

# US teen unemployment hits new record

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While the Obama administration is boasting about the creation of new jobs, teenage unemployment has hit a record high for the fourth consecutive summer, with employment hard to come by for youth searching for an entry into the work force.

Statistics published by The Center for Labor Market Studies at Northeastern University in Boston reveal the dire situation facing job seeking teenagers. In the summer of 1999 young people between the ages of 16 and 19 had an employment rate of slightly above 52 percent. This summer the same age group had an employment rate of 32.25 percent. In other words, out of 16.8 million US teens only three in ten were able to find a job this summer.

“We have never had anything this low in our lives. This is a Great Depression for teens, and no time in history have we encountered anything like that,” said Andrew Sum, director of the center, “That’s why it’s such an important story.”

There is a large rise in teen unemployment across all ethnic groups. In June and July of 2000, 61.28 percent of white teens 16 to 19 held a job, a number that fell to 39.25 percent in 2013. For African-Americans 33.91 percent of teens in the same age group had a job in 2000, a number that dropped to 19.25 percent this June and July. In the same period Hispanic teens saw employment drop from 40.31 percent to 26.7 percent.

When socioeconomic status is introduced the numbers become even more telling. Some 46 percent of white male teens whose parents earned between \$100,000 and \$149,000 held a job this summer. Just 9.1 percent of black male teens whose family income was below \$20,000 and 15.2 percent for Hispanic teen males with that same low family income were able to find summer jobs.

In the summer of 2012 one in five teens, or 21 percent, in a family making less than \$20,000, were able to find a job. Some 31 percent of teens in families

making between \$40,000 and \$60,000 and 38 percent of teens in families making in the \$100,000 to \$150,000 range were able to find jobs.

The number of non-farm jobs created in June and July totaled about 357,000 according to the US Labor Department and about 180,000 non-farm jobs were added in August according to the preliminary analysis by Bloomberg.

Compared to the years before the 2008 crash, the current rate of job growth is minimal. In total, the US has only recovered 6 million out of the 8.5 million jobs lost in the crash. When one factors in the addition of 6 million people to the workforce there has been essentially no net job growth since 2008.

According to Moody’s Analytics, the majority of the new jobs are in the low-paying sector, such as retail sales, food preparation, freight and warehouse work, wait staff, and home health care—positions that pay less than \$12 an hour. Some 61 percent of the jobs added this year, not including August, are in the low-paying sectors.

While the unemployment rate showed a 0.2 percent decrease, falling to 7.4 percent this was due to 240,000 workers leaving the work force. A large portion of these are so-called discouraged workers who have stopped looking for work so they are no longer counted as unemployed. Not only do these people not count in official rates, but the underemployed are left out as well. The fact that the labor force participation rate of young people stands at below 25 percent, its lowest point in four decades, is ignored as well.

The workforce participation rate for workers between the ages of 16 and 19 was already declining before the crash of 2008. This decline, it was suggested, was the result of an increase in college enrollment. However, this explanation no longer holds true since college enrollment is now declining, with enrollment for 2012-2013 shrinking by 2 percent.

Those youth that don't attain work skills and experience suffer a negative impact on a wide range of social and economic indicators according to a large body of research. Michael Gritton, executive director of the Workforce Investment Board told the *Miami Herald*, "Kids that get work experience when they are 17 or 18 end up graduating from college at a higher rate. There are economic returns to those young people because they get a chance to work. Almost every person you ask remembers their first job because they started to learn things from the world of work that they can't learn in the classroom."

For those youth finding work, wages are falling. Since 2008 youth working full time in the US have seen their wages drop by 6 percent.

With public education being dismantled, college debt doubling, and a facing future in a low-wage job living from pay check to pay check, the pressure is unbearable for some teenagers. Statistics from the Centers for Disease Control and Prevention show that the percentage of US teens that attempted suicide increased from 6.3 percent in 2008 to 7.8 percent in 2011.

The Obama administration is sharpening its attack on public education and the working class. Just this year Chicago decided to close 49 of its public schools while the number of charter schools, which are privately owned but publicly funded, are growing. The jobs program being pushed is nothing more than tax breaks for companies and a green light for them to lower wages and cut benefits.

The worsening conditions for youth is an international phenomena. Inside the European Union one in four young people are unemployed and in Spain and Greece the rate is higher than 50 percent. Public education, working conditions and health care are being slashed in the name of "competitiveness." For the ruling elite this simply means a race to the bottom for workers.



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