# Explaining racial disparities in access to employment benefits

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## Abstract

This research examines disparities in access to pension and health insurance plans between white, blacks, Latino and Asian workers in the American labour force. Using data from the 2006 March Supplement of the Current Population Survey, the analysis reveals that Latino workers are the most disadvantaged and white workers are the most advantaged. The entire gap in likelihood of receiving benefits between whites and Asians, and a substantial portion of the gap between whites and blacks, can be accounted for by socio-demographic and employment-related variables, but only a small portion of the gap between whites and Latinos can be attributed to such variables. The findings suggest that reliance on earnings for estimation of inequality underestimates the economic gap between racial groups. Explanations for disparities in access to employment benefits are offered and the relevance of the findings to other societies is discussed.

## Introduction

The literature on labour market inequality has repeatedly demonstrated that members of ethnic and racial minorities (e.g. blacks and Latinos in the US) are disadvantaged in attainment of economic outcomes and rewards. Specifically, studies of labour market inequality have arrived at a two-fold conclusion: first, members of racial minorities are disproportionately concentrated in low-status and low-paying occupations and in marginal industries. Second, the earnings of workers belonging to racial minorities are lower than the earnings of workers belonging to the majority population even after controlling for differences in human-capital resources and occupational distributions

of the populations (e.g. Grodsky and Pager 2001; Huffman and Cohen 2004; Semyonov and Lewin-Epstein 2009).

To date the overwhelming majority of studies on labour market inequalities have utilized occupational status and earnings as indicators of economic outcomes. Only a few studies have systematically examined inequality in attainment of economic outcomes in the form of employment benefits such as pension and health insurance (e.g. Trevino et al. 1991; Hersch and White-Means 1993; Hogan, Kim and Perruci 1997; Cubbins 1998; Monheit and Primoff Vistness 2000; Keene and Prokos 2007). These studies reveal some significant and meaningful ethnic and racial differences in access to employer-provided benefits.

The relative neglect of employment benefits in the sizable literature on labour market inequality is unfortunate for several reasons. First, despite a considerable rise in access to employment benefits throughout the last century, a substantial number of Americans are still engaged in employment without access to either health insurance or pension funds. According to Kalleberg, Reskin and Hudson (2000), about one-quarter of the economically active American labour force in 1995 lacked either health insurance or a retirement plan. Second, although there are no exact figures on the amount of money involved in workers' benefits, the monetary value associated with such benefits is substantial. Third, similar to earnings, access to employment benefits is systematically associated with employees' socioeconomic and demographic characteristics as well as with characteristics of their context of employment (e.g. Hersch and White-Means 1993; Hogan, Kim and Perruci 1997; Cubbins 1998; Kalleberg, Reskin and Hudson 2000). Fourth, and perhaps most important for policy-makers as well as for social scientists, access to benefits has far-reaching consequences for quality of life and economic well-being not only during the working years but long after retirement.

In the present paper we contribute to the study of labour market inequality through a systematic examination of racial disparities in access to employment benefits in the US by comparing white employees with black, Latino and Asian employees. We evaluate the sources of the disparities by estimating the relative impact of workers' socio-demographic and human-capital characteristics, immigration status, earnings, occupational distributions and context of employment on attainment of health insurance and pensions. By so doing we explain the extent to which white–non-white inequality in access to employment benefits is influenced by the following factors: workers' socio-demographic characteristics; immigration status; the type of occupations in which they are employed; the context of employment; and earnings. Although racial inequalities in access to employment benefits are examined here in the context of American society, they

underscore the importance of benefits for a better understanding of inequality in other societies as well.

## Employment benefits: theoretical considerations

*Previous studies*

Researchers have traditionally used two paradigmatic arguments to explain inequality in attainment of labour market outcomes. The first argument is cast within the framework of human-capital and status-attainment paradigms. According to this approach, attainment of economic rewards is largely dependent on human-capital resources of workers (e.g. Neal and Johnson 1996; Raudenbush and Kasim 1998). Subsequently, workers belonging to ethnic or racial minorities are less successful in attainment of labour market outcomes primarily because they lack necessary human-capital resources.

The second argument is derived from the institutional perspective and contends that workers' economic outcomes are determined not only by their human-capital resources but also by characteristics of their labour markets (Grodsky and Pager 2001; Huffman and Cohen 2004; Semyonov and Lewin-Epstein 2009). According to this approach, workers employed in high-status, high-paying occupations are more likely to receive higher earnings than workers employed in low-status occupations. Following the logic embodied in this approach, earnings of workers belonging to racial minorities are lower than earnings of workers belonging to the dominant population because they are over-concentrated in low-paying jobs.

As noted, the overwhelming majority of studies on labour market inequality have focused on earnings as an indicator of labour market outcomes. The rather small body of literature that has examined inequality in access to employment benefits has focused on two types of benefits: health insurance and pensions. This literature suggests that, similar to earnings, access to employment benefits is influenced by both workers' human-capital attributes and characteristics of their labour markets. Kalleberg, Reskin and Hudson (2000) representing the institutional perspective advance the argument that access to benefits is determined first and foremost by work arrangements. By distinguishing between 'good jobs' and 'bad jobs', Kalleberg, Reskin and Hudson (2000) argue that the latter type of jobs is characterized by non-standard work arrangements (i.e. on call work, day labour, temporary and part-time employment). Jobs characterized by non-standard work arrangement offer low earnings, and typically lack health insurance and pension benefits.

Notwithstanding the importance of work arrangements, researchers have demonstrated that access to employer-sponsored benefits is also

dependent on the sphere of employment and workers' characteristics (e.g. Secombe 1993; Seccombe, Clarke and Coward 1994). Specifically, employment in a regulated labour market such as the public sector or in large organizations is conducive to attainment of both work security and employment benefits. The public sector, for example, has long been viewed as a prototype of a regulated employment sphere that is more responsive to legal demands, and consequently is more likely to offer workers greater protection, greater security and abundant employment benefits (e.g. Grodsky and Pager 2001; Semyonov and Lewin-Epstein 2009). Likewise, studies demonstrate that workers with higher education, higher earnings and those employed in high-status occupations are more likely to attain and enjoy benefits in the form of pension compensation and health insurance (e.g. Cubbins 1998; Latimer 2003).

### Ethnic and racial inequality

Whereas research is consistent in the conclusion that benefits coverage among minority workers is lower than among majority group workers (e.g. Trevino et al. 1991; Hersch and White-Means 1993; Hogan, Kim and Perruci 1997; Cubbins 1998; Kalleberg, Reskin and Hudson 2000; Monheit and Primoff Vistness 2000; Keene and Prokos 2007), there is less agreement on the sources for the ethnic or racial disparities in access to benefits. For example, Kalleberg, Reskin and Hudson (2000) demonstrate that most of the racial differences in 'bad jobs employment' disappear or considerably decline once socio-demographic characteristics of workers and work arrangements are controlled for. By way of contrast, Hersch and White-Means (1993) found that only half of the ethnic gaps in total compensation (including also health insurance and pension programmes) could be explained by differences in workers' observable socio-demographic and employment characteristics. Monehit and Primoff Vistnes (2000), suggest that most of the differences in health insurance coverage can be attributed to workers' characteristics such as union membership, marital status and family earnings. Cubbins (1998), however, argues that workers' resources and market location do not account for the entire white and non-white gap in receipt of employer-based health insurance.

The ethnic differences in health insurance coverage, according to Keene and Prokos (2007) can also result from lower rates of 'benefits offered' by employers to minorities (especially to Latinos) and lower rates of 'take-up' by minority workers. With regard to pension plans, Hogan, Kim and Perruci (1997) suggest that the ethnic-linked income gaps after retirement may result from the fact that African-Americans and Latinos (many of whom are immigrants) more frequently work 'off the books' than whites. Ginn and Arber (2001), who studied ethnic

differences in private pension coverage in the British society, propose that disadvantage and discrimination in the labour market (as reflected by occupational positions and earnings) as well as cultural differences in full time employment lead to disparities in private pension funds between whites and non-whites (many of whom are also immigrants).

Although the literature on ethnic or racial disparities in access to employment benefits is relatively small, it points towards several important factors that could be responsible for such disparities. They include: socio-demographic attributes and human-capital resources; immigration status; earnings and occupations; work arrangements; and context of employment. Thus, in the analysis that follows we address this issue in context of the American work force. We examine the extent to which differential access to pensions and health insurance between whites and blacks, Latinos and Asians can be attributed to each one of these factors. The findings and their implications are also discussed within a comparative general framework and beyond the specific context of American society.

## Data and variables

Data for the present analysis were obtained from the March Supplement of the 2006 Current Population Survey. The analysis was restricted to the economically active labour force (excluding self-employed and employers) between the ages of twenty-five and sixty-four. The exclusion of employers and self-employed from the analysis is motivated by the fact that these populations have much more control than employees over the choice of employment benefits. The age restriction prevents selection bias of elderly populations that may qualify for Medicare programmes and the exclusion of young populations from benefits due to non-discrimination clause that allows employers not to offer workers under the age of twenty-five health benefits programmes. This procedure resulted in a sample of 74,481 men and 40,496 women.

The dependent variables utilized here pertain to the two central components of employment benefits: access to pension plans and access to health insurance. The first variable distinguishes between those who are offered (by their employer or union) a pension plan ($=1$) and workers who are not ($=0$). The second variable distinguishes between workers who are offered (by their employer) health insurance ($=1$) and those who are not ($=0$). A third measure differentiates workers that enjoy access to both benefits, workers that receive one benefit, or receive no benefits.

Our major focus is on the differential access to benefits of four major groups: whites; blacks; Latinos; and Asians. These groups are most often identified in both policy discussions and in academic

studies as the four major 'racial' subpopulations. We are aware that there are variations within these broad categories. Although, these groups are largely racial in character, the status of Latinos as a racial category is more ambiguous. However, each of these groups shares certain physical, cultural and historical attributes that separate them from each other.[1]

A series of socio-demographic and employment-related characteristics were selected to predict access to benefits. The *socio-demographic characteristics* include: gender; age (in years); marital status (married = 1); presence of children in the household (having children under eighteen = 1); education (four ordinal categories); immigrant status (born in the United States = 1); and years since migration (for immigrants). Three variables were selected to capture one's *work arrangements and context of employment*. They include: employment arrangements (dummy variables distinguishing between part-time employed, work hours vary and full time employed); sector of employment (public sector = 1); and employment status (unemployed = 1). *Occupations* were introduced to the analysis as a series of dummy variables according to the one-digit occupational classification. *Workers' earnings* were equated with annual earnings from employment (transformed into natural logarithm). The definitions and mean values of the variables are displayed in Appendix Table A.

## Analysis and findings

### Descriptive overview

The distributions of employment benefits in the American labour force across four major racial groups by gender are presented in Table 1. The data reveal that more than half of the American employees (55 per cent among men and 51 per cent among women) have a pension plan and almost 80 per cent (78 per cent of men and 79 per cent of women) have access to health insurance coverage. While approximately half of employed men and women have both benefits, about one-fifth of American employees (19 per cent of the men and 17 per cent of the women) have neither a pension plan nor health insurance.

The descriptive data reveal substantial differences in access to benefits across racial groups. Specifically, the percentage of employees having a pension plan is highest among whites (62 per cent and 55 per cent for men and women respectively) and lowest among Latinos (31 per cent and 35 per cent for men and women respectively). Asian and black employees fall in-between. Health insurance coverage is highest among white men (73 per cent) and black women (60 per cent) and lowest among Latinos (47 per cent and 46 per cent for men and women respectively).[2]

**Table 1.** *Distribution of the variables used in the analysis (mean, per cent) by ethnicity and gender*

| | Men | | | | | Women | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| | Total | Black | White | Latino | Asian | Total | Black | White | Latino | Asian |
| **Benefits (proportion)** | | | | | | | | | | |
| Pension | 0.55 | 0.50 | 0.62 | 0.31 | 0.51 | 0.51 | 0.49 | 0.55 | 0.35 | 0.51 |
| Health insurance | 0.78 | 0.74 | 0.84 | 0.55 | 0.81 | 0.79 | 0.72 | 0.83 | 0.64 | 0.79 |
| Both pension and insurance | 0.51 | 0.46 | 0.58 | 0.26 | 0.47 | 0.48 | 0.43 | 0.52 | 0.32 | 0.46 |
| Neither | 0.19 | 0.21 | 0.13 | 0.41 | 0.16 | 0.17 | 0.22 | 0.13 | 0.33 | 0.17 |
| **Socio-demographic characteristics** | | | | | | | | | | |
| Age | 42.02 | 42.25 | 42.82 | 38.82 | 41.41 | 42.45 | 42.30 | 43.00 | 40.00 | 41.94 |
| Married | 0.71 | 0.55 | 0.74 | 0.69 | 0.71 | 0.63 | 0.38 | 0.68 | 0.58 | 0.69 |
| Children (y/n) | 0.56 | 0.46 | 0.56 | 0.62 | 0.51 | 0.56 | 0.53 | 0.56 | 0.65 | 0.50 |
| Foreign born | 0.20 | 0.13 | 0.05 | 0.67 | 0.78 | 0.15 | 0.10 | 0.04 | 0.55 | 0.75 |
| Years since migration (for foreign born) | 17.77 | 16.87 | 22.72 | 16.42 | 17.79 | 19.89 | 18.40 | 23.87 | 19.13 | 18.58 |
| **Education** | | | | | | | | | | |
| Less than high school | 11.8% | 10.5% | 5.5% | 38.9% | 7.6% | 7.6% | 9.2% | 3.4% | 28.0% | 8.3% |
| High school graduate | 31.1% | 38.0% | 31.0% | 30.4% | 20.8% | 28.4% | 32.7% | 28.1% | 29.4% | 19.1% |
| Post high school not academic | 25.9% | 28.8% | 27.9% | 18.3% | 18.2% | 31.0% | 32.6% | 32.6% | 24.8% | 20.1% |
| Academic | 31.2% | 22.6% | 35.5% | 12.4% | 53.4% | 33.0% | 25.5% | 35.9% | 17.8% | 52.6% |
| **Context of employment (%)** | | | | | | | | | | |
| Public sector | 15 | 20 | 16 | 09 | 13 | 21 | 26 | 22 | 16 | 17 |
| **Work hours** | | | | | | | | | | |
| Full-time | 86.1% | 84.7% | 86.0% | 87.3% | 87.2% | 74.1% | 79.5% | 72.2% | 77.0% | 80.2% |
| Part-time | 3.3% | 4.5% | 3.2% | 2.9% | 4.2% | 16.7% | 9.9% | 18.8% | 12.9% | 13.0% |
| Work hours vary | 7.1% | 5.9% | 7.5% | 6.4% | 6.0% | 6.3% | 5.8% | 6.6% | 6.1% | 5.0% |

**Table 1** (*Continued*)

| | Men | | | | | Women | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| | Total | Black | White | Latino | Asian | Total | Black | White | Latino | Asian |
| Unemployed | 0.03 | 0.05 | 0.03 | 0.03 | 0.03 | 0.03 | 0.05 | 0.02 | 0.04 | 0.02 |
| Earnings | 51.32 | 38.72 | 56.82 | 33.90 | 57.15 | 32.54 | 30.10 | 33.85 | 25.16 | 37.95 |
| | | | | | | | | | | |
| Occupational distribution (%) | | | | | | | | | | |
|   Management business and financial | 15 | 09 | 18 | 07 | 15 | 14 | 12 | 15 | 09 | 14 |
|   Professional and related | 18 | 15 | 20 | 07 | 33 | 28 | 23 | 31 | 16 | 32 |
|   Service | 12 | 19 | 09 | 19 | 16 | 18 | 24 | 14 | 29 | 20 |
|   Sales | 09 | 06 | 11 | 06 | 07 | 09 | 08 | 10 | 09 | 09 |
|   Office and administrative support | 06 | 10 | 06 | 06 | 07 | 23 | 23 | 24 | 20 | 16 |
|   Farming fishing and forestry | 01 | 06 | 07 | 03 | 01 | 00 | 02 | 00 | 01 | 00 |
|   Construction and extraction | 11 | 08 | 10 | 21 | 04 | 00 | 00 | 00 | 01 | 00 |
|   Installation maintenance and repair | 07 | 05 | 0.08 | 06 | 04 | 00 | 00 | 00 | 00 | 00 |
|   Production | 10 | 12 | 0.09 | 13 | 09 | 05 | 06 | 04 | 11 | 07 |
|   Transportation and material moving | 10 | 16 | 0.09 | 11 | 04 | 02 | 03 | 02 | 04 | 01 |
| No. of cases | 36,887 | 3,239 | 25,600 | 6,321 | 1,727 | 35,163 | 4,389 | 24,421 | 4,658 | 1,695 |

When access to benefits is measured as a count measure, a hierarchy in access to benefits becomes quite apparent. Irrespective of gender, white employees are at the top of the benefits hierarchy. They are most likely to have both pension and health insurance (52 per cent and 40 per cent for men and women respectively) and least likely not to have access to any benefit. They are followed by blacks and Asians. Latino workers are at the bottom of the benefits hierarchy. They are least likely to receive both benefits (only one-quarter of Latino workers has both benefits) and more likely than any other group to be offered no benefits.[3]

The findings reported in Table 1 reveal that the groups do not differ only with respect to employment benefits but also by their socio-demographic characteristics, occupational distributions, earnings and work arrangements. For example, Asian and Latino workers are more likely than others to be immigrants (some immigrants, especially among Latinos, could be undocumented, a status that may hinder their ability to negotiate and receive employment benefits). Asians and whites are more likely to have obtained academic education than blacks and Latinos. Blacks are more likely than any other group to be employed in the public sector. By contrast, Latinos, are least likely to be public-sector employees. Asians are more likely than any group to be employed as professionals, while Latinos are least likely to have professional jobs. However, Latinos are over-represented in service, production and construction employment. Asians have the highest average earnings, while Latinos have the lowest earnings average. Therefore, it is not clear from the descriptive data whether and to what extent differential access to benefits is a result of different socio-demographic attributes, immigrant status, different occupations and earnings, or differences in work arrangements. Hence, in the analyses that follow we estimate a series of multivariate regression models estimating net effect of race on odds of obtaining benefits.

### Access to pensions

The data in Table 2 display logistic regression equations predicting odds of obtaining a pension plan for men and women. In equation 1 we estimate gross differential odds of ethnic groups (compared to whites) to obtain a pension. In equation 2 we add a block of socio-demographic characteristics, and in equation 3 we also include occupational categories among the predictors of pensions. In equation 4 we add earnings to the independent variables, and in equation 5 we introduce a block of variables representing context of employment and work arrangements. In equation 6 we introduce years since migration for the immigrant population and interaction terms between race and immigrant status to examine the extent to which being an immigrant

**Table 2.** *Logistic regression coefficients (SE) predicting logged odds of having pension plan by gender*

| | Men | | | | | | Women | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | 1 | 2 | 3 | 4 | 5 | 6 | 1 | 2 | 3 | 4 | 5 | 6 |
| **Race (white omitted)** | | | | | | | | | | | | |
| Black | −0.46* | −0.18* | −0.19* | −0.12* | −0.18* | −0.23* | −0.25* | −0.01 | 0.02 | −0.01 | −0.15* | −0.18* |
| | (0.04) | (0.04) | (0.04) | (0.04) | (0.04) | (0.04) | (0.03) | (0.04) | (0.04) | (0.04) | (0.04) | (0.04) |
| Latino | −1.29* | −0.47* | −0.44* | −0.39* | −0.45* | −0.40* | −0.81* | −0.15 | −0.13* | −0.13 | −0.26* | −0.18* |
| | (0.03) | (0.04) | (0.04) | (0.04) | (0.04) | (0.05) | (0.03) | (0.04) | (0.04) | (0.04) | (0.04) | (0.05) |
| Asian | −0.43* | −0.07 | −0.12* | −0.12* | −0.12 | 0.02 | −0.17* | 0.09 | 0.10 | 0.03 | −0.02 | 0.00 |
| | (0.05) | (0.06) | (0.06) | (0.06) | (0.06) | (0.12) | (0.05) | (0.06) | (0.06) | (0.06) | (0.07) | (0.11) |
| Age | | 0.03* | 0.03* | 0.02* | 0.02* | 0.02* | | 0.02* | 0.02* | 0.02* | 0.02* | 0.02* |
| | | (0.00) | (0.00) | (0.00) | (0.00) | (0.00) | | (0.00) | (0.00) | (0.00) | (0.00) | (0.00) |
| Married | | 0.48* | 0.47* | 0.38* | 0.33* | 0.34* | | 0.24* | 0.18* | 0.22* | 0.24* | 0.25* |
| | | (0.03) | (0.03) | (0.03) | (0.03) | (0.03) | | (0.02) | (0.02) | (0.03) | (0.03) | (0.03) |
| Children | | 0.16* | 0.16* | 0.10* | 0.10* | 0.09* | | −0.09* | −0.08* | −0.04 | −0.01 | −0.01 |
| | | (0.03) | (0.03) | (0.03) | (0.03) | (0.03) | | (0.02) | (0.03) | (0.03) | (0.03) | (0.03) |
| Foreign born | | −0.59* | −0.58* | −0.57* | −0.49* | −0.86* | | −0.47* | −0.37* | −0.39* | −0.33* | −0.60* |
| | | (0.04) | (0.04) | (0.04) | (0.04) | (0.08) | | (0.04) | (0.04) | (0.04) | (0.04) | (0.10) |
| **Education (high school omitted)** | | | | | | | | | | | | |
| Educ_1 | | −0.80* | −0.74* | −0.66* | −0.61* | −0.60* | | −0.89* | −0.71* | −0.58* | −0.55* | −0.53* |
| | | (0.04) | (0.04) | (0.04) | (0.05) | (0.05) | | (0.05) | (0.06) | (0.06) | (0.06) | (0.06) |
| Educ_3 | | 0.36* | 0.29* | 0.24* | 0.20* | 0.20* | | 0.36* | 0.20* | 0.12* | 0.16* | 0.16* |
| | | (0.03) | (0.03) | (0.03) | (0.03) | (0.03) | | (0.03) | (0.03) | (0.03) | (0.03) | (0.03) |
| Educ_4 | | 0.83* | 0.61* | 0.38* | 0.31* | 0.32* | | 0.95* | 0.59* | 0.24* | 0.24* | 0.25* |
| | | (0.03) | (0.03) | (0.04) | (0.04) | (0.04) | | (0.03) | (0.03) | (0.03) | (0.04) | (0.04) |

**Table 2** (*Continued*)

| | Men | | | | | | Women | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | 1 | 2 | 3 | 4 | 5 | 6 | 1 | 2 | 3 | 4 | 5 | 6 |
| Occupation (transportation omitted) | | | | | | | | | | | | |
| Management business and financial | | | 0.41* (0.05) | 0.15* (0.05) | 0.11* (0.05) | 0.11* (0.05) | | | 0.71* (0.09) | 0.16 (0.09) | 0.18 (0.09) | 0.16 (0.09) |
| Professional and related | | | 0.51* (0.05) | 0.39* (0.05) | 0.21* (0.05) | 0.21* (0.05) | | | 0.57* (0.08) | 0.31* (0.09) | 0.17 (0.09) | 0.15 (0.09) |
| Service | | | 0.01 (0.05) | 0.06 ((0.05) | −0.29* (0.05) | −0.28* (0.05) | | | −0.53* (0.08) | −0.47* (0.09) | −0.45* (0/09) | −0.46* (0.09) |
| Sales | | | −0.02 (0.05) | −0.13* (0.05) | −0.06 (0.05) | −0.06 (0.05) | | | −0.24* (0.09) | −0.42* (0.09) | −0.25* (0.09) | −0.27* (0.09) |
| Office and administrative support | | | 0.41* (0.06) | 0.44* (0.06) | 0.30* (0.06) | 0.29* (0.06) | | | 0.41* (0.08) | 0.27* (0.08) | 0.24* (0.09) | 0.22* (0.09) |
| Farming fishing and forestry | | | −0.90* (0.14) | −0.77* (0.14) | −0.74* (0.14) | −0.74* (0.14) | | | −0.97* (0.26) | −0.90* (0.27) | −0.84* (0.28) | −0.82* (0.28) |
| Construction and extraction | | | −0.19* (0.05) | −0.22* (0.05) | −0.27* (0.05) | −0.25* (0.05) | | | 0.08 (0.22) | −0.17 (0.22) | −0.10 (0.23) | −0.09 0.23 |
| Installation maintenance and repair | | | 0.26* (0.05) | 0.21* (0.05) | 0.15* (0.05) | 0.14* (0.05) | | | 0.70* (0.21) | 0.23 (0.22) | 0.23 (0.22) | 0.21 (0.22) |
| Production | | | 0.47* (0.05) | 0.45* (0.05) | 0.45* (0.05) | 0.46* (0.05) | | | 0.26* (0.09) | 0.15 (0.10) | 0.24* (0.10) | 0.24* (0.10) |
| Earnings | | | | 0.01* (0.00) | 0.01* (0.00) | 0.01* (0.00) | | | | 0.03* (0.00) | 0.03* (0.00) | 0.02* (0.00) |

**Table 2** (*Continued*)

| | Men | | | | | | Women | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | 1 | 2 | 3 | 4 | 5 | 6 | 1 | 2 | 3 | 4 | 5 | 6 |
| Work hours (full-time omitted) | | | | | | | | | | | | |
| Part-time | | | | | −1.20* | −1.20* | | | | | −0.85* | −0.85* |
| | | | | | (0.07) | (0.07) | | | | | (0.04) | (0.04) |
| Work hours vary | | | | | −0.27* | −0.27* | | | | | −0.69* | −0.69* |
| | | | | | (0.05) | (0.05) | | | | | (0.05) | (0.05) |
| Unemployed | | | | | −0.69* | −0.70* | | | | | −1.02* | −1.02* |
| | | | | | (0.07) | (0.07) | | | | | (0.08) | (0.08) |
| Public sector | | | | | 1.32* | 1.31* | | | | | 1.04* | 1.04* |
| | | | | | (0.04) | (0.04) | | | | | (0.03) | (0.03) |
| Years since migration | | | | | | 0.02* | | | | | | 0.01* |
| | | | | | | (0.00) | | | | | | (0.00) |
| Black * foreign born | | | | | | 0.43* | | | | | | 0.39* |
| | | | | | | (0.13) | | | | | | (0.14) |
| Latino* foreign born | | | | | | −0.03 | | | | | | −0.17 |
| | | | | | | (0.09) | | | | | | (0.10) |
| Asian * foreign born | | | | | | −0.12 | | | | | | −0.01 |
| | | | | | | (0.15) | | | | | | (0.15) |
| Constant | 0.47* | −1.36* | −1.47 | −1.60* | −1.41* | −1.34* | 0.20* | −1.33* | −1.39* | −1.82* | −1.63* | −1.58* |
| | (0.01) | (0.06) | (0.07) | (0.07) | (0.07) | (0.07) | (0.01) | (0.06) | (0.10) | (0.10) | (0.11) | (0.12) |
| Pseudo $R^2$ | 0.05 | 0.13 | 0.15 | 0.17 | 0.21 | 0.21 | 0.02 | 0.09 | 0.12 | 0.18 | 0.22 | 0.22 |

* $p < 0.05$

differentially affects access to pensions across groups. By estimating changes in the net effects of race across equations we are in a position to evaluate the extent to which the different factors account for racial disparities in access to pensions.

The findings presented in Table 2 reveal a similar impact of race on the odds of having a pension regardless of gender. Column 1 for men shows substantial racial disparities in odds of obtaining pensions. Blacks, Latinos and Asians, whether men or women, have lower odds than whites of having a pension. The relative odds are extremely low for Latinos ($b = -1.29$ for men and $b = -0.81$ for women) but quite low for both black and Asian workers ($b = -0.46$ and $b = -0.43$ for blacks and Asian men respectively, and $b = -0.25$ and $b = -0.17$ for black and Asian women respectively).

For the most part, the effects of the control variables included in the equations are in line with expectations. More specifically, enrolment in a pension plan is likely to increase with age and with education and to be higher among married persons and among persons with children (only among men) and to be lower among immigrants. Pension coverage tends to be higher among those employed in management, business, professional and administrative occupations and lower in farming occupations. Consistent with previous studies, the effect of earnings on pension coverage is positive and highly significant in all equations. Finally, access to pensions is considerably higher among the fully employed and those employed in the public sector.

The results displayed in column 2 suggest that a substantial portion of Latinos' disadvantage compared to whites in obtaining pensions can be attributed to their socio-demographic attributes such as marital status, nativity and education. Once such factors are taken into account, the relative disadvantage of Latinos was substantially reduced (to $b = -0.47$ for men and to $b = -0.15$ for women), although it remained statistically significant. The relative advantage of whites compared to either Asians or black women, however, was no longer significant once differences in socio-demographic attributes were taken into consideration.

With one exception, controlling for the occupational distribution (equation 3) does not alter much the impact of race on the odds for obtaining a pension. When considering the occupational distribution of Asian men, their relative odds of having a pension are actually lower ($b = -0.12$) compared to whites than expected on basis of their occupations. Including earnings in equation 4 does not change the impact of race on the odds of obtaining pensions, but adding context of employment in equation 5 leads to intriguing results. When taking into account working conditions and context of employment, the relative odds of blacks and Latinos for enrolment in a pension programme are actually lower than expected on the basis of their

occupations and earnings, as indicated by the increase in the negative coefficient for Latino or black origin. Apparently, other things being equal, blacks' and Latinos' odds of obtaining pensions are significantly lower than those of whites.

Immigrant status exerts a negative and significant effect on the relative odds of obtaining pensions in all equations. The findings listed in equation 6 suggest two things: first, the negative impact of being foreign-born decreases over time (positive interaction coefficient); second, the negative impact of being foreign-born is less detrimental for black immigrants than for all other immigrant groups. The positive and significant interaction terms between foreign-born and black in equation 6 (b = 0.430 for men, and b = 0.392 for women) indicate that black immigrants' relative odds of having a pension plan are 1.538 higher than those of white immigrants in the case of men, and 1.481 in the case of women.

### Access to health insurance

The data in Table 3 present regression models predicting the odds of having health insurance (the structure of Table 3 follows that of Table 2). The results yield, with very few exceptions, similar findings to those observed in Table 2. The coefficients presented in column 1 reveal that Latinos, blacks and Asians have lower rates of health insurance than whites in both gender groups. The disparity is most pronounced when Latinos are compared with whites and least pronounced when Asians are compared with whites.

The findings also reveal that the odds of having health insurance are influenced by other factors in addition to race. The odds are likely to increase with age, education and earnings, and to be higher among married persons and those having children (only for men), but lower among immigrants. Odds for obtaining health insurance are higher among those who are fully employed, among public sector employees and among those having professional, management, business, office administrative and production occupations, but lower among those employed in farming occupations.

A considerable fraction of the gap between whites and Latinos can be attributed to differences in socio-demographic attributes (the relative odds for Latinos decreased from b = −1.45, in column 1 to b = −0.54 in column 2 in the case of men, and from b = −1.05 to b = −0.33 in the case of women). Likewise, a substantial portion of the lower relative odds for blacks of having health insurance can be attributed to differences in socio-demographic characteristics between blacks and whites. The relative odds for blacks presented in column 1 decreased by more than half in column 2 (to b = −0.23, in the case of

**Table 3.** *Logistic regression coefficients (SE) predicting logged odds of having health insurance by gender*

| | Men | | | | | | Women | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | 1 | 2 | 3 | 4 | 5 | 6 | 1 | 2 | 3 | 4 | 5 | 6 |
| **Race (white omitted)** | | | | | | | | | | | | |
| Black | −0.59* | −2.23* | −0.22* | −0.10* | −0.15* | −0.20* | −0.64* | −0.20* | −0.16* | −0.20* | −0.26* | −0.28* |
| | (0.04) | (0.05) | (0.05) | (0.05) | (0.05) | (0.05) | (0.04) | (0.04) | (0.04) | (0.04) | (0.04) | (0.05) |
| Latino | −1.45* | −0.54* | −0.49* | −0.42* | −0.48* | −0.42* | −1.05* | −0.33* | −0.32* | −0.34* | −0.39* | −0.33* |
| | (0.03) | (0.04) | (0.04) | (0.05) | (0.05) | (0.06) | (0.03) | (0.05) | (0.05) | (0.05) | (0.05) | (0.06) |
| Asian | −0.21* | 0.22* | 0.17* | 0.20* | 0.22* | 0.20 | −0.27* | −0.04 | −0.03 | −0.09 | −0.12 | −0.15 |
| | (0.06) | (0.07) | (0.07) | (0.08) | (0.08) | (0.16) | (0.06) | (0.07) | (0.07) | (0.08) | (0.08) | (0.15) |
| Age | | 0.02* | 0.02* | 0.02* | 0.02* | 0.01* | | 0.02* | 0.02* | 0.02* | 0.02* | 0.02* |
| | | (0.00) | (0.00) | (0.00) | (0.00) | (0.00) | | (0.00) | (0.00) | (0.00) | (0.00) | (0.00) |
| Married | | 0.90* | 0.89* | 0.75* | 0.72* | 0.73* | | 0.92* | 0.88* | 0.94* | 0.96* | 0.96* |
| | | (0.03) | (0.03) | (0.03) | (0.03) | (0.03) | | (0.03) | (0.03) | (0.03) | (0.03) | (0.03) |
| Children | | 0.09* | 0.10* | 0.01 | 0.01 | −0.004 | | 0.00 | 0.01 | 0.08* | 0.10* | 0.10* |
| | | (0.03) | (0.03) | (0.03) | (0.03) | (0.03) | | (0.03) | (0.03) | (0.03) | (0.03) | (0.03) |
| Foreign born | | −0.66* | −0.63* | −0.58* | −0.56* | −1.00* | | −0.42* | −0.32* | −0.32* | −0.32* | −0.54* |
| | | (0.04) | (0.04) | (0.05) | (0.05) | (0.10) | | (0.05) | (0.05) | (0.05) | (0.05) | (0.11) |
| **Education (high school omitted)** | | | | | | | | | | | | |
| Educ_1 | | −0.76* | −0.67* | −0.52* | −0.50* | −0.49* | | −0.78* | −0.61* | −0.48* | −0.47* | −0.47* |
| | | (0.04) | (0.04) | (0.04) | (0.04) | (0.04) | | (0.05) | (0.05) | (0.05) | (0.05) | (0.05) |
| Educ_3 | | 0.41* | 0.30* | 0.20* | 0.19* | 0.18* | | 0.43* | 0.26* | 0.18* | 0.20* | 0.20* |
| | | (0.04) | (0.04) | (0.04) | (0.04) | (0.04) | | (0.03) | (0.04) | (0.04) | (0.04) | (0.04) |
| Educ_4 | | 0.93* | 0.58* | 0.24* | 0.22* | 0.23* | | 1.08* | 0.71* | 0.35* | 0.38* | 0.39* |
| | | (0.04) | (0.05) | (0.05) | (0.05) | (0.05) | | (0.04) | (0.04) | (0.05) | (0.05) | (0.05) |

**Table 3** (*Continued*)

| | Men | | | | | | Women | | | | | |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| | 1 | 2 | 3 | 4 | 5 | 6 | 1 | 2 | 3 | 4 | 5 | 6 |
| Occupation (transportation omitted) | | | | | | | | | | | | |
| Management business and financial | | | 0.64* | 0.22* | 0.19* | 0.19* | | | 0.98* | 0.40* | 0.40* | 0.37* |
| | | | (0.06) | (0.07) | (0.07) | (0.07) | | | (0.10) | (0.10) | (0.10) | (0.10) |
| Professional and related | | | 0.66* | 0.44* | 0.31* | 0.31* | | | 0.77* | 0.48* | 0.41* | 0.38* |
| | | | (0.06) | (0.06) | (0.07) | (0.07) | | | (0.09) | (0.09) | (0.09) | (0.10) |
| Service | | | −0.21* | −0.11* | −0.27* | −0.26* | | | −0.28* | −0.21* | −0.19* | −0.21* |
| | | | (0.05) | (0.05) | (0.06) | (0.05) | | | (0.09) | (0.09) | (0.09) | (0.09) |
| Sales | | | 0.19* | 0.06 | 0.09 | 0.08 | | | −0.03 | −0.14 | −0.07 | −0.10 |
| | | | (0.06) | (0.06) | (0.06) | (0.06) | | | (0.09) | (0.09) | (0.10) | (0.10) |
| Office and administrative support | | | 0.46* | 0.49* | 0.41* | 0.40* | | | 0.69* | 0.51* | 0.49* | 0.47* |
| | | | (0.07) | (0.07) | (0.07) | (0.07) | | | (0.09) | (0.09) | (0.09) | (0.09) |
| Farming fishing and forestry | | | −0.75* | −0.54* | −0.51* | −0.50* | | | −0.55* | −0.46* | −0.41 | −0.39 |
| | | | (0.12) | (0.12) | (0.12) | (0.12) | | | (0.21) | (0.21) | (0.22) | (0.22) |
| Construction and extraction | | | −0.38* | −0.44* | −0.46* | −0.44* | | | −0.20 | −0.49* | −0.44 | −0.44 |
| | | | (0.05) | (0.05) | (0.05) | (0.05) | | | (0.22) | (0.23) | (0.23) | (0.23) |
| Installation maintenance and repair | | | 0.37* | 0.25* | 0.19* | 0.19* | | | 1.20* | 0.70* | 0.73* | 0.70* |
| | | | (0.06) | (0.07) | (0.07) | (0.06) | | | (0.30) | (0.31) | (0.32) | (0.32) |
| Production | | | 0.58* | 0.56* | 0.52* | 0.53* | | | 0.50* | 0.40* | 0.42* | 0.42* |
| | | | (0.06) | (0.06) | (0.06) | (0.06) | | | (0.10) | (0.10) | (0.10) | (0.10) |
| Earnings | | | | 0.03* | 0.02* | 0.02* | | | | 0.04* | 0.03* | 0.03* |
| | | | | (0.00) | (0.00) | (0.00) | | | | (0.00) | (0.00) | (0.00) |

**Table 3** (*Continued*)

| | Men | | | | | | Women | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | 1 | 2 | 3 | 4 | 5 | 6 | 1 | 2 | 3 | 4 | 5 | 6 |
| Work hours (full-time omitted) | | | | | | | | | | | | |
|   Part-time | | | | | −1.09* | −1.09* | | | | | −0.45* | −0.45* |
| | | | | | (0.07) | (0.07) | | | | | (0.04) | (0.04) |
|   Work hours vary | | | | | −0.48* | −0.48* | | | | | −0.57* | −0.57* |
| | | | | | (0.05) | (0.05) | | | | | (0.06) | (0.06) |
| Unemployed | | | | | −0.81* | −0.82* | | | | | −0.94* | −0.95* |
| | | | | | (0.07) | (0.07) | | | | | (0.07) | (0.07) |
| Public sector | | | | | 0.93* | 0.92* | | | | | 0.44* | 0.44* |
| | | | | | (0.06) | (0.06) | | | | | (0.04) | (0.04) |
| Years since migration | | | | | | 0.02* | | | | | | 0.01* |
| | | | | | | (0.00) | | | | | | (0.00) |
| Black * foreign born | | | | | | 0.48* | | | | | | 0.30* |
| | | | | | | (0.16) | | | | | | (0.15) |
| Latino * foreign born | | | | | | −0.01 | | | | | | −0.12 |
| | | | | | | (0.10) | | | | | | (0.11) |
| Asian * foreign born | | | | | | 0.11 | | | | | | 0.05 |
| | | | | | | (0.19) | | | | | | (0.18) |
| Constant | 1.64* | −0.32* | −0.39* | −0.79* | −0.53* | −0.41* | 1.60* | −0.37* | −0.61* | −1.16* | −0.93* | −0.86* |
| | (0.02) | (0.07) | (0.08) | (0.08) | (0.08) | (0.08) | (0.02) | (0.08) | (0.11) | (0.11) | (0.12) | (0.12) |
| Pseudo $R^2$ | 0.06 | 0.14 | 0.16 | 0.19 | 0.21 | 0.21 | 0.03 | 0.11 | 0.13 | 0.17 | 0.18 | 0.18 |

\* $p < 0.05$

men and to b = −0.20, in the case of women) when socio-demographic attributes were included in the analysis.

The disadvantage of Asian women observed in column 1 is fully attributed to socio-demographic attributes (mostly to their immigrant status). The effect of Asian origin in equation 2 has decreased and become statistically insignificant. The positive and significant coefficient for Asian men in column 2 (b = 0.22), however, suggests that when considering variations in socio-demographic attributes, the relative odds for Asian men of having health insurance are actually higher than those of white men.

The inclusion of occupations, earnings and context of employment in equations 3, 4 and 5 hardly changes the effects of race that were observed in equation 2. Apparently, differential odds of racial groups in obtaining health insurance are rooted, first and foremost, in differences in socio-demographic attributes of the populations.

The effect of immigrant status is negative and statistically significant in all equations, suggesting that immigrants have significantly lower odds than natives of obtaining health insurance. The positive coefficient for years since migration in equation 6 implies that this disadvantage declines with the passage of time in the host country. The significant interaction terms between being black and immigrant status in equation 6 imply that the disadvantage associated with being an immigrant in obtaining health insurance is less severe among blacks than among other groups.


**Cumulative measure of benefits**

At the outset of the paper we suggested that inequality in access to employment benefits could be viewed in terms of the relative position of workers in a hierarchical system similarly to other labour market outcomes. Following this logic, we constructed a cumulative measure of benefits that an employee has (i.e. no benefits – neither health insurance nor a pension plan – one of the two benefits, both benefits). Such an ordinal scale enables us to capture a vertical dimension of labour market inequality that goes beyond attainment of earnings. Thus, in Table 4 we estimate ordered logistic regression equations predicting the odds of having benefits (on the three-point ordinal scale) for men and women respectively. In each equation we let amount of benefits be a function of the same sets of variables included in previous tables.

The results of this analysis reinforce the conclusions arrived at when we considered pension and health insurance separately. While socio-demographic attributes, occupations, context of employment and earnings cannot explain the entire gap in access to benefits between whites and Latinos and between whites and blacks, these variables account for the entire disparity between whites and Asians.

**Table 4.** *Ordered logit regression coefficients (SE) predicting logged odds of having benefits measured on a three-point ordinal scale (none, one, two)*

| | Men | | Women | |
|---|---|---|---|---|
| | 1 | 2 | 1 | 2 |
| Race (white omitted) | | | | |
|   Black | −0.19* (0.04) | −0.25* (0.04) | −0.22* (0.03) | −0.26* (0.04) |
|   Latino | −0.51* (0.04) | −0.43* (0.04) | −0.35* (0.04) | −0.26* (0.05) |
|   Asian | 0.02 (0.06) | 0.08 (0.11) | −0.08 (0.06) | −0.04* (0.11) |
|   Age | 0.02* (0.00) | 0.02* (0.00) | 0.02* (0.00) | 0.02* (0.00) |
|   Married | 0.53* (0.03) | 0.54* (0.03) | 0.58* (0.02) | 0.58* (0.02) |
|   Children | 0.07* (0.02) | 0.06* 0.02 | 0.02 (0.02) | 0.02 (0.02) |
|   Foreign born | −0.56* (0.04) | −1.00* (0.08) | −0.34* (0.04) | −0.60* (0.08) |
| Education (high school omitted) | | | | |
|   Educ_1 | −0.64* (0.04) | −0.62* (0.04) | −0.58* (0.05) | −0.57* (0.05) |
|   Educ_3 | 0.23* (0.03) | 0.21* (0.03) | 0.20* (0.03) | 0.19* (0.03) |
|   Educ_4 | 0.31* (0.03 | 0.31* (0.03) | 0.32* (0.03) | 0.32* (0.03) |
| Occupation (transportation omitted) | | | | |
|   Management business and financial | 0.14* (0.05) | 0.14* (0.05) | 0.34* (0.08) | 0.31* (0.08) |
|   Professional and related | 0.24* (0.05) | 0.24* (0.05) | 0.34* (0.08) | 0.31* (0.08) |
|   Service | −0.34* (0.05) | −0.33* (0.05) | −0.32* (0.08) | −0.34* (0.08) |
|   Sales | −0.01 (0.05) | 0.02 (0.05) | −0.12 (0.08) | −0.15 (0.08) |
|   Office and administrative support | 0.34* (0.05) | 0.33* (0.05) | 0.44* (0.08) | 0.41* (0.08) |
|   Farming fishing and forestry | −0.68* (0.11) | −0.67* (0.11) | −0.59* (0.20) | −0.57* (0.20) |
|   Construction and extraction | −0.39* (0.04) | −0.37* (0.04) | −0.26 (0.20) | −0.25 (0.20) |
|   Installation maintenance and repair | 0.20* (0.05) | 0.19* (0.05) | 0.51* (0.21) | 0.48* (0.21) |
|   Production | 0.50* (0.05) | 0.51* (0.05) | 0.40* (0.09) | 0.40* (0.09) |

**Table 4** (*Continued*)

| | Men | | Women | |
|---|---|---|---|---|
| | 1 | 2 | 1 | 2 |
| Earnings | 0.01* (0.00) | 0.01* (0.00) | 0.03* (0.00) | 0.03* (0.00) |
| Work hours (full-time omitted) | | | | |
|   Part-time | −1.32* (0.06) | −1.32* (0.06) | −0.73* (0.03) | −0.73* (0.03) |
|   Work hours vary | −0.38* (0.04) | −0.38* (0.04) | −0.70* (0.04) | −0.70* (0.04) |
| Unemployed | −0.87* (0.06) | −0.88* (0.06) | −1.13* (0.07) | −1.14* (0.07) |
| Public sector | 1.28* (0.04) | 1.28* (0.04) | 0.93* (0.03) | 0.93* (0.03) |
| Years since migration | | 0.02* (0.00) | | 0.01* (0.00) |
| Black * foreign born | | 0.50* (0.12) | | 0.39* (0.12) |
| Latino * foreign born | | −0.07 (0.08) | | −0.17* (0.09) |
| Asian * foreign born | | −0.02 (0.14) | | −0.03 (0.13) |
| Threshold 0 | −0.06 (0.06) | −0.16* (0.06) | 0.21* (0.09) | 0.14 (0.09) |
| Threshold 1 | 1.83* (0.06) | 1.73* (0.06) | 2.38* (0.10) | 2.32* (0.10) |
| Pseudo $R^2$ | 0.28 | 0.28 | 0.28 | 0.29 |

Generally speaking, the ordered logit equations reveal that having more benefits is dependent on individual and contextual factors. The relative odds of obtaining more benefits tend to increase with age and with educational level. The odds are significantly higher among married persons, among those employed in the public sector and among the fully employed and among US natives. Having children is not significantly associated with likelihood of having more benefits among women but is likely to increase benefits among men. 'More benefits is also dependent on one's earnings. In both models, earnings exert positive effect on odds of obtaining benefits. In other words, other things being equal, workers who enjoy higher earnings are likely to obtain more benefits. From this point of view, inequality measured only in terms of earnings underestimates the actual economic gaps between workers at the top of the earnings distribution and workers at the bottom of the earnings distribution.

The data demonstrate that race is strongly associated with number of benefits and that socio-demographic differences, context of employment, occupations and earnings cannot account for the entire gap in access to benefits between whites and Latinos and between whites and blacks. Even when all individual level variables are controlled, the relative odds of blacks and Latinos obtaining benefits are substantially lower than those of whites. However, Asians' odds of receiving benefits do not differ significantly from those of whites.

**Conclusions and discussion**

The present research focuses on attainment of employment benefits in the US in general and on racial disparities in attainment of such benefits in particular. On average, about half of the American workforce is enrolled in pension plans and over three-quarters of the workforce is covered by health insurance plans. However, about one-fifth of the American workforce is employed without having either health insurance or a pension plan.

Our analysis reveals considerable racial disparities in attainment of employment benefits. Net of socio-demographic characteristics, net of occupational distributions and earnings and net of context of employment, race plays a major role in affecting access to employment benefits. Specifically, workers of Latino origin are most disadvantaged in attainment of employment benefits and white workers are most advantaged in attainment of such benefits. Blacks (and to a limited extent Asians) fall in-between Latinos and whites.

Previous researchers demonstrated that attainment of employment benefits can be understood as resulting from differential access to work arrangements in 'good' and 'bad' jobs. The findings presented by our analysis reveal significant effects of socio-demographic characteristics,

context of employment, occupations and earnings, as well as of race, on access to benefits. Specifically, odds of obtaining pensions or health insurance or both are likely to increase with worker's age and education; they are likely to be higher among married persons and lower among immigrants. Access to benefits is higher among those employed in the public sector and among the fully employed. In addition, employment benefits tend to increase with earnings level. This finding underscores the cumulative nature of economic inequality and indicates, rather strongly, that benefits should be viewed as one of the economic outcomes that workers receive in a 'basket of economic rewards'. From this perspective, the magnitude of disparities based only on earnings can be viewed as an underestimation of the actual size of economic disparities in the labour market.

With a few minor exceptions, the findings for pensions and health insurance lead to similar conclusions. Latinos, whether men or women, are less likely to receive benefits than any other group even after considering their low human-capital resources, immigrant status, occupational positions, context of employment and low earnings. Blacks, although not as disadvantaged as Latinos, have lower odds than whites in obtaining benefits. Asian workers, by contrast, have odds similar to whites in access to benefits. Most of the differences in access to benefits between whites and Asians can be attributed to differences in socio-demographic attributes, especially to their recent arrival as immigrants to America.

How might we explain racial differences in access to benefit beyond and over socio-demographic attributes, earnings and occupational positions of workers? One possible explanation can be attributed to economic discrimination exercised by employers. Similar to other forms of discrimination, employers are reluctant to offer minority workers employment benefits and whenever possible deny them from equal access to such employment outcomes. A second explanation can be attributed to lack of knowledge or greater difficulty to bargain and to negotiate employment conditions. Similar to higher interest rates on car and home loans, Latinos and blacks are not effective in getting employment benefits. Latino Americans, in particular, may experience weaker bargaining power to the extent that higher proportion of workers in this group have 'undocumented' immigrant status than workers in other groups. Indeed, the results show that immigrant status decreases odds of obtaining benefits and that the detrimental impact of immigrant status on obtaining benefits is least severe among blacks. We suspect that the differences in the size of the disadvantage associated with immigrant status across groups reflect differences in rates of undocumented immigrants across groups, with blacks having lower rates of undocumented immigrants. Unfortunately, our data do not enable us to directly test this speculation.

Furthermore, since workers belonging to minority populations (especially immigrants) face greater difficulties in attaining good, high-paying jobs, they have to render themselves more attractive to employers by not demanding additional costs associated with employment benefits and perhaps by working more often 'off the books' than others. Although this explanation can be associated with differential preferences according to which minority workers are willing to substitute higher salaries for benefits, our data do not support this explanation. Benefits returns on earnings are not higher among workers belonging to the majority population than among racial groups.

Further research is needed to directly examine the role of bargaining effectiveness in accounting for blacks and Latinos lack of access to employment benefits. Likewise, differences are also expected among employers, especially among the self employed. These differences may teach us about differences in individual decision-making that stem from structural constraints associated with variations in the type of self-employment across groups. Likewise, more attention should be given to other forms of employment benefits (not studied here) as well as to the detrimental consequences that poor benefits coverage has for economic disparities and well-being after retirement.

Although our study focuses on inequality in access to employment benefits in the American society, its findings could also have important policy implications for other industrialized societies. The findings reported here demonstrate that racial minorities and immigrants are not only disadvantaged in attainment of occupations and earnings but they have also limited access to employment benefits. Following these findings, we would like to note that racial disparities are not only apparent in the United States but also in other societies. In recent decades, immigrants and labour migrants have been arriving in many European countries, changing the ethnic fabric of these nation states. Their tenuous position in these societies and their impact on the structure of inequality has yet to be systematically studied and understood. Therefore, we contend that differential access to economic outcomes and to employment benefits as well as their implications for societal inequality should be further studied, not only in the context of American society but also in traditional nation states and in state-sponsored welfare regimes.

## Notes

1.    One consequence of our decision to treat Latinos as a racial group is that the analysis of sub-groups within this larger category becomes theoretically problematic. For example, Mexicans and other Central Americans differ on some aspects of culture and identity, but describing them as members of different races stretches the definition of the concept 'race' beyond the breaking point.

2.    Since health insurance can include family members, it is possible that selectivity of men and women as well as of individuals of different ethnicity and background.characteristics into employment can be affected by access of the spouse to health insurance.

3.    It is important to note that within the Latino population there are differences based on country of origin but these differences are beyond the scope of our present study. The detailed figures are available from the authors upon request.

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**Appendix Table A.** *Definitions and distributions of the variables included in the analysis*

| Variables | | Mean/ percentage | SD |
|---|---|---|---|
| **Benefits** | | | |
| Pension | 1 =respondent is included in a pension or retirement plan through his/her employer or union | 0.53 | 0.50 |
| Health insurance | 1 =respondent is covered by health insurance plan (policy holders of insurance plan provided through their employer or dependents) | 0.78 | 0.41 |
| Both | Pension =1 and health insurance =1 | 0.49 | 0.50 |
| None | Pension =0 and health insurance =0 | 0.18 | 0.38 |
| Number of benefits | | 1.32 | 0.76 |
| | | | |
| **Socio-demographic characteristics** | | | |
| Race | White | 69.4% | |
| | Black | 10.6% | |
| | Hispanic (including Spanish and Latino) | 15.2% | |
| | Asian | 4.7% | |
| | | | |
| Age | In years | 42.23 | 10.05 |
| Married | 1 =married | 0.67 | 0.47 |
| Foreign born | 1 =born outside the US | 0.17 | 0.38 |
| Children (y/n) | 1 =children aged under 18 live in the household | 0.56 | 0.50 |
| Education | Less than high school graduate | 9.7% | |
| | High school graduate | 29.8% | |
| | Post-high school not academic | 28.4% | |
| | Academic | 32.1% | |
| Years since migration | In years; valid for foreign-born only | 18.67 | 12.14 |
| | | | |
| **Context of employment** | | | |
| Public sector | 1 =public sector worker | 0.18 | 0.38 |

**Appendix Table A** (*Continued*)

| Variables | | Mean/ percentage | SD |
|---|---|---|---|
| Work hours | Full-time (35 hours per week or more) | 80.3% | |
| | Part-time | 9.8% | |
| | Work hours vary | 6.7% | |
| Unemployed | 1 = unemployed | 0.03 | 0.17 |
| Occupational distribution | | | |
| Major | Managerial business and financial | 14.5% | |
| occupations | Professional and related | 22.6% | |
| | Service | 14.8% | |
| | Sales | 9.3% | |
| | Office and administrative support | 14.5% | |
| | Farming, fishing and forestry | 0.7% | |
| | Construction and extraction | 6.0% | |
| | Installation maintenance and repair | 3.9% | |
| | Production | 7.6% | |
| | Transportation and material moving | 6.0% | |
| Earnings | Net annual income from work in US$1,000 | 42.15 | 44.88 |