



This document was downloaded from Vocational Economics Inc. (www.vocecon.com). For more information

on this document, visit:

<http://www.vocecon.com/resources/bibliography/wlbibnwt.aspx>

Gamboa Worklife Tables, 1995 And 1998 Versions: A Comment

David S. Gibson*

Shortly after publication of the 1995 version of *The New Worklife Expectancy Tables*, the *Journal of Forensic Economics* published a review by Dr. Frank P. Corcione. Now that the 1998 edition of *The New Worklife Expectancy Tables* is available, we offer an abridged response to the more significant criticisms applicable to both tables.

I. Nondisabled WLE Biased Upward

On page 296, Dr. Corcione questions whether the worklife expectancies are overstated:

...the worklife expectancy values provided for the non-disabled population are based on the assumption that it is not possible for a future condition of health or disability to develop among members of the currently healthy population which could prevent employment to age 75.

Dr. Corcione is correct in his assertion that the probability of disability is excluded. What he essentially proposes is a revision of the LPE approach (joint probabilities of Life, Participation, and Employment) to an LPEN model. This model would add the probability of continued nondisability (N) for each subsequent year.

Missing from Dr. Corcione's analysis is the fact that disabled worklife expectancy computations also exclude the probability of N. A disabled person faces a risk of further disabling injuries at least as high as a nondisabled person's risk of an initial injury. Use of *The WLE Tables* is primarily intended for forensic settings where *the change* in a person's worklife from nondisabled to disabled is the primary concern. Study of the nondisabled worklife alone (in cases of partial disability) has little value without a corresponding disabled worklife. It is reasonable to assume that application of the probability of N to the disabled worklife would result in at least a proportionate decrease. Thus, the comparison is not biased by exclusion of the probability of disability.

Now the problem is how to measure the probability of future disability. To measure the probability of life, the government provides the well-tested life survivors table. However, there is no such table for disability survivors. It *may* be possible to construct such a table to allow computation of the probability (by age) that a nondisabled person will eventually become disabled. However, it is doubtful that sufficient data exist to compute a similar table for those already disabled facing the chance of a compounding disability. Even if these tables can be constructed, is there any evidence that the

*President, Vocational Econometrics, Inc., Louisville, KY.

impact of the added probability would have any material effect? Finally, if the impact is measurable and material, whether or not it should be applied is arguable. Granted: The probability of life is factored into the computation; death is certain at some point. Disability is not certain—it is not even very likely.

II. Severely Disabled WLE

Dr. Corcione suggests that the worklife expectancies for disabled persons are of limited use:

...*Worklife* fails to make any mention of differences between persons with severe work disabilities and persons with less-than-severe work disabilities....In that the data relate to a composite group, it would appear that neither worklife life expectancy values nor corresponding employment and participation rates are identified with a sufficiently well-defined group. (p. 297)

Dr. Corcione seems to suggest that two sets of disabled worklife expectancies be computed—one for the severely disabled and one for the less-than-severely disabled (as is done in the 1998 version of the tables). Even at that point each of these statistics, as well as the nondisabled statistic, would be averages for a composite group. What statistics are not? Dr. Corcione apparently failed to read the section of the tables titled, "Use of the Tables," or understand the concept of the *worklife continuum* explained therein. Dr. Gamboa, the author, recognizes that a worklife expectancy is a statistical average. He further notes that "the tables are effective to the degree that the person using them understands how a particular subject may vary from the averages presented in the tables." (p. 19)

In short, *The WLE Tables* continues to be a valuable and statistically sound tool for any forensic economist. In addition, they are the only current source of worklife estimates applicable to women or persons with a disability.

References

- Corcione, Frank P., "Book Review," *Journal of Forensic Economics*, 1995, 8(3), 295-297.
- Gamboa, A. M., *The New Worklife Expectancy Tables for Persons With and Without Disability by Gender*, Louisville, KY: Vocational Econometrics, 1995.
- , *The New Worklife Expectancy Tables by Gender, Level of Educational Attainment, and Level of Disability*, Louisville, KY: Vocational Econometrics, 1998.