



Half a Job

Why People Working Part-Time Deserve a Fair Workweek

Millions of Americans are Underemployed

Millions of working people are getting too few hours and can only find part-time jobs, despite needing full-time hours to support their families.¹ Today, 4 out of 10 part-time workers want to work more hours than provided by their employers.² Underemployment accelerated rapidly during the Great Recession, yet persisted even after the economy fully rebounded.³ Continued underemployment is due to job growth in low-wage sectors like retail and food service, where nearly half of part-time workers want more hours.⁴ Corporations in the service sector increasingly rely on just-in-time scheduling to match the ebb and flow of business demand, and maintain a large part-time workforce in order to staff up at a moments' notice.⁵ The Federal Reserve has found that these just-in-time workforce management practices are a leading contributor to involuntary part-time employment.⁶ Employers also use part-time employees to keep labor costs low by withholding benefits and paid time off.⁷

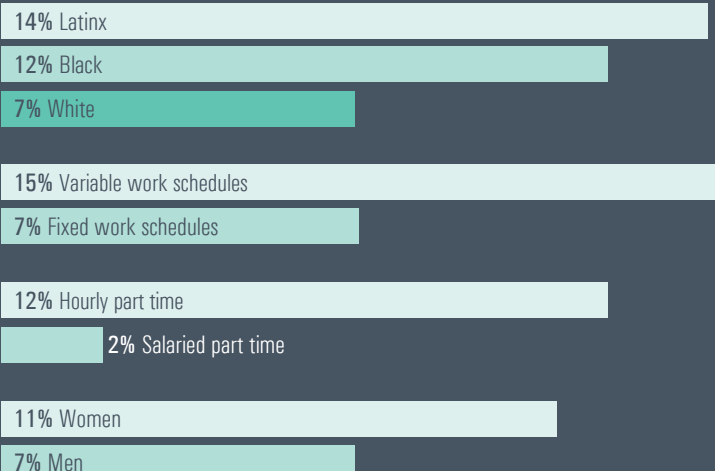
Part-time workers—including those who prefer working part-time and others who want more hours—are left to scramble with fluctuating weekly hours, low pay, and volatile incomes. These challenges have severe consequences for working families, as people working part-time are increasingly the “primary” earners for households.⁸ Women and people of color face higher rates of part-time work and underemployment, with women of color working in part-time jobs especially likely to face economic hardship. One in four Black women working part time, and one in five Latinas working part time, live in poverty. Addressing this reality, and improving the quality of part-time work, is key to promoting family economic security and to closing gender and racial income disparities.⁹

The Real Scope of Underemployment

Today, official figures from the Bureau of Labor Statistics (BLS) show that over 4 million working people are involuntarily working part-time, representing 3% of all employed people.¹⁰ While useful, BLS data presents an incomplete picture. For example, many part-time workers who hold multiple jobs to piece together a full-time paycheck are counted as full-time, even though they lack benefits and face challenges coordinating two or more jobs. Meanwhile, working parents who take part-time jobs are not counted as involuntary part-time workers, although working parents are often cornered into part-time work by the variable schedules common in hourly jobs and the high cost and limited availability of childcare.¹¹ New survey data published by the Center for Law & Social Policy provides a more accurate analysis by focusing on part-time workers who desire more hours, and finds underemployment is *double* the rate suggested by BLS data.¹²

Black and Latinx workers, young workers, and women are most likely to face underemployment.

Share of all workers in each group who are underemployed:



Data source: Center for Law and Social Policy (Golden & Kim) 2020 survey findings

Melissa Love, Walmart employee, California



I have been a Walmart employee for four years but I'm stuck in a part-time position. I used to work at my store full-time but the company cut my hours when I started going to school, even though I arranged my classes to keep up with a full-time schedule.

Some weeks, I am scheduled for 23 hours, but for other weeks, I receive only 16 hours. The lack of hours has made it difficult for me to help my dad cover simple things like utilities, food, and rent. One time, it got to the point where I had to sell my laptop and other personal items just to have enough money to pay the bills. All of this puts a giant strain on my mental health. I always worry about my hours and stress about budgeting every month.

If our elected officials passed the Part-Time Workers' Bill of Rights, stores like Walmart would be required to give part-time workers the opportunity to work full-time before they could hire new people. Our store environment would improve because experienced workers would have the ability to grow and take on new opportunities at the company. Students like me wouldn't be forced to choose between getting an education and keeping a roof over our heads.

Lower Hourly Pay, Few Benefits: Relying on part-time jobs fuels economic insecurity for working people and their families.

A Double Pay Penalty for Working Part-Time.

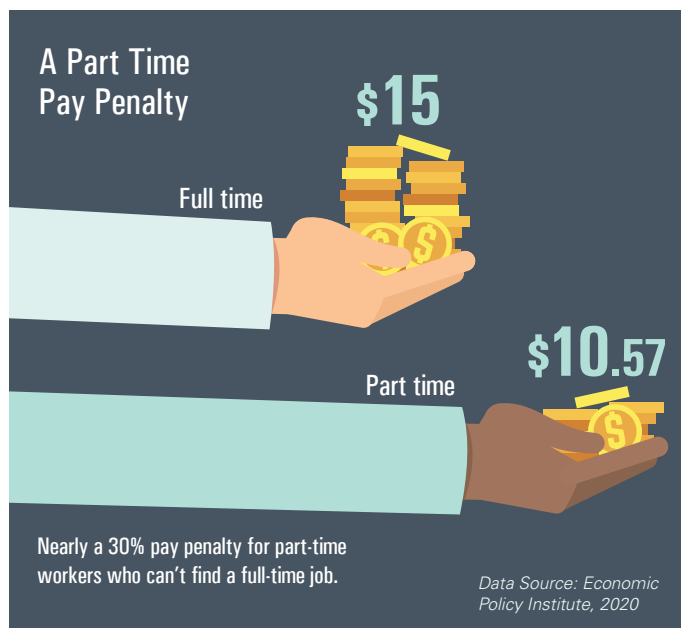
- Part-time workers, including those who are happy with part-time hours, are paid 19.8% less per hour than their full-time counterparts (workers in the same industry and occupation with similar demographic backgrounds and education levels), according to newly published data from the Economic Policy Institute (EPI).
- People who work part-time because they could not find a full-time job face the highest wage penalty, earning 29.5% less than their full-time counterparts.¹³ Underemployed workers therefore face a double penalty: In addition to working fewer hours than they want to work, they also earn significantly *less* for each hour they do work.¹⁴ This double pay penalty has long-term implications for their family economic mobility and financial security.¹⁵

Part-time jobs often exclude people from employer and public benefits.

- Part-time workers are significantly less likely to receive employer benefits like health insurance and paid time off. EPI finds that "benefits make up about 20.1% of full-time workers' compensation, but only about 16.4% of part-time workers' compensation."¹⁶ As a result, part-time workers face a total compensation penalty of 25.3% (a 5.5% benefit penalty on top of the 19.8% wage penalty).
- Unpredictable work hours, a significant risk factor for underemployment, can also impact people's eligibility to get public benefits (for instance, recipients of income support and food stamps must work a minimum number of hours a week).¹⁷ These social safety net programs can help families weather difficult stretches, but variable hours hurt people's ability to access needed benefits.¹⁸

Part-time workers have a hard time securing full-time jobs and there are fewer opportunities to advance.

- While entry-level retail jobs historically included full-time positions, the career pathway now typically begins with a part-time position. When 1,000 frontline retail workers were asked what is required to obtain a retail job with higher pay and more responsibility, 51% said open availability and the ability to work a variable schedule were also necessary to advance.¹⁹ Working parents and students, who cannot provide the 24/7 availability demanded by service sector employers, are therefore often stuck in underpaid part-time jobs.



Jamie Pasqualetto, PetSmart employee, New Jersey



I worked at PetSmart for seven years, and I needed a full-time job with benefits. But PetSmart only allowed pet groomers to work full time, and my health condition (fibromyalgia) made grooming the animals too painful. I worked as a cashier/salesperson, stuck at part-time even as my store hired new staff. My schedule also changed wildly with little notice. Almost every week, I was called to work at the last minute because the store was short-staffed. Sometimes I wanted to say no, but I couldn't afford to – even when I felt sick or I needed to help my disabled mom. The amount of hours I worked changed drastically each week, and my income was so low that I qualified for state health insurance. I have a car with two broken windows and it's been that way for years.

When your work creates so much instability but you need the hours, everything comes after your job. Corporations like PetSmart know this and continuously hire new part-time employees, to make sure managers can find someone to come into work at the last minute. None of us should have to live that way. Companies like PetSmart lose experienced workers like me because of part-timing policies. With the Part-Time Workers' Bill of Rights, PetSmart would have to give me additional hours before hiring new part-time workers. People should be able to afford to meet their most basic needs when they give their time, their energy and their health to a company like PetSmart.

A Path Forward: Policy Recommendations to Support People Working Part-Time Jobs

Workers and their families thrive on full-time jobs with stable, predictable, and flexible hours.

Many Fair Workweek laws, in addition to guaranteeing predictable schedules, adequate rest between shifts, and a voice in work hours, include protections for part-time workers, including a minimum hours law for building services workers in Washington DC. The federal Part-Time Workers Bill of Rights would:

- ✓ Guarantee part-time workers the right to work more hours, up to a full-time workweek, before the employer can hire new staff;
- ✓ Prohibit part-time workers from being denied equal wages, opportunities for promotion, and access to benefits.

Notes

1. When the term "underemployment" is used, we are referring to people who are part-time workers who want to work more hours and/or a full-time job (as discussed in the Center for Law and Social Policy's 2020 survey, cited throughout). When we use the term "involuntary part-time" we are specifically referring to the Bureau of Labor Statistics measure of part-time workers who are "part time for economic reasons."
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3. Marianna Kudlyak, "Involuntary Part-Time Work a Decade after the Recession," Federal Reserve Bank of San Francisco, November 25, 2019, <https://www.frbsf.org/economic-research/publications/economic-letter/2019/november/involuntary-part-time-work-decade-after-recession/>. Karageorge, Eleni X. "Is involuntary part-time work here to stay?" *Monthly Labor Review*, 2019, p. 1E.
4. Forthcoming Golden and Kim, "Underemployment Just Isn't Working for Many U.S. Part-Time Workers."
5. Susan Lambert (2008) "Passing the buck: Labor flexibility practices that transfer risk onto hourly workers." *Human Relations* vol. 61(9), p. 1207.
6. Kudlyak, "Involuntary Part-Time Work a Decade after the Recession."
7. Daniel Schneider, Kristen Harknett and Megan Collins, "Consequences of Routine Work Schedule Instability for Worker Health and Wellbeing," UC Berkeley, <https://shift.berkeley.edu/consequences-of-routine-work-schedule-instability-for-worker-health-and-wellbeing/>.
8. Luke Shaefer, "Part-time workers: some key differences between primary and secondary earners." Bureau of Labor Statistics, *Monthly Labor Review* 132 (2009): 3. <https://www.bls.gov/opub/mlr/2009/article/part-time-workers-some-key-differences-between-primary-and-secondary-earners.htm>
9. Claire Ewing-Nelson, "Part-Time Workers Are Paid Less, Have Less Access to Benefits – and Most Are Women," National Women's Law Center, February 2020.
10. U.S. Bureau of Labor Statistics, Employment Level: Part-Time for Economic Reasons, All Industries, retrieved from FRED, Federal Reserve Bank of St. Louis; <https://fred.stlouisfed.org/series/LNS12032194>, February 18, 2020; US Bureau of Labor Statistics, "The Employment Situation — January 2020," February 7, 2020, <https://www.bls.gov/news.release/pdf/empst.pdf>, 8; U.S. Census Bureau, "Labor Force Statistics for the Current Population Survey," <http://data.bls.gov/timeseries/LNS12032194>
11. Megan Dunn, "Who chooses part-time work and why?," *Monthly Labor Review*, U.S. Bureau of Labor Statistics, March 2018, <https://doi.org/10.21916/mlr.2018.8>; Julia Beckhusen, "About 13M U.S. Workers Have More Than One Job," US Census Bureau, June 18, 2019, <https://www.census.gov/library/stories/2019/06/about-thirteen-million-united-states-workers-have-more-than-one-job.html>.
12. Forthcoming Golden and Kim, "Underemployment Just Isn't Working for Many U.S. Part-Time Workers."
13. Lonnie Golden, "Part-Time Workers Pay a Big-Time Penalty: Hourly Pay-and-Benefits Penalties for Part-Time Work Are Largest for Those Seeking Full-Time Jobs and for Men, but Affect More Women," Economic Policy Institute, February 27, 2020. <https://www.epi.org/publication/part-time-pay-penalty/>.
14. Ibid.
15. Daniel Schneider and Kristen Harknett, "Hard Times: Routine Schedule Unpredictability and Material Hardship among Service Sector Workers," Washington Center for Equitable Growth, October 16, 2019, <https://equitablegrowth.org/working-papers/hard-times-routine-schedule-unpredictability-and-material-hardship-among-service-sector-workers/>.
16. Golden, "Part-Time Workers Pay a Big-Time Penalty"
17. Julie Vogtman and Jasmine Tucker, "Collateral Damage: Scheduling Challenges For Workers In Low-wage Jobs And Their Consequences," National Women's Law Center, April 2017, <https://nwlw-ciw49tixgw5lbbab.stackpathdns.com/wp-content/uploads/2017/04/Collateral-Damage.pdf> 4.
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