

What Do We Know About Nonstandard Work?

Conference on Nonstandard Work and Social Insurance

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Nonstandard work arrangements heterogeneous

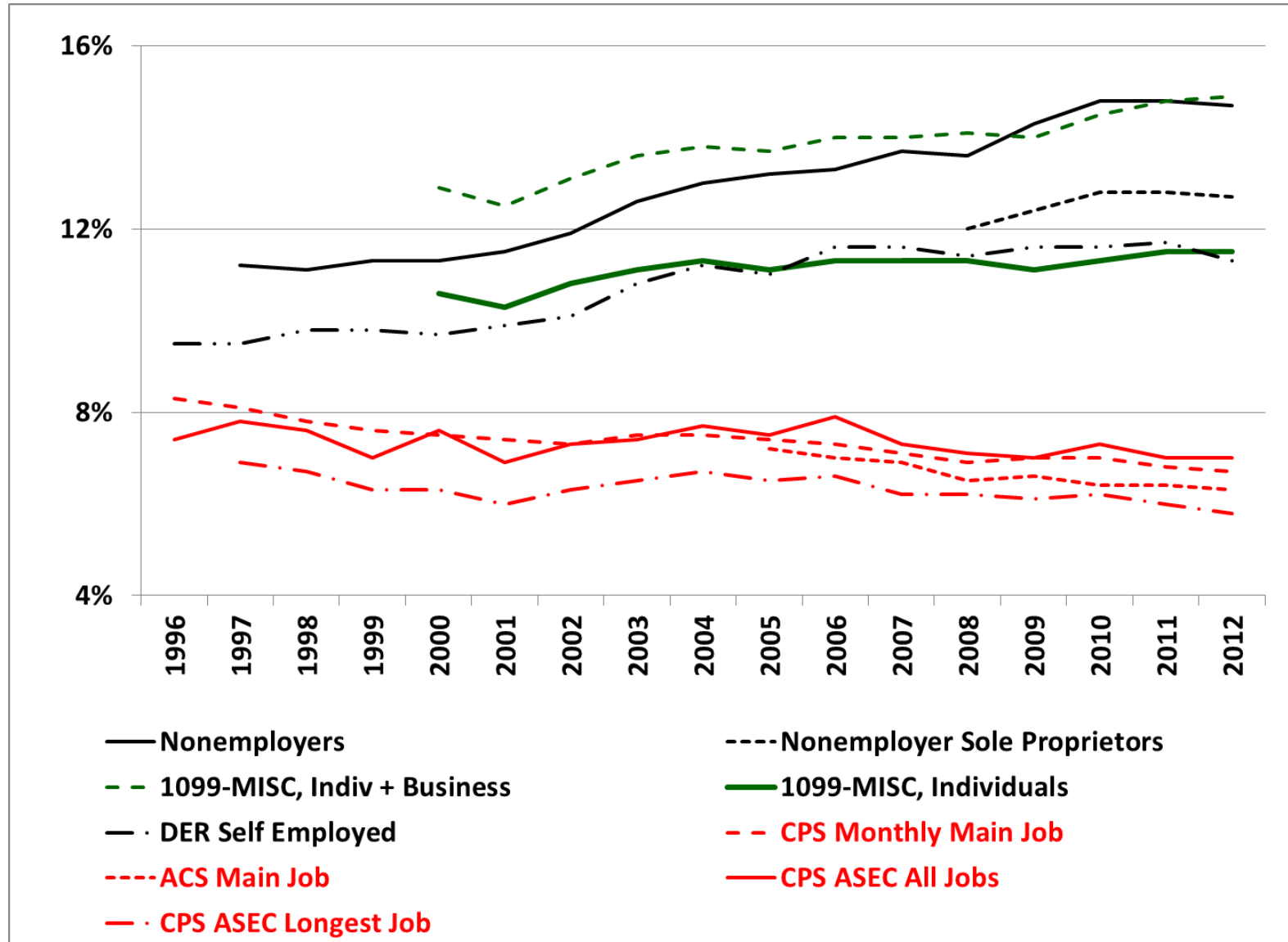
Work arrangement type	Paid a wage or salary	Implicit or explicit contract for continuing relationship	Predictable work schedule	Work supervised by firm that pays salary
<i>Employee</i>				
Traditional employee	Yes	Some	Yes	Yes
On-call worker	Yes	Some	No	Yes
Direct-hire temporary worker	Yes	No	Some	Yes
<i>Contract company workers</i>				
Temporary help agency worker	Yes	Some	No	No
PEO worker	Yes	Some	Yes	No
Other contract company worker	Yes	Some	Yes	No
<i>Self-employed</i>				
<i>Business owners</i>				
Incorporated business owner	Some	Some	Some	NA
Partner in a partnership	No	Some	Some	NA
Unincorporated sole proprietor	No	Some	Some	NA
Occasional contractor	No	No	No	NA
Day laborer	No	No	No	NA
On-demand/platform worker	No	No	No	NA

Sources of data on nonstandard work arrangement prevalence and trends

- Data on self-employment from household surveys (e.g. Current Population Survey, American Community Survey) and tax data
 - Two types of data tell different stories about recent trends
- More detailed questions on several recent household surveys
 - Participation in informal work
 - Survey of Household Economics and Decisionmaking (SHED), 2015 and 2016
 - Enterprising and Informal Work Activities (EIWA) survey, 2016
 - Survey of Informal Work Participation (SWIP), 2013 and 2015 (2 times)
 - Nature of arrangements on main job
 - Contingent Work Supplement, 1995, 1997, 1999, 2001, 2005, and 2017 (pending)
 - Contingent Work Survey fielded on American Life Panel, 2015
 - General Social Survey, 2002, 2006, 2010, 2014
- Employer surveys and private data (e.g., bank transaction, platform company and personal finance records) also informative
 - Will not discuss today

Self-employment

Self-employment levels and trends



Source: Abraham, Haltiwanger, Sandusky and Spletzer (2017)

To explore reasons for discrepancy, have linked CPS-ASEC and DER records for same individuals

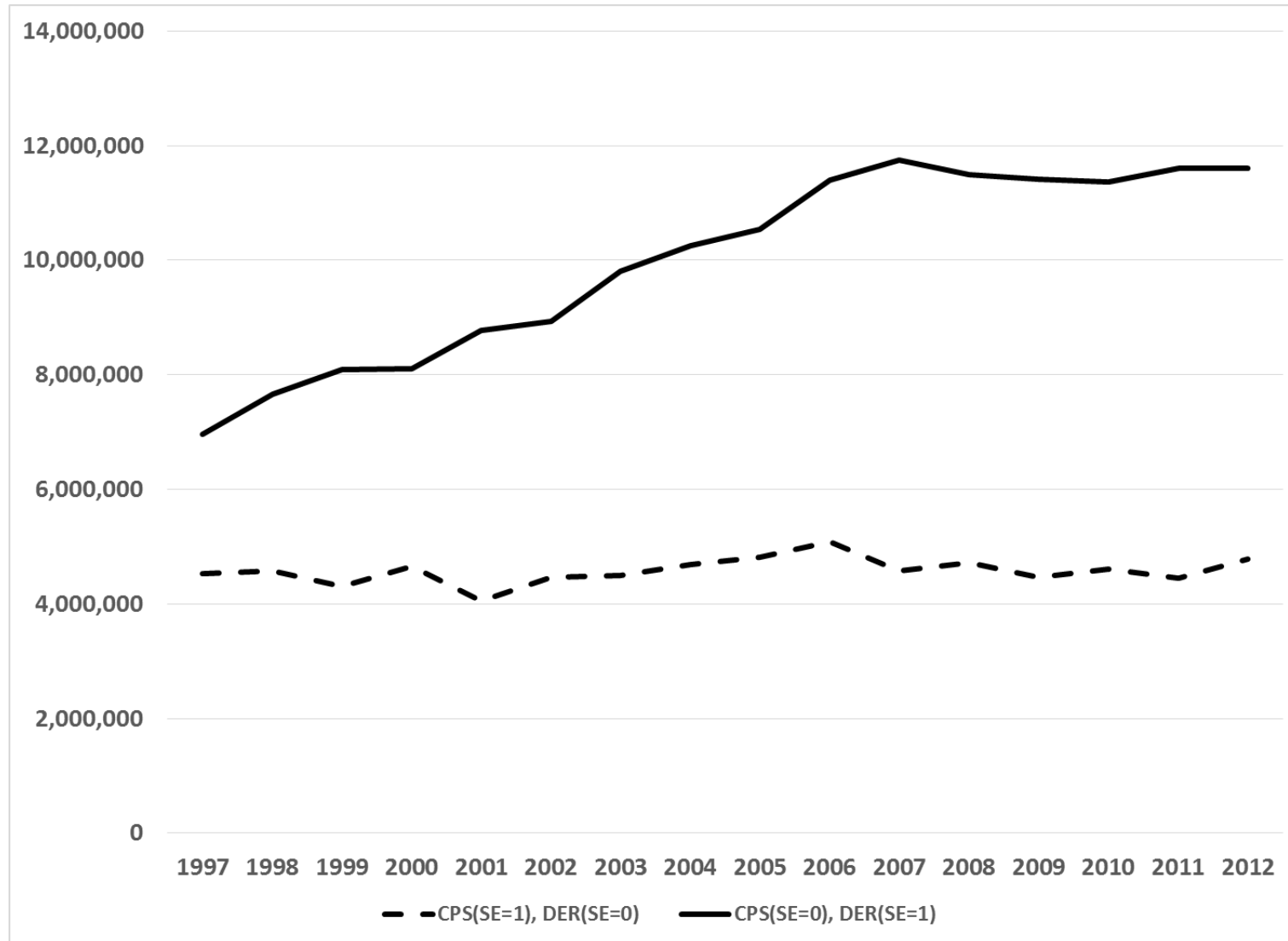
- Match survey and tax records using PIK
 - PIK = Protected Identity Key (Census Bureau's internal individual identifier)
- PIKs available for ~70-80% of CPS ASEC respondents (varies by year)
 - Use propensity score methods to adjust CPS ASEC weights to account for missing PIKs
- Non-imputed CPS-ASEC information on self-employment earnings available for ~75-85% of PIK sample (varies by year)
 - Drop imputed records and use propensity score methods to adjust first-stage weights to account for lost cases
- Usable sample ~60-110,000 cases per year (varies by year, weighted to represent the population as a whole)

Source: Abraham, Haltiwanger, Sandusky and Spletzer (2017)

CPS-ASEC versus DER self-employment status crosswalk (1997-2012)

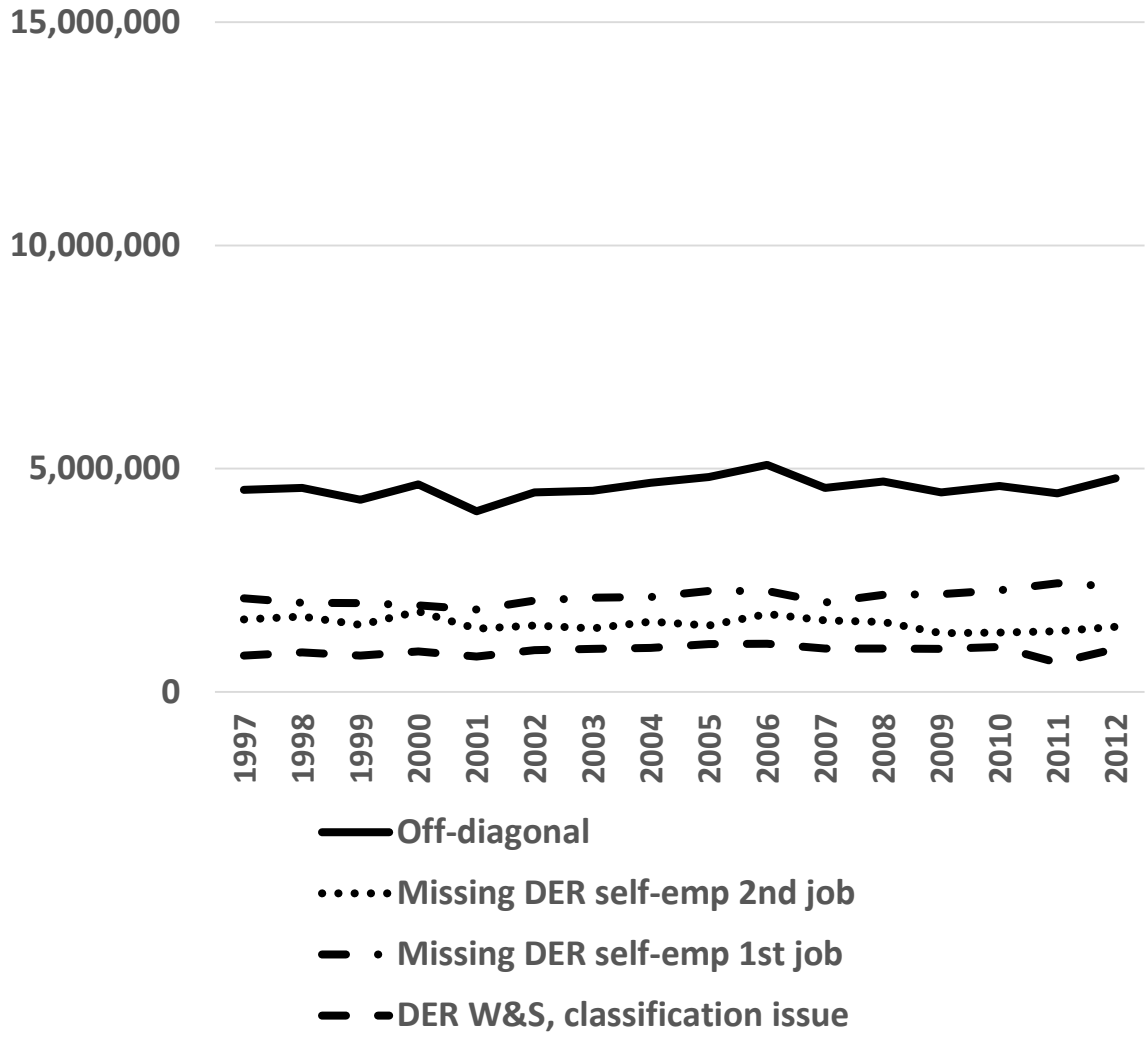
	Not self- employed in DER	Self-employed in DER	Total
<u>Not self-employed in CPS</u>			
Number ('000s)	205,023	9,983	215,006
Row Share	95.4%	4.6%	100.0%
Column Share	97.8%	63.4%	95.4%
<u>Self-employed in CPS</u>			
Number ('000s)	4,577	5,760	10,338
Row Share	44.3%	55.7%	100.0%
Column Share	2.2%	36.6%	4.6%
<u>Total</u>			
Number ('000s)	209,601	15,743	225,344
Row Share	93.0%	7.0%	100.0%
Column share	100.0%	100.0%	100.0%

Off-diagonals from linked CPS-ASEC and DER



Source: Abraham, Haltiwanger, Sandusky and Spletzer (2017)

Self-employed in CPS-ASEC but not in DER



Each of the three categories

“No DER employment”

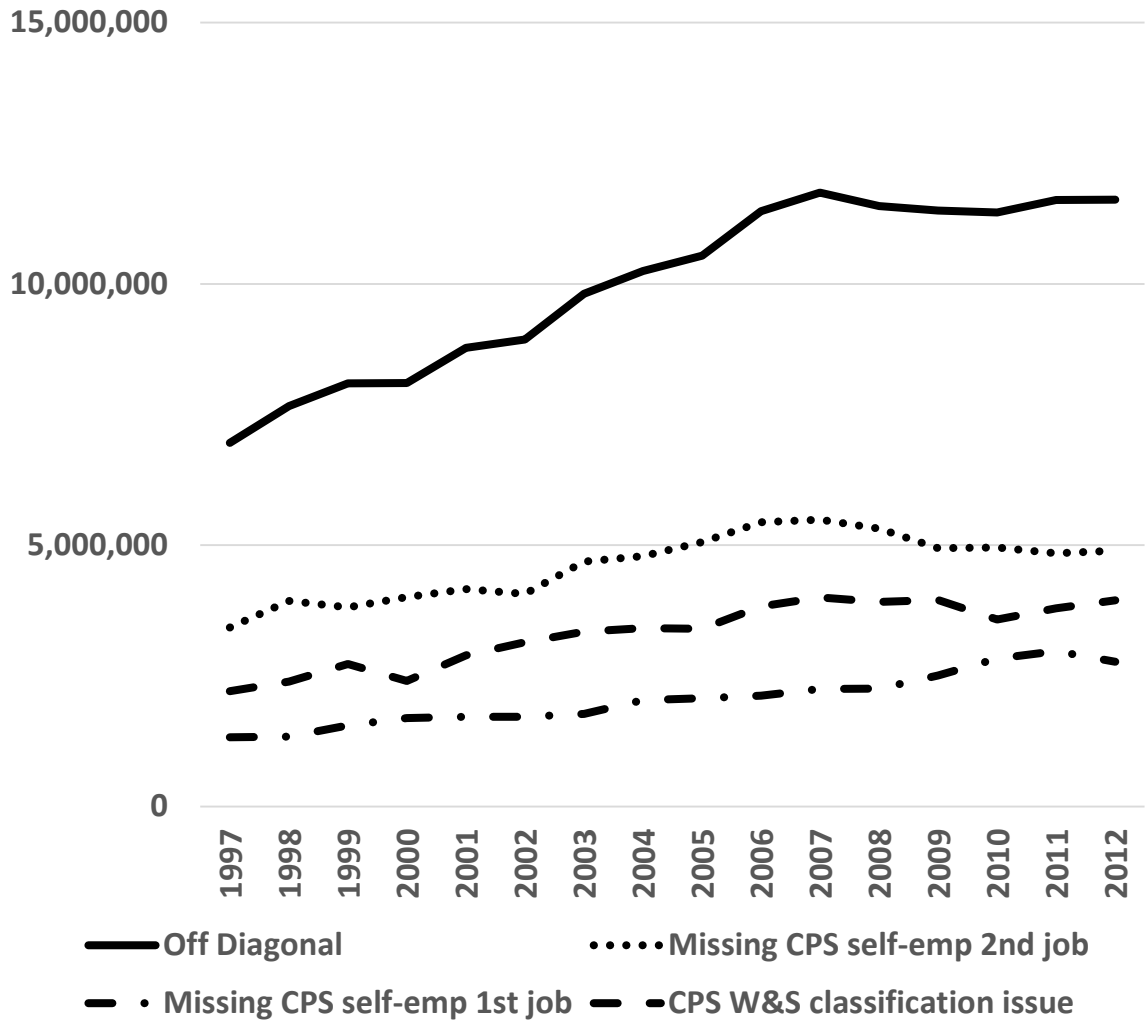
“No SE 2nd job in DER”

“DER W&S, CPS SE”

shows little change over the 1997-2012 period

Source: Abraham, Haltiwanger, Sandusky and Spletzer (2017)

Self-employed in DER but not in CPS-ASEC



Each of the following three categories

“No CPS employment”

“No SE 2nd job in CPS”

“CPS W&S, DER SE”

contributes roughly a third to the growth of the CPS{SE=0}, DER{SE=1} off-diagonal

(35.7%, 27.7% AND 36.6%, respectively)

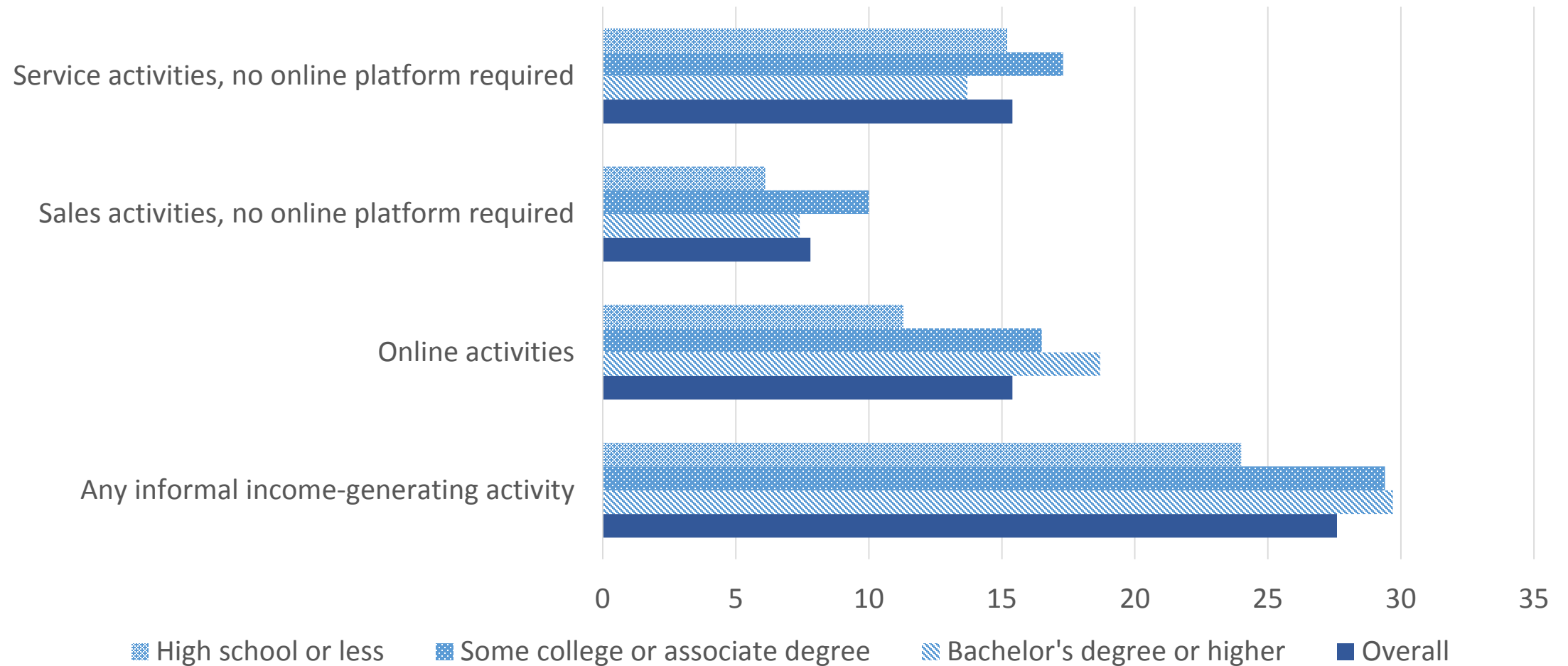
Source: Abraham, Haltiwanger, Sandusky and Spletzer (2017)

Informal work

Survey of Household Economics and Decisionmaking questions about informal work

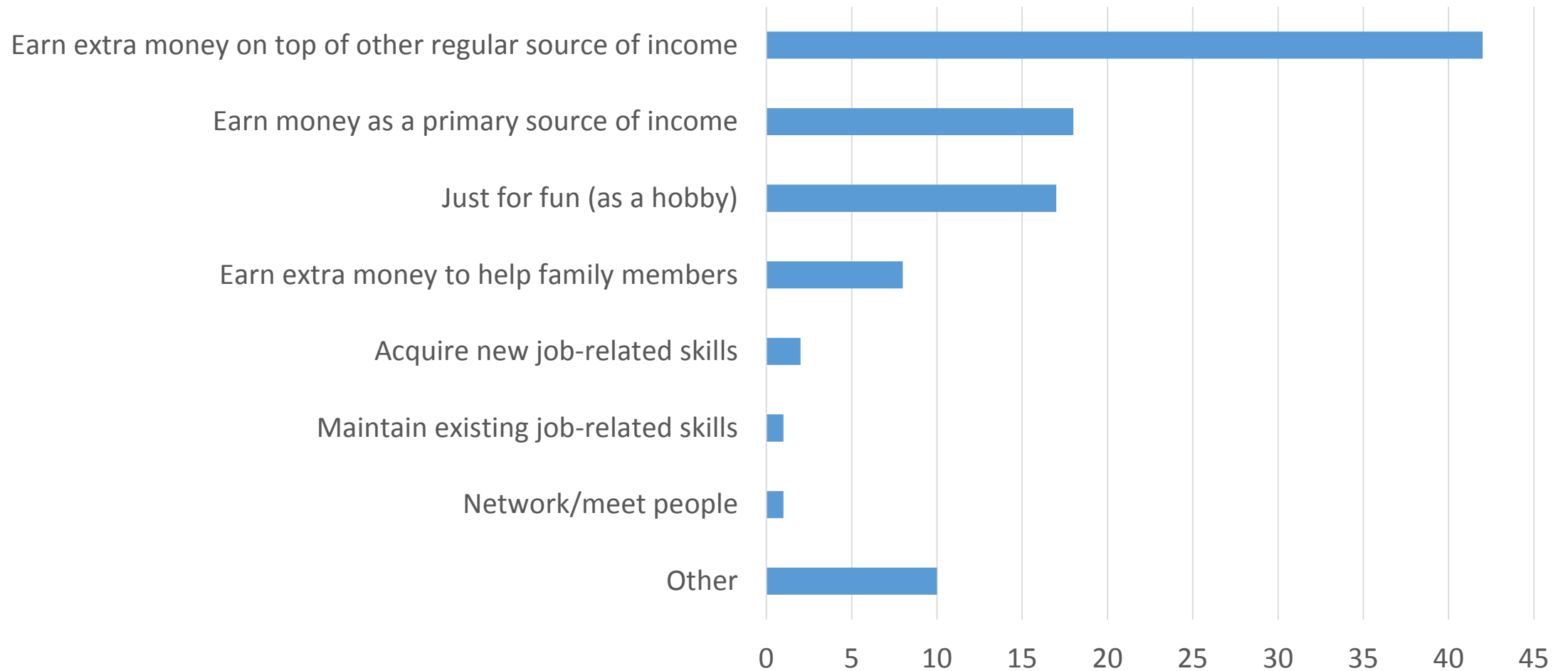
- Module administered October-November 2015 and October 2016
- Asked about informal income-generating activities over prior month
 - Service activities such as babysitting, child care, elder care services, house cleaning or landscaping that do not require having a computer
 - Selling items through venues that do not require a computer, such as at flea markets, garage sales, consignment stores or thrift stores
 - Activities requiring a computer such as performing tasks or services through online marketplaces, renting out property through online applications or selling items online through services such as eBay or Craigslist
- Focus and findings generally consistent with those from the EIWA (informal work over prior 6 months) and SWIP (informal work currently and over prior 2 years)

Prevalence of informal activities by education, 2016



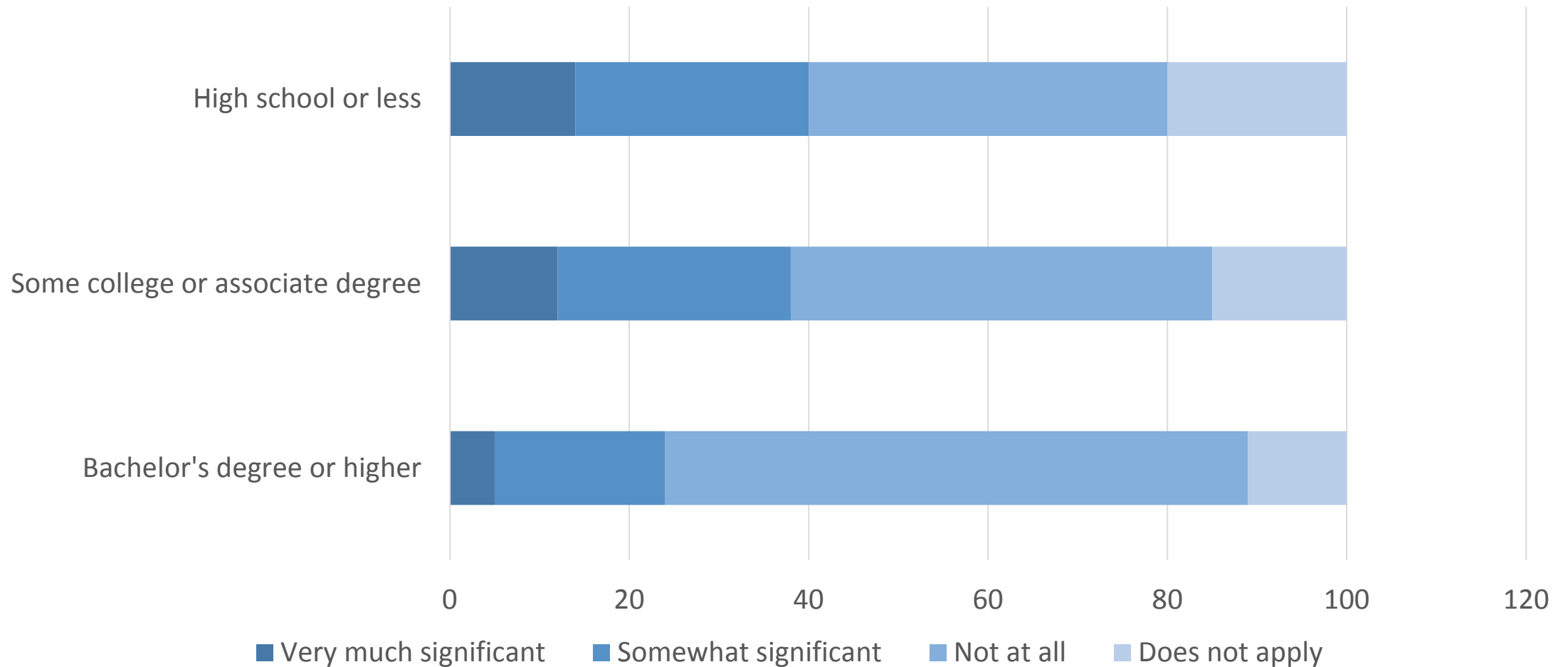
Source: 2016 Survey of Household Economics and Decisionmaking, FRB

Main reason for conducting informal income-generating activities, 2016



Source: 2016 Survey of Household Economics and Decisionmaking, FRB

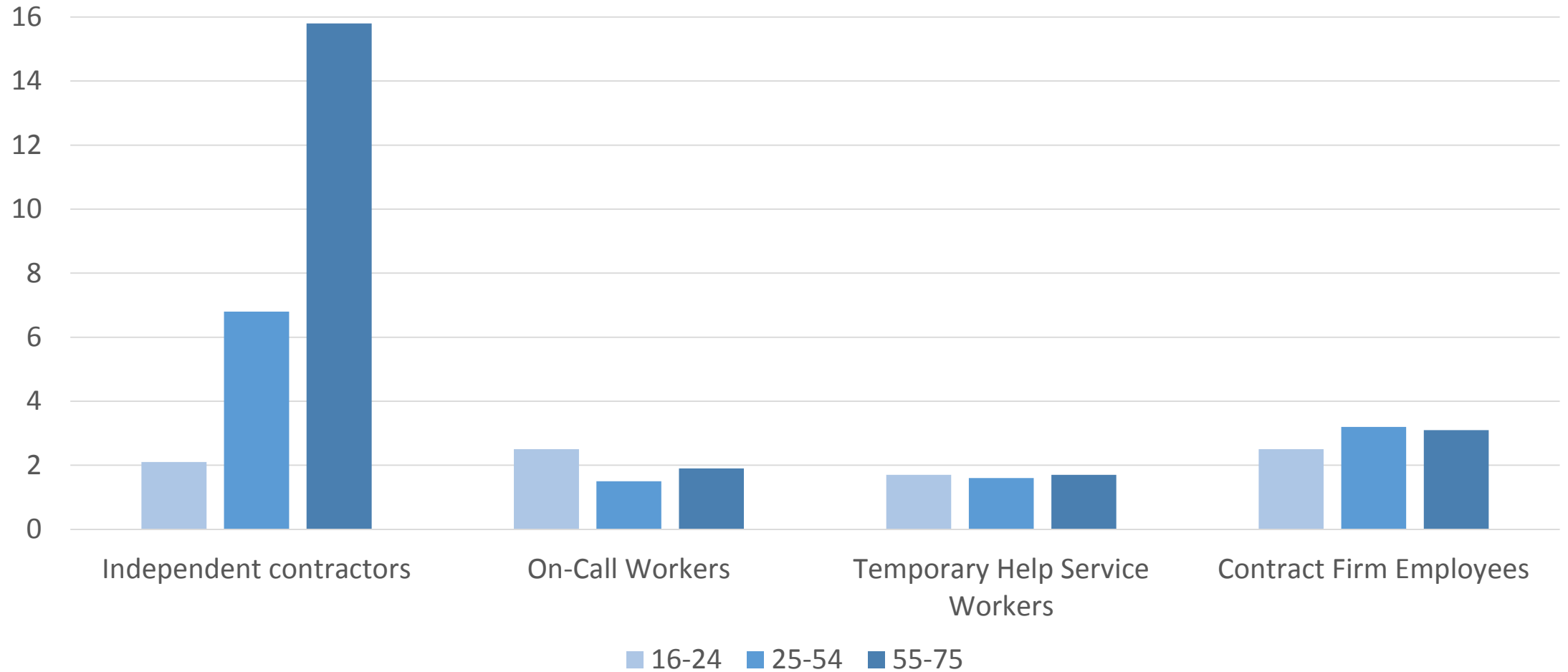
Significance of money earned through informal income-generating activities to family incomes by education, 2016



Source: 2016 Survey of Household Economics and Decisionmaking, FRB

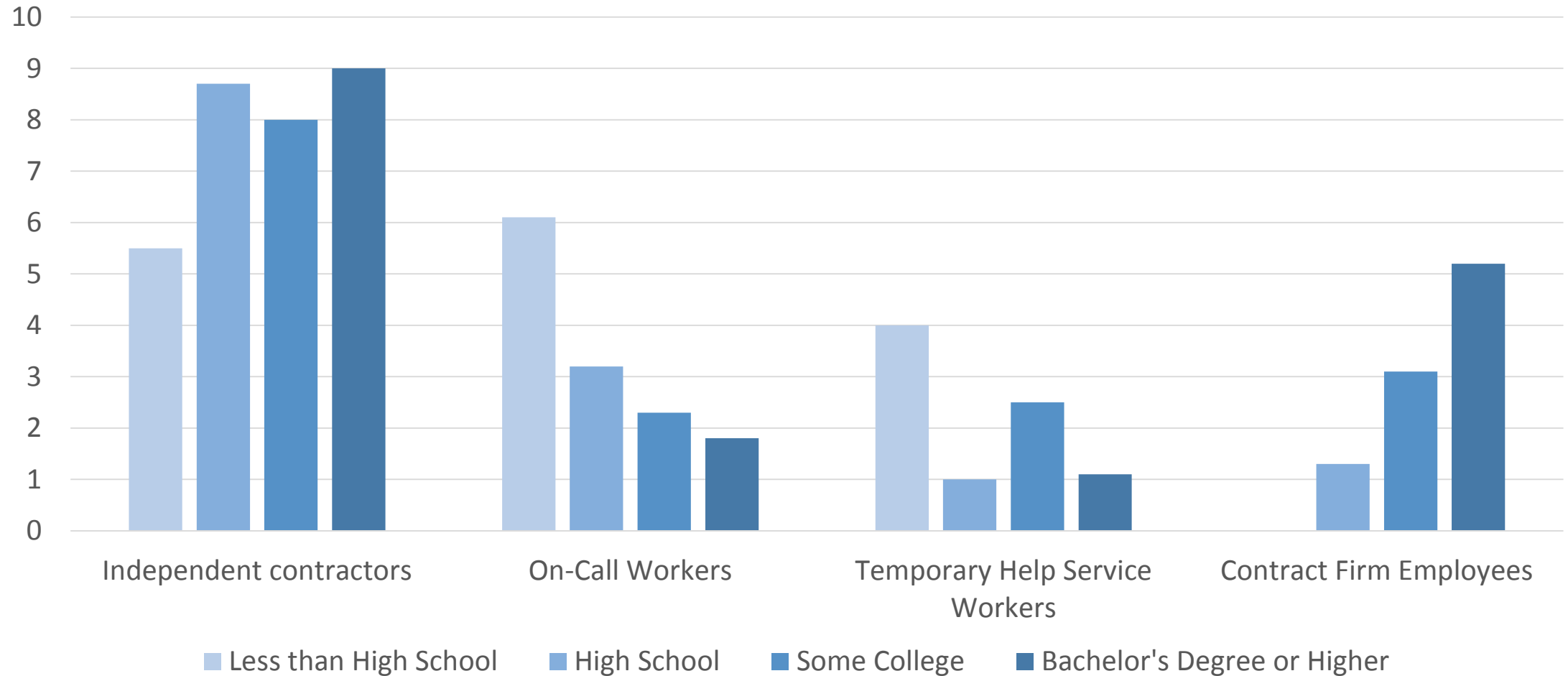
Alternative work arrangements
on main job

Share of workers in various arrangements on main job by age, 2015



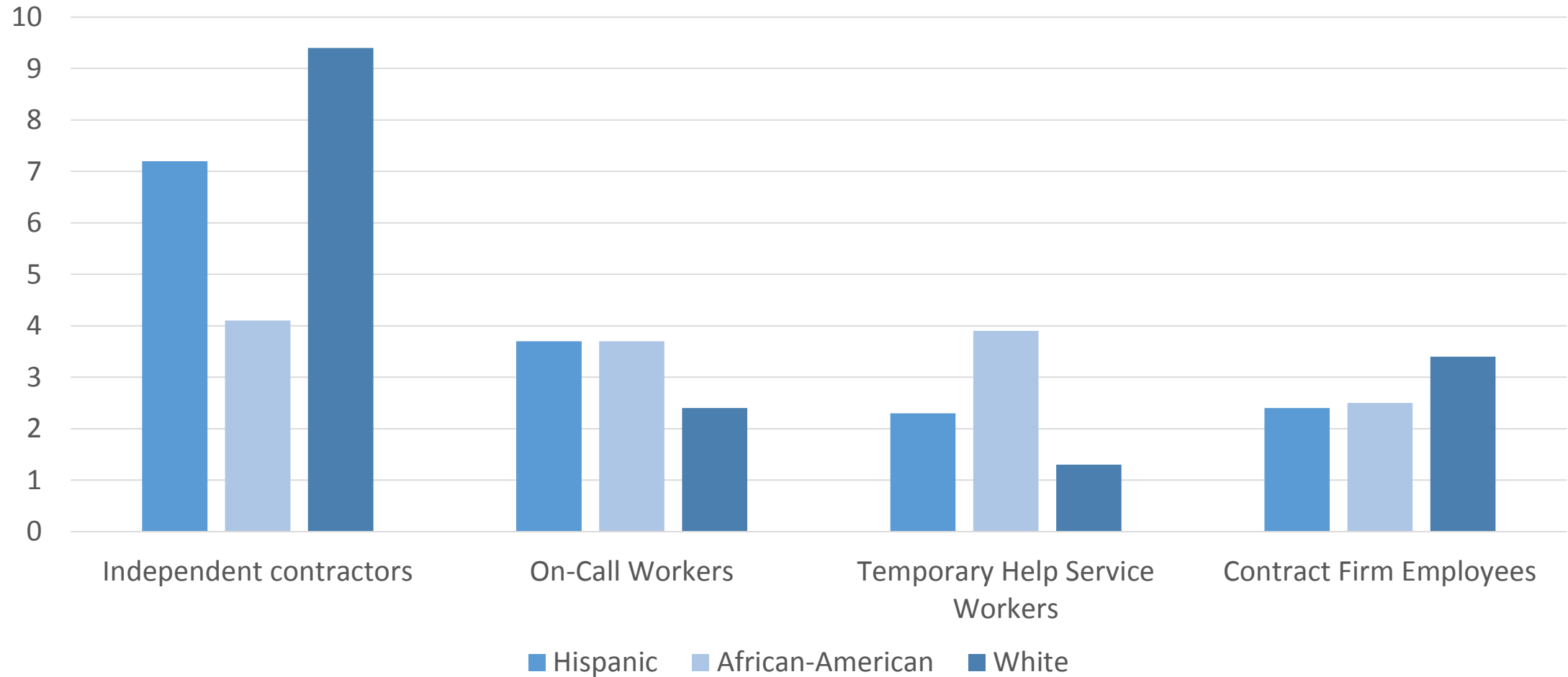
Source: Katz and Kreuger (2016)

Share of workers in various arrangements on main job by education, 2015



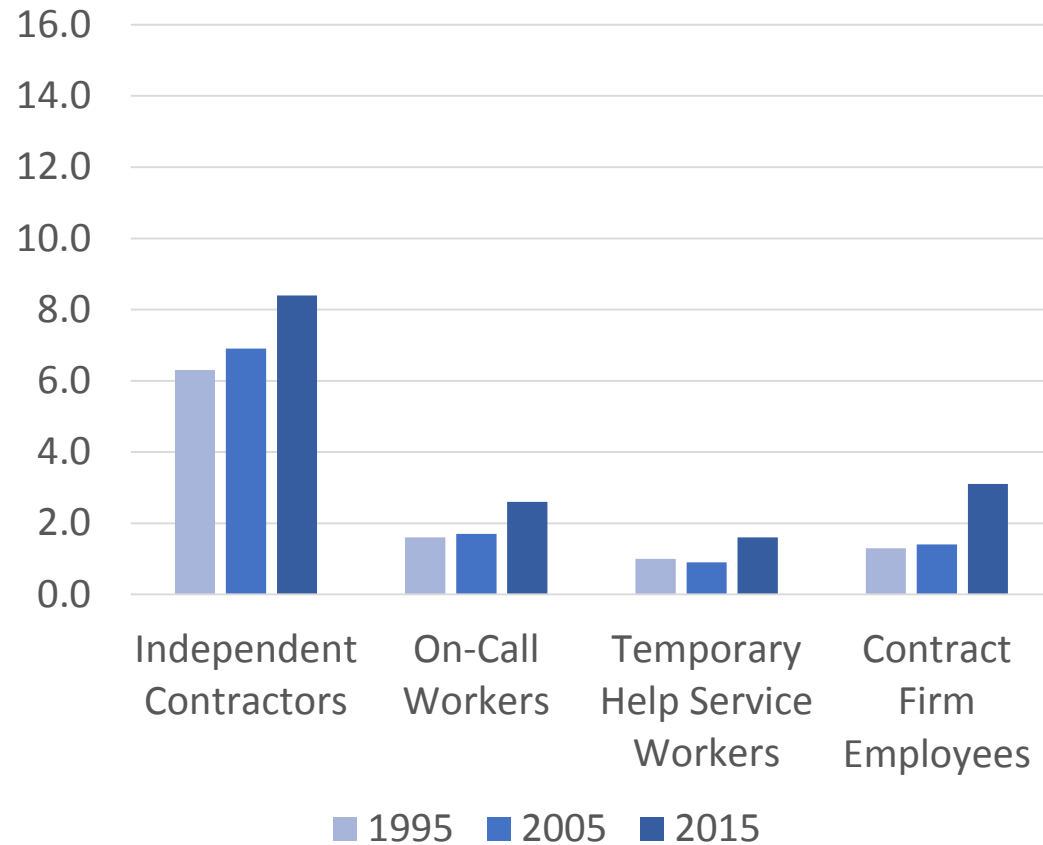
Source: Katz and Kreuger (2016)

Share of workers in various arrangements on main job by ethnicity and race, 2015

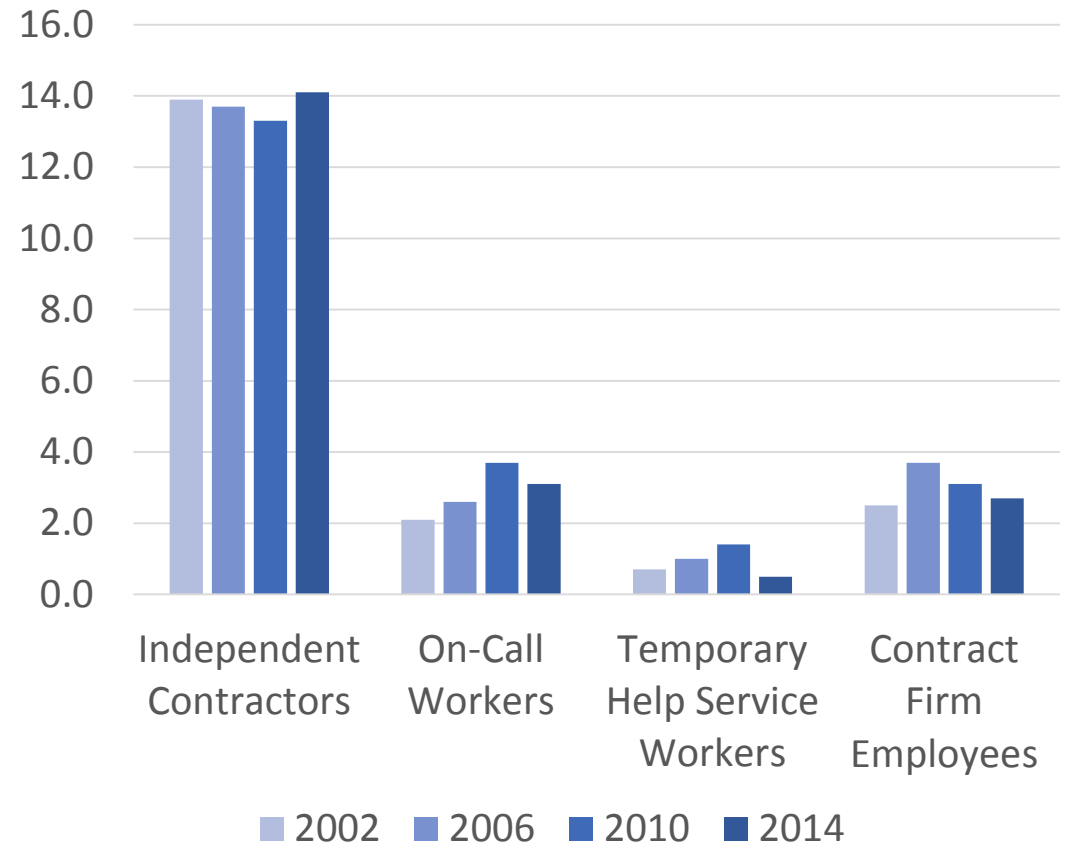


Share of workers under different arrangements on main job, by year

CWS ('95, '05) and Katz/Krueger ('15)

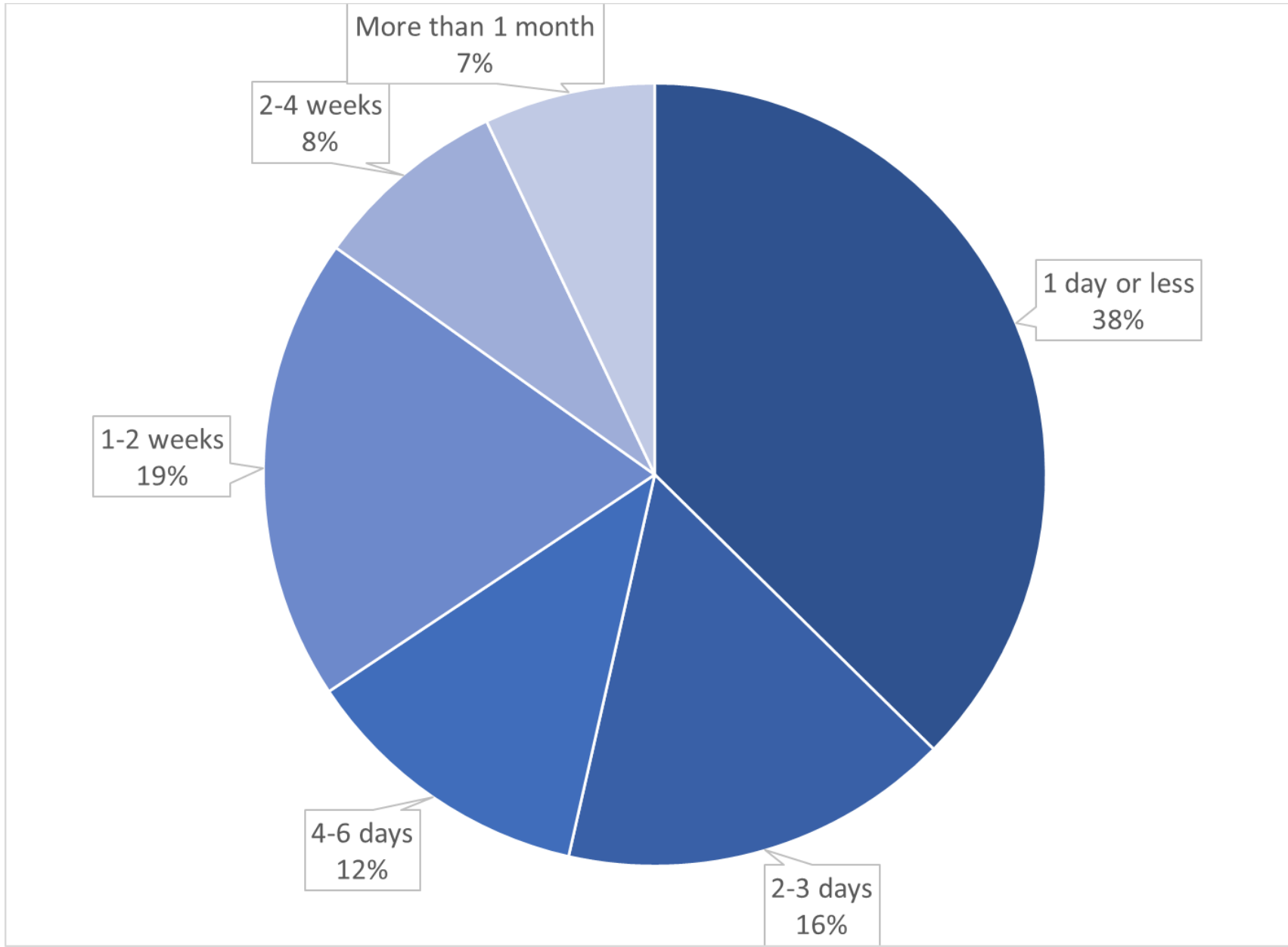


General Social Survey ('02,'06,'10,'14)



Work hour scheduling

Notice given to workers with schedules based on employer needs, 2016



Among all workers:
--75% regular hours
--8% hours vary by own choice
--17% hours vary based on employer needs

When hours vary based on employer needs, workers often receive very little notice

Source: 2016 Survey of Household Economics and Decisionmaking, FRB