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Black Workers in the Bay Area

Employment Trends and
Job Quality: 1970–2000

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Executive Summary

Beyond Wal-Mart

Everyday, thousands of African Americans in the Bay Area begin their routine by heading to work. Unfortunately, many of these workers are employed in bad jobs that do not allow for a decent quality of life. The jobs they hold don't pay well. Their jobs don't provide retirement and health benefits. Their jobs are "dead-end" jobs inasmuch as they do not link to better jobs either within the firm or at other businesses. Many of their jobs don't provide the on-the-job protection from employers' arbitrary decisions: a protection which comes from the presence of a union. As a result, many workers are forced to work multiple jobs in order to buy essential goods and services. Others are forced to choose between food and prescription drugs, between gasoline and decent child care, or between decent housing and college for their kids. The living standards for these workers and their families suffer as a result.

However, these low-wage Black workers are largely invisible when it comes to the discussion emanating in public policy circles and little attention is paid to their plight. A great deal of attention is placed on the problem of unemployment in the Black community. Job training and job readiness programs are designed to assist youth and jobless adults find employment. But while these programs might be successful at finding employment for some of the jobless and might be effective at moving some low-wage workers into better jobs, nothing is done to transform the millions of low-wage jobs into jobs that pay family-sustaining wages.

In reality, there is a two-dimensional crisis of work in the Black community. One dimension is the **crisis of unemployment**, which is the typical face of the jobs problem among African Americans. In the popular media, the unemployment crisis is captured by scenes of approximately 11,000 applicants—largely Black and Latino—lining up for 400 vacancies in an Oakland Wal-Mart. However, this scene portrays only one part of the employment dilemma facing African Americans. The other serious problem is the **crisis of low-wage jobs** held by Blacks who have employment. Too many African Americans work at jobs that do not provide wages (and benefits) to properly raise a family.

The presence of Wal-Mart in central city communities reflects a perceived Hobson's Choice between no jobs or low-wage jobs. Unemployment in the Black community is high; at the same time, low-wage work is endemic in the Black community. Wal-Mart and its supporters advocate that communities with high poverty rates should accept a bad job as being better than no job. Some Black communities are rejecting these limited options. The largely Black citizens of Inglewood, California rallied and rejected Wal-Mart's plans to open a store in their city. Black residents of the Southside of Chicago said no to this "no job or a Wal-Mart low-wage job" choice and blocked the entry of the chain demanding quality jobs. Chicago citizens banded together and persuaded the city council to pass a "big-box" ordinance that required large retailers to pay a "living wage". Support for this law was so high that the council was almost able to override a mayoral veto.

The dilemma of no jobs or low-wage jobs reflects the dominance of “low road” economic development policies. These policies seek to attract businesses to regions and cities regardless of the quality of jobs they offer residents. These policies foster intense competition between cities for tax bases and a vicious race to the bottom as local governments offer higher and higher subsidies that actually lower the net benefits of the firm’s presence in a region. The proliferation of these policies has created such an atmosphere that many local leaders decry any policies that seek to mitigate the negative impacts of new firms or create labor standards as antithetical to an economically healthy region. These policies result in the proliferation of low-wage jobs. What is needed is to go “beyond Wal-Mart” to identify public policies that raise labor standards and transform bad jobs as well as reduce the high levels of unemployment.

Since the end of slavery, visionaries within the Black community, including Ida B. Wells, W.E.B. Bois, and Paul Robeson, have led a freedom movement with the dual objectives of eliminating racial inequality and improving the quality of life for Blacks in this country. Beginning in the mid-1950s with the *Brown v. Board of Education* Supreme Court decision and the Montgomery Bus Boycott, this struggle took the form of the modern civil right movement. The activities of millions of people in that movement brought about the end of de jure segregation in the United States and opened up new opportunities for African Americans. The hope was that the end of the legal barriers to advancement and the enactment of policies to redress the historic racial injustices would result in a qualitative change in life outcomes for Blacks in this country. Thirty years have passed since the victories of the modern civil rights movement and it is appropriate to examine whether these successes have, in fact, led to the desired changes. This report, “**Black Workers in the Bay Area: Employment Trends and Job Quality: 1970 – 2000**”, looks at one sphere of Black life—the labor market—and explores the question of Black advancement in this arena since 1970. It presents a detailed view of the Black workforce with a focus on the incidence of low-wage work. To the extent the end of legal segregation has not lowered the incidence of low-wage work, this reality speaks to the need for renewed efforts at transforming the realities of Black workers in the labor market.

Low-wage Employment and Black Workers: A Persistent Problem

For the purposes of this report, we define a low-wage job in 2000 to be a job that paid a wage less than or equal to \$11.50 per hour, twice the California state minimum wage at that time. This threshold is a conservative estimate of income needed for basic needs because it severely understates the income required to live decently in the Bay Area. A 2004 report released by the United Way of the Bay Area determined that for a two-parent family with children to pay for basic expenses, each parent would need to work full-time and each earn between \$11 and \$18 per hour.

In order to examine the prevalence of low-wage jobs prior to 2000, a mechanism had to be developed to apply the 2000 threshold to earlier years in a consistent manner. In 2000, the threshold of twice the minimum wage generated an annual income of two-thirds the median income in Bay Area. A person working 2000 hours at \$11.50 per hour would earn \$23,000 per year; the annual median income in the Bay Area in 2000 was \$35,500. Consequently, we used a cutoff of two-thirds the median income in the Bay Area for thresholds in 1970.

Figure A
Low-wage Job Threshold

Year	Low-wage Threshold
2000	\$11.50
1970	\$2.31

Using this threshold, the analysis of the data found a slight increase in the proportion of Black workers with low-wage jobs between 1970 and 2000. In 1970, **25.7%** of all Black workers held low-wage jobs; by 2000, this figure had risen to **27.8%**. Given the conservative definition of low-wage work, this small rise underestimates the seriousness of this problem for the Black community.

Often, the public portrayal of low-wage work confines it to realm of part-time workers. The implication here is that if low-wage workers would simply work full-time their poverty condition would be alleviated. The actual data indicates otherwise. In 1970, **18.4%** of full-time workers received low wages; in 2000, this figure rose to **21.4%**. In addition, the proportion of low-wage workers who had full-time jobs rose dramatically between 1970 and 2000. In 1970, **37.4%** of all low-wage workers held full-time jobs; by 2000, **49.2%** of all low-wage workers held full-time jobs.

Low-wage Employment: Black Men, Black Women and Black Youth

The proportion of Blacks earning low wages has stayed constant at approximately one-quarter of the workforce. However, this reality masks sharp divergences between the trajectories of Black men and Black women workers in the labor market. In addition, Black youth have found it increasingly difficult to obtain employment with decent wages.

Black Men

Since 1970, there has been a tremendous deterioration in job outcomes for Black men. Key measures of labor market performance include labor force participation rates (*the proportion of the population that is either working or seeking employment*); unemployment rates (*the proportion of the labor force that is seeking employment*); the prevalence of full-time work (*the proportion of*

the population with a full-time job); and the prevalence of low-wage work (*the proportion of workers with low-wage jobs*). By these measures, the years between 1970 and 2000 witnessed a sharp deterioration in outcomes for Black men. As mentioned earlier in this chapter, Black men showed an increased propensity not to be in the labor force and a lower rate of holding full-time employment between 1970 and 2000. Thus, the labor force participation rate for Black males fell from **82.4%** to **68.5%**, and the propensity to maintain full-time employment fell from **45.7%** to **39.3%**. In addition, the rate of unemployment rose: in 1970, **4.2%** of working age Black males were unemployed; in 2000, the rate was **9.5%**. With respect to low-wage employment, the proportion of Black male workers with low-wage jobs rose from **14.9%** to **27.0%** between 1970 and 2000.

Examining full-time work, in 1970, **11.7%** of full-time Black male workers earned low wages; in 2000, the percentage had risen to **21.3%**. In addition, full-time jobs constituted a growing proportion of low-wage employment for Black men. In 1970, **45.8%** of low-wage Black male workers held full-time jobs; in 2000, **52.6%** of low-wage Black male workers held full-time jobs.

Black Women

Since 1970, Black women have fared better than Black men in the aggregate, but this overall performance masks important diversity among Black women. Between 1970 and 2000, the proportion of Black women holding low-wage jobs fell from **38.9%** to **28.6%**. Focusing just on full-time Black women workers, **29.4%** of full-time Black women workers earned low wages in 1970; in 2000, the figure was **21.4%**.

This picture of overall improvement is more complicated when the data is viewed from other perspectives. Examining low-wage Black women workers, in 1970, **33.5%** worked full time; by 2000, this figure rose to **46.2%**. In addition, labor market performance varied by age. For young women (ages 18-25), the prevalence of full-time work fell slightly as did the labor force participation rate; for the same age categories, the unemployment rate rose slightly. For older age categories, these indicators improved. (The sole exception to this rule being the unemployment rate for women between ages 25 and 35.) Educational attainment did not improve labor market participation, except when women had college degrees. (Obtaining a high school degree did improve prospects for holding full-time employment.)

The age of Black women workers and the level of their educational attainment did influence the prevalence of low-wage work. For instance, while the percentage of Black women holding low-wage jobs fell among college graduates and remained stable among women with at least some college, the rates rose among women with less education. In addition, while the proportion of Black women over 36 years of age who worked at low wages fell between 1970 and 2000, it rose for younger Black women.

Young Black Workers

Since 1970, young Black workers find themselves increasingly concentrated in low-wage jobs. With respect to low-wage employment, prospects have worsened for young Black workers since 1970. In that year, **40.2%** of young Black workers had low-wage jobs; by 2000, the figure has risen to **63.6%**. The prevalence of low-wage work increased for young Black workers with full-time jobs; between 1970 and 2000, the increase was from **29.0%** to **58.6%**.

The Increasing Importance of Low-wage Industries

The key story emerging from the analysis of the industrial distribution of Black workers is that industries which provide low wages to large numbers of its workers have an increasing importance in the employment prospects of Black workers. Between 1970 and 2000, low-wage industries played an increasing role in the employment prospects of Black workers. Three industries that were among the leading employers of Black workers saw a significant leap in their ranking between 1970 and 2000. **Business Services** (ranked #10 in 1970; ranked #1 in 2000); **Retail** (1970: #15; 2000: #5); and **Non-Hospital Medical and Other Health Services** (1970: #18; 2000: #8). In all three industries, at least one-third of Black workers earned low wages in 2000. In addition, six of the top industries in 2000 experienced an expansion of their low-wage Black workforce between 1970 and 2000. Figures B and C summarize this data.

Figure B
Top Industries
2000 & 1970 Rankings

Industry	2000 Rank	1970 Rank
Business Services	1	10
Educational Services	2	1
Transportation	3	4
Finance, Insurance, and Real Estate	4	3
Retail	5	15
Hospitals	6	5
Federal Public Administration	7	3
Non-Hospital Medical and Other Health Services	8	18
Durable Goods Manufacturing	9	2
Construction	10	7
Postal Service	16	8
Personal Services	25	6

Figure C
Top Industries
Change in Percentage of Low-wage Jobs

Industry	Rank		% Low-wage Jobs		Change
	2000	1970	2000		
Business Services	1	33.4%	32.4%		unchanged
Educational Services	2	33.0%	28.8%		fewer
Transportation	3	7.3%	24.1%		more
Finance, Insurance, and Real Estate	4	32.4%	21.5%		fewer
Retail	5	40.8%	46.4%		more
Hospitals	6	25.4%	19.8%		fewer
Federal Public Administration	7	13.3%	18.3%		more
Non-Hospital Medical and Other Health Services	8	22.2%	32.7%		more
Durable Goods Manufacturing	9	14.1%	21.4%		more
Construction	10	10.7%	23.5%		more
Postal Service	16	15.9%	10.2%		fewer
Personal Services	25	66.2%	49.8%		fewer

The Continued Importance of Low-wage Occupations and the Rising Importance of Professional Occupations

The key stories in this analysis are the continued importance of selected low-wage occupations and the rise of importance of certain professional occupations. Between 1970 and 2000, certain occupations within which a disproportionate number of Black workers earn low wages maintained their status of key occupations for Bay Area Blacks. **Clerical Workers** remained the largest occupation for Black workers; **Sales Workers** rose in importance (ranked #9 in 1970; ranked #3 in 2000); **Operatives** (1970: tied for #1; 2000: #6); and **Laborers** (1970: #4; 2000: #8) moved down the list but stayed in the top tier. In each occupation, at least one-third of Black workers earned low wages; figures range from 33.0% among **Clerical Workers** to 38.8% among **Laborers**. Of these four, the proportion of low-wage workers rose between 1970 and 2000 for all except **Sales Workers**. (Figures D and E present the 1970 and 2000 rankings and data on low-wage employment.)

Figure D
Top Occupations
2000 & 1970 Rankings

Occupation	2000 Rank	1970 Rank
Clerical Workers	1	1T
Managers, Officials, and Proprietors	2	8
Sales Workers	3	9
Miscellaneous Professionals	4	13
Business Professionals	5	22
Operatives	6	1T
Education Professionals	7	11
Laborers	8	4
Stenographers and Secretaries	9	7
Service Workers	10	3
Craftsmen	14	5
Mechanics	18	10
Janitors	19	6

Figure E
Top Occupations
Changes in Low-wage Jobs

Occupation	2000 Rank	% Low-wage Jobs		Change
		1970	2000	
Clerical Workers	1	28.1%	33.0%	more
Managers, Officials, and Proprietors	2	13.3%	16.2%	more
Sales Workers	3	40.8%	35.7%	fewer
Miscellaneous Professionals	4	40.9%	21.0%	fewer
Business Professionals	5	10.0%	5.7%	fewer
Operatives	6	18.3%	38.7%	more
Education Professionals	7	20.0%	17.8%	fewer
Laborers	8	15.6%	38.8%	more
Stenographers and Secretaries	9	25.6%	22.9%	fewer
Service Workers	10	58.1%	28.4%	fewer
Craftsmen	14	15.7%	25.5%	more
Mechanics	18	11.1%	20.8%	more
Janitors	19	25.0%	40.1%	more

In 1970, only one professional occupation was ranked among the top ten occupations held by Black Workers in the Bay Area—**Managers, Officials, and Proprietors**—and that occupation group ranked #8. By 2000, three additional professional occupations—**Miscellaneous Professionals; Business Professionals;** and Educational Professionals—reached the top ten. In each of these four occupations, the share of Black workers with low wages was relatively small, and only in the **Managers, Officials, and Proprietors** occupation did the share rise between 1970 and 2000.

In 1970, four traditional blue collar occupations (**Operatives; Laborers; Craftsmen; and Mechanics**) ranked among the ten leading occupations of Bay Area Black workers (ranking tied for #1, #4, #5, and #10, respectively). Of the leading occupations in 1970, those four had some of the lowest percentages of low-wage workers. However, by 2000, each occupation fell in ranking (#6, #8, #14, and #18, respectively). In addition, between 1970 and 2000, the percentage of low-wage workers in those occupations rose significantly.

The Differing Fates of Black Women and Black Men in the Bay Area

Between 1970 and 2000, the trajectory of wages for Black men and Black women moved in opposite directions: Black male workers experienced rising levels of low-wage work, while Black female workers experienced falling levels of low-wage work. Much of the difference in these outcomes can be explained by examining what happened to the percentage of low-wage workers in the industries and occupations where the Black workforces were predominately male or female. In 1970, six of the ten leading industries had men in the majority of their Black workforce; 2000, four of these had a larger percentage of low-wage Black workers. Looking at those leading occupations where Black men outnumbered Black women in 1970, all had a larger proportion of low-wage Black workers in 2000. Examining those leading industries and occupations where Black women outnumbered Black men in 1970, all four of the industries and three of the six occupations had a lower percentage of low-wage workers in 2000.

Figure F re-examines the top ten industries in 1970 and 2000 (already identified in Chapter 3) from the perspective of gender. In 1970, four of the top ten industries are labeled “female” because women make up the majority of the Black workforce; six of the top ten industries in 1970 are labeled “male”. All four “female” industries—**Educational Services; Hospitals; Personal Services;** and **Finance, Insurance, and Real Estate**—saw a decrease in the proportion of low-wage employment. In contrast, four of the six “male” industries—**Durable Goods Manufacturing; Federal Public Administration; Transportation;** and **Construction**—saw increases in the proportion of low-wage jobs.

Figure F
Top Industries (Grouped into “Female” and “Male” Industries)
Change in Percentage of Low-wage Jobs

Industry	Rank		% Low-wage jobs		Change
	1970	2000	1970	2000	
Female					
Educational Services	1	2	33.0%	28.8%	fewer
Hospitals	5	6	25.4%	19.8%	fewer
Personal Services	6	25	66.2%	49.8%	fewer
Finance, Insurance, and Real Estate	9	4	32.4%	21.5%	fewer
Non-hospital Medical and Other Health Services	18	8	22.2%	32.7%	more
Male					
Durable Goods Manufacturing	2	9	14.1%	21.4%	more
Federal Public Administration*	3	7	13.3%	18.3%	more
Transportation	4	3	7.3%	24.1%	more
Construction	7	10	10.7%	23.5%	more
Postal Service	8	16	15.9%	10.2%	fewer
Business and Repair Services	10	1	33.4%	32.4%	unchanged
Retail	15	5	40.8%	46.4%	more

* In 1970, the majority of the Black workers in the Federal Public Administration industry were male; by 2000, the majority of the Black workers were female.

The same analysis can be performed looking at the occupational distribution of Black men and women. Figure G segments the top occupations in “male” and “female” occupations and presents the rankings in 1970 and 2000 along with the change in the proportion of low-wage jobs. In three of the “female” occupations—**Service Workers; Stenographers and Secretaries; and Sales Workers**—the proportion of low-wage jobs fell. The proportion of low-wage employment rose on all of the “male” occupations (**Operatives; Laborers; Craftsmen; Janitors; Managers, Officials, and Proprietors; and Mechanics**).

Figure G
Top Occupations (Grouped into “Female” and “Male” Occupations)
Change in Percentage of Low-wage Jobs

Occupation	Rank		% Low-wage jobs		Change
	1970	2000	1970	2000	
Female					
Clerical Workers	1	1	28.1%	33.0%	more
Service Workers*	3	10	58.1%	28.4%	fewer
Stenographers and Secretaries	7	9	25.6%	22.9%	fewer
Sales Workers***	9	3	40.8%	35.7%	fewer
Education Professionals	11	7	20.0%	17.8%	fewer
Business Professionals	22	5	10.0%	5.7%	fewer
Male					
Operatives	1	6	18.3%	38.7%	more
Laborers	4	8	15.6%	38.8%	more
Craftsmen	5	14	15.7%	25.5%	more
Janitors	6	19	25.0%	40.1%	more
Managers, Officials, and Proprietors**	8	2	13.3%	16.2%	more
Mechanics	10	18	11.1%	20.8%	more
Miscellaneous Professionals**	13	4	40.9%	21.0%	fewer

* *male in 2000*; ** *female in 2000*; *** *even split in 2000*

Recommendations

The persistence of a large number of low-wage Black workers despite the victories of the modern civil rights movement and the dismantling of legal segregation implies a need to transform the approach to work in the Black community on conceptual, policy, and programmatic levels.

Conceptual Implications

There are two aspects of the job crisis facing Black communities that need to be reconceptualized. First, thinking on these issues must broaden beyond a focus on unemployment and recognize the existence of a substantial segment of the Blacks who work at low wages. Second, the reconceptualization must incorporate a structural analysis within any understanding of the job crisis facing Black communities. The U.S. economy has stopped producing large numbers of blue collar jobs which, during previous times, provided good wages. Approaches that are limited to addressing real or imagined shortcomings on the part of individuals seeking employment will not be largely successful.

Policy Implications

The rise in conservative political power over the past thirty years has caused conventional wisdom to shift responsibility for unemployment from labor market structures to individual job seekers. Thus policy solutions have emphasized job training and job readiness programs that seek to impart hard skills, soft skills, or provide applicants with better information on employment prospects. While individuals need to be fully prepared to take advantage of labor market opportunities, this singular focus on individuals ignores the prospects that individuals find in the labor market and the nature of jobs that are held currently by Black workers. Policy makers must recognize the dual nature of the job crisis facing the Black community: the crisis of unemployment and the crisis of low-wage employment, and then explore how public policy can influence job quality outcomes in labor market by enacting standards for firms.

The quality of employment is affected by the skill levels of individuals; the demand for workers by firms; and the social and political context that constrains the choices made by individuals and firms. While policies often have targeted the first two factors what is forgotten is the ability of public policy to influence outcomes by creating standards for labor market behavior. Child labor laws, minimum wage laws, and occupational health and safety regulations are examples of policies that constrain the actions of firms in order to improve the quality of work and, therefore, improve societal well-being. The benefits of these interventions have been lost in recent years in the rush to create “business-friendly” climates. Consequently, labor market standards have eroded and the quality of work has declined for most workers. Given historical and contemporary discrimination, Black workers are most adversely impacted by the decline of these protective standards. There is a need to examine policies that will increase standards in the areas of: wages (minimum wage laws; living wage laws); benefits (protecting employer-based health care and pension plans); and the right to unionize.

Programmatic Implications

The narrow approach to the job crisis has resulted in an allocation of resources to programs and organizations that have a singular focus on unemployment. These organizations and programs seek to change an individual’s situation by moving that person from unemployment to any job or from a current job to another job. However, recognition of the low-wage job crisis and the contemporary state of the U.S. economy in which millions of low wage jobs are being created on an annual basis requires that resources and programs also address the need to transform the low-wage jobs themselves. Labor market standards are one way to effect these changes. A wide variety of jurisdictions are exploring ways to extend health benefits to uninsured workers and some are mandating that selected industries pay workers a higher wage

Complementing these programs must be efforts to help workers and their communities organize and work collectively to address the crisis of low-wage jobs. The policy successes of the modern civil rights movement occurred because years of legal segregation and extra-legal violence forged a Black community with dense social networks and a multiplicity of organizations. This organizational capacity sustained the movement through ebbs and flows of activism and finally provided the basis for the eventual defeat of de jure segregation. Any sustained successes in raising the quality of jobs held by Black workers will require a similar level of organizational capacity.

In addition, much is made of the role of blue collar manufacturing jobs in the development of stable Black communities with decent incomes and the subsequent devastation visited upon Black communities in the aftermath of the deindustrialization of the 1970s and 1980s. What is not said is that most of these jobs were well-paying jobs because they were union jobs. When Blacks migrated from Georgia and the Carolinas to New York City, they entered a labor market heavily influenced by powerful unions. When Blacks left Alabama and Mississippi for jobs in Detroit's auto industry and Chicago's steel industry, they helped to organize the United Auto Workers and the United Steelworkers of America. When Blacks moved from Louisiana and Texas to California, they found jobs in heavily unionized maritime and aircraft industries. Unions can enable workers to successfully obtain higher wages and better benefits from their employer. In conjunction with community allies, unions have the potential to gather the political power necessary to pass legislation and fund the necessary enforcement agencies to create labor standards that raise the quality of work. An important element of any strategy to raise job quality for Black workers will be unionization.

INTRODUCTION

“Beyond Wal-Mart”

Wake up early any weekday morning and drive through Black communities in the Bay Area. You will see men and women walking to the bus stop. You will also see men and women heading to their cars. Everyday, thousands of African Americans in the Bay Area begin their routine by heading to work. They drive the buses throughout the area. They work in the schools as teachers, clerical staff, and maintenance workers. Some work as laborers, carpenters, and ironworkers and their travels take them to construction sites in any of the counties in the region. Others drive delivery trucks or repair electrical lines or work in hospitals. Blacks provide security at office buildings and ring up sales in stores. Black people work.

Unfortunately, many of these workers are employed in bad jobs that do not allow for a decent quality of life. The jobs they hold don't pay well. Their jobs don't provide retirement and health benefits. Their jobs are “dead-end” jobs inasmuch as they do not link to better jobs either within the firm or at other businesses. Many of their jobs don't provide the on-the-job protection from employers' arbitrary decisions: a protection which comes from the presence of a union. As a result, many workers are forced to work multiple jobs in order to buy essential goods and services. Others are forced to choose between food and prescription drugs, between gasoline and decent child care, or between decent housing and college for their kids. The living standards for these workers and their families suffer as a result.

However, these low-wage Black workers are largely invisible when it comes to the discussion emanating in public policy circles and little attention is paid to their plight. A great deal of attention is placed on the problem of unemployment in the Black community. Job training and job readiness programs are designed to assist youth and jobless adults find employment. But while these programs might be successful at finding employment for some of the jobless and might be effective at moving some low-wage workers into better jobs, nothing is done to transform the millions of low-wage jobs into jobs that pay family-sustaining wages. Some economic development plans target the retail sector in an attempt to either revitalize downtown districts or generate tax revenue. However, the entry of stores such as Wal-Mart results in employment at low wages and little or no benefits.

The presence of Wal-Mart in central city communities reflects a perceived Hobson's Choice between no jobs or low-wage jobs. Unemployment in the Black community is high; at the same time, low-wage work is endemic in the Black community. Wal-Mart and its supporters advocate that communities with high poverty rates should accept a bad job as being better than no job. Some Black communities are rejecting these limited options. The largely Black citizens of Inglewood, California rallied and rejected Wal-Mart's plans to open a store in their

* This research was funded by a grant received from the Akonadi Foundation. The project was completed due the assistance of Steve Wertheim and Ryan Rideau.

city. Black residents of the Southside of Chicago said no to this “no job or a Wal-Mart low-wage job” choice and blocked the entry of the chain demanding quality jobs. Chicago citizens banded together and persuaded the city council to pass a “big-box” ordinance that required large retailers to pay a “living wage”. Support for this law was so high that the council was almost able to override a mayoral veto.

The dilemma of no jobs or low-wage jobs reflects the dominance of “low road” economic development policies. These policies seek to attract businesses to regions and cities regardless of the quality of jobs they offer residents. These policies foster intense competition between cities for tax bases and a vicious race to the bottom as local governments offer higher and higher subsidies that actually lower the net benefits of the firm’s presence in a region. The proliferation of these policies has created such an atmosphere that local leaders decry any policies that seek to mitigate the negative impacts of new firms or create labor standards as antithetical to an economically healthy region. These policies result in the proliferation of low-wage jobs. What is needed is to go “beyond Wal-Mart” to identify public policies that raise labor standards and transform bad jobs as well as reduce the high levels of unemployment.

Such new public policies would attempt to block the low-road path toward economic development and build a high road alternative. They would include minimum wage, living wage, and industry wage laws that establish wage floors in regional labor markets. They would include “clawback” policies so that any firms receiving government subsidies would be required to return a portion or all of these benefits if they did not fulfill promises surrounding job creation. They include community benefits agreements designed to ensure that low-income neighborhoods and their residents benefit from economic development. They include linked workforce and economic development programs with incentives to place local residents on a pathway to good paying jobs and seek to develop those sectors of the local economy which provide a possibility for decent jobs.

What is also needed are policies designed to empower poor communities and their residents in economic decision-making. Without this power, any attempts to affect the local economic development game on the behalf of low-income workers will result in political compromises yielding few gains to poor people. Foremost in these policies are policies which allow workers to organize on their behalf without the interference of employers. Unions are an indispensable weapon as low-wage workers seek to raise the quality of the jobs they hold. However, in the past thirty years, the right to organize has been under attack as deliberate efforts by businesses combined with government regulatory neglect and rapid changes in the structure of the economy have resulted in lowest levels of unionization since the Great Depression. The impact of the loss of effective workplace collective action has been the loss of dignity on the job and lower living standards.

Since the end of slavery, visionaries within the Black community, including Ida B. Wells, W.E.B. Bois, and Paul Robeson, have led a freedom movement with the dual objectives of eliminating racial inequality and improving the quality of life for Blacks in this country. Beginning in the mid-1950s with the *Brown v. Board of Education* Supreme Court decision and the Montgomery Bus Boycott, this struggle took the form of the modern civil right movement. The activities of millions of people in that movement brought about the end of *de jure* segregation in the United States and opened up new opportunities for African Americans. The hope was that the end of the legal barriers to advancement and the enactment of policies to redress the historic racial injustices would result in a qualitative change in life outcomes for Blacks in this country. Thirty years have passed since the victories of the modern civil rights movement and it is appropriate to examine whether these successes have, in fact, led to the desired changes. This report, “Black Workers in the Bay Area: Employment Trends and Job Quality: 1970 – 2000,” looks at one sphere of Black life—the labor market—and explores the question of Black advancement in this arena since 1970. It presents a detailed view of the Black workforce with a focus on the incidence of low-wage work.¹ To the extent the end of legal segregation has not lowered the incidence of low-wage work, this reality speaks to the need for renewed efforts at transforming the realities of Black workers in the labor market.

The research project was guided by the three central theses. First, there is a two-dimensional crisis of work in the Black community. One dimension is the **crisis of unemployment**, which is the typical face of the jobs problem among African Americans. In the popular media, the unemployment crisis is captured by scenes of approximately 11,000 applicants—largely Black and Latino—lining up for 400 vacancies in an Oakland Wal-Mart.² However, this scene portrays only one part of the employment dilemma facing African Americans. The other serious problem is the **crisis of low-wage jobs** held by Blacks who have employment. Too many African Americans work at jobs that do not provide wages (and benefits) to properly raise a family. The purpose of this research project is to gain a deeper understanding of the fate of Blacks who have jobs.³

Second, there is a need to broaden the conceptual approach to problems of Blacks in low-wage labor markets. In her book, *Poverty Knowledge*, Alice O’Connor draws attention to the ways the intellectual approach to studying poverty has changed over the years with different academic disciplines and different methodologies dominating the discussion at different points in time.⁴ Currently, most policy debates accept the notion that the roots of poverty lie in the behavior of the individual and attempts are made to address poverty by changing individuals’ characteristics and behavior. What is ignored in this dialogue is the structural or institutional context within which individuals must contend. It is only a short extension of O’Connor’s argument to see the narrow parameters of the dominant approaches to low-wage work. Focus is almost exclusively on individual workers: what skills they have/don’t have; which of their behaviors are positive or dysfunctional; how to move them away from their current job. Little effort is made to understand: why certain jobs are created; what determined the level of pay in these jobs beyond individual characteristics; and what choices do low-wage

workers face in the labor market. In a context where an extremely large number of jobs are projected in occupations that currently offer low-wages, it is important to expand our knowledge beyond the traits of individual workers and examine the structure of the economy. We need to do more than attempt to move workers out of these jobs; we need to seek ways to improve the jobs that will be created.

Third, accompanying this narrow intellectual approach to the low-wage employment issues facing Black workers is a limited policy and programmatic approach. Flowing from the analysis that roots the dilemma of low-wage work in the skills and behaviors of individuals, policy initiatives focus upon addressing deficiencies of low-wage job seekers by increasing individuals' "job readiness" and their set of hard skills. Education officials and workforce development organizations seek to implement these policies in order to enhance individual employment prospects. Economic development policies seek to increase the number of jobs through efforts to recruit business and/or efforts to create a favorable business climate. As mentioned earlier, these efforts result in a plethora of low-wage retail jobs or interjurisdictional competition for firms that drain government treasuries. None of these policies challenge the structures which govern firm behavior. While there are attempts to affect firm behavior through minimum wage, living wage, and industry wage laws, these efforts are fought fiercely by various elements of the business community resistant to any constraint on their behavior.⁵ What is needed is an expansion of these efforts to complement workforce development policies targeting individual workers and economic development policies targeting firms.

Key Findings

- Despite the passage of civil rights legislation aimed at providing equal opportunity, the proportion of Black workers has stayed significantly high.
 - In 1970, 25.7 % of all Black workers in the Bay Area held low-wage jobs.
 - In 2000, the figure was 27.8%.
- Six of the ten industries employing the largest number of Black workers in 2000 employ a larger proportion of low-wage Black workers in 2000 than they did in 1970.
- Since 1970, there has been a tremendous deterioration in job outcomes for Black men whether one measures these outcomes by labor force participation, unemployment, full-time work, or wages.
- Black men and Black women have fared differently in the labor market since 1970. A key reason for these differences has been the differences in the changes in low wage work in the industries and occupations where Black men and Black women are concentrated.

Chapter One will provide a broad portrait of the Bay Area African American workforce. This portrait will include an overview of the Black working-age population and the prevalence of low-wage work. Chapter Two will explore the incidence of low-wage work among key demographic groups. We find that a significant portion of the Black workforce is mired in low-wage labor. While this portion has stayed large between 1970 and 2000, Black men and women followed different trajectories during this time period. Chapters Three and Four will identify the industries and occupations that had a high concentration of Black workers in 1970; identify whether these industries and occupations are still areas of concentration in 2000; and explore how wages in these sectors have changed for Blacks between 1970 and 2000. We find changes in the relative importance of many industries and occupations; however, the net result is still a high level of low-wage Black employment. Chapter Five will re-trace the changes in the industrial and occupational distribution of Black workers through the lens of gender. This analysis will shed some light on how changes in job quality were felt by different segments of the Black community. The report will conclude by exploring some of the conceptual, policy, and programmatic implications of this research.

CHAPTER ONE

Low-wage Employment and Black Workers: A Persistent Problem

Chapter Overview

This chapter presents an overview of the Black working-age population with a focus on the incidence of low-wage work.⁶ It begins by defining the key terms used throughout this report and provides an overview of the Black working-age population in the Bay Area. It then presents data on the persistence of low-wage work among Black workers. The chapter concludes by sketching the complex relationship between educational attainment and low-wage employment.

Some key findings in this chapter are:

- Since the end of the modern civil rights movement, the problem of low-wage employment among Black workers is still significant.
 - In 1970, 25.7 % of all Black workers in the Bay Area held low-wage jobs.
 - In 2000, the figure was 27.8%.
- Since 1970, the proportion of low-wage employment has been rising regardless of the level of educational attainment.

Key Terms and an Overview of the Bay Area Black Working Age Population

Key Definitions

The quality of a job can be measured by several dimensions. Most obvious is the wage the job provides. Other criteria include: the availability of retirement, health care, and other non-monetary benefits; the safety environment in the workplace; any linkages to better jobs either within the firm or with other businesses; and the presence of due process procedure in the face of the arbitrary use of employer authority. Many commentators have expressed concern over the large number of bad jobs created by the U.S. economy in recent years. A bad job can be defined as possessing some combination of the following characteristics:

- Wages that do not allow an individual to sustain a family at a decent living standard
- The absence of health care and retirement benefits
- Unsafe working conditions
- The lack of career ladders internal or external to the firm
- The lack of protection from the abuse of an employer’s authority

This project will focus on the wages provided by the job. For our purposes, we define a LOW-WAGE job in 2000 to be a job that paid a wage less than or equal to \$11.50 per hour, twice the California state minimum wage at that time. This threshold is a conservative estimate of income needed for basic needs because it severely understates the income required to live decently in the Bay Area. A 2004 report released by the United Way of the Bay Area determined that for a two-parent family with children to pay for basic expenses, each parent would need to work full-time and each earn between \$11 and \$18 per hour.⁷

In order to examine the prevalence of low-wage jobs prior to 2000, a mechanism had to be developed to apply the 2000 threshold to earlier years in a consistent manner. In 2000, the threshold of twice the minimum wage generated an annual income of two-thirds the median income in Bay Area. A person working 2000 hours at \$11.50 per hour would earn \$23,000 per year; the median wage in the Bay Area in 2000 was \$35,500. Consequently, we used a cut-off of two-thirds the median income in the Bay Area for the threshold in 1970.

Figure 1.1
Low-wage Job Threshold

Year	Low-wage Threshold
2000	\$11.50
1970	\$2.31

Other important definitions are straightforward:

Bay Area: The Bay Area was defined by the following nine counties: Alameda, Contra Costa, Marin, Napa, San Francisco, San Mateo, Santa Clara, Solano, and Sonoma.

Working Age Population: All persons between 18-65 years of age (inclusive).

Labor Force: All persons who have had some paid employment or, if they have not, have been seeking employment.

Workers: All persons who have worked for pay during the year.

Young Workers: All persons between 18-25 years of age (inclusive).

Work Status:

- Full-time work: 50-52 weeks of work, at 35 or more hours per week.
- Part-time work: 50-52 weeks of work, but less than 35 hours per week OR less than 50 weeks but more than 1,000 hours per year (i.e., working more than half of a 2,000-hour work-year).
- Irregular work: Less than 50 weeks per year AND less than 1,000 hours per year (i.e., working less than half of a 2,000 hour work-year).
- Unemployed: In the labor force, but no reported paid work during the survey year.
- Not in the labor force: Those not employed and who are not looking for paid work.

An Overview of the Black Working Age Population

The Black working age population can be divided into five categories:

- Not in the labor force
- Unemployed
- Irregular work
- Part-time work
- Full-time work

The demarcation between “not in the labor force” and “unemployed” is particularly problematic. Both terms capture the popular conception of joblessness. The distinction made by the government has the “**unemployed**” actively seeking paid employment (according to responses to Census surveys), while those “**not in the labor force**” are not seeking paid employment. Reasons for not seeking a job may have included a full-time status as a homemaker or student or person with disability. Persons in the family who are incarcerated are not included as members of the household. (The survey methodology has these individuals included in the census as residents of the penal institution.⁸)

Figures 1.2 and 1.3 present data on the activity of the Black working age population. Three important trends can be ascertained. Between 1970 and 2000, the proportion of the working age Black population that is not in the labor force rose from 27.9% to 31.5%. The proportion of the working age Black population that was unemployed rose from 6.2% to 8.8%.⁹ Over the same time period, the proportion of the working age Black population that was working full-time rose from 34.3% to 38.2%. (While the primary focus of this study is the change in job quality of Black workers and not the issue of parity with white workers, one can note that the figures for non-Hispanic whites for 1970 and 2000 were: “not in the labor force,” 27.2% and 20.6%;

“unemployed”, 2.5% and 3.9%; and “full-time”, 43.5% and 51.3%.) It is important to note that these figures for the entire working age Black population mask sharp differences in the activity of Black men and Black women. These differences will be discussed in the next chapter.

Figure 1.2
Portrait of the Bay Area Black Working Age Population (18 - 65)
1970

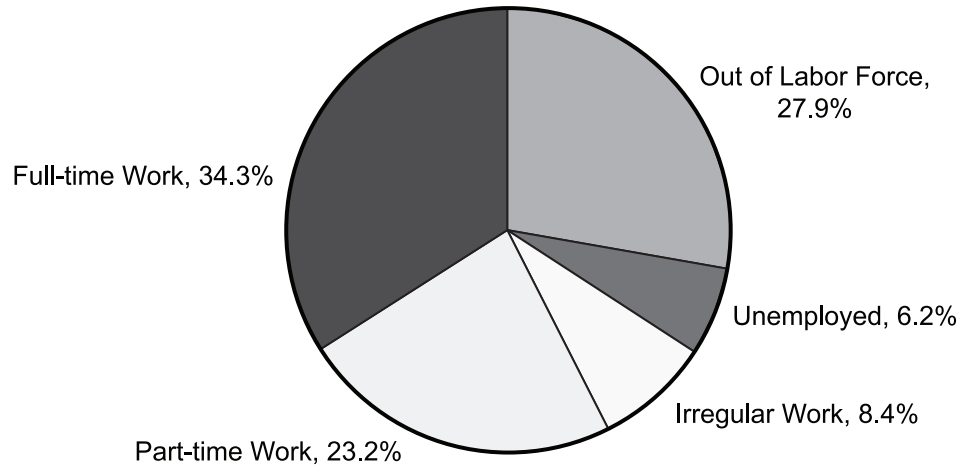
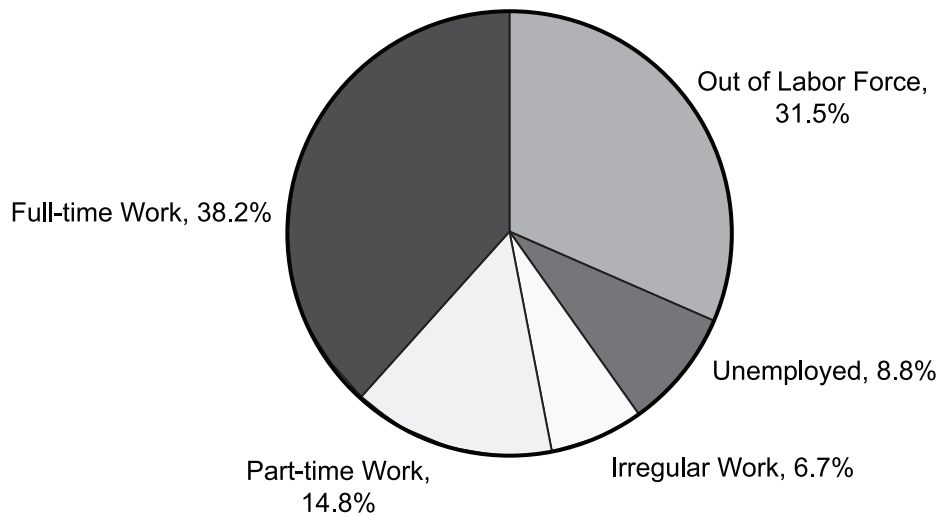


Figure 1.3
Portrait of the Bay Area Black Working Age Population (18 - 65)
2000

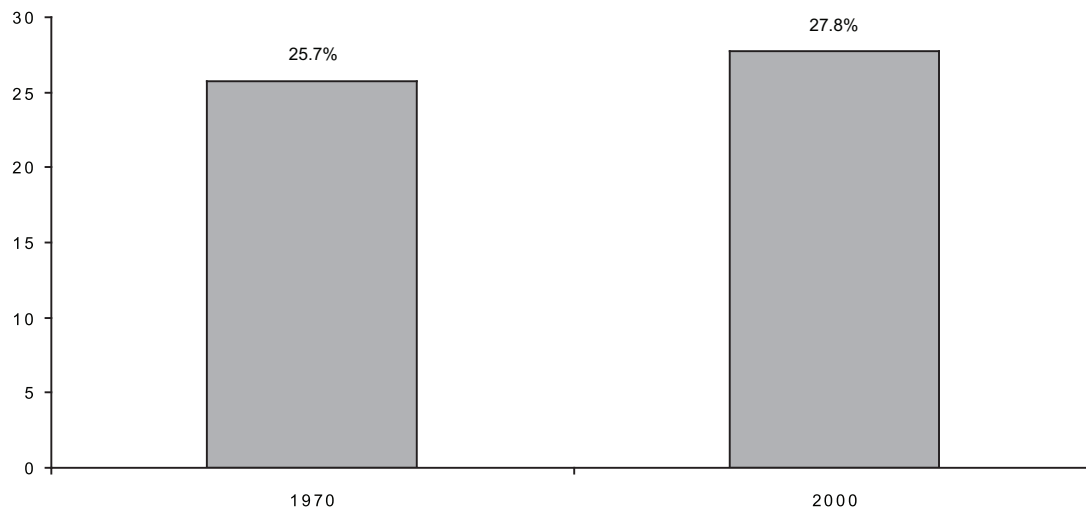


Black Workers and Low-wage Employment

- Between 1970 and 2000, the proportion of Black workers employed at low-wage jobs remained at approximately 25% despite elimination of legal barriers to Black advancement
- The increase in educational attainment has not completely mitigated the trend toward low-wage employment among Black workers

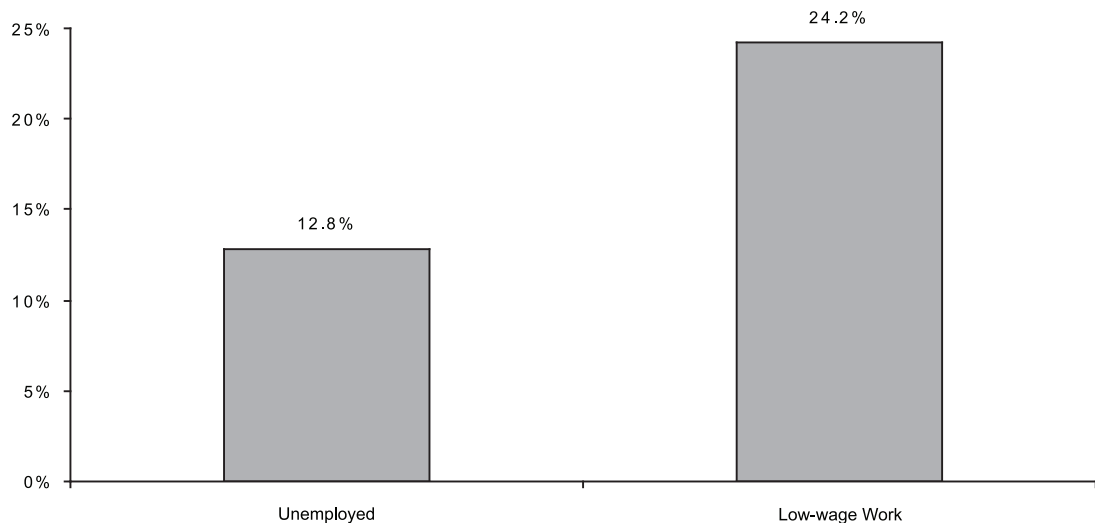
One key finding in this research project is the slight increase in the proportion of Black workers with low-wage jobs between 1970 and 2000. In 1970, 25.7% of all Black workers held low-wage jobs; by 2000, this figure had risen to 27.8% (see Figure 1.4). Given the conservative definition of low-wage work, this small rise underestimates the seriousness of this problem for the Black community.

Figure 1.4
All Black Workers
Percent in Low-wage Jobs
1970 and 2000



As mentioned in the introduction to this report, a central thesis guiding this project is the two dimensions of the job crisis in the Black community. Thus it is instructive to compare the segment of the Black labor force holding low-wage jobs to the segment of the Black labor force that is unemployed. In 1970, 8.6% of the Black labor force was unemployed and 23.4% of the Black labor force held low-wage jobs. In 2000, the unemployed proportion of the Black labor force had risen to 12.8%, while the low-wage proportion of the Black labor force had risen to 24.2%. (These figures for Black low-wage work differ from those presented earlier in this paragraph because the former figures were examining only the Blacks who held paid employment, while the latter figures are examining all Blacks in the labor force — working and unemployed. Since latter numbers have the same number of low-wage workers as the former numbers but are looking at a larger overall pool of people, the resulting percentage is lower.) This data indicates the number of Black workers receiving low wages far exceeds the number of Blacks in the labor force who are unemployed.

Figure 1.5
The Black Labor Force
Percent that is Unemployed or in Low-wage Jobs
2000

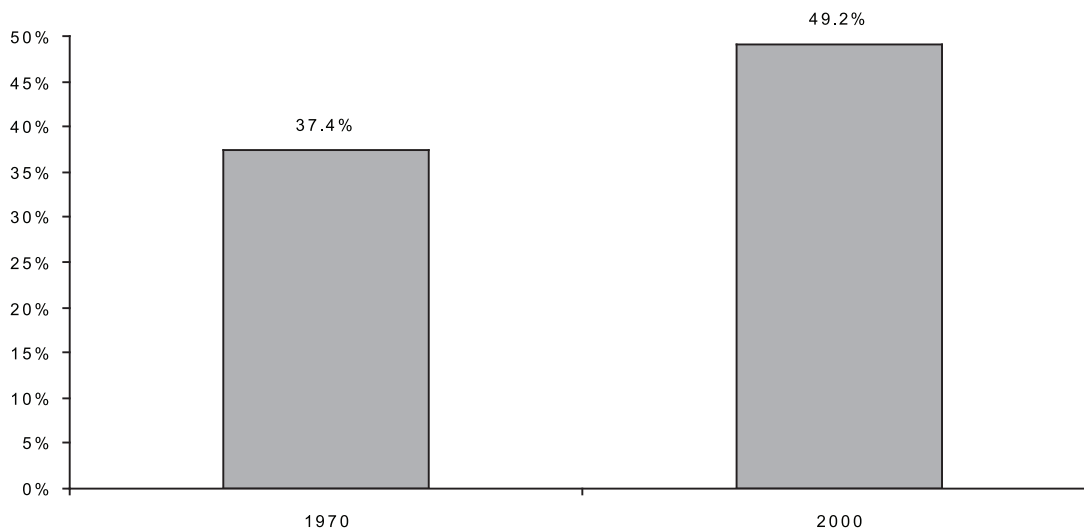


Low-wage Employment and Full-time Work

Often, the public portrayal of low-wage work confines it to realm of part-time workers. The implication here is that if low-wage workers would simply work full-time their poverty condition would be alleviated. The actual data indicates otherwise. Low-wage work exists regardless of the regularity of work, and the increase in low-wage work since 1970 exists independent of whether one examines irregular, part-time, or full-time work. Between 1970 and 2000, the proportion of irregular workers receiving low wages rose from 43.0% to 50.7%. Between 1970 and 2000, the proportion of part-time workers receiving low wages rose from 30.1% to 34.2%. In 1970, 18.4% of full-time workers received low wages; in 2000, this figure rose to 21.4%.

In addition, the proportion of low-wage workers who had full-time jobs rose dramatically between 1970 and 2000. As Figure 1.6 indicates, in 1970, 37.4% of all low-wage workers held full-time jobs; by 2000, 49.2% of all low-wage workers held full-time jobs. (Figures A1.4 and A1.5 show what proportion of low-wage workers held full-time, part-time, and irregular jobs in 1970 and 2000.)

Figure 1.6
Low-wage Black Workers
Percent that Held Full-time Jobs
1970 and 2000



Low-wage Employment and Educational Attainment

Education is often touted as a panacea to the dilemma of poverty and low-wage work and Blacks are exhorted to get more education. The data indicates that the relationship between education and low-wage work is much more complicated. Several points do emerge:

- The incidence of low-wage work does fall as educational attainment increases;
- At the same time, education does not immunize workers against low wages; at every level of educational attainment, the proportion of workers with low-wage jobs rose between 1970 and 2000; and
- Among low-wage workers, the proportion of workers with at least some college experience rose.

As Figure 1.7 shows, the educational attainment level of the Bay Area Black working age population rose dramatically between 1970 and 2000. In 1970, 53.7% of the population had not completed high school; in 2000, this figure had fallen to 16.8%. In 1970, the proportion of the population with some education beyond high school was just 21.5%; by 2000, the proportion had risen to 58.2%.

Figure 1.7
Black Working Age Population (18-65)
Educational Attainment
1970 and 2000

	1970	2000
8 th Grade or Less	17.3	1.0
Some High School	26.4	15.8
High School Degree or GED	35.1	25.1
Some College	16.5	40.8
Bachelor Degree or More	5.0	17.4

However, despite this increase in formal education, the proportion of Black workers holding low-wage jobs rose from 1970 to 2000. At each level of educational attainment, the percentage of Black workers earning low wages rose between 1970 and 2000 (See Figure 1.8). While the proportion does fall with each increase level of education, the proportion still rises over time for each level. Figure 1.8 also presents a glimpse at the complicated relationship between educational attainment, the structure of the economy, racial barriers, and economic outcomes. In 1970, given the nature of the economy and the legacies of segregation, having some high school education, a high school education, or some college education did not qualitatively alter the propensity for holding a low-wage job. However, in 2000, the data indicates a sharper delineation in the relationship between education and low-wage work at each level of educational attainment.

Figure 1.8
Black Workers at Different Levels of Educational Attainment
Percent in Low-wage Jobs
1970 and 2000

	1970	2000
8 th Grade or Less	29.9	71.8
Some High School	29.7	55.5
High School Degree or GED	26.9	41.8
Some College	20.9	25.4
Bachelor Degree or More	8.1	9.7

In addition, among low-wage workers, a larger proportion had some college experience. In 1970, the share of low-wage employment held by Black workers with some college experience was 17.7%; by 2000, the share was 50.5%. (Figures 1.9 and 1.10 separate this data into distinct charts for workers with some college but no degree and workers with at least a Bachelor's degree.) This data speaks to a structural problem in labor markets that result in low-wage labor increases regardless of educational level.

Figure 1.9
Low-wage Black Workers
Percent With Some College Experience (without a college degree)
1970 and 2000

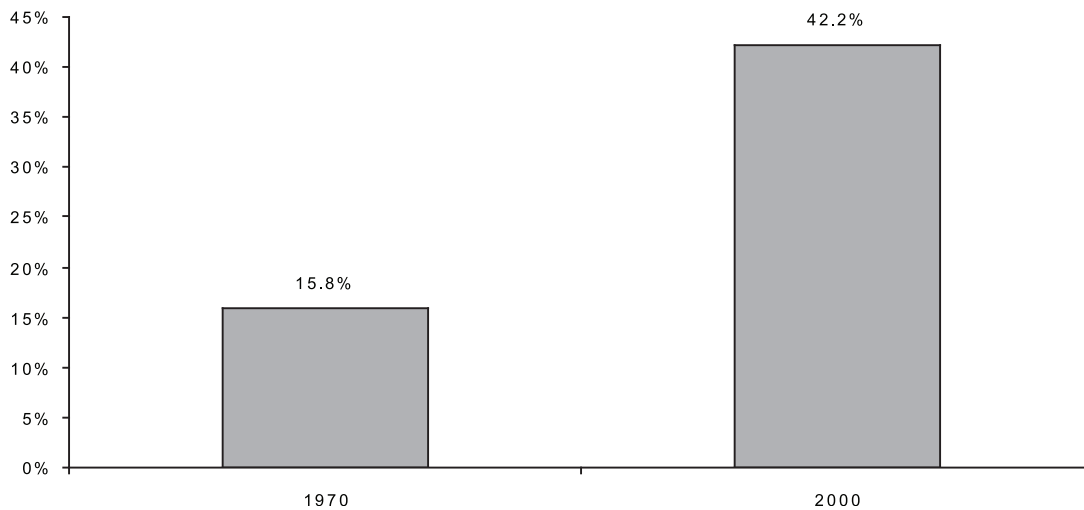
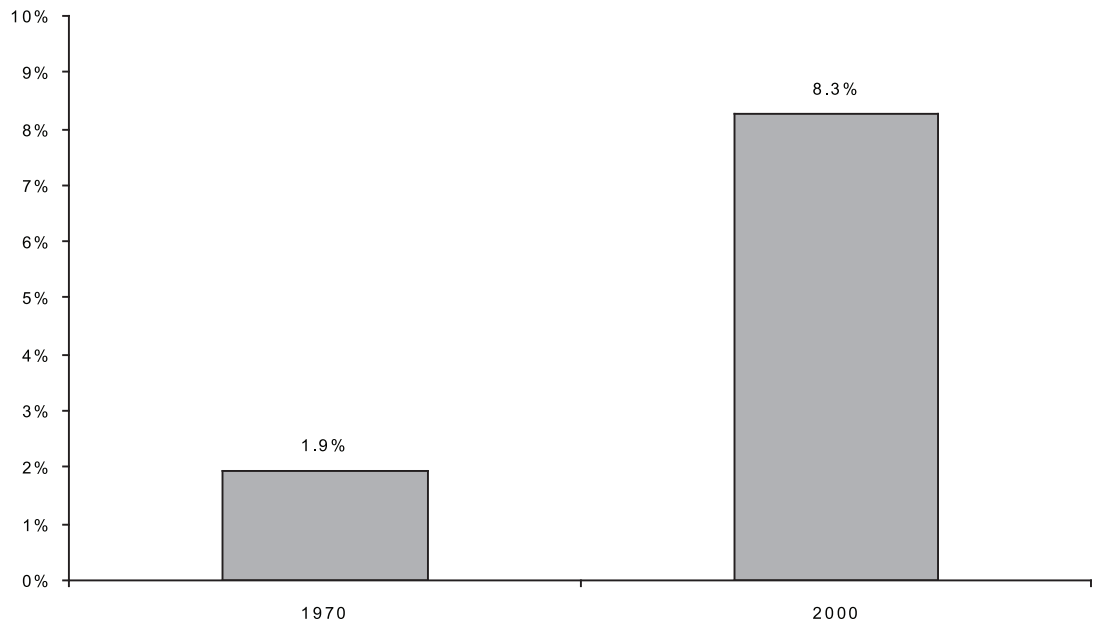


Figure 1.10
Low-wage Black Workers
Percent With At Least a Bachelor's Degree
1970 and 2000



Conclusion

The data in both 1970 and 2000 indicates that the job crisis in the Black community does have two dimensions. In both years, the portion of the Black workforce with low-wage jobs exceeded that portion which was unemployed. In addition, the level of low-wage employment among Black workers was approximately the same in 1970 and 2000; this stability occurred despite the victories of the modern civil rights movement which eliminated most vestiges of legal segregation and, consequently, expanded opportunities for Blacks. Finally, the relationship between educational attainment and economic outcomes is much more complicated than popularly assumed. On the one hand, the percentage of low-wage workers fell as educational attainment increased; at the same time, the percentage of low-wage jobs increased for each level of education between 1970 and 2000.

Appendix to Chapter One

Figure A1.1
Distribution of Bay Area Black Labor Force
1970

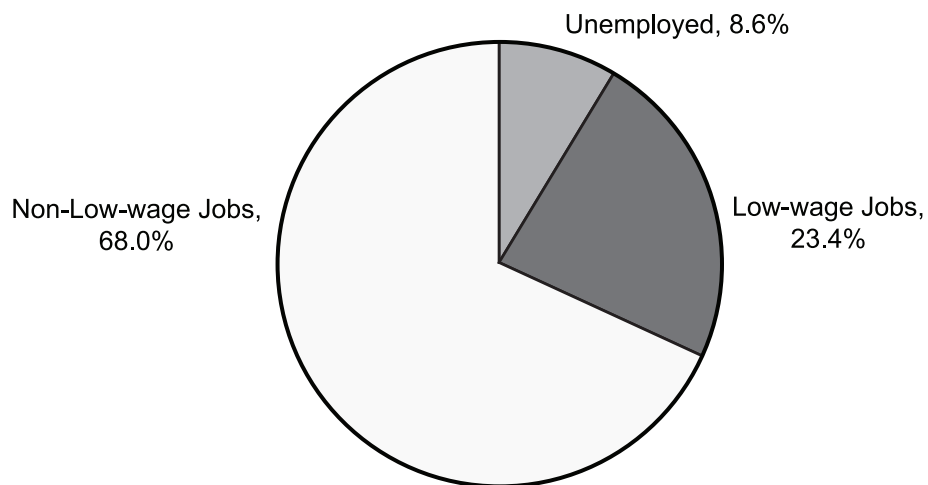


Figure A1.2
Distribution of Bay Area Black Labor Force
2000

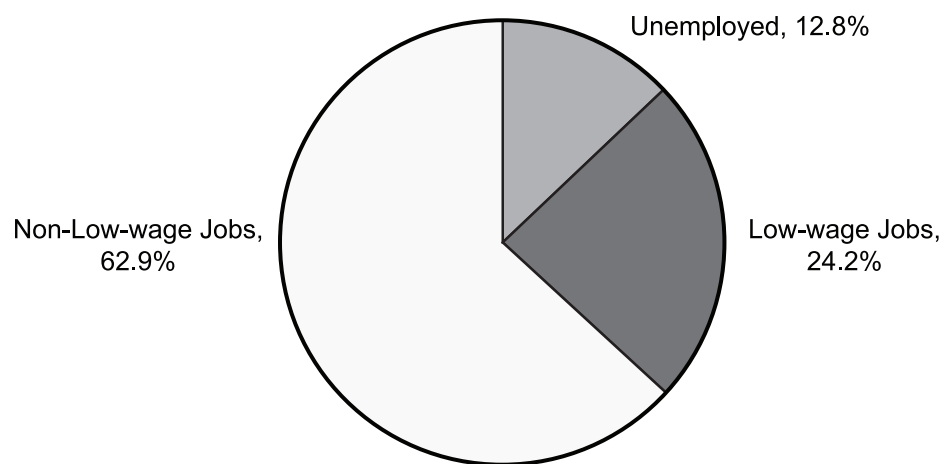


Figure A1.3
All Black Workers at Various Levels of Work Intensity
Percent in Low-wage Jobs
1970 and 2000

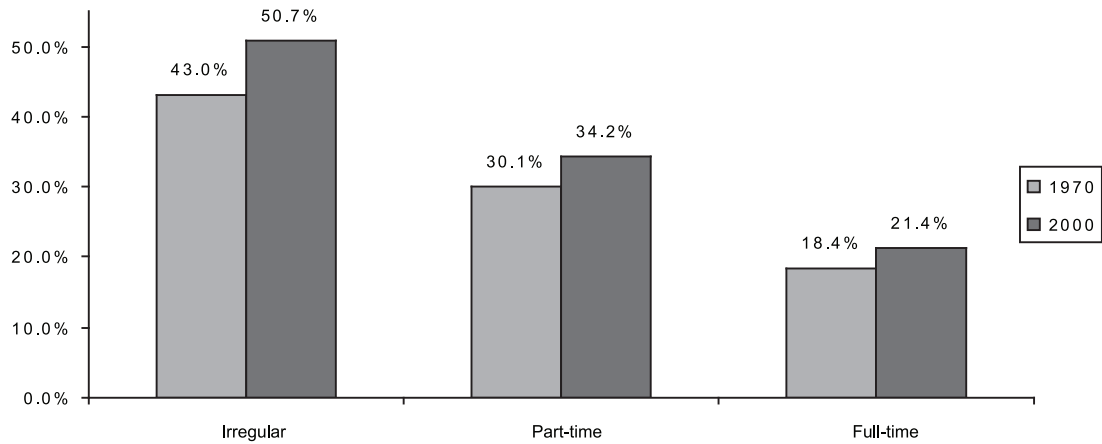


Figure A1.4
All Black Workers
Distribution of Low-wage Employment
1970

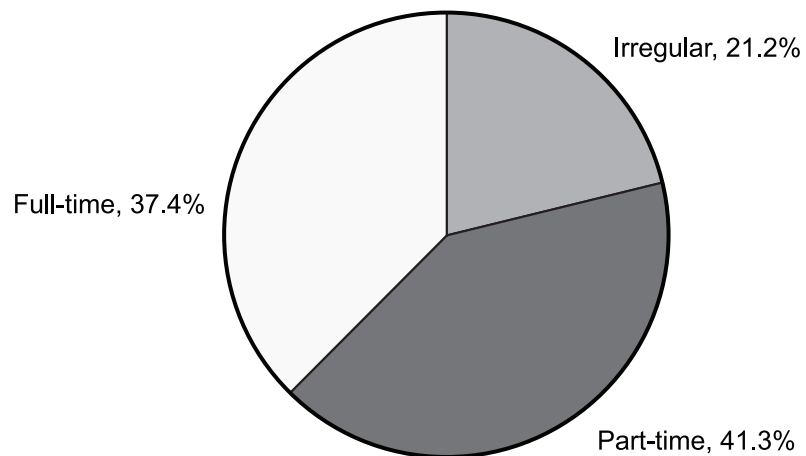
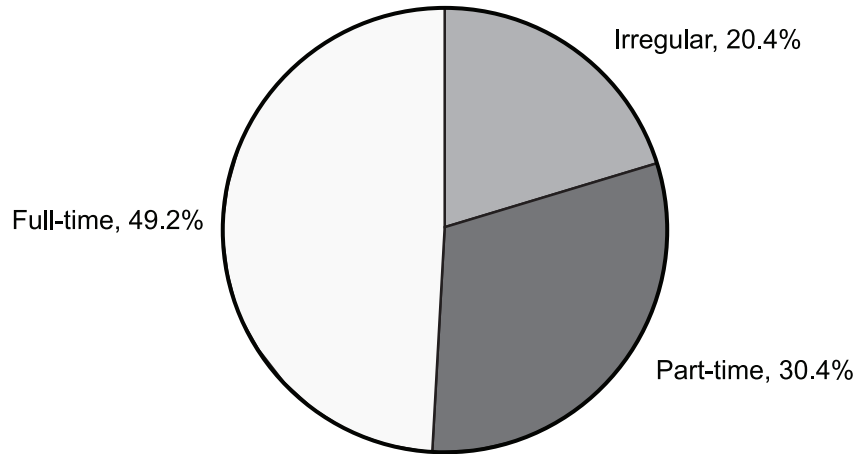


Figure A1.5
All Black Workers
Distribution of Low-wage Employment
2000



CHAPTER TWO

Low-wage Employment: Black Men, Black Women, and Black Youth

Chapter Overview

The previous chapter indicated the proportion of Blacks earning low wages has stayed constant at approximately one-quarter of the workforce. However, this reality masks sharp divergences between the trajectory of Black men and Black women workers in the labor market. In addition, Black youth have found it increasingly difficult to obtain employment with decent wages.

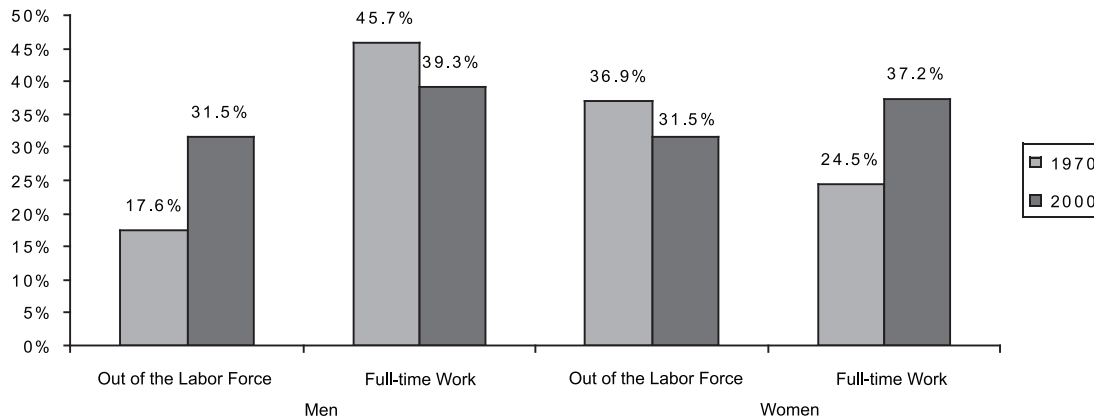
Some key findings in this chapter are:

- Since 1970, there has been a tremendous deterioration in job outcomes for Black men, whether one measures these outcomes by labor force participation, unemployment, full-time work, or wages.
- Since 1970, Black women have fared better than Black men in the aggregate, but this overall performance masks important diversity among Black women.
- Since 1970, young Black workers find themselves increasingly concentrated in low-wage jobs.

Differences Between Black Male and Black Female Participation in the Workforce

An understanding of the different fates of Black men and Black women in the labor market between 1970 and 2000 begins with recognizing that their participation in the workforce differed greatly. Chapter One presented data indicating the distribution of the Black working age population across five categories. Figure 2.1 shows the difference between men and women in two of those categories: “not in the labor force” and “full-time work”. Between 1970 and 2000, the proportion of Black men who were out of the labor force rose from 17.6% to 31.5%; in contrast, the proportion of Black women who were out of the labor force fell from 36.9% to 31.5%. With respect to full-time work, the proportion of Black men fell from 45.7% to 39.3%, while the proportion of Black women rose from 24.5% to 37.2%.¹⁰

Figure 2.1
Percent Not in the Labor Force and Full-time Work
A Comparison of Black Men and Black Women
1970 and 2000



These differences led to sharp changes in the gender composition of key work categories. Figures 2.2a and 2.2b indicate that between 1970 and 2000, the proportion of Black men relative to Black women in the Black working-age population was roughly constant (Black men comprised 46.4% of the Black working age population in 1970; in the 2000, the proportion was 48.8%). However, the proportion of Black men not in the labor force and unemployed rose sharply relative to Black women (Figures 2.3a – 2.4b). At the same time, the proportion of Black men among full-time workers fell dramatically relative to Black women (Figures 2.5a and 2.5b).

Figure 2.2a
Total Working Age Population
Distribution of Black Men and Black Women
1970

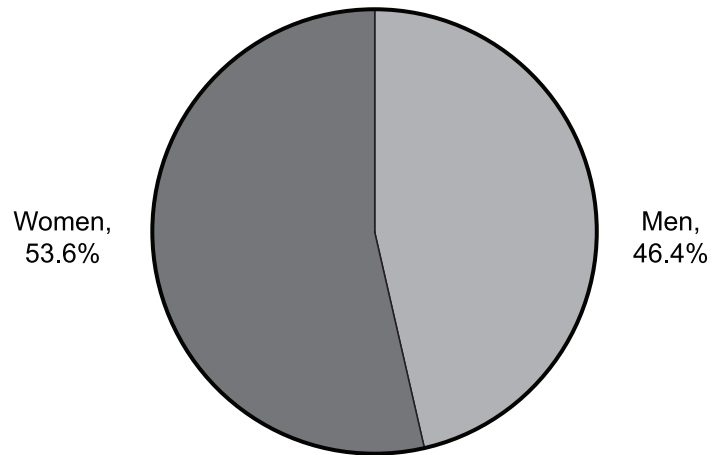


Figure 2.2b
Total Working Age Population
Distribution of Black Men and Black Women
2000

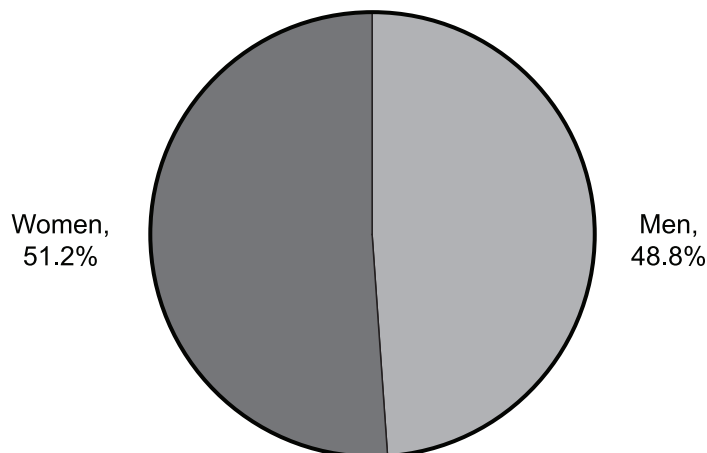


Figure 2.3a
Working Age Population Not in the Labor Force
Distribution of Black Men and Black Women
1970

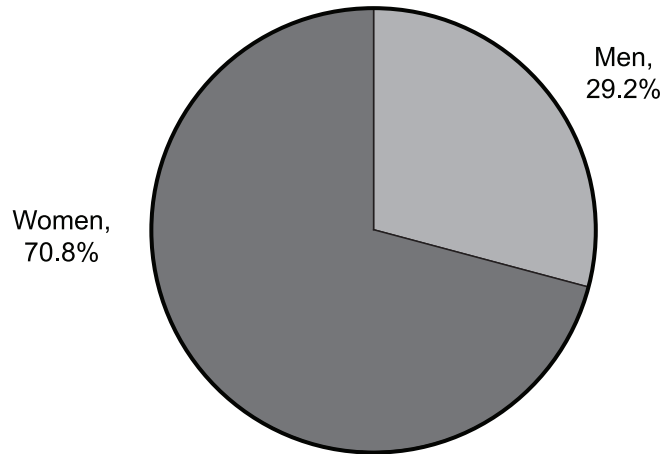


Figure 2.3b
Working Age Population Not in the Labor Force
Distribution of Black Men and Black Women
2000

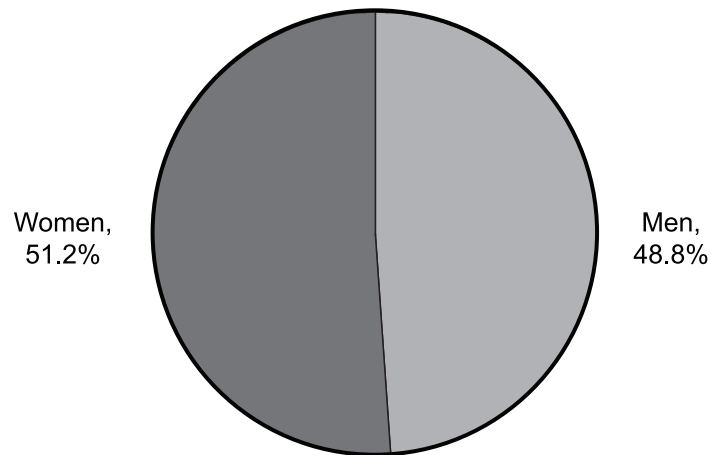


Figure 2.4a
Total Unemployed Population
Distribution of Black Men and Black Women
1970

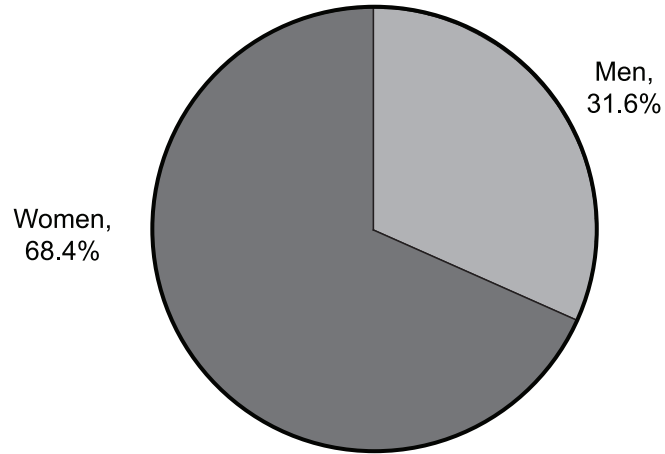


Figure 2.4b
Total Unemployed Population
Distribution of Black Men and Black Women
2000

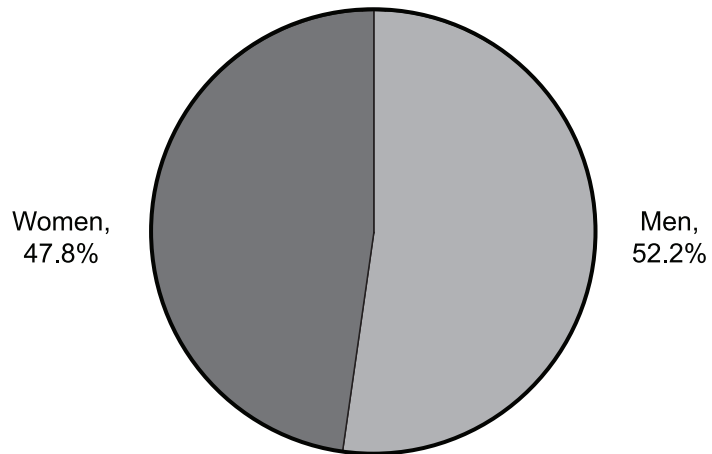


Figure 2.5a
All Full-time Workers
Distribution of Black Men and Black Women
1970

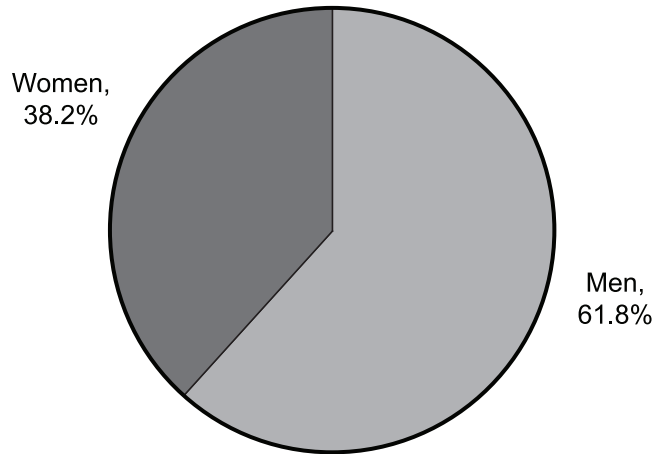
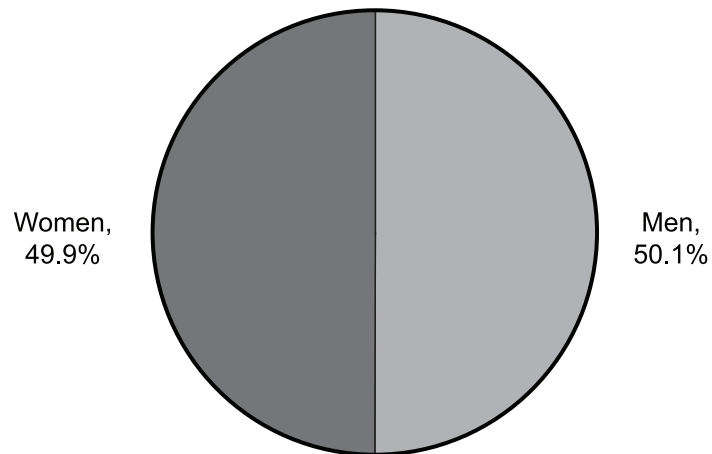


Figure 2.5b
All Full-time Workers
Distribution of Black Men and Black Women
2000

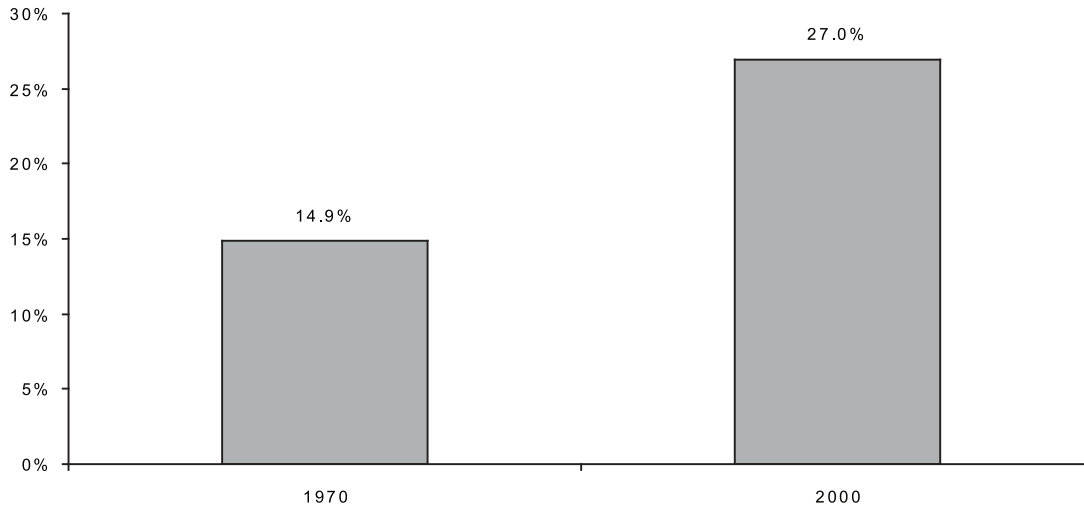


Black Men in the Labor Market

- A larger proportion of Black men are not in the labor force and unemployed.
- There has been a rise in the proportion of Black men holding low-wage employment.
- There has been an increase in the proportion of full-time jobs held by Black men that pay low wages.
- Full-time work is a growing proportion of low-wage employment for Black men.

Key measures of labor market performance include labor force participation rates (the proportion of the population that is either working or seeking employment); unemployment rates (the proportion of the labor force that is seeking employment); the prevalence of full-time work (the proportion of the population with a full-time job); and the prevalence of low-wage work (the proportion of workers with low-wage jobs). By these measures, the years between 1970 and 2000 witnessed a sharp deterioration in outcomes for Black men. As mentioned earlier in this chapter, Black men showed an increased propensity not to be in the labor force and a lower rate of holding full-time employment between 1970 and 2000 (see Figure 2.1). Thus, the labor force participation rate for Black males fell from 82.4% to 68.5%, and the propensity to maintain full-time employment fell from 45.7% to 39.3%. In addition, the rate of unemployment rose: in 1970, 4.2% of working age Black males were unemployed; in 2000, the rate was 9.5%. With respect to low-wage employment, the proportion of Black male workers with low-wage jobs rose from 14.9% to 27.0% between 1970 and 2000 (see Figure 2.6).

Figure 2.6
Black Male Workers
Percent in Low-wage Jobs
1970 and 2000



Additional analysis indicates the comprehensive nature of this deterioration. Low-wage work increased for Black male workers irrespective of work intensity—whether they had irregular, part-time, or full-time work. (Figure A2.1 indicates that the proportion of low-wage employment in each of those three categories rose between 1970 and 2000.) Examining full-time work, in 1970, 11.7% of full-time Black male workers earned low wages; in 2000, the percentage has risen to 21.3%. In addition, full-time jobs constituted a growing proportion of low-wage employment for Black men. In 1970, 45.8% of low-wage Black male workers held full-time jobs; in 2000, 52.6% of low-wage Black male workers held full-time jobs.

Figure 2.7
Full-time Black Male Workers
Percent in Low-wage Jobs
1970 and 2000

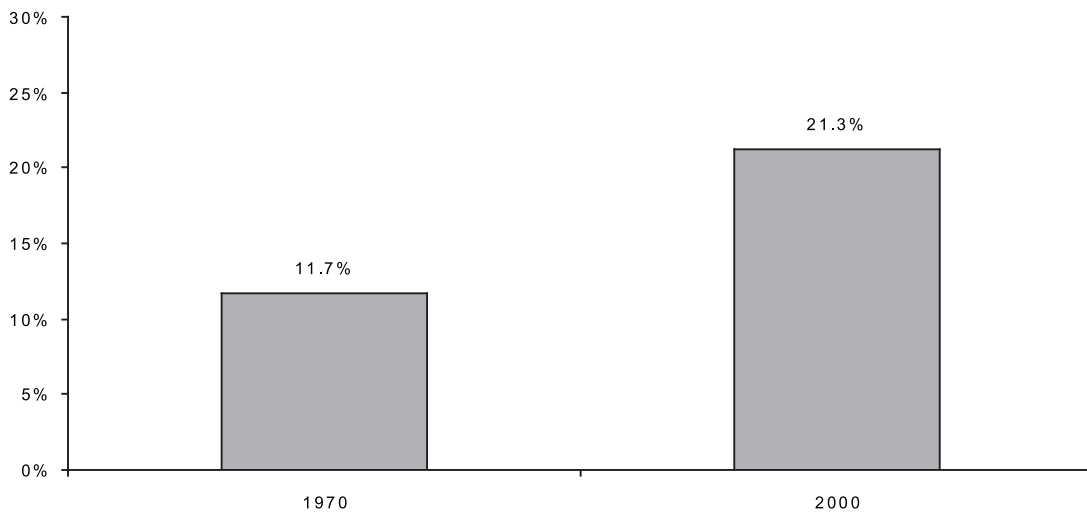
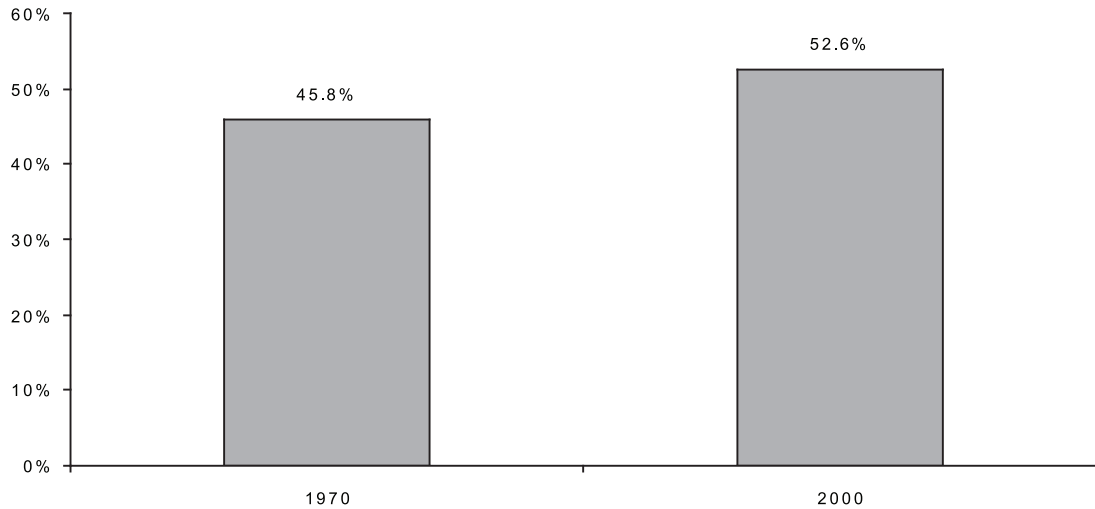


Figure 2.8
Low-wage Black Male Workers
Percent in Full-time Jobs
1970 and 2000



Similar patterns emerge for the Black male labor market performance stratified by education and age. As Figure A2.2 indicates, the proportion of Black men who were out of the labor force or unemployed rose for every level of educational attainment. With regard to full-time employment, Black men with college degrees were the only group that saw an increase in the proportion holding full-time work. Figure A2.3 shows a similar trend for Black men across age categories: regardless of age category, the proportion of Black men who were not in the labor force or unemployed rose between 1970 and 2000, and the proportion of Black men who held full-time employment fell in each age category.

Figure 2.9 gives a final indication of how poorly Black men in the Bay Area have fared since 1970. The data mirrors what was seen in Chapter One: between 1970 and 2000, an educational premium developed for Black male workers; at the same time, at each level of educational attainment, the percentage of jobs that paid low wages increased.

Figure 2.9
Black Male Workers at Different Levels of Educational Attainment
Percent in Low-wage Jobs
1970 and 2000

	1970	2000
8 th Grade or Less	13.1	83.9
Some High School	16.8	50.5
High School Degree or GED	16.0	38.6
Some College	15.2	23.8
Bachelor Degree or More	6.0	11.0

Black Women in the Labor Force

- There has been a decrease in the proportion of Black female workers holding low-wage jobs.
- There has been a decrease in the proportion of full-time jobs held by Black women that pay low wages.
- An increasing proportion who have low-wage jobs work full-time.
- These general trends obscure a great deal of difference among Black women given age categories and levels of educational attainment.

As mentioned earlier, the labor market performance of Black women differed sharply from that of Black men. Between 1970 and 2000, the Black female labor force participation rate rose from 63.1% to 68.5%. The percentage of full-time Black female workers increased from 24.55 to 37.2%. While the unemployment rate rose from 7.9% to 8.3%, Figure 2.10 illustrates that the proportion of Black women holding low-wage jobs fell from 38.9% in 1970 to 28.6% in 2000. In 1970, 29.4% of full-time Black women workers earned low wages; in 2000, the figure was 21.4% (see Figure 2.11).

Figure 2.10
Black Female Workers
Percent in Low-wage Jobs
1970 and 2000

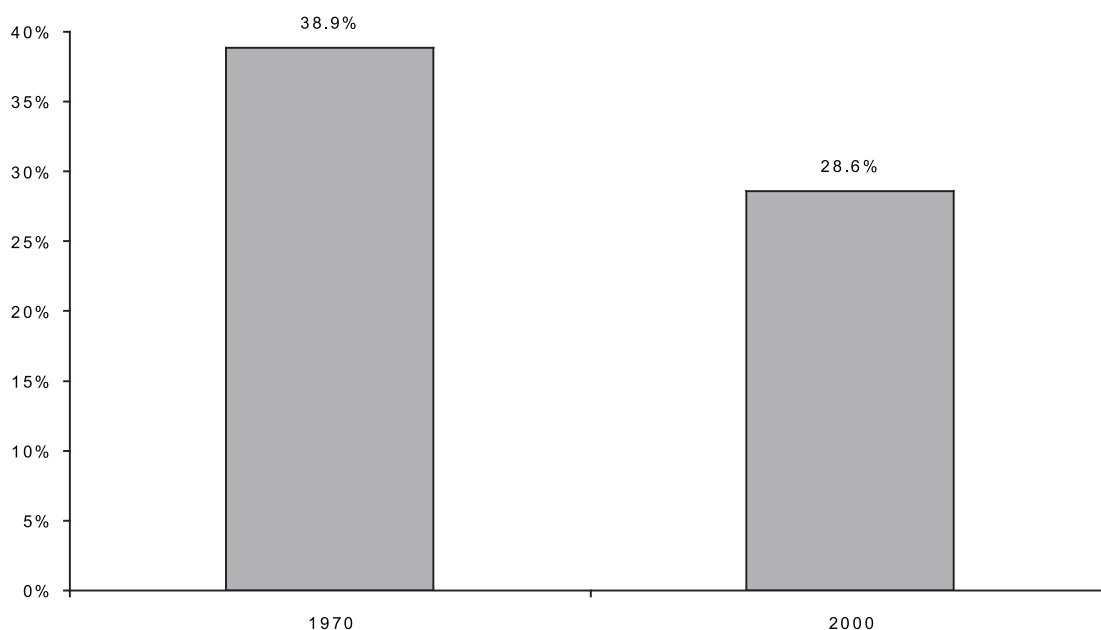
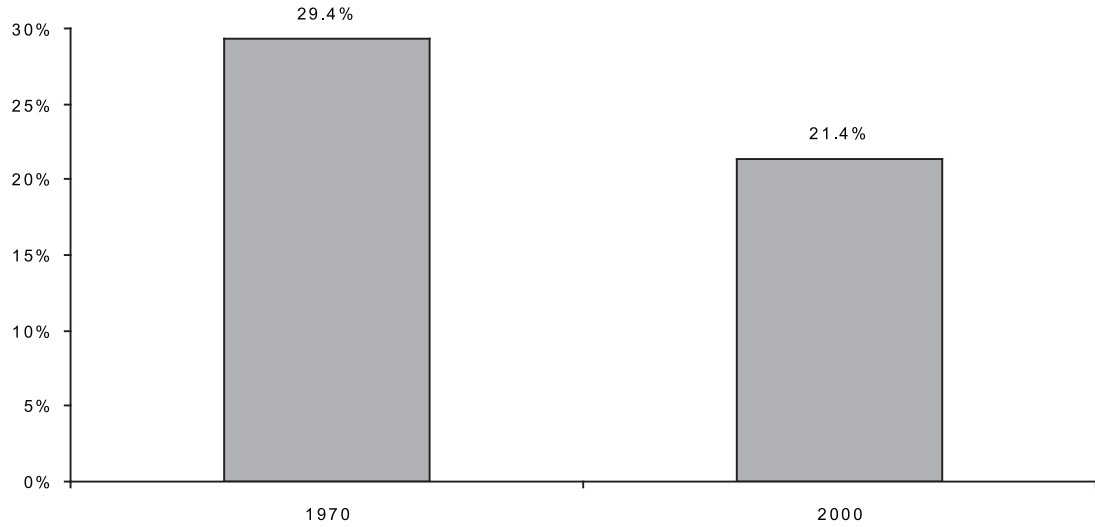


Figure 2.11
Full-time Black Female Workers
Percent in Low-wage Jobs
1970 and 2000



Still, this picture of overall improvement is more complicated when the data is disaggregated. Figure 2.12 shows that the proportion of low-wage Black women who worked full time rose between 1970 and 2000.

Figure 2.12
Low-wage Black Female Workers
Percent in Full-time Jobs
1970 and 2000

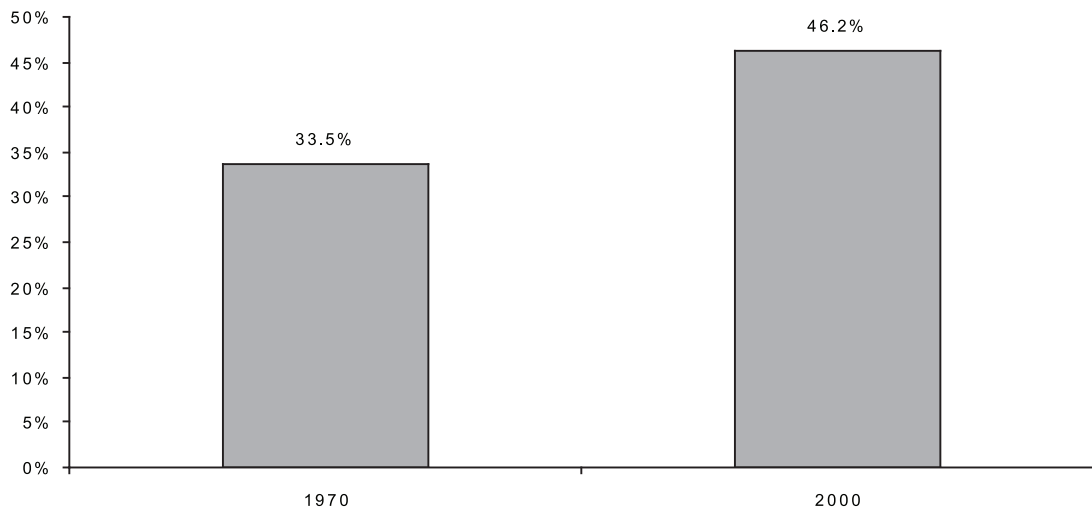


Figure A2.4 shows labor market participation stratified by age. For young women (ages 18-25), the prevalence of full-time work fell slightly as did the labor force participation rate; for the same age categories, the unemployment rate rose slightly. For older age categories, these indicators improved. (The sole exception to this rule being the unemployment rate for women between ages 25 and 35.) Figure A2.5 shows patterns for Black women workers in different educational categories. Here, educational attainment did not improve labor market participation, except when women had college degrees. (Obtaining a high school degree did improve prospects for holding full-time employment.)

The age of Black women workers and the level of their educational attainment did influence the prevalence of low-wage work. For instance, while the percentage of Black women holding low-wage jobs fell among college graduates and remained stable among women with at least some college, the rates rose among women with less education.(Figure 2.13). In addition, while the proportion of Black women over 36 years of age who worked at low wages fell between 1970 and 2000, it rose for younger Black women (Figure A2.11).

Figure 2.13
Black Female Workers at Different Levels of Educational Attainment
Percent in Low-wage Jobs
1970 and 2000

	1970	2000
8 th Grade or Less	64.4	59.8
Some High School	47.0	61.3
High School Degree or GED	38.7	45.3
Some College	26.8	26.7
Bachelor Degree or More	10.3	8.6

Figure 2.14
Low-wage Black Women Workers at Different Age Ranges
Percent in Low-wage Jobs
1970 and 2000

	1970	2000
18-25	47.8%	63.7%
26-35	24.6%	29.4%
36-45	34.5%	22.0%
46-55	39.4%	17.0%
56-65	60.0%	25.1%

Finally, Figure 2.15 indicates the distribution of all low-wage jobs held by Black women across selected categories has changed between 1970 and 2000. By 2000, slightly more than half of all Black women holding low-wage jobs had at least some college education (with or without completing a degree), a sharp increase from 1970. In 2000, 55.9% of low-wage Black women workers were between 18 and 35. Full-time Black women workers made up 46.2% of low-wage workers in 2000.

Figure 2.15
Low-wage Black Women Workers
Percent by Selected Categories
1970 and 2000

	1970	2000
Some College Education	22.5%	51.9%
Between 18 and 35 Years	41.4%	55.9%
Full-time Workers	33.5%	46.2%

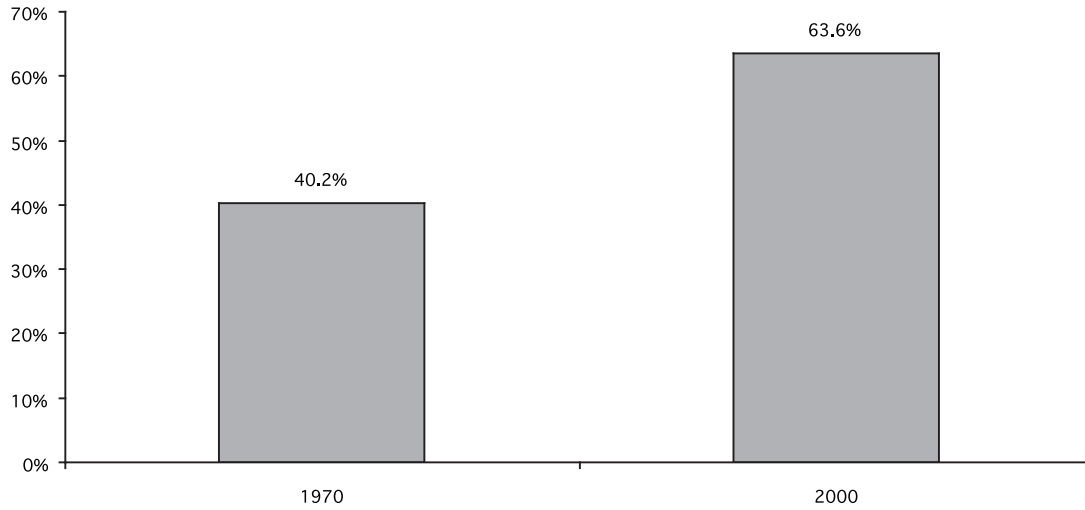
Young Black Workers and Low-wage Employment

- Since 1970, a larger percentage of young Black workers have come to hold low-wage jobs.
- It is increasingly difficult for young Black workers to obtain full-time work that does not pay low wages.
- These difficulties exist for both young Black men and young Black women.

Looking at the experiences of young Blacks (ages 18-25) in the labor market, a different pattern emerges. While the change in the distribution of young Blacks across the five work categories is approximately the same as that for the entire Black working age population (see Figure A2.6), the sharp gender differences that can be seen across the entire Black working age population do not exist for young Black workers.

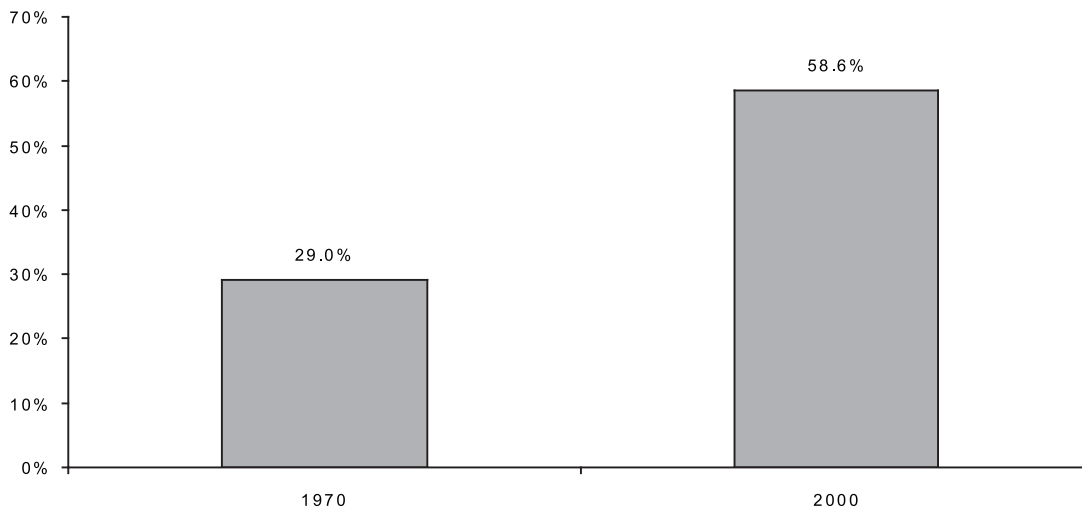
With respect to low-wage employment, prospects have worsened for young Black workers since 1970. In that year, 40.2% of young Black workers had low-wage jobs; by 2000, the figure has risen to 63.6% (see Figure 2.16).

Figure 2.16
Young Black Workers
Percent in Low-wage Jobs
1970 and 2000



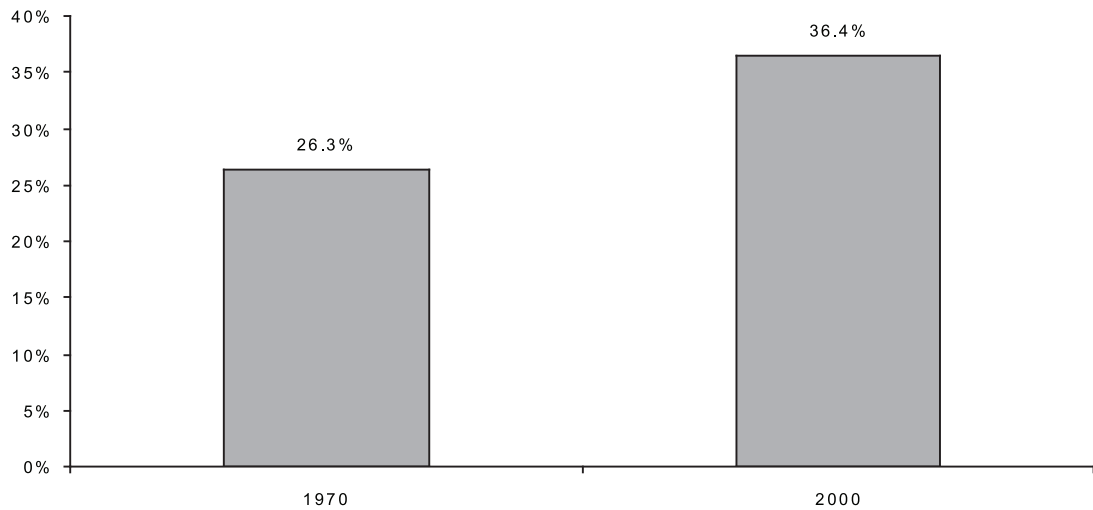
The prevalence of low-wage work increased for irregular workers, part-time workers, and full-time workers. For irregular work, the increase was from 45.1% to 66.1%; for irregular work, the increase was from 47.8% to 67.5%; for full-time work, the increase was from 29.0% to 58.6%.

Figure 2.17
Full-time Young Black Workers
Percent in Low-wage Jobs
1970 and 2000



These changes resulted in full-time work representing a larger share of low-wage employment for young Black workers. As Figure 2.18 indicates, full-time work comprised 26.3% of low-wage jobs in 1970; by 2000, its share rose to 36.4%.

Figure 2.18
Low-wage Young Black Workers
Percent in Full-time Jobs
1970 and 2000



Conclusion

The period between 1970 and 2000 was disastrous for Black men in the labor market. Using any common measure of performance, economic outcomes for Black males worsened considerably. For Black women, the picture is more complicated. Overall, the percentage of Black women earning low wages fell. However, outcomes for Black women varied with different age and education levels. Black youth fared worse in the labor market between 1970 and 2000. This result was consistent for young Black men and young Black women.

Appendix to Chapter Two

Figure A2.1
Black Male Workers at Various Levels of Work Intensity
Percent of Low-wage Jobs
1970 and 2000

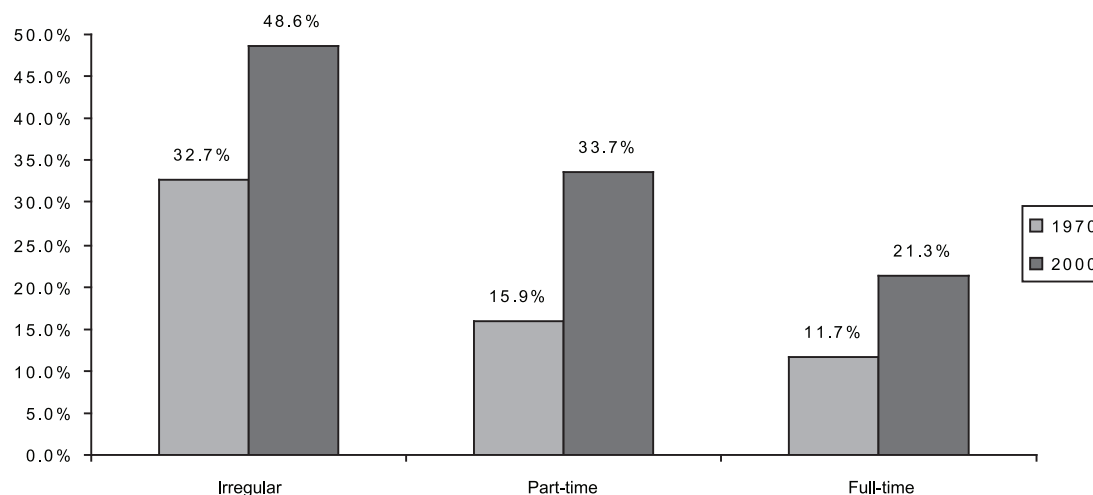


Figure A2.2
Black Men at Different Levels of Educational Attainment
Labor Market Participation Behavior
1970 and 2000

	1970	2000
Not in the labor force		
8 th grade or less	28.9%	68.1%
Some high school	21.4%	55.9%
High school degree or GED	10.4%	35.9%
Some college	15.8%	24.1%
Bachelor degree or more	5.7%	11.8%
Unemployed		
8 th grade or less	1.4%	7.2%
Some high school	6.6%	14.4%
High school degree or GED	6.0%	13.2%
Some college	1.7%	6.6%
Bachelor degree or more	0.0%	4.5%
Full-time Employment		
8 th grade or less	42.2%	9.2%
Some high school	40.7%	14.4%
High school degree or GED	47.8%	31.4%
Some college	48.3%	47.2%
Bachelor degree or more	62.8%	63.6%

Figure A2.3
Black Men at Different Age Levels
Labor Market Participation Behavior
1970 and 2000

	1970	2000
Not in the labor force		
18 – 25	21.7%	36.3%
26 - 35	10.4%	28.1%
36 - 45	12.5%	27.7%
46 – 55	19.9%	27.8%
56 - 65	30.4%	49.0%
Unemployed		
18 – 25	11.6%	16.7%
26 - 35	2.2%	9.5%
36 - 45	2.1%	7.8%
46 – 55	3.4%	7.8%
56 - 65	1.1%	5.1%
Full-time Employment		
18 – 25	23.8%	19.3%
26 - 35	54.4%	42.0%
36 - 45	56.9%	46.3%
46 – 55	52.1%	47.7%
56 - 65	35.9%	30.5%

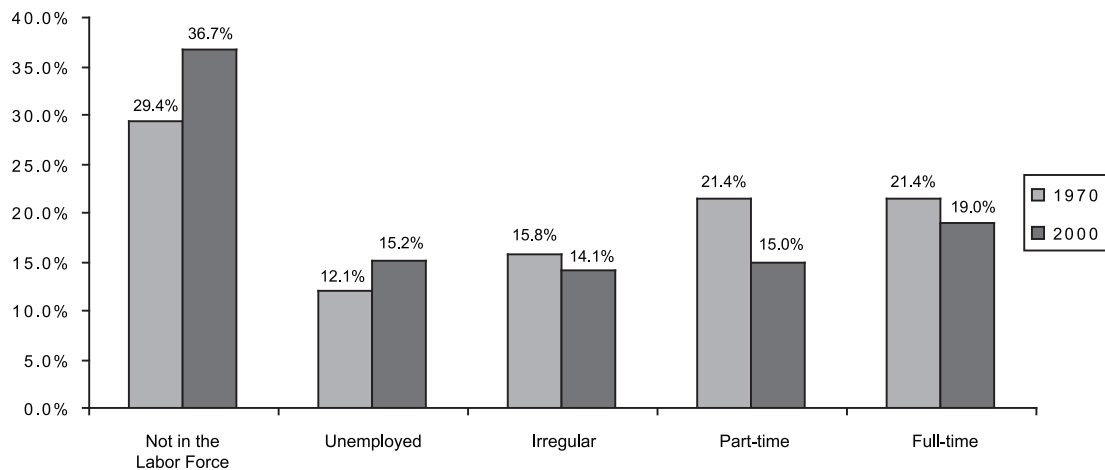
Figure A2.4
Black Women at Different Age Levels
Labor Market Participation Behavior
1970 and 2000

	1970	2000
Not in the Labor Force		
18-25	36.4%	37.0%
26-35	32.0%	23.6%
36-45	31.5%	25.6%
46-55	31.5%	25.6%
56-65	47.1%	30.4%
Unemployed		
18-25	12.5%	13.7%
26-35	7.0%	10.1%
36-45	8.7%	8.0%
46-55	8.7%	8.0%
56-65	5.7%	5.3%
Full-time Employment		
18-25	19.3%	18.6%
26-35	28.0%	39.9%
36-45	30.4%	45.4%
46-55	30.4%	45.4%
56-65	26.4%	45.5%

Figure A2.5
Black Women at Different Levels of Educational Attainment
Labor Market Participation Behavior
1970 and 2000

	1970	2000
Not in the Labor Force		
8 th Grade or Less	55.2%	68.2%
Some High School	45.1%	52.5%
High School Degree or GED	32.3%	38.4%
Some College	20.3%	26.8%
Bachelor Degree or More	23.8%	16.3%
Unemployed		
8 th Grade or Less	5.7%	9.0%
Some High School	10.8%	13.9%
High School Degree or GED	8.5%	11.2%
Some College	3.9%	6.8%
Bachelor Degree or More	7.2%	3.8%
Full-time Employment		
8 th Grade or Less	13.0%	7.0%
Some High School	17.1%	13.3%
High School Degree or GED	27.1%	30.8%
Some College	39.1%	42.0%
Bachelor Degree or More	33.3%	53.1%

Figure A2.6
Portrait of the Bay Area Young Black Working Age Population (18-25)
1970 and 2000



CHAPTER THREE

Changes in the Industrial Distribution of Black Workers: The Increasing Importance of Low-wage Industries to Black Employment

Chapter Overview

One way to begin to understand the changes in wages is to observe the industries within which Blacks work and the occupations they hold and then examine how these industries and occupations changed between 1970 and 2000.¹¹ This chapter provides data on those industries where large numbers of Black workers were employed in 1970 and how those concentrations changed in 2000.¹² The key story emerging from this analysis is that industries which provide low wages to large numbers of its workers have an increasing importance in the employment prospects of Black workers. In addition to presenting numbers on the level of Black employment in selected industries, the chapter also describes these sectors with respect to low-wage employment and gender.

Some key findings in this chapter are:

- The Educational Services, Transportation, and Hospital industries maintained their importance as employers of Black workers between 1970 and 2000.
- Between 1970 and 2000, Business Services, Retail, and Non-Hospital Medical and Other Health Services were industries whose importance rose.
- Six of the top ten industries that employed the largest number of Black workers saw an increase in the proportion of low-wage Black workers between 1970 and 2000.

The Rising Importance of Low-wage Industries

- The Business Services, Retail, and Non-Hospital Medical and Other Health Services industries saw the greatest increase in the rankings of industries employing the largest number of Black workers. In each of these industries, at least one-third of Black workers earned low wages.

Between 1970 and 2000, low-wage industries played an increasing role in the employment prospects of Black workers. This importance can be seen in two ways. First, when examining the ten industries which employed the largest number of Blacks in 2000, three saw a significant leap in ranking: Business Services (ranked #10 in 1970; ranked #1 in 2000); Retail (1970: #15; 2000: #5); and Non-Hospital Medical and Other Health Services (1970: #18; 2000: #8). In all three industries, at least one-third of Black workers earned low wages in 2000. In the Business Services industry 32.4% of Black workers earned low wages. This figure was virtually unchanged from 1970. In the Retail industry, 46.4% of Black workers earned low wages; this represented an increase from the 1970 figure of 40.8%. In the Non-Hospital Medical and Other Health Services industry, 32.7% of Black workers earned low wages; this was also a higher figure compared to the 22.2% figure in 1970. Thus, industries that became more important in hiring Black workers between 1970 and 2000 were paying significant segments of their Black workforce low wages. (In 2000, 27.8% of Black workers received low wages.)

Second, eight of the ten industries employing the largest number of Black workers in 1970 remained in the top ten rankings in 2000. Of those eight industries, four saw the proportion of Black workers receiving low wages increase between 1970 and 2000. These industries were: Transportation; Federal Public Administration; Durable Goods Manufacturing; and Construction. As indicated in the previous paragraph, the proportion of Black workers earning low wages remained constant in the Business Services industry. In three industries—Educational Services; Finance, Insurance, and Real Estate; and Hospitals—the proportion of Black workers earning low wages fell. Looking at this information in combination with the newly important industries (Retail and Non-Hospital and Other Health Services), we can see that six of the top industries in 2000 experienced an expansion of their low-wage Black workforce between 1970 and 2000. (Figures 3.1 and 3.2 summarize this data. Note: two industries—Postal Services and Personal Services—were no longer among the top ten employers of Black workers by 2000. In their place, two industries—Retail and Non-Hospital Medical and Other Health Services—entered the list of top ten employers. In order to report data clearly on these four industries for both 1970 and 2000, Figures 3.1 and 3.2 lists twelve industries. For expository reasons, these twelve industries are called “Top Industries.”)

Figure 3.1
Top Industries
2000 & 1970 Rankings

Industry	2000 Rank	1970 Rank
Business Services	1	10
Educational Services	2	1
Transportation	3	4
Finance, Insurance, and Real Estate	4	3
Retail	5	15
Hospitals	6	5
Federal Public Administration	7	3
Non-Hospital Medical and Other Health Services	8	18
Durable Goods Manufacturing	9	2
Construction	10	7
Postal Service	16	8
Personal Services	25	6

Figure 3.2
Top Industries
Change in Percentage of Low-wage Jobs

Industry	Rank		% Low-wage Jobs		Change
	2000	1970	2000	1970	
Business Services	1	33.4%	32.4%	33.4%	unchanged
Educational Services	2	33.0%	28.8%	33.0%	fewer
Transportation	3	7.3%	24.1%	7.3%	more
Finance, Insurance, and Real Estate	4	32.4%	21.5%	32.4%	fewer
Retail	5	40.8%	46.4%	40.8%	more
Hospitals	6	25.4%	19.8%	25.4%	fewer
Federal Public Administration	7	13.3%	18.3%	13.3%	more
Non-Hospital Medical and Other Health Services	8	22.2%	32.7%	22.2%	more
Durable Goods Manufacturing	9	14.1%	21.4%	14.1%	more
Construction	10	10.7%	23.5%	10.7%	more
Postal Service	16	15.9%	10.2%	15.9%	fewer
Personal Services	25	66.2%	49.8%	66.2%	fewer

Changes in the Racial and Gender Composition of Industries Employing Large Numbers of Black Workers

Figure 3.3 allows us to see how the racial composition of the workforce changed in these leading industries. By 2000, five industries experienced an increase in the proportion of Black workers in the workforce. (Figures A3.1 and A3.2 has data on the change in composition for other ethnic groups.) Overall, the top ten industries employed 66.3% of all Black workers. In 2000, the Bay Area workforce was 6.3% Black. Thus, three industries employed workforces that were disproportionately Black and two industries had Black workforces that approximately mirrored the regional workforce. (In 1970, the Bay Area workforce was 7.3% Black. The top ten industries employed 66.7% of the entire Black workforce.)

Figure 3.3
Ten Industries with the Largest Number of Black Workers in 2000
Percentage of Black Workers in the Industry Workforce
1970 and 2000

Industry	2000 Rank	% Black in Industry 1970	% Black in Industry 2000	Change in % Black in Industry
Business Services	1	5.2%	5.4%	unchanged
Educational Services	2	7.4%	6.8%	fewer
Transportation	3	9.2%	12.6%	more
Finance, Insurance, and Real Estate	4	3.6%	6.6%	more
Retail	5	3.6%	5.4%	more
Hospitals	6	13.6%	9.8%	fewer
Federal Public Administration	7	21.6%	13.2%	fewer
Non-Hospital Medical and Other Health Services	8	6.6%	7.3%	more
Durable Goods Manufacturing	9	6.2%	3.9%	fewer
Construction	10	7.8%	4.3%	fewer

Another issue is the gender composition of the Black workforce in these industries. In 1970, the Black workforce was 44.9% female; by 2000, the Black workforce was 51.9% female. Figure 3.4 provides data on which industries were predominately female in 2000 and how these proportions changed since 1970. (As mentioned in Chapter Three, the wage trajectory of Black men and Black women differed sharply. Chapter Six will explore the role of low wages in changing industries in explaining this outcome.) Six industries saw a rising proportion of Black women relative to Black men; included in these industries are three in which the 1970 proportion of Black women was under 10%.

Figure 3.4
Ten Industries with the Largest Number of Black Workers in 2000
Percentage of Black Female Workers among Black Workers in the Industry
1970 and 2000

Industry	2000 Rank	% Female 1970	% Female 2000	Change in % Female
Business Services	1	41.7%	45.4%	more
Educational Services	2	69.0%	68.9%	unchanged
Transportation	3	8.5%	27.7%	more
Finance, Insurance, and Real Estate	4	56.8%	67.0%	more
Retail	5	44.4%	42.0%	unchanged
Hospitals	6	73.4%	68.8%	fewer
Federal Public Administration	7	38.9%	63.3%	more
Non-Hospital Medical and Other Health Services	8	77.7%	81.2%	more
Durable Goods Manufacturing	9	9.8%	32.5%	more
Construction	10	8.9%	18.7%	more

Conclusion

Industries with growing percentages of low-wage Black workers became increasingly important employers of Black workers. The Retail and Non-Hospital Medical and Other Health Services industries were not ranked among the ten industries that employed the largest number of Black workers in 1970; in 2000, they were ranked #5 and #8, respectively. In addition, both of these industries employed a high percentage of low-wage Black workers (Retail – 46.4%; Non-hospital Medical and Other Health Services – 32.7%) Overall, of the ten industries employing the largest number of Black workers in 2000, six saw the proportion of Black workers earning low wages rise between 1970 and 2000.

Appendix to Chapter Three

Figures A3.1 and A3.2 present data on the ethnic distribution of the workforces in these industries in 1970 and 2000. What is striking is the sharp reduction in white workers in these industries. In 1970, the top ten industries had majority non-Hispanic white majorities which ranged from 67.6% to 84.6%. None of the industries had a combined Asian and Latino presence of over 15%.¹³ By 2000, the ethnic compositions changed dramatically: only one industry had a white majority over 60%; in two industries, white workers comprised the largest plurality but not a majority; and in the other seven industries white majorities were below 60%. The reduction in white presence was matched by the increase in Asian and Latino presence. The lowest combined Asian and Latino percentage in any one industry was 24%; the highest was 42%.

**Figure A3.1: Ten Industries with the Largest Number of Black Workers in 2000
Ethnic Distribution of the Employees in 1970**

	Black	White	Native American	Asian	Latino	Other
Business Services	5.2%	83.1%	0.3%	3.9%	7.1%	0.3%
Educational services	7.4%	83.7%	0.1%	3.9%	4.8%	0.1%
Transportation	9.2%	77.6%	0.4%	4.8%	7.6%	0.3%
Finance, Insurance, and Real Estate	3.6%	84.6%	0.5%	6.0%	5.2%	0.2%
Retail	3.6%	85.3%	0.3%	4.2%	6.2%	0.5%
Hospitals	13.6%	71.1%	0.5%	7.8%	6.9%	0.0%
Federal Public Administration	21.6%	67.6%	0.0%	7.0%	3.8%	0.0%
Non-Hospital Medical and Other Health Services	6.6%	83.2%	0.4%	4.7%	5.1%	0.0%
Durable Goods Manufacturing	6.2%	80.2%	0.5%	3.0%	9.8%	0.3%
Construction	7.8%	79.7%	0.3%	1.8%	10.3%	0.1%

**Figure A3.2: Ten Industries with the Largest Number of Black Workers in 2000
Ethnic Distribution of the Employees in 2000**

	Black	White	Native American	Asian	Latino	Other
Business Services	5.4%	57.8%	0.4%	21.0%	12.6%	2.8%
Educational services	6.8%	65.3%	0.4%	12.3%	12.0%	3.3%
Transportation	12.6%	48.6%	0.7%	18.4%	15.6%	4.1%
Finance, Insurance, and Real Estate	6.6%	59.9%	0.4%	20.2%	10.2%	2.8%
Retail	5.4%	57.0%	0.6%	17.4%	15.4%	4.3%
Hospitals	9.8%	49.1%	0.3%	25.9%	11.2%	3.7%
Federal Public Administration	13.2%	51.6%	0.7%	18.4%	12.8%	3.2%
Non-Hospital Medical and Other Health Services	7.3%	55.5%	0.5%	20.4%	12.7%	3.7%
Durable Goods Manufacturing	3.9%	50.2%	0.4%	26.5%	16.0%	2.9%
Construction	4.3%	54.1%	0.5%	7.5%	30.8%	2.7%

Figure A3.3 indicates the importance of these industries to the overall distribution of Black workers. As the chart shows, four industries employed a larger share of the Black workforce and four employed a smaller share.

Figure A3.3
Ten Industries with the Largest Number of Black Workers in 2000
Industry Share of All Black Workers in 1970 and 2000

Industry	2000 Rank	% of All Black Workers 1970	% of All Black Workers 2000	Change in % of All Workers
Business Services	1	3.5%	11.5%	more
Educational Services	2	9.7%	9.9%	unchanged
Transportation	3	8.0%	7.8%	unchanged
Finance, Insurance, and Real Estate	4	3.6%	7.7%	more
Retail	5	2.1%	6.1%	more
Hospitals	6	7.3%	5.8%	fewer
Federal Public Administration	7	8.8%	5.2%	fewer
Non-Hospital Medical and Other Health Services	8	1.7%	4.3%	more
Durable Goods Manufacturing	9	8.9%	4.1%	fewer
Construction	10	5.4%	3.8%	fewer

Figures A3.4 and A3.5 provides a comparison of median wages and the industry proportion of low-wage jobs for Black and white workers in 1970 and 2000.

Figure A3.4a: Top Industries – Comparison of Percentage Low-wage Black and White Workers 1970

Industry	Rank		% Low-wage Jobs	
	1970	2000	Black Workers	White Workers
Educational Services	1	2	33.0%	18.2%
Durable Goods Manufacturing	2	9	14.1%	6.1%
Federal Public Administration	3	4	13.3%	9.2%
Transportation	4	7	7.3%	5.9%
Hospitals	5	3	25.4%	18.1%
Personal Services	6	6	66.2%	42.7%
Construction	7	25	10.7%	7.3%
Postal Service	8	10	15.9%	11.3%
Finance, Insurance, and Real Estate	9	16	32.4%	18.3%
Business Services	10	1	33.4%	17.2%
Retail	15	5	40.8%	24.7%
Non-Hospital Medical and Other Health Services	18	8	22.2%	25.9%

Figure A3.4b: Top Industries – Comparison of Percentage Low-wage Black and White Workers 2000

Industry	Rank		% Low Wage Jobs	
	1970	2000	Black Workers	White Workers
Educational Services	1	2	28.8%	23.5%
Durable Goods Manufacturing	2	9	21.4%	9.5%
Federal Public Administration	3	7	18.3%	18.1%
Transportation	4	3	24.1%	18.6%
Hospitals	5	6	19.8%	9.5%
Personal Services	6	25	49.8%	39.9%
Construction	7	10	23.5%	13.8%
Postal Service	8	16	10.2%	5.8%
Finance, Insurance, and Real Estate	9	4	21.5%	12.9%
Business Services	10	1	32.4%	14.3%
Retail	15	5	46.4%	30.6%
Non-Hospital Medical and Other Health Services	18	8	32.7%	19.1%

Figure A3.5a: Top Industries – Comparison of Real Median Wages (\$2000) for Black and White Workers 1970

Industry	Rank		Real Median Wage (\$2000)	
	1970	2000	Black Workers	White Workers
Educational Services	1	2	\$ 16.45	\$ 18.84
Durable Goods Manufacturing	2	9	\$ 16.50	\$ 20.87
Federal Public Administration	3	4	\$ 15.34	\$ 20.93
Transportation	4	7	\$ 19.70	\$ 20.78
Hospitals	5	3	\$ 12.73	\$ 15.62
Personal Services	6	6	\$ 8.30	\$ 11.13
Construction	7	25	\$ 17.52	\$ 26.23
Postal Service	8	10	\$ 15.13	\$ 16.59
Finance, Insurance, and Real Estate	9	16	\$ 10.99	\$ 15.78
Business Services	10	1	\$ 10.99	\$ 17.52
Retail	15	5	\$ 12.51	\$ 14.26
Non-Hospital Medical and Other Health Services	18	8	\$ 14.31	\$ 16.03

Figure A3.5b: Top Industries – Comparison of Real Median Wages (\$2000) for Black and White Workers 2000

Industry	Rank		Real Median Wages (\$2000)	
	1970	2000	Black Workers	White Workers
Educational Services	1	2	\$ 15.43	\$ 17.96
Durable Goods Manufacturing	2	9	\$ 17.79	\$ 26.28
Federal Public Administration	3	7	\$ 18.27	\$ 20.98
Transportation	4	3	\$ 16.83	\$ 19.23
Hospitals	5	6	\$ 17.31	\$ 24.29
Personal Services	6	25	\$ 11.63	\$ 13.33
Construction	7	10	\$ 17.19	\$ 22.31
Postal Service	8	16	\$ 18.75	\$ 19.21
Finance, Insurance, and Real Estate	9	4	\$ 16.83	\$ 23.08
Business Services	10	1	\$ 15.63	\$ 23.81
Retail	15	5	\$ 12.16	\$ 16.15
Non-Hospital Medical and Other Health Services	18	8	\$ 14.42	\$ 19.23

CHAPTER FOUR

Changes in the Occupational Distribution of Black Workers: The Continued Importance of Low-wage Occupations and the Rising Importance of Professional Occupations

Chapter Overview

This chapter presents data on the occupations held by Black workers in large numbers in 1970 and how those occupational concentrations changed by 2000. In many ways, the structure of this chapter will mirror the structure of the last chapter with the key difference being the focus on occupations instead of industries.¹⁴ The key stories in this analysis are the continued importance of selected low-wage occupations and the rise of importance of certain professional occupations.

Some key findings in this chapter are:

- Between 1970 and 2000, the Clerical Workers occupation maintained its rank as the largest occupation for Bay Area Black workers, and Sales Workers rose in importance.
- Professional occupations rose in importance.
- Blue collar occupations such as Operatives, Laborers, Craftsmen, Janitors, and Mechanics became less important for Black workers.

The Continued Importance of Selected Low-wage Occupations

- In 2000, in four occupations that ranked within the top eight occupations held by Blacks, over one-third of the Black workers earned low wages
- These occupations were: Clerical Workers; Sales Workers; Operatives; and Laborers

Between 1970 and 2000, certain occupations within which a disproportionate number of Black workers earn low wages maintained their status of key occupations for Bay Area Blacks. Clerical Workers remained the largest occupation for Black workers; Sales Workers rose in importance (ranked #9 in 1970; ranked #3 in 2000); Operatives (1970: tied for #1; 2000: #6); and Laborers (1970: #4; 2000: #8) moved down the list but stayed in the top tier. In each occupation, at least one-third of Black workers earned low wages; figures range from 33.0% among Clerical Workers to 38.8% among Laborers. Of these four, the proportion of low-wage workers rose between 1970 and 2000 for all except Sales Workers. (Figures 4.1 and 4.2 present the 1970 and 2000 rankings and data on low-wage employment. Note: similar to what occurred among the ranked industries, some of the ten leading occupations for Black workers in 1970 were not ranked among the top ten occupations in 2000. Craftsmen, Mechanics, and Janitors fell from the top ten by 2000; Miscellaneous, Business Professionals, and Educational Professionals join the list of top ten occupations by 2000. Figures 4.1 and 4.2 will list thirteen occupations; these occupations will be called “Top Occupations”.)

Figure 4.1
Top Occupations
2000 & 1970 Rankings

Occupation	2000 Rank	1970 Rank
Clerical Workers	1	1T
Managers, Officials, and Proprietors	2	8
Sales Workers	3	9
Miscellaneous Professionals	4	13
Business Professionals	5	22
Operatives	6	1T
Education Professionals	7	11
Laborers	8	4
Stenographers and Secretaries	9	7
Service Workers	10	3
Craftsmen	14	5
Mechanics	18	10
Janitors	19	6

Figure 4.2
Top Occupations
Changes in Low-wage Jobs

Occupation	2000 Rank	% Low-wage Jobs		Change
		1970	2000	
Clerical Workers	1	28.1%	33.0%	more
Managers, Officials, and Proprietors	2	13.3%	16.2%	more
Sales Workers	3	40.8%	35.7%	fewer
Miscellaneous Professionals	4	40.9%	21.0%	fewer
Business Professionals	5	10.0%	5.7%	fewer
Operatives	6	18.3%	38.7%	more
Education Professionals	7	20.0%	17.8%	fewer
Laborers	8	15.6%	38.8%	more
Stenographers and Secretaries	9	25.6%	22.9%	fewer
Service Workers	10	58.1%	28.4%	fewer
Craftsmen	14	15.7%	25.5%	more
Mechanics	18	11.1%	20.8%	more
Janitors	19	25.0%	40.1%	more

The Rising Importance of Professional Occupations

- In 2000, three of the top seven occupations were professional and managerial classes.
- These occupations were: Managers, Officials, and Proprietors; Miscellaneous Professionals; Business Professionals; and Educational Professionals.

In 1970, only one professional occupation was ranked among the top ten occupations held by Black Workers in the Bay Area—Managers, Officials, and Proprietors—and that occupation group ranked #8. By 2000, three additional professional occupations—Miscellaneous Professionals; Business Professionals; and Educational Professionals—reached the top ten. (See Figure 4.1 for these rankings.) In each of these four occupations, the share of Black workers with low wages was relatively small, and only in the Managers, Officials, and Proprietors occupation did the share rise between 1970 and 2000. (Figure 4.2 presents this data.)

The Declining Importance of Traditional Blue Collar Occupations

- In 1970, four traditional blue collar occupations were among the ten leading occupations of Black workers (Operatives; Laborers; Craftsmen; and Mechanics)
- By 2000, each of these occupations fell in importance and the percentage of low-wage workers within them rose dramatically.

In 1970, four traditional blue collar occupations (Operatives; Laborers; Craftsmen; and Mechanics) ranked among the ten leading occupations of Bay Area Black workers (ranking tied for #1, #4, #5, and #10, respectively). Of the leading occupations in 1970, those four had some of the lowest percentages of low-wage workers. However, by 2000, each occupation fell in ranking (#6, #8, #14, and #18, respectively). In addition, between 1970 and 2000, the percentage of low-wage workers in those occupations rose significantly.

Changes in the Racial and Gender Composition of Leading Occupations for Black Workers

In 2000, Blacks comprised 6.3% of the Bay Area workforce. Four of the top ten Black occupations were disproportionately Black: Clerical Workers; Laborers; Stenographers and Secretaries; and Service Workers. Of these four, two (Clerical Workers and Stenographers and Secretaries) experienced a rising percentage of Black workers between 1970 and 2000. Overall, six occupations had a higher percentage of Black workers in 2000 compared to 1970. (See Figure 4.3.)

Figure 4.3
Ten Occupations with the Largest Number of Black Workers
1970 and 2000

Occupation	2000 Rank	% Black in Occupation in 1970	% Black in Occupation in 2000	Change in % Black in Occupation
Clerical Workers	1	9.8%	10.2%	more
Managers, Officials, and Proprietors	2	2.5%	4.8%	more
Sales Workers	3	2.4%	5.8%	more
Miscellaneous Professionals	4	4.6%	4.5%	unchanged
Business Professionals	5	2.6%	6.0%	more
Operatives	6	9.8%	4.8%	fewer
Education Professionals	7	4.3%	5.6%	more
Laborers	8	18.5%	8.2%	fewer
Stenographers and Secretaries	9	4.4%	7.6%	more
Service Workers	10	14.9%	8.2%	fewer

Women made up 51.9% of the Bay Area Black workforce in 2000. In that year, three occupations were disproportionately female (Clerical Workers; Educational Professionals; and Stenographers and Secretaries) and two had Black female workforces which approximated the proportion of Black women in the entire Bay Area Black workforce (Managers, Officials, and Proprietors and Sales Workers). In six occupations, the proportion of Black women (relative to Black men) rose between 1970 and 2000. In two occupations, the Black workforce went from predominately male to predominately female between 1970 and 2000 (Managers, Officials, and Proprietors and Business Professionals), while the Black portion of the Miscellaneous Professional occupation became predominately male; and Black Sales Workers moved from a small majority of female workers to an even distribution between men and women. (See Figure 4.4.)

Figure 4.4
Ten Occupations with the Largest Number of Black Workers in 2000
Gender Distribution of Black Workers
1970 and 2000

Occupation	2000 Rank	% Female 1970	% Female 2000	Change in % Female
Clerical Workers	1	66.0%	69.6%	More
Managers, Officials, and Proprietors	2	30.0%	51.9%	More
Sales Workers	3	55.5%	50.0%	Fewer
Miscellaneous Professionals	4	59.1%	48.8%	Fewer
Business Professionals	5	40.0%	67.0%	More
Operatives	6	26.1%	29.4%	More
Education Professionals	7	71.9%	67.8%	Fewer
Laborers	8	3.4%	13.3%	More
Stenographers and Secretaries	9	95.4%	91.4%	Fewer
Service Workers	10	73.4%	48.3%	More

Conclusion

Three trends are notable in the way occupational distribution for Bay Area Black workers has changed between 1970 and 2000. First, Sales and Clerical occupations retained their importance, and in both occupations, over one-third of Black workers earned low wages in 1970 and 2000. Second, higher-wage blue collar occupations (Operatives; Laborers; Craftsmen; and Mechanics) were less significant occupations for Black workers by 2000. Third, professional occupations (Managers, Officials, and Proprietors; Miscellaneous Professionals; Business Professionals; and Educational Professionals) became more important. While the first two trends tended to depress wages among Black workers overall, the latter trend tended to increase wages.

Appendix to Chapter Four

Figures A4.1 and A4.2 present data on the 1970 and 2000 ethnic distributions of the leading occupations for Black workers in 2000. This information allows us to see how the ethnic composition has changed during that time period. Two trends are striking. Among professional occupations that became increasingly important for Black workers between 1970 and 2000, there was a sharp reduction in the proportion of whites in all four occupations and a sharp increase in the proportion of Asian workers. Among the occupations that saw a sharp reduction in the proportion of Black workers (Operatives; Laborers; and Service Workers), there was a sharp rise in the proportion of Latino workers.

Figure A4.1: Ten Occupations with the Largest Number of Black Workers in 2000 – Ethnic Distribution of the Employees 1970

	Black	White	Native American	Asian	Latino	Other
Clerical Workers	9.8%	77.0%	0.2%	5.8%	6.9%	0.3%
Managers, Officials, and Proprietors	2.5%	91.0%	0.0%	3.3%	3.1%	0.1%
Sales Workers	2.4%	90.7%	0.0%	2.5%	4.1%	0.3%
Miscellaneous Professionals	4.6%	88.8%	0.0%	3.1%	3.3%	0.2%
Business Professionals	2.6%	91.4%	0.3%	3.1%	2.6%	0.0%
Operatives	9.8%	67.7%	0.5%	6.2%	15.8%	0.0%
Education Professionals	4.3%	88.1%	0.0%	2.9%	4.5%	0.2%
Laborers	18.5%	59.1%	0.6%	2.7%	18.7%	0.4%
Stenographers and Secretaries	4.4%	85.6%	0.8%	4.1%	4.8%	0.2%
Service Workers	14.9%	67.6%	0.5%	8.0%	8.8%	0.2%

Figure A4.2: Ten Occupations with the Largest Number of Black Workers in 2000 – Ethnic Distribution of the Employees 2000

	Black	White	Native American	Asian	Latino	Other
Clerical Workers	10.2%	47.4%	0.5%	21.0%	17.4%	3.5%
Managers, Officials, and Proprietors	4.8%	67.4%	0.4%	14.8%	9.6%	3.0%
Sales Workers	5.8%	65.1%	0.4%	14.9%	10.5%	3.3%
Miscellaneous Professionals	4.5%	55.4%	0.3%	30.1%	6.9%	2.9%
Business Professionals	6.0%	61.9%	0.5%	21.3%	7.8%	2.6%
Operatives	4.8%	27.0%	0.5%	33.5%	30.9%	3.4%
Education Professionals	5.6%	73.5%	0.2%	9.1%	8.5%	3.1%
Laborers	8.2%	31.0%	0.4%	9.8%	48.0%	2.6%
Stenographers and Secretaries	7.6%	61.4%	0.5%	13.7%	13.3%	3.5%
Service Workers	8.2%	49.6%	0.7%	16.8%	20.6%	4.1%

Figure A4.3 illustrates the importance of the leading occupations in 2000 to the overall distribution of Black workers. In six occupations, the share of Black workers in these jobs relative to the entire Black workforce rose.

Figure A4.3
Ten Occupations with the Largest Number of Black Workers in 2000
Occupation Share of All Black Workers in 1970 and 2000

Occupation	2000 Rank	% of All Black Workers in 1970	% of All Black Workers in 2000	Change in % of All Black Workers
Clerical Workers	1	15.2%	16.6%	more
Managers, Officials, and Proprietors	2	3.0%	13.7%	more
Sales Workers	3	2.7%	5.9%	more
Miscellaneous Professionals	4	2.2%	5.8%	more
Business Professionals	5	1.0%	4.5%	more
Operatives	6	15.2%	4.2%	fewer
Education Professionals	7	2.5%	4.1%	more
Laborers	8	8.8%	3.8%	fewer
Stenographers and Secretaries	9	4.3%	3.4%	fewer
Service Workers	10	12.3%	3.4%	fewer

Figures A4.4 and A4.5 provide a comparison of median wages and the occupational proportion of low wage jobs for Black and white workers in 1970 and 2000.

Figure A4.4a: Top Occupations – Comparison of Percentage of Low-wage Black and White Workers 1970

Occupation	Rank		% Low-wage Jobs	
	1970 Rank	2000 Rank	Black Workers	White Workers
Clerical Workers	1T	1	28.1%	23.4%
Operatives	1T	6	18.3%	15.4%
Service Workers	3	10	58.1%	31.0%
Laborers	4	8	15.6%	14.7%
Craftsmen	5	14	15.7%	7.3%
Janitors	6	19	25.0%	22.2%
Stenographers and Secretaries	7	9	25.6%	18.2%
Managers, Officials, and Proprietors	8	2	13.3%	7.6%
Sales Workers	9	3	40.8%	21.6%
Mechanics	10	18	11.1%	5.4%
Education Professionals	11	7	20.0%	10.5%
Miscellaneous Professionals	13	4	40.9%	9.6%
Business Professionals	22	5	10.0%	5.7%

Figure A4.4b: Top Occupations – Comparison of Percentage of Low-wage Black and White Workers 2000

Occupation	Rank		% Low-wage Jobs	
	1970 Rank	2000 Rank	Black Workers	White Workers
Clerical Workers	1T	1	33.0%	29.5%
Operatives	1T	6	38.7%	27.2%
Service Workers	3	10	28.4%	27.3%
Laborers	4	8	38.8%	35.9%
Craftsmen	5	14	25.5%	22.2%
Janitors	6	19	40.1%	40.3%
Stenographers and Secretaries	7	9	22.9%	19.6%
Managers, Officials, and Proprietors	8	2	16.2%	10.2%
Sales Workers	9	3	35.7%	22.3%
Mechanics	10	18	20.8%	14.0%
Education Professionals	11	7	17.8%	16.5%
Miscellaneous Professionals	13	4	21.0%	11.3%
Business Professionals	22	5	5.7%	7.5%

Figure A4.5a: Top Occupations – Comparison of Real Median Wages (\$2000) for Black and White Workers 1970

Occupation	Rank		Real Median Wage (\$2000)	
	1970 Rank	2000 Rank	Black Workers	White Workers
Clerical Workers	1T	1	\$ 13.60	\$ 14.04
Operatives	1T	6	\$ 15.34	\$ 16.92
Service Workers	3	10	\$ 8.92	\$ 14.05
Laborers	4	8	\$ 17.52	\$ 18.20
Craftsmen	5	14	\$ 16.93	\$ 21.52
Janitors	6	19	\$ 14.04	\$ 15.34
Stenographers and Secretaries	7	9	\$ 12.51	\$ 13.39
Managers, Officials, and Proprietors	8	2	\$ 17.32	\$ 24.05
Sales Workers	9	3	\$ 13.17	\$ 17.52
Mechanics	10	18	\$ 16.30	\$ 21.86
Education Professionals	11	7	\$ 18.87	\$ 24.62
Miscellaneous Professionals	13	4	\$ 17.52	\$ 22.31
Business Professionals	22	5	\$ 16.81	\$ 22.96

Figure A4.5b: Top Occupations – Comparison of Real Median Wages (\$2000) for Black and White Workers 2000

Occupation	Rank		Real Median Wage (\$2000)	
	1970 Rank	2000 Rank	Black Workers	White Workers
Clerical Workers	1T	1	\$ 14.40	\$ 14.96
Operatives	1T	6	\$ 13.49	\$ 16.33
Service Workers	3	10	\$ 18.75	\$ 18.27
Laborers	4	8	\$ 13.94	\$ 14.90
Craftsmen	5	14	\$ 18.71	\$ 19.23
Janitors	6	19	\$ 12.40	\$ 12.82
Stenographers and Secretaries	7	9	\$ 15.38	\$ 16.67
Managers, Officials, and Proprietors	8	2	\$ 20.00	\$ 26.15
Sales Workers	9	3	\$ 15.20	\$ 20.28
Mechanics	10	18	\$ 18.75	\$ 20.05
Education Professionals	11	7	\$ 18.75	\$ 20.43
Miscellaneous Professionals	13	4	\$ 19.38	\$ 26.28
Business Professionals	22	5	\$ 20.19	\$ 25.64

CHAPTER FIVE

An Industrial and Occupational Look at the Differing Fates of Black Women and Black Men between 1970 and 2000

Chapter Overview

As detailed in Chapter 2, between 1970 and 2000, Black men and Black women in the Bay Area moved along radically different trajectories in the labor market. Re-visiting just one measure of employment outcomes, the proportion of Black men working in low-wage jobs rose from 14.9% to 27.0%; for Black women, this proportion fell from 29.4% to 21.4%. To explore the causes of these different paths, we identified the top ten industries and occupations (with respect to Black employment), then label these sectors as “male” or “female” based upon the proportion of each gender in 1970. Next, we trace the changes median wage and the proportion of low-wage employment in these sectors over time.

The key story that emerges is that industrial and occupational change has a great deal to do with the different wage paths taken by Black men and Black women. There was a general tendency for those industries and occupations where the Black workforce was predominately male to see an increase in low-wage employment between 1970 and 2000; in contrast, in industries and occupations where women are the majority of the Black workforce, the proportion of low-wage work tended to fall.

Some key findings in this chapter are:

Industries

- Of the six male-dominated industries in 1970, four employed a larger proportion of low-wage workers by 2000.
- Of the four female-dominated industries in 1970, all employed a smaller proportion of low-wage workers by 2000.

Occupations

- Of the six male-dominated occupations in 1970, all contained a larger proportion of low-wage workers by 2000.
- Of the six female-dominated occupations in 1970, three contained a smaller proportion of low-wage workers by 2000.

Male and Female Dominated Black Workforces: Changing Proportion of Low-wage Work in Key Industries and Occupations

Figure 5.1 re-examines the top ten industries in 1970 and 2000 (already identified in Chapter 3) from the perspective of gender. In 1970, four of the top ten industries are labeled “female” because women make up the majority of the Black workforce; six of the top ten industries in 1970 are labeled “male”. All four “female” industries—Educational Services; Hospitals; Personal Services; and Finance, Insurance, and Real Estate—saw a decrease in the proportion of low-wage employment. In contrast, four of the six “male” industries—Durable Goods Manufacturing, Federal Public Administration, Transportation, and Construction—saw increases in the proportion of low-wage jobs.

Figure 5.1
Top Industries (Grouped into “Female” and “Male” Industries)
Change in Percentage of Low-wage Jobs

Industry	Rank		% Low-wage jobs		Change
	1970	2000	1970	2000	
Female					
Educational Services	1	2	33.0%	28.8%	fewer
Hospitals	5	6	25.4%	19.8%	fewer
Personal Services	6	25	66.2%	49.8%	fewer
Finance, Insurance, and Real Estate	9	4	32.4%	21.5%	fewer
Non-hospital Medical and Other Health Services	18	8	22.2%	32.7%	more
Male					
Durable Goods Manufacturing	2	9	14.1%	21.4%	more
Federal Public Administration*	3	7	13.3%	18.3%	more
Transportation	4	3	7.3%	24.1%	more
Construction	7	10	10.7%	23.5%	more
Postal Service	8	16	15.9%	10.2%	fewer
Business and Repair Services	10	1	33.4%	32.4%	unchanged
Retail	15	5	40.8%	46.4%	more

* In 1970, the majority of the Black workers in the Federal Public Administration industry were male; by 2000, the majority of the Black workers were female.

The same analysis can be performed looking at the occupational distribution of Black men and women. Figure 5.2 segments the top occupations in “male” and “female” occupations and presents the rankings in 1970 and 2000 along with the change in the proportion of low-wage jobs. In three of the “female” occupations—Service Workers; Stenographers and Secretaries; and Sales Workers—the proportion of low-wage jobs fell. The proportion of low-wage employment rose on all of the “male” occupations (Operatives; Laborers; Craftsmen; Janitors; Managers, Officials, and Proprietors; and Mechanics).

Figure 5.2
Top Occupations (Grouped into “Female” and “Male” Occupations)
Change in Percentage of Low-wage Jobs

Occupation	Rank		% Low-wage jobs		Change
	1970	2000	1970	2000	
Female					
Clerical Workers	1	1	28.1%	33.0%	more
Service Workers*	3	10	58.1%	28.4%	fewer
Stenographers and Secretaries	7	9	25.6%	22.9%	fewer
Sales Workers***	9	3	40.8%	35.7%	fewer
Education Professionals	11	7	20.0%	17.8%	fewer
Business Professionals	22	5	10.0%	5.7%	fewer
Male					
Operatives	1	6	18.3%	38.7%	more
Laborers	4	8	15.6%	38.8%	more
Craftsmen	5	14	15.7%	25.5%	more
Janitors	6	19	25.0%	40.1%	more
Managers, Officials, and Proprietors**	8	2	13.3%	16.2%	more
Mechanics	10	18	11.1%	20.8%	more
Miscellaneous Professionals**	13	4	40.9%	21.0%	fewer

* male in 2000; ** female in 2000; *** even split in 2000

Change in the Distribution of Black Men and Black Women in Key Industries and Occupations

Figures 5.3 and 5.4 present information on the changing distribution of Black men and Black women in key industries and occupations between 1970 and 2000. While the data reinforces popular anecdotes—women are concentrated in clerical and service occupations; men dominate blue-collar occupations and managerial professions—some changes in the intensities of these concentrations can be noted.

By 2000, the Black workforce had a lower percentage of women workers in all of the 1970 “female” industries except Finance, Insurance, and Real Estate. In each of the “male” industries, women comprised a larger percentage of the Black workforce, and in contrast to 1970, no industry had a Black workforce that was over 90% male. This same trend is evident in the key occupations. In four of the six “female” occupations, the proportion of Black women in those occupations fell; in five of the seven “male” occupations, the proportion of Black women rose.

Figure 5.3
Top Industries (Grouped into “Female” and “Male” Industries)
Changing Gender Composition of Black Workers

Industry	Rank		Male		Female	
	1970	2000	1970	2000	1970	2000
Female						
Educational Services	1	2	31.0%	31.1%	69.0%	68.9%
Hospitals	5	6	26.6%	31.2%	73.4%	68.8%
Personal Services	6	25	12.2%	31.8%	87.8%	68.2%
Finance, Insurance, and Real Estate	9	4	43.2%	33.0%	56.8%	67.0%
Non-Hospital Medical and Other Health Services	18	8	18.8%	22.3%	81.2%	77.7%
Male						
Durable Goods Manufacturing	2	9	90.2%	67.5%	9.8%	32.5%
Federal Public Administration	3	7	61.1%	36.7%	38.9%	63.3%
Transportation	4	3	91.5%	72.3%	8.5%	27.7%
Construction	7	10	91.1%	81.3%	8.9%	18.7%
Postal Service	8	16	56.8%	61.1%	43.2%	38.9%
Business Services	10	1	58.3%	54.6%	41.7%	45.4%
Retail	15	5	58.0%	55.6%	42.0%	44.4%

Figure 5.4
Top Occupations (Grouped into “Female” and “Male” Occupations)
Changing Gender Composition of Black Workers

Occupation	Rank		Male		Female	
	1970	2000	1970	2000	1970	2000
Female						
Clerical Workers	1T	1	34.0%	30.4%	66.0%	69.6%
Service Workers*	3	10	26.6%	51.7%	73.4%	48.3%
Stenographers and Secretaries	7	9	4.6%	8.6%	95.4%	91.4%
Sales Workers***	9	3	44.5%	50.0%	55.5%	50.0%
Education Professionals	11	7	32.2%	28.1%	67.8%	71.9%
Business Professionals	22	5	33.0%	60.0%	67.0%	40.0%
Male						
Operatives	1T	6	73.9%	70.6%	26.1%	29.4%
Laborers	4	8	96.6%	86.7%	3.4%	13.3%
Craftsmen	5	14	98.0%	83.1%	2.0%	16.9%
Janitors	6	19	77.1%	79.4%	22.9%	20.6%
Managers, Officials, and Proprietors**	8	2	70.0%	48.1%	30.0%	51.9%
Mechanics	10	18	92.6%	92.9%	7.4%	7.1%
Miscellaneous Professionals**	13	4	51.2%	40.9%	48.8%	59.1%

* *male in 2000*; ** *female in 2000*; *** *even split in 2000*

Conclusion

Between 1970 and 2000, the wage trajectories for Black men and Black women moved in opposite directions: Black male workers experienced rising levels of low-wage work, while Black female workers experienced falling levels of low-wage work. Much of the difference in these outcomes can be explained by examining what happened to the percentage of low-wage workers in the industries and occupations where the Black workforce was predominately male or female. In 1970, six of the ten leading industries had men in the majority of their Black workforce; 2000, four of these had a larger percentage of low-wage Black workers. Looking at those leading occupations where Black men outnumbered Black women in 1970, all had a larger proportion of low-wage Black workers in 2000. Examining those leading industries and occupations where Black women outnumbered Black men in 1970, all four of the industries and three of the six occupations had a lower percentage of low-wage workers in 2000.

Conclusion: Toward a New Approach to the Crisis of Work in the Black Community

Since 1970, over one-quarter of Black workers in the Bay Area have earned low wages. This large proportion has persisted despite the clear successes of the modern civil rights movement. The large number of low-wage Black workers—who exceed those who are officially unemployed—implies a need to transform the approach to work in the Black community on conceptual, policy, and programmatic levels.

Conceptual Implications

There are two aspects of the job crisis facing Black communities that need to be reconceptualized. First, thinking on these issues must broaden in order to recognize the existence of a substantial segment of the Blacks who work at low wages. Broadening the focus of employment concerns is not intended to replace concerns about stubbornly high levels of unemployment; not is it intended to minimize the impact of mass incarceration on the Black community. But, simply, it will be impossible to build thriving communities when large numbers of the community's workers do not earn livable wages. Second, the reconceptualization must incorporate a structural analysis within any understanding of the job crisis facing Black communities. The U.S. economy has stopped producing large numbers of blue collar jobs which, during previous times, provided good wages. Approaches that are limited to addressing real or imagined shortcomings on the part of individuals seeking employment will not be largely successful.

Policy Implications

The old framework identifies the central problem facing Blacks in the labor market as unemployment. During the modern civil rights movement, structural racism was seen as the primary source of unemployment—either in the hiring practices of employers or in institutions responsible for preparing individuals for work and matching workers to the labor market. With the rise in conservatism over the past thirty years, conventional wisdom has shifted responsibility for unemployment from labor market structures to individual job seekers. Thus policy solutions have emphasized job training and job readiness programs that seek to impart hard skills, soft skills, or provide applicants with better information on employment prospects.

While individuals need to be fully prepared to take advantage of labor market opportunities, this singular focus on individuals ignores the prospects that individuals find in the labor market and the nature of jobs that are held currently by Black workers. Policy makers must recognize the dual nature of the job crisis facing the Black community: the crisis of unemployment and the crisis of low-wage employment, and then explore how public policy can influence job quality outcomes in labor market by enacting standards for firms.

Broadly speaking, the quality of employment is affected by three general forces: the skill levels of individuals; the demand for workers by firms; and the social and political context that constrains the choices made by individuals and firms. Primarily, policies have targeted the first two forces as attempts are made to influence the education and training of workers, and the location and start-up decisions of businesses. Often what is forgotten is the ability of policy to influence outcomes by creating standards for labor market behavior. Child labor laws, minimum wage laws, and occupational health and safety regulations are examples of policies that constrain the actions of firms in order to improve the quality of work and, therefore, improve societal well-being. The benefits of these interventions have been lost in recent years in the rush to create “business-friendly” climates. Consequently, labor market standards have eroded and the quality of work has declined for most workers. Given historical and contemporary discrimination, Black workers are most adversely impacted by the decline of these protective standards. There is a need to examine policies that will increase standards in the areas of: wages (minimum wage laws; living wage laws); benefits (protecting employer-based health care and pension plans); and the right to unionize.

Programmatic Implications

The narrow approach to the job crisis has resulted in an allocation of resources to programs and organizations that have a singular focus on unemployment. Government agencies, churches, and community-based organizations develop a variety of job training/job readiness/labor exchange programs. At their core, these programs seek to change an individual’s situation by moving that person from unemployment to any job or from a current job to another job. However, recognition of the low-wage job crisis and the contemporary state of the U.S. economy in which millions of low wage jobs are being created on an annual basis requires that resources and programs also address the need to transform the low-wage jobs themselves. Labor market standards are one way to effect these changes. A wide variety of jurisdictions are exploring ways to extend health benefits to uninsured workers and some are mandating that selected industries pay workers a higher wage. Voters in San Francisco passed an initiative establishing a specific minimum wage for workers in the city. The Board of Supervisors in San Francisco enacted legislation to expand health care coverage to residents. Residents in Emeryville, California voted for a wage standard specifically covering the city’s hotel industry. As mentioned in the Introduction, the City Council in Chicago nearly overrode a mayoral veto to establish wage and health benefits standards for “big box” stores.

Complementing these programs must be efforts to help workers and their communities organize and work collectively to address the crisis of low-wage jobs. Two important points must be made in this regard. First, the policy successes of the modern civil rights movement occurred because years of legal segregation and extra-legal violence forged a Black community with dense social networks and a multiplicity of organizations. This organizational capacity sustained the movement through ebbs and flows of activism and finally provided the basis for the eventual defeat of de jure segregation. Any sustained successes in raising the quality of jobs held by Black workers will require a similar level of organizational capacity.

Second, much is made of the role of blue collar manufacturing jobs in the development of stable Black communities with decent incomes and the subsequent devastation visited upon Black communities in the aftermath of the deindustrialization of the 1970s and 1980s. What is not said is that most of these jobs were well-paying jobs because they were union jobs. When Blacks migrated from Georgia and the Carolinas to New York City, they entered a labor market heavily influenced by powerful unions. When Blacks left Alabama and Mississippi for jobs in Detroit's auto industry and Chicago's steel industry, they helped to organize the United Auto Workers and the United Steelworkers of America. When Blacks moved from Louisiana and Texas to California, they found jobs in heavily unionized maritime and aircraft industries. Unions can enable workers to successfully obtain higher wages and better benefits from their employer. In conjunction with community allies, unions have the potential to gather the political power necessary to pass legislation and fund the necessary enforcement agencies to create labor standards that raise the quality of work. An important element of any strategy to raise job quality for Black workers will be unionization.

1 The data sources for this report are the U.S. Census Bureau's Public Use Microdata Set (PUMS) for the years 1970, 1980, 1990, and 2000; the Bureau of Labor Statistics' Current Population Survey.

2 Sarkar, Pia (2005) "Want a Wal-Mart Job?...", San Francisco Chronicle (August 17)

3 This report's focus does not imply that African Americans are the only racial and ethnic group to face differential outcomes in the labor market or that the labor market experiences of African Americans should be privileged over other groups. Race still matters in determining a wide variety of social and economic outcomes in United States society and it affects the life chances of all persons of color. In addition, the old binary approach to race — reducing the country's realities to simply Black and white — was never fully accurate and has even less validity today. However, while race affects all racial and ethnic groups, the way in which race affects particular groups will vary across groups given the unique histories of each group. To ignore these key distinctions renders any effort to seriously address racialized outcomes impotent. In order to address the impacts of racism on African Americans, it is essential to study and understand the racial realities of Blacks and not subsume these experiences under the rubric of "people of color".

4 Alice O'Connor, *Poverty Knowledge: Social Science, Social Policy, and the Poor in Twentieth Century U.S. History* (2001).

5 For example see Dave Carpenter, "Push Is on for Higher Wal-Mart Wages", *Houston Chronicle* (June 21, 2006).

6 The data source for this report is the U.S. Census Bureau's Public Use Microdata Set (PUMS) for the years 1970, 1980, 1990, and 2000. The data is available online courtesy of the University of Minnesota's Minnesota Population Center at <http://www.ipums.umn.edu/usa/> .

7 See, *The Bottom Line: Setting a Real Standard for Bay Area Working Families* (<http://www.uwba.org/helplink/reports/BottomLine.pdf>).

8 In an earlier report, "Black Workers in the Bay Area: 1970 – 2000: A Data Brief (Steven Pitts and Steve Wertheim), we mistakenly said that persons who were formerly incarcerated were counted in the household as not in the labor force.

9 Note: this figure is not identical to the published official unemployment rate. That rate looks at the proportion of the labor force that is unemployed. Here, we are examining the proportion of the entire working-age population that is unemployed. The key difference is that the latter calculation looks at a broad population (the working age population) compared to the former calculation, which examines only the labor force.

10 This phase of the research project is unable to shed light on what accounts for these divergent fates. Possible causes for these trends include the rise of Black male involvement in the criminal justice system; a decline in the industries that provide full-time work for Black men; and a rise in Black female labor force participation associated with a rise in service sector employment (especially in care industries).

11 The industrial composition of employment is important because most economic development policies try to influence individual firm behavior or industry behavior. The expansion or contraction of industries in response to these policies and other conditions determines both the size of the workforce and the distribution of workers across industries. These policies are in contrast to workforce development policies that seek to improve the skill level of individual workers and thus are inherently linked to occupations. Often different industries utilize workers with similar skill sets; thus, occupational categories may be the same in different industries and workers may change employment across industries. Still, when most residents think about government efforts to impact employment, people consider the attempt by governments to attract firms and industries to their region. In addition, the industrial distribution of employment is important because a key strategy to improve the quality of existing jobs is unionization, and most unions attempt to organize workers based on firms and industries.

It is also important to present data on industry because the employment prospects for workers—and hence, their prospects for earning potential—partially are shaped by the structure of the industries that are hiring. Without the demand for labor on the part of firms that are offering livable wages, it will be increasingly difficult for job seekers to find employment that allows them to raise their families at decent living standards. As the industrial structure of the economy changes—measured by the level of employment in each industry; the distribution of jobs across different industries; and the wages paid by these industries—so will change the prospects for jobs that pay well. This chapter will examine some of these changes.

12 There are many ways to define “concentrations.” While this report utilizes a definition based upon the sheer size of the Black workforce, an alternative definition could be based upon disproportionality. In this case, the top industrial concentration would be determined by where the proportion of Blacks in the sector was larger than the proportion of Blacks in the overall workforce. Both definitions have validity and the choice depends upon the context of the study.

13 The ethnic categories—Black, non-Hispanic white, Native American, Asian, and Latino—were constructed so that they are mutually exclusive. For ease of exposition, the term white will be used instead of non-Hispanic white.

14 The occupational distribution of employment is important because one of the features of the modern economic order is greater churning in labor markets. There are fewer long-term attachments between firm and workers and there is increased movement across companies by workers. This movement may result in workers changing industries as they seek better employment opportunities. What allows a worker to change jobs more or less successfully is the set of skills they possess; these skill sets coalesce into specific occupations that can be pursued across industries. From the point of view of an individual job seeker, occupations appear more important than industries as they attempt to find a firm—almost regardless of industry—with a job vacancy. Accordingly, many regional workforce development policies seek to train individuals for the fastest-growing occupations.

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