

May 7th, 2013

YOUNG WORKERS FACE GRIM LABOR MARKET

**Institute of Medicine and National Research Council
workshop on Improving the Health, Safety, and Well-Being
of Young Adults**

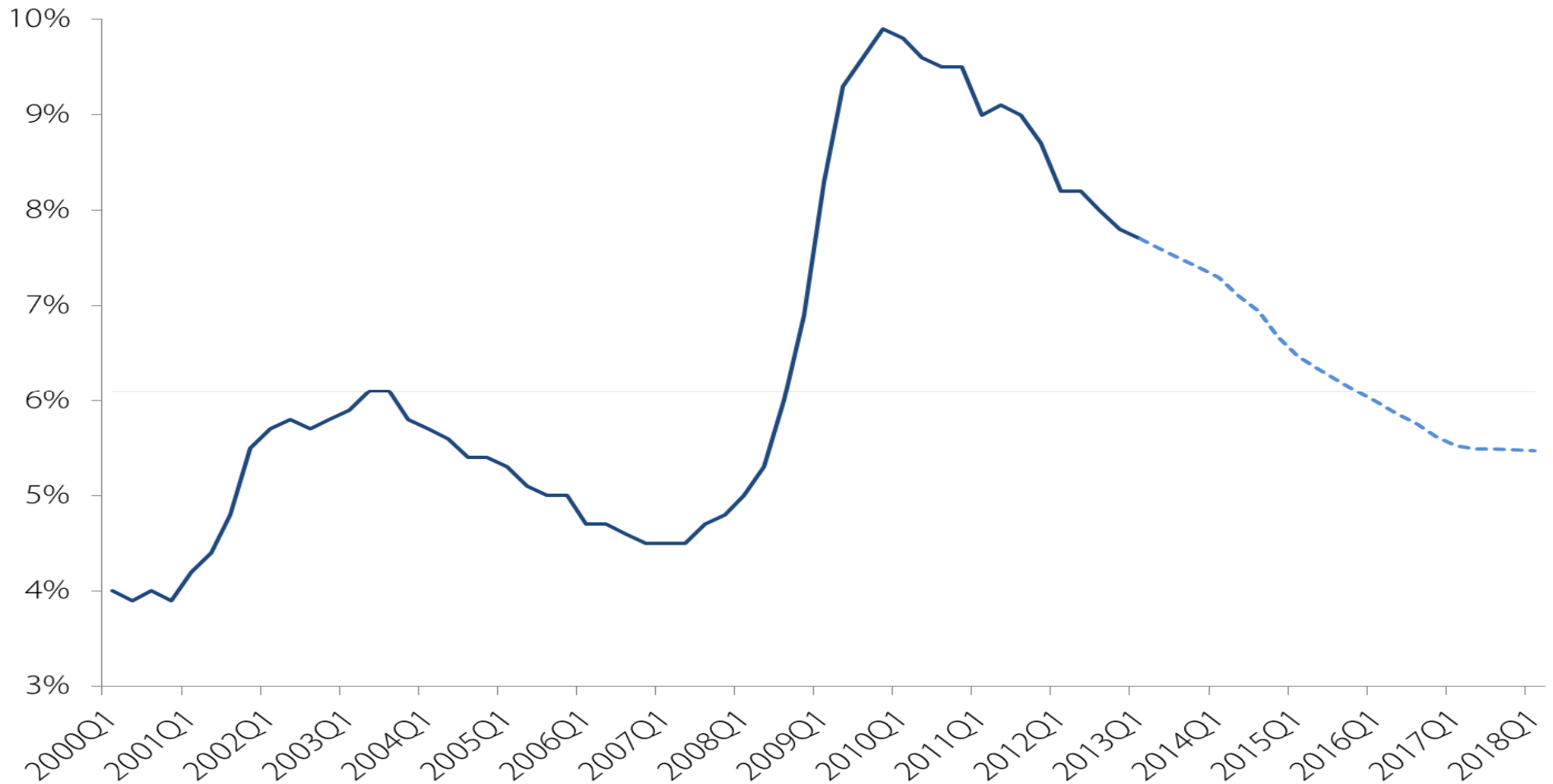
Heidi Shierholz, Ph.D.
Economist, Economic Policy Institute



Economic Policy Institute

Research and Ideas for Shared Prosperity

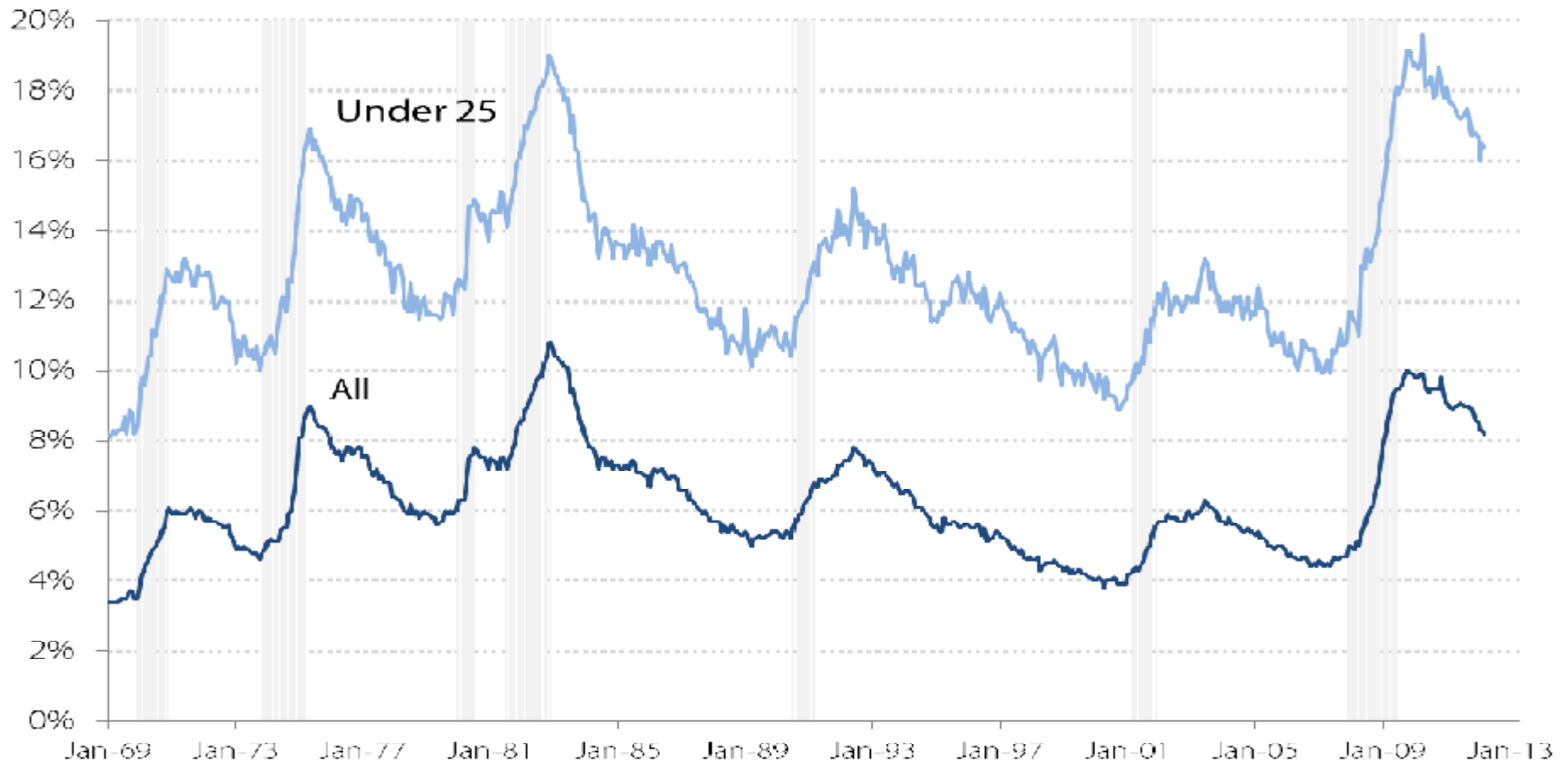
Labor market still very weak, will be weak for another five years at least



Source: Authors' analysis of Moody's Economy.com data



Unemployment rate for young workers always about twice as high as overall



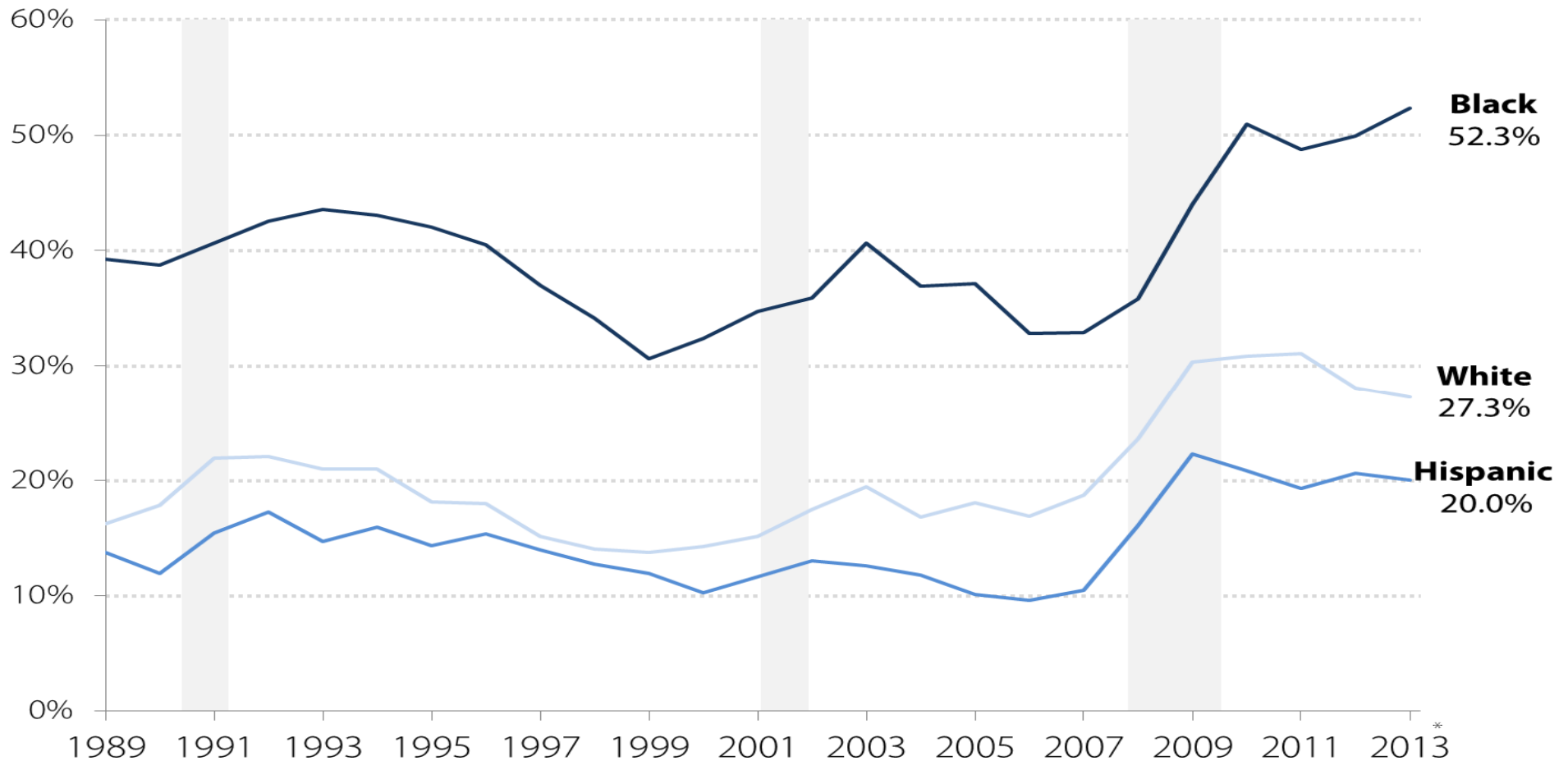
Note: Shaded areas denote recessions. Data are not seasonally adjusted.
Source: Authors' analysis of Current Population Survey public data series



Three groups

- **No HS degree, not enrolled, age 19-24**
- **HS grads, not enrolled, age 17-20**
- **College grads, not enrolled, age 21-24**

Unemployment rate for workers age 19–24 without a high school degree



* Latest 12-month average: March 2012–February 2013

Note: Shaded areas denote recessions. Data are for age 19–24 who are not enrolled in further schooling.

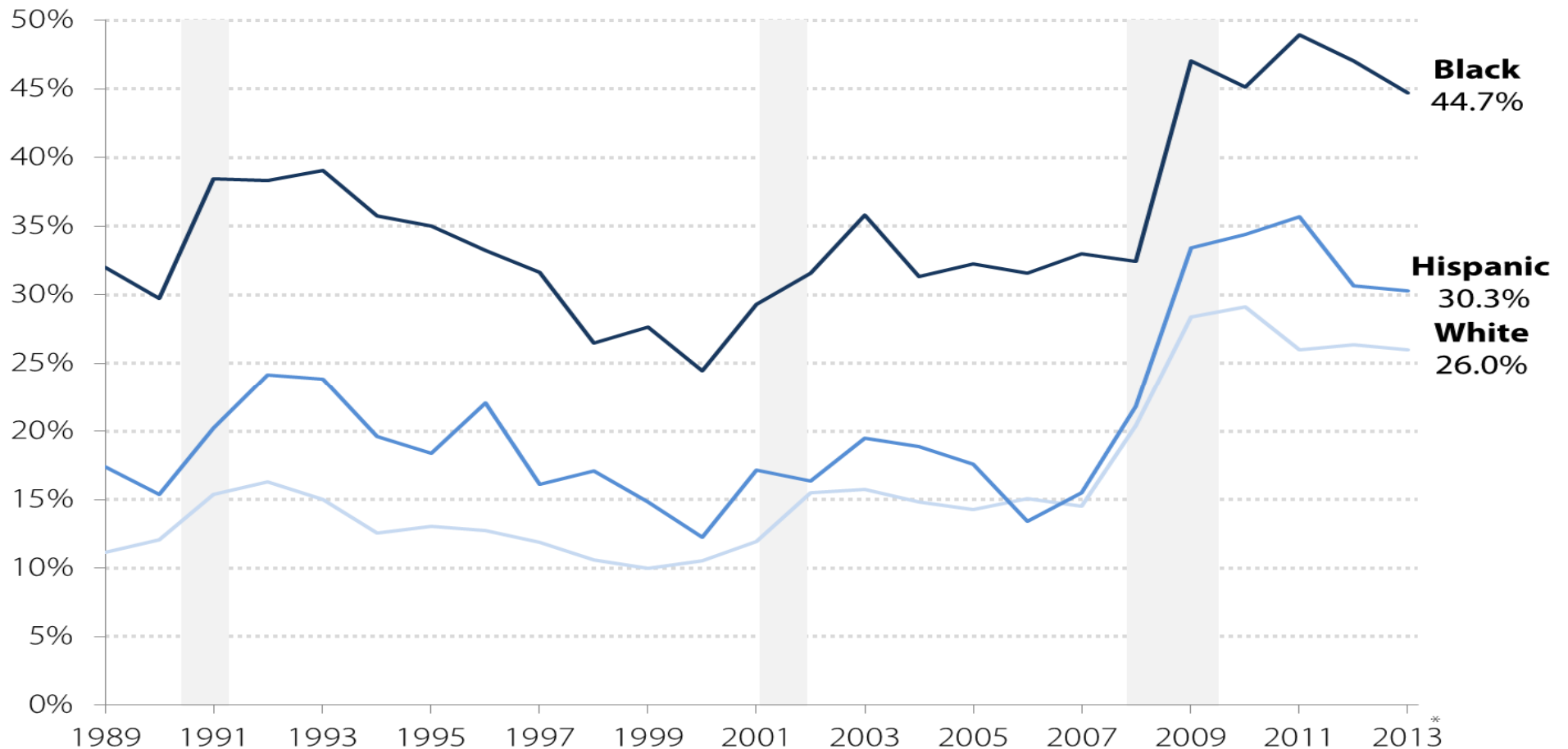
Source: Authors' analysis of basic monthly Current Population Survey microdata



Economic Policy Institute

Research and Ideas for Shared Prosperity

Unemployment rate of high school graduates age 17-20



* Latest 12-month average: March 2012–February 2013

Note: Shaded areas denote recessions. Data are for high school graduates age 17–20 who are not enrolled in further schooling.

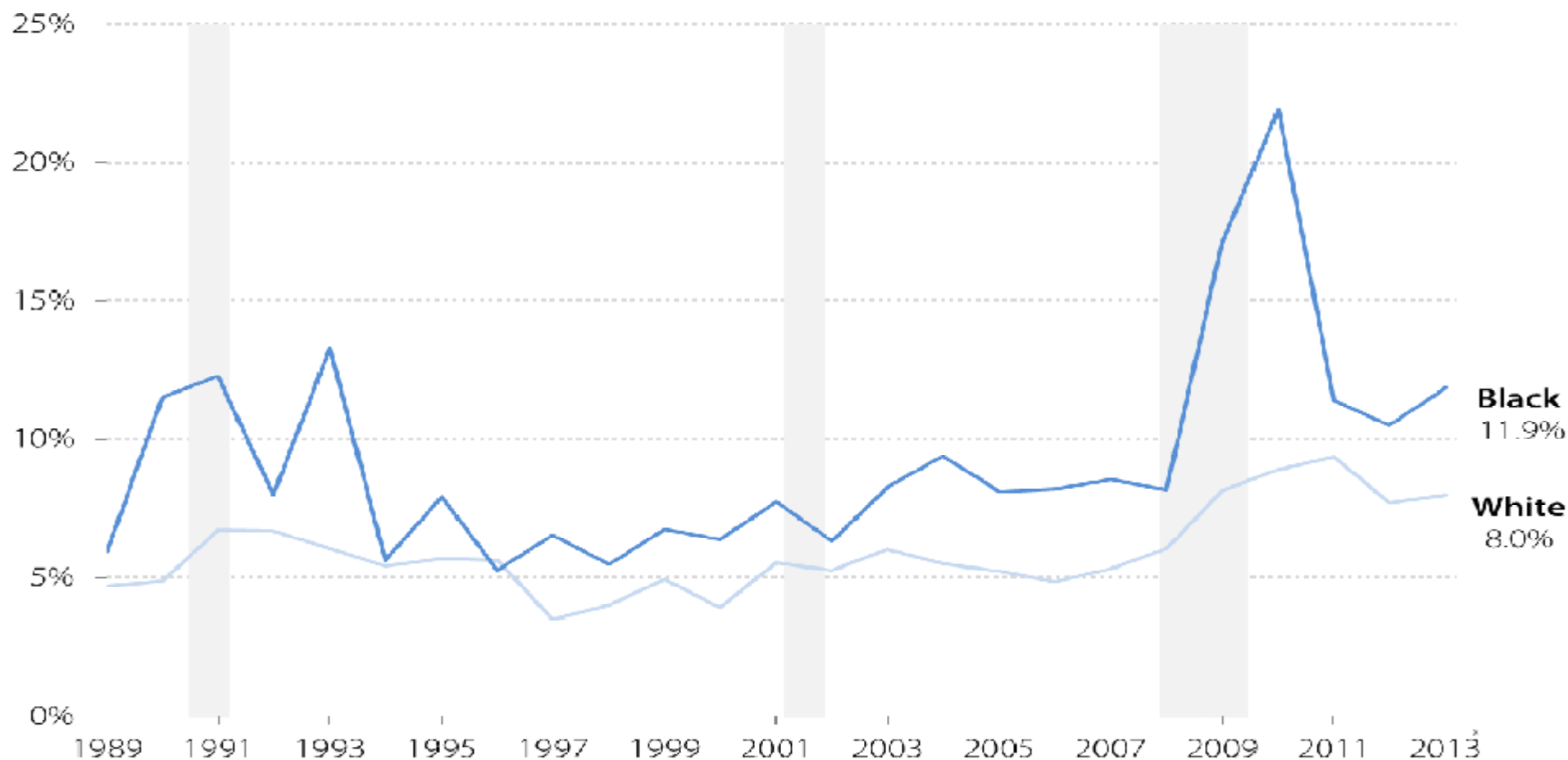
Source: Authors' analysis of basic monthly Current Population Survey microdata



Economic Policy Institute

Research and Ideas for Shared Prosperity

Unemployment rate of college graduates age 21-24



* Latest 12 month average: March 2012 - February 2013

Note: Data are for college graduates age 21-24 who are not enrolled in further schooling. Shaded areas denote recessions.

Source: Authors' analysis of basic monthly Current Population Survey microdata



Economic Policy Institute

Research and Ideas for Shared Prosperity

Unemployment and underemployment rates of college grads age 21-24



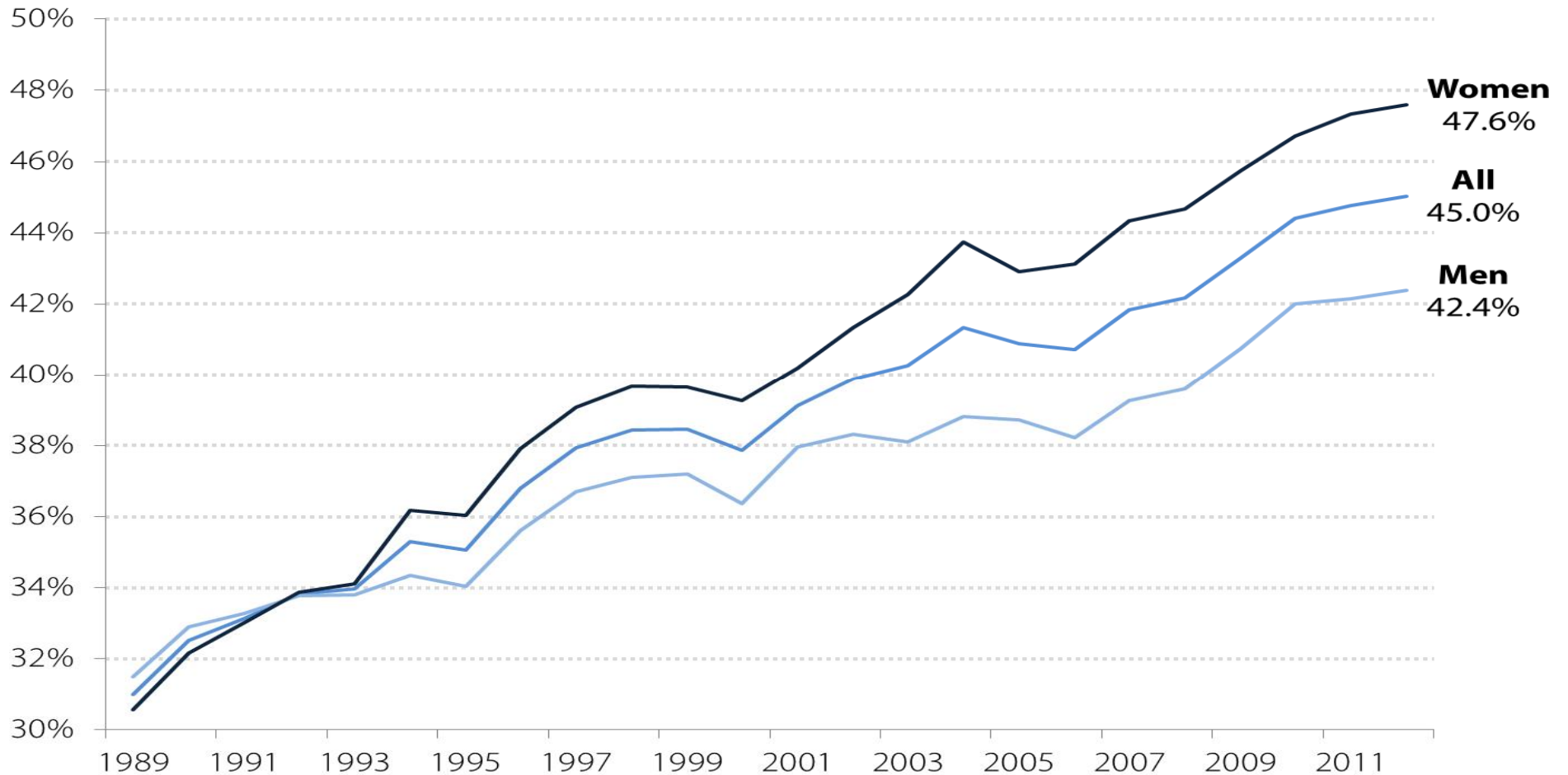
* Latest 12-month average: March 2012 - February 2013

Note: Underemployment data are only available beginning in 1994. Data are for college graduates age 21-24 who are not enrolled in further schooling. Shaded areas denote recessions.

Source: Authors' analysis of basic monthly Current Population Survey microdata



Share of young high school graduates enrolled in college or a university



Note: Data are for high school graduates age 17–24.

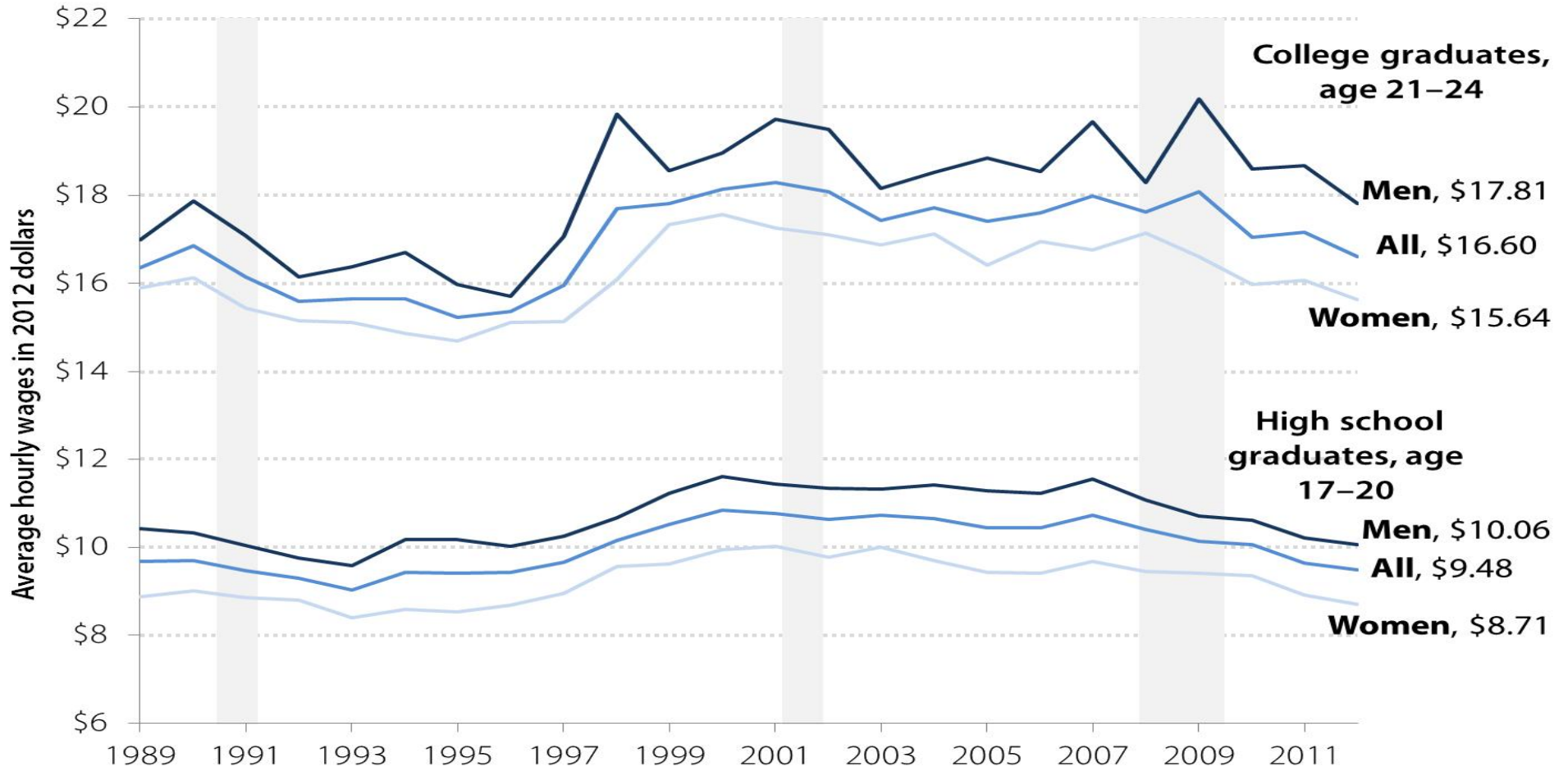
Source: Authors' analysis of basic monthly Current Population Survey microdata



Economic Policy Institute

Research and Ideas for Shared Prosperity

Real average hourly wages of young grads



Note: Data are for college graduates age 21-24 and high school graduates age 17-20 who are not enrolled in further schooling. Shaded areas denote recessions.

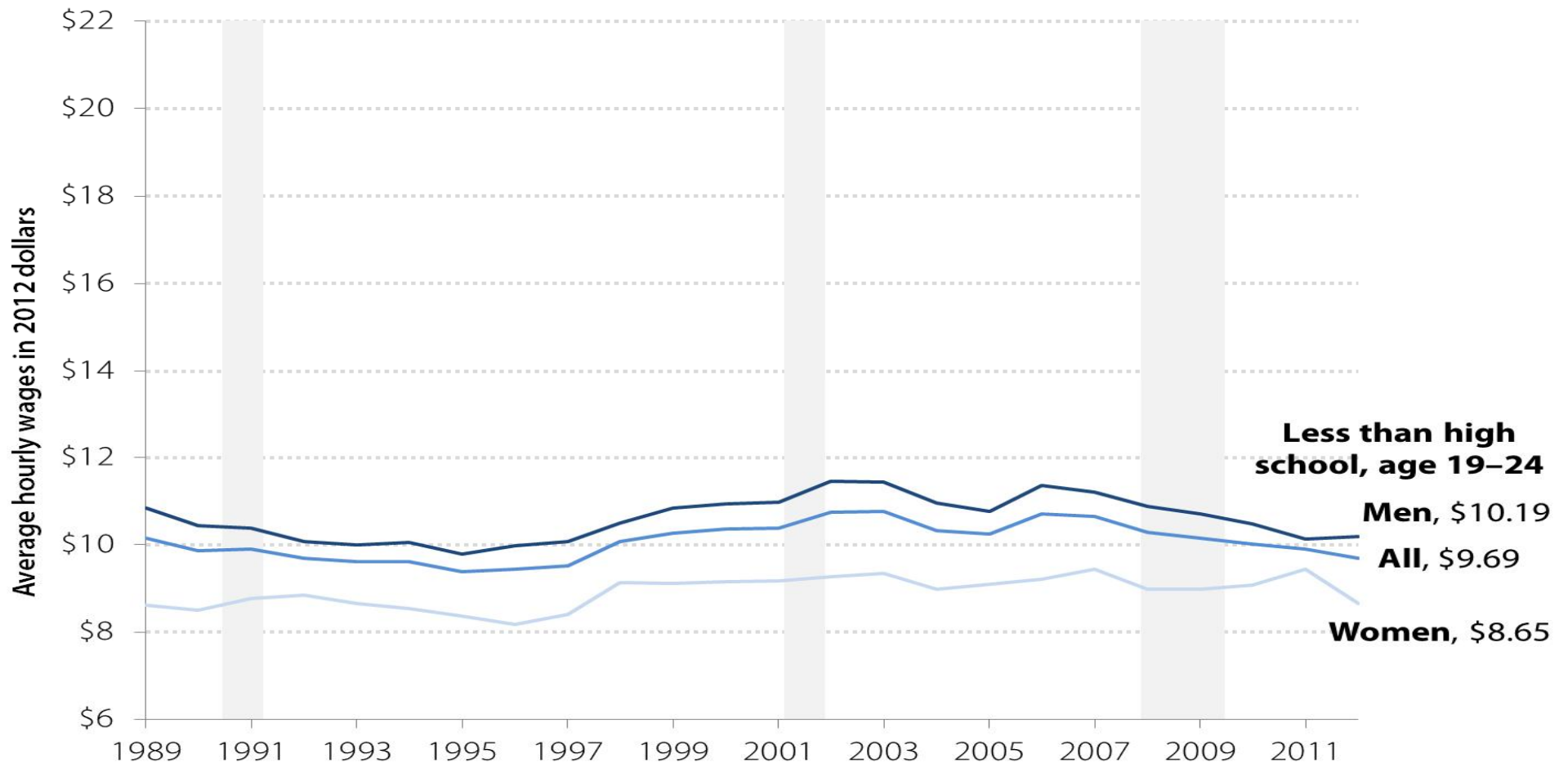
Source: Authors' analysis of Current Population Survey Outgoing Rotations Group microdata



Economic Policy Institute

Research and Ideas for Shared Prosperity

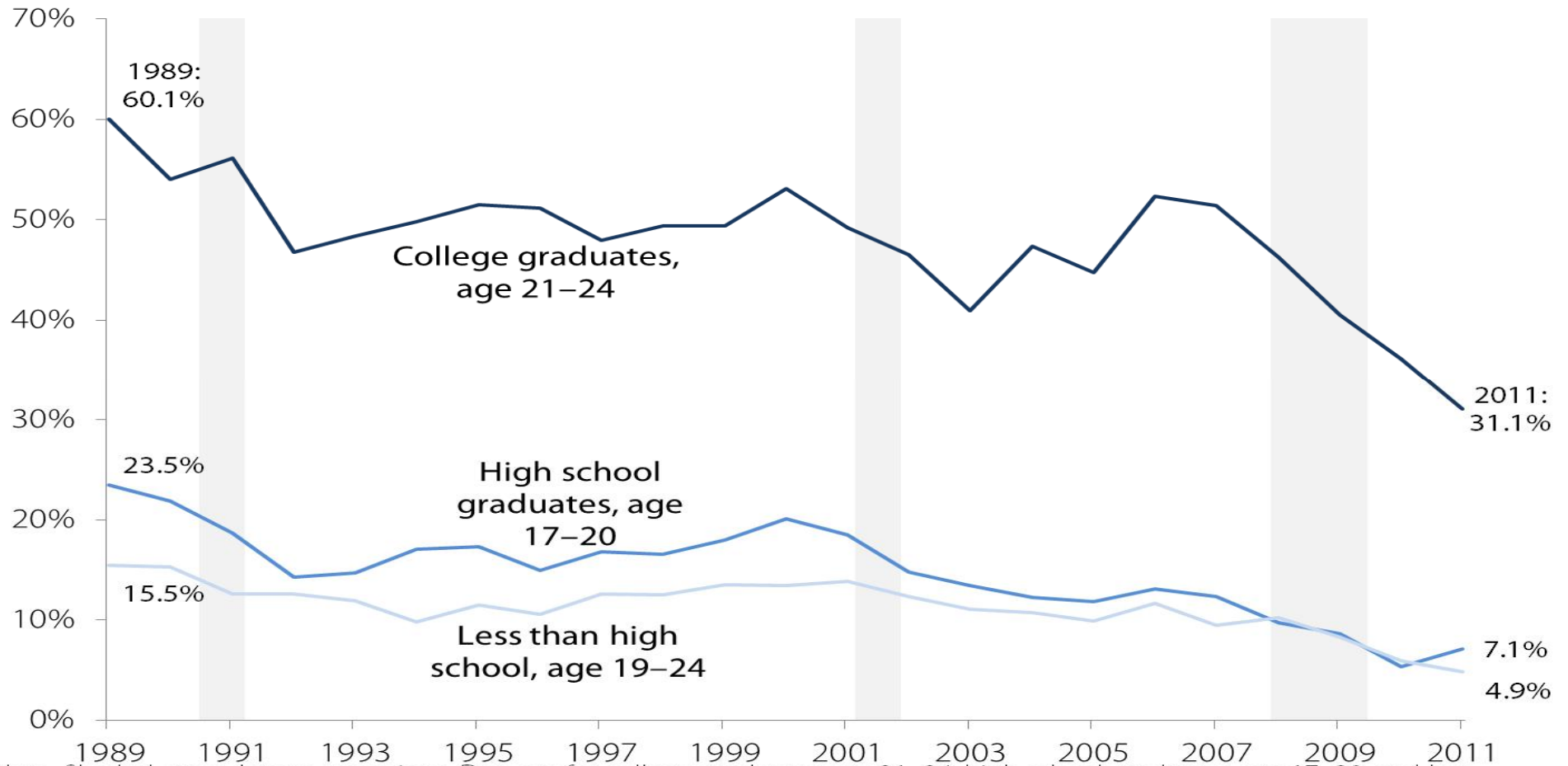
Real average hourly wages of workers without a high school degree, age 19-24



Note: Data are for college graduates age who are not enrolled in further schooling. Shaded areas denote recessions.
Source: Authors' analysis of Current Population Survey Outgoing Rotations Group microdata



Share of workers with employer-provided health insurance



Note: Shaded areas denote recessions. Data are for college graduates age 21-24, high school graduates age 17-20, and less than high school age 19-24 who are not enrolled in further schooling.

Source: Authors' analysis of Current Population Survey Annual Social and Economic Supplement microdata



Economic Policy Institute

Research and Ideas for Shared Prosperity

Policy priorities for the current moment

Weak labor market outcomes for young workers relative to 2007 are a symptom of weak demand for workers more broadly

The one and only thing that will reverse that in a reasonable time frame is aggressive fiscal stimulus

For more information

Economic Policy Institute

**1333 H Street, NW
Suite 300, East Tower
Washington, DC 20005-4707
*202.775.8810***

www.epi.org



Economic Policy Institute
Research and Ideas for Shared Prosperity