

How has job quality changed for US workers?

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Work is a central part of life. The US labor force participation rate for 25–64 year-olds was almost 80 percent in 2022, with the average worker spending more than 1,800 hours per year at work, not including the average commute of around one hour per day.

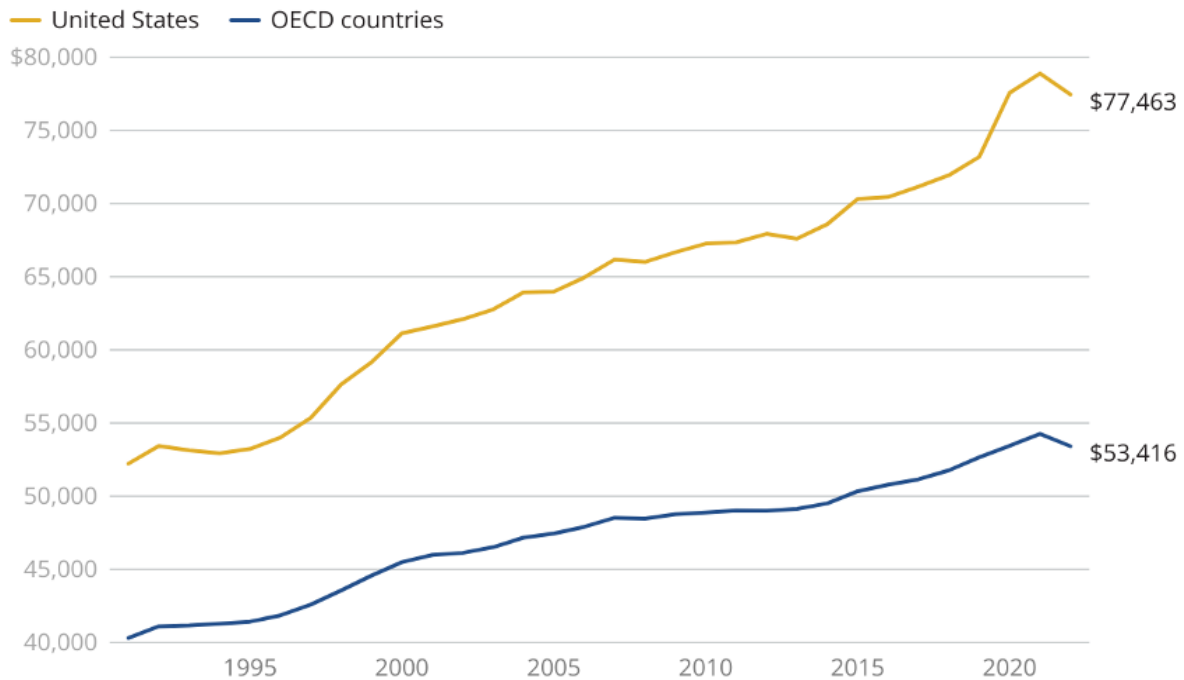
Americans probably spend on average more time at work, or going to and coming back from work, than on any other activity except sleeping. As explored throughout [The American Worker Project](#) from EIG, the quality of the jobs that people do is therefore an essential part of national well-being.

Assessing job quality requires looking at more than just how much workers are paid. A more holistic approach, one that takes into account a wide variety of job amenities, is needed. This essay will review how these various aspects of job quality have changed over time in the US labor market.

We can start with two of the most widely analyzed objective characteristics of jobs: wages and hours of work. Real (inflation-adjusted) median wages have been on the rise in the US, as shown in EIG [slide 20](#). Figure 1 puts the US figures into an OECD context, showing the evolution of mean real earnings in 2022 US Dollars. Mean real earnings rose almost every year since 1991 in both the US and the rest of the OECD. The US in 2022 had the third-highest mean earnings among OECD countries—\$77,463—with the OECD average figure being \$53,416.

Hours of work have been on the decline in developed countries for well over 100 years as countries have become more industrialized, and the US is no exception in this respect (EIG [slide 38](#)).

Figure 1: Mean annual real earnings (2022 US\$): US and the OECD



Source: Organization for Economic Cooperation and Development.

Jobs are therefore better paid, and take up fewer hours per week. But have they become less secure?

A simple, objective measure of job security is average tenure. Between 2006 and 2017, the average tenure of jobs climbed in 21 out of 30 OECD countries,¹ including the US.

In many countries, however, this greater job stability is accounted for by an aging population, as older workers tend to have longer job tenure. Accounting for worker age turns this percentage on its head, with shorter job tenure in 20 out of 30 countries.

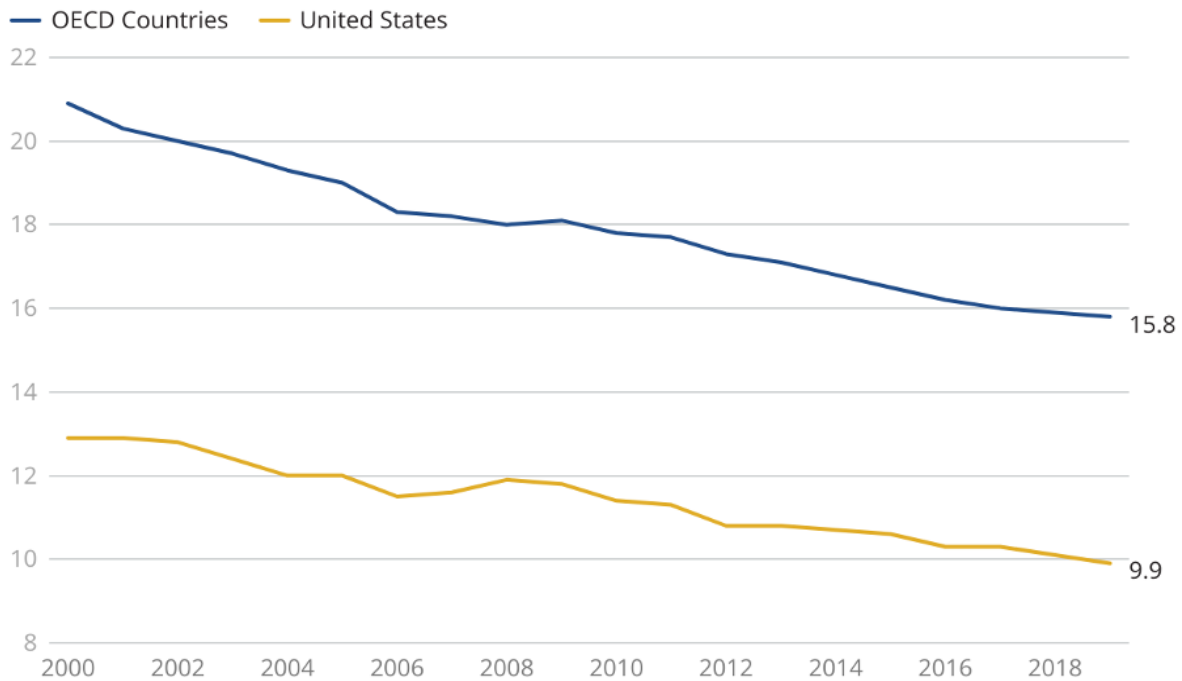
Strikingly, the US is one of a small number of countries for which this correction makes little difference. Either the US workforce did not age much over the 2006–2017 period, or there is little relationship between age and job tenure in the US.

Wages, hours, and job tenure are individual-level worker characteristics. We can also look at how labor market institutions have changed, as these undoubtedly affect job quality.²

Unions have [considerable impact](#) on the labor market in terms of wages, inequality, and the work environment in general. Union density, the percentage of workers who are union members, has been on the decline in the US and is now at only 10 percent (EIG [slide 44](#)).

In this respect, the US resembles the overall OECD (see Figure 2), in which union density has dropped by a quarter over the past 20 years (from 21 percent to 16 percent).

Figure 2: Trade union density (%): US and the OECD



Source: Organization for Economic Cooperation and Development.

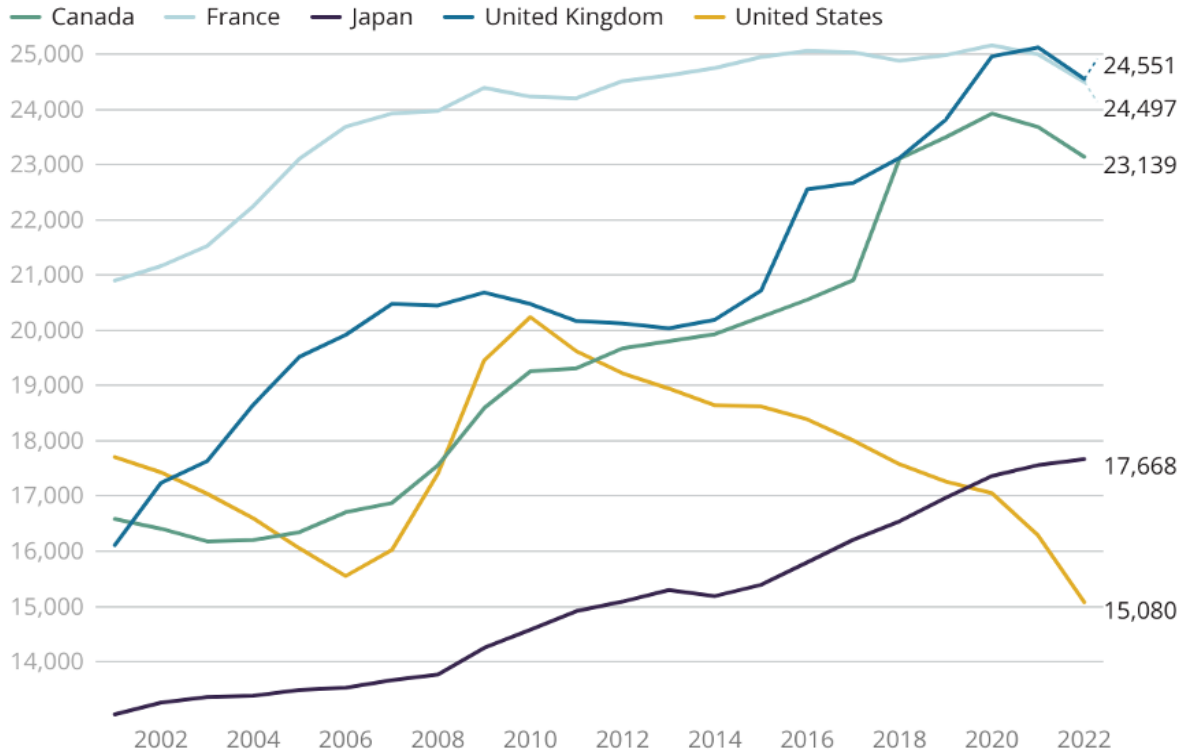
Minimum wage legislation explicitly protects workers against low wages. The federal minimum wage in the US is currently no higher in real terms than it was in 1990, and it is lower than it was in the 1960s and 1970s.

At the international level, back in 2001 the US had a minimum wage that was below that of France—but higher than the minimum wages of Japan, the UK, and Canada. By 2022, the US minimum wage was the lowest of these five countries. There was thus a drop in the US’s relative position, but Figure 3 also reveals the fall in the absolute value (adjusted for inflation) of the minimum wage since 2010.

Other institutions protect workers against job loss and its consequences. Employment Protection Legislation (EPL), for instance, increases the cost of worker dismissal to firms. The OECD regularly calculates an index of the extent of EPL regulations on a one to six scale, with higher numbers corresponding to more worker protection.

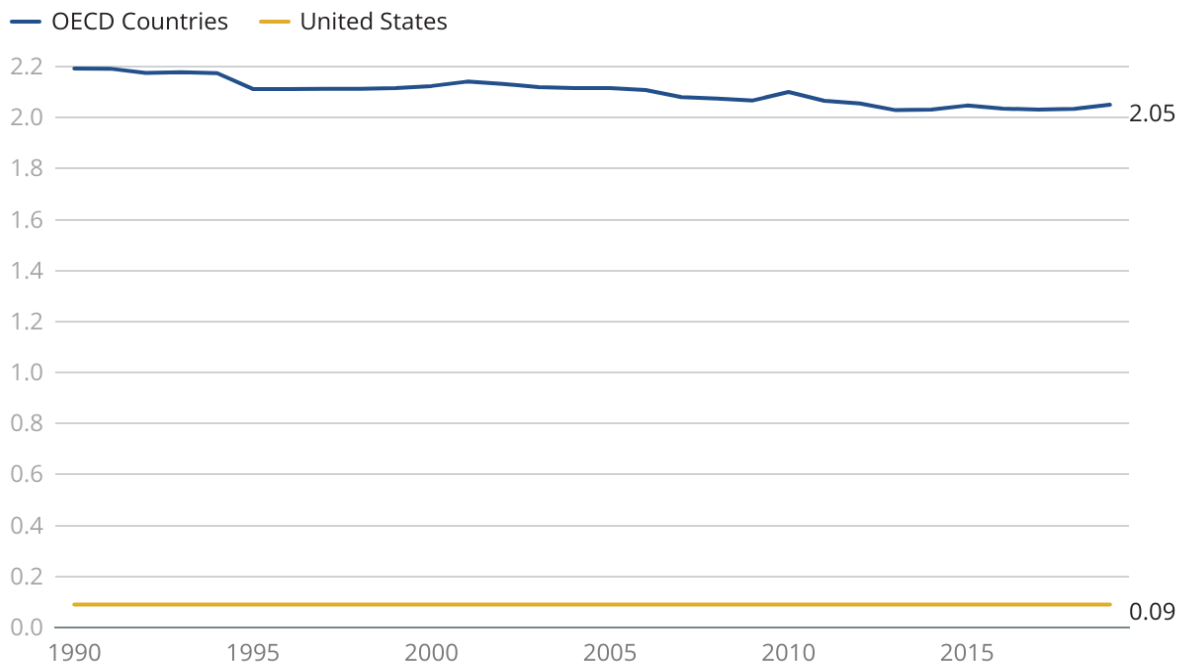
Figure 4 shows how this index has changed for the US and the OECD—specifically for 21 of the 24 countries that were OECD members in 1990. The US value remained the same over this 30-year period, and represents the lowest level of employment protection of all OECD countries. The average OECD figure has been drifting slowly downwards (from 2.19 in 1990 to 2.05 in 2019).

Figure 3: Annual minimum wages (2022 US\$) in Canada, France, Japan, the UK, and the US



Source: Organization for Economic Cooperation and Development.

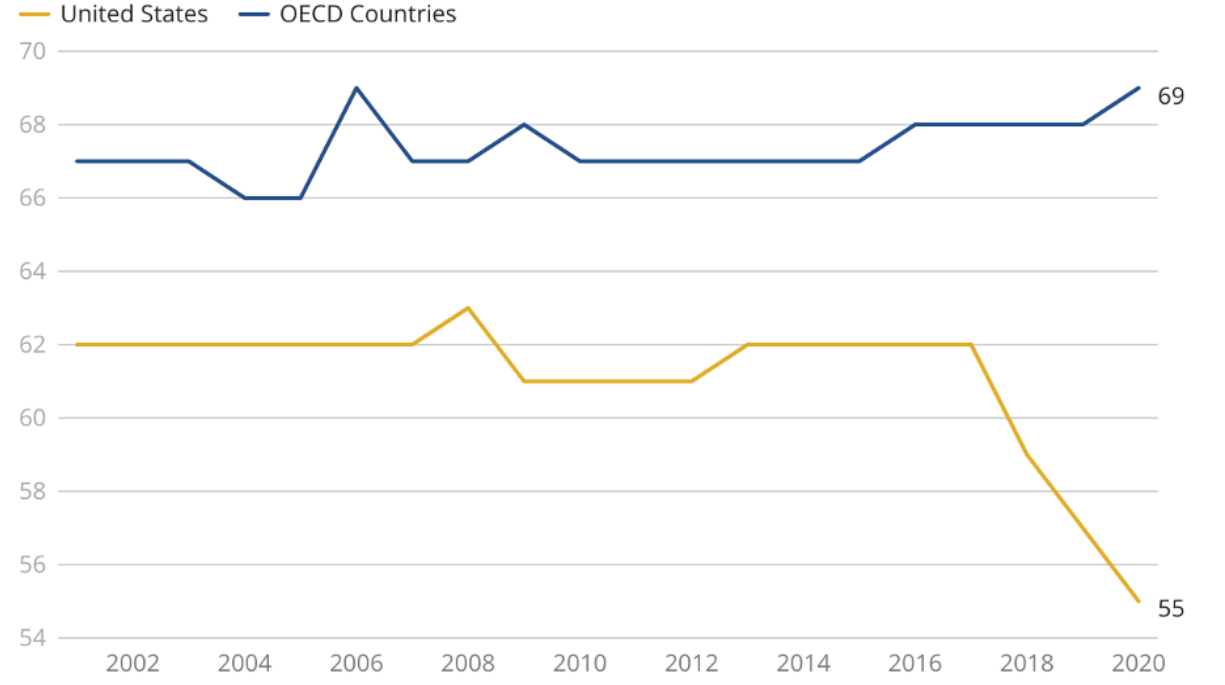
Figure 4: OECD Employment Protection Legislation Index (1-6): US and the OECD



Source: Organization for Economic Cooperation and Development EPL version 1.

The Net Replacement Rate is the percentage of previous earnings that is covered by social benefits in the case of unemployment. Figure 5 plots the US and OECD figures, calculated for a single person without children who has been unemployed for two months, and who previously earned 67 percent of the average wage. These figures include social assistance benefits and housing benefits. The US Net Replacement Rate figures are below those for the OECD, and have shown a downward movement in recent years, as compared to the slight upwards trend seen across the OECD on average.

Figure 5: The Net Replacement Rate in unemployment (%): US and the OECD



Source: Organization for Economic Cooperation and Development.

How much do the different aspects of job quality matter to workers? A simple way to find out is to ask workers themselves. The [International Social Survey Programme](#) (ISSP) has been carrying out annual surveys across a variety of countries since 1985, with the survey in each year focusing on a specific topic. The subject of the surveys in 1989, 1997, 2005, and 2015 was “Work Orientations”.³ All four of these Work Orientations survey waves include respondents from the US.

The surveys ask workers to rate the importance of eight different aspects of a job: high income, flexible working hours, good opportunities for advancement, job security, interesting job, allows to work independently, allows to help other people, and useful to society. The answers are on a five-point qualitative scale from “Not at all important” to “Very important”.

Table 1 below lists the weighted percentage of American employees (excluding the self-employed, for whom some of the job questions are not applicable) who describe each of these eight job characteristics as being “Very important”. The four columns refer to the 1989, 1997, 2005, and 2015 ISSP waves.

Table 1: Job values in the US*ISSP 1989, 1997, 2005, and 2015; Job values: percentage saying “very important”*

	1989	1997	2005	2015
High income	22.4%	23.9%	28.5%	28.7%
Flexible working hours	16.5%	17.9%	18.3%	16.7%
Good opportunities for advancement	39.2%	37.2%	40.4%	48.9%
Job security	50.5%	58.7%	62.8%	73.1%
Interesting job	44.0%	52.7%	56.8%	49.4%
Allows to work independently	28.5%	29.2%	36.5%	28.5%
Allows to help other people	23.8%	29.7%	44.8%	41.4%
Useful to society	27.9%	31.8%	49.5%	47.8%

Notes: weighted data.

The job aspects that American workers overall report to be the most important are job security and job interest, followed by promotion opportunities and a job that is useful. In terms of changes over time, there has been a notable rise in the percentage citing as very important some aspects that have not always been considered in discussions about job quality: jobs that are interesting, helpful for other people, and useful to society.

Given that workers find a variety of job characteristics to be important, the challenge to social science is their measurement. While wages and hours are observable, many of the other kinds of job characteristics that appear in Table 1 are difficult to measure objectively. As a consequence, analyses of job quality rely in part on workers’ subjective evaluations of their jobs.

Despite the central importance of work to individuals, there are perhaps surprisingly few surveys that contain good information on these kinds of job-quality evaluations.⁴ One exception is the ISSP Work Orientations modules, as used above. I consider below a series of these evaluations.

Regarding income and future job prospects, respondents are asked whether their income is high, their opportunities for advancement are high, and their job is secure. All three are answered on a five-point scale (Strongly Agree; Agree; Neither Agree Nor Disagree; Disagree; Strongly Disagree). A worker can be said to have a good-quality job in these dimensions if they reply Agree or Strongly Agree. The same response scale appears for the following job-content questions:

- My job is interesting.
- In my job I can help other people.
- My job is useful to society.
- I can work independently.

We again assign “good job content” in these dimensions to workers who reply Agree or Strongly Agree. Respondents also say how often they come home from work exhausted or find their work stressful: Always, Often, Sometimes, Hardly Ever, or Never. Those replying Always or Often were considered to have “bad job quality” in these respects. Last, there are two questions about workplace relations at the respondent’s workplace: between management and employees, and between workmates/colleagues: Very Good, Quite Good, Neither Good Nor Bad, Quite Bad, or Very Bad. Workers who reported that both of these were Very Good or Quite Good were considered to have good workplace relations.

Table 2 shows what has been happening to job quality in the US since 1989 using these measures. Only one-quarter of workers think that their income is high, with a small upward trend over time. On the contrary, reported promotion opportunities and job security both rose remarkably from 1997 to 2015. (The same job-security improvement also appears in the Gallup data in [EIG slide 54](#).) More than three quarters of American workers said that their job was secure in 2015. Equally, good job content has risen over time, while relations at work and stressful work have broadly remained unchanged. Not all of the news is good, however, with the percentage reporting coming home from work exhausted having increased over time.

Table 2: Job outcomes in the US

ISSP 1989, 1997, 2005, and 2015

	1989	1997	2005	2015
Income is high	26.1%	25.2%	27.7%	28.9%
Opportunities for advancement are high	35.8%	30.7%	38.5%	42.5%
Job is secure	75.7%	69.8%	72.9%	76.9%
Home from work exhausted	37.0%	41.4%	39.0%	49.6%
Stressful work	40.5%	N/A	39.6%	35.9%
Good job content	42.2%	47.5%	54.9%	54.5%
Good relations at work	60.3%	65.1%	65.0%	63.8%
High job satisfaction	49.1%	47.5%	55.5%	52.4%

Notes: weighted data.

Putting all of the above together, are American jobs better than they used to be? One measure of a good job is the worker's overall evaluation of it via a question on their job satisfaction. This satisfaction is measured in the ISSP on a seven-point scale (Completely, Very and Fairly Satisfied, Neither Satisfied Nor Dissatisfied, and then Fairly, Very, and Completely Dissatisfied). The last row of Table 2 shows the percentage of US workers who are Completely or Very Satisfied. There is a small positive time trend in this figure, with a dip in the late 1990s. US workers are a little more satisfied at work than they used to be. The same kind of profile, over a much longer time period, can be seen in US General Social Survey data, and the rise since the mid-1990s appears in the US data from Gallup (EIG [slides 55](#) and [54](#)).

The overall news regarding job quality in the US labor market is thus fairly positive, at least using the measures that appear in the ISSP data. One obvious question is whether the US is an outlier in this respect. The answer, using the figures from 13 OECD countries from 1997 to 2015, is "Not that much".⁵ Income, promotion opportunities, and good job content are rising across the OECD, and job security has been rising since the mid-1990s. Stress and good relations at work are also broadly flat. Job satisfaction has risen over time in these 13 OECD countries as well.

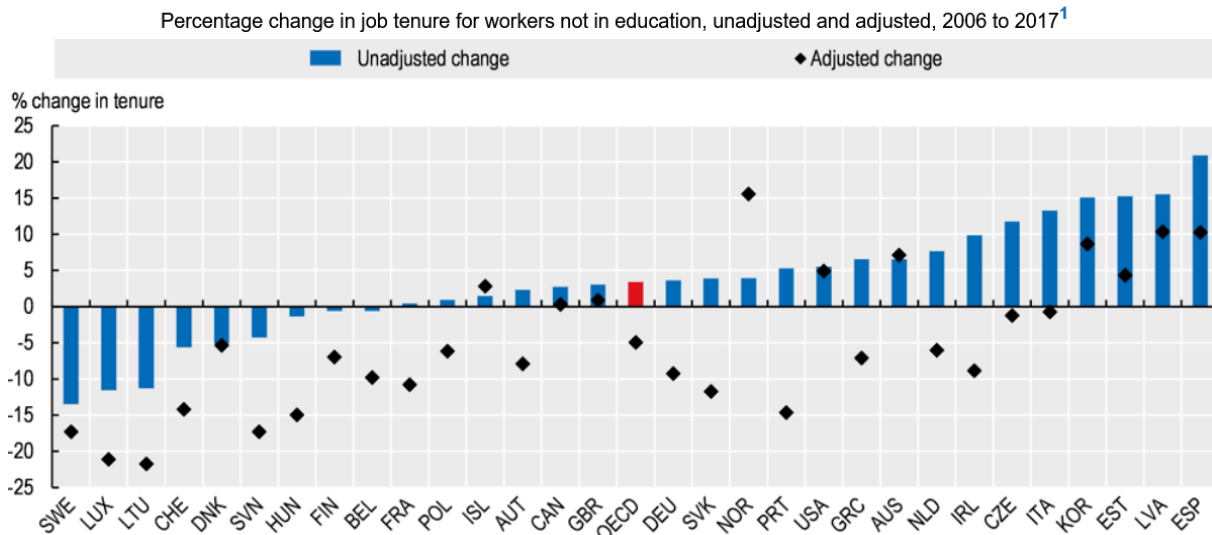
A last point refers to composition. The OECD concluded in 2019 that jobs were longer-lasting because of an aging workforce. Job duration *for a worker of a given age* was actually shorter.⁶ And the US labor force has indeed been changing: Employees are becoming older and better educated (EIG [slides 14](#) and [10](#)). In addition, the female share of employment has grown over time, although the recent pace of change slowed. Women [accounted](#) for 45 percent of employees in 1989, and 47 percent in 2015. For comparison purposes, the female share of employees was 29 percent in 1948, and 38 percent in 1970.

But in the ISSP data for the US, there has been only a small rise in average worker age (from 38 in 1989 to 40 in 2015), a small increase in years of education, and a small change in the percentage of female workers. Perhaps unsurprisingly then, a regression analysis where worker age, education, and sex are held constant produces very similar time profiles of the change in job outcomes as those in Table 2.

Jobs are multi-faceted. The separate analysis of a number of their components often suggests rising job quality. One point that is worth underlining, with respect to more-traditional analyses, is both the increasing importance to workers of jobs that are considered interesting and useful (Table 1) and the rising percentage of US employees who say that their jobs have these characteristics. For example, the percentage who strongly agree that their job is helpful for other people rose from 27 percent in 1989 to 47 percent in 2015. The analogous figures for having a job that is useful to society are 26 percent and 40 percent. These are substantial changes worthy of further investigation, as they suggest that workers increasingly appreciate jobs that offer more than just good pay and varied benefits, but also a sense of purpose and meaning.

Appendix

Figure 3.1. **Job stability has decreased in the majority of countries after accounting for population ageing**



Disclaimer. The ISSP data used in this essay were collected by independent institutions in each country, and documented and made available by the Zentralarchiv für empirische Sozialforschung, Köln. Neither the original collectors of the data set nor the Zentralarchiv bear any responsibility for the analyses or interpretations presented here.

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Explore the Economic Innovation Group's American Worker Project [here](#).

¹ OECD. (2019). "The future of work: New evidence on job stability, under-employment and access to good jobs", *OECD Employment Outlook 2019*. Paris: OECD Publishing.

² Clark, A.E. (2024). "Insecurity on the Labour Market". *Review of Income and Wealth*, forthcoming.

³ See Clark, A.E. (2010). "Work, Jobs and Well-Being Across the Millennium". In E. Diener, J. Helliwell, and D. Kahneman (Eds.), *International Differences in Well-Being*. Oxford: Oxford University Press; and Clark, A.E. (2024). "Insecurity on the Labour Market". *Review of Income and Wealth*, forthcoming.

⁴ Green, F., Lee, S., Zou, M., and Zhou, Y. (2024). "Work and life: the relative importance of job quality for general well-being, and implications for social surveys". *Socio-Economic Review*, Vol.22, pp. 835–857.

⁵ Clark, A.E., and Kozák, M. (2023). "Twenty Years of Job Quality in OECD Countries: More Good News?" IZA Discussion Paper No. 16597. Table 3.

⁶ OECD. (2019). "The future of work: New evidence on job stability, under-employment and access to good jobs", *OECD Employment Outlook 2019*. Paris: OECD Publishing.