



Youth in the Labor Force: Statistics and Trends (Continued)

Youth Employment Work Group

June 23, 2016



Quick Update: Summer Hiring 2015

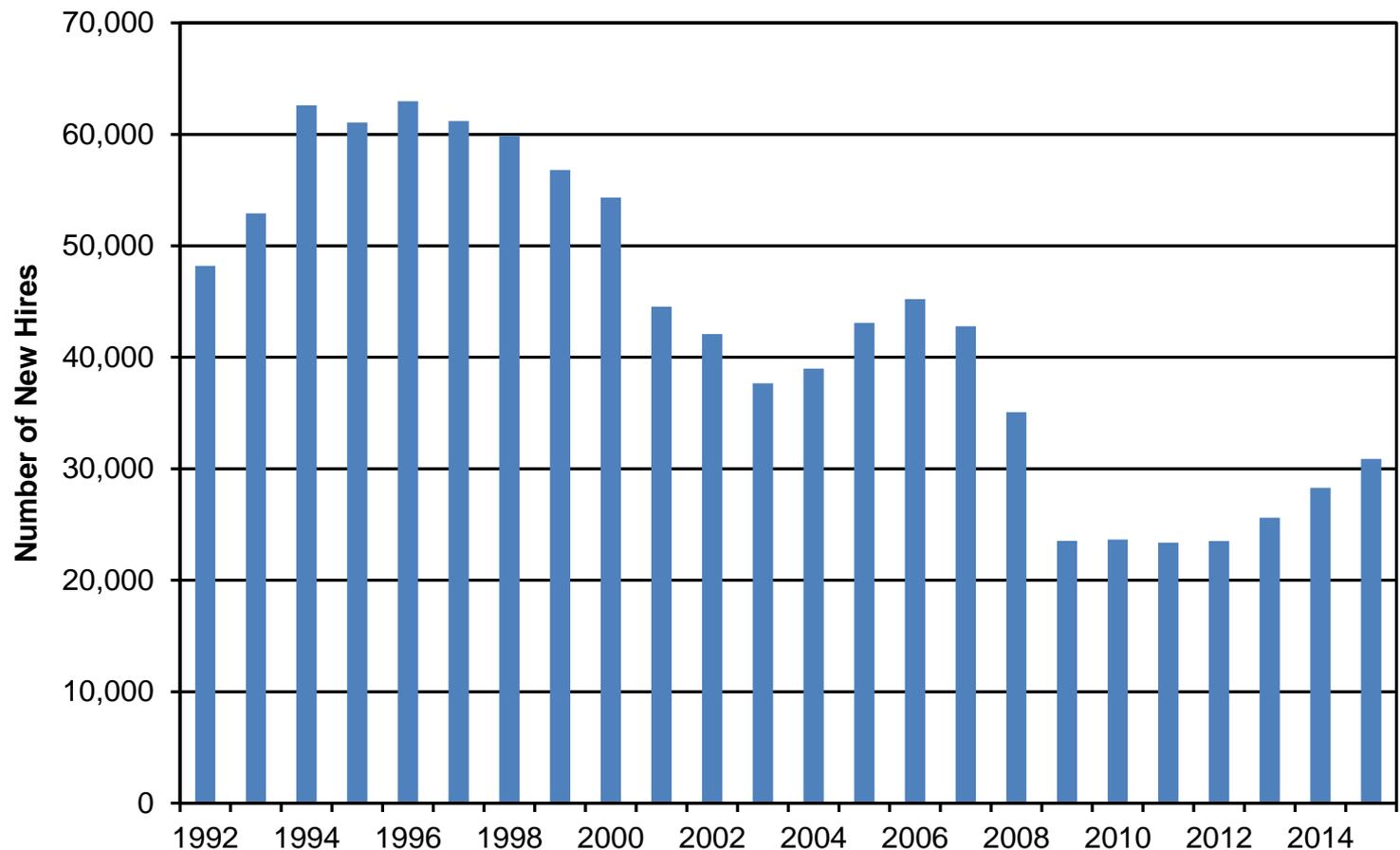
Number of teens finding a summer job picked up again last year.

The number of teen summer “new hires” fell during the recession and hasn’t recovered.

Summer 2006
45,200

Summer 2014
30,900

Oregon Teen Hiring Halved in Recession Third Quarter New Hires Ages 14-18





Why Are Youth Not Working or In The Labor Force? Literature Review

Youth Labor Force Participation Continues To Fall, but It Might Be for a Good Reason

-Federal Reserve Bank of St. Louis, January 2015

“...since 1998 most of the decline in youth labor force participation corresponds to an increase in school attendance.”

- * School attendance increased for those 16-19 without a high school diploma:
 - * In 1998 = 39.8%
 - * In 2014 = 58.5%
- * School attendance increased for those 20-24 without a high school diploma:
 - * In 1998 = 11.6%
 - * In 2014 = 17.4%

“The second most-prevalent reason for not being in the labor force was NEET.”
(Not in Education, Employment, or Training)

- * Did not change much since 1998.
- * “Lower educated individuals (those with a high school diploma at most) were more likely to be NEET.”
 - * Noticeable incidence of disability.

Polarization, immigration, education: What's behind the dramatic decline in youth employment?

-Federal Reserve Board, October 2011

“There is surprisingly little academic research related to understanding the causes of this decline in youth participation.” – p. 1

“...in addition to immigration, occupational polarization in the U.S. adult labor market has resulted in increased competition for jobs that teens traditionally hold.” - abstract

“...demand factors can explain at least half of the decline unexplained by the business cycle, and ... supply factors can explain much of the remaining decline.” – abstract, underline added

Polarization, immigration, education: What's behind the dramatic decline in youth employment?

-Federal Reserve Board, October 2011

Labor Supply Factors (youth looking for jobs)

- A. The rise in summer school enrollment rates – “...increased dramatically since the mid-1990s.” – p. 15
- B. Changes in state education policies? – earlier school year start dates, exit exam requirements, increased number of credits for high school graduation, merit scholarships for college.
 - * Merit scholarships increase the returns to high school achievement and “reduce teens’ need to save for college and hence work in high school.” – p. 19
- C. Teens not working because family transfers have increased? – median household income per child has increased, but teens from higher income households are more likely to work. – p. 21
- D. Teens not working because they’re spending more time on video games? – “... the difference in videogame usage between employed and not employed males is too small to account for the difference in time spent on work-related activities.” – p. 24

Polarization, immigration, education: What's behind the dramatic decline in youth employment?

-Federal Reserve Board, October 2011

Labor Demand Factors (employers hiring youth)

“... both the share of native adults in teen jobs and the immigrant share of the population are strongly negatively associated with teen employment rates.” – p. 35

“... the negative correlation between adult employment in teen jobs and teen employment is due to adults crowding out teens, rather than because an exogenous decline in teen supply draws adults into the market.” – p. 38

Why fewer teens work on farms

-Corvallis Gazette-Times, July 10, 2012

Quotes from farmers:

“Kids are not willing to work like they were 30 years ago. If they do work, they leave their earbuds in and that distracts them.”

“People think farm work is easy, but it really takes awareness. You have to focus. A lot of kids can’t do that unless they have a video game.”

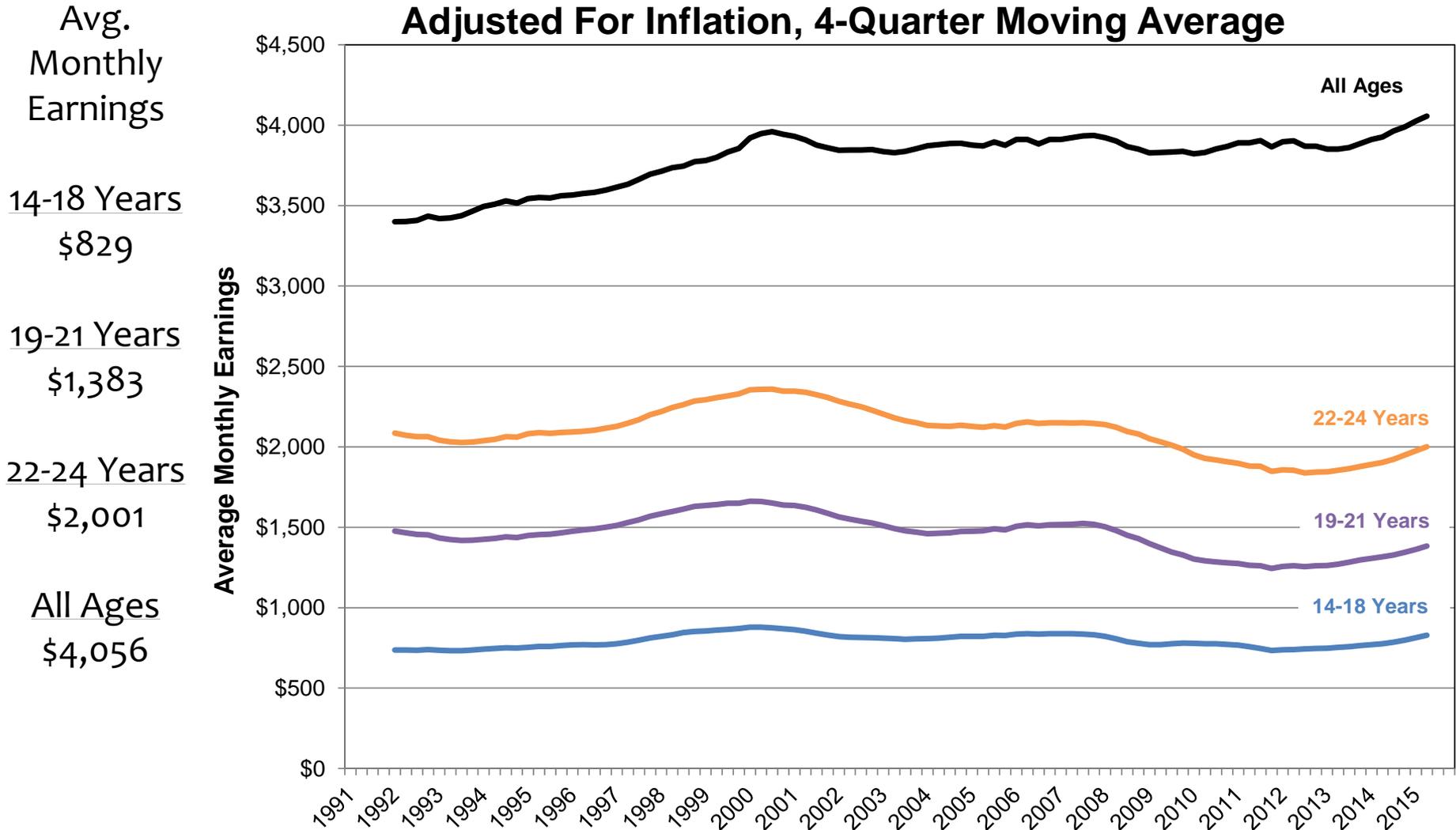
“If I can hire this person who has restrictions, or this person who is more versatile, I’m going to hire the employee who is more versatile.”



Youth Earnings Over Time: Oregon Data

Average earnings of younger workers peaked in 2000.

Average Monthly Earnings by Age Group, Oregon Adjusted For Inflation, 4-Quarter Moving Average



Source: U.S. Census Bureau, Quarterly Workforce Indicators



Youth Jobs by Industry: Oregon Data

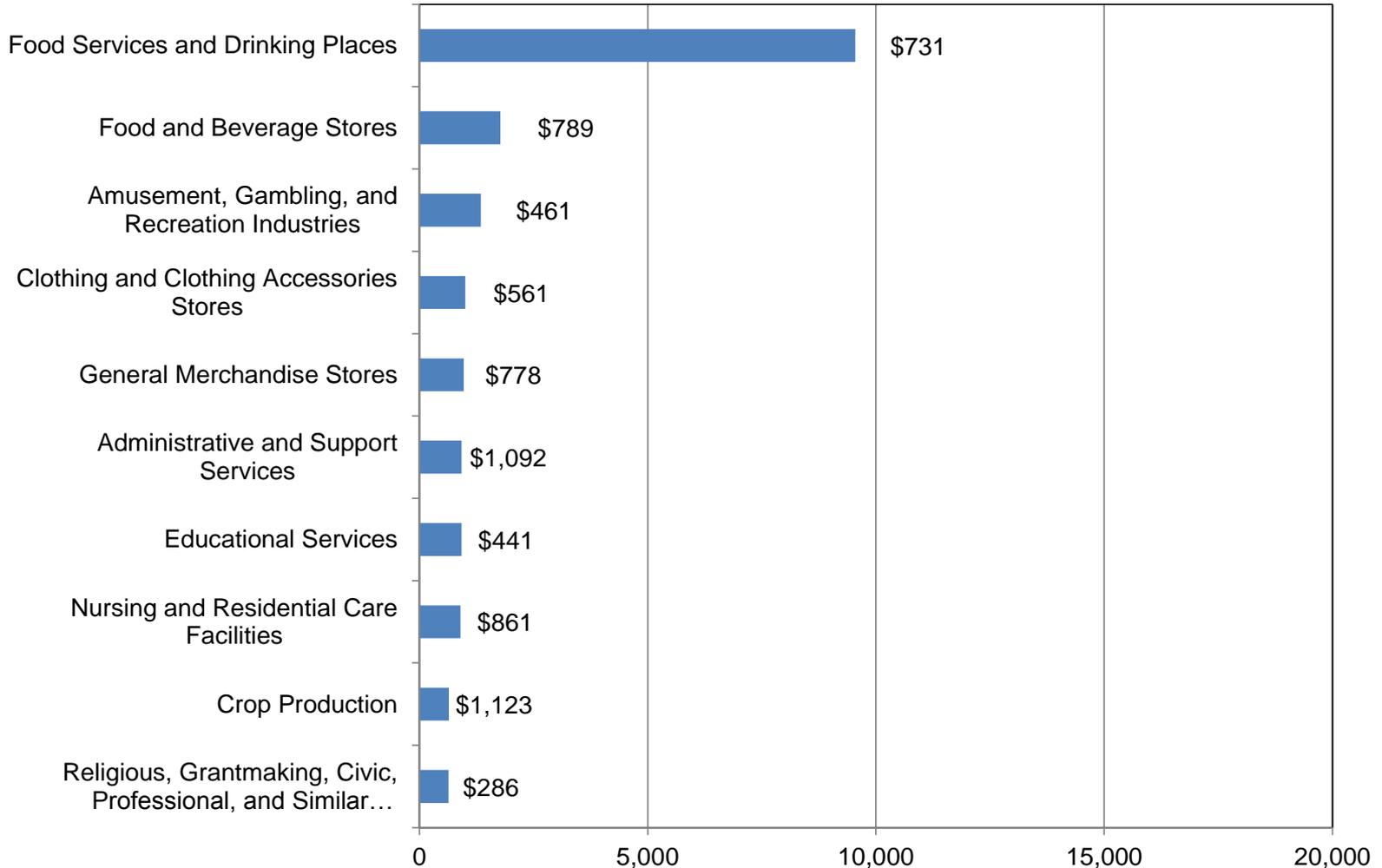
One in three jobs held by workers ages 14 to 18 years are in food services and drinking places.

Jobs and Average Monthly Earnings of Workers 14 to 18 Years, Top Ten Industries by Employment, Oregon

Jobs
27,400

Avg. Monthly Earnings
\$821

Avg. Monthly Earnings (All Ages)
\$4,038



Source: U.S. Census Bureau, Quarterly Workforce Indicators, 3q2014-2q215

Jobs

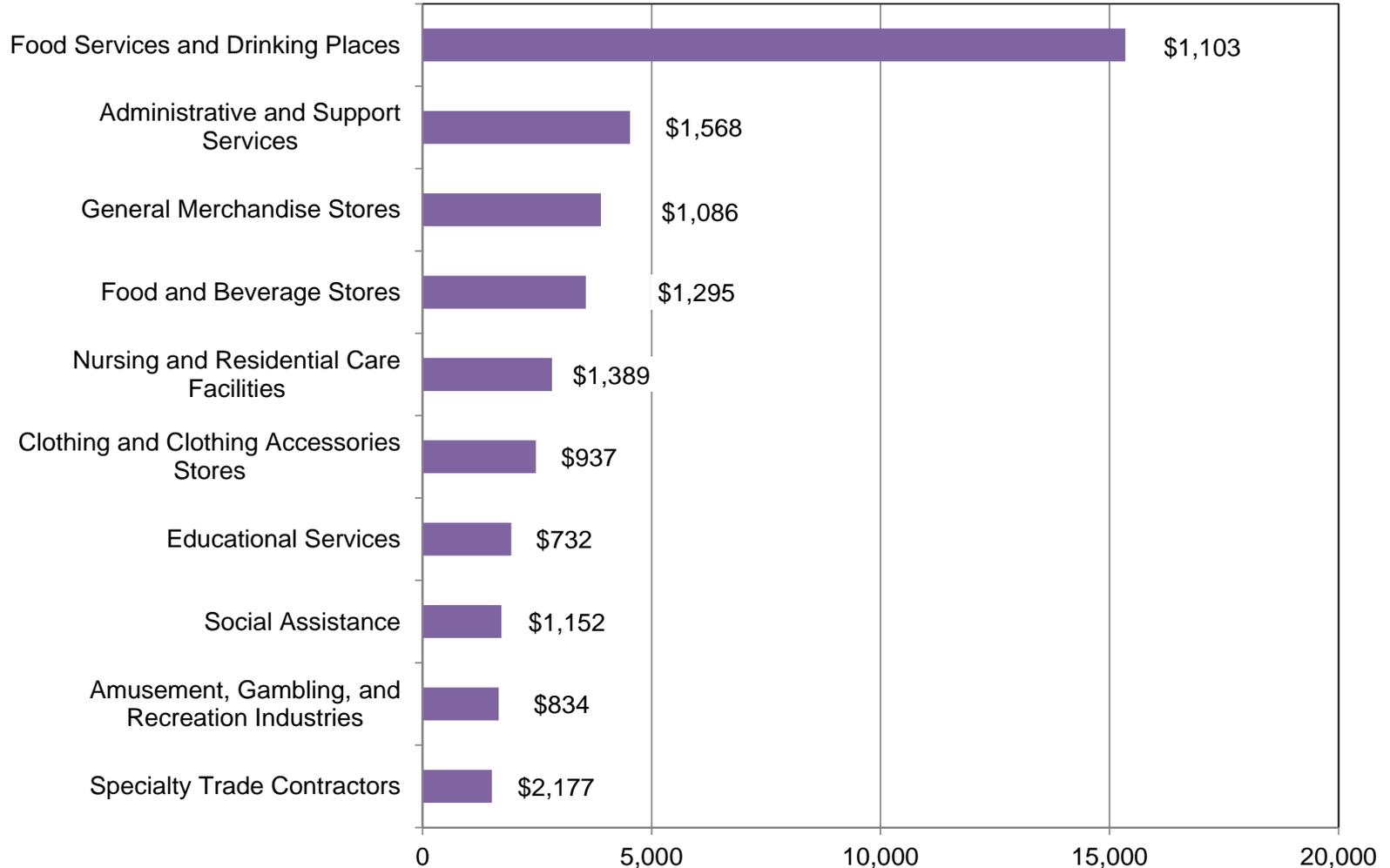
One in four jobs held by workers ages 19 to 21 years are in food services and drinking places.

Jobs
66,700

Avg. Monthly Earnings
\$1,376

Avg. Monthly Earnings (All Ages)
\$4,038

Jobs and Average Monthly Earnings of Workers 19 to 21 Years, Top Ten Industries by Employment, Oregon



Source: U.S. Census Bureau, Quarterly Workforce Indicators, 3q2014-2q215

Jobs

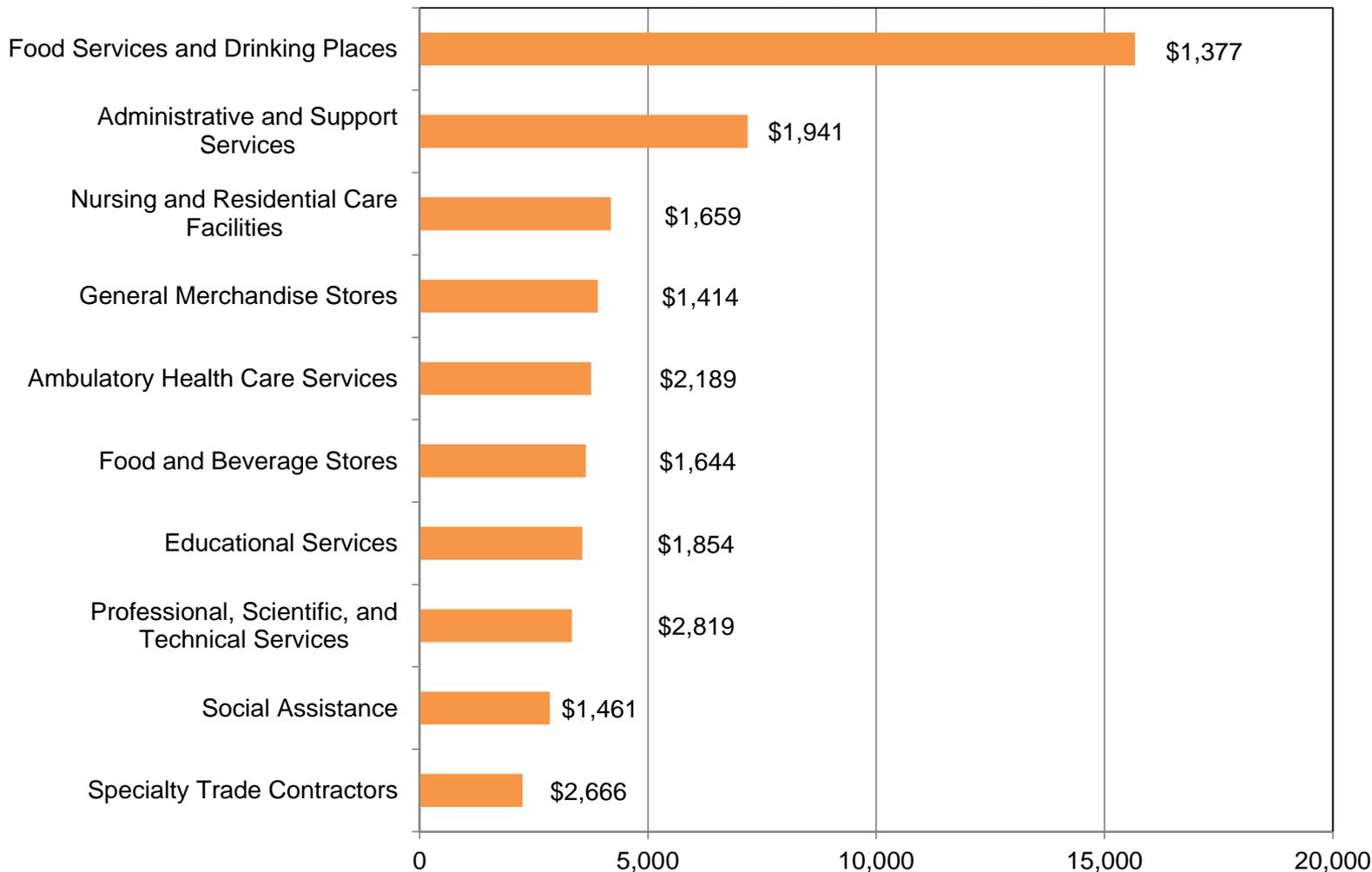
A lot of workers ages 21 to 24 years are in food services, but many others are in higher-paying industries.

Jobs
94,500

Avg. Monthly Earnings
\$1,992

Avg. Monthly Earnings (All Ages)
\$4,038

Jobs and Average Monthly Earnings of Workers 22 to 24 Years, Top Ten Industries by Employment, Oregon



Source: U.S. Census Bureau, Quarterly Workforce Indicators, 3q2014-2q215

Jobs



Youth Jobs by Occupation: National Data

Occupations with the youngest median age.

- * Median age of all workers: **42 years**
 - * Lifeguards and other recreational, and all other protective service workers: **21 years**
 - * Hosts and hostesses, restaurant, lounge, and coffee shop: **22 years**
 - * Counter attendants, cafeteria, food concession, and coffee shop: **22 years**
 - * Combined food preparation and serving workers, including fast food: **25 years**
 - * Miscellaneous entertainment attendants and related workers: **26 years**
 - * Waiters and waitresses: **26 years**
 - * Dining room and cafeteria attendants and bartender helpers: **27 years**
 - * Cashiers: **27 years**
 - * Automotive and watercraft service attendants: **27 years**
 - * Food preparation workers: **28 years**
 - * Dishwashers: **29 years**

Occupations with the most workers 16 to 19.

- * Number of workers 16 to 19 Years: **4,734,000**
- * Cashiers: **714,000**
- * Waiters and waitresses: **310,000**
- * Retail salespersons: **304,000**
- * Cooks: **251,000**
- * Food preparation workers: **172,000**
- * Stock clerks and order fillers: **142,000**
- * Hosts and hostesses, restaurant, lounge, and coffee shop: **127,000**
- * Laborers and freight, stock, and material movers, hand: **126,000**
- * Customer service representatives: **124,000**
- * Counter attendants, cafeteria, food concession, and coffee shop: **116,000**
- * Childcare workers: **113,000**

Occupations with the most workers 20 to 24.

- * Number of workers 20 to 24 Years: **14,022,000**
- * Cashiers: **833,000**
- * Waiters and waitresses: **686,000**
- * Retail salespersons: **668,000**
- * Customer service representatives: **403,000**
- * Cooks: **371,000**
- * Laborers and freight, stock, and material movers, hand: **360,000**
- * Stock clerks and order fillers: **325,000**
- * First-line supervisors of retail sales workers: **274,000**
- * Nursing, psychiatric, and home health aides: **257,000**
- * Childcare workers: **236,000**
- * Food preparation workers: **206,000**

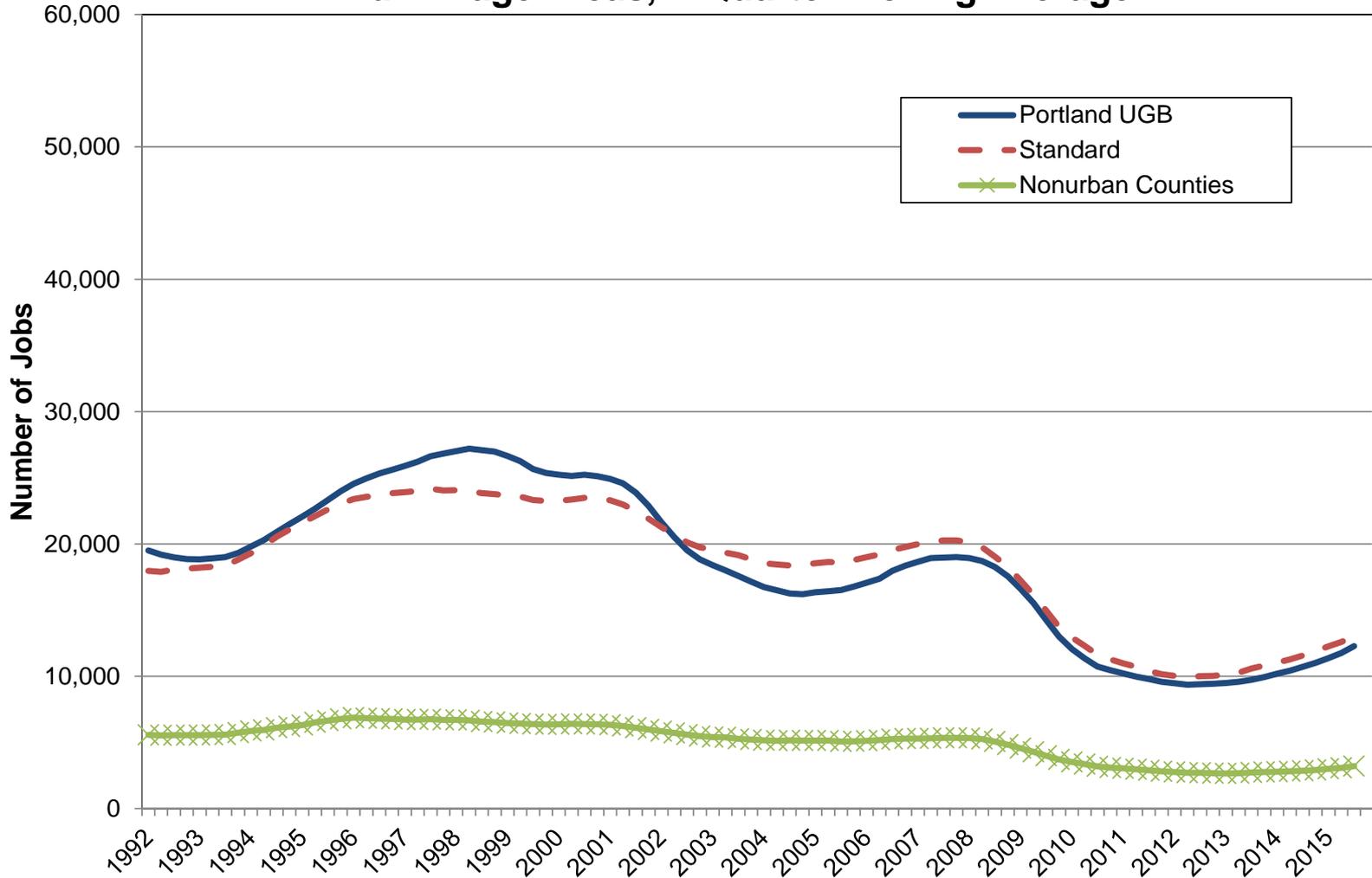


Urban and Rural Differences: Oregon Data

There were 16,000 fewer teens ages 14 to 18 years working in 2015 than there were in 2007.

Number of Jobs in 2015

Number of Jobs Held by Workers Age 14 to 18 Years, Minimum Wage Areas, 4-Quarter Moving Average

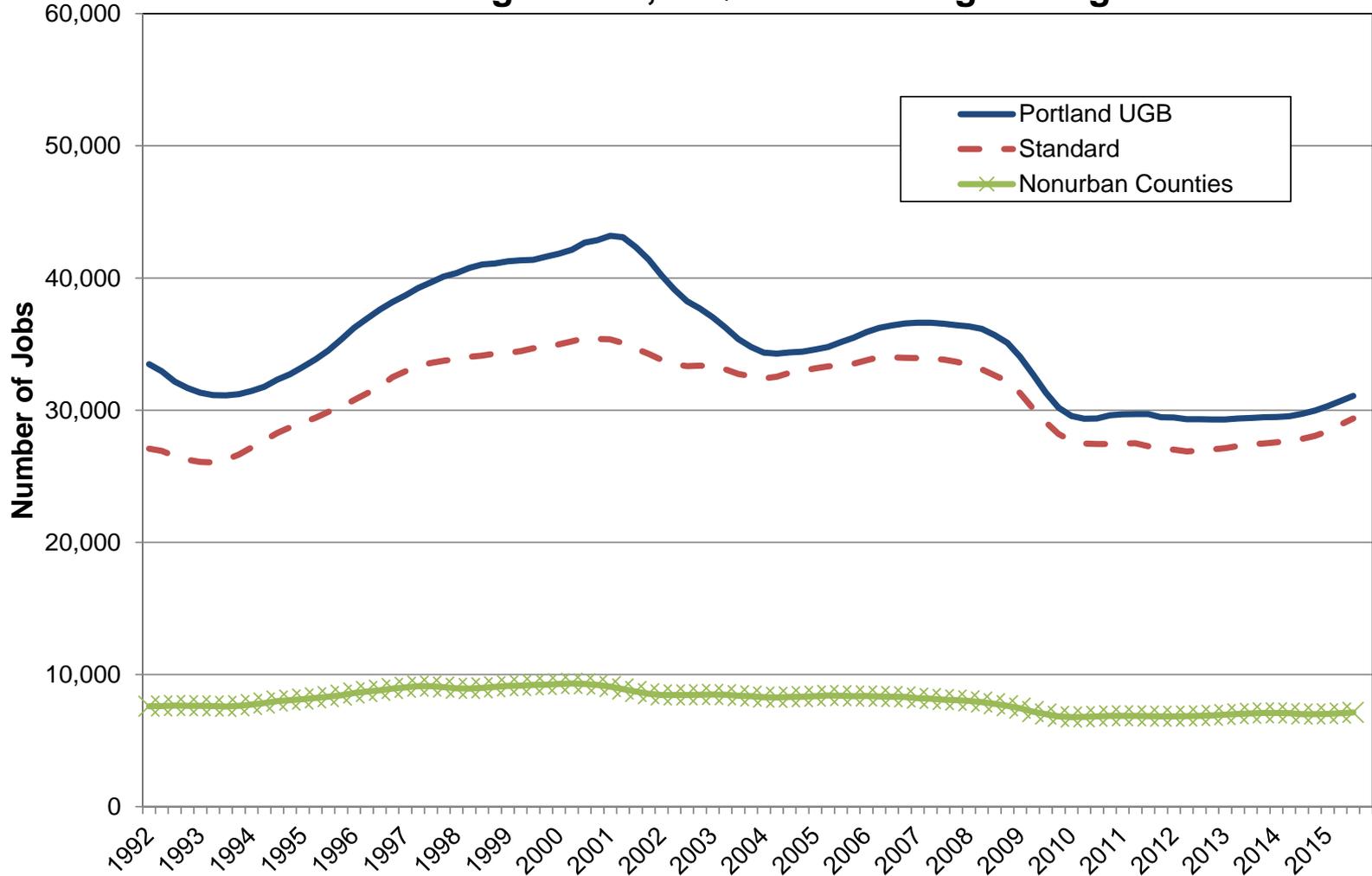


Source: U.S. Census Bureau, Quarterly Workforce Indicators

There were 10,900 fewer workers ages 19 to 21 years in 2015 than there were in 2007.

Number of
Jobs in 2015

**Number of Jobs Held by Workers Age 19 to 21 Years,
Minimum Wage Areas, 4-Quarter Moving Average**

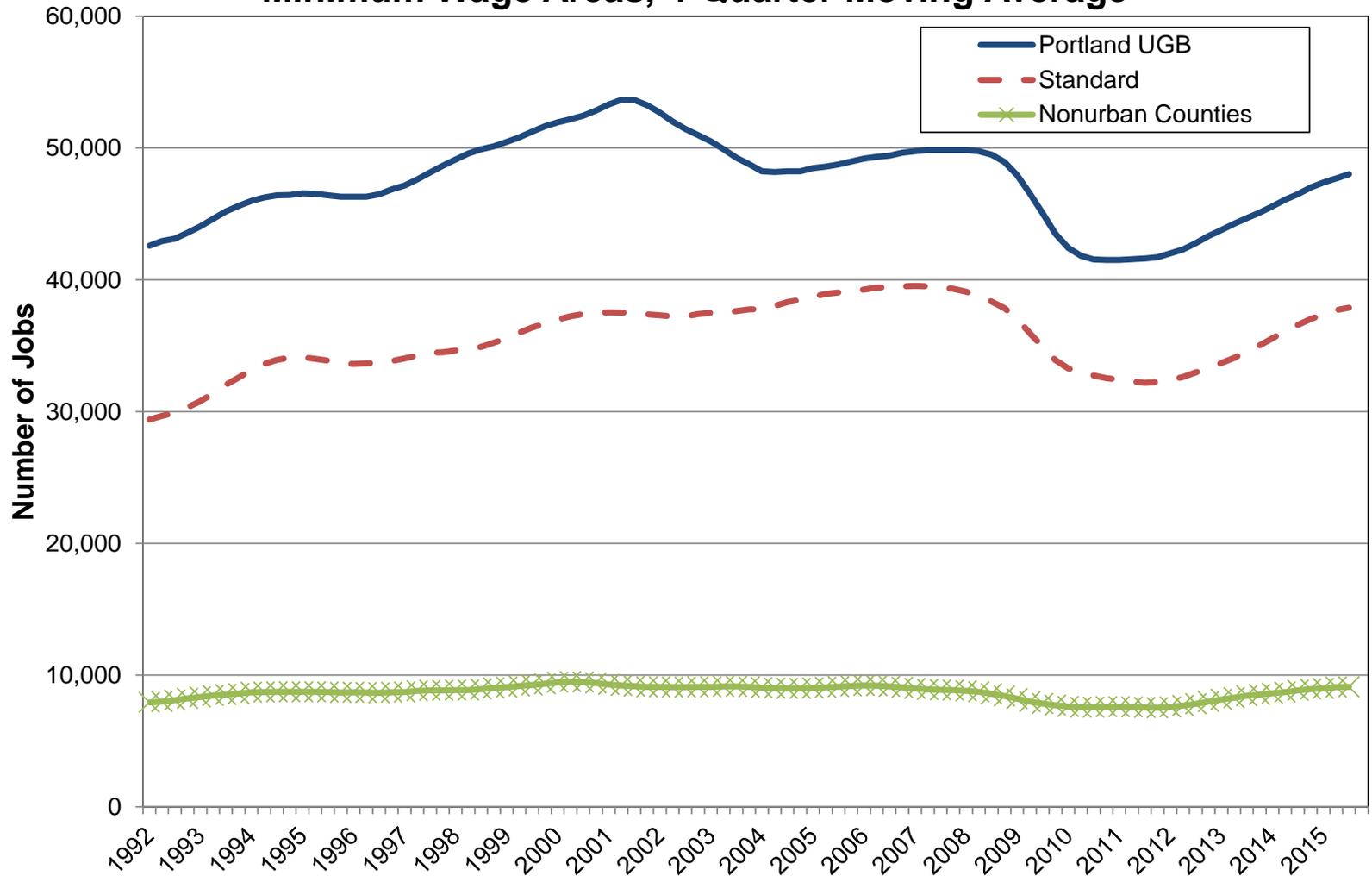


Source: U.S. Census Bureau, Quarterly Workforce Indicators

There were 3,100 fewer workers ages 22 to 24 years in 2015 than there were in 2007.

Number of Jobs in 2015

Number of Jobs Held by Workers Age 22 to 24 Years, Minimum Wage Areas, 4-Quarter Moving Average



Portland Area
48,000

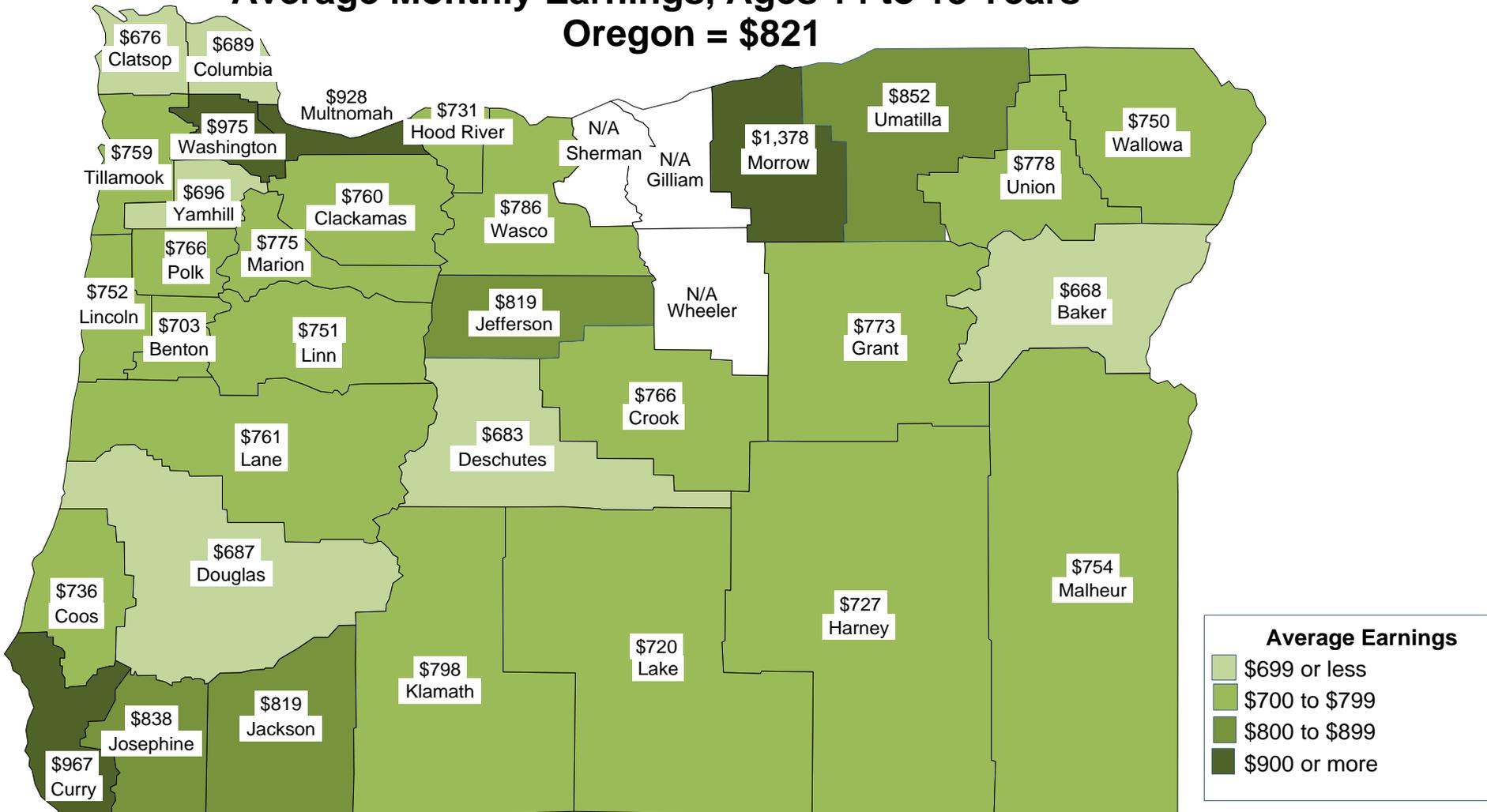
Standard
37,900

Nonurban
9,100

Source: U.S. Census Bureau, Quarterly Workforce Indicators

Average Monthly Earnings, Ages 14 to 18 Years

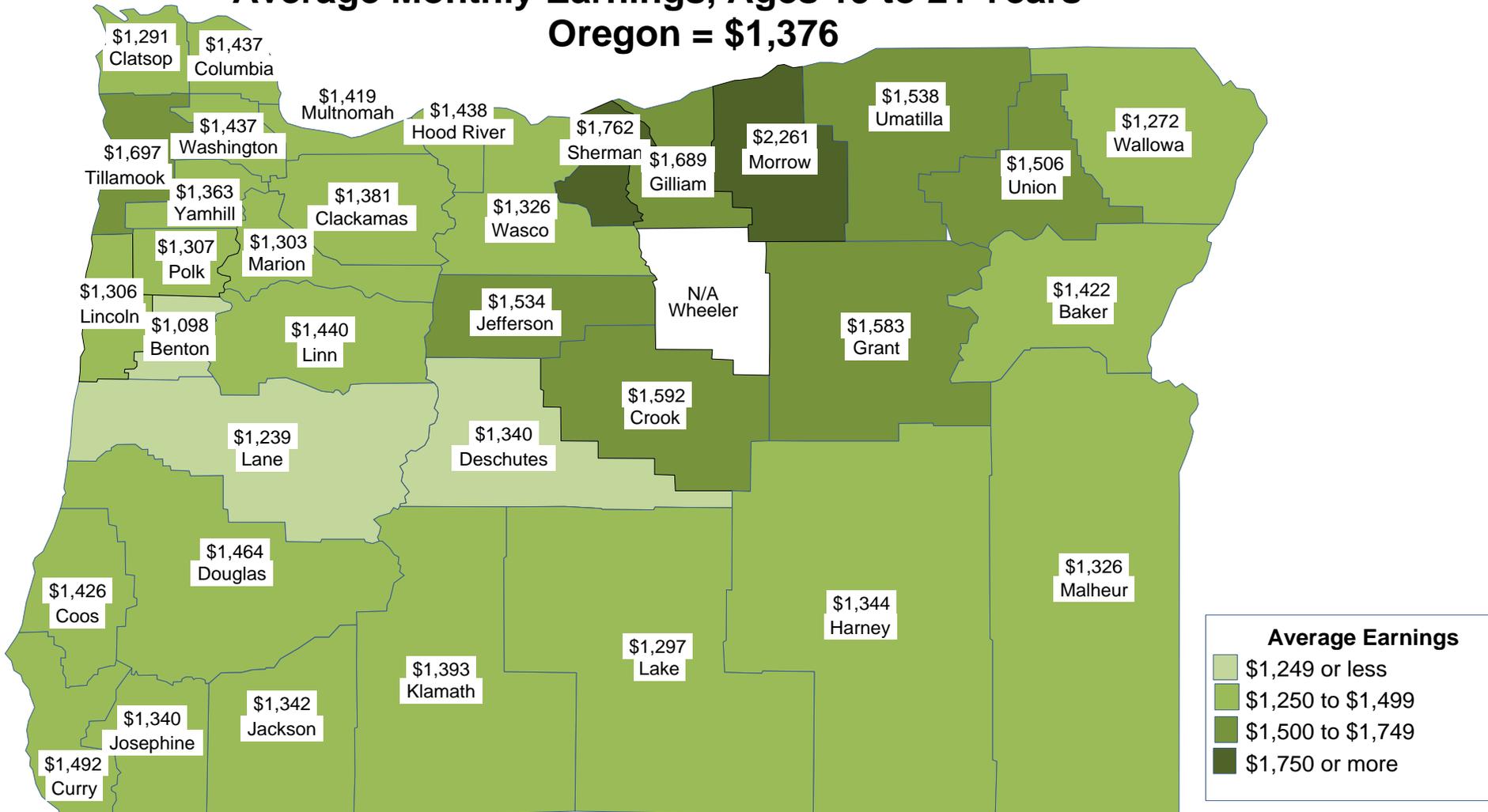
Oregon = \$821



Source: U.S. Census Bureau, Quarterly Workforce Indicators, 3q2014-2q2015

Average Monthly Earnings, Ages 19 to 21 Years

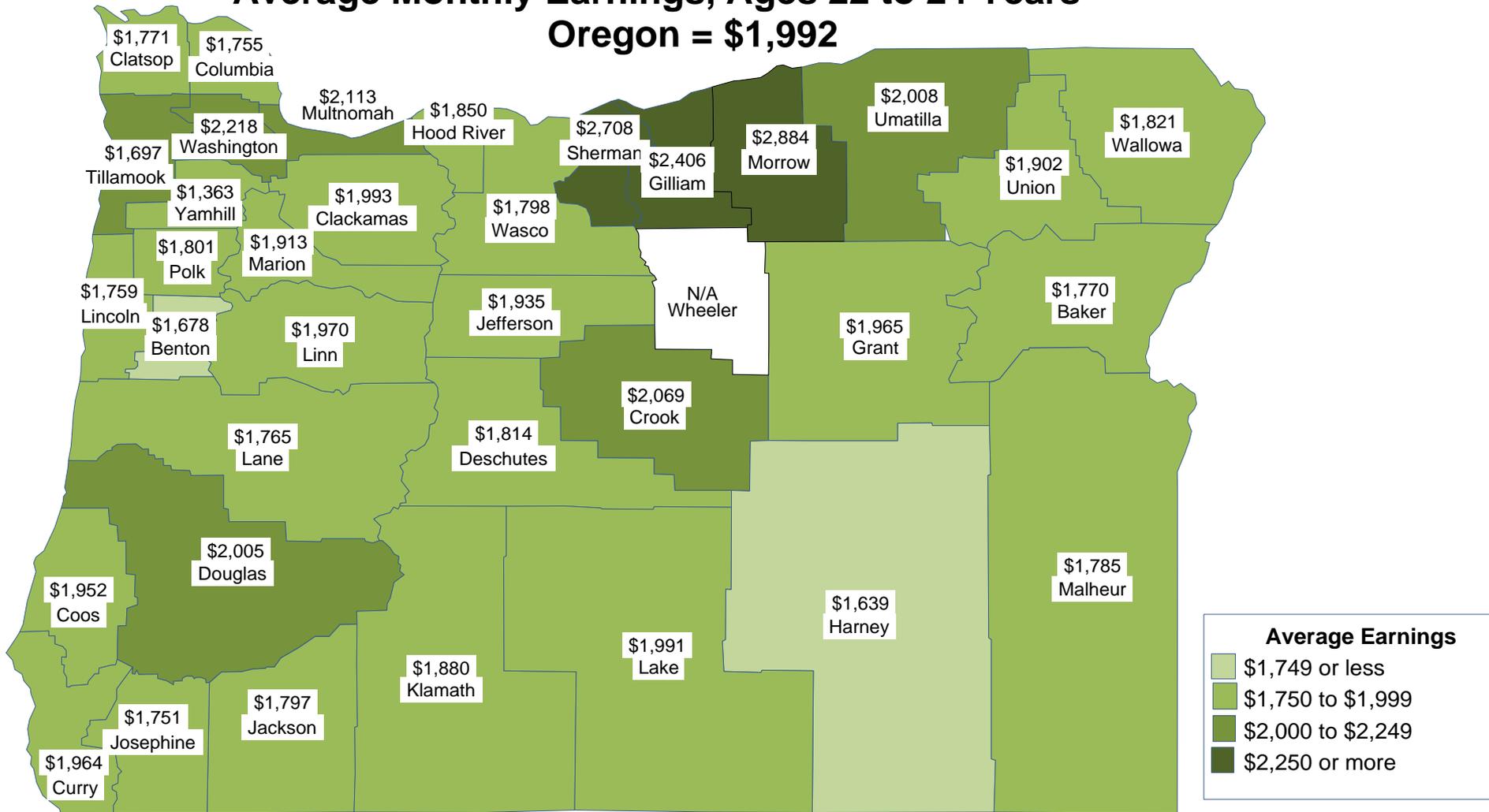
Oregon = \$1,376



Source: U.S. Census Bureau, Quarterly Workforce Indicators, 3q2014-2q2015

Average Monthly Earnings, Ages 22 to 24 Years

Oregon = \$1,992

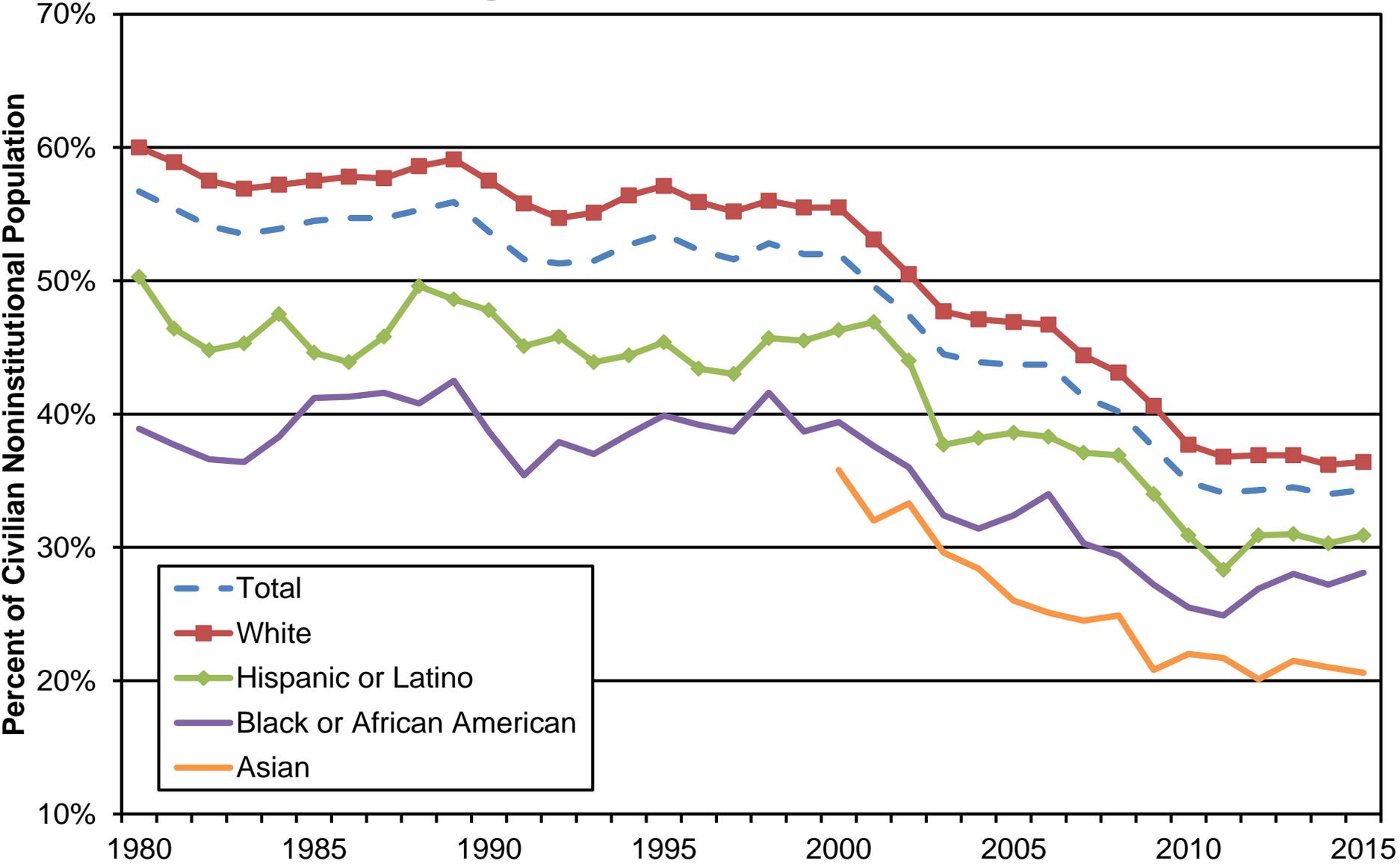


Source: U.S. Census Bureau, Quarterly Workforce Indicators, 3q2014-2q2015



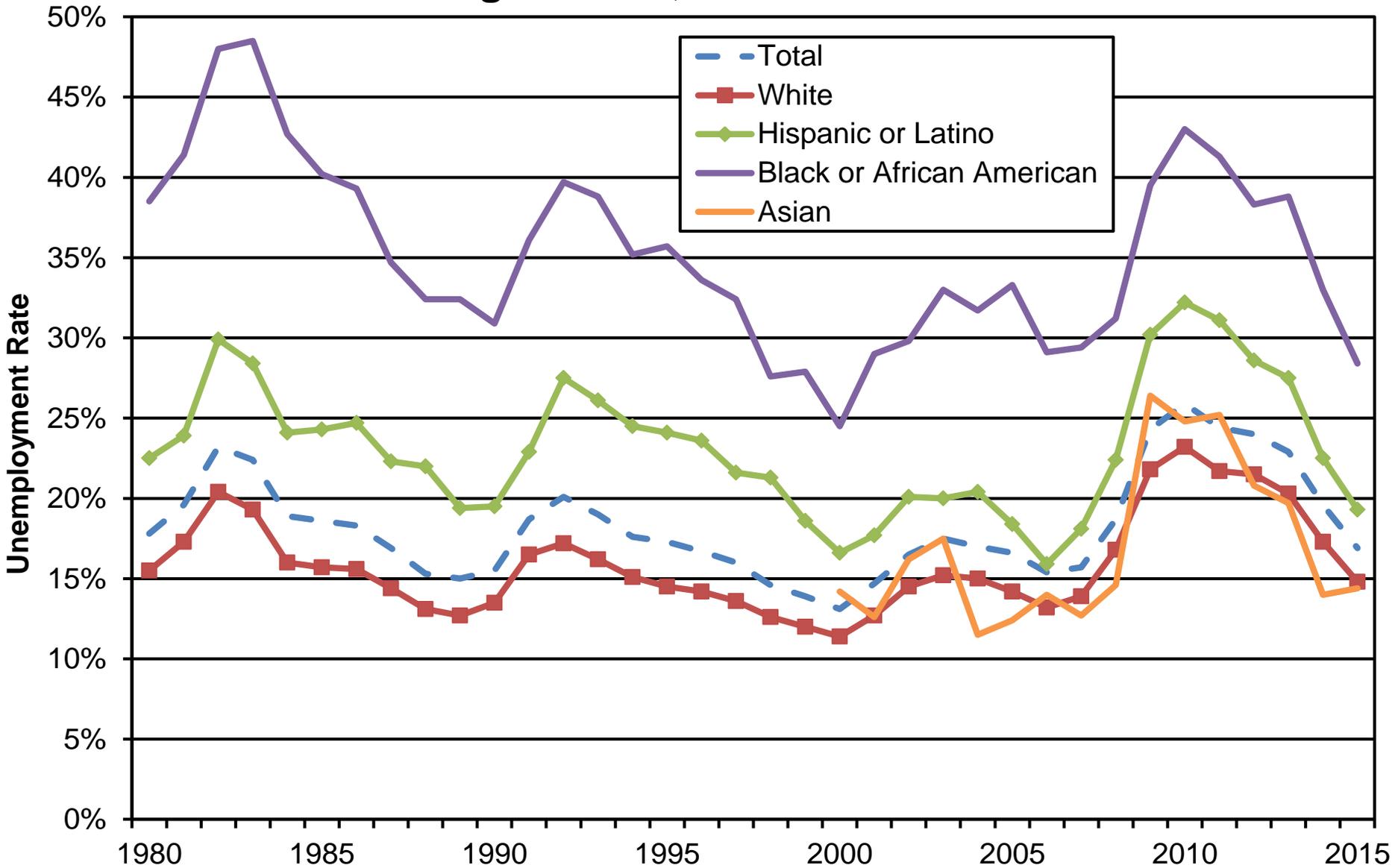
Labor Force Participation and Unemployment Rates: National Data

Labor Force Participation Rate by Race and Ethnicity, Ages 16-19, United States



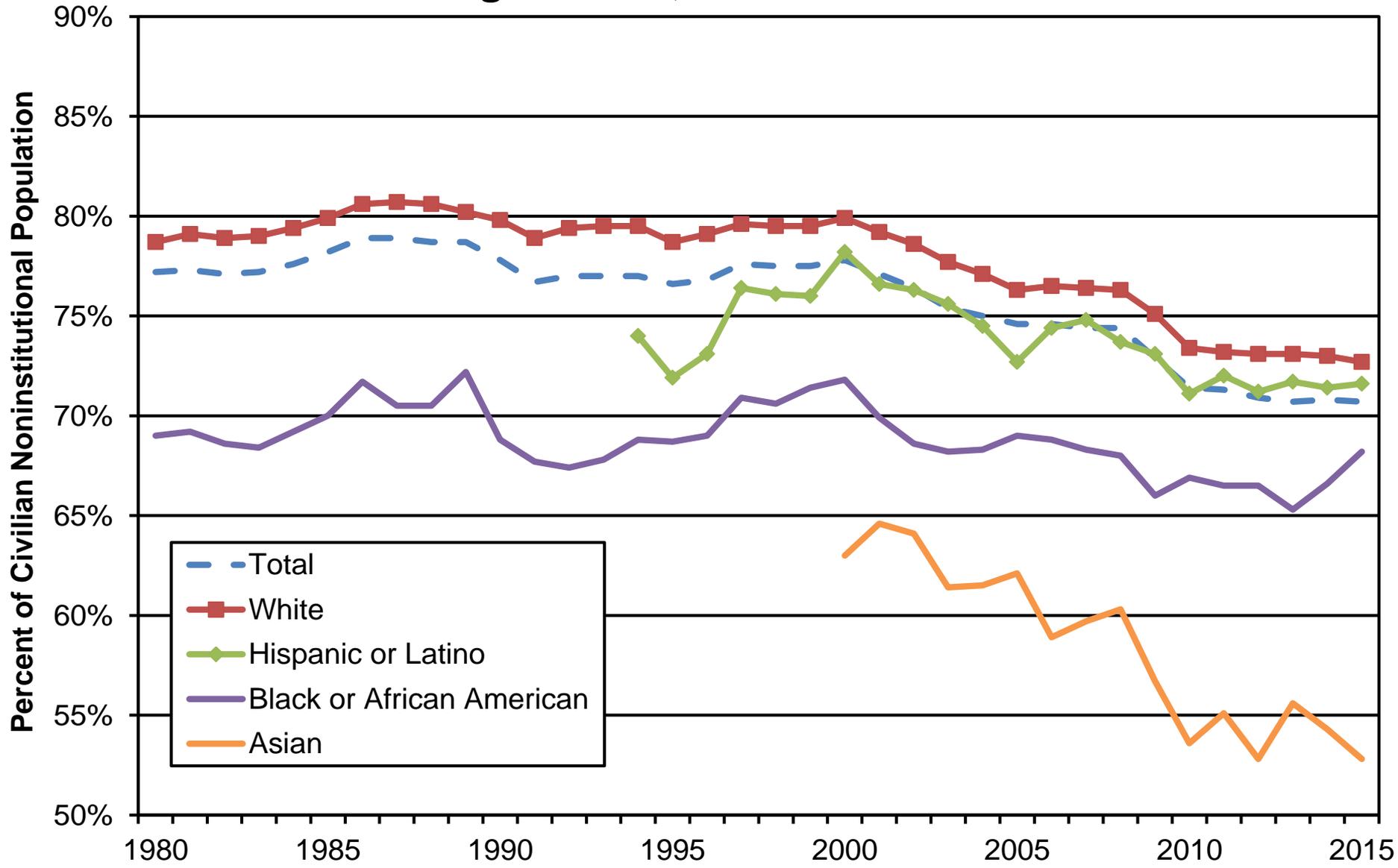
Source: Bureau of Labor Statistics, Current Population Survey

Unemployment Rate by Race and Ethnicity, Ages 16-19, United States



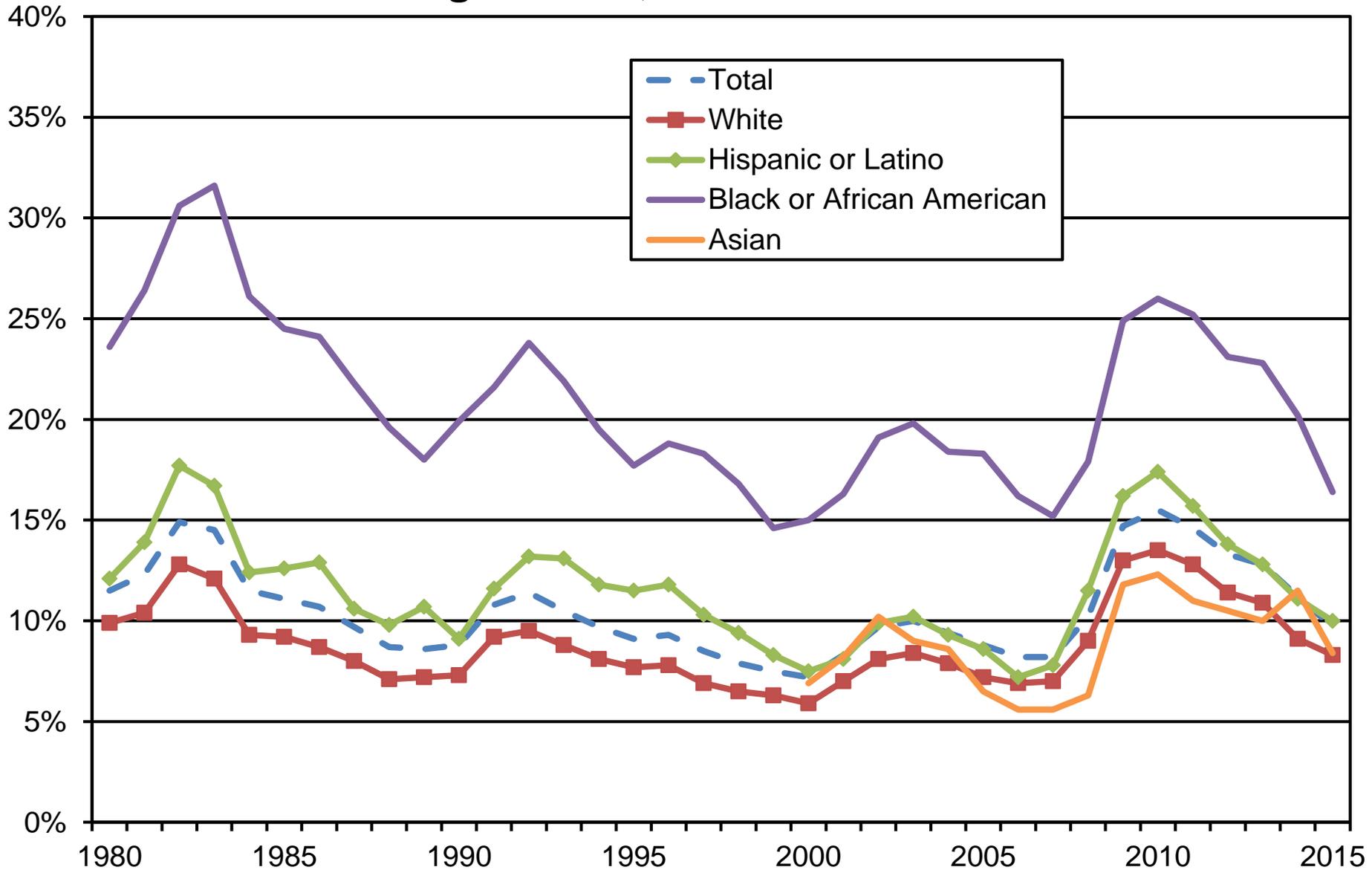
Source: Bureau of Labor Statistics, Current Population Survey

Labor Force Participation Rate by Race and Ethnicity, Ages 20-24, United States



Source: Bureau of Labor Statistics, Current Population Survey

Unemployment Rate by Race and Ethnicity, Ages 20-24, United States



Source: Bureau of Labor Statistics, Current Population Survey

Nick Beleiciks
State Employment Economist
Nick.J.Beleiciks@Oregon.gov
503-947-1267

To find this presentation online, go to
www.QualityInfo.org
and use the search box to look up my name

Join the conversation:
OregonEmployment.blogspot.com
Twitter @OrEmployment

