



As Obamacare is Implemented, Part-Time Jobs at All Time High

U.S. has had a record 27 million people working 35 or fewer hours a week the past five years

By Tom Gantert

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Part-time employment in the U.S. has remained steady at a record-level 27 million jobs for the last five years, raising questions about how much of a role Obamacare has played in the rise of part-time workers.

The Patient Protection and Affordable Care Act, commonly known as Obamacare, was signed into law March 23, 2010 by President Barack Obama. The employer mandate portion of the act states that businesses have to offer health insurance to anyone working 30 or more hours a week.

The Bureau of Labor Statistics (BLS) considers part-time work to be 35 hours or less.

From 1994 to 2002, the number of part-time jobs (35 hours or less) in the U.S. stayed relatively flat at about 23 million-plus. From 2003 to 2007, the number of part-time jobs hovered in the 24 million-plus range. The number of part-time jobs went up from roughly 25 million at the start of 2008 until it reached 27.5 million by the end of 2010, a number that has held steady since then.

However, the full implementation of the Obamacare employer mandate has been delayed. The [employer mandate](#) only takes effect this year, and even then, only for businesses with 100 or more employees. Those employers need to offer coverage to 70 percent of their full-time employees in 2015 and 95 percent of their full-time employees in 2016. The mandate goes into effect for employers with 50 to 99 employees in 2016.

In January 2015, the National Federation of Independent Business called for legislation to repeal the Obamacare 30-hour-work-week provision.

“One of the more easily foreseeable consequences of the Affordable Care Act is the pressure it imposes on small firms to reduce or avoid adding full-time positions,” said NFIB President and CEO Dan Danner [in a news release](#).

Mike Tanner, a senior fellow for the Cato Institute who has written two books about Obamacare, said there was no proof that Obamacare was sparking the increase in part-time hires, especially since the full implementation of the employer mandate has been delayed until 2016.

“But surveys and anecdotal evidence do suggest that employers have shifted workers from full to part time or hired more part-time workers, to escape the Obamacare mandate,” Tanner said in an email. “Employers may be making hiring decisions in anticipation of its future impact, but we should be careful about overstating current impact.”

Don Grimes, a University of Michigan economist, said since the start of 2010, the number of part-time workers has remained flat and the number of full-time workers has grown. Grimes said he didn’t think Obamacare had much to do with the rise of part-time work.

“This is similar to the path that you see at the end of the 1991 and 2001 recessions,” Grimes said in an email. “What I find most interesting is that there never seems to be a decline in the number of part-time workers, it is either growing, most pronounced during the recent recession, or flat — while the number of full-time workers moves with the business cycle. The long-term trend seems to be toward a greater reliance on part-time work, which is probably not a good thing for most workers.”