

# Young people in US face bleak job prospects

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By any standard, the conditions facing the overwhelming majority of youth in the United States are bleak. Whether they have a college degree or minimal schooling, the prospects for stable employment are nowhere near their pre-recession levels.

Overall, astonishingly, less than half of Americans under 25 who are not in school have a full-time job. The situation is far more dire for youth who graduated high school during the recession. According to a recent study from Rutgers University, only 16 percent of youth who graduated from high school between 2009 and 2011 have found full-time work.

The report, by the John J. Heldrich Center for Workforce Development, details the impact the recession has had on youth who graduated from high school, but did not finish college. The survey covered youth between the ages of 18 and 29, who received their high school degree between 2006 and 2011. In this demographic, youth who graduated between 2006 and 2008 had an employment rate of 60 percent, around one-fourth of whom were underemployed and looking for more work. For those graduating during the recession, the employment rate was only 38 percent, a full third of whom were underemployed.

Moreover, the jobs that youth are obtaining, regardless of when they graduated, are generally transitory and low paying. The median hourly wage earned at the first job of those surveyed was \$7.50 an hour, only 25 cents more than federal minimum wage and actually lower than the minimum wage in 14 states. For most of those employed there has been little improvement between their first and their current job. The median wage in this demographic for current jobs was just \$8.25 an hour.

Tied to this lack of wages is a lack of job security. Only 8 percent of high school graduates considered their current job as a potential career. Turnover rate was

also exceedingly high. Half the graduates reported holding a single job for over a year, but of those who hadn't, the median time spent in their job was only two months.

Given the low-paying and temporary nature of work available, the study's authors concluded it was unlikely that many "recent high school graduates would have been able to earn an annual income of \$10,890 to exceed the official federal poverty level for a single household. Clearly those who were employed part time in their first job—about 58 percent—earned considerably less than a poverty-level income."

Although the jobs crisis is most extreme for the less educated sections of the youth, the situation for young people as a whole has deteriorated. Regardless of education, only 47.3 percent of Americans between the ages of 16 and 24 who are not in school have full-time jobs. As documented by *Investor's Business Daily*, the economy has lost over 25 percent of all full-time jobs for those under 25 since 2000.

Moreover, although there is higher employment among those with some college education, 2012 marks the first time in history that the majority of the unemployed over 25 years old had attended college. So higher education is no guarantee of a job, let alone a living wage. Of those that have graduated from college since 2006 the median student debt was \$20,000 and only 51 percent had found full-time employment, according to a different Rutgers study, also conducted by the John J. Heldrich Center.

Understandably, young people in America have no faith in an economic recovery. The Rutgers study reveals that over half of recent high school graduates, and 61 percent of college graduates, believe that their generation will have less financial success than their parents. Less than one in five from both groups believe that their generation will be better off than their parents.

Ultimately the jobs crisis among youth is an

expression of the larger economic crisis facing society. The US jobs report for May was anemic with only 69,000 jobs created, far less than 125,000 needed to match the number of people entering the workforce each month. At the same time the number of long-term unemployed rose to 5.4 million and the average length of unemployment grew to 39.7 weeks.

According to the *Investor's Business Daily*, the decline in youth employment is partially explained by the increased employment of those over 55. While full-time jobs for youth declined by 1.9 million since 2007, the number of people over 55 with full-time work increased by 3.5 million in the same timeframe. With the decline of the economy and the devaluation of many pension plans, older workers have been finding it harder and harder to retire.



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