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SUMMER JOB MARKET FOR TEENS IS SWEET

Share of working teens hits 13-year high, as more employers turn to young people to fill hiring gaps

By Patrick Thomas
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Young Americans are saving the summer.

Businesses are counting on teenage workers to staff restaurants, golf clubs, resorts and other hot-weather entertainment spots emerging from pandemic lockdowns. Many employers are struggling to find enough adult workers, and so to fill the gap, they are leaning on teens like never before and heavily courting them to keep businesses running in a busy summer.

For many young adults now flooding into the hot summer labor market, conditions are creating a job bonanza, complete with more accommodating bosses, greater schedule flexibility and even higher pay than in summers past.

Teens are answering the call to work. In May, the share of 16- to 19-year-olds who work rose to 33.2 percent, the highest rate since 2008, according to figures released by the Bureau of Labor Statistics on Friday. That teenage-employment rate is still far off the near-50 percent levels of the 1970s, when summer and part-time jobs were more common rites of passage into adulthood. But it marks a sharp rebound from the record-low 20 percent employment rate among teens in April 2020, shortly after the pandemic set in and dried up millions of lower-wage job opportunities.

Likewise, the unemployment rate for 16- to 19-year-olds dropped in May to 9.6 percent from 12.3 percent in April, its lowest level since 1953, according to the federal jobs data.

Ric Serrano, chief executive of Serrano's Mexican Restaurants, with five locations in the Phoenix area, says he is turning to teens to solve a hiring crunch, which he partly attributes to enhanced unemployment benefits keeping many adult workers on the sidelines.

Mr. Serrano had to close his restaurants on Mondays temporarily, because he couldn't hire enough workers; they are already closed on Sundays. Now he is offering a \$200 bonus to employees who stay on for at least four months and is hoping younger workers can plug holes in his staffing.

"Maybe it is all the kids getting out of school that will change this," he says. "For kids coming out of school who are looking to make some dough, it's a perfect storm for them."

Mr. Serrano says he will be much more flexible this year if a teen can't cover a shift because of a vacation or other extracurriculars – something he might have fired them for in past years. He is also being less picky in his hiring than in pre-pandemic days, he says.

"We're nowhere near as rigid," Mr. Serrano says. "When people show up for an interview on time, you're thrilled. That's where we're at."

Many of the businesses now facing labor shortages are big employers of teenagers to begin with. At the end of March, there were 1.2 million open jobs in the leisure and hospitality sectors and 734,000 open retail jobs. Last year, about 40 percent of working teens worked in leisure and hospitality, while retailers employed another 25 percent.

Grace Vondra, a 17-year-old from Hillsdale, Mich., plans to spend the summer waiting tables at Rosalie's Roadhouse in nearby Jonesville, Mich. Ms. Vondra, who graduates from high school this month, says finding a job with a flexible schedule was key for her and her fellow classmates. None have had trouble landing work, she adds.

"There's definitely a lot more jobs open," Ms. Vondra says. "All my friends have jobs. And it's not really typical for all of them to have jobs."

Luke Pardue, an economist for Gusto, a payroll and benefits company with more than 100,000 small-business clients, says teens are often more willing to work for lower wages than older workers.

"We've seen a pent-up demand for tourism and recreation jobs where teens are most likely to be employed," Mr. Pardue says. "Hesitancy among older workers, a higher demand for these types of jobs, could combine to make 2021 a record year for teen employment."

Itai Ben Eli, who runs Doris Metropolitan steakhouses in Houston and New Orleans, was planning to open a new bakery in Houston called Badolina in May this year. He had to delay it until June because he couldn't find enough workers. Out of 45 scheduled interviews, two showed up, he said.

Over the past couple of weeks, Mr. Ben Eli says he has gotten an influx of new resumes, and more applicants are showing up to interview – all of them teenagers. So far, he has hired eight to help launch the bakery.

"They are 100 percent of my staffing right now," says Mr. Ben Eli. He is hoping his staffing shortages resolve themselves by the fall, when many teens return to school. "I've never seen anything like this," he says.

Alonzo Soliz, 41, runs two Tropical Smoothie Cafe locations in Cedar Park, Texas, north of Austin, and employs 50 people between them. Four of every five of the employees are teenagers.

To hire them, Mr. Soliz said he raised wages to about \$12 an hour, from between \$9 and \$10. "They can jump next door for a dollar or two dollars more," he says. "Some of the larger restaurants in Texas can afford to start at \$15 an hour."

Brooke Porter, 20, was furloughed from her \$11-an-hour retail job at an Ulta Beauty Inc. store in Omaha, Neb., last year. Now, the store is asking her to come back for \$15 an hour, she says. Ms. Porter says she's considering it, but also plans to apply at a Sephora store to see which location gives her the better offer.

"They are trying to get people in there fast," she says. "If you just show a sign that you are interested, they are going to talk to you further."

Chuck Montrie, who runs Bethesda Aquatics, the operator of several swimming pools in Bethesda, Md., said last summer he couldn't hire any new lifeguards or swim coaches,

because the state government ordered pools closed amid the pandemic. This summer, he hired 35 teens.

Mr. Montrie, who is also executive director of the Maryland Recreation and Parks Association, says he is lucky to have his jobs filled. Park and recreation directors around the state have had to cancel summer camps and other activities because of staffing issues, he said.

“There are not enough teenagers to go around,” he says.