



## How Summer Job Programs Can Improve Young People and Disadvantaged Communities

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Recently, the United States marked a record seven-year stretch of continuous monthly job creation, resulting in a low unemployment rate of 3.8 percent. In addition to signaling a strong economy, a tight labor market improves job prospects for typically hard-to-employ groups with fewer skills and less experience, including teens. However, as of May 2018, the U.S. unemployment rate for teens remained high at 12.8 percent – more than twice the rate for any other. 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 percent, far below the historical peak of 59.3 percent in August 1978. Yet summer jobs for teens are important to their future prospects.

### Why Summer Jobs Matter

For some teens, working has been replaced by other enriching activities such as coding camps, preparing for academic tests, or travel – all of which look good on a college application. But for others who might not be college-bound, the lack of early work experience can negatively affect employment and earnings later in life. Over half of unemployed teens report that they are searching for their first job, suggesting that fewer pathways exist for them to enter the labor market. The greatest difficulties are faced by African American and Hispanic teens – especially those from low-income families in impoverished neighborhoods.

In an attempt to level the playing field, policymakers in many large U.S. cities use summer employment programs to provide early work experiences to inner-city, low-income youth. By placing teens in subsidized jobs with government agencies, non-profit organizations, and private employers, summer 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 reduce inequality by improving teens' job readiness and financial skills and boosting their academic and career aspirations.

### Are Summer Job Programs Effective?

Research studies in cities such as Boston, Chicago, and New York have demonstrated that summer youth employment programs can boost employment and wages during the summer and also have longer-term impacts. I have been working with the Mayor's Office of Workforce Development to assess program impacts both short-term (during the summer) and longer-term (during the 12 to 18 months after participation). Because more youth apply than there are program jobs available, participation is assigned by lottery. This means researchers can compare participants to a random set of similar applicants who did not win spots in the program. Here is what we found:

- **Short-Term Program Impacts:** Compared to 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 colleges, and enhanced job readiness skills such as being able to write a resume or be successful in an interview.
- **Long-Term Program Outcomes:** Data from public records showed that youth admitted to the program also fared better in jobs and academic performance and were more likely to avoid trouble in the criminal justice system. Arrests in the 18 months following participation in the program decreased by 35 percent for violent crimes and by 57 percent 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, employment grew by seven percentage points and wages by 12 percentage points.

In most cases, the largest gains happened for non-white youth, suggesting that summer jobs programs may reduce racial inequalities. Future research will try to pinpoint which program features matter most – such as subsidized versus non-subsidized jobs, the number of summers a young person participates, and whether the program includes career readiness training.

## Expanding the Reach of Summer Jobs Programs

Despite encouraging results, little has been done to expand summer jobs programs at either the local or 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 large city mayors pulled together funds from various sources to sustain their programs, recognizing that inner-city youth rarely get 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 finds 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 improve job skills and career prospects. This may make it possible to attract more funding for these summer programs to incentivize activities that lead to better outcomes.

Aside from improving the Boston program, we hope our research can help develop similar initiatives in other U.S. cities. Despite a price tag of roughly \$2,000 per participant, summer jobs programs yield benefits that exceed costs as well as other advantages to individuals, families, and entire communities. Unlike year-round undertakings, these programs occur when youth are often idle and not engaged in academic studies or extracurricular activities. Compared to behavioral programs, summer jobs provide experience that can lead to future employment or post-secondary education. And they help low-income families by providing income to teens, of whom we find that one in five contributes directly to household expenses. Finally, these programs supply low-cost workers to community-based programs such as summer camps that provide inexpensive daycare for working parents. Summer jobs programs work – and everyone benefits.

**Read more in Alicia Modestino “Reducing Inequality Summer by Summer: An Analysis of the Short-Term and Long-Term Effects of Boston’s Summer Youth Employment Program” (2017); and Alicia Modestino “How Can Summer Jobs Reduce Crime among Youth? An Evaluation of the Boston Summer Youth Employment Program” Brookings Institution (2018).**