

# How Much Might Youth and Their Families Lose in Wages If The Summer Youth Employment Program Is Canceled?

The Mayor's Executive Budget would cancel the Summer Youth Employment Program for this coming summer to save \$119 million in city funds. Last year, about 74,500 youth ages 14 to 24 participated in the program (more than 150,000 applied) and this summer it was expected to provide summer jobs for 70,000 youth. Many advocates for the program argue that it provides crucial experience and job readiness skills. But the program is also a source of income for the youth and their families. Last summer, 85 percent of participants came from families reporting incomes of \$31,000 or less, and many of them lived in the city's public housing. With the city confronting huge job losses, especially among low-income workers, the loss of income may be especially difficult for these youth and their families. How much might the lost paychecks cost them?

- Participants in last year's summer youth program earned wages totaling \$109.2 million (not including payroll taxes paid by the city).
- Youth ages 16 to 24 participating in the Summer Youth Employment Program earned \$15 an hour, the state minimum wage. Students worked up to six weeks and up to 25 hours per week. Youth participating in the program earned a total of \$98.2 million, or an average of about \$1,670 per participant.
- Students 14-15 years of age received a stipend of \$700 for a classroom-based program that teaches work-readiness and related skills. These stipends totaled \$10.9 million.

| <b>Largest Number of Participants and Share of Wages Went to 16 and 17 Year Olds in 2019</b> |  |              |                                   |
|--|--|--------------|-----------------------------------|
| <b>Age Band</b>  | <b>Number of Participants in Age Category*</b> | <b>Share</b> | <b>Total Wages, in millions**</b> |
| 14-15  | 15,635   | 21%          | \$10.9                            |
| 16-17  | 30,526   | 41%          | \$51                              |
| 18-19  | 19,358   | 26%          | \$32.3                            |
| 20-21  | 8,190  | 11%          | \$13.7                            |
| 22-24  | 745  | 1%           | \$1.2                             |
| <b>TOTAL</b>   | <b>74,453</b>                                  | <b>100%</b>  | <b>\$109.2</b>                    |

SOURCES: Department of Youth and Community Development Report: 2019 NYC SYEP Annual Summary; IBO analysis of Financial Management System data.  
 NOTES: \*Estimates based on Summer Youth Employment Program annual summary. \*\*Total wages for 14-15 year olds calculated using \$700 stipend. For other age groups, total wages estimated by taking the total wages for the program, subtracting stipends for 14-15 year old participants, and dividing the remaining wages paid by the number of participants 16 and older in each age category.

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| <b>Summer Youth Program Participants Living in Public Housing, 2018</b> |   |   |  |   |  |
|---|---|---|--|---|--|
| <b>Borough</b>  | <b>Housing Authority Youth Enrolled</b> | <b>Number of Participants in Each Borough</b> | <b>Share of Housing Authority Residents Among All Borough Participants</b> | <b>Mean Household Income of Housing Authority Residents</b> | <b>Mean Wage Per Participant As a Share of Mean Household Income**</b> |
| Bronx   | 2,856                                   | 16,358  | 17%  | \$23,600  | 6.0%   |
| Brooklyn  | 3,888                                   | 30,485  | 13%  | \$25,200  | 5.6%   |
| Manhattan   | 2,393                                   | 14,871  | 16%  | \$25,900  | 5.5%   |
| Queens  | 965                                     | 6,692   | 14%  | \$25,800  | 5.5%   |
| Staten Island   | 446                                     | 5,948   | 7%   | \$22,400  | 6.3%   |
| <b>TOTAL</b>  | <b>10,548</b>                           | <b>74,354</b>                                 | <b>14%</b>   |   |  |

SOURCES: NYC Open Data, "Summer Youth Employment Program (SYEP) for NYCHA Residents by Borough- Local Law 163," <https://data.cityofnewyork.us/Social-Services/Summer-Youth-Employment-Program-SYEP-for-NYCHA-Res/x4x8-m3ds>, accessed May 2020; NYC Open Data, "NYCHA Resident Data Book Summary," <https://data.cityofnewyork.us/Housing-Development/NYCHA-Resident-Data-Book-Summary/5r5y-pvs3>, accessed May 2020.  
 NOTE: Mean wage per participant estimate based on total wages in 2018 and number of participants per borough in 2018.

- About 11,000 youth living in New York City Housing Authority developments participated in the summer youth program in 2018 (the most recent year for which this information is available), making up about 14 percent of that summer's enrollment.

- At an average wage of \$13 per hour that summer, housing authority residents earned a total of almost \$15 million in wages from the program in 2018.
- Depending on the borough, mean income for housing authority households in 2018 ranged from roughly \$22,400 in Staten Island to \$25,900 in Manhattan. The mean wage of a Summer Youth Employment Program participants of \$1,419 in 2018 represented about 5 percent or 6 percent of their household's income.

In addition to the city's budget difficulties, the de Blasio Administration has also cited the barriers to running the program amid the Covid-19 outbreak as another reason for canceling the program. City Hall is considering plans to run the program remotely at a greatly reduced capacity, using non-city funds.

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Prepared by Amanda Gallear  
New York City Independent Budget Office