

Earnings and benefits of contingent and noncontingent workers

Contingent workers generally earn less income and are less likely to receive health insurance and pension benefits through their employers than are noncontingent workers; however, many have access to health insurance from other sources

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There is a perception that contingent jobs pay low wages and offer few benefits, such as health insurance and pensions. Economic theory does not offer much guidance on whether to expect the earnings of contingent workers to be higher or lower than those of noncontingent workers. Neoclassical economic theory predicts that workers will have to be paid compensating differentials if some aspects of the job are less desirable. This means that if workers prefer more stable jobs, then they have to be paid more for the additional risk of contingent employment arrangements. On the other hand, dual labor market theories argue that markets are segmented into a “good job” sector and a “bad job” sector. Jobs in the bad job sector are characterized by low pay, poor working conditions, few benefits, and poor prospects for moving into the good job sector. In addition, workers in the bad job sector may not have the “clout” to negotiate higher wages or employer-provided benefits. Until the Contingent Worker/Alternative Work Arrangement Supplement to the Current Population Survey (CPS) was conducted in February 1995, only limited data were available to examine the compensation of contingent workers. This article takes a first look at the compensation data from that survey.

Earnings

Overall, contingent workers earn less than

noncontingent workers. For contingent workers, median weekly earnings were \$285, compared with \$416 for noncontingent workers. (All the comparisons in this article use the broadest estimate of the contingent work force, and exclude the self-employed—both incorporated and unincorporated—and independent contractors. See the article by Anne E. Polivka, pages 3–9, this issue.) This overall difference in earnings is not surprising because contingent workers differ in many respects from their noncontingent counterparts. These differences may account for the overall earnings gap between the two groups.

One of the key differences between contingent workers and their noncontingent counterparts is that a much larger proportion of the contingent work only part time, and part-time workers in general earn less than full-timers.¹ Among both full-time and part-time workers, however, the contingent workers’ earnings are about 80 percent of those of noncontingent. (See table 1.) Even among all part-time workers, some of the earnings disparity is attributable to the fact that contingent workers put in almost 10 percent fewer hours than noncontingent.

Another difference between contingent and noncontingent workers that could contribute to their difference in earnings is that contingent workers tend to be younger, and younger workers, in general, tend to be lower paid. Also, there is considerable variation in earnings between contingent and noncontingent by age. Gener-

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Table 1. Median weekly earnings of full-time and part-time contingent and noncontingent wage and salary workers, by selected characteristics, February 1995

Characteristic	Median weekly earnings			
	Full-time workers		Part-time workers	
	Contingent	Noncontingent	Contingent	Noncontingent
Age and sex				
Total 16 years and older	\$385	\$479	\$109	\$138
16 to 19 years	241	234	64	91
20 to 24 years	277	306	94	132
25 years and older	467	506	148	167
25 to 34 years	362	452	161	184
35 to 44 years	499	521	154	176
45 to 54 years	613	592	146	167
55 to 64 years	541	502	142	158
65 years and older	(¹)	376	105	119
Men, 16 years and older	443	541	112	130
16 to 19 years	(¹)	251	67	90
20 to 24 years	307	319	85	127
25 years and older	546	590	158	196
25 to 34 years	394	496	167	228
35 to 44 years	546	610	131	233
45 to 54 years	796	699	(¹)	262
55 to 64 years	514	633	158	204
65 years and older	(¹)	391	(¹)	128
Women, 16 years and older	322	409	107	140
16 to 19 years	(¹)	212	62	91
20 to 24 years	245	290	98	134
25 years and older	369	424	144	161
25 to 34 years	320	398	158	172
35 to 44 years	420	429	163	171
45 to 54 years	377	489	129	159
55 to 64 years	(¹)	406	124	144
65 years and older	(¹)	355	(¹)	110
Race and Hispanic origin				
White	420	497	108	140
Black	289	364	115	121
Hispanic origin	275	340	126	130
Educational attainment				
Less than a high school diploma	269	299	90	98
High school graduates, no college	325	405	111	141
Some college, no degree	355	449	82	134
Associate degree	509	566	146	188
College graduates	603	734	174	260

¹Data not shown where base is less than 75,000.

NOTE: Noncontingent workers are those who are not classified as contingent

under the broadest definition of contingency.

Data exclude the incorporated self-employed and independent contractors.

ter relative to their noncontingent counterparts than those aged 25 to 54. (See table 1.)

Contingent workers also have lower levels of educational attainment than the noncontingent. Many of the youngest con-

tingent workers are still in school. Contingent workers with less than a high school diploma and those with associate's degrees earn the most relative to noncontingent workers, while high school graduates and those who have some college earn the least.

Contingent workers are heavily concentrated in the services industry, with slightly more than half employed in that industry. This also is the industry that has a relatively low contingent-to-noncontingent earnings ratio (70 percent), yet the ratio is higher than 70 percent in each of the major subcategories of the services group. This reflects the fact that contingent workers in services are disproportionately concentrated in lower paying private household services. Because workers in private household services (whether contingent or not) have relatively low earnings, the overall contingent-to-noncontingent earnings ratio for services is depressed by their large employment share among contingent workers. In construction, another industry accounting for a disproportionate share of the contingent work force, contingent workers earn about the same as their noncontingent counterparts.

Interestingly, in some industries, the contingent-to-noncontingent earnings ratio for part-time workers is low, while the ratio for full-time workers is high. For instance, in construction, the ratios are 69 percent for part-timers and 108 percent for full-timers. Similar differences also occur in private household services and in professional and related services. In contrast, part-time contingent workers in agriculture and retail trade earn a higher proportion of the noncontingent wage than do full-time contingent workers. (See table 2.)

By occupation, there is less dispersion than was the case by industry. Generally, it is the skilled occupations that seem to pay contingent workers relatively higher wages. Contingent workers in precision production, craft, and repair occupations earn about the same wage as their noncontingent counterparts. For managerial and professional specialty occupations, contingent workers earn 87 percent of noncontingent worker earnings. (See table 2.)

In summary, earnings of contingent workers tend to be lower than those of noncontingent. And, while differences in hours worked, age, education, and industry of employment would appear to account for some of the gap, in most cases, earnings of contingent workers still fall short of noncontingent workers.

Health insurance coverage

Compared with workers in noncontingent arrangements, contingent workers, in general, are less likely to receive health insurance from their employer.² This also is true for each population group—by gender, race, and educational attainment, for example. One-fifth of contingent workers have employer-provided health insurance, in contrast to nearly two-thirds of noncontingent workers. Moreover, workers in contingent arrangements are less likely to be *offered* health insurance by their employer. One-third of contingent work-

ers are eligible for employer-provided health insurance, compared with nearly three-fourths of noncontingent workers. (See table 3.)

But employer-provided health insurance differs from other forms of compensation in that it can be extended to other immediate family members. This means that the value to a worker of having employer-provided health insurance coverage is large if it is the family's only source of coverage, but is small if the worker is already covered by a relative's policy. Hence, it may be misleading to look only at the fraction of workers who receive coverage from their employers. One should also look at coverage from other sources. Given that some do not have alternative sources of health insurance, it is possible that workers will sort themselves into jobs based, in part, on the availability of health insurance. Sorting in this instance means that workers who do not already have health insurance coverage will be relatively less likely to accept jobs without health insurance.

Although contingent workers are less likely to receive employer-provided health insurance, a large proportion—two-thirds—have health insurance from any source. Contingent workers get health insurance coverage from a variety of sources, but access through another family member is the most common. Nevertheless, contingent workers are still less likely than noncontingent workers to have health insurance from any source.

The lack of employer-provided health insurance affects contingent workers in the 20-to-54 age group more than it does teenage and older workers. Among contingent workers aged 20 to 54 years, fewer than one-third have health insurance through their employer, while another one-third report having health insurance from some other source. By comparison, the proportions of teenage (3 percent) and older (16 percent) contingent workers who have employer-provided health insurance are very small. However, relatively large proportions of contingent workers in either group—nearly equal to those of their noncontingent counterparts—have health insurance from some source. Teenage workers are likely to rely on their parents for their health insurance, while contingent workers aged 65 and older have nearly universal coverage under medicare.

Among contingent workers, women are less likely than men to obtain health insurance from an employer or employment-related source, but are actually more likely than men to have insurance from all sources. Women in contingent jobs are more likely to depend on nonemployment-related sources, such as a spouse, for their health insurance. Furthermore, both black and white contingent workers are about equally likely to be offered health insurance by their employer;

Table 2. Median weekly earnings of full-time and part-time contingent and noncontingent wage and salary workers, by occupation and industry, February 1995

Occupation and industry	Median weekly earnings			
	Full-time workers		Part-time workers	
	Contingent	Noncontingent	Contingent	Noncontingent
Occupation				
Managerial and professional specialty	\$615	\$709	\$144	\$246
Executive, administrative, and managerial	582	685	138	203
Professional specialty	623	728	146	266
Technical, sales, and administrative support	324	431	99	139
Technicians and related support	419	568	145	295
Sales occupations	407	484	100	117
Administrative support, including clerical	311	399	94	157
Service occupations	221	298	78	115
Private household	189	180	55	99
Other services	227	301	84	116
Precision production, craft, and repair	510	517	178	199
Operators, fabricators, and laborers	301	374	129	124
Farming, forestry, and fishing	230	297	117	99
Industry				
Agriculture	245	295	125	135
Mining	(¹)	677	(¹)	230
Construction	512	476	197	287
Manufacturing	448	488	153	164
Durable goods	441	514	166	196
Nondurable goods	359	451	121	144
Transportation and public utilities	511	592	166	206
Wholesale trade	(¹)	495	(¹)	183
Retail trade	276	335	103	113
Finance, insurance, and real estate	562	487	153	173
Services	344	492	101	155
Private household	175	194	63	113
Other services	357	496	104	159
Professional and related services	514	522	99	169
Public administration	526	582	103	152

¹Data not shown where base is less than 75,000.

NOTE: Noncontingent workers are those who are not classified as contin-

gent under the broadest definition of contingency.

Data exclude the incorporated self-employed and independent contractors.

about one-third of the workers in each group said they are eligible for employer-provided health insurance. In contrast, a very small proportion of Hispanic contingent workers—1 of every 10—has employer-provided health insurance, and fewer than 1 of every 5 reports being eligible. Among contingent workers in the three race/ethnic groups, however, whites are much more likely than are blacks or Hispanics to have health insurance from any source. It appears that minority workers in contingent jobs are not as able to rely on family members or other nonemployment-related sources for their health insurance coverage.

As with earnings, differences in receipt of, and eligibil-

ity for, employer-provided health insurance between contingent and noncontingent workers, in part, reflects differences in the work hours, level of education, and industrial distribution of the two groups.

Part-time workers in contingent and noncontingent arrangements are less likely than full-time workers to have employer-provided health insurance. However, among contingent workers, those with part-time jobs have even more limited access to employer-provided health insurance; only 10 percent receive health insurance from their employer, compared with about 17 percent of the noncontingent part-time workers. Although the proportion who receive health insurance from their

Table 3. Percent of employed contingent and noncontingent wage and salary workers with health insurance coverage, by selected characteristics, February 1995

Characteristic	Contingent workers					Noncontingent workers				
	Total (in thousands)	With health insurance			Eligible for employer- provided health insurance	Total (in thousands)	With health insurance			Eligible for employer- provided health insurance
		Total (in percent)	Through current employer at main job	Through other job or union			Total (in percent)	Through current employer at main job	Through other job or union	
Age, and sex										
Total, 16 years and older	5,503	65.1	22.4	3.4	34.1	102,222	82.9	61.6	0.8	73.9
16 to 19 years	588	71.1	3.1	.0	14.6	4,794	70.0	7.4	.2	21.1
20 to 24 years	1,142	57.0	12.3	1.4	22.8	10,916	66.9	43.8	.6	58.7
25 years and older	3,773	66.7	28.4	4.5	40.6	86,512	85.7	66.8	.9	78.8
25 to 34 years	1,409	55.2	26.3	2.5	36.3	27,917	80.3	64.0	.7	77.6
35 to 44 years	1,133	68.3	30.4	4.8	45.7	28,349	86.6	68.7	.7	80.6
45 to 54 years	687	74.8	31.7	8.4	43.2	19,344	89.7	71.6	1.0	82.4
55 to 64 years	338	81.1	31.7	6.2	42.3	8,804	89.0	66.9	1.7	76.5
65 years and older	205	86.3	15.6	1.5	28.8	2,098	92.2	34.6	2.2	45.0
Men	2,727	62.8	26.1	5.8	36.9	53,553	82.2	66.6	1.3	76.5
Women	2,776	67.5	18.7	1.0	31.4	48,669	83.7	56.0	.4	71.1
Race and Hispanic origin										
White	4,432	69.1	22.8	3.8	34.5	86,402	84.3	61.8	.9	74.2
Black	755	48.9	19.3	2.1	31.4	11,744	75.9	61.0	.7	73.5
Hispanic origin	624	27.4	10.6	.8	15.5	9,043	63.0	50.1	1.2	60.0
Full- and part-time status										
Full-time workers	3,068	62.7	32.2	5.2	46.1	83,614	85.2	71.4	.8	83.0
Part-time workers	2,422	68.3	10.0	.9	19.0	18,411	72.9	17.4	.8	33.1
Educational attainment										
Less than a high school diploma	645	30.2	10.1	2.3	20.3	10,275	60.1	44.2	.9	57.2
High school graduates, no college	1,340	59.4	20.2	6.9	33.8	32,788	80.2	60.3	1.1	73.7
Some college, no degree	818	61.6	21.8	6.1	31.7	19,196	84.3	64.3	1.0	77.9
Associate degree	321	69.8	28.7	5.6	38.9	8,559	89.7	69.1	1.0	82.3
College graduates	1,363	80.3	40.9	.6	54.2	25,387	93.5	77.3	.4	87.2

NOTE: Noncontingent workers are those who are not classified as contingent under the broadest definition of contingency. Data exclude the incorporated self-employed independent contractors. Detail for the above race and

Hispanic-origin groups will not sum to totals because data for the "other races" group are not presented and Hispanics are included in both the white and black population groups.

employer is small, a large share of these workers—nearly 7 of every 10—have health insurance from some source. This is about the same proportion as part-time noncontingent workers. One explanation for this is that younger workers—aged 16 to 24—account for 45 percent of all part-time contingent workers. It is likely that many of these workers are receiving health insurance through a family member, usually their parents, or possibly through school.

Among full-time workers, those with contingent jobs are half as likely as noncontingent workers to receive employer-provided health insurance (32 percent versus 71 percent). In terms of eligibility for employer-provided health coverage, fewer than half of contingent, full-time workers are offered health insurance, compared with four-fifths of noncontingent. Because a substantial number of full-time contingent workers are not offered employer-provided health insurance or are unable to turn

to nonemployment-related sources, a fairly large proportion lacks coverage, 37 percent, compared with 15 percent for noncontingent workers.

Workers with higher levels of education are more likely to have health insurance. This relation holds for receipt of, and eligibility for, employer-provided health insurance, and for total coverage, and applies to workers in both contingent and noncontingent arrangements. (See table 3.) Nevertheless, at each level of education, contingent workers are less likely to have health insurance from any source than are noncontingent workers. A much lower eligibility for employer-provided health insurance coverage appears to account for much of the difference in overall health insurance coverage.

The fact that a substantial proportion of contingent workers is in the services industry is probably a factor in the lower rate of overall health insurance coverage through the employer, because eligibility for employer-provided health insurance in that industry is relatively low for both contingent and noncontingent. In all industries, however, employer-provided health insurance coverage is less common among contingent workers than among noncontingent workers. For both contingent workers and noncontingent workers, the health insurance coverage rate from all sources varies less by industry than does the employer-provided health insurance coverage rate.³ (See table 4.)

Lack of access to employer-provided health insurance clearly contributes to the lower coverage rate among contingent workers. The fact that many contingent workers receive health insurance from other sources suggests that some of these workers may be sorting themselves into such jobs based on their ability to obtain health insurance through nonemployment sources. However, one cannot say for sure, because no information was collected on the availability of nonemployment-based health insurance for people who have health insurance through their employers.

Pension plan coverage

Pension coverage is more like wage and salary earnings in that the pension will pay a prespecified amount each month, or prespecified lump-sum amount at retirement.⁴ The pension can be shared, but it cannot be extended to other family members as can health insurance.⁵ Another difference between pensions and health insurance is the timing of the benefit. Workers do not have to be covered by a pension on their current job in order to receive benefits at a later time. However, they must work for a company long enough to be vested, and thus eligible to receive benefits at a later time. Given that most young people tend to change jobs frequently, pension coverage is a less important element of total compensation than are wages or health insurance for young workers.

In contrast to noncontingent workers, those in contingent jobs are far less likely to participate in an employer-sponsored pension plan. Only 15 percent of contingent workers participate in such plans, compared with one-half of noncontingent workers. Furthermore, workers in contingent arrangements are similarly less likely to be offered pensions by their employer; only one-fifth of contingent workers are eligible for employer-provided pensions, compared with nearly three-fifths of noncontingent workers. Again, the composition of the contingent work force—its age, work schedule, and education level—partially explains why it has such low levels of pension coverage.

Nearly one-third of contingent workers are young—aged 16 to 24. These young workers are much less likely than prime-age contingent workers to participate in pension plans or to work in industries where employers typically offer pensions. Nevertheless, among workers in every age group, those with contingent employment are less likely than those with noncontingent jobs to have, or be eligible for, employer-provided pensions. (See table 5.)

Among both full- and part-time workers, those with contingent jobs are less likely than their noncontingent counterparts to have pension plans, or be eligible for them. The rate of pension coverage for full-time noncontingent workers (57 percent) is about 2-1/2 times greater than that of full-time contingent workers (22 percent). A similar pattern is displayed among workers with part-time employment.⁶ (See table 5.)

Workers with higher levels of education are generally more likely to have, or be eligible for pensions from their employer, regardless of whether they are in a contingent or noncontingent job. However, at each level of educational attainment, contingent workers are much less likely than noncontingent workers to have or be offered employer-provided pensions. (See table 5.)

A similar pattern holds by industry and occupation. In all industries and occupations, contingent workers have lower pension coverage rates and lower rates of pension eligibility. The variation in coverage and eligibility rates by industry and occupation is similar for both contingent and noncontingent workers. (See table 6, page 30.)

For both contingent and noncontingent workers, there is considerable variation in the proportion with pensions and the proportion with eligibility for pensions. The overall difference in coverage and eligibility between the groups largely reflects the differences in eligibility for pensions, as well as the decision of workers as to whether they will participate in those plans. The different industry distributions of the two groups play a very limited role in the difference in coverage.

COMPARED WITH NONCONTINGENT WORKERS, contingent workers earn less, and are less likely to be covered by an employer-

Table 4. Percent of employed contingent and noncontingent wage and salary workers with health insurance coverage by occupation and industry, February 1995

Occupation and industry	Contingent workers					Noncontingent workers				
	Total (in thousands)	With health insurance			Eligible for employer-provided health insurance	Total (in thousands)	With health insurance			Eligible for employer-provided health insurance
		Total (in percent)	Through current employer at main job	Through other job or union			Total (in percent)	Through current employer at main job	Through other job or union	
Occupation										
Managerial and professional specialty	1,565	80.2	38.6	0.8	50.9	28,287	92.5	75.5	0.3	86.2
Executive, administrative, and managerial	405	78.8	41.0	.5	54.3	13,253	92.0	76.2	.3	87.1
Professional specialty	1,160	80.7	37.8	.9	49.7	15,034	93.0	74.9	.3	85.4
Technical, sales, and administrative support	1,520	70.5	17.6	.8	31.4	31,724	85.9	60.0	.4	74.1
Technicians and related support	155	85.8	39.4	(¹)	54.8	3,651	91.0	72.4	.4	84.0
Sales occupations	323	66.3	18.9	(¹)	30.7	11,416	80.1	48.3	.4	63.4
Administrative support, including clerical	1,042	69.5	13.9	1.2	28.1	16,657	88.8	65.3	.3	79.3
Service occupations	815	54.5	9.7	.7	16.6	14,355	67.4	36.1	.9	50.7
Private household	130	44.6	1.5	(¹)	1.5	590	47.5	2.9	.7	3.9
Other service	686	56.3	11.2	.9	19.2	13,765	68.2	37.5	.9	52.7
Precision production, craft, and repair	538	61.2	24.5	19.0	35.5	10,599	80.1	65.9	2.8	75.6
Operators, fabricators, and laborers	915	48.5	15.8	5.4	28.7	15,883	77.4	62.2	1.3	73.9
Farming, forestry, and fishing	150	28.7	2.0	3.3	10.7	1,375	62.9	39.1	.9	47.9
Industry										
Agriculture	132	25.0	2.3	(¹)	6.8	1,241	59.2	33.3	1.0	44.2
Mining	18	(²)	(²)	(²)	(¹)	626	89.9	81.2	.6	88.8
Construction	518	56.9	20.5	22.0	27.4	4,426	67.9	45.1	5.5	56.5
Manufacturing	619	61.2	29.4	1.6	41.7	19,071	88.2	78.1	.7	88.0
Durable goods	376	62.2	31.9	2.7	48.4	11,063	89.5	80.1	.7	89.6
Nondurable goods	240	59.2	24.6	(¹)	30.0	7,971	86.5	75.5	.7	85.9
Transportation and public utilities	240	68.3	32.9	6.7	47.9	7,798	89.3	77.8	1.2	86.2
Wholesale trade	97	66.0	33.0	6.2	36.1	3,878	86.4	69.3	.9	81.3
Retail trade	542	57.4	8.9	1.1	21.8	17,688	70.2	35.3	.6	51.7
Finance, insurance, and real estate	144	81.3	47.9	.7	60.4	6,637	90.3	69.4	.4	82.1
Services	2,975	68.5	20.0	1.0	32.6	35,046	83.8	58.5	.5	72.3
Private household	162	46.3	1.2	3.1	1.2	688	50.7	5.7	.9	6.8
Other services	2,813	69.8	21.1	.9	34.4	34,359	84.4	59.6	.5	73.6
Professional and related services	1,869	78.9	27.9	.4	40.3	25,753	88.7	64.5	.4	78.4
Public administration	218	80.7	50.0	(¹)	60.1	5,811	95.6	86.5	.3	93.1

¹Less than 0.05 percent.

²Data not shown where base is less than 75,000.

Table 5. Percent of employed contingent and noncontingent wage and salary workers with pension coverage, by selected characteristics, February 1995

Characteristic	Contingent workers			Noncontingent workers		
	Total (in thousands)	Total with pensions	Eligible for employer- provided pension	Total (in thousands)	Total with pensions	Eligible for employer- provided pension
Age and sex						
Total, 16 years and older	5,503	15.3	22.2	102,222	49.5	56.5
16 to 19 years	588	.3	7.1	4,794	2.8	10.7
20 to 24 years	1,142	4.6	9.5	10,916	21.1	34.6
25 years and older	3,773	20.9	28.4	86,512	55.6	61.7
25 to 34 years	1,409	11.7	21.6	27,917	46.9	56.2
35 to 44 years	1,133	24.5	32.2	28,349	59.0	64.4
45 to 54 years	687	30.9	35.2	19,344	64.6	68.5
55 to 64 years	338	29.3	33.7	8,804	58.5	62.5
65 years and older	205	17.6	21.5	2,098	30.4	35.7
Men	2,727	16.8	24.5	53,553	51.4	57.7
Women	2,776	13.9	19.9	48,669	47.3	55.1
Race and Hispanic origin						
White	4,432	16.8	23.7	86,402	49.9	56.8
Black	755	10.7	18.3	11,744	49.5	57.5
Hispanic origin	624	5.0	8.0	9,043	32.0	37.9
Full- and part-time status						
Full-time workers	3,068	22.0	31.2	83,614	56.7	63.9
Part-time workers	2,422	6.6	10.6	18,411	16.7	22.8
Educational attainment						
Less than a high school diploma	645	8.2	10.7	10,275	28.3	34.6
High school graduates, no college	1,340	14.0	22.7	32,788	46.3	54.0
Some college, no degree	818	16.6	21.4	19,196	51.4	58.6
Associate degree	321	19.9	27.4	8,559	58.8	66.4
College graduates, total	1,363	28.2	38.0	25,387	67.9	73.6

NOTE: Noncontingent workers are those who are not classified as contingent under the broadest definition of contingency. Data exclude the incorporated self-employed and independent contractors. Detail for the above race

and Hispanic-origin groups will not sum to totals because data for the "other races" group are not presented and Hispanics are included in both the white and black population groups.

sponsored health insurance or pension plan. However, there are a couple of provisos. First, how contingent workers fare relative to their noncontingent counterparts varies by age, educational attainment, and industry. Second, although contingent workers are less likely to have health insurance from

their employer than are noncontingent workers, many contingent workers obtain health insurance through family or other sources. The very low pension coverage rates are testimony to the defining characteristic of a contingent job, that is, its temporary nature.

Footnotes

¹ The causes of the differences in earnings between any two groups (for example, men/women, contingent/noncontingent workers) can be very complex. The groups may differ in terms of demographics, educational attainment, occupation, employer tenure, work schedules, and so forth. A detailed multivariate analysis is beyond the scope of this article, which merely summarizes the compensation differences among contingent and noncontingent workers.

² In the survey, respondents were asked, "Do you have health insurance from any source?" If the answer to that question was "yes," respondents were then asked whether they received insurance from their employer. Those who did not receive health insurance from their employer were asked for the source of their health insurance; in addition, they were asked whether they could receive insurance from their employer. Respondents who said "no" to the initial question, "Do you have health insurance from any source?," were

Table 6. Percent of employed contingent and noncontingent wage and salary workers with pension coverage, by occupation and industry, February 1995

Occupation and industry	Contingent workers			Noncontingent workers		
	Total (in thousands)	Total with pensions	Eligible for employer- provided pension	Total (in thousands)	Total with pensions	Eligible for employer- provided pension
Occupation						
Managerial and professional specialty	1,565	26.0	34.6	28,287	66.8	72.2
Executive, administrative, and managerial	405	32.1	42.0	13,253	64.4	69.5
Professional specialty	1,160	23.9	32.1	15,034	69.0	74.6
Technical, sales, and administrative support	1,520	12.2	19.5	31,724	48.0	56.5
Technicians and related support	155	23.9	40.6	3,651	60.6	67.9
Sales occupations	323	10.5	17.3	11,416	33.8	42.0
Administrative support, including clerical	1,042	11.0	17.1	16,657	55.0	63.9
Service occupations	815	5.4	9.0	14,355	27.3	33.8
Private household	130	(¹)	(¹)	590	1.2	1.2
Other services	686	6.4	10.6	13,765	28.4	35.2
Precision production, craft, and repair	538	20.4	27.9	10,599	50.2	55.4
Operators, fabricators, and laborers	915	10.6	17.3	15,883	43.4	52.2
Farming, forestry, and fishing	150	(¹)	.7	1,375	22.3	24.9
Industry						
Agriculture	132	(¹)	.8	1,241	14.7	17.8
Mining	18	(²)	(²)	626	62.8	69.8
Construction	518	17.6	22.6	4,426	31.1	35.0
Manufacturing	619	18.7	30.4	19,071	61.5	69.5
Durable goods	376	19.4	33.2	11,063	64.1	72.0
Nondurable goods	240	17.9	25.8	7,971	58.1	66.4
Transportation and public utilities	240	27.5	37.5	7,798	64.2	70.7
Wholesale trade	97	20.6	24.7	3,878	50.2	56.3
Retail trade	542	4.8	8.7	17,688	21.9	30.4
Finance, insurance, and real estate	144	26.4	39.6	6,637	59.2	67.6
Services	2,975	13.0	19.5	35,046	48.8	55.6
Private household	162	(¹)	(²)	688	1.6	1.6
Other services	2,813	13.8	20.7	34,359	49.8	56.7
Professional and related services	1,869	19.2	26.4	25,753	58.0	64.7
Public administration	218	41.7	49.1	5,811	86.1	89.2

¹Less than 0.05 percent.²Data not shown where base is less than 75,000.

NOTE: Noncontingent workers are those who are not classified as contingent under the broadest definition of contingency. Data exclude the incorporated self-employed and independent contractors.

asked if their employer offered health insurance to any of its workers, and noncontingent jobs to have, or to be eligible for, employer-provided pensions. (See table 5.) if they could be in the plan if they wanted.

³ Health insurance coverage rates are calculated by dividing the number of workers in a specified worker group who have health insurance from some

source by total employment for the same worker group.

⁴ In the survey, respondents were asked, "Does (employer's name) offer a pension or retirement plan to any of its employees?" If the answer to that question was "yes," the respondent was then asked, "Are you included in this plan?" If the response was "no," the respondent was asked, "why not?" The response to this question was used to determine eligibility for those not in a plan.

⁵ Defined benefit pensions usually offer spousal coverage. This means that the monthly payments are reduced, but continue as long as either spouse is alive.

⁶ Pension coverage rates are calculated by dividing the number of workers with pensions in a specified worker group by total employment for the same worker group.