TEENS SCHOOL ENROLLMENT UP, EMPLOYMENT DOWN, BLS FINDS

Teenagers increasingly are attending high school and college at higher rates, while fewer are both working and going to school or merely working, according to the Bureau of Labor Statistics (BLS). The proportion of 16- to 19-year-olds who were enrolled in school and not employed grew from 48 percent in 2000 to 59 percent in 2007, according to Teresa Morisi, a BLS economist. Another 24 percent of teenagers both attended school and worked during January-through-May and September-through-December of last year, down from 30 percent during the nine school months in 2000. Meanwhile, the share of teens employed but not in school declined from 14 percent to 10 percent, and those unemployed but not in school held steady at 8 percent. The figures show that “teens are attending school at higher rates than ever before,” and that they have become less likely to work during the school year.

The downward trend in employment among teens, which began during the 1980s, is similar for all demographic groups—men, women, blacks, whites, and Hispanics—although rates of enrollment and employment differ among these groups. Overall, the proportion of 16- to 19-year-olds enrolled in school during regular school months rose from about 73 percent in 1985 to 83 percent in 2007. At the same time, the rate of teenage employment during school months, or the share of all teens employed, fell from about 42 percent to 33 percent.

Morisi also notes that some researchers theorize about possible factors in the decline of work among teens. In recent years, “greater academic pressure and stricter education requirements may have made it more difficult” for students to spend time away from school or studies, and declines in inflation-adjusted real earnings for key occupations “also may have made concentrating on education more attractive to young people.” Part of the decline in the teen employment rate in recent years probably is related to weakness in the economy stemming from the 2001 recession. “The reason is that a downturn in the economy can cause workers to leave the labor force and return to or stay in school to enhance their skills.” In addition, the long-term trend may reflect a recognition by teenagers of the value of attaining an education to their future employability and earning power. Some researchers believe that as a consequence, teens may be studying and attending class more and working less. Since 1979, median weekly earnings on an inflation-adjusted basis have trended upward for college graduates while declining for workers with lower education levels, particularly high school dropouts.

Teenagers, who generally earn low wages, saw their real median hourly earnings decline by about 50 cents between 2002 and 2006, from $7.74 per hour to $7.23 per hour in 2006 dollars. Although this decline in inflation-adjusted pay may have contributed to teenagers’ disinclination to work, their employment rate actually began to trend downward in 2000, when real wages were still rising. Those working in retail trade and restaurants, the two largest employers of teens, also declined over the past seven years. In 2007, about 55 percent of all employed 16- to 19-year-olds worked in one of these industries. Between 2000 and 2007, total retail trade employment increased by 807,000 jobs, but the number of teenage retail workers fell by 419,000. Restaurants added about 1 million jobs over the same period, but employed about the same number of teens last year as in 2000. As a share of the workforce, teen employment declined over the seven years to 9 percent from 12 percent in the retail industry and to 22 percent from 25 percent in restaurants, while employment rose for other age groups in both sectors. Some researchers believe that “teens are facing intense competition for jobs from young adults, older adults, and recent immigrants,” according to Morisi.
