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#### ABSTRACT

Nonstandard work arrangements (independent contracting, working for a temporary help agency, contract or on-call work, day labor, self-employment, and regular part-time employment) are growing more common in the United States. In 1995, more than 29 percent of all jobs were in nonstandard work arrangements. A study of these jobs and the characteristics of the workers who hold them was conducted through analysis of the 1995 Current Population Survey. The study found that nonstandard workers are disadvantaged by their work arrangement and the preponderance of low-quality jobs because they are more likely than regular full-time workers to be employed in low-quality jobs. In addition to paying lower wages, all types of nonstandard nobs are much less likely to provide health insurance or a pension than is regular full-time employment, are more likely to be of limited duration, and are poor ways to move to regular full-time employment, at least within a particular firm. More women than men, and both genders in minority groups, are more likely to hold low-quality, nonstandard jobs. The study concluded that public policies are needed to improve job quality and provide greater workplace protection for workers in nonstandard work arrangements. (Contains 21 references.) (KC)

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## Nonstandard Work, Substandard Jobs

Flexible Work Arrangements in the U.S.

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### **EXECUTIVE SUMMARY**

For the past two decades, employment arrangements in the United States have been undergoing fundamental changes. In the past, the typical career paradigm was characterized by lifetime employment with a single employer, steady advances up the job ladder, and a pension upon retirement. But this pattern is becoming less the norm, while nonstandard work arrangements (NSWAs)—independent contracting, working for a temporary help agency, contract or on-call work, day labor, self-employment, and regular part-time employment—are growing more and more common. In 1995, 29.4% of all jobs were in nonstandard work arrangements, with 34.3% of female workers and 25.3% of males working in nonstandard jobs. (Because the data analyzed in this report are from the first nationally representative survey that questioned respondents about all types of work arrangements, we cannot assess historical trends—see the Appendix for a discussion of the growth in nonstandard work arrangements.)

The growth in nonstandard work is not inherently bad if these jobs are just as good as regular full-time jobs in terms of wages, benefits, job security, and other characteristics. We find, however, that typically all types of nonstandard jobs are inferior to regular full-time work. Nonstandard jobs pay less than regular full-time jobs to workers with similar characteristics, are less likely to provide health insurance or a pension, and are more likely to be of limited duration.

While nonstandard workers receive lower wages than regular full-time workers with similar personal characteristics and educational qualifications, wage comparisons among standard and nonstandard workers that take into account not only personal characteristics but also occupation or industry, union status, and fringe benefits reveal somewhat smaller disadvantages for nonstandard workers. When these factors are considered, wage penalties shrink and some nonstandard workers actually receive wage premiums. These findings indicate that the wage differentials among nonstandard workers with similar personal and educational characteristics are largely due to the industry, occupation, or general quality of the jobs typical of these types of work arrangements. In other words, nonstandard workers are disadvantaged by (1) their work arrangement, and (2) the preponderance of low-quality jobs because they are more likely than regular full-time workers to be employed in low-quality jobs (e.g., working in low-wage industries and occupations that lack union representation or fail to provide health insurance and pension benefits).

In addition to paying lower wages, all types of nonstandard jobs are much less likely to provide health insurance or a pension than is regular full-time employment, are more likely to be of limited duration, and are poor ways to move to regular full-time employment, at least within a particular firm. Based on these

In 1995, 29.4% of all jobs were in nonstandard work arrangements.



indicators of job quality, all types of nonstandard jobs, on average, are of lower quality than standard jobs. However, there are great differences among the types of NSWAs regarding each of these dimensions of job quality.

Using wages to distinguish among the various types of NSWAs, we categorize nonstandard jobs into three groups. Group 1 jobs (which employ 58.2% of all nonstandard workers and 80.8% of all women in nonstandard work) are of the lowest quality; workers in this group are paid less than regular full-time workers with similar personal and job characteristics. Group 3 jobs (which employ 37.4% of nonstandard workers and 62.8% of men in nonstandard work) are the highest quality nonstandard jobs; workers are paid more than regular full-time workers with similar personal and job characteristics. Wages in jobs in Group 2 (where 4.4% of all nonstandard workers are employed) are similar to those of regular full-time workers with similar personal and job characteristics.

Nonstandard jobs, on average, are of lower quality than standard jobs.

### **Group 1 includes**

- · regular part-time workers,
- female on-call workers,
- women who are self-employed, and
- · male temps.

### Group 2 includes

- female temps
- male on-call workers

### Group 3 includes

- · contract workers
- · independent contractors
- men who are self-employed.

Workers' personal characteristics, especially sex and race/ethnicity, are important determinants of the type (i.e., quality) of NSWA in which they are employed. Women, more often than men, work in NSWAs, and women of all races and ethnic groups are highly concentrated in the lowest-quality types of nonstandard work. As a whole, men who do nonstandard work are concentrated in the higher quality types of work. However, nonwhite men are over-represented in low-quality nonstandard jobs and under-represented in high quality jobs.

As would be expected, workers in lower-quality nonstandard jobs express higher preferences for standard work; the greatest preferences for standard work were



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among part-time workers, temps, on-call workers, and day laborers.

Given that a large and growing share of the labor force is employed in non-standard work, and the majority of these workers are in the lowest-quality jobs, public policies are needed to improve job quality and provide greater workplace protections for these workers. These policies should:

- prohibit discrimination in pay based on full-time/part-time status,
- · pro-rate benefits for part-time workers,
- · make child care affordable and available,
- · encourage employers to offer more flexible schedules to full-time workers,
- · expand family and medical leave,
- · maintain affirmative action and equal employment opportunity policies,
- reform labor law to ensure nonstandard workers have an effective right to organize,
- · expand the earned income tax credit to raise incomes and reduce poverty, and
- expand eligibility for unemployment compensation.



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### INTRODUCTION

Employment arrangements in the United States are changing. Some types of non-standard work were nearly unheard of as recently as 10 years ago, and employment in nonstandard work arrangements (NSWAs) appears to be growing (see Belous 1989; Callaghan and Hartmann 1991; duRivage 1992; Mishel, Bernstein, and Schmitt 1997). The forces driving this growth are disputed, but the prevailing view is that employer demand is primarily responsible. Faced with heightened international competition, technological change, and the increased competitive pressures accompanying deregulation, firms have tried to increase short-run profits by cutting their labor costs. Not only have these cuts meant downward pressure on wages, but also the replacement of skilled workers with less skilled, and regular full-time employees with nonstandard workers such as temps, contract workers, and independent contractors (Tilly 1996; Carre 1992; Golden and Appelbaum 1992).

Employers are adopting a new strategy for responding to changes in external conditions. In the past, internal labor markets served as primary sources of flexibility, facilitating a firm's internal responsiveness to changes in the larger economic environment. Now, internal labor markets are being dismantled and firms are using nonstandard workers to adjust the size and composition of their labor force to respond to changes in external economic conditions. Firms are turning to an alternative source of flexibility—the use of nonstandard workers—to adjust the size and composition of their labor force. At the same time, both the shift of employment from manufacturing to services and the large differences in wages and benefits between "low" and "high" skilled workers have contributed to an expansion in jobs that can be filled with nonstandard workers.

Some researchers would argue, however, that the rise of NSWAs is not employer mandated, but rather driven by changes in workers' preferences, preferences that largely stem from the movement of married women and working heads of single-parent families into the labor force. These researchers often point out that, by 1995, women constituted 46% of the workforce (Council of Economic Advisors 1997), and, among these working women, 41% have children under age 18 and 17% have children under 6 (U.S. Department of Labor 1995). But despite the increase in mothers' workforce participation, a comparable increase in husbands' participation in housework and child-care has not occurred (Fuchs 1988). Dual-earner and female-headed households now constitute almost three-quarters of American families with children. In two-thirds of married-couple families with children, both parents participate in the labor force. In 1994, families maintained by women represented almost one-quarter of all families with children—up from 15%

Firms are turning to an alternative source of flexibility
— the use of nonstandard workers — to adjust the size and composition of their labor force.



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in 1975 (Costello and Krimgold 1996, 52). These changes mark the end of the traditional male breadwinner/female homemaker arrangement as the dominant family structure.

Nonstandard work arrangements may offer opportunities for workers to balance family and work activities, but they are problematic if they lack the flexibility that workers desire or jeopardize the economic security of workers and their families. Although little empirical research has analyzed the relationship between nonstandard employment and family structure, policy researchers have speculated about the effects NSWAs have on families. Spalter-Roth and Hartmann (forthcoming) find that women who work less than full-time/full-year and are employed by more than one employer are more likely than women in standard work arrangements to have young children and less likely to have a spouse employed in a permanent job. When looking at individual types of nonstandard work, however, Carre (1992) finds no evidence that women with family responsibilities (marriage, children) are more likely to be temporary workers than other women.

Another component of this debate concerns the effect growth of nonstandard employment has on American workers and the economy. If the growth of NSWAs enhances U.S. productivity and competitiveness, while still providing nonstandard employment opportunities for workers who want them, then it can be seen as a positive trend. Others argue, however, that the growth in the number of nonstandard jobs is bad for the economy, especially when it means that workers seeking regular full-time jobs have to settle for nonstandard employment.

Underlying these disagreements is a concern about the quality of nonstandard jobs. If standard and nonstandard jobs paid similar wages to people with similar characteristics, provided equal fringe benefits, allowed equal opportunity for career advancement ladders, and provided an equivalent level of job security, many of these debates would loose their fervor. Initial evidence, however, suggests that this may not be the case. The National Research Council (Ferber and O'Farrell 1991) found that part-time work is often associated with jobs that pay low wages and lack benefits. Even workers voluntarily employed in NSWAs may have to accept pay cuts and forego advancement and supervisory responsibilities (Catalyst 1993). In terms of wages and promotions, women are already disadvantaged in the workplace, and they are also disproportionately employed in NSWAs. If nonstandard work creates an additional adverse impact for women workers, then this situation would prove particularly troubling.

Unfortunately, relatively little research has examined the quality of nonstandard jobs, due, in large part, to the unavailability of appropriate data needed to answer these questions. To this end, some helpful data have recently been collected In terms of wages and promotions, women are already disadvantaged in the workplace, and they are also disproportionately employed in NSWAs.



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Nonstandard workers, on average, receive lower wages than do regular full-time workers with similar personal characteristics and educational qualifications.

in a supplement to the February 1995 Current Population Survey (CPS), which asked over 60,000 respondents about their employment experiences in nonstandard work during the previous week. These data provide the first systematic information on the quantity and quality of NSWAs in the U.S. and on the characteristics of the workers in these jobs. This report utilizes data from the CPS for its analyses.

After comparing the quality of nonstandard jobs to regular full-time work, and comparing the characteristics of the workers in these arrangements, we find that nonstandard workers, on average, receive lower wages than do regular full-time workers with similar personal characteristics and educational qualifications. But wage comparisons among standard and nonstandard workers in the same industries and occupations and with similar union status and fringe benefits reveal smaller disadvantages for nonstandard workers—wage penalties shrink somewhat, and certain nonstandard workers even receive wage premiums. These findings indicate that the wage penalties associated with NSWAs for workers with similar personal and educational characteristics are largely due to the particular industry, occupation, or general quality of the jobs typical of these work arrangements.

In regards to benefits, all types of nonstandard jobs are much less likely to provide health insurance or a pension than regular full-time employment. Non-standard jobs are also more likely to be of limited duration, and usually prove to be poor ways of making the transition to regular full-time employment, at least within the same firm. It would appear, then, that all types of nonstandard jobs, on average, are inferior to standard jobs, based on these dimensions of job quality.

Although all types of NSWAs, on average, are inferior, nonstandard work arrangements fall into three groups distinguished by these quality criteria. Workers' personal characteristics, especially sex and race/ethnicity, are important determinants for the quality of NSWA in which they are employed. We find that women work in NSWAs more often than men, and these women, regardless of race or ethnicity, are highly concentrated in the lowest-quality nonstandard jobs. On the whole, the opposite holds true for men working nonstandard jobs, who are typically employed in the higher quality NSWAs. Nonwhite men, who are over-represented in low-quality nonstandard jobs and under-represented in high-quality ones, are the exception to this trend.

Since job quality can vary significantly among nonstandard arrangements, public policies to improve the quality of these arrangements and provide greater workplace protections for these workers would include:

- prohibiting discrimination in pay based on full-time/part-time status,
- expanding family and medical leave,



- maintaining affirmative action and equal employment opportunity policies,
- reforming labor law to ensure nonstandard workers have an effective right to organize,
- expanding the earned income tax credit to raise incomes and reduce poverty,
- · expanding eligibility for unemployment compensation,
- pro-rating benefits for part-time workers,
- making child-care affordable and available, and
- encouraging employers to offer more flexible schedules to full-time workers.

This report thoroughly examines the numerous issues necessary for a clear understanding of NSWAs in America. We begin with an overview of the number of nonstandard jobs, the types of industries and occupations in which these jobs are found, and the most common occupations of workers in these arrangements. We then compare standard and various nonstandard jobs according to three dimensions of job quality: wages, fringe benefits, and job security. We also examine whether nonstandard jobs serve as stepping-stones to standard jobs. After determining the quality of various types of nonstandard work, we categorize types of nonstandard work into three groups based on job quality. Next, we outline the characteristics of the people employed in standard and nonstandard work as well as the people in the low- and high-quality types of NSWAs. We then determine whether workers in NSWAs prefer their current jobs to regular ones. This study concludes by discussing the implications our findings have for workers, and the policies we recommend in order to improve job quality and extend labor market protections to nonstandard workers.



### SECTION I — A DESCRIPTION OF NONSTANDARD JOBS

Nonstandard arrangements differ from standard jobs in at least one of the following ways:

- (1) the absence of an employer, as in self-employment and independent contracting;
- (2) a distinction between the organization that employs the worker and the one for whom the person works, as in contract and temp work; or
- (3) the temporal instability of the job, characteristic of temporary, day labor, oncall, and some forms of contract work.

In this study we examine eight types of work arrangements (see the glossary for a more complete description of each of these work arrangements):

- workers employed part-time in standard work arrangements (regular part-time workers),
- employees of temporary help agencies (temps),
- · on-call workers.
- · day laborers,
- the self-employed,
- independent contractors both self-employed and wage-and-salary workers,<sup>2</sup>
- · contract workers, and
- regular full-time (standard) workers.<sup>3</sup>

The term "nonstandard work arrangement" refers to all types of work other than regular, full-time employment. In 1995, more than seven out of 10 Americans (70.6%) who worked for pay held regular full-time, or "standard," jobs (see **Table 1** and **Appendix Table 1**). Another 16 million (13.7%) worked part-time in standard jobs, with a remaining 18.5 million (15.7%) working full- or part-time in nonstandard work arrangements. Nonstandard work is more common among women than men; 34.3% of female workers are in NSWAs, but just 25.3% of men.<sup>4</sup>

Reliance on nonstandard workers varies widely across industries and occupations. As **Table 2** shows, the proportion of men and women who work in nonstandard jobs varies from fewer than one in 20 for men in public administration to three out of every four females in agriculture. (**Appendix Table 2** shows the distributions of work arrangements in each industry.) Some of the industries besides agriculture, forestry, fishing, and household services that employ large percentages of nonstandard workers include: entertainment and recreation services, business and

The term "nonstandard work arrangement" refers to all types of work other than regular, full-time employment.



TABLE 1
Workers, by Work Arrangement

Work Arrangement	All	Women	Men	White	Black	Hispanic	Other Race
Regular Part-Time Temporary	13.7%	21.3%	7.1%	13.7%	13.2%	13.8%	14.1%
Help Agency	1.0	1.1	0.8	0.8	1.9	1.3	1.0
On-Call/Day Labor	1.6	1.7	1.5	1.5	1.7	2.5	1.7
Self-Employment Independent	5.5	4.8	6.1	6.3	1.5	3.2	5.5
Contracting-WS <sup>a</sup> Independent	0.9	0.9	0.9	0.9	0.7	0.8	1.0
Contracting-SE b	5.6	3.7	7.3	6.4	2.4	3.3	4.2
Contract Company	<u>1.2</u>	<u>0.8</u>	<u>1.6</u>	<u>1.2</u>	<u>1.1</u>	<u>1.3</u>	1.7
All Nonstandard	29.4%	34.4%	25.4%	30.8%	22.4%	26.2%	29.2%
Regular Full-Time	<u>70.6</u>	<u>65.7</u>	<u>74.7</u>	<u>69.2</u>	<u>77.6</u>	<u>73.7</u>	<u>70.9</u>
All	100%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

<sup>&</sup>lt;sup>a</sup> Wage & Salary

Source for all tables: Authors' analysis of February 1995 Current Population Survey.

TABLE 2
Nonstandard Workers as a Share of
All Workers, by Industry and Sex

Industry	Women	Men_
Agriculture	75.5%	60.6%
Forestry and Fisheries	32.6	57.4
Mining	21.2	11.5
Construction	44.6	41.0
Manufacturing	⁻13.2	9.9
Transportation, Communications,		
Pubilic Utilities	23.1	17.4
Wholesale Trade	28.3	19.7
Retail Trade	50.3	32.8
Finance, Insurance, Real Estate	23.4	28.9
Private Household Services	67.4	84.7
Business and Repair Services	51.4	39.3
Personal Services	53.1	36.1
Entertainment, Recreation Services	50.7	39.9
Professional Services	34.0	28.2
Public Administration	<u>10.8</u>	<u>4.4</u>
All	34.4%	25.4%



<sup>&</sup>lt;sup>b</sup> Self-Employment

Within the same work arrangement, occupations vary greatly by race/ethnicity.

repair services, personal services, construction, and retail trade. These industries contrast with those like manufacturing and public administration, where the vast majority of jobs are regular, full-time.

To better illustrate NSWAs, we identify the detailed (3-digit) industries that employ the greatest shares of nonstandard workers. Within each type of nonstandard work arrangement, the most striking finding is the marked gender differences. For example, construction, computer and data processing, and trucking services employ the largest shares of all male contract workers, but health service (not elsewhere classified) industries, hospitals, and management and public relations industries employ the largest shares of all female contract workers (see **Table 3**).

The use of nonstandard workers also varies widely across occupations, as shown in **Table 4** and **Appendix Table 3**. Private household workers have the highest rate of nonstandard work, followed by farming, forestry, and fishing. Rates are high in other occupations as well—half of all women and a third of men in sales or service occupations (other than protective or household) are employed in nonstandard jobs. In other occupations, regular full-time jobs predominate, especially for executive, administrative, and managerial positions, protective services, and technicians or related support occupations. **Table 5** lists the specific occupations with the greatest shares of each type of nonstandard worker. For female on-call workers, the most common occupations are elementary school teachers, registered nurses, nursing aides, orderlies, and attendants. For men in on-call work, the largest shares are employed as truck drivers, construction laborers, and farm workers.

In addition to having gender-specific differences, the most common occupations also differ by race and ethnicity, even among workers in the same nonstandard work arrangement. For white men, for example, the most common occupation for a contract worker is systems analyst (see **Table 6**). For black men and Hispanic women, the most common job is janitor; for Hispanic men, groundskeeper; black women, guard; white women, nursing aide. Black and white female on-call workers and day laborers are disproportionately employed as substitute elementary school teachers, while white men in these particular NSWAs are disproportionately truck drivers; black men, laborers; Hispanic men, construction laborers; Hispanic women, nursing aides.

Full-time occupations tend to be more complex, and thus likely to require higher skill levels.<sup>5</sup> If workers in more highly complex occupations, such as lawyers or skilled machinists, are in nonstandard arrangements, then they tend to be self-employed or independent contractors (both wage-and-salary and self-employed). Less complex occupations are more likely to employ temporary, on-call, or part-time workers.<sup>6</sup>



### TABLE 3 Detailed (3-Digit) Industries With the Greatest Shares of Nonstandard Workers, by Sex and NSWA

	Women ·	Men		
Work Arrangement	Detailed Industry	Percent	Detailed Industry	Percent
Regular Part-Time	Eating & Drinking Places Elementary & Secondary Schools Hospitals	12.1% 9.8 <u>6.7</u> 28.7%	Eating & Drinking Places Colleges & Universities Grocery Stores	15.2% 9.9 <u>7.9</u> 33.0%
Temporary Help Agency	Personnel Supply Services Health Services (nec) Telephone Communications	16.4% 4.9 <u>3.6</u> 25.0%	Personnel Supply Services Motor Vehicles & Equipment Electrical Machinery (nec)	19.3% 5.4 <u>4.6</u> 29.2%
On-Call /Day Labor	Elementary & Secondary Schools Health Services (nec) Hospitals	26.3% 7.7 <u>7.1</u> 41.1%	Construction Trucking Service Elementary & Secondary Schools	32.2% 5.6 <u>5.1</u> 42.9%
Self-Employment	Family Child Care Homes Agricultural Products (livestock) Beauty Shops	10.8% 8.3 <u>6.7</u> 25.8%	Agricultural Production (livestock) Construction Agricultural Production (crops)	11.0% 6.2 <u>5.1</u> 22.3%
Independent Contracting- Wage & Salary	Private Household Personal Service Real Estate Child Day Care Services	21.3% 15.1 <u>6.1</u> 42.4%	Construction Insurance Real Estate	18.7% 8.0 <u>6.6</u> 33.4%
Independent Contracting- Self-Employment	Business Services (nec) Family Child Care Homes Direct Selling Establishments	8.0% 7.6 <u>7.1</u> 22.7%	Construction Trucking Service Real Estate	32.5% 4.2 <u>4.1</u> 40.9%
Contract Company	Health Services (nec) Hospitals Management & Public Relations	15.6% 7.1 <u>5.6</u> 28.4%	Construction Computer & Data Processing Trucking Service	17.6% 5.2 <u>3.7</u> 26.6%
Regular Full-Time	Elementary & Secondary Schools Hospitals Insurance	10.7% 7.7 <u>3.4</u> 21.7%	Construction Eating & Drinking Places Elementary & Secondary Schools	7.7% 3.2 <u>3.1</u> 14.0%



### TABLE 4 Nonstandard Workers as a Share of All Workers, by Occupation and Sex (%)

Occupation	Females	Males
Executive, Administrative, and Managerial	20.6%	27.2%
Professional Specialty	31.1	24.8
Technicians and Related Support	28.9	15.7
Sales	49.3	33.8
Administrative Support, Including Clerical	28.3	17.2
Private Household	67.1	98.7
Protective Service	34.4	13.1
Service, Except Protective and Household	53.4	32.9
Precision Production, Craft, and Repair	21.6	22.9
Machine Operators, Assemblers, and		
Inspectors	14.6	11.3
Transportation and Material Moving	42.5	21.1
Handlers, Equipment Cleaners, Helpers,		
Laborers	33.5	28.1
Farming, Forestry, and Fishing	<u>75.0</u>	<u>58.3</u>
AII	34.4%	25.4%



TABLE 5
Detailed (3-Digit) Occupations With the Greatest Shares of Nonstandard Workers

	Women		Men			
Work Arrangement	Detailed Occupation	Percent	Detailed Occupation	Percent		
Regular Part-Time	Cashiers Waiters & Waitresses Secretaries	8.3% 5.2 <u>4.9</u> 18.4%	Stock Handlers & Baggers Cooks Janitors & Cleaners	6.2% 5.8 <u>4.3</u> 16.3%		
Temporary Help Agency	Secretaries Data-entry Keyers Assemblers	12.6% 7.6 <u>5.6</u> 25.8%	Laborers (except construction) Assemblers Industrial Truck & Tractor Operators	12.8% 8.0 <u>5.1</u> 25.9%		
On-Call / Day Labor	Teachers (elementary school) Nursing Aides, Orderlies & Attendants Registered Nurses	16.2% 6.8 <u>6.7</u> 29.7%	Truck Drivers Construction Laborers Farm Workers	8.4% 7.3 <u>5.7</u> 21.4%		
Self- Employment	Bookkeepers, Accounting, & Auditing Family Child Care Providers Supervisors & Proprietors (sales)	11.1% 10.8 <u>10.1</u> 32.0%	Managers & Administrators (nec) Farmers (except horticultural) Supervisors & Proprietors (sales)	17.9% 14.9 <u>14.7</u> 47.4%		
Independent Contracting- Wage & Salary	Cleaner & Servant (priv. house) Real Estate Sales Family Child Care Providers	14.7% 14.4 <u>6.0</u> 35.1%	Managers & Administrators (nec) Insurance Sales Real Estates Sales	8.4% 6.8 <u>5.8</u> 21.0%		
Independent Contracting- Self-Employment	Managers & Administrators (nec) Family Child Care Providers Hairdressers & Cosmetologists	8.0% 7.6 <u>6.1</u> 21.8%	Managers & Administrators (nec) Carpenters Supervisors & Proprietors (sales)	17.1% 7.0 <u>5.7</u> 29.8%		
Contract Company	Nursing Aides, Orderlies & Attendants Janitors & Cleaners Secretaries	8.5% 5.9 <u>5.6</u> 19.9%	Guards & Police (private) Computer Analysts & Scientists Managers & Administrators (nec)	7.2% 6.8 <u>5.2</u> 19.1%		
Regular Full-Time	Secretaries Teachers (elementary school) Managers & Administrators (nec)	6.9% 3.5 <u>3.4</u> 13.8%	Managers & Administrators (nec) Truck Drivers Supervisors & Proprietors (sales)	6.1% 4.2 <u>3.7</u> 14.0%		



9	by Work Arrangement, Sex. and Race
TABLE 6	Most Common Detailed Occupation,

	Hispanic	Cook Laborer Construction Laborer Manager/Administrator Manager/Administrator Groundskeeper Janitor
Men	Black	Cook Laborer Laborer Proprietor Truck Driver Janitor Janitor
	White	Bagger Assembler Truck Driver Manager/Administrator Manager/Administrator Systems Analyst Manager/Administrator Sales Supervisor
	Hispanic	Cashier Assembler Nursing Aide Childcare Worker House Cleaner Janitor Secretary Textile Operative
Women	Black	Cashier Nursing Aide Elementary Teacher Food Manager Nursing Aide Guard Nursing Aide
	White	Cashier Secretary Elementary Teacher Bookkeeper Real Estate Sales Nursing Aide Secretary Elementary Teacher
		Regular Part-Time Temporary Help Agency On-Call/Day Labor Self-Employed Independent Contractor Contract Work Regular Full-Time



### **SECTION 2 — JOB QUALITY**

Nonstandard jobs may sometimes work to both the employer and employee's advantage, providing workers with the flexibility or reduced work-time commitment needed to balance work and family while simultaneously allowing employers to reduce costs and increase competitiveness through enhanced labor force flexibility. But concerns have been raised that these benefits come at the cost of reduced job quality—lower pay, fewer fringe benefits, less job security—when compared to standard jobs. In this section, we compare nonstandard and standard work arrangements in terms of their wages, fringe benefits, and degree of job security. We also examine whether non-standard jobs serve as paths to regular full-time employment.

### **Wages**

An important component of job quality (many would argue the *most* important component) is the wage. We compare wages (including both wages and salaries) calculated at an hourly rate,<sup>7</sup> allowing us to make wage comparisons regardless of hours worked per week or weeks worked per year. (See **Table 7** for average hourly wages in each of the NSWAs and for regular full-time work.) These averages do not take into account differences in education and other characteristics that may affect wages.

We begin the examination by comparing the shares of standard and nonstandard workers who receive: (1) low wages (i.e., the lowest 20% of all hourly wages, or below \$5.95/ hour or \$12,378/year for women and \$7.10/hour or \$14,768/year

TABLE 7
Average Hourly Wages, by Work Arrangement and Sex, 1995
(1995\$)

	Women	Men	All
Regular Part-Time	\$9.52	\$10.38	\$9.74
Temporary Help Agency	8.94	9.19	9.06
On-Call	10.93	12.49	11.69
Day Labor	4.99	6.96	6.24
Self-Employment	11.87	16.54	14.87
Independent Contracting	14.53	17.28	16.40
Contract Company	12.80	16.00	15.11
Regular Full-Time	11.94	15.17	13.75
All	\$11.52	\$15.05	\$13.41



Regular full-time workers are less likely than all types of nonstandard workers to receive low hourly wages. for men); (2) poverty-level wages (i.e., an hourly rate lower than that necessary to lift a family of four above the poverty level if the worker worked full-time all year—currently \$7.63/hour or \$15,870/year; and (3) high wages (i.e., the highest 20% of the wage distribution, or above \$15.37/hour or \$31,967/year for women and \$20.19/hour or \$41,999/year for men). We also compare the share of standard and nonstandard workers who receive fringe benefits (defined as either health insurance or a pension to which the employer contributes). These initial comparisons do not take into account differences in workers' characteristics, such as education or occupation, that might affect wages or receipt of fringe benefits.

Table 8 shows the share of workers in each nonstandard work arrangement that receive low wages, poverty-level wages, high wages, and fringe benefits. Regular full-time workers are less likely than all types of nonstandard workers to receive low hourly wages — just 11.9% of women and 13.6% of men in standard arrangements receive low wages, significantly less than the 34.4% of females and 30.6% of men in NSWAs.

Every type of nonstandard worker is also more likely to receive a poverty-level wage. In the labor force as a whole, 35.4% of all women workers and 21.5% of men are paid poverty-level hourly wages. But fully 52.3% of all female and 33.4% of male nonstandard workers do not earn enough to lift a family of four out of poverty—evidence that the working poor are disproportionately found among nonstandard workers.

Some types of nonstandard workers, though, are more likely than regular full-time workers to receive high wages. A larger percentage of both genders employed as contract workers and independent contractors fall into the high-wage category than workers in standard jobs. Among men, a larger share of the self-employed receives high hourly wages than men in regular full-time work.

As for fringe benefits, a much smaller share of men and women nonstandard workers of all types receive health insurance or pensions. Among standard workers, 79.9% of women and 80.1% of men receive either health insurance or a pension from their employer, but the share of all nonstandard workers receiving either benefit drops to just 22.8% of women and 16.0% of men.

The wage cutoffs that define high and low wages are determined separately for men and women. (However, poverty-level cutoffs are identical for both sexes.) The multivariate wage analyses shown below are also estimated separately for men and women, meaning we are comparing women in nonstandard jobs with women (not women and men) in regular full-time jobs. We also compare male nonstandard workers with male regular full-time workers only. This method prevents gender-associated wage penalties from coloring the comparisons. The focus of this report is



Distribution of Workers, by Work Arrangement, Among Various Wage and Benefit Categories (%) **TABLE 8** 

	Low Wages <sup>a</sup>	ages <sup>a</sup>	Poverty-Level Wages <sup>b</sup>	el Wages <sup>b</sup>	High Wages °	sdes °	Receive Fringe Benefits <sup>d</sup>	ve nefits <sup>d</sup>
	Women	Men	Women	Men	Women	Men	Women	Men
Regular Part-Time	36.7%	52.1%	57.4%	55.3%	13.5%	11.7%	30.5%	29.8%
Temporary Help Agency	28.1	54.2	57.7	57.5	8.6	9.0	8.9	5.9
On-Call On-Call	31.7	37.0	48.4	40.0	19.9	14.4	26.1	38.2
Day Labor	67.3	62.7	81.7	62.7	0.00	0.00	n.a.	9.5
Self-Employment	37.4	24.4	46.3	27.1	22.4	28.0	1	1
Independent Contracting	25.9	18.8	36.6	21.1	31.0	28.1	16.0 (e)	42.5 °
Contract Company	20.9	16.1	35.5	19.2	28.8	23.2	<u>50.3</u>	63.3
All Nonstandard	34.4	30.6	52.3	33.4	17.4	22.1	22.8	16.0
Regular Full-Time	11.9	<u>13.6</u>	27.6	17.7	23.0	21.8	79.9	80.1
All	20.0%	20.0%	35.4%	21.5%	20.0%	20.0%	62.0%	64.7%

a In the lowest 20% of wage distribution, below \$5.95/hour for women (\$12,378/year work full time, year round) and \$7.10/hour for men (\$14,768/year).

<sup>b</sup> Wage too low to raise a family of four out of poverty working full-time, all year (\$7.63/hour or \$15,870/year).

c In the highest 20% of the wage distribution above \$15.37/hour for women (\$31,967/year) or \$20.19/hour for men (\$41,999/year).

<sup>d</sup> Received health insurance or a pension from own employer who pays at least some of the cost.

Independent contractor wage and salary earners only.

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on the effect of nonstandard employment, not gender, on workers' wages, so we therefore abstract from the general wage disadvantage faced by all women in the workplace (which has been extensively studied by others) to focus on the effects related specifically to nonstandard work. Thus, our wage comparisons are conducted within gender categories. (For completeness, however, in Table 16 we examine the combined wage effects associated with nonstandard employment and being female.)

Nonstandard work arrangements are found disproportionately in industries and occupations in which pay is low.

### Odds of Receiving Low Wages

We now examine the odds for six types of nonstandard workers of receiving low, poverty-level, and high wages compared to workers in standard jobs with similar personal and job characteristics. Our analysis of each of these three wage comparisons is based on two logistic regression models, each estimated separately for men and women. Our models control for the various personal and job characteristics that are correlated with wages. (A listing of the explanatory variables in each model appears in **Table 9**. **Appendix Table 4** shows the means and standard deviations of the variables used in the analyses.) In the first model, wages are compared among workers with similar personal characteristics. In the second model, we not only consider personal characteristics but also control for the effects of 14 industries and 12 occupations, the receipt of fringe benefits (either health insurance or a pension paid, at least in part, by the worker's employer) and union status or contract coverage.

In a well-functioning labor market, workers are able to move among jobs, seeking those that offer the greatest rewards to their skills, education, experience, and other personal characteristics. <sup>10</sup> Industry, occupation, and other job characteristics should not influence the wage a worker receives. However, as will be demonstrated, these job characteristics are indeed correlated with wages, and nonstandard work arrangements are found disproportionately in industries and occupations in which pay is low.

Table 9 shows the odds ratio for each type of NSWA and for other factors that correlate with low wages.<sup>11</sup> Both women and men in all types of nonstandard work arrangements (except contract work) are more likely to be paid low wages than workers with similar personal characteristics employed in regular full-time jobs.<sup>12</sup> When nonstandard workers are compared to standard workers within the same major industry and occupation and with similar union status and fringe benefits, the picture changes. Among women, the odds of receiving low hourly wages is still higher among all types of nonstandard workers except temps and, as before, contract workers.

Men working in regular part-time jobs, as temps, or as on-call workers are



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# TABLE 9 Nonstandard Worker's Odds of Being Paid a Low Wage, Compared to Regular Full-Time Worker, by NSWA and Sex (Odds Ratio)

Women

Men

	Con	trolling for:	Contr	olling for:
	Personal Characteristics	Personal and Job Characteristics	Personal Characteristics	Personal and Job Characteristics
Work Arrangement				
Regular Part-Time	3.92***	1.96***	3.94***	2.08***
Temporary Help Agency	2.31***	1.16	3.74***	1.74**
On-Call	3.62***	1.69**	2.14***	1.47**
Self-Employment	5.27***	1.96***	2.80***	1.05
Independent Contracting	3.95***	1.41**	1.89***	1.00
Contract Company	1.61	0.94	0.88	0.75
Fringe Benefits		0.29***		0.32***
Union ,		0.48***		0.43***
Demographics				
Age	0.83***	0.87***	0.78***	0.83***
Age <sup>2</sup>	1.00***	1.00***	1.00***	1.00***
Black	1.82**	1.72***	1.70***	1.42**
Hispanic	1.56**	1.59**	1.59***	1.47**
Other Race	0.95	0.92	1.26	1.20
Married	0.75*	0.76*	0.67***	0.80**
Spouse Employed	1.03	1.07	1.01	0.93
Young Children	1.16	1.12	0.93	0.89
Older Children Only	1.27**	1.28*	1.04	1.03
Born Outside the U.S.	1.58***	1.42**	1.69***	1.33*
Education				
Less Than High School	1.46**	1.08	1.72***	1.52***
Some College			,	
Associate Degree	0.48***	0.64***	0.73*	0.85
College Degree	0.31***	0.47***	0.41***	0.52***
Post-B.A.	0.23***	0.39***	0.34***	0.43***
Region				
Suburban	1.18	1.20	0.77**	0.79**
Rural	2.26***	2.00***	1.29**	1.10
Midwest	1.41***	1.40**	1.36***	1.35**
South	1.56***	1.53***	1.26**	1.32**
West	1.04	1.05	1.06	1.06

<sup>\*</sup> 0.01

Note: In addition to the explanatory variables shown here, the second model also controls for 14 industries and 12 occupations, as well as being a leased worker. Level of significance refers to the null hypothesis that the odds ratio = 1. "Young Children" indicates whether a family has any children under age 6. "Older Children Only" indicates all children in a family are age 6 or above.



<sup>\*\* 0.001 &</sup>lt; p < = 0.01

<sup>\*\*\*</sup> p < = 0.001

also more likely to receive low hourly wages than their regular full-time counterparts. Contract workers, independent contractors, and the self-employed are exceptions and no more likely than regular full-time workers to be paid low wages.

Other factors are also associated with receipt of low wages. Being married lowers the odds for both men and women; having older children increases the odds for women. Among both men and women, being black or Hispanic raises the chances by about half, and being born outside the U.S. increases the likelihood by about one-third. Higher levels of education are associated with reduced odds of earning low wages.

Most types of nonstandard workers, regardless of gender, are more likely to receive poverty level wages than regular full-time workers.

### Odds of Receiving Poverty-Level Wages

Comparing nonstandard workers with standard workers sharing similar personal characteristics, we find that most types of nonstandard workers, regardless of gender, are more likely to receive poverty-level wages than regular full-time workers (see **Table 10**). Contract workers are the only exceptions. Even among workers in similar industries and occupations and with similar union status and fringe benefits, male and female regular part-time workers remain nearly twice as likely to earn poverty-level wages (see columns 2 and 4 of Table 10). Women working as temps and as on-call workers also have higher odds of earning poverty-level wages than regular full-time female workers. Female independent contractors have reduced odds.

### Odds of Receiving High Wages

Not everyone employed in a nonstandard job is disadvantaged by this work arrangement; in fact, some do quite well. **Table 11** shows that contract workers of either gender are more likely to be paid high wages than regular full-time workers with similar personal characteristics. This greater likelihood of receiving high wages also extends to contract workers, independent contractors, and the self-employed of either gender with similar personal and job characteristics. Further evidence here also indicates that jobs with fringe benefits also tend to pay higher wages: workers receiving fringe benefits are more than twice as likely to receive high wages as those without. Coverage by a union contract or labor union membership also raises the odds of obtaining a high-wage job to 1.41 for women and 1.33 for men.

### Wage Differentials Between Nonstandard and Regular Full-time Workers

To further examine job quality in standard and nonstandard work arrangements, we now estimate a series of models that directly compare wages for workers in six types of nonstandard arrangements with those of regular full-time workers. As we have done in the previous analyses, we examine women and men separately. In the first model, personal characteristics are held constant. In the second, we include



### TABLE 10 Nonstandard Worker's Odds of Being Paid a Poverty-Level Wage, Compared to Regular Full-Time Worker, by NSWA and Sex (Odds Ratio)

Women

Men

Men

1.33\*\*

	Cor	Controlling for:		Controlling for:		
	Personal Characteristics	Personal and Job Characteristics	Personal Characteristics	Personal and Job Characteristics		
Regular Part-Time	3.56***	1.75***	3.46***	1.84***		
Temporary Help Agency	3.42***	1.58*	3.20***	1.38		
On-Call	3.02***	1.40*	1.99***	1.38		
Self-Employment	2.82***	0.98	2.44***	0.94		
Independent Contracting	2.42***	0.78*	1.62***	0.87		
Contract Company	1.25	0.78	0.91	0.75		
Fringe Benefits		0.34***		0.32***		
Union		0.45***		0.43***		

<sup>0.01</sup> 

Note: See Table 9 for a complete listing of variables. Level of significance refers to the null hypothesis that the odds ratio = 1.

### TABLE 11 Nonstandard Worker's Odds of Being Paid a High Wage, Compared to Regular Full-Time Worker, by NSWA and Sex (Odds Ratio)

Women

Controlling for: Controlling for: Personal and Job Personal Personal and Job Personal Characteristics Characteristics Characteristics Characteristics 1.06 0.58\*\*\* 1.04 0.58\*\* Regular Part-Time 1.98 0.35\*\*\* 0.88 0.75 Temporary Help Agency 1.04 1.44 0.79 1.27 On-Call 2.86\*\*\* 1.10 2.33\*\*\* Self-Employment 1.04 2.35\*\*\* 3.03\*\*\* 1.16\* Independent Contracting 1.12 1.55\*\* 1.80\* 1.38\* Contract Company 1.56\* 2.44\*\*\* 2.42\*\*\*

Fringe Benefits

Union

Note: See Table 9 for a complete listing of variables. Level of significance refers to the null hypothesis that the odds ratio = 1.



1.41\*\*\*

<sup>0.001</sup> 

p < = 0.001

<sup>0.01</sup> 

<sup>\*\* 0.001 &</sup>lt; p < = 0.01

<sup>\*\*\*</sup> p <= 0.001

controls for the effects of job characteristics. In each model, the dependent variable is the natural log of hourly wages.<sup>13</sup>

#### Women

Comparing women with similar personal characteristics in standard and nonstandard work arrangements, we find that wages are significantly lower in nearly every type of nonstandard work (see **Table 12**). Only contract workers receive wages not significantly different from those of regular full-time workers. The pay penalties for NSWAs are large, ranging from 14% for independent contractors to 25% for the self-employed.

When comparing workers similar in job and personal characteristics, the pay penalties associated with NSWAs shrink, remaining for just three types of non-standard work: 5% for regular part-time workers, and 6% for both on-call workers and the self-employed. Temporary help agency employees, however, are paid about the same as regular full-time workers, while independent contractors and contract workers actually receive pay premiums of 7% and 11%, respectively. In all cases, taking into account industry, occupation, union status, and receipt of fringe benefits reduces the pay penalty or adds a pay premium to the wages received by nonstandard workers. <sup>14</sup> This indicates that nonstandard workers are more likely than regular full-time workers to work in low-wage industries or occupations, to lack a union membership or contract (which are associated with higher wages), and forego work without fringe benefits (which is also associated with lower wages). The lower wage received by people in NSWAs is due, in part, to the work arrangement itself and, in part, to the industry, occupation, union status, or general quality of the jobs typically found in these types of work arrangements.

Women's Educational Attainment. Because wages often vary with workers' skills or bargaining power, and these two traits are often thought to be related to education, we next compare wages for female nonstandard and regular full-time workers within six different levels of educational attainment. We also control for the effects on wages of working part-time by including an interaction term between NSWA and part-time hours.

When controlling for personal characteristics, women at most levels of education are disadvantaged in all types of nonstandard work arrangements, with contract work as the sole exception (see **Table 13**). For example, high school graduates working full time in five of the six categories of NSWAs face pay reductions ranging from 19% (temps) to 34% (the self-employed). To

When controlling for personal characteristics, women at most levels of education are disadvantaged in all types of nonstandard work arrangements, with contract work as the sole exception.



# TABLE 12 Wages of Nonstandard Workers, Compared to Regular Full-Time Workers, by NSWA and Sex (Difference in %)

#### Controlling for Personal Characteristics

	<u>Women</u>	Men_
Regular Part-Time	-20%***	-24%***
Temporary Help Agency	-17***	-21***
On-Call	-21***	-9**
Self-Employment	-25***	-13***
Independent Contracting	-14***	-5***
Contract Company		7*

#### Controlling for Personal and Job Characteristics

	Women	Men_
Regular Part-Time	-5%**	-10%***
Temporary Help Agency		-8*
On-Call	-6*	
Self-Employment	-6*	8**
Independent Contracting	. 7**	12***
Contract Company	11*	9***

<sup>\* 0.01 &</sup>lt; p < = 0.05

Note: The dependent variable is log (wage). "—" indicates the difference is not significantly different from zero. The model of personal characteristics controls for four race/ethnicity categories, six education levels, four Census regions, three urbanicity categories, age and age squared, two marital status categories, being a leased worker, and whether bom in the U.S. The model, which includes job characteristics, also has controls for 14 industries, 12 occupations, receipt of either employer-sponsored health insurance or a pension, and union membership or coverage by a union contract.

### Men

The findings for men tell a similar story. Controlling for personal characteristics, men in all types of nonstandard arrangements are paid less than regular full-time male workers, with the exception of contract workers who are paid 7% more, on average (see Table 12). The NSWA pay penalties can be large: 24% for regular part-time workers, 21% for temporary help agency employees, 9% for on-call workers, 13% for the self-employed, and 5% for independent contractors.

After controlling for job characteristics, pay penalties persist for regular part-time workers and temps. Contract workers, independent contractors, and the



<sup>\*\* 0.001 &</sup>lt; p < = 0.01

<sup>\*\*\*</sup> p < = 0.001

Wages of Nonstandard Workers Compared to Regular Full-Time Workers, by Education Level (Share of Regular Full-Time Wage) **TABLE 13** 

Education Level	Regular Full-Time	Regular Part-Time	Temporary Help Agency	On-Call	Self- Employment	Independant Contracting	Contract
			Controlling 1	Controlling for Personal Characteristics	haracteristics		
Women							
ess Than High School	100%	<b>*</b> %06	%06	%96	760/ **	000	
igh School Diploma	100	77**	81***	2/00	0/0/	%0%	%08 808
ome College	100	73	9.5	80	200	//	97
Associate Degree	100	***6Z	63***	3 5	- / -	75	101
College Degree	100	**68	**02	74	/6	9/	112
Post-B A	5	*	2 (	<b>+</b> i	90	/2	114
	3	8	<b>2</b>	73*	75**	81**	122
Men							
Less Than High School	100%	%26	87%	100%	4000	7000	
gh School Diploma	100	24.97	75***	20.7	% CO_	, 50%	%E01
ome College	100	73***	, č	2 0	02	86	701
Associate Degree	100	20	105	110	70	. 46. 	106
College Degree	100	64***	<b>.</b> 62	*9 <u>/</u>	000		EL.
Post-B.A.	100	72***	\$2.00 ***C	***	60		90

\* 0.01 
\*\* 0.001 
\*\* p < = 0.001

Note: The dependent variable is log (wage). Separate regressions were run for each NSWA plus regular full-time workers. A complete list of the variables in each model is shown in the note to Table 12. These models also include a dummy variable indicating part-time work. Coefficients are shown in Appendix Table 7.



self-employed, however, receive pay premiums. This pattern indicates that, like females, part of the wage penalty received by male nonstandard workers results from their greater likelihood of working in low-wage industries or occupations, or working without a union contract or fringe benefits.<sup>18</sup>

Men's Educational Attainment. Table 13 illustrates how education affects wages of men in nonstandard and standard jobs. 19 When controlling only for personal characteristics, four types of nonstandard workers are disadvantaged at all (or nearly all) educational levels: regular part-time workers, temps, the self-employed, and independent contractors. The pay penalty is 24% for high-school-educated regular part-time workers (22.5% of all male regular part-time workers) and is even higher at 25% for temps with a high school education (32.5% of all male temps). For the self-employed with a high school diploma (29.2% of male self-employed workers) the penalty is 18%. On-call workers with less than a college degree are not disadvantaged, but on-call workers with four or more years of college (10% of all on-call workers) and independent contractors with more than a high school diploma (60.2% of independent contractors) receive pay penalties, some as large as 25% or more. In addition to these education-associated wage differentials, part-time, temporary, and on-call workers have additional wage penalties of 27% and 21%, respectively (see Appendix Table 8). Independent contractors and the self-employed that work part-time earn a pay premium of 22% and 14%.

Comparing Wages for Men and Women

Until now, we have examined men and women's wages for nonstandard and regular full-time workers separately. We now re-estimate the models using a combined sample that includes both men and women to determine gender differences in wages for nonstandard workers. We first compare the wages of women and men in nonstandard work. Then we compare the wages of women in nonstandard work with those of men in regular full-time work.

In the model that controls only for the effects of personal characteristics, women in all types of nonstandard arrangements who work full-time are paid significantly less than full-time men in the same work arrangement (with the exception of temps) (see **Table 14**). The penalties are 36% for the self-employed, 33% for independent contractors, 24% for on-call workers, and 19% for contract workers. Among regular part-time workers, women eam 10% less than men. When job characteristics are also included in the model, the magnitude of the penalties decrease (but remain sizable) and significant differences remain only for contract workers, independent contractors, and the self-employed. We have already seen that nonstandard work-

Women in all types of nonstandard arrangements who work full-time are paid significantly less than full-time men in the same work arrangement.



TABLE 14
Wages for Female Full-Time Nonstandard Workers
Compared To Male Full-Time Nonstandard Workers
(Difference in %)

Work Arrangement	Personal Characteristics	Personal and Job Characteristics
Regular Part-Time	-10%***	-6%
Temporary Help Agency	-10	-8
On-Call	-24***	-11
Self-Employment	-36***	-29***

-33\*\*\*

-19\*\*\*

Controlling for:

-22\*\*\*

Independent Contracting

Contract Company

Note: The dependent variable is log (wage). A complete list of the variables in the models is found in Table 12. These models also include a dummy variable indicating part-time work. All nonstandard workers are full-time except regular part-time workers.

ers are more likely to work in low-wage industries and occupations, lack union representation, and occupy jobs that lack fringe benefits. But these findings also indicate that, among nonstandard workers, women are more likely than men to work in poor quality jobs.

We can also examine the combined penalty women face related to both their nonstandard jobs and their gender (see **Table 15**). In general, women in regular full-time jobs receive wages that are 20% lower than those of men in regular full-time jobs with similar personal characteristics, and 16% lower than those of men with both similar personal and job characteristics (results not shown). However, for women in all types of nonstandard work except contract and on-call, the gender gap in pay is even higher (see **Appendix Table 9**). Controlling for personal characteristics, the combined wage penalties associated with being female and a non-standard worker are 46% for the self-employed, 38% for independent contractors, 36% for regular part-time workers, 31% for temps, 28% for on-call workers, and 15% for contract workers.



<sup>\* 0.01 &</sup>lt; p <= 0.05

<sup>\*\* 0.001&</sup>lt; p <= 0.01

<sup>\*\*\*</sup> p <= 0.001

# TABLE 15 Combined Wage Penalties for Female Full-Time Nonstandard Workers Compared to Male Full-Time Regular Workers (Difference in %)

_			
( ,V	ntra	llina	+0.00
	HUU	HHU	IUI.

Work Arrangement	Personal Characteristics	Personal and Job Characteristics
Regular Part-Time	-36%	-20%
Temporary Help Agency	-31	-16
On-Call	-28	<b>-2</b> 5
Self-Employment	-46	-29
Independent Contracting	-38	-19
Contract Company	-15	-6

Note: For level of significance, see Appendix Table 9.

### Comparing Wages Across Racial/Ethnic Groups

We also examine the wage penalties associated with race and ethnicity by comparing: (1) black and Hispanic nonstandard workers with white nonstandard workers; and (2) black and Hispanic nonstandard workers with white workers in regular full-time jobs. Although just a few types of nonstandard workers experience statistically significant wage differences associated with race or ethnicity (see **Table 16**), a large share of minority women are still affected. About 70% of black and Hispanic women in nonstandard work are employed in regular part-time jobs, receiving wage penalties of 11% to 13%. Wage penalties also affect black female temps, black male on-call workers and independent contractors, and Hispanic male contract workers and independent contractors.

We now examine the combined wage differentials associated with race/ethnicity and nonstandard work. Even in regular full-time jobs, blacks and Hispanics are paid significantly less, on average, than white workers with similar characteristics. Compared to workers with similar personal characteristics, the pay penalty for black men and women in regular full-time jobs is 19% and 14%, respectively, while the penalty for Hispanics is 11% and 7% (results not shown). (These figures do not include gender-associated differences, but only compare black and Hispanic men with white men, and black and Hispanic women with white women.) The combined wage differences associated with race/ethnicity and nonstandard work are quite large. Black and Hispanic female regular part-time workers earn from 25% to



### **TABLE 16** Wages for Black and Hispanic Full-Time Nonstandard Workers **Compared to White Full-Time Nonstandard Workers** (Difference in %)

Women

Men

		Con	trolling for:	Contro	olling for:
Work Arrangement	_	Personal Characteristics	Personal and Job Characteristics	Personal Characteristics	Personal and Job Characteristics
Regular Part-Time	Black	-7	-11*	-10	-6
	Hispanic	-10	-13*	-11	-17
Temporary Help	Black	-19*	-13	-8	3
Agency	Hispanic	-24	-15	-20	-15
On-Call	Black	-15	-11	-22*	-16
	Hispanic	-15	-22	-24	-19
Self-Employment	Black	-21	-5	-7	-4
	Hispanic	12	17	-10	-10
Independent	Black	5	20	-22**	-21**
Contracting	Hispanic	7	12	-17*	-15
Contract Company	Black	-24	-15	-15	-9
	Hispanic	22	26	-31*	-17

<sup>0.01</sup> 

Note: The dependent variable is log (wage). A complete list of the variables in the models is found in Table 12. These models also include a dummy variable indicating part-time work.

> 26% less than white women working regular full-time (see Table 17 and Appendix Table 10). Black and Hispanic temps experience penalties of 30% and 28%, respectively, and for the self-employed the penalties are 38% and 34%. The largest wage penalties for male blacks and Hispanics are those for temps (30% and 24%), regular part-time workers (29% and 23%), and on-call and self-employed (26% and 19-20%).



<sup>0.001</sup> 

p < = 0.001

## TABLE 17 Combined Wage Penalty for Black and Hispanic Full-Time Nonstandard Workers Compared to White Full-Time Regular Workers (Difference in %)

Women Men Controlling for: Controlling for: Personal Personal and Job Personal Personal and Job Work Arrangement Characteristics Characteristics Characteristics Characteristics Regular Part-Time Black -26% -15% -29% -16% Hispanic -25 -14 -23 -10 Temporary Help -30 Black -16 -30 -15 Agency -28 Hispanic -15 -24 -10 On-Call Black -22 -18 -26 -21 Hispanic -20 -16 -19 -16 Self-Employment -38 -17 Black -26 -11 -14 Hispanic -34 -20 -4 Independent Black -16 13 -23 -8 Contracting Hispanic -13 -17 -1 Contract Company Black -11 -3 -11 -2 Hispanic -8 0 -5 5

Note: For level of significance, see Appendix Table 10. These wage penalties do not include gender-associated wage differences.

### **Fringe Benefits**

Whether a job provides benefits is both an important component of job quality and, as we have seen, a predictor of wages. **Tables 18** and **19** show, according to type of work arrangement, the share of workers who have a pension or health insurance coverage (and whether it's provided through the employer). Not surprisingly, a much smaller share of workers in nonstandard jobs have either health insurance or a pension compared to regular full-time workers. Employer-provided health insurance coverage is especially uncommon among nonstandard workers.

### Family Structure and Health Insurance Coverage

Although many nonstandard jobs do not provide health insurance, some workers are able to obtain coverage through another family member. As **Table 20** shows,



and Sex	Women Through Own
rangement	Any
TABLE 18 Health Insurance Coverage, by Work Arrangement and Sex	All Through Own
ince Cover	Any
Health Insura	Share of

				All	2	Women	2	Men
	Work Arrangement	Share of Employment	Any Coverage	Thro	Any Coverage	Any Through Own Coverage Employer	Any Coverage	Through Own Employer
	All Nonstandard	100.0%	81.0%	52.6%	82.2%	48.7%	80.1%	26.0%
			7:17	- I	/3./	14.6	62.7	12.7
	Full-11me Temporary Help Agency	7 8%	/3 Bo/	900	40.06		į	
	On Coll	% O: 0	45.0%	0.3%	49.9%	%0.6	37.3%	3.5%
	On-Call	9.0	9.79	43.1	70.3	30.7	66.5	47.6
	self-Employment	4.0	78.9	n,a,	78.1	n.a.	79.2	
	Independent Contracting - WS a	9.0	68.1	28.7	65.2	16.2	69.7	35 p
	Independent Contracting - SE b	4.0	73.0	n.a.	75.3		72.4	5.00
	Contract Company	1.0	80.3	55.7	87.9	52.3	780	11.a. 57 1
	Regular Full-Time	9.07	85.1	69.4	86.7	67.0	83.0	710
	All	82.0	83.4	61.3	85.4	61.7	82.0%	61.0%
	Part-Time							
	Temporary Help Agency	0.5%	46.9%	1.6%	51.4%	1 6%	70.0	4
	On-Call	6.0	59.4	7.5	62.1	6.1	7.67	. c
	Self-Employment	1.4	78.9	n.a.	81.7	; e	7.00	
	Independent Contracting - WS a	0.3	64.8	1.6	65.6	46	9 C4	. c.
(	Independent Contracting - SE <sup>b</sup>	4.1	68.2		77.4	e c	0.50	20.3
J (1)		0.2	52.9	13.8	50.7	1.a.	00.0 23.3	1.d.
<b>)</b>	Regular Part-Time	13.7	71.4	18.0	74.1	18.6	64.3	16.7
	All	18.0	70.4	14.2	73.7	14.8	9.59	- C
						2	05.0	0.21

<sup>&</sup>lt;sup>a</sup> Wage & Salary <sup>b</sup> Self-Employment



TABLE 19 Pension Coverage, by Work Arrangement and Sex

		All	M	Women		Men
Work Arrangement	Any Coverage	Through Own Employer	Any Coverage	Through Own Employer	Any Coverage	Through Own Employer
All	53.0%	47.8%	51.9%		54.0%	48.5%
All Nonstandard	30.8	12.1	30.6	19.7	18.8	13.1
Full-Time						
Temporary Help Agency	12.0%	3.1%	11.8%	2.8%	12.2%	3.3%
On-Call	37.3	32.6	41.0	30.4	36.0	33.5%
Self-Employment	45.0	n.a.	35.1	n.a.	44.8	e C
Independent Contracting - WS a	40.1	22.5	37.3	12.4	41.7	28.2
Independent Contracting - SE <sup>b</sup>	36.1	n.a.	35.0	n,a,	36.4	n.a.
Contract Company	47.2	41.5	52.8	44.2	45.5	40.7
Regular Full-Time	62.6	62.6	62.9	62.8	62.4	619
A//	58.8	54.5	0.09	57.4	58.0	52.5
Part-Time						
Temporary Help Agency	10.9%	0.8%	11.1%	0.3%	10.7%	1.8%
On-Call	28.1	14.8	30.6	16.3	22.7	11.6
Self-Employment	33.4	n.a.	. 33.9	n.a.	32.3	) r
Independent Contracting - WS a	24.2	5.7	24.9	2.0	22.5	7 8.
Independent Contracting - SE b	31.5	n.a.	34.1		28.3	) rc
Contract Company	24.4	14.3	23.6	11.2	25.6	0 61
Regular Part-Time	26.2	21.0	30.4	23.7	15.5	13.4
All .	27.0	16.3	30.5	18.9	18.7	, o
						!

a Wage & Salary

<sup>b</sup> Self-Employment

	Health	nsurance C	overage,	TABLE 20 by Family Stat	TABLE 20 Health Insurance Coverage, by Family Status, Work Arrangement, and Sex	ngement, and (	Sex		
Family Status	Regular Part-Time	Temporary Help Agency	On-Call	Self-Employment	Independent Contracting-WS <sup>a</sup>	Independent Contracting-SE <sup>b</sup>	Contract Company	Regular Full-Time	ΙΨ
<b>Women</b> Single No Children With Children	67.4% 54.2	44.0% 28.0	49.2% 40.0	72.9% 58.8	60.6% 62.5	60.4%	66.2% 68.4	86.3% 81.4	79.5%
<i>Married, Single Earner</i> No Children With Children	80.4 61.8	27.3 53.3	78.3 47.4	79.4 61.1	61.5	72.1 61.5	1.1	90.0 80.2	85.9 74.3
<i>Married, Two Earners</i> No Children With Children	87.1 84.6	75.0 67.9	85.3 77.0	87.4 84.0	79.2 .72.6	84.8 82.2	97.1 85.4	94.8 92.1	92.1 88.4
Men Single No Children With Children	65.8% 41.9	31.7% 21.4	44.4% 53.8	61.0% 66.7	63.8%	49.7% 59.3	70.1%	77.3% 79.1	71.8% 73.2
<i>Married, Single Earner</i> No Children With Children	60.6 51.0	40.0 35.7	53.5 52.8	80.3 84.0	86.7 75.0	78.7 57.3	86.1 62.9	87.2 83.9	83.8 79.9
<i>Married, Two Earners</i> Children With Children	80.1 75.8	69.2 47.4	85.4 82.4	89.6 83.9	78.1 77.8	85.7 79.3	89.3 87.5	No 95.1 91.8	92.7 89.3

a Wage & Salary b Self-Employment

Note: "--" denotes cells with fewer than 10 respondents.



an employed spouse increases the likelihood that workers in nonstandard jobs have health insurance, even if their own work arrangement does not provide it. This can be seen by comparing the insurance coverage rates of married workers in single-earner families with those in dual-earner families. For example, only 47.4% of women on-call workers who are married and in single-earner families with children have insurance, but 77.0% of similar women in dual-earner families are insured. But an employed spouse does not guarantee the family has health insurance. A substantial minority of dual-earner workers in temporary, on-call, and independent contract work do not have health insurance, even though their spouse is employed.

Eligibility for health insurance coverage through a job also varies by family status within each category of work arrangement (see **Table 21**).<sup>20</sup> In general, workers in part-time, on-call, and contract jobs who were their family's only earners—single parents and single-earner married workers—were less often eligible for health insurance than workers in dual-earner families.<sup>21</sup>

#### Odds of Receiving Fringe Benefits

So far, our analysis of the relationship between benefits and nonstandard work arrangements has not taken into account personal and job characteristics. The results reported in **Table 22** reveal that nonstandard workers are far less likely to receive fringe benefits from their employer than are regular full-time workers.<sup>22</sup> Among those least likely to receive benefits are temps (2-3% as likely) and regular part-time workers (11-13% as likely). Union membership, however, increases the odds of receiving fringe benefits more than eight-fold among men and more than five-fold among women.<sup>23</sup>

**Employment Security** 

Employment security is the third aspect of job quality we will examine. Some nonstandard employment arrangements are contingent, which the Bureau of Labor Statistics defines as a job that lacks an explicit or implicit contract for long-term employment (Polivka and Nardone 1989). Because the term "contingent," however, has acquired a variety of meanings in recent literature on the subject, we attempt to avoid any confusion in this report by using the term "insecure" for jobs of limited or uncertain duration.

In 1995, the BLS released eagerly awaited data on the share of the labor force in employment of uncertain duration. Because their figures were somewhat controversial, we will briefly describe their work and suggest modifications to their definitions.

A substantial minority of dual-earner workers in temporary, on-call, and independent contract work do not have health insurance, even though their spouse is employed.



TABLE 21 Workers Eligible to Receive Health Insurance Coverage Through Their Employer (%)

Family Status	Regular Part-Time	Temporary Help Agency	On-Call	Independent Contracting-WS <sup>a</sup>	Contract	Regular Full-Time	Ī
<b>Women</b> Single No Children With Children	30.9% 40.5	23.2%	27.2% 6.5	20.0%	59.2% 61.1	85.4% 83.4	70.9%
<i>Married, Single Earner</i> No Children With Children	42.5 40.0	20.0 13.3	4.5 50.0	36.4	1.1	85.5 81.9	73.7
<i>Married, Two Earners</i> No Children With Children	47.7 45.6	28.6 15.1	28.8 24.4	31.9 14.1	61.8 65.0	88.7 86.6	78.9 72.4
Men Single No Children With Children	29.1% 50.0	15.7% 30.8	24.1% 38.5	48.8%	64.8%	79.1% 82.4	68.8% 78.2
<i>Married, Single Earner</i> No Children With Children	31.3 37.4	14.3	39.4 40.4	46.2 41.7	80.6 57.1	86.7 84.9	82.1 81.5
<i>Married, Two Earners</i> No Children With Children	51.3 53.0	23.8 40.0	54.1 39.5	45.3 38.1	79.7 78.5	90.3 87.9	87.1 85.8

a Wage & Salary

Note: A worker may be eligible for coverage regardless of whether he or she is actually enrolled in the insurance plan. "—" denotes cells with fewer than 10 respondents.



# Odds of Receiving Health Insurance or a Pension<sup>a</sup> for Nonstandard Worker Compared to Regular Full-Time Worker, by NSWA, Sex, and Part-Time Status (Odds Ratio) **TABLE 22**

Men Controlling for:	Personal and Job Personal and Job Characteristics	0.14*** 0.02*** 0.19*** 0.16*** 0.51*** 0.51*** 0.15*** 0.15*** 0.15*** 0.15*** 0.15*** 0.12***
Ō	Personal Per Characteristics CI	0.13*** 0.02*** 0.11*** 0.47***
	Personal and Job Characteristics	0.12*** 0.03*** 0.21*** 0.39*** 0.18*** 0.19***
Women Controlling for:	Personal and Job Characteristics	0.12*** 0.03*** 0.06*** 0.26***
	Personal Characteristics	0.11*** 0.03*** 0.08*** 0.04*** g-WS <sup>b</sup>
		Regular Part-Time Temporary Help Agency On-Call Independent Contracting-WS <sup>b</sup> Contract Company Part-Time and On-Call Part-Time and Independent Contracting-WS <sup>b</sup> Part-Time and Contract Company

\* 0.01 
\*\* 0.001 
\*\* p < = 0.001

a Paid for, at least in part, by a worker's employer.

b Wage & Salary

Note: The self-employed including self-employed independent contractors are omitted from this estimation. There are no part-time day laborers with benefits. There are no part-time male temps or leased workers with benefits, and only two women in each of these two categories. Therefore, these interactions were not included in the model. See Table 9 for a complete listing of the variables. The level of significance refers to the null hypothesis that the odds ratio = 1.

In our view, the BLS definitions probably underestimate the extent of insecure jobs since they rely on fairly narrow and restrictive definitions of uncertainty.

The BLS estimated that in 1995, between 2.2% and 4.9% of the labor force held jobs of limited duration, depending on the definition used (BLS 1995; Polivka 1996). Researchers at BLS used three increasingly broad definitions of insecure work. The most restrictive category defined workers in insecure jobs as wage-andsalary employees who expect their job to last a year or less and whose tenure at their current job is one year or less. For temps and contract workers, job insecurity was based on their relationship to the temp agency or contract firm, not to their customer. The second BLS definition adds independent contractors and self-employed persons who meet these expected duration and tenure criteria. The BLS defined employment tenure and expected duration for temp and contract workers in terms of the workers' relationship with their temporary help or contract customer, not their employers. The BLS' third, most expansive definition of workers in insecure jobs included all wage-and-salary employees and all self-employed and independent contractors who do not expect their jobs to last. (This definition relaxes the one-year job tenure and expected-duration requirements for wage-andsalary workers, but retains the one-year requirement for the self-employed-both independent contractors and other self-employed workers). Based on the first BLS definition, 2.0% of men and 2.4% of women worked in jobs of uncertain duration; 2.5% of men and 3.0% of women worked in these jobs based on the second definition; and 4.5% and 5.3%, respectively, worked in these jobs according to the least restrictive definition 3.

In our view, the BLS definitions probably underestimate the extent of insecure jobs, since they rely on fairly narrow and restrictive definitions of uncertainty. In its most conservative estimate, the BLS considers workers to be in jobs of limited duration only if they: (1) are wage-and-salary workers; (2) report their jobs as temporary or say they cannot continue to work for their employer as long as they wish; (3) expect to work for their current employer for one year or less; and (4) have worked for their current employer for no more than one year. Additional criteria regarding either the nature of their jobs or the reasons they expect their employment to continue for less than a year are also required. While the more liberal BLS definitions relax two of these criteria, the one-year job tenure and expected-duration requirements are retained for all self-employed independent contractors and other self-employed workers.

We see no reason to restrict the definition of workers in insecure jobs to only those people who have worked for their current employer for one year or less; the length of time one has already spent in a job has little relevancy to whether that job will continue in the future. Likewise, the criterion of an expected duration of one year or less seems unduly restrictive: a job that is expected to last only 18 months is



not necessarily qualitatively less insecure than one that is expected to last only 6 months. While the most liberal BLS definition retains these criteria only for self-employed independent contractors and other self-employed workers, it is unclear why these criteria should be retained even for these categories.

For this study's purposes, we define an insecure job as one held by workers matching any of the following: (1) report their job as temporary; (2) report they cannot work for their employer as long as they wish; (3) are not sure about criteria "1" or "2"; or (4) expect their job to last for only one year or less. **Table 23** presents the distribution of the labor force by our measure of employment insecurity, broken down by type of work arrangement and sex.

TABLE 23
Odds of Having a Job of Uncertain Duration
(Odds Ratios)

	Female	Male
Work Arrangement		
Regular Part-Time	2.42***	3.20***
Temporary Help Agency	58.53***	58.39***
Self-Employment	· 3.01***	1.24*
Independent Contracting-WS <sup>a</sup>	4.61***	3.97***
Independent Contracting-SE b	2.43***	1.15
Contract Company	2.33***	2.18***
Demographics		
Age	0.98***	0.99**
Black	1.20*	1.35***
Hispanic	0.99	1.02
Other Race	1.14	1.19
Married	0.85	0.85
Spouse Employed	0.84	0.89**
Young Children	0.68**	0.60
Young Children and Married c	0.77	0.77
Older Children Only	0.63***	0.75
Older Children Only and Married c	0.84**	0.72
Born Outside the U.S.	1.42***	1.46***
Education		
Less than High School	1.03	1.13
Some College	1.14*	1.19*
Associate Degree	0.88	1.04
College Degree	1.13	0.93
Post-B.A.	1.42**	1.26*
Region		•
Midwest	0.93	0.77***
South	1.08	0.82**
West	1.11	0.88



Cont.



#### TABLE 23 (cont.) Odds of Having a Job of Uncertain Duration (Odds Ratios)

	Female	Male
Industry		
Agriculture, Forestry, and Fishing	0.57	1.71*
Mining	0.69	1.27
Construction	1.45	1.94***
Transportation	0.83	1.16
Wholesale Trade	0.68	1.04
Retail Trade	0.65***	0.87
Finance, Real Estate	0.66**	0.87
Private Households	2.67**	5.45*
Business, Repair Services	0.80	1.00
Personal Service	0.83	1.40
Entertainment, Recreational	0.92	1.77**
Professional Services	1.13	1.60***
Public Administration	1.53**	1.92***
Occupation		
Professional	1.42***	1.58***
Technical	1.20	1.22
Sales	1.23	1.02
Clerical	1.38***	1.34*
Private Household	1.02	0.47
Protective Services	2.17**	0.69
Other Service Occupations	1.23	0.98
Craft	1.41	1.18
Machine Operatives	1.43*	1.15
Transport Operatives	1.29	1.06
Laborers	1.38	1.14
Farm and Forestry	1.17	0.89

Note: All day laborers and on-call workers are considered to have jobs of uncertain duration.



<sup>\* 0.01 \*\* 0.001 &</sup>lt; p < = 0.01

<sup>\*\*\*</sup> p < = 0.001

<sup>&</sup>lt;sup>a</sup> Wage & Salary

<sup>&</sup>lt;sup>b</sup> Self-Employment

<sup>&</sup>lt;sup>c</sup> Odds ratio is net of both the two direct and interaction effects. Indicated levels of significance are those of the original interaction variable.

According to our definition, 8.5% of all men and 9.8% of all women workers have jobs of uncertain or limited duration, representing in total about 10.6 million jobs (see **Table 24**). Substantial percentages of workers in many types of NSWAs say that their jobs are insecure (we define all on-call workers and day laborers as contingent and, among all nonstandard workers, 17.9% of women and 18.2% of men work in insecure jobs). The contrast with regular full-time workers is striking—only 5.4% of men and women who have regular full-time jobs say that they do not expect their jobs to last.

Table 23 shows the results of estimating a logistic regression analyzing job security according to type of NSWA, personal characteristics, and occupation or industry. We find that, with one exception, all types of NSWAs are more likely to be of limited duration than regular, full-time jobs for both men and women. The exception is male self-employed independent contractors whose odds of having a job of limited duration are not significantly different than those for regular full-time workers. Women are not more likely than men to have insecure jobs once the other variables in Table 23 are taken into account (results not shown).<sup>24</sup>

TABLE 24
Jobs of Uncertain Duration, by NSWA and Sex (%)

Work Arrangement	Female	Male
Regular Part-Time	11.8%	16.4%
Temporary Help Agency	75.5	78.1
On-Call/Day Labor <sup>b</sup>	100.0	100.0
Self-Employment	9.8	5.6
Independent Contracting-WS c	24.3	20.8
Independent Contracting-SE d	10.3	6.6
Contract Company	13.7	12.4
All Nonstandard	17.9	18.2
Regular Full-Time	5.4	5.4
All	9.8%	8.5%

<sup>&</sup>lt;sup>a</sup> Respondent reported job is temporary or is expected to last for less than one year.



<sup>&</sup>lt;sup>b</sup> All on-call workers and day laborers are considered to have jobs of uncertain duration.

Wage & Salary.

d Self-Employment.

#### Job Histories and Nonstandard Work Arrangements

Another indicator of job quality is the extent to which it leads to other, better jobs. Jobs that are relatively insecure or low paying and that do not provide fringe benefits might still be advantageous for some workers if the job enables them to advance their careers. For example, a recent study by the National Association of Temporary and Staffing Services (1994) found that 78% of surveyed workers take temp jobs in order to get a foot in the door for a full-time job. Ultimately, our analysis indicates that this strategy is not very successful.

Just 3.2% of male and 4.7% of female regular full-time employees worked for their current employer in a NSWA immediately prior to their current job.

While information about job histories is sparse in the CPS Supplement, some patterns emerge from the information about the previous work arrangements of respondents. Table 25 shows the percentage of regular part-time and full-time employees who previously worked in a nonstandard work arrangement for their current employer (unfortunately, the data do not tell us which kind of NSWA the person had). Women appear more likely than men to have made the transition from NSWA to regular employment, but the percentages of persons making this transition are relatively small: 3.8% of males and 5.6% of females who are regular fulltime employees previously worked in a nonstandard work arrangement for their current employer. These percentages represent about 1.8 million and 2.0 million jobs, respectively. Just 3.2% of male and 4.7% of female regular full-time employees worked for their current employer in a NSWA immediately prior to their current job. (We do not have data on regular full-time workers who previously worked in a regular part-time job for their current employer.) These data suggest, then, that there are some opportunities to move from nonstandard to standard work arrangements with an employer, but the opportunities are few and they benefit a relatively small proportion of the total labor force.

The literature on downsizing and corporate restructuring often assumes that employers seek greater flexibility by replacing workers in standard work arrangements with less permanent ones. **Table 26** shows the share of workers in four

TABLE 25
Share of Full-Time Regular Workers Who Previously Worked for Their
Current Employer in a Nonstandard Work Arrangement

	Females	Males
All Previous Nonstandard Work Occurred	5.6%	3.8%
Immediately Before Current Job	4.7	3.2



TABLE 26
Share of Nonstandard Workers Who Previously Worked for Their Current Employer in a Different Work Arrangement

				Immediately	Prefer a S	tandard A	Arrangemer
Work Arrangement	Females	Males	All	Before Current Job	Yes	No	Depends
Temporary Help Agency	7.8%	9.3%	8.5%	3.9%	50.6%	41.0%	8.4%
On-Call	19.6	17.3	18.5	11.2	65.5	31.6	2.8
Independent Contractor-WS a	20.9	25.7	23.4	. 14.6	24.3	62.6	13.1
Contract Company	13.8	11.1	11.9	8.4			_

a Wage & Salary

nonstandard work arrangements that previously worked for their current employer in a different work arrangement. (Again, the data do not tell us what type of prior work arrangement this was.) For example, among on-call workers, 19.6% of females and 17.3% of men previously worked for their employer in a different arrangement (representing 175,435 and 147,469 jobs, respectively), as did 20.9% of female and 25.7% of male wage-and-salary independent contractors (representing 105,183 and 141,080 jobs, respectively).<sup>25</sup> These are relatively substantial percentages, though the scarce information on previous work arrangement makes it difficult to draw definitive conclusions.

Most of these workers moved directly from their previous work arrangement to their current one (i.e., they did not leave their employer to work elsewhere and then later return). Over half of on-call workers (11.2% of the total of 18.5%), contract company employees (8.4% out of 11.9%), and wage-and-salary independent contractors (14.6% of the total of 23.4%) worked for their current employer in a different work arrangement *immediately* prior to their current jobs. These data are consistent with the idea that independent contractors, contract workers, and on-call workers tended to have been previously employed by the organization in another kind of employment arrangement and could have been victims of downsizing or another form of restructuring.

Columns 5 through 7 of Table 26 show the percent of nonstandard workers who previously worked for their current employer in a different arrangement but who prefer a standard work arrangement. Although the majority of temporary help agency employees (4.2% of the total 8.5%) and on-call workers (11.6% of 18.5%) prefer a standard work arrangement, the vast majority of independent contractors did not (13.9% of 23.4% said "no," and 2.9% said it "depends").



## SECTION 3: WHO WORKS IN NONSTANDARD WORK ARRANGEMENTS?

We have found in our examination of job quality that: (1) workers in all types of nonstandard arrangements (except contract work) are paid less than workers with similar personal characteristics in regular full-time jobs, (2) all types of nonstandard workers are much less likely to receive fringe benefits (health insurance or a pension) than are regular full-time workers, and (3) nonstandard work is more likely to be of limited duration. We also found that nonstandard jobs are a poor way to move on to a regular full-time employment.

When industry,
occupation,
and other job
characteristics are
taken into account,
workers in some
NSWAs receive pay
premiums.

By these measures, all nonstandard jobs, on average, are inferior to standard jobs.26 However, as we have seen, NSWAs vary greatly in job quality—simply put, some jobs are unambiguously better than others. When industry, occupation, and other job characteristics are taken into account, workers in some NSWAs receive pay premiums. Using wages as one measure of job quality, we can divide various arrangements into three groups. Group 1, the lowest-quality NSWAs, includes those arrangements where workers, on average, are paid less than regular full-time workers with similar personal and job characteristics: male and female regular part-time workers, male temps, female on-call workers, and self-employed women (see Table 27). Group 3, the highest-quality group, is composed of male and female contract workers and independent contractors, and self-employed men who are better paid, on average, than regular full-time workers with the same personal and job characteristics. Group 2 includes male on-call workers and female temps, both of which are paid about the same as standard workers with similar personal and job characteristics. These groupings allow us to examine the demographic characteristics and family status of workers employed in nonstandard and standard jobs in order to determine who gets the best and worst nonstandard jobs.

#### Workers' Demographic Characteristics and NSWAs

#### Sex and Race/Ethnicity

Table 28 distributes workers by sex and race among nonstandard work arrangements. (See also Appendix Table 1). Women are much more likely to be employed in NSWAs than men, with women in nonstandard work concentrated in Group 1 jobs (see Table 27). Among all women in NSWAs, 80.8% are in Group 1 (the poorest-quality nonstandard jobs) and only 16% are in Group 3 (the highest-quality jobs). Just 31.3% of men in nonstandard work are in Group 1 jobs, and 62.8% are in Group 3.



42 56'

TABLE 27
Distribution of Nonstandard Workers Among Job Quality Groups, by Sex

		Women	_	Men		Total
-	NSWA	Share of Female Nonstandard Workers in Each Arrangement	NSWA	Share of Male Nonstandard Workers in Each Arrangement		Share of All Nonstandard Workers In Each Arrangement
<b>Group 1</b> (Lower Quality)	Regular Part-Time On-Call/Day Labor Self-Employment	62.1% 5.0 13. <u>7</u>	Regular Part-Time Temporary Help Agency	28.1% 3.2	Women Men	43.7% <u>14.5</u>
	Total Group 1	80.8%		31.3%		58.2
Group 2	Temporary Help Agency	y 3.2	On-Call/Day Labor	<u>5.9</u>	Women Men	1.7 <u>2.7</u>
	Total Group 2	3.2%		5.9%		4.4
Group 3 (Higher Quality)	Contract Company Independent Contracting	2.0 14. <u>0</u>	Contract Company Independent Contracting Self-Employment	6.3 32.4 24.1	Women Men	8.5 28.9
	Total Group 3	16.0%		62.8%		37.4
		100.0%		100.0%		100.0%



TABLE 28
Work Arrangement, by Ethnicity and Sex

Work Arrangement	White	Black	Hispanic	Other Race	All
Female		_	_		
Regular Part-Time	21.9%	17.7%	21.8%	19.7%	21.3%
Temporary Help Agency	1.0	1.8	1.1	1.3	1.1
On-Call/Day Labor	1.7	1.5	1.7	1.8	1.7
Self-Employment	5.5	1.3	2.7	5.0	4.8
Independent Contracting-WS a	0.9	0.6	1.2	1.2	0.9
Independent Contracting-SE <sup>b</sup>	4.3	1.5	1.8	3.6	3.7
Contract Company	<u>0.7</u>	<u>0.6</u>	<u>1.1</u>	<u>1.0</u>	<u>0.8</u>
All Nonstandard	36.0%	25.0%	31.3%	33.4%	34.3%
Regular Full-Time	<u>64.0</u>	<u>75.0</u>	<u>68.7</u>	<u>66.5</u>	<u>65.7</u>
All	100.0%	100.0%	100.0%	100.0%	100.0%
Male					
Regular Part-Time	6.7%	8.5%	8.5%	9.3%	7.1%
Temporary Help Agency	0.6	2.1	1.4	0.7	0.8
On-Call/Day Labor	1.3	1.8	3.0	1.5	1.5
Self-Employment	7.0	1.7	3.5	6.0	6.1
Independent Contracting-WS <sup>a</sup>	0.9	0.7	0.6	0.9	0.9
Independent Contracting-SE <sup>b</sup>	8.2	3.3	4.4	4.6	7.3
Contract Company	<u>1.5</u>	<u>1.6</u>	<u>1.5</u>	<u>2.3</u>	<u>1.6</u>
All Nonstandard	26.3%	19.7%	22.9%	25.3%	25.3%
Regular Full-Time .	<u>73.7</u>	<u>80.4</u>	<u>77.1</u>	<u>74.6</u>	<u>74.7</u>
All	100.0%	100.0%	100.0%	100.0%	100.0%

<sup>&</sup>lt;sup>a</sup> Wage & Salary

A larger share of white women work in nonstandard arrangements than blacks or Hispanics. (See also **Appendix Table 11**). This disparity is driven primarily by differences in regular part-time employment (21.9% of white women, 21.8% of Hispanics, 17.7% of blacks) and self-employment (5.5% of whites, but just 2.7% and 1.3% of Hispanics and blacks, respectively). However, as a share of all nonstandard women workers, 81% of whites are in Group 1, as are 82% of blacks, and 84% of Hispanics. Only 16% of white, 11% of black, and 13% of Hispanic women in NSWAs fall in Group 3. In the end, the distribution among low- and high-quality jobs among women in NSWAs is very similar across these racial and ethnic groups.

Among men, 80.4% of blacks have regular full-time employment, followed by 77.1% of Hispanics and 73.7% of whites. Unlike women, however, the distribution of nonstandard workers by job quality varies according to race and ethnicity. Just 28% of white nonstandard male workers find themselves in low-quality Group 1 jobs, compared to 53% of blacks and 43% of Hispanics. But when it come to the



<sup>&</sup>lt;sup>b</sup> Self-Employment

better-paying Group 3 jobs, 67% of white men are in these arrangements, compared with just 37% of blacks and 44% of Hispanics. Among all black men (not just nonstandard workers), 10.5% are in Group 1 jobs, along with 9.9% of all Hispanic men and 7.3% of all white men. But 17.6% of all white men are in Group 3 jobs, as are 7.3% of all black men and 10.0% of Hispanics.

#### Education

For both women and men, the share of nonstandard workers in Group 1 jobs falls and the share in Group 3 jobs rises with increasing levels of education. This gradient, however, is much steeper for men than for women. Among all working females with less than a high school education, 41.8% are in NSWAs, and, of these, 85% are in Group 1 arrangements. Just 11% of women without a high school education are in Group 3 (see **Table 29A and 29B**). For women with high school diplomas, some college, or associate degrees, the picture changes only slightly. The share of

TABLE 29A
Workers by Work Arrangement, Education Level, and Sex (%)

	Less Than	High					
	High	School	Some	Associate	College	Post-B.A.	
Work Arrangement	School	Diploma	College	Degr <b>e</b> e	Degree	Education	All
Female							
Regular Part-Time	11.8%	32.7%	28.6%	9.8%	13.0%	4.1%	100%
Temporary Help Agency	12.7	32.9	26.7	6.2	19.3	2.2	100
On-Call/Day Labor	8.4	29.7	21.6	11.8	24.2	4.3	100
Self-Employment	8.3	34.8	23.3	11.1	16.0	6.5	100
Independent Contracting-WS a	7.0	29.7	24.3	6.8	20.5		100
Independent Contracting-SE <sup>b</sup>	7.1	27.7	23.2	9.8	20.0	12.1	100
Contract Company	8.0	22.2	23.8	14.0	23.2	8.7	100
Regular Full-Time	7.6	33.4	21.6	9.9	18.6	9.0	100
All	8.6%	32.9%	23.3%	9.9%	17.4%	7.8%	100%
Male						•	
Regular Part-Time	19.4%	22.5%	37.5%	5.8%	9.5%	5.3%	100%
Temporary Help Agency	19.2	32.5	25.5	6.3	13.2	3.3	100
On-Call/Day Labor	24.9	37.9	18.2	10.0	7.0	2.0	100
Self-Employment	8.2	29.2	19.5	5.1	22.3	15.8	100
Independent Contracting-WS a	. 5.1	21.7	18.2	6.0	30.6	18.4	100
Independent Contracting-SE <sup>b</sup>	10.7	30.7	18.5	7.6	21.1	11.4	100
Contract Company	10.0	31.9	21.4	8.6	16.4	11.7	100
Regular Full-Time	11.5	33.3	19.5	7.9	18.3	9.6	100
All	12.0%	32.0%	20.7%	7.6%	18.0%	9.7%	100%

a Wage & Salary

<sup>&</sup>lt;sup>b</sup> Self-Employment



TABLE 29B
Work Arrangements, by Level of Education (%)

Work Arrangement	Less Than High School	High School Diploma	Some College	Associate Degree	College Degree	Post-B.A. Education	All
Female							
Regular Part-Time	29.3%	21.1%	26.1%	21.2%	15.8%	11.3%	21.3%
Temporary Help Agency	1.6	1.1	1.3	0.7	1.2	0.3	1.1
On-Call/Day Labor	1.7	1.5	1.6	2.0	2.4	0.9	1.7
Self-Employment	4.6	5.0	4.7	5.3	4.4	4.0	4.8
Independent Contracting-WS a	8.0	0.8	1.0	0.6	1.1	1.4	0.9
Independent Contracting-SE <sup>b</sup>	3.1	3.1	3.7	3.7	4.3	5.8	3.7
Contract Company	<u>0.7</u>	<u>0.5</u>	<u>0.8</u>	<u>1.1</u>	<u>1.0</u>	<u>0.8</u>	<u>0.8</u>
All Nonstandard	41.8%	33.3%	39.2%	34.5%	30.1%	24.5%	34.3%
Regular Full-Time	58.2	66.7	60.8	65.5	69.9	75.5	65.7
All	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Male							
Regular Part-Time	11.5%	5.0%	12.9%	5.4%	3.8%	3.9%	7.1%
Temporary Help Agency	1.4	0.9	1.0	0.7	0.6	0.3	0.8
On-Call/Day Labor	3.1	1.8	1.3	2.0	0.6	0.3	1.5
Self-Employment	4.2	5.6	5.8	4.1	7.6	10.0	6.1
Independent Contracting-WS a	0.4	0.6	0.8	0.7	1.5	1.7	0.9
Independent Contracting-SE b	6.5	7.0	6.5	7.3	8.5	8.5	7.3
Contract Company	<u>1.3</u>	<u>1.6</u>	<u>1.6</u>	<u>1.8</u>	<u>1.4</u>	<u>1.9</u>	<u>1.6</u>
All Nonstandard	28.4%	22.3%	29.8%	22.0%	24.0%	26.5%	25.3%
Regular Full-Time	71.6	77.7	70.2	78.0	76.0	73.5	74.7
All	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

<sup>&</sup>lt;sup>a</sup> Wage & Salary

workers in NSWAs declines to 34.5% of those with associate degrees, but 83% of those are in Group 1, while just 16% of women with associate degrees are in Group 3 jobs. Even among college graduates, 75% are in Group 1 jobs and 21% are in Group 3, while among women with advanced degrees, 66% can be found in Group 1 jobs and just 33% are in Group 3.

Among males with less than a high school education, 45% of nonstandard workers are in Group 1 jobs and 44% are in Group 3. For high school graduates, the shares are 26% and 66%, respectively. For men who have graduated from college, 79% are in Group 3, but only 18% are in Group 1. Among men with advanced degrees, fully 83% are in Group 3 and a mere 16% in Group 1.



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<sup>&</sup>lt;sup>b</sup> Self-Employment

#### Age

In each age group, a greater share of women than men work in NSWAs, with 77% of all women in NSWAs in Group 1 jobs (see **Tables 30A and 30B**). Nonetheless, most men and women workers of prime-age—from 25 to 54—work in regular full-time jobs.

The distribution of workers by age among NSWAs also differs for men and women. Among both men and women age 16 to 24, 78% of men and 92% of women who work in nonstandard arrangements are in Group 1 jobs. Just 5% of women and 14% of men in this age category in NSWAs occupy Group 3 jobs. Among prime-age workers, 77% of women in NSWAs are in Group 1 jobs and 19% are in Group 3. For prime-age men in nonstandard jobs, the reverse is true: just 19% land in Group 1 and 74% in Group 3. Among older nonstandard workers—ages 55 to 64—21% of men and 81% of women are in Group 1 jobs, while 74% of men and just 17% of women are in Group 3. Although young men ages 16

### TABLE 30A Workers by Work Arrangement and Age (%)

	16-24	25-54	55-64	
Work Arrangement	Year Olds	Year Olds	Year Olds	All
Female				
Regular Part-Time	27.4%	62.8%	9.8%	100%
Temporary Help Agency	19.5	74.7	5.8	100
On-Call/Day Labor	16.4	71.2	12.4	100
Self-Employment	2.5	82.5	15.1	100
Independent Contracting-WS a	4.5	83.5	12.0	100
Independent Contracting-SE <sup>b</sup>	2.9	83.6	13.5	100
Contract Company	22.5	73.3	4.2	100
Regular Full-Time	10.6	80.5	8.9	100
All	13.7%	76.7%	9.6%	100%
Male				
Regular Part-Time	52.3%	38.3%	9.4%	100%
Temporary Help Agency	31.5	62.2	6.3	100
On-Call/Day Labor	22.4	69.5	8.1	100
Self-Employment	4.2	77.6	18.2	100
Independent Contracting-WS a	7.1	79.3	13.6	100
Independent Contracting-SE <sup>b</sup>	2.8	81.6	15.6	100
Contract Company	13.6	79.1	7.3	100
Regular Full-Time	11.0	80.4	8.6	100
All .	13.3%	76.9%	9.8%	100%

<sup>&</sup>lt;sup>a</sup> Wage & Salary

<sup>&</sup>lt;sup>b</sup> Self-Employment



TABLE 30B
Workers by Work Arrangement and Age (%)

Work Arrangement	16-24 Year Olds	25-54 Year Olds	55-64 Year Olds	All
		<u> </u>		
Female	40.40/	47.50/		
Regular Part-Time	42.4%	17.5%	21.9%	21.3%
Temporary Help Agency	1.6	1.1	0.7	1.1
On-Call/Day Labor	2.0	1.6	2.2	1.7
Self-Employment	0.9	5.1	7.5	4.8
Independent Contracting-WS a	0.3	1.0	1.2	0.9
Independent Contracting-SE <sup>b</sup>	0.8	4.1	5.3	3.7
Contract Company	<u>1.2</u>	0.7	<u>0.3</u>	<u>0.8</u>
All Nonstandard	49.2%	31.1%	39.1%	34.4%
Regular Full-Time	<u>50.8</u>	<u>69.0</u>	<u>61.0</u>	<u>65.7</u>
All	100%	100%	100%	100%
Male				
	00.00/	0.50/		
Regular Part-Time	28.0%	3.5%	6.8%	7.1%
Temporary Help Agency	2.0	0.7	0.5	0.8
On-Call/Day Labor	2.5	1.4	1.2	1.5
Self-Employment	1.9	6.2	11.5	6.1
Independent Contracting-WS a	0.5	0.9	1.2	0.9
Independent Contracting-SE <sup>b</sup>	1.5	7.7	11.6	7.3
Contract Company	<u>1.6</u>	<u>1.6</u>	<u>1.2</u>	<u>1.6</u>
All Nonstandard	38.1%	21.9%	34.0%	25.4%
Regular Full-Time	<u>61.9</u>	<u>78.0</u>	<u>65.9</u>	<u>74.7</u>
All	100%	100%	100%	100%

a Wage & Salary

to 24 who work in NSWAs are likely to start out in lower-quality jobs, few men in their prime-age work years and beyond are in low-quality nonstandard arrangements. For women, however, the story is different. Although the share of women in low-quality nonstandard jobs falls from a high of 92% for the youngest workers, the percentage doesn't decline much—more than three-quarters of women in their prime work years have low-quality (Group 1) nonstandard jobs.

This shift in the distribution of men from poor- to high-quality NSWAs with increased age and education suggests that men are able to use NSWAs for career advancement. This doesn't hold true for women, though. Women's arrangements improve little, and the education-associated shifts are much smaller than for men.<sup>27</sup>

#### Unionization

About 16.6% of all workers in the U.S. are union members or covered by a union



<sup>&</sup>lt;sup>b</sup> Self-Employment

TABLE 31
Workers With Union Membership or Collective
Bargaining Agreement, by Work Arrangement (%)

Work Arrangement	<u>Female</u>	Male	Ail
Regular Part-Time	7.8%	7.6%	7.8%
Temporary Help Agency	1.7	3.4	2.5
On-Call	11.5	32.4	21.8
Independent Contracting-WS a	3.3	6.4	4.9
Contract Company	<u>4.0</u>	<u>14.6</u>	<u>11.5</u>
All Nonstandard	7.1%	12.9%	9.6%
Regular Full-Time	<u>18.2</u>	<u>21.2</u>	<u> 19.9</u>
All	14.0%	19.0%	16.6%

a Wage & Salary

contract: 14.0% of women and 19.0% of men (see **Table 31**). The proportion rises to 19.9% for regular full-time workers. Among nonstandard workers, however, just 9.6% are covered. Regular full-time workers represent four of every five persons who are union members or covered by a collective bargaining contract (not shown).

#### Family Structure

We now examine how workers sort by family structure into standard and nonstandard work arrangements.

Working Single Parents. Perhaps surprisingly, single mothers are over-represented among regular full-time workers; overall, 65.7% of all women are in standard employment, but 72.1% of single mothers are in such jobs (see **Table 32**). This still leaves more than one out of four (27.9%) single mothers in nonstandard jobs. Of these, two-thirds are part-time workers, and 79% are in Group 1 jobs. Few men are single fathers, but, when compared to all men, a slightly smaller share of single fathers are in NSWAs (23.3% versus 25.3%). Among single fathers in nonstandard jobs, 28% are in Group 1 employment and 55% are in Group 3.

Workers in Single-Earner Families. Although few married mothers constitute their family's only earner, those who do resemble single mothers in their employment patterns. These women are over-represented in regular full-time work and underrepresented in NSWA; 29.5% to 31.2% are in nonstandard work compared with 34.4% for all women. However, among women in single-earner families who are



TABLE 32 Workers by Work Arrangement, Family Status, and Sex (%)

Family Status	Regular Part-Time	Temporary Help Agency	On-Call	Self- Employment	Independent Contracting-WS a	Independent Contracting-SE <sup>b</sup>	Contract Company	Regular Full-Time	Ā	Share of Family Type
Female Workers Single										
No Children	22.9%	1.2%	1.7%	2.0%	%6'0	2.5%	1.1%	88.0%	100 0%	30 5%
With Children	18.9	1.8	1.3	1.9	9.0	2.6	0.7	72.1	100.0	10.9%
Married, Single Earner	9		•	,						
With Children	16.9 6.9	1.0	L 0	2.8 2.8	0.0	3.6	0.0	68.8	100.0	4.9
Married Two Farners			i	j	9	r T	0.0	, O.5	100.0	9. 4.
No Children	16.4	1.0	1.4	7.6	o	7	Ġ			
With Children	24.8	0.8	6.9	7.3	0.0	i. 4.	0.6 0.6	67.1 58.8	100.0	21.2 29.1
All	21.3%	1.1%	1.7%	4.8%	%6'0	3.7%	0.8%	65.7%	100.0%	100.0%
Male Workers Single										
No Children	15.4%	1.5%	2.1%	3.6%	1.0%	5.2%	1.8%	69.4%	100 0%	30 6%
With Children	4.6	2.0	1.9	4.9	0.0	7.9	0.0	76.7	100.0	2.3 8.3
Married, Single Earner		!								
No Children	8. d	0.7	2.0	5.8	9.0	7.7	1.7	76.3	100.0	7.2
will children	8.3	4.0	5.5	0.9	0.7	7.4	1.8	79.5	100.0	12.4
Married, Two Earners	,									
No Children	დ ,	0.5	9.0	8.7	1.2	9.2	7.5	74.3	100.0	18.7
	7.7	O.5		7.7	9.0	8.2	1.2	78.6	100.0	26.7
All .	7.1%	%8.0	1.5%	6.1%	%6'0	7.3%	1.6%	74.7%	100.0%	100.0%

<sup>a</sup> Wage & Salary <sup>b</sup> Self-Employment

working in nonstandard arrangements, 73% to 79% are in Group 1 jobs, and just 15% to 18% are in Group 3.

Married male workers in single-earner families are also over-represented in regular full-time work and under-represented in nonstandard jobs. Just 20.8% to 23.7% of these men are in NSWAs (compared to 25.4% of all men). Among these workers, just 15% to 23% are in Group 1 jobs, while 68% to 76% are in Group 3.

Workers in Dual-Earner Families. Among workers in dual-earner families, women are much more likely than men to work in nonstandard arrangements. Most dual-earner women in NSWAs have part-time jobs, perhaps because part-time jobs, unlike temporary or on-call jobs, allow workers to reduce hours in a stable way. Women in dual-earner families with children are more likely than those in other family arrangements to work in NSWAs: 41.3% compared to 34.4% for all women. Fully 82% of these workers are in Group 1 jobs. Married women without children in dual-earner families are under-represented in part-time work, but their rates are still substantially higher than single-mother workers and married, single-earner women. In regards to race, black women in dual-earner families are much more likely to hold regular full-time jobs than either white or Hispanic women in dual-earner families, one-fifth to one-quarter work in NSWAs, but a huge majority—80% to 82%—are in Group 3 jobs.

Single Childless Workers. Although a smaller share of male than female single workers without children are in NSWAs (30.8% compared to 32.2%), single males without children are over-represented in nonstandard arrangements. Among single males without children and working in nonstandard jobs, 55% have Group 1 jobs while 83% of nonstandard women do. In part, this stems from their youth—single workers without children tend to be younger than other workers (men were six years younger and women three years younger than the average worker). Single women without children are slightly over-represented among regular part-time workers. The share of single men who don't have children and work regular part-time jobs is more than twice that for all men.

The gender differences are substantial among workers with similar types of families, both in the incidence of nonstandard work and the quality of those jobs. Among workers in dual-earner families with children, men are much less likely than women to be in nonstandard work: 21.6% of men compared to 41.3% of women. Among those in NSWAs, 12% of men are in Group 1 and 82% are in Group 3 jobs, but among women, 82% are in Group 1 and only 15% in Group 3. Even among

Among workers in dual-earner families, women are much more likely than men to work in nonstandard arrangements.



Except for regular part-time work, family status has little effect on determining work arrangement.

dual-earner families without children, 32.9% of women are in NSWAs (77% of which are in Group 1), but just 25.7% of men work in nonstandard arrangements (with 17% in Group 1). Among married single-earner parents, 20.8% of men are in NSWAs (with 15% in Group 1), but 29.5% of women work in nonstandard jobs, of whom 79% are in Group 1. Among single parents, 23.3% of men and 27.9% of women are in nonstandard work: 79% of these women work in Group 1 arrangements, but only 28% of men. Among single childless workers, the shares working in NSWAs are similar for both sexes, though these women remain highly concentrated in Group 1 jobs: 83% of women compared to 55% of men. Women, regardless of family situation, are more likely to be in a NSWA and are much more likely to work in the lower-quality jobs.

#### Multivariate Analysis

When we examine the correlates of nonstandard work in the multivariate context, we find that industry and occupation are the most frequently significant determinants of NSWAs (see Table 33A and 33B). Education and race/ethnicity are significant determinants of regular part-time work, self-employment, and self-employed independent contracting. For women, marriage alone does not increase the odds of doing regular part-time work, but having an employed spouse or being a mother does. For men, having children reduces the odds of regular part-time work by about two-thirds. When all else is equal, white women are more likely than other women to work part time. Among women, being married, having an employed spouse, or having children all increase the odds of being a self-employed independent contractor. The opposite seems true for married men, who are significantly less likely to be independent contractors, although having an employed spouse raises the likelihood of being self-employed or a self-employed independent contractor. Children reduce men's odds of working part time, and being married with small children reduces the odds of being a temp. Otherwise children have no significant effect on men's work arrangements. In the end, except for regular part-time work, family status has little effect on determining work arrangement. Age, race and ethnicity, education, industry, and occupation are all more important in determining work arrangements.

#### Consequences of NSWA for Family Income

We now jointly consider the wages earned in various types of work arrangements and a worker's family status in order to determine the impact NSWAs have on family income. Our analysis indicates that for workers who are their family's only earner, the pay penalty associated with working in a nonstandard work arrangement may translate into economic vulnerability for them and their families (see **Table 34**).<sup>28</sup>



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#### **TABLE 33A** Odds of Having a Nonstandard Work Arrangement, Women (Odds Ratios)

	Regular Part-Time	Temporary Help Agency	On Call/ Day Labor	Self- Employment	Independent Contracting-WS <sup>a</sup>	Independent Contracting-SE b	Contract Company
Demographics							
Age	0.99***	0.97***	1.00	1.06***	1.04***	1.05***	0.97***
Black	0.61***	1.47*	0.58**	0.28***	0.46*	0.34***	0.46**
Hispanic	0.78**	0.58	0.71	0.50***	0.62	0.34***	1.21
Other Race	0.88	0.88	0.80	0.66	0.66	0.62**	0.98
Married	0.87	1.28	0.92	0.84	1.17	1.49**	0.76
Spouse Employed c	1.07**	0.96	1.09	2.86***	1.38	2.46***	0.72
Young Children	1.05	1.51	0.66	1.83	1.22	2.31***	0.60
Young Children and Married	1 <sup>d</sup> 1.47***	1.01	1.51*	2.21	2.16	3.65	0.84
Older Children Only	0.65***	1.21	0.89	0.84	1.58	1.51*	0.85
Older Children Only and							
Married <sup>d</sup>	1.22***	0.94	1.08	1.22*	1.48	1.82	0.54
Bom Outside the U.S.	0.86**	1.67*	1.23	1.28	1.22	0.78	1.21
Education							
Less Than High School	1.54***	1.34	0.88	1.04	0.46*	0.74	1.19
Some College	1.51***	1.18	1.11	1.40***	1.70**	1.54***	1.39
Associate Degree	1.16*	0.77	0.95	1.56***	1.26	1.56***	1.39
College Degree	0.83**	1.64*	0.85	1.36**	1.79*	1.50***	0.95
Post-B.A. Education	0.54***	0.83	0.21***	1.37*	2.33**	2.00***	0.97
Region				·			
Midwest	0.87**	1.66*	1.02	1.26*	0.73	0.68***	0.92
South	0.59***	1.26	0.94	1.10	0.99	0.83	1.36
West	0.76***	1.49	1.42*	1.51***	1.36	1.32**	1.04
Industry							
Agriculture, Forestry,							
Fishing	7.68***	3.34	57.92	19.74***	1.07		
Mining	0.85	1.74		4.38*		6.96***	6.95
Construction	3.24***	1.13	2.40	14.04***	4.53*	26.86***	1.58
Transportation/							
Communication/Utilities	1.84***	0.63	4.13***	2.39***	2.95*	2.96***	2.72*
Wholesale Trade	1.60**	0.71	3.97***	5.87***	0.45	2.64**	1.75
Retail Trade	5.76***	0.51*	2.93***	5.45***	0.41*	3.66***	0.42
Finance, Real Estate	1.64***	0.81	1.85	1.83**	3.35**	3.66***	1.89
Private Households	6.34***	10.10***	13.09***		42.44***	5.11*	8.09*
Business, Repair Service	3.31***	5.35***	5.18***	8.81***	3.60**	33.51***	7.66***
Personal Service	4.32***	0.37	4.01***	9.64***	2.50	15.31***	0.42
Entertainment, Recreational		0.74	6.15***	5.07**	5.13**	14.43***	1.42
Professional Services	3.97***	0.47**	5.57***	2.16***	1.30	2.76***	1.97
Public Administration	1.04	0.27**	2.00		1.50		
Occupation							
Professional	2.24***	1.79	8.54***	0.45***	3.13***	1.32*	1.75
Technical	2.16***	2.56	2.73**	0.18***	2.98*	0.33**	3.57***
Sales	3.52***	1.65	5.22***	1.46**	15.32***	3.73***	3.70***
Clerical	2.37***	5.28***	2.00*	0.61***	1.38	0.43***	1.57
Private Household	6.30***	0.35	6.59*		11.23***	10.48**	0.79
Protective Services	5.07***	2.36*	9.05***	0.27			0.70
Other Service Occupations	4.35***		7.61***	2.11***	8.27***	3.46***	11.34***
Craft	1.23	3.31*	3.60*	1.01	1.03	2.80***	4.26***
Machine Operatives	1.51**	5.29***	4.57***	0.44**	1.24	2.21***	0.52
Transport Operatives	6.24***	1.86	12.21***	0.76	5.66*	1.05	2.70
Laborers	2.74***	9.06***	11.74***	0.37*	2.80	0.47	2.30
Farm and Forestry	2.14**	2.82	14.84***	2.32**		4.56***	3.64

<sup>&</sup>lt;sup>d</sup> Odds ratios are net of both direct and interaction effects.



<sup>\*\*\*</sup> p <= 0.001

 <sup>&</sup>lt;sup>a</sup> Wage & Salary
 <sup>b</sup> Self-Employment
 <sup>c</sup> Odds ratio is the net effect of married and spouse employed. Indicated levels of significance are those of the original interaction

TABLE 33B Odds of Having a Nonstandard Work Arrangement, Men (Odds Ratios)

·	Regular Part-Time	Temporary Help Agency	On-Call/ Day Labor	Self- Employment	Independent Contracting-WS <sup>a</sup>	Independent Contracting-SE b	Contract Company
Demographics				_			
Age	0.97***	0.97***	0.99	1.05***	1.02**	1.05***	0.97***
Black	0.92	2.16***	1.09	0.37***	1.08	0.59***	1.00
Hispanic	0.83	1.48	1.01	0.52***		0.49***	0.62
Other Race	1.27	1.01	1.04	0.87	0.88	0.68**	1.21
Married	0.75**	0.83	0.75	0.85	0.72*	0.76**	1.10
Spouse Employed c	0.56**	0.62	0.52*	1.16***	0.86	0.96***	0.95
Young Children	0.38***	1.92	0.99	1.34	1.10	1.49	0.17
Young Children and Married	d 0.30	0.31*	0.50	1.18	0.47	0.93	0.88
Older Children Only	0.33***	0.66		1.40	0.55	1.27	0.99
Older Children Only and			•				-
Married <sup>d</sup>	0.31		0.99	1.09	0.41	0.88	0.76
Bom Outside the U.S.	0.79*	0.93	1.41	1.15	1.16*	1.07	1.04
Education							
Less Than High School	2.77***	1.34	1.12	0.82	0.51	0.89	0.94
Some College	2.58***	1.52*	1.09	1.09	1.42	1.12	1.18
Associate Degree	1.51***	1.51	1.31	0.69**	1.18	1.09	1.12
College Degree	1.00	1.45	0.74	0.97	1.68	1.05	0.89
Post-B.A. Education	1.19	1.59	0.30**	1.29	1.99	1.02	1.01
Region			0.00	1.20	1.55	1.02	1.01
Midwest	0.94	0.83	0.94	1.08	1.24	0.04**	4.40
South	0.75***	0.83	0.34	0.95	1.24	0.81** 0.85*	1.10 1.35*
West	0.87	0.99	1.28	1.07	1.47	1.04	1.66**
	0.07	0.55	1.20	1.07	1.47	1.04	1.00
Industry							
Agriculture, Forestry,	0.50***	0.40	0.70**	47 40***			
Fishing Mining	2.58***	0.48	9.73**	17.42***	9.65***	19.53***	1.30
Mining	1.65	0.86	3.61***	1.06	0.00***	1.18***	3.20***
Construction Transportation/	1.76***	0.46*	10.59***	4.37***	9.68***	32.77***	3.25***
Communication/Utilities	1.97***	0.44**	4.00***	4 50**	4.07	4 40***	4 00***
Wholesale Trade	1.21	0.48	4.26***	1.56**	1.67	4.49***	1.99***
Retail Trade	5.26***	0.48	1.86 2.18**	3.62** 5.55***	1.23	2.62***	1.09
Finance, Real Estate	2.00***	0.18	1.28	2.70***	0.89	3.05***	0.43**
Private Households	14.13**	71.52	60.49***	2.70	5.53*** 59.72***	6.81***	1.49
Business, Repair Service	3.65***	3.23	4.82***	8.20***	3.06**	19.74***	4.00***
Personal Service	3.85***	0.31	3.77**	10.15***	3.91*	18.82***	4.02***
Entertainment, Recreational	7.92***	0.28	8.87***	3.80***	9.53***	14.05*** 11.90***	0.51
Professional Services	6.59***	0.29***	4.25***	2.54***	2.34**	4.59***	0.44
Public Administration	1.12	0.5***	1.53	2.54	0.18	4.59	1.50* 0.61
		0.0	1.50		0.10		0.01
Occupation	0.04***	1.05	0.57***	0.00***	4.50		
Professional Technical	2.24***	1.25	3.57***	0.62***	1.59	0.82*	1.97***
	1.86***	2.28*	0.73	0.11***	0.88	0.28***	1.60
Sales Clerical	2.64***	0.22*	0.87	1.03	4.86***	1.58***	0.39*
Private Household	3.75*** 25.95*	3.42***	2.60*	0.08***	0.10*	0.08***	0.62
Protective Services	2.20***	1.75	16.95 5.55***	0.04***	4.58 0.46	0.40***	A A-7+++
Other Service Occupations	4.15***	1.73	3.19***			0.10***	4.47***
Craft	1.13	0.63	3.19	0.20*** 0.36***	0.42	0.25***	1.50
Machine Operatives	2.39***	0.63 3.28***	3.52 2.74*	0.36***	1.05	0.68***	1.22
Transport Operatives	2.39 3.36***	3.26 1.53			0.30	0.47***	0.53
Laborers	3.36 4.69***	5.06***	5.42*** 6.59***	0.28*** 0.07***	0.86	0.54***	1.22
Farm and Forestry	4.69 3.41***	1.13	6.59*** 4.16**	1.93***	1.37 1.08	0.07***	0.97
and i ordary	U. <del>T</del> I	1.10	7.10	1.33	1.00	1.31	2.43

<sup>\* 0.01 &</sup>lt; p <= 0.05

<sup>&</sup>lt;sup>d</sup> Odds ratios are net of both direct and interaction effects.



<sup>\*\* 0.001 &</sup>lt; p <= 0.01

<sup>\*\*\*</sup> p <= 0.001

<sup>&</sup>lt;sup>a</sup> Wage & Salary <sup>b</sup> Self-Employment <sup>c</sup> Odds ratios are the net effect of Married and Spouse Employed. Indicated levels of significance are those of the original interaction variables.

TABLE 34
Average Family Income by Workers' Work Arrangement and Family Status

Family Status	Part-Time	l emporary Help Agency	On-Call/ Day Labor	Self- Employment	Independent Contracting-WS <sup>a</sup>	Independent Contracting-SE <sup>b</sup>	Contract Company	Regular Full-Time	Averaye
<b>Female Workers</b> Single-Headed Families Two-Earner Families	\$18,951 56,014	\$20,734 40,253	\$14,820 50,670	\$35,338 58,262	\$37,491 63,652	\$39,055 68,816	\$28,776 67,514	\$28,487 60,743	\$26,786 59,461
Male Workers Married, Single- Earner Families Two-Earner Families	\$20,995 37,420	\$28,232 28,442	\$25,977 49,663	\$80,891 63,762	\$50,737 87,708	\$53,897 61,092	\$45,959 58,201	\$47,671 59,477	\$48,734 59,350

<sup>a</sup> Wage & Salary <sup>b</sup> Self-Employment

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Many single mothers face greater economic vulnerability when they work in a NSWA, especially black and Hispanic women. Single mothers in NSWAs tend to work in part-time jobs, which, as we saw above, pay less and offer fewer benefits than full-time jobs. These jobs clearly reduce the economic security of single mothers and their families. Single mothers who worked part-time had average family incomes of \$18,951—easily among the lowest average family income for all groups of workers. Single mothers who worked on-call or as day laborers had to manage on even lower family incomes that averaged \$14,820. Those who were self-employed or independent contractors had higher family incomes than other single mothers (even those working full-time), although substantially lower than men and women in other family types.

The economic consequences of single motherhood are most severe for black and Hispanic women. For example, the average family income for white single mothers who work part time is \$21,243, but the average drops to \$13,937 for blacks and \$14,898 for Hispanics (not shown in table). At an average of \$12,950, black single mothers in temporary work also have substantially lower family incomes than white single mothers, who average \$26,700 (data insufficient for a Hispanic comparison). Consequently, many single mothers face greater economic vulnerability when they work in a NSWA, especially black and Hispanic women who must contend with even lower incomes and the greater likelihood of being a single mother.

Single-earner men, like single-earner women, lack the additional earnings of a spouse that dual-earner families often enjoy and rely upon. These men, however, tend to be self-employed or independent contractors, and have some of the highest family incomes of all workers, especially if they are white (minority men, unfortunately, do less well). Among men in single-earner families, Hispanics earn substantially less than whites when self-employed and independent contractors (data to evaluate black incomes are insufficient). For example, the average family income among independent contractors (self-employed) is \$57,030 for white singleearner men, but only \$35,301 for Hispanic single-earner men. The racial difference is even more striking among the self-employed—white single-earner men have average family incomes of \$84,327, significantly higher than the \$37,082 average for Hispanics. Although few single-earner men work as temporary, on-call, leased, or part-time workers, those that do have considerably lower family incomes than other single-earner men or dual-earner workers. Since men tend to hold better jobs than women within each work arrangement (see Table 6), the family incomes of single-earner men exceed those of single-earner women in the same NSWA.

As would be expected, workers in dual-earner families enjoy higher family incomes than those who do not have an employed spouse. Men in dual-earner families tend to work in the higher-paying nonstandard work arrangements (independent



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contracting and self-employment), resulting in relatively high family incomes. Although most women in dual-earner families who work in NSWAs have part-time jobs, a substantial number are independent contractors or self-employed. For women in dual-earner families, part-time work and self-employment are associated with lower family incomes than those of women in full-time employment.

The economic well-being of nonstandard workers in dual-earner households is not spread evenly across the races. Among dual-earner families in which the husband is self-employed, the average family income is \$64,715 for whites, \$52,278 for blacks, and \$50,527 for Hispanics. Among dual-earner families in which women work part-time, the racial disparities in family income are even greater, with average family incomes of \$58,565 for whites, \$38,483 for Hispanics, and \$29,165 for blacks. Consequently, the families of black and Hispanic workers in NSWAs are at greater risk of economic vulnerability than whites, even when there are dual earners.



# SECTION 4 — WORKERS' PREFERENCES FOR NONSTANDARD WORK ARRANGEMENTS

Reasons for nonstandard employment vary by sex, family structure, and type of arrangement. This analysis has demonstrated that quality varies among nonstandard work arrangements, leading us to expect that workers preferences for NSWAs might also vary. We must be cautious, though, in our interpretation of workers' preferences. For many workers (especially women, who often bear a disproportionate share of family responsibilities), employment preferences may be influenced by a multitude of forces, such as family responsibilities, financial considerations, and the lack of social infrastructure such as affordable child care. For example, a woman with children to care for may "prefer" part-time work, but in the absence of these obligations or with the availability of affordable child care might instead choose a regular full-time job. These factors should be kept in mind when evaluating workers' responses to questions about their preferences for NSWAs.

#### Reasons for Working Nonstandard Jobs

We first categorize workers' reasons for working nonstandard jobs as either voluntary or involuntary (i.e., economic). Involuntary reasons arise from the macroeconomy's inability to provide the jobs that people want, with respondents citing slack business conditions, inability to find regular full-time employment, layoffs with re-hires into nonstandard positions, or hopes that nonstandard jobs will lead to regular employment. "Voluntary" reasons reflect workers' personal preferences and can include health limitations, preferences for a flexible schedule or limited commitment, child-care responsibilities, other family or personal obligations, insufficient retirement or Social Security earnings, school or training enrollment, and experience or skills acquisition. We then classify voluntary reasons into those related to family responsibilities (child-care and other family/personal obligations) and those that fall into "other voluntary" reasons. We can therefore divide the reasons for nonstandard employment into three categories: voluntary, economic, and family.<sup>29</sup>

Reasons for nonstandard employment vary by sex, family structure, and NSWA (see **Table 35**). Most men who work as independent contractors or are self-employed do so voluntarily. However, very few men of any family type work voluntarily as a temp—in every family type, more than 70% of temps do so for economic reasons (i.e., they were unable to find other jobs). In each family type, some 60% to



<sub>58</sub> 75

TABLE 35
Reasons for Working in Nonstandard Employment, by Sex and Family Type

		Regular Part-Time	Temporary Help Agency	On-Call	Self- Employment	Independent Contracting-WS <sup>a</sup>	Independent Contracting-SE b
Female Workers Single			_				
No Children	Voluntary Economic Family	74.0% 20.1 5.9	32.2% 63.3 4.4	40.0% 59.2 0.8	71.9% 2.2 25.9	66.7% 7.2 26.1	66.7% 6.1 27.3
With Children	Voluntary Economic Family	24.8 36.8 38.4	28.6 67.3 4.1	48.6 45.7 5.7	61.4 2.3 36.4	23.1 — 76.9	56.4 10.9 32.7
<i>Married, Single Earner</i> No Children	Voluntary Economic Family	45.6 14.2 40.2	46.2 46.2 7.7	73.9 21.7 4.3	84.6 — 15.4	41.7 33.3 25.0	52.5 2.5 45.0
With Children	Voluntary Economic Family	12.3 30.7 57.0	53.8 30.8 15.4	14.3 76.2 9.5	62.5 12.5 25.0	<u> </u>	51.6 6.5 41.9
<i>Married, Two Eamers</i> No Children	Voluntary Economic Family	39.6 15.7 44.7	56.9 43.1 —	58.3 30.6 11.1	72.6 2.5 24.9	54.2 6.3 39.6	71.3 3.2 25.5
With Children	Voluntary Economic Family	9.5 9.9 80.5	33.3 57.9 8.8	51.4 33.3 15.2	62.0 1.0 37.0	46.4 10.1 43.5	51.0 1.4 47.6
Male Workers Single							
No Children	Voluntary Economic Family	75.1% 23.0 1.9	25.9% 74.1 —	32.8% 64.6 2.6	81.4% 3.5 15.1	65.6% 14.4 20.0	73.8% 5.3 20.9
With Children	Voluntary Economic Family	38.5 46.2 15.4	— 85.7 14.3	46.2 53.8 —	68.8 6.3 25.0	=	82.7 3.8 13.5
<i>Married, Single Earner</i> No Children	Voluntary Economic Family	57.6 35.3 7.1	21.4 71.4 7.1	33.3 66.7	85.3 0.9 13.8	75.0 12.5 12.5	80.0 1.9
With Children	Voluntary Economic Family	38.3 58.0 3.7	13.3 86.7 —	26.4 71.7 1.9	87.7 2.0 10.3	58.3 12.5 29.2	82.1 4.2 13.7
Married, Two Eamers No Children	Voluntary Economic Family	63.3 33.3 3.3	23.1 76.9	40.5 59.5	89.9 1.1 8.9	70.5 14.8 14.8	83.5 3.5 13.0
With Children	Voluntary Economic Family	43.5 41.7 14.8	10.5 89.5 —	34.1 65.9 —	89.7 1.4 8.9	83.7 12.2 4.1	81.4 4.9 13.7

<sup>&</sup>lt;sup>a</sup> Wage & Salary <sup>b</sup> Self-Employment

Note: "—" denotes cells with fewer than 10 respondents.



Women commonly cite family considerations as the reason for choosing nonstandard work.

70% of on-call workers do so for economic (i.e., involuntary) reasons. Men's reasons for working in regular part-time jobs show the greatest variation across family type. Among men in regular part-time jobs, 75.1% of single men and 63.3% of married men without children in dual-earner families are employed voluntarily. The percentage is much lower, however, among men who are single parents, married with children and a single-earner, or married dual-earner parents, with just 38.3% to 43.5% of regular part-time workers voluntarily employed. Few men claim family obligations as an explanation for their nonstandard work choices.

Women, on the other hand, commonly cite family considerations as the reason for choosing nonstandard work, particularly when working regular part-time jobs. Except for those who are single and childless, women are two to three times more likely than men to cite family obligations as the reason for choosing to be independent contractors or self-employed. A much smaller share of women than men says they work in regular part-time jobs for economic reasons. Across family type, the greatest variety of reasons for working in a nonstandard job comes from women in part-time jobs, an arrangement many women choose for family reasons. Fully 80.5% of married women with children in dual-earner families who work in regular part-time jobs do so for family reasons.

#### **Preferences for Nonstandard Work**

Workers who hold nonstandard jobs for voluntary reasons presumably prefer their work arrangement to standard employment. But those workers who cited involuntary or family reasons for their current employment arrangement may not necessarily have preferred their nonstandard jobs to standard ones. To determine these preferences, we next examine workers' preferences for standard employment, while keeping in mind our reservations that constraints on workers' options can affect preferences. In the survey, people employed as temps, on-call workers, and day-laborers were asked if they would prefer a job with regularly scheduled hours; part-time workers were asked if they would prefer a full-time work week; independent contractors and the self-employed were asked if they would prefer working for an employer. **Table 36** presents, by NSWA, sex, age, and race, the percent of workers who would prefer standard employment.

Different types of nonstandard employment vary considerably in their attractiveness to workers. This could be expected given the identified differences in job quality among NSWAs. Most temporary and on-call workers would prefer standard employment to their current arrangements, whereas independent contractors, the self-employed, and part-time workers appear to be relatively satisfied with their



TABLE 36
Nonstandard Workers Who Would Prefer Standard Employment, by Nonstandard Work Arrangement, Sex, Race, and Age (%)

	Regular Part-Time	Temporary Help Agency	On-Call/ Day Labor	Self- Employed	Independent Contractor-WS <sup>a</sup>	Independent Contractor-SE b	All
All	27.9%	72.6%	66.2%	7.9%	23.0%	8.8%	23.6%
Women	24.9	66.4	59.4	10.8	23.9	9.2	24.3%
Ages 18-24	25.2	72.2	66.2	20.8	_	15.4	28.4%
Ages 25-54	25.9	66.5	62.2	11.1	25.4	9.7	24.5
Ages 55+	17.7	46.2	34.0	8.3	16.0	4.9	15.2
Men	35.5	79.2	72.9	6.0	22.3	8.6	22.8%
Ages 18-24	23.7	84.4	75.3	25.0	28.6	7.3	30.4%
Ages 25-54	56.7	80.0	76.6	5.9	24.5	9.3	23.1
Ages 55+	26.5	42.9	34.3	2.2	8.6	5.4	10.0
Women							
White	20.5	62.8	57.1	10.0	25.3	7.4	20.4%
Black	43.5	75.5	58.1	6.5	23.5	18.9	43.4
Hispanic	43.2	84.2	78.1	19.1	19.0	30.8	43.1
Other Race	35.9	_	64.3	22.2	_	26.1	34.2
Men							
White	29.0	76.6	68.7	5.5	21.7	8.0	18.0%
Black	55.6	85.7	72.5	4.4	25.0	8.2	45.8
Hispanic	58.7	78.9	85.4	11.5	17.6	17.7	46.8
Other Race	31.5	<del></del>	76.9	12.0	_	12.8	26.9

<sup>&</sup>lt;sup>a</sup> Wage & Salary

Note: "-" denotes cells with fewer than 10 respondents.

#### current employment arrangements.

In general, a greater proportion of men than women in NSWAs prefer standard employment. However, self-employed women were more likely than self-employed men to want to work for someone else. This finding makes sense when remembering that, for men, self-employment is a Group 3 (higher-quality) NSWA, but for women it is a low-quality arrangement.

Workers' age and race also affect their work preferences. Older men and women are less likely to be dissatisfied with NSWAs than are prime-age workers. With the exception of self-employed blacks, blacks and Hispanics of either gender were more likely than their white counterparts to prefer a regular job to any type of NSWA. As was shown above, black and Hispanic men are more likely than their



<sup>&</sup>lt;sup>b</sup> Self-Employment

white counterparts to be in low-quality NSWAs, perhaps explaining their stronger preference for standard work. While both white and nonwhite women are predominantly employed in Group 1 jobs, other factors (such as higher-earning spouses) may make these jobs more acceptable to white women.

We estimated logistic regression models to examine how workers' characteristics and employment arrangements affected their preferences. The regressions confirm the findings that workers in lower-quality nonstandard jobs express higher preferences for standard work (see **Table 37**). Workers in all arrangements (except for women in self-employed independent contracting) were significantly more likely than the self-employed (the group most satisfied with their work arrangement) to prefer regular employment. But the strongest preferences for standard work could

TABLE 37
Workers' Preferences for Standard Employment
(Odds Ratios)

Variable	Women	Men	Sex Difference Significant
Regular Part-Time	2.51*	11.59*	ш
Temporary Help Agency	13.60*	60.95*	# '
On-Call/Day Labor	12.06*	42.95*	#
Independent Contracting-WS a	2.14*	4.81*	#
Independent Contracting-SE <sup>b</sup>	0.79	1.40*	#
Married	0.65*	1.02	#
Children Under 18 in Family	2.16*	1.22	#
Married With Chidren °	0.55*	1.07	#
Black	1.79*	2.05*	
Hispanic	2.36*	2.23*	
Other	1.80*	1.19	#
18 to 24 Years Old	0.69*	0.41*	#
55 Years and Older	0.54*	0.38*	

<sup>\*</sup> Significant at p < 0.05, one-tailed test.

Note: Reference group for nonstandard work arrangements is the self-employed, the type of nonstandard work arrangement with the fewest workers who prefer standard employment (see Table 36).



<sup>#</sup> Sex difference significant at p < 0.05, two-tailed test.

a Wage & Salary.

<sup>&</sup>lt;sup>b</sup> Self-Employment.

<sup>&</sup>lt;sup>c</sup> The odds ratio for the interaction term is net of both primary effects and the interaction. Indicated level of significance is that of the original interaction term.

be found among temps, on-call workers, day laborers, and part-time workers, as would be expected when considering that these are the lowest-quality NSWAs. Men in nonstandard work arrangements were more likely than women to want regular employment, as reflected by the significant sex differences in the coefficients.<sup>30</sup> Table 37 also confirms the importance of age and race in understanding workers' preferences for NSWAs and shows that, even though family status is not significantly related to men's preferences, it does affect women's.

Table 38 details the relationship between workers' family structure and their preferences for regular full-time employment. Except regular part-time workers, preferences for most types of nonstandard work do not vary with family type. Most temps (though greater shares of men than women) prefer standard employment to

TABLE 38
Workers Who Would Prefer Standard Employment, by Family Status and Sex (%)

Family Status	Regular Part-Time	Temporary Help Agency	On-Call	Self- Employment	Independent Contracting-WS <sup>a</sup>	Independent Contracting-SE <sup>b</sup>
Female Workers Single						
No Children	27%	69%	69%	14%	18%	14%
With Children	56	76	89	17	38	15
Married, Single Earner						
No Children	20	_	41	7	37	6
With Children	41	65	81	7		10
Married, Two Earners						
No Children	20	55	· 40	10	18	7
With Children	16	69	53	10	26	7
Male Workers						
Single	•					
No Children	30%	82%	72%	11%	22%	10%
With Children	53	92	75	6		7
Married, Single Earner						
No Children	40	61	60	1	24	4
With Children	71	63	79	7	32	9
Married, Two Earners						
No Children	43	67	65	4	24	9
With Children	54	87	80	5	17	9

<sup>&</sup>lt;sup>a</sup> Wage & Salary

<sup>&</sup>lt;sup>b</sup> Self-Employment



The overwhelming majority of workers in NSWAs looking for employment sought arrangements other than the ones they currently had.

temp work. The same holds true for on-call workers. On the other hand, most men and women, regardless of family type, working in independent contracting or self-employment arrangements preferred their current situation, although a substantial minority of wage-and-salary independent contractors would have preferred standard employment.

Whether or not workers preferred full-time employment to their part-time jobs depended upon their family status. Single parents and married fathers who were the only earner in their families were most likely to prefer standard employment. Few women in dual-earner families would have preferred full-time employment, possibly because a large proportion of them face family constraints (recall Table 38). Only 16% of those with children and 20% of those without would have preferred a regular job. Even so, dual-earner black and Hispanic women were much more likely than their white counterparts in part-time work to want regular jobs—40% of dual-earner black women and 34% of dual-earner Hispanic women working part-time wanted regular jobs, compared to only 15% of white women (results not shown).

Fathers in single- and dual-earner families who worked part-time tended to be dissatisfied with part-time employment. More than half of dual-earner fathers and two-thirds of single-earner fathers would have preferred regular full-time work to their part-time jobs. For dual-earner fathers, preferences for standard work depend partly upon the ages of their children. Two-thirds of those with older children wanted regular full-time rather than part-time work, but more than half of those with young children—the group that was more likely to work part-time for family reasons—preferred their regular part-time jobs to full-time employment (results not shown).

#### Job Search

Finally, workers' preferences can be gauged by the extent to which they are looking for another job. **Table 39** lists the percent of respondents who looked for another job within the three months prior to the survey. As shown in columns 1, 2, 4, and 5, temporary help agency employees and on-call workers were most likely to have looked for another job (either a different primary job or a second job). Contract company employees and part-time workers were about twice as likely as were regular full-time workers to have looked for another job in the last three months. Among people looking for other jobs, most were searching for a different primary job, not a second job (see columns 3 and 6). These data suggest that temporary employees, on-call workers, and day laborers are the least satisfied with their current work arrangements.

The overwhelming majority of workers in NSWAs looking for employment



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TABLE 39
Workers Who Looked for Other Employment in the Past Three Months, by Work Arrangement (%)

Mork Arrangement Amy Legular Part-Time         Looked for New Primary Job or Second Job         Of Those Looking, Share Who Looked for New Primary Job         Cof Those Looking, Looked for New Primary Job         Of Those Looking, New Primary Job         Of Those Looking, New Primary Job         Of Those Looking, New Primary Job			Females	St		Males	
Tenure         Tenure         Tenure         Any Length         Tenure         Tenure           ne         17.1%         9.1%         70.7%         24.8%         14.6%           Agency         38.6         30.3         85.2         41.9         43.1           or         13.2         16.8         84.6         39.7         27.2           or         13.2         3.0         56.4         17.3         3.2           intracting-WS **         17.1         10.8         67.0         18.1         14.9           intracting-SE **         16.0         6.0         49.9         13.2         8.1           any         26.2         1.5         77.4         26.8         14.4           ne         8.9         5.0         85.9         12.0         5.7			New Primary econd Job	Of Those Looking, Share Who Looked for New Primary Job	Looked for Job or S	New Primary scond Job	Of Those Looking, Share Who Looked for New Primary Job
me         17.1%         9.1%         70.7%         24.8%         14.6%           Agency         38.6         30.3         85.2         41.9         43.1           oor         32.5         16.8         84.6         39.7         27.2           13.2         3.0         56.4         17.3         3.2           intracting-WS antracting-WS antracting-SE b         16.0         6.0         49.9         18.1         14.9           any         26.2         1.5         77.4         26.8         14.4           ne         8.9         5.0         85.9         12.0         5.7	Work Arrangement	Tenure <= 3 months	Tenure > 3 Months	Any Length of Tenure	Tenure <= 3 months	Tenure > 3 Months	Any Length of Tenure
Agency 38.6 30.3 85.2 41.9 43.1 or 32.5 16.8 84.6 39.7 27.2 or 13.2 3.0 56.4 17.3 3.2 mtracting-WS a 17.1 10.8 67.0 18.1 14.9 mtracting-SE b 16.0 6.0 49.9 13.2 8.1 any 26.2 1.5 77.4 26.8 14.4 ne 8.9 5.0 85.9 12.0 5.7	Regular Part-Time	17.1%	9.1%	70.7%	24.8%	14.6%	74.2%
or 32.5 16.8 84.6 39.7 27.2 13.2 3.0 56.4 17.3 3.2 3.2 and racting-WS a 17.1 10.8 67.0 18.1 14.9 any 26.2 1.5 77.4 26.8 14.4 any 8.9 5.0 85.9 12.0 5.7	Temporary Help Agency	38.6	30.3	85.2	41.9	43.1	95.4
13.2     3.0     56.4     17.3     3.2       Intracting-WS and tracting-SE because of the contracting of the	On-Call/Day Labor	32.5	16.8	84.6	39.7	27.2	74.9
intracting-WS a 17.1 10.8 67.0 18.1 14.9 14.9 15.0 6.0 49.9 13.2 8.1 any 26.2 1.5 77.4 26.8 14.4 ine 8.9 5.0 85.9 12.0 5.7	Self-Employed	13.2	3.0	56.4	17.3	3.2	53.5
acting-SE b 16.0 6.0 49.9 13.2 8.1 / 26.2 1.5 77.4 26.8 14.4 8.9 5.0 85.9 12.0 5.7	Independent Contracting-WS a	17.1	10.8	67.0	18.1	14.9	80.0
77.4 26.8 14.4 77.4 26.8 14.4 8.9 5.0 85.9 12.0 5.7	Independent Contracting-SE b	16.0	0.9	49.9	13.2	8.1	65.0
8.9 5.0 85.9 12.0 5.7	Contract Company	26.2	1.5	77.4	26.8	14.4	88.5
	Regular Full-Time	8.9	5.0	85.9	12.0	5.7	83.5

a Wage & Salary <sup>b</sup> Self-Employment



sought arrangements other than the ones they currently had (results not shown). That is, among workers who say they have been looking for another job in the past three months, 95% of men and 94% of women currently working as temps said they have been looking for a job that was not with a temporary help agency. The same is true for the 87% of men and 95% of women who are on-call workers, or the 88% of men and 81% of women who are employees of contract companies.



# SECTION 5 — POLICIES TO HELP WORKERS RESOLVE COMPETING DEMANDS OF WORK AND FAMILY

As this report has documented, certain nonstandard work arrangements result in jobs of distinctly inferior quality in terms of wages, benefits, and job security. Moreover, groups of workers who already face discrimination and low wages are disproportionately employed in nonstandard work arrangements of the lowest quality. Even workers who need or prefer these arrangements should not have to accept low wages, few benefits, and heightened job insecurity for fewer or more flexible work hours, nor should they have to forego the basic protections afforded regular full-time workers with respect to unemployment insurance, anti-discrimination protections, and collective bargaining. We have outlined below the public policies needed to safeguard workers in nonstandard arrangements.

# End pay discrimination based on work arrangement, part-time/full-time status, or job title.

The Equal Pay Act and civil rights legislation prohibit discrimination in compensation based on sex, age, race, or ethnicity among workers with the same job title. The Equal Pay Act, however, should be amended to also prohibit discrimination in pay based on work arrangement or the number of hours worked per week (i.e., full-time/part-time status). Comparable worth legislation—requiring employers to pay similar wages for work of similar complexity and skill-requirements, despite job title—would also narrow the pay gaps among standard and nonstandard workers as well as those between regular full-time workers. To be effective, it would be imperative that this legislation covers nonstandard as well as standard workers.

#### Raise the minimum wage.

Since nonstandard workers are more likely than regular full-time workers to be paid low wages, nonstandard workers are disproportionately helped by increases in the minimum wage. Indexing the minimum wage so that it would rise automatically with inflation or average wage growth would stabilize its value and prevent the periodic erosions in the purchasing power of the poorest workers.

#### Expand family and medical leave.

The Family and Medical Leave Act allows employees in firms with more than 50 employees, who work more than 1,250 hours annually (more than 24 hours per week for 52 weeks a year), to take up to 12 weeks of unpaid leave due to illness or



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to care for family members without fear of losing their job. Currently at least 7.6 million part-time workers do not qualify for the benefit because of the 1,250 hour annual work requirement. More than 20% of all workers fail to qualify because they work in firms with fewer than 50 employees. Many other workers fail to take advantage of this option because they cannot afford to forego their pay.

Eligibility for this benefit needs to be expanded so more workers, including those in small firms or working fewer than 1,250 hours per year, are able to qualify. In addition, this benefit should allow workers to take time off for additional types of personal obligations, such as accompanying children on doctor's appointments. Expanding this benefit would allow more workers to take regular full-time jobs while at the same time providing the flexibility needed to meet their other responsibilities.

#### Maintain affirmative action and EEO policies.

Although a smaller share of black and Hispanic workers than whites are employed in nonstandard jobs, a greater share of minorities work in Group 1 (lower-quality) nonstandard jobs. Rigorous enforcement of affirmative action and equal employment opportunity policies could improve opportunities for higher wages and higher-quality work arrangements for minority workers.

#### Reform labor law to cover joint employers.

Some nonstandard employees, such as temps, contract workers, or leased workers in effect have two employers—the site employer (client company) where they do their work and the contracting company or temp agency that is the employer of record. These two employers jointly control working conditions and wages. However, the employer-like role of the client company is rarely recognized in labor law, health and safety regulations, or in other laws regulating the workplace. Consequently, workers may not be adequately protected on the job and have no legal recourse with client companies that engage in unfair or unsafe practices. Laws regulating the workplace must be amended to encompass these joint-employer situations.

#### Reform labor law to ensure an effective right to organize.

Unions may offer nonstandard workers the best private-sector remedy for achieving equity in the workplace. Labor law must be reformed to ensure that all workers, standard and nonstandard, have an effective right to organize. Members of an "appropriate bargaining unit," the workplace unit in which a representational election is held, should be selected based on the content of their work (and encompass part-



time and contract workers, for example), regardless of whether they are standard or nonstandard workers. The Taft-Hartley ban on secondary boycotts should be amended to permit collective action by subcontracted employees against a leasing employer.

#### Expand wage subsidies, such as the earned income tax credit (EITC).

As we have seen, nonstandard workers are much more likely to earn poverty-level wages than are regular full-time employees. In 1995, the EITC reduced the poverty rate among people under age 65 from 15.4% to 13.8%. An increase in the EITC is needed to further reduce the poverty rate. All low-income workers, including non-standard ones, would benefit from increasing the tax credit and making it refundable. Currently, very low income workers who pay no income taxes are also ineligible for tax credits, although they pay payroll taxes.

#### Expand eligibility for unemployment compensation.

Eligibility for unemployment insurance (UI) is determined by a combination of state and federal standards. Some nonstandard workers (e.g., independent contractors and the self-employed) are excluded outright in many states, and many other workers are ineligible based on inadequate earnings. Due to changes in the law that have restricted eligibility, a declining share of the unemployed are eligible for benefits. In 1994, just 36% of the unemployed were receiving unemployment insurance payments, down from a high of 76% in 1975. Due to their low wages and, often, less than full-time hours, nonstandard workers are unlikely to qualify for UI. Eligibility needs to be expanded to cover many more of the unemployed.

# Improve fringe benefit coverage for nonstandard workers and make benefits more portable.

Nonstandard workers, even those working full-time, are much less likely than regular full-time employees to receive health insurance and pensions from their employers. Current law requires that employers who provide health insurance must offer health benefits to all eligible full-time workers. In many firms, however, nonstandard workers are not eligible for coverage. Federal law also permits employers to exclude from pension coverage workers employed less than 1,000 hours in a year (less than 19.2 hours per week for 52 weeks). At a minimum, laws should be amended to make all workers eligible for pro-rated coverage for both health and pension benefits (e.g., the employer health insurance or pension contribution for a half-time worker would be at least 50% of the contribution for a full-time worker). Even better legislation would require all employers to provide a basic health insur-



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ance and pension package to all employees on a pro-rated basis. The best option would be a universal, tax-financed health insurance system. Other benefits (vacation days, sick leave, etc.) should also be pro-rated. In addition, anyone who purchases their own health insurance policy should be able to fully deduct the entire cost of the premium, as is currently the practice for the insurance employees receive on the job.

#### Make child care affordable and available.

While many nonstandard workers report they prefer their nonstandard jobs, it is also true that many of these workers take nonstandard jobs in order to meet family responsibilities. If affordable child care were available, they might choose a different work arrangement. Child care is particularly problematic for low-income families. In the absence of affordable child care, care givers must opt for reduced or more flexible hours of work—often a nonstandard job—that raises the odds that they will earn low pay. But many middle-income as well as low-income families find child care unaffordable.

Policies to expand child care tax credits and make them refundable would be a first step toward making child care more affordable. A universal child care system would enable workers' to act on their true preferences for standard and nonstandard work.

#### More flexible schedules for regular full-time workers.

If more flexible schedules were available in regular full-time jobs, then fewer workers would need to work in nonstandard jobs in order to balance competing obligations. Ways to increase flexibility include job sharing and flextime schedules that allow workers to vary their arrival and departure times while still working full time. Few firms, however, offer these opportunities—just 14% of private firms routinely offer employees flextime schedules and just 15% of hourly employees have such schedules (Golden 1997). Encouraging more firms to offer these scheduling options could open up regular full-time employment opportunities to more workers.



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#### **GLOSSARY OFTERMS**

Definitions of Nonstandard Work Arrangements

#### Regular Part-Time

Respondents who reported they were wage and salary workers, worked less than 35 hours each week, and were not classified in any of the other nonstandard work arrangements (NSWAs) listed herein.

#### Temporary Help Agency (or Temps)

Respondents reported being a wage and salary worker and answered "yes" to the following question: "Are you paid by a temporary help agency? (A temporary help agency supplies workers to other companies on an as-needed basis or supplies workers to other companies primarily for short-term assignments.)"

#### On-Call

Respondents reported being a wage and salary worker and answered "yes" to the following question: "Some people are in a pool of workers who are **only** called to work as needed, although they can be scheduled to work for several days or weeks in a row, for example substitute teachers, and construction workers supplied by a union hiring hall. These people are sometimes referred to as 'on-call' workers. Were you an on-call worker last week?"

#### Day Labor

Respondents reported being a wage and salary worker and answered "yes" to the following question: "Some people get work by waiting at a place where employers pick up people to work for a day. These people are sometimes called day laborers. Were you a day laborer last week?"

#### Self-Employment

Respondents reported being self-employed and answered "yes" to the following question: "Are you self-employed," for example "as a shop or restaurant owner?"

#### Independent Contracting—Wage and Salary

Respondents reported being a wage and salary worker and answered "yes" to the following question: "Last week, were you working as an independent contractor, an independent consultant, or a free-lance worker? That is, someone who obtains customers on their own to provide a product or service. Independent contractors, independent consultants, and free-lance workers can have other employees working for them."

#### Independent Contracting—Self-Employment

Respondents answered "yes" to the following question: "Last week, were you working as an independent contractor, an independent consultant, or a free-lance worker? That is, someone who obtains customers on their own to provide a product or service. Independent contractors, independent consultants, and free-lance workers can have other employees working for them" and answered "yes" to the question "Are you self-employed as an independent contractor, independent consultant, or free-lance worker?"

#### **Contract Company**

Respondents reported being a wage and salary worker and answered "yes" to the following question: "Some companies provide employees or their services to others under contract. A few examples of services that can be contracted out include security, landscaping, or computer programming. Did you work for a company that contracts out you or your services last week?"

We classified as "contract workers" all persons who did contract work (N=630), regardless of whether they work at the employers' work site (N=61), the work site of a single contractee (N=258), or the work site of more than one contractee (N=311). This conception of contract work differs from that used by the BLS which does not classify as contract workers persons who did not work at the contractee's work site. BLS requires a respondent to answer "no" to the question "Are you usually assigned to more than one customer?" and "yes" to "Do you usually work at the customer's worksite?" We do not require any particular answer to those questions.

#### **Regular Full-Time**

Respondents who reported they were wage and salary workers, worked 35 hours or more each week, and who were not classified in any of the nonstandard work arrangements (NSWAs) listed above.



#### **ENDNOTES**

- 1. In the Supplement, 61,824 persons were queried. Of that total, 57,908 were employed (50,784 wage-and-salaried; 7,124 self-employed).
- 2. The basic CPS identified whether a person was self-employed or a wage and salary employee. The Supplement asked all persons whether or not they were independent contractors. Some respondents who were classified as wage and salary employees in the basic CPS identified themselves as independent contractors in the Supplement. In some of the tables we distinguish these two groups of independent contractors since they appear to differ on a variety of outcomes. Presenting results separately for these two groups also allows the reader to combine self-employed independent contractors with other self-employed persons.
- 3. Respondents who identified themselves as leased workers are omitted from this study on the advice of the BLS due to problems with their data.
- 4. In the analyses presented in this report, we have restricted the sample to the 54,933 respondents between the ages of 18 and 64 years old (inclusive) for whom we had no missing values on any of the variables used in the analyses. However, wage information was collected only on slightly more than 25% of the sample. All the estimated labor force parameters in this report are weighted using the Supplement weights provided by the BLS with the February 1995 CPS data. A description of the weights used in the wage analyses appears in the Appendix.
- 5. We created an index of occupational complexity for each occupation using information from the *Dictionary of Occupational Titles (DOT)*. This index is the sum of the z-scores for the following *DOT* variables: General educational development (reverse coded); Specific vocational preparation (reverse coded); Complexity of work with data; Complexity of work with people; Verbal intelligence; and Numerical ability. The internal consistency reliability estimate of this index is very high (.97). High scores on this index indicate highly complex jobs. These occupational-level complexity scores were assigned to individuals based on their occupations to obtain the correlation with the NSWA reported in the text.
- 6. The correlation between the complexity of a respondent's occupation and whether or not it is done full time is .17. The correlations between complexity and the other work arrangements are: self-employment (.07); independent contracting, self-employed (.04); independent contracting, wage-and-salary (.01); temporary help agency employment (-.05); on-call work (-.04); and regular part-time work (-.12) All correlations are statistically significant at p < .01.
- 7. A description of how hourly wages are calculated from the CPS data can be found in the Appendix.
- 8. This equals a yearly salary of \$15,870 for a full-time, year-round job. In 1995, 28% of all workers earned poverty-level wages. Because this is an absolute standard for low wages, a decreasing or increasing share of the labor force receives poverty-level wages as the wage structure of the economy rises and falls.
- 9. It is not inconsistent that some types of nonstandard work (independent contracting, contract work and self-employment for men) are more likely than standard work to pay both low wages and high wages. This means that, compared to people in regular full-time jobs, nonstandard workers in these arrangements are more concentrated at both the top and the bottom of the wage distribution, with fewer in the middle.
- 10. Theoretically, economists expect a tradeoff between fringe benefits and money wages. For example, a worker who did not receive health insurance on the job would be expected to receive a higher money wage than an identical worker who did receive employer-sponsored health insurance. However, empirical support of this hypothetical relationship is illusive. Instead, empirical research demonstrates that fringe benefits such as health insurance and pensions are correlated with higher, not lower, wages. It thus appears that receipt of fringe benefits serves as a marker for jobs that pay relatively good wages. This finding is borne out here: receipt of health insurance or a pension is positively correlated with high wages, negatively correlated with low and poverty-level wages; it also has a positive coefficient in the wage equations. The correlation between higher pay and fringe benefits could be explained on the basis of efficiency wages. Unionization has also been shown to be correlated with enhanced productivity, which could be associated with higher wages.
- 11. Odds ratios indicate the likelihood of nonstandard workers receiving low wages compared to regular full-time workers. An odds ratio greater than one indicates that two variables are positively related, while an odds ratio of less than one indicates a negative relationship. For example, in Table 9 an odds ratio for female part-time workers of 3.92 indicates that a female regular part-time worker is 3.92 times more likely to receive low wages than a female full-time regular worker. Receipt of fringe benefits by women is associated with an odds ratio of 0.29, indicating that women workers with fringe benefits are just .29 (less than one-third) as likely as workers without fringe benefits to receive low wages. Statistically significant effects are denoted by asterisks.



- 12. Day laborers do not appear in these models due to small sample size.
- 13. It is possible that the wage differences we will identify occur because workers in nonstandard work arrangements differ systematically from regular full-time workers in ways that are not controlled for in the models we have examined and thus might justify their lower wages. We test for this possibility using a Heckman correction (See Appendix Table 5 and "What Else Might Explain the Wage Differentials Between Nonstandard and Regular Full-time Workers" in the Appendix). Overall, this analysis confirms the results reported here. The one exception is self-employed women. The correction shows that self-employed women do differ systematically from regular full-time women in ways that are not detected in these models but that should boost their pay above that of standard female workers. Thus, the pay penalty for self-employment is even larger for women than is indicated in the wage equations reported here.
- 14. For most types of nonstandard work, wage differentials estimated separately for full-time and part-time workers differ very little from those for the combined sample shown in Table 12. However, full-time independent contractors and the self-employed face wage penalties of 24% and 32%, respectively, while part-time workers in these types of work arrangements receive smaller reductions of 3% and 12%, respectively. See Appendix Table 6.
- 15. That is, we modify the models already presented by interacting our nonstandard work arrangement indicators with six education attainment levels.
- 16. The coefficients from these estimations are reported in Appendix Table 7.
- 17. Part-time independent contractors and the self-employed who work part time receive pay premiums of 26% to 30% compared to regular full-time workers (see Appendix Table 7).
- 18. We also examine the effect on wages of part-time/full-time status in nonstandard work. Controlling for personal characteristics, most types of nonstandard workers who work full-time are paid less than regular full-time workers (see Appendix Table 6). The wage penalty varies from 19% for full-time temps (41% for part-time temps), to 9-15% for full-time independent contractors and the self-employed, respectively. Wages for full-time on-call men are not significantly different from regular full-time workers, but part-time on-call workers face a pay penalty of 22%. Part-time independent contractors are paid 14% more, on average, than regular full-time workers.

Controlling for job characteristics, a somewhat different picture emerges. In every case, full-time nonstandard workers face no pay penalties, and independent contractors and the self-employed receive small premiums. However, part-time male temps (unlike women) have a 27% pay penalty. Like women, some part-time nonstandard workers receive large pay premiums: 28% for contract workers, 39% for independent contractors, and 26% for the self-employed.

- 19. The coefficients from these estimations are reported in Appendix Table 8.
- 20. Workers were eligible for health insurance through their employer if health insurance was available and the employee was eligible for it, regardless of whether the respondent actually participated in the plan.
- 21. The failure of many nonstandard jobs to provide health insurance means that dual-earner workers in NSWAs are dependent upon continued access to an employed spouse in order to receive health insurance.
- 22. We exclude the self-employed and independent contractors who are self-employed, though we include independent contractors who receive wages and salaries.
- 23. Part-time nonstandard workers are even less likely than full-time nonstandard workers to receive benefits. Female independent contractors are the one exception: part-time independent contractors are more likely than full-time independent contractors to receive benefits.
- 24. We base this conclusion on the results of a logistic regression model that combined men and women. The coefficient for gender is insignificant in this model.
- 25. We should keep in mind that wage-and-salary independent contractors constitute less than 14% of all independent contractors (see Table 1), so these figures probably underestimate the number of independent contractors who previously worked in another work arrangement for the current employer.
- 26. Contract work probably comes closest in quality to standard work. Compared to regular full-time workers with similar characteristics, women are paid about the same, and men receive a 7% pay premium. In regards to health insurance or pensions, women are only 39% and men 62% as likely as standard workers to receive these fringe benefits. Contract workers are also more than twice as likely (odds ratios of 2.18 for men and 2.33 for women) as standard workers to have a job of limited duration.
- 27. Appendix Table 13 shows the distribution of workers among nonstandard jobs by nativity.
- 28. Our analysis is based on the CPS survey's ordinal measure of family income. To estimate actual income, we assigned to each



individual the median income of the ordinal category's income range. The CPS grouped family incomes greater than \$75,000 in its top category. We used a Pareto estimation to assign a mean value to people in this category (Parker and Fenwick 1986).

- 29. As for contract workers, the BLS collected data on reasons from only a few, so we cannot discuss employment reasons for this nonstandard employment arrangement.
- 30. To test for sex differences in workers' preferences for standard (as opposed to nonstandard) work, we restricted the sample to those types of work arrangements for which data were available. Thus, our sample included temporary help agency employees, on-call/day laborers, independent contractors (wage-and-salaried and self-employed), self-employed persons, and regular part-time workers. Women were significantly more likely than men to prefer standard employment. To test whether sex differences remained significant net of workers' characteristics, we estimated two logistic regression models that combined the information for men and women. The first included all the independent variables reported in Table 39 and a term for the respondent's sex; the second regression model added sex interactions for all independent variables. A test of the fit of the second model compared to the first model indicated that these two models differed significantly from each other (Likelihood Ratio Statistic of second model minus the Likelihood Ratio Statistic of first model yielded a Chi-square statistic of 145, with 27 degrees of freedom, which is statistically significant at p < .01). In the second model, most of the sex interactions were significant (as reflected in the last column of Table 39).

#### **APPENDIX**

It is widely believed that the share of the labor force employed in nonstandard work arrangements is growing. While probably true, data to document this trend do not exist. The data used in this analysis are from the first survey that asked workers about their participation in all the various types of nonstandard work arrangements. Therefore, there is no way to document trends by comparisons to earlier numbers. However, other surveys provide data on some types of work we now call nonstandard (see table below). (The data in this table cannot be compared with the data analyzed in this report since they come from different surveys that use slightly different definitions for the various categories of work.)

The share of the labor force working part-time (in any type of arrangement, not just standard employment) grew from 16.6% in 1973 to 18.8% in 1993, but fell slightly to 18.4% in 1995. Employment in the temporary help supply services industry (a somewhat different group than is measured in data used for this report) grew from 0.5% of the labor force in 1982, the first year for which data are available, to 1.2% in 1995. Self-employment grew from 6.7% in 1973 to 7.3% in 1995.

## Employment in Nonstandard Arrangements (Share of Nonagricultural Employment)

	Part-Time	Temporary Help Agency	Self- Employed
1973	16.6%	n.a.	6.7%
1979	17.6	0.5%ª	7.1
1989	18.1	1.1	7.5
1993	18.8	1.5	7.7
1995 <sup>b</sup>	18.4	1.9	7.3

Note: Part-time workers are a share of all persons at work. Data for part-time workers and the self employed from BLS, Employment and Earnings, various years. Temps are all people employed in the help supply services industry (SIC 7363); data are from the BLS website, July 24, 1997; data prior to 1982 are not available.

#### Calculating Hourly Wages

A sample of wage earners from the February 1995 Current Population Survey (CPS) was used for the wage analyses in this paper. Earnings information appears in two locations in the CPS file. First, questions about earnings are asked of all employed household members in the quarter-sample that constitutes the Earnings File. In addition, all nonstandard workers who were not in the Earnings File were asked questions about earnings and benefits in the Supplement.

Our wage sample includes all respondents with valid wage and hour data, whether paid weekly or by the hour, who meet the following criteria:

- age 18-64,
- hours worked within the valid range in the survey,

either hourly or weekly wages within the valid survey range, and

• hourly wages  $\rightarrow$  = 50 cents or  $\leftarrow$  \$100.

For those who met these criteria, an hourly wage was calculated in the following manner. For non-hourly workers, the hourly wage was the quotient of their usual weekly earnings (including overtime, tips, and commissions) divided by their usual hours worked per week. If their usual hours worked per week were reported as varying,



a Data for 1982.

<sup>&</sup>lt;sup>b</sup> 1995 data are not strictly comparable to those of earlier years due to changes in the survey.

then their actual hours worked last week were used as the denominator.

For hourly workers, the hourly rate of pay was the quotient of usual weekly earnings (including overtime pay, tips, and commissions) divided by their usual hours worked per week. If usual hours were reported as varying and no overtime pay, tips, or commissions (otc) were reported as part of weekly earnings, then the reported hourly rate of pay was used. If, however, the respondent reported receiving otc, then the hourly wage was estimated as the product of the reported hourly rate of pay (without otc) and the ratio of usual weekly earnings including otc to usual weekly earnings without otc. This procedure scaled-up hourly pay without otc by the ratio of total weekly pay to weekly pay without otc.

On the advice of the BLS, respondents with positive hourly wages who were not in the Earnings File were assigned a weight equal to their supplement weight. Respondents with positive hourly wages from the Earnings File were assigned a weight equal to four times their supplement weight.

# What Else Might Explain the Wage Differentials Between Nonstandard and Regular Full-time Workers?

It is possible that the wage differences we have identified (for example, in Table 12) occur because workers in non-standard work arrangements differ systematically from regular full-time workers. For example, the range of personal characteristics of nonstandard workers may differ from those of regular full-time workers in ways that are not fully accounted for by the explanatory variables in the models we have thus far considered. If nonstandard workers were actually less qualified than regular full-time workers, then their lower wages could be justified. To examine this possibility, we performed a Heckman correction that adjusts for possible systemic differences that are outside the scope of the models already considered. Using this correction, we predicted wages for nonstandard workers and compared these Heckman predictions with their actual wages.

We also estimated a second, standard set of predicted wages, which rest on the assumption that there were no systemic differences between nonstandard and regular full-time workers, and that any differences that did exist were described by the explanatory variables in the models we estimated. We also compared these standard predictions with actual wages. In both sets of predictions, the models include controls for both personal and job characteristics.

The average differences between the Heckman wage predictions and actual wages are shown in column 1 in Appendix Table 5. A positive number indicates that predicted wages are higher than actual wages, and that workers are receiving a pay penalty, even after adjusting for systemic characteristics. In other words, a positive number means systemic differences that might make workers less qualified do not explain their lower wages. We also show in column 2 the difference between the standard predicted wages and actual wages. Deviations between the values in the two columns also suggest the degree to which systemic differences are present.

The Heckman wage predictions show that some nonstandard workers receive wage penalties and others receive wage premiums, even after adjusting for systemic differences. Comparing the two columns also shows that, while there are systemic differences in characteristics that impact wages of nonstandard and regular full-time workers, for the most part these differences are small. The one exception is self-employed women; there is a 12.1 percentage point difference between the values in the two columns. The Heckman-predicted wage indicates that wages for self-employed women should be 16.8% higher than they actually are. However, the standard prediction suggests that their wage penalty is just 4.7%. This prediction suggests that systemic differences in the characteristics of self-employed women compared to regular full-time women workers make them more highly qualified, justifying higher wages than the standard models would indicate. There are also significant systemic differences for male on-call and contract workers and the self-employed.

The Heckman wage predictions are consistent with the findings on relative wages presented in Table 12. In the estimation of the model that controls for personal and job characteristics, regular part-time, on-call women and self-employed women are all found to receive a pay penalty. The standard and Heckman wage predictions confirm this and the general order of magnitude. Table 12 also shows that male regular part-time workers and temps receive pay penalties. These are also supported by the wage predictions. So even though a small part of some wage penalties appears to be due to systemic differences in characteristics, a large share of these penalties cannot be explained on this basis and appears to be related to work arrangements and the characteristics associated with nonstandard jobs.



## APPENDIX TABLE 1 Workers \* by Work Arrangement, Full-Time Status, and Sex, 1995

	Par	t-time	Fu	III-time	
Work Arrangement	Female	Male	Female	Male	Total
Temporary Help Agency	135,417	77,041	458,021	452,862	1,123,341
On-Call/Day Labor	683,604	303,230	233,812	637,384	1,858,030
Contract Company	138,627	78,035	267,484	902,592	1,386,738
Independent Contracting-WS b	246,012	96,168	256,732	452,338	1,051,250
Independent Contracting-SE °	953,879	571,305	1,063,804	4,008,883	6,597,871
Self-Employment	1,102,319	401,105	1,468,190	3,465,582	6,437,196
Regular	11,529,481	4,476,779	35,559,134	47,020,944	98,586,338
All	14,789,339	6,003,663	39,307,177	56,940,585	117,040,764
Temporary Help Agency	0.12%	0.07%	0.39%	0.39%	0.96%
On-Call/Day Labor	0.58	0.26	0.20	0.54	1.59
Contract Company	0.12	0.07	0.23	0.77	1.18
Independent Contracting-WS b	0.21	0.08	0.22	0.39	0.90
Independent Contracting-SE °	0.81	0.49	0.91	3.43	5.64
Self-Employment	0.94	0.34	1.25	2.96	5.50
Regular	9.85	3.82	30.38	40.17	84.23
All	12.64	5.13	33.58	48.65	100.00

a Age 18 to 64

Note: Respondents who identified themselves as leased workers are omitted from these analyses on the advice of the BLS due to problems with data.



<sup>&</sup>lt;sup>b</sup> Wage & Salary

<sup>°</sup> Self-Employment

# APPENDIX TABLE 2 Workers by Work Arrangement and Industry (%)

	Regular Part-Time	Temporary Help Agency	On-Call/ Day Labor	Self- Employment	Independent Contracting- Wage & Salary	Independent Contracting- Self-Employment	Contract	Regular Full-Time	All Workers
Females									
Agriculture	14.1%	0.0%	1.3%	51.5%	0.0%	8.2%	0.3%	24.5%	100 0%
Mining	6.5	0.3	0.0	5.0	0.0	6.2	3.0	78.8	100.0%
Construction	13.9	1.2	0.5	14.8	1.0	12.7	0.5	55.4	100.0
Manufacturing	6.1	2.4	0.5	2.0	0.4	1.3	0.3	86.9	100.0
Transportation, Communication,						•	}	) j	) )
Public Utilities	12.6	1.4	1.8	3.3	1.0	1.7	1.0	77.1	100 0
Wholesale Trade	12.2	1.0	2.0	8.6	0.4	5.6	0.3	717	100 0
Retail Trade	38.3	0.5	4.1	6.1	0.3	3.5	0.0	49.9	100.0
Finance, Insurance, Real Estate	12.3	1.3	0.5	3.3	2.0	3.2	9.0	76.7	0.00
Private Household Services	41.1	1.6	3.5	0.0	13.8	6.1	5.5	32.5	100.0
<b>Business and Repair Services</b>	15.2	5.6	1.9	8.4		16.3	2.8	48.6	100.0
Personal Services	25.1	0.5	1.3	13.1	1.4	11.3	0.3	47.0	100.0
Entertainment, Recreation Services	33.5	0.8	1.6	4.4	1.9	8.0	0.5	49.3	100.0
Professional Services	23.5	9.0	2.6	2.9	0.7	2.7	0.0	66.1	100.0
Forestry and Fisheries	9.7	0.0	0.0	22.9	0.0	0.0	0.0	67.4	100.0
Public Administration	7.5	0.4	1.0	0.0	0.7	0.0	1.1	89.2	100.0
0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0									
Agricultura	/ E 0/	\0C \C	4 De/	90.00	è	i i	i		
Mision	° C	% V C	° ° °	00.00	%5. <del>.</del>	15.0%	J. / %	39.5%	100.0%
:	7.7	D.0	<b>10</b>	5.	0.0	1.0	4.2	88.5	100.0
Construction	3.0	0.4	4.9	3.9	1.7	24.3	2.8	29.0	100.0
Manufacturing	2.1	1.6	9.0	2.6	0.3	1.6	1.0	90.2	100.0
Transportation, Communication,									
Public Utilities	4.4	9.0	2.2	2.4	0.4	4.9	2.1	82.8	100.0
Wholesale Trade	3.4	9.0	0.5	8.7	1.0	4.5	6.0	80.5	100.0
Retail Trade	18.8	0.2	8.0	8.5	9.0	3.4	0.3	67.4	100.0
Finance, Insurance, Real Estate	3.6	9.0	0.3	7.5	2.8	12.7	1.2	71.4	100 0
Private Household Services	27.3	11.9	16.9	0.0	13.4	15,2	0.0	15.3	1000
<b>Business and Repair Services</b>	6.9	3.0	1.4	8.9	9.0	14.7	80.00	9.09	100.0
Personal Services	11.1	0.4	1.7	11.5	0.3	10.1	8.0	64.1	100.0
Entertainment, Recreation Services	19.0	0.2	2.8	4.8	2.2	10.1	8.0	60.2	100 0
Professional Services	11.5	0.3	1.0	6.2	1.2	6.0	6.	71.8	100.0
Forestry and Fisheries	4.6	0.0	1.4	28.3	0.0	23.1	00	42.6	1001
Public Administration	1.8	0.1	6.0	0.0	0.1	0.0	1.6	95.6	100.0
							1	!	) ;

# APPENDIX TABLE 3 Workers by Work Arrangement and Occupation (%)

-	Regular Part-Time	Temporary Help Agency	On-Call/ Day Labor	Self- Employment	Independent Contracting- Wage & Salary	Independent Contracting- Self-Employment	Contract	Regular Full-Time	Ail Workers
Females Executive, Administrative,									
and Managerial	8.0%	0.5%	0.4%	6.9%	0.3%	3.9%	0.4%	79.5%	100.0%
Professional Specialty	18.0	9.0	3.3	2.4	1.0	4.4	1.3	0.69	100.0
Technical and Related Support	22.0	1.0	1.3	6.0	0.4	1.0	2.7	71.3	100.0
Sales Occupations	31.9	0.3	<b>1</b> .4	6.7	2.0	6.4	0.4	50.8	1000
Administrative Support, Clerical	19.6	1.9	0.9	3.6	0.4	1.4	0.5	71.8	100.0
Private Household	45.2	0.8	3.2	0.0	13.7	8.9	0.4	30.0	100.0
Protective Service	22.5	0.0	5.8	0.3	0.0	0.0	, c	65.6 65.6	0.001
Service, Except Protective						}	9	9	2
and Household	36.0	9.0	2.5	6.5		5.0	6	. 46.7	000
Precision Production, Craft, and Repair	8.1	1.9	1.0	4.3	0.3	65.6	0.0	7.8.7	100.0
Machine Operation, Assembly,					•	2	) ;	?	2.00
and Inspection	7.2	2.8	0.7	1.4	0.2	00	5	85.7	0.001
Transportation and Material Moving	30.9	0.7	4.8	2.2	0.8	1.7	. <del>L</del>	57.7 57.5	0.00
Handling, Cleaning, Help, and Labor	23.8	4.1	2.7	1.4	0.1	0.8	2.0	 	2000
Farming, Forestry, and Fishing	11.7	0.1	2.5	50.9	0.0	9.6	0.4	25.0	100.0
Male									
Executive, Administrative,									
and Managerial	1.7%	0.4%	0.3%	11.3%	0.8%	11.4%	1 1%	73.0%	100 0%
Professional Specialty	2.7	0.5	1.0	6.4	1.5	7.3	2.4	75.3	100.0
Technical and Related Support	7.0		0.3	1.0	0.8	2.5	2.7	846	100.0
Sales Occupations	9.0	0.1	0.2	12.2	2.2	8.6	i o	663	100.0
Administrative Support, Clerical	12.1	1.6	1.	0.7	0.0	9.0	60	83.0	100.0
Private Household	27.4	0.0	15.9	0.0	24.9	30.5	0,0	+	100 0
Protective Service	4.7	0.9	1.7	0.2	0.1	9.0	6 7	0 98	100.0
Service, Except Protective						•	) F	3	2
and Household		0.7	<del>1.</del>	1.8	0.3	2.0	1.4	67.3	100.0
Precision Production, Craft, and Repair	2.4	0.4	2.4	3.4	0.7	11.5	2.0	77.2	100.0
Machine Operation, Assembly,								!	
and Inspection	3.7	2.8	0.7	1.2	0.1	1.8	0.7	88.9	100.0
Transportation and Material Moving	6.7	0.7	3.1	2.5	0.4	5.9	1.7	29.0	1000
Handling, Cleaning, Help, and Labor	17.5	2.7	4.4	9.0	9.0	0.7	6.	72.2	100.0
Farming, Forestry, and Fishing	5.6	0.5	3.6	31.3	7	14.4	1.6	41.8	1000
							•	)	9



# APPENDIX TABLE 4 Descriptive Statistics

Independent Variables	Mean	Standard Deviation
Demographics		
Age (years)	38.67	11.39
White	0.81	0.39
Black	0.08	0.28
Hispanic	0.07	0.25
Other Race	0.04	0.20
Married	0.63	0.48
Spouse Employed Young Children	0.49 0.19	0.50
Older Children Only	0.19	0.39 0.47
Born Outside the U.S.	0.32	0.47
	0.10	0.00
Education		
Less than High School	0.10	0.30
High School Diploma	0.33	0.47
Some College Associate Degree	0.22	0.41
College Degree	0.09 0.18	0.28 0.39
Post-B.A.	0.18	0.39
	0.03	0.29
Region		
Northeast	0.23	0.42
Midwest South	0.25 0.31	0.43
West .	0.31	0.46 0.41
	0.22	0.41
Industry	0.00	0.40
Agriculture, Forestry, and Fishing Mining	0.03	0.16
Construction	0.01 0.06	0.08 0.23
Manufacturing	0.00	0.23
Transportation	0.07	0.26
Wholesale Trade	0.04	0.19
Retail Trade	0.16	0.36
Finance, Real Estate	0.07	0.25
Private Households	0.01	0.08
Business, Repair Services	0.05	0.22
Personal Service	0.03	0.16
Entertainment, Recreational	0.01	0.12
Professional Services Public Administration	0.26	0.44
Professional	0.05 0.16	0.22 0.37
Manager	0.14	0.37
Technical	0.03	0.18
Sales	0.12	0.32
Clerical	0.15	0.36
Private Household Services ·	0.01	0.07
Protective Services	0.02	0.13
Other Service Occupations	0.11	. 0.31
Craft	0.11	0.31
Machine Operatives	0.06	0.24
Transport Operatives Laborers	0.04	0.20
Farm and Forestry	0.03 0.03	0.18 0.16
-	0.00	3.10
Occupation Regular Part-Time	0.14	0.24
Temporary Help Agency	0.14 0.01	0.34 0.09
On-Call/Day Labor	0.02	0.09
Self-Employment	0.06	0.12
Independent Contracting - Wage & Salary	0.01	0.23
Independent Contracting - Self-Employment	0.06	0.24
Contract Company	0.01	0.11
Regular Full-Time	0.70	0.46
<del></del>		

# APPENDIX TABLE 5 Predicted Wages Compared to Actual Wages for Nonstandard Workers (% Predicted Exceeds Actual)

	Heckman Prediction,	Standard Prediction,
	Corrected for Systematic	No Systematic
	Differences Between	Differences Between
	Nonstandard Workers	Nonstandard Workers and
	and Regular Full-Time a	Regular Full-Time b
Women		
Regular Part-Time	2.7%	3.7%
Temporary Help Agency	-0.9	0.2
On-Call	4.3	5.1
Self-Employment	16.8***	4.7
Independent Contracting	-11.5	-12.1
Contract Company	-4.3	-4.6
Men		
Regular Part-Time	3.5%	4.0%
Temporary Help Agency	7.4*	9.6
On-Call	-1.5*	1.0
Self-Employment	-10.7	-8.8
Independent Contracting	-9.8	-9.2
Contract Company	-2.7***	-7.8

<sup>&</sup>lt;sup>a</sup> Results from estimating the Heckman correction. The second stage estimates the model with demographic and job characterstics; the dependent variable is log (wage).



Predicted from model with personal and job characteristics shown in Table 12 (plus a dummy variable indicating part-time work) using coefficients from regular full-time workers and job and personal characteristics of nonstandard workers. Dependent variable is log (wage).

<sup>\*</sup> Level of statistical significance (p) for inverse Mills ratio: 0.01 .

<sup>\*\*</sup> Level of statistical significance (p) for inverse Mills ratio: 0.001< p < = 0.01.

<sup>\*\*\*</sup> Level of statistical significance (p) for inverse Mills ratio: p < = 0.001.

# APPENDIX TABLE 6 Wages of Nonstandard Workers Compared to Regular Full-Time Workers, by Part-Time Status and Sex (Difference in %)

#### Controlling for Personal Characteristics

	Women	Men
Regular Part-Time	-20%***	-24%***
Temporary Help Agency (FT)	-17***	-19***
Temporary Help Agency and PT	-16	-41**
On-Call (FT)	-18***	_
On-Call and PT	-21	-22***
Self-Employment (FT)	-32***	-15***
Self-Employment and PT	-12***	-2**
Independent Contracting (FT)	-24***	-9***
Independent Contracting and PT	-3***	14***
Contract Company (FT)		7*
Contract Company and PT	_	4

### Controlling for Personal and Job Characteristics

<u> </u>	Women	Men
Regular Part-Time	-5%*	-10%***
Temporary Help Agency (FT) Temporary Help Agency <i>and</i> PT	_	<u> </u>
On-Call (FT) On-Call <i>and</i> PT	-15* -9	_
Self-Employment (FT) Self-Employment and PT	-15*** 11***	6* 26***
Independent Contracting (FT) Independent Contracting and PT	<del></del> 23***	9*** 39***
Contract Company (FT) Contract Company and PT	17* 7	<del></del> 28*

<sup>\* 0.01 &</sup>lt; p < = 0.05

Note: The dependent variable is log (wages). "—" indicates difference is not significantly different from zero. Difference in wage (%) for part-time nonstandard workers is the difference between their wage and that of regular full-time workers. For a list of other variables in these models see Table 12.

<sup>\*\* 0.001 &</sup>lt; p < = 0.01

<sup>\*\*\*</sup> p < = 0.001

Wages of Nonstandard Workers Compared to Regular Full-Time Workers, Women, by Education and Sex (Coefficients)

	Regular	r Part-Time	Temporary	Temporary Help Agency	Ō	On-Call
	Contr	olling for:	Contr	Controlling for:	Contr	Controlling for:
	Personal Characteristics	Personal and Job Characteristics	Personal Characteristics	Personal and Job Characteristics	Personal Characteristics	Personal and Job Characteristics
NSWA <i>and</i> Part-Time	n.a.	n.a.	0.00	0.07	-0.02	0.10
Less Than High School	-0.23***	-0.12***	-0.23***	-0.12***	-0.23***	-0.12***
NSWA and Less Than High School	-0.11	0.02	-0.11	-0.02	-0.05	-0.04
NSWA and High School Diploma	-0.26***	-0.07*	-0.21***	-0.07	-0.30***	-0.24**
Some College	0.09***	0.04*	0.09***	0.04*	***600	• • • •
NSWA and Some College	-0.31***	-0.13***	-0.05	0.08	-0.15	50.0-
Associate Degree	0.24***	0.13***	0.23***	0.14***	0.23***	0.20
NSWA and Associate Degree	-0.24***	-0.10	-0.47***	-0.21	0.04	0.0
College Degree	0.40***	0.22***	0.40***	0.23***	0.40***	0.22***
NSWA and College Degree	-0.12**	0.07	-0.24**	-0.03	-0.30***	-0.32***
Post-B.A.	0.59***	0.37***	0.58***	0.38***	0.58***	0.37***
NSWA and Post-B.A.	-0.13*	0.03	-0.39	-0.30	-0.31*	76.0

\* 0.01 
\*\* 0.001 
\*\* p < = 0.001

Note: The dependent variable is log (wage). A complete listing of the variables in each model is found in the note to Table 12.

cont.

APPENDIX TABLE 7 (cont.) Wages of Nonstandard Workers Compared to Regular Full-Time Workers, Women, by Education and Sex (Coefficients)

Contract Company	Controlling for:	Personal and Job	
Co	O	Personal Characteristics	0.09 0.25 0.25 0.03 0.01 0.14 0.14 0.13 0.58***
Independent Contracting	Controlling for:	Personal and Job Characteristics	0.25*** -0.11** -0.09 -0.06 -0.07 -0.03 -0.03 -0.03 -0.03 -0.03
Independe	Contr	Personal Characteristics	0.23*** -0.23*** -0.26*** -0.29*** -0.29*** -0.29*** -0.29*** -0.29*** -0.29*** -0.29***
mployment	olling for:	Personal and Job Characteristics	0.26*** -0.10* -0.19* -0.20*** 0.14*** 0.22*** 0.37***
Self-E	Contr	Personal Characteristics	0.26*** -0.23*** -0.28** -0.41*** 0.35*** -0.56*** 0.40*** -0.58***
	· • • • •		NSWA and Part Time Less Than High School NSWA and Less Than High School NSWA and High School Diploma Some College NSWA and Some College Associate Degree College Degree College Degree NSWA and College Degree NSWA and College Degree NSWA and College Degree

\* 0.01 
\*\* 0.001 
\*\* p < = 0.001

Note: The dependent variable is log (wage). A complete listing of the variables in each model is found in the note to Table 12.

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APPENDIX TABLE 8 Wages of Nonstandard Workers Compared to Regular Full-Time Workers, Men, by Education and Sex (Coefficients)

	negolar	Part-I ime	lemporary	Iemporary Help Agency	5	On-Call
	Contro	olling for:	Contr	Controlling for:	Contro	Controlling for:
	Personal Characteristics	Personal and Job Characteristics	Personal Characteristics	Personal and Job Characteristics	Personal Characteristics	Personal and Job Characteristics
NSWA and Part Time	n.a.	n.a.	-0.32**	-0.25*	-0.23***	0.01
Less Than High School	-0.24***	-0.15***	-0.23***	-0.14***	-0.23***	-0.14***
NSWA and Less Than High School	-0.02	0.08	-0.14	-0.09	0.08	-0.01
NSWA and High School Diploma	-0.28***	-0.09	-0.29***	-0.09	0.04	0.03
Some College	0.08***	0.07***	0.08***	0.06***	0.08***	0.06***
NSWA and Some College	-0.31***	-0.14***	-0.20*	-0.03	-0.01	-0.10
Associate Degree	0.18***	0.12***	0.18***	0.11***	0.17***	0.11***
NSWA and Associate Degree	-0.36***	-0.21*	0.05	0.10	0.11	0.03
College Degree	0.36***	0.22***	0.36***	0.21***	0.35***	0.21***
NSWA and College Degree	-0.44***	-0.26***	-0.24*	-0.02	-0.26*	-0.27**
Post-B.A.	0.46**	0.33**	0.46***	0.32***	0.46***	0.33***
NSWA and Post-B.A.	-0.34***	-0.20**	-0.20	0.02	-0.63***	-0.50**

\*\* 0.01 
\*\* 0.001 
\*\* p < = 0.001

Note: The dependent variable is log (wage). A complete listing of the variables in each model is found in the note to Table 12.

cont.

Wages of Nonstandard Workers Compared to Regular Full-Time Workers, Men, by Education and Sex (Coefficients) **APPENDIX TABLE 8** (cont.)

- C			יייעסאמוועס	independent Contracting	Contrac	Contract Workers
do Ch	Contro	Controlling for:	Contro	Controlling for:	Contro	Controlling for:
	Personal Characteristics	Personal and Job Characteristics	Personal Characteristics	Personal and Job Characteristics	Personal Characteristics	Personal and Job Characteristics
NSWA and Part Time	0.30**	0.17***	****	***************************************		
Less Than High School	-0.23***	0.17	0.20	0.23***	0.03	0.18*
NSWA and less Than High School	200		-0.23	-0.14	-0.23***	-0.14***
NSWA and High School	***00	6.5	0.18	0.23***	0.02	0.07
Some College	0.50	10.0-	-0.01	0.13***	0.07	0.08
apallo allios	0.08	0.06**	0.08***	0.07**	0.08***	0.06***
NSWA and Some College	-0.14***	0.03	-0.07	900	900	000
Associate Degree	0.18***	0.11***	0 17***	12***	0.00	0.0
NSWA and Associate Degree	-0.39***	-0.12	-0.28***	0.12	0.10	0.11
College Degree	0.36***	0.21***	0.50	0.00	0.16	0.11
NSWA and College Degree	-0.16***	0.08*		0.02	0.36	0.21***
Post-B.A.	0.46***	0.31***	0.46***	20.0	0.00	0.05
NSWA and Post-B.A.	-0.09	0.17***	-0.18***	0.08	0.13	0.32***

<sup>\*\* 0.01 
\*\* 0.001 
\*\*</sup> p < = 0.001

Note: The dependent variable is log (wage). A complete listing of the variables in each model is found in the note to Table 12.

#### **APPENDIX TABLE 9**

# Wages of Female Full-Time Nonstandard Workers, Compared to Male Full-Time Regular Workers, by Nonstandard Work Arrangement (Coefficients)

Controlling For:

Controlling For:

	Personal Characteristics			3			
				Person	ersonal and Job Characteristics		
	NSWA	Female	NSWA and Female	NSWA	Female NS	WA <i>and</i> Female	
Regular Part-Time	-0.30***	-0.22***	0.08**	-0.13***	-0.18***	0.09**	
Temporary Help Agency	-0.26***	-0.22***	0.11*	-0.08*	-0.18***	0.09*	
On-Call	-0.04	-0.22***	-0.07	-0.08	-0.18***	-0.03	
Self-Employment	-0.15***	-0.22***	-0.25***	0.06**	-0.18***	-0.22***	
Independent Contracting	-0.08***	-0.22***	-0.20***	0.08***	-0.18***	-0.11***	
Contract Company	0.06*	-0.22***	-0.00	0.09*	-0.18***	0.03	
* 0.01 < p <= 0.05 ** 0.001 < p <= 0.01 *** p<= 0.001							



#### **APPENDIX TABLE 10**

#### Wages of Black and Hispanic Full-Time Nonstandard Workers Compared to White Full-Time Regular Workers, by Work Arrangement (Coefficients)

Controlling For:

Controlling For:

	Personal Characteristics		Persor	nal and Job Chara	cteristics		
	NSWA	Black/ Hispanic	NSWA <i>and</i> Black/Hispanic	NSWA	Black/ Hispanic	NSWA and Black/Hispanic	
Women							
Regular Part-Time	-0.23***	-0.09***/-0.08*	0.02	-0.05*	-0.09***/-0.08*	-0.02	
Temporary Help Agency	-0.17***	-0.09***/-0.07	-0.09	-0.02	-0.08***/-0.06	-0.08	
On-Call	-0.21***	-0.10***/-0.07	0.06	-0.17*	-0.09***/-0.07	0.06	
Self-Employment	-0.40***	-0.11***/-0.05	0.03	-0.16***	-0.07*/-0.03	0.04	
Independent Contracting	-0.29***	-0.10***/-0.07	0.22**	-0.06	-0.08**/-0.07	0.26***	
Contract Company	0.08	-0.09***/-0.05	-0.11	0.18*	-0.08***/-0.05	-0.13	
Men							
Regular Part-Time	-0.31***	-0.20***/-0.12	0.17**	-0.12***	-0.15***/-0.09**	0.10	
Temporary Help Agency	-0.23***	-0.19***/-0.11**	* 0.06	-0.05	-0.13***/-0.08**	0.02	
On-Call	0.03	-0.19***/-0.10**	* -0.14	-0.01	-0.14***/-0.07*	-0.09	
Self-Employment	-0.16***	-0.19***/-0.11**	0.05	0.06*	-0.14***/-0.06	-0.04	
Independent Contracting	-0.09***	-0.22***/-0.15**	0.05	0.09***	-0.16***/-0.09**	-0.01	
Contract Company	0.07*	-0.19***/-0.12***	-0.00	0.06	-0.14***/-0.07**	0.06	



<sup>0.01 0.001</sup> p <= 0.001

## APPENDIX TABLE 11 Workers by Race, Ethnicity, and Work Arrangement (%)

Work Arrangement	White	Black	<u>Hi</u> spanic	Other	All
Female					
Regular Part-Time	79.7%	9.8%	7.7%	2.8%	100.0%
Temporary Help Agency	69.4	19.2	7.8	3.6	100.0
On-Call/Day Labor	78.6	10.6	7.5	3.2	100.0
Self-Employment	89.5	3.1	4.2	3.2	100.0
Independent Contracting-WS a	78.7	8.1	9.4	3.8	100.0
Independent Contracting-SE b	88.7	4.8	3.6	2.9	100.0
Contract Company	75.5	9.4	11.2	3.9	100.0
Regular Full-Time	75.6	13.5	7.8	3.1	100.0
All	77.6%	11.8%	7.5%	3.0%	100.0%
Male					
Regular Part-Time	73.3%	11.3%	11.4%	3.9%	100.0%
Temporary Help Agency	57.2	23.7	16.5	2.6	100.0
On-Call/Day Labor	65.9	11.6	19.5	3.0	100.0
Self-Employment	89.0	2.6	5.5	2.9	100.0
Independent Contracting-WS a	82.5	7.7	6.6	3.2	100.0
Independent Contracting-SE b	88.0	4.3	5.8	1.9	100.0
Contract Company	77.0	9.6	9.0	4.4	100.0
Regular Full-Time	76.9	10.2	9.9	3.0	100.0
All	77.8%	9.5%	9.7%	3.0%	100.0%

<sup>&</sup>lt;sup>a</sup> Wage & Salary

## APPENDIX TABLE 12 Workers, by Work Arrangement and Nativity (%)

		Female			Male	
Work Arrangement	Born in the U.S.	Born Outside the U.S.	Total	Born In the U.S.	Born Outside the U.S.	Total
Regular Part-Time	21.5%	20.0%	21.3%	7.2%	6.7%	7.1%
Temporary Help Agency	1.0	1.6	1.1	0.8	1.1	0.8
On-Call/Day Labor	1.6	2.1	1.7	1.3	2.7	1.5
Self-Employment	4.7	5.1	4.8	6.3	5.2	6.1
Independent Contracting-WS a	0.9	1.5	0.9	0.9	0.9	0.9
Independent Contracting-SE b	3.8	3.2	3.7	7.5	5.8	7.3
Contract Company	<u>0.7</u>	<u>1.1</u>	<u>0.8</u>	<u>1.6</u>	<u>1.5</u>	<u>1.6</u>
All Nonstandard	34.2%	34.6%	34.4%	25.7%	24.0%	25.4%
Regular Full-Time	<u>65.8</u>	<u>65.4</u>	<u>65.7</u>	<u>74.5</u>	<u>76.0</u>	<u>74.7</u>
All .	100%	100% · ·	100%	100%	100%	100%

<sup>&</sup>lt;sup>a</sup> Wage & Salary

<sup>&</sup>lt;sup>b</sup> Self-Employment



<sup>&</sup>lt;sup>b</sup> Self-Employment

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