

The 2019 summer job market: Teen employment and internships

Teen employment expected to rise in tight labor market

With the end of the school year fast approaching, many teenagers across the country are considering summer employment. While just 35% of teens aged 16-19 participated in the labor market last year, job opportunities could increase around 5% this year, predicts outplacement firm Challenger, Gray & Christmas. The teen participation rate could rise as well, according to the company's annual outlook report.

Last summer saw 1,388,000 jobs gained by teens, 7.8% higher than the 1,288,000 jobs gained by teenagers in the summer of 2017. This was the highest number of teen jobs gained since 2012, when 1,397,000 jobs were added.

"Teens have not participated in the job market at the same rate they did since their peak work years in the 1970s. In fact, teen participation has dropped since the recovery in 2009, when 37.5% of teens were in the labor force," said Andrew Challenger.

"Employers value work experience, in some cases, more than education. The summer job for teens is incredibly valuable in showing future employers they are able to work in a professional setting," said Challenger.

While the traditional retail job may be harder to get for many teens, as thousands of brick-and-mortar store closures have occurred over the last few years, the stronger-than-expected March jobs report released by the Bureau of Labor Statistics indicated a 33% increase in opportunities in leisure and hospitality companies. For instance, the BLS report found that food services and drinking establishments added 27,000 jobs in March.

Experience is a great teacher, but it's not pay

If you plan to welcome unpaid interns to your organization this summer, be careful. If they receive any benefits beyond educational credit, some states may consider them to be employees. Thus, they would be covered by state and federal anti-discrimination laws.

It's important to structure the internship to avoid turning unpaid interns into employees.

Here's how one organization successfully defended itself against charges its unpaid intern was an employee.

Recent case: Karna was studying for a master's degree in early childhood education, hoping to become a certified child life specialist. To earn that certification, students must complete a 480-hour approved internship. Karna arranged for an unpaid internship at a hospital in Utah.

However, she was terminated before she completed the required hours. Karna sued, alleging age, disability, sex and religious discrimination under federal law.

The hospital said she wasn't covered because she was an unpaid intern and not an employee. She countered

that she was an employee since the internship would “remunerate” her by providing a path to employment through certification.

The court dismissed Karna’s lawsuit, concluding that benefit was far too speculative to count. Clearly, the internship was structured to provide experience, but that’s all. Plus, the court refused to rule that all unpaid interns are employees under Title VII and other federal employment laws, writing that it was up to Congress to change the law if it wanted to make employees out of unpaid interns. (*Sacchi v. IHC Health Services*, 10th Cir., 2019)