

FOCUSING ON JOB QUALITY

Anmol Chaddha
Anjali Sakaria
Federal Reserve Bank of Boston

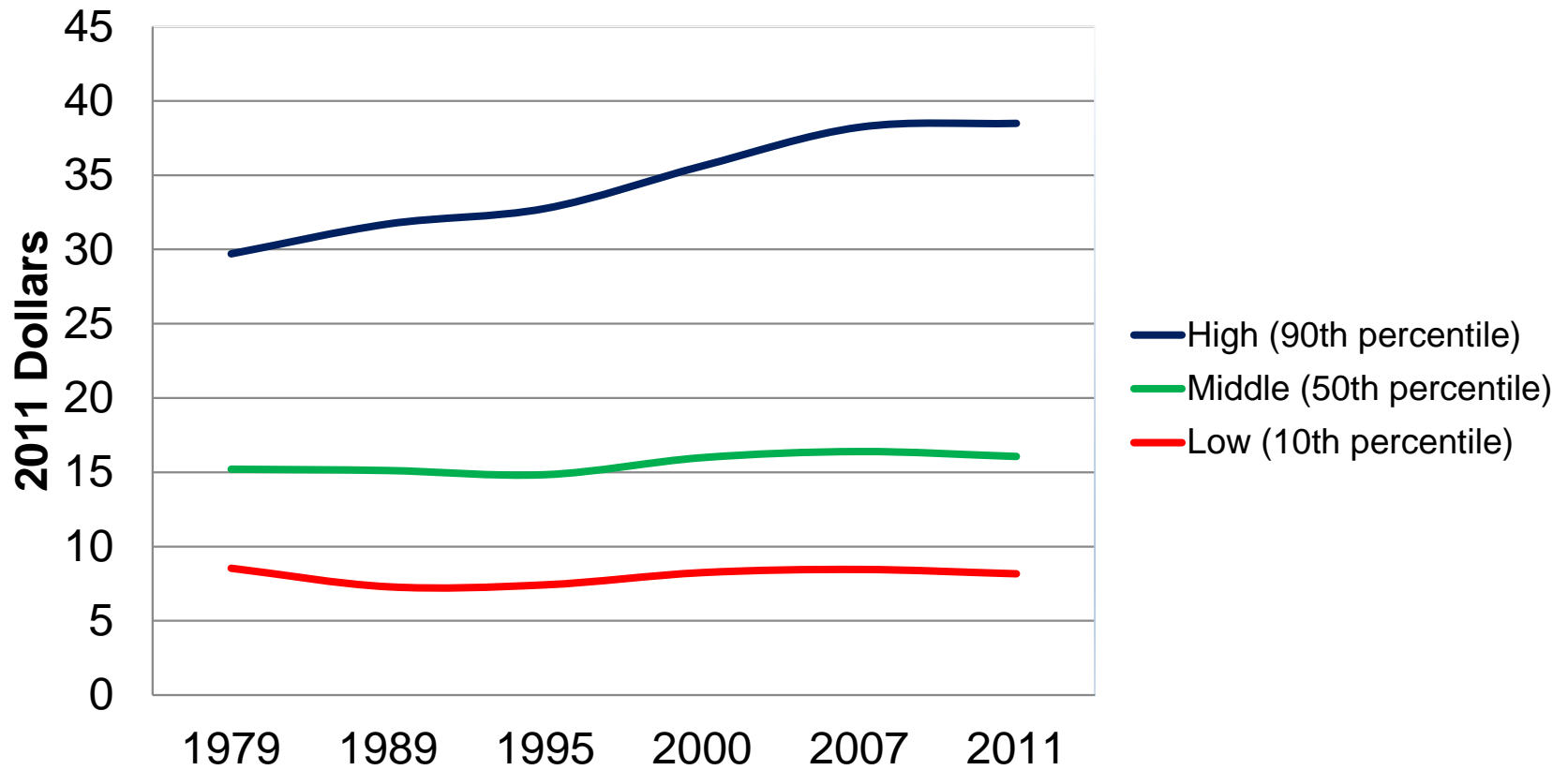
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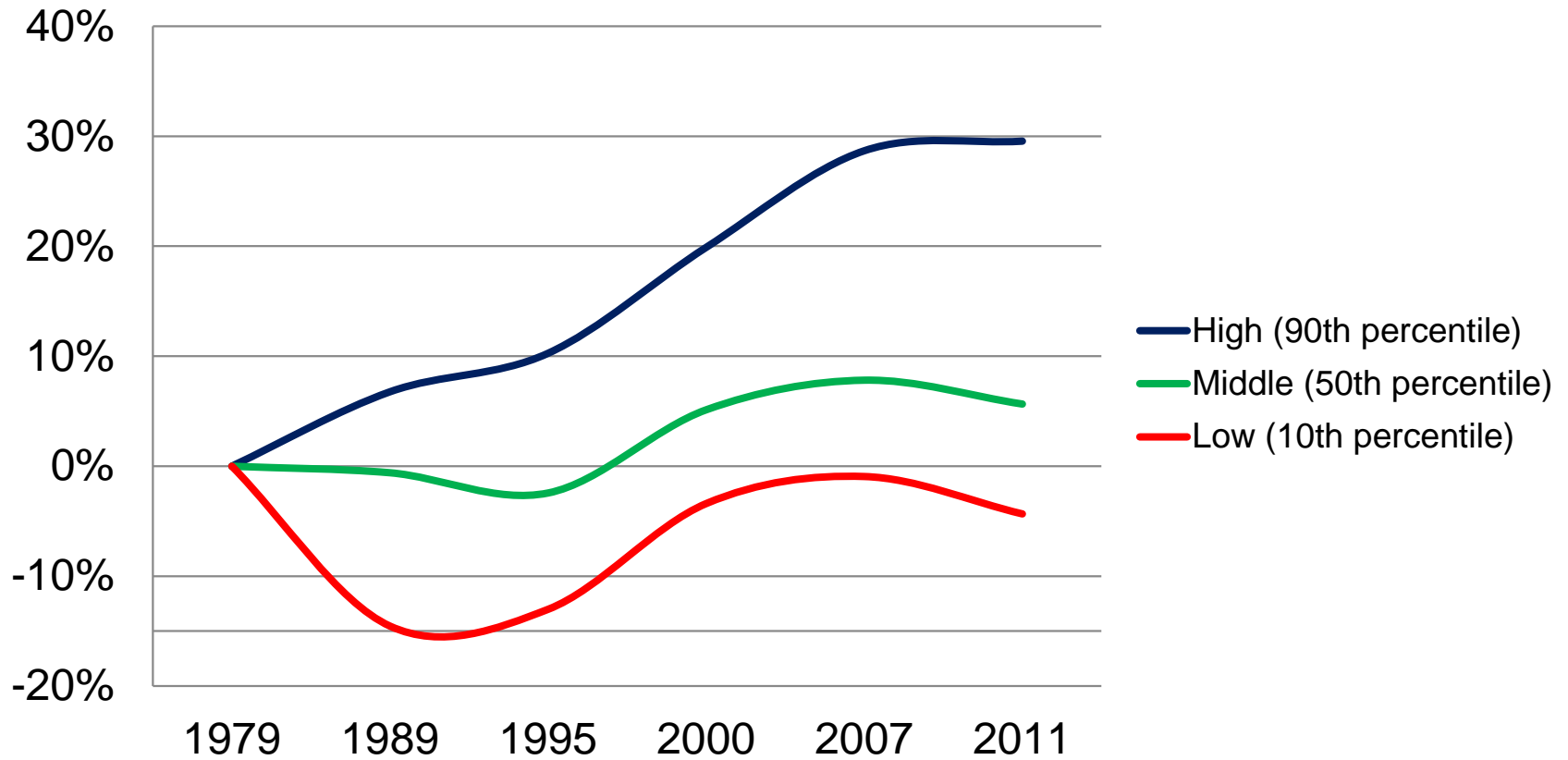
Wage Polarization

Hourly wages of workers by wage percentile



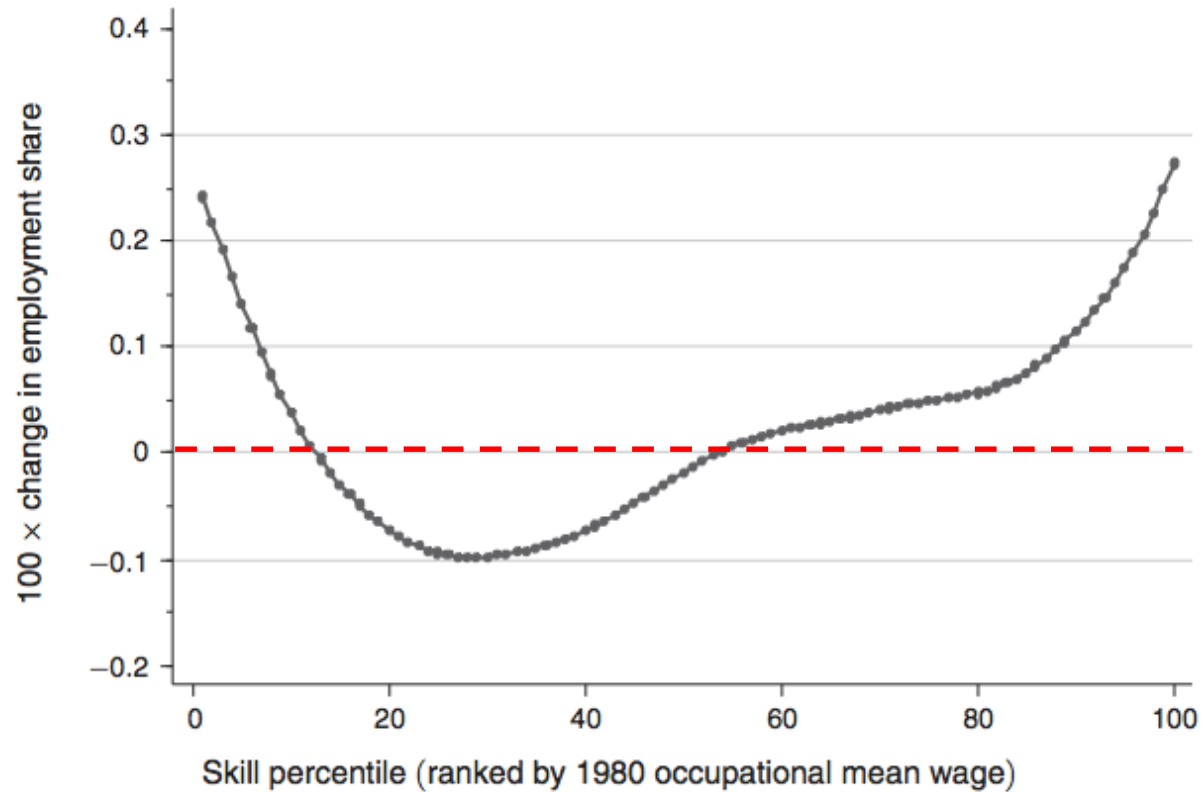
Widening Inequality

Growth in wages since 1979

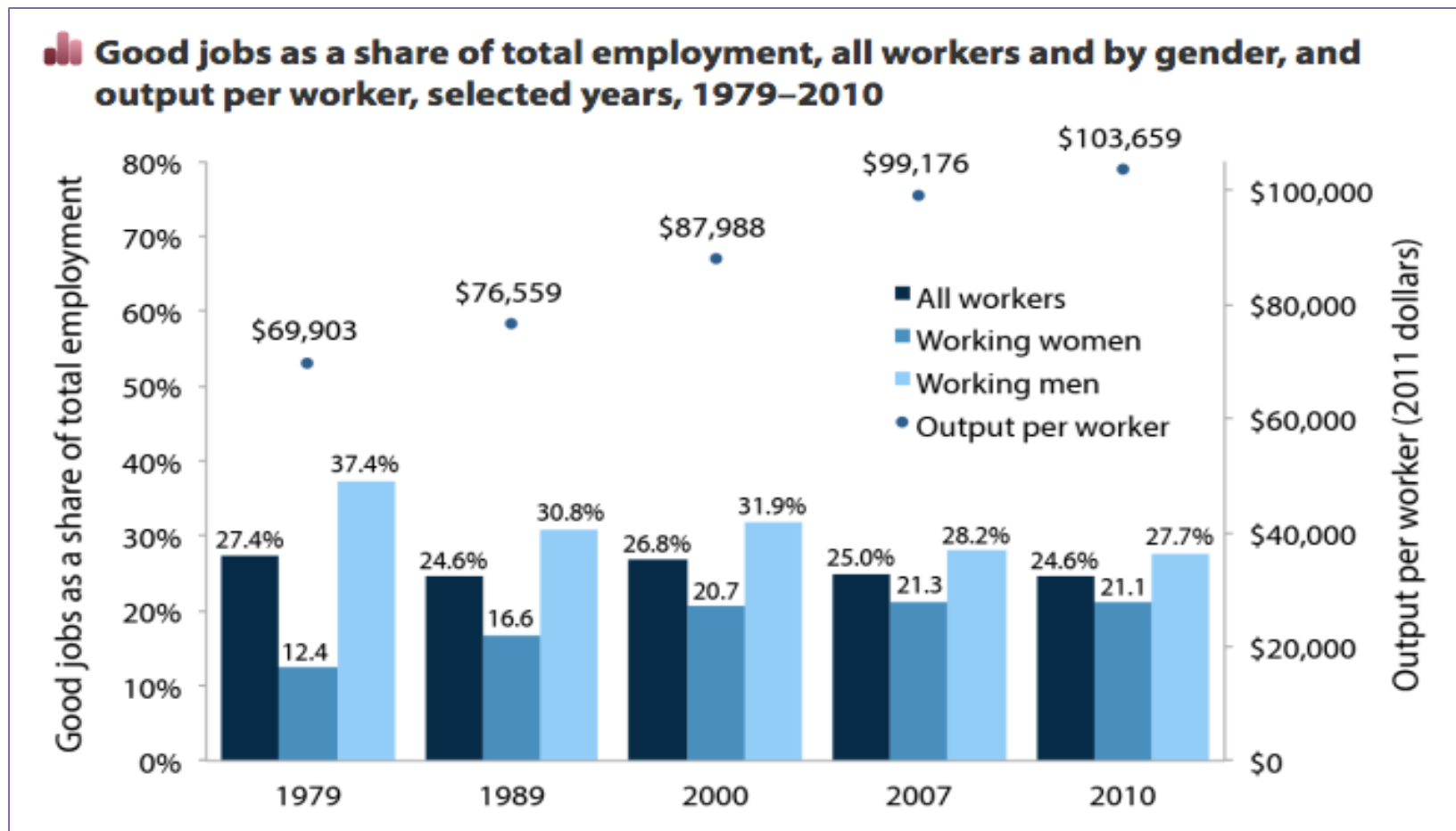


What Jobs are Growing?

Panel A. Smoothed changes in employment by skill percentile, 1980–2005



Disappearing Good Jobs



Public Costs of Low-Wage Jobs

Annual enrollment in Public Assistance Programs
by Working Families, 2009-2011

	Medicaid/CHIP	EITC	SNAP
Alabama	444,000	435,000	215,000
Florida	1,765,000	1,604,000	739,000
Georgia	945,000	860,000	389,000
Louisiana	550,000	416,000	176,000
Mississippi	305,000	289,000	134,000
Tennessee	694,000	493,000	296,000

Public Costs of Low-Wage Jobs

Annual cost of public assistance programs
for working families, 2009-2011 (\$ millions)

	Federal Cost			State Cost		
	<i>Total cost</i>	<i>Working family portion</i>	<i>Working family share</i>	<i>Total cost</i>	<i>Working family portion</i>	<i>Working family share</i>
Alabama	\$4,152	\$2,501	60%	\$373	\$201	54%
Florida	\$13,399	\$7,776	58%	\$2,007	\$1,027	51%
Georgia	\$8,600	\$5,045	59%	\$1,042	\$539	52%
Louisiana	\$4,476	\$2,504	56%	\$459	\$236	51%
Mississippi	\$3,233	\$1,755	54%	\$253	\$122	48%
Tennessee	\$7,024	\$3,945	56%	\$1,271	\$709	56%

How much of the workforce makes less than \$15?

	Alabama	Florida	Georgia	Louisiana	Mississippi	Tennessee
<i>All workers</i>	46%	46%	43%	45%	50%	46%

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	Alabama	Florida	Georgia	Louisiana	Mississippi	Tennessee
<i>All workers</i>	46%	46%	43%	45%	50%	46%
<i>Male</i>	39%	43%	39%	37%	42%	42%
<i>Female</i>	52%	49%	46%	54%	56%	50%
<i>White</i>	40%	38%	35%	37%	40%	42%
<i>Black</i>	57%	56%	50%	61%	63%	56%
<i>Latino</i>	71%	56%	65%	62%	58%	66%

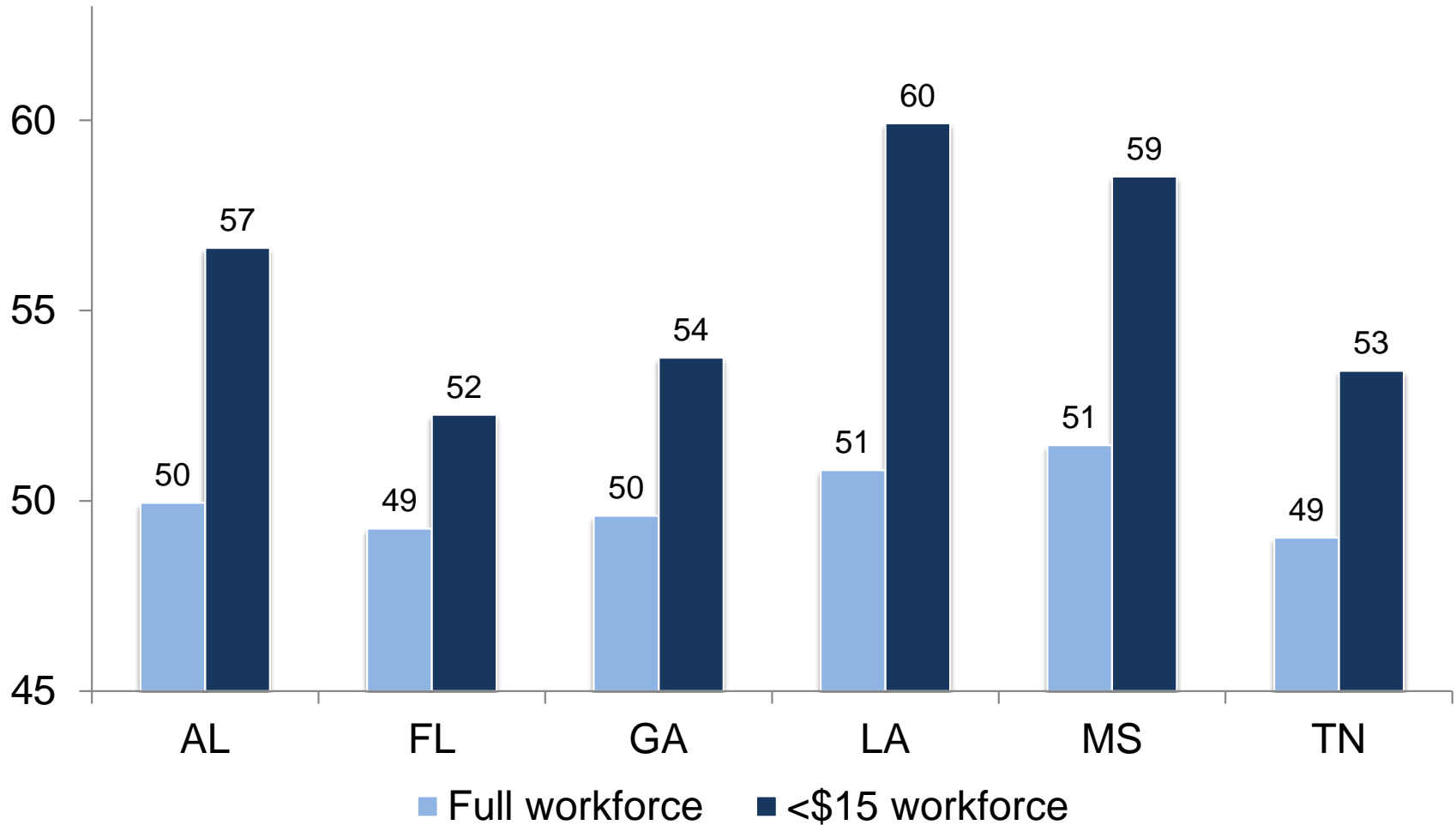
How much of the workforce makes less than \$15?

	Atlanta	Miami	Nashville	New Orleans	Jacksonville	Birmingham
<i>All workers</i>	37%	46%	41%	42%	40%	40%

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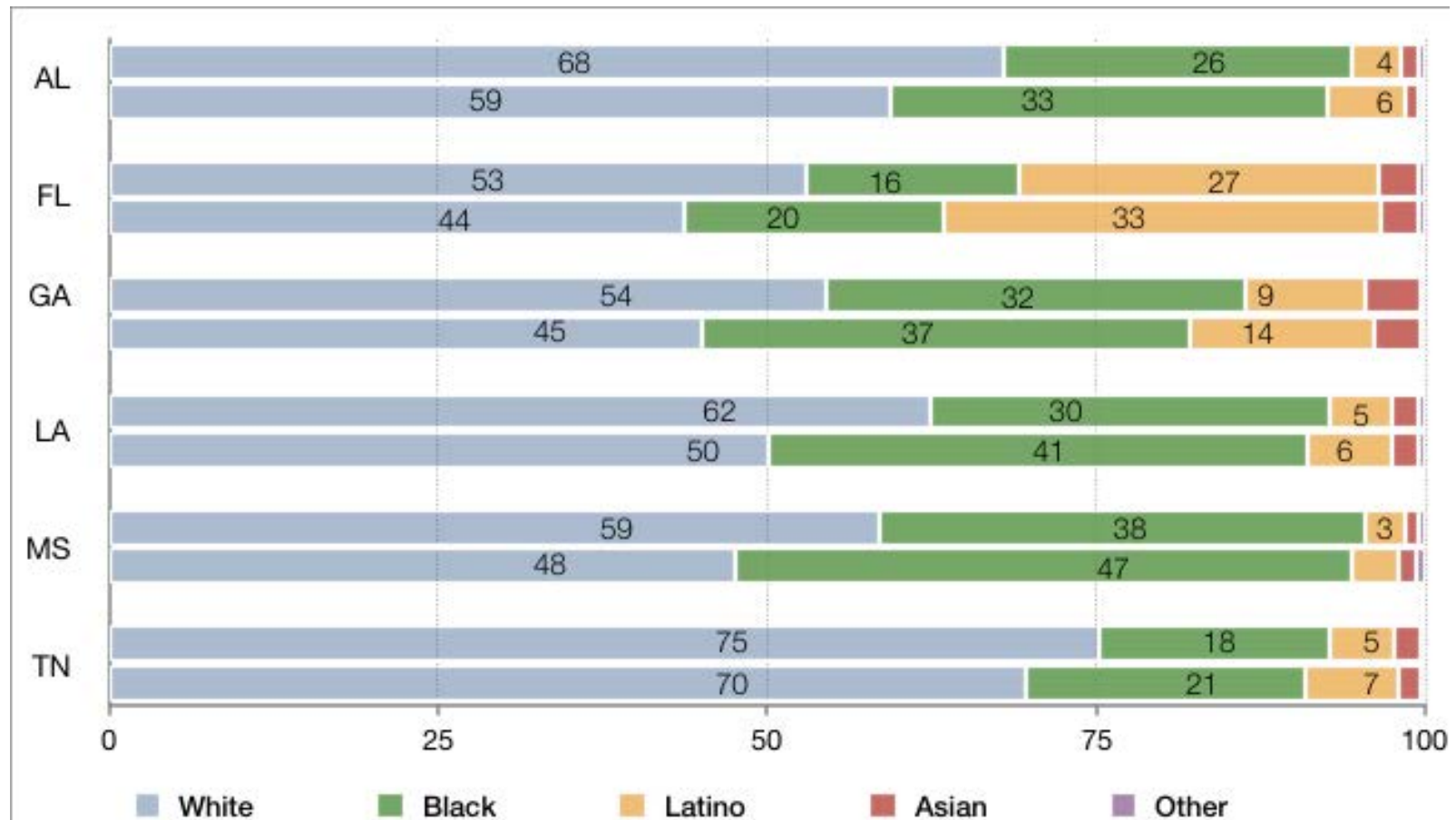
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<i>Female</i>	39%	49%	44%	49%	43%	44%
<i>White</i>	28%	30%	36%	33%	36%	35%
<i>Black</i>	43%	54%	52%	53%	51%	48%
<i>Latino</i>	63%	52%	62%	59%	45%	65%

Majority of workers under \$15 are women



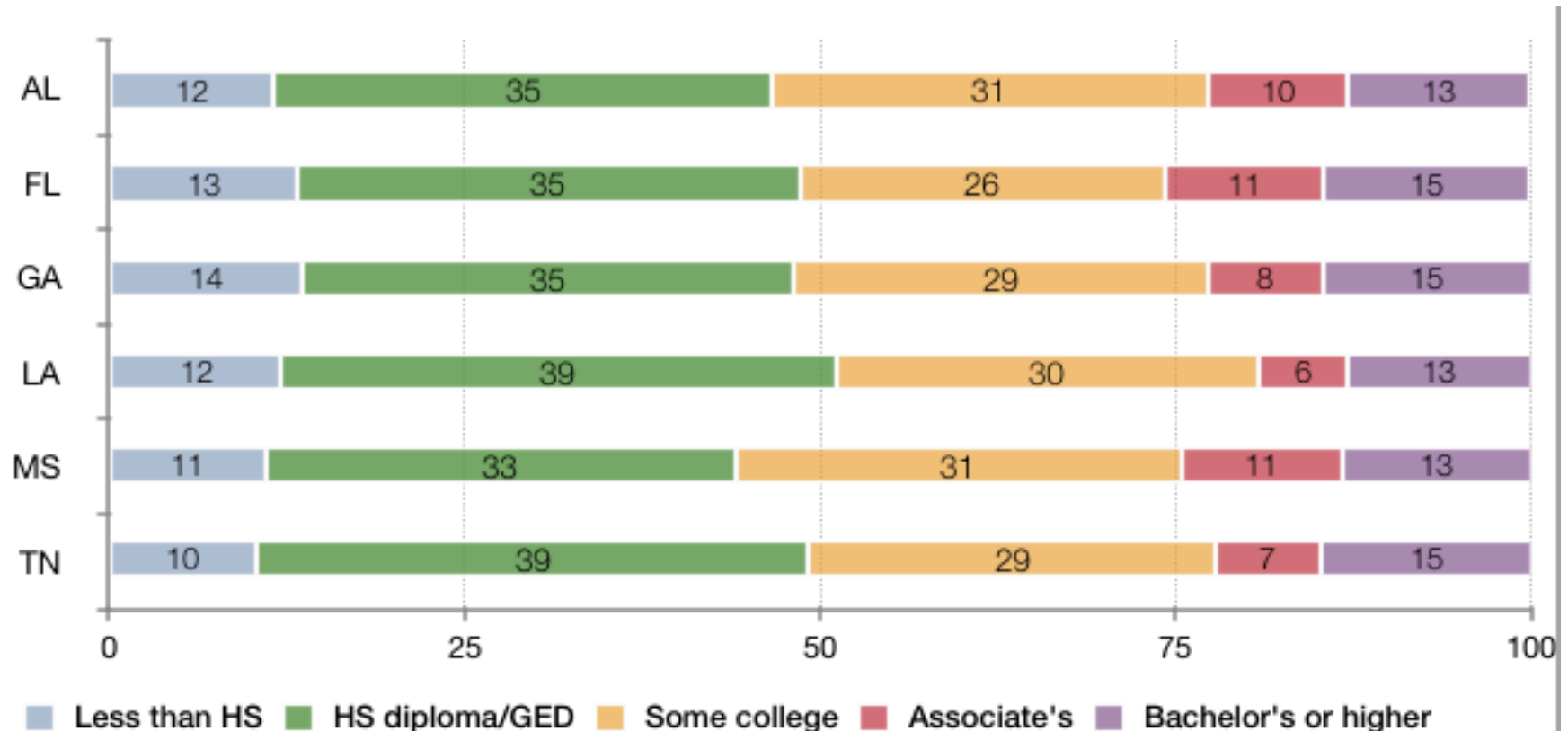
Source: American Community Survey 2016

Disproportionately Black & Latino



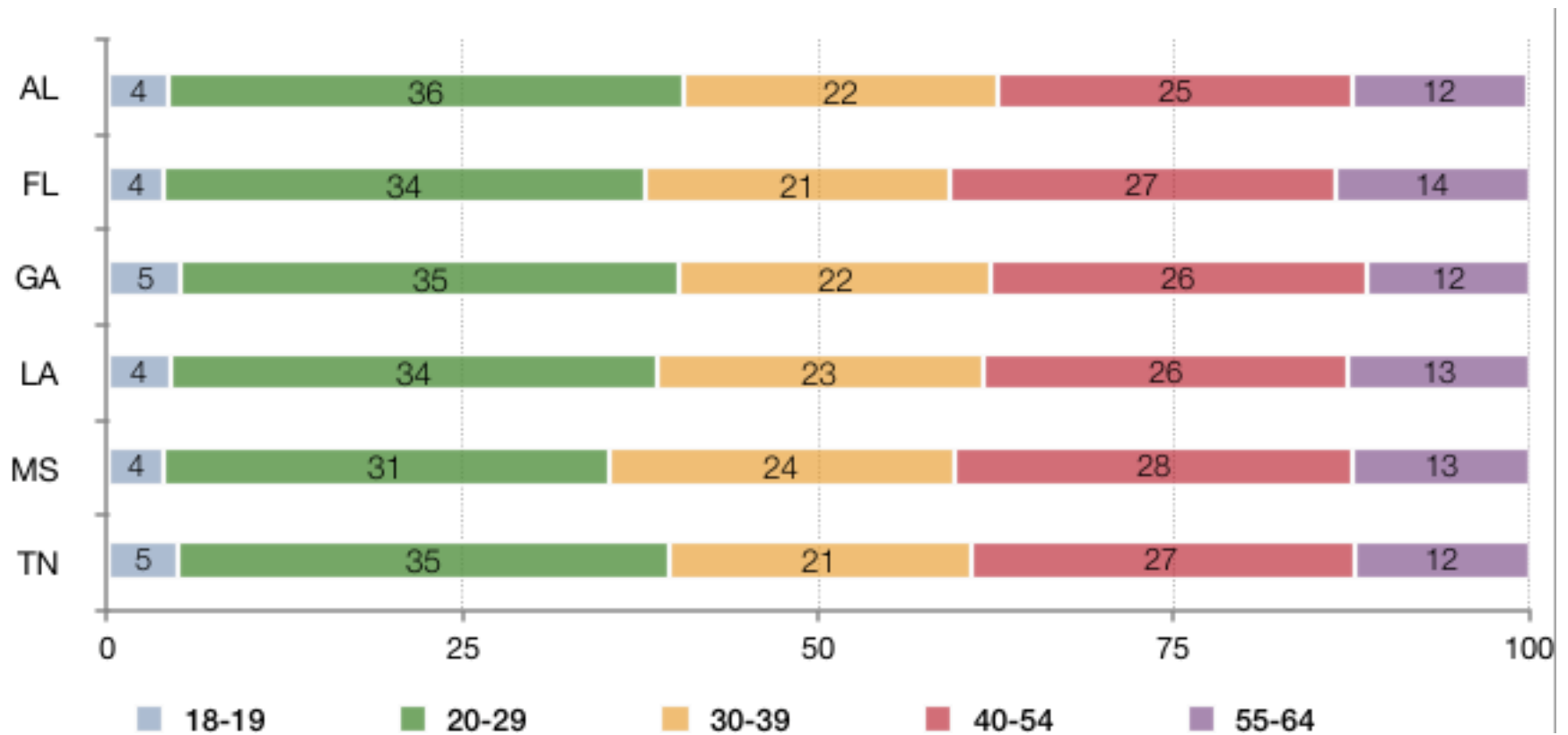
Source: American Community Survey 2016

Educational Attainment of sub-\$15 workforce



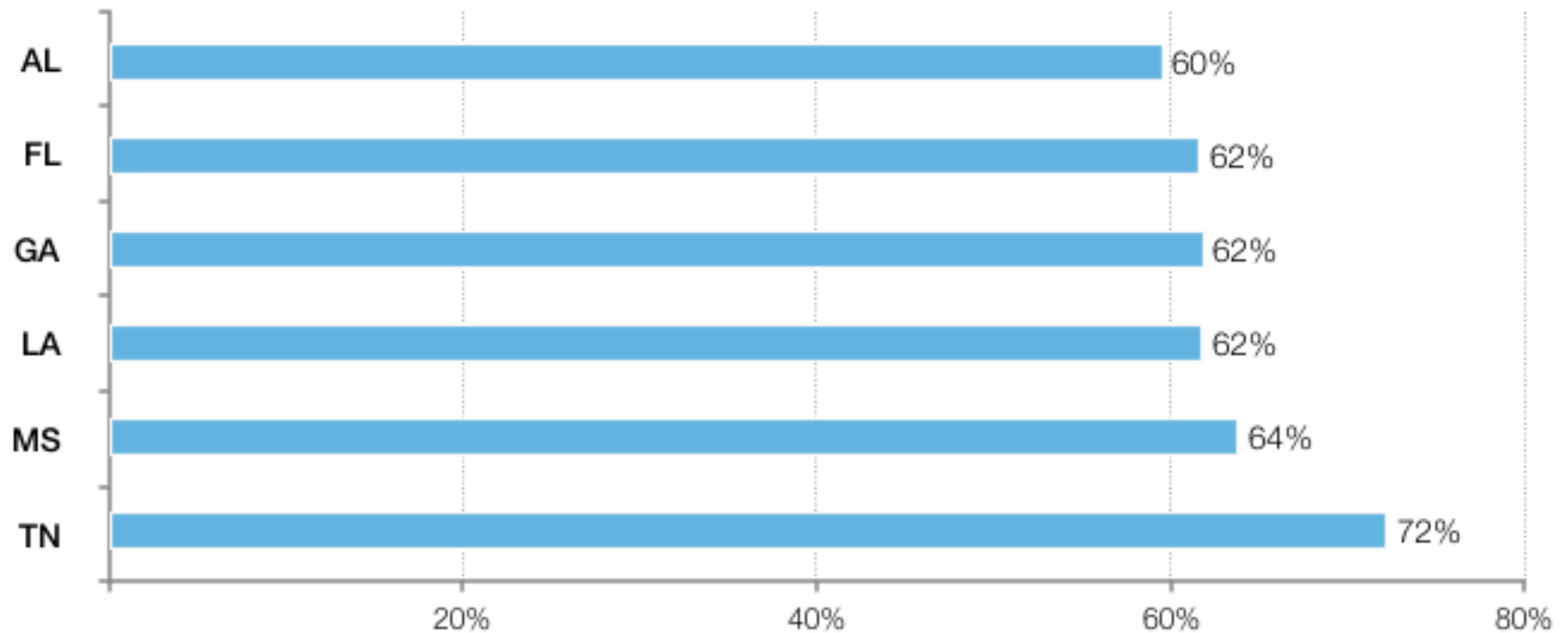
Source: American Community Survey 2016

Vast majority are adults, not teens

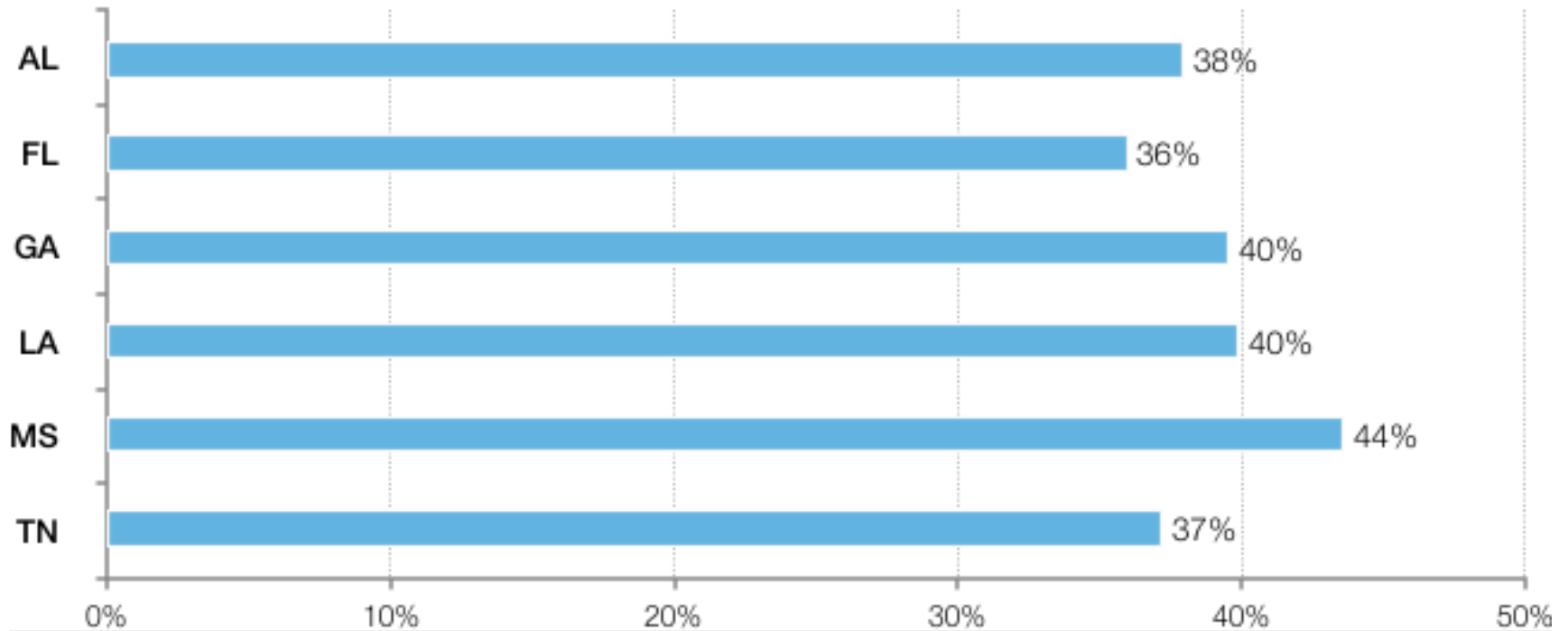


Most are primary earners

Average share of Total Family Income Provided by Worker Making Under \$15/hour

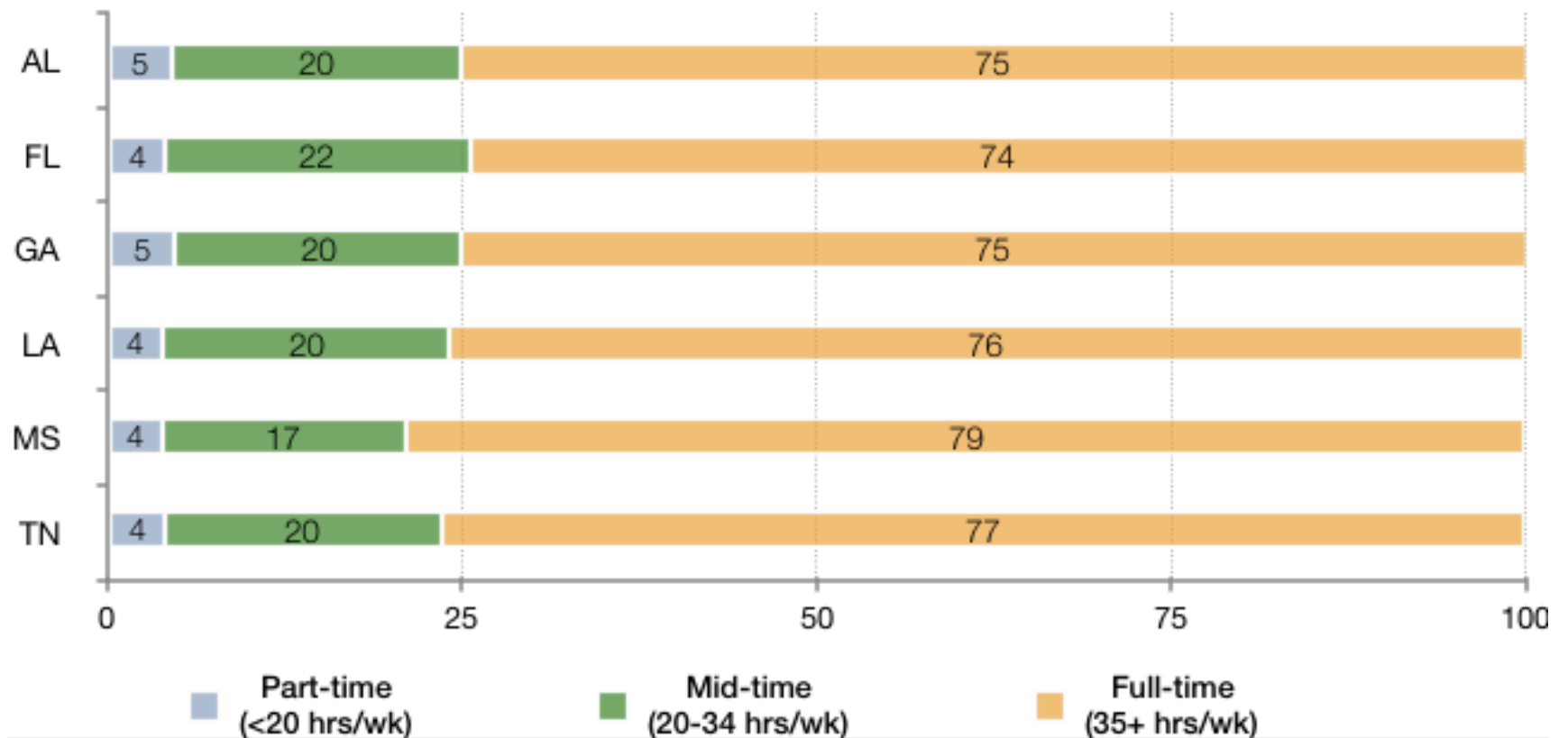


Large share are parents



Source: American Community Survey 2016

Most are full-time workers



Source: American Community Survey 2016

Key Industries

INDUSTRIES	AL	FL	GA	LA	MS	TN
<i>Retail</i>	17.7%	18.9%	17.1%	16.7%	15.9%	17.4%
<i>Health Care & Social Assistance</i>	15.3%	12.3%	11.2%	16.7%	15.2%	12.9%
<i>Restaurants</i>	12.6%	16.1%	14.4%	14.7%	12.2%	13.7%

Quality Jobs Initiative

- Upgrading workers or Upgrading jobs?
- Manufacturing jobs *became* good jobs.
- How to improve job quality?



Defining a 'Quality Job'

- Wages
- Access to benefits
 - ▣ Health, retirement, sick leave, family & medical leave
- Conditions of work
 - ▣ Predictable schedules, fair and safe environment, employee voice
- Income stability
 - ▣ Adequate hours, stable rate of pay

Quality Jobs Initiative

- Informing policymakers
 - ▣ \$15 issue brief
 - ▣ PFML convening

- Promoting research
 - ▣ Research consortium (Boston Fed, Harvard, MIT, Brandeis, UMass)
 - ▣ Visiting scholar papers on public and societal costs of low-wage work

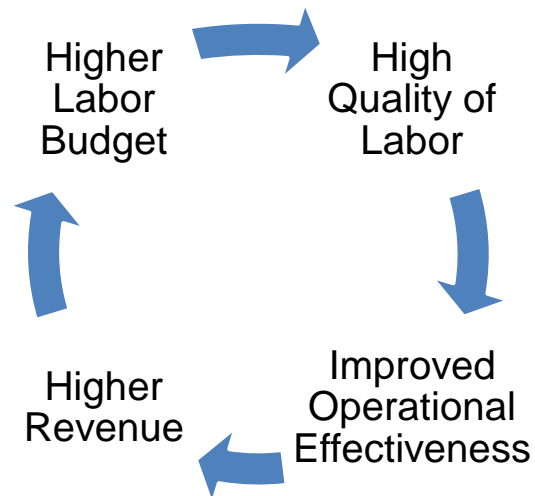
- *Invested* magazine issues on scheduling and worker voice/engagement

- Influencing funds to focus on job quality, not just job creation

- Employer engagement partnership with the MA labor department and Commonwealth Corp.

Good Jobs, Good Business?

- Zeynep Ton shows that that a Good Jobs Strategy can be effective in low-cost industries such as retail. Examples: Costco, Trader Joes, QuikTrip



- Recent Gap study shows increased sales in stores where managers were encouraged to provide more consistent schedules.

Concluding Observations

- Expansion of low-wage jobs mirrors national trends.
- Low-wage jobs have significant public costs.
- Low-wage workforce does not match common assumptions.
- Stronger labor market creates opportunity for improving quality of jobs.
- Policy makers, employers and financial intermediaries all have a role.