

BEYOND THE HEADLINES

At a Glance: Jobs, Workers & the Economy

DECEMBER 2014

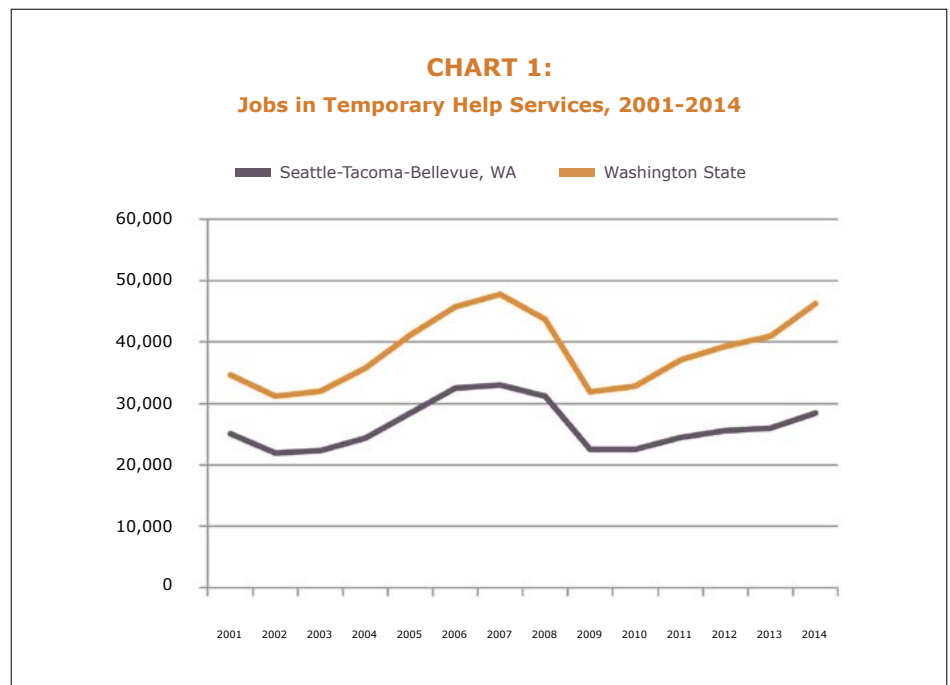
FOCUS: SEATTLE & WASHINGTON STATE

The Rise of Temporary Work in Seattle and Washington State

Over the holiday season, tens of thousands of workers across the nation will be temporarily hired in retail stores, warehouses, customer service centers and factories to meet seasonal demands. Current local and national trends show that temp work, however, has become a mainstay of our economy. This edition of *Beyond the Headlines* examines the trends in temporary work in Seattle and Washington State and the opportunities and challenges this type of employment presents to workers.

The temporary help services industry includes business establishments, often known as temporary staffing or temp agencies, that are primarily involved in supplying workers to other businesses for limited periods of time. Temporary workers hired by temp agencies are employees of those agencies, but are typically supervised by the businesses to which they are supplied. Between 2001

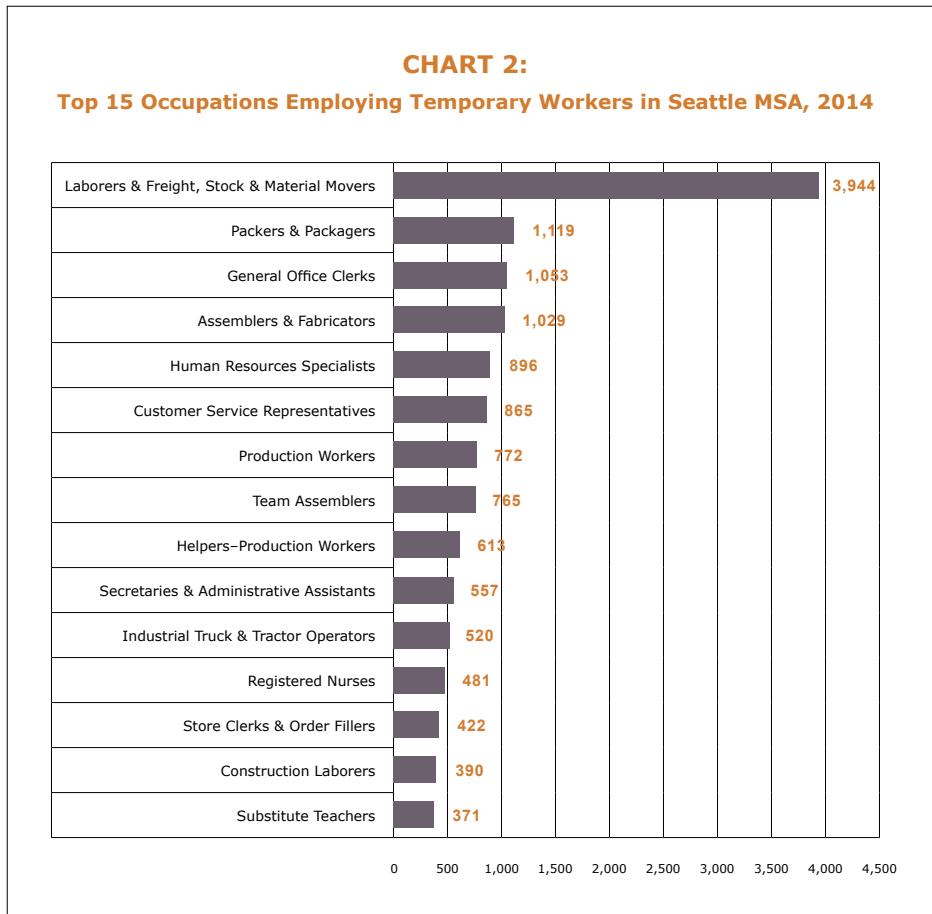
and 2014, the number of workers in temporary agencies in the U.S. grew by 22 percent, from 2.3 to 2.8 million workers. Seattle and Washington State have exhibited similar trends. **Chart 1** shows the number of jobs in temporary help services in the Seattle Metropolitan Statistical Area (MSA) and Washington State between 2001 and 2014. Employment in temporary help in the Seattle area grew by 13 percent over this time period, and increased by 33 percent in Washington State.



SOURCE: Economic Modeling Specialists International, 2014.3 Class of Worker

Sixty percent of temporary workers in the Seattle MSA in 2014 worked in transportation and material moving, office and administrative support, or production-related occupations. While most temporary work in the U.S. has traditionally been viewed as office-related work, blue-collar work in factories and warehouses now makes up a larger percentage

of temporary employment.¹ **Chart 2** shows the top 15 occupations employing temporary workers in the Seattle area in 2014.



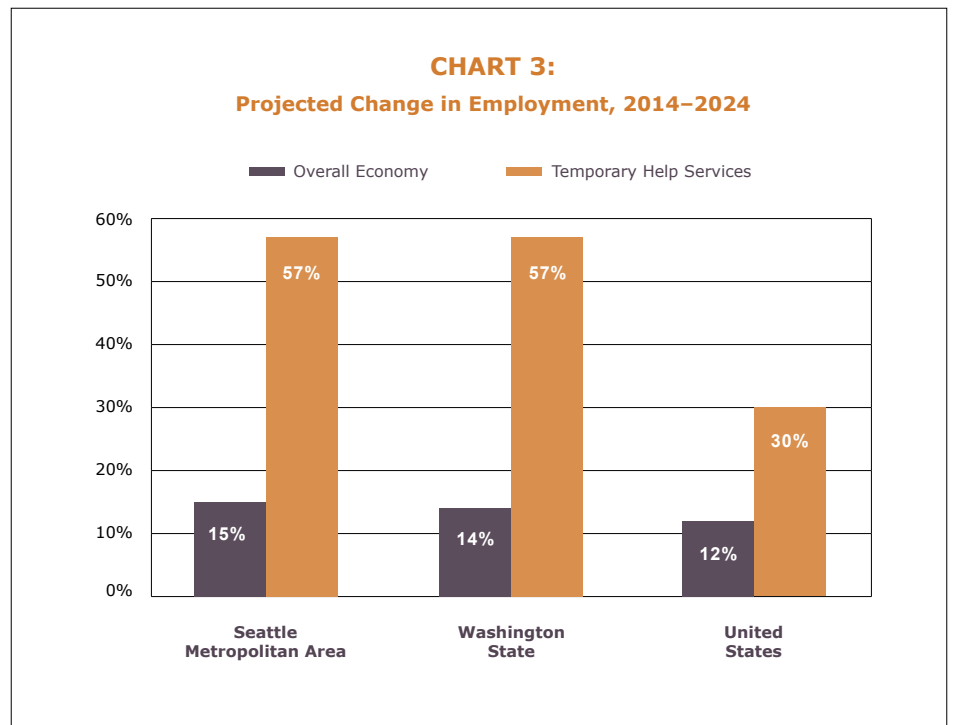
SOURCE: Economic Modeling Specialists International, 2014.³ Class of Worker

Some workers appreciate the flexibility of temporary work and are able to stitch together enough jobs to build a solid career and source of income. Others use temporary work as a secondary source of income or as an opportunity to build their skills or work experience and transition to full-time employment.

Temporary work, however, can present many challenges for workers. Temporary jobs offer little security and typically do not provide benefits. A survey of workers employed by temp

agencies in 2005 found only 8 percent had employer-provided health insurance.² Wages are often lower in temporary work when compared to other sectors. For example, laborers and freight stock and material movers in the U.S. earn a median of \$11.52 an hour overall, but earn only a median of \$9.47 an hour when employed in the employment services sector.³ Temporary workers in the U.S. earn 25 percent less than permanent workers on average.⁴ Some research has shown that temporary workers are also more likely to be the victims of labor violations such as wage theft, and are more likely to be injured on the job. A study in Washington State revealed that temporary workers in construction and manufacturing were twice as likely to be injured compared to permanent workers doing the same jobs.⁵ The use of temporary agencies has also created a complex layering of contracting and subcontracting that has made it difficult to hold businesses accountable for worker safety and pay violations.

Perhaps the most worrying trend in temporary work is its projected growth. **Chart 3** shows the projected change in employment in temporary help services compared to the economies as a whole in the Seattle MSA, Washington State, and the nation. Employment in temporary help services in the Seattle area and Washington State are expected to grow by nearly 60 percent, nearly four times the growth of the overall economies in these geographies.



SOURCE: Economic Modeling Specialists International, 2014.3 Class of Worker

A handful of states have passed legislation to protect temporary workers⁶ and many workforce development organizations have developed strategies, including alternative staffing organizations,⁷ to help workers navigate the world of temporary work. Policymakers and workforce development stakeholders in Seattle and Washington should consider doing the same.

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1. Michael Grabell, "The Expendables: How the Temps Who Power Corporate Giants are Getting Crushed," ProPublica, June 27, 2013, accessed December 2, 2014 <http://www.propublica.org/article/the-expendables-how-the-temps-who-power-corporate-giants-are-getting-crushed>
 2. U.S. Department of Labor, Bureau of Labor and Statistics, "Contingent and Alternative Employment Arrangements," February 2005, accessed December 2, 2014 <http://www.bls.gov/news.release/pdf/conemp.pdf>
 3. U.S. Department of Labor, Bureau of Labor and Statistics, "Occupational Employment and Wages, May 2013," accessed December 2, 2014 http://www.bls.gov/oes/current/oes_stru.htm
 4. Grabell, *The Expendables*
 5. Smith et al., "Temporary Workers in Washington State," American Journal of Industrial Medicine, 53 (2006): 135-145, accessed December 2nd, 2014 <http://www.ncbi.nlm.nih.gov/pubmed/19618410>
 6. For more information on the legislation recently passed in California, please visit <http://www.propublica.org/article/california-governor-signs-bill-to-protect-temp-workers>
 7. For more information on alternative staffing organizations, please visit the website of the Alternative Staffing Alliance <http://altstaffing.org/>

BEYOND THE HEADLINES: Policy & Labor Market Updates for Those Working to Help Low-Income and Low-Skill Individuals Advance through Education, Training & Living-Wage Jobs

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.

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