



AFL-CIO

**WORKING
AMERICA**

**YOUNG
WORKERS:
A LOST
DECADE**

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THIS YEAR, nearly one in three young workers will be laboring on Labor Day; they are significantly more likely to be at work on this holiday than workers older than 35. Even fewer low-income young workers have the day off.

This one small fact is a hint at the economic landscape today's young workers confront as they enter the workforce. A nationwide survey of 1,156 people conducted in July 2009 by Peter D. Hart Research Associates for the AFL-CIO and the AFL-CIO community affiliate Working America tells the fuller story, particularly compared with the results of a similar survey we commissioned 10 years ago: Employment, income and benefits have fallen sharply for young workers over the past decade. And these trends are even worse for the growing share of young workers with incomes of less than \$30,000 a year.

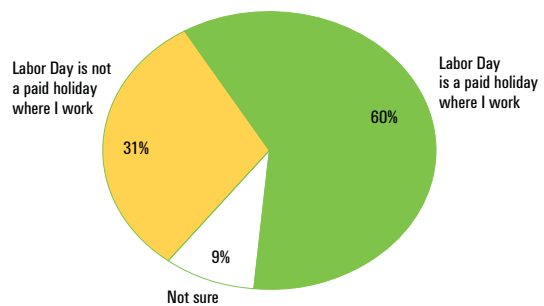
Young workers' optimism has slumped over the past 10 years along with their financial circumstances. Today, just over half of young workers say they are more hopeful than worried about their economic future—that's a 22-point drop from 1999, when more than three-quarters of young workers expressed more hope than concern about their economic futures.

Looking back at the past decade, the statistics spotlight a time of lost opportunity.

Despite serious setbacks, young workers (those younger than 35) are still more hopeful than older workers about meeting their financial goals, and have a clear vision for reshaping the U.S. economy to better serve working people. Young workers are ready to make this vision a reality at the polls and through greater involvement in civic affairs. When their voices are heard, they—and all of America's workers—will have a better chance at economic prosperity and reason to reclaim their optimism.

Many Young Workers Labor on Labor Day

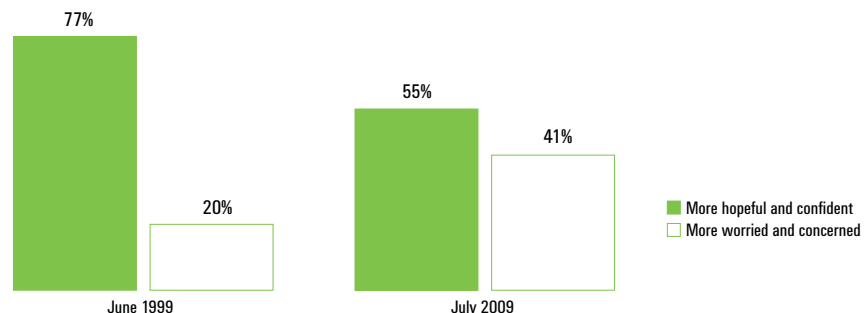
Is Labor Day a paid holiday where you work?



AFL-CIO/Hart Research, July 2009

Young People Are Less Confident About Their Economic Future

Looking ahead to the next five years, how do you feel about being able to achieve your economic and financial goals?



AFL-CIO/Hart Research, July 2009

EXECUTIVE SUMMARY

YOUNG WORKERS: A LOST DECADE

THIS LABOR DAY, nearly one in three young workers will be at work. This statistic is just one symptom of a far deeper economic reality for workers younger than 35.

This report, based on a nationwide survey of 1,156 people by Peter D. Hart Research Associates for the AFL-CIO and the AFL-CIO community affiliate Working America, examines young workers' economic standing, attitudes and hopes for the future. It also draws a comparison with findings from a similar 1999 AFL-CIO study, as well as with attitudes of workers older than 35. The findings reveal a lost decade for young workers in America. Not only have young workers lost financial ground over the past 10 years; they have also lost some of their optimism.

But this drop in optimism isn't keeping young workers from getting involved. With a comprehensive and progressive vision for revamping the economy, increasing numbers of young people are becoming politically active.

The Lost Decade

- Young workers are having more trouble than ever getting ahead financially. Times are even tougher for young workers of color, workers without college degrees and many women.
- Compared with older workers, workers younger than 35 are significantly less likely to be covered by health insurance or have retirement plans at their jobs, and are more likely to be unemployed. Today, 31 percent of young workers report being uninsured, up from 24 percent 10 years ago. Only 47 percent have retirement plans at work, down 6 percentage points from 1999.
- Only 31 percent say they make enough money to cover their bills and put some money aside—22 percentage points fewer than in 1999—while 24 percent make less than they need just to pay their monthly bills.
- With higher unemployment rates in 2009 than young workers faced in 1999, it's hard to find a job. But it's even harder to find a good job. More than one in three young workers worry they will not be able to find a permanent, full-time job with benefits.
- It's also become increasingly unlikely that young workers will receive paid leave. Only 58 percent receive paid sick days, and only 41 percent are offered paid family leave. One of young workers' top-rated priorities is spending time with family. But many are worried this simply won't be possible because time away from work often means not getting paid.
- This decline in income and benefits no doubt accounts for a significant drop in young workers' optimism over the past decade. Compared with more than 75 percent of young workers in 1999, today just over half say they are more hopeful than worried about their economic future—a 22-point drop.

Dreams of Adulthood Deferred

- These financial constraints are forcing young workers to postpone many of the steps young people traditionally have taken to begin their adult lives. One of the most stunning findings of this survey reveals that more than one in three young workers are currently living at home with their parents.
- Nearly two in five young workers have had to delay further education or professional development due to financial worries. The statistic is even more extreme for young workers of color—close to half say they've put educational goals on hold. And low-income workers are 30 percentage points more likely than young workers with higher incomes to worry about being able to afford the cost of education.
- Having the requisite education or training doesn't guarantee young workers a job for which they are trained. One in five say they are over-qualified for their current jobs and 22 percent are working outside their chosen field.
- Young workers are putting off starting a family until they are more financially secure, and close to one in three say they worry very often or somewhat often that they will have to delay starting a family because of economic concerns.

An Overlooked Majority: The Plight of Low-Income Young Workers

- While all young workers have lost ground over the past decade, the outlook for low-income workers is especially bleak. And this problem does not affect just the few: More than half of young workers earn less than \$30,000. A third of these workers cannot pay the bills, and seven in 10 do not have enough saved to cover two months of living expenses. *They are also just as likely to live with parents as to live on their own.*

- Making things worse, low-wage jobs are significantly less likely to offer the benefits characteristic of "good jobs." Forty-four percent of low-income young workers do not have health insurance, and only 27 percent have pension or retirement plans from their jobs. Because low-income young workers are also less likely to be able to save for retirement on their own, many do not have any retirement savings at all. Less than half have paid sick leave, compared with more than 75 percent of workers with incomes over \$30,000, and a mere 31 percent receive paid family leave.
- For too many low-income workers, the barriers to financial and personal independence seem insurmountable. Yet they remain the most confident in the leadership and agenda of President Barack Obama.

Visions for a Reinvigorated Economy

- Young workers have a clear vision for reinvigorating the economy, and it's largely summed up by one four-letter word—JOBS.
- Along with jobs, health care and education top the economic agenda for young workers. Facing rising health care and education costs themselves, young people know that access to education and affordable health care are vital to building a better future for their generation, the next generation and America's economy overall.
- In their own workplaces, young workers are embracing greater diversity and increased use of technology. Their career goals reflect a strong desire to provide for their families and to make a positive difference in the world. But few trust their own employer to do what's best for employees.
- Even fewer have confidence in corporate America as a whole. When asked who is most responsible for the country's economic

woes, close to 60 percent of young workers place the blame on Wall Street and banks or corporate CEOs. And young workers say greed by corporations and CEOs is the factor most to blame for the current financial downturn. They are also considerably more likely to hold former President George W. Bush responsible for the downturn than the new administration. Only 6 percent blame President Obama.

- Young workers' priorities for the nation discredit certain brands of conventional wisdom about what's best for young people. By a 22-point margin, young workers favor expanding public investment over reducing the budget deficit. They also take a more progressive view on contentious social issues such as immigration.
- Young workers rank conservative economic approaches such as reducing taxes, government spending and regulation on business among the five lowest of 16 long-term priorities for Congress and the president.

Translating Vision to Action: New Voters, Change Makers

- Young workers are ready to realize their vision for the economy. And they're becoming more politically active to make their voices heard. Thirty-five percent say they voted for the first time in 2008, and nearly three-quarters now keep tabs on government and public affairs, even when there's not an election going on.

- When compared with workers older than 35, politically involved young workers are more likely to identify with the Democratic Party and express more confidence in Obama's policies. In fact, today the majority of young workers overall and nearly 70 percent of first-time voters are confident that Obama will take the country in the right direction.
- Young workers also know it's time for change in many American workplaces, with close to 75 percent of young workers calling for improvements on the job. And the majority know they can't rely on their employers to make these improvements. As was the case in 1999, more than half of young workers still believe that employees are more successful getting problems resolved as a group and, similarly, that unionized employees are better off than those without unions.
- On a national level, young workers are turning out to the polls and getting more involved in politics to make their voices heard. But there still seems to be a missing link between young peoples' desire for change and their involvement in organizations working for that change. Political organizations and other advocacy groups are using technology and Web-based media to reach out to young people, but should be aware that these forums are not equally accessible to all young workers. It's imperative that all young workers, including those hardest hit by the economic downturn, be given the opportunity to reclaim the lost decade—for this generation of young workers and for the next.



**THE
LOST
DECADE**

“ In the '90s we had such big dreams. Everything seemed possible. Me and all my friends were going to college and we believed the future was full of opportunity and plenty of jobs. But I look around at my friends and myself now, and we are in such enormous debt, and we're not working the types of jobs we thought we would be. I was lucky enough to be able to get a home loan, but I have several friends who have been denied because of their massive student loans. Sometimes we wonder if it was really worth it to get an education for the price we've paid.

JESSICA, 31 years old, Frankfort, N.Y. **”**

IN 1999, the AFL-CIO commissioned a comprehensive study of how workers younger than 35 were faring in the “new economy.” Young workers, we found, were economically insecure, concerned about deteriorating job quality, distrustful of corporate America—and yet stubbornly hopeful about the future.

Ten years later, the change is shocking. The status of young workers not only has not improved; its dramatic deterioration is threatening to redefine the norm in job standards. Income, health care, retirement security and confidence in being able to achieve their financial goals are down across the board. Only economic insecurity is up.

Half of young workers say their job situation needs some or large improvements, a particularly strong sentiment among young workers of color. Only 31 percent of respondents say they make enough to pay their bills and put some money aside, 22 percentage points fewer than in 1999. The percentage is even lower among workers of color, women and workers without a college education.

A full 24 percent make less than they need just to pay their monthly bills, up 14 percentage points from one in 10 workers 10 years ago.

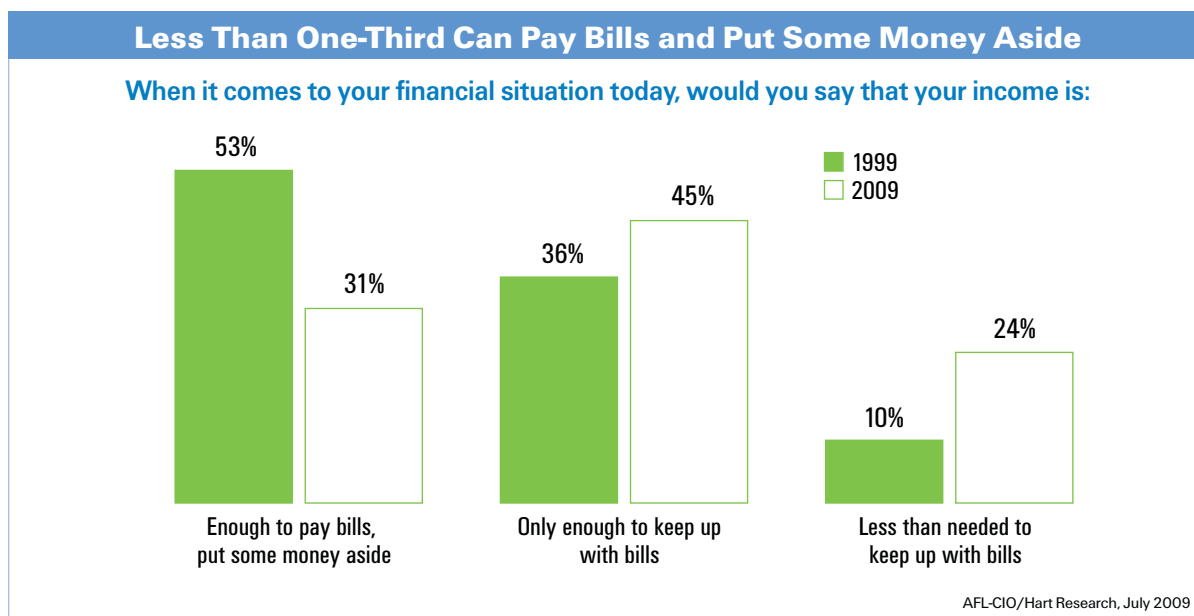
Half of the workers who struggle to keep up with their bills also find themselves without health insurance.

Young Workers Are Having a Harder Time Paying Bills Than 10 Years Ago			
	2009%	1999%	Change%
Income less than needed to pay bills	24	10	+14
Men	22	9	+13
Women	28	11	+17
Caucasians	23	8	+15
Workers of color	27	13	+14
Non-college	29	11	+18
Blue-collar	24	12	+12

AFL-CIO/Hart Research, July 2009

Backing our findings, a 2008 Demos report shows that median earnings for most young workers have fallen in recent years. In fact, it’s quite possible that today’s young people will be the first generation in recent history to be worse off than their parents’ generation.¹

Rather than having greater financial opportunity, many of today’s young workers are barely making enough to scrape by. Nearly half of workers



younger than 35 worry about having more debt than they can handle. One in four reports worrying about credit card debt specifically. Even for workers who make enough to pay the bills, economic security remains precarious. In the event of layoffs, fewer than half of young workers have enough savings to cover two months of living expenses. Sixty-seven percent of young workers worry somewhat to very often that prices will outstrip their income. This concern is even greater among women, workers of color and low-wage workers.

Since 2000, employment rates for young workers have plummeted, according to the Center for Labor Market Studies at Northeastern University, while older workers have actually seen an increase in employment rates.² If it's hard for young people to find jobs, it's even harder for them to find *good* jobs. More than one-third of young workers the AFL-CIO surveyed worry they will not be able to find permanent, full-time jobs—up from 27 percent in 1999. And they have good reason to worry. According to research conducted by the Center for Economic and Policy Research, the number of “good jobs” available to young workers has fallen substantially since their parents’ generation.³

Rising Prices, Falling Behind Are Top Worries	
How often do you personally worry about each of the following?	Worry Very or Somewhat Often
Prices rising faster than your income	67%
Not being able to get a permanent, full-time job with benefits	36% (27% in 1999)
Not being able to keep up with your mortgage or rent payments	34%

AFL-CIO/Hart Research, July 2009

Almost One-Third of Young Workers Do NOT Have Health Insurance			
	2009%	1999%	Change%
Do NOT have health insurance	31	24	+7
Men	29	20	+9
Women	33	27	+6
Caucasians	30	20	+10
Workers of color	32	34	-2
Non-college	37	29	+8
Blue-collar	40	28	+12

AFL-CIO/Hart Research, July 2009

Cost Is No. 1 Reason Young Workers Don't Have Health Insurance	
Cannot afford health insurance	48%
Employer does not offer health insurance	31%
Choose not to have health insurance	10%
Insurance companies refuse to cover me	4%
Other	13%

AFL-CIO/Hart Research, July 2009

Young people are the least likely of any age group to have health care coverage.⁴ Today, nearly one in three young workers reports being uninsured, compared with 24 percent without coverage in 1999. Women are even less likely than men to have coverage, as are workers of color relative to white workers. Though young workers of color are roughly even with those in 1999, every other demographic group has seen a substantial decline in insurance coverage rates.

Contrary to popular thought, young people are not uninsured because they consider themselves invincible. Just the opposite—of those without insurance, close to half say they can't afford health insurance, while 31 percent say their employer doesn't offer it. And the setbacks don't end there. Even those with insurance are more likely to worry about having health care costs they can't afford compared with young workers surveyed a decade ago.

Health care isn't the only issue that has young workers losing sleep. More than half worry very often or somewhat often that they won't have enough money for a secure retirement, a significantly greater percentage than voiced this concern a decade ago. This upswing is not surprising as fewer and fewer employers are contributing to retirement plans—only 37 percent

of our respondents say their employers contribute to a plan. In total, a mere 47 percent of today's young workers have retirement plans at work, compared with 53 percent in 1999. Here again, women and workers of color, who are even less likely to have retirement plans, shoulder a disproportionate share of the burden.

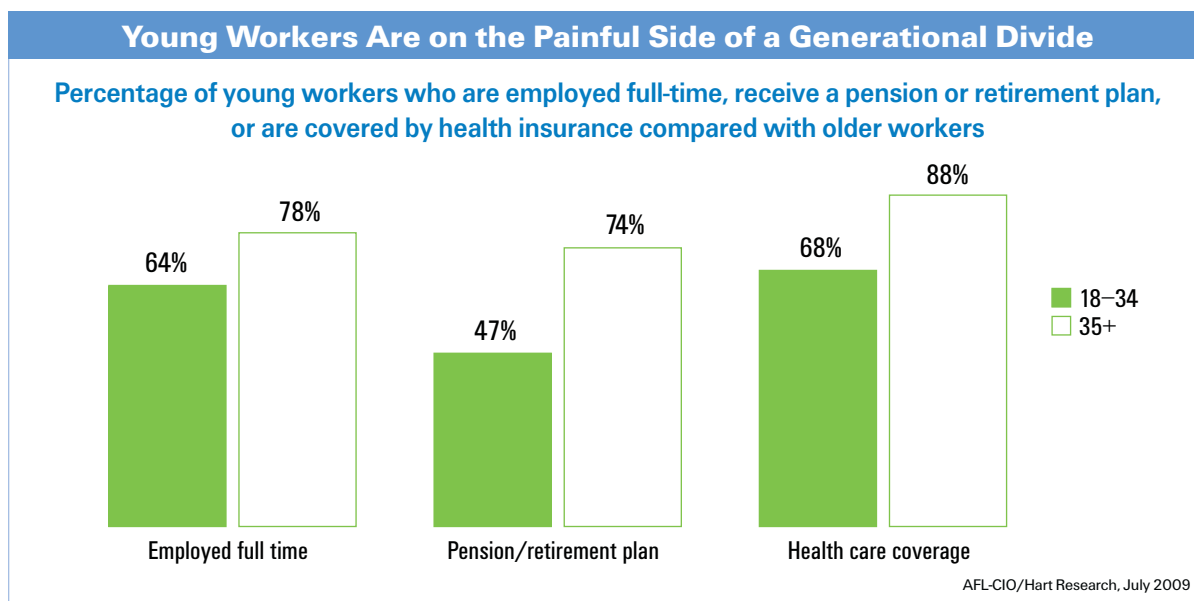
A comparison of workers under age 35 with workers older than 35 offers another lens for understanding just how much ground young workers have lost. While some disparity between experienced workers and those just entering the workforce is to be expected, the gap has widened over the past decade.

In 1999, young workers were only slightly less likely than all workers to say they could put some money aside, and only slightly more likely to say they didn't make enough to keep up with bills. At 36 percent, young workers were just as likely as workers overall to say they only made enough to pay the bills. Today, in addition to facing higher rates of unemployment, young workers are 12 percentage points less likely than older workers to say they make enough to put some of their income in savings. Workers younger than 35 also have seen a disproportionate deterioration compared to workers over 35 in benefits such as health care coverage and retirement plans since 1999.

Paradoxically, as income and benefits have declined, young people are spending more time working in an effort to stay afloat financially. Almost half of young workers say they are working more than 40 hours a week, and many wish they were working more. Since 1999, time pressure on workers has worsened because, for many, time away from work means not getting paid. Only 66 percent get paid vacation time, while even fewer have paid sick days (58 percent) or paid family leave (41 percent). The time crunch is taking its toll—nearly half of respondents worry about not having time to meet both work and family responsibilities.

More Than Half of Young Workers Have No Retirement Plan at Work			
	2009%	1999%	Change%
Do NOT have a retirement plan	51	41	+10
Men	49	36	+13
Women	54	45	+9
Caucasians	50	39	+11
Workers of color	55	47	+8
Non-college	60	47	+13
Blue-collar	59	41	+18

AFL-CIO/Hart Research, July 2009



Young workers are quickly losing ground, not only relative to young people a decade ago, but also relative to older Americans. Facing a growing number of economic hurdles, young workers have experienced a drastic loss in confidence since 1999, becoming much less

optimistic that they will be able to meet their financial goals. In fact, a growing number of young workers are finding themselves unable to pursue traditional paths into adulthood—for many, financial survival demands that dreams of adult life at home and at work be put on hold indefinitely.

Young Workers Are in a Time Crunch

Percentage of young workers who say the following statements apply to them:



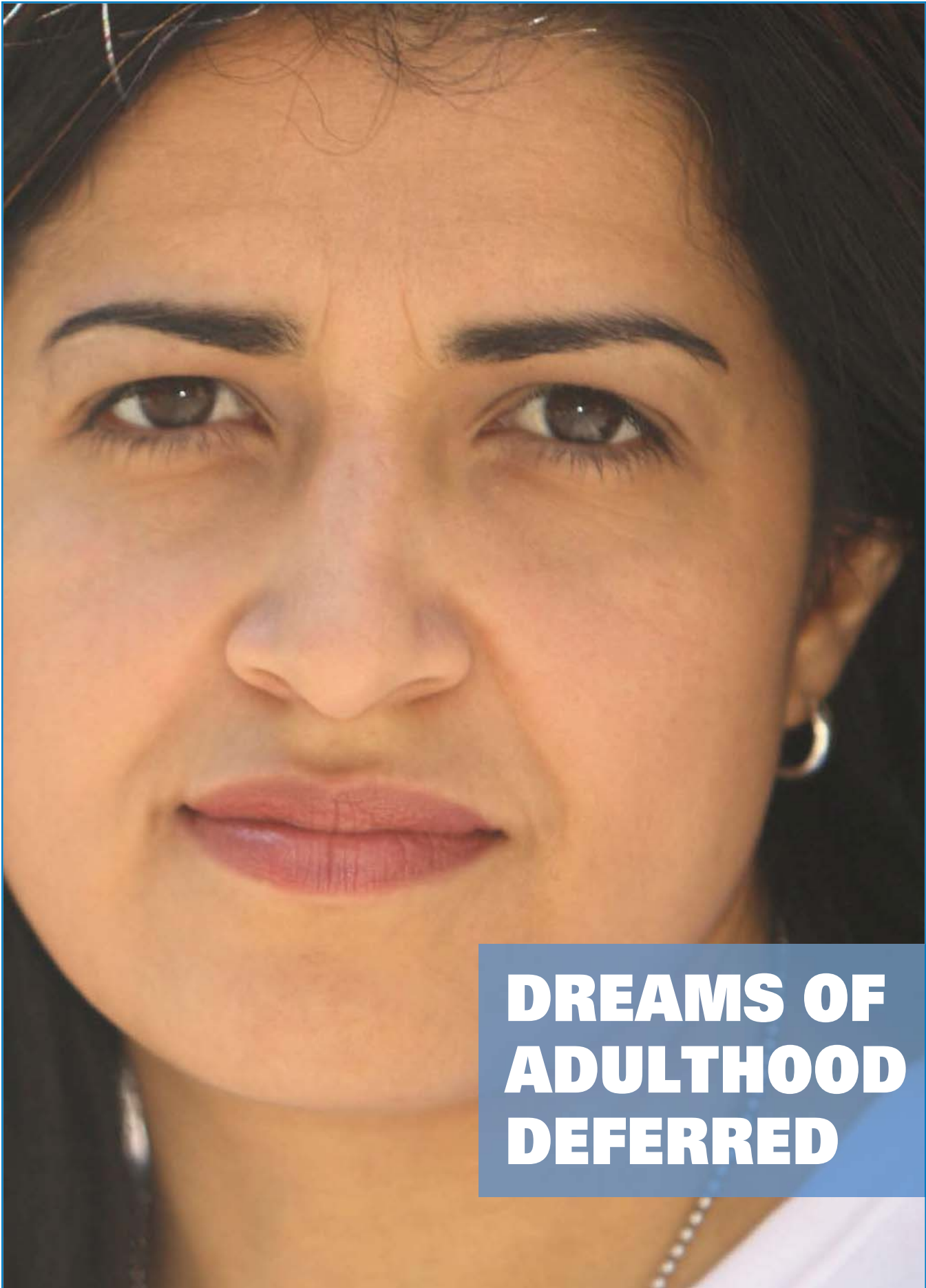
AFL-CIO/Hart Research, July 2009

¹ *Economic State of Young America*, Demos, 2008

² "Out with the Young and in with the Old: U.S. Labor Markets 2000-2008 and the Case for an Immediate Jobs Creation Program for Teens and Young Adults," Center for Labor Market Studies at Northeastern University, 2008.

³ John Schmitt, "How Good is the Economy at Creating Good Jobs," Center for Economic and Policy Research, October 2005.

⁴ This finding is supported by data from the U.S. Census Bureau and explored in greater depth in the 2008 Demos report, *Economic State of Young America*.



**DREAMS OF
ADULTHOOD
DEFERRED**

“ Things are definitely harder for me today than they were for my parents at my age. Back then, you could graduate high school, get a job at the local grocery store and still be able to buy a house and even put a little away for retirement. It’s just not that way anymore. We today have a lot more to worry about, and a lot less guaranteed to us.

LAURA, 31 years old, Albuquerque, N.M. ”

“ I have a bachelor’s in education but it’s really hard to find a job in my specific field in my area. So I’m now a guard at a detention facility. Is it what I planned to do? No. But it provides for me and my family, so I can’t really complain.

JOEL, 30 years old, Batavia, N.Y. ”

THE DECLINE in young workers' financial standing over the past decade has serious implications, and not just for their bank accounts. Young workers are finding it increasingly difficult to achieve personal and financial independence—in other words, to transition effectively into adulthood. Many are forced to postpone the education and professional development that would help them become financially independent. Many are putting off starting a family or even moving out of their parents' house. Rising costs, coupled with less pay, fewer benefits on the job and fewer stable job opportunities, create a system in which traditional paths to adulthood are blocked for a growing number of young people.

Today, more than one-third of workers younger than 35 live at home with parents. And the data strongly suggest that young workers are living at home not by choice, but out of economic necessity. Young low-income workers are an astounding 40 percentage points more likely to live at home than young workers with incomes over \$30,000. In a similar vein, 41 percent of young workers without a college education say they live at home, compared with 19 percent of college graduates.

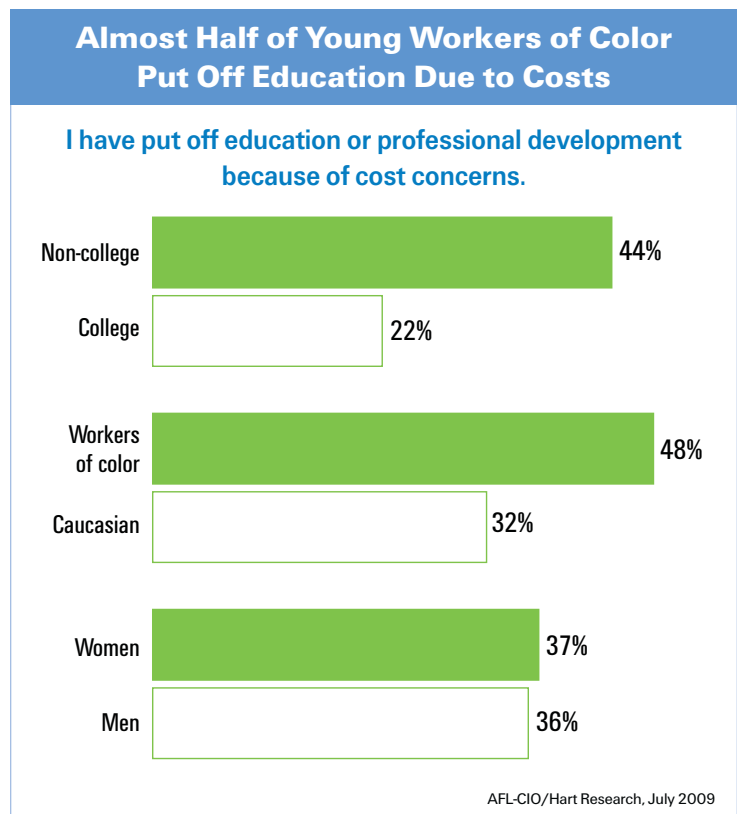
Many young workers hoping to advance in their careers are trapped by their inability to afford education and training. Close to two in five young workers have put off education or professional development because of cost concerns. This trend is even more pronounced among young people of color, 48 percent of whom say they've had to delay their educational goals due to financial worries.

Across demographic groups, nearly one in four young workers who take out loans for college end up dropping out.¹ Young workers of color and women are considerably more worried about the cost of education than are white workers and men, respectively.

According to a recent Demos report, although college enrollments among all racial groups have increased over the past three decades, the rate of growth has been greater for white students—disparities in access to college have in fact widened by race in recent years.² Like our data, this trend suggests that young people of color still encounter a disproportionate share of obstacles—both structural and financial—when it comes to education.

More Than One-Third of Young Workers Still Live with Parents	
Currently live in parents' home	34%
Men	35%
Women	33%
College	19%
Non-college	41%
\$30K and over	12%
Under \$30K	52%

AFL-CIO/Hart Research, July 2009



AFL-CIO/Hart Research, July 2009

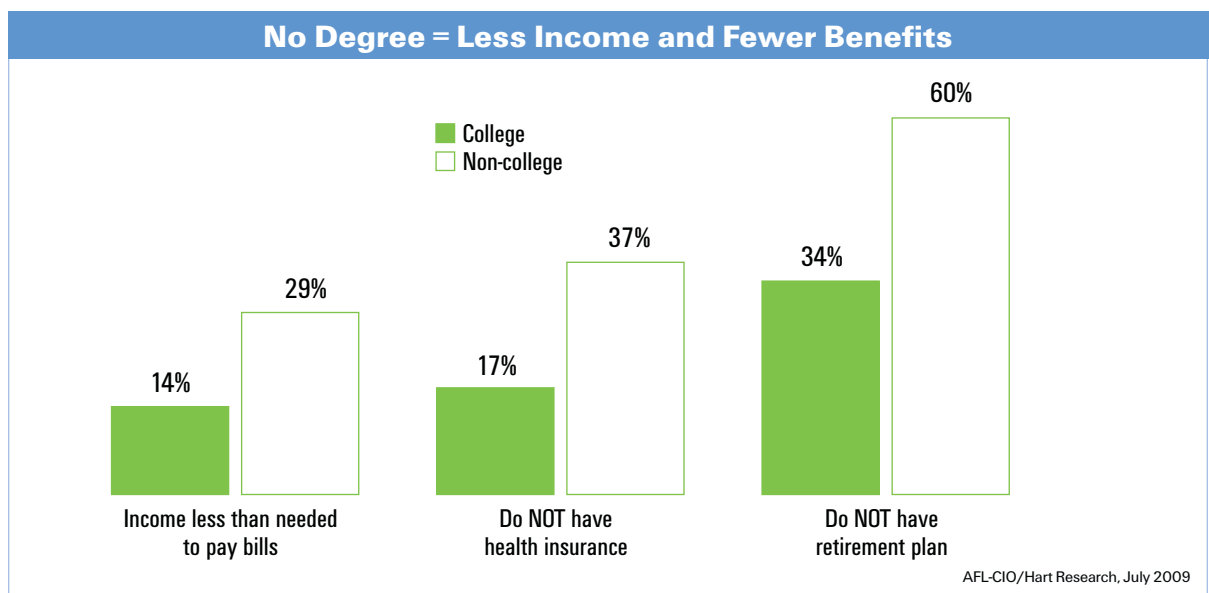
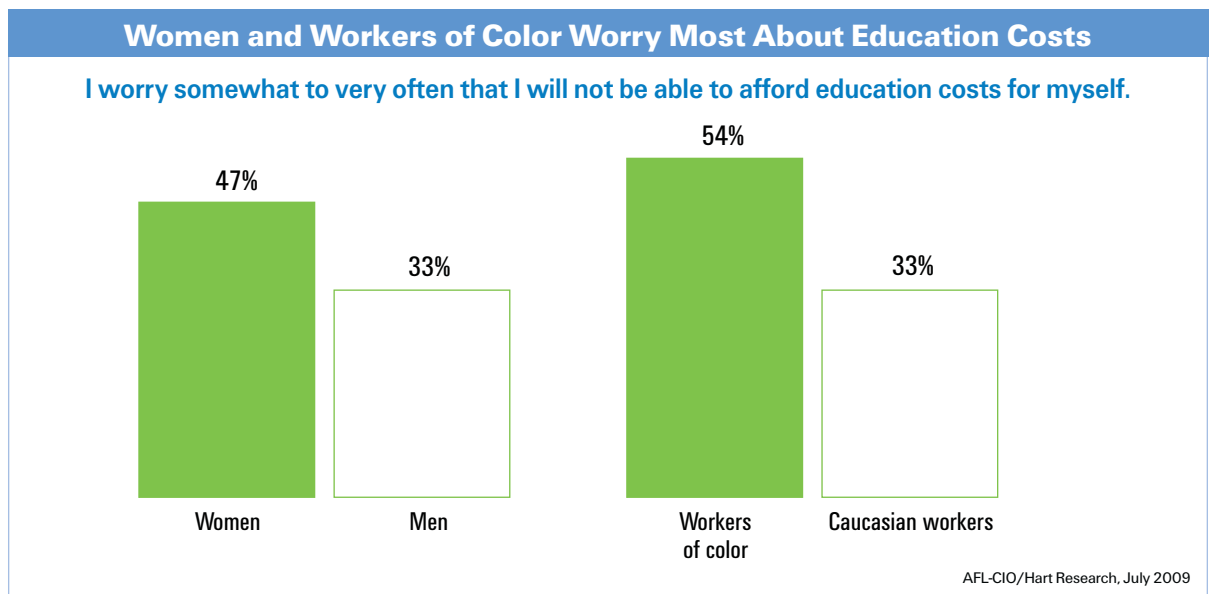
A closer look at the data underscores just how critical education is for financial independence and stability. Young workers without college degrees are 15 percentage points more likely than college-educated workers to make less

than they need to keep up with the bills. These workers are also more than twice as likely to be uninsured, and 26 percentage points less likely to have retirement plans.

Education and training do not guarantee young workers a smooth transition to adulthood. In reality, 21 percent of young workers report being over-qualified for their current jobs because they were unable to find jobs appropriate to their skills and training. Twenty-two percent are working outside of their chosen profession because they couldn't find a job in their field at all.

One-Fifth of Young Workers Say They're Over-Qualified	
I am over-qualified for my current job because I could not find a job appropriate for my skills and training	21%
I am currently working a job outside my chosen profession because I could not find a job in my field	22%

AFL-CIO/Hart Research, July 2009



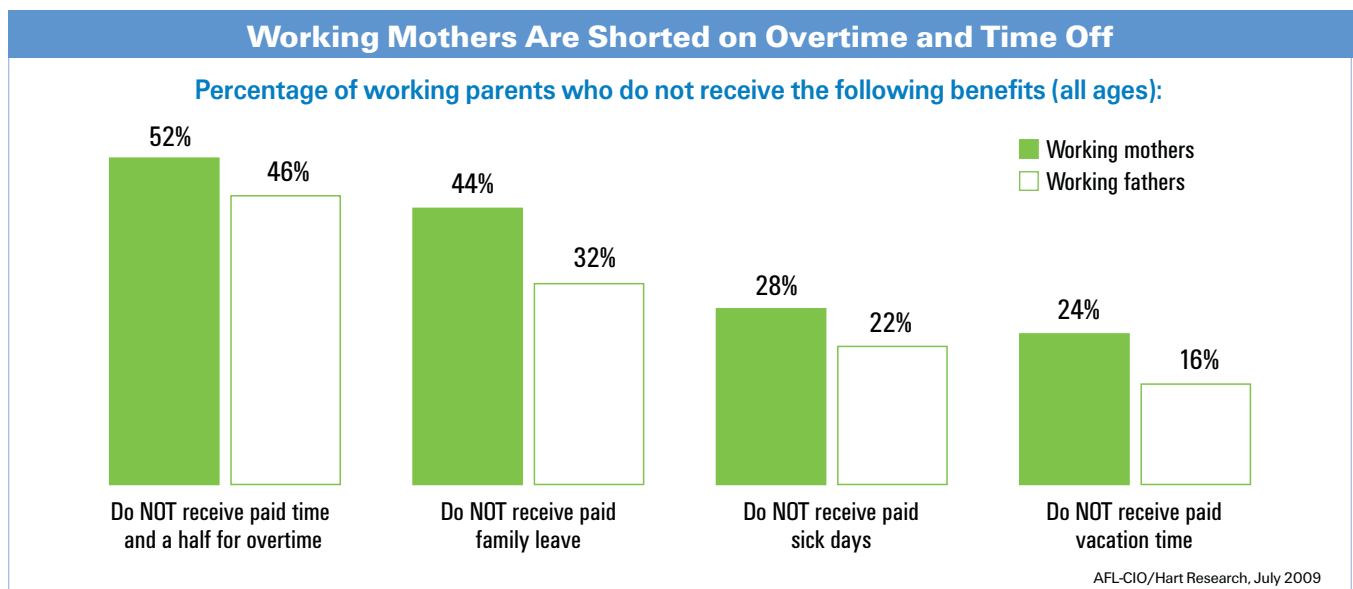
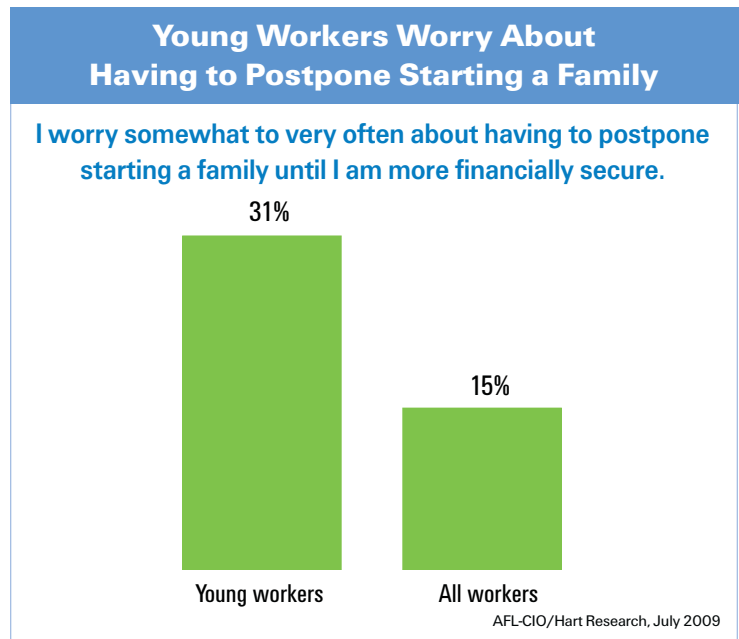
The career goals young workers find most important demonstrate a keen desire to move into adulthood—to achieve financial security and, above all, to have the time and resources to support a family. But although they prioritize time with family just as much as older workers, many young workers have to postpone starting families until they are more financially secure. Thirty-one percent worry very or somewhat often about this potential delay.

According to Northeastern University’s Center for Labor Market Studies, because many young workers have less work experience than in past decades, their earnings are lower and they are less employable when they enter the workforce as adults. This trend could have a negative impact on young men’s attractiveness as marriage partners, resulting in fewer marriages and greater rates of out-of-wedlock childbearing.³

Even for those with relative financial stability, only 41 percent of workers younger than 35 receive paid family leave at work. Young workers are striving to build their own lives, but with decreasing pay and benefits, too few employers are giving them that chance.

Though amplified among young workers, the impact of these trends is felt across all age groups. Many workers don’t have access to paid time off at their current jobs. No doubt hard for any worker to stomach, the statistics paint a particularly discouraging picture for working parents. Working mothers have even fewer opportunities to devote time to family than do working fathers.

A mere 47 percent of working mothers get paid time and a half for overtime, compared with 53 percent of working fathers, and working



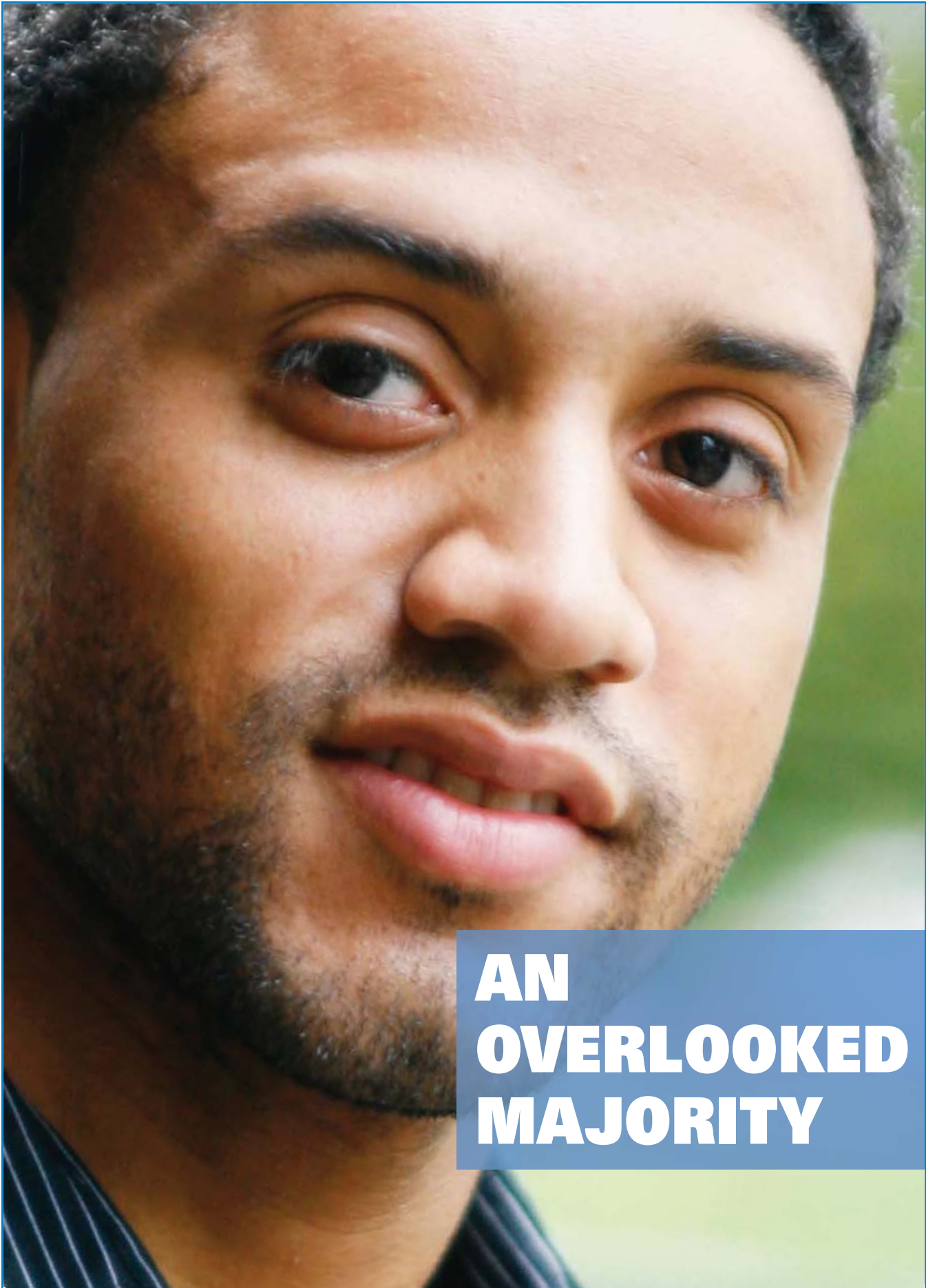
mothers are 8 percentage points more likely to go without paid vacation time. Sixty-two percent of fathers can take paid family leave, while a little over half of working mothers have access to this benefit. Seven percentage points more working fathers receive paid sick days, while working mothers remain 6 percentage points less likely to be covered by health insurance than their male counterparts.

Young workers are ready to strike out on their own—ready to achieve their educational and financial goals and, in many cases, to start families. But many are living at home with their parents, and find their dreams of further education or professional development financially out of reach. Rather than exploring more opportunities to pursue their goals, young people are struggling to begin their adult lives and build a future for themselves.

¹ *Economic State of Young America*, Demos, 2008.

² *Economic State of Young America*, Demos, 2008.

³ "Out with the Young and in with the Old: U.S. Labor Markets 2000-2008 and the Case for an Immediate Jobs Creation Program for Teens and Young Adults," Center for Labor Market Studies at Northeastern University, 2008.



**AN
OVERLOOKED
MAJORITY**

“ It’s really hard to be a single mother of four with no child support on my salary. It’s a struggle. Back in the day, grandparents were able to help raise the children, but now they have to keep working because they can’t retire at a reasonable age. It just seems like no matter how hard we work, things keep getting more and more difficult.

TRACY, 32 years old, Columbus, Ohio ”

LOW-INCOME young workers, those who make less than \$30,000 a year, confront a particularly harsh economic landscape. And they are by no means the exception—*more than half* of young workers fall into this group.

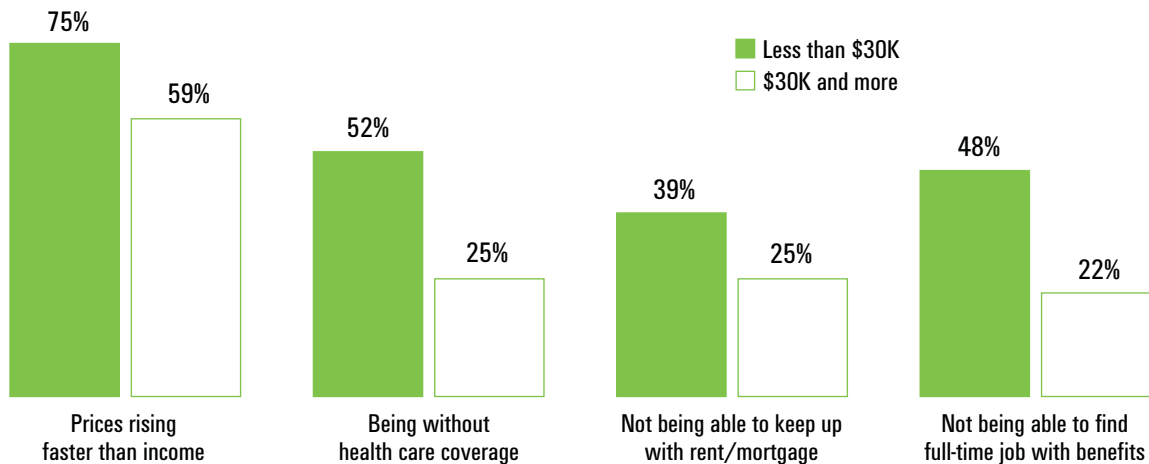
The problems go far beyond economic strains that might be expected when “starting out” in life—low-income young workers do not even have a place to start. And they’re increasingly worried they simply won’t be able to make it financially.

Three-quarters of low-income young workers say they are worried that prices will outstrip their income, and more than half say they worry often about being without health care coverage—a 27-point gap relative to workers with higher incomes. By significant margins, they are also more concerned that they will not be able to find a good job or keep up with rent and mortgage payments.

And their worries are well founded. A third of low-income workers say their incomes are less

Young Low-Income Workers Have a Lot to Worry About

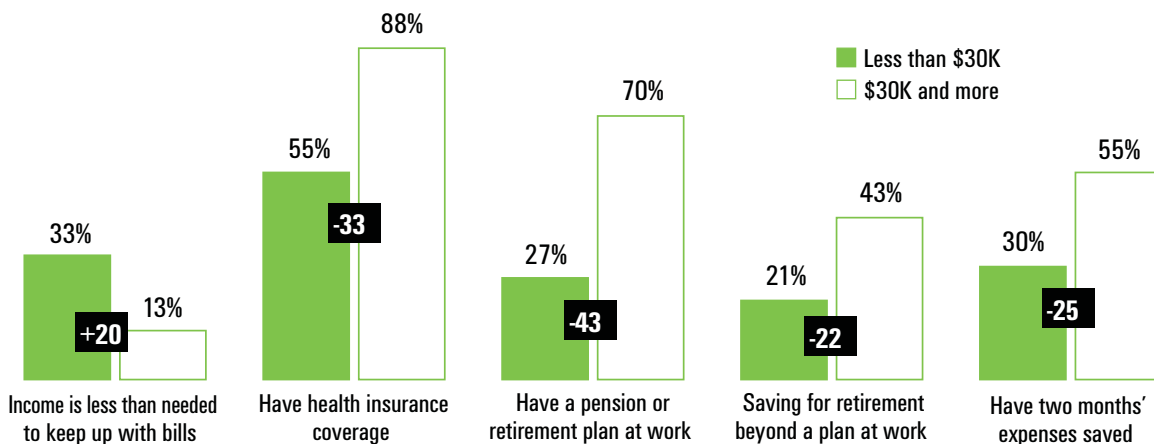
Percentage of young workers who worry somewhat to very often about the following:



AFL-CIO/Hart Research, July 2009

Low-Income Workers Are Shorted on Benefits, Too

Percentage of young workers who say the following applies to them:



AFL-CIO/Hart Research, July 2009

than needed to keep up with their bills. Worse still, a full seven in 10 do not have enough savings to cover two months of living expenses—a critical cushion in unstable economic times.

The impact of low incomes is compounded by the lack of benefits characteristic of “good jobs.” Only 55 percent of low-income young workers have health insurance. No more than 27 percent have pensions or retirements from work, compared with 70 percent of young workers with incomes over \$30,000—an astounding 43 percentage point difference.

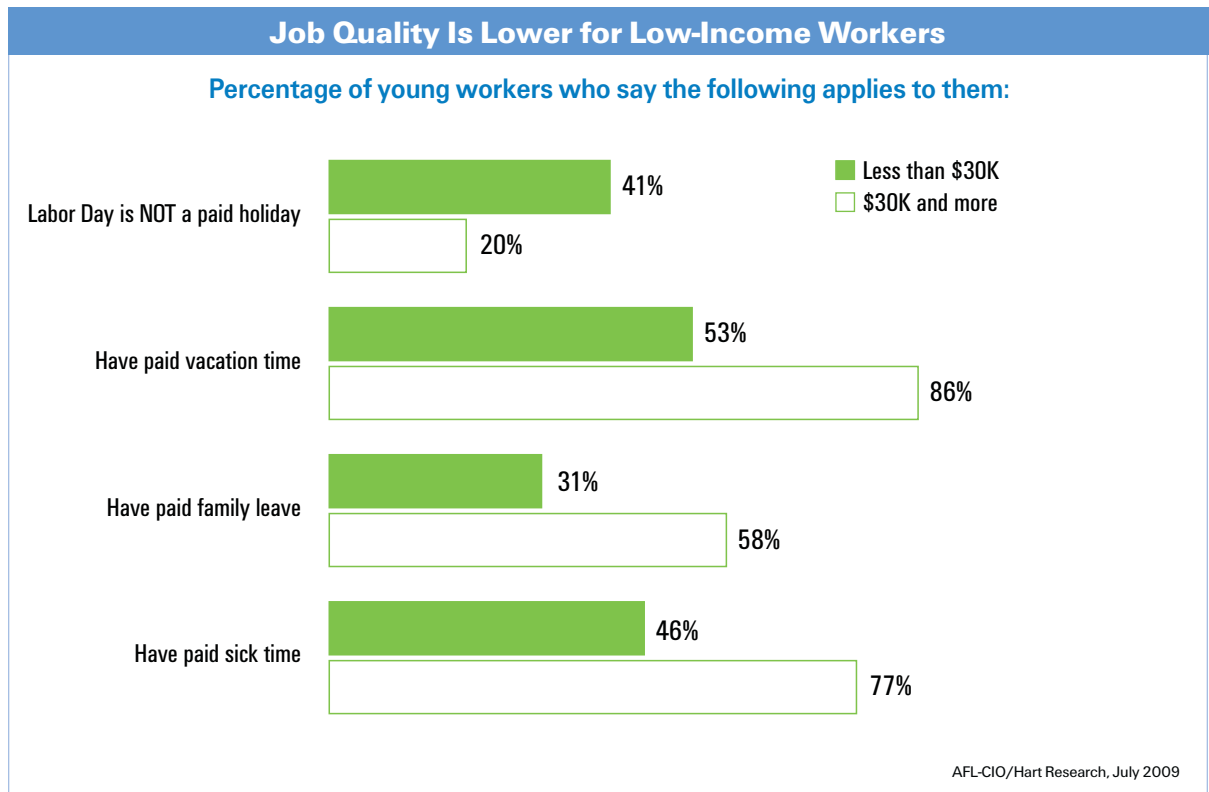
Low-income workers also are the least likely to say they are saving for retirement on their own. Consequently, many of these workers are unlikely to have any retirement savings at all.

Unsurprisingly, low-income young workers are more likely to say that improvements are needed on the job than workers from higher income brackets.

Only 53 percent of low-income workers receive paid vacation time, 33 percentage points fewer than higher-income workers. Under half have paid sick leave, compared with more than three-quarters of workers with incomes over \$30,000. Worse still, only 31 percent of low-income workers receive paid family leave.

And who gets this Labor Day off? Compared with 20 percent of young workers with incomes over \$30,000, 41 percent of low-income workers will be at work on Labor Day.

With the rising cost of education, it’s increasingly difficult for low-income workers to pursue the education that could help them advance. A full 54 percent of these workers worry about paying for education, compared with 24 percent of workers with incomes over \$30,000. Even more disquieting, low-income workers are just as likely to live with parents as to live on their own. These results indicate that young people with incomes under \$30,000 find even more roadblocks



on their path to financial independence and adulthood than do young workers overall.

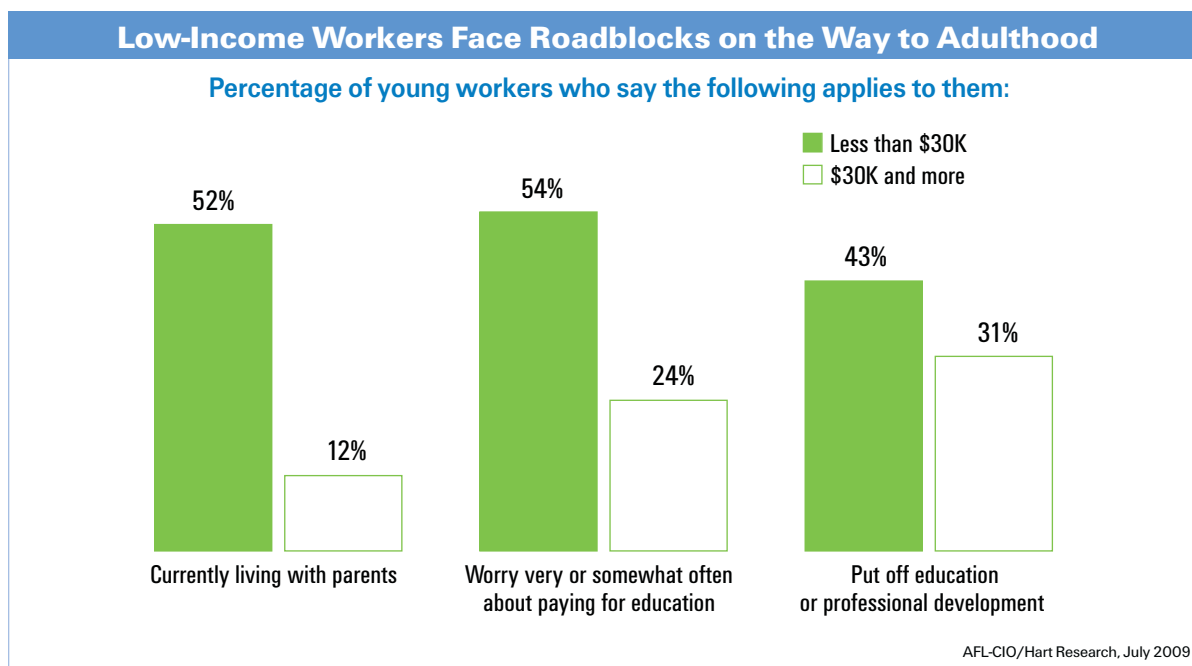
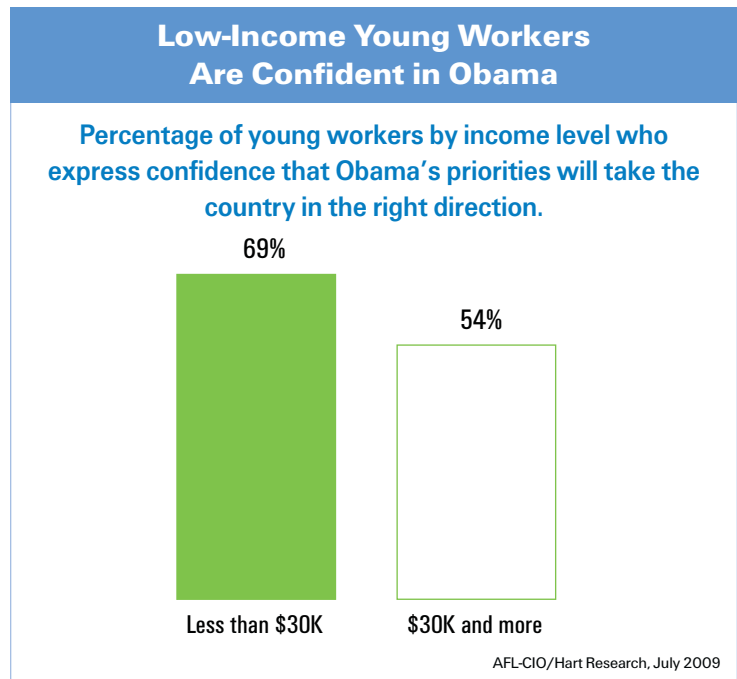
In fact, according to the Center for Labor Market Studies at Northeastern University, the greatest decline in employment rates since 2000 has been among those without college diplomas.¹

No wonder less than half of blue-collar workers express hope about being able to achieve their financial goals.

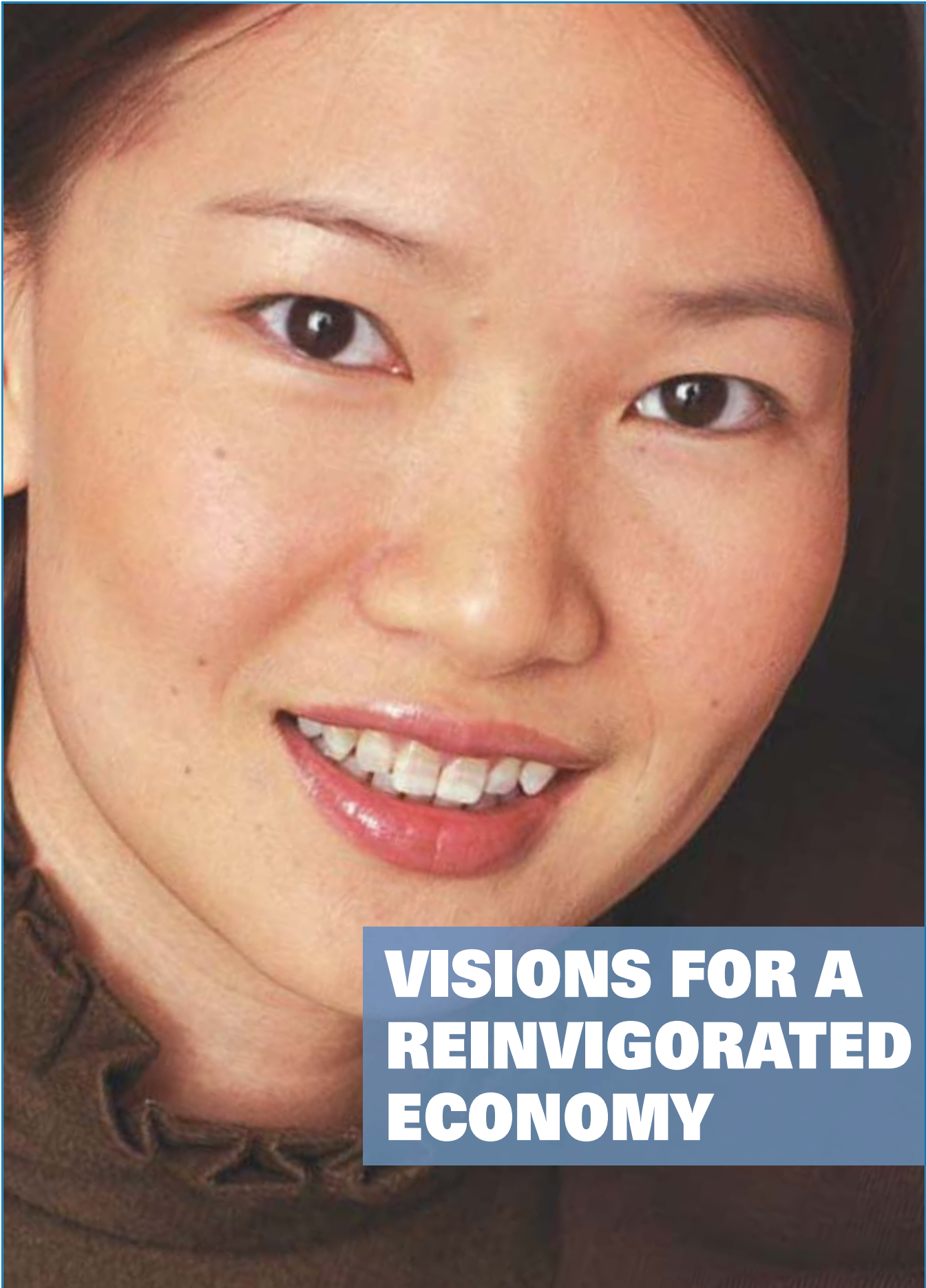
On the other hand, low-income workers are *more* confident in President Obama's policies and priorities than other young workers—and they are probably those with the most at stake. With more than two in three expressing confidence in Obama's policies and priorities, low-income young workers are 15 percentage points more likely than young workers with higher incomes to feel sure the president is taking the country in the right direction.

Low-income young workers are ready to see change that benefits everyday working people.

They are even more likely than higher-income young workers to rank job loss among the top problems facing working people. They are also more likely than workers with incomes over \$35,000 to rate job creation, health care and improving public education as top priorities for Congress and the president.



¹ "Out with the Young and in with the Old: U.S. Labor Markets 2000-2008 and the Case for an Immediate Jobs Creation Program for Teens and Young Adults," Center for Labor Market Studies at Northeastern University, 2008.



**VISIONS FOR A
REINVIORATED
ECONOMY**

“ What we need most is jobs. People need to get back to work. That’s the most important thing right now. And they need to be good jobs, too. That’s why I’m a strong supporter of the Employee Free Choice Act. We need good jobs, and lots of them. That’s what’s really going to make a difference in people’s lives.

HEATHER, 28 years old, Mabelvale, Ark. **”**

CONSERVATIVE LEGISLATORS

and pundits frequently cite the future well-being of young people as justification for efforts to cut back government spending and balance the federal budget. Young workers themselves, however, have a different take.

Overwhelmingly, young workers favor increased public investment in the interest of an economy—and a society—that offers working people a real chance to get ahead. They share a positive vision of a strong economy with broadly shared prosperity, more good jobs, high-quality and affordable health care and strong public schools, as well as early childhood education. And they have a clear view of their own career goals.

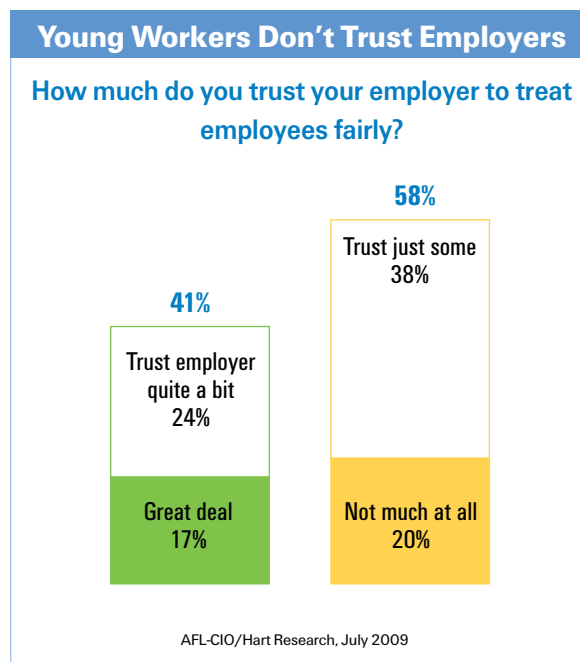
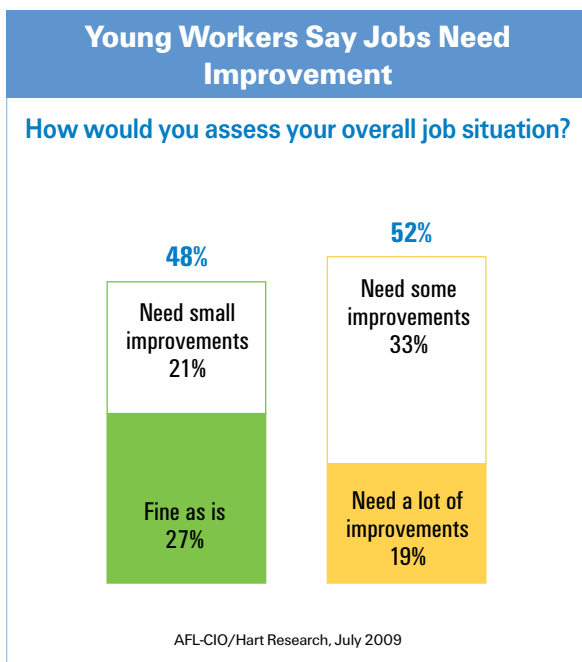
Young workers have a keen perception of the financial challenges confronting working people. More than half consider loss of jobs one of the primary economic problems facing America's workers. Forty-five percent feel that wages not keeping up with the cost of living is a top concern for working people. The rising

cost of health care is also among the top three economic problems identified by young workers.

On the job and in the larger economy, young workers are ready for change.

Fifty-two percent want to see some to a lot of changes in their own job situation. Women are more likely than men to think that improvements are needed in their workplaces, as are young workers of color and low-income workers. To be more specific, 29 percent of young workers of color say a lot of improvements are needed, compared with 14 percent of white workers—a 15-point difference.

But young workers are not counting on employers to improve their job situation—in fact, corporate America has a lot of work to do to regain young workers' confidence. Fifty-eight percent have only some or not much trust in their employers, with female workers even more likely to express substantial distrust. Young workers of color are the most likely of any demographic group to say they do not trust their employer much at all.



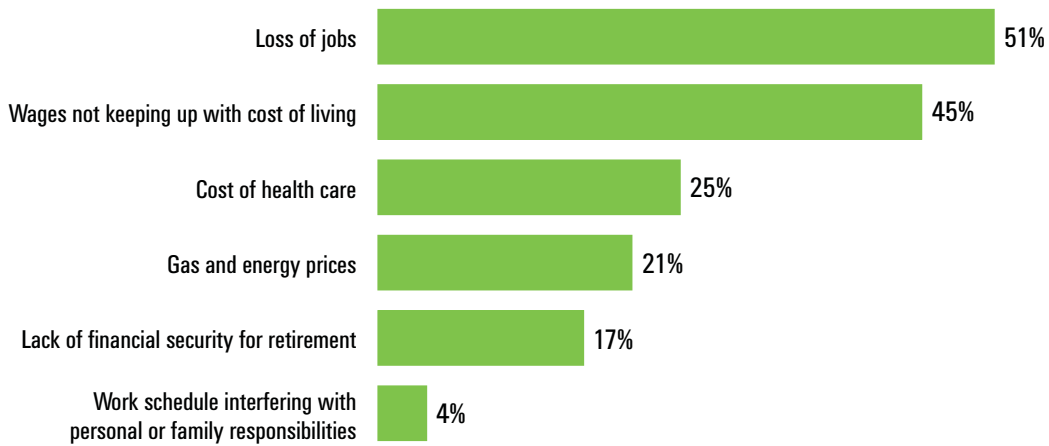
What's more, close to 60 percent of young workers identify either Wall Street and banks or corporate CEOs as the actors that bear the most responsibility for the current economic crisis. Forty percent of young workers see the greed of corporations and CEOs as the factor most to blame for the economic downturn—a

substantially greater percentage than blame the crisis on too much government spending.

When it comes to culpability among our leaders, young workers are considerably more likely to blame conservative leadership, with 31 percent blaming former President George W. Bush for the downturn, while only 6 percent blame President Obama.

Job Loss, Insufficient Pay Are Biggest Economic Problems

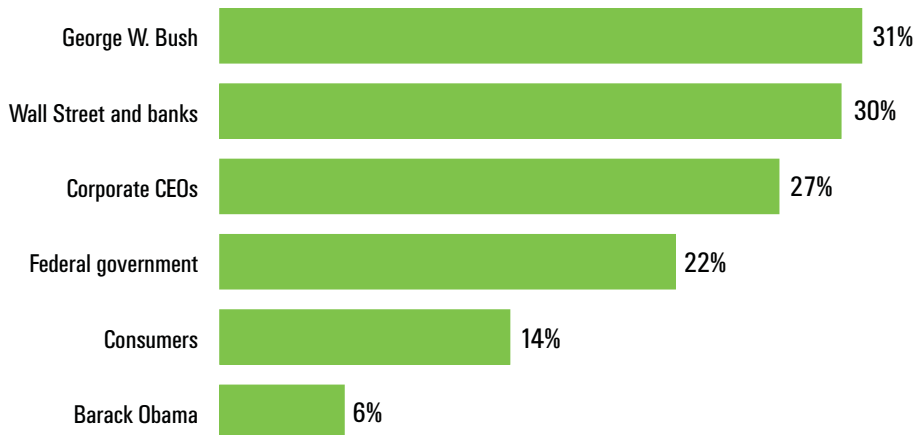
Which one or two of these are the biggest economic problems facing working people?



AFL-CIO/Hart Research, July 2009

Bush, Wall Street and CEOs Blamed for Crisis

Which one of these factors is most to blame for the country's economic problems?



AFL-CIO/Hart Research, July 2009

But young workers aren't just pointing fingers. They also demonstrate a clear vision for reform, and stand ready to offer solutions. In the short term, they call for job creation, health care reform and an improved education system.

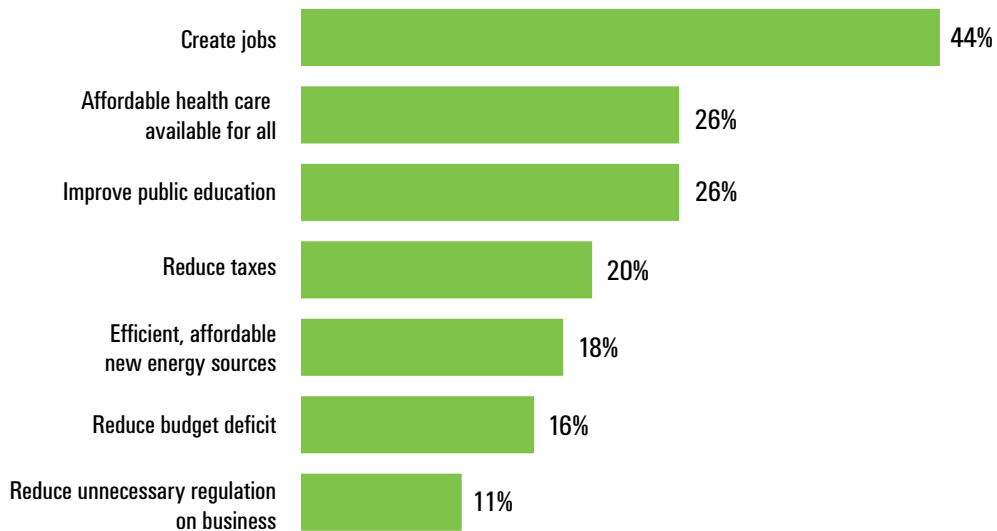
Forty-four percent choose job creation as one of the top two economic priorities for the president and Congress. Twenty-six percent rank health care reform among the top two priorities, and the

same number say improving public education should be a top priority for the nation's leadership.

Workers of color overwhelmingly prioritize creating more jobs—51 percent compared with 41 percent of Caucasian workers—as do workers without college degrees. Similarly, young workers of color are more likely to prioritize improving public education than Caucasian workers—30 percent compared with 24 percent.

Jobs, Health Care and Education Are Top Priorities for Young Workers

Which one or two of these should be Congress/president's highest priorities to improve economic conditions for people like you?



AFL-CIO/Hart Research, July 2009

THE CHANGING WORKPLACE

Today's workplaces are rapidly evolving. Young workers embrace some of the new challenges and opportunities, and reject others.

More than 70 percent of young workers see increased use of computers and technology as a change for the better, while only 6 percent see it as a change for the worse.

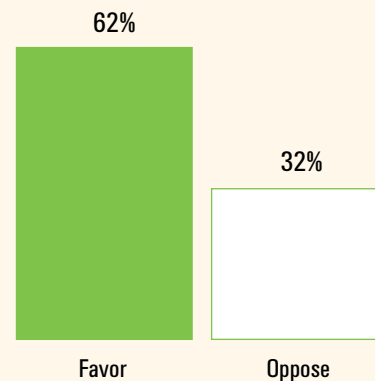
But—another fact that defies conventional wisdom—young workers do not see increasing job turnover as a good thing. More than half characterize fewer people being able to work for the same employer over many years as a change for the worse.

Young workers are more likely than older workers to welcome increased racial and ethnic diversity in their workplaces, with 53 percent of 18- to 34-year-olds characterizing more diversity as a change for the better. Only 7 percent of young workers consider the growing diversity of workplaces a change for the worse.

Consistent with these findings, workers younger than 35 are more likely than older workers to support immigration reform. In fact, 62 percent favor granting legal status to immigrants who obey U.S. law, learn English and pay taxes, compared with half of older workers.

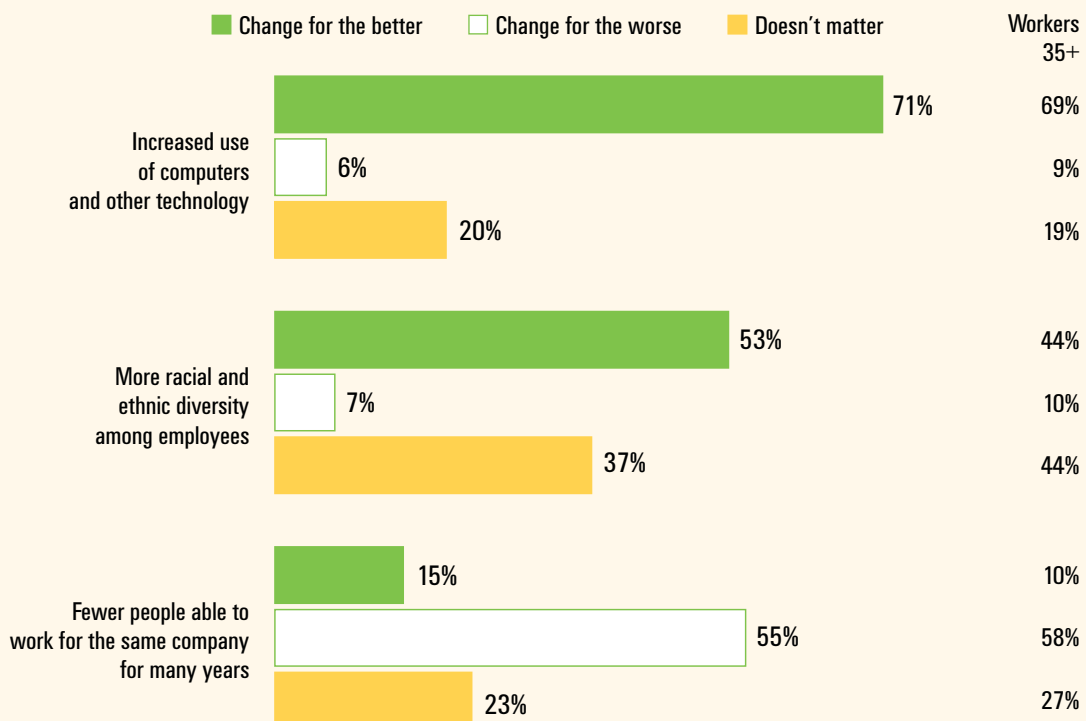
Young Workers Support Immigration Reform

Support for allowing undocumented immigrants to receive legal status if they obey U.S. laws, learn English and pay taxes



AFL-CIO/Hart Research, July 2009

Young Workers Embrace New Technology and Diversity, Reject High Turnover



AFL-CIO/Hart Research, July 2009

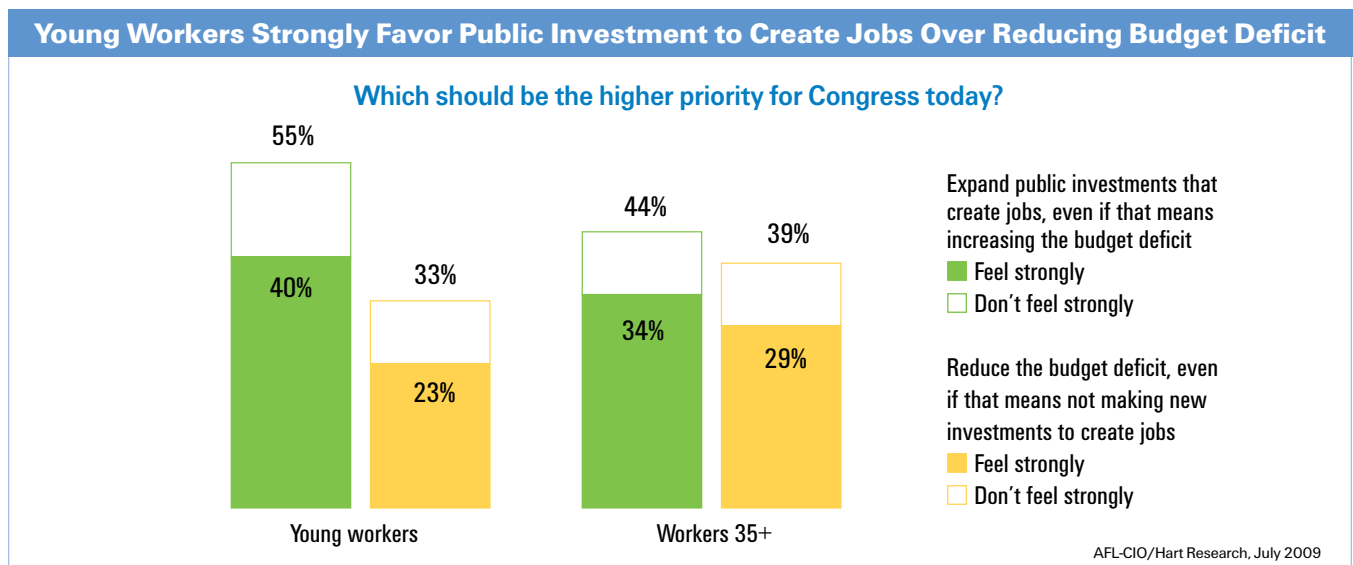
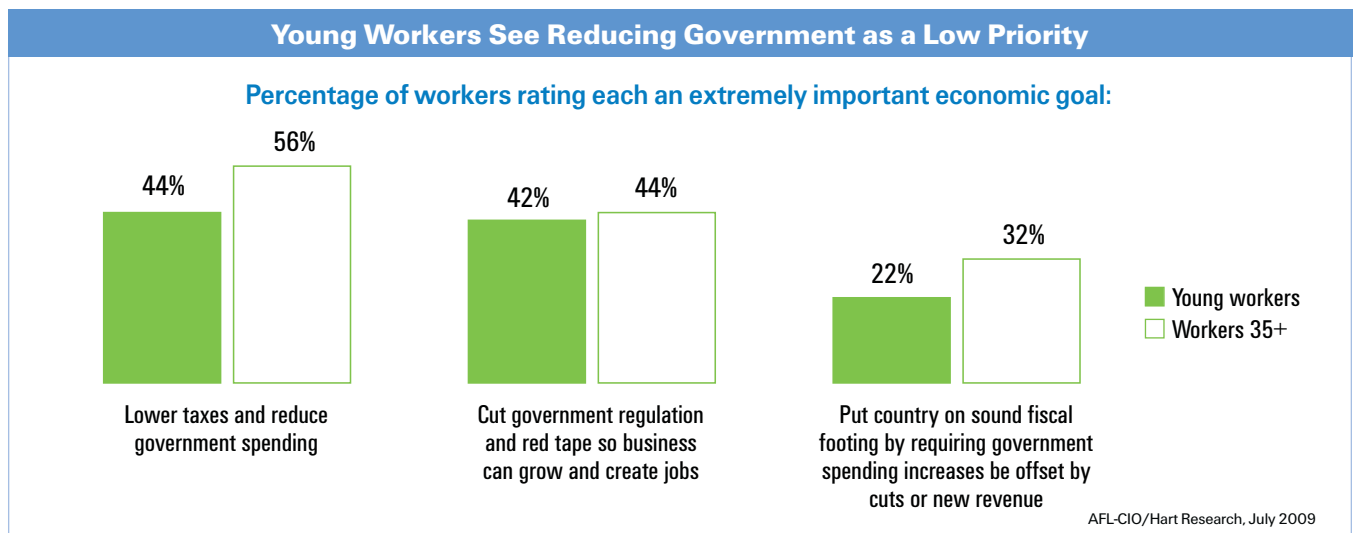
In fact, *by a 22-point margin*, young workers favor expanding public investment over reducing the budget deficit, a significantly greater divide than among older workers. Women and workers of color are particularly supportive of increased public investment. Across demographic groups, young workers are ready to see more public investment in energy, health care and education. Buttressing these findings, the Pew Research Center finds that young people are more likely to view the government as effective and efficient.¹

For their part, young workers are ready to do what it takes to strengthen the economy and support

their families. In fact, young workers rank a strong work ethic as the single most important quality for workers to succeed in today's economy.

Strong Work Ethic Seen as Most Important Quality for Success		
Which one or two of the following do you think are the most important qualities for a worker to have to succeed in today's economy?		
	Young workers	All workers
A strong work ethic	59%	59%
Technology skills	27%	32%
Reliability	34%	31%
People skills	34%	27%
Creativity	11%	7%

AFL-CIO/Hart Research, July 2009



The top career goals of young workers reveal a similar sense of responsibility—toward their families and communities as well as their own success. More than one in three young workers identifies having enough time for personal or family priorities as one of two top career goals. Coming in a close second, making a good income is a top choice for 35 percent of young workers. Third, with almost one-third of workers calling it their top career goal, is making a difference in people’s lives.

Along with job security, these goals outrank aspirations for personal advancement that many associate with young workers: Only 12 percent of young workers rank being their own boss or being well known and respected in a field as top career priorities.

Young workers’ long-term vision for the economy is consistent with their immediate priorities and interest in public investment. Seventy-one percent identify preparing the next generation to be competitive in a global economy through training and education as an extremely important priority. Following closely, 66 percent recognize

creating good jobs to put people back to work as an extremely important goal.

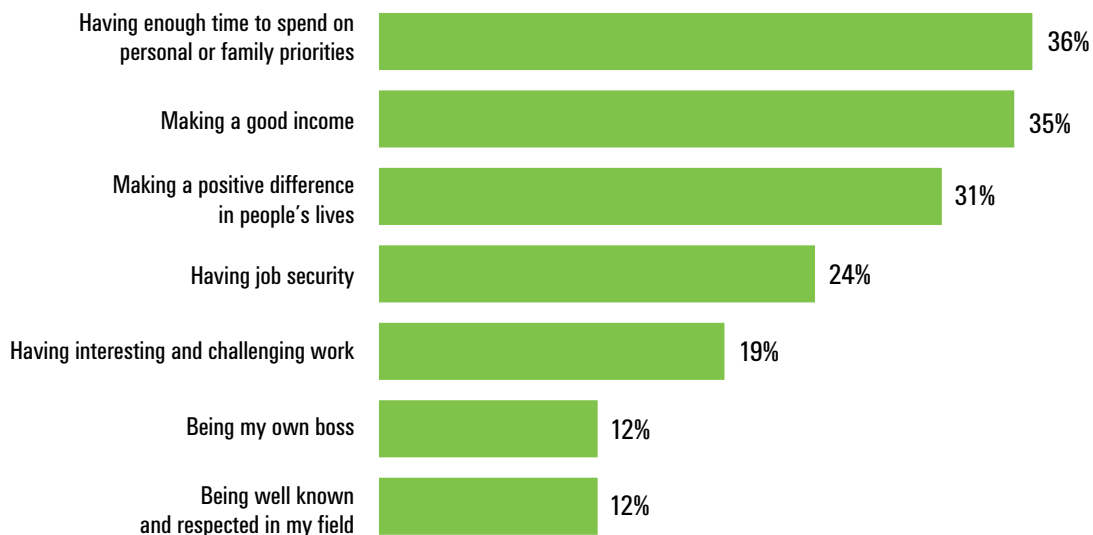
In stark contrast, young workers rank conservative economic approaches such as reducing taxes, government spending and regulation on business among the five lowest priorities of 16 options presented.

Evaluating our survey data by demographic group brings to light several telling patterns. Job creation emerges as the highest ranked long-term goal for workers of color and low-wage workers. Given current trends in health coverage, it makes sense that women, workers of color and low-wage workers give expanded health care coverage even greater priority than young workers overall.

Two in three young workers identify building an economy that works for everyone, not just CEOs, as a vital goal for Congress and the president. And this trend cuts *across class lines*—it’s not just blue-collar workers who want a more equitable distribution of the country’s prosperity; young white-collar and professional workers are also ready for change.

Young Workers Want Personal and Family Time, Good Income and to Make a Difference

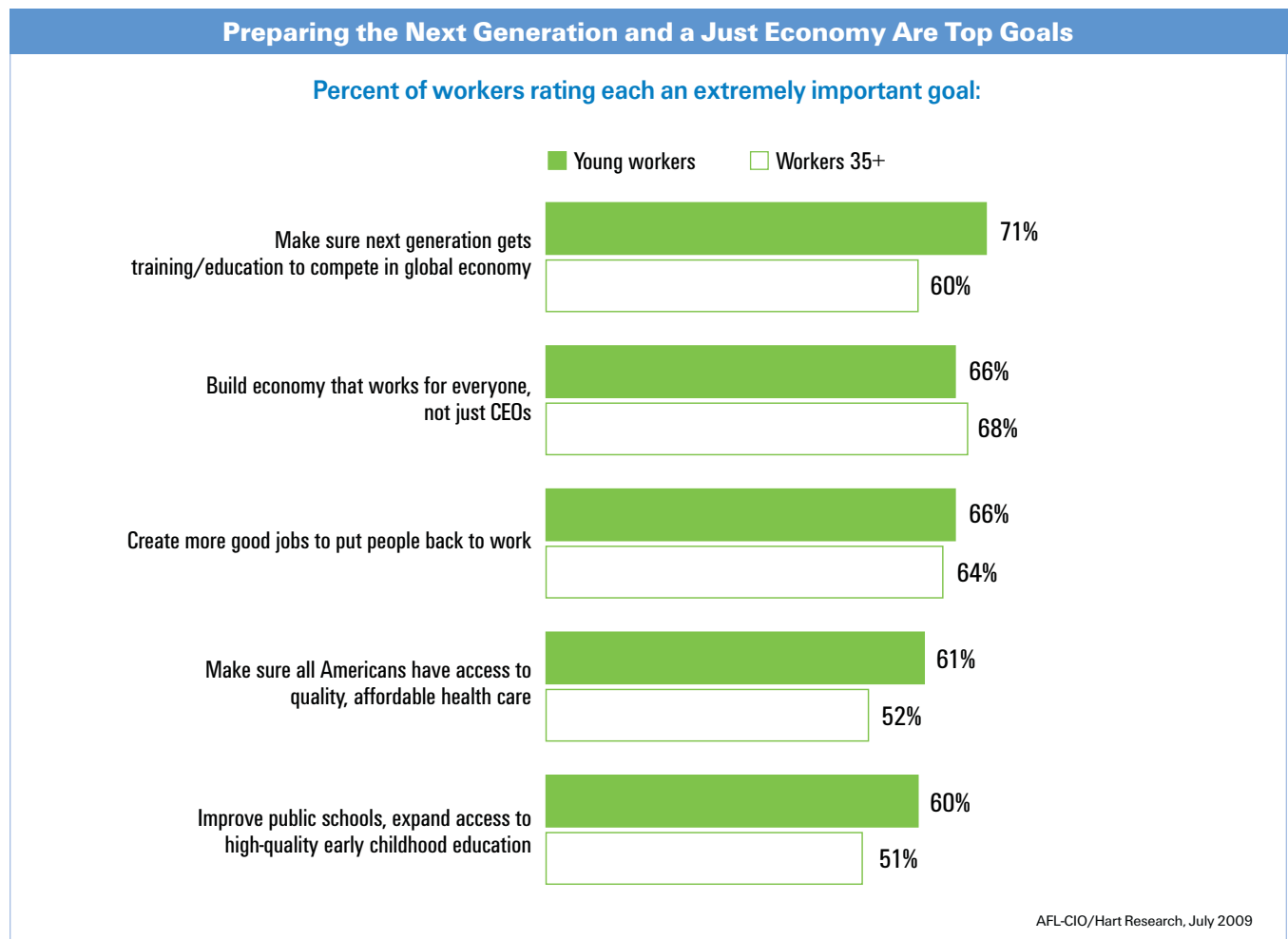
Which one or two of these goals are the most important to you in your career?



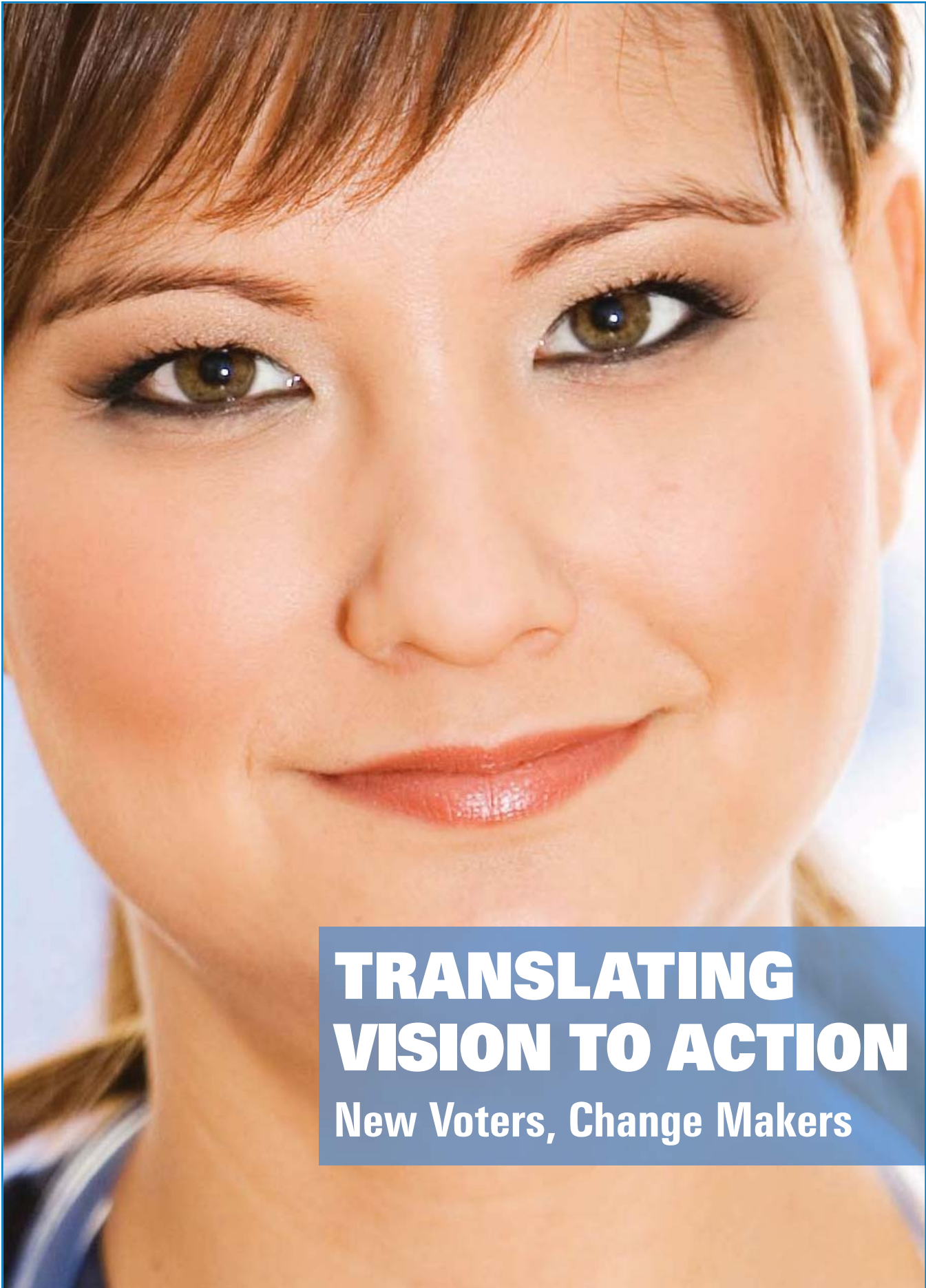
AFL-CIO/Hart Research, July 2009

It appears that politicians and pundits who point to young people as a justification for cutting back on public investment have failed to hear what young people themselves are saying. As their responses indicate, young people are in fact *more* likely to favor investment in jobs, health care, education and energy than older

Americans. It's not because they're reckless with the country's resources, but because they understand that investment in everyday people—and young people in particular—will help repair and strengthen the economy so all workers, not just CEOs, benefit from the country's prosperity.



¹ "Generation Next Squeezed by Recession, But Most See Better Times Ahead," Pew Research Center, June 2009.



**TRANSLATING
VISION TO ACTION**
New Voters, Change Makers

“ As a young adult, I wasn't very politically active, but the Bush years changed that. It just seemed like there was so much lying going on and I couldn't turn my back on it anymore. I think that the Obama administration is way more connected to the people through the Internet than past presidents—he's using Twitter, YouTube and his website to reach out to young people. That gives me hope, because as Obama responds to all the false rumors going around the Internet on health care, it makes me think that he's also going to respond to all the activism for real change that takes place on the Internet as well.

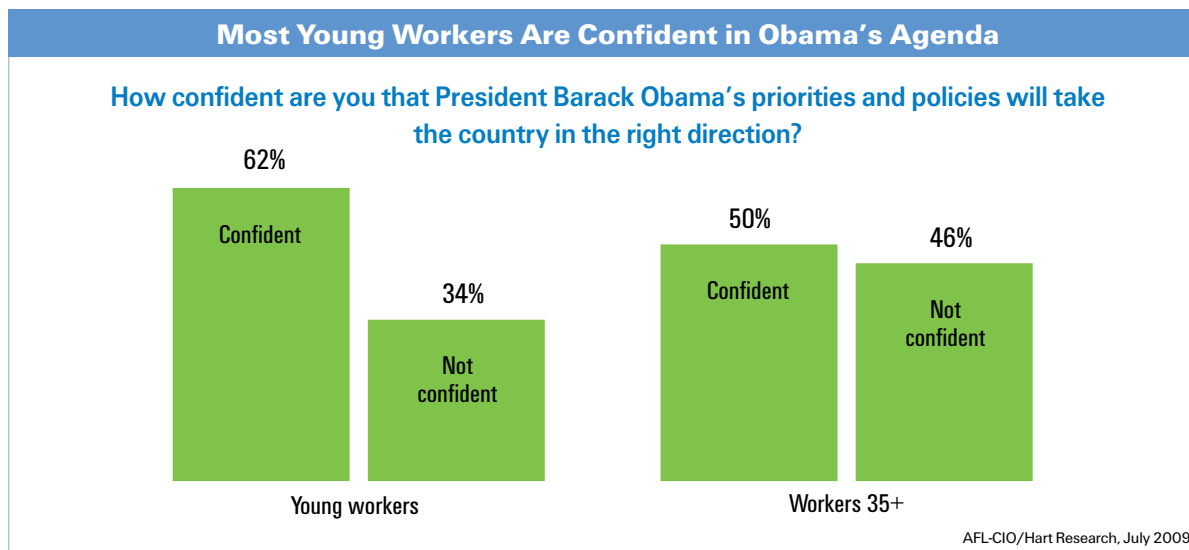
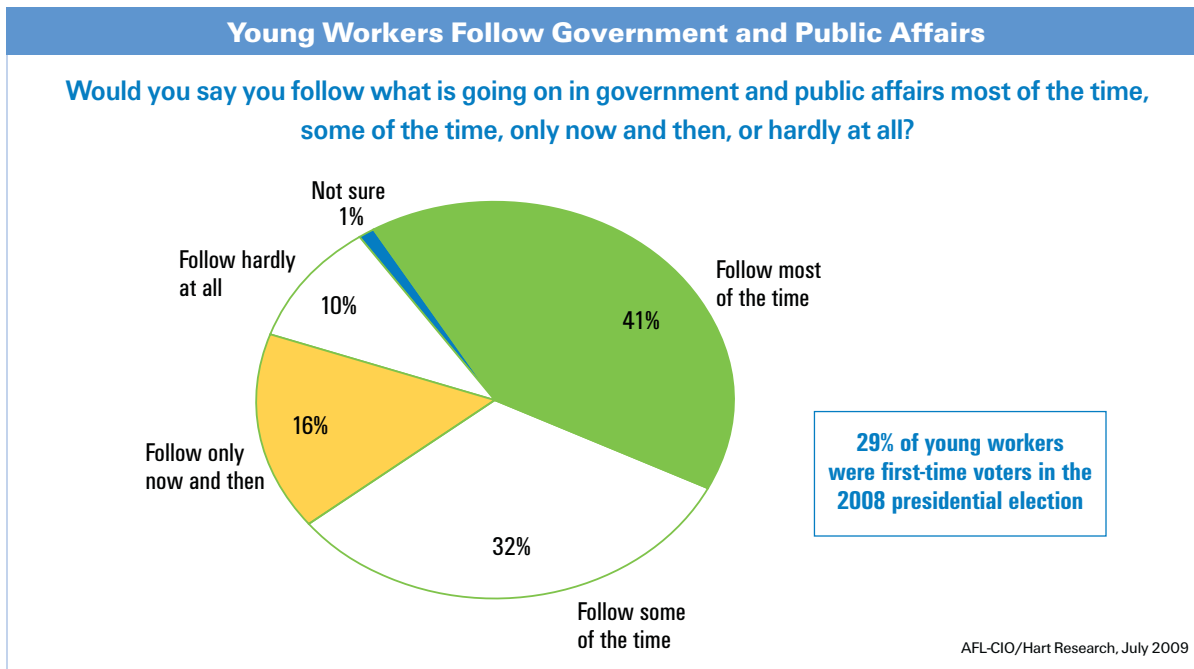
NATE, 31 years old, Columbus, Ohio ”

NEARLY ONE-THIRD of young workers we surveyed say they voted for the first time in 2008. Similarly, the Pew Research Center found a 14 percent increase over the past two years in the number of young people who consider voting to be “a duty.”¹

Was this upswing in civic involvement by young people simply an anomaly? Our report’s findings suggest otherwise. In fact, nearly three-quarters of young workers now follow government and public affairs even when there’s not an election going on.

Nine months after the 2008 elections, what do new voters say about how the country is doing? Young first-time voters were nearly twice as likely to vote for Obama as to vote for John McCain, and their confidence in the president has stayed strong—close to seven in 10 voice their support for his priorities and policies.

And it’s not just first-time voters. Overall, young workers are moving the country in a decidedly progressive direction. Relative to older workers, workers younger than 35 are more likely by a 12-point margin to identify with the Democratic



Party and express more confidence in Obama’s policies than older workers.

To be precise, the *majority* of young workers are confident that Obama will take the country in the right direction.

One of the most interesting indicators of changing attitudes is the impact of Obama’s election on young voters’ hopes for improved race relations. More than two-thirds of young workers believe the election will have a lasting positive impact on race relations in the United States. Young workers of color, who are also 16 percentage points more likely to be confident in Obama’s policies, are even more hopeful. Nearly eight in 10 believe his election will improve race relations—a marked shift from the disillusionment young workers of color

expressed with the economic and political system in 1999.

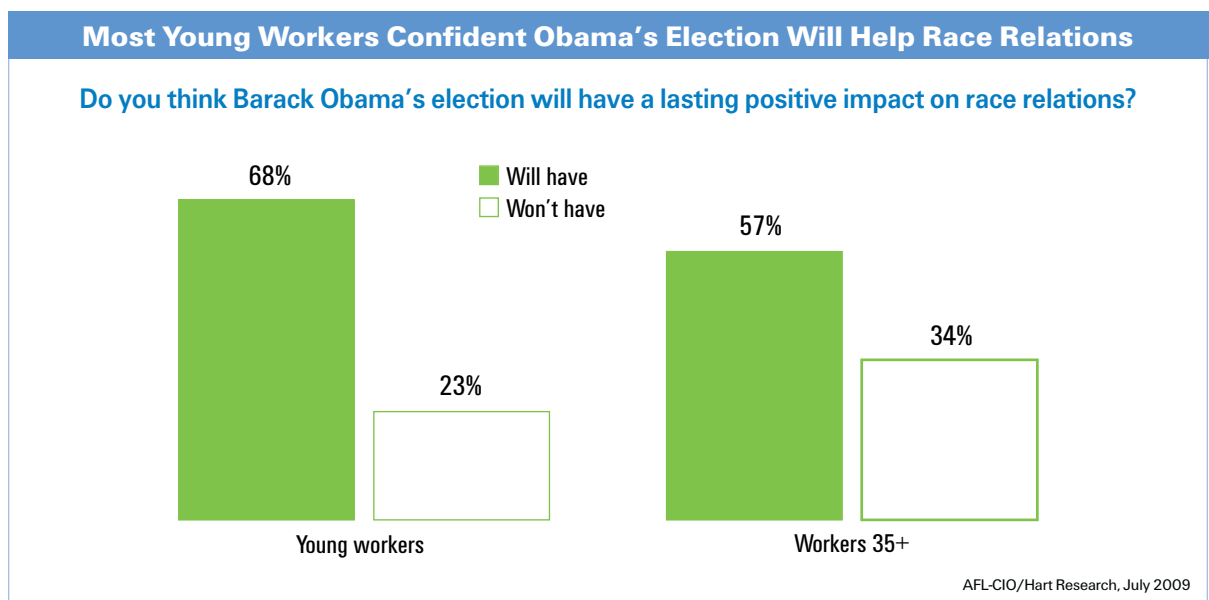
Today, young workers of color are in fact *more* likely than Caucasian workers to express hope about their economic future, suggesting that Obama’s election as president has given young workers of color—who, along with low-income workers, face the greatest barriers to success—cause for optimism. Illuminating these findings, Pew Research Center data suggests that African Americans have become more positive about American society and have developed a greater sense of political efficacy since 2007.²

When it comes to resolving problems on the job, young workers are also taking a more activist stance. More than half of all young workers believe employees are more successful at resolving problems with their employer when they bring problems up as a group.

By a more than 2-1 margin, young workers say employees who have unions are better off than workers in similar jobs who do not. Young workers of color are even more likely to view unionized employees as better off, as are low-income workers. In other words, workers who

First-Time Voters Strongly Support Obama’s Policies		
	First-time voters	All young workers
Confident in Obama’s priorities and policies	69%	62%
Prioritize investment in public education	40%	26%
Think employees are more successful as a group	62%	55%
Blame corporate greed for economic woes	43%	40%

AFL-CIO/Hart Research, July 2009



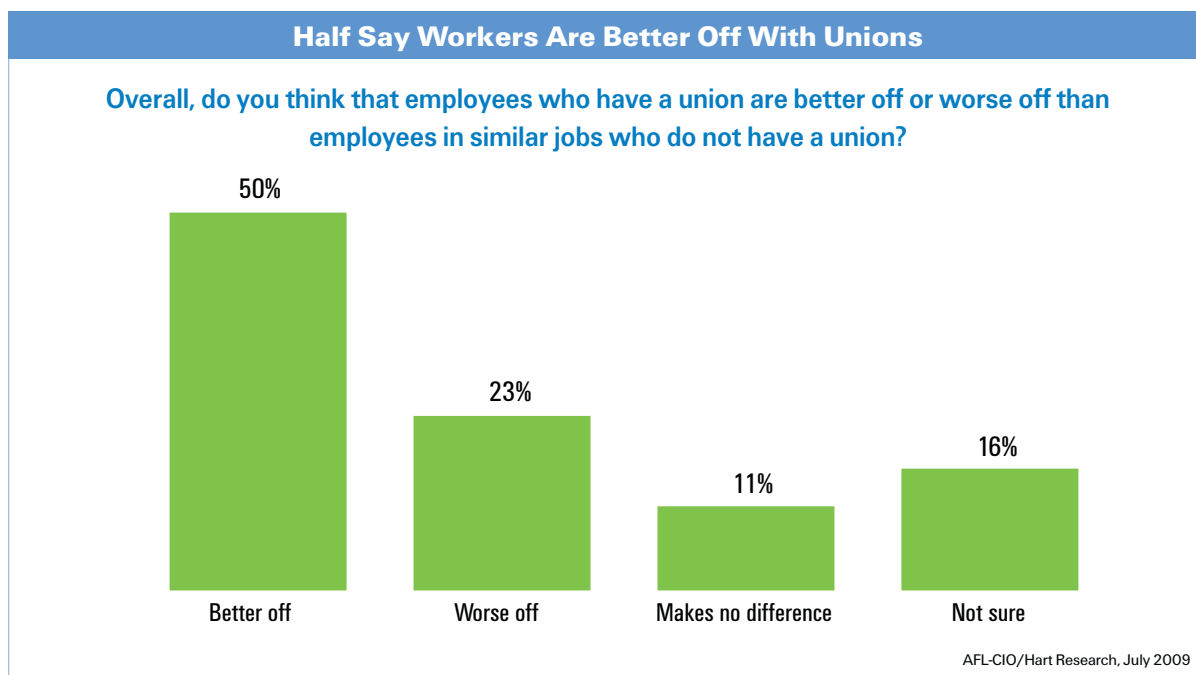
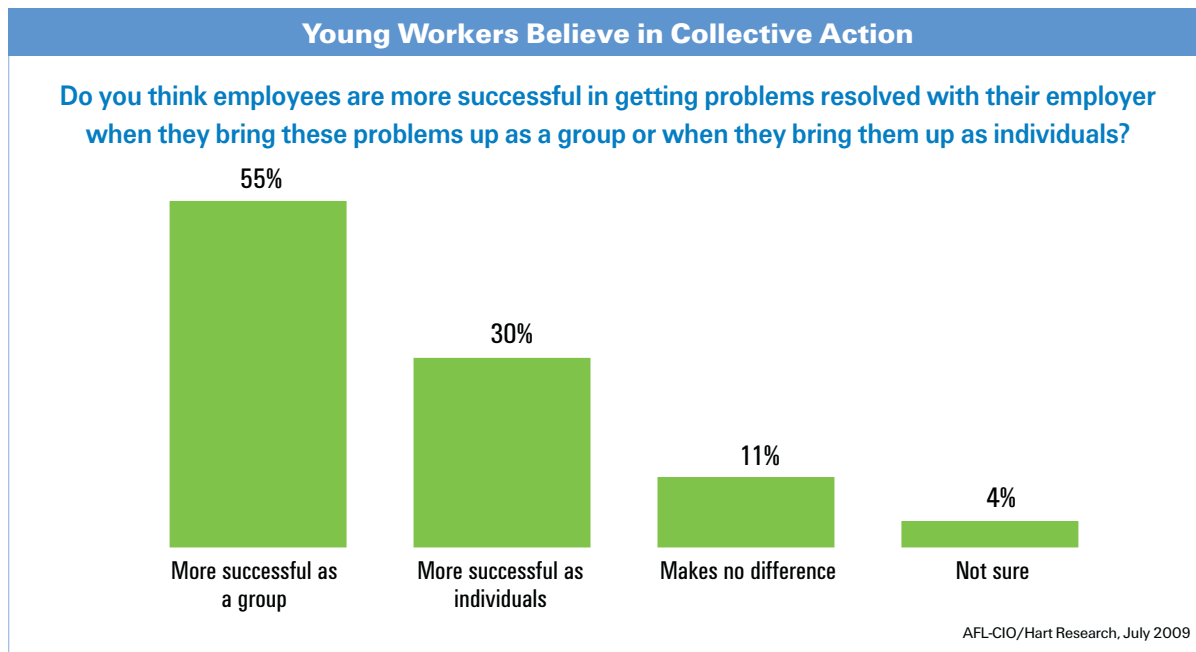
probably have the most at stake are most likely to see the benefits of a union card.

RECLAIMING THE LOST DECADE

Young workers' desire for change—and their economic *need* for change—should be a signal to elected leaders, employers and advocacy organizations that together we have opportunities to reclaim this lost generation.

It is essential that lawmakers hear young people's call for job creation and increased public investment. But it is perhaps equally vital that young workers be given the opportunity to take part in making this change.

Despite increased voting rates in the last election, there seems to be a missing link between young people's desire for change and their involvement



in making that change. And it's not that they're unwilling to work.

In fact, as noted previously, making a positive difference in people's lives ranks among young workers' top three career goals, especially among women.

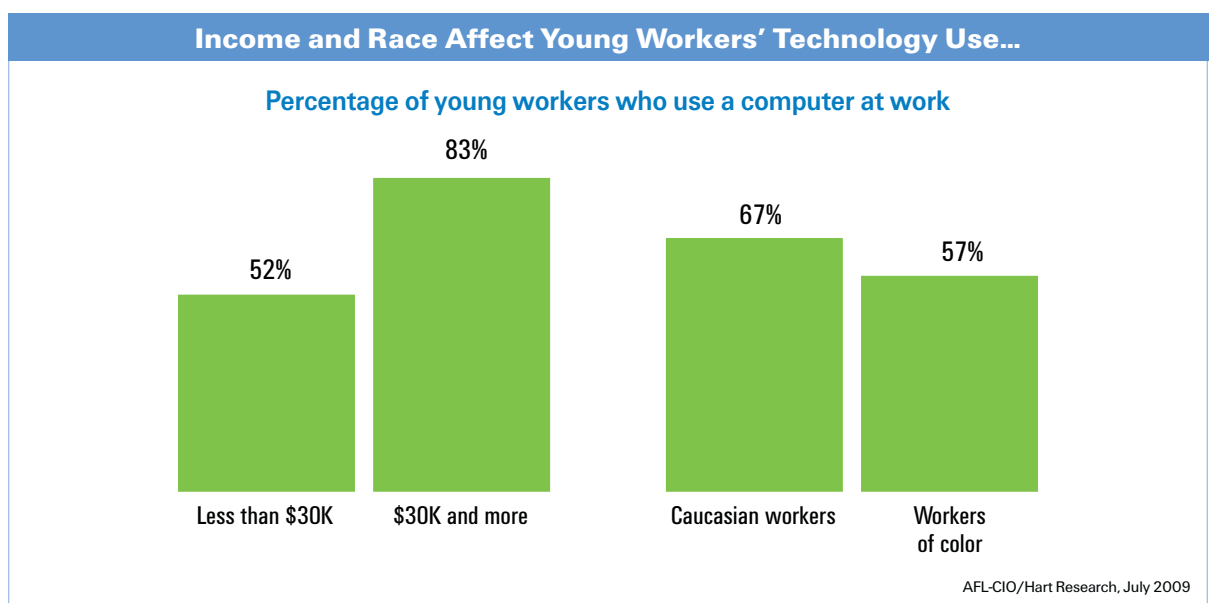
A recent Harvard study indicates that many young people have yet to become involved in politics *not* because they are uninterested, but because they have yet to be given the opportunity. If asked by a friend, 63 percent of the young people Harvard surveyed say they would attend a political rally or demonstration, but an astounding 81 percent have never participated in a government, political or issue-related organization. And participation rates among college students are only slightly higher.³

Unions and other advocacy groups have a vital role to play in maintaining and growing young people's political involvement to help transform their vision for change into reality. For many organizations, this effort has already started. But it may be time to re-evaluate conventional ways of reaching out to young people.

Increasingly, political and issue-based organizations use technology to connect with young people. Given that 60 percent of young workers use social networking sites regularly, this approach makes good sense. However, young workers' responses to the AFL-CIO survey indicate a potentially problematic demographic breakdown when it comes to technology use.

Young workers who make less than \$30,000 a year are less likely to see increased use of technology as change for the better, suggesting that exposure to and comfort with technology may differ among income groups. Likewise, low-income workers are 31 percentage points less likely than workers with higher incomes to say they use technology at work. Relative to young workers of color, it's similarly more common for Caucasian workers to report technology use at work.

Digging deeper, the Harvard study finds that young people with college experience are significantly more likely to have Facebook accounts than non-college respondents, and significantly less likely to have MySpace accounts. It's also more common for young people with

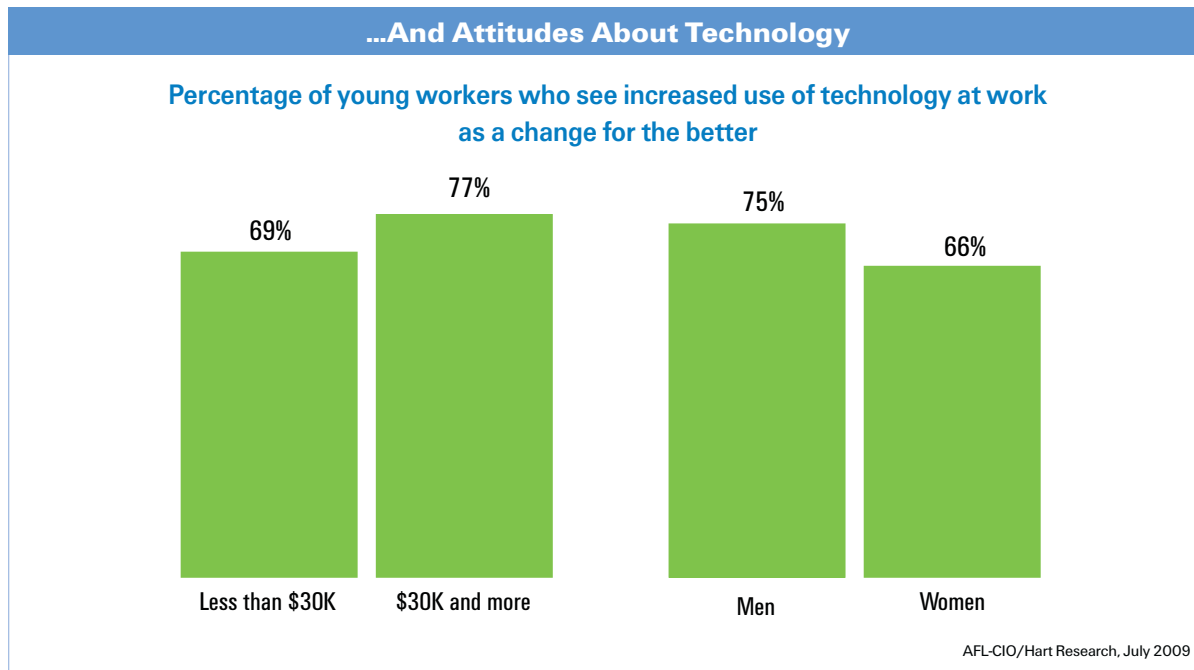


college experience to rely on Web-based media for their news.⁴ Organizations seeking to engage a diverse range of young people should take these findings into account,⁵ particularly in reaching low-income workers and workers of color who have the most at stake and seek the opportunity to help shape the country's future.

Without a way to get involved, young workers' calls for change—for greater public investment and a more progressive outlook on social issues—may go unheard. Only when the voices of *all* young workers are heard—regardless of income, gender, race or sexual orientation—can

we begin in earnest the process of building an economy that works for them.

But young people can't do it alone. Our nation's leadership must do its part to level the playing field for working people, young and older. For the sake of the country's young people and, ultimately, for the sake of a stronger economy, President Obama and Congress must make good on their promises of change for working people. It's time that all young workers—not just those with high-paying jobs and college degrees—have the opportunity to build a prosperous future for themselves and for their families.



¹ "Generation Next Squeezed by Recession, But Most See Better Times Ahead," Pew Research Center, June 2009.

² "Independents Take Center Stage in Obama Era: Trends in Political Values and Core Attitudes: 1987-2009," Pew Research Center, May 2009.

³ "The 15th Biannual Youth Survey on Politics and Public Service," Institute of Politics at Harvard University, 2008.

⁴ "The 15th Biannual Youth Survey on Politics and Public Service," Institute of Politics at Harvard University, 2008.

⁵ Danah Boyd, a fellow at the Harvard Berkman Center for Internet and Society, has characterized this trend as "white flight" from MySpace to Facebook, and argues that this kind of "structural division" excludes many from an increasingly important public sphere. Boyd calls for an expanded range of "platforms for civic activity" to reach young people across race and class lines. Boyd, Danah. 2009. "The Not-So-Hidden Politics of Class Online." *Personal Democracy Forum*, New York, June 30.

METHODOLOGY

This study is based on a statistical sample that provides a representative cross section of workers in the United States. The sample is drawn from lists of U.S. adults age 18 and over provided by Catalist, LLC, which maintains a national database of voters and non-voters with over 200 million records. The sample was derived from the individual list, rather than employing randomly selected phone numbers, to facilitate finding and interviewing working age adults, especially those under the age of 35. Respondents were selected on a random basis also using equal intervals and a random starting point.

In addition to the main sample of 800 interviews, two oversamples were added. The first was, again, provided by Catalist but limited to just those age 18-34. The purpose of this oversample of 300 interviews was to bolster the number of interviews in this age group from the main sample to provide enough interviews to achieve statistically significant results and allow subgroup analysis. As with the main sample, screening questions were used to identify respondents who were currently working or looking for work.

A second oversample of 50 workers under the age of 35 and from cell phone only households was also incorporated into this project. In this case, Survey Sampling International provided a national cell phone sample, and respondents were screened for age, work status and where they actually resided.

Hart Research's interviewing staff conducted a total of 1,156 telephone interviews between July 16 and 22, 2009. After the interviews were completed, a subsample of the respondents was recontacted to verify that the data had been accurately recorded. The questionnaires were coded, keypunched and tabulated on standard computer equipment, using Hart Research's in-house facilities.

In reading the data, keep in mind that the results are subject to sampling error—i.e. the difference between the results obtained from the sample and those that would have been obtained by surveying the entire population. The overall results of this poll have a margin of error of ± 3.5 percent. However, the size of sampling error varies with the sample size and to some extent with the percentage of respondents giving a particular answer.

—Peter D. Hart Research Associates

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