Youth Workforce and the Impact of COVID-19

Memorandum Report 2020-12

December 8, 2020

To: County Council

From: Stephanie Bryant, Legislative Analyst
Office of Legislative Oversight

This memorandum report responds to the Council's request to examine youth employment in Montgomery County. This memorandum has five sections:

- **Section A** defines youth employment;
- **Section B** describes national youth workforce trends;
- **Section C** provides demographic data on the youth workforce in Montgomery County;
- **Section D** examines the impact of COVID-19 on summer employment and future trends; and
- **Section E** provides a summary of trends and recommended discussion questions for the Council.

This report examines employment of "youth" ages 16-24, at times looking at data for two subgroups of youth: "teens" (ages 16-19) and "young adults" (ages 20-24). In sum, the data in this report show that:

- Despite overall national job recovery in the last decade, the youth workforce has not recovered to pre-Great Recession levels. As a result, the unemployment gap between youth workers and adult workers grew between 2009 to 2019.
- Black teens in Montgomery County have the highest unemployment rate among their peers (40.6%) – eight times higher than White teens and four times higher than Asian and Latinx teens.
- Half of teens in the County, and just over 40% of young adults, work in the food service and entertainment industry, which was highly impacted by the COVID-19 pandemic and stay-at-home orders. Nationally, summer youth employment in the leisure and hospitality industries (including food service and entertainment sectors) was down 1.1 million (20.9%) compared to July 2019 and retail industry employment was down 89,000 (2.4%) due to the COVID-19 pandemic.
- Nationally, in July 2020, White youth had the highest labor force participation in summer employment and the largest decline in unemployment rates, falling 9.1 percentage points from April to July 2020. During the same time, Black, Asian, and Latinx youth in the labor force experienced smaller decreases in unemployment rates, meaning those youth in the workforce were less likely to find employment.
- The response to Montgomery County Department of Recreation's COVID Corp Program was overwhelming, with the Program receiving over 1,300 applications in the first week to fill 132 slots. The Program received dedicated funding of $500,000 from the County.

OLO appreciates all of the effort, assistance, and feedback provided for this report. The following individuals met with and/or provided information to OLO: **Department of Recreation** – Marhonda Williams and Jonathan Smink; **WorkSource Montgomery** – Camille McKenzie and Sarah Van De Weert; **Maryland Workforce Alliance** – Ellie Giles. OLO staff members Leslie Rubin and Theo Holt also assisted with this report.

A. What is Youth Employment?

Youth ages 16-24 participate in the labor force through a variety of paths. High schoolers may attend school and/or work, and those with a high school diploma may attend a two- or four-year college, enroll in the armed forces, or secure employment. Some youth may attend work and school simultaneously, while others alternate between school and employment (e.g., summer jobs).[1] This OLO report focuses on youth ages 16-24 who participate in the labor force in all of these ways.

Youth employment has short and long-term benefits. Northeastern University (MA), which monitors outcomes for Boston's Summer Youth Employment Program, highlights several benefits from early work experience:

- Increasing employment opportunities through job readiness (e.g., resume assistance, interview skills, exploring career pathways, etc.);
- Raising academic achievement and aspirations (e.g., receive career training, attend college, etc.);
- Improving behavioral outcomes (e.g., supportive relationships with adults, improve self-efficacy and conflict resolution, etc.); and
- Contributing financially to bills, rent, or savings for future expenses.[2]

Conversely, unemployed youth are more likely to have lower wages and face future unemployment than those employed. Studies indicate a wage penalty up to 20 years in the future, not only impacting individual earnings, but also their contributions to the tax base and the economy.[3] Aside from a loss of earnings, unemployment can contribute to skills erosion and impact career attainment.[4] The beginning of one's career is crucial to establish connections and build a network. Further, the consequences grow the longer unemployment lasts.[5]

The following defines youth employment for the purposes of this report and outlines three labor market indicators OLO uses to evaluate national and County youth workforce trends (Sections B and C, respectively).

[1] Adrienne L. Fernandes-Alcantara, Youth and the Labor Force: Background and Trends, Congressional Research Service, August 20, 2018, https://fas.org/sgp/crs/misc/R42519.pdf

[2] Alicia Sasser Modestino, Saving Summer Jobs: How Can Summer Youth Employment Programs Improve Youth Outcomes during COVID-19?, North Eastern University School of Public Policy and Urban Affairs, June 26, 2020, https://www.youtube.com/watch?v=0AW08b7NUuo

[3] Elisabeth Jacobs, Twelve Ways to Fix the Youth Unemployment Crisis, Brookings Institution, May 2014, https://www.brookings.edu/wp-content/uploads/2016/06/brookings_jacobsunemployment_to-print.pdf; NPR, A 'Lost Generation Of Workers': The Cost Of Youth Unemployment, July 2, 2014, https://www.npr.org/2014/07/02/327058018/a-lost-generation-of-workers-the-cost-of-youth-unemployment

[4] Ryan Santacrose, Long Term Consequences of Youth Unemployment, U.S. Chamber of Commerce, August 21, 2013 https://www.uschamberfoundation.org/blog/post/long-term-consequences-youth-unemployment/34032#:~:text=The%20combined%20cost%20of%20youth,earnings%20over%20the%20next%20decade.&text=Various%20research%20has%20shown%20that,lasting%20up%20to%2020%20years.

[5] *Ibid*.

1. Definitions

The U.S. Bureau of Labor Statistics (BLS) defines employment, unemployment, and age as part of its monthly Current Population Survey (CPS), a national representative survey of 60,000 households.[6] This report uses these definitions to describe labor force data and how it applies to youth.[7]

EMPLOYMENT	UNEMPLOYMENT
Individuals are employed if they have engaged in paid work during the CPS reference week. This includes part-time and temporary work and regular full-time, year-round employment. Individuals who may have a job, but are temporarily absent, are identified as employed (e.g., illness, vacation, childcare problems, etc.). BLS does not include unpaid internships as employment.	Individuals are unemployed if they are either (1) not working but on layoff awaiting recall **or** (2) not working, but actively looking for work (during the last four weeks) and available for work.

As indicated above, "youth" include workers ages 16 to 24. Workers up to age 24 are included as "youth" because they are often in school or living with parents. Some youth are neither employed nor unemployed (e.g., those in the armed forces, enrolled in school and not looking for work, or parents taking care of young children exclusively).[8] "Working-age adults" include workers ages 25 to 54.

The BLS defines the "labor force" as all workers ages 16 years and older who are employed and unemployed. Any individual who does not meet the definition of employed or unemployed is not counted as part of the labor force.[9]

2. Employment Measures

This report examines youth workforce trends at the national and county levels using three measures, which taken together provide a picture of the job market.[10]

LABOR FORCE PARTICIPATION RATE	EMPLOYMENT-POPULATION RATIO	UNEMPLOYMENT RATE
A measure of an economy's active workforce. The rate includes employed individuals, those actively seeking employment, and unemployed individuals. The rate is impacted by economic, social, and demographic trends.	The proportion of the non-institutionalized population who are employed. When the employment-population ratio rises, it means a larger percentage of the population is employed.	The proportion of the labor force that is jobless, looking for work, and available to work.

[6] U.S. Bureau of Labor Statistics, Labor Force Statistics from the Current Population Survey Overview, https://www.bls.gov/cps/cps_over.htm#coverage
[7] BLS, Concepts and Definitions, https://www.bls.gov/cps/definitions.htm#unemployed
[8] *Ibid*; Child Trends, Youth Employment, https://www.childtrends.org/indicators/youth-employment
[9] Adrienne L. Fernandes-Alcantara, Youth and the Labor Force: Background and Trends.
[10] *Ibid*; U.S. Bureau of Labor Statistics, Labor Force Statistics from the Current Population Survey Concepts and Definitions, https://www.bls.gov/cps/definitions.htm

B. National Youth Workforce Trends

The following analysis examines employment trends among teens (aged 16 to 19) and young adults (aged 20 to 24) compared to working-age adults (aged 25 to 54). This analysis explores the labor force participation rate, employment-population ratio, and unemployment rate using data from the BLS CPS survey. Section B concludes by highlighting factors that influence youth workforce trends.

1. National Youth Workforce Data Snapshot, 2019

In 2019, the U.S labor force participation rate for all workers (ages 16+) – the percent of the population that is in the labor force (employed and unemployed) – was 63.1% and the unemployment rate was 3.7%.

- Youth are less likely to participate in the labor force compared to working-age adults (55.9% vs. 82.5%);
- Youth have a lower employment-population ratio than working-age adults (51.2% vs. 80.0%); and
- Youth who participate in the labor force are less likely to find jobs than working-age adults (represented by the highest unemployment rate across all age groups).

When comparing workforce data among all youth:

- Young adults participated in the labor force at a higher rate than teens (72.2% vs. 35.3%);
- About two-thirds of young adults had jobs compared to less than one-third of teens (67.3% vs. 30.9%);

Young adults also had a higher unemployment rate compared to the overall U.S. unemployment rate.

Table 1. U.S. Labor Force Participation and Unemployment Rates, 2019

Age Group	Civilian, Non-Institutionalized Population (in thousands)	Labor Force Participation Rate (%)	Employment-Population Ratio (%)	Unemployment Rate (%)
All (16+)	**259,175**	**63.1**	**60.8**	**3.7**
Working-Age Adults (25-54)	126,281	82.5	80.0	3.1
Youth (16-24)	37,748	55.9	51.2	8.4
Teens (16-19)	*16,693*	*35.3*	*30.9*	*12.7*
Young Adults (20-24)	*21,055*	*72.2*	*67.3*	*6.7*

Source: OLO, BLS, Current Population Survey.

National Youth Demographic Participation and Unemployment Rates, 2019. The following compares youth workforce data by age and demographic group. The data show that:

Gender

- Nationally, teen women and men had similar labor force participation rates and employment ratios.
- Teen women in the labor market were more likely to find employment than teen men (unemployment rates 11.5% and 13.8%, respectively).

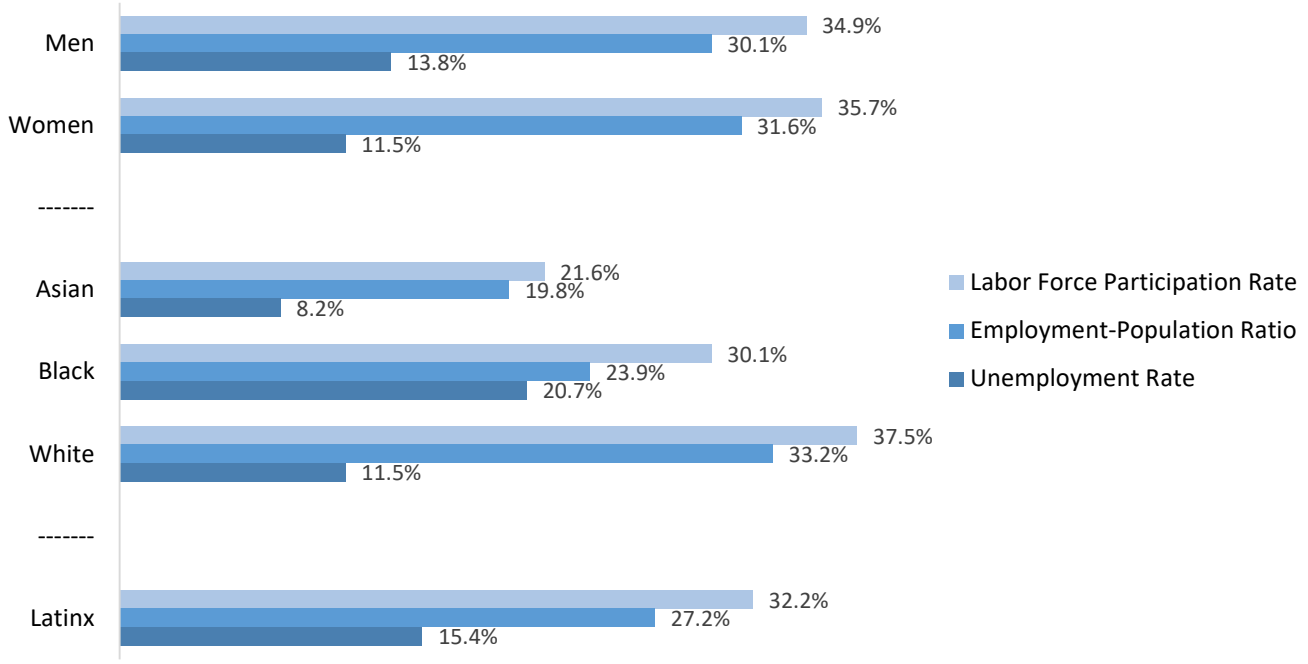
- Young adult men participated in the labor force at a greater rate than young adult women (74.0% to 70.4%). However, young adult women had a lower unemployment rate.

Race and Ethnicity

- For teens and young adults, White and Latinx youth had the highest participation rates; however,
- Latinx youth overall, however, were less likely to find employment compared to White youth (higher rates of unemployment).
- Black youth were less likely to participate in the labor market compared to White and Latinx youth and, at the same time, had the highest unemployment rate among all youth.
- Asian youth were least likely to participate, but were the most likely to find employment based on their low unemployment rates.

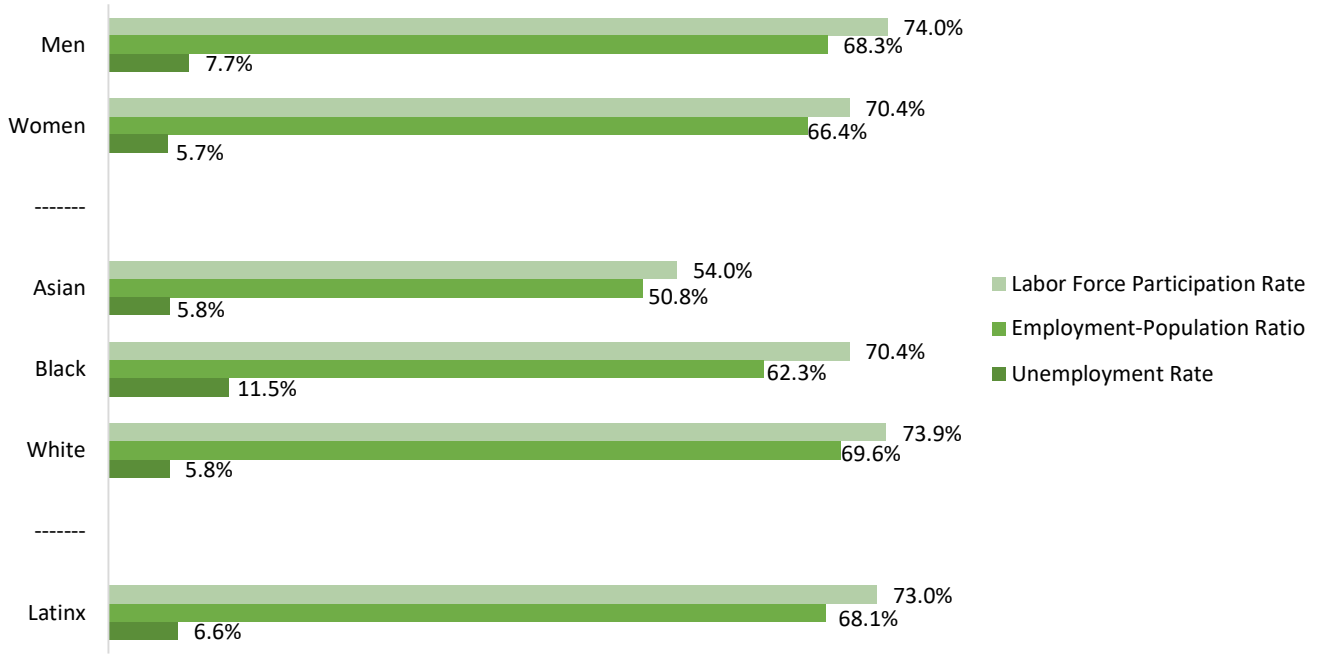
For teens (ages 16-19), employment-population ratios were the highest for White youth, with one-third employed. Latinx youth had the second highest employment-population ratio (27.2%), followed by Black (20.7%) and Asian youth (19.8%). Similar patterns emerged for young adults (20-24), with about 70% of White young adults employed, followed by Latinx young adults (68.1%). Less than two-thirds of Black young adults (62.3%) and one-half of Asian young adults (50.8%) were employed.

Chart 1. Ages 16-19: U.S. Teen Labor Force Demographic Data, 2019



Source: OLO; BLS, Current Population Survey.

Chart 2. Ages 20-24: U.S. Young Adult Labor Force Demographic Data, 2019



Source: OLO; BLS, Current Population Survey.

2. National Youth Workforce Trends, 2009-2019

Nationally, youth (ages 16-24) labor force participation peaked at 68.8% in 1979 and remained above 65% until experiencing a sharp decline beginning with the 2001 recession.[11] From 2000 to 2007, participation among youth decreased from 65.0% to 59.0% and their unemployment rate increased from 9.0% to 11.0%.[12] The data in the following table compare youth employment to employment of working-age adults from 2009 to 2019. The data show:

- The labor force participation rate for working-age adults (ages 25-54) has almost rebounded since the beginning of the Great Recession.
- Labor force participation rates for youth workers (ages 16 to 24) have not rebounded since the Great Recession, with the decline most notable for teens (ages 16-19). Teens are participating in the labor force at a lower rate in 2019 than at the beginning of the recession.
- Although labor force participation rates were down, the percent of youth employed increased. The number of teens employed grew from 28.4% to 30.9%, and the number of young adults employed increased from 62.2% to 67.3%.
- The unemployment rate gap between working-age adults and teen and young adult workers has grown between 2009 and 2019.

[11] Maria E. Canon, et. al., Youth Labor Force Participation Continues To Fall, but It Might Be for a Good Reason, Federal Reserve Bank of St. Louis, January 26, 2015, https://www.stlouisfed.org/publications/regional-economist/january-2015/youth-labor-force#endnotes

[12] Adrienne L. Fernandes-Alcantara, Youth and the Labor Force: Background and Trends.

Table 2. U.S. Labor Force Participation and Unemployment Rates, 2009-2019

LABOR FORCE PARTICIPATION RATE

Age Group	2009	2019	Difference	Relative Change (%)
Working-Age Adults (25-54)	82.6	82.5	-0.1	-0.1
Youth (16-24)	56.9%	55.9%	-1.0	-1.8
Teens (16-19)	*37.5*	*35.3*	*-2.2*	*-5.9*
Young Adults (20-24)	*72.9*	*72.2*	*-0.7*	*-1.0*

EMPLOYMENT-POPULATION RATIO

Age Group	2009	2019	Difference	Relative Change (%)
Working-Age Adults (25-54)	75.8	80.0	4.2	5.5
Youth (16-24)	46.9	51.2	4.3	9.2
Teens (16-19)	*28.4*	*30.9*	*2.5*	*8.8*
Young Adults (20-24)	*62.2*	*67.3*	*5.1*	*8.2*

UNEMPLOYMENT RATE

Age Group	2009	2019	Difference	Relative Change (%)
Working-Age Adults (25-54)	8.3	3.1	-5.2	-62.7
Youth (16-24)	17.6%	8.4%	-9.2	-52.3
Teens (16-19)	*24.3*	*12.7*	*-11.6*	*-47.7*
Young Adults (20-24)	*14.7*	*6.7*	*-8.0*	*-54.4*

Source: OLO; BLS, Current Population Survey.

Factors Influencing Youth Workforce Trends. While the labor market has improved for youth workers since the 2008 recession, youth workers are nonetheless less likely to participate in the labor force than a decade ago. Researchers have attributed this declining trend to several factors highlighted below.

Experience and Job Availability. Researchers report that businesses are more likely to hire workers with more experience and greater availability. This puts youth workers at a disadvantage, particularly in poor economic times where youth are often the last hired and first fired.[13] One reason fewer youth are working is that there are fewer low-skill, entry-level jobs than in the past. With fewer jobs and greater emphasis on experience, this can lead to heightened competition between youth and adult workers with less education for the same positions.[14]

Decline in Time Spent at Paid Work Due to Educational Activities. School attendance and participation in school activities play a role in declining youth participation in the labor force. Research shows teens and young adults

[13] Ryan Santacrose, Long Term Consequences of Youth Unemployment, U.S. Chamber of Commerce.
[14] Adrienne L. Fernandes-Alcantara, Youth and the Labor Force: Background and Trends. U.S. Bureau of Labor Statistics, Teen Labor Force Participation Before and After the Great Recession and Beyond, February 2017, https://www.bls.gov/opub/mlr/2017/article/teen-labor-force-participation-before-and-after-the-great-recession.htm

are increasingly taking part in educational activities after school and during the summer months.[15] For example, teens spend 26 minutes a day, on average, doing paid work during the school year, compared with 49 minutes a decade ago and 57 minutes in the mid-1990s.[16] Two decades ago, about 50% of U.S. teens expected to work for part of summer vacation. Only one-third of teens had summer jobs in 2018, despite some gain since the 2008 Recession.[17] Researchers also suggest lower summer employment rates stem from the school year ending in late June and/or restarting before Labor Day; enrollment in high school and college coursework during summer months; more teens engaging in community service to meet graduation requirements or help with college applications; and/or more students taking unpaid internships (which do not count as employment).[18] This suggests that youth workers are forgoing work for educational activities because of potential gains in the labor market – higher wages and lower risk of unemployment that come with educational attainment.[19]

Geography. Characteristics of neighborhoods where youth live (i.e., poverty rate, proximity to jobs, etc.) can impact labor status, though research is not conclusive. One area of research has shown that geographic isolation from fast-growing, job-rich areas affect youth employment outcomes. Limited proximity to jobs has a more adverse impact than access to transportation, and proximity of jobs was found to affect labor market participation independent of other factors.[20]

C. Montgomery County Youth Workforce Snapshot, 2019

The following analysis examines employment trends in Montgomery County among teens and young adults compared to working-age adults. The U.S. Census American Community Survey (ACS) reports annual worker demographic data at the county level. This analysis explores labor force participation and unemployment rates using data from the 2019 ACS.

1. Montgomery County Labor Force Participation and Unemployment Rates by Age Group, 2019

In 2019, the labor force participation rate for all youth was 60.9%, compared to 87.9% for working-age adults. Youth in Montgomery County are 2.8 times more likely to be unemployed than working-age adults. In 2019, the youth unemployment rate was 10.1%, compared to the unemployment rate of working-age adults of 3.6%.

Similar to national trends, teens are less likely to be in the labor force and face higher unemployment compared to young adults. The labor force participation rate for teens in 2019 was 37.8%, compared to 81.0% for young adults. One-third of teens were employed, compared to about three-fourths of young adults. The unemployment rate for teens was 12.0%, and it was 9.3% for young adults.

[15] Drew Desilver, In the U.S., teen summer jobs aren't what they used to be, Pew Research Center, June 27, 2019, https://www.pewresearch.org/fact-tank/2019/06/27/teen-summer-jobs-in-us/
[16] Drew Desilver,10 Facts about American Workers, Pew Research Center, August 29, 2019, https://www.pewresearch.org/fact-tank/2019/08/29/facts-about-american-workers/
[17] *Ibid*.
[18] Drew Desilver, In the U.S., Teen Summer Jobs Aren't What They Used To Be, Pew Research Center.
[19] Adrienne L. Fernandes-Alcantara, Youth and the Labor Force: Background and Trends
[20] *Ibid*.

Table 3. Montgomery County Labor Force and Unemployment Rates (2019)

Age Group	Civilian, Non-Institutionalized Population	Labor Force Participation Rate (%)	Employment-Population Ratio (%)	Unemployment Rate (%)
All (16+)	**554,051**	**70.7**	**67.6**	**4.3**
Working-Age Adults (25-54)	279,932	87.9	84.7	3.6
Youth (16-24)	71,492	60.9	54.8	10.1
Teens (16-19)	33,202	37.8	33.3	12.0
Young Adults (20-24)	38,290	81.0	73.5	9.3

Source: OLO; U.S. Census American Community Survey.

2. Montgomery County Labor Force Demographic Data, 2019

The following examines County labor force data by age group, race, and ethnicity. See Chart 3 and Table 4 on the next page.

Youth and Working-Age Adults. Youth labor force participation rates were the highest for Latinx youth (67.7%), followed by White youth (61.8%). Although Latinx youth had the highest rate of participation and the highest employment-population ratio, they had the second highest unemployment rate (8.6%). Black youth had the lowest participation rate (52.8%) and had the highest unemployment rate (18.2%). Although Asian youth had the second lowest labor force participation rate, they had the lowest unemployment rate among youth (6.2%). The unemployment gap between youth and working-age adults was the highest for Black youth. Black youth were about three times more likely to be unemployed compared to Black working-age adults.

Unemployment Among Teens Age 16-19 and Young Adults 20-24. Across all youth, teens have higher unemployment rates than young adults. Black teens have the highest unemployment rate among their peers – with 40% unemployed. This is approximately eight times higher than unemployment rates for White teens (6.0%) and about four times higher than for Asian and Latinx teens (8.9% and 8.0%). Similarly, Black young adults have the highest unemployment rates among their peers (11.2%).

Chart 3. Montgomery County Labor Force Data by Race and Ethnicity, Youth and Working-Age Adults, 2019

Source: OLO; U.S. Census American Community Survey.

Table 4. Montgomery County Youth Unemployment Rate by Race and Ethnicity, Teens and Young Adults, 2019

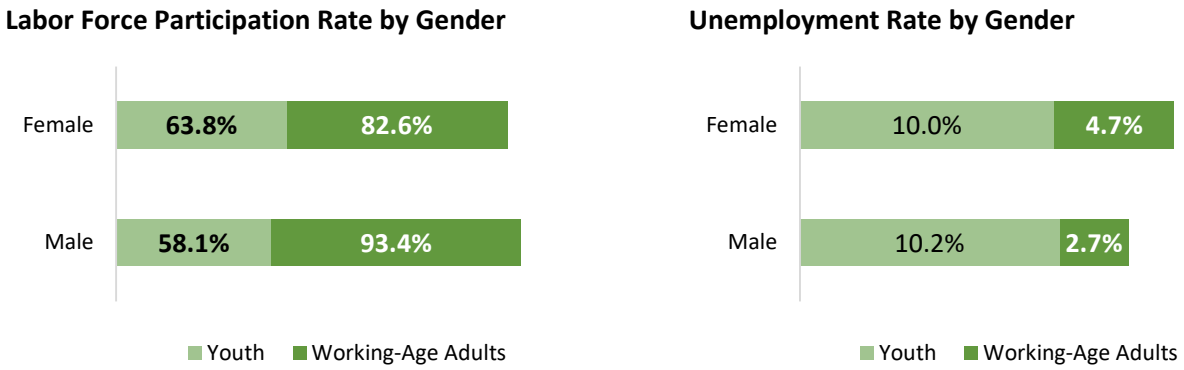
	White	Black	Asian	Latinx
Teens (16-19)				
No. in Labor Force	6,718	1,890	1,185	2,922
No. Unemployed	406	768	106	235
(Unemployment Rate)	(6.0%)	(40.6%)	(8.9%)	(8.0%)
Young Adults (20-24)				
No. in Labor Force	15,440	6,021	3,393	8,723
No. Unemployed	1,220	674	177	766
(Unemployment Rate)	(7.9%)	(11.2%)	(5.2%)	(8.8%)

Source: OLO; U.S. Census American Community Survey.

3. Montgomery County Youth Labor Force Participation and Unemployment by Gender, 2019

Labor force participation was higher among female youth (63.8%) compared to male youth (58.1%). However, unemployment rates among female and male youth were similar (10.2% and 10.0%, respectively). Unemployment rates for females were about two times higher compared to working-age adult females; unemployment rates for male youth were almost four times higher compared to working-age adult males.

Chart 4. County Labor Force Data by Gender, Youth and Working-Age Adults, 2019



Source: OLO; U.S. Census American Community Survey.

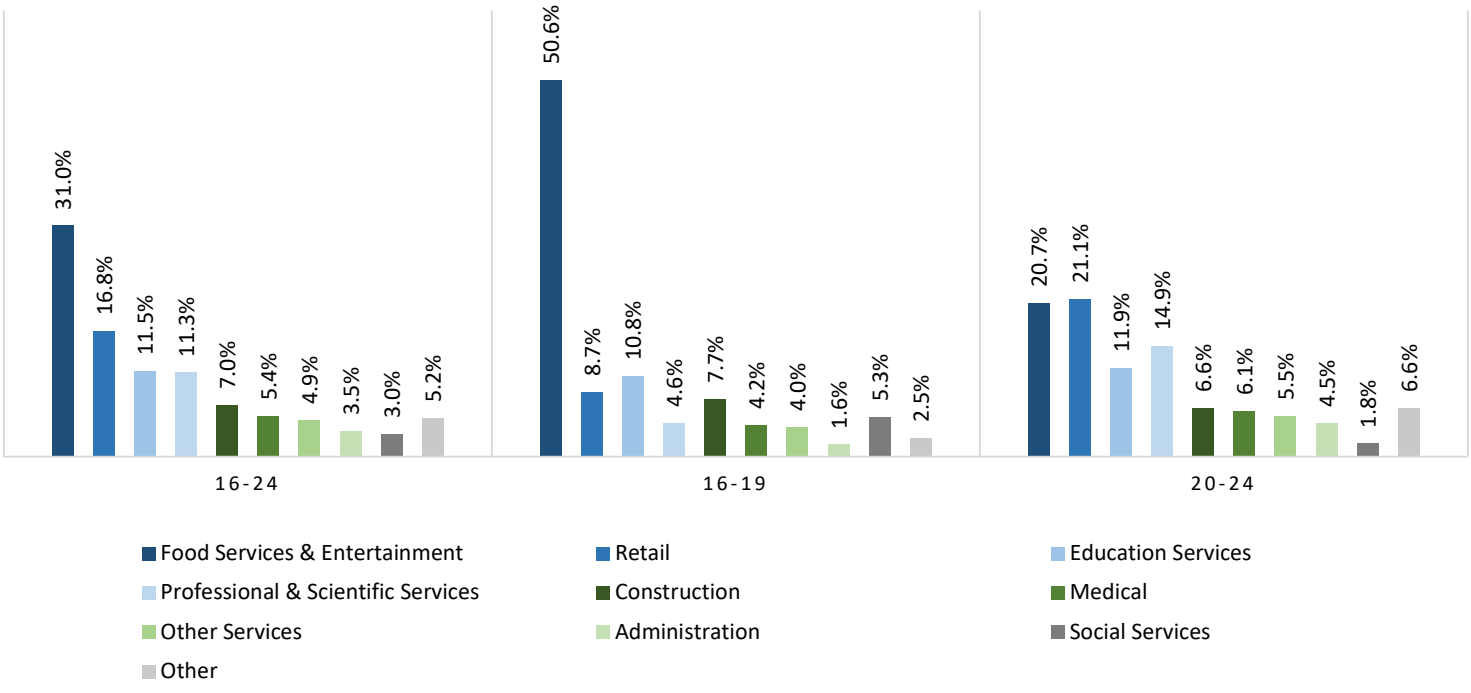
4. Industries

The U.S. Census American Community Survey reports annual worker demographic data at the county level by industry. Employment represents the number of County residents who work in a particular industry. As shown on the following pages:

- 70.7% of all County youth (36,409 youths) are employed in four industries: Food Services and Entertainment; Retail; Education Services; and Professional and Scientific Services;
- 51% of County teens (9,027 youths) are employed in Food Services and Entertainment; and
- Just over 40% of young adults (14,073 youths) are employed in two industries: Food Services and Entertainment and Retail.

The Chart 5 on the following page shows how the data are broken down by industry, and Table 5 shows the number of youth employed in each industry.

Chart 5. Percent of Youth Employed by Industry and Age Group, Montgomery County, 2019



Source: OLO; U.S. Census American Community Survey.

Table 5. Youth Employment by Industry and Age Group, Montgomery County, 2019

Industry	Teens 16-19	Youth Adults 20-24	All Youth 16-24
Food Services & Entertainment	9,027	6,957	15,984
Retail	1,558	7,116	8,674
Education Services	1,925	4,008	5,933
Professional & Scientific Services	815	5,003	5,818
Construction	1,377	2,210	3,587
Medical	751	2,055	2,806
Other Services (incl. personal care services)	713	1,837	2,550
Public Administration Services	289	1,508	1,797
Social Services	947	597	1,544
Other	453	2,374	2,827
TOTAL	**17,855**	**33,665**	**51,520**

Source: OLO; U.S. Census American Community Survey.

D. Impact of COVID-19 on Summer Employment

Each year the youth labor force increases sharply between April and July as large numbers of high school and college students seek summer jobs, and many college graduates enter the job market seeking permanent full-time employment.[21] While summer employment rates have declined through the decades, these months represent critical opportunities for youth to gain employment and develop career building skills.

However, the COVID-19 pandemic greatly affected the U.S. labor market with employment falling and unemployment rising in March and April 2020. These changes were widespread across all age groups. The youth unemployment rate peaked in April at 26.9%.[22] This section discusses summer employment data trends from April through July 2020 and summer youth employment programs implemented during the COVID-19 pandemic.

1. National Trends – April to July 2020

The U.S. Bureau of Labor Statistics reports annual data on youth summer employment. From April 2020 to July 2020, the number of youth employed increased 33.5% (4.4 million). This increase reflects typical seasonal trends and partial resumption of economic activity through July. However, despite gains, youth are experiencing higher unemployment rates compared to the same period last year due to the pandemic.

Labor Force Participation. The number of youth in the labor force increased 3.6 million (19.8%), from 17.9 million in April 2020 to 21.5 million in July 2020. However, the July 2020 data show 1.8 million fewer youth participating in the labor force as compared to July 2019. BLS reported that the youth labor force participation rate in July was 57.3%, the lowest on record since 1948.[23] The table below shows White youth had the highest youth labor force participation rate in July 2020 (59.4%), followed by Latinx youth (54.4%) and Black youth (52.5%). Compared to 2019, the labor force participation rate fell for all race and ethnicity groups.

Table 6. Youth Labor Force Participation, April – July 2020 (%)

	April	May	June	July	% Change April - July 2020	% Change July 2019 - July 2020
Male	48.6	51.9	56.6	58.4	20.2%	-7.6%
Female	47.0	50.6	55.9	56.2	19.6%	-7.0%
Asian	33.8	36.4	41.4	42.9	26.9%	-3.8%
Black	43.7	47.4	51.6	52.5	20.1%	-9.9%
White	49.8	53.4	58.4	59.4	19.3%	-7.3%
Latinx	47.7	51.2	56.0	54.4	14.0%	-5.9%

Source: OLO; BLS Employment and Unemployment Among Youth – Summer 2020.

[21] U.S. Bureau of Labor Statistics, Employment and Unemployment Among Youth – Summer 2020, August 18, 2020, https://www.bls.gov/news.release/pdf/youth.pdf
[22] *Ibid*.
[23] *Ibid*.

Employment. The number of youth employed rose 33.5% from 13.1 million in April to 17.5 million in June 2020, representing the largest employment change since 1948. However, this change reflected both the seasonal pattern of youth employment and resumption of economic activity following the pandemic-related contraction in April.[24] Despite improvements, the number of youth employed in July 2020 was lower than in February 2020 before the pandemic began in the United States. Comparing year-to-year trends, there were 3.7 million fewer youth employed in July 2020 compared to July 2019 (17.5 million vs. 21.2 million). In July 2020, 44% of youth worked in the leisure and hospitality industry (23.9%) and retail industry (20.3%). Both industries were impacted directly by COVID-19 pandemic job losses.[25] Youth employment in the Leisure and Hospitality industry (includes food services and entertainment) was down 1.1 million (20.9%) compared to July 2019; Retail industry employment decreased 89,000 (2.4%).

Chart 6. Percent of Youth Employed in Select Industries, July 2020

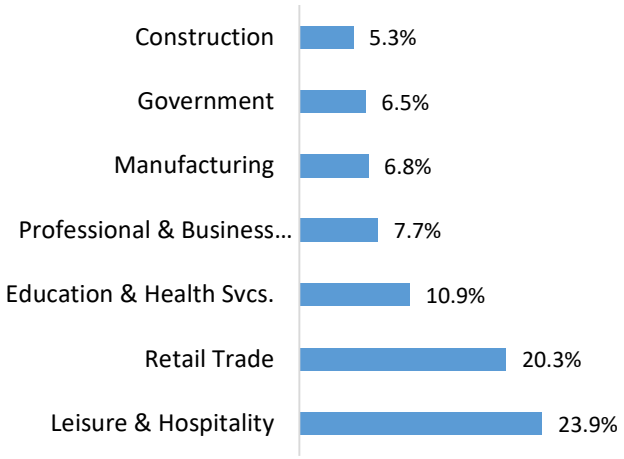


Table 7. Year-to-Year Change in Youth Employment by Industry, July 2019 – July 2020

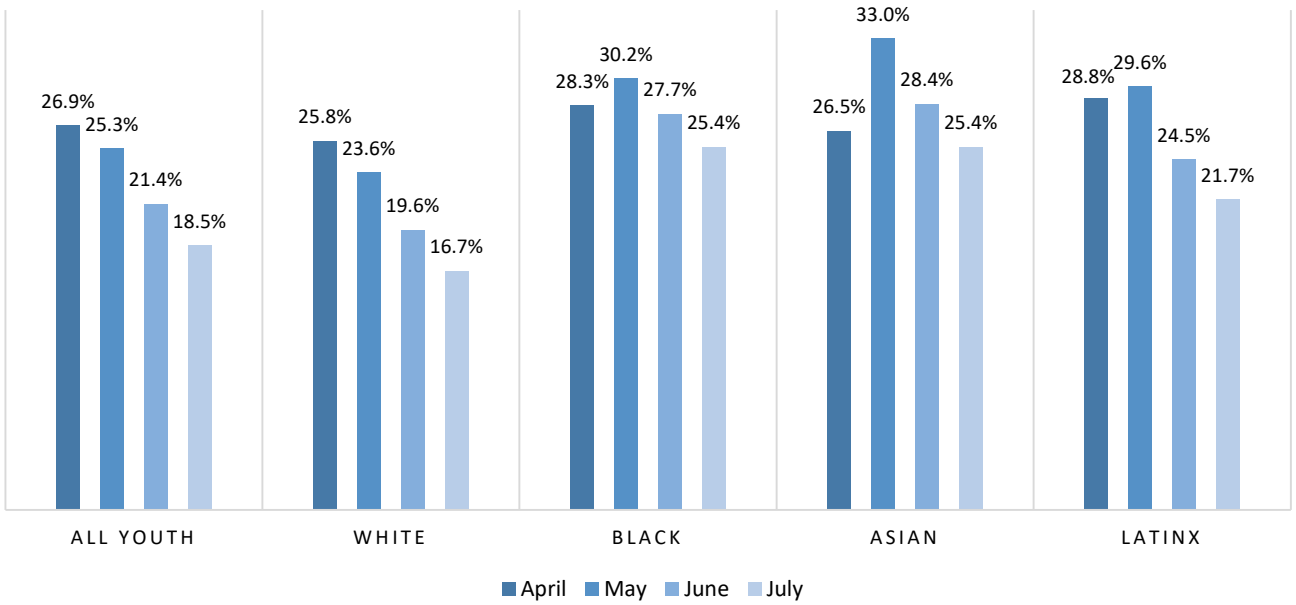
Industry	Total Youth Employed		% Change (#)
	July 2019	July 2020	
Construction	1,135,000	933,000	-17.8% (202,000)
Government	1,466,000	1,145,000	-21.9% (321,000)
Manufacturing	1,451,000	1,189,000	-18.1% (262,000)
Professional & Business Svcs.	1,706,000	1,352,000	-20.8% (354,000)
Education & Health Svcs.	2,844,000	1,905,000	-33.0% (939,000)
Retail Trade	3,647,000	3,558,000	-2.4% (89,000)
Leisure & Hospitality	5,282,000	4,180,000	-20.9% (1,102,000)

Source: OLO; BLS Employment and Unemployment Among Youth – Summer 2020.

Unemployment. Youth unemployment rates typically increase between April and July as youth attending school enter the labor force, seeking employment.[26] Due to COVID-19, the number of unemployed youth increased from 1.7 million to 4.9 million from February to May 2020. In July 2020, about 4.0 million youths were unemployed – 1.9 million more than in July 2019. The unemployment rate for all youth decreased from a peak of 26.9% (April 2020) to 18.5% (July 2020) – the highest youth unemployment rate since 2010. White youth experienced the largest decline in the unemployment rate, falling 9.1 percentage points from April to July. Black, Asian, and Latinx youth in the labor force experienced smaller decreases in unemployment rates, meaning those who entered the workforce were less likely to find employment.

[24] U.S. Bureau of Labor Statistics, Employment and Unemployment Among Youth – Summer 2020.
[25] Grant Suneson, Industries Hardest Hit by Coronavirus in the US Include Retail, Transportation, and Travel, USA Today, Mar. 21, 2020, https://www.usatoday.com/story/money/2020/03/20/us-industries-being-devastated-by-the-coronavirus-travel-hotels-food/111431804/, OLO COVID-19 Unemployment Update April 1, 2020, https://www.montgomerycountymd.gov/OLO/Reports/CurrentOLOReports.html
[26] U.S. Bureau of Labor Statistics, Employment and Unemployment Among Youth – Summer 2020.

Chart 7. National Youth Unemployment Rates, April 2020 to July 2020



Source: OLO; BLS Employment and Unemployment Among Youth – Summer 2020.

2. Summer Youth Employment Programs, 2020

Communities around the country implement summer youth employment programs (SYEP) to help youth gain work experience. Summer employment programs typically last between five and seven weeks and provide youth with subsidized wages, employment experiences, and other organized activities aimed at increasing participants' income, developing skills and networks to improve labor market prospects, and offering constructive activities to promote positive behavior.[27] Programs serve teens and young adults ranging in age from 14 to 21 or 24 years of age. Programs partner with governments, nonprofits, and private sector employers to provide positions averaging between 15 and 35 hours per week.[28]

With social distancing, stay-at-home requirements, and budget constraints, the coronavirus pandemic resulted in the cancellation of many SYEP during summer 2020. The National League of Cities survey reported that 30% of large cities planned to cut SYEP.[29] Programs that continued operations shifted from in-person work-based experiences to career exploration and education. However, some communities were able to pivot to remote employment opportunities, employ youth in essential business fields, engage in COVID-19 preparedness-related activities, or project-based opportunities.[30] The following information highlights SYEP that operated in several jurisdictions in summer 2020, starting with the Montgomery County Department of Recreation COVID Corps.

[27] Supporting Summer Youth Employment Programs, https://youth.gov/feature-article/supporting-summer-youth-employment-programs; Above and Martha Ross and Richard Kazis, Youth Summer Jobs Programs: Aligning Ends and Means, Brookings Institute, July 2016, https://www.brookings.edu/wp-content/uploads/2016/07/Summer-Jobs-Ross-7-12-16.pdf

[28] *Ibid*.

[29] Nancy Martin and Mike Swigert, 1.0 Digital Summer Youth Employment Toolkit, The Aspen Institute Forum for Community Solutions, June 2020, https://aspencommunitysolutions.org/wp-content/uploads/2020/06/SYEP-Digital-Toolkit.pdf

[30] *Ibid*.

Montgomery County Department of Recreation COVID Corps. Due to the COVID-19 pandemic, the Department of Recreation's SYEP – TeenWorks – did not operate in summer 2020. In its place, the Department of Recreation started the COVID Corp to aid in County economic recovery for youth ages 16 to 23.[31]

Program Cost**.** Recreation staff report that the original budget of the COVID Corps program was $500,000, with program costs totaling $443,000 as of late October. This includes approximately 22,000 hours worked by Corps members between July and October and about $2,500 in operating supplies. Participating youth earned $14 per hour. COVID Corps was new County funding allocated strictly for this unique effort.[32] Recreation staff report that TeenWorks has an allocated budget of $554,795 ($515,440 being seasonal staffing expenses), representing approximately 20,000 hours of work in the program for the full fiscal year.

Applications and Positions. Due to overwhelming response, the Program closed application registrations during the first week.[33] Of the more than 1,300 applicants, 1,100 were eligible and offered a preliminary online interview. In total, 132 youth participated in the program, with 68 working through the fall months. Participants spoke more than 22 different languages.

No. of Applications	No. of Youth Eligible	No. of Online Preliminary Interviews Conducted	No. of Interviews Conducted	No. of Youth Selected
1,300+	1,100+	860	100	132

Source: MCG Department of Recreation.

Program Components. The Program partnered with over 20 host organizations to offer work experiences. Positions focused on issues of food security, community outreach and multi-lingual support, tech connect, operational recovery, and special projects.[34] The following are examples of work experiences offered:

- Serving as Information & Social Distancing Ambassadors
- Supporting food insecurity by packaging weekend snack packs for youth, family meal boxes, and delivering meals to Seniors
- Supporting COVID-19 testing centers and answering phone hotlines
- Mentoring Seniors and older adults on technology and informing of online resources
- Preparing outdoor classrooms for when students return to school
- Educating and providing support to business on COVID-19 safety precautions and regulations
- Climate change and Vision Zero Resilience Ambassadors conducting neighborhood surveys
- Department of Transportation information support for the public at the Silver Spring Station
- Customer service and office support for Health and Human Services – Children, Youth, & Family Services
- Assisting the Office of Human Resources with training assistance and information to continually update the County's website on COVID-19 safety precautions and regulations
- Creating a map of all outdoor benches to encourage older adults to step outside of their homes for fresh air and sunshine

[31] Montgomery County Department of Recreation Staff. Montgomery County Department of Recreation, COVID Corp https://www.montgomerycountymd.gov/rec/activitiesandprograms/CovidCorps/
[32] Montgomery County Department of Recreation Staff.
[33] Rose Horowitch, Montgomery County Recreation uses COVID Corps to help with virus response, September 22, 2020, https://bethesdamagazine.com/bethesda-beat/coronavirus/montgomery-county-recreation-uses-covid-corps-to-help-with-virus-response/
[34] Montgomery County Department of Recreation Staff. Montgomery County Department of Recreation COVID Corps.

In addition, the Department of Recreation engaged programs developed for TeenWorks to assess and build soft skills, provide workshops, safety protocols, and financial literacy training. All participants engaged in an initial soft skills assessment and received mentoring from staff through the Program. Participants received instruction on resume writing, office etiquette, customer service, professionalism, and teamwork.[35] Additionally, COVID Corps participants were able to enroll in Montgomery County Libraries Lynda.com online courses, earning certificates for completed work.

Lessons Learned. Recreation Staff noted that one of the benefits of offering virtual internships was that it expanded opportunities to youth who do not have transportation. For example, youth residing in Up County participated in virtual internships Down County (vice versa). Without virtual offerings, this opportunity would not have been available in the past. Staff also noted that the virtual component could continue as part of TeenWorks. However, this would require additional funding.

COVID SYEP in Other Jurisdictions. The following table highlights SYEP programs held during the summer of 2020. Most of the program content shifted to virtual programming in light of the COVID-19 pandemic. Links to each program are included on page 21.

Program & Jurisdiction	Program Cost (est.)	No. Positions (approx.)	Core Program Characteristics	Payment
DC AREA				
Youth Jobs Works Baltimore City (MD)	$8.0M	4,500	• Five-week program • Participants work four hours – five days per week • Participants complete 100 hours • 100 employers providing remote experiences • Access web-based platform providing workforce skills, assessments and assignments geared to job readiness, career exploration, and education enrichment	$11/hour, (total of $1,100)
Virtual Summer Youth Program Howard County (MD)	$68,910	55	• Operated July 13th through August 14th • Programming included job readiness training; and built on participants' knowledge about the essential skills, credentials and education needed for workforce success	$12/hour at 15 hours/week
Mayor Marion S. Barry Summer Youth Employment Program Washington (DC)	$18.5M	10,000	• Six-week program; program was 90% virtual • Program components include virtual internships, workforce training, or hybrid model (in-person and virtual)	$6 to $14/hour
OTHER JURISDICTIONS				
Mayor's Summer Jobs Program Boston (MA)	$11.9M	8,000	• Six -week program – July to Mid-August • Participants work up to 25 to 35 hours per week • Employment opportunities include maintenance of city parks, COVID-19 campaign awareness, virtual work opportunities with public and private sector employers • Participants able to enroll in college course offerings	$12.75/hour

[35] Montgomery County Department of Recreation Staff; Department of Recreation COVID Corps.

Program & Jurisdiction	Program Cost (est.)	No. Positions (approx.)	Core Program Characteristics	Payment
Grow Detroit's Young Talent Detroit (MI)	$11.7M	8,000	• 1,600 in-person positions in fields like masonry, retail, supply-chain management, healthcare, and hospitality; 6,400 virtual opportunities with specific career pathways • Majority of participants received a laptop, internet, and tech support • Participants completed 120 hours	$1,200
WorkReady Philadelphia (PA)	$15.0M	10,000	• Three-part digital classes focusing on career exposure, financial literacy, digital literacy, and brand identity • Classes were mobile and computer friendly • 90+ organizations participated	$595
SYEP Summer Bridge 2020 New York (NY)	$51.0M	35,000	• Fully online, 60-90 hours of activities over a five-week period • Program components include career exploration, job readiness skills, mentoring and workshops, and community building	$700 to $1,000

Operators of summer youth employment programs during COVID highlighted several lessons learned that could impact future virtual programming, including:

- Addressing the Digital Divide. Several programs offered content accessible via mobile phone and computer. Staff noted decreased functionality of programming, like coursework or completing internship tasks, through mobile phone use. Grow Detroit's Young Talent Program was able to bridge this divide by providing laptops, internet, and tech support to participants.
- Social Networking. Operators found programs needed to offer a social component through small group work, routine check-ins with mentors, lunch and learns, etc. These offerings worked best to connect with youth and offer a place for discussion and the development of soft skills.
- Assumption of Technology Skills. In addition to technology access, operators worked with youth who had a spectrum of skill sets and abilities related to technology programming, like Zoom.[36]

[36] Aspen Institute, Emerging Lessons from Summer Youth Employment in the Age of COVID-19, September 10, 2020, https://www.aspeninstitute.org/events/emerging-lessons-from-summer-youth-employment-in-the-age-of-covid-19/

E. Key Takeaways and Discussion Questions

The following highlights key report takeaways and discussion questions for the Council.

1. Key Takeaways

National Youth Employment Trends

- Nationally, youth (ages 16-24) are less likely to participate in the labor market and find employment compared to working-age adults (25-54). White youth had the highest employment rates. In contrast, Black youth had the highest rates of unemployment.
- Despite overall national job recovery in the last decade, youth labor force participation has not recovered to pre-Great Recession levels. As a result, the unemployment gap between teen and young adult workers and adult workers grew between 2009 to 2019.

Montgomery County Youth Employment Trends

- In Montgomery County, youth workers (ages 16-24) are 2.8 times more likely to be unemployed than working-age adults (ages 25-54). One-third of teens (ages 16-19) are employed compared to about 75% of young adults (20 to 24).
- Black teens in Montgomery County have the highest unemployment rate among their peers (40.6%) – eight times higher than White teens and four times higher than Asian and Latinx teens.
- One-half of teens in the County, and just over 40% of young adults, work in the food service and entertainment industry. These industries were highly impacted by the COVID-19 pandemic and stay-at-home orders.

COVID-19 Impact on Summer Youth Employment

- Due to the COVID-19 pandemic, there were 3.7 million fewer youth employed in July 2020 compared to July 2019 nationally.
- In July 2020, White youth had the highest labor force participation in summer employment and the largest decline in unemployment rates, falling 9.1 percentage points from April to July 2020. In contrast, Black, Asian, and Latinx youth in the labor force experienced smaller decreases in unemployment rates as economic activity resumed during the summer months, meaning those who entered the workforce were less likely to find employment.
- Youth employment in the leisure and hospitality industries (including food service and entertainment sectors) was down 1.1 million (20.9%) compared to July 2019; retail industry employment was down 89,000 (2.4%).

COVID Summer Youth Employment Programs

- Programs nationally and in Montgomery County pivoted quickly to provide virtual programming this summer.
- Montgomery County Department of Recreation's COVID Corp Program received an overwhelming response to the program. The Program received over 1,300 applications in the first week and filled 132 slots. The Program received dedicated funding of $500,000 from the County.
- Programs held in other jurisdictions provided similar programming to the County's COVID Corp, but overall received significantly more funding and served more youth.
- Virtual internships and trainings may offer opportunities to bridge labor force entry barriers, such as geographic proximity of youth and jobs, to reverse declining youth labor force participation. Department of Recreation staff notes that being able to offer virtual internships this summer expanded opportunities to youth without transportation. For example, youth residing in Up County were able to participate in internships in Down County (and vice versa). Opportunities like this were not available in the past.

2. Next Steps

Youth participation in the labor force has declined over the decades. This decline is more evident during the COVID-19 pandemic, as industries that typically employ youth suffered employment losses due to stay-at-home orders and social distancing requirements. The following identify possible next steps to further the conversation surrounding youth employment in Montgomery County:

- Explore opportunities to expand remote youth employment options to better reach youth geographically across the County and
- Evaluate how best to address job losses in food service and retail, which employ most of the youth in the County and may not return as readily as jobs in other industries as the pandemic continues.

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