

SHIFTING WORK AND FAMILY TRENDS AMONG MILLENNIALS

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Members of the Millennial generation in the United States face rapidly changing—and at times contradictory—socio-economic circumstances. They are generally highly educated, but are saddled with historic amounts of student debt and face daunting levels of un- and under-employment. They care deeply about employment benefits at a time when paid sick and family leave are still distant realities and labor organizing and hard-won workplace protections are being eroded. Many have a desire to delay childbearing because of concerns about economic security, but also have an unmet need for affordable family planning options. Over the past decade we have seen changes in the economy, work, and class status drive Millennial views on marriage and family formation, while at the same time attitudes about family responsibilities, work-life balance, and employment benefits are shifting the way Millennials are engaging in the workforce.

Current Conditions

The Great Recession affected U.S. workers of all ages, but it had a disproportionate impact on the Millennial generation. Unemployment rates among this cohort remain high at 15.2 percent for those ages 18 to 29, while underemployment rates are even higher at 40 percent.¹ The ranks of unemployed Millennials now total 4.6 million, nearly 40 percent of all U.S. unemployed workers.²

The Recession has dramatically shifted how Millennials define their class standing. A 2014 Pew Research poll found that only 42 percent of Millennials now identify themselves as middle class (down from 53 percent in 2008), and 46 percent describe themselves as lower or lower-middle class, up from 25 percent in 2008.³ Two-thirds of recent bachelor's degree recipients have outstanding loans and the average debt is \$27,000, up from only half of recent graduates and an average of \$15,000 of debt 20 years ago.⁴ Navigating the post-recession economy has changed the way Millennials engage in the workforce, pushing more workers into low-paid work and others into part-time, temporary, and contract work.

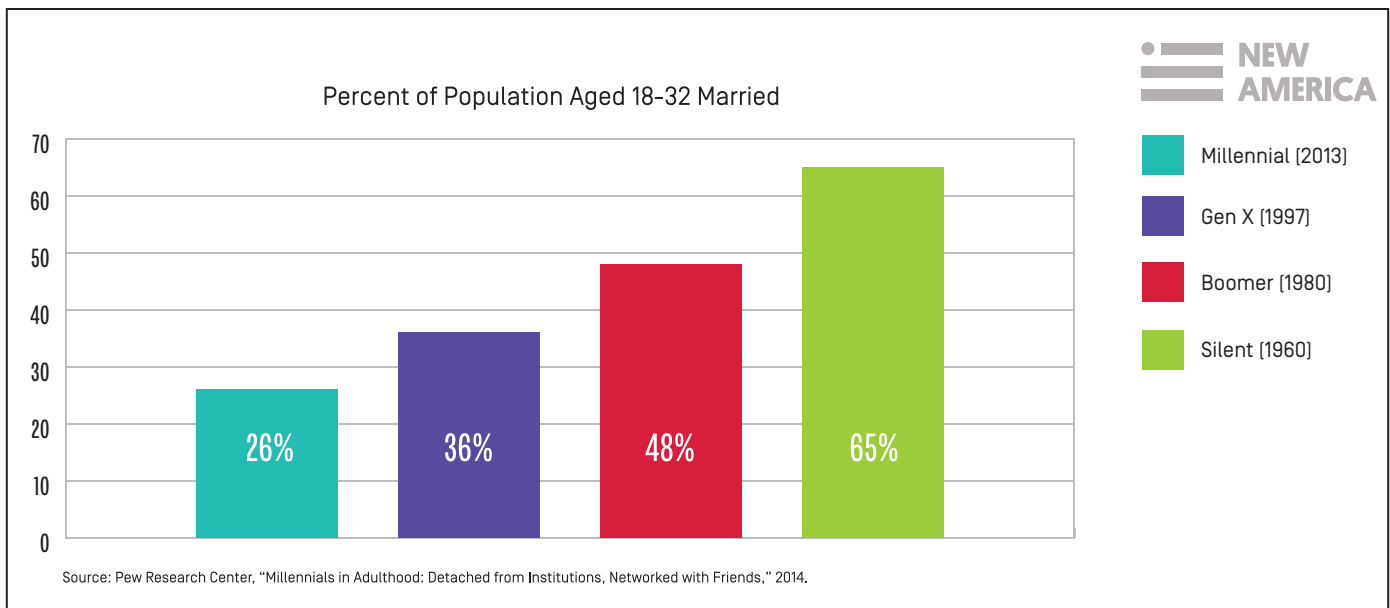
Rising Low-Wage Employment

The majority (50.4 percent) of U.S. minimum-wage workers are between the ages 16 to 24, with 24 percent between ages 16 to 19.⁵ However, a growing percentage of minimum-wage earners are over the age of 30, which raises concern that Millennials coming into adulthood in a sluggish economy are not going to simply age out of low-wage work. This concern is especially acute for women, who—despite making up less than half the U.S. work—make up two-thirds of the country's 20 million low-wage workers.⁶ Even though young men and women (between the ages of 16-24) comprise the same share of the U.S. workforce (6 percent), young women's representation in the low-wage workforce is 1.4 times greater than that of young men's.⁷

The economic circumstances of U.S. mothers are particularly challenging. Mothers and fathers make up a similar share of the overall workforce, but mothers represent a much larger share of low-wage workers (21 percent compared to 6 percent). Nearly one in five working mothers with children under three is employed in low-wage jobs and a third of them live in poverty. And in every state, at least six in ten low-wage workers are women, even though women make up half or less of the overall workforce in every state.⁸

The recovery from the 2008 recession was particularly hard on women. While 1.6 million jobs were added to the private sector over the course of the recovery, only one in seven of those new jobs went to women, and 35 percent of women's net job gains during that time were in jobs that paid at or below the minimum wage (compared to 20 percent for men).^{9, 10}

Despite the difficult socio-economic circumstances many find themselves in, Millennials are quite optimistic about their future. Of those who are currently employed, only 33 percent say they now earn enough to lead the kind of life they want, but 51 percent say they will be able to earn enough in the future. Among those who are unemployed, 29 percent say they now earn enough and 59 percent say will be able to earn enough in the future.¹¹



Rising Interest in Employment Benefits

Benefits are increasingly important factor in determining where U.S. men and women choose to work. In Metlife’s annual survey of 1,200 employees, 43 percent of respondents in 2013 reported that benefits were a key factor in why they chose their employer. That’s up from 28 percent in 2012.¹² “Millennials care deeply about benefits. More than any previous generation they have student loans to pay, family members to support, and beliefs that social security won’t cover their needs in the future.”

Nearly a third of the U.S. labor force is comprised of individuals who are working as freelancers, independent contractors, and temp workers. Experts predict that by the end of the decade that figure will rise to 40 percent, roughly 60 million people. Millennials will account for significant portion of this pool. Research has shown that 70 percent of young professionals worldwide aspire to be their own boss, and that nearly nine in ten workers affiliated with Freelancers Union report they would not choose to return to traditional work.¹³ This is not surprising, given that almost half of Millennials prioritize job flexibility over pay. “Yes, the comfort of a regular paycheck is gone, but it’s replaced by other, arguably greater comforts: a flexible schedule, the sense of ownership and pride that comes with being one’s own boss, the ability to prioritize health and wellness in ways that are incompatible with traditional employment structures.”¹⁴

Declining Unions and Collective Bargaining

Millennials are entering a workforce that has been dramatically altered by the changing landscape of labor

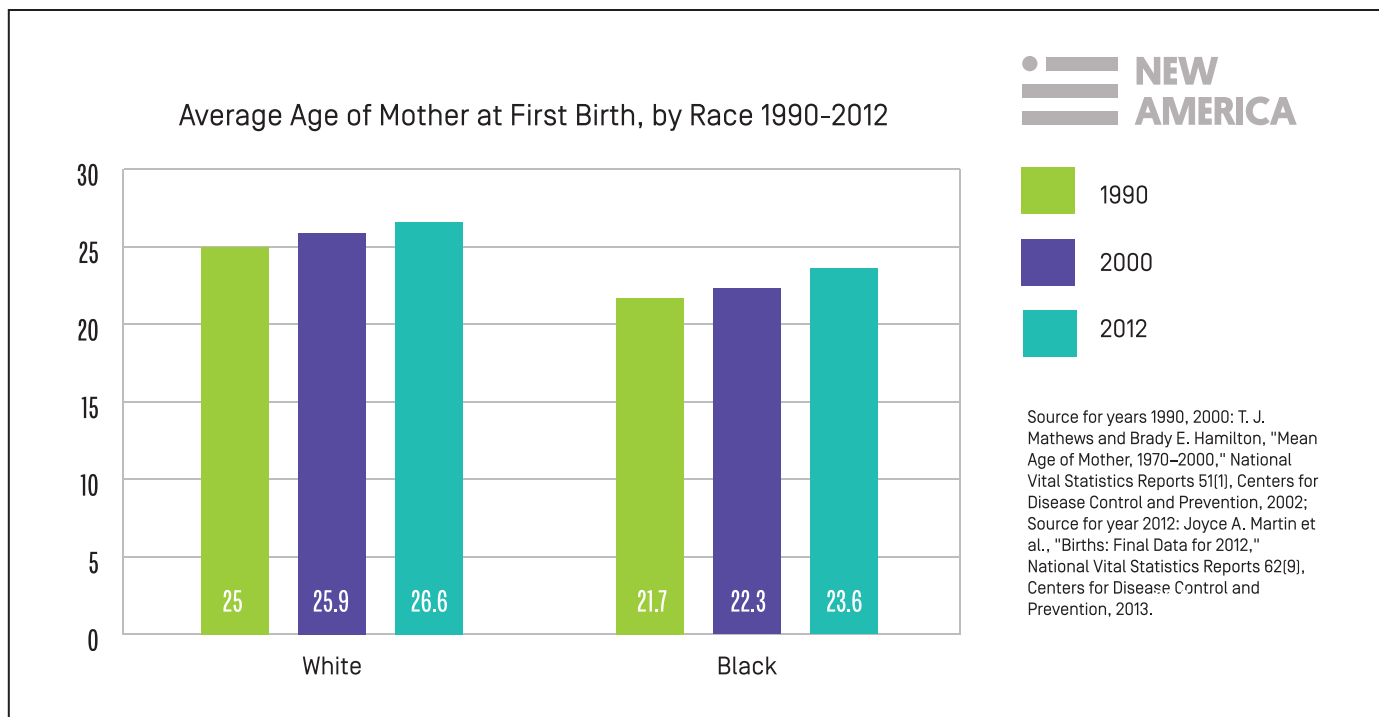
organizing and union membership. Today, unionized workers make up only 11 percent of the workforce, the lowest level in 97 years. Over the past 40 years the proportion of organized workers has plummeted, eroding previous protections for working families. The wages of workers have declined while the wealthy enjoy an increasing percentage of overall income. In the 1960s and 1970s, workers staged an average of 286 strikes a year. Since 2000 that has declined to 20 strikes a year.¹⁵ As Richard Kirsh points out, “With only 7 percent of private sector workers in unions, the labor movement can no longer play an effective role in raising workers’ wages throughout the economy.”¹⁶ More generally, the declining prevalence of collective bargaining and union membership reflect a general weakening of social protections, such as policies that provide workers paid time off for sickness, caregiving, or vacation.

Policy Landscape

The trends in work that have unfolded over recent decades have driven (and in some ways been driven by) the changing views that younger generations have about marriage, family, and the desired balance between work and family obligations.

Declines in Marriage

For individuals between the ages of 18 and 29, the marriage rate has dropped from 59 percent in 1960 to just 20 percent today.¹⁷ There are fewer people getting married today, and those who are marrying are doing so later than any other generation in history. Recent Pew Research Center data shows that in 2012, one in five adults over the age of 25 has never been married (compared to one in ten adults in 1960),



and that the median age at first marriage is now 27 for women and 29 for men (compared to 20 and 23 in 1960).¹⁸

The downward trend in marriage is driven by a number of factors: higher rates of co-habitation; a declining belief in the social value of marriage; concerns about divorce; and an increasing belief that financial security is a pre-requisite for marriage.¹⁹ This is especially true for women, 78 percent of whom say that it is very important for their future partner to have a steady job. Only 46 percent of men, however, have concerns about their future spouse's job.²⁰

Complicating marriage prospects are the fact that the ratio of employed, single men to women is shrinking. In 1960 there were 139 young, never-married, employed men per every 100 women (between the ages of 25-34). In 2012 there were just 91, and for some racial groups that gap is more significant. As *The Economist* recently reported, young, never-married, black women outnumber young, never-married, black men with jobs by two-to-one.²¹ "This helps explain why although African-Americans are more likely than other races to say they value marriage, only 26 percent of black women are actually married, compared with 51 percent of whites."²² It is difficult to talk about the un- and under-employment of black men without acknowledging the role that incarceration plays in shaping the socio-economic status of many black families. As Linda Harris of the Center for Law and Social Policy has written:

"The overcriminalization and disproportionate incarceration of young black men early in their adult life result in a sizable segment of the young male population in low-income, minority communities being marginalized in the labor force, with little prospect of earning a family-sustaining wage. This ultimately poses considerable barriers to successful family formation and positive civic engagement. This overcriminalization poses employment barriers to both ex-offenders and non-offenders. Researchers have documented that employers, when faced with applicants from an over-criminalized population, minimize their perceived risk by engaging in 'statistical discrimination'—that is considering neither offenders nor non-offenders from that population for employment."²³

In addition to these multiple factors driving women's decisions to delay marriage, there is also some evidence to show that there might be economic benefits for women who marry later. College-educated women who married after the age 30 have an annual personal income of \$50,415, compared with \$32,263 for college-educated women of the same age who marry before the age of 20. That is a 56 percent difference.²⁴ In contrast, men who marry in their 20s make more than men who wait to marry in their 30s.

Regardless of their ambivalence of the social importance of marriage, still nearly 70 percent of Millennials say they

would like to marry but feel their economic foundation is not strong enough to do so.²⁵ The changing marriage landscape helps to explain some of the shifts we have seen in childbearing trends in recent years.

Delayed Childbearing

Today nearly half of all births to Millennial women are non-marital, compared to only 20 percent among older women, trends that have grown more divergent in recent decades and are particularly pronounced among women with lower socioeconomic status. For college-educated women with higher incomes the average age of first birth (30) has risen along with the average age of marriage, while for women without a college degree the average age of first birth has not risen along with the average age of marriage. Women of higher socioeconomic backgrounds are predominantly having children later and in married relationships, while women of lower socioeconomic backgrounds continue to have children earlier in their 20s and are increasingly doing so out of wedlock.²⁶

When evaluating trends in childbearing, women's ability to plan the timing and size of their families is an important factor to take into consideration. The ability of women to control their pregnancies contributes to the increasing divide in opportunities, circumstances, and health outcomes among women of different socioeconomic backgrounds. Half of all pregnancies in the U.S. remain unplanned or mistimed (a rate higher than most developed countries), with rates among poor women and women of color significantly higher than among wealthier white women.²⁷

Family planning is often regarded as strictly a matter of "reproductive health," but it is also an economic security issue for women and their families. The majority of women in a recent Guttmacher Institute study reported that birth control enables them to support themselves financially (56 percent), complete their education (51 percent), and get or keep a job (50 percent).²⁸ The ability to determine the size and timing of a family is critical to women's financial wellbeing, and at the same time economic insecurity causes many women to want to delay childbearing. A 2009 Guttmacher Institute study found that 44 percent of women (and 52 percent of women with lower incomes) wanted to delay or limit childbearing in the wake of the 2008 recession.

The cost of contraception has made such planning hard for many women. During the 2008 recession and its aftermath, 8 percent of women dispensed with birth control all together and nearly 20 percent used it inconsistently as a way to save money.²⁹ And the population of women who want but cannot

afford family planning on their own has only grown in recent years. Between 2000 and 2012, the number of U.S. women in need of publicly funded family planning services increased by 22 percent, or 3.5 million women. The Affordable Care Act's expanded coverage of contraceptive care will meet the needs of some of these women, but many—especially those in states that are not expanding Medicaid—will fall through the cracks and continue to rely on publicly funded clinics that provide low- or no-cost contraceptive services.³⁰ Unfortunately, regulations and cuts to public clinics, along with the challenges like the Supreme Court's Hobby Lobby decision have made it more difficult for those who need and want family planning services to access them.³¹

Many policymakers blame the rising proportion of births to unmarried women—particularly young women—for cycles of poverty and inequality.³² It is true that nearly half of children living in single-mother homes are living in poverty, compared with 11 percent of children living with two married parents.³³ But research has shown that that poverty itself is the largest predictor of future socioeconomic status, and that unintended, teen, and out-of-wedlock births actually change the socioeconomic status of poor women very little.³⁴

Additional studies confirm that providing family planning services at no cost, including long-acting methods and emergency contraception, results in more effective contraceptive use, decreased rates of unintended pregnancy by nearly 30 percent, and significant declines in abortion rates.

Increasing Costs of Childcare

Many women who do decide to become parents find themselves negotiating the high costs of childcare with low wages. Many workers spend 30 percent or more of their income on childcare. A study from the National Women's Law Center (NWLC) illustrates the numerous issues facing working mothers: needing childcare during night and weekend hours (when providers are more expensive or less reliable); a lack of information and understanding about publicly funded early-education and care programs; language barriers; unpredictable and last-minute schedules; no paid sick or vacation days; a cost of childcare that far outweighs income for many women.

Unsurprisingly, child rearing carries a more significant cost for the careers of women than of men.³⁵ Among mothers and fathers who have reduced work hours or taken a significant time away from work to care for a family members, more

than a third—though glad they did it—report that it hurt their career (compared to 18 percent of fathers).³⁶

The Challenges to Address

The current political environment presents a number of challenges to overcoming the socioeconomic obstacles that Millennials face in balancing their work and family lives, but it also presents some opportunities. Too many years of stagnant wages have exacerbated inequality, but grassroots and political campaigns like the one that raised Seattle's minimum wage to \$15/hour show promise, and recent polls show that the majority of Americans approve of similar increases.^{37, 38, 39} Declines in union membership and labor organizing have dismantled hard-won protections for workers, but efforts by the National Domestic Workers Alliance (NDWA), the Coalition of Immokalee Workers, and the New York Taxi Workers Alliance (NYTWA) have provided innovative solutions that are protecting workers rights and guaranteeing a floor of wellbeing.⁴⁰ Affordable childcare and quality early education remain a distant reality for many, but New York City's recently launched Universal Pre-K program has garnered support at all levels and can be a model replicated by other cities and states. A stubborn wage gap persists between men and women, but new federal efforts have directed unprecedented attention and political capital to the issue.

At the same time, however, we have seen unprecedented rollbacks in voting rights, reproductive rights, and labor rights. Attacks on the Affordable Care Act, fair pay legislation, financial regulations, and student loan reform may weaken the policy supports in place that play a supportive role in promoting work and family formation among Millennials. We will need to harness the creativity, energy, passion, and political power of the Millennial generation to overcome these significant barriers to health, financial security, and overall wellbeing.

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Endnotes

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