
EDUCATION & LABOR COMMITTEE

Congressman George Miller, Chairman

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Chairman Miller Statement at Committee Hearing On “Ensuring Economic Opportunities for Young Americans”

WASHINGTON, D.C. – *Below are the prepared remarks of U.S. Rep. George Miller (D-CA), chairman of the House Education and Labor Committee, for a committee hearing on “Ensuring Economic Opportunities for Young Americans.”*

The Education and Labor Committee meets this morning to examine strategies for ensuring better economic opportunities for young Americans.

A summer or part-time job has traditionally been the gateway to future success for generations of Americans.

In fact, every member on this committee can probably look back fondly on that first job at the corner grocery during high school that may have put a little gas money in your pocket every week.

In my case, working a back-breaking summer job at the local refinery helped me pay for college and escape debt free.

These job opportunities not only provide needed cash to help pay for school or save for a first car; but, they also give young workers an introduction to what it means work with others on a shift and try to make a living.

Unfortunately, these opportunities are scarcer for today’s young workers than ever before.

One reason may be that workers are retiring later because of shrinking pension benefits and 410(k) accounts. This means fewer new opportunities for younger workers because older workers may stay on longer in order to rebuild their retirement security.

The dramatic fall in youth employment over the last decade is startling. Sixty percent of 16 to 24 year-olds were employed in 1999.

Today, fewer than 48 percent have a job; the lowest level since World War II.

This situation is grim, especially when you take into account under-employment.

During the first quarter of 2009, workers younger than 25 had an under-employment rate of 32 percent. That is nearly 20 points higher than workers ages 35 to 54.

The financial crisis has had a severe impact on the employment prospects of millions of Americans, not just the young.

Indeed, because of the horrible economy, younger workers are now competing with more experienced workers for positions traditionally the domain of the young and less experienced.

Until the economy as a whole turns around, younger workers will continue to be hit the hardest.

But the recession has only made a bad situation worse for younger workers.

The falling overall employment rate among young workers 16 to 24 began more than a decade ago and has declined nearly every year.

Even in periods of economic stability, fewer young people do not make the transition to the workforce. They face challenges completing high school and obtaining the skills they need to succeed.

For these young people, alternative education and job training models provide a critical link to the workplace. Today, we will hear about some of these programs and how they are trying to meet the needs of our nation's most vulnerable youth.

Teens looking for a summer job have been especially hard-hit. The unemployment rate among 16 to 19 year-olds during the summer has increased by 113 percent compared to ten years ago.

By looking at this data, it is clear that the drop in employment is not just the result of a sudden shock to the system, but a part of a larger trend.

You cannot ignore the fact that 20 percent fewer younger workers are participating in the labor market today than in 1999.

This tells me that more needs to be done or perhaps we need to rethink strategies to help young workers find meaningful employment, in any economy.

The consequences of reduced work opportunities among young Americans mean fewer long-term employment prospects, less earnings, and decreased productivity.

Fewer work opportunities also result in higher debts – more student loans, credit card debts, and so on.

If these dramatic trends are not reversed, our nation faces the potential of a generation of youth disconnected from the employment market.

That's why as a part of the American Recovery and Reinvestment Act, we invested an additional \$1.2 billion to beef up youth jobs programs, including summer employment opportunities, under the Workforce Investment Act.

The additional funding for summer jobs have proved successful.

In fact, the Government Accountability Office found that most states they reviewed either met or exceeded the state's goals with nearly a quarter million summer jobs created.

The House also just approved legislation to make an unprecedented \$10 billion investment to make community colleges part of our economy's recovery.

The Student Aid and Fiscal Responsibility Act will help prepare young workers for the jobs of the future and build a 21st century workforce by strengthening partnerships among community colleges, businesses and job training programs that will align community college curricula with the needs of high-wage, high-demand industries.

Today's hearing will also give us an opportunity to look at other programs that serve young workers and look at ways we can expand programs that are making a real difference.

We will also explore new strategies, some developed by young people themselves, to ensure that younger workers can compete in this job market.

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