

An Unbalanced Recovery:

Real Wage and Job Growth Trends

Throughout the recovery, the National Employment Law Project has been tracking job growth by industry and occupation, and documenting the disparate decline in wages across occupations. These analyses showed that employment growth has been concentrated in lower-wage industries and occupations, and that real wage declines occurred across the board in this recovery but were especially sharp for lower-wage workers. Fortunately, employment has climbed back to its pre-recession level, but serious concerns about job quality persist. This data brief updates two NELP analyses on the decline in occupational wages since 2009 and the nature of private sector job creation in this recovery.

Declining Real Wages During the Recovery

The first part of this brief reports on changes in real median hourly wages for workers across the occupational wage distribution. NELP released a [fact sheet](#) last summer showing that real median hourly wages declined by 2.8 percent, on average, across all occupations from 2009 to 2012; workers in the middle and at the bottom saw greater declines than did higher-wage workers. This data brief extends this analysis through 2013.

As with the prior analysis, we calculated the percentage change in real median hourly wages from 2009 to 2013 for 785 occupations, which were grouped into quintiles, each representing approximately one-fifth of total employment in 2013. The labels in **Figure 1** show the 2013 median hourly wage for the lowest- and highest-paid occupations within each quintile.

The updated findings indicate that wage declines continued for each quintile between 2012 and 2013:

- Averaged across all occupations, real median hourly wages declined by 3.4 percent from 2009 to 2013.
- Lower- and mid-wage occupations experienced greater declines in their real wages than did higher-wage occupations (see **Figure 1**).
- Median wages in the two highest quintiles declined by an average of 2.1 and 2.5 percent, respectively. By contrast, occupations in the bottom three-fifths saw median wage declines of between 3.6 to 4.6 percent.

Figure 1. The Decline in Occupational Wages, 2009-2013

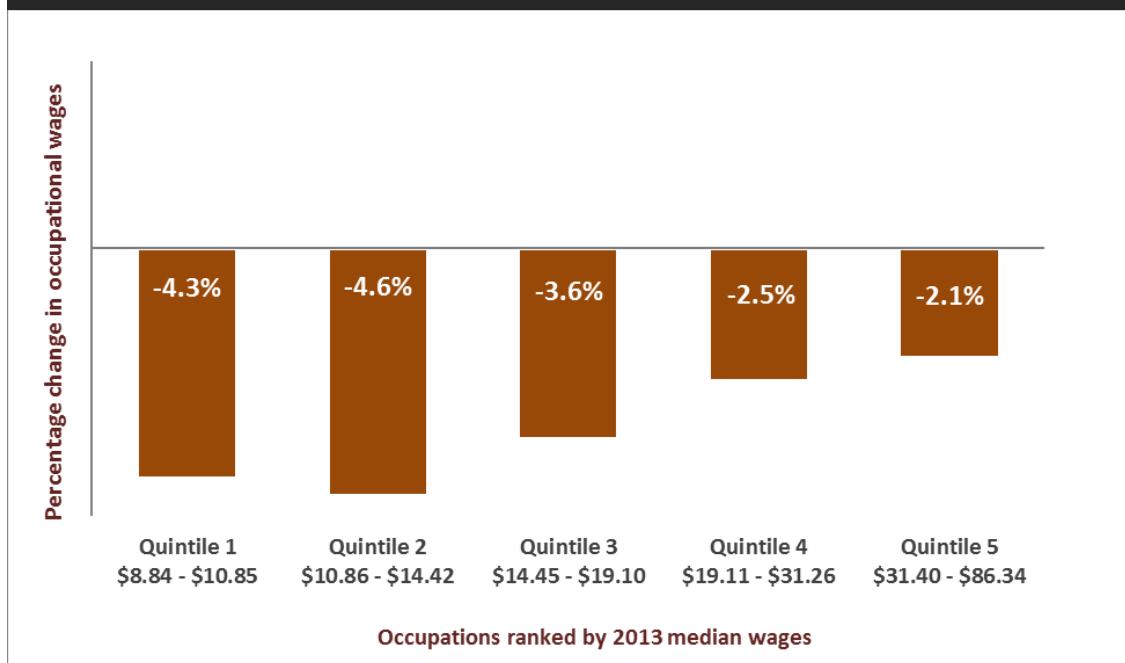


Table 1 breaks out the average percentage decline in real median hourly wages for the 10 largest occupations in the bottom quintile. Wage declines were especially pronounced, ranging from 5.8 percent to 8.3 percent, for maids and housekeeping cleaners, home health aides, personal care aides, food preparation workers, and restaurant cooks.

Table 1. Wage Declines for the Top 10 Lower-Wage Occupations, 2009-2013

	Total Employment, 2013	Median Hourly Wage, 2013	Percentage change in real median hourly wage, 2009-2013
1 Retail Salespersons	4,485,180	\$10.20	-4.2%
2 Cashiers	3,343,470	\$9.15	-2.3%
3 Combined Food Preparation and Serving Workers, Including Fast Food	3,022,880	\$8.84	-2.3%
4 Waiters and Waitresses	2,403,960	\$8.97	-3.5%
5 Stock Clerks and Order Fillers	1,800,410	\$10.85	-1.5%
6 Personal Care Aides	1,135,470	\$9.70	-6.3%
7 Cooks, Restaurant	1,057,550	\$10.69	-8.3%
8 Maids and Housekeeping Cleaners	917,470	\$9.54	-5.8%
9 Food Preparation Workers	824,080	\$9.38	-6.3%
10 Home Health Aides	806,710	\$10.14	-5.8%

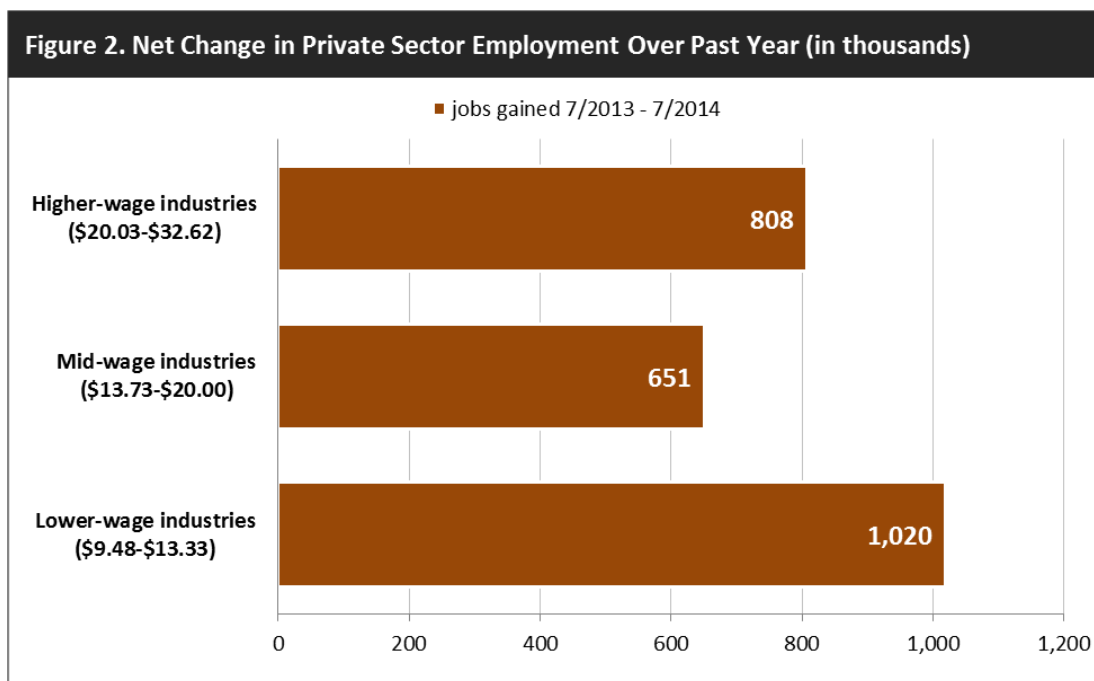
Source: NELP Analysis of Occupational Employment Statistics.

The Distribution of Recent Employment Growth Across Industries

This section of the data brief turns from analyzing occupational wage trends to analyzing recent employment gains. Three prior NELP reports, released in [2010](#), [2011](#), and earlier [this year](#), tracked private sector job losses and job gains by industry from January 2008, when employment reached its peak, to February 2014. This current report extends this analysis, but just focuses on the recovery period from July 2013 to July 2014—six-and-a-half years after the start of the downturn and more than four years into the labor market recovery. As with prior reports, we sorted 83 industries based on their median hourly wages into three groups (lower, mid, and higher), each representing approximately one-third of total private employment the month before job losses began.

Private sector employment surpassed prerecession levels in March, but **Figure 2** shows that job gains continue to be unevenly distributed across industries. Even though jobs gains have recently accelerated in higher-wage industries, the imbalance of especially pronounced gains at the bottom and slow growth in mid-wage industries persists.¹ Today, there are approximately 1.2 million fewer jobs in mid- and higher-wage industries than there were before the Great Recession took hold.

- **Lower-wage** industries accounted for 41 percent of employment growth from July 2013 to July 2014. Today, lower-wage industries employ 2.3 million more workers than at the start of the recession.
- **Mid-wage** industries accounted for 26 percent of recent employment growth. There are now 698,000 fewer jobs in mid-wage industries than at the start of the recession.
- **Higher-wage** industries accounted for 33 percent of recent employment growth. There are now 522,000 fewer jobs in higher-wage industries than at the start of the recession.



¹ Specifically, higher-wage industries accounted for 39 percent of job growth from January to July 2014; lower-wage industries accounted for 40 percent. Growth in mid-wage industries remains disappointingly low, at 21 percent.

This data brief updates earlier analyses prepared by Annette Bernhardt and Mike Evangelist. For more information about the data and methods used for the occupational wage analysis, please see the Appendix in NELP's [July 2013](#) fact sheet. For more information on the industry analysis, see Appendix A in the [April 2014](#) data brief. Otherwise, please contact NELP Policy Analyst Claire McKenna at cmckenna@nelp.org.

About NELP

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. In partnership with grassroots and national allies, NELP promotes policies to create good jobs, enforce hard-won workplace rights, and help unemployed workers regain their economic footing. For more about NELP, please visit www.nelp.org.