

December 14 & 15 - Arlington, VA

Part-Time Work in Recession and Recovery

Presenter:

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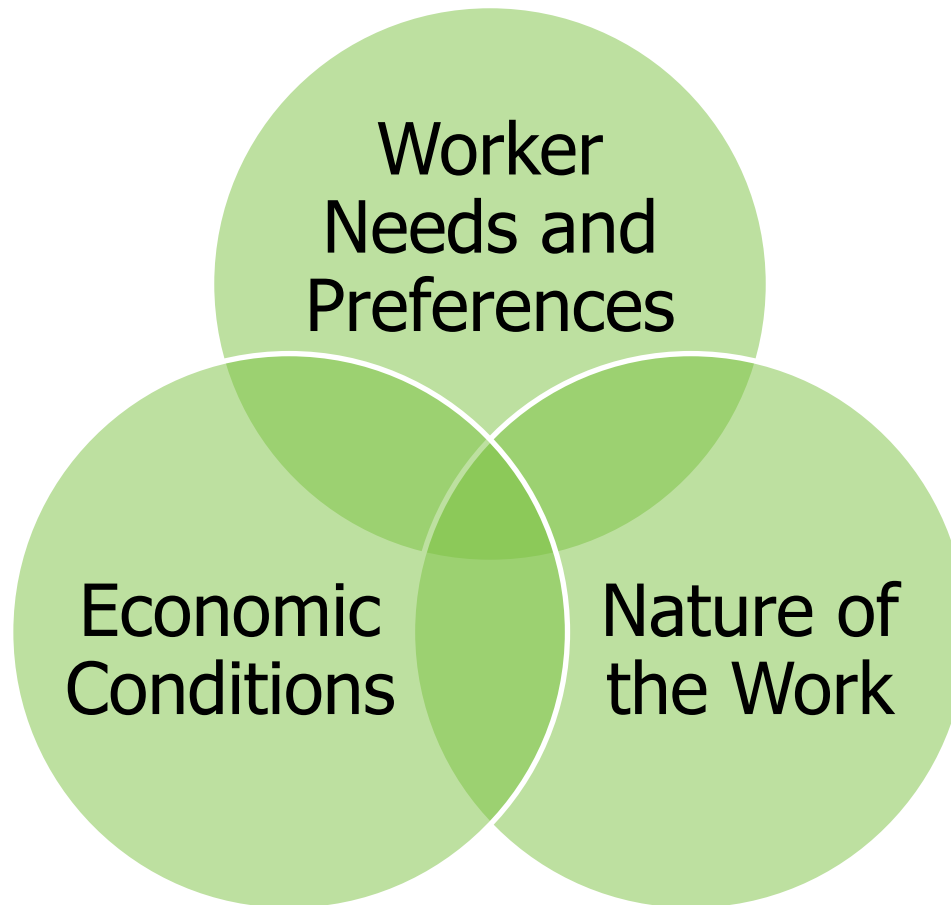
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**U.S. Department of Labor
Employment and Training Administration**



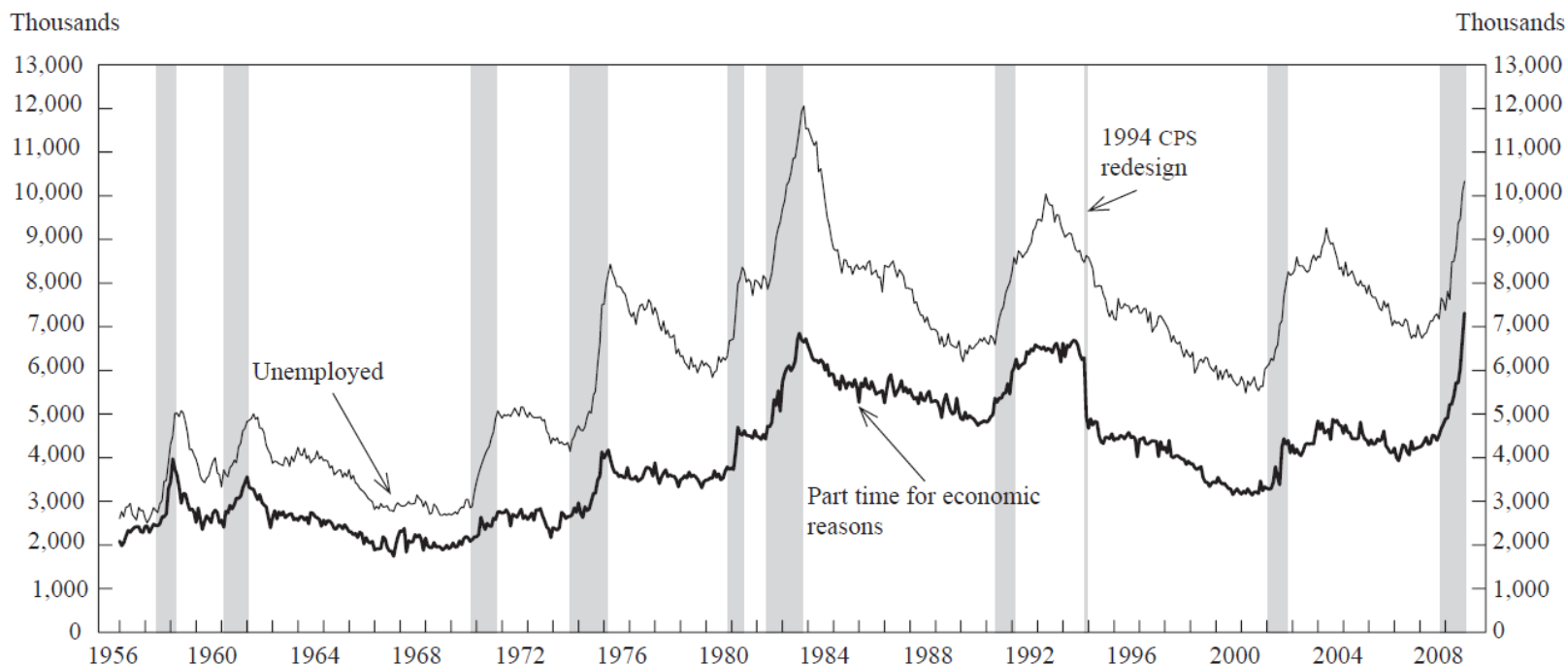
Reasons for Part-time Work



Economic Conditions



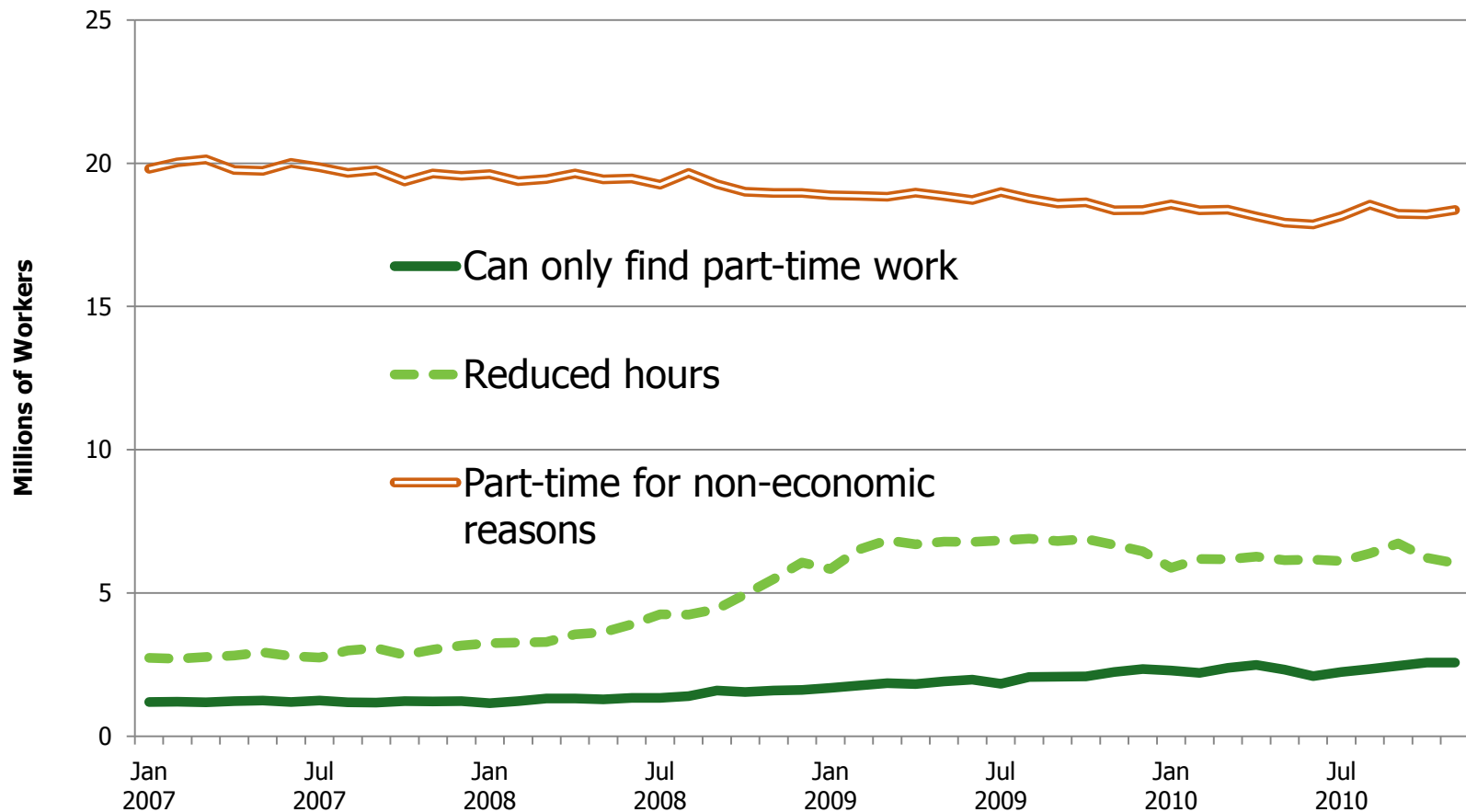
Chart 1. Part-time employment for economic reasons and total unemployment, seasonally adjusted, 1956–2008



NOTE: Shaded areas represent recessions as determined by the National Bureau of Economic Research (NBER). NBER has not yet determined an endpoint for the recession that began in December 2007. Beginning in 1994, data reflect the introduction of a major redesign of the Current Population Survey (CPS). Updated population controls were incorporated into the data in January of various years. These changes can affect comparability with data for prior periods.

SOURCE: Bureau of Labor Statistics, Current Population Survey.

Economic Conditions: A Closer Look at the Recession



Source: BLS



Nature of the Work

- **Some occupations are heavily part-time**
 - 49% of food preparation and serving related jobs
 - 43% of personal care and service employees
 - 34% of retail sales
- **Tend to be low-wage jobs**



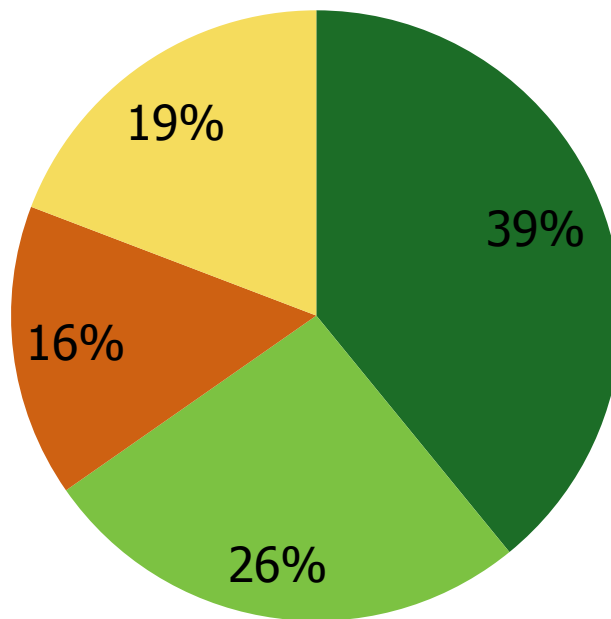
Worker Needs

- **Even now, in recession, 68% of P/T workers report “non-economic” reason for P/T work**
- **Most common reasons:**
 - In school or training
 - Personal or family obligations
 - Retired or social security limit on earnings

Voluntary Part-Time Does Not Mean “Doesn’t Need the Money”



Percentage of part-time workers aged 18-64, in 2009



- Secondary wage earner, voluntary part-time
- Primary wage earner, voluntary part-time
- Secondary wage earner, involuntary part-time
- Primary wage earner, involuntary part-time

Analysis of CPS data by Luke Shaefer



Who are Part-Time Workers?

- **2/3 of part-time workers are female**
 - 26 % of working women
 - 13 % of working men
- **Male part-time workers tend to be young and old**
 - Of men who work part-time, 37% are 16-24 vs only 26% for women
 - 25% of male P/T workers and 22% of female are 55 or older

Source: BLS, 2009 data

Characteristics of P/T Workers 2009

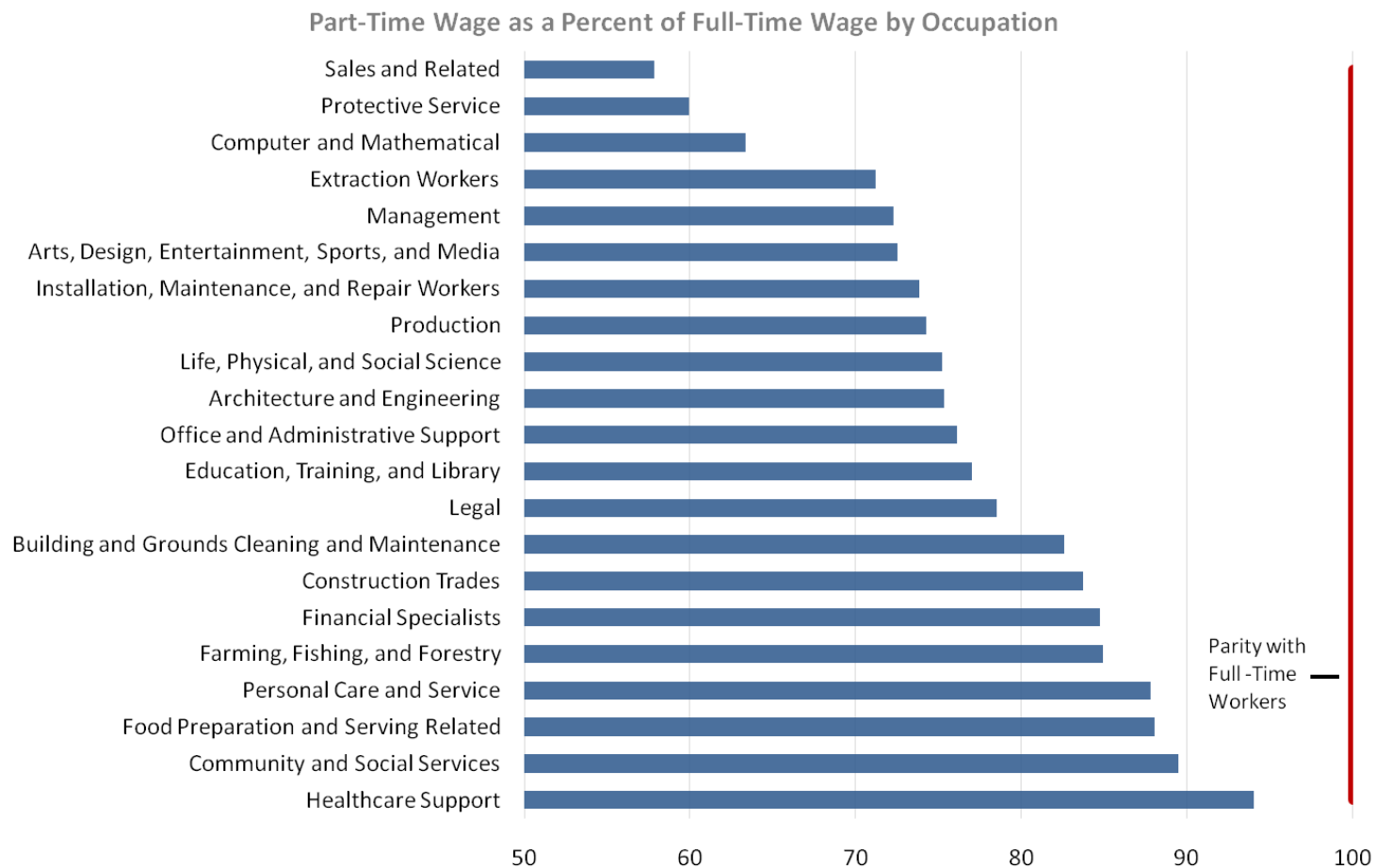


Characteristic	Full-time	Part-Time Primary Earner	Part-Time Secondary Earner
Woman	44.7	62.5	70.0
White	67.3	65.3	70.6
Black	12.3	14.1	8.7
Hispanic	14.1	15.3	14.7
Married	58.4	29.9	52.7
Student (age <24)	21.2	51.1	66.7
Below Poverty	3.7	31.6	2.8
Below 150% of FPL	9.2	48.9	8.1
Uninsured	16.4	36.7	21.7
Family Pension	60.4	19.0	63.4

Analysis of CPS data by Luke Shaefer



Wage Penalty for P/T Work

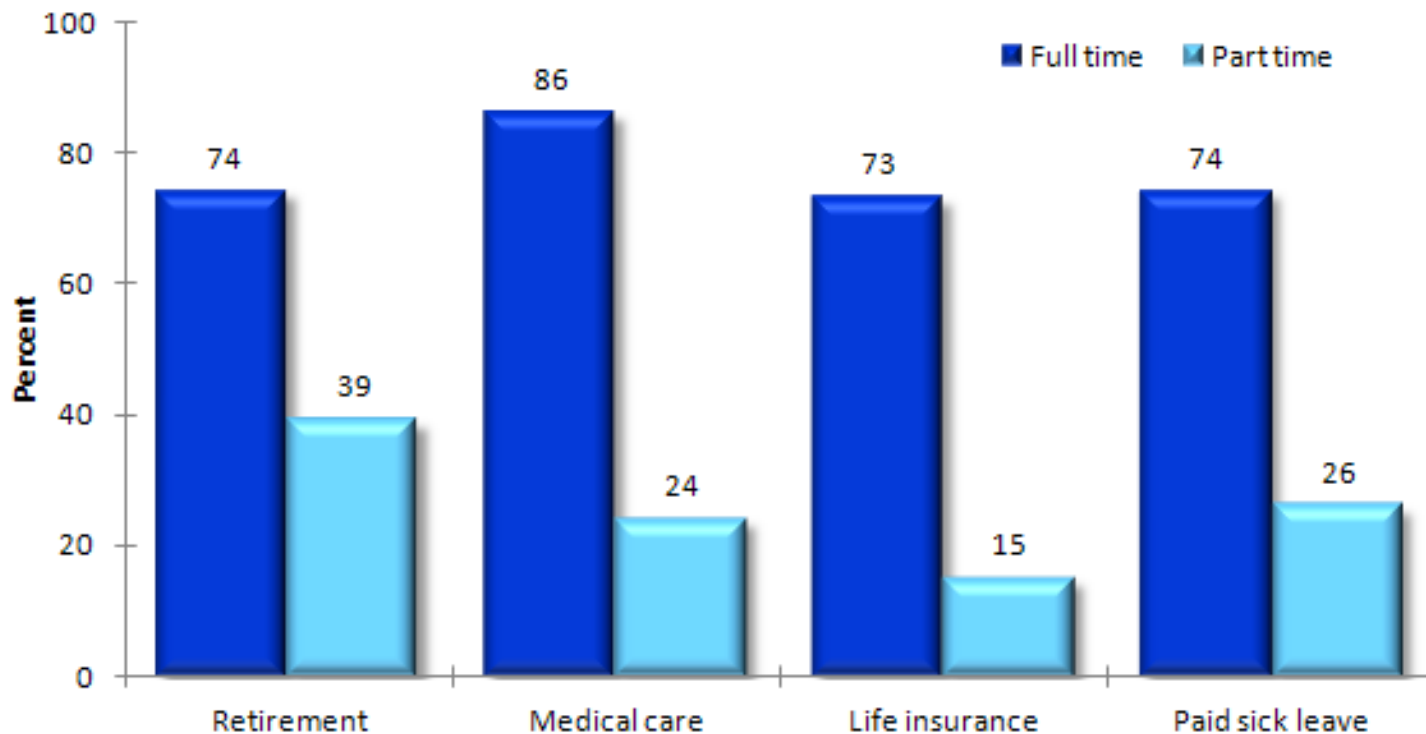


Source: JEC majority staff calculations based on data from the United States Census Bureau.



Benefit Penalty for P/T Work

Access to employer-provided benefits among full- and part-time private industry workers, March 2010



Source: U.S. Bureau of Labor Statistics



A Rights Perspective

- **International Labor Organization adopted Part-Time Work Convention in 1994**
 - <http://www.ilo.org/ilolex/cgi-lex/convde.pl?C175>
- **Part-time equity might be litigated under gender protection laws based on disparate impact – Joan Williams**



Implications for WIA System

- **P/T workers have lower earnings**
 - WIBs may not want to serve workers who are not available for full-time work
- **Many P/T jobs are high turnover**
- **Worth thinking about why jobs are P/T and how that affects long-term**
- **Need job development aimed at high quality part-time jobs**

Recent UK Definition of Quality Part-Time Jobs



- **Same (pro-rata) pay, conditions, development and progression opportunities as comparable F/T jobs**
- **Enable the job-holders to maintain or enhance their skills.**
- **Acceptable work–life balance, meeting both worker and employer needs**
- **As business allows, opportunity to increase hours to F/T, if desired, at same or higher job level.**

<http://www.equalities.gov.uk/pdf/Review%20of%20Evidence.pdf>



Implications for UI system

- **Only 28.5% of P/T workers qualified for UI according to 2007 GAO report**
- **28 states now allow workers seeking part-time work to qualify for unemployment benefits**
 - 8 newly enacted and 6 updated since UIMA included in Recovery Act
 - Incentive funding available through Aug 2011



UI: Obstacles Still Remain

- **Earnings thresholds**
- **Lack of information**
- **Part-time workers may be given reduced or undesirable hours rather than fired**
 - Employers then claim “voluntary quit”



Work Sharing

- **Employers reduce hours rather than lay off workers (layoff aversion)**
- **Typically continue full benefits**
- **Workers get pro-rated UI benefits to compensate for reduced pay**
- **Available in 20 states**
 - 3 added in 2010

Thank You



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