

# Youth Employment in Connecticut

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**F**or many, summer is a time for relaxation. The season is typified by sunny weather, family vacations, barbeques and trips to the beach. However, the season also represents a young workers initiation into the labor force. Be it work as a camp counselor, life-guard, salesperson or waitress, those summer jobs teach youths valuable skills they will carry with them onto enhanced employment opportunities later in life. Unfortunately, for a growing number of American youths, these jobs are increasingly hard to find.

## Long Term Trends

Fewer teens and young adults are working or seeking work. Youth labor force (16-24 years old) participation rates have declined steadily from the late 1980s onward, peaking at 69 percent during 1989Q3 and falling to its current 55 percent national level. Educational enrollment has significant impact on youth participation rates, as full-time students are less likely to seek work throughout all but the summer months.

July is typically the peak month of summer seasonal employment. Increasing summer school enrollment has had noteworthy effect on labor force participation. School enrollment during the month of July for youths aged 16-19 has increased nationally from 10.4 percent in 1985, the first year of data, to 45.5 percent in July 2010. Morisi notes that more rigorous high school graduation requirements in many states have bolstered the need for summer school.<sup>1</sup> The increasing popularity of year-round school cycles as

found in many charter schools within Connecticut has also contributed to higher summer school enrollment rates. College students accepting unpaid internships (for academic credit) also decrease labor force participation. Summer travel and family affluence can further deter youth labor force entrance.

## Youth Unemployment

The recent recession has brought us the highest unemployment rates in decades. Unemployment rates for adults under 25 are typically double what the national average is, with May 2011 unemployment nationally at 8.2 percent and 17.3 percent for people under 25. Teenagers fared worse than workers in their early 20s, having May 2011 unemployment rates of 24.2 percent. In fact, of all available age ranges, Americans under 25 have consistently endured higher unemployment rates than any age group in the last 30 years.

Annual unemployment data by age cohort using the Current Population Survey (CPS) shows Connecticut youth unemployment rates of 18% in 2010, a 7.9-point increase since 2007. Last year's youth labor force was 245,000, a 3,000 decline since 2007. For all age groups, Connecticut's unemployed grew by 88,000 with a 4.7-point increase over the same period. Youth have clearly suffered more unemployment than the labor market at large.

## Employment

To discover where the Connecticut youth are employed we used Unemployment Insurance Wage Records and Department of Motor

Vehicles data to identify the age of workers and industry in which they were employed. The data collection resulted in a baseline of 1,423,880 people employed in Connecticut during 2010Q2, with 216,516 (15%) of those employed under 25 years old by the start of that quarter.

Connecticut youth employment is concentrated in retail trade, food service and health care, which encompass a combined 56 percent of total youth employment. From 2010Q2 to 2010Q3, (the highest quarter for youth employment), we saw a 73% increase in youth employment in public administration sector from 4,211 to 7,267, mainly due to one time federal stimulus youth employment programs. Youth employment in health care grew 24 percent and food service grew 21 percent. Overall youth employment grew by 12 percent during the period.

Connecticut's seasonal increase in summer youth employment needs to be put in perspective. In 2007 summer youth employment also grew by 12 percent over Q2, but total youth employment fell by nearly 25 percent between Q3 2007 and Q3 2010. For all age groups the decline was only 9 percent.

## Conclusions

The "Great Recession" has been hard on all workers in Connecticut. Housing values have eroded, personal net worth has tumbled, and unemployment is at its highest in nearly three decades. Amid this turmoil the issue of youth unemployment has been largely hidden. Youth's unemployment doubled the national average and experienced a three-year decline in employment greater than any other age cohort in Connecticut. The data illustrates the magnified burden faced by younger workers within Connecticut and the nation. While much attention during the past recession has properly focused on 99ers, we must not forget that for those new to the labor market, finding a good job will be a significant challenge. ■

<sup>1</sup>Morisi, Teresa The Early 2000s: A Period of Declining Teen Summer Employment Rates. Bureau of Labor Statistics, May. 2010.

**Top Youth Employment Industry Sectors in Connecticut**

2010Q2		2010Q3		Industry
Employed	Percent	Employed	Percent	
58,838	27.17%	62,081	25.58%	Retail Trade
42,624	19.69%	45,818	18.88%	Accommodations & Food Service
24,800	11.45%	28,171	11.61%	Health Care & Social Assistance
12,580	5.81%	15,213	6.27%	Arts & Entertainment
11,733	5.42%	14,575	6.01%	Educational Services
13,417	6.20%	14,214	5.86%	Administrative
<b>216,516</b>		<b>242,675</b>		<b>Total Youth Employment</b>