

BEYOND THE HEADLINES

At a Glance: Jobs, Workers & the Economy

AUGUST 2014

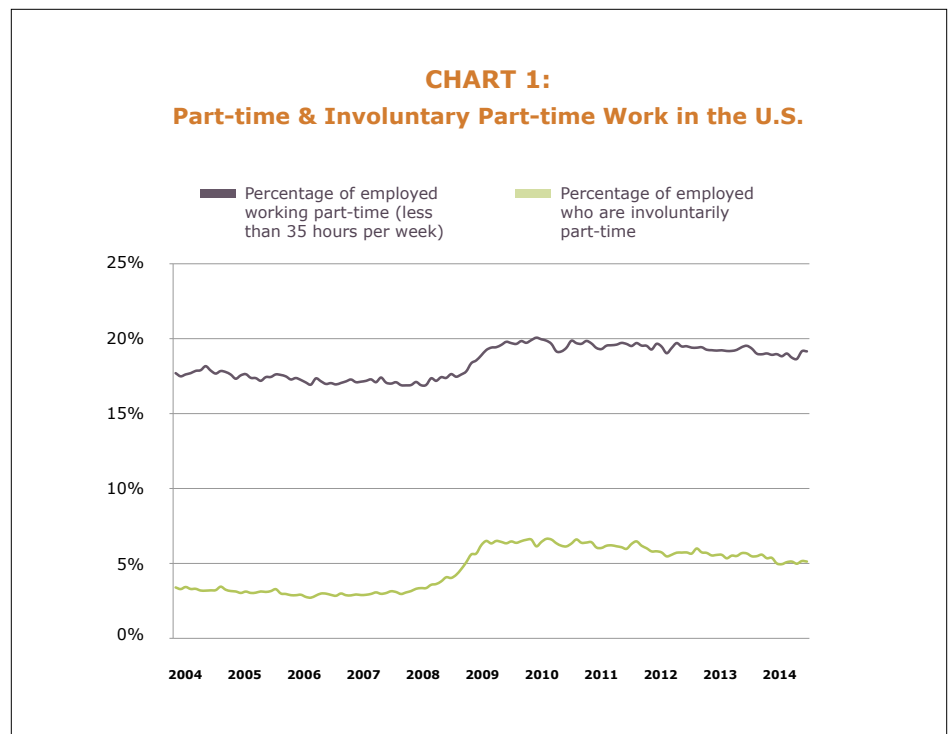
FOCUS: UNITED STATES & WASHINGTON STATE

Part-Time Work in the U.S. & Washington State

The U.S. economy added 209,000 jobs in July 2014, making it the seventh straight month the economy has added over 200,000 jobs. Job gains occurred across a wide array of sectors including professional and business services, manufacturing, retail trade, and construction.¹ While these trends in job creation are welcome news, many American workers continue to struggle in part-time employment.

Part-time workers include workers who *choose* to work part-time (e.g., to care for a child, attend college or job training, or due to health reasons), as well as involuntary part-time workers, also known as “part-time for economic reasons.” These are individuals who would like to work full-time but either cannot find full-time work or have experienced a reduction in their hours due to unfavorable business conditions. Persistently high levels of involuntary part-time work continue to weigh heavily on the health of the U.S. and Washington State economies.

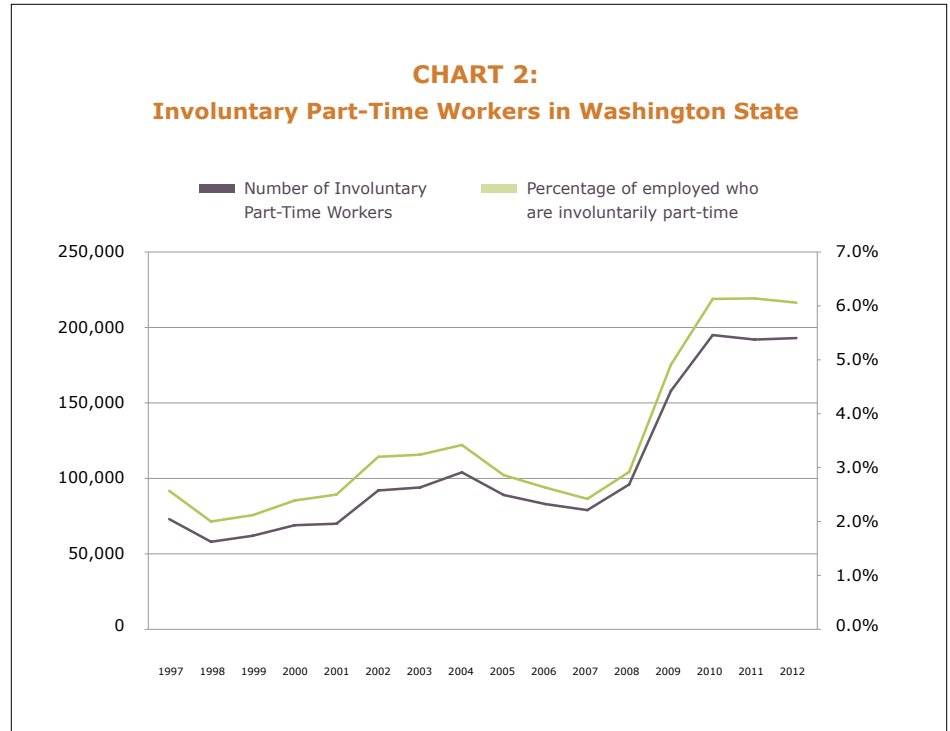
Chart 1 shows the percentage of part-time and involuntarily part-time workers in the U.S. between January 2004 and July 2014 using monthly employment data from the Current Population Survey. In November 2007, one month prior to the onset of the recession, 4.5 million workers or 3.1 percent of



SOURCE: U.S. Bureau of Labor & Statistics, Current Population Survey

employed workers were involuntarily part-time. The U.S. economy saw a sharp increase in the number of involuntarily part-time workers during the recession. The number of involuntary part-time workers peaked at 9.2 million individuals in March 2010. In July 2014, 7.5 million individuals or 5.1 percent of the employed remained involuntarily part-time. Overall, the percentage of workers employed part-time, though decreasing slightly in recent months, has remained high and has failed to return to pre-recession levels. In July 2014, 19.2 percent of workers were employed part-time.²

Chart 2 displays historical data on the number and percentage of involuntary part-time workers in Washington State. Between 2007 and 2012, the number of involuntary part-time workers in the state rose from approximately 79,000 workers to 193,000. The 193,000 workers constituted 6.1 percent of the employed persons in the state in 2012.³



SOURCE: U.S. Bureau of Labor & Statistics, Geographic Profile of Employment & Unemployment

Who Are Involuntary Part-Time Workers?

- **Women** – In Washington State, 53 percent of involuntary part-time workers are women (47 percent of all workers in the state are women).⁴
- **Minorities** – In Washington State, 13 percent of involuntary part-time workers are Hispanic or Latino and 6 percent are African-American (9 percent of all workers in the state are Hispanic or Latino and 3 percent are African-American).⁵
- **Service Workers** – Nationally, almost 35 percent of involuntary part-time workers are employed in service occupations (18 percent of all workers nationally are employed in service occupations).⁶
- **Low-Income** – Involuntary part-time workers in the U.S. are nearly three times more likely to be low-income than full-time workers according to analysis conducted by The Carsey Institute.⁷

The Challenges of Part-Time Work

Part-time workers typically suffer from low wages and few benefits. Nearly 65 percent of minimum wage workers are employed part-time according to the Pew Research Center.⁸ Many part-time workers, particularly those in retail and restaurant work, face unpredictable and irregular work schedules. Work schedules that are inconsistent and/or that require workers to be constantly on-call can cause drastic drops in worker earnings and impede an individual's ability to balance work with their personal and family responsibilities. Part-time workers are also less likely to receive employer benefits such as health insurance or paid leave. While the Affordable Care Act promises to help many part-time workers to address their health insurance needs, this part of the U.S. workforce will continue to face challenges.

As the economy continues its recovery, policymakers should continue to be mindful of the challenges of the part-time workforce. Policies that increase the number of full-time work opportunities and encourage businesses to design part-time jobs that allow those who choose to work part-time to be more successful at work and at home will be needed in the years ahead if the U.S. is to create a strong economy that works for all.⁹

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1. "Employment Situation Summary," *U.S. Bureau of Labor & Statistics*, Accessed August 12th, 2014 <http://www.bls.gov/news.release/empsit.nr0.htm>
 2. "Labor Force Statistics from the Current Population Survey," *U.S. Bureau of Labor & Statistics*, Accessed August 11th, 2014 http://www.bls.gov/cps/cps_over.htm
 3. "Geographic Profile of Employment and Unemployment, 2012," *U.S. Bureau of Labor & Statistics*, Accessed August 11th, 2014 <http://www.bls.gov/opub/gp/laugp.htm>
 4. "Geographic Profile of Employment and Unemployment, 2012," *U.S. Bureau of Labor & Statistics*, Accessed August 11th, 2014 http://www.bls.gov/opub/gp/pdf/gp12_16.pdf
 5. Ibid.
 6. (Labor Force Statistics from the Current Population Survey)
 7. Rebecca Glauber, "Wanting More but Working Less: Involuntary Part-time Employment and Economic Vulnerability," 2013, The Carsey Institute at the Scholar's Repository, Paper 199, accessed August 21st, 2014 <http://scholars.unh.edu/cgi/viewcontent.cgi?article=1198&context=carsey>
 8. Drew Desilver, "Who Makes Minimum Wage?", July 19, 2013, Pew Research Center, accessed August 11th, 2014" <http://www.pewresearch.org/fact-tank/2013/07/19/who-makes-minimum-wage/>
 9. Local and federal policymakers have developed legislation to help address some of the challenges of part-time workers. The Retail Workers Bill of Rights, a new piece of legislation being proposed in San Francisco, would require retailers to provide more predictable work schedules and require chain retailers to offer additional work hours to part-time workers prior to hiring new or temporary workers. The legislation would also prohibit retailers from discriminating against workers regarding rate of pay, time off, and access to promotions because of their part-time status. Democrats in the House and Senate have also introduced the Schedules that Work Act. If passed the legislation would protect workers from retaliation who request flexible, predictable or stable schedules. The legislation would also require retail, food service, and cleaning businesses to provide employees with their work schedules at least two weeks in advance, and provide one hour's worth of extra pay if the schedule changes with less than 24 hours' notice.

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About Seattle Jobs Initiative

Seattle Jobs Initiative creates opportunities for students, workers and business to succeed by helping education and job training programs meet the demands of a new economy. We find and apply solutions for people to gain the skills they need for good jobs that create prosperity for all in today's marketplace.

Supported by the City of Seattle Office of Economic Development

Contact Information

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