



Challenger, Gray & Christmas, Inc.
The original outplacement company

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FOR IMMEDIATE RELEASE

Challenger Annual Teen Summer Job Outlook **FEW GAINS SEEN IN WEAK TEEN JOB MARKET**

CHICAGO, March 17, 2011 – The massive budget deficits that are crippling federal, state and local government agencies across the country are expected to have a negative impact on the employment prospects for teenagers this summer, according to global outplacement consultancy Challenger, Gray & Christmas, Inc.

In its annual teen summer employment outlook released Thursday, the firm projects that summer hiring among teenagers is likely to see little improvement from last year's historic lows.

Last year, teen job seekers experienced the weakest summer job market in decades. Data from the Bureau of Labor Statistics show that from May through July employment among 16- to 19-year-olds increased by just 960,000 jobs. That was down 17.5 percent from 2009, when teen employment grew by 1,163,000.

The 960,000 summer jobs filled by teens represents the lowest level of summer hiring since 1949, when teen employment increased by 932,000 during the summer months. Additionally, government statistics reveal that the 5,290,000 16- to 19-year-olds employed last July is the lowest July total since 1959.

In contrast, employers hired more than 1.7 million teenagers during the summer of 2006, bringing total employment for this age group to 7,494,000 in July, which historically represents the annual peak of teen employment.

“Any teen hiring gains achieved in the slowly improving private sector could be offset by losses in the public sector, where teenagers often find summer employment as camp counselors, lifeguards, office assistants, laborers and clerks. In fact, the City of Chicago announced this week that the number of summer jobs for young people will decrease by 22 percent this year,” said John A. Challenger, chief executive officer of Challenger, Gray & Christmas.

“If gasoline prices continue to rise, typical private-sector teen employers, such as amusement parks, hotels and resorts, landscapers and other businesses that suffer when energy costs increase, could also cut back seasonal hiring plans. However, teenagers should not consider the situation entirely hopeless. The city of Chicago, for example, will still offer 14,000 jobs to teens this summer,” he added.

“Even at its worst, employment among teenagers experienced a net gain of nearly 1,000,000 jobs last year. But, in the current environment it will be more important than ever for teens to begin their summer job searches early,” advised Challenger.

As of February, total teen employment stood at 3,974,000, 4.0 percent lower from 4,139,000 a year ago. The February total was down 30 percent from 2006, when February employment among teenagers reached its most recent peak of 5,700,000. The historic peak for teen employment was achieved in July 1978, when 10,033,000 16- to 19-year-olds were working.

“Competition for jobs will be significant. Young job seekers will not only compete with other teenagers, but in certain types of jobs like retail and food service, they may compete with recent college graduates or older workers who need to supplement retirement income. Home Depot recently announced that it would hire 60,000 seasonal workers for the summer months, and while some of those will be teenagers, many of the jobs will undoubtedly go to older, more experienced retail and home-improvement workers,” said Challenger.

“The key to success for teen job seekers will be an aggressive approach to the job search. Today’s tech-savvy teenagers are apt to conduct 90 percent of their job search on the Internet and submit applications online. However, nothing beats actually walking into a business, introducing yourself to the manager and asking about job opportunities. The personal touch sets the groundwork in building a rapport that will separate you from electronic candidates,” he said.

“By getting out from behind the computer, young job seekers may also find opportunities that don’t exist in the digital realm. Many mom-and-pop stores do not advertise job openings on the Internet. Nor do families looking for babysitters, lawnmowers or housecleaners. Some of the best opportunities this year may be for the odd-jobs entrepreneur.

“Many families are eliminating monthly expenses such as lawn care and home cleaning. However, these tasks still need to be completed and families, while strapped for cash, are no less strapped for time. A teenager who can provide these services at a fraction of what professional services charge may be able to drum up enough business to earn a steady income. Teenagers won’t find these opportunities in the classified ads or on the Internet; they will have to go out and sell their services to their neighbors,” said Challenger.

“Use your parents, friends and your friends’ parents as sources for job leads. Try to meet with hiring managers face-to-face, as opposed to simply dropping off a completed application form with a random clerk at the sales counter,” he added.

“Newspapers, both print and online, are also a good source for job leads. The classified ad section will contain some help wanted advertisements, but do not forget to read the local and business news sections, where you might find stories about new local businesses or ones that are struggling to find workers.

“Most importantly, do not get frustrated by failure. Many teens give up after applying to 10 or 12 jobs, concluding that ‘no one is hiring teens this summer.’ Chances are good that there are more than 10 or 12 employers in your city or town, so it is necessary to cast a wider net. There are many summer job opportunities outside the confines of the local mall,” noted Challenger.

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SUMMER EMPLOYMENT GAINS FOR 16- TO 19-YEAR-OLDS 1998-2010

| Year | May | June | July | Summer Jobs Gained | Change from Prior Year |
|-------------|----------------|----------------|----------------|--------------------|------------------------|
| 1998 | 270,000 | 1,058,000 | 675,000 | 2,003,000 | |
| 1999 | 415,000 | 750,000 | 852,000 | 2,017,000 | 0.7% |
| 2000 | 111,000 | 1,087,000 | 311,000 | 1,509,000 | -25.2% |
| 2001 | 58,000 | 1,124,000 | 560,000 | 1,742,000 | 15.4% |
| 2002 | 161,000 | 985,000 | 510,000 | 1,656,000 | -4.9% |
| 2003 | 152,000 | 859,000 | 458,000 | 1,469,000 | -11.3% |
| 2004 | 168,000 | 827,000 | 597,000 | 1,592,000 | 8.4% |
| 2005 | 183,000 | 1,007,000 | 546,000 | 1,736,000 | 9.0% |
| 2006 | 230,000 | 1,033,000 | 471,000 | 1,734,000 | -0.1% |
| 2007 | 62,000 | 1,114,000 | 459,000 | 1,635,000 | -5.7% |
| 2008 | 116,000 | 683,000 | 355,000 | 1,154,000 | -29.4% |
| 2009 | 111,000 | 698,000 | 354,000 | 1,163,000 | 0.8% |
| 2010 | 6,000 | 497,000 | 457,000 | 960,000 | -17.5% |

Source: Challenger, Gray & Christmas, Inc. with non-seasonally adjusted data provided by the U.S. Bureau of Labor Statistics