

# Youth Labor Force Trends and Issues in Massachusetts

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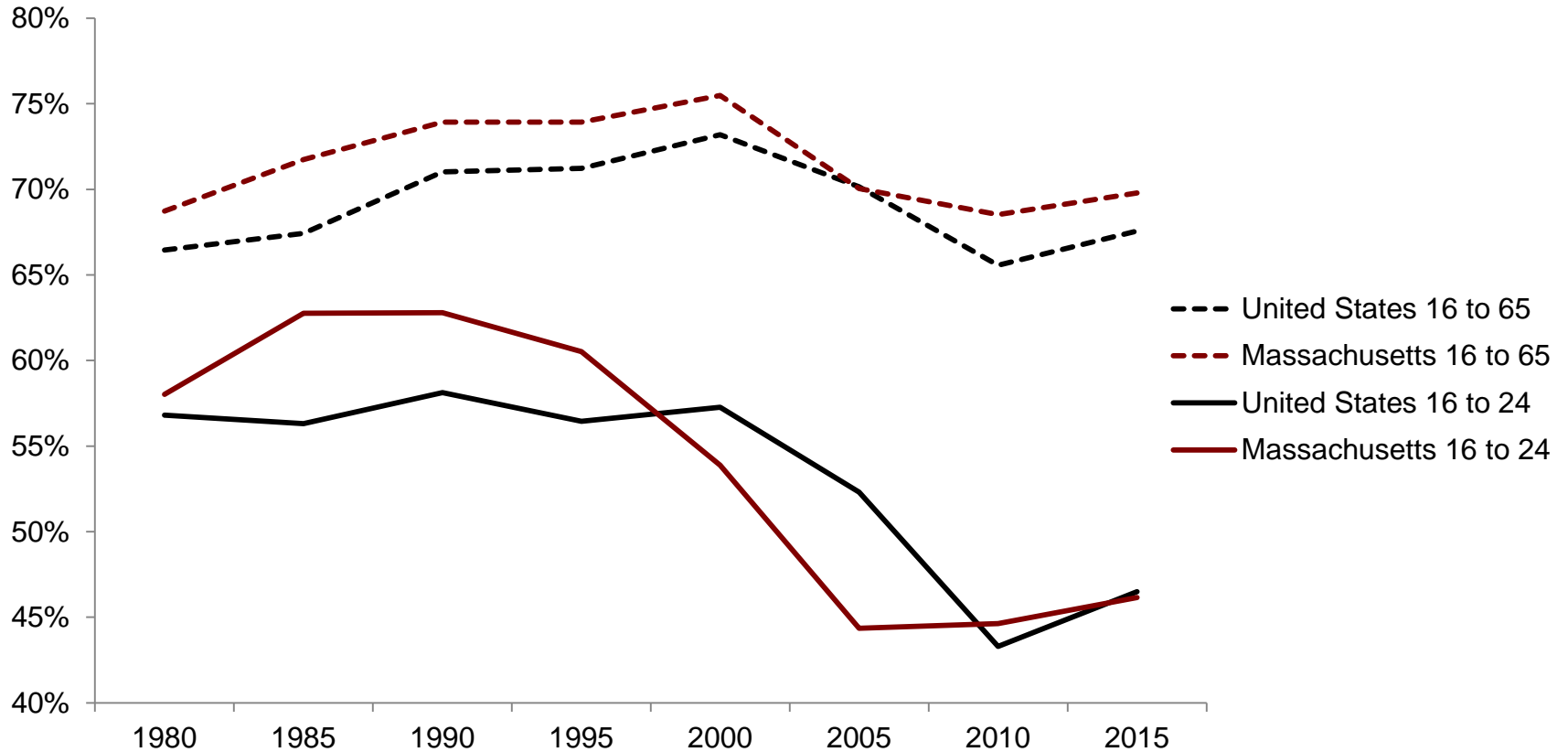
# Presentation Overview-Young Adult Labor Force

- Historic employment rates in Massachusetts
- The current state of the youth labor market in MA
  - Differences in labor market outcomes for different segments of the population
    - Race and social class
  - Regional differences in MA
  - Industry and occupational concentrations
- Why youth labor force participation matters and other labor market issues



# Historical Employment Rates (16 to 24 Year-olds)

## Employment Rate (1980-2015)

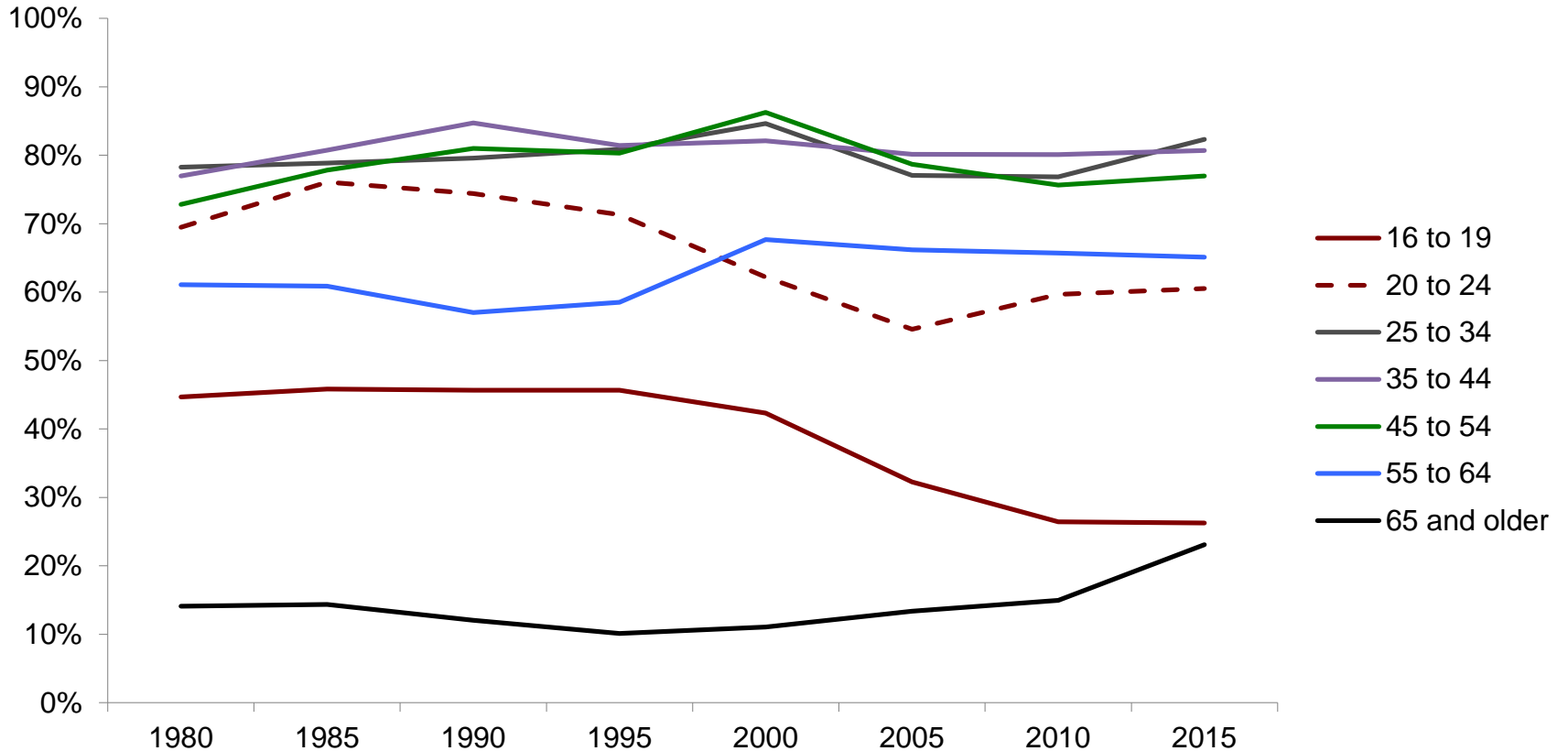


Source: Current Population Survey (CPS) 1980-2015, UMass Donahue Institute, Economic Public Policy Research Group



# Historical Employment Rates in Massachusetts

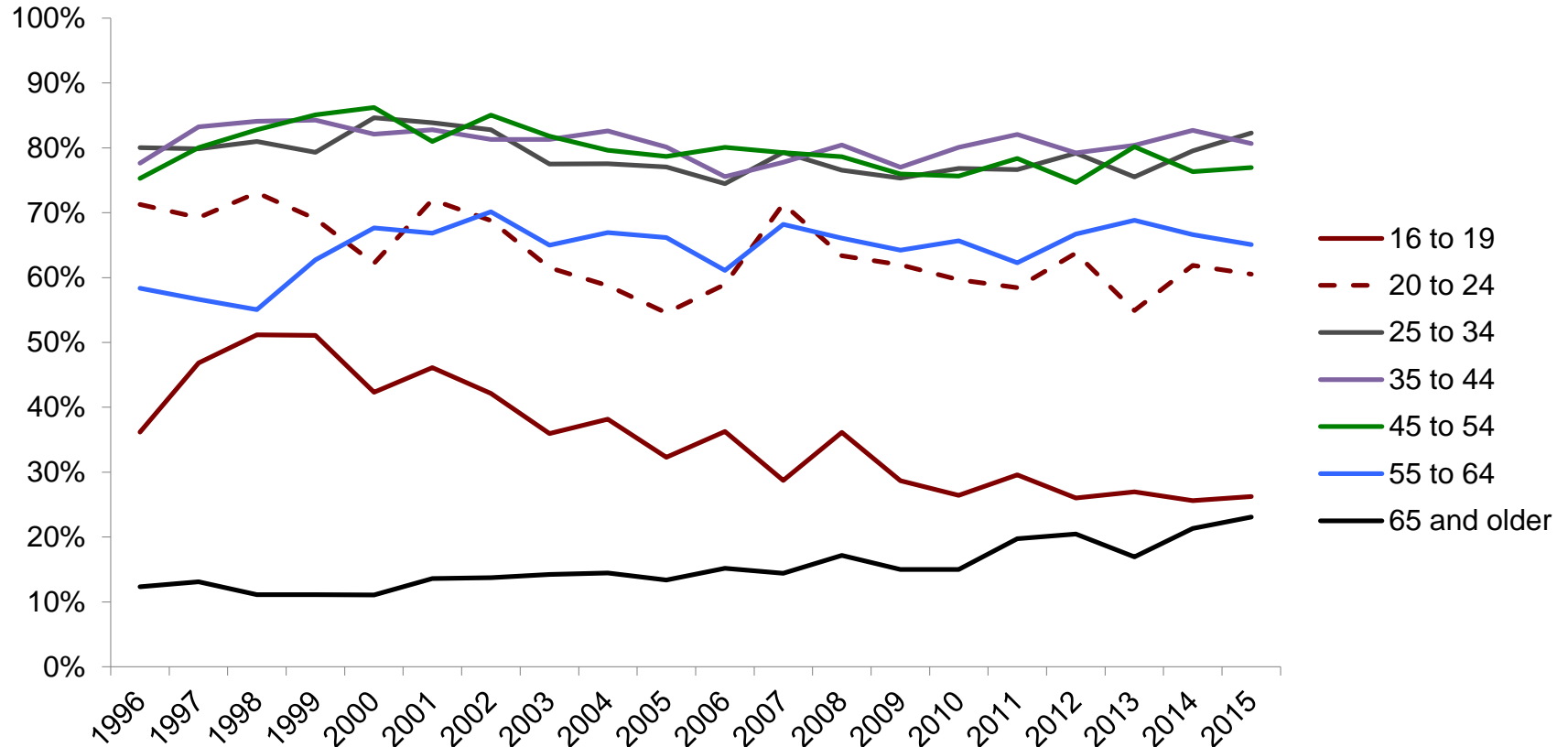
## Civilian Employment Rate in Massachusetts (1980 - 2015)



Source: Current Population Survey (CPS) 1980-2015, UMass Donahue Institute, Economic Public Policy Research Group

# Historical Employment Rates in Massachusetts

## Civilian Employment Rate in Massachusetts (1996 - 2015)

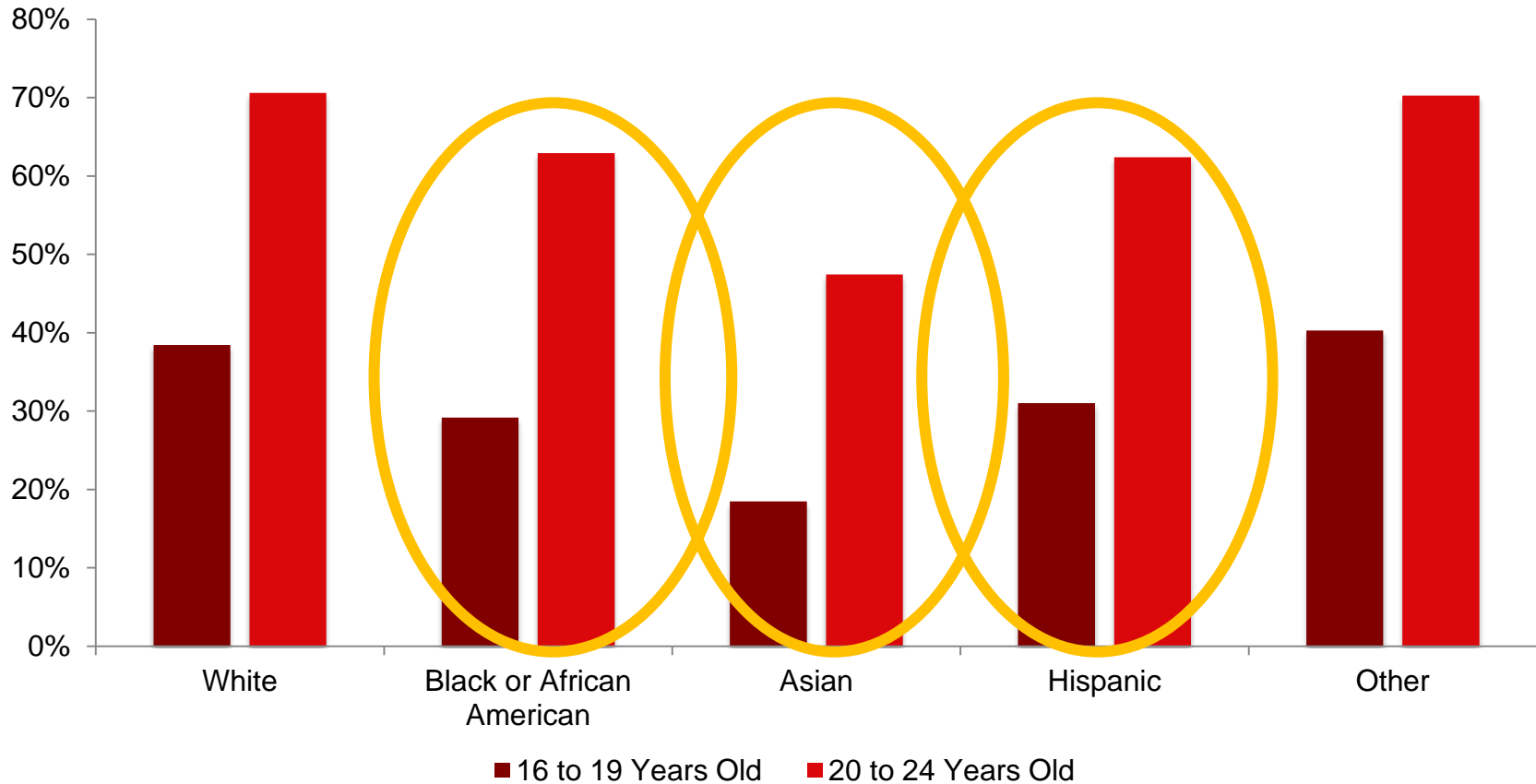


Source: Current Population Survey (CPS) 1980-2015, UMass Donahue Institute, Economic Public Policy Research Group



# Massachusetts Employment Rate by Race and Ethnicity

## Employment Rate by Race and Ethnicity

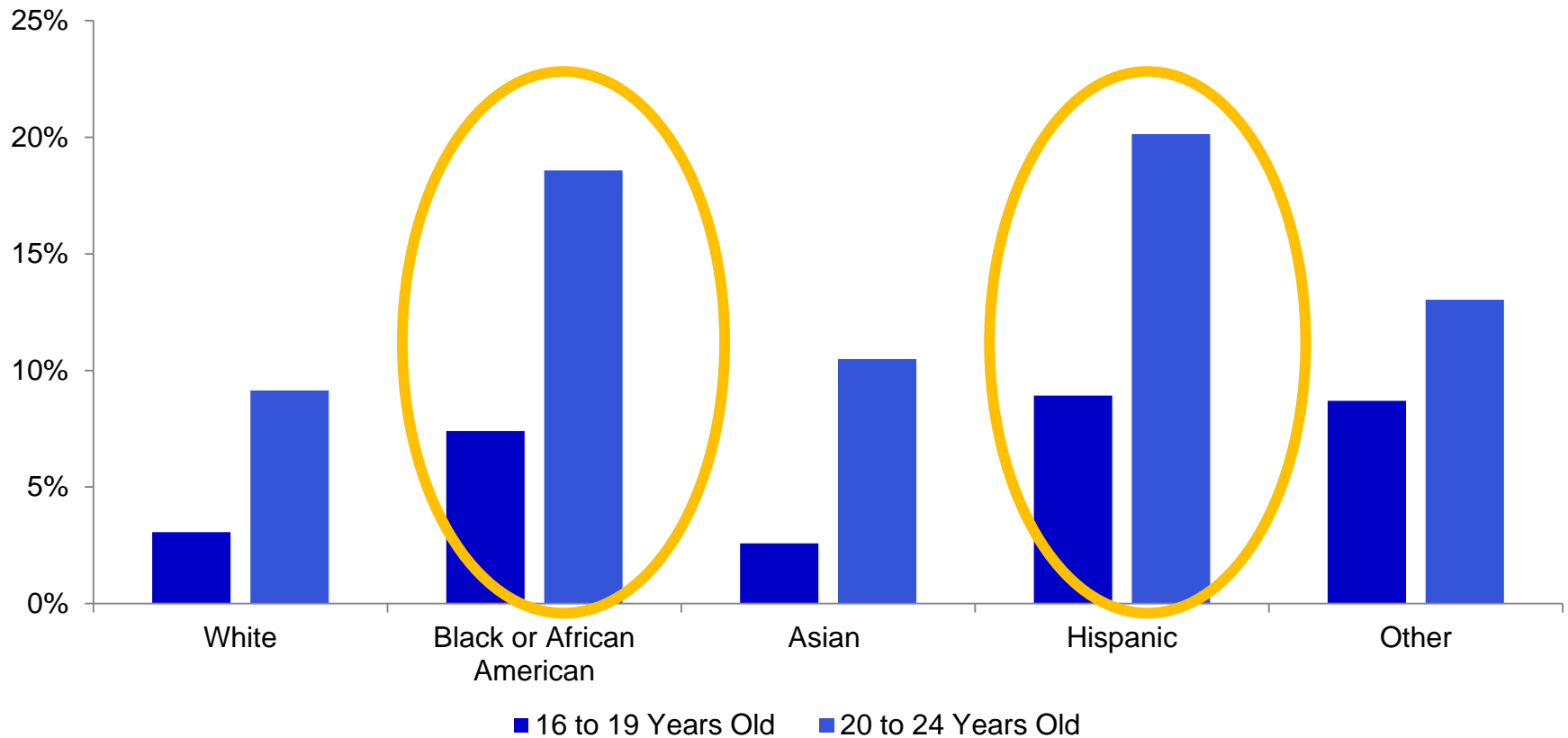


Source: 2014 American Community Survey (ACS), Public Use Microdata Sample, UMass Donahue Institute, Economic Public Policy Research Group



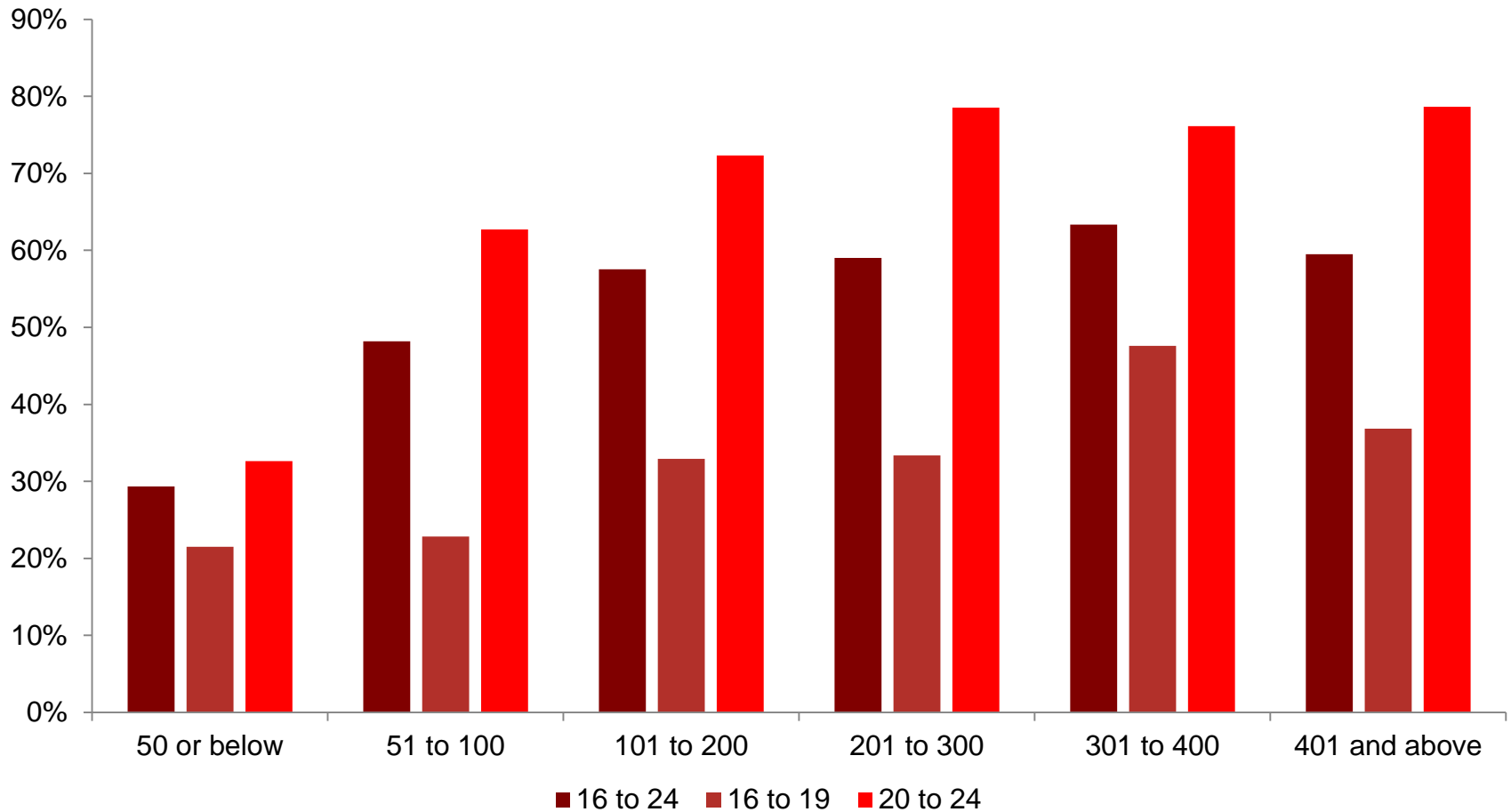
# Massachusetts Disconnected Rate by Race and Ethnicity

## Disconnected Rate by Race and Ethnicity



Source: 2014 American Community Survey (ACS), Public Use Microdata Sample, UMass Donahue Institute, Economic Public Policy Research Group

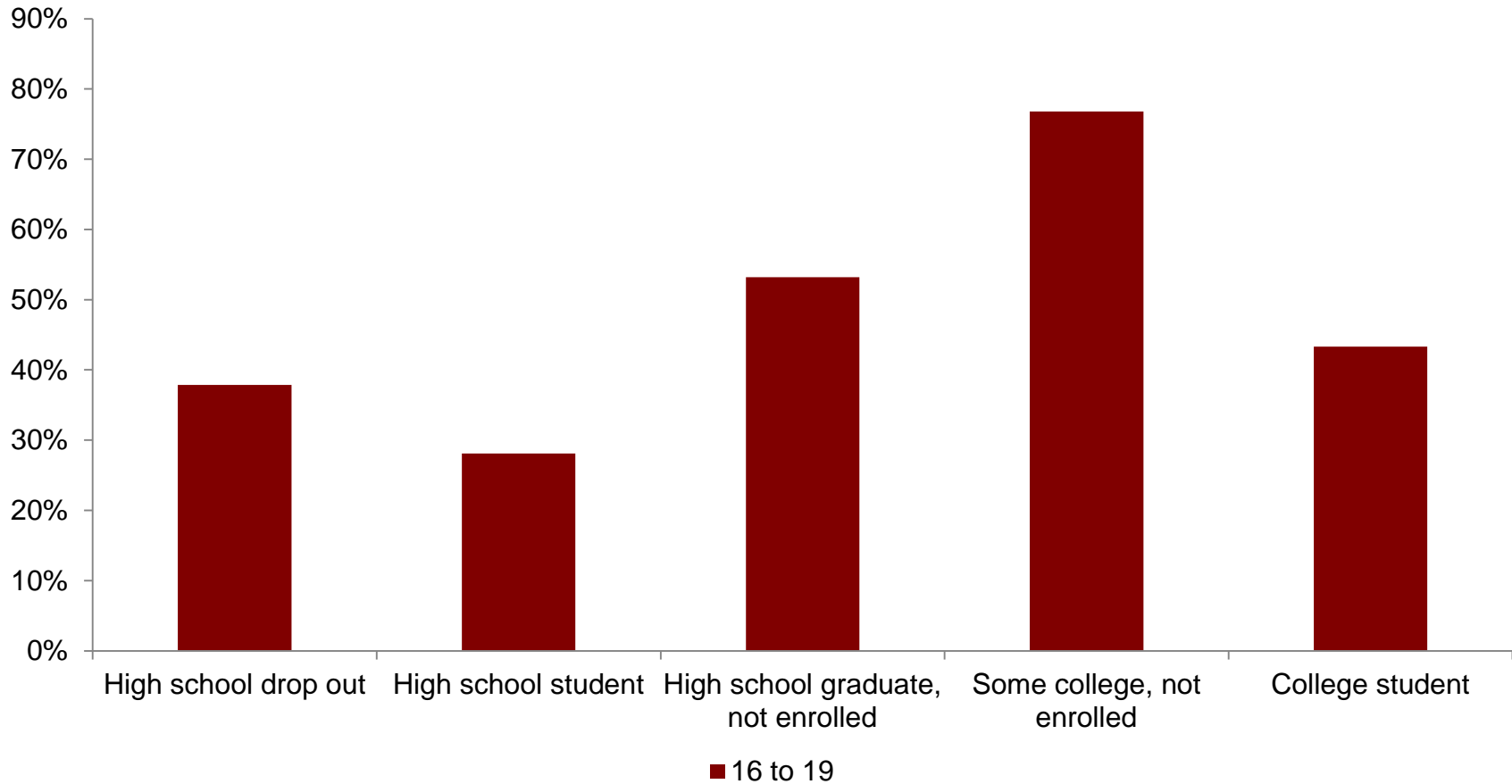
# Massachusetts Employment Rate by Income-to-Poverty Ratio



Source: 2014 American Community Survey (ACS), Public Use Microdata Sample, UMass Donahue Institute, Economic Public Policy Research Group



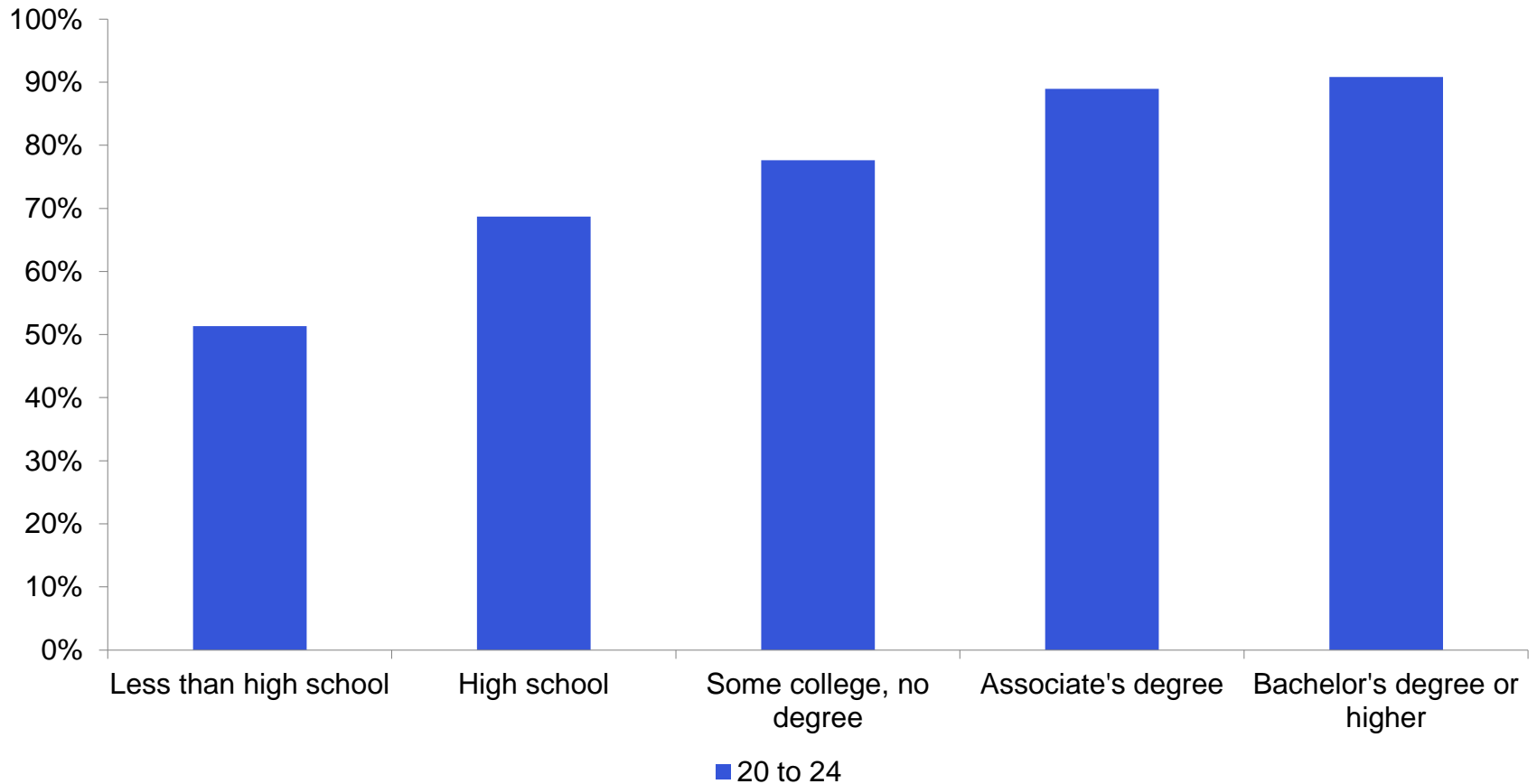
# Employment Rate by School Enrollment and Educational Attainment for 16 to 19 Year-olds



Source: 2014 American Community Survey (ACS), Public Use Microdata Sample, UMass Donahue Institute, Economic Public Policy Research Group

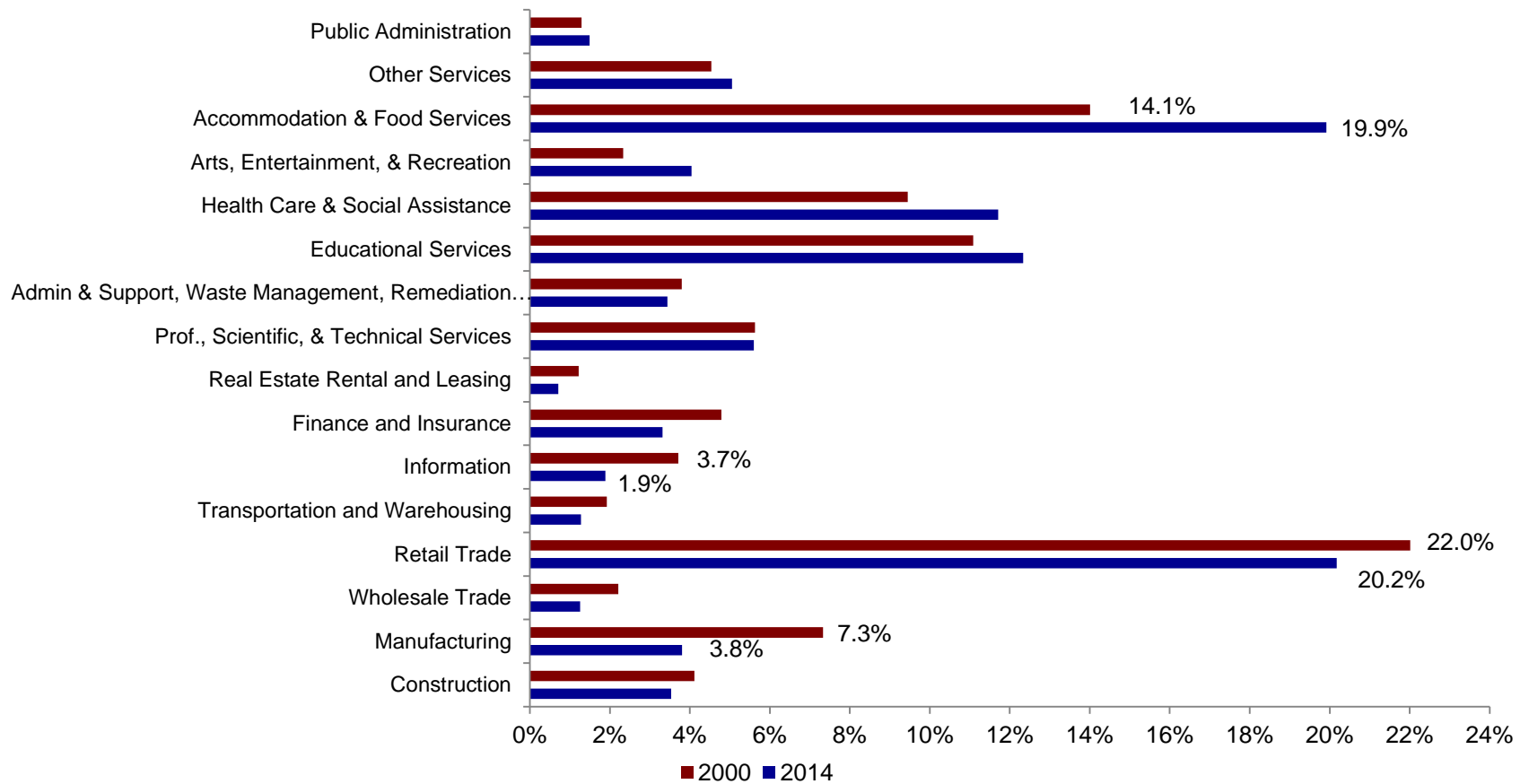


# Employment Rate by Educational Attainment for 20 to 24 Year-olds-Not Enrolled in School



Source: 2014 American Community Survey (ACS), Public Use Microdata Sample, UMass Donahue Institute, Economic Public Policy Research Group

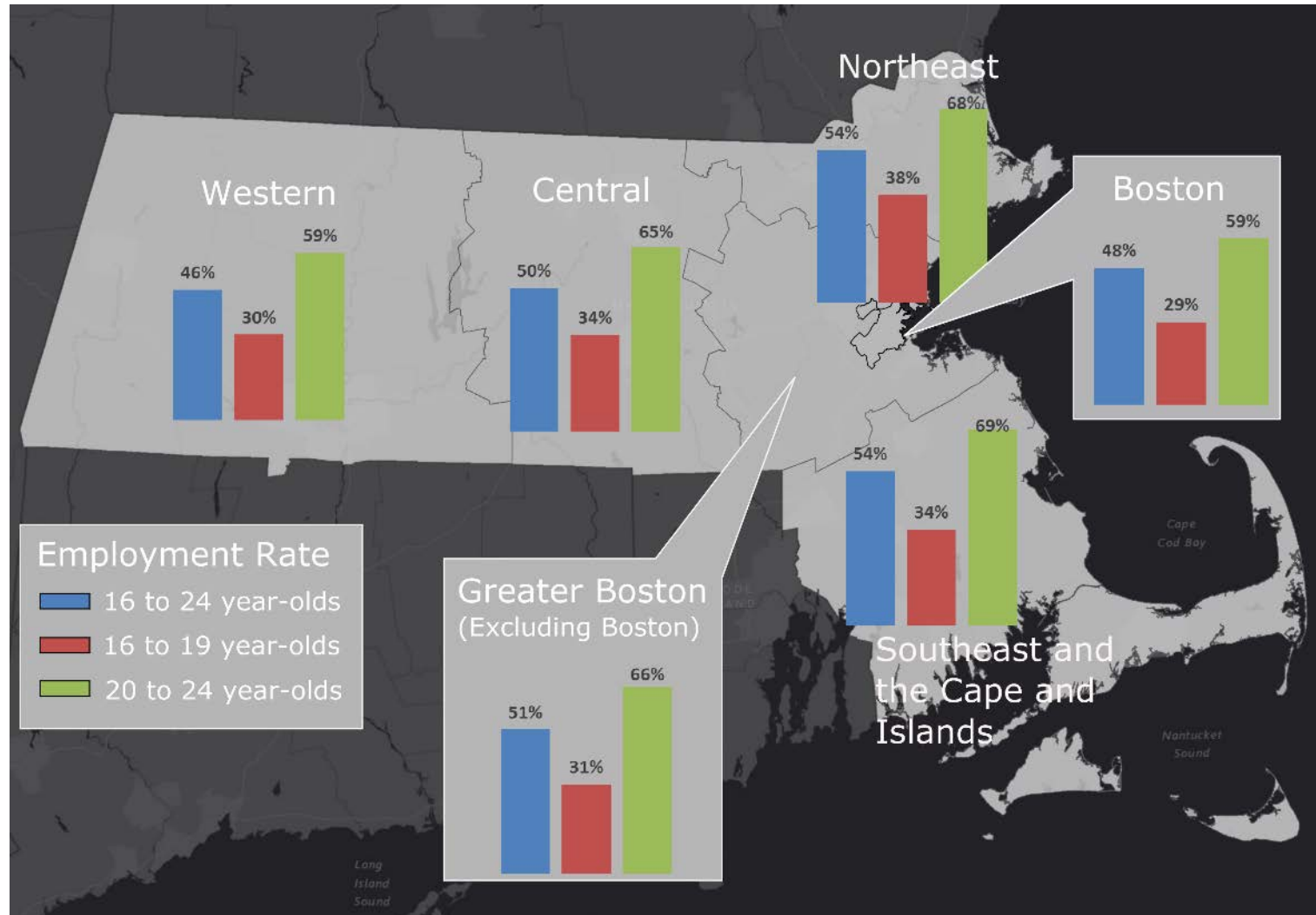
# Employment by Industry (16 to 24 Year-olds)



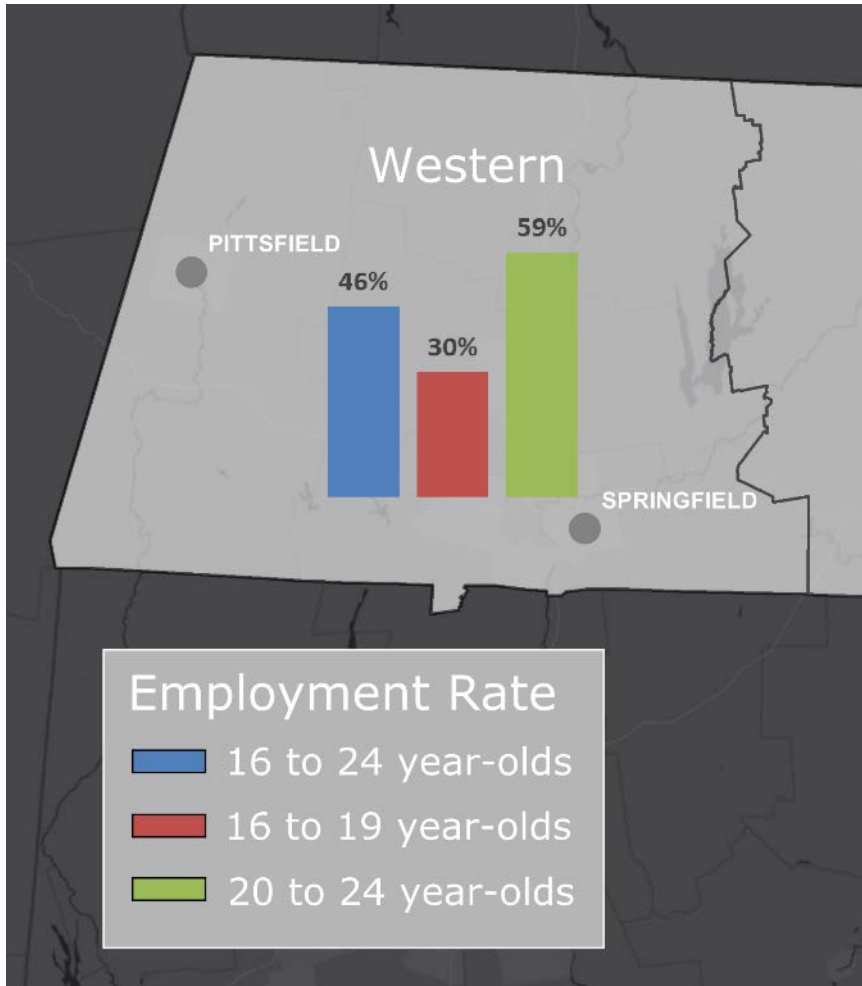
Source: 2000 Census and 2014 American Community Survey (ACS), Public Use Microdata Sample, UMass Donahue Institute, Economic Public Policy Research Group



# Employment Rate by Region



## Employment Rate by Region: Western



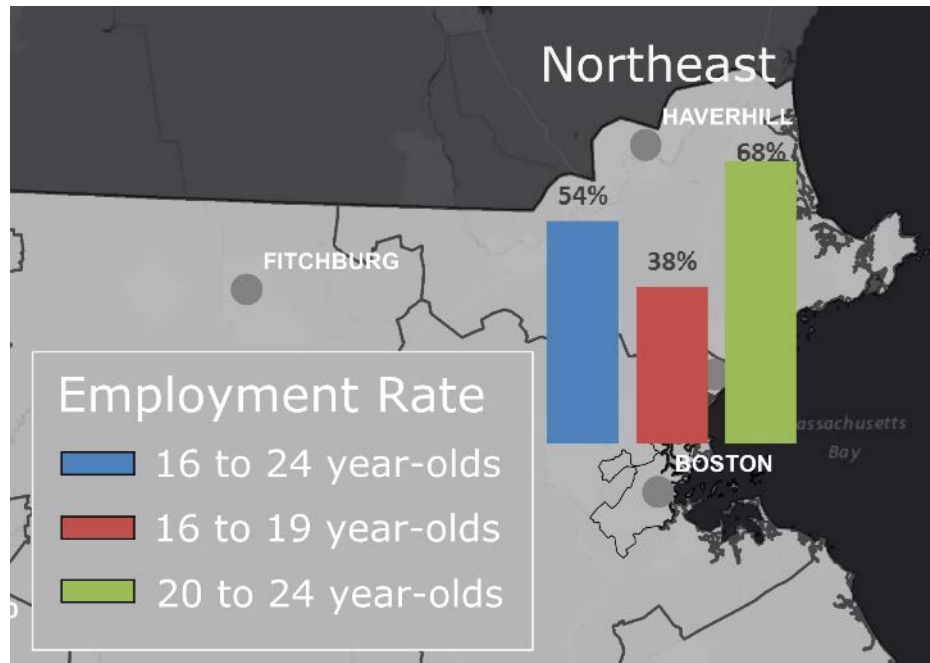
- Lowest employment rate for youth in state.
- Highest youth disconnected rate in state.
- Very high disconnected rate for Hispanic youth.
- Employment rates for all education levels are below average.

## Employment Rate by Region: Central



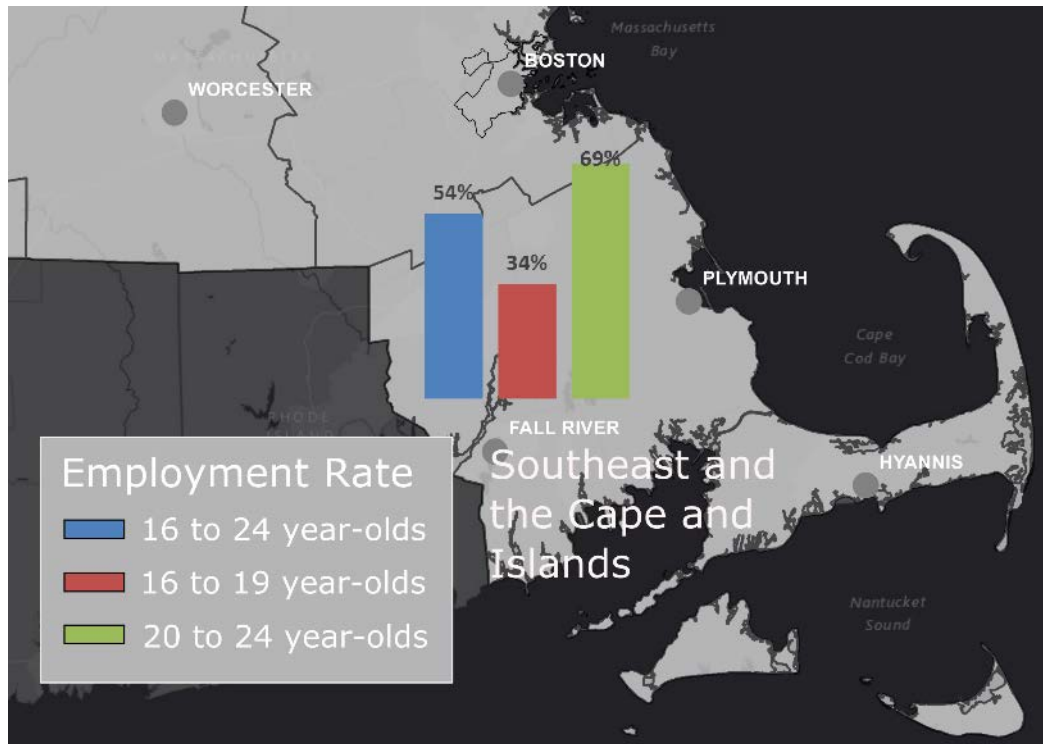
- Youth employment rate similar to state averages.
- Third highest disconnected rate, trailing only Western, and Southeast and Cape
- Lowest disconnected rate for Black/African American teens.
- Lowest employment rate for teenage high-school dropouts in state.

## Employment Rate by Region: Northeast



- Above average youth employment rate, especially for teenagers.
- Highest employment rate statewide for teen high school students and teen graduates.
- Second lowest employment rate for Black/African American youths.
- Disconnected rates for black and Hispanic young adults are twice that of white youth in region.

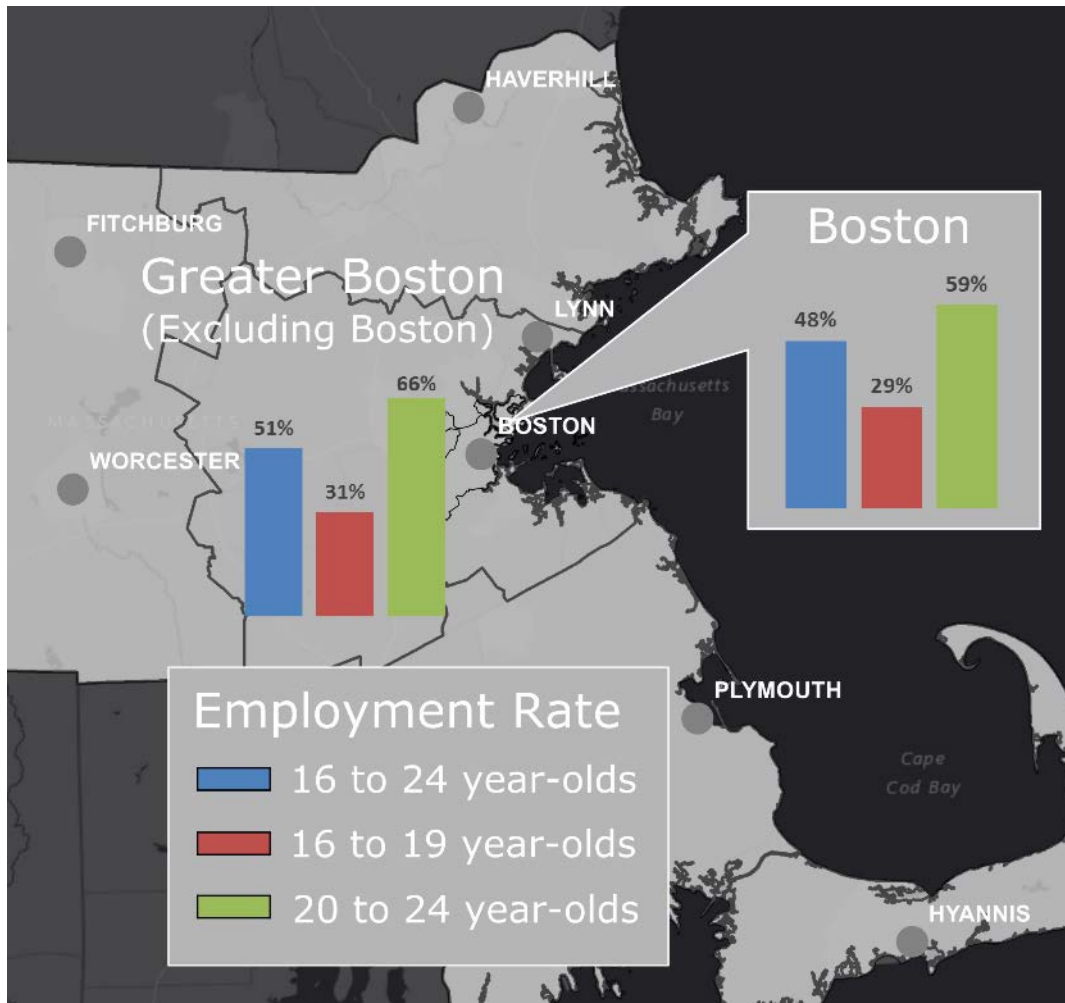
## Employment Rate by Region: Southeast and Cape



- Highest employment rate for 16 to 24 year olds in state.
- Below average employment for non-white racial and ethnic groups.
- Second highest disconnect rate in state.
- Above average employment for youth in extreme poverty



# Employment Rate by Region: Greater Boston



- Greater Boston (GB) has same employment rate as state, the City of Boston is below average.
- In GB employment for some minorities is above state average.
- City has the highest rate of college graduate employment in state.
- Below state average employment rate for teens in both areas.

# Summary of Findings

- Youth labor force participation is down
- Young workers appear to be competing with older workers in the labor market
- There is a clear relationship between the race, class, gender, and educational attainment of 16 to 24 year-olds and employment rates
- The occupational mix for young workers is changing
- There are also significant regional differences in youth employment rates throughout the Commonwealth

# Why is Youth Employment Declining?

- Economic Factors
- Competition from older workers
- Technology
- Increased school enrollment

# Policy Issues

- Why does youth employment matter?
- Racial/ethnic disparity in teen employment in Massachusetts
- Disparity exacerbated when family income is considered
- Youth employment helps young people understand labor market and transition into it
- Periods of unemployment can have a substantial follow-on effect in terms of future wages
- 2012 data shows that a skill gap exists in Massachusetts
- Retirement of the “baby boomers” leading to future labor shortages?

**For More Information:**

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