

PERSONALLY SPEAKING

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**AN ESTIMATED 4.6 MILLION FEWER PERSONS WORKED
YEAR ROUND, FULL TIME IN 2008**

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Information on earnings, work experience, poverty, and health insurance coverage released in September by the Census Bureau brings to light dimensions of the current recession not captured in the monthly reports on employment and unemployment. A total of 104.0 million persons were working year round, full time (YR-FT) in 2008 – 4.6 million fewer than in 2007. These jobs are extremely important because the 108.6 million persons who held them in 2007 reported average annual personal earnings of \$51,536. Personal earnings for everyone else who worked in 2007 averaged \$19,157.

The significance of this type of work also is reflected in the 2.6 percent rate of poverty in 2008 for all YR-FT workers, a rate which has not risen above 2.9 percent since this information first became available in 1987.

Nearly matching the decrease of 4.6 million YR-FT jobs in 2008 was the 4.4 million increase in persons working less than that, bringing the total number of persons in that work experience class to 54.6 million. On average they earned \$19,119 in 2008. At 13.5 percent their rate of poverty was more than five times higher than for YR-FT workers.

Mining the data further reveals that among the 16.1 million part-year/part-time workers earnings averaged \$8,678 in 2008 and their poverty rate stood at 17.3 percent.

While there were 4.6 million fewer YR-FT workers in 2008, the 104.0 million who held those jobs were earning \$2,358 *more* than in 2007. This anomaly probably is due to the effect of seniority on who gets laid off first and who gets “bumped” – younger, lower paid workers with fewer years of service with their employer.

Of the 100.6 million persons 18 to 64 years of age who worked YR-FT, 82.4 percent had private health insurance coverage while 2.9 percent reported coverage through a government insurer. The remainder – 14.6 percent – were uninsured. Among those who worked less than YR-FT, 62.8 percent had coverage from a private insurer and 10.0 percent said they were protected by government insurance. The other 27.3 percent were uninsured.

There is an important correlation between personal earnings and health insurance coverage for workers ages 18 to 64. Among the 83.0 million YR-FT workers with private health insurance, personal earnings on average were \$4613 *above* the average for all 100.6 million YR-FT workers. For the 2.9 million of these workers who reported having government health insurance coverage, personal earnings were \$18,294 *below* the average for all YR-FT workers.

Among the 30.0 million persons working less than YR-FT who said they had private insurance, personal earnings were \$3,833 *above* the average of all 47.8 million workers in this work-experience group. The estimated 4.8 million of these workers who reported health coverage from a government insurer had personal earnings \$9,329 *below* the group average.

There were major though not unexpected differences between working men and women. Men shouldered the lion's share of the 4.6 million decline in the number of persons working YR-FT. Specifically, the loss among men amounted to 3.1 million. At the same time, there were large increases in men working less than YR-FT.

In sheer numbers, the losses among women were significantly smaller, around 1.5 million. Women, however, earned much less than men working YR-FT. In 2008, the 59.9 million men working at those jobs reported personal earnings of \$61,728. Women reported earnings of \$43,273 for YR-FT work. Huge differences like these were reported in the other three classifications: part-year/full-time, year-round/part-time, and part-year/part-time. Even so, men and women working YR-FT were dead even with a poverty rate of 2.6 percent.

There were 665,000 fewer blacks working YR-FT in 2008 than in 2007. In the other three work-experience classifications their ranks grew by 640,000. The poverty rate for YR-FT workers was higher for blacks than for whites (4.4 percent vs. 2.3 percent) but much lower than the 24.7 percent for the entire black population. Personal earnings for blacks at YR-FT jobs were \$14,379 lower than the \$55,433 reported for their white counterparts.

These data bring to light five essential realities about work in the current recession. First, there has been a massive loss of YR-FT work especially for men. Second, while it is true that many do not need or want YR-FT jobs, a YR-FT job matters greatly in terms of personal earnings, poverty rate, and by implication self-esteem. Third, only 5.2 percent of 18-64 olds who worked in 2008 at YR-FT jobs or other jobs providing less than YR-FT employment were dependent on government health insurance.

Fourth, taking for granted that all of those who worked YR-FT before the recession set in would like to return to that kind of steady employment and assuming that 100,000 such jobs were added every month, it would take nearly four years to put all of those workers back to work. It seems unreasonable to expect small businesses and start-up enterprises to provide YR-FT jobs in sufficient numbers. Larger employers hold the key to putting working-age men and women back to YR-FT work.

Finally, health insurance coverage through employment dates from WWII when employers

who were faced with labor shortages and wage controls were allowed to provide health insurance in order to recruit more employees. More than 60 years later this system of protection through employment, though expensive, still works well especially for most of the more than 100 million YR-FT workers because their personal earnings and their employers make that coverage more affordable. It follows that putting workers into good-paying YR-FT work is a central element in assuring that they enjoy access to health care.

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