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Youth for Hire

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For Canada's youth, the times are changing. Although fewer in number, today's young people are more likely to be in school than the youth of ten years ago. They are also more likely to be working.

The demand for youth labour is high and the prevalence of part-time, low-wage jobs, often associated with students, is increasing, particularly in the service sector. There are signs that employers, faced with a dwindling supply of young workers, are finding it increasingly difficult to fill these jobs. But, at the same time, unemployment rates remain relatively high among young persons, especially those out-of-school youths who may lack the knowledge or skills needed to get the jobs they want.

Major trends that have helped shape the youth labour market in the last decade - demographics, school attendance patterns and early labour force experiences - are the focus of this study.

Fewer young people

There are now fewer young people in Canada than a decade ago. In 1987, 4.0 million persons aged 15 to 24 made up 20% of the working-age population. ⁽¹⁾ In comparison, 4.5 million young persons accounted for 26% of the population in 1977.



Chart A Youth Population Trends

The youth population can be divided into two distinct groups: teenagers aged 15 to 19, and young adults aged 20 to 24. Population growth in these two groups was very different over the 1977-1987 decade: the number of teenagers declined 19% to 1.9 million, while the young adult population fell 1% to 2.1 million.

... but more of them in school

Despite a declining youth population, the absolute number of full-time students [\(2\)](#) increased 1% to 1.9 million over the decade. The student/population ratio - students as a percentage of the population - climbed from 66% to 76% for teenagers, and from 15% to 20% for young adults.

The number of non-students aged 15 to 24 dropped 18%, to 2.1 million, reflecting both the diminishing youth population and the rising incidence of school attendance. (See [Table 5](#) for further information.)



Table 1 Student/Population Ratios, 1977 and 1987

Labour force participation rises

The labour force participation of 15 to 24 year-olds, that is, the proportion of the population either working or looking for work, climbed from 63% in 1977 to 69% in 1987. Youth participation increased for both sexes, but more so for women. In comparison, during this period the participation rate for persons aged 25 and over rose from 61% to 66%, as a large increase for women outweighed a decline among men.

The participation rate of students rose substantially, from 36% in 1977 to 48% in 1987, reflecting major gains for men and women in both age groups. Within the student population, there is little difference by age or sex in the rate of participation.



Chart B Youth Population Distribution, 1987

The overall participation rate among 15 to 24 year-old non-students increased from 83% in 1977 to 87% in 1987. In other words, 13% of out-of-school youths were neither employed nor looking for work in 1987, down from 17% a decade earlier. Out-of-school females were less likely to be participants than

males. Similarly, participation was lower for adults. In total, 268,000 young people were neither students nor labour force participants in 1987, down substantially from 451,000 in 1977. [\(3\)](#) (See also [Table 6.](#))

Today's youth more likely to work

An increasing proportion of young people are working. In 1987, 60% of 15 to 24 year-olds were employed, up from 54% in 1977. The employment ratio [\(4\)](#) rose for both sexes, although more so for young women. As a result, by 1987, the ratio was almost as high for young women as for young men (58% vs. 61%).

But, due to the declining youth population, the actual number of young workers in 1987, at 2.4 million, was the same as in 1977. (The number of young workers peaked at 2.7 million in 1981.) Thus, youth's share of total employment in Canada fell from 25% in 1977 to 20% in 1987.

The employment ratio increased much faster for students than for out-of-school youths during this period. The ratio for students climbed from 32% in 1977 to 43% in 1987, while for non-students it rose from 70% to 75%.

Part-time work predominates

Although total youth employment levels were the same in 1977 and 1987, a substantial shift from full-time to part-time work took place. During this period, there was an increase of 256,000 young part-time workers (to 768,000), and a decline of 287,000 full-time workers (to 1.6 million).



Chart C Composition of Employment, 1987

The proportion of young workers employed part-time, that is, usually working less than 30 hours per week, increased from 21% in 1977 to 32% in 1987. This trend reflects both the rising proportion of students, and growth in the part-time employment sector of the economy. [\(5\)](#)

The prevalence of "part-timers" among employed 15 to 24 year-olds rose for both sexes over this period, but, in 1987, was still higher for women (37%) than for men (28%). In comparison, among persons aged 25 and over, only one out of every 30 (3%) employed men and one out of five (22%) women worked part-time in 1987.

Among youths, part-time work is closely associated with school attendance. In 1987, 75% of employed

students worked part-time, compared with only 11% of non-students. More than eight out of every ten students who worked part-time did so because of their school activities. In contrast, among out-of-school youths, 70% of those working part-time did so because they could not find full-time work.

Where they work

Young workers are most prevalent in retail trade; accommodation, food and beverage services; and "other services" - primarily amusement and recreational services, and personal and household services. (See [Table 7.](#))

In 1987, 70% of all part-time workers aged 15 to 24 were engaged in these industries, compared with 38% of part-timers aged 25 and over. Young workers accounted for 71% of part-time workers in accommodation, food and beverage services, 58% of those in retail trade, and 46% of those in other services.

Among full-time workers, youths accounted for 33% of those in accommodation, food and beverage services, 26% in retail trade and 22% in other services. In absolute numbers, manufacturing employed more young full-time workers than any other industry (300,000), but young workers held only 15% of full-time manufacturing jobs.

Many young people are looking for work

Young persons are over-represented in the ranks of the unemployed: they account for a much larger percentage of the unemployed than the employed. [\(6\)](#) Of almost 1.2 million unemployed persons in Canada in 1987, one-third were youths. And three out of every four unemployed youths were non-students.

The unemployment rate for 15 to 24 year-olds, that is, the unemployed as a percentage of the labour force, was 13.7% in 1987, compared with 7.5% for workers aged 25 and over. Among out-of-school teenagers, the unemployment rate was particularly high at 20.3%. Non-students aged 20 to 24 fared somewhat better with an unemployment rate of 13.4%. Student unemployment rates were lower than those of non-students, at 12.3% for teenagers and 8.4% for 20 to 24 year-olds.

The high unemployment rates experienced by out-of-school youths could reflect a mismatch between labour supply and demand. The available jobs may not satisfy their expectations in terms of launching a satisfactory career, or these jobs may require qualifications not possessed by those seeking employment. [\(7\)](#)

...but their job searches are brief

Although 15 to 24 year-olds experienced higher unemployment rates in 1987 than workers aged 25 and over, their average duration of unemployment was much shorter: 14 weeks, compared with 24 weeks. [\(8\)](#) Among youths, students had an average duration of unemployment that was only about half as long as that for non-students.



Table 2 Duration of Unemployment, 1987

From another perspective, one-half of unemployed students and one-third of non-students had unemployment spells lasting only one to four weeks in 1987, whereas less than one-quarter of unemployed persons aged 25 and over had such brief unemployment durations. [\(9\)](#)

Shorter spells of youth unemployment may reflect several factors. For example, young persons are most active in industries characterized by a strong demand for workers and high turnover rates. In addition, some young people are returning students whose spell of unemployment ends when they return to school, while others may be inclined to enter the job market sporadically, especially if they still live with their parents.

...and regional patterns vary

Large regional disparities in unemployment rates are experienced by youths as well as adults. In 1987, the unemployment rate for 15 to 24 year-olds in Newfoundland was triple that of Ontario.



Table 3 Youth Unemployment Rates by Province, 1987

Metropolitan areas

Young people in metropolitan areas [\(10\)](#) are more active in the labour market than youths who live elsewhere. Both the participation rates and the employment ratios of 15 to 24 year-olds are higher in metropolitan areas, while their unemployment rates are lower. This phenomenon is particularly apparent in Toronto, where, in 1987, the employment ratio for youths was 69%, and the unemployment rate was 7%.



Table 4 Youth in Metropolitan and Non-metropolitan Areas, 1987

Summer employment

For young persons, especially students, seasonal patterns of employment and unemployment are very evident. During July and August, the two peak summer months, their labour market characteristics are very different from those recorded during the "school year", that is, the remaining ten months of the year.

In the summer of 1987, the total number of employed 15 to 24 year-olds reached 2.8 million, up 21% from the average level recorded during the other months that year. Almost all of this increase originated among employed students: their numbers climbed 56% to 1.1 million.

The incidence of part-time work among employed students declines substantially in the summer. During the 1987 school year, 88% of employed students worked part-time, compared with only 35% during July and August. In addition, almost three-fifths of those students who worked part-time during the summer did so because they were unable to find full-time work.

Summer employment gains for students in 1987 were widely distributed across industries. The largest absolute increases were in manufacturing, government services (particularly provincial and local governments), other services, construction, accommodation, food and beverage services, and agriculture.

Although the number of students employed in retail trade changed little throughout 1987, there was a considerable shift from part-time to full-time employment in the summer. During the school year, fewer than one out of every ten students in the retail trade industry worked full-time; during the summer period, almost one-half did so.

Conclusion

Although youth participation rates and employment ratios have risen over the last decade, the share of Canada's labour supply accounted for by young people has diminished. The major reasons underlying this trend include a declining population, an increasing proportion attending school full-time, and a shift to part-time employment.

On average, today's youths are better educated and, because of their work experience, better prepared for the job market than their predecessors. But out-of-school youths with limited education may be having difficulty in finding stable, satisfactory employment.



Table 5 Labour Force Estimates by Age, Sex, and Student Status,* 1987

* See [note 2](#).



Table 6 Selected Labour Market Rates by Age, Sex, and Student Status, 1977 and 1987



Table 7 Youth Employment in Selected Industries, 1987

For more information

An extensive data set, prepared for this study, can be obtained on request. It includes 1977 and 1987 LFS estimates for Canada and the provinces based on the student definition used in this article. It also has data on full-time and part-time employment by industry.

The data set can be obtained either on paper or IBM-compatible computer diskette at a cost of \$50. The diskette is available in either Lotus 1-2-3 or ASCII format. Requests should be addressed to the author.

Notes

Note 1

The working-age population consists of all persons in the population 15 years of age and over residing in Canada, with the exception of the following: residents of the Yukon and the Northwest Territories, persons living on Indian reserves, inmates of institutions and full-time members of the Armed Forces.

Note 2

The Labour Force Survey (LFS) identifies persons aged 15 to 64 who are currently attending school full-time and, for the months of May through September, 15 to 24 year-olds who are not currently attending school, but who attended full-time the previous March and plan to return to school in the fall. In this article, student and non-student estimates relate solely to persons aged 15 to 24.

Note 3

In 1987, 74,000 teenagers and 195,000 young adults were out of school and out of the labour force. Some 37% of the teenagers had never worked, while 28% had lost or been laid off from their last job. Among young adults, 17% had never worked, 33% had lost or been laid off from their last job, and 21% had left their last job due to personal or family responsibilities.

Note 4

The employment ratio, also known as the employment/population ratio, measures the number of employed persons as a percentage of the population.

Note 5

Only about one-half of the rise in the proportion of employed youths working part-time reflects the increased incidence of part-time employment; the other half is accounted for by the increase in the proportion of young persons who are students.

Note 6

In the LFS, students currently attending school full-time are considered to be unavailable for full-time work. To be counted as unemployed they must be seeking part-time work. Full-time students seeking full-time work are assumed to be looking for a job to start at a future date, for example, summer or post graduation employment; as such, they are considered to be out of the labour force while at school. During vacation periods, however, students seeking full-time employment are counted as unemployed if they are available for work.

Note 7

On average, unemployed out-of-school youths have less education than their employed counterparts. In 1987, 7% of those unemployed had only a primary level education (grade 8 or less), while 22% had at least some post-secondary schooling. In contrast, only 3% of employed non-students had just a primary level education, while 37% had some post-secondary schooling or more.

Note 8

The duration of unemployment measures the length of unemployment spells currently in progress, up to

the time of the survey. Completed spells of unemployment are not measured.

Note 9

The brevity of spells of youth unemployment tends to moderate their rate of unemployment. If their distribution by duration of unemployment in 1987 had matched that of workers aged 25 and over, the youth unemployment rate that year would have exceeded 20%, all other things being equal.

Note 10

A metropolitan area, or more precisely a census metropolitan area (CMA), is an urbanized core with a population of at least 100,000 together with its main labour market area. The LFS recognizes the 25 CMAs used in the 1986 Census of Canada.

Chart references

- *Youth Population Trends*: Demography Division (includes all persons aged 15-24 in Canada).
- *Youth Population Distribution 1987*: Labour Force Survey.
- *Composition of Employment, 1987*: Labour Force Survey.

Author

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Youth Population Trends

The youth population dropped by 12% from 1980 to 1987 and a further decline of 8% is projected by 1997.

Million

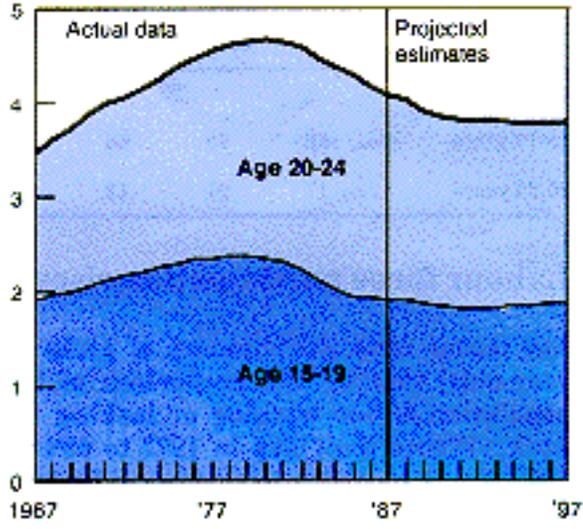


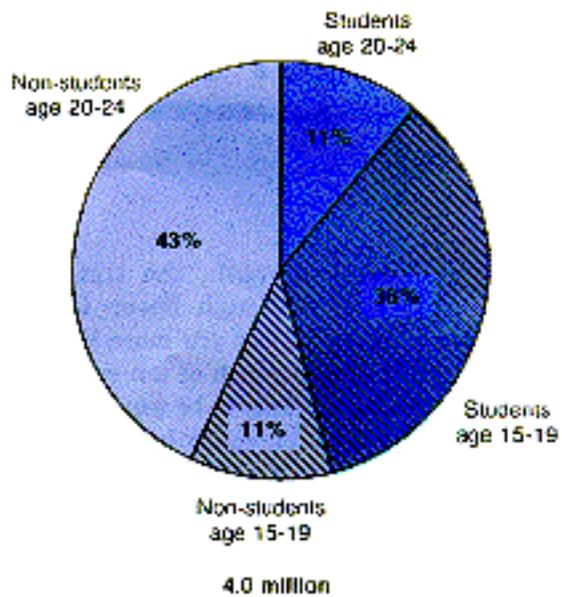
Table 1

Student/Population Ratios, 1977 and 1987

	Men		Women	
	1977	1987	1977	1987
	%			
15-19 years	66	75	66	78
20-24 years	17	21	12	19

Youth Population Distribution, 1987

Nearly one-half of all youths were attending school full-time in 1987.



Composition of Employment, 1987

A third of all part-time workers are students.

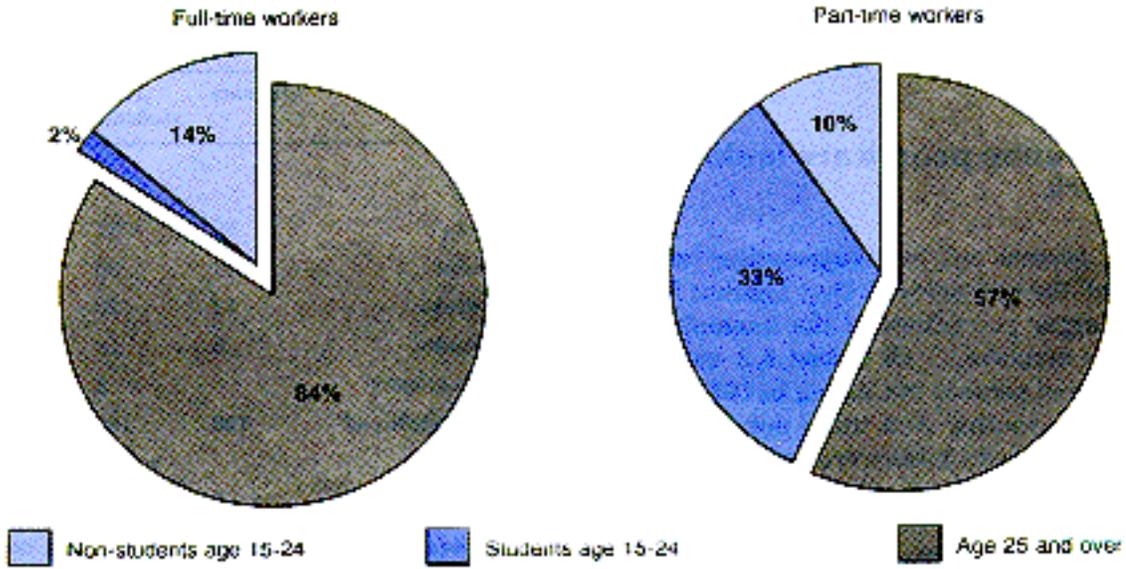


Table 2			
Duration of Unemployment, 1987			
Duration	15-24 years		25 years and over
	Students	Non-students	
	%		
1-4 weeks	50	32	24
5-13 weeks	33	30	26
14-26 weeks	12	20	21
27-52 weeks	5	13	17
53 weeks or more	--	5	12
Total unemployed*	100	100	100
	Weeks		
Average duration	8	16	24

* Excludes unemployed persons not seeking work because they have a new job to start in four weeks or less

Table 3

Youth Unemployment Rates by Province, 1987

	Unemployment rate
	%
Canada	13.7
Newfoundland	28.8
Prince Edward Island	--
Nova Scotia	19.4
New Brunswick	20.0
Quebec	14.8
Ontario	9.8
Manitoba	12.0
Saskatchewan	13.0
Alberta	15.3
British Columbia	18.5

Table 4

Youth in Metropolitan and Non-metropolitan Areas, 1987

	Participation rate	Employment ratio	Unemployment rate
	%		
Metropolitan areas	72	63	12.5
Non-metropolitan areas	65	55	15.6

Table 5						
Labour Force Estimates by Age, Sex, and Student Status,* 1987						
		Population	Labour force			Not in the labour force
			Total	Employed	Unemployment	
'000						
Box sexes						
15 years and over		19,642	13,011	11,861	1,150	6,631
15-24 years		3,990	2,759	2,382	377	1,231
15-19:	students	1,428	681	597	84	747
	non-students	439	365	291	74	74
20-24:	students	426	211	193	18	215
	non-students	1,697	1,502	1,302	201	195
25 years and over		15,652	10,252	9,479	773	5,399
Men						
15 years and over		9,572	7,332	6,709	623	2,240
15-24 years		2,014	1,445	1,232	214	569
15-19:	students	721	346	299	47	375
	non-students	234	204	160	44	30
20-24:	students	223	107	97	10	116
	non-students	835	788	675	114	47
25 years and over		7,558	5,887	5,477	409	1,671
Women						
15 years and over		10,070	5,679	5,152	527	4,391
15-24 years		1,976	1,314	1,151	163	662
15-19:	students	707	334	297	37	372
	non-students	205	161	131	30	44
20-24:	students	203	104	96	8	99
	non-students	861	714	627	87	147
25 years and over		8,094	4,366	4,002	364	3,728

* See note 2.

Table 6

Selected Labour Market Rates by Age, Sex, and Student Status, 1977 and 1987

		Participation rate		Employment ratio		Unemployment rate	
		1977	1987	1977	1987	1977	1987
		%					
Box sexes							
15 years and over		62	66	57	60	8.1	8.8
15-24 years		63	69	54	60	14.4	13.7
15-19:	students	35	48	31	42	11.3	12.3
	non-students	82	83	63	66	22.6	20.3
20-24:	students	40	49	37	45	8.3	8.4
	non-students	83	89	73	77	12.5	13.4
25 years and over		61	66	57	61	5.8	7.5
Men							
15 years and over		78	77	72	70	7.3	8.5
15-24 years		69	72	59	61	14.9	14.8
15-19:	students	37	48	33	42	11.6	13.5
	non-students	88	87	67	69	23.5	21.4
20-24:	students	39	48	36	44	9.3	9.0
	non-students	95	94	82	81	12.9	14.4
25 years and over		81	78	77	72	4.9	7.0
Women							
15 years and over		46	56	42	51	9.4	9.3
15-24 years		58	66	50	58	13.8	12.4
15-19:	students	32	47	29	42	10.9	11.1
	non-students	75	79	59	64	21.5	18.8
20-24:	students	42	51	39	47	7.1	7.8
	non-students	73	83	64	73	12.1	12.2
25 years and over		42	54	39	49	7.4	8.3

Table 7

Youth Employment in Selected Industries, 1987

	Young workers					
	Full-time		Part-time		Total	
	Number	As % of all full-time workers	Number	As % of all part-time workers	Students	Non-students
	'000	%	'000	%	'000	
All industries	1,614	16	768	43	790	1,593
Agriculture	55	14	30	41	39	46
Manufacturing	300	15	31	43	48	283
Construction	119	19	11	25	19	111
Retail trade	280	26	263	58	244	300
Government services	67	9	19	36	31	55
Accommodation, food and beverage services	154	33	164	71	161	157
Other services	125	22	113	46	109	129
All other industries	514	12	136	22	139	511