



# Contingent Work Paper Series

## SUMMARY

In 2019, the Chief Evaluation Office's Evaluation Technical Support contract, implemented by Manhattan Strategy Group, partnered with the W.E. Upjohn Institute for Employment Research to conduct a two-part paper series on trends in contingent work and alternative work arrangements in the United States. The analysis describes the characteristics of workers in these arrangements, and the implications of these arrangements for worker outcomes.

This Department of Labor-funded study contributes to the growing labor evidence-base to inform [worker protection, labor standards, and workplace-related benefits](#) programs and policies and addresses Department strategic goals and priorities.

## KEY TAKEAWAYS

*What Do We Know about Alternative Work Arrangements in the United States? A Synthesis of Research Evidence from Household Surveys, Employer Surveys, and Administrative*

- **In many cases, household surveys, employer surveys, and administrative datasets complemented information from the CWS, but not always.** In some cases, the analysis revealed large discrepancies between the CWS and alternate data sources. In other cases, alternate data sources provided considerably broader measures of the work arrangement than the CWS, affecting understanding of the share and characteristics of workers in these arrangements.
- **Independent contractors represented the most common alternative work arrangement measured in the CWS, but other data sources indicated that the CWS may underestimate its true prevalence.** The literature identified several possible explanations for the underestimation, including that individuals may fail to report independent contracting as a job; individuals may conduct independent contracting work as secondary work activities, which are generally underreported; and independent contract workers may often be miscoded as wage or salary workers. Overall, researchers' analyses indicated that independent contractors tended to earn higher wages than those in standard employment but were less likely to have health insurance or a retirement plan.
- **Informal and platform work, including but not limited to gig work, is common:** 2018 and 2019 survey data indicated that about a third of all adults age 18 and over had held some type of informal work or side job in the prior month. These jobs tend to be short-term and to provide an important supplemental source of income. Although CWS questions related to platform work may require more careful testing to avoid misinterpretation, results from the CWS on platform and informal work were consistent with results from other data sources.



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- **Business-to-business contracting appeared to be infrequent in the CWS and other surveys, but true prevalence may be much higher.** Business-to-business contracting includes arrangements in which a worker is hired through a temporary help agency and those in which employees work at a customer's worksite. Surveys may underestimate the incidence of these arrangements due to narrow definitions of business-to-business contracting arrangements.
- **The prevalence of unpredictable work schedules is likely underestimated in the CWS.** Compared to the CWS, other surveys collect more extensive information on work schedule predictability, such as whether workers have control over their schedules and the amount of scheduling notice they receive. Results from alternative data sources demonstrate that unpredictable work arrangements are more common than the CWS indicates, especially among disadvantaged populations.

*Contingent and Alternative Employment: Lessons from the Contingent Worker Supplement, 1995-2017*

- Researchers found **that individuals who have lost their jobs, are unemployed, or are out of the workforce but want employment commonly end up in contingent and alternative work arrangements.**
- Although the CWS shows no overall trend increase since 2005 in any contingent or alternative work arrangement, **researchers found subgroup trends within certain arrangements.** The data show a significant increase since 2005 in the use of temporary help workers in manufacturing and also in production and transportation and material moving occupations, which are heavily used in the manufacturing sector.
- **Temporary help jobs are disproportionately held by those without a college degree, minorities, and youth.** On-call jobs are disproportionately held by those with less formal education.
- **Dissatisfaction with alternative work arrangements was relatively high** and subsequent employment rates are relatively low, particularly among those who had transitioned to contingent, temporary help, day laborer, and on-call jobs.

[SEE FULL STUDY](#)

**TIMEFRAME:** 2019-2020  
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