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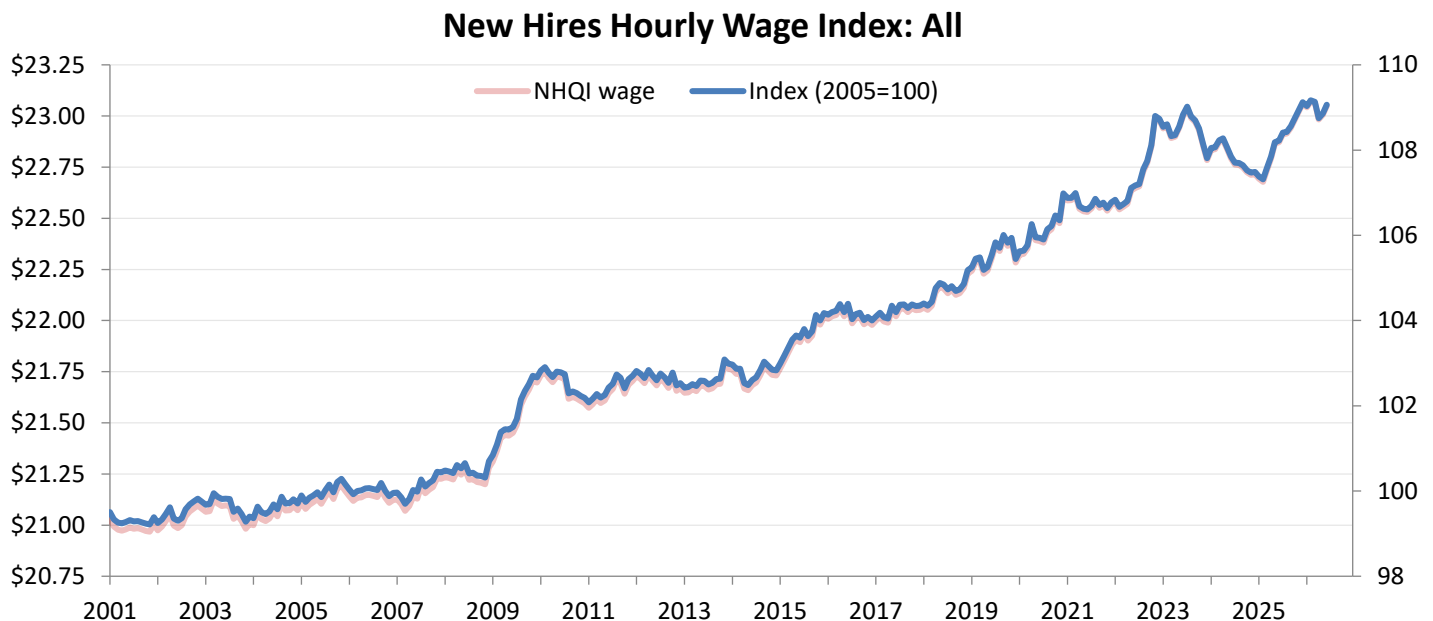
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Upjohn Institute New Hires Quality Index rises 0.2 percent in June 2026, with volume up 0.3 percent... but not for youth

KALAMAZOO, Mich.— The Upjohn Institute New Hires Quality Index shows inflation-adjusted hourly earnings power of individuals starting a new job increased 0.2 percent in June 2026, to \$23.05. The index is up 0.8 percent from one year ago and just slightly below record highs reached earlier this year. Hiring volume has bounced around in recent months, rising 0.3 percent in June after sliding 0.4 percent in May. Although little changed since the beginning of the year, hiring volume is still up 3.3 percent over the year. Adjusting for population growth, hiring *rates* are up 2.0 percent from last year's near-record lows, but they remain 8.0 percent below the pre-COVID baseline. Overall, hiring is not as bleak as many have commented, but it is... meh. Just meh.

The index and accompanying [interactive database](#) and [report](#), developed by Upjohn Institute economist Brad Hershbein, fill a key gap in the measurement of hiring activity. The NHQI provides monthly updates on the volume and occupation-based wages of newly hired workers, and is available for different groups based on sex, age, education, and other characteristics.



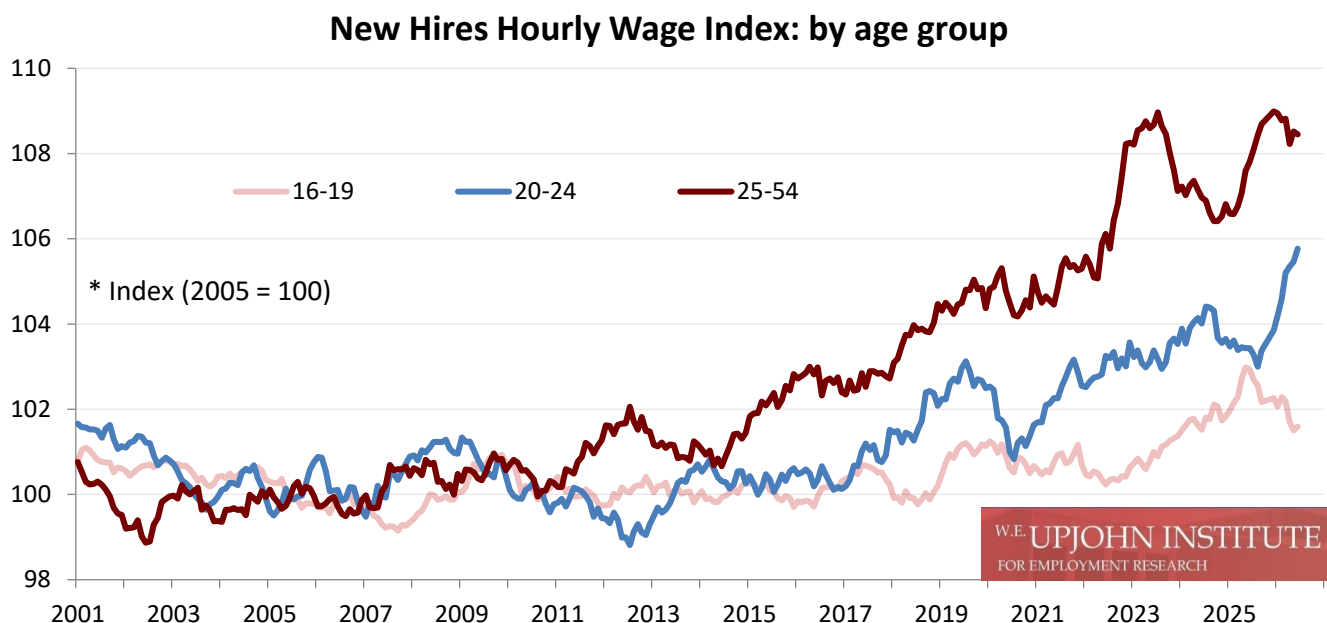
SOURCE: Upjohn Institute New Hires Quality Index

NOTE: The lighter line uses the left axis and shows the inflation-adjusted hourly wage of new hires. The darker line uses the right axis and shows the relative change since the base year of 2005.

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The popular press is replete with [stories](#) about how the [sky is falling](#) for [young people](#) looking for [jobs](#), with even some [researchers](#) and [policy pundits](#) weighing in. The [truth](#), of course, is considerably [more nuanced](#) than some of the articles claim, but it is a fair assessment to say that the youth labor market right now is not great. However, despite all the digital ink spilled on the challenges of teens and twenty-somethings in finding a job, there has been remarkably little discussion of the quality of the jobs that the (lucky few) youth are still landing. If hiring volume is down, but the earnings power of realized hires is up, then it suggests the lower part of the job market is especially struggling, as lower-earning jobs vanish. Conversely, if the earnings power of realized hires is falling, then it is likely that higher-earnings jobs are disproportionately becoming scarce for young workers. In this month's NHQI release, we look at these trends.

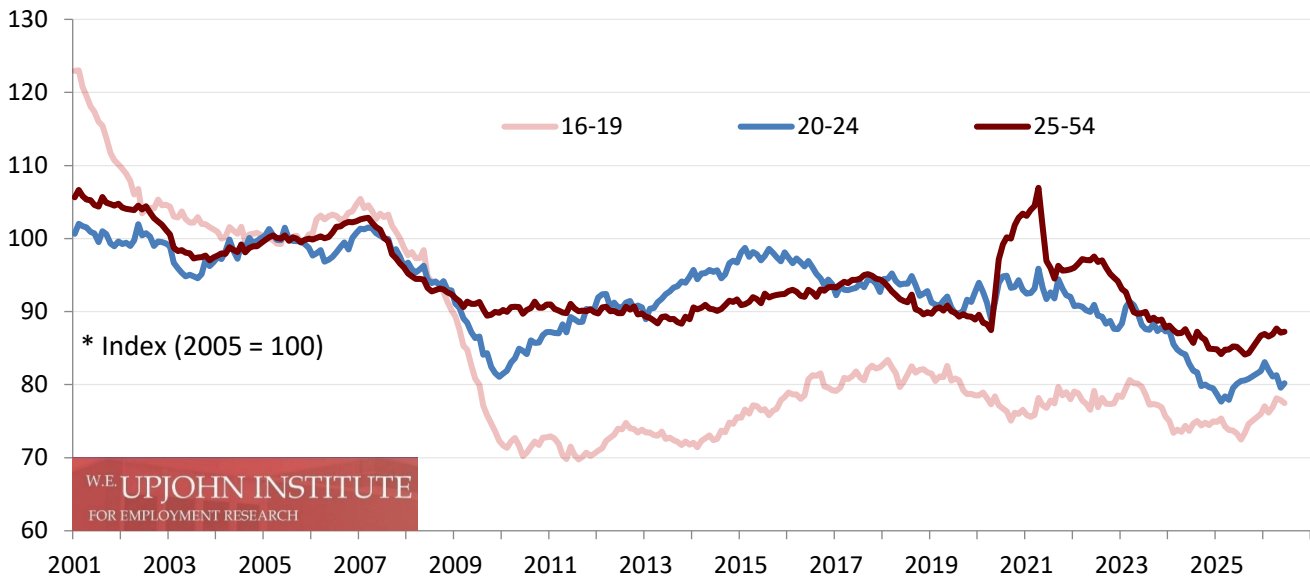
The graph below shows the hourly wage index separately for three age groups of newly hired workers: teenagers (16–19, salmon), those in their early 20s (20–24, blue), and prime-age individuals (25–54, dark red). Each index is normalized to the respective sector's own level in 2005 to better show relative changes. Since the recovery from the Great Recession, newly hired prime-age workers have seen the sharpest rise in their earnings power, with particularly strong growth during the COVID recovery in 2022 and 2023. Although these gains partially retrenched through 2024, they have since mostly recovered and are up 3.4 percent since before the pandemic. Long-term gains in earnings power have been more muted for younger workers. Nonetheless, the early 20s group—besides a sharp drop during COVID—has still grown modestly over time, and with a sharp spike of 2.3 percent over the past 12 months. In contrast, teenagers had seen almost no long-term gains by the start of 2023, their index barely unchanged since 2005, before rising over 2 percent by last summer. Since then, however, their wage index has fallen 1.3 percent.



Of course, there are only so many types of jobs that teens are qualified to take—many have yet to finish high school—which limits potential growth in the occupation-based wage index. But is the recent decline worrisome? Is the recent gain for the older youth encouraging? To answer, we need to view the wage indices in conjunction with hiring volumes, as shown in the figure below. Over the past 12 months, hiring volume has actually risen 5.7 percent for teenagers, albeit from near-record lows last summer, while

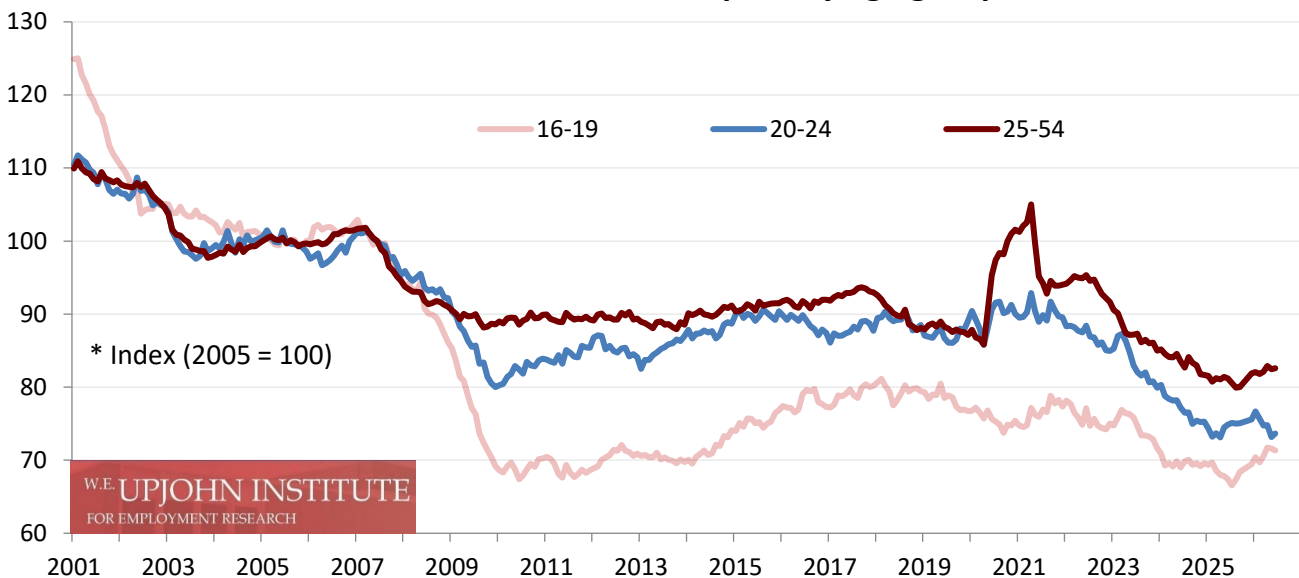
barely changing (and still hovering just above record lows) for workers in their 20s. This means that more teens are starting jobs this summer than last summer, and that the growth is concentrated among lower-earning roles. (The data are too coarse to say it's lifeguards and ice cream servers, but the patterns are consistent with that possibility.) For workers in their early 20s, the wage index has risen without significant drop in hiring volume, so there is likely occupational upgrading to higher-paying jobs for the age group as a whole. This same trend has been playing out for the prime-age workers, although with slightly less earnings index gains and slightly more volume gains. If earnings power rises without hiring falling, or vice versa, the labor market is holding up. Still, it's better if *both* rise.

New Hires Volume Index: by age group



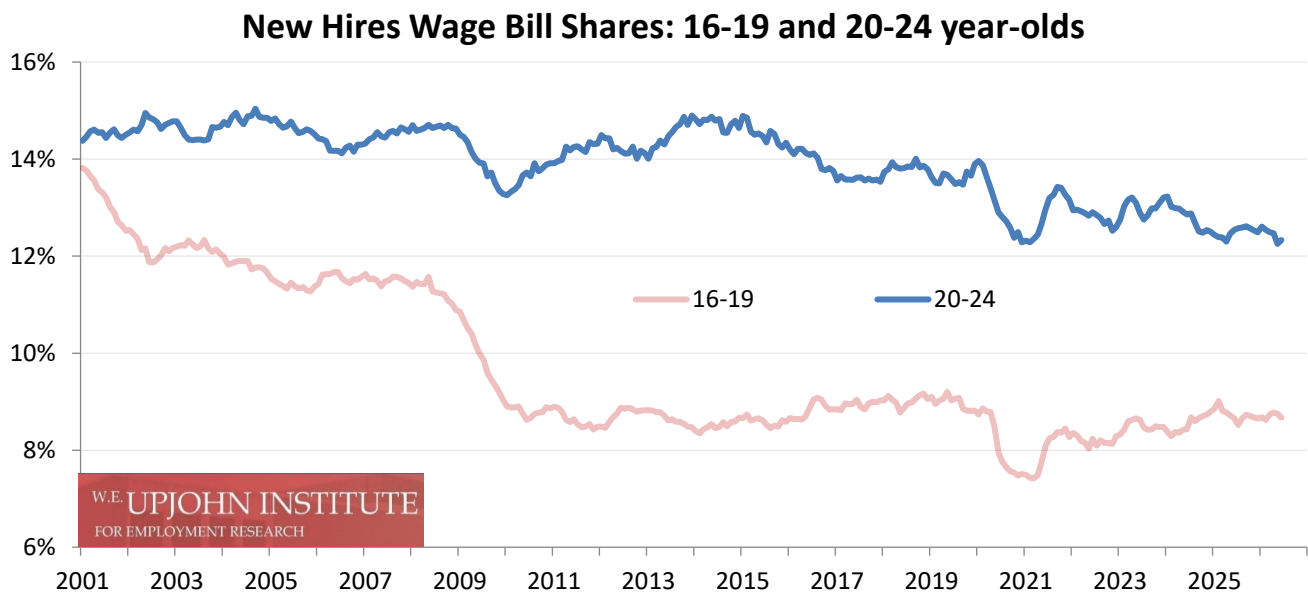
What happens if we adjust hiring volume for population growth (or, in some cases, [population loss](#))? The figure below plots hiring rates (hires per capita) for the three age groups. Since June 2025, the hiring rate for teens is up 5.8 percent, and for prime-age workers, up 1.7 percent. These patterns confirm the picture from before.

New Hires Volume Per-capita: by age group



But for workers in their early 20s, hiring *rates* have slipped a bit, down 1.6 percent. ([Birth rates](#) were rising 20 years ago, so the early 20s population grew over the past year.) This accords with the narrative that finding a job for this age group has become harder, but it also suggests that it is the lower-earning jobs that are becoming disproportionately less-common, not the higher-earning ones (such as those taken by college graduates).

Nonetheless, the *relative* slowdown in hiring for those in their early 20s, and the recent drop in the earnings index for teens, *could* imply that the aggregate share of earnings power among all new hires accounted for by young people, ages 16–24, has fallen. The last chart shows this is true—over the long term. For teens, this share plummeted after the early 2000s and Great recessions, but it has been relatively stable since (aside from a blip during COVID). For those in their early 20s, the wage bill share has been falling since 2015, from 14.9 percent to 12.3 percent today, a decline of 2.6 percentage points (or 17.4 percent), and it turns out that falling population over this time can account for only about half of this decline. Since 2015, the combined share of the new hires wage bill for young people has declined from 23.1 percent to 21.0 percent today. But only 0.2 percentage points of this 2.1 percentage point loss occurred in the past year. In this context, the recent tough period is not an aberration—it continues a long trend.



These statistics and many more, as well as interactive charts and data downloads, can be found at the website for the Upjohn Institute New Hires Quality Index: www.upjohn.org/nhqi.

The full report, including methodology, can be found here: https://www.upjohn.org/sites/default/files/2021-05/NHqi_report_0.pdf.

All data will be regularly updated during approximately the first week of the second month following the reference of the data release month. For example, data for July 2026 is scheduled to be released during the first week of September 2026. (Due to the federal government shutdown, no data were collected for the month of October 2025, so there will be no release for this month or the following month, as NHQI construction requires data from adjacent months.) To sign up to regularly receive monthly press releases for the Upjohn Institute New Hires Quality Index, visit: www.upjohn.org/nhqi/signup.

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FAQ

1. What is the New Hires Quality Index?

The New Hires Quality Index (NHQI) is a consistent way of measuring the earnings power of people taking new jobs each month, allowing comparisons over time.

2. How is the Index constructed?

The Index is based on the occupations of newly hired workers as documented in the [Current Population Survey](#), the same source used to produce the national unemployment rate each month. Separate data on the hourly wages for each occupation from another government survey, [Occupational Employment Statistics](#), are connected to the newly hired workers in the Current Population Survey. These hourly wages are then statistically adjusted to account for differences in the demographic composition of new hires (sex, race and ethnicity, education, and age) before being averaged.

3. Does the Index measure actual, reported wages of newly hired workers?

No. Although the data used to create the Index do have some information on self-reported wages (or those reported by another household member), many economists consider these self-reported wages [increasingly unreliable](#), as a growing fraction of workers refuse to answer the wage questions, and the government's attempts to impute (make an "educated guess") for these workers are [problematic](#). Moreover, because relatively few workers are even asked the wage questions, and only a small subset of these are newly hired, use of the self-reported wage data would lead to very small samples.

The Index captures changes in the wages of new hires due to both changes in the mix of occupations hired and the demographic characteristics of individuals taking new jobs. It will not capture change in the wages of new hires due to other factors, such as individual aptitude, geography, or employer characteristics.

A comparison of the Index with a series derived from the actual self-reported wages in the Current Population Survey can be found in the [technical report](#). An analysis of self-reported wages can also be found in press releases for [July 2018](#), [July 2019](#), [July 2020](#), [July 2021](#), [July 2022](#), [July 2023](#), [July 2024](#), and [July 2025](#).

4. Does the NHQI count self-employed workers?

No, the NHQI excludes the self-employed (including those who report bring independent contractors).

5. How often is the NHQI updated?

Every month, with the release by the Census Bureau of the Current Population Survey microdata. Updates will be posted on the [NHQI website](#) during the first week of the month, covering data from two months ago. Data are currently available from January 2001 through June 2026, except October and November 2025, for which there are no data. To receive updates through email or social media, [visit the signup page](#).

6. What data are available on the NHQI website?

The [NHQI website](#) contains monthly data for all components of the NHQI. The four main components are: the hourly wage index, the hiring volume index, the wage bill index (the product of hourly wages and hiring volume), and the hires per capita index. Each component is available at its actual level or normalized to the base year 2005. In addition to providing data for all new workers, the NHQI exists for men, women, different age groups, different education groups, different races/ethnicities, different industry sectors, different regions, native and foreign-born, full- and part-time workers, and different types of new hires (the newly employed and employer changers). All data can be charted interactively or downloaded for separate analysis.