

# **Disconnected Young Adults**

**The Out of School and Out of Work Young Adult Population in  
Springfield and Hampden County**

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## **Introduction**

In the golden age of manufacturing, people in Springfield had a knack for making useful things. Their rifles, bicycles, brushes, automobile parts, sporting goods, games and even liniment were international household words. As late as the 1970's, manufacturing jobs dominated employment in the region. Indeed, as late as 1980, nearly one in three wage and salary jobs in Hampden County were located in manufacturing, while statewide the proportion was approximately one in four. This made Hampden County one of the most manufacturing intensive regions in the Commonwealth. Durable goods producing firms, especially those engaged in metalworking and metal fabrication, led the region's manufacturing sector. Relatively high wage production jobs were plentiful, offering the County's manufacturing workers income levels comparable to those in other parts of the state. Most importantly, for the purposes of this discussion, most of what they needed to know to enter these occupations was learned on the job.

Many of the products first developed and produced Springfield and surrounding communities are no longer being made there anymore, or, for that matter, anywhere else in the state or nation. Since 1980's, Massachusetts has lost a significant number of high paying manufacturing jobs. Table 1 shows that in 1980 annual average employment levels in the state's manufacturing sector stood at nearly 675,000 jobs. By 1990, this level had declined to 520,000, and by the following year, had fallen to just 436,000. This means that between 1980 and 2000, Massachusetts as a whole lost more than 238,000 manufacturing jobs—a loss of more than one in three positions in that sector. During the same period, Hampden County also experienced very substantial manufacturing job loss, surpassing the statewide rate of reductions, and the nature of employment and earnings in Springfield and Hampden County changed dramatically. Between 1980 and 2000, manufacturing employment in Hampden County fell from nearly 58,900 to just 33,300—a relative decline of 43 percent. Manufacturing employment lost its pre-eminence in the region and by 2000 accounted for only 16 percent of local wage and salary employment.

As in many areas of the country, the manufacturing employment losses of the past twenty years experienced in Hampden County have been offset by the growth and development of the services sector. As the region's manufacturers shed 25,000 jobs, employment in the service industry increased by more than 27,000 jobs—a more than 50

percent rise. This meant that while overall payroll employment levels did not change much in the region (an 8 percent net gain in 20 years as compared to a 26 percent rise in wage and salary employment for the state), the nature, location and structure of employment changed substantially. Like other parts of the nation, the decline of manufacturing in the Hampden region meant sharp employment losses, primarily among blue-collar workers, and especially among those with fewer years of schooling who were employed in semi-skilled and unskilled occupations. This signaled an important change in the way employers would sort workers in the future. The rapid expansion of service industry employment meant that industries that employ a large share of workers with some type of post secondary schooling replaced manufacturing as the primary source of local employment. By 2000, the Hampden service industry employed 38 percent of all payroll employees, up from 27 percent in 1980.

Table 1:  
Trends in Non Agricultural Wage and Salary Employment in Hamden County and  
Massachusetts, 1980, 1990, 2000

<b>Hampden County</b>	<u>1980</u>	<u>1990</u>	<u>2000</u>	<u>Absolute Change</u>	<u>Relative Change</u>
Construction	6122	7263	8245	2123	34.7%
Manufacturing	58872	40562	33259	-25613	-43.5%
Transportation and Public Utilities	8027	9460	13835	5808	72.4%
Wholesale Trade	8566	8802	8465	-101	-1.2%
Retail Trade	31867	38221	39071	7204	22.6%
Finance, Insurance, and Real Estate	11294	14130	11820	526	4.7%
Services	51669	65342	79058	27389	53.0%
Public Administration	8197	6498	9036	839	10.2%
Total	188507	196701	204303	15796	8.4%
<b>Massachusetts</b>	<u>1980</u>	<u>1990</u>	<u>2000</u>	<u>Absolute Change</u>	<u>Relative Change</u>
Construction	93,906	114,562	142,818	48,912	52.1%
Manufacturing	674,510	520,187	436,089	-238,421	-35.3%
Transportation and Public Utilities	149,546	157,784	179,292	29,746	19.9%
Wholesale Trade	131,925	169,897	177,720	45,795	34.7%
Retail Trade	444,444	530,344	571,663	127,219	28.6%
Finance, Insurance, and Real Estate	154,345	208,538	225,001	70,656	45.8%
Services	805,634	1,063,698	1,374,092	568,458	70.6%
Public Administration	125,774	135,861	143,010	17,236	13.7%
Total	2,595,706	2,929,474	3,275,104	679,398	26.2%

The rise in importance of educational attainment, academic proficiency, and ‘world of work,’ as well as manufacturing skills in ensuring access to employment has been among the most important outgrowths of structural change in industry and occupational employment in the past two decades. As this paper will show, this change in expectations has had a particularly profound impact on succeeding generations of prospective workers. The combination of education, occupationally specific skills and the so-called “soft skills” are now the primary characteristics used by employers to sort workers into jobs. The contemporary Massachusetts labor market provides solid rewards to those with stronger basic skills, more years of schooling, preferred personal traits and significant work experiences. The implications of this are that, at an increasingly early age, young people are called upon to make key life decisions that will have powerful impacts on their long-term employment and earnings experiences and will influence their future quality of life. Choices they make in their late teens and early 20’s now determine to a large extent how successful they will be as adults.

During the decennial Census conducted during 2000, respondents to the long form questionnaire were asked a wide variety of questions concerning their educational attainment level and 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 Springfield, its surrounding communities in Hampden County and the state of Massachusetts as a whole. This paper presents our findings on the school enrollment rates, educational attainment levels, dropout rates and employment status of those young people. Business and community leaders can use this research in three ways. First, it can help local communities better understand how the shift from manufacturing to services has raised the bar substantially with respect to job access. Second, it can help community leaders assess the ability of schools and other institutions to prepare citizens to enter a job market where fewer of the necessary skills are developed on the job and, more often, success depends on the human capital investments of individual workers. Finally, it can help planners and policy makers develop appropriate strategies for aiding the segments of the young adult population who we will see are increasingly disconnected from the new job market.

## **New Expectations on Youth**

Consider a few of the decisions that adolescents must make, often with almost no information, understanding or knowledge to draw upon, as they prepare for future careers in the knowledge-intensive service industry.

Among the first is whether to remain in school or to withdraw. Nationally, the cumulative dropout rate is estimated to be between 25 and 30 percent. Research findings contained here will show a rate for the city of Springfield that is much higher as compared to the County and state as a whole.

If young people choose to stay in school, they must next decide which courses to take. The degree of rigor of their basic skills development courses, especially in mathematics, will substantially influence their ability to enroll in and complete a college degree program later on. Curricular decisions made at the high school level will, in large measure, determine the array of potential major fields of study graduating high school seniors can qualify for at the college level.

If they complete high school, students must decide whether to engage in additional schooling activities, to enter the career labor market right after high school or to neither work nor enroll in school at all. The college enrollment decision includes the level of college study to pursue (certificate or license, two or four year degree), which educational institution to attend and the choice of major field of study. At this time, key financial decisions, including whether to mix work and school, must also be made.

Part-time work and summer jobs can have an important impact on future employability because they help young people develop the work behavior traits that are highly valued by today's employers. 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 all have a strong connection to future employability, lifestyle and quality of life. Taken as a whole, therefore, the decisions young people between the ages of 16 and 24 make about work, education and training in this economy are far more important at than they were twenty years ago and will determine to a very large extent their future economic, social and personal success.

## **School Enrollment Status and Educational Attainment of the Young Adult Population**

In order to gain insight into the kinds of educational and employment choices that young adults in the City of Springfield and the surrounding communities in Hampden County are currently making, we have created a special set of tabulations about the schooling and work behavior of the young adult population in Hampden County based on the recently released findings of the 2000 Census. These data files are composed of a sample of about 5 percent of all the households in the city and region. Our analysis includes only young adults who live in households within the region and excludes residents of institutions, including those in prisons and juvenile detention, as well as those living in long-term care hospitals and other health facilities. Also excluded from the data are young adults who reside in group quarters, primarily college students residing in dormitories. These individuals are excluded for two reasons. First, in almost all cases, the primary residence of dorm residents is outside the region—most household surveys including the Current Population Survey do not include them within the scope of the survey. Second, the Census Bureau found major errors in the labor force estimates produced for this population group. In essence, the level of labor force attachment, and especially, unemployment levels of those living in dorms is dramatically overstated.

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 gains to schooling are manifest in a variety of ways including

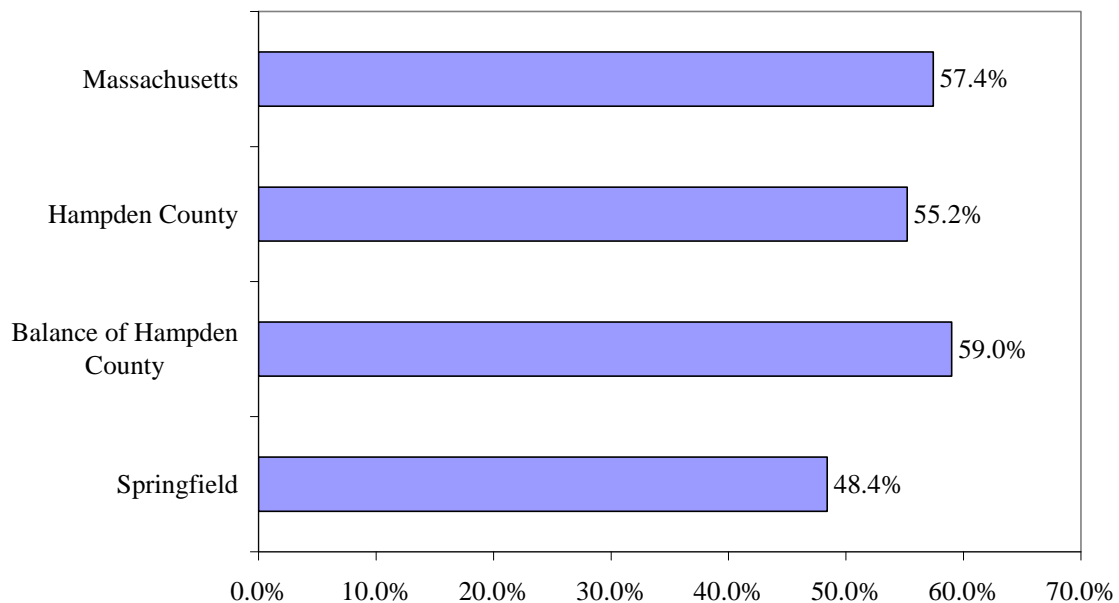
- Higher basic skills,
- Stronger labor force attachment,
- Reduced chances of unemployment,
- Higher rates of access to full time employment,
- More weeks and hours of work over the course of a year and
- A much greater likelihood of employers investing additional education and training resources

- Large annual earnings advantages, that persist and even widen with age

The years between age 16 and 24 are typically times of intensive schooling activity for youth making the transition to adulthood. The opportunity costs of enrolling in school, both in terms of foregone earnings and lost family time, are generally lower at these ages than they are 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.

The findings of our analysis of the 2000 PUMS file for the area reveal that in Hampden County, 55.2 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 below the statewide average of 57.4 percent. However, within Hampden County there was a larger disparity in enrollment rates between young adults in the city and those in the surrounding suburban areas. In the city of Springfield, the enrollment rate for that age 16 to 24 was just 48.4 percent, while the rate for those in the balance of Hampden County was 59 percent. This means that young adults in the region who lived in Springfield were about 20 percent less likely to be enrolled in school than their counterparts outside the city.

Chart 1  
School Enrollment Rate of the Civilian Non-Institutional Population of Young Adults in Springfield, Hampden County, and the State of Massachusetts in 2000



School enrollment rates were very similar for males and females in the communities surrounding the city of Springfield (the balance of Hampden County) and in the state as a whole. However, in the city of Springfield females were somewhat more likely than their male counterparts aged 16 to 24 to be enrolled in school at the time of the Census. The findings provided in Table 2 reveal that about 46.1 percent of males aged 16 to 24 were enrolled in school, while 50.5 percent of females were in school. This means that in Springfield female youth were about 10 percent more likely to be enrolled in some kind of secondary or post secondary schooling activity. The gender difference in school going behavior at the state level was quite small and equal to less than a 1 percent relative gap in school going rates between male and female youth.

Very large differences in the school going rates of the 16 to 24 year old population were found between Hispanics and youth belonging to other race/ethnic groups in both the Hampden County area and the state as a whole. About 59 percent of White, non-Hispanic youth, 58 percent of Black, non-Hispanic youth and 62 percent of Asian youth were enrolled in some kind of schooling activity at the time of the 2000 Census. School enrollment among Hispanic youth was much lower. Only 42 percent of Hispanics aged 16 to 24 were in school when the survey was conducted. Thus, Hispanic youth were enrolled in school about 30 percent less often than members of the other three major race/ethnic groups in the area.

Table 2:  
School Enrollment Rates of the 16-24 Civilian Non-Institutional Population in the Springfield, Hampden County and Massachusetts, by Gender and Race/Ethnicity, 2000

	<u>Male</u>	<u>Female</u>	<u>White</u>	<u>Black</u>	<u>Hispanic</u>	<u>Asian</u>	<u>Total</u>
Springfield	46.1%	50.5%	51.6%	56.5%	38.8%	62.7%	48.4%
Balance of Hampden County	58.6%	59.4%	60.6%	67.4%	47.6%	60.2%	59.0%
Hampden County	54.3%	56.1%	58.8%	58.1%	42.2%	61.7%	55.2%
Massachusetts	57.0%	57.5%	58.3%	63.3%	45.0%	68.3%	57.3%

Large gaps in the level of school enrollment existed between Hispanic youth and other youth within both the city of Springfield as well as the surrounding communities, although the youth in the surrounding communities were much more likely to be enrolled in school regardless of race/ethnicity compared to their counterparts in the city of

Springfield. Only about 39 percent of Springfield's Hispanic youth aged 16 to 24 were enrolled in school, while 56 percent of Black, non-Hispanic, 52 percent of White, Non-Hispanic and 63 percent of Asian youth residing in the city were in school.

Large differences in school going rates were found within White, non-Hispanic, Black, non-Hispanic and Hispanic race/ethnic groups in Hampden County depending on the place of residence. Across these three race/ethnic groups, school enrollment rates for youth in Springfield were considerably lower than their counterparts residing in surrounding Hampden County communities. Nearly 48 percent of Hispanic youth in the surrounding communities were enrolled in school at the time of the Census, while only 39 percent of Hispanic youth residing in the city were enrolled. Among Black, Non-Hispanic youth, the city enrollment rate was about 57 percent, while in the surrounding communities it was 67 percent. White, non-Hispanic youth were enrolled in school 52 percent of the time in Springfield and 61 percent of the time in the rest of the County.

Among Asian youth, area of residence did not seem to influence school enrollment behavior. Our analysis of the 2000 PUMS files revealed that about 63 percent of Asian residents aged 16 to 24 were enrolled in school at the time of the Census, a school enrollment rate significantly above that of the other three groups included in the table. Moreover, we found that about 60 percent of Asians living in the balance of Hampden County were enrolled in school.

Data on the educational attainment of those young adults not currently enrolled in school reveal a sizable dropout population among young adults in the County as a whole and in the city of Springfield in particular. The findings provided in Table 3 reveal that in the Hampden region, 29 percent of the 23,600 young adult household residents had failed to complete high school. In the city of Springfield the picture was much worse. We have already observed that young adults in Springfield were more likely not to enroll in school than their counterparts in either the balance of the Hampden region or in the state as a whole. Worse still, about 36 percent of out-of-school youth in Springfield were high school dropouts at the time of the decennial Census. Thus, about 3,500 Springfield youth aged 16 to 24 were high school dropouts and not enrolled in any kind of educational activity.

Table 3:  
The Educational Attainment of the 16-24 Year Old Non-Enrolled, Non-Institutional  
Springfield, Hampden County and Massachusetts 2000

		<u>Balance</u> <u>of</u> <u>Hampden</u>	<u>Hampden</u>	
	<u>Springfield</u>	<u>County</u>	<u>County</u>	<u>Massachusetts</u>
High School Dropout, no GED	35.9%	24.2%	29.0%	21.1%
High School Graduate/GED, no college	43.4%	42.1%	42.6%	36.8%
1-4 Years of College, no Bachelor's degree	16.4%	26.1%	22.1%	21.5%
Bachelor's Degree or Higher	4.4%	7.7%	6.3%	20.5%
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 youth and young adult population there.

The dropout problem in Massachusetts appears to be more heavily concentrated among young males than females. Table 4 shows the gender composition of 16 to 24 year olds in the three areas under discussion. Statewide, about 24 percent of all non-enrolled males age 16 to 24 were high school dropouts, while about 20 percent of females were classified as dropouts at the time of the Census. In Springfield, the proportion was much higher.

Table 4:  
The High School Dropout Share of the 16-24 Year Old Non Enrolled Civilian Non-  
Institutional Population Springfield, Hampden County and Massachusetts in 2000

		<u>Balance</u> <u>of</u> <u>Hampden</u>	<u>Hampden</u>	
	<u>Springfield</u>	<u>County</u>	<u>County</u>	<u>Massachusetts</u>
Male	40.2%	23.0%	30.0%	23.9%
Female	31.5%	25.4%	28.0%	19.6%
Total	35.9%	24.2%	29.0%	21.8%

An extraordinary 40 percent of non-enrolled male youth in the city had dropped out of school before earning either a diploma or a GED. Among city females, this proportion was 31.5 percent. The dropout share for males in Springfield was more than 1.7 times that measured for males in the communities that, combined, make up the

balance of the Hampden County region. These findings suggest a serious threat to the development of the labor market potential of a very large fraction of young male residents of the city. The 2000 Census data on dropouts suggest a substantial gender gap in the educational attainment of the non-enrolled young adults in both the city of Springfield and in the wider Hampden region. The findings in Table 4 reveal that about 40 percent of out of school male residents of Springfield aged 16 to 24 had failed to earn a high school diploma or earn a GED at the time of the survey. Among out of school females the dropout share was 31.5 percent. Chart 2 compares male and female dropout ratios for Springfield, the balance of the Hampden area and Massachusetts as a whole. The analysis reveals that statewide there were 127 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 Springfield, there were 126 male dropout residents age 16 to 24 for every 100 females. In contrast, this ratio was only 93 in the balance of the Hampden region.

Chart 2  
 The Number of Male Dropouts Per 100 Female Dropouts in the 16-24 Year Old Non Enrolled Civilian Non-Institutional Dropout Population in Springfield, Hampden County, and Massachusetts, 2000

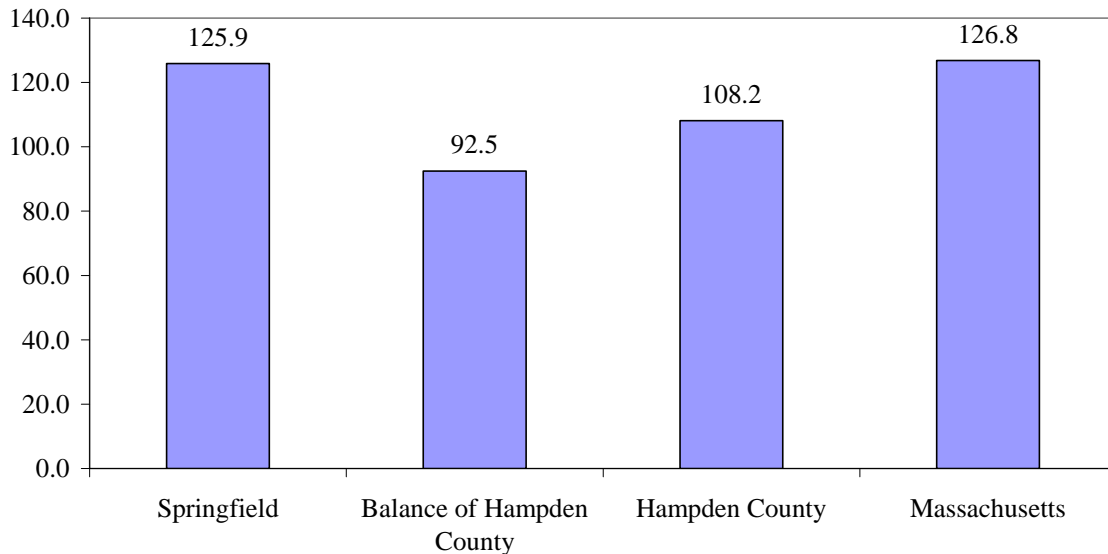


Table 5 describes the distribution of young adult dropouts by race and ethnicity in the four geographic areas. As shown there, young adults who had dropped out of high

school in the Hampden 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 a member of another non-white race/ethnic group. Statewide, about one half of all high school dropouts age 16 to 24 were members of a race/ethnic minority. Young adults in Springfield 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 two thirds of all dropouts in the city, while Black, White non-Hispanic persons that age accounted for an additional 19 percent of the dropout population in Springfield. In contrast, not only is the overall relative size of the dropout problem smaller in the communities surrounding Springfield, but White young adults account for 60 percent of all dropouts in this area. Nonetheless, Hispanic young adults still account for more than one-third of all dropouts in the balance of Hampden and one half of all dropouts in the region.

Table 5:  
Distribution of the 16-24 Year Old Non-Enrolled Civilian  
Non-Institutional Dropout Population in Springfield, Hampden County and  
Massachusetts by Race/Ethnicity, 2000

	<u>Springfield</u>	<u>Balance of Hampden County</u>	<u>Hampden County</u>	<u>Massachusetts</u>
White	18.6%	60.0%	38.9%	50.5%
Black	10.7%	2.4%	6.6%	6.0%
Hispanic	66.1%	35.0%	50.8%	34.9%
Asian	1.8%	0.8%	1.3%	2.6%
Other Race	2.8%	1.8%	2.3%	6.0%
Total	100.0%	100.0%	100.0%	100.0%

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 6 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.

Very sharp differences groups in the chance that a young adult will become a high school dropout were found among race/ethnic groups in the Hampden county area as well

as in the state as a whole. White, non-Hispanic young adults in the city of Springfield, in the balance of Hampden and in the state as a whole are much less likely to leave school before completion than other young adults. The dropout incidence among White, non-Hispanics age 16 to 24 in Springfield was 19.3 percent—just over half the average incidence of dropping out found in the 16 to 24 year old population in the city. In contrast, the data reveal that non-enrolled Hispanics age 16 to 24 were very likely to have dropped out of high school. In Springfield, 54 percent of all non-enrolled Hispanics were high school dropouts. Thus, Hispanic youth in Springfield were about 2.8 times more likely to have dropped out of high school than their White, non-Hispanic counterparts.

The data reveal that geographic residence does not appear to exert much influence on the incidence of dropping out for any group included in the table. While the overall dropout incidence is about 50 percent greater in Springfield compared to the balance of Hampden county (35.9 percent vs. 24.2 percent, respectively), the findings indicate that for White and Hispanic youth, the size of the city/ suburb differences appear to be small. Thus, most of the difference in the dropout rate between the city of Springfield and the surrounding communities is associated with a very heavy concentration of Hispanic youth in the city who have a much higher probability of dropping out than their non-Hispanic counterparts.

Table 6:  
The Incidence of Dropouts Among Race/Ethnic Groups in the  
16-24 Year Old Non-enrolled Civilian Non-Institutional Population in  
Springfield, Hampden County and Massachusetts

	<u>Springfield</u>	<u>Balance of Hampden County</u>	<u>Hampden County</u>	<u>Massachusetts</u>
White	19.3%	18.2%	18.5%	15.3%
Black	24.8%	NA	26.6%	24.7%
Hispanic	54.1%	52.3%	53.4%	50.1%
Asian	29.0%	NA	24.9%	16.8%
Total	35.9%	24.2%	29.0%	21.8%

In sum, data 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 Hispanics. Young women in Springfield 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 to have earned a college degree than their male counterparts.

### **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 16 to 24 year old youth when the Census was taken, as well as on their work efforts in the year prior to the survey. Additional schooling is clearly an important pathway to developing the literacy and occupational skills that are demanded by the contemporary labor market. However, an alternative way to develop important productive abilities is through work experience itself. As we have already said, work experience helps young adults develop many of the skills and behavioral traits—teamwork, communication, cooperation, and the like, that are highly prized by employers. Such experiences can also provide young adults some of the information they need to make the aforementioned decisions about education and career planning, and help them develop expected 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. Indeed, our recent study of manufacturers in the Pioneer Valley found that these ‘soft skills’ were considered the most essential attribute for any new hire the firm might make. In the absence of a strong work ethic manifested through proper work behavior, firms said they were reluctant to hire candidates regardless of their level of occupational skill.<sup>1</sup>

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 frequently engage in only short periods of job search, the unemployment rate can be an inadequate measure of the degree of labor market success. The analysis below examines the employment-to-population ratio or, what is sometimes called the employment rate, for various groups of youth in Springfield, Hampden County and Massachusetts. 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

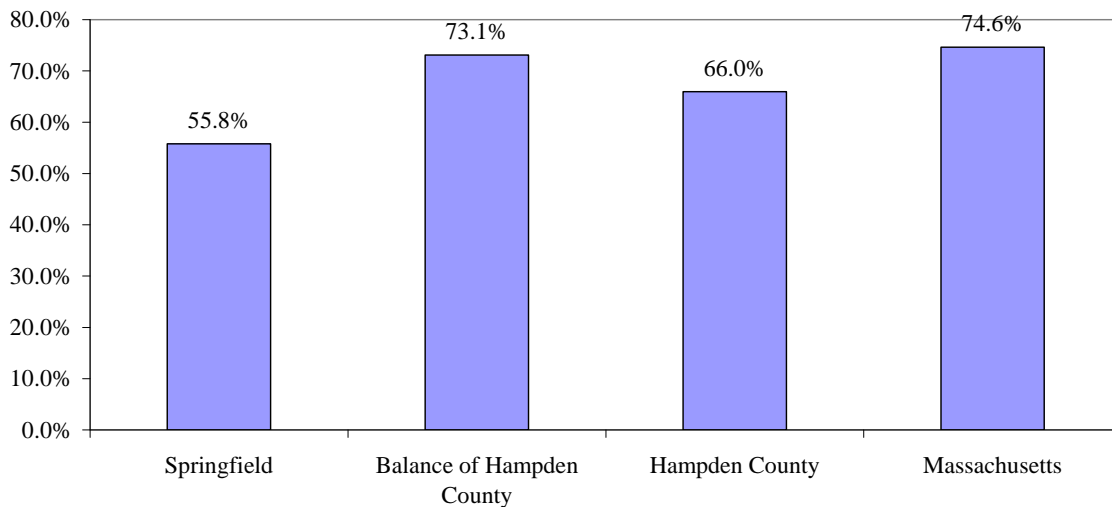
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<sup>1</sup> Joan M.Stoia and Paul E.Harrington

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 Springfield and Hampden area.

The E/P ratio in the Hampden County area was 66 percent during the spring of 2000. This meant that two-thirds of all non-enrolled young adults residing in the region were employed at the time of the survey. This proportion was substantially below the statewide youth employment rate of 74.6 percent. However, within the Hampden County region, very large differences existed in the employment rates between city residents and out-of-school youth residing in the balance of Hampden county communities at the Census. Within the city of Springfield, the employment rate for the non-enrolled 16 to 24 year old population was only 55.8 percent, while that for the balance of Hampden County communities was 73.1 percent. This employment rate gap, as presented in Chart 3, is

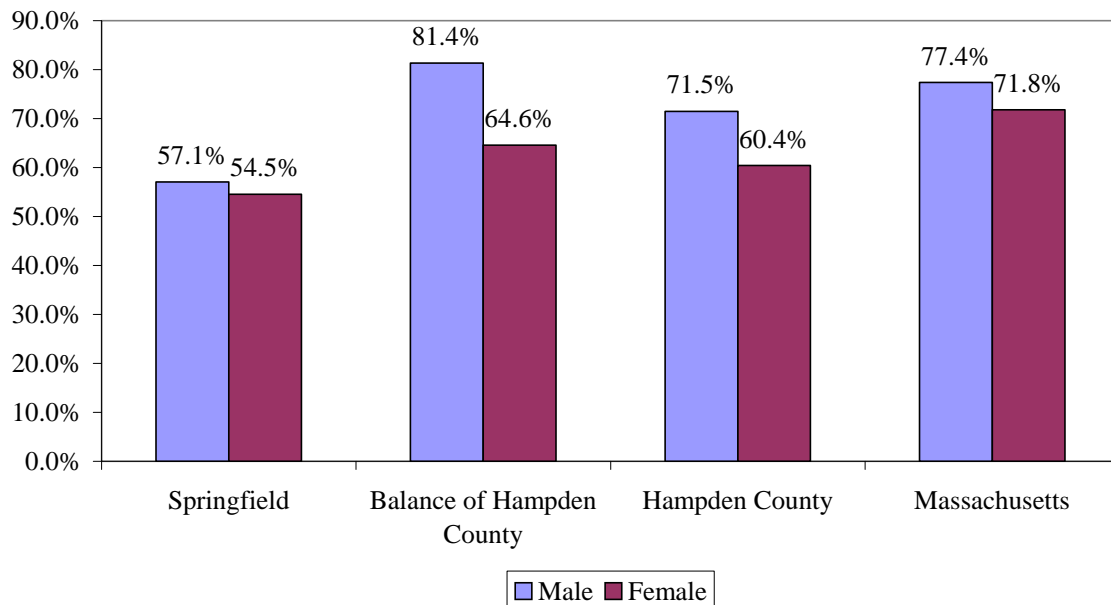
Chart 3  
The Employment to Population Ratio of the Non-Enrolled Civilian Non-Institutional  
Population Aged 16-24, 2000



quite large with non-city youth 1.3 times more likely to work than their city counterparts. Thus, Springfield youth have much more limited access to employment and the human capital developing experiences associated with working compared to other youth whether they live in the balance of the county or in the state as a whole.

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 city of Springfield was very similar, but large gaps in employment rates between males and females were found in the balance of Hampden County. Young, non-enrolled males in Springfield had an E/P ratio of 57.1 while the rate for non-enrolled females was slightly lower at 54.5 percent. In the balance of the region, non-enrolled male youth had very high employment rates averaging 81 percent, while female youth in the surrounding communities were employed about 65 percent of the time. Thus, out-of-school males in the suburban communities were about 1.4 times more likely to work than their city counterparts, while female out-of-school youth in the suburban areas were about 1.2 times more likely to work. Thus it appears that the male E/P ratio in Springfield was low when compared to both the balance of the county and the state. In general, males in the city had marginally better job access than females. Females residing in the suburban communities were much more likely to work

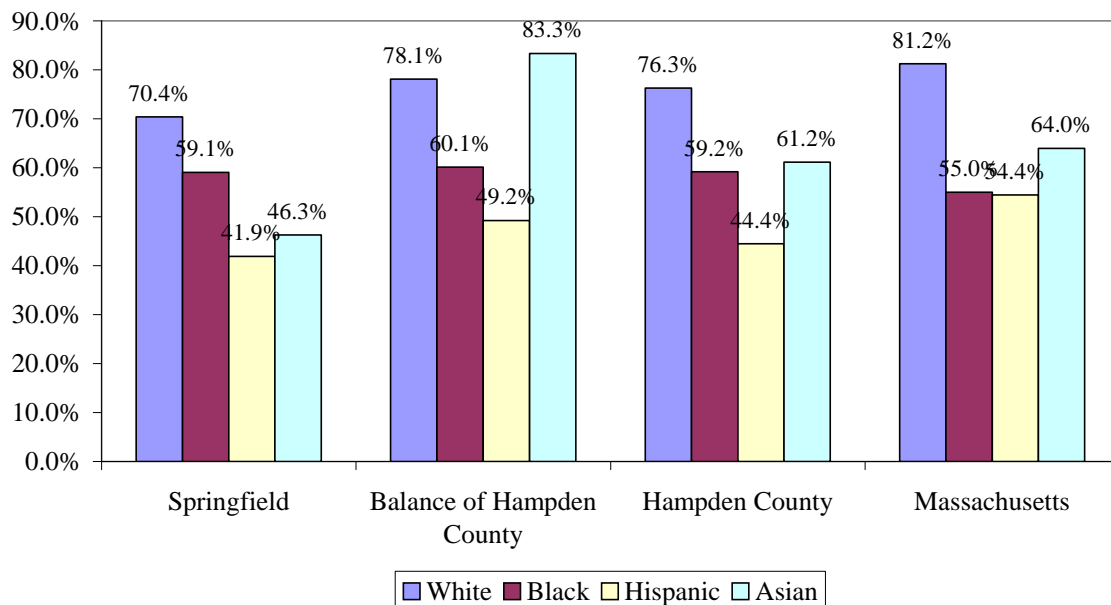
Chart 4  
The Employment to Population Ratio of the Non-Enrolled Civilian Non-Institutional Population Aged 16-24, 2000, by Gender



than their counterparts in the city. However, the size of the employment rate advantage for males in the suburbs was much greater than for females.

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 youth and non-White counterparts in Hampden County and the city of Springfield. The data on employment rates for the balance of the Hampden region reveal that 78 percent of all 16 to 24 year old out of school whites were working at the time of the Census. In contrast, only 59 percent of Black, non-Hispanic young adults had a job when the Census enumeration occurred in 2000. Hispanic 16 to 24 year olds had substantially lower employment rates than did Blacks, but well below that of Whites. The city of Springfield displayed a similar pattern of job access for out of school youth across race/ethnic groups. In the city, 70 percent of out-of-school White youth had a job at the time of the Census. Just under 60 percent of non-enrolled Black youth were employed at that time, but the employment rate for out-of-school Hispanic youth was only 42 percent. In the city, White youth were 1.7 times more likely to work than their Hispanic counterparts and 1.2 times more likely to be employed compared to their Black counterpart

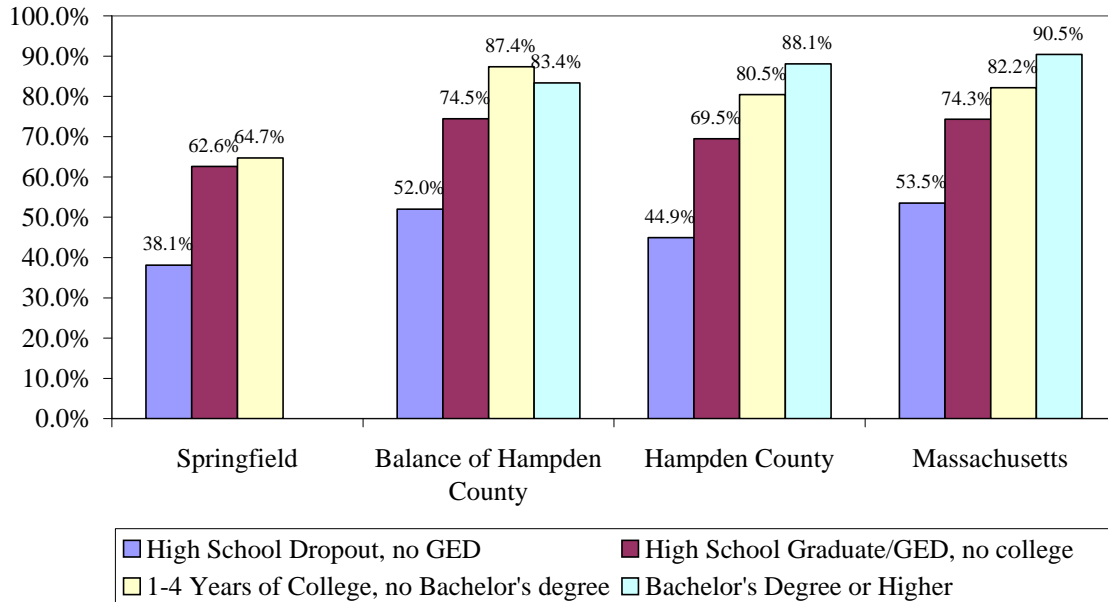
Chart 5  
The Employment to Population Ratio of the Non Enrolled Civilian Non Institutional Population Aged 16-24, by Race/Ethnicity, 2000



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. Our analysis of the 2000 PUMS data files reveals a close connection between the chances of being employed and the level of educational attainment for out-of-school youth aged 16 to 24 in the region. A strong positive connection exists between years of schooling and the E/P ratio in the state, county and city. High school dropouts are much less likely to be employed than are other youth with higher levels of educational attainment. Indeed, our analysis suggests that the view that young people dropout out of high school to obtain work bears little relationship to the actual behavior of young adults in the region. Moreover, it suggests that not only do youth who dropout fail to develop their productive skills in school, they also are much less likely to develop their skills in a work-based setting as well. Thus, high school dropouts fail to develop both classroom-based and worked based skills at the same pace as others who complete more years of schooling. The gap in skill development at an early age will manifest itself in large employment and earnings gaps that will not only persist but will grow larger over time.

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 Springfield, Hampden County and Massachusetts at the time of the Census. The employment rate for youth in Hamden County as a whole was closely connected to the level of educational attainment. The E/P ratio for dropouts aged 16 to 24 in the region as a whole was 45 percent, but this figure jumped to 70 percent for high school graduates with no additional schooling. Youth with some college were employed more than 80 percent of the time while out-of-school college graduates had an employment rate of 88 percent. These data reveal that in Hampden County, a high school graduate is 55 percent more likely to have a job than their high school dropout counterparts.

Chart 6  
 The Employment To Population Ratio of the Non Enrolled Civilian Non-  
 Institutional Population Aged 16-24 by Level of Educational Attainment



Insufficient sample was available to produce an estimate of the employment rate for college graduates in the city of Springfield.

In Springfield, high school graduates had a very substantial advantage in job access compared to high school dropouts. High school dropouts in Springfield were employed only 38.1 percent of the time. In contrast, high school graduates with no additional schooling had an employment rate of 62.6 percent. This means that high school graduates in the city have a 64.3 percent relative advantage in their chance of working compared to their dropout counterparts. .

City/suburb gaps in employment rates remained even as the chances of employment rose with levels of educational attainment. At the high school graduate level, the employment rate for Springfield residents was 62.6, while for high school graduate only youth living in the balance of the county was 74.5 percent. These geographic disparities persisted at the post secondary level as well. 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 Springfield, about 65 percent of out-of-school young adults with post-secondary schooling below the four-year degree level were employed, while in the balance of the

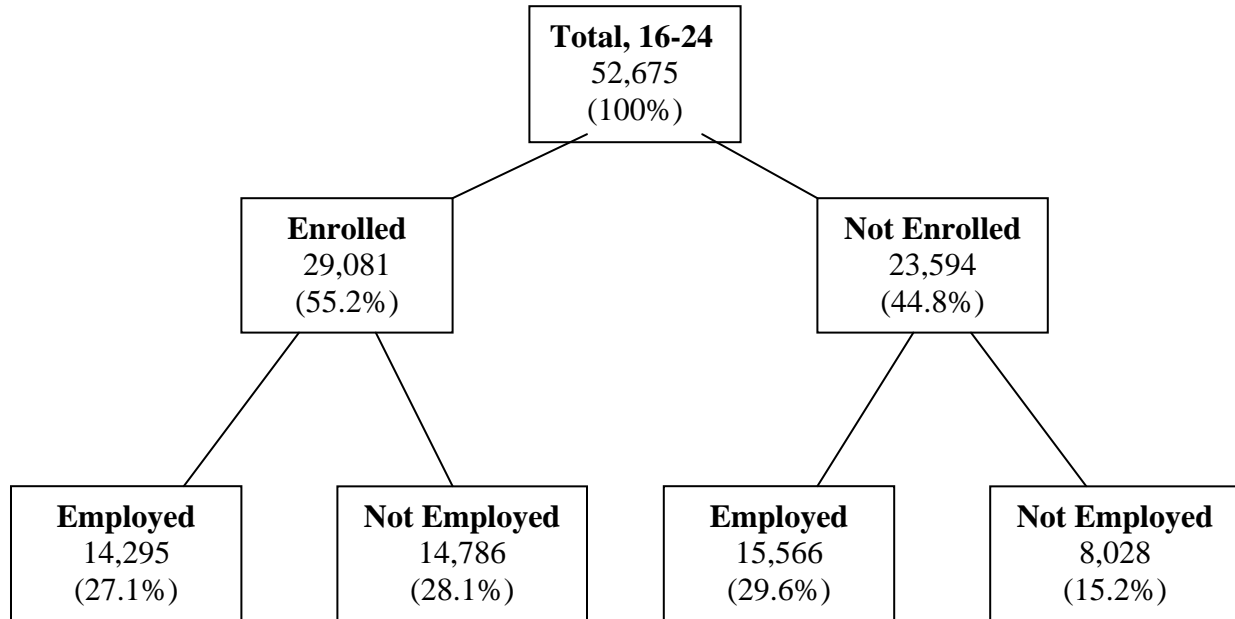
region, the employment rate for this group was over 87 percent. On one hand, these findings strongly support the view that the level of educational attainment is closely connected to job access across Massachusetts. On the other, they suggest that in Springfield, additional schooling is less effective in helping young adults find work. More schooling clearly improves that chances for employment for city residents, but does not eliminate the large city/suburb job access gap.

### **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 engaged 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, the two 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 Hampden County region. Out of a total of about 52,700 young household residents in the region, nearly 29,100 were enrolled in school—about 55 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 14,800—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. This latter group of enrolled students were raising both school-based proficiencies as well as worked based skills by mixing work and schooling activities at the time of the Census.

Chart 7:  
Enrollment and Employment Status of the 16-24 year old Civilian Non-Institutional  
Population of Hampden County, 2000



A substantial number of young adults in the region were not in school during the academic term in which the Census was conducted. About 23,600 or approximately 45 percent of all young persons in Hampden County were not in school at the time of the Census. However, a large majority of the non-enrolled were working. The data reveal that 15,600 out-of-school young adults were employed at the time of the Census, accounting for an additional 29.6 percent of all youth age 16 to 24 in the region. Taking the enrollment and employment data together we can see that 55.2 percent are in school (about half of these are working) and an additional 29.6 percent of youth are out of school but had a job. This means that about 85 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 over 8000 youth in Hampden County, about 15 percent of the total, were idle--both out of school and out of work.

These findings reveal that more than one in seven young adults in Hampden County can be thought of as 'disconnected' or 'at risk' youth. These terms are commonly used to describe youth/young adults who are not engaged in mainstream schooling or

labor market activities. These youth are also 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.

Table 7:  
Enrollment and Employment Status of the 16-24 year old Civilian Non-Institutional Population of the 24 Year Old Non-enrolled Civilian Non-Institutional Population in Springfield, Hampden County and Massachusetts, 2000

	Springfield	Balance of Hampden County	Hampden County	Massachusetts
Total	100.0%	100.0%	100.0%	100.0%
Enrolled	48.4%	59.0%	55.2%	57.3%
Employed	20.6%	30.8%	27.1%	24.1%
Not Employed	27.8%	28.2%	28.1%	24.5%
<b>Not Enrolled</b>	51.6%	41.0%	44.8%	42.7%
Employed	28.8%	30.0%	29.6%	31.9%
<b>Not Employed</b>	22.8%	11.0%	15.2%	10.8%

The share of the 16 to 24 year old population who are disconnected from either schooling or work varies considerably within the Hampden County area. The estimates provided in Table 7 reveal that in the city of Springfield, more than one fifth of all young adults are idle and at risk-- as they were neither enrolled in school or working. In contrast, within the communities in the balance of Hampden County, only 11 percent of young adults were neither in school nor working at the time of the Census. Young adults in Springfield were twice as likely to be disconnected from school and work than their counterparts in the balance of the county and the state as a whole.

The high rate of idleness among youth in Springfield is the product of both a below average proportion of youth enrolled in school along with a low employment rate for those youth who are out of school. Only 51 percent of youth were enrolled in school in Springfield versus 59 percent for the balance of the county. The employment rate for out-of-school youth in Springfield was about 55 percent, while that for the balance of the region was about 73 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, 4,300 young adults were at risk at the

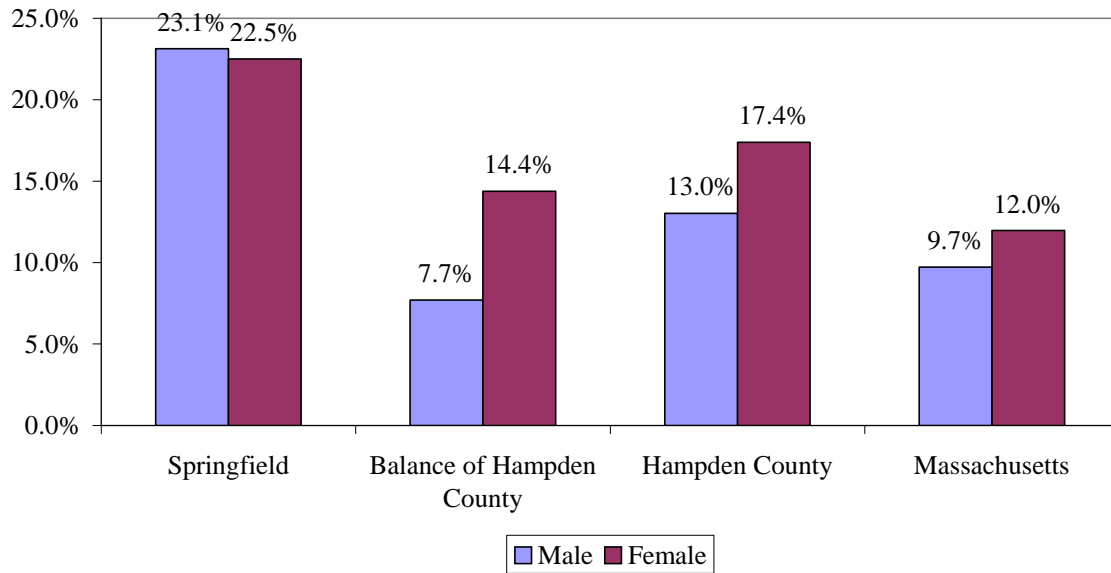
time of the Census, with an additional 3,700 disconnected youth residing in the balance of Hampden County. Statewide, 73,200 youth aged 16 to 24 were neither in school or working at the same time. These totals exclude all those residents who were homeless, incarcerated, or living in either a juvenile home or long stay hospital at the time of the Census.

### **Characteristics of Disconnected Youth**

Substantial gender differences in the probability of being both out of school and out of work existed in both the state and suburban Hampden County. Females in Massachusetts and balance of Hamden County area were somewhat more likely to be out of work and out of school at the time of the Census. The findings in Chart 8 reveal that statewide, 12 percent of 16 to 24 year old females and 10 percent of males the same age were out of school and out of work. In the balance of Hamden County, females were twice as likely to be classified as disconnected youth than were males aged 16 to 24. In both the state and the balance of the region, females were somewhat more likely to be enrolled in school than their male counterparts. However, the employment rates for non-enrolled women in both the state and balance of the county were sharply below those of males. Indeed, the entire difference between male and female rates of ‘disconnection’ are attributable to lower employment rates for out of school females.

In Springfield, the proportion of males and females that were ‘at risk’ were essentially equal. About 23 percent of young males in the city were both out of school and out of work, while 22 percent young females were members of the disconnected youth population. No gender differences in at risk rates for youth were found in the city because both female and male out of school youth had nearly equally low employment rates.

Chart 8  
 Percent of the 16 to 24 Year Old Male and Female Population Who Were Out of School and Out of Work in Springfield, Hampden County, and Massachusetts, 2000



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 55 percent of all disconnected youth were White, non-Hispanic, about 10 percent were Black, non-Hispanic and one quarter were of Hispanic origin. Within the Hampden county region, the race/ethnic composition of the at risk young adult population varied sharply between city and suburb.

Table 8 shows that in the city of Springfield, the majority of disconnected young adults were Hispanic. White, non-Hispanic young adults accounted for just less than one quarter of the youth who were at risk in the city. Black, non-Hispanics accounted for about one in seven at risk youth. In contrast, in the balance of the Hampden County, nearly two-thirds of the out-of-school youth aged 16 to 24 were White, non-Hispanic. Hispanic youth accounted for about 30 percent of the at risk population in the communities surrounding Springfield.

Table 8:  
The Distribution of the Out of School and Out of Work 16 to 24 Year Old Population By Race/Ethnic Group in Springfield, Hampden County and Massachusetts, 2000

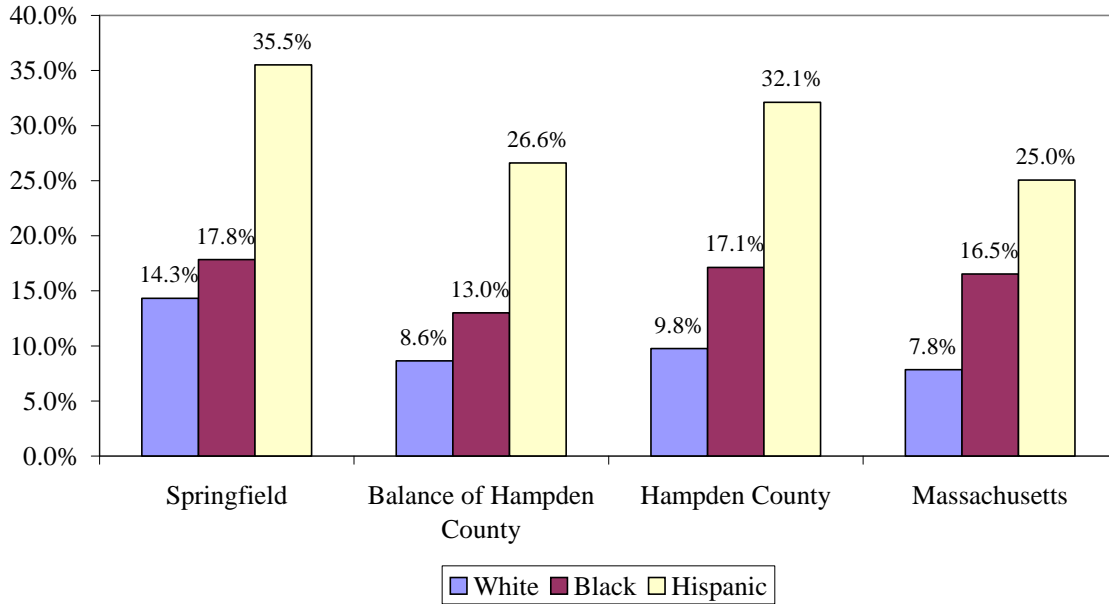
	Springfield	Balance of Hampden County	Hampden County	Massachusetts
White	23.2%	64.9%	42.6%	54.6%
Black	14.4%	2.1%	8.6%	9.4%
Hispanic	57.6%	30.6%	45.0%	25.0%
Asian	2.7%	0.6%	1.7%	5.2%
Other Race	2.1%	1.8%	2.0%	5.8%
Total	100.0%	100.0%	100.0%	100.0%

The probability or incidence of young adults being classified as out of school and out of work was closely connected to their race/ethnic background. 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, although White, non-Hispanic youth residing in Springfield were considerably more likely to be at risk than their counterparts in either the balance of Hampden County or the state as a whole. The share of White youth classified as at risk ranged on Chart 9 from 14.3 percent in Springfield to 7.8 percent statewide. Hispanic young adults were the most likely of all to be either not enrolled or not working. In Springfield about 35 percent of all Hispanic youth were both out of school and out of work. The ‘at risk’ incidence for Hispanic youth in the balance of the county, while lower than the city, was still quite high at 26.6 percent. In the state, one in four Hispanic youth between the ages of 16 and 24 neither worked nor went to school.

Hispanic youth in the city were therefore about 2.5 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 youth in the balance of the region, while 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 Massachusetts as a whole, Hispanic youth were 3.5 times more likely to be out of work and out of school than White, non-Hispanics. 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.

Chart 9  
Incidence of 16 to 24 Year Old Populaton Classified as Disconnected in  
Springfield, Hampden County and Massachusetss, by Race/Ethnicity, 2000



Young adults with no post-secondary schooling overwhelmingly dominate the out of school/out of work population in the state, Hampden County and the city of Springfield. Many of these individuals had failed to obtain a high school diploma or high school equivalency certificate. Indeed, Table 9 demonstrates that the largest single group of at risk 16 to 24 year olds in the state was high school dropouts. Statewide, 39 percent of all those out of work and out of school were in this category. This proportion was higher in Hampden County although it varied somewhat between the city and the suburban communities. Dropouts accounted for one half of all those at risk in the city. High school graduates with no post-secondary schooling accounted for an additional 37 percent of those out of school and out of work in the city of Springfield. Thus, 87 percent of all at risk youth in Springfield had no post secondary schooling. Statewide, 78 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.

Table 9:

The Distribution of the Out of School and Out of Work 16 to 24 Year Old Population in Springfield, Hampden County and Massachusetts, by Level of Educational Attainment, 2000

	Springfield	Balance of Hampden County	Hampden County	Massachusetts
High School Dropout, no GED	50.2%	43.1%	46.9%	39.0%
High School Graduate/GED, no college	36.7%	39.9%	38.2%	37.7%
1-4 Years of College, no Bachelor's degree	13.1%	12.2%	12.7%	15.4%
Bachelor's Degree or Higher	na	4.7%	2.2%	7.9%
Total	100.0%	100.0%	100.0%	100.0%

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. However, those with fewer years of schooling in the city of Springfield were substantially more likely to be members of the disconnected youth population than their counterparts in the balance of the region or in the state as a whole.

**Key Findings**

The Massachusetts economy has undergone tremendous transformation over the past twenty years. Two key changes of special significance to the Hampden county areas have been changes in the content, structure and requirements of jobs and in the geographic location of new job creation. In Hampden County, massive losses in the region’s manufacturing sector were offset by gains in service producing jobs. This shift in the industrial structure of employment meant that access to employment opportunities in this area would increasingly depend on years of formal schooling. As the state’s economy grew over the past two decades employment levels in Hampden County were not able to keep pace with statewide job creation rates. Wage and salary employment in the state increased at more than three times the rate of new job creation in Hampden County. The Hampden County area was only able to capture just over 2 percent of all the net new jobs created in the state between 1980 and 2000. The combination of slow employment growth and a fundamental transformation in the job content of the regional

economy meant that strong human capital traits would provide critical advantages in the labor market to those who possessed them.

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 Massachusetts unemployment rate had fallen to 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 very slow growth in the size of the state's labor force and in the number of young adults in the state, and despite 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 Springfield, where more than 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. 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.

In Springfield, the 'at risk' young adult problem is particularly severe, especially among young Hispanics. Minority women, in addition, have especially 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. Dropout prevention and other kinds of interventions to keep youth enrolled in school are quite valuable. Moreover, the experience of other cities suggests that providing early work experience to youth while in school can help bolster their retention in high school and increase their chances of post secondary enrollment. However, the size of the out of school and out of work youth population in Hampden County is quite large and suggests a future for the area in which a large number of young adults with significant human capital deficiencies

are effectively cut off from career opportunities in an economy that demands more schooling and more work experience. The ability of Hampden County to attract and retain the firms that will be responsible for creating the next generation of “useful things” depends in large measure on adequately prepared labor supply. Therefore, policy makers should not write off these at risk youth. Instead, more strategies for getting them engaged in work experience and encouraging them to return to school to develop the necessary proficiencies should be developed. In the absence of additional efforts to increase the skills, abilities and work experiences of these youth, they will continue to be frustrated in their attempts to enter the new labor market as they move into their adult years.