

# EMPLOYMENT

#### FACT SHEET

### Part-Time Workers Are Paid Less, Have Less Access to Benefits—and Two-Thirds Are Women

September 2015 | Anne Morrison & Katherine Gallagher Robbins

Nearly 28 million employees—almost one in five—work part time. Part-time employees are especially likely to be female and earn low wages. Millions of those in part-time jobs work part time not because they want to, but because they cannot get full-time work. Others have to work part time to accommodate school or family obligations. Part-time employees frequently make less per hour for the same work, lack access to important workplace benefits, are denied promotion opportunities, and are subject to abusive scheduling practices.

#### Who Are Part-Time Workers?

### Women are especially likely to work part time.

- 27.6 million people work part time—nearly one in five workers (18.9 percent).<sup>1</sup>
- Nearly two-thirds (64.2 percent) of those who work part time are women.<sup>2</sup>
- Women are twice as likely to work part time as men: 25.8 percent of all female workers are part time as compared to 12.7 percent of all male workers.<sup>3</sup>
- One in five part-time workers (20.2 percent) are women of color, compared to 16.2 percent of all workers.<sup>4</sup>

### Part-time workers are especially likely to be in low-wage jobs and be poor.

 Part-time workers are more than three times as likely as full-time workers to hold low-wage jobs that typically pay \$10.50 per hour or less (35.5 percent of part-time workers, compared to 10.9 percent of

#### Defining "Part-Time" Work

The Bureau of Labor Statistics defines part-time work as less than 35 hours per week. This brief offers a profile of the workers who usually work part time, unless it is discussing workers who are involuntarily part time. Data on involuntary part-time workers also include workers who usually work full time but worked part time during the week the survey was conducted.<sup>5</sup>

full-time workers). Nearly three-quarters (71.6 percent) of part-time workers in low-wage jobs are women. $^{6}$ 

• Nearly one in seven (14.6 percent) part-time workers lives in poverty, compared to 3.8 percent of full-time workers. Poverty rates for female workers are similar at 14.0 percent for female part-time workers and 3.8 percent for female full-time workers.<sup>7</sup>



### The majority of part-time workers are age 25 and older.

- Seven in ten (69.8 percent) part-time workers are age 25 and older, and only 12.1 percent are teens age 16-19.8
- More than four in ten (43.9 percent) part-time workers are age 25 to 54—that is, prime working age. More than seven in ten (71.5 percent) part-time prime-aged workers are women.<sup>9</sup>
- One-quarter (25.8 percent) of part-time workers are age 55 and over. Over six in ten (61.1 percent) of these older part-time workers are women.<sup>10</sup>

### Many part-time workers are supporting families.

- One-quarter (25.6 percent) of part-time workers have children under 18. Over eight in ten (82.1 percent) of these parents working part time are women.<sup>11</sup>
- Almost three in ten (28.7 percent) mothers working part time are single mothers.<sup>12</sup>

### Workers with a disability are more likely to work part time.

- One-third (32.7 percent) of workers with a disability work part time, while only 18.4 percent of workers without a disability work part time.<sup>13</sup>
- More than one-third (34.2 percent) of working women with a disability work part time, compared to one-quarter (24.7 percent) of working women without a disability.<sup>14</sup>

#### Why Do People Work Part Time?

#### Millions of part-time employees work part time because the full-time work they are seeking is not available.

- One in five part-time employees (20.7 percent) work part time involuntarily—7.2 million people.<sup>15</sup>
- Half (50.9 percent) of employees who work part time involuntarily are women.<sup>16</sup>

#### Defining "Involuntary" and "Voluntary" Part-Time Work

Workers are part time involuntarily when they work part time for "economic reasons" including slack work or business conditions, or because they were unable to find full-time work.<sup>18</sup> Workers are considered voluntarily part time if they work fewer hours for "noneconomic reasons" including school or training, health or medical limitations, child care problems, or other family or personal obligations.<sup>19</sup>

• Women who work part time involuntarily are more than twice as likely to be poor as women who work part time for other reasons, and five times as likely to be poor as women who work full time: 25.1 percent of women who work part time involuntarily are poor, compared to 11.1 percent of women who work part time for other reasons and 5.0 percent of women who work full time.<sup>17</sup>

#### About three-quarters of workers who work part time do so for other reasons, including school or family obligations.

- Nearly three-quarters (73.2 percent) of people who work part time did so for reasons other than the unavailability of full-time work—reasons that the Bureau of Labor Statistics terms "noneconomic reasons."<sup>20</sup> Women are two-thirds (67.0 percent) of these workers.<sup>21</sup>
- Employees who work part time for noneconomic reasons do not seek full-time work for a variety of reasons:
  - Five million workers who are part time for noneconomic reasons (25.5 percent) report working part time because of child care problems or other family or personal obligations.<sup>22</sup> Women are seven times more likely than men to cite "child care problems" and nearly four times more likely than men to cite "other family/personal obligations" as

reasons for working part time.<sup>23</sup> While some of these workers may prefer to work part time, for others the "choice" of part-time work is forced by high child care costs, low wages, or inflexible and unpredictable work schedules.

- More than 5.7 million part-time workers (29.4 percent) report working part time because they are in school or training.<sup>24</sup>
- Nearly 2.4 million part-time workers (12.1 percent) report working part time because they are retired or working to supplement Social Security benefits.<sup>25</sup>

## What Are Key Concerns For Part-Time Workers?

### Pay and access to benefits are major concerns for those who work part time.

- Part-time workers were paid significantly less per hour than full-time workers in more than half (56 percent) of 324 occupations and earned more in less than four percent of these occupations, according to a 2007 study.<sup>26</sup>
- Part-time workers are far less likely to have access to employer-sponsored benefits. Just 22 percent of part-time workers have access to medical care benefits through their employer, compared to 88 percent of full-time workers.<sup>27</sup> Full-time workers are more than twice as likely to have access to retirement

benefits than part-time workers (80 percent of full-time workers, compared to 38 percent of part-time workers).<sup>28</sup> Full-time workers are also more than three times as likely to have access to paid sick leave than part-time workers (78 percent of full-time workers, compared to 26 percent of part-time workers).<sup>29</sup>

- Women who work full time are more likely to be promoted than those working part time. A study of women across their careers shows that full-time workers are consistently more likely to be promoted than part-time workers.<sup>30</sup>
- Part-time workers are more likely to have volatile schedules than full-time workers. Being part-time more than doubles the likelihood of having work hours that vary weekly.<sup>31</sup> And among early career employees (age 26 to 32), part-time workers are more likely than full-time workers to receive their work schedule one week or less in advance: 48 percent of part-time early career employees receive their schedules with such short notice, compared to 35 percent of full-time employees.<sup>32</sup>
- Part-time workers who lose their jobs face specific barriers to qualifying for unemployment insurance in many states, even if they have sufficient earnings to otherwise qualify for benefits. Jobless workers who are only available for part-time work are ineligible for unemployment insurance in 21 states; another 20 states permit eligibility for workers who are only available for part-time work only if those workers have a history of part-time work.<sup>33</sup>

<sup>12</sup> Id.

<sup>&</sup>lt;sup>1</sup> NWLC calculations based on Bureau of Labor Statistics (BLS) Current Population Survey (CPS) Annual Table 8: Employed and unemployed full- and part-time workers by age, sex, race, and Hispanic or Latino ethnicity *available at* <u>http://www.bls.gov/cps/cpsaat08.htm</u> (Last visited July 24, 2015) and Annual Table 3: Employment status of the civilian noninstitutional population by age, sex, and race *available at* <u>http://www.bls.gov/cps/cpsaat03.htm</u> (Last visited July 25, 2015). <sup>2</sup> *Id.* <sup>3</sup> *Id.* 

<sup>&</sup>lt;sup>4</sup> NWLC calculations based on Current Population Survey (CPS) 2014 using Miriam King et al., Integrated Public Use Microdata Series (IPUMS), Current Population Survey: Version 3.0 [Machine-readable database] (Minneapolis: University of Minnesota, 2010). Figures are for 2013.

<sup>&</sup>lt;sup>5</sup> BLS Handbook of Methods, Chapter 1: Labor Force Data Derived from the CPS *available at* <u>http://www.bls.gov/opub/hom/homch1\_c.htm</u>. Throughout this profile the data are for workers who usually work part time with the key exception being the data on involuntary part-time workers (see footnote 12).

<sup>&</sup>lt;sup>6</sup> *Id.* "Low-wage jobs" and the "low-wage workforce" could be defined in different ways; this analysis uses \$10.50 or less per hour because \$10.50 in 2014 is roughly equivalent to \$12 in 2020, which is the proposed new federal minimum wage in the Raise the Wage Act pending in Congress (2015), *see* David Cooper, John Schmitt, & Lawrence Mishel, Economic Policy Institute, We Can Afford at \$12.00 Federal Minimum Wage in 2020 (April 2015) *available at* 

http://www.epi.org/publication/we-can-afford-a-12-00-federal-minimum-wage-in-2020/. Median hourly wages for occupations are determined using the BLS Occupational Employment Statistics data from May 2014 (http://www.bls.gov/oes/current/oes\_nat.htm). Women are two-thirds of all low-wage workers and 59.8 percent of full-time low-wage workers.

<sup>&</sup>lt;sup>7</sup> NWLC calculations based on CPS 2014 using IPUMS, *supra* note 4.

<sup>&</sup>lt;sup>8</sup> NWLC calculations based BLS CPS Annual Table 8, supra note 1.

<sup>9</sup> Id.

<sup>&</sup>lt;sup>10</sup> Id.

<sup>&</sup>lt;sup>11</sup> NWLC calculations based on CPS 2014 using IPUMS, supra note 4.

<sup>13</sup> NWLC calculations based on BLS Persons with a Disability: Labor Force Characteristics Summary Table 2: Employed full- and part-time workers by disability status and age, 2014 annual averages *available at* http://www.bls.gov/news.release/disabi.t02.htm (Last visited July 24, 2015).

<sup>14</sup> NWLC calculations based on CPS 2014 using IPUMS, *supra* note 4.

<sup>15</sup> NWLC calculations based on BLS CPS Annual Table 20: Persons at work 1 to 34 hours in all and in nonagricultural industries by reason for working less than 35 hours and usual full- or part-time status *available at* <u>http://www.bls.gov/cps/cpsaat20.htm</u> (Last visited July 24, 2015). Note that this figure is for people at work part time during the reference week, rather than those who usually work part time. The annual average for people at work 1 to 34 hours during the reference week was 34.3m, compared to the 25.7m who usually work part time (see BLS CPS Annual Table 8, *supra* note 1). Data on involuntary part-time workers also include workers who usually work full time but worked between 1-34 hours during the reference week of the survey. These differences mean the numbers of voluntary and involuntary part-time workers do not add to the total (which is reported here as people who usually work part time). However, including data on those who usually work full time but are not working full time during the reference week for noneconomic reasons captures many people who are on vacation or otherwise missed a day of work.

<sup>16</sup> NWLC calculations based on BLS CPS Annual Table 23: Persons at work by occupation, sex, and usual full- or part-time status *available at* 

http://www.bls.gov/cps/cpsaat23.htm (Last visited July 24, 2015).

<sup>17</sup> NWLC calculations based on CPS 2014 using IPUMS, *supra* note 4.

<sup>18</sup> BLS Handbook of Methods, *supra* note 6. Other reasons for working part-time involuntarily include seasonal work and job started or ended during the week.
<sup>19</sup> Id. Other reasons for working part-time voluntarily include retirement or supplementing Social Security earnings, and all other reasons. Workers who usually work full time may be classified as voluntarily part time during the reference week for all these reasons and additionally due to vacation or personal day, holiday, or weather-related curtailment (see BLS CPS Annual Table 20, *supra* note 15).

<sup>20</sup> NWLC calculations based on BLS CPS Annual Table 8, *supra* note 1.

<sup>21</sup> Id.

<sup>22</sup> NWLC calculations based on BLS CPS Annual Table 20, *supra* note 15. Figures are for those who usually work part time.

<sup>23</sup> Milla Sanes, Center for Economic & Policy Research, "Choosing" to Work Part-Time (Dec. 2012), available at

http://www.cepr.net/index.php/blogs/cepr-blog/choosing-to-work-part-time.

<sup>24</sup> NWLC calculations based on BLS CPS Annual Table 20, *supra* note 15. Figures are for those who usually work part time. <sup>25</sup> *Id.* 

<sup>26</sup> David M. Pongrace & Alan P. Zilberman, BLS, A Comparison of Hourly Rates for Full- and Part-Time Workers by Occupation, 2007 at 2 (July 2009), *available at* <u>http://www.bls.gov/opub/mlr/cwc/a-comparison-of-hourly-wage-rates-for-fulland-part-time-workers-by-occupation-2007.pdf</u>. Of the twelve occupations in which part-time work had significantly higher average hourly earnings than full-time work, half were healthcare or related occupations.

<sup>27</sup> BLS Employee Benefits in the United States – March 2015 Table 2. Medical care benefits: Access, participation, and take-up rates available at

http://www.bls.gov/news.release/ebs2.t02.htm (Last visited July 24, 2015). Figures are for civilian workers. As of 2015, the Affordable Care Act requires employers with 100 or more full-time equivalent employees to offer health insurance to their full-time employees. Under this requirement, the ACA defines full-time employees as those who usually work at least 30 hours per week throughout the year. This requirement will apply to employers with 50 or more full-time equivalent employees in 2016. Pending federal legislation would change the definition of full-time employment under the ACA to 40 hours a week, which would increase the number of workers who could risk losing hours if their employers want to evade the health insurance requirement. While 7 percent of employees work 30 to 34 hours, 44 percent of employees work 40 hours per week. Paul N. Van de Water, Health Reform Not Causing Significant Shift to Part-Time Work, But Raising Threshold to 40 Hours a Week Would Make a Sizeable Shift Likely (Jan. 2015), *available at* 

http://www.cbpp.org/research/health-reform-not-causing-significant-shift-to-part-time-work.

<sup>28</sup> NWLC calculations based on BLS Employee Benefits in the United States – March 2015 Table 1. Retirement benefits: Access, participation, and take-up rates *available at* <u>http://www.bls.gov/news.release/ebs2.t01.htm</u> (Last visited July 24, 2015). Figures are for civilian workers.

<sup>29</sup> NWLC calculations based on BLS Employee Benefits in the United States – March 2015 Table 6: Select paid leave benefits: Access available at

http://www.bls.gov/news.release/ebs2.t06.htm (Last visited July 24, 2015). Figures are for civilian workers.

<sup>30</sup> John T. Addison, Orgul Demet Ozturk, & Si Wang, University of South Carolina, Job Promotion in Midcareer: Gender, Recession, and "Crowding", Bureau of Labor Statistics Monthly Labor Review at Table 3 (Jan. 2014), available at http://www.bls.gov/opub/mlr/2014/article/job-promotion-in-midcareer.htm.

<sup>31</sup> Lonnie Golden, Economic Policy Institute, Irregular Work Scheduling and Its Consequences at 22 (Apr. 2015), available at http://s2.epi.org/files/pdf/82524.pdf.

<sup>32</sup> Susan J. Lambert, Peter J. Fugiel, & Julia R. Henly, University of Chicago, Precarious Work Schedules among Early-Career Employees in the US: A National Snapshot at 6 (Aug. 2014), *available at https://ssascholars.uchicago.edu/sites/default/files/work-scheduling-study/files/lambert.fugiel.henly\_precarious\_work\_schedules.august2014\_0.pdf*.

<sup>33</sup> Liz Ben-Ishai, Rick McHugh, & Claire McKenna, Center for Law and Social Policy & National Employment Law Project, Out of Sync: How Unemployment Insurance Rules Fail Workers with Volatile Job Schedules at 7 (Aug. 2015), *available at* <u>http://nelp.org/content/uploads/Out-of-Sync-Report.pdf</u>.