

The High Rate of Multiple Jobholding: Overworked and Underpaid?

by Lonnie Stevans

The most dramatic economic change over the last two decades has been the large increase in wage inequality in the context of wage stagnation or decline for most workers. One consequence has been reduced earnings opportunities for a broad spectrum of the workforce. Over the 1989-1995 period and even during the recovery years since 1991, inflation-adjusted hourly wages have been stagnant or falling for the vast majority of the workforce, including the bottom 80 percent of all men, the bottom 70 percent of all women, men with a four-year college education as well as those without college degrees, and women with less than a four year college degree.¹

Since the 1980s, people have said that they work “too hard”—spending too much time on the job with too little left for family, chores, or leisure. According to a recent study, Americans are both overworked and underemployed.² Because of growing job instability, workers have been working as much as they can when work is available to compensate for short workweeks, temporary layoffs, or permanent job loss that may follow. Moreover, while American workers are putting in more time, that work is not producing significant increases in living standards. For workers between ages 25 and 54, the average number of hours worked rose to 1,980 a year in 1995 from 1,840 in 1982. Moonlighting is also on the rise. In 1979, 4.9 percent of U.S. workers reported working more than one job during the same workweek. By 1995, the percentage was up to 6.4 percent. Just about all of this increase occurred among women, who now represent nearly half of all multiple jobholders.

How relevant are these trends to Long Island, a region long thought a paradigm of high-income suburbia? To answer this question, in December 1997 the Newsday/Hofstra survey interviewed Long Island and Queens residents about a variety of facets of their current work lives. This article focuses on three of them: wages, hours of work, and job quality.

Beginning in September of 1997, Newsday and Hofstra University’s Business Development Center have jointly conducted a large-scale survey of Long Island and Queens. Four times each year, a sample of about 800 households in Nassau and Suffolk counties and 600 in Queens are interviewed on a wide array of socio-economic issues. Analysis of these data will be a regular feature of *RLR*.

Earnings and Hours

According to the survey, the median pay increase for households in Long Island and Queens last year was three percent. The national figure was 3.3 percent between 1995 and 1996, so local households appear to be somewhat below the national average.³ Moreover, residents in Long Island and Queens also expect their next year’s median increase to be the same as last year’s: three percent. It is also interesting to note that pay increases for respondents in Long Island and Queens tend to increase with income level; that is, higher income respondents received the larger pay increases.

In sharp contrast, sizable numbers told us that they had experienced some form of reduction in their take-home compensation in the course of 1997. The exact wording of the interview query was: “Has your take-home pay been reduced by a pay cut, cut in overtime, or higher health insurance premiums?” Of currently employed Long Island residents, 23 percent answered “yes.” Queens residents were harder hit, with some 32 percent experiencing reductions.

Mirroring the national trend, the average number of hours worked per week for Long Islanders has increased since 1990:

Year	Average Hours Per Week
1990	37
1992	38
1997	40

According to the survey, hours worked per week have increased by an average rate of four percent between 1990 and 1997 for households on Long Island. While this may seem like a large increase, it is important to keep in mind that 1990 through 1992 was a recession period in which hours of work normally decline.

As may be seen from Figure 1, there is no clear trend in the proportion of full-time versus part-time workers on Long Island. The number of full-time workers in 1997 is close to its pre-recession 1989 level. The proportion of part-time workers is about the same in 1997 as it was in 1989. The percentage of part-time workers nationally was about 17 percent in 1996—this is higher than the local statistics according to the survey: 14 percent work part-time in Long Island and 13 percent are part-timers in Queens.

Self-employment

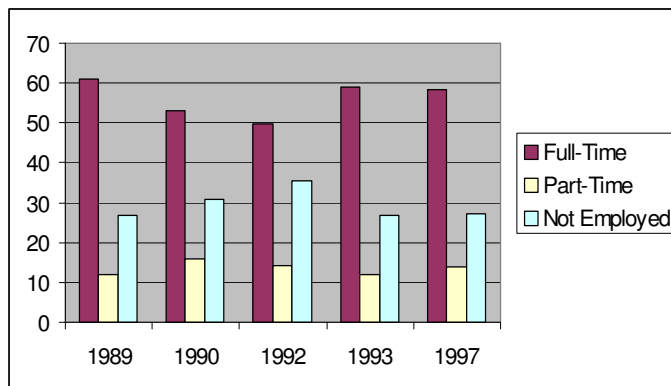
In the 1970s, the number of wage and salary workers in the U.S. increased by an average monthly rate of 0.21 percent and the number of self-employed workers increased by 0.24 percent. The 1980s and 1990s were a different story. Self-employed workers increased at an average rate of 0.2 percent each month during the 1980s, as compared to 0.14 percent for wage and salary workers. But in the 1990s (so far), the number of self-employed workers has been increasing by only 0.05 percent. This is in contrast to the average monthly growth of wage/salary workers of 0.12 percent (not much different from the 1980s). Looking at this in a different way, in the 1970s there were 13.4 wage and salary workers for every self-employed worker. In the 1980s and 1990s, this figure was about the same: 12.3 and 12.4, respectively.

While we do not have any trend information for Long Island and Queens residents, the Newsday/Hofstra survey information can be compared with national figures. About 23 percent of the respondents in Long Island and 20 percent of those in Queens stated that they are self-employed in some way. The national figure in November 1997 was 6.9 percent. The Bureau of Labor Statistics considers individuals to be self-employed if it is their full-time job. Therefore, it is probably more accurate to compare this national figure to the “own business” response in the survey. For Long Island and Queens, 9.6 percent and 7.7 percent of the respondents, respectively, stated that they owned a business. These values are still above the national average. One of the reasons these proportions may be so high on the Island is because of the paucity of viable and alternative job opportunities. Starting a business or engaging in some form of self-employment in today’s job market, is perceived as being easier than finding high-compensation and secure employment.

Multiple Job Holders

According to the December 1997 Newsday/Hofstra survey, about 14 percent of Long Islanders and nine percent of Queens’ residents hold two or more jobs. This is in contrast to the U.S. figure of about seven percent. In fact, we are above or close to the national average in every category of multiple jobholder:

**Figure 1
Full-Time versus Part-Time Workers on Long Island: 1989-97**



The reason there is such a high proportion of multiple jobholders in Long Island relative to the national average lies in the nature of our labor market. Job creation has been centered mainly in the retail/service/financial sector of the market. The nature of these jobs requires that individuals work both a full-time *and* a part-time job to “make ends meet.”

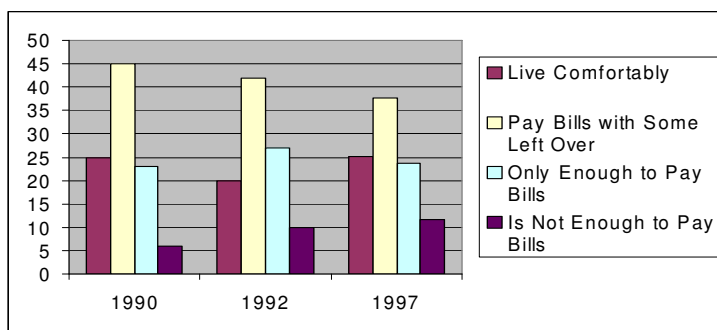
Category	Long Island	Queens	National
Full Time and Part Time Job	10.1	5.7	3.6
More Than One Full Time Job	1.8	1.1	0.2
More Than One Part Time Job	1.3	2.0	1.4

By contrast, in Queens the situation is not one of readily available “bad” jobs, but an apparent lack of jobs. A lower proportion of Queens respondents relative to Long Island respondents, work full-time/part-time and work more than one full-time job. Given the high unemployment rate in New York City, it is unsurprising to learn that finding two jobs, where at least one is full-time, is still much more difficult.

Job Satisfaction

Turning to the issue of employees’ attitudes toward their jobs, it is clear from the survey results that households in Long Island and Queens say they are overwhelmingly satisfied with their job. For Long Island households, 81 percent are satisfied and in Queens, 86 percent are. At the same time, 65 percent of respondents in Long Island said that they are feeling “a lot” or “some” stress at work and 53 percent also stated that the level of stress has increased “a lot” or “somewhat.” If one compares the job stress and satisfaction variables, those who are feeling the most stressed also tend to be the most dissatisfied with their job.

Figure 2
Income Sufficiency on Long Island: 1990-97



Respondents were also asked about income sufficiency. There are two trends that stand out from Figure 2. First, the percentage of Long Island households who can “pay bills with some left over” has been declining since 1990. Second, the proportion of households who say their income “is not enough to pay bills” has been increasing since 1990. These results clearly coincide with the above observation concerning the necessity of holding more than one job in Long Island and Queens.

In sum, households in Long Island and Queens have not, on average, fared nearly as well in the 1990s as the media often suggests, at least as far as wage growth is concerned. Last year, the median rate of increase of three percent was all but wiped out by inflation. In order to compensate, there is a move toward increasing income by working more hours. This is also a national phenomenon. While the proportion of part-time workers this region is below the national average, we are quite a bit above the national average when it comes to the percentage of workers who are multiple jobholders. Obviously, there is a real need to hold more than one job in order to supplement household income. At the same time, the sampled respondents still typically report that they are satisfied with their job. Long Island and Queens households seem to accept stress on the job—it obviously does not “spill-over” into their perceptions about current or future economic conditions. A sustained period of poor labor market conditions (falling real wages, downsizing, etc.) in the early nineties managed to modify perceptions and expectations, both nationally and locally. As job anxiety has worsened, workers have felt compelled to adjust to the changes as best they can.

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NOTES

¹ Dean Baker and Lawrence Mishel, *Profits-Up, Wages Down: Worker Losses Yield Big Gains for Business*, (Washington: Economic Policy Institute, 1995)

² Barry Bluestone and Stephen Rose, *Overworked and Unemployed*, <http://epn.org/prospect/31/31bluenf.html>

³ <http://www.bls.gov>