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Part-time jobs, no benefits: The real state of the working class

written by Gary Wilson

March 9, 2024



Fiercely anti-union, Amazon pays warehouse workers 26% less than the national average.

In his March 6 [State of the Union address](#), President Joe Biden declared, “We have the best economy in the world.” He said millions of new jobs had been created in the last three years and that unemployment was at record lows.

Fact-checking is not required for presidential speech writers, so exaggerations are acceptable. Biden was maybe speaking loosely. The morning after, the [Bureau of Labor Statistics \(BLS\) reported](#) a rise in unemployment in February, including a full

percentage point increase for Black and Latine workers.

The BLS also reported that in February 2024, there were 132.9 million full-time jobs and 27.9 million part-time jobs. That's a drop in full-time employment. A year ago, in February 2023, there were 133.2 million full-time jobs. The new jobs are part-time jobs, which have increased by 921,000 since February 2023, when it was 27.1 million.

But last month, [Biden tried to back up his 'best economy' claims](#) with a BLS report showing that over the 12 months ending in January 2024, average weekly wages increased by 3%, while the average price of consumer goods rose by 3.1%. So they are saying wages have almost, but not entirely, caught up with inflation.

Actually, the BLS report is like a trickster's sleight of hand.

While the government reports a 3% wage increase, this figure is only for full-time workers, excluding a significant section of the workforce, such as part-time and contract workers. The full-time data includes "earnings" by management and corporate officers. Most workers did not get a 3% wage increase. Minimum-wage workers saw a 0% increase last year.

Union workers won wage gains last year. BLS data shows that 458,900 workers were involved in 33 major strikes in 2023. However, only 11.2% of the workforce is in unions, which is not enough to raise the overall wage average.

Joining a union remains the most effective way to struggle for higher wages and better working conditions.

And while the consumer goods inflation rate is reported at 3.1%, that leaves out the services inflation rate, which was reported to be over 5% in January. Most of your daily costs are for services like rent or mortgage, transportation, health care, and so on.

'Huge, huge plunge'

As for “strong employment gains,” the BLS reported that 353,000 jobs were added in January. That’s the employment gains.

In the Wall Street Journal, Charles Schwab’s chief investment strategist, [Liz Ann Sonders](#), says:

“Even though on the surface it looked okay, the details under the surface were much more negative, including for that December report, a huge plunge in household employment.” Sonders refers to the BLS Household Survey, also known as the Current Population Survey (CPS), which is one of two monthly employment reports by the BLS.

Sonders continues: “Two months ago [there was] a huge, huge, almost 700,000 plunge in household employment. What we’ve seen in the Household Survey is that most of the gross gains have been in part-time employment. All the losses [overall] have been in full-time employment. You can also pick up things like people holding multiple jobs.”

So in January, the only rise was in part-time jobs.

Atlanta Federal Reserve Bank President [Raphael Bostic said](#): “In recent months, job creation has been heavily concentrated in one comparatively small sector: health care and social assistance. Health care and social assistance account for only 14% of private-sector employment but have accounted for 60% of private employment growth over the past several months.”

Real unemployment rate is 8%

The unemployment rate is reported to be 3.7%. That’s the U-3 unemployment rate.

The BLS issues six different measures of unemployment each month, labeled as U-1 to U-6.

[Investopedia explains](#) that the U-3 unemployment rate is the one most commonly cited. However, the U-3 rate does not include all workers.

The BLS says that in January 2024, the workforce in the U.S. (nonmilitary) was 166.43 million. Some 36% to 40% of U.S. workers could be classified as gig and contract, freelance, or temporary. Around 28.1 million are part-time workers.

When you put them together with full-time workers, adding in all the contract and temp and part-time workers who want full-time jobs, you get the U-6 unemployment rate. And [that rate was 8%](#) in January.

Investopedia continues: “U-3 is often criticized ... because it actually excludes individuals who work part-time but want full-time work and discouraged workers. ...

“Many economists consider the U-6 rate, not the U-3 rate, to be the most complete measure of the real unemployment situation in the U.S.

“Unlike the U-3 rate, the U-6 unemployment rate includes a whole swath of unemployed people. It is seen by many as more in line with what it means to be unemployed.”

Investopedia adds, “Gallup, the data analytics firm, considers the U-6 rate to be ‘the real unemployment rate’ and maintains that the widely quoted U-3 rate does not accurately represent the reality of joblessness.”

So they are saying that the real unemployment rate is 8%.

Good union jobs not available

Unemployed workers who could have found good union jobs in earlier generations

can only find work in anti-union, low-paying service industries – when they can find jobs.

In 1955, the largest employer in the U.S. was General Motors, followed by US Steel and General Electric. Most of those workers were unionized.

Today, Walmart is the largest employer, run by the wealthiest family in the U.S., with an estimated wealth of almost \$260 billion. Walmart's 2.1 million workers, misnamed “associates” by the company, are not unionized and get poverty-level wages. Many rely on food pantries, SNAP benefits, WIC, Medicaid, and predatory loans just to get by. Some 40% of Walmart's workforce is part-time.

The second largest employer is fiercely anti-union Amazon. The monopoly employs approximately 1.5 million full-time and part-time workers. [National Employment Law Project reports](#) that Amazon's warehouse wages average 26% less than the average monthly earnings for all workers.

“Black and Latinx workers, whom Amazon disproportionately relies on, bear the greatest impact of Amazon's low relative pay in the warehouse sector,” the report says.

“Amazon reports that 32% of its frontline workers are Black, and 27% are Hispanic. Notably, Black women represent the largest share of its frontline workers — roughly one out of six. These statistics suggest that Amazon's pay policies may be reinforcing and perpetuating labor market inequities across the U.S.”

Many, maybe most, Amazon warehouse workers are part-time even after years on the job. Work schedules are erratic; sometimes there is a single four-hour shift in a week, and other times, it is up to 39 hours (not quite full-time). The schedule is unpredictable.

Part-time work has become the default at most big corporations — Home Depot,

FedEx, Target, Kroger, UPS, Starbucks, and UnitedHealth (the third to the tenth largest employers in the Fortune 500).

Part-time means little to no benefits, no paid vacation, no holidays, no ... the list keeps going.

According to the Living Wage Calculator at MIT, a living wage (the hourly rate that an individual in a household must earn to support themselves and/or their family, working full-time) for a single adult with no children would be \$20.42 in Detroit. The current minimum wage in Detroit is \$10.33.

There is no way for a part-time worker getting only 20 hours a week to make a living wage.

Starbucks, the 8th largest employer with 391,000 workers, is nasty in its attempts to stop the workers from unionizing. Just ask [Starbucks Workers United](#). Starbucks jobs are not regular full-time schedules. The company uses flexible “optimal scheduling.” Workers must make themselves available for 70% of the total hours the store is open.

A store open 115 hours per week requires a barista to be available to work 80.5 hours each week. That can mean making yourself available from 5 a.m. to 11 p.m. on weekdays. Weekend requirements are even harsher. The work schedule is changed weekly.

When Biden says that the economy is excellent, he means for the corporate bosses, not for the workers.

Things look good for the billionaires.

[Statista reports](#) that corporations in the United States made profits totaling \$3.3 trillion in the third quarter of 2023, an increase from the second quarter.

The profits of the so-called “Magnificent 7” U.S. tech monopolies — Apple, Amazon, Alphabet, Meta, Microsoft, Nvidia, and Tesla — now exceed almost every company globally.

CNBC reported Feb. 19: “The meteoric rise in the profits and market capitalizations of the Magnificent 7 U.S. tech behemoths outstrip those of all listed companies in almost every G20 country.”

Wall Street is smiling.

Gary Wilson is the author of [War and Lenin in the 21st Century](#).

