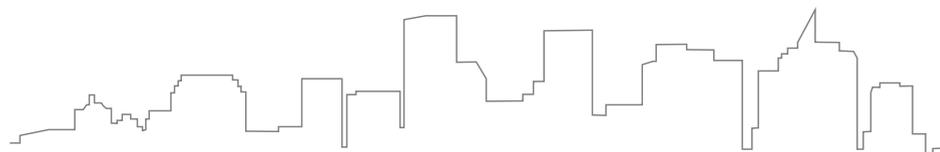


No Longer **Invisible**

*Opportunity Youth
in New Orleans*



The Cowen Institute at Tulane University

October 2016

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YOUTH AND OPPORTUNITY

For far too many youth, both in New Orleans and nationwide, true opportunity is elusive. While the rate of opportunity youth nationwide has dropped over the past five years, there are still 5.5 million youth across the country who are disconnected from work and education. At the Cowen Institute, we are committed to working to find solutions to this complex challenge facing our young people and our community. This report offers recommendations on where to go from here.

- AMANDA KRUGER HILL, EXECUTIVE DIRECTOR, COWEN INSTITUTE

Opportunity youth is a term used to refer to 16-24 years who are neither connected to school nor work. These young adults are described as opportunity youth due to the untapped value they offer if reconnected to education and employment opportunities.¹

Introduction

This is the third in a series of data guides the Cowen Institute has published on opportunity youth. The goal of this report is to provide data on key characteristics of opportunity youth in Orleans Parish, so that nonprofits, service providers, public officials, and community stakeholders can better understand how to meet the needs of these young people. The Cowen Institute's previous reports, including a 2015 guide entitled *Reconnecting Opportunity Youth: Data Reference Guide*, relied on publicly available Census data for the entire metropolitan area, including Orleans Parish and nine other parishes. The data in this guide, however, focuses specifically on New Orleans and is drawn from the 2014 American Community Survey. It uses data from a custom tabulation provided to the Cowen Institute by the U.S. Census Bureau.³

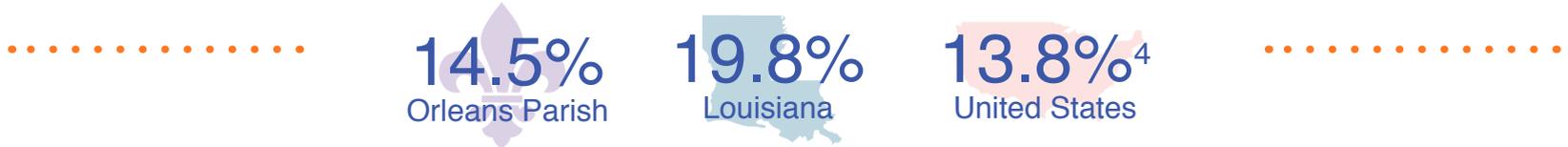
• Why this report matters

- In 2014, there were **6,820** opportunity youth in Orleans Parish. That was nearly three times as many young people who graduated from all New Orleans' high schools in the same year.² Failing to reconnect youth to work and educational opportunities has devastating impacts: it hinders the growth of youth individually, but also of the local economy and community as a whole.
- There are opportunity youth in every city and state in the country. Yet, the reasons youth are disconnected differ in each place. Thus, understanding the particular characteristics of opportunity youth in New Orleans - and the barriers they face - is an important-step towards creating targeted solutions that can offer youth the on-ramps to living wage careers.

Summary of findings: What do we know about New Orleans' opportunity youth?

1. There were 6,820 opportunity youth in New Orleans in 2014. This accounted for 14.5 percent of all 16-24 year olds.⁴
2. Opportunity youth in New Orleans often live in unstable economic conditions. Opportunity youth received food stamps and were uninsured at high rates, and nearly a third lived below the poverty line.
3. New Orleans' opportunity youth more often were black, male, older, had children, and had a disability than all 16-24 year olds in Orleans Parish.
4. Opportunity youth are more often face economic disconnection than educational. Nearly two-thirds of New Orleans' opportunity youth had at least a high school degree or equivalency and nearly a quarter had at least some college experience. Disconnection occurs along a spectrum, and youth often had some work experience but had failed to maintain it. As a result, nearly three-fourths had earned no income in the past year.

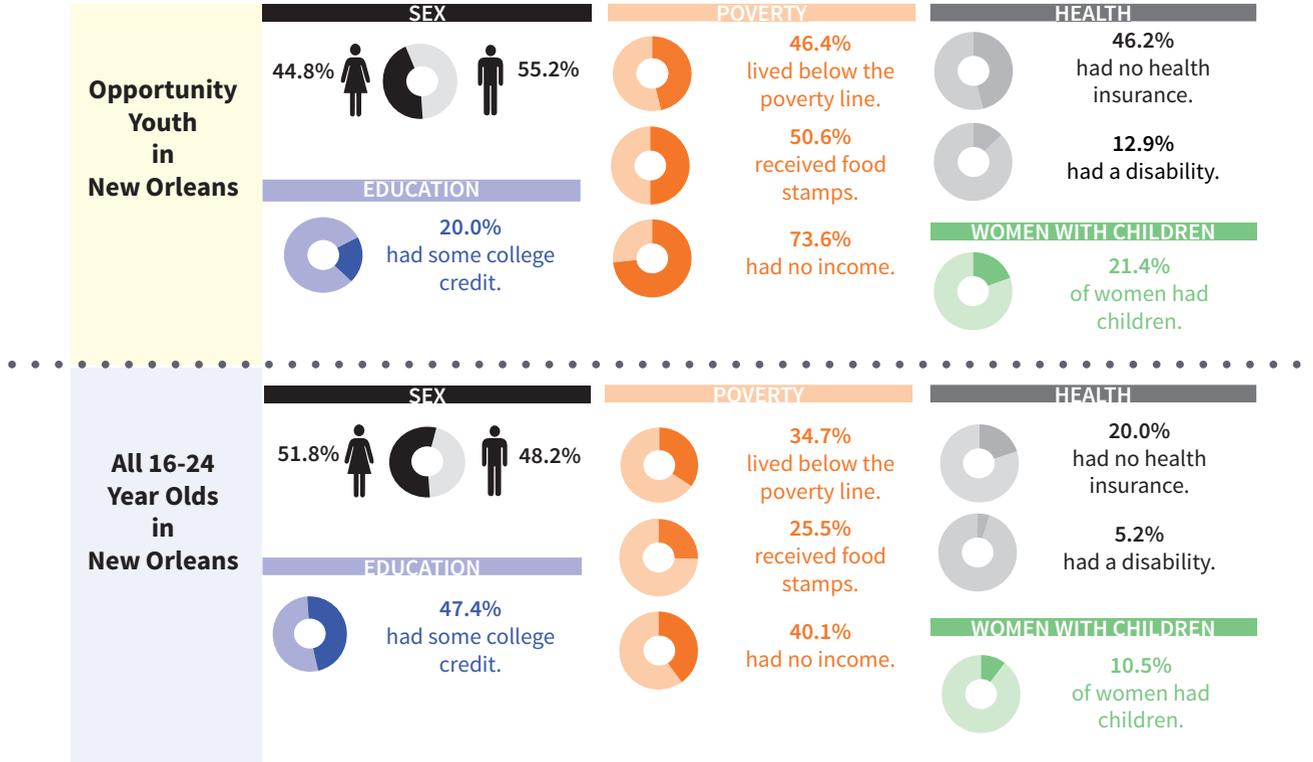
Rate of opportunity youth



What does this mean for New Orleans?

1. **Continue to create connections to employment:** Given their frequent economic insecurity, connecting New Orleans' opportunity youth to economic opportunities like job training and internships should be a continued priority. Efforts made by such initiatives as YouthForce, Jump Start, and the EMPLOY collaborative are already supporting these types of opportunities.
2. **Target supports for older youth:** Intense intervention and outreach efforts should target older youth who are more often disconnected.
3. **Leverage educational experiences:** The majority of New Orleans' opportunity youth had at least a high school degree or equivalency. Leveraging these educational experiences should be key in exploring pathways to employment.
4. **Continue research:** A follow-up study surveying New Orleans opportunity youth and employers would provide additional nuanced data as to why youth with high school degrees and college credit were unable to connect to the workforce.
5. **Increase social supports:** Compared to some states, Louisiana has low levels of public assistance. Augmenting current services, especially increasing mental health services for youth in Orleans Parish, and using tax incentives to encourage employers to hire youth, will help promote increased youth reconnection.

New Orleans had an estimated 6,820 opportunity youth in 2014



Who are New Orleans' opportunity youth?

Opportunity youth in New Orleans are more often male, black, and older than all 16-24 year olds in the Parish.

RACE 87.3%

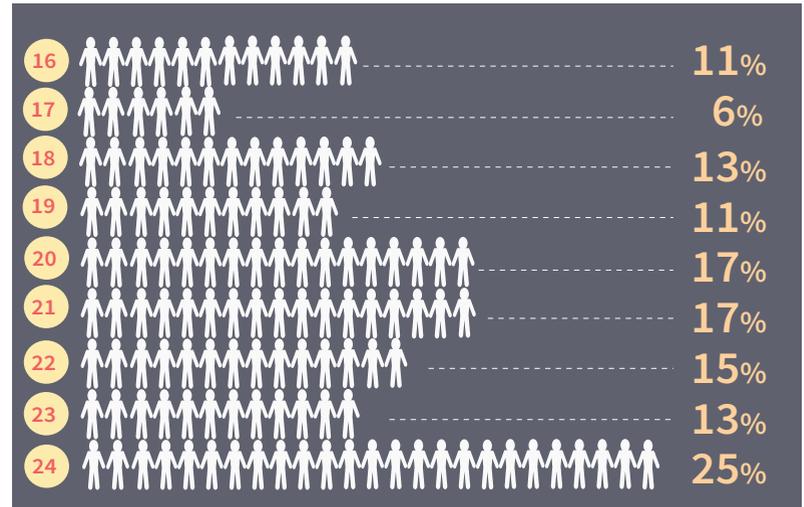
87.3 percent of New Orleans' opportunity youth are black and 7.0 percent are white. Comparatively, 65.0 percent of all 16-24 year olds in New Orleans are black and 26.4 percent are white.

AGE 72.5%

Opportunity youth in the city are generally older: 72.5 percent of the entire opportunity youth population are between the ages of 20 and 24. 25.9 percent of all 24 year olds in the city are opportunity youth.

SEX	Male	Female
Opportunity youth	54.8%	45.2%
All 16-24 year olds	48.1%	51.9%

Percentage of New Orleans youth who are opportunity youth by age

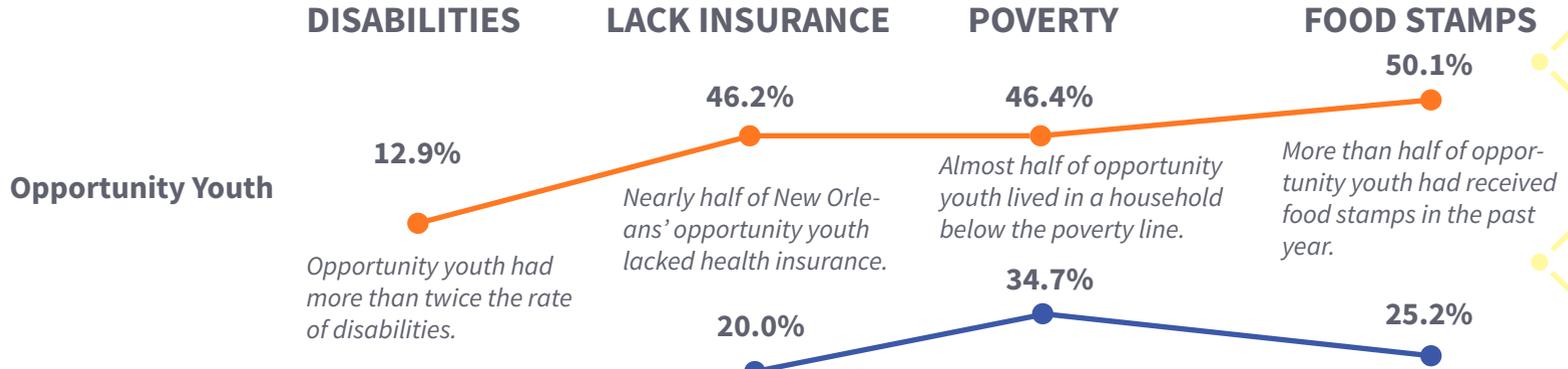


Why does this matter?

- One of the main priorities of the City of New Orleans' "Nola For Life" initiative has been linking working-age black men (ages 15 to 65) to employment.⁵ This data on opportunity youth suggests resources should continue to be devoted to linking black males to employment.
- There was a higher percentage of older opportunity youth, suggesting that disconnection increases with the amount of time young people are out of K-12 education. Focusing additional resources on older youth would therefore make sense.

What are some barriers opportunity youth face?

A majority of New Orleans' opportunity youth live below the poverty level and many do not have health insurance.



All 16-24 Year Olds

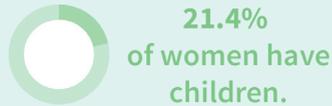
Why does this matter?

- Opportunity youth had comparatively high rates of disabilities, suggesting the need for additional social support services.
- The high rate of uninsured opportunity youth suggests they are less likely to be able to access and afford health care, and therefore, are more likely financially vulnerable to extreme medical events.
- Opportunity youth were much more likely to live in poverty than all New Orleans' 16-24 year olds, indicating the need for increased financial supports for youth and their families.
- The reliance of opportunity youth on food stamps is an indicator of their economic insecurity, as youth must be from a low-income household to qualify for Louisiana's food stamp program.

What other factors impact reconnection?

Female opportunity youth had children at twice the rate of all female 16-24 year olds.

Opportunity Youth in New Orleans



All 16-24 Year Olds in New Orleans



HOUSING



Opportunity youth actually had higher rates of self-reported housing stability than all 16-24 year olds in New Orleans. 80.4 percent of opportunity youth had lived in the same home for the past year, compared to 75.1 percent of all 16-24 year olds. However, the data does not provide any information on the quality or location of that housing. Additionally, due its methodology, census survey data does not include responses from youth who are actively homeless.

Why does this matter?

- As female opportunity youth are more than twice as likely to have children than all 16-24 year old females, to obtain and maintain employment they would likely need childcare supports.
- More detailed information on the housing situations of opportunity youth in New Orleans is needed, especially relating to the quality and location of that housing. This data could help explain why opportunity youth actually had higher rates of consistent housing than all 16-24 year olds.

What about educational experience?

Nearly two-thirds of opportunity youth have at least a high school credential and one-fifth have some college experience.

EDUCATIONAL ATTAINMENT

KEY

Opportunity Youth

All 16-24 Year Olds

HIGH SCHOOL CREDENTIAL

64.0%

83.4%

SOME COLLEGE EXPERIENCE

20.0%

47.4%

COLLEGE DEGREE

2.6%

11.5%

LESS THAN 9TH GRADE

8.3%

3.0%

On average, opportunity youth had less educational attainment than all 16-24 year olds in New Orleans. However, they were not without educational skills or credentials that are important to obtaining employment, as 64.0 percent had a high school degree or equivalency, and 20.0 percent had some college experience.

Why does this matter?

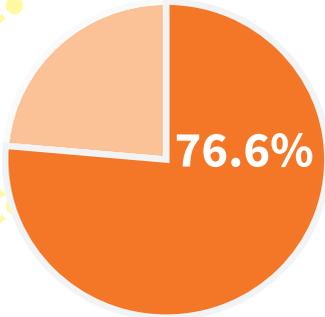
- Perceptions that most opportunity youth are high school dropouts does not apply in New Orleans: 64.0 percent had a high school credential.
- Though many opportunity youth had high school credentials, these credentials were not sufficient for them to secure and maintain employment.
- Though 20.0 percent of opportunity youth have some college experience, only 2.6 percent have a college degree. More research is needed to explore why youth are not persisting through college.
- The rate of opportunity youth with less than a 9th grade education is nearly three times that of all 16-24 year olds, indicating a need for more services that reconnect opportunity youth to secondary education.

Note: Chart not to scale.

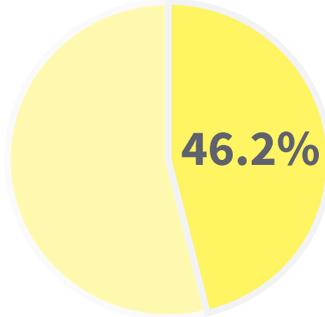
What about work experience?

Most opportunity youth had some work experience, despite their current disconnection from the labor force.

NO WORK EXPERIENCE IN PAST YEAR



Opportunity Youth



All 16-24 Year Olds

Disconnection for opportunity youth is always measured at a specific point in time. Opportunity youth were frequently employed at one time, but failed to maintain their jobs. As a result, New Orleans' opportunity youth were significantly less likely to have worked in the past year than all 16-24 year olds. 76.6 percent of opportunity youth had not worked in the past year, compared to 46.2 percent for all 16-24 year olds in New Orleans. By comparison, 16.6 percent of all 16-24 year olds had worked full-time throughout the entire year.

EXPERIENCE BY PROFESSION



Of those opportunity youth who had worked in the past five years, most were employed in the the service industry, arts & entertainment industries, and retail.

Why does this matter?

- Opportunity youth were employed at far lower rates than all 16-24 year olds in the city.
- Given that a majority of opportunity youth had at least a high school credential, disconnection for many youth could be occurring after graduation when they attempt to go to college or find a job.
- Many opportunity youth had previous employment but had not been able to maintain it. More research and data is needed to determine the obstacles opportunity youth face in persisting in employment, as well as the average duration of employment opportunity youth have had in the past.

Did opportunity youth have any income?

Most New Orleans' opportunity youth had no income in the past year.

NO INCOME Nearly three-fourths, 73.6 percent, of New Orleans' opportunity youth did not have any income in the past year. Comparatively, only 40.5 percent of all 16-24 year olds in the city did not have income in the past year.

73.6%

OF THOSE WITH INCOME...

How much did they make?

Income less than \$15,000 in past year



Why does this matter?

- Very few opportunity youth had any income in the past year, but even those who did earned very little. This suggests those who had jobs were receiving low wages, working a limited number of hours, or both.
- The low-level of income could indicate that even those who did have jobs were not able to sustain them for a prolonged period.
- Additional research is needed on the wages of opportunity youth by profession.

Of those opportunity youth who did earn income in the past year, 50.9 percent made less than \$2,500 total.

Where do we go from here?

Reconnecting opportunity youth to education and employment is vital to the long-term success of New Orleans.

ANNUAL FISCAL COST TO TAXPAYERS · · ·

\$94.8 million

LOOKING AHEAD

Failing to reconnect opportunity youth has long-term impacts on the economic landscape of New Orleans. Disconnection costs taxpayers an average of \$13,900 annually per youth in increased spending on crime, health care, and welfare, for a total annual fiscal cost of \$94.8 million to New Orleans.⁵

Disconnection occurs on a spectrum, with youth disconnecting from, and reconnecting to employment and education at various times in their lives. The data in this report highlights some, but not all of the barriers opportunity youth confront, and suggests what is needed to empower these youth to overcome them.

WHAT IS NEEDED MOST NOW?

1. **Create connections to employment:** Many opportunity youth had high school degrees but were still unable to connect to the workforce. Ensuring youth leave high school with career plans and links to additional education and training should be a priority.
2. **Focus on older youth:** Support efforts should be targeted at reconnecting older youth, who had higher rates of disconnection.
3. **Leverage strengths:** Opportunity youth had work and educational experience that can be foundational to reconnection efforts.
4. **Continue research:** The questions above indicate the need for additional research to understand how to reconnect youth.
5. **Increase social supports:** The high rates of poverty and lack of insurance suggest opportunity youth would benefit from more robust social services.

QUESTIONS THAT REMAIN

The data in this report help to clarify where further research is needed to better understand the needs of opportunity youth. These are just some of the key questions that need further exploration.

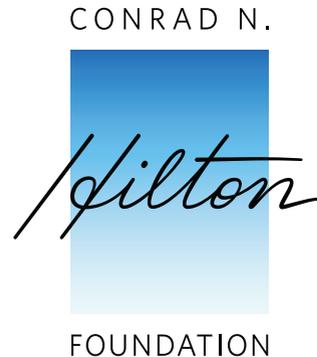
- What type of disabilities are faced by opportunity youth?
- When are youth first disconnecting from education and employment and what can be done to keep them engaged?
- What wages and work hours have youth had when employed?
- How does transportation affect youth in maintaining jobs?
- Why are some high school graduates unable to persist in jobs?
- How does childcare and health care affect employment?
- What social services have the greatest impact for youth?

Methodology and end notes

Methodology

All data in this report comes from the 2014 American Community Survey for Orleans Parish, administered by the U.S. Census Bureau. The data was specifically requested and purchased by the Cowen Institute from the Census in June 2016. As with all census data, this data is a projected prediction based on a sample of the larger city population. In 2014, the American Community Survey collected data from 2.6 percent of the entire population of Louisiana. You can find the complete list of questions asked in the survey at the Census's questionnaire archive: <https://www.census.gov/programs-surveys/acs/methodology/questionnaire-archive.html>.

The Cowen Institute would like to thank the Conrad N. Hilton Foundation for their generous support of this report, as well as for their support of the EMPLOY Collaborative and the work of the Institute as a whole.



End notes

1. We sincerely appreciate the feedback of the EMPLOY Collaborative's Youth Action Team members who reviewed this report and offered their perspectives. Opportunity youth is a term to categorize out-of-work, out-of-school youth aged 16-24 years old. It gained widespread adoption following the White House Council for Community Solutions in 2012, including by the Aspen Forum for Community Solutions, a major funder of initiatives aimed at reconnecting youth. Like all terms used to describe a group of people, it cannot adequately capture the diversity and uniqueness of individuals. The Cowen Institute recognizes the limitations of the term, but uses it throughout this guide in an effort to align with the language being used at the national and local levels by those who work to address youth disconnection.
2. The total number of high school graduates from RSD and OPSB schools in 2013-14 was 2,305. Louisiana Department of Education, 2013-2014 College Enrollment Report, <http://www.louisianabelieves.com/resources/library/college-enrollment-reports>.
3. In the Cowen Institute's 2015 report, we found more than 26,000 opportunity youth to reside in the greater New Orleans metro area, which included ten parishes. That figure cannot be accurately compared to the 6,820 found to reside in New Orleans in this report because the two reports rely on different data sets. For this report, the Cowen Institute did not have access to the original Census Data, only the tabulations provided by the Census. This is a limitation of this current report.
4. All data on national and Louisiana rates of opportunity youth from *Opportunity in America 2011-2015*, a joint report by the Opportunity Index and Measure of America: <http://opportunityindex.org/app/uploads/2015/10/2015-Opportunity-Index-Briefing-Book.pdf>.
5. City of New Orleans, *African-American Male Unemployment Report*, August 2014.
6. Cost estimates are from Clive Belfield, Henry Levin, Rachel Rosen, *The Economic Value of Opportunity Youth*, January 2012.