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# More than half of teens forgo summer jobs

By Barbara Hagenbaugh, USA TODAY

WASHINGTON — Most U.S. teenagers were not working or looking for work at the beginning of the summer for the first time on record, suggesting teens are forgoing the traditional summertime work at ice cream stands, camps and pools.

Only 48.8% of teens ages 16 to 19 were working or looking for work in June, the Labor Department said Friday. That was down from 51.6% in June 2006 and below the 60.2% in the labor force in June 2000.

Labor force participation among teens in June peaked in 1978, when 67.7% of Americans ages 16 to 19 were working or looking for work. Data have been collected since 1948.

But the decline doesn't mean students are idle.

Perhaps the biggest reason teens are bypassing work is to spend more time studying, even during the summer: 37.6% of teens ages 16 to 19 were enrolled in school in July 2006, up from 36.5% a year earlier and more than three times the share enrolled two decades ago, according to the Labor Department.

Students are accurately seeing that a good education has become more important for their careers and future wages, says Daniel Sullivan, senior economist at the Federal Reserve Bank of Chicago. "The value of school is higher than it used to be," he says.

Other issues:

•**Finances.** Household net worth has risen swiftly in recent years, in part because of strong stock market gains. That has given parents the ability to save more for college and has taken pressure off kids to sock away money for school, LaSalle Bank chief economist Carl Tannenbaum says.

"A lot more ... families have been much more actively involved in saving for college than ever before," he says.

•**Competition.** Even though fewer teens were in the labor force in June, the unemployment rate was 15.8% for those 16 to 19, or more than three times the rate for the entire workforce. That suggests that teens who want to work are having trouble finding jobs.

"Competition from foreign immigrants and older workers for jobs previously held by teenagers has steadily intensified," says Mark Zandi, Moody's Economy.com chief economist. Seeing such competition, teens may just give up trying to work.

A number of economists say if kids stay in school, they, and the economy, could benefit. "As long as these people are studying properly and getting something from their education, when they do enter the labor force, they will be more qualified, and in the long term, more productive," Global Insight U.S. economist Nigel Gault says.

University of Minnesota professor Jeylan Mortimer says working moderate amounts during high school helps teens not only learn skills such as how to work with others, but also helps develop self-esteem.