

The State of Young Adults in the Labor Force

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INTRODUCTION

Changes in the economy and educational expectations have made the transition to employment more complex for today's young adults (Danziger and Ratner 2010). This study examines the educational attainment and economic activities of today's young adults compared with previous generations. We focus on the young adult civilian labor force, defined here as 25 to 34 year olds who are employed, looking for work, or unemployed. We compare three age cohorts of young adult workers to understand how their experiences in the labor market have changed over time.

Research Questions:

- 1) What are the socioeconomic characteristics of 25 to 34 year olds across time using the 1980 Decennial Census, 2000 Decennial Census, 2011-2015 5-year American Community Survey (ACS)?
- 2) What role does education play in the earnings and occupational outcomes of current young adults compared with previous cohorts? How does it vary for men and women?

DATA AND METHODS

This study uses data from the 1980 and 2000 Decennial Census, and the 2011-2015 5-year ACS¹ to describe civilian labor force characteristics of young adults.

The universe for this analysis are young adults ages 25 to 34 years old. Generations are one way to group age cohorts. We look at this cohort of young adults at three different time periods that we roughly define as:

- **the Millennial Generation**, born 1981 to 1997 (2011-2015 5-year ACS);
- **Generation X**, 1965 to 1980 (2000 Decennial Census); and
- **the Baby Boom Generation**, 1946 to 1964 (1980 Decennial Census).

By comparing age cohorts we can look at the experiences of young adults at comparable ages as well as examine how the labor force experiences of this age group have collectively changed over time.

For more information see www.census.gov/programs-surveys/acs/.

DEFINITIONS

Civilian labor force – civilians ages 25 to 34 who are either employed, or unemployed and actively looking for work.

Employed – civilians ages 25 to 34 with a job.

Full-time, year-round workers (FTYR) – civilians ages 25 to 34 who are employed and work 35 hours or more per week for 50-52 weeks per year.

Less than Bachelor's Degree – individuals with educational attainment of less than high school graduate, high school graduate, and some college but no Bachelor's degree.

Bachelor's Degree or Higher – individuals with educational attainment of Bachelor's degree, Master's Degree, Professional Degree beyond Bachelor's degree, and Doctoral Degree.

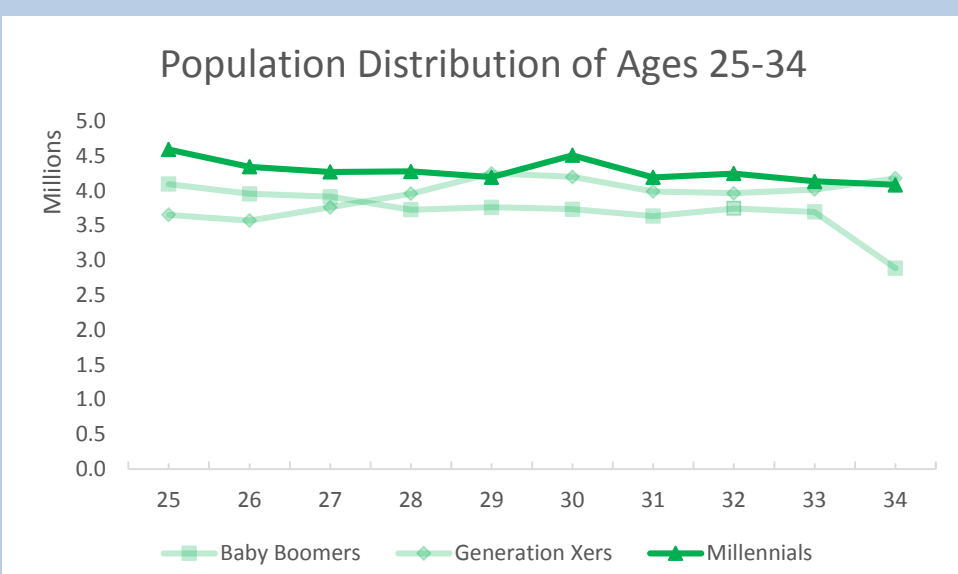
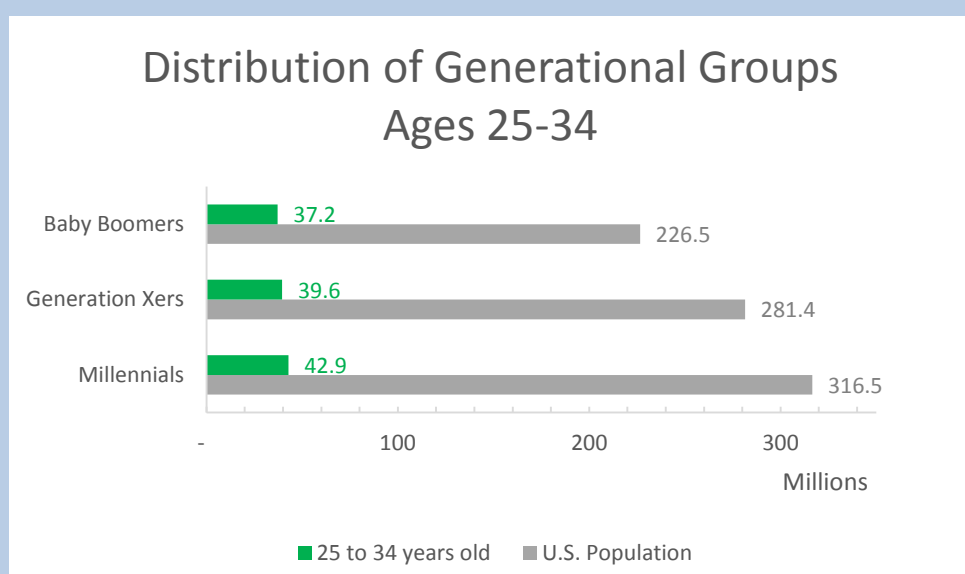
FOOTNOTES

1. The 2011-2015 5-year ACS was used to obtain a large enough sample size to explore detail occupations by age and sex. There is an overlap between Generation X and the Millennial Generation in the 25 to 34 age cohort.
2. Median earnings are in constant 2015 dollars.
3. Occupations are based on their original classification. The occupations shown for each generation are meant to illustrate some occupations with a high/low number of people with bachelor's degrees. Due to how the occupations were defined, directly comparing similar occupations between generations must be done with caution.
4. **Common Occupation – less than Bachelor's degree** represents the median earnings for select occupations where less than 10 percent of individuals working full-time, year-round in that occupation have a Bachelor's degree.
5. **Common Occupation – Bachelor's degree or higher** represents the median earnings for select occupations where more than 90 percent of individuals working full-time, year-round in that occupation have a Bachelor's degree.

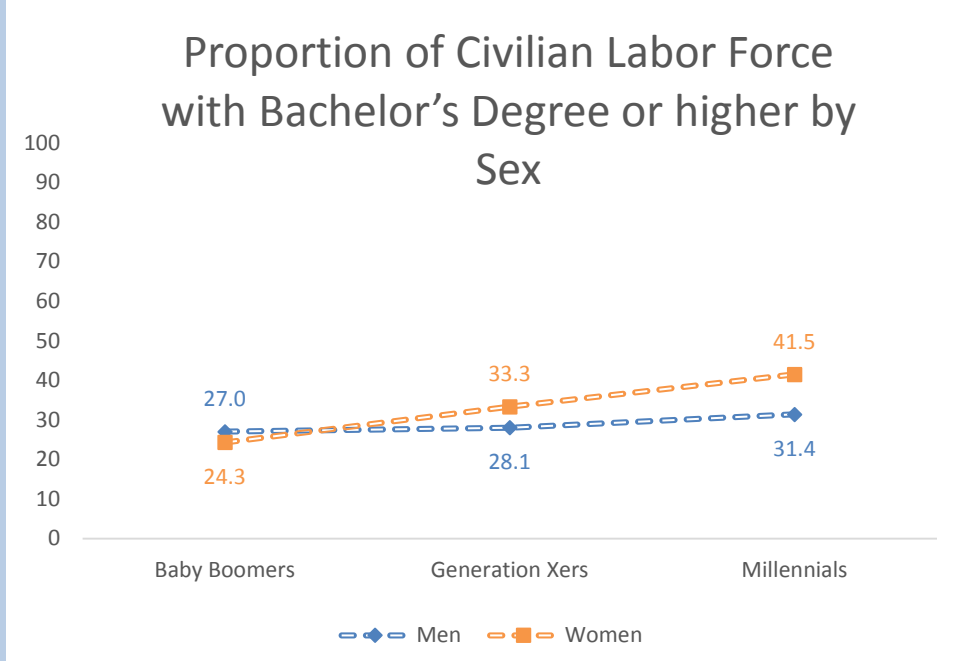
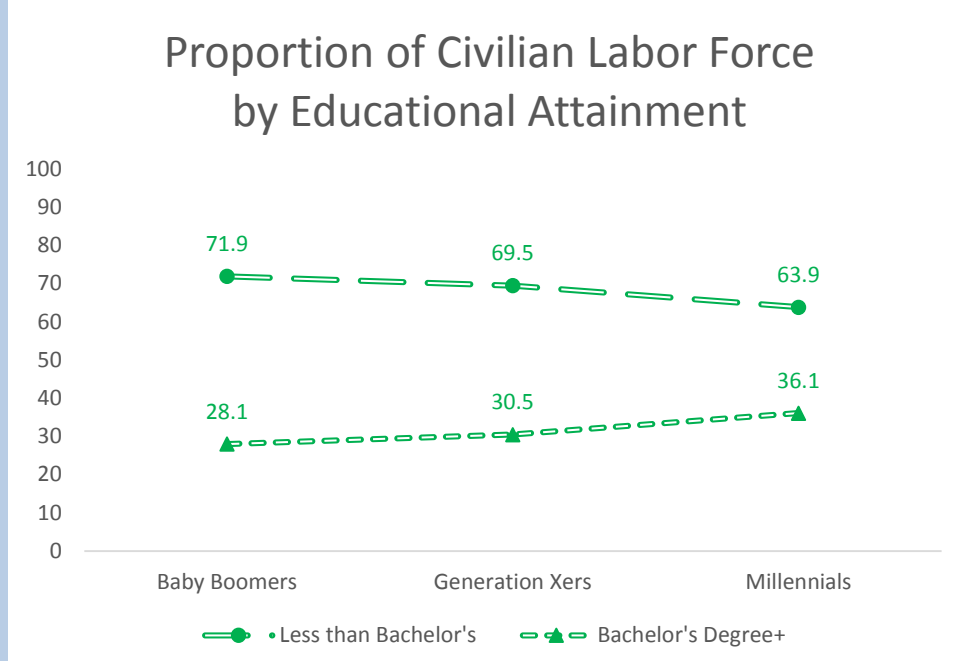
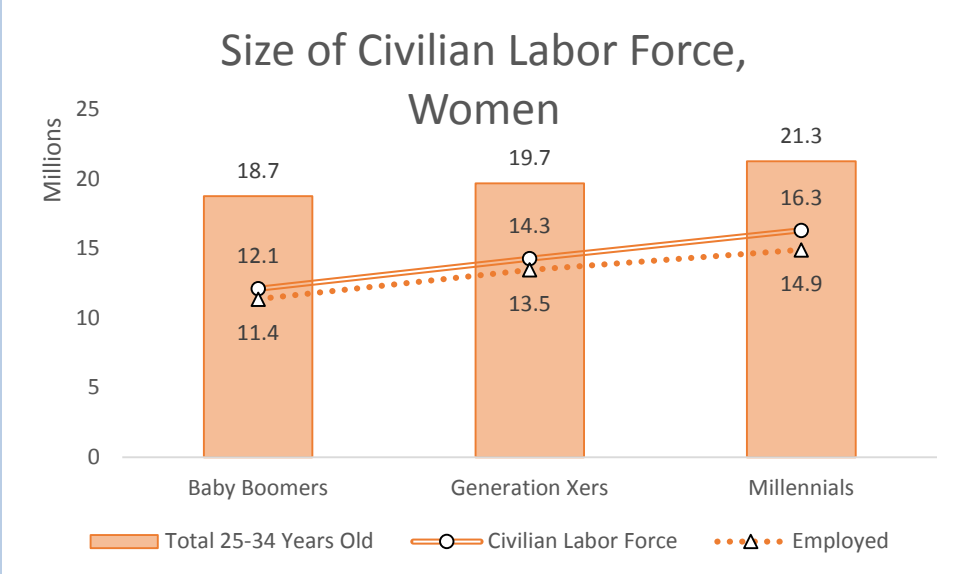
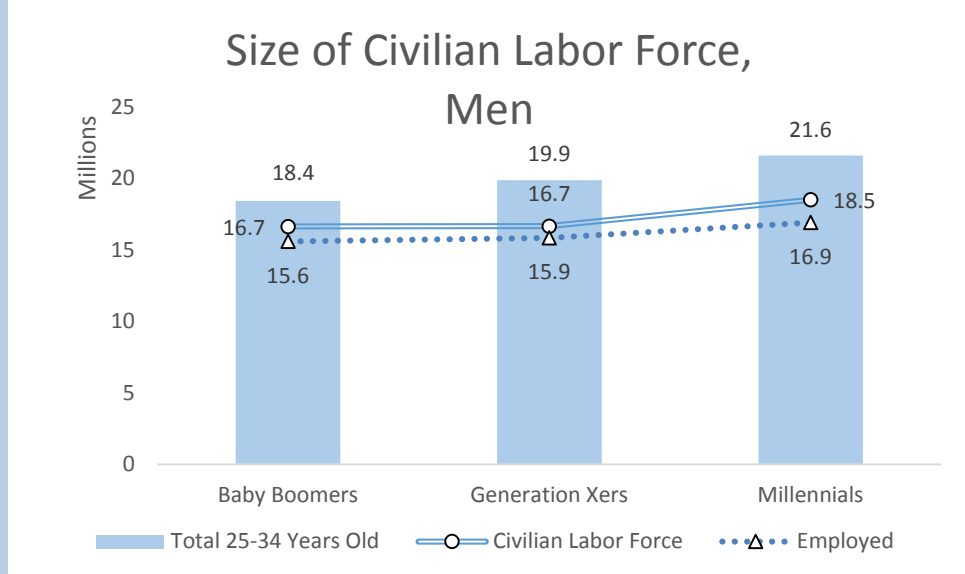
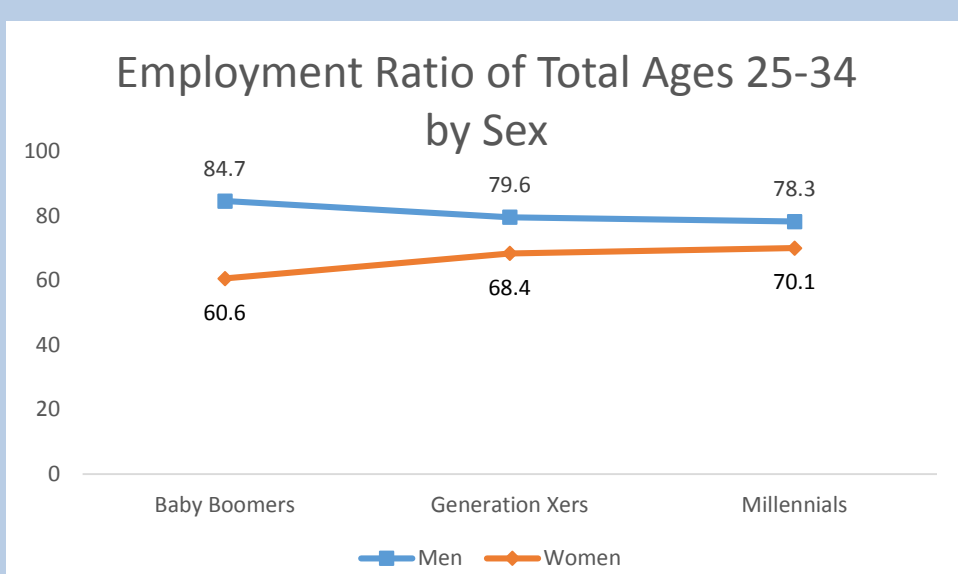
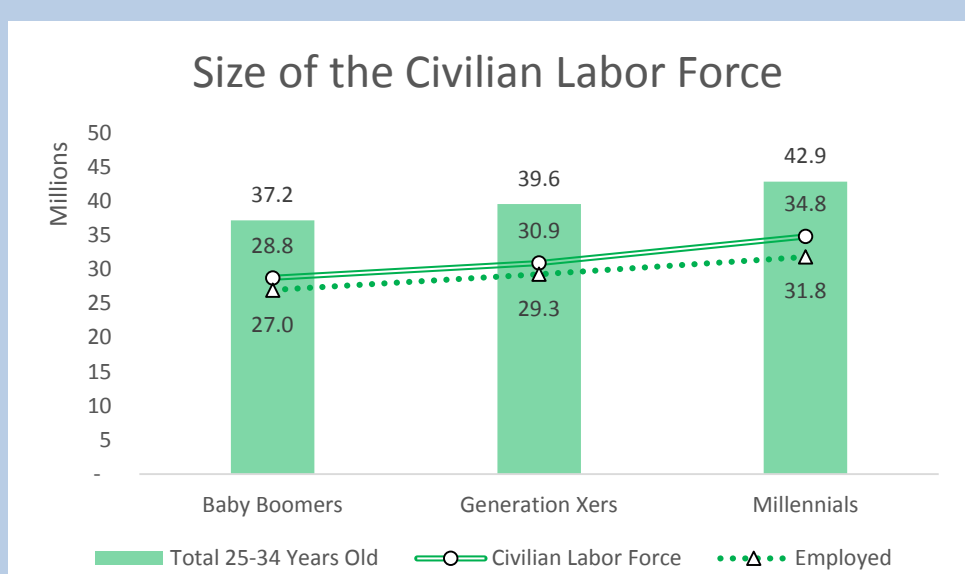
REFERENCES

Danziger, Sheldon and David Ratner. 2010. "Labor Market Outcomes and the Transition to Adulthood," *The Future of Children* 20(1):133-158.

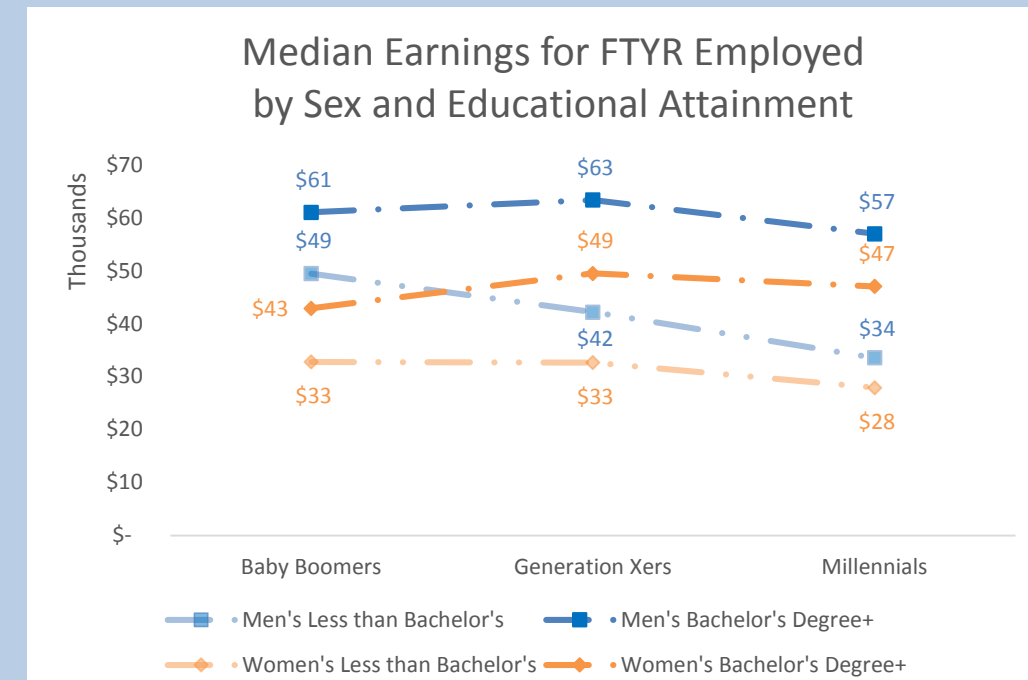
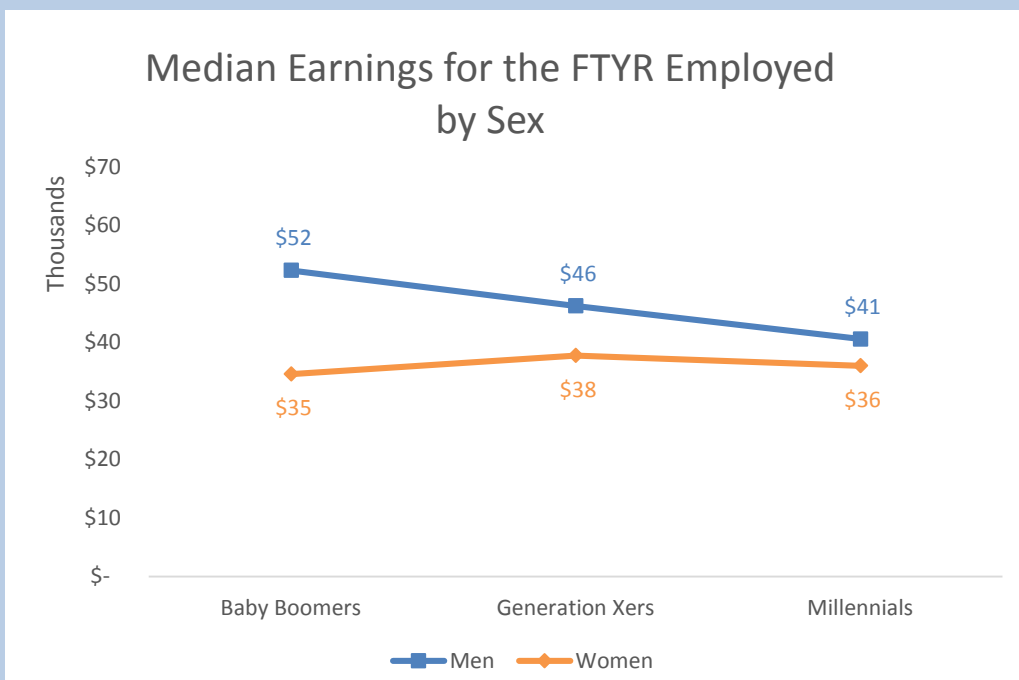
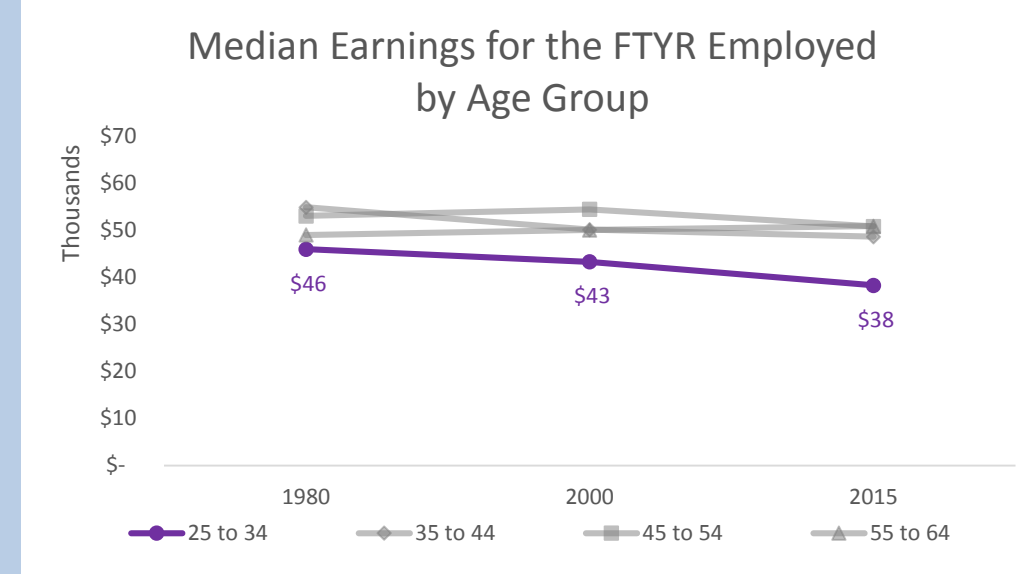
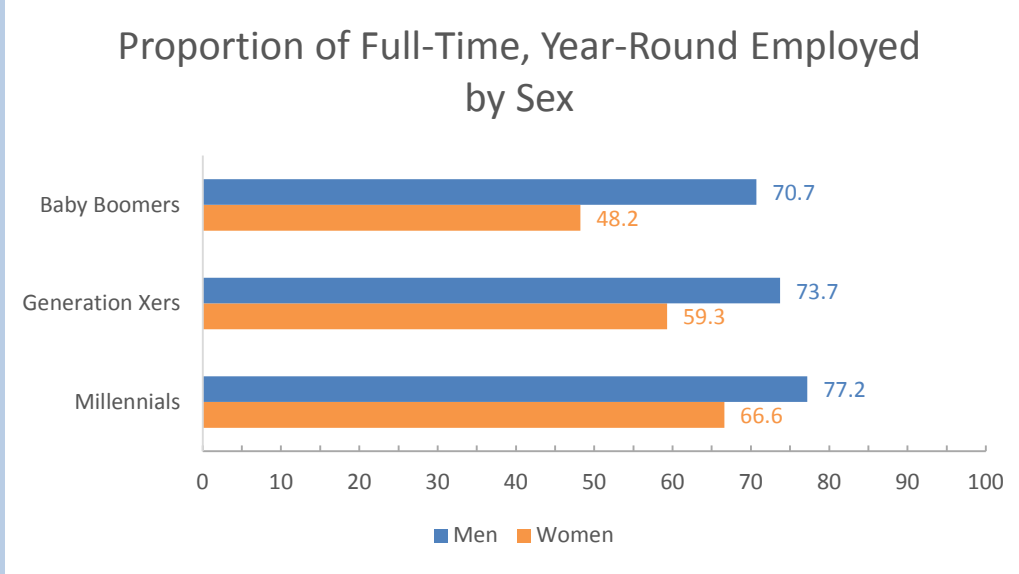
WHAT IS THE POPULATION DISTRIBUTION OF YOUNG ADULTS AGES 25-34 BY GENERATION?



HOW DOES THE MILLENNIAL YOUNG ADULT CIVILIAN LABOR FORCE POPULATION COMPARE WITH PREVIOUS GENERATIONS?



WHAT ARE THE DIFFERENCES IN EARNINGS² FOR MILLENNIALS?



DECLINE IN THE MEDIAN EARNINGS² OF COMMON OCCUPATIONS^{3,4} FOR FTYR EMPLOYED WITH LESS THAN A BACHELOR'S DEGREE

Occupation	Baby Boomers (ages 25-34)		Generation Xers (ages 25-34)		Millennials (ages 25-34)	
	Men	Women	Men	Women	Men	Women
Truck drivers, heavy	49,337	33,448	42,974	32,013	35,778	29,140
Machine operators, not specified	47,417	32,013	40,448	28,902	29,420	27,626
Automobile mechanics, except apprentices	45,006	30,333	42,472	30,333	28,172	25,061
Laborers, except construction	42,472	30,004	35,326	25,634	22,099	23,848
Janitors and cleaners	35,926	25,267	35,151	21,742	21,135	18,933

Occupation	Baby Boomers (ages 25-34)		Generation Xers (ages 25-34)		Millennials (ages 25-34)	
	Men	Women	Men	Women	Men	Women
Medical assistants and other healthcare support	29,140	28,902	29,420	27,626	34,812	34,812
Miscellaneous assemblers and fabricators	28,902	27,142	40,448	25,061	40,448	25,061
Hairdressers, hairstylists, and cosmetologists	27,142	25,634	37,765	23,848	37,765	23,848
Nursing, psychiatric, and home health aides	25,634	21,742	35,326	21,742	35,326	21,742
Cashiers	21,742	18,933	35,151	18,933	35,151	18,933

Occupation	Baby Boomers (ages 25-34)		Generation Xers (ages 25-34)		Millennials (ages 25-34)	
	Men	Women	Men	Women	Men	Women
Licensed practical and licensed vocational nurses	34,812	34,812	42,974	34,812	42,974	34,812
Medical assistants	27,626	27,626	40,448	27,626	40,448	27,626
Hairdressers, hairstylists, and cosmetologists	25,061	25,061	37,765	25,061	37,765	25,061
Nursing, psychiatric, and home health aides	23,848	23,848	35,326	23,848	35,326	23,848
Cashiers	18,933	18,933	35,151	18,933	35,151	18,933

STABILITY OF COMMON OCCUPATIONS^{3,5} FOR THE FTYR EMPLOYED WITH A BACHELOR'S DEGREE OR HIGHER

Occupation	Baby Boomers (ages 25-34)		Generation Xers (ages 25-34)		Millennials (ages 25-34)	
	Men	Women	Men	Women	Men	Women
Physicians	79,886	65,756	89,056	90,020	88,685	78,200
Lawyers	79,136	56,625	64,399	78,676	62,157	57,617
Pharmacists	70,744	48,175	47,228	57,667	59,549	44,484
Postsecondary teachers, subject not specified	47,202	39,851	45,851	43,675	45,381	42,848
Teachers, secondary school	47,100	39,318	44,968	43,248	45,381	42,848
Teachers, elementary school					35,955	38,642

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SUMMARY AND DISCUSSION

Our findings help to illustrate the difference between Millennials, ages 25 to 34, and previous generations.

As it relates to educational attainment, compared with previous generations:

- Millennials in the civilian labor force are more likely to have a Bachelor's degree or higher.
- Millennial women are more likely to have a Bachelor's degree and work full-time, year-round than their peers in previous generations.

As it relates to earnings and occupations, compared with previous generations:

- Millennials earn significantly less today than previous generations.
- Millennial men with less than a Bachelor's degree are in similar occupations as their peers in previous generations, but earn less.
- Millennials with a Bachelor's degree or higher are in similar occupations as their peers in previous generations.

Overall, Millennials do not earn as much as their peers in previous generations. Millennial women have made gains in attaining a Bachelor's degree or higher. However, they are earning less than their Generation X peers. The Baby Boom generation had greater educational diversity across high paying jobs which may have enabled them to earn more with lower educational attainment. Future research should further explore the decline in median earnings of individuals with less than a college degree and their occupational mobility.