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**Employment prospects deteriorating for young people– Education
critical for job success**

Ottawa – For many young Canadians, work now means low pay, irregular hours, no training and little hope for advancement. So suggest the findings of a working paper published today by Canadian Policy Research Networks. The study, Youth Employment and Education Trends in the 1980s and 1990s uses data from Statistics Canada to draw its conclusion that the labour market experiences of young people have been on a downward trend.

The unemployment rate for the youngest workers, those aged 15 to 24, was at least 5 percentage points higher than the rate for the population as a whole during the 1980s and 1990s. During the recessions of the early 1980s and 1990s, the gap between overall unemployment and youth unemployment reached 10 percentage points. Young Canadians have pursued two solutions to the no-work dilemma: take a part-time job or go to school. Many have been doing both.

In 1995, fully 45 percent of young working Canadians – mostly women – were in part-time jobs. This compares to 23.6 percent just 15 years earlier. The part-time option may work as a short-term solution, but not for the long term. Most of these are “McJobs” that offer low pay, low-skill employment that is unlikely to lead to a future career.

The high youth unemployment rate and the prevalence of low-wage jobs for large numbers of young workers have meant that average earnings for Canadian youth are low and getting lower compared to other workers. The real earnings of workers over 50 years of age have increased by about 31 percent over the past quarter-century, while wages paid to young Canadians have hardly changed.

“It has been a struggle for younger Canadians to find full-time, steady employment and the promotions that lead to higher pay,” said Gordon Betcherman, Research Director of the CPRN’s Work Network and co-author of the study with Norm Leckie of Ekos Research Associates Inc. and CPRN.

The education option is the best solution for young people and, in fact, many young Canadians are pursuing higher education. In the 1990s, post-secondary enrollment has risen dramatically and the proportion of young people with no schooling beyond the secondary level fell significantly.

“Unless young people pursue higher education, they are not likely to earn a satisfactory living,” according to Judith Maxwell, CPRN President. “The days of low-skill jobs with high pay are past.”

While more education pays off in higher employment rates for young workers, youth who do not finish high school pay the price. In 1995, the unemployment rate among 15-to-24-year-olds who had not finished high school was 22.1 percent. The rate for those with a university degree was 9.6 percent. Young people who did not complete high school did not do any better as they aged, but university graduates saw their unemployment rate continue to drop.

“We all hear about graduates who are having trouble getting work and it’s true a university education is no guarantee of a job,” according to Gordon Betcherman, “but it is the best thing a young person can do to increase the chances of finding full-time, steady employment.”

Once on the job, young workers’ educational background is also linked to the opportunities they receive for further training. Among workers aged 25 to 29, almost one-half of those with a university education received some employment-related education or training. Only one in six young workers who had not completed high school received such training.

- 30 -

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