

# Contingent and Alternative Employment Arrangements What's next?

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## Background

- Contingent Worker Supplement (CWS) is a supplement to the Current Population Survey (CPS)
  - ▶ The CPS is the monthly household survey which provides BLS's broadest measure of employment, and the official unemployment rate

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## Contingent Worker Supplement (CWS), May 2017

- Collected information on whether workers had:
  - ▶ Contingent jobs—jobs that are temporary or not expected to last
  - ▶ Alternative employment arrangements
    - Independent contractors
    - On-call workers
    - Temporary help agency workers
    - Contract company workers
- Similar supplements were conducted in February of 1995, 1997, 1999, 2001, and 2005
- Data refer to sole or main job of employed people

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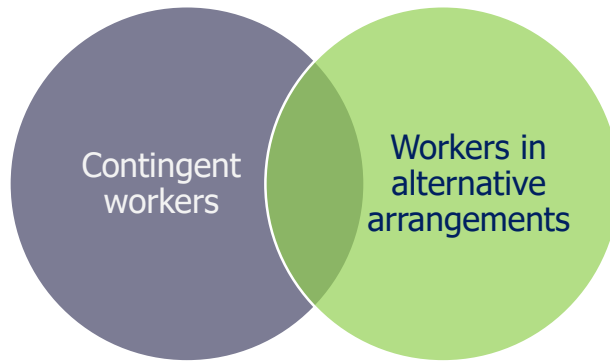
### Contingent workers as a percent of total employed, February 1995-2005 and May 2017



Source: Contingent Worker Supplements, Current Population Survey  
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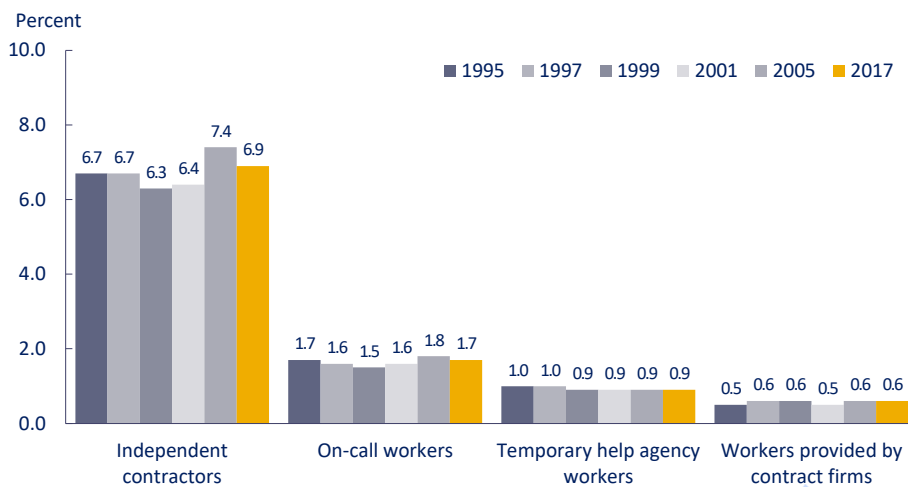
## Contingent work and alternative employment arrangements



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### Workers in alternative arrangements as a percent of total employed, February 1995-2005 and May 2017



Source: Contingent Worker Supplements, Current Population Survey  
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## What was the reaction?

- Some people weren't happy
  - ▶ Why weren't the estimates larger?
- Where was the estimate on ...
  - ▶ Gig workers
  - ▶ Second and/or multiple jobs
  - ▶ Longer reference period



## What did BLS do?

- Was as transparent and accessible as possible
- Recognized there was pent-up demand for more information
- Contracted with the Committee on National Statistics (CNStat) of the National Academies of Sciences, Engineering, and Medicine
  - ▶ This work began in September 2018 with a final report due by March 2020



## CNStat's Statement of Work

- Appoint expert panel to review CWS
- Panel's work and consensus recommendations will be guided by the current research and policy questions that need to be answered
- Examine what can be produced using administrative, commercial, and combined data sources
- Produce a consensus report



## CNStat Expert Panel

**Susan Houseman** (Chair), *W.E. Upjohn Institute for Employment Research*

**Katharine Abraham**, *University of Maryland, College Park*

**Annette Bernhardt**, *University of California, Berkeley*

**Jennifer Dykema**, *University of Wisconsin-Madison*

**Diana Farrell**, *JPMorgan Chase Institute*

**Arne Kalleberg**, *University of North Carolina at Chapel Hill*

**Kristen Olson**, *University of Nebraska-Lincoln*

**Barbara Robles**, *Federal Reserve Board*

**Michael Strain**, *American Enterprise Institute*

**David Weil**, *Brandeis University*



## What were the origins of the CWS?

- Economy was healthy (in the 1980s)
- But there were concerns:
  - ▶ Employers were seeking ways to adjust size of workforce quickly to save costs
  - ▶ Temporary help industry was growing
  - ▶ Long-term, “permanent” employment dying
  - ▶ Traditional employer-employee relationship was fraying

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## Measuring “flexibility”

- The number of workers who were contingent (using BLS definition)
- The number of workers in alternative work arrangements:
  - ▶ Workers in intermediated arrangements
    - Temporary help supply workers
    - Contract company workers
  - ▶ Independent contractors
  - ▶ On-call workers/day laborers

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## Why these groups?

- Contingent
  - ▶ Direct measure of job security
- Intermediated arrangements
  - ▶ Job security a concern
  - ▶ Some concerns about a “hands-off” nature of employment arrangement
- Independent contractors and on-call
  - ▶ Job security a concern
  - ▶ Concerns quantity and time of work could vary unpredictably



**CWS:**  
**Something could change -**  
**but what?**



## Supplement rules

- Must not negatively impact the CPS or other Census Bureau or BLS programs
  - ▶ Respondent must not question the importance of the survey
- Must not impact future participation in the CPS
  - ▶ Depending on where the respondent is in the CPS lifecycle, may be asked to participate 7 more times



## Supplement rules

- Be compatible with the basic CPS
  - ▶ Not introduce a concept that could affect the accuracy of responses to the basic CPS
- Not slow down the work of the basic CPS or impose an undue response burden





## Supplement realities

- They are expensive
- Live interviewers
  - ▶ Trade-off between completing main CPS/supplement
  - ▶ Trainings are self-administered
- Ideally repeatable
  - ▶ Comparable data across time are valuable



## Proxy respondents

- Are allowed in the CPS
- Increase the likelihood of completion
- Less expensive than self-response only
- May be unable or unwilling to answer questions about others in household
  - ▶ Respondents need to be able to answer all questions both about themselves and others



## Supplement sample universe

### ■ Employed

- ▶ Largest part of the population (employed, unemployed, out of labor force)
- ▶ Questions are asked of every employed person in house
- ▶ The most basic of the labor force questions in the CPS asks “LAST WEEK, did you do ANY work for pay?”

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## Main job versus all jobs

### ■ Main/sole job

- ▶ Focus on livelihood
- ▶ Tied to a lot of additional information in the main CPS

### ■ All jobs

- ▶ Less information is available about second jobs
- ▶ Only about 5% of employed have more than 1 job
- ▶ Research suggests many people do short jobs or informal work in addition to their main job

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## Supplement reference/recall period

- “Last week” reference period in the basic CPS
  - ▶ The week of the 12<sup>th</sup>
- Data collection begins following week
  - ▶ The week of the 19<sup>th</sup>



## Not changing the reference period

- Advantages
  - ▶ No confusion for respondent or interviewer
  - ▶ Answers can be tied directly back to the main CPS
  - ▶ Easier recall
- Disadvantages
  - ▶ Might miss sporadic work



## Gig workers

- BLS does not have a formal definition
- Many CWS concepts have gig-like properties
- Is gig (as a term) so last year?
  - ▶ Informal work
  - ▶ Side hustles



## Questions for TAC

- The CWS only asked about people's main job. What are the pros and cons of expanding the scope of the CWS to all jobs?
- The CWS reference period mirrors the main CPS, the week that includes the 12<sup>th</sup>. What are the pros and cons expanding the period?
- Do you have a definition of 'gig' worker or work? How would you use, change or expand the CWS to measure this?



# Contact Information

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