source of considerable concern.

A source of even greater concern, however, is that the unemployment rate among those who dropped out of school in 1961 was 28 percent—42,000 out of 179,000 or nearly three of every ten.

With such difficulty in finding jobs, it is not surprising that discouragement takes hold and many young people stop looking for work. They simply leave the labor force even though they may want to work. Accordingly, in addition to those boys who were officially counted as unemployed in October 1961—the 55,000 graduates and the 42,000 school dropouts—there were an additional 48,000 who graduated from school in 1961 and 29,000 who had dropped out who were out of the labor force by October.

**As these figures indicate,** the dropout is at a distinct disadvantage as compared to the high school graduate. And this disadvantage is not remedied by the passage of time. The handicap remains. Consequently, of the young men who had dropped out of school in 1959, more than one out of six was unemployed in October 1961. In contrast, among those who had graduated high school in 1959, only about one out of fourteen was unemployed in October of 1961.

The disadvantage of the school dropout, as compared to the high school graduate, is not limited to more frequent unemployment. He must also face the prospect that, when employed, it will frequently be in occupations which are not only low paying and unskilled, but which also are often just part-time jobs.

Although forced part-time employment has been an increasing problem for the entire economy over the last 10 years, it is the school dropout who, apparently, is most apt to suffer this fate. In October 1961, among those who had graduated high school that year, and who were employed in nonfarm industries, less than 8 percent were working part-time involuntarily. On the other hand, among the 175,000 youths who had dropped out of school in 1961, and who were employed in October of that year, 40,000—more than 20 percent—were compelled to work only part-time because they could not find fulltime jobs.

**The explanation of the** high proportion of part-time work among school dropouts can be traced to the types of jobs in which they managed to find employment. For example, among the boys who dropped out of school in 1960 or 1961, over 50 percent of those who were employed in October 1961 were found working as farm and nonfarm laborers or in service occupations, which would include gas station attendants, messengers, bus boys, etc. These are occupations in which part-time work is frequently the norm. In contrast to this, the majority of the employed youngsters who graduated high school in 1960 and in 1961 were working outside these occupations in October of 1961.

The same pattern holds for young girls. Nearly two-thirds of the girls who graduated high school in 1960 and 1961, and who were at work in October 1961, were employed in clerical occupations. Among the girls who had dropped out of school during those two years, nearly 60 percent of those who were employed were working at farm labor jobs and in service work, including private household work—occupations in which part-time work is quite usual.

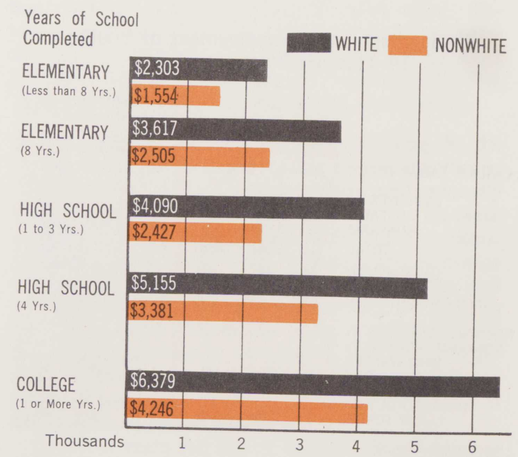
Because the dropout is often unemployed and because he frequently can find only low-paying and part-time work, he has less income in comparison with those workers who graduated school. Indeed, in the job market, education is worth money because there is a direct relationship between income and education of workers.

The BLS seven-city study of the work experience of high school graduates and dropouts showed the earnings of the graduates were considerably above those of the dropouts. According to that study, at the time they were interviewed only 15 percent of the young men graduates were earning less than $50 per week, while 44 percent of the school dropouts were earning below that amount.

Similarly, among the girls the graduates fared much better than the dropouts. Fifty percent of those who graduated high school were earning less than $50 per week, but among those who dropped out of school there were 82 percent whose weekly income was less than that amount.

**The money advantages** of more education also are shown by the income reports for the population of the United States. According to the U.S. Bureau of the Census, (1) men with less than a high school education have annual incomes below the national average and (2) men with a high school education or more are above the national average. In 1961, while the average income for the year for all men was $4,189, those who had not attended high school at all averaged $2,651; those with some high school averaged $3,865; those who graduated high school averaged $5,052; and those with four years of college averaged $7,261.

Average Income of Men By Education and Color
1961




SOURCE: U. S. Bureau of the Census

However, because of the impact of racial discrimination on employment opportunities, the income of nonwhite workers was less than it was for white workers—given the same amount of education. Nonwhite men found it necessary to have more than a high school education in order for their incomes to be above the national average. At the same time, white males were able to surpass the national average with only a high school education.

## Racial Discrimination

As these figures on the incomes of workers suggest, nonwhites in the labor market have a very special problem. Forced into crowded slums and lacking in equal opportunity to compete on the basis of ability, too many nonwhite youngsters are being robbed of any motivation to stay in school. A high percentage are not completing their education. In 1961, there were 102,000 nonwhite graduates from school while 71,000 dropped out. In contrast, among the whites, for each dropout there were 3 high school graduates. And inevitably this lack of education leads to a higher incidence of unemployment.

In 1961, for example, the unemployment rate for nonwhite boys ages 14 to 17 was 25.4 percent. For white boys of the same age, it was half that amount—13.3 percent.

**This pattern of discrimination** in employment starts with the youngster's entry into the labor force—as evidenced by the unemployment rate for the 14 to 17-year old nonwhite boys—and it remains. Accordingly, the unemployment rate for nonwhite young men who had graduated high school in 1959 was 16.7 percent—one out of every six—in October 1961. At the same time, the unemployment rate for the white youths who had also graduated in 1959 was only 7.2 percent.

In addition to more opportunities for unemployment, nonwhite youths—when employed—have fewer opportunities to break out of unskilled occupations, even though they graduate from high school. As a consequence, in October 1961 nearly one-half of the nonwhite young men between 16 and 24 years of age, who had graduated school before 1959, were found in occupations requiring few skills. They were in service work and performing labor jobs, which are often part-time work at low wages. On the other hand, less than 20 percent of the white young men who had graduated before 1959 were found in these occupations.

**The picture painted** by these statistics is an ugly one, but even more disturbing were the findings of the special studies conducted by the National Committee for Children and Youth. This is how Dr. Conant described the situation in one city, where the problems of discrimination and school dropouts interact:

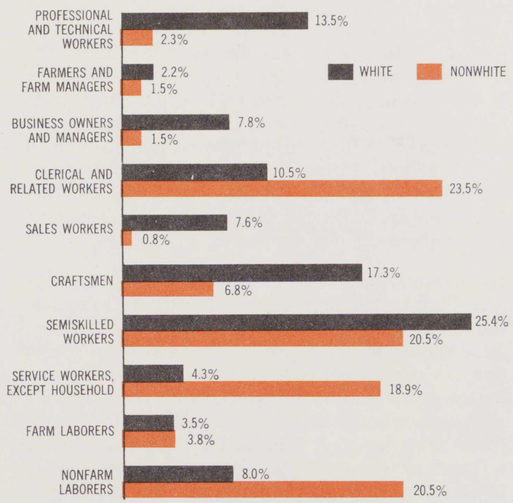
". . . In a slum section composed almost entirely of Negroes in one of our largest cities the following situation was found: A total of 59 percent of the male youth between the ages of 16 and 21 were out of school and unemployed. They were roaming the streets. Of the boys who graduated from high school, 48 percent were unemployed in contrast to 63 percent of the boys who had dropped out of school. In short, two-thirds of the male dropouts did not have jobs and about half of the high school graduates did not have jobs. In such a situation, a pupil may well ask why bother to stay in school when graduation for half the boys opens onto a dead-end street?"

And when he drops out of school the cycle starts all over again. He marries and because of the disadvantage of being a dropout—combined with the added disadvantage of being nonwhite—he is unable to provide adequately for his family. They will live in slums and his children, deprived of decent surroundings, may lack the necessary motivation to stay in school—or because of the family's financial situation be forced to quit school for work. And so the cycle starts again for yet another generation.

## Towards a Solution

If the challenge represented by the tremendous increase in new young workers during this current decade—26 million by 1970, of whom 7.5 million will be school dropouts—is to be effectively met, it will require a fullscale attack on the causes of high unemployment among youths. These causes include the lack of job opportunities, the lack of adequate education and training of youngsters before they enter the labor market, the high rate of dropouts and the existence of discrimination which leads to a denial of equal employment opportunity for nonwhites.

Occupations of Young Men, By Race*
Graduated High School Prior to 1959
Ages 16 through 24




*As of October 1961

SOURCE: U.S. Bureau of Labor Statistics