

The Economic Recovery's Untold Story: Black and Hispanic Female Teens Face a Growing Employment Crisis

Employment during the teen years provides valuable work experience that helps prepare teens for a successful future, and in some cases, enables them to contribute to their families' finances. But teen employment was hit hard by the recession, during which teens lost nearly one million jobs overall. Their unemployment rose sharply – by 8.3 percentage points – from 16.3 percent in June 2007, the last summer before the recession, to 24.6 percent in June 2009, the official end of the recession. And the first two years of the recovery, from June 2009 to June 2011, brought little improvement for teens overall. Their unemployment declined, but just by 0.1 percentage point to 24.5 percent in June 2011, and they continued to lose jobs, though fewer than they lost during the recession.¹

These overall numbers mask even more troubling trends for black and Hispanic female teens. During the first two years of the recovery, black and Hispanic female teens lost far more jobs than they did during the recession and were the only groups of teens who suffered larger increases in unemployment than they had during the recession. Between June 2007 and June 2011, black and Hispanic female teens sustained larger increases in unemployment than their male counterparts.

Unemployment among black and Hispanic male teens remains at particularly high levels, but their plight has received some attention from policy makers, such as Mayor Bloomberg's new initiative in New York City.² However, the dramatic increase in unemployment and larger job loss among black and Hispanic female teens during the recovery has not been recognized or addressed.

Teen Unemployment during the Recession and Recovery

Black and Hispanic female teens were the only groups of teens whose unemployment rates increased more during the recovery than during the recession.

- During the recession, black female teens' unemployment rate increased by 3.8 percentage points, from 30.0 percent to 33.8 percent. During the first two years of the recovery, black female teens' unemployment rate rose even more – by 4.4 percentage points – to 38.2 percent in June 2011.
- During the recession, Hispanic female teens' unemployment rates increased by 6.6 percentage points, from 20.3 percent to 26.9 percent. During the first two years of the recovery, Hispanic female teens' unemployment rate rose even more – by 7.3 percentage points – to 34.2 percent in June 2011.

Although unemployment rates for all teens of color remain particularly high, black and Hispanic female teens' unemployment rates rose more between June 2007 and June 2011 than did the rates of their male counterparts.

- Between June 2007 and June 2011, the unemployment rate for black female teens rose by 8.2 percentage points, compared to 7.7 percentage points for black male teens. However, as of June 2011, the unemployment rate for black male teens, 41.5 percent, remained higher than the 38.2 percent unemployment rate for black female teens.
- Between June 2007 and June 2011, the unemployment rate for Hispanic female teens rose by 13.9 percentage points, compared to 12.4 percentage points for Hispanic male teens. However, as of June 2011, the unemployment rate for Hispanic male teens, 36.3 percent, remained higher than the 34.2 percent unemployment rate for Hispanic female teens.

| Change in Teen Unemployment Rates, June 2007 to June 2011 | | | | | | |
|---|-----------|-----------|-----------|--|---|---|
| | June 2007 | June 2009 | June 2011 | Percentage Point Change during the Recession, June 2007 to June 2009 | Percentage Point Change during the Recovery, June 2009 to June 2011 | Overall Percentage Point Change, June 2007 to June 2011 |
| Overall teens | 16.3% | 24.6% | 24.5% | 8.3 pp | -0.1 pp | 8.2 pp |
| All female teens | 13.9% | 22.2% | 21.6% | 8.3 pp | -0.6 pp | 7.7 pp |
| All male teens | 18.7% | 26.9% | 27.4% | 8.2 pp | 0.5 pp | 8.7 pp |
| Black female teens | 30.0% | 33.8% | 38.2% | 3.8 pp | 4.4 pp | 8.2 pp |
| Black male teens | 33.8% | 45.1% | 41.5% | 11.3 pp | -3.6 pp | 7.7 pp |
| White female teens | 11.6% | 19.2% | 18.8% | 7.6 pp | -0.4 pp | 7.2 pp |
| White male teens | 17.0% | 24.5% | 24.9% | 7.5 pp | 0.4 pp | 7.9 pp |
| Hispanic female teens* | 20.3% | 26.9% | 34.2% | 6.6 pp | 7.3 pp | 13.9 pp |
| Hispanic male teens* | 23.9% | 34.2% | 36.3% | 10.3 pp | 2.1 pp | 12.4 pp |

Source: Current Population Survey

*Unemployment rates for Hispanic teens are seasonally unadjusted. These numbers cannot be compared to the teen unemployment rate overall or the unemployment rates for black and white teens.

Teen Job Loss during the Recession and Recovery

Black and Hispanic female teens lost more jobs in the recovery than they did during the recession.

- Black female teens lost 40,000 jobs from June 2007 to June 2009, compared to 63,000 jobs lost from June 2009 to June 2011.
- Hispanic female teens actually *gained* 19,000 jobs during the recession, in stark contrast to the 122,000 jobs they lost during the first two years of the recovery.³

Black female teens lost more jobs from June 2007 to June 2011 than their male counterparts.

- Black female teens lost fewer jobs during the recession than their male counterparts (40,000 compared to 75,000). However, during the first two years of the recovery, black female teens lost 63,000 jobs while black male teens *gained* 13,000 jobs, resulting in net losses of 103,000 jobs for black female teens and 62,000 for black male teens from June 2007 to June 2011.

Hispanic female teens lost more jobs than their male counterparts during the recovery, but fewer jobs since June 2007.

- Hispanic female teens *gained* 19,000 jobs during the recession, while Hispanic male teens lost 72,000 jobs. During the first two years of the recovery, Hispanic female teens lost 122,000 jobs, while Hispanic male teens lost 74,000 jobs, resulting in net losses of 103,000 jobs for Hispanic female teens and 146,000 for Hispanic male teens from June 2007 to June 2011.

| Change in Number of Jobs Among Teens, June 2007 to June 2011 | | | |
|--|---|--|--|
| | Change during the Recession, June 2007 to June 2009 | Change during the Recovery, June 2009 to June 2011 | Overall Change, June 2007 to June 2011 |
| Overall teens | -988,000 | -663,000 | -1,651,000 |
| All female teens | -435,000 | -357,000 | -792,000 |
| All male teens | -553,000 | -306,000 | -859,000 |
| Black female teens | -40,000 | -63,000 | -103,000 |
| Black male teens | -75,000 | 13,000 | -62,000 |
| White female teens | -321,000 | -305,000 | -626,000 |
| White male teens | -471,000 | -273,000 | -744,000 |
| Hispanic female teens* | 19,000 | -122,000 | -103,000 |
| Hispanic male teens* | -72,000 | -74,000 | -146,000 |
| Source: Current Population Survey | | | |

*Job loss numbers for Hispanic teens are seasonally unadjusted. These numbers cannot be compared to teen job loss overall or job loss for black and white teens.

The Importance of Teen Employment

The loss of employment opportunities for teens can affect their future prospects as well as current income. Employment helps teens develop personal and professional skills that complement their schooling. And employment is especially important for low-income teens and teens of color, for whom it is particularly true that “less work experience today leads to less work experience tomorrow and lower earnings down the road.”⁴ Additionally, teens’ income can help support their families. Research shows that in low-income families with an employed teen, approximately nine percent of total family income comes from the teen’s earnings.⁵

Since the start of the recession, many teens have either dropped out of or never entered the labor force. The labor force participation rate for teens overall has declined during the last decade, and it dropped dramatically—by 7.9 percentage points—between June 2007 and June 2011. A decline in labor force participation among teens is not necessarily a cause for concern; teens who left (or never entered) the labor force may have decided to pursue other positive activities such as additional schooling or job training in place of paid employment.⁶ However, high teen unemployment rates show that a large percentage of teens who are looking for work cannot find it.

Conclusion

Although the recession officially ended over two years ago, the recovery has brought little improvement to the job market overall. Women actually lost ground during the first two years of the recovery,⁷ and for black and Hispanic female teens, as well as adult black women,⁸ the recovery has been harder than the recession itself. Policy makers need to recognize the worsening employment picture for women, especially women and female teens of color, and focus on creating jobs and opportunities for all.

Technical note:

Though the recession started in December 2007 this analysis considers the “recession” period for teens to encompass changes from June 2007 through June 2009 for two reasons. First, teen employment is often examined during the summer months and examining the changes in between summers better allows comparison of this analysis with other studies of teen employment. Second, the only data available for Hispanic male and female teens from the Bureau of Labor Statistics are seasonally unadjusted, and it is important when using seasonally unadjusted data that the same months of each year be compared. However, because the data presented for Hispanic teens are seasonally unadjusted, this data should not be directly compared to the seasonally adjusted data available for all, white and black teens.

The source of the data for this analysis is NWLC calculations from U.S. Dep’t of Labor, Bureau of Labor Statistics, CPS database, available at <http://data.bls.gov/pdq/querytool.jsp?survey=ln> (last visited Aug. 3, 2011). All figures are for individuals 16-19 years.

¹ The unemployment rate for teens overall decreased during the recovery, despite the fact that they lost jobs during this period. This is because overall teen labor force participation dropped during the recovery, so while jobs continued to be lost, there were fewer teens seeking employment during this time. Labor force participation dropped among female teens as well as teens overall during the recovery.

² Michael Barbaro & Fernanda Santos, “City Campaign Seeks to Lift Young Black and Latino Men,” *New York Times* (Aug. 4, 2011), available at <http://query.nytimes.com/gst/fullpage.html?res=9805E7DA1731F937A3575BC0A9679D8B63>.

³ The unemployment rate for Hispanic female teens increased during the recession, despite the fact that they gained jobs during this period. This is because Hispanic female teens actually increased their labor force participation during the recession (the only teen group to do so). So while some jobs were gained by

Hispanic female teens, it was not enough to satisfy the additional demand for them, thus the increase in unemployment. Labor force participation among Hispanic female teens dropped during the recovery, as it did for other teen groups.

⁴ Andrew Sum, Joseph McLaughlin, & Ishwar Khataia, Center for Labor Market Studies, “The Continued Collapse of the Nation’s Teen Job Market and the Dismal Outlook for the 2008 Summer Labor Market for Teens: Does Anybody Care?” Paper 9 (Jul. 2008), *available at* <http://hdl.handle.net/2047/d10015395>.

⁵ David S. Johnson & Mark Lino, “Teenagers: employment and contribution to family spending,” *Monthly Labor Review* Vol. 123, No. 9, (Sept. 2000) at 18 *available at* <http://stats.bls.gov/pub/mlr/2000/09/art2full.pdf>. Teens in this study, which uses data from the 1997-1998 Consumer Expenditure Survey, are 14-17 years old. Families are considered low-income if their pre-tax income is below 200 percent of the federal poverty threshold.

⁶ Although the age ranges do not directly correspond to the subject of this paper, a recent study from the Pew Hispanic Center shows a 24% surge in college enrollment among Hispanic youth ages 18 to 24 between 2009 and 2010 and a smaller increase in college enrollment for black youth. (The researchers did not analyze enrollment trends for black and Hispanic youth by gender.) (See Richard Fry, Pew Hispanic Center, “Hispanic College Enrollment Spikes, Narrowing Gaps with Other Groups” (Aug. 25, 2011) *available at* <http://pewhispanic.org/files/reports/146.pdf>). However, earlier research by the Economic Policy Institute shows that increased educational enrollment does not fully account for the decline in labor force participation. (See Kathryn A. Edwards & Alexander Hertel-Fernandez, Economic Policy Institute, “The Kids Aren’t Alright: A Labor Market Analysis of Young Workers,” Briefing Paper #258 (Apr. 2010), *available at* <http://www.epi.org/page/-/bp258/bp258.pdf?nocdn=1>.)

⁷ National Women’s Law Center, “Second Anniversary of the Recovery Shows No Job Growth for Women” (July 2011), *available at* <http://www.nwlc.org/sites/default/files/pdfs/recoverysecondanniversaryshowsnojobgrowthforwomenjuly0811.pdf>.

⁸ National Women’s Law Center, “Employment Crisis Worsens for Black Women during the Recovery” (August 2011), *available at* <http://www.nwlc.org/resource/employment-crisis-worsens-black-women-during-recovery>.