April Jobs Report Reinforces Job-Quality Concerns

NEW YORK—The quality of jobs being created in the recovery gained renewed attention this week with a report from the National Employment Law Project showing that jobs in lower-wage industries have dominated job growth, four years into the economic recovery.

The April jobs report from the Bureau of Labor Statistics showed the nation’s unemployment rate ticking down to 6.3 percent, with nearly 9.8 million workers unemployed. Strong, low-wage job growth continued in April as the retail, food services, and administrative support services industries added 104,700 jobs, consistent with the findings of NELP’s report on the quality of jobs lost and gained during and after the Great Recession. While growth in sectors like construction and professional and technical services was positive, the overall pattern described in NELP’s report remains.

“The low-wage job creation that characterized the early recovery has persisted deep into the nation’s rebound,” said Christine Owens, executive director of the National Employment Law Project. “Today, there are over 1.8 million more jobs in lower-wage industries than there were before the recession, while there are nearly two million fewer jobs in mid-and higher-wage industries. These patterns underscore the urgent need to address the wage crisis by raising the minimum wage and taking other steps necessary to ensure the jobs available to today’s workers and job-seekers pay a living wage.”

NELP’s report found that while job losses during the recession were heaviest in mid- and higher-wage industries, job gains since then have been dominated by lower-wage industries. Specifically:

- **Lower-wage industries** accounted for 22 percent of job losses during the recession, but 44 percent of job gains over the past four years.
- **Mid-wage industries** accounted for 37 percent of job losses but only 26 percent of recent job gains.
- **Higher-wage industries** accounted for 41 percent of job losses but 30 percent of recent job gains.

“Low-wage industries like fast food are driving job growth,” said Owens. “These jobs make up an increasing share of our economy, but the people working in these jobs just cannot get by on the poverty wages they’re paid. That’s why we’re seeing fast-food workers and other low-wage workers standing up and demanding a living wage. And that’s why it’s crucial that more states and cities take action to lift their minimum wages, in the face of gridlock in Congress.”
“The need to renew federal jobless aid for the long-term unemployed remains urgent,” continued Owens. “With the greater job losses and lesser job gains in mid- and higher-wage industries, many unemployed job-seekers still cannot find suitable new work. But when they pursue lower-paying job openings, they’re often viewed as overqualified. It’s a catch-22 that causes many to face extended bouts of long-term unemployment—which is why restoring and maintaining federal jobless aid is still so critical.”

The National Employment Law Project is a non-partisan, not-for-profit organization that conducts research and advocates on issues affecting low-wage and unemployed workers. For more about NELP, visit www.nelp.org.

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