

# On the decline in average weekly hours worked

*The decline in the workweek in private industry as measured by the Current Employment Statistics survey can be attributed to the combination of disproportionate employment growth and low and declining hours in retail trade*

Katie Kirkland

How many hours per week do workers in the United States spend at their paying jobs? The answer can be found by examining two principal BLS surveys used to track the number of hours that Americans work per week. The Current Population Survey (CPS) shows that there has been little change in average weekly hours worked; from 1964 to 1999, there was a decline of 0.5 percent in the average weekly hours at work in nonagricultural industries. This statistic contrasts information on the average workweek from the Current Employment Statistics (CES) program, otherwise known as the “establishment survey” or the “payroll survey.” Here, data show a long-term downward trend in the average length of the workweek. From 1964 to 1999, average weekly hours fell by a substantial 11 percent, from 38.7 to 34.5 hours, based on annual averages of monthly data.

Considering that most people do not differentiate between paid and unpaid work, it becomes clearer why these two labor economics surveys from the BLS report contradictory data on the workweek. The most apparent reason is that the two surveys use different sources of information, resulting in a variation in the type of data gathered.

The CPS survey is a household survey; the CES survey is an establishment survey. The CPS hours data is based on workers’ reports on the

hours they actually worked and includes all jobs they held during the survey reference period.<sup>1</sup> The CES survey represents employers’ reports on the employees’ paid hours of work. If a person works for more than one employer, the hours are reported separately for each. For example, in the CES a person working two part-time jobs of 20 hours a week is counted as having two 20-hour jobs, but in the CPS, the same individual is counted as one worker working 40 hours. In May 2000, 5.7 percent of all employed persons 16 years and older were multiple jobholders. Thus, the CPS is the appropriate survey to use to examine trends in a person’s average workweek, while the CES is used to examine trends in the average number of hours people spend at each job.

Further, the scope of workers covered by the two measures differs. The CPS presents data for the total civilian noninstitutional population, while the CES hours data are limited to the private sector. The CES reports hours data for production workers in the goods-producing sector and nonsupervisory workers in the service-producing sector. The data sources and scopes of the two surveys explain why they could have different trends in the length of the workweek, but why does the CES measure show declining hours?

To investigate, one must first understand how average weekly hours are calculated using CES data. For each industry, the sum of the reported paid hours worked is divided by the total number of production workers reported for that same industry.<sup>2</sup> Accord-

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**Table 1.** Average weekly hours and employment of production/nonsupervisory workers by major industry division, 1964–99

Industry	Average weekly hours				Production/nonsupervisory workers			
	1964	1999	Change		1964	1999	Change	
			Level	Percent			Level	Percent
Total private .....	38.7	34.5	-4.2	-10.9	40,560	88,911	48,351	119.2
Goods producing								
Mining .....	41.9	43.8	1.9	4.5	497	402	-95	-19.1
Construction .....	37.2	39.1	1.9	5.1	2,637	4,953	2,316	87.8
Manufacturing .....	40.7	41.7	1.0	2.5	12,781	12,739	-42	-.3
Service producing								
Transportation and public utilities .....	41.1	38.7	-2.4	-5.8	3,490	5,660	2,170	62.2
Wholesale trade .....	40.7	38.3	-2.4	-5.9	2,832	5,538	2,706	95.6
Retail trade .....	37.0	29.0	-8.0	-21.6	8,037	20,046	12,009	149.4
Finance, insurance, and real estate .....	37.3	36.2	-1.1	-2.9	2,346	5,546	3,200	136.4
Services .....	36.1	32.6	-3.5	-9.7	7,939	34,027	26,088	328.6

NOTE: Levels of production/nonsupervisory workers are in thousands.  
SOURCE: Bureau of Labor Statistics, Current Employment Statistics program.

ingly, when either the total hours or the number of production workers change, average weekly hours are affected. Following are some situations that would cause such changes:

- When individual workers have fewer paid hours in their current jobs, total hours decrease, causing average weekly hours to decline.
- When companies begin to employ more part-time workers while holding on to their full-time workforce, the average weekly hours total falls as the number of workers increases at a faster rate than does the figure for total hours.
- When companies that employ a large percent of part-time workers (that is, companies that have short average workweeks) grow faster than otherwise comparable companies within an industry, average weekly hours decline.
- When aggregating hours across industries, the average weekly hours for each industry are weighted (or multiplied) by the proportion of production or nonsupervisory workers in the industry division. Thus, if employment in an industry with low average weekly hours grows faster than the average pace for all industries in its division, then the low-hours industry increases its share in the aggregation and the average weekly hours for all industries would decline.

While the CES survey data do not explain why the workweek in a particular company or industry is declining, an

examination of which industries are responsible for the declines can shed light on the various reasons why the average workweek for the private sector has declined over the past 35 years.

### Shifts among industry divisions

Which major industry divisions caused the sharp downward trend in the private sector workweek from 1964 to 1999? During this period, all the goods-producing divisions—mining, construction, and manufacturing—added hours to their workweeks. In contrast, the service-producing divisions—transportation and public utilities, wholesale trade, retail trade, finance, insurance, and real estate, and services—all lost hours in their workweeks. (See table 1.)

The two major divisions with the highest number of hours in 1999—mining and manufacturing—saw a decrease in the percentage of production workers. The loss of production workers in these two divisions caused a reduction in their shares of private sector production workers. This phenomenon negatively affected the level of average weekly hours in private industry, because the goods-producing industries that had higher average weekly hours carried less weight in the private sector average. Also, the two industry divisions in the service-producing sector with the lowest average weekly hours, retail trade and services, experienced the largest percent increases in nonsupervisory workers. The number of nonsupervisory workers increased by 149 percent in retail trade. In services, the figure was even more dramatic, increasing by 329 percent. With their large and increasing shares of private sector employment and their low and declining average weekly hours, retail trade and services

were the two industry divisions most responsible for the decline in average weekly hours in private industry.

Retail trade experienced the most significant loss in average weekly hours—21.6 percent. Services was second with a nearly 10-percent decline. The level of average weekly hours in services was just below the level in private industry. (See chart 1.) A further investigation of retail trade and services explains most of the long-term decline of average weekly hours in the total private sector.

### Declining workweek in retail trade

All of the industries within retail trade exhibited declining average weekly hours from 1972 to 1999. (See table 2.) Total retail trade and most of its industries had declining average weekly hours from 1972 to 1991, followed by small gains in hours over the 1992 to 1999 period. (See chart 2.) Overall, from 1972 to 1999, average weekly hours in retail trade fell by about 13 percent.

The repeals of the Blue Laws may have had a substantial impact on weekly hours in retail trade. The Blue Laws, statutes that regulated personal and public conduct, originated in Virginia in 1624. During the late 20th century, repeated legal challenges to the constitutionality of the Blue Laws were made in courts, particularly regarding the Sunday closing of retail and other business establishments.<sup>3</sup> In 1961, all 50 States had Sunday closing laws, but by 1991, only 13 States still upheld Blue Laws.<sup>4</sup> To keep stores open on Sundays, establishments would have been likely to hire more part-time employees, leading to a shortening of the workweek because the level of total hours would not increase as quickly as the number of workers. Therefore, the repeals of the Blue Laws could help explain the decline in average weekly hours throughout retail industries, including apparel, furniture, and miscellaneous retail stores (such as toy, jewelry, and gift stores).

Just as the repeals of the Blue Laws likely led to the addition of part-time jobs to cover Sundays, average weekly hours also would have been affected by the steady proliferation throughout the United States of shopping malls, with their numerous stores remaining open longer hours throughout the week than had been the case in earlier years. These longer hours of operation created the need for more part-time workers to staff the extra hours. This, in turn, increased the numbers of nonsupervisory workers with short hours, which lowered the average hours in a workweek.

From 1972 to 1999, eating and drinking places had the largest percent increase in production workers and the most significant percent decrease in average weekly hours among retail trade industries. Because of eating and drinking places' increased share in retail trade employment, the lower-than-average level of average weekly hours in the industry also contributed to a decline in the level of retail trade's average weekly hours. Most significant was the compounding effect in eating and drinking places. This industry experienced both the largest decrease in average weekly hours and the largest increase in nonsupervisory workers, even while maintaining a very low level of average weekly hours.

The sharpest declines in average weekly hours were in eating and drinking places during the 1970s. (See chart 2.) During this period, the gains experienced by eating and drinking places were caused, in part, by the growth of dual-earner families. This created a higher demand and supplied the means to pay for meals away from home.<sup>5</sup> Eating and drinking establishments have met their employment needs by hiring various types of employees: students needing flexible work schedules, workers seeking secondary part-time jobs, and retired persons desiring supplemental income.<sup>6</sup> The hiring of large amounts of part-time employees drove down the level of average weekly hours in eating and drinking places, and with its increased share of employment in retail trade, it also drove down the division's average weekly hours.

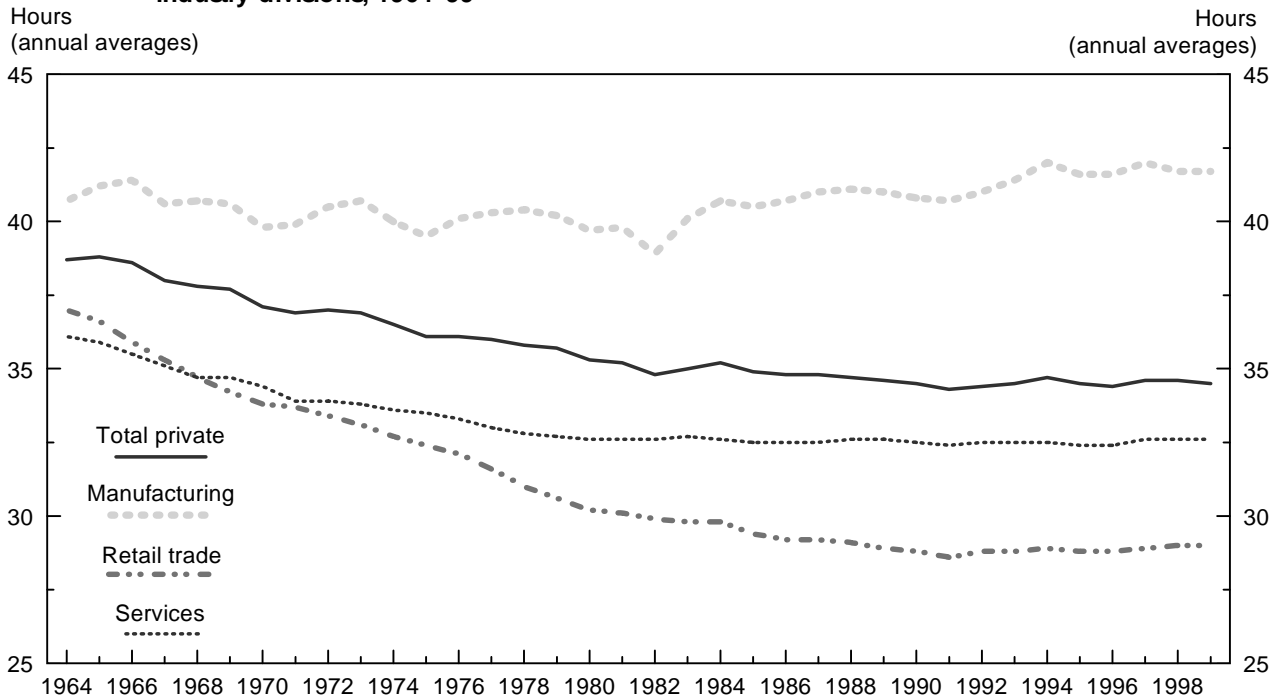
**Table 2.** Average weekly hours and employment of nonsupervisory workers in retail industries, 1972–99

Industry	Average weekly hours				Nonsupervisory workers			
	1972 <sup>1</sup>	1999	Change		1972 <sup>1</sup>	1999	Change	
			Level	Percent			Level	Percent
Retail trade .....	33.4	29.0	-4.4	-13.2	10,717	20,046	9,329	87.0
Building materials .....	38.9	35.2	-3.7	-9.5	442	826	384	86.9
General merchandise .....	31.7	29.6	-2.1	-6.6	1,982	2,589	607	30.6
Food stores .....	32.8	29.9	-2.9	-8.8	1,676	3,161	1,485	88.6
Automotive dealers .....	39.8	35.5	-4.3	-10.8	1,497	1,969	472	31.5
Apparel .....	31.0	26.3	-4.7	-15.2	693	985	292	42.1
Furniture .....	37.0	33.0	-4.0	-10.8	439	894	455	103.6
Eating and drinking .....	30.4	25.6	-4.8	-15.8	2,674	7,131	4,457	166.7
Miscellaneous retail .....	34.0	29.6	-4.4	-12.9	1,316	2,491	1,175	89.3

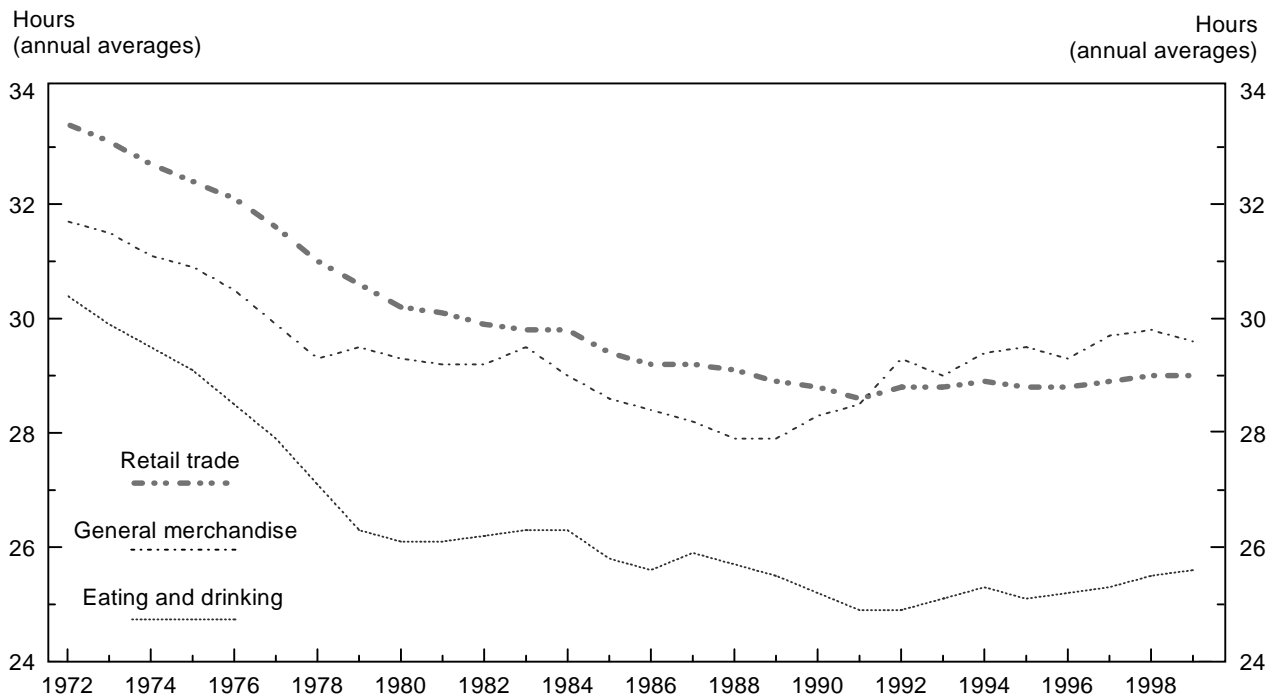
<sup>1</sup>The earliest date of data available for some of the detailed industry series is 1972.

NOTE: Levels of nonsupervisory workers are in thousands.

**Chart 1. Average weekly hours for the total private sector and selected industry divisions, 1964-99**



**Chart 2. Average weekly hours of selected retail industries, 1972-99**



**Table 3.** Average weekly hours and employment of nonsupervisory workers in selected service industries, 1972–99

Industry	Average weekly hours				Nonsupervisory workers			
	1972	1999	Change		1972	1999	Change	
			Level	Percent			Level	Percent
Services .....	33.9	32.6	-1.3	-3.8	11,059	34,027	22,968	207.7
Agricultural services .....	<sup>1</sup> 35.7	34.8	-.9	-2.5	236	648	412	174.6
Hotels and motels .....	33.1	30.9	-2.2	-6.6	718	1,569	851	118.5
Business services .....	<sup>2</sup> 33.3	33.7	.4	1.2	<sup>3</sup> 2,361	8,200	5,839	247.3
Auto repair, services, and parking .....	37.5	35.6	-1.9	-5.1	349	963	614	175.9
Miscellaneous repair services .....	40.6	37.9	-2.7	-6.7	172	309	137	79.7
Motion pictures .....	<sup>4</sup> 28.0	30.9	2.9	10.4	<sup>4</sup> 287	515	228	79.4
Amusement and recreation services .....	<sup>4</sup> 27.2	26.5	-.7	-2.6	<sup>4</sup> 862	1,450	588	68.2
Health services .....	33.7	32.9	-.8	-2.4	3,083	8,845	5,762	186.9
Legal services .....	34.4	34.9	.5	1.5	245	796	551	224.9
Social services .....	32.7	31.2	-1.5	-4.6	467	2,422	1,955	418.6
Engineering and management .....	<sup>4</sup> 37.4	37.3	-.1	-.3	<sup>4</sup> 1,728	2,444	716	41.4
Services, not elsewhere classified .....	<sup>4</sup> 36.1	35.3	-.8	-2.2	<sup>4</sup> 25	41	16	64.0

<sup>1</sup>Start date is 1982.  
<sup>2</sup>Start date is 1988.  
<sup>3</sup>Start date is 1981.  
<sup>4</sup>Start date is 1988.  
NOTE: Levels of nonsupervisory workers are in thousands.

## Job growth in services

Like retail trade, the services industry division also had weekly hours that declined over the 1964–99 period. However the rapid employment growth in services was the more important contribution of this industry division to the decline in the private sector’s weekly hours. Over the period, the services industry, where average weekly hours are shorter than the private sector average, experienced a 329-percent increase in the number of nonsupervisory workers. With its increased share of private sector employment, the below-average figure for average weekly hours in services pulled down the private sector average. Business services and health services account for about half of the growth among nonsupervisory service industry workers, and the workweeks in these two industries were shorter than the average for all industries. (See table 3.)

Within business services, help supply services (which is dominated by temporary help agencies) showed the largest increase—2.5 million nonsupervisory workers from 1972 to 1999. Help supply services also had a shorter workweek than the average for all services industries. Some companies use such help supply firms to supplement their workforce when product demand increases. This competitive strategy of using “just-in-time labor” enables companies to increase flexibility and decrease organizational costs.<sup>7</sup>

Average weekly hours not only were lower in services than in all private industries, but were declining as well. The down-

ward pressure on average weekly hours for the services division was widespread, as three-fourths of the services industries showed declines in their workweeks. The increase of workers in personnel supply also helps to explain the decline in services average weekly hours, because even though average weekly hours for help supply are increasing, they are lower than the overall services average.

THE DECLINE IN THE LENGTH of the total private workweek over the last 35 years was caused primarily by the combined effects of disproportionate employment growth and low and declining average weekly hours in retail trade and services. In fact, among the eight private sector industry divisions, retail trade and services had: 1) the shortest workweeks in 1964, 2) the largest declines in average weekly hours measured in either hours or percentages between 1964 and 1999, and 3) the highest employment gains over the period on either a level or percent basis. Within retail trade, average weekly hours were particularly low and on the decline in eating and drinking places, which experienced strong employment growth. Within services, strong employment growth in the help supply industry, which has a shorter-than-average workweek, also contributed to the decline in average weekly hours in the private sector, in spite of its increasing average hours. In addition, employment declines in mining and manufacturing, which have high average weekly hours, had a negative impact on average weekly hours in the private sector because of their decreased shares in private sector employment. □

## Notes

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<sup>1</sup> The CPS provides data on several different concepts of hours worked. Each month, all survey respondents are asked about the total hours worked at all jobs during the survey reference week; a quarter of the sample respondents each month are asked about the usual hours worked per week on the primary job; and, each year in a supplement to the CPS conducted in March, all survey respondents are asked about the usual hours worked per week during the last year. For further information, see "Hours of Work," *Report on the American Workforce* (Bureau of Labor Statistics, 1999), Chapter 3.

<sup>2</sup> For a more detailed explanation of methods for computing industry statistics on hours, please refer to the "Establishment Data" section (particularly Table 2-A) of the "Explanatory Notes and Estimates of Error," in *Employment and Earnings*, a monthly publication of the Bureau of Labor Statistics.

<sup>3</sup> See "Blue Laws," *Microsoft Encarta Online Encyclopedia 2000*, on the Internet at <http://encarta.msn.com> (visited Aug. 30, 1999).

<sup>4</sup> See Steven Lagerfeld, "Spending Time," *Current*, February 1, 1999

(UMI Publications, Heldref Publications), on the Internet at <http://www.westlaw.com> (visited Sept. 10, 1999).

<sup>5</sup> According to the Current Population Survey, from 1960 to 1999, the proportion of traditional families (the husband only in the labor force, not the wife) decreased by 69.2 percent, and the proportion of dual-worker families (both husband and wife in the labor force) increased by 71.8 percent.

<sup>6</sup> In 1999, 22.8 percent of employed persons aged 16 to 19 years worked in eating and drinking places; 10.5 percent of nonagricultural wage and salary multiple job holders were employed in eating and drinking places in their secondary job. In 1999, 57.7 percent of persons aged 55-64 years were employed; 12.8 percent of these employed persons worked in retail trade. Of them, 17.7 percent were employed by eating and drinking establishments. The above data are from the Current Population Survey.

<sup>7</sup> "'Just-in-Time' Inventories and Labor: A Study of Two Industries, 1990-98," *Report on the American Workforce* (Bureau of Labor Statistics, 1999), Chapter 1.

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### Shiskin Award winner

Dr. Edwin R. Dean of the U.S. Bureau of Labor Statistics has been awarded the 2000 Julius Shiskin Award for his important contributions to the improvement and understanding of productivity measures and for his leadership in international comparisons of labor statistics. Dr. Dean's expertise and innovations also have expanded the Bureau of Labor Statistics international technical cooperation program, thereby fostering the reputation of the United States as a leader in the world's increasingly global economy. The award, established by the family of the late Dr. Shiskin and administered by the Washington Statistical Society and the National Association of Business Economists, honors original and important contributions to the development and interpretation of economic statistics.

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