

Low-Wage Women Workers in Massachusetts

Abstract

Twenty percent of women in Massachusetts earn low wages. These women are more likely to be women of color, non-citizens, immigrants, less educated, younger, and those working in agriculture, personal care, food preparation and service, retail and other service occupations. Although most are not poor, a substantial number of women of color are near-poor because of these low earnings. Among the working poor, most receive low wages.

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Research indicates that many jobs in the United States pay low wages—wages that are too low to support one’s self and one’s family (Mishel et al., 2005; Kim, 2000a, 2000b). This is especially true for women, who earn lower wages on average than men (Kim, 2000). Although the Massachusetts economy is relatively healthy since it includes diverse industries, many of which are high-paid (Albelda and Kim, 2000), for policy purposes, it is still important to examine the extent of low-wage jobs. Low wages often lead to higher levels of poverty (Kim, 2000), placing demands on social services when workers are unable to meet their needs. In addition, knowing where low-wage work exists and whom it affects can help to formulate policies that can stem its growth.

This chapter draws a portrait of low-paid women workers in the Bay State. To what extent do women in Massachusetts work in low-wage jobs? Who occupies these jobs? Where are they located? What are the characteristics of these jobs in terms of occupations and industries? Does the future of Massachusetts include low-paid jobs for women, and will the number of these jobs grow?

To examine these questions, I used the Massachusetts sample from the Public Use Microdata Sample (PUMS) of the US Census 2000. These data provide a large enough sample to examine detailed occupations, industries, and areas where low-wage work exists in the state. Only those eighteen and older were included. The self-employed and those working without pay were excluded.

Low-wage jobs are defined as jobs that do not pay an adequate wage to support a family of four above the poverty level, a commonly used definition of low wages. Because the decennial census inquires about the longest held job in 1999, I used the

poverty threshold in 1999 for a family of four, which was \$16,895. Anyone earning less than \$8.12 an hour ($16,895/2080$) was considered to be holding a low-wage job. Hourly earnings were estimated from hours worked and annual earnings in 1999.

Who are Low-Paid Women Workers?

As Table 1 shows, approximately twenty percent of all women workers in Massachusetts in 1999 were low-paid. The extent of low-paid workers varied by demographic characteristics. Primarily, low paid workers were young. Comprising 15 percent of the female workforce, workers between the ages of 18 and 24 were 36 percent of the low paid workforce. Forty eight percent of these younger workers were low paid; in contrast, less than 15 percent of women between the ages of 25 and 64 were paid low wages. Because it is concentrated among the young, the low paid workforce is less likely to be married or have children. Those who were never married comprise 31 percent of the female workforce but 45 percent of the low paid workforce.

Not surprisingly, those who have lower education levels were more likely to be low paid. As Table 1 shows, those with high school degrees or below were disproportionately represented among the low paid female workforce. The chance of earning low wages was 42 percent among those who did not have high school degrees; in comparison, only 9 percent of those with college degrees earned low wages. Higher levels of education reduce the likelihood of earning low wages.

Race and ethnicity was also associated with low paid work. One-third of Hispanics were paid low wages. Native Americans, Asians, and Native Hawaiians and Pacific Islanders had very high levels of low wage employment, with one out of four earning low wages. Black workers were also disproportionately in low paid work, with

22 percent earning low wages. Two thirds of those who were Alaska Natives earned low wages. In essence, workers who were other than white and non-Hispanic were disproportionately represented among low-wage employment.

Those who were immigrants or not US citizens were also likely to be low paid. One-third of non-citizens and one-fourth of immigrants received low wages. Forty-two percent of those who did not speak English well received low wages.

Female workers with disabilities also were more likely to receive low paid work. Among those stating they had a mental disability, 38 percent received low wages; among those describing themselves as having a physical disability, 28 percent received low wages. (See Table 1)

The extent of low paid workers also varied by county of residence. One-third of women who lived in Hampshire county received low earnings; whereas only 15 percent of women in Norfolk and Middlesex counties received low pay.ⁱ (See Table 1)

What are the Low-Wage Jobs?

Women who earned low wages worked in particular types of jobs. As Table 2 indicates, they were more likely to work in the private sector, in part-time work, and in work that is less than year-round. Approximately one out of four women who worked for the private sector and one-third of part-time and part-year workers earned low wages. Those who worked both part-time and part-year were three times more likely to be low paid than those in full-time year-round jobs.

Table 3 examines the extent of low paid work by industrial sector. Within every broad category (in bold), I have included detailed industries (indented) in which the percentage of low paid women workers was one-third or greater. This allows us to

examine the particular segments within industries that are low paid. This is important because as the results indicate, examining traditional breakdowns of industrial sectors obscures the pattern of where women earn low wages. The results shows that low paid women work in particular jobs, often those that have been historically low-paid and that have typically been filled by women, immigrants, and racial and ethnic minorities.

The sector with the highest proportion of low paid women workers was agriculture, forestry, or fishing, in which half of women workers earned low pay. Closer examination indicates that this category was dominated by agricultural and fishing work (forestry contained relatively few women, none which were low-paid). Accommodation and food service had the next highest levels of low paid workers, with 47 percent earning low wages. Within this category, two thirds of women working in recreational vehicle parks and camps and rooming and boarding houses, 58 percent of women working in bars or other drinking places, 50 percent of women working in restaurants or other food service places, and one-third of those who worked in hotels or other traveler accommodation earned low pay.

Private household services, which includes nannies and house cleaners, had the third highest rate of low paid employment. Forty three percent of women working in this category earned low pay. Fourth was the military, in which 39 percent of women earned low pay. In retail trade and those working in art, entertainment and recreation, one-third of women earned low pay.

Although in general low paid women were not over-represented in the category “other services”, the areas in women typically work--in beauty or nail salons or in

laundry and dry cleaning establishments--were particularly low paid. Forty two percent of women working in these establishments earned low pay.

In addition, women working in traditionally male industries such as mining, manufacturing, wholesale trade, transportation and warehousing, utilities, and finance and insurance, were less likely to receive low pay. Yet within these industries, pockets of low paid work exist. Within non-durable manufacturing, for example, women who worked in apparel and food related industries—which have been traditionally female industries--were likely to be low paid.

Table 4 shows the rates of low wage work by occupation. Women in farming, forestry, and fishing occupations had the highest levels of low paid work, with two-thirds receiving low pay. The second highest levels included food preparation and food service workers; 49 percent of women in these occupations earned low pay. This category is particularly important because it includes a large proportion (5.4 percent) of women workers. Among these workers, waitresses, dishwashers, hostesses, counter attendants, bartenders, cooks, and food preparation workers all had proportions of low paid workers that exceeded 40 percent.

Military occupations were the next highest, with 48 percent of the women earning low pay. Personal care and service had the fourth highest rate of low paid workers; overall, 40 percent of women working in these occupations earned low pay. As Table 4 shows, this category includes barbers, hairdressers/hairstylists, tour and travel guides, child care workers, ushers and ticket takers, and gaming workers, bellhops, baggage porters, recreation and fitness workers, and personal and home care aides.

Fifth highest was building and grounds cleaning and maintenance workers; 40 percent of women working in these occupations, including maids, housekeepers, and janitors, were low paid. Tied for sixth highest are women working in transportation and material moving, protective services, sales, and production occupations. One third of these women workers were low paid. Yet closer inspection of the low paid jobs in these categories showed that many tended to be those that were clerical and supporting positions. They included service station attendants, women who cleaned motor vehicles and equipment, packers and packagers, machine feeders, garbage collectors, taxi drivers, and parking lot attendants within transportation occupations; security guards and lifeguards within protective service; counter and rental clerks, cashiers, product demonstrators, and telemarketers within sales; and assemblers, machine operators, garment, laundry, and food processing within production occupations. (See Table 4)

What are the Consequences of Low-Wage Work?

Previous research indicates that at least for women, low-wage work often leads to poverty (Kim, 2000a). The results in Table 5 show that fewer than 1 percent of low-wage workers are poor, and most workers have family incomes that place them over 200 percent of the poverty rate. This is likely due to other earners in the family. Yet as this table shows, although few low wage workers are in poverty, many women of color are living just above the poverty line.

Among black women, although few low paid workers are in poverty, 58 percent have family incomes that are less than 125 percent of the poverty level. Among Native Americans, Pacific Islanders and Hispanics, 40 percent of low wage workers live above poverty but less than 125 percent of the poverty level.

In addition, among those who are in poverty and who are working, 80% earned low wages. Thus, among the working poor, low wages are an important factor in contributing to poverty. Once again, these results are more striking by race. Among black, Asian, and Hispanic workers who are poor, virtually all earned low wages.

A similar story can be seen of welfare. Very few women who earned low wages receive welfare. But among women who received welfare and who worked, 45 percent received low wages. Thus although low wages doesn't lead to receiving welfare, among workers who received welfare, receiving low wages was a contributing factor. This is especially true among Asian and Hispanic women: among Asians who received welfare, 62 percent earned low wages; among Hispanics, 54 percent.

What is the Future for Low-Wage Jobs?

Fortunately, many of the industries that are particularly strong in Massachusetts and that are expected to grow, such as high tech, education, and health care, are less likely to have low paid jobs. There are also relatively few low paid workers in many of the occupations that are expected to grow. These included computer and math scientists, healthcare, and education occupations. Although healthcare support is slightly over represented in low paid work, it is dwarfed by the higher number of high paying healthcare practitioner and technical occupations. (See Table 4) Library technicians and teacher assistants are also low paid, but they comprise a small proportion of education occupations.

This bodes well for the future, and we can expect growth in these industries and occupations to diminish the number of low paid workers. Yet some sectors that pay low wages, like retail sales, personal services, and food services, are also expected to grow.

Low paid work is also particular to immigrants and people of color, whose numbers are expected to grow. Given the high level of near-poverty among these groups, low paid work will continue in the Bay State and contribute to higher need in many of these ethnic, immigrant, and minority communities.

Conclusion

Twenty percent of women workers in Massachusetts earn low wages. Women of color, immigrants, disabled women, young women, and non-citizens are at particular risk for earning low pay. Although low pay may not be detrimental to some women, since other earners in the family can contribute enough earnings to maintain adequate standards of living, women of color find that their low earnings result in near-poverty.

Policies that enable women of color to earn higher pay would be particularly beneficial. These include education programs that retain women of color in high school and prepare for and support them in college; training programs for women of color in relatively higher paid jobs that are expected to grow, such as computer technicians; low-cost and adequate child care so that women of color can take higher-paid full-time year-round jobs; and low-cost and convenient transportation so that these women can find an array of higher paying jobs once they gain the necessary skills. Because low pay is concentrated in racial and ethnic communities, these policies can be implemented in communities that have high concentrations of immigrants, people of color, and non-citizens.

The results confirm previous research that low-paid jobs are located in particular occupations and industries (Kim, 2000a, 2000b). For women in Massachusetts, these jobs are those that traditionally have been held by women, people of color, and

immigrants—garment work, laundry and dry cleaning, bakeries, food preparation and processing, and machine operators. Thus low paid work is inextricably tied to the most vulnerable of our citizens—immigrants, people of color, and women. Although many in Massachusetts benefit from relatively high wages and high paid industries, others have been left behind. Programs that improve the education levels and job opportunities of our most vulnerable citizens will reduce the number of low paid jobs and near-poverty that exists and improve low income communities. Moreover, they will also improve the Commonwealth for all of us.

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ⁱ Counties were compiled by combining the data from individual public use micro areas (PUMAs), which are regions of 10,000 people. In some cases, PUMAs contained parts of two counties. This occurred four times: for Middlesex/Worcester, Norfolk/Middlesex, Hampshire/Hampden, and Bristol/Plymouth counties. In these cases, I assigned the PUMA to the county for which it had the greatest land mass. Thus these figures are approximations for counties. Results by PUMA are available from the author.