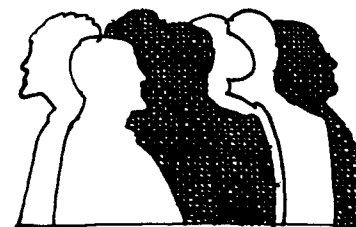


Special Labor Force Reports—Summaries



Labor force patterns of students, graduates, and dropouts, 1981

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After having increased for nearly two decades, the labor force participation rate for students age 16 to 24 began to slip in 1978, starting a downward trend that was still evident in the early 1980's. Most of the decline has occurred among teenagers, especially those 16 and 17.

For out-of-school youth 16 to 24, the labor force pattern over the past two decades has mirrored the trend among adults 25 and over. Rates for young men drifted down, while those for young women advanced strongly. (See table 1.)

Detailed information on the work activity of school age youth is obtained from a special survey conducted each October. This report summarizes data that have recently become available from the 1981 survey.¹

School and work

About 46 percent of the students 16 to 24 were in the work force in October 1981, down from nearly 49 percent in 1978. This decline may be related to a number of factors, including the possibility of greater competition with women over 24 for jobs, especially for part-time jobs, and perhaps some discouragement with employment prospects as economic growth has slowed.

Some analysts have suggested that the labor force activity of school age youth has been affected by the increased labor force participation of women.² For example, James Grant and Daniel Hammermesh have concluded that "competition from adult women has very likely had a negative impact on the labor market for youths."³ During the expansionary era of the 1960's and early 1970's, student labor force rates rose along with those for women. However, in the late 1970's and early 1980's, the competition for jobs has intensified, and students were often looking for the same jobs that were also sought by older women.

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The decreases in labor force participation rates of students have not changed the historical pattern by race—the highest rates being for whites, followed by Hispanics, and the lowest for blacks. However, while the participation rate for white students remained relatively unchanged from 1980 to 1981, the rate for black students dropped to the 1975 recession level. The trend for male Hispanic students has been similar to that for blacks, while the rates for Hispanic women have been too volatile to detect a trend.

Labor force participation rates for young women no longer in school have been an exception to the trend among youth, rising by 13 percentage points since 1970. In part, this rise reflects the growing proportion of young women who have completed high school, and the much higher labor force rates of graduates, compared with dropouts. Probably more important was the increase in proportion of out-of-school 16-to-24-year-old women who are not yet married—from a third in 1970 to a half in 1981.⁴ Their labor force rate was 82 percent, compared with 64 percent for their ever-married (that

Table 1. Labor force participation rates for persons 16 to 24 years old, by school enrollment status, sex, and race, selected years, October 1960 to October 1981

School enrollment status and year	Both sexes	Men				Women			
		Total	White	Black	Hispanic	Total	White	Black	Hispanic
Enrolled									
1960	31.8	36.4	35.8	41.9	—	26.0	26.6	21.2	—
1965	35.0	39.8	43.3	33.3	—	28.9	30.0	20.3	—
1970	40.7	42.9	44.5	29.2	—	38.0	40.0	25.3	—
1975	44.0	44.5	47.3	27.2	40.3	43.5	45.9	30.4	32.2
1976	45.3	47.1	49.6	32.9	42.8	43.4	46.9	24.6	33.7
1977	46.8	48.3	51.3	31.1	45.3	45.2	48.8	24.1	35.7
1978	48.7	49.5	52.9	29.3	50.1	47.8	50.7	30.5	42.9
1979	47.7	48.3	51.5	30.5	42.1	47.1	50.5	32.0	32.0
1980	47.4	47.8	50.4	32.0	45.7	47.0	50.6	26.8	37.4
1981	46.2	46.7	50.1	27.5	40.2	45.7	48.7	29.9	35.8
Not enrolled									
1960	68.9	95.0	94.9	95.0	—	50.2	49.4	55.1	—
1965	70.4	94.1	94.1	93.6	—	54.1	53.5	58.3	—
1970	73.1	91.9	93.2	84.9	—	60.0	60.3	57.9	—
1975	77.8	92.1	93.7	83.2	91.3	65.8	67.3	57.5	51.2
1976	79.1	92.1	93.7	81.3	90.1	67.7	69.3	59.0	53.6
1977	80.4	93.2	94.3	86.0	94.1	69.3	72.5	62.8	51.0
1978	81.6	93.1	94.2	85.4	92.9	71.4	72.8	63.3	59.4
1979	81.5	92.5	93.6	85.3	93.1	71.6	73.5	60.5	61.5
1980	81.6	91.8	93.5	82.4	89.6	72.3	74.3	62.6	58.2
1981	81.9	91.7	93.4	82.5	90.3	73.0	74.7	65.3	61.2

NOTE: Rates are labor force as percent of population.

is, married, divorced, separated, or widowed) counterparts. Labor force participation of women no longer in school rose regardless of race or ethnicity.

In general, there has been a relatively steady decline in the labor force participation rates of black male youth no longer in school. Whereas their labor force rate equaled that of their white counterparts in 1960, by 1981 there was a 10-percentage point difference. Research on the declining participation rates has produced contradictory results regarding the influence of the suburbanization of many youth jobs, the significance of the

minimum wage, and the importance of personal characteristics which youth bring to the job.⁵

Some reports have suggested that because of various forms of discouragement—such as high unemployment rates among peers, older friends, and neighbors; the limited range of jobs available; and the perception of lingering discrimination—some youth may have decided that the job search was not worth continuing. Paul Osterman's study of labor force activity among inner-city youth, based on decennial census data, showed that there was "a considerably more powerful discouragement

Table 2. Employment status of persons 16 to 24 years old, by school enrollment status, years of school completed, sex, age, and race, October 1980 and 1981

[Numbers in thousands]

Characteristics	Population		Labor force		Unemployment rate		Characteristics	Population		Labor force		Unemployment rate	
	1980	1981	1980	1981	1980	1981		1980	1981	1980	1981	1980	1981
	Revised		Revised		Revised			Revised		Revised		Revised	
ALL PERSONS							BLACK						
Total	37,103	36,946	24,921	24,583	13.9	14.8	Total	4,892	4,933	2,649	2,671	29.9	33.2
Enrolled, total	15,713	15,909	7,454	7,352	13.7	14.4	Enrolled, total	2,028	2,083	590	587	32.0	35.4
Men	7,997	8,150	3,825	3,803	14.8	14.3	Men	952	1,010	303	268	35.6	26.9
Women	7,716	7,759	3,629	3,549	12.5	14.6	Women	1,076	1,072	287	320	28.2	42.2
16 to 19 years	11,126	11,208	4,836	4,706	16.7	18.1	16 to 19 years	1,566	1,598	371	368	37.2	45.4
20 to 24 years	4,587	4,700	2,618	2,646	8.2	7.8	20 to 24 years	462	485	219	219	23.3	18.7
High school	8,050	8,108	3,461	3,276	19.0	20.0	High school	1,282	1,303	292	280	40.8	49.3
College	7,664	7,800	3,996	4,076	9.1	10.0	College	747	780	298	307	23.5	22.5
Full-time students	6,396	6,503	2,854	2,901	10.5	11.9	Full-time students	641	661	214	222	29.9	28.4
Part-time students	1,268	1,297	1,142	1,175	5.7	5.1	Part-time students	106	119	84	85	7.1	7.1
Not enrolled, total	21,390	21,037	17,467	17,231	14.0	15.0	Not enrolled, total	2,864	2,850	2,059	2,084	29.3	32.7
Men	10,245	10,018	9,405	9,185	14.9	15.2	Men	1,322	1,292	1,089	1,065	28.9	31.2
Women	11,145	11,019	8,062	8,046	12.9	14.7	Women	1,542	1,558	970	1,019	29.8	34.2
School completed:							School completed:						
High school:							High school:						
Less than 4 years	5,230	5,142	3,530	3,501	25.3	26.9	Less than 4 years	955	913	543	552	44.0	48.2
16 to 19 years	2,025	1,921	1,297	1,258	29.1	32.9	16 to 19 years	723	684	441	425	45.7	49.9
20 to 24 years	3,205	3,222	2,233	2,246	23.0	23.6	20 to 24 years	2,141	2,165	1,618	1,680	24.9	28.2
4 years only	11,654	11,451	9,809	9,673	12.5	13.8	4 years only	1,431	1,501	1,106	1,144	26.2	29.5
College:							College:						
1 to 3 years	3,038	2,926	2,716	2,613	8.8	8.6	1 to 3 years	372	348	305	306	22.3	22.5
4 years or more	1,467	1,517	1,408	1,443	5.8	5.3	4 years or more	106	88	103	84	5.8	8.3
WHITE							HISPANIC						
Total	31,345	31,110	21,811	21,474	11.9	12.5	Total	2,624	2,686	1,650	1,654	15.5	15.5
Enrolled, total	13,242	13,312	6,688	6,576	11.9	12.5	Enrolled, total	920	985	377	375	17.8	16.0
Men	6,821	6,853	3,437	3,431	12.9	13.2	Men	455	517	208	208	17.8	17.8
Women	6,421	6,459	3,251	3,145	11.0	11.7	Women	465	467	170	167	17.6	13.8
16 to 19 years	9,270	9,285	4,367	4,242	14.8	15.6	16 to 19 years	705	753	241	227	21.6	19.4
20 to 24 years	3,972	4,027	2,321	2,334	6.5	6.8	20 to 24 years	215	232	137	148	10.2	10.8
High school	6,566	6,572	3,096	2,946	16.7	17.0	High school	579	627	184	180	23.9	20.0
College	6,678	6,740	3,592	3,632	7.9	8.8	College	341	358	193	195	12.4	11.3
Full-time students	5,567	5,613	2,579	2,601	8.9	10.4	Full-time students	255	288	118	127	10.2	11.0
Part-time students	1,109	1,127	1,012	1,031	5.1	4.8	Part-time students	86	69	77	68	14.3	(¹)
Not enrolled, total	18,103	17,798	15,123	14,898	11.9	12.5	Not enrolled, total	1,704	1,701	1,273	1,279	14.8	15.4
Men	8,714	8,562	8,146	7,996	13.1	13.1	Men	840	816	752	737	14.4	15.6
Women	9,389	9,236	6,977	6,902	10.5	11.7	Women	864	885	521	542	15.5	15.1
School completed:							School completed:						
High school:							High school:						
Less than 4 years	4,166	4,107	2,931	2,890	21.6	22.7	Less than 4 years	922	891	628	620	18.9	18.1
16 to 19 years	4,511	4,132	3,628	3,307	16.5	19.0	16 to 19 years	487	486	337	333	20.2	24.6
20 to 24 years	13,592	13,663	11,495	11,587	10.5	10.6	20 to 24 years	1,217	1,215	936	945	12.9	12.3
4 years only	10,025	9,778	8,597	8,417	10.8	11.6	4 years only	589	634	478	501	12.3	15.0
College:							College:						
1 to 3 years	2,588	2,511	2,340	2,253	7.2	6.7	1 to 3 years	155	141	129	123	3.9	8.1
4 years or more	1,324	1,402	1,255	1,338	5.7	5.0	4 years or more	38	36	35	33	(¹)	(¹)

¹ Percent not shown where base is less than 75,000.

Note: Because of rounding, sums of individual items may not equal totals.

ment effect" for black youth in 1970 than in 1960 and reasoned that "this doubtlessly explains the adverse participation trends over the decade."⁶ A recent study suggests that some black out-of-school teenagers whose families were on welfare may be inhibited from working because their family allowance would be reduced by the amount of their earnings.⁷

Unemployment rates

Unemployment rates for youth in and out of school have fluctuated considerably since 1970. From 13.2 percent for the enrolled and 10.9 percent for not enrolled youth in 1970, they reached 15.0 and 14.9 percent in 1975, dropped to 12.5 and 10.0 percent in 1978, and climbed back to 14.4 and 15.0 percent in October 1981. These changes reflected not only the recessions in 1975 and 1981, but also continuing problems with finding part-time jobs to fit the schedules of students, and full-time jobs to match the varying skills and educational attainment of out-of-school youth. While it is to be expected that youth unemployment rates would be particularly vulnerable to cyclical changes, the rates for youth have been much higher during the past decade than in the 1960's.

Within the enrolled group, the unemployment rate for male students was relatively unchanged over the year, whereas the rate had increased sharply for women. (See table 2.) Most of the rise occurred among female high school students but teenage women in college were also affected. Only the 20-to-24 age group was untouched by increased joblessness. The unemployment rate for black teenage students rose to 45.4 percent over the year, nearly three times that for whites. Again, most of the increase was among women in high school. Hispanic students' jobless rate remained stable.

Among youth no longer in school, unemployment rates ranged from 5.3 percent for college graduates to 26.9 percent for high school dropouts. As was the case for students, the burden of increased unemployment over the year was limited to women. Their overall unemployment rate rose almost 2 percentage points while the rate for men held steady. Only women who had graduated from college showed no change in their unemployment rate, which continued to be somewhat lower than the rate for male college graduates in the age group. Out-of-school black youth have historically had very high unemployment rates; in October 1981, about a third of those in the labor force were looking for work. The unemployment rate for Hispanic youth (15.4 percent) differed little from that for whites.

Recent graduates and dropouts

A record 1.6 million youth who graduated from high school in 1981 were attending college in October 1981. (See table 3.) Some 54 percent of all recent graduates

were enrolled, compared with 49 percent a year earlier. A similar surge in college enrollment occurred during the 1974-75 recession when many youth chose school as an alternative to unemployment or a less desirable job. The labor force participation rate of new college students was 44 percent, substantially higher than in the early 1970's, reflecting, in part, the increase in work-study programs associated with student aid.⁸

Most recent high school graduates who did not go on to college were in the labor force in October. At 84 percent, their labor force participation rate was also higher than in 1970, mostly because of an increase in the rate for women. The unemployment rate for recent graduates not in college—21.4 percent—was substantially

Table 3. School enrollment and labor force status of 1981 high school graduates and 1980-81 high school dropouts 16 to 24 years old, by sex and race, October 1981

[Numbers in thousands]

Characteristic	Civilian noninstitutional population	Civilian labor force			
		Number	Participation rate	Employed	Unemployed
				Number	Percent
Total, 1981 high school graduates					
Men	3,053	1,899	62.2	1,524	375 19.7
Women	1,490	927	62.2	772	155 16.7
White	1,563	972	62.2	752	220 22.6
Black	2,624	1,674	63.8	1,406	268 16.0
Hispanic	358	189	52.8	93	96 50.8
Enrolled in college	1,466	719	43.7	597	122 17.0
Men	816	341	41.8	300	41 12.0
Women	830	378	45.5	297	81 21.4
Full-time student	1,520	612	40.3	499	113 18.5
Part-time student	126	107	84.9	98	9 8.4
White	1,434	644	44.9	552	92 14.3
Black	154	47	30.5	27	20 (1)
Hispanic	76	27	35.5	25	2 (1)
Not enrolled in college	1,407	1,180	83.9	927	253 21.4
Men	674	586	86.9	472	114 19.5
Women	733	594	81.0	455	139 23.4
Single	616	522	84.7	396	126 24.1
Other marital status	117	72	81.9	59	13 (1)
White	1,190	1,030	86.6	854	176 17.1
Black	204	142	69.6	66	76 53.5
Hispanic	70	50	(1)	36	14 (1)
Total, 1980-81 high school dropouts ²	714	450	63.2	286	164 36.4
Men	366	271	74.0	192	79 29.2
Women	348	179	51.7	94	85 47.5
Single	275	146	53.1	78	68 46.6
Other marital status	73	35	(1)	18	17 (1)
White	532	363	68.2	257	106 29.2
Black	165	77	46.7	22	55 71.4
Hispanics	91	63	69.2	41	22 (1)

¹ Percent not shown where base is less than 75,000.

² Persons who dropped out of school between October 1980 and October 1981. In addition, 78,000 persons 14 and 15 years old dropped out of school.

Note: Because of rounding, sums of individual items may not equal totals.

Table 4. Labor force status of college students 16 to 24 years old, by enrollment status and type of college attended, October 1981

(Numbers in thousands)

Selected characteristics	Enrolled		Full-time students			Part-time students		
	Total	Percent	Total	2-year college	4-year college	Total	2-year college	4-year college
POPULATION								
Total	7,799	100.0	83.3	19.3	64.0	16.7	8.8	7.9
White	6,741	100.0	83.2	18.9	64.3	16.8	8.8	8.1
Black	781	100.0	84.6	20.1	64.5	15.4	8.5	6.9
Hispanic	358	100.0	80.0	33.9	46.2	19.9	15.7	4.3
LABOR FORCE								
Total	4,075	100.0	70.9	21.5	49.4	29.1	15.2	13.8
White	3,632	100.0	71.3	21.2	50.1	28.7	14.9	13.8
Black	318	100.0	68.9	21.6	47.3	31.1	14.5	16.6
Hispanic	195	100.0	66.1	32.3	33.9	33.9	25.9	7.9
LABOR FORCE PARTICIPATION RATE¹								
Total	52.3	—	43.8	57.4	39.7	89.4	88.6	90.3
White	53.9	—	45.7	60.1	41.5	90.8	90.6	91.1
Black	40.7	—	31.1	40.9	28.0	77.2	(³)	(³)
Hispanic	54.5	—	44.5	51.3	39.5	(³)	(³)	(³)
UNEMPLOYMENT RATE²								
Total	10.0	—	9.4	11.4	8.5	3.6	4.2	3.0
White	8.8	—	8.4	9.6	7.9	3.7	4.4	2.9
Black	22.0	—	23.1	(³)	16.4	4.5	(³)	(³)
Hispanic	10.3	—	9.6	(³)	(³)	(³)	(³)	(³)

¹ Labor force as percent of population.

² Unemployed as percent of labor force.

³ Percent not shown where base is less than 75,000.

higher than a year earlier. It was also higher than the rate for all youth in the age group with 4 years of high school only (13.8 percent).

College students at work

Labor force participation of students is constrained by geography, classroom schedules, and transportation facilities, as well as general conditions in the economy. With opportunities for employment generally limited to the vicinity of the college, the growth of 2-year colleges in metropolitan areas has allowed many persons to further their education while holding down a job. The particular importance of employment for part-time students is shown in table 4. Almost 9 of 10 such students were in the labor force in October 1981.

The close connection between part-time schooling and labor force activity is further illustrated by the low unemployment rates for such students, regardless of race or ethnic origin. The decision to attend college part time, and the means to pay for it, appear to be directly linked to the desire for advancement by youth already employed. The unemployment rates for part-time students were about the same for whites and blacks and were consistently much lower than the rates for full-time students.

Hispanic youth, some of them relatively new to the United States,⁹ have made extensive use of low cost, 2-year community colleges—almost 50 percent of all Hispanic college students were enrolled in such colleges in 1981, compared with 28 percent of the white, and 29 percent of the black students. More than half of the Hispanic students were working while attending school.

Black students were much less likely than either white or Hispanic students to combine work and college. The lower labor force participation rates of black college students have persisted despite their much lower family income. A third of their families had incomes of less than \$15,000 compared with a tenth of the white families and a fourth of the Hispanic families with students in college in 1981. Whereas many jobs in retail sales, food, and other service industries have moved to suburban malls, the majority of black students live in central cities.¹⁰ Lack of convenient transportation may limit their access to jobs located on the periphery of the city. The substantial number of students attending the many black colleges located in rural areas also face limited employment opportunities. □

FOOTNOTES

¹ This report is based primarily on supplementary questions in the October 1981 Current Population Survey, conducted and tabulated for the Bureau of Labor Statistics by the Bureau of the Census. Most data relate to persons 16 to 24 years of age in the civilian noninstitutional population in the week ending Oct. 17, 1981.

Sampling variability may be relatively large in cases where the numbers are small. Small estimates, or small differences between estimates, should be interpreted with caution. For the most recent report in this series, see Anne McDougall Young, "Labor force activity among students, graduates, and dropouts in 1980," *Monthly Labor Review*, July 1981, pp. 31-33.

² See Howard Hayghe, "Marital and family patterns of workers: an update," *Monthly Labor Review*, May 1982, pp. 53-56.

³ James H. Grant and Daniel S. Hammermesh, "Labor Market Competition Among Youths, White Women and Others," *Review of Economics and Statistics*, August 1981.

⁴ Unpublished data, October supplement to the Current Population Survey, Bureau of Labor Statistics.

⁵ For example, see Charles W. Dayton, "The Young Person's Job Search: Insights from a Study," *Journal of Counseling Psychology*, July 1981, pp. 321-333; Minimum Wage Study Commission, *Report of the Minimum Wage Study Commission*, 7 volumes, May-June 1981; James Francis Ragen, Jr., "The Impact of Minimum Wage Legislation on the Youth Labor Market," PhD Thesis, Washington University, December 1975; Arvil V. Adams and Garth L. Mangum, *The Lingering Crisis of Youth Unemployment*, Upjohn Institute for Employment Research, June 1978. See also U.S. General Accounting Office, "Labor Market Problems of Teenagers Result Largely From Doing Poorly in School," *Report to the Honorable Charles Rangel*, U.S. House of Representatives, Mar. 29, 1982.

⁶ Paul Osterman, *Getting Started, The Youth Labor Market*, The MIT Press, 1980, p. 126.

⁷ *Report to the Honorable Charles Rangel*, p. 54.

⁸ National Center for Education Statistics, *The Condition of Education, 1980 Edition*, Table 4.18.

⁹ "Persons of Spanish Origin in the United States: March 1979," *Current Population Reports*, Series P-20, No. 354, p. 17.

¹⁰ Unpublished data from the 1981 Current Population Survey.