



[Recession hits young workers particularly hard, says new EPI report](#)

The unemployment rate among young workers in the U.S. has surged by more than 7.4 points since the recession began in December 2007, far outpacing the 4.7 point increase for the overall workforce, according to a new Economic Policy Institute report on the severe economic difficulties confronting young workers.

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The unemployment rate among young workers – those between the ages of 16 and 24 – peaked at a record high of 19.2% in September 2009, up from 11.8% in December 2007, according to the report, *The Kids Aren't Alright*, by EPI researchers Kathryn Edwards and Alexander Hertel-Fernandez.

Young workers now account for 26.4% of unemployed workers, even though they account for just 13.5% of the overall labor force. (The labor force comprises both employed workers and unemployed workers actively seeking work). By contrast, workers over the age of 55 account for 13.4% of unemployed workers and 19.1% of the labor force.

The Kids Aren't Alright describes the particular challenges facing jobless young workers: with no prior work history, many young workers lack a safety net of personal savings and do not qualify for unemployment insurance. Workers under age 35 also have more debt, relative to assets, than any other age group.

Moreover, young workers may be forced to take jobs at wages that do not match their skill levels. Past research has shown how such skills mismatches can lead to lower *lifetime* earnings for workers.

Although all young workers face a severely weakened job market, the situation is even more dire among certain groups of young workers. Young men have an unemployment rate 7.5 points higher than that of young women. Young black workers face an unemployment rate of 32.5%, compared with 15.2% for young white workers. Among young Hispanic workers, the unemployment rate has more than doubled since the recession began, from 11.0% in December 2007 to 24.2% in January 2010.

These rates of high unemployment cannot be explained away by increases in high school and college enrollment. In the first 24 months of the recession, enrollment of 16 to 24 year olds in high school or college increased by 861,000, while over the same period the labor force of the same age group declined by 1.5 million, according to the report.

The Kids Aren't Alright -- A Labor Market Analysis of Young Workers

by Kathryn Anne Edwards and Alexander Hertel-Fernandez

<http://www.epi.org/publications/entry/bp258/>