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# Characteristics of the Longest Job for New Disabled Workers: Findings From the New Beneficiary Survey

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This article describes the characteristics of the longest job held by new disabled-worker beneficiaries responding to questions in the 1982 New Beneficiary Survey, conducted by the Social Security Administration in October-December 1982. The characteristics include pension coverage, job duration, employer type, occupation, and industry. Many disabled workers (about half the men and two-fifths of the women) reported having been covered by a pension plan. Pension coverage, pension receipt, and job tenure all increased with age, and older disabled workers had pension coverage similar to that of retired workers. Disabled and retired workers often differed in other job characteristics, but tended to become more similar with increasing age. Disabled workers were more likely to have had longest jobs with private employers and in operator-laborer occupations. When they were compared with the job characteristics of retired workers, the characteristics of disabled women exhibited less difference than did those of disabled men.

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This article, which is based on data collected in the Social Security Administration's 1982 New Beneficiary Survey (NBS), examines the characteristics of the longest jobs of new disabled-worker beneficiaries, including pension coverage, job duration, employer type, occupation, and industry. The longest job is defined as the longest tenure with one employer. According to the NBS, 60 percent of newly disabled men and 66 percent of newly disabled women had been disabled from their longest-held job. The NBS, a nationally representative, cross-sectional survey, interviewed about 5,200 new disability insurance beneficiaries from October through December 1982, using a sample selected from the Social Security Administration's (SSA's) Master Beneficiary Record (Maxfield, 1983).<sup>1</sup> The sample represented about 309,000 non-institutionalized, disabled-worker beneficiaries in late 1982 who received their first cash payment between July 1980 and June 1981. Information collected in interviews was linked to data from the SSA's administrative benefit records.

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<sup>1</sup>Parenthetical references are to the sources listed in the bibliography at the end of this article.

## Pension Coverage

Pension coverage refers to an employer-provided pension or retirement benefit plan available on a job. Many pension plans provide benefits for workers who suffer career-ending injuries or sicknesses if they meet service and other plan requirements. Benefits may be paid immediately under disability provisions, but they may also be deferred until retirement age, especially when disability related benefits are payable from insurance benefits (Bell and Wiatrowski, 1982). Disability retirement provisions cover about 89 percent of full-time pension plan participants in medium and large private establishments (Bureau of Labor Statistics, 1982, table 40). About half of these plan participants must meet only service requirements, but almost a tenth must meet both age and service requirements. If disability benefits are not available, older disabled workers may qualify for early or normal retirement benefits if they meet age and service requirements. Most commonly, persons must be aged 55 with 10 years of service to qualify for early retirement (Bureau of Labor Statistics, 1982, table 38). Many plans permit normal retirement before age 65.

To receive a pension, however, employees must

not only have been covered, but must have worked for the employer long enough to earn vested pension rights. Vesting guarantees a nonforfeitable, legal right to accrued benefits, usually in the form of a monthly benefit at retirement or as a lump-sum payment. The Employment Retirement Income Security Act (ERISA) of 1974 requires that pension plan participants be vested with at least 50 percent of pension benefits after 10 years of service and with full pension benefits after 15 years of service. Thus, both length of service and coverage by an employer pension plan are important to pension receipt.

The NBS asked whether persons were included in a pension or retirement plan provided by the employer or union, including profit sharing or any other type of plan that provides retirement benefits other than social security or railroad retirement benefits. The NBS did not identify those covered by disability provisions on their job. Self-employed persons in unincorporated businesses were excluded from pension coverage questions because they did not work for an employer, and, consequently, they could not be covered by an employer-provided pension

plan. Among all the jobs in a working career, the job that lasts the longest is obviously the most likely job to meet the length of service requirements.<sup>2</sup>

Pensions from the longest jobs of retired workers are increasingly widespread. Kolodrubetz (1976) found that 41 percent of newly retired wage and salary workers in 1968-70 were covered by private and public pensions on their longest job. By 1982, this figure had increased to 58 percent (Iams, 1985, table C). Although no figures exist for disabled workers from earlier surveys, the NBS shows that many newly disabled wage and salary workers had been covered by pension plans on their longest job—about half the men and two-fifths of the women (table 1). However, a substantial number of employees reported no coverage—about 43 percent of the men and 56 percent of the women.

<sup>2</sup>Among all jobs in a career, the longest duration job most likely meets the service requirements for a vested pension and early retirement. The longest job was selected from the reported main jobs with an employer lasting more than a year since 1951. When respondents did not have a job lasting at least a year or had an occupation performing the same duties with a succession of short-term employers (such as day laborers, household workers, or carpenters), the occupation was considered one job.

**Table 1.—Second pension receipt and expectation in longest job: Percentage distribution of new disabled-worker beneficiaries, by age at entitlement and sex<sup>1</sup>**

Second pension	Total	Under age 45	Age 45-54	Age 55-59	Age 60-64
Men					
Total number reporting (in thousands) .....	154.2	35.1	39.0	45.2	34.9
Number of nonincorporated self-employed .....	14.8	1.7	3.5	5.2	4.3
Number of employees (in thousands) .....	139.4	33.3	35.5	40.1	30.5
Coverage for employees:					
Total percent .....	100.0	100.0	100.0	100.0	100.0
Covered .....	55.0	39.8	56.4	60.2	63.1
Not covered .....	42.8	55.8	42.2	38.3	35.3
Other or nonresponse .....	2.2	4.4	1.4	1.6	1.6
Benefit receipt for those covered:					
Total number (in thousands) .....	76.6	13.3	20.0	24.1	19.3
Total percent .....	100.0	100.0	100.0	100.0	100.0
Currently receiving benefit .....	57.3	22.5	51.0	69.9	72.0
Expecting future benefit .....	13.0	19.7	17.7	8.5	9.1
Received lump-sum benefit only .....	12.4	17.6	12.7	11.0	10.2
Not expecting future benefit .....	13.1	28.0	14.3	9.0	6.7
Not available .....	4.2	12.2	4.2	1.6	2.1
Women					
Total number reporting (in thousands) .....	63.7	14.1	17.4	19.5	12.7
Number of nonincorporated self-employed .....	2.3	.2	.6	.6	.8
Number of employees (in thousands) .....	61.4	13.8	16.7	18.9	11.9
Coverage for employees:					
Total percent .....	100.0	100.0	100.0	100.0	100.0
Covered .....	41.6	30.8	40.1	46.6	48.4
Not covered .....	55.5	63.6	56.7	51.9	50.2
Other or nonresponse .....	2.8	5.6	3.2	1.5	1.3
Benefit receipt for those covered:					
Total number (in thousands) .....	25.6	4.3	6.7	8.8	5.8
Total percent .....	100.0	100.0	100.0	100.0	100.0
Currently receiving benefit .....	44.2	15.5	39.6	50.5	61.0
Expecting future benefit .....	17.1	21.2	18.3	13.6	17.9
Received lump-sum benefit only .....	23.3	28.7	24.3	26.0	14.0
Not expecting future benefit .....	10.9	26.9	12.4	5.6	5.7
Not available .....	4.5	7.6	5.4	4.3	1.4

<sup>1</sup>These beneficiaries were first entitled to benefits in July 1980-June 1981 and were awarded benefits by March 1982. Data are from the New Beneficiary Survey,

conducted in October-December 1982.

Does coverage vary by age? Over half the men who began receiving disabled-worker benefits at age 45 or older reported pension plan coverage, compared with only 40 percent of the men under age 45 (table 1). In fact, by ages 60 or older, disabled workers had pension coverage rates similar to those for retired workers aged 62 (Iams, 1985, table C).

### Pension Outcomes

Simply having pension coverage does not guarantee that the disabled worker will receive pension benefits. What are the actual pension outcomes from the disabled worker's longest job? Of those covered by a pension plan, 57 percent of the men and 44 percent of the women were receiving a pension at the time of the interview (table 1). These could be either payments from an immediate disability pension or normal retirement benefits. Of those covered by a pension plan, about 13 percent of the disabled men expected future pension benefits, 12 percent had received a lump sum, and 13 percent expected no future benefits. A larger proportion of disabled women had already received a cash payout of lump-sum benefits in lieu of a monthly pension payment (about 23 percent) than expected future benefits (about 17 percent) or did not expect any pension benefit despite their pension coverage (about 11 percent).

Do these pension outcomes vary by age? Younger disabled workers were more likely than older disabled

workers to expect future pension benefits, more likely to have received lump-sum benefits, and more likely to expect no future pension benefits. Pension receipt rates increased steadily with age among the covered population. Rates of the oldest disabled workers were closer to those of retired workers than to those of young disabled workers. Among women workers covered by pension plans, about 59-61 percent of both the disabled aged 60-64 and the retired aged 62 received benefits. The comparable proportions for men were about 72 percent for the disabled and 84 percent for the retired.

### Job Duration

Perhaps pension coverage and receipt of older disabled and retired workers converge because of their similar ages. Older workers can have greater length of service than younger workers because older workers have lived longer. Among disabled workers aged 60-64, about 92 percent of men and about 78 percent of women had worked 10 or more years (table 2). Once again, the percentages of older disabled and retired-worker men who had worked at least 10 years were about the same, but a higher percentage of disabled than retired-worker women had done so. Table 2 shows that about 39 percent of disabled men aged 60-64, compared with 49 percent of retired-worker men aged 62, had worked 25 or more years on their longest job (Iams, 1985, table A). Only 22 percent of disabled-

**Table 2.—Duration of longest job: Percentage distribution of new disabled-worker beneficiaries, by age at entitlement and sex<sup>1</sup>**

Duration	Total	Under age 45	Age 45-54	Age 55-59	Age 60-64
	<b>Men</b>				
Total number reporting (in thousands) .....	151.5	34.4	38.3	44.5	34.2
Total percent .....	100.0	100.0	100.0	100.0	100.0
<b>Years:</b>					
Under 5 .....	9.7	35.9	3.5	1.4	1.0
5-9 .....	15.1	30.0	15.9	9.1	6.9
10-14 .....	19.9	19.4	23.7	19.7	16.2
15-19 .....	17.0	9.1	19.9	18.4	19.8
20-24 .....	13.0	4.3	15.7	14.4	17.0
25-29 .....	12.0	.7	13.9	17.0	15.0
30-39 .....	11.8	.5	7.0	18.5	19.8
40 or more .....	1.5	.1	.4	1.4	4.4
	<b>Women</b>				
Total number reporting (in thousands) .....	62.5	13.9	17.0	19.2	12.4
Total percent .....	100.0	100.0	100.0	100.0	100.0
<b>Years:</b>					
Under 5 .....	16.3	46.0	10.2	8.6	3.3
5-9 .....	25.4	33.2	29.4	20.2	19.2
10-14 .....	23.6	14.8	24.8	28.0	25.2
15-19 .....	14.2	3.9	16.0	18.2	16.9
20-24 .....	9.1	1.6	9.0	11.6	13.6
25-29 .....	6.6	.3	7.1	7.9	11.2
30-39 .....	4.6	.3	3.6	5.3	9.5
40 or more .....	.3	0	0	.2	1.0

<sup>1</sup>These beneficiaries were first entitled to benefits in July 1980-June 1981 and were awarded benefits by March 1982. Data are from the New Beneficiary

Survey, conducted in October-December 1982.

worker women aged 60–64, compared with 15 percent of retired-worker women aged 62, had worked 25 or more years on their longest job.

Only a minority of those under age 45 had worked at least 10 years—34 percent of the men and 21 percent of the women. Short job tenure is typical of everyone, disabled and not disabled, in this age group, however. In the currently employed workforce aged 35–44, about 42 percent of the men and 22 percent of the women have worked at least 10 years for their current employer (Sehgal, 1984, table 1).

### Class of Worker and Type of Employer

Most newly disabled workers (about three-fourths) had been privately employed on their longest job by a for-profit firm or individual other than themselves (table 3). About 11 percent of the disabled men and 4 percent of the disabled women were self-employed, and 2 percent of the disabled men and 8 percent of the disabled women had worked for nonprofit organizations. About 11–13 percent had been publicly employed (including 1 percent in Federal service) on their longest-held job.

Disabled and retired-worker women generally had similar types of employers on their longest job,

but disabled and retired-worker men differed in this respect. Table 3 reveals that disabled men aged 60–64 were much more likely than retired men aged 62 to have been employed by private companies—73 percent, compared with 59 percent (Iams, 1985, table B). Among men, disabled workers were less likely than retired workers to have been government employees. Only 9 percent of the disabled men aged 60–64 were government workers, compared with 20 percent of the retired men aged 62. A likely explanation for employer variations would be social security coverage. Social security did not cover most civilian Federal employment and some State and local government employment in 1982, the year of the NBS survey. Recent social security coverage is very important for disability insured status because of the recent work requirement (covered employment in at least 20 of the 40 quarters before the onset of the disability). Newly disabled Federal employees and some newly disabled State and local government employees may not meet requirements for disability insured status and therefore not be represented in the NBS sample, although they may be fully insured from employment outside their government service and therefore qualify for retired-worker benefits.

These differences between disabled and retired men lessened only slightly with age among disabled

**Table 3.**—Class of worker in longest job: Percentage distribution of new disabled-worker beneficiaries, by age at entitlement and sex<sup>1</sup>

Class of worker	Total	Under age 45	Age 45–54	Age 55–59	Age 60–64
<b>Men</b>					
Total number reporting (in thousands) .....	154.2	35.1	39.0	45.2	34.9
Total percent .....	100.0	100.0	100.0	100.0	100.0
Self-employed .....	11.1	5.6	10.3	13.1	14.9
Incorporated business .....	1.5	.6	1.2	1.7	2.4
Not incorporated .....	9.4	4.7	9.1	11.4	12.0
Private company .....	74.6	76.6	75.1	73.9	73.0
Government .....	10.7	13.3	10.9	10.0	8.8
Federal .....	1.4	1.3	1.5	1.3	1.5
State .....	1.8	1.9	1.9	2.0	1.5
Local .....	4.4	5.3	3.8	4.4	4.3
Armed Forces .....	3.1	4.8	3.7	2.4	1.5
Nonprofit, charitable, tax-exempt organization .....	2.3	3.4	2.2	1.9	1.9
Other or nonresponse .....	1.3	1.2	1.5	1.1	1.4
<b>Women</b>					
Total number reporting (in thousands) .....	63.7	14.1	17.4	19.5	12.7
Total percent .....	100.0	100.0	100.0	100.0	100.0
Self-employed .....	4.4	2.3	5.2	3.5	6.9
Incorporated business .....	.8	.6	1.6	.2	.6
Not incorporated .....	3.6	1.8	3.3	3.3	6.2
Private company .....	73.0	72.6	74.5	74.4	69.3
Government .....	12.9	13.4	13.0	14.8	9.6
Federal .....	1.1	2.0	.9	.9	.6
State .....	3.9	3.2	3.8	5.3	2.6
Local .....	7.9	8.1	8.2	8.6	6.4
Armed Forces .....	0	0	0	0	0
Nonprofit, charitable, tax-exempt organization .....	7.6	10.0	5.4	5.4	11.3
Other or nonresponse .....	2.0	1.7	1.9	1.9	2.9

<sup>1</sup>These beneficiaries were first entitled to benefits in July 1980–June 1981 and were awarded benefits by March 1982. Data are from the New Beneficiary

Survey, conducted in October–December 1982.

men. A larger percentage of older than younger disabled men were self-employed (table 3), but proportionately even more retired men were self-employed than was true of older disabled men. A lower percentage of older than younger disabled men had been employed by government, while retired men were much more likely to be government employees.

## Occupation

Disabling health conditions can affect workers in all occupations. As can be seen in table 4, disabled workers had held all types of occupations on their longest-held job. For example, about 10 percent of the men and 13 percent of the women had executive, administrative, managerial, professional, or technical occupations. About 7–8 percent had been in sales. Although 48 percent of the disabled women had been in service occupations, only 13 percent of the disabled men had been.

Table 4 shows that, regardless of age, both disabled men and women usually were less likely than retired workers at age 62 to have been in such white collar oc-

cupations as executive, professional, sales, and administrative support on their longest job (Iams, 1985, table D). They were more likely to have been in farming, craft, and machine operator occupations. Disabled men also were more likely to have been in other operator and handler-laborer occupations. Younger disabled men were less likely than older disabled men to report executive, managerial, professional, and technical occupations (table 4). Consequently, among men, occupational differences were greater between retired workers and the younger disabled than the older disabled. Because disabled women under age 45 were less likely to be in operator and service occupations and more likely to be in administrative support positions, their occupations were more similar to those of retired-worker women aged 62.

## Industry

Table 5 shows that disabled men had worked in much the same industries regardless of age at benefit receipt, and they did not differ much from retired-worker men aged

**Table 4.—Occupation in longest job: Percentage distribution of new disabled-worker beneficiaries, by age at entitlement and sex<sup>1</sup>**

Occupation	Total	Under age 45	Age 45–54	Age 55–59	Age 60–64
Total number reporting (in thousands) .....	154.2	35.1	39.0	45.2	34.9
Total percent .....	100.0	100.0	100.0	100.0	100.0
Executive, administrative, and managerial .....	6.5	4.6	6.1	7.3	7.9
Professional specialty .....	2.7	2.2	2.3	3.3	2.9
Technicians and related support .....	1.1	1.3	.9	.9	1.3
Sales .....	6.6	4.9	5.7	7.6	8.1
Administrative support, including clerical .....	4.7	5.2	4.8	4.5	4.2
Private household .....	0	0	0	0	.1
Protective service .....	1.7	2.1	1.3	1.3	2.1
Service (except private household and protective service) .....	6.5	9.1	6.6	4.8	6.0
Farming, forestry, and fishing .....	6.3	4.9	6.1	6.5	7.5
Precision production, craft, and repair .....	26.9	21.7	28.0	28.0	29.4
Machine operators, assemblers, and inspectors .....	13.8	17.2	13.1	12.8	12.3
Transportation and material moving .....	12.4	10.8	15.3	12.9	10.1
Handlers, equipment cleaners, helpers, and laborers .....	7.9	11.0	6.6	7.6	6.5
Armed Forces .....	2.6	4.3	3.0	2.1	1.1
Not reported .....	.4	.6	.2	.2	.4
Women					
Total number reporting (in thousands) .....	63.7	14.1	17.4	19.5	12.7
Total percent .....	100.0	100.0	100.0	100.0	100.0
Executive, administrative, and managerial .....	3.3	2.0	3.1	3.6	4.5
Professional specialty .....	7.3	10.8	7.1	5.9	6.1
Technicians and related support .....	2.4	2.3	1.6	2.1	4.2
Sales .....	8.3	5.8	8.7	9.0	9.4
Administrative support, including clerical .....	21.4	31.5	19.2	19.8	15.7
Private household .....	3.3	.9	2.9	4.2	5.0
Protective service .....	.5	.9	.2	.4	.6
Service (except private household and protective service) .....	22.6	18.9	23.6	23.1	24.2
Farming, forestry, and fishing .....	1.9	1.8	.9	2.6	2.3
Precision production, craft, and repair .....	3.4	2.9	4.3	2.8	3.9
Machine operators, assemblers, and inspectors .....	20.7	18.0	22.7	20.5	21.4
Transportation and material moving .....	.6	0	1.4	.4	.3
Handlers, equipment cleaners, helpers, and laborers .....	4.0	4.2	4.1	5.2	2.1
Armed Forces .....	0	0	0	0	0
Not reported .....	.3	0	.2	.4	.3

<sup>1</sup>These beneficiaries were first entitled to benefits in July 1980–June 1981 and were awarded benefits by March 1982. Data are from the New Beneficiary Survey,

conducted in October–December 1982.

**Table 5.—Industry of longest job: Percentage distribution of new disabled-worker beneficiaries, by age at entitlement and sex<sup>1</sup>**

Industry	Total	Under age 45	Age 45-54	Age 55-59	Age 60-64
Total number reporting (in thousands) .....	154.2	35.1	39.0	45.2	34.9
Total percent .....	100.0	100.0	100.0	100.0	100.0
Men					
Agriculture, forestry, and fisheries .....	5.6	4.4	5.6	5.6	6.6
Mining .....	1.8	1.6	1.9	1.7	2.1
Construction .....	13.6	12.8	14.4	13.3	14.1
Manufacturing .....	33.2	30.1	33.0	36.4	32.3
Durable goods .....	22.0	20.0	22.0	24.0	21.6
Nondurable goods .....	11.2	10.1	11.0	12.4	10.8
Transportation, communication, and other public utilities .....	9.7	8.6	11.2	10.0	8.4
Wholesale trade .....	6.0	4.4	6.5	6.1	7.1
Durable goods .....	2.7	2.4	2.1	2.9	3.6
Nondurable goods .....	3.3	2.0	4.4	3.2	3.6
Retail trade .....	11.6	12.9	10.9	10.5	12.4
Finance, insurance, and real estate .....	1.8	1.8	1.6	1.8	1.9
Business and repair services .....	3.1	4.5	2.0	3.1	2.9
Personal services .....	1.6	1.7	1.1	1.8	1.8
Entertainment and recreation services .....	.6	1.0	.8	.4	.4
Professional and related services .....	5.2	7.1	4.6	4.5	4.7
Public administration .....	3.1	4.0	3.0	2.4	3.1
Armed Forces .....	2.9	4.4	3.1	2.4	1.7
Women					
Total number reporting (in thousands) .....	63.7	14.1	17.4	19.5	12.7
Total percent .....	100.0	100.0	100.0	100.0	100.0
Agriculture, forestry, and fisheries .....	1.9	1.8	1.4	2.6	1.6
Mining .....	.1	0	0	.4	0
Construction .....	.6	.6	.7	.6	.3
Manufacturing .....	29.8	28.5	32.3	27.5	31.4
Durable goods .....	12.3	13.4	12.9	11.5	11.3
Nondurable goods .....	17.5	15.1	19.3	16.0	20.1
Transportation, communication, and other public utilities .....	3.0	3.9	2.4	3.3	2.6
Wholesale trade .....	2.1	2.7	1.5	2.3	2.0
Durable goods .....	.8	.6	.7	.8	1.0
Nondurable goods .....	1.3	2.1	.8	1.5	1.0
Retail trade .....	16.8	13.5	17.5	18.2	17.4
Finance, insurance, and real estate .....	3.9	5.2	3.8	2.9	3.9
Business and repair services .....	2.2	3.2	1.9	2.1	1.6
Personal services .....	9.6	6.1	10.7	11.4	9.2
Entertainment and recreation services .....	1.0	1.7	.9	.2	1.6
Professional and related services .....	25.7	29.1	24.5	24.2	25.9
Public administration .....	3.1	3.8	2.3	3.8	2.2
Armed Forces .....	0	0	0	0	0

<sup>1</sup>These beneficiaries were first entitled to benefits in July 1980-June 1981 and were awarded benefits by March 1982. Data are from the New Beneficiary

Survey, conducted in October-December 1982.

62 (Iams, 1985, table E). Disabled women under age 45 were more likely than those aged 45 or older to have been in retail trades and in professional and related services. A slightly higher percentage of older disabled women than retired women aged 62 had been in manufacturing.

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