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COVID-19 SURVEY OF CONSUMERS

Job Losses for Younger Workers Recovering Unevenly

The following is an excerpt from CFI COVID-19 Survey of Consumers — Wave 3 Reveals Improvements, but Not for Everyone. *It discusses data that reveal an uneven recovery of jobs for respondents under the age of 36, a situation that is masked by overall improvements in job recovery. The full text of the report can be accessed* here.

All age ranges reported overall improvements in job loss between Waves 2 and 3. However, the youngest age group (those 35 years and younger) reported the smallest improvement (18.2 percent to 17.0 percent). A deeper look into job losses by industry reveals that the youngest cohort of respondents continues to experience new job losses, which are being offset by large improvements in a few industries.

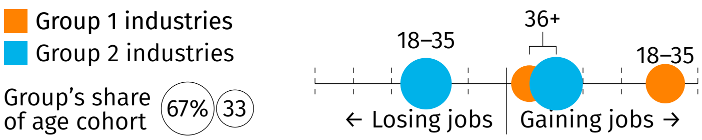
To compare job losses across age ranges, we looked at those aged 18 to 35 compared with those aged 36 or older and calculated the changes in job loss rates between Waves 2 and 3 within industry. Orange icons in the figure below indicate industries in which the younger age cohort reported more job recovery than the older age cohort: Health Services; Real Estate; Retail Sales; Leisure, Hospitality, Arts, Entertainment; and Other (hereafter referred to as Group 1). The older age ranges combined show larger improvement in the remaining categories, shown in blue (hereafter referred to as Group 2).

In two industries in which the younger population reported stronger improvements than the older population, the advantage was small to negligible. For instance, the younger group improved by 12.8 percentage points in the Leisure, Hospitality, Arts, Entertainment industry (42.2 percent to 29.4 percent); however, the older respondents also showed a significant 11.5 percentage point improvement (48.5 percent to 37.0 percent). In Real Estate, the advantage for the younger group is significant (a 9.28 percentage point decrease versus a 9.27 percentage point increase in the older population), but that industry comprises less than 2 percent of total respondents.

In Group 2 industries, however, the older cohort regularly shows significantly higher improvements than the younger cohort. For instance, older Construction industry employees reported a 13.0 percentage point improvement in job losses (28.4 percent to 15.4 percent), compared with a 2.0 percentage point improvement for the younger population (20.0 percent to 18.0 percent). In a number of Group 2 industries, the younger respondents actually reported higher job losses in Wave 3; younger Education workers reported 6.9 percentage point *higher* job losses in Wave 3 (11.9 percent increasing to 18.8 percent), whereas older Education workers reported a 1.1 percentage point improvement (16.0 percent decreasing to 14.9 percent).

Group 1 industries cover 36.9 percent of the youngest age cohort, and the job loss improvements within that population were significant between Waves 2 and 3, with job losses decreasing by a combined 8.3 percentage points. In Group 2 industries, however, 63.1 percent of the youngest age range reported a combined 4.2 percentage point *increase* in job losses. In contrast, the older cohort reported blended improvements across industries in both Groups 1 and 2 (by 1.2 percentage points and 2.6 percentage points, respectively).

18–35 Year Olds' Job Gains Largely Offset by Job Losses



How It Breaks Down by Industry