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EMPLOYMENT AND UNEMPLOYMENT AMONG YOUTH – SUMMER 2010

From April to July 2010, the number of employed youth 16 to 24 years old rose by 1.8 million to 18.6 million, the U.S. Bureau of Labor Statistics reported today. This year, the share of young people who were employed in July was 48.9 percent, the lowest July rate on record for the series, which began in 1948. (The month of July typically is the summertime peak in youth employment.) Unemployment among youth increased by 571,000 between April and July, about half as much as in each of the two previous summers. (Because this analysis focuses on the seasonal changes in youth employment and unemployment that occur each spring and summer, the data are not seasonally adjusted.)

Labor force

The youth labor force—16- to 24-year-olds working or actively looking for work—grows sharply between April and July each year. During these months, large numbers of high school and college students search for or take summer jobs, and many graduates enter the labor market to look for or begin permanent employment. This summer, the youth labor force grew by 2.4 million, or 11.5 percent, to a total of 22.9 million in July. (See table 1.)

The labor force participation rate for all youth—the proportion of the population 16 to 24 years old working or looking for work—was 60.5 percent in July, the lowest July rate on record. The July rate was down by 2.5 percentage points from July 2009 and 17.0 percentage points below the peak for that month in 1989 (77.5 percent).

The July labor force participation rate for 16- to 24-year-old men, at 62.7 percent, was down by 2.2 percentage points from a year earlier, and the rate for women, at 58.1 percent, was down by 3.0 percentage points over the year. For several decades prior to 1989, the July labor force participation rate for young men showed no clear trend, ranging from 81 to 86 percent. Since July 1989, however, their participation rate for the month has trended down, falling by about 20 percentage points. The July labor force participation rate for young women peaked in 1989 at 72.4 percent, following a long-term upward trend; their rate has since fallen by about 14 percentage points.

The July participation rate for whites declined by 2.8 percentage points from a year earlier, to 63.2 percent. The rate for blacks, at 51.6 percent, was down slightly, and the rate for Hispanics, at 56.1 percent, decreased by 3.3 percentage points. For all three groups, labor force participation rates were substantially lower than their peaks reached in July 1989. The participation rate for Asian youth was 48.3 percent in July 2010, little changed from July 2009. (See table 2.)

Employment

In July, 18.6 million 16- to 24-year-olds were employed. This summer's increase in youth employment was slightly larger than last year's (1.8 million vs. 1.6 million) and about the same as in 2008. The employment-population ratio for youth—the proportion of the 16- to 24-year-old civilian noninstitutional population that was employed—was 48.9 percent in July, down 2.5 percentage points from July 2009. The ratio has dropped by about 20 percentage points since its peak in July 1989. July 2010 marks the first time in the history of the series that less than half of all youth 16 to 24 years old were employed in that month. The sharp decline in recent years reflects continued weak labor market conditions experienced during the recession that began in December 2007. (See table 2.)

The employment-population ratio for young men was 49.9 percent in July, down from 52.2 percent in July 2009. The employment-population ratios for women (48.0 percent), whites (53.0 percent), and Hispanics (43.6 percent) in July 2010 also were substantially lower than a year earlier.

In July, 25 percent of employed youth worked in the leisure and hospitality sector (which includes food services), the same as a year earlier. Another 20 percent were employed in the retail trade industry, also the same proportion as a year earlier. (See table 3.)

Unemployment

In July, 4.4 million youth were unemployed, essentially the same as in July 2009. The youth unemployment rate edged up over the year to 19.1 percent in July 2010, the highest July rate on record for the series, which began in 1948. In recent years, higher youth unemployment reflects the weak job market. Among major demographic groups, the unemployment rates for young men (20.5 percent), blacks (33.4 percent), and Asians (21.6 percent) continued to trend up from a year earlier; the jobless rates for young women (17.5 percent), whites (16.2 percent), and Hispanics (22.1 percent) were virtually unchanged. (See table 2.)

Technical Note

The estimates in this release were obtained from the Current Population Survey (CPS), a national sample survey of 60,000 households conducted monthly for the Bureau of Labor Statistics (BLS) by the U.S. Census Bureau. The data in this release relate to the employment status of youth (16- to 24-year-olds) during the months of April-July. This period was selected as being the most representative time frame to measure the full summertime transition from school to work. July is the peak summer month of youth employment.

Beginning in January of each year, data reflect revised population controls used in the CPS. Additional information about population controls is available on the BLS Web site at www.bls.gov/cps/documentation.htm#pop.

Information in this release will be made available to sensory impaired individuals upon request. Voice phone: (202) 691-5200; Federal Relay Service: (800) 877-8339.

Reliability

Statistics based on the CPS are subject to both sampling and nonsampling error. When a sample, rather than the entire population, is surveyed, there is a chance that the sample estimates may differ from the "true" population values they represent. The exact difference, or *sampling error*, varies depending upon the particular sample selected, and this variability is measured by the standard error of the estimate. There is about a 90-percent chance, or level of confidence, that an estimate based on a sample will differ by no more than 1.6 standard errors from the "true" population value because of sampling error. BLS analyses are generally conducted at the 90-percent level of confidence.

The CPS data also are affected by *nonsampling error*. Nonsampling error can occur for many reasons, including the failure to sample a segment of the population, inability to obtain information for all respondents in the sample, inability or unwillingness of respondents to provide correct information, and errors made in the collection or processing of the data.

A full discussion of the reliability of data from the CPS and information on estimating standard errors is available at www.bls.gov/cps/documentation.htm#reliability.

Definitions

The principal definitions used in this release are described briefly below.

Employed persons are all those who, during the survey reference week (which is generally the week including the 12th day of the month), (a) did any work at all as paid employees; (b) worked in their own business, profession, or on their own farm; (c) worked 15 hours or more as unpaid workers in a family-operated enterprise; or (d) were temporarily absent from their jobs because of illness, vacation, labor dispute, or another reason.

Unemployed persons are all persons who had no employment during the reference week, were available for work, except for temporary illness, and had made specific efforts to find employment sometime during the 4 weeks preceding the survey. Persons who were waiting to be recalled to a job from which they had been laid off need not have been looking for work to be classified as unemployed.

Civilian labor force comprises all persons classified as employed or unemployed.

Unemployment rate represents the number of unemployed persons as a percent of the civilian labor force.

Not in the labor force includes all persons who are not classified as employed or unemployed.

Industry and class of worker for the employed relate to the job held in the survey reference week. Persons with two or more jobs are classified in the job at which they worked the greatest number of hours. Persons are classified using the 2007 Census industry classification system. The class-of-worker breakdown assigns workers to the following categories: Private and government wage and salary workers, self-employed workers, and unpaid family workers. Wage and salary workers receive wages, salary, commissions, tips, or pay in kind from a private employer or from a government unit. Self-employed persons are those who work for profit or fees in their own business, profession, trade, or farm. Unpaid family workers are persons working without pay for 15 hours a week or more on a farm or in a business operated by a family member in their household.

Table 1. Employment status of the civilian noninstitutional population 16 to 24 years of age by sex, race, and Hispanic or Latino ethnicity, April-July 2010
 [Numbers in thousands. Data are not seasonally adjusted.]

Employment status, sex, race, and Hispanic or Latino ethnicity	April	May	June	July	April-July changes	
					Number	Percent
TOTAL						
Civilian noninstitutional population.....	37,951	37,946	37,944	37,944	-7	0.0
Civilian labor force.....	20,567	20,894	22,401	22,938	2,371	11.5
Participation rate.....	54.2	55.1	59.0	60.5	6.3	11.6
Employed.....	16,764	17,039	17,920	18,564	1,800	10.7
Employment-population ratio.....	44.2	44.9	47.2	48.9	4.7	10.6
Unemployed.....	3,803	3,854	4,481	4,374	571	15.0
Looking for full-time work.....	2,779	2,877	3,454	3,374	595	21.4
Looking for part-time work.....	1,024	977	1,027	1,000	-24	-2.3
Unemployment rate.....	18.5	18.4	20.0	19.1	0.6	3.2
Not in labor force.....	17,384	17,052	15,543	15,006	-2,378	-13.7
Men						
Civilian noninstitutional population.....	19,132	19,128	19,127	19,126	-6	0.0
Civilian labor force.....	10,727	10,817	11,710	11,997	1,270	11.8
Participation rate.....	56.1	56.5	61.2	62.7	6.6	11.8
Employed.....	8,407	8,676	9,122	9,537	1,130	13.4
Employment-population ratio.....	43.9	45.4	47.7	49.9	6.0	13.7
Unemployed.....	2,319	2,140	2,587	2,460	141	6.1
Looking for full-time work.....	1,816	1,686	2,088	1,949	133	7.3
Looking for part-time work.....	503	455	499	510	7	1.4
Unemployment rate.....	21.6	19.8	22.1	20.5	-1.1	-5.1
Not in labor force.....	8,405	8,312	7,417	7,129	-1,276	-15.2
Women						
Civilian noninstitutional population.....	18,819	18,818	18,818	18,819	0	0.0
Civilian labor force.....	9,840	10,077	10,692	10,942	1,102	11.2
Participation rate.....	52.3	53.6	56.8	58.1	5.8	11.1
Employed.....	8,357	8,363	8,798	9,027	670	8.0
Employment-population ratio.....	44.4	44.4	46.8	48.0	3.6	8.1
Unemployed.....	1,483	1,714	1,894	1,914	431	29.1
Looking for full-time work.....	963	1,191	1,366	1,425	462	48.0
Looking for part-time work.....	521	523	527	489	-32	-6.1
Unemployment rate.....	15.1	17.0	17.7	17.5	2.4	15.9
Not in labor force.....	8,979	8,741	8,126	7,877	-1,102	-12.3
White						
Civilian noninstitutional population.....	29,187	29,177	29,170	29,164	-23	-0.1
Civilian labor force.....	16,479	16,773	17,999	18,441	1,962	11.9
Participation rate.....	56.5	57.5	61.7	63.2	6.7	11.9
Employed.....	13,795	13,946	14,743	15,455	1,660	12.0
Employment-population ratio.....	47.3	47.8	50.5	53.0	5.7	12.1
Unemployed.....	2,684	2,827	3,256	2,987	303	11.3
Looking for full-time work.....	1,900	2,049	2,445	2,253	353	18.6
Looking for part-time work.....	784	778	811	733	-51	-6.5
Unemployment rate.....	16.3	16.9	18.1	16.2	-0.1	-0.6
Not in labor force.....	12,708	12,404	11,171	10,722	-1,986	-15.6
Black or African American						
Civilian noninstitutional population.....	5,751	5,752	5,754	5,756	5	0.1
Civilian labor force.....	2,706	2,749	2,901	2,972	266	9.8
Participation rate.....	47.1	47.8	50.4	51.6	4.5	9.6
Employed.....	1,878	2,008	1,998	1,980	102	5.4
Employment-population ratio.....	32.6	34.9	34.7	34.4	1.8	5.5
Unemployed.....	829	742	903	992	163	19.7
Looking for full-time work.....	647	593	759	843	196	30.3
Looking for part-time work.....	182	149	144	149	-33	-18.1
Unemployment rate.....	30.6	27.0	31.1	33.4	2.8	9.2
Not in labor force.....	3,044	3,002	2,853	2,783	-261	-8.6

Table 1. Employment status of the civilian noninstitutional population 16 to 24 years of age by sex, race, and Hispanic or Latino ethnicity, April-July 2010 — Continued
 [Numbers in thousands. Data are not seasonally adjusted.]

Employment status, sex, race, and Hispanic or Latino ethnicity	April	May	June	July	April-July changes	
					Number	Percent
Asian						
Civilian noninstitutional population.....	1,592	1,602	1,588	1,576	-16	-1.0
Civilian labor force.....	665	640	714	762	97	14.6
Participation rate.....	41.8	39.9	45.0	48.3	6.5	15.6
Employed.....	573	544	597	597	24	4.2
Employment-population ratio.....	36.0	34.0	37.6	37.9	1.9	5.3
Unemployed.....	92	95	117	165	73	79.3
Looking for full-time work.....	64	70	75	122	58	90.6
Looking for part-time work.....	28	25	42	42	14	50.0
Unemployment rate.....	13.8	14.9	16.4	21.6	7.8	56.5
Not in labor force.....	927	962	874	814	-113	-12.2
Hispanic or Latino ethnicity						
Civilian noninstitutional population.....	7,087	7,100	7,114	7,128	41	0.6
Civilian labor force.....	3,727	3,715	3,825	3,995	268	7.2
Participation rate.....	52.6	52.3	53.8	56.1	3.5	6.7
Employed.....	2,955	3,008	2,929	3,111	156	5.3
Employment-population ratio.....	41.7	42.4	41.2	43.6	1.9	4.6
Unemployed.....	773	708	896	884	111	14.4
Looking for full-time work.....	591	547	732	703	112	19.0
Looking for part-time work.....	182	161	164	181	-1	-0.5
Unemployment rate.....	20.7	19.0	23.4	22.1	1.4	6.8
Not in labor force.....	3,360	3,385	3,289	3,133	-227	-6.8

NOTE: Estimates for the above race groups (white, black or African American, and Asian) do not sum to totals because data are not presented for all races. Persons whose ethnicity is identified as Hispanic or Latino may be of any race. Updated population controls are introduced annually with the release of January data.

Table 2. Employment status of the civilian noninstitutional population 16 to 24 years of age by sex, race, and Hispanic or Latino ethnicity, July 2007-2010

[Numbers in thousands. Data are not seasonally adjusted.]

Employment status, sex, race, and Hispanic or Latino ethnicity	2007	2008	2009	2010
TOTAL				
Civilian noninstitutional population.....	37,443	37,506	37,586	37,944
Civilian labor force.....	24,339	24,429	23,691	22,938
Participation rate.....	65.0	65.1	63.0	60.5
Employed.....	21,717	21,021	19,304	18,564
Employment-population ratio.....	58.0	56.0	51.4	48.9
Unemployed.....	2,622	3,408	4,387	4,374
Looking for full-time work.....	1,892	2,552	3,430	3,374
Looking for part-time work.....	730	856	957	1,000
Unemployment rate.....	10.8	14.0	18.5	19.1
Not in labor force.....	13,104	13,076	13,895	15,006
Men				
Civilian noninstitutional population.....	18,926	18,919	18,935	19,126
Civilian labor force.....	12,845	12,882	12,298	11,997
Participation rate.....	67.9	68.1	64.9	62.7
Employed.....	11,421	10,946	9,880	9,537
Employment-population ratio.....	60.3	57.9	52.2	49.9
Unemployed.....	1,424	1,935	2,418	2,460
Looking for full-time work.....	1,059	1,483	1,973	1,949
Looking for part-time work.....	365	453	444	510
Unemployment rate.....	11.1	15.0	19.7	20.5
Not in labor force.....	6,081	6,037	6,637	7,129
Women				
Civilian noninstitutional population.....	18,517	18,587	18,650	18,819
Civilian labor force.....	11,494	11,547	11,393	10,942
Participation rate.....	62.1	62.1	61.1	58.1
Employed.....	10,296	10,075	9,424	9,027
Employment-population ratio.....	55.6	54.2	50.5	48.0
Unemployed.....	1,198	1,473	1,969	1,914
Looking for full-time work.....	833	1,070	1,456	1,425
Looking for part-time work.....	365	403	513	489
Unemployment rate.....	10.4	12.8	17.3	17.5
Not in labor force.....	7,023	7,039	7,257	7,877
White				
Civilian noninstitutional population.....	29,012	29,012	29,010	29,164
Civilian labor force.....	19,734	19,760	19,147	18,441
Participation rate.....	68.0	68.1	66.0	63.2
Employed.....	17,899	17,323	16,000	15,455
Employment-population ratio.....	61.7	59.7	55.2	53.0
Unemployed.....	1,835	2,437	3,147	2,987
Looking for full-time work.....	1,304	1,759	2,403	2,253
Looking for part-time work.....	531	678	744	733
Unemployment rate.....	9.3	12.3	16.4	16.2
Not in labor force.....	9,278	9,252	9,863	10,722
Black or African American				
Civilian noninstitutional population.....	5,539	5,595	5,662	5,756
Civilian labor force.....	2,998	3,062	2,995	2,972
Participation rate.....	54.1	54.7	52.9	51.6
Employed.....	2,382	2,302	2,060	1,980
Employment-population ratio.....	43.0	41.2	36.4	34.4
Unemployed.....	616	760	935	992
Looking for full-time work.....	488	647	772	843
Looking for part-time work.....	128	112	163	149
Unemployment rate.....	20.5	24.8	31.2	33.4
Not in labor force.....	2,541	2,533	2,667	2,783

Table 2. Employment status of the civilian noninstitutional population 16 to 24 years of age by sex, race, and Hispanic or Latino ethnicity, July 2007-2010 — Continued
 [Numbers in thousands. Data are not seasonally adjusted.]

Employment status, sex, race, and Hispanic or Latino ethnicity	2007	2008	2009	2010
Asian				
Civilian noninstitutional population.....	1,511	1,516	1,500	1,576
Civilian labor force.....	747	767	740	762
Participation rate.....	49.4	50.6	49.3	48.3
Employed.....	689	703	619	597
Employment-population ratio.....	45.6	46.4	41.3	37.9
Unemployed.....	58	64	121	165
Looking for full-time work.....	32	38	96	122
Looking for part-time work.....	26	26	24	42
Unemployment rate.....	7.7	8.4	16.3	21.6
Not in labor force.....	764	748	760	814
Hispanic or Latino ethnicity				
Civilian noninstitutional population.....	6,597	6,669	6,752	7,128
Civilian labor force.....	3,928	4,007	4,014	3,995
Participation rate.....	59.5	60.1	59.4	56.1
Employed.....	3,465	3,367	3,143	3,111
Employment-population ratio.....	52.5	50.5	46.5	43.6
Unemployed.....	464	639	871	884
Looking for full-time work.....	341	487	693	703
Looking for part-time work.....	123	153	178	181
Unemployment rate.....	11.8	16.0	21.7	22.1
Not in labor force.....	2,669	2,662	2,738	3,133

NOTE: Estimates for the above race groups (white, black or African American, and Asian) do not sum to totals because data are not presented for all races. Persons whose ethnicity is identified as Hispanic or Latino may be of any race. Updated population controls are introduced annually with the release of January data.

Table 3. Employed persons 16 to 24 years of age by industry, class of worker, race, and Hispanic or Latino ethnicity, July 2009-2010

[Numbers in thousands. Data are not seasonally adjusted.]

Industry and class of worker	Total		White		Black or African American		Asian		Hispanic or Latino ethnicity	
	2009	2010	2009	2010	2009	2010	2009	2010	2009	2010
Total employed.....	19,304	18,564	16,000	15,455	2,060	1,980	619	597	3,143	3,111
Agriculture and related industries.....	381	372	361	358	7	10	0	0	72	97
Nonagricultural industries.....	18,923	18,192	15,639	15,097	2,053	1,970	619	597	3,071	3,015
Private wage and salary workers.....	16,986	16,311	14,061	13,528	1,831	1,782	569	525	2,825	2,709
Mining, quarrying, and oil and gas extraction.....	44	63	44	63	0	0	0	0	3	12
Construction.....	871	819	806	770	35	33	14	0	251	257
Manufacturing.....	1,068	1,015	882	849	88	91	57	51	252	213
Durable goods.....	580	598	498	507	29	44	32	27	117	113
Nondurable goods.....	488	417	385	342	59	47	25	23	135	100
Wholesale trade.....	321	297	273	249	29	29	5	7	57	54
Retail trade.....	3,851	3,659	3,061	2,959	513	473	172	126	577	495
Transportation and utilities.....	413	355	322	301	66	44	8	6	95	63
Information.....	317	361	237	254	54	59	21	34	45	66
Financial activities.....	823	794	702	686	74	42	31	48	140	117
Professional and business services....	1,350	1,395	1,097	1,130	145	166	49	48	233	282
Education and health services.....	2,141	2,169	1,705	1,692	306	337	61	79	307	253
Leisure and hospitality.....	4,799	4,595	4,053	3,879	461	449	122	106	745	759
Other services.....	988	789	879	697	62	58	30	21	119	138
Government wage and salary workers. ...	1,588	1,433	1,297	1,172	175	160	47	57	188	224
Federal.....	201	221	133	158	35	50	12	4	28	25
State.....	516	443	419	373	70	36	10	21	57	63
Local.....	871	769	745	642	71	74	25	32	103	136
Self-employed and unpaid family workers.....	350	447	282	397	46	28	4	15	58	82

NOTE: Estimates for the above race groups (white, black or African American, and Asian) do not sum to totals because data are not presented for all races. Persons whose ethnicity is identified as Hispanic or Latino may be of any race. Updated population controls are introduced annually with the release of January data.