



GOOD JOBS NOW HARDER TO COME BY, HARDEST FOR MINORITIES

Report shows combination of decent wages, health care coverage, and retirement benefits eludes growing share of U.S. workers

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A good job, most people would agree, should include three basic features: it has to pay at least enough to support a decent standard of living and to offer health insurance and a retirement plan. Finding a job that meets these criteria, however, has become more and more of a challenge for all U.S. workers, and especially for members of minority groups. A new report issued today by the Economic Policy Institute, *Getting Good Jobs to America's People of Color*, documents the overall erosion of good jobs over the past 30 years and the disparate impact of that erosion on different groups of Americans by race, ethnicity, and gender. The report also makes detailed recommendations for reversing the decline in good jobs.

The study was done by Algernon Austin, who directs the Program on Race, Ethnicity, and the Economy at the Economic Policy Institute. In defining the minimum wage requirements of a good job, he opted for an income floor of 60% of the median household income. In 2008, that 60% of the median yields an annual income of \$30,182, or \$14.51 per hour, for a full-time, full-year worker. That wage level is in line with international standards used by researchers for cross-national poverty comparisons and just slightly higher than an alternative poverty measure developed by the National Academy of Sciences. Austin's study examines both the number of good jobs in the economy over time and how those jobs are distributed among different groups.

Overall, Austin reports that in the past 30 years the share of the labor force in jobs that meet at least this minimal definition of a good job fell from over one in three (34.5%) in 1979 to about one in four (27.6%) in 2008 – a decline of 6.9 percentage points. That drop was much more pronounced among men, whose share of good jobs declined more than twice as fast – from 46.5% in 1979 to 27.6% in 2008 for a loss of 15.2 percentage points. He notes that this decline in job quality came during a period when productivity expanded by 76%.

Austin explains that the decline in good jobs is not just a side effect of this or previous recessions. “The share of good jobs in the U.S. economy has declined steadily for at least 30 years, in bad times and good times,” he explained. “While recessions no doubt made things worse, recoveries didn't make them any better.”

Although these losses were felt by all groups of male workers, not all groups were affected equally:

- Hispanic men lost the greatest share of good jobs. By 2008 a Hispanic male in the labor force was less than half as likely to have a good job as in 1979, moving from a 30.8% share of good jobs in 1979 to 15.3% in 2008, a decline of 15.5 percentage points.
- White men experienced the second-largest percentage point drop in good jobs over the period (moving from 46.5% to 31.3% for a loss of 12.8 points), but their share of good jobs remained the highest of any group in 2008 (36.5%).

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- Good jobs among African American men dropped significantly, as well, from 33.4% to 24.1% - for a decline of 9.3 points in their share of the good jobs.

Although the share of good jobs held by women increased slightly in the period studied – an increase of 3.1 percentage points for women overall, these gains were concentrated among white women. The share of white women in good jobs increased 5.4 points, but there were small declines in shares for Hispanic and African American women. The study reveals that women’s share of good jobs overall and in every subgroup remains far smaller than that of men.

Austin’s study notes that improving access to good jobs for all Americans requires that the nation pursue a goal of enlarging the pool of good jobs. He recommends setting a target of making 75% of all jobs good jobs. He notes that although just 31.5% of jobs currently meet the criteria of a good job, many of those jobs do meet the wage standard and that adopting universal health care and reforming the pension system would cause the share of good jobs to rise to 56.1%.

“We can’t rely on creating a supply of good jobs by accident,” says Austin. “We need a national good jobs strategy and commitment from policy makers to pursue it.”

Austin advises that allowing the pool of good jobs to deteriorate sets up a destructive cycle that pits one group of workers against another in a growing competition for a shrinking pie.

Additional strategies he recommends for increasing the pool of good jobs and for reducing the access gap to good jobs that now exists between whites and nonwhites include:

- Increasing access to union membership;
- Resetting the minimum wage at a higher level that retains its value over time; and
- Narrowing the racial good-jobs gap by addressing inequities in the labor market, including racial discrimination, improved education and training for people of color, the failure of the U.S. labor market to validate the foreign, non-European college degrees held by immigrants, and a dysfunctional criminal justice system.

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