

Economic Security Cabinet Testimony  
July 28, 2008

Good afternoon. My name is Emily May and I will be speaking on behalf of Randolph Peers, Executive Director at Opportunities for a Better Tomorrow. Opportunities for a Better Tomorrow, or OBT, is a youth workforce development agency that runs out of Sunset Park and Bushwick, right here in Brooklyn. I am here today to talk about how the state can translate the success that OBT has had working with youth into meaningful policy.

You can hardly open a newspaper or turn on the TV without hearing about the effects of the recession. The Dow is down to its lowest level in two years, Wall Street bonuses are down, and layoffs are widespread. With foreclosures, gas prices, and food prices creeping up at alarming rates, Wall Street's woes have quickly become the woes of lower and middle class workers. The citywide tightening of belts has translated into a steadily rising unemployment rate that has risen from 4.1% to 5.4% since February of this year.

Under such conditions, the workforce development system, the system responsible for providing education, training and re-employment services to both the unemployed and the under-employed, has become increasingly strained. Young adults are particularly vulnerable during economic downturns, as dislocated workers with more experience move into jobs that are typically reserved for youth and other low skilled workers. At OBT, we have already begun to see evidence of this trend. Our enrollment for the fall is 50% higher than average for this time of year.

As devastating as a recession can be, it can also be an opportunity for government to invest in training and educating its workforce. As the economy continues to weaken and the average time it takes to find a new job increases, the government must respond quickly. This is precisely the time when workers should look to obtain new skills or enhance their education. The unfortunate reality is that historically, workforce funding has been cut just when workers need the support most.

Under the Bloomberg Administration, New York City has done a good job of reallocating worker training funds to meet the changing needs of its labor force. New York City has recently pioneered some innovative approaches to workforce development through the Mayor's Center for Economic Opportunity (CEO), including an initiative entitled the Young Adult Internship Program.

Opportunities for a Better Tomorrow launched the Young Adult Internship Program in October of 2007. The program builds on the successful Summer Youth Employment Program, or SYEP, except that it is year-round and targeted at disconnected youth. The program provides three weeks of paid training followed by an eleven week internship and gives disconnected youth with the skills and the job experience needed to move seamlessly into the labor market. We are happy to report that even though this program is young, we have already placed 75% of the program participants into a job or further education. Our employers are happy too, and our waitlist of employers hoping to get

one of our interns is just as long as our list of young adults hoping to get into the program.

As seasoned advocates we all know that sometimes the best solution doesn't require re-inventing the wheel. The state would be wise to piggyback off of the success of the Young Adult Internship program by improving upon the program design and funding the initiative on the state level. For disconnected youth, early engagement in the labor market translates into a lifetime of higher incomes. The Young Adult Internship Program, which provides education and experience, is the closest that policy has come to create a "silver bullet" for disconnected youth this decade. We would be happy to meet with you to discuss how this initiative could be built upon on the state level.

Multi-billion dollar state and city deficits combined with Wall Street woes will require the governor and state legislators to show tremendous leadership over the next year as the economy hits its projected bumps. However, if the governor and state legislators play their cards right and do not repeat history's mistakes, a Young Adult Internship Program may be the much-needed antidote to a sagging economy.

**Contact Information:**

Randolph Peers, Executive Director  
rpeers@obtjobs.org

Emily May, Special Projects Coordinator  
emay@obtjobs.org

718-369-0303  
783 4<sup>th</sup> Avenue  
Brooklyn, NY 11232