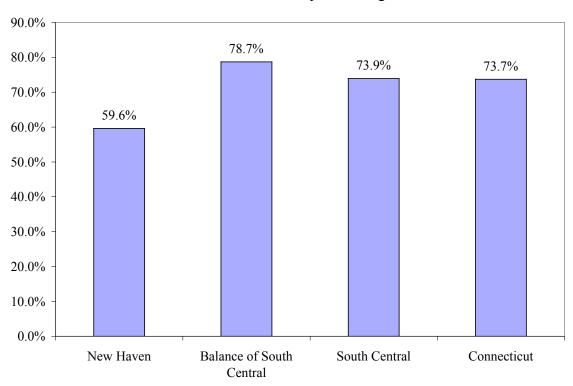
In addition to collecting information on the enrollment status of young adults, the 2000 Census also gathered information on the labor market activities of young adults at the time of the Census, as well as on their work efforts in the year prior to the Census survey.

Additional schooling is clearly an important pathway to developing the literacy and occupational skills that are demanded by the current labor market. However, an alternative way to developing important productive abilities is through work experience itself. Work experience can help young adults develop a number of key skills including a set of behavioral traits (sometimes called 'soft skills') that are highly prized by employers. Such experiences can also help young adults make decisions about future education and career plans, and help them develop specific occupational proficiencies. A large body of evidence suggests that early work experience, like schooling, can have significant long-term impacts on future labor market outcomes for young adults

While unemployment rates are often thought of as a measure of job access and labor market success, they represent labor market outcomes only for those who are active participants in the labor market. Among youth, who often move into and out of the labor market and often engage in only short periods of job search, the unemployment rate can be an inadequate measure of the degree of labor market success or failure that various groups of young adults might experience. The analysis below examines the employment-to-population ratio or, what is sometimes called the employment rate, for various groups of young adults in the South Central region of the state of Connecticut. The E/P ratio simply measures the fraction of young adults in a given group who have a job at the time of the Census survey during the spring of 2000. This measure allows us to determine the overall degree to which various groups of young adults have had success in gaining access to work experiences that might enhance their future employability. Our discussion will focus for the most part on the 16 to 24 year old out of school population in the South Central service area.

The E/P ratio in the South Central area was 73.9 percent during the spring of 2000. This meant that nearly three quarters of all non-enrolled young adults residing in the region were employed at the time of the survey. This proportion was almost identical to the statewide employment rate of 73.7 percent. However, within the South Central region, some differences existed in the employment rates of out of school young adults at the time of the Census. Within the city of New Haven, the employment rate for the non-enrolled 16 to 24 year old population was 59.6 percent, while that for the remaining South Central region communities was 78.7 percent. This employment rate gap, as presented in Chart 3, is quite large and reveals much more limited job access for city residents compared to their counterparts in the rest of the region.

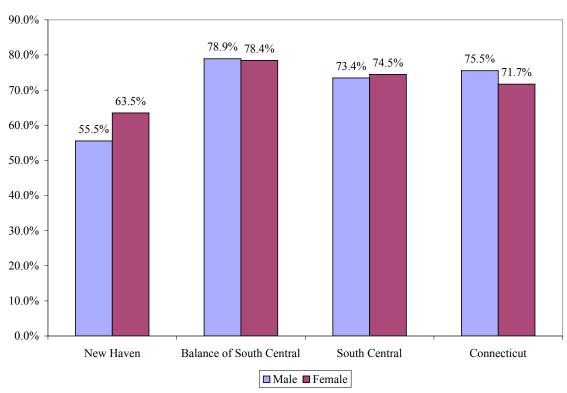
<u>Chart 3:</u> <u>The Employment Population Ratio of the Non-Enrolled</u>



Civilian Non-institutional Population Age 16 to 24

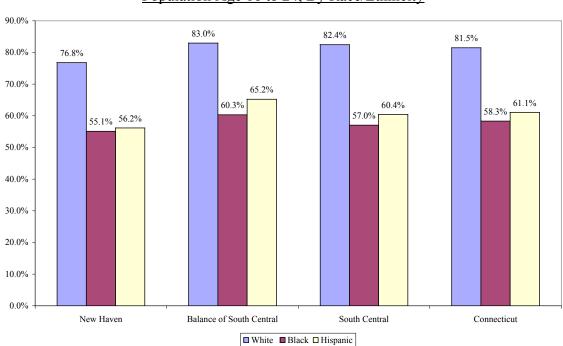
Chart 4 presents the employment to population ratio of non-enrolled young adults by geographic area and gender. Overall, the employment rates of out of school young men and women in the South Central region were quite similar. Young, non-enrolled males had an E/P ratio of 73.4 percent in the region, while the rate for non-enrolled females was nearly identical at 74.5 percent. Statewide, the E/P ratio for non-enrolled males was somewhat higher than that observed for their female counterparts. About 75 percent of out of school males age 16 to 24 were employed statewide at the time of the Census versus about 71 percent of non-enrolled females.

In New Haven, however, a large gap exists in the employment rate between nonenrolled males and females. The Census found that only 55 percent of non-enrolled males were employed while 63 percent of females had jobs. Males in New Haven had much worse job access than their counterparts in the balance of the South Central region. There, non-enrolled males age 16 to 24 had an employment rate of nearly 79 percent, while among males in the city of New Haven the rate was only 55 percent. Young, out of school males in the communities surrounding New Haven were 1.4 times more likely to have a job than their city counterparts.



<u>Chart 4:</u> <u>The Employment Population Ratio of the Non-Enrolled Civilian Non-Institutional</u> <u>Population Age 16 to 24, By Gender</u>

Chart 5 allows us to examine the employment status of non-enrolled young adults by race/ethnicity. Large disparities in employment rates exist between out of school white, non-Hispanic out of school young adults and their black, non-Hispanic counterparts. The data on employment rates for the South Central region reveal that 82 percent of all 16-24 year old out of school whites were working at the time of the Census.

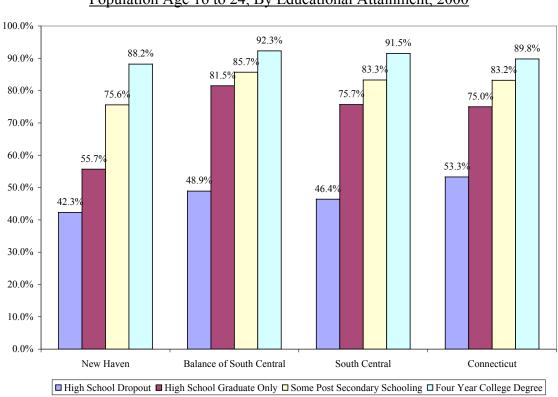


<u>Chart 5:</u> <u>The Employment Population Ratio of the Non Enrolled Civilian Non-institutional</u> <u>Population Age 16 to 24, By Race/Ethnicity</u>

In contrast, only 57 percent of black, non-Hispanic young adults had a job when the Census enumeration occurred in 2000. Hispanic 16-24 year olds had modestly higher employment rates than did blacks, but well below that of whites. The data reveal that whites were 1.3 times more likely than Hispanics, and 1.4 times more likely than blacks to be employed. Young adults in New Haven were also less likely to work than their counterparts in the balance of the South Central region. However, these differences were not large within race/ethnic categories.

Young black residents of New Haven had an E/P ratio of 55 percent, while their counterparts in the balance of the region had a work rate of 60.3. Nearly 77 percent of young whites in New Haven had a job versus 83 percent for those who lived in communities surrounding New Haven. The city/suburb differences for Hispanics were, however, somewhat larger. The employment rate for Hispanics in the city was 56 percent, while that for Hispanic young adults in the balance of the region was 65 percent. In this case, those Hispanic young adults living outside the city were about 1.2 times more likely to work than their counterparts who lived in New Haven.

Educational attainment exerts a powerful influence on the labor market outcomes of young adults both over the long term as well as while they are still in their formative years. Indeed, the data in Chart 6 reveal a close connection between the level of educational attainment and job access for 16 to 24 year olds in New Haven, the South Central region and the state of Connecticut.



<u>Chart 6:</u> <u>The Employment Population Ratio of the Non-enrolled Civilian Non-Institutional</u> <u>Population Age 16 to 24, By Educational Attainment, 2000</u>

The employment rate for young non-enrolled high school dropouts in the South Central region was just 46.4 percent. In New Haven the rate was somewhat lower, with just 42.3 percent of all young adult dropouts reporting that they had a job of some type at the time of the 2000 Census. Even in the more affluent communities surrounding New Haven in the balance of the South Central region, job access for dropouts was relatively low. Less than one half of all dropouts—just 48.9 percent, were employed at the time of the Census.

In all four of the areas included in Chart 6, the employment rate for young adults rises sharply as the level of educational attainment increases. In the South Central region, the employment rate for young high school graduates was 75 percent, about the same as the state average. However, sharp differences existed in employment rates between young high school graduates living in New Haven and their counterparts in the balance of the region. Only about 55 percent of New Haven's 16-24 year old non-enrolled high school graduates were employed at the time of the Census. Yet, in the balance of the South Central region, 81 percent of high school graduates were employed. The gap in the employment rate between non-enrolled high school graduates in the city and the balance of the region is large and quite surprising.

City/suburb gaps also persist at the post-secondary level. Fairly large gaps in employment rates exist between the city and the balance of the region for young adults with some post secondary schooling, but who have not earned a four-year college degree. In New Haven, about 75 percent of out of school young adults with post-secondary schooling below a four-year degree level were employed, while in the balance of the region, the employment rate for this group was over 85 percent. On one hand, these findings strongly support the view that the level of educational attainment is closely connected to job access across the state of Connecticut. On the other, they suggest that in New Haven additional schooling is less effective in helping young adults find work. It could also be the outcome of enormous growth in the retail sector in suburban towns. New Haven job creation, which is dominated by knowledge industries, underscores the added value of a Bachelor's degree or better.

Out of School and Out of Work

The previous two sections of this paper have examined the schooling activities and educational attainment of the 16 to 24 year old population and the employment activities of young adults who were not enrolled in school at the time of the Census. The emphasis of these sections has been on understanding the degree to which young adults are engage in either education or employment activities that help develop the human capital traits valued in labor markets across the nation. Although we examined the schooling and labor market activities of young adults separately, they are frequently closely connected.

Indeed, a considerable number of persons age 16 to 24 are both enrolled in school and employed.

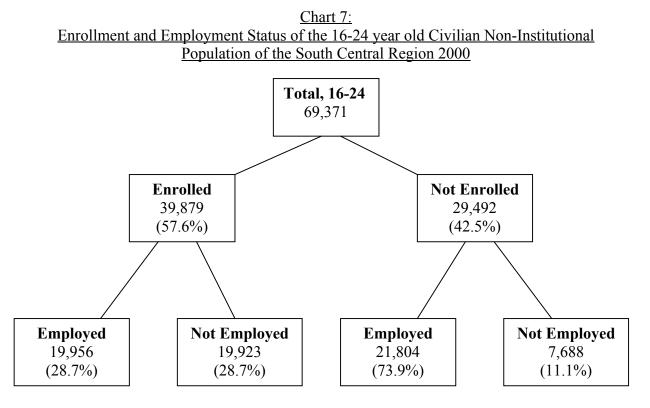


Chart 7 examines the connections between work and school for the 16 to 24 year old non-institutional population in the South Central region. Out of a total of about 69,300 young adults in the region, nearly 40,000 were enrolled in school—about 57 percent of the overall 16-24 year old population in the region. However, many of these individuals were also working while in school. Of all those enrolled, about 20,000—almost exactly one half, were also employed. This means that 28 percent of all young adults in the region were both working and enrolled in school at the time of the Census.

A substantial number of young adults in the region were not in school during the academic term in which the Census was conducted. About 29,000 young persons were not in school, but many were employed. The data reveal that 21,800 out of school young adults were employed at the time of the Census, yielding an E/P ratio of 73.9 percent.. This level of employment accounts for about 31 percent of the overall young adult population in the region. Taking the enrollment and employment data together we can

see that 57.6 percent are in school (about half of these are working) and an additional 31.4 percent of young adults are out of school but had a job. This means that about 89 percent of the overall young adult population in the region was either in school, working, or both at the time of the Census. However, the data also reveal that about 7,700 young adults in the region—or about 11 percent of the total, were both out of school and out of work at the time of the survey.

These findings reveal that more than one in ten young adults in the South Central region can be thought of as 'disconnected' or 'at risk' youth. These terms are commonly used to describe youth/young adults who are disconnected from mainstream schooling and labor market activities. These youth are thought to be far more likely to engage in criminal activities, anti-social behavior and teenage parenting. As a consequence of their limited human capital, they experience considerably greater difficulties in finding well-paid employment over their working lives and are much more likely to end up being poor and welfare dependent.

The share of young adults who are disconnected from either schooling or work varies considerably within the South Central region. The estimates provided in Table 6 reveal that in the city of New Haven, about one fifth of all young adults are at risk insofar as they are neither enrolled in school or working. In contrast, within the communities in the balance of the South Central region, only 28.7 percent of young adults were neither in school nor working at the time of the Census. Young adults in New Haven were thus 2.2

| <u>Table 6.</u> | | | | | |
|---|--|--|--|--|--|
| Enrollment and Employment Status of the 16-24 year old Civilian Non-Institutional | | | | | |
| Population of the South Central Region, 2000 | | | | | |

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| | | Balance of | South | |
|--------------|-----------|---------------|---------|-------------|
| | New Haven | South Central | Central | Connecticut |
| Total | 100.0% | 100.0% | 100.0% | 100.0% |
| Enrolled | 51.2% | 59.2% | 57.5% | 56.6% |
| Employed | 19.5% | 31.3% | 28.8% | 27.3% |
| Not Employed | 31.7% | 27.9% | 28.7% | 29.5% |
| Not Enrolled | 48.8% | 40.8% | 42.5% | 43.3% |
| Employed | 29.1% | 32.1% | 31.4% | 31.9% |
| Not Employed | 19.7% | 8.7% | 11.1% | 11.4% |

times more likely to be disconnected than their counterparts in the balance of the region.

The high rate of idleness among youth in New Haven is the product of both a below average proportion of young adults enrolled in school along with a low employment rate for out of school youth. Only 51 percent of young adults were enrolled in school in New Haven versus 59 percent for the balance of the region. The employment rate for out of school youth in New Haven was about 60 percent, while that for the balance of the region was nearly 80 percent.

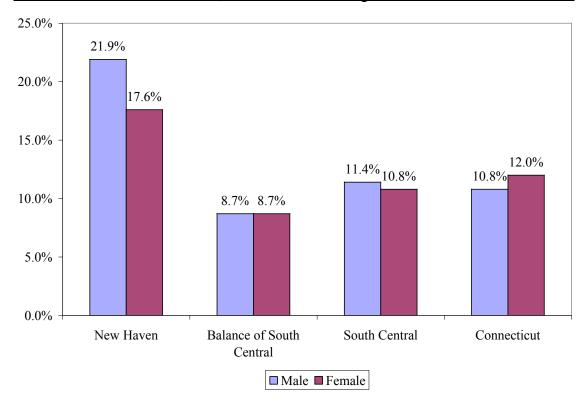
The absolute size of the disconnected population in the city, the balance of the region and the state is quite substantial. In the city, 3,000 young adults were at risk at the time of the Census, with an additional 4,700 disconnected youth residing in the balance of the South Central region. Statewide, 35,500 young adult age16 to 24 were neither in school or working at the same time. These totals exclude all those residents who were homeless, incarcerated, or living in either a juvenile home or long stay hospital at the time of the Census.

Characteristics of Disconnected Youth

While females in Connecticut overall were somewhat more likely to be out of work and out of school at the time of the Census, this was not the case in the city of New Haven. The findings in Chart 8 reveal that statewide, about 12 percent of 16-24 year old females and 10 percent of males the same age were out of school and out of work. In New Haven these proportions were reversed, and the size of the difference was considerably larger. About 22 percent of young males in the city were both out of school and out of work, while 18 percent of young females were members of the disconnected youth population.

Young adults who were both out of school and out of work at the time of the decennial Census were from a mixed set of race/ethnic backgrounds. Statewide, about 46 percent of all disconnected youth were white, non-Hispanic, about 24 percent were black, non-Hispanic and slightly more than one third were of Hispanic origin. Within the South Central region, the race/ethnic composition of the at risk young adult population varied sharply between city and suburb.

<u>Chart 8:</u> <u>Percent of the 16 to 24 Year Old Male and Female Population Who Were Out of School</u> and Out of Work in New Haven, the South Central Region and the State of Connecticut



In the city of New Haven, the overwhelming share of disconnected young adults was either black or Hispanic. White, non-Hispanic young adults accounted for only about 13 percent of those youth who were at risk in the city. In contrast, in the balance of the South Central region, more than 60 percent of the out of school youth age 16 to 24 were white, non-Hispanic. Black, non-Hispanic young adults accounted for just 13 percent of the at risk population in the communities surrounding New Haven and Hispanic young adults accounted for an additional fifth of this population.

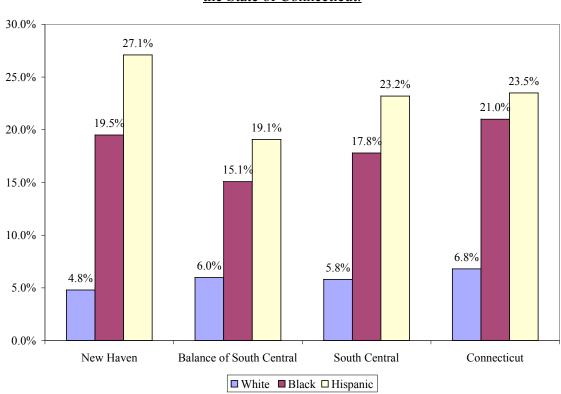
| <u>Table 7:</u> |
|---|
| The Distribution of the Out of School and Out of Work 16 to 24 Year Old Population By |
| Race/Ethnic Group in New Haven, the South Central Region and Connecticut, 2000 |

| | New Haven | Balance of South Central | South Central | Connecticut |
|----------|--------------|-----------------------------|------------------|-------------|
| White | 13.7% | 61.1% | 42.8% | 46.2% |
| Black | 41.6% | 12.8% | 23.9% | 23.7% |
| Hispanic | 48.8% | 20.6% | 31.5% | 34.7% |

The incidence of young adults classified as out of school and out of work was closely connected to their race/ethnic background regardless of their place of residence. Across the state, white non-Hispanic youth had a comparatively small chance of being both jobless and non-enrolled at the time of the Census. Indeed, the share of white youth classified as at risk ranged from just 4.8 percent in New Haven to 6.8 percent statewide. Black, non-Hispanic youth were more than three times as likely as their white counterparts to be disconnected from both school and work. Of the three groups, Hispanic young adults were the most likely of all to be either not enrolled or not working.

In New Haven, 27 percent of Hispanics ages 16 to 24 were both out of school and out of work. Hispanic youth in the city were more than <u>five</u> times as likely as their white counterparts to be disconnected from important human capital development activities that offer youth the best chance for economic success in life. Hispanic young adults in the balance of the region, although faring better than their counterparts in the city, were still more than three times as likely as white, non-Hispanic youth in the surrounding cities and towns to be at risk. In Connecticut as a whole, nearly one in four Hispanic young adults were disengaged from work or school. It is important to note that for all of the race/ethnic groups overall, labor market conditions in the state were quite favorable during the spring of 2000 when the data on which this analysis was based were collected.

Young adults with no post-secondary schooling overwhelmingly dominate the out of school/out of work population in the state, the South Central region and the city of New Haven. Many of these individuals had failed to obtain a high school diploma or



<u>Chart 9:</u> <u>Incidence 16 to 24 Year Old White, Black and Hispanic Population Who Were Out of</u> <u>School and Out of Work in New Haven, the South Central Region and</u> <u>the State of Connecticut.</u>

high school equivalency certificate. Indeed, the largest single group of at risk 16 to 24 year olds in the state were high school dropouts. Statewide, 43 percent of all those out of work and out of school were in this category. This proportion varied somewhat within the South Central region with dropouts accounting for 47 percent of those at risk in the city and 42 percent in the balance of the region. High school graduates with no post-secondary schooling accounted for an additional 34 percent of those out of school and out of work and 37 percent in the city of New Haven. Statewide, 80 percent of all those age 16 to 24 who were out of school or out of work were either dropouts or had earned a high school diploma or its equivalent, and had no post-secondary schooling at all. In the city of New Haven this share was 85 percent.

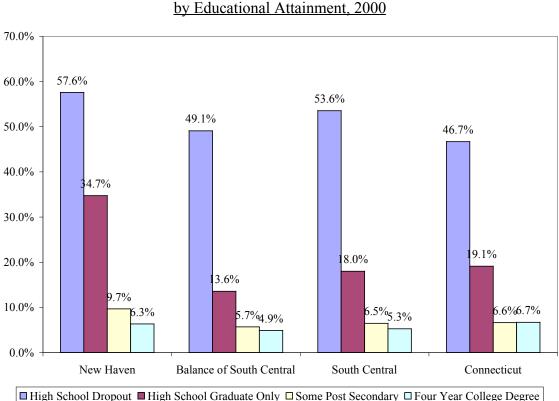
| | New | Balance of | South | |
|---------------------------|-------|---------------|---------|-------------|
| | Haven | South Central | Central | Connecticut |
| High School Dropout | 47% | 42% | 44% | 43% |
| High School Graduate Only | 37% | 34% | 35% | 38% |
| Some Post Secondary | 11% | 17% | 15% | 14% |
| Four Year College Degree | 4% | 6% | 5% | 6% |

| Table 8: | |
|---|--|
| The Distribution of the Out of School and Out of Work 16 to 24 Year Old | |
| Population in New Haven, the South Central Region and Connecticut, | |
| by Level of Educational Attainment, 2000 | |

The chances that a young adult was both out of school and out of work at the time of the Census were closely associated with their level of educational attainment. In New Haven, 57 percent of all high school dropouts were both out of school and out of work. The proportion of dropouts who were in the disconnected population in the balance of the South Central region was 49 percent and 47 percent for the state as a whole.

Sadly, high school graduates had an especially high chance of being both out of school and out of work compared to their counterparts in the balance of the region and the state as a whole. High school graduates in the city of New Haven with no additional schooling were idle more than one out of three times at the time of the Census. In contrast, only about 14 percent of high school graduates were at risk in the surrounding communities and about 19 percent statewide.

The data clearly reveal that as the level of educational attainment increases, the likelihood of being at risk for young adults age 16 to 24 falls sharply. Yet, city-suburb disparities remain. Statewide, only about 1 in 17 young adults with some kind of schooling after high school were out of work and out of school, with similarly low proportions in the balance of the South Central region. However, in New Haven those



<u>Chart 10:</u> <u>Incidence 16 to 24 Year Old Population Who Were Out of School and</u> <u>Out of Work in New Haven, the South Central Region and the State of Connecticut,</u> <u>by Educational Attainment, 2000</u>

with post-secondary schooling below the bachelor's degree level were more likely to be disconnected from school and work. About 1 in 10 of those with some post-secondary schooling were idle at the time of the Census.

Key Findings

The decade of the 1990's saw unemployment rates in the state fall sharply as the New England region recovered from the recession of the early 1990's. By the time of the decennial Census in the spring of 2000, the Connecticut unemployment rate had fallen to just 2.2 percent—a 'full employment' level by most reckoning. Yet, our analysis reveals that a large number of young adults in the state still faced serious labor market and educational problems. Despite slow growth in the number of young adults in the state, nearly eight years of continuously declining unemployment rates and the creation of a modest number of new employment opportunities, a large number of out of school youth

were unable to find work. This problem appears to be especially severe in the city of New Haven, where one out of every five young adults was out of school and out of work. Worse still, labor market conditions in the state have deteriorated considerably since the spring of 2000 and all the jobs added statewide during the 1990's recovery have been lost. The recession of 2001 and the subsequent 'job loss' recovery have taken a particularly heavy toll on the employment outcomes of those between the ages of 16 and 24. Employment rates of those with less than a college degree have declined over the past several years. To make matters worse, persons with a four-year college diploma have been trading down in the labor market (taking non-college level jobs) in order to avoid joblessness, thus displacing those with fewer years of schooling.

The at risk young adult problem in New Haven is particularly severe among young black and Hispanic men, although minority women also have high probabilities of being disconnected from both work and school. This represents an enormous lost chance for these young adults who are missing the opportunity to develop the school-based and work-based skills that mean success in the labor market.