

Older workers and nontraditional jobs

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Workers in nontraditional jobs usually lack retirement and health benefits. This lack of employee benefits creates a burden during retirement when income typically declines. Currently, research has not agreed on how older workers use these nontraditional jobs, given that many people's retirement savings are with their employer's retirement plan. In addition, how the workers' well-being may be affected by this type of employment as workers near retirement is unclear. In "[How do older workers use nontraditional jobs?](#)" (National Bureau of Economic Research, Working Paper 26379, October 2019), authors Alicia H. Munnell, Geoffrey T. Sanzenbacher, and Abigail N. Walters explore these issues to explain how nontraditional types of employment may be used and the impact on older workers.

The authors use the Health and Retirement Study to analyze data between 1992 and 2016 on workers ages 50 to 62. The University of Michigan Health and Retirement Study is a longitudinal study sponsored by the National Institute of Aging and the Social Security Administration. The study consists of approximately 20,000 people in the United States. The authors grouped workers with similar employment patterns and used these groupings within two regression models. The first regression model analyzed the availability of resources during retirement, and the second regression model analyzed incidences of depression. The regression analyses would show how these resources and incidences may vary based on socioeconomic categories.

The authors use two different definitions of nontraditional work. The first definition assumed that the employer provided no benefits, and the second definition included instances in which no benefits were provided as well as when no instability was within the job. The researchers found that their results for the "ideal situation" (a job with benefits) were similar to that found in the Panel Study of Income Dynamics (the longest running longitudinal household survey in the world, conducted by the University of Michigan), which studied data between 1998 and 2010.

Munnell and her colleagues found that older workers either use nontraditional jobs frequently or use these jobs for only a short time and that those workers who spend a lot of time within these jobs are generally defined by two factors: education and marital status. Workers with less education tend to use nontraditional jobs more because they could not find traditional employment as easily. Also, workers with a working spouse were found to use nontraditional jobs more regularly because of their reduced need for employee benefits since their spouse's employer provided them. The results of the regression analyses suggested that workers yield lower retirement income because they regularly work in nontraditional jobs and that older workers who face this situation are generally more depressed.

The numerical results indicated that up to one-third of older workers are not employed within jobs that provide benefits. The authors suggest that nontraditional work is at least partially responsible. And they conclude by advocating for public projects that extend benefits to all older workers.