

Moonlighting

Since the beginning of 1994, the Current Population Survey (CPS) has asked whether employed individuals have more than one job. Although the data are still too scanty to draw any deep conclusions, a few interesting insights can be gleaned from the first four years of data.

The chart shows the fraction of employed persons who report that they hold more than one job. There are not yet enough data to estimate the seasonal pattern reliably, and partly for this reason, the reported fraction of workers with more than one job bounces around from month to month. But after a substantial increase during 1994, the fraction of workers holding more than one job has shown no trend, as suggested by the moving average line.

The extent of multiple job holding is substantial, averaging 8.0 million workers between December 1996 and November 1997. By comparison, an average of about 6.8 million were unemployed during the same period. Well over half of those with more than one job report that they have a part-time job supplementing a full-time job. The proportion of employed men who hold more than one job has not been much different than the proportion of women with more than one job, though women are much more likely to report that all of their jobs are part-time.

Discrepancies between the growth of household and payroll employment have sometimes been attributed to shifts in the prevalence of multiple job holding; a worker holding two jobs would be counted twice in the payroll survey, but only once in the household survey (CPS). As the top chart on page 10 shows, payroll employment grew considerably faster than household employment during 1994-96 (7.7 percent versus 5.3 percent over three years). The chart here indicates that multiple job holding became more widespread during 1994. The magnitude of the increase suggests that the changed incidence of multiple job holding during 1994 can account for roughly a third of the difference

between payroll and household employment growth in that year. Since the upward trend in multiple job holding stopped in the first part of 1995, other factors must account for the entire gap in 1995 and 1996. (Removing categories of workers not included in the payroll survey reduces the discrepancy between the two employment measures by less than half during these two years, leaving a significant unexplained gap.)

Labor markets have tightened steadily over the last three years, as indicated by the declining unemployment rate, for example. It is striking, therefore, that the incidence of multiple job holding has not increased, especially since many workers have been drawn into the labor force, pushing the labor force participation rate to all-time highs during 1997. There are several plausible reasons why the labor supply of people already working would respond differently to labor market conditions than would people not in the labor force. It will be some time, however, before we accumulate enough data to understand thoroughly how economic conditions affect people's inclination to hold more than one job.

—Joseph A. Ritter

