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# Impact on Workers and Community of a Plant Shutdown in a Depressed Area

Bulletin No. 1264

UNITED STATES DEPARTMENT OF LABOR  
James P. Mitchell, Secretary

BUREAU OF LABOR STATISTICS  
Ewan Clague, Commissioner





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## Preface

This survey of the impact of a major plant shutdown on the workers and their community was conducted by Dr. Richard C. Wilcock of the Institute of Industrial Relations of the University of Illinois, for the Bureau of Labor Statistics. The primary focus of the study is on a statistical examination of the employment and unemployment experience of the laid-off workers, but it also provides a case history of a few years in the life of a community already subject to chronic unemployment and faced with the loss of its major industry.

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## Chapter I. The Problem and the Design of the Study

Since World War II, the United States as a whole has enjoyed a period of general and widespread prosperity. Some communities and geographic regions, however, have not experienced the economic growth and high employment levels of the rest of the Nation. Shifts in demand for products, technological change, depletion of natural resources, and outmigration of industrial plants have created localized pools of unemployment. In some areas, high rates of unemployment have persisted over relatively long periods of time. Typically, these so-called depressed areas have been small cities and towns with little diversity in sources of employment, often depending heavily upon one industry.

This study, therefore, grew out of concern with the persistence of unemployment in such labor market areas during periods of low national unemployment. Although no single case study can provide sufficient data to account for the existence of depressed areas, a detailed study of such an area may contribute to an understanding of the problem. Further, although situations differ greatly among such areas, an analysis of the effects of continuing depressed conditions and the ways in which workers respond to these conditions in one community may provide helpful information to those concerned with either a similar problem in another community or the general problem of such depressions.

This report is an account of the effects on a small community, Mt. Vernon, Ill., where unemployment already existed, of the shutdown of its largest industrial plant and the community's struggle to provide adequate job oppor-

tunities for its citizens. The labor surplus had resulted from a longrun decline in employment in coal mining, a slow rate of industrial growth, and reluctance on the part of workers to migrate. The primary focus of the study is on a statistical examination of the employment and unemployment experiences, during a 2- to 3-year period, of the workers laid off as a result of the plant shutdown. This study, then, is a case history of a short period of time in the life of a community struggling to provide adequate job opportunities for its citizens.

### The Mt. Vernon labor market area

The Mt. Vernon area was chosen for study for several reasons. First, Mt. Vernon was an important industrial and trading center in southern Illinois, a region with serious economic problems because of employment declines in bituminous-coal mining and in agriculture, resulting in urban unemployment, rural underemployment, and relatively low average incomes. Second, the shutdown of the Pressed Steel Car Co. car shops, which normally had employed more than half of the labor market area's manufacturing workers in the production of railroad freight cars and truck trailers, offered a dramatic example of the problems resulting from the loss of industry in a community. Finally, data concerning the workers who had moved away from the community could be obtained through the cooperation of the Brotherhood of Railway Car men, the principal union in the shutdown plant which had retained an office in Mt.

Vernon and had a file of current addresses for almost all of its members.

At one time, the Mt. Vernon economy, based upon coal mining, manufacturing, and trade, had been fairly diverse. Since the decline of the bituminous-coal industry in the midtwenties, however, there had been a tendency toward an inadequate number of job opportunities.<sup>1</sup> Although the oil industry (crude oil extraction) expanded rapidly in the post-World War II period, it provided relatively few new jobs for local workers. In addition, manpower requirements in agriculture, which had always been a major source of employment in the area, had decreased. Full utilization of the area labor force, therefore, depended upon an expansion in industries other than mining and agriculture, which had not occurred. The shutdown of its major industrial plant aggravated this general problem for Mt. Vernon and its labor market area.

The 1950 Census shows an urban population for Jefferson County of 15,600 (all in the city of Mt. Vernon), a rural nonfarm population of 9,437,<sup>2</sup> and a rural farm population of 10,855.<sup>3</sup> By the summer of 1956, when the study was made, the estimated total county population was 35,900,<sup>4</sup> no change from 1950. The population of greater Mt. Vernon (including all nonfarm areas immediately adjacent to the city) was estimated at 22,000.<sup>4</sup>

Nearly all (about 99 percent) Jefferson County residents were native-born Americans, with a great majority born and raised in the immediate vicinity. Most were also of the same general ethnic stock, and their families, two or more generations back, had migrated from the same areas in the Border and Southeastern States.

In April 1950, the leading sources of employment in the county were agriculture (20 percent), manufacturing (19.7 percent), trade (19.3 percent), and transportation and communication (8.6 percent).<sup>5</sup> The once important coal-mining industry provided only 5 percent of the employment. At that

time, 1,215 workers, or 9 percent of the civilian labor force of 13,527, were unemployed.<sup>6</sup> In April 1956, unemployment was estimated at a little over 10 percent of the labor force.<sup>7</sup> At both dates, employment in freight-car building was a significant factor in the situation. In 1950, the car shops had a low level of employment, and by April 1956, they had been permanently closed for 2 years.

In addition to chronic unemployment, the area typically had a large amount of underemployment; that is, many workers had low earnings either because of insufficient work or because they were in jobs below their level of training and skill. Further, because many of the farms were small (frequently less than 10 acres) with much of the soil of relatively poor quality, many farmers and farm workers depended upon off-farm work to supplement their meager farm income. Since the traditional sources of off-farm work were factories and mines, the decline in coal-mining employment and periodic downswings in industrial employment resulted in in-

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<sup>1</sup>Employment in Illinois coal mining fell from 85,000 in 1920 to 15,000 in 1954. In 1954, the year the Mt. Vernon car shops closed, there were approximately 20,000 persons unemployed in the 16 southernmost counties of Illinois. Applicant and Claimant Survey: Southern Illinois Area, May-July 1954, Illinois Department of Labor, 1954, 19 pp. (Processed).

<sup>2</sup>U. S. Department of Commerce, Bureau of the Census, Census of Population, 1950, vol. II, pt. 13, pp. 56, 58, 188, 194.

<sup>3</sup>Estimates of Population for State Economic Areas, Counties, and Cities in Illinois, p. 26: 1955 to 1957. (A report by the Population Research and Training Center, University of Chicago, to the Department of Public Health, State of Illinois.) Mimeographed.

<sup>4</sup>From an Industrial Survey prepared by the Mt. Vernon Chamber of Commerce in 1956. Much of the expansion of the city resulted from the annexation of subdivisions by the city of Mt. Vernon.

<sup>5</sup>Census of Population, op. cit., p. 172.

<sup>6</sup>Ibid.

<sup>7</sup>Labor Market Reports. Research and Statistics Section. Illinois State Employment Service.



sufficient nonfarm job opportunities for rural residents.<sup>8</sup>

During the summer of 1956, the Mt. Vernon Chamber of Commerce estimated fewer than 2,000 workers in manufacturing jobs in the area,<sup>9</sup> with approximately 1,000 employed in durable goods, largely in the fabricated metals, electrical, and nonelectrical machinery industries. Major products were automotive parts, stoves, furnaces, transformers, radiators, neon signs, brooders, and concrete culverts. Only two firms employed more than 250 workers. Almost all nondurable goods employment (about 850 workers) was in shoes, apparel, and food products, with only the shoe firm having more than 250 employees.

Total area employment (about 1,950 workers) in manufacturing in mid-1956 was low, compared with that of 3,300 in 1947, 3,350 in March 1949, and 2,155 in March 1950.<sup>10</sup> When in operation, the car shops normally employed between 1,100 and 2,200 workers, accounting for one-third to more than one-half of the area's industrial workers. The plant, therefore, was by far the largest single industrial employer, and its closing made a large gap in the area's industrial job opportunities.

The scarcity of job opportunities, even before the car shop shutdown, contributed to a relatively low median family income in Jefferson County. In 1950, the annual median family income was \$2,473, compared with a median of \$3.627 for the entire State.<sup>11</sup>

### **The shutdown of the Pressed Steel Car Co. shops**

Although the car shops had employed as many as 3,300 workers during their World War II peak production, their postwar employment had never greatly exceeded 2,000. The plant, closed during part of 1950 and 1951, operated continuously from its reopening in 1951 until the final shutdown early in 1954. Employment fluctuated widely, however, because of the unevenness of contract orders, characteristic of the industry.

Between February 1953 and March 1954, layoffs occurred in all months but four. By March, production had ceased and only a few maintenance men and watchmen remained. The parent company shortly thereafter announced that the plant would not reopen and that the property would be sold.

Until this announcement, many workers had believed that the car shops would reopen. During its long history, the shops had been closed a number of times and during the depression of the 1930's, they did not operate for several years. Because of this, some workers continued to expect a resumption of freight-car building, even after the announcement of the closing and up until much of the machinery and equipment was sold at auction in the spring of 1956.

Of the 1,908 production and maintenance workers employed in 1953, approximately 500 were permanently laid off in the first half and 300 in the second half of that year, and 1,100 early in 1954.<sup>12</sup> All were members of the Brotherhood of Railway Carmen or of the International Association of Machinists.

Although the total impact of a major industrial layoff on a community and its population can never be measured completely, the significant problems and

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<sup>8</sup>For a study of off-farm work by rural residents of southern Illinois, see M.A. Horowitz, *Farm and Non-Farm Work by Open-Country Residents in Two Southern Illinois Counties*, Urbana: University of Illinois, (Institute of Labor and Industrial Relations) November 1948. The two counties studied are immediately adjacent to Jefferson County.

<sup>9</sup>Labor Market Reports, op. cit.

<sup>10</sup>U.S. Department of Commerce, Bureau of the Census, *County and City Data Book*, 1952, p. 159. (1953)

<sup>11</sup>*Ibid.*, pp. 147, 155.

<sup>12</sup>Data were obtained from Lodge No. 423, Brotherhood of Railway Carmen and Lodge 1417, International Association of Machinists. Dates of layoff and numbers involved were confirmed by the questionnaire results. The numbers are given as layoffs because less than 3 percent of the separations in 1953 and 1954 were quits.

their general magnitude are clearly apparent in a community as small as Mt. Vernon. Large-scale unemployment affects the incomes and standard of living not only of the families whose breadwinners are without work, but also of all those who do business with them. Although this study emphasizes the economic impact of the shutdown and the postshutdown problems facing the workers and the community, there were also serious social and psychological effects. The underlying problem,<sup>13</sup> of course, was the persistence of unemployment during a period when the overall unemployment of the Nation was low.

### Scope of study and definitions

Data were obtained by means of mail questionnaires and personal interviews.<sup>14</sup> An attempt was made to send questionnaires to all who had been regular production and maintenance employees of the Pressed Steel Car Co.'s Mt. Vernon plant and who had left the company in 1953 or 1954. There were 1,908 workers meeting this definition, but 72 persons could not be reached because their addresses were unknown. A total of 1,453 returned the questionnaires by mail and 86 additional questionnaires were completed through personal follow-ups. The data presented in this report, therefore, are based on a total of 1,539 questionnaires, or 80.7 percent of the survey population.

Subsequently, interviews were held with 400 of this group of workers, representing 21 percent of the population being studied and 19.2 percent of the nonrespondents. Further details of the manner in which the samples were drawn are given in appendix A.

Union records showed that members were divided almost equally between those 45 years of age and over and those under 45, and this was confirmed by questionnaire results. Analysis revealed significantly different proportions between the two age groups among the employed, the underemployed, and the unemployed in the Mt. Vernon labor market area and among those employed in other labor market areas. For this

reason, workers were grouped as (1) the Mt. Vernon employed--those with full-time jobs in the Mt. Vernon labor market area and residing in Mt. Vernon or on rural routes served by the Mt. Vernon Post Office; (2) the area employed--those with full-time jobs in the local labor market area, but with the post office addresses other than Mt. Vernon; (3) the underemployed--those living and working in the area; (4) the unemployed--those living within the local area; (5) the out-of-town workers--those who still had home addresses within the Mt. Vernon labor market area, although they were working elsewhere (some of these men commuted every day, but most of them visited home only on weekends); (6) the migrants--those who were working elsewhere and had moved with their families to areas where they had jobs and who no longer had home addresses in Mt. Vernon; and (7) those who had withdrawn from the labor force (table 1).

The two groups fully employed living in the area were separated for comparison between those living in Mt. Vernon and those in the "hinterland." The underemployed were placed in a separate category because significant differences in experiences and attitudes were expected between them and the fully employed, on the one hand, and between the underemployed and the unemployed, on the other. No stratification was necessary with respect to employment, underemployment, or unemployment of out-of-town workers and migrants, since these workers almost without exception were fully employed.

Most persons whose questionnaire returns indicated a permanent withdrawal from the labor force were not interviewed, since the interview was focused upon the workers' decisions in their search for work both locally and in other labor market areas. A few persons not in the labor force were interviewed, however, some of whom had

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<sup>13</sup>For more detailed discussion of the problems and of the questions asked the laid-off workers, see appendix A.

<sup>14</sup>The questionnaire and interview schedules are reproduced in appendix B.

retired between the time they completed the questionnaire and the time of the interview; others who had not responded to the questionnaire were drawn in the nonrespondent section of the interview sample.

The questionnaires and the interviews with laid-off workers provide the basic data for the study. Some additional data were obtained through interviews with a selected group of businessmen, public officials, and civic leaders.

TABLE 1. Employment and residence status of laid-off workers<sup>1</sup>

Employment and residence status	Questionnaire sample, March-May 1956						Interview sample, June-July 1956			
	Returns by mail <sup>2</sup>		Non-respondents contacted <sup>3</sup>		Total respondents		Original sample <sup>4</sup>		Interviews completed <sup>5</sup>	
	Num-ber	Per-cent	Num-ber	Per-cent	Num-ber	Per-cent	Num-ber	Per-cent	Num-ber	Per-cent
Total .....	1,453	100	86	100	1,539	100	333	683	400	100
Mt. Vernon employed-- job in area and Mt. Vernon address.....	238	16	28	32	266	17	93	23	120	30
Area employed--job in area and non-Mt. Vernon address.....	267	19	24	28	291	19	56	14	90	22
Underemployed--job and residence in area.....	169	12	4	5	173	11	42	11	35	9
Unemployed--residence in area.....	175	12	4	5	179	12	41	10	34	8
Out-of-town workers.....	195	13	12	14	207	14	49	12	50	13
Migrants.....	275	19	4	5	279	18	52	13	56	14
Out of labor force.....	134	9	10	11	144	9	---	---	15	4

<sup>1</sup>Of a total population of 1,908 laid-off workers, 455 failed to return the mail questionnaire. Of the 455, 86 persons were subsequently contacted and filled out the mail questionnaire. These were then added to the original 1,453 who had responded by mail for a total "response" of 1,539. From this group, a sample of 400 was selected for interview, 75 of whom were originally nonrespondents.

<sup>2</sup>Although the questionnaires were returned over a 2-month period, late March to late May 1956, a majority were received during April.

<sup>3</sup>Excluding 72 nonrespondents who could not be reached by mail and whose current addresses could not be obtained, a sample of 86 nonrespondents was selected and those selected completed questionnaires when visited by interviewers.

<sup>4</sup>The sampling distribution was based on data from the mail questionnaire returns. Details are given in appendix A.

<sup>5</sup>The difference between the distribution of interviewees and the original interview sample results from both the distribution of nonrespondents into the other categories and some shifting of status by interviewees between the time they completed questionnaires and the time of interview.

<sup>6</sup>The remainder of the original sample was drawn from the questionnaire nonrespondent groups. See footnote 1 above.

## Chapter II. Characteristics and Employment Experience of the Displaced Workers

Before the shutdown, the production and maintenance workers at the Mt. Vernon car shops were employed full-time with regularly scheduled work-weeks. More than 2 years later, of the 1,539 workers who responded to the mail questionnaires<sup>15</sup> concerning their employment experience after the layoff, almost one-third (32 percent) were either unemployed, underemployed, or out of the labor force. Another 32 percent were fully employed, although in other labor market areas. Only a little more than one-third of the respondents (36 percent), therefore, had full-time jobs in the Mt. Vernon labor market area. Many of those employed in Mt. Vernon, furthermore, were working full time and at the same or a higher skill level, but were earning substantially less than they had earned in the car shops.

### General characteristics of the laid-off workers

For purposes of analysis, the questionnaire respondents were classified with respect to employment status and their place of residence. In the analysis, it was found that significant relationships existed between certain personal characteristics, on the one hand, and employment and migration experience, on the other.

#### Sex and age

Of the 1,908 production and maintenance workers laid off at the car shops, only 20 were women;<sup>16</sup> therefore, no attempt was made to analyze

postshutdown employment experience by sex.

Age was a significant variable in the study. Fifty-two percent of the respondents, but only 48 percent of those still in the labor force, were 45 years of age or over. Of those still in the labor force, only 4 percent were under age 25 and 20 percent were between 25 and 35. The largest proportions were in the 35-54 age bracket, with 28 percent between 35 and 45 years, and 28 percent from 45 through 54. The remaining 20 percent were 55 or older, of whom 3 percent were 65 or more years of age (table 2).

The relatively high average age of the laid-off workers is of significance because older workers, in general, have more difficulty in finding jobs than do younger workers. Further, those over age 45 were long-service workers at the car shops; 76 percent had been employed there at least 10 years, and 35 percent, 30 years or more. Except for several previous temporary shutdowns, most of these workers had not faced the problem of job seeking for many years, and now found themselves in the labor market applying for industrial jobs that were open for the most part only to workers under 45.

In general, younger workers were more successful in finding full-time jobs than the older workers. The area employed had the highest proportion (64 percent) under 45 years of age, and the migrants the next highest proportion

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<sup>15</sup>See appendix B.

<sup>16</sup>11 of the 1,539 mail questionnaire respondents were women.

(59 percent). Fifty-three percent of the Mt. Vernon employed and the out-of-town workers were under age 45, while of the underemployed and the unemployed, only 41 and 30 percent, respectively, were under 45 years of age. Only a few of those who had left the labor force (11 percent) were under 45 and these were either in military service or were physically disabled.

## Education

At the time of the survey, in addition to being younger, on the average, the fully employed also reported more years in school than those in the other groups. Their success in finding full-time jobs was undoubtedly influenced by both age and education.<sup>17</sup>

Of the entire group, 64 percent had completed only eight grades of school or less; 50 percent had finished grade school, and 14 percent had left school before the eighth grade. The other 36 percent had at least some high school training; 20 percent had completed high school or more, but less than 2 percent reported any college work (table 2).

The amount of education, however, was not significantly related to skill level in the car shops, where most jobs apparently had required no more than a grade-school education. Almost as high a proportion of men with eight or less grades of schooling were found in skilled jobs as in semiskilled and unskilled ones. Most of the skilled workers with little formal education, however, were men with many years of experience on the job, whose lack of education apparently was balanced by seniority and experience. After layoff, however, the combination of age and little formal education proved a handicap. Older workers were unemployed for longer periods than younger workers, on the average, and those with grade-school educations had longer unemployment than those who had been through high school. Whether the lower level of education or the higher age was the greater handicap in finding new jobs will be discussed later in this chapter.

One finding of interest is that the out-of-town workers were not only somewhat older than the migrants but also had averaged more years in school. They were also above average in other respects, such as earnings and skill level at the car shops, wage earnings at the time of the survey, and average family income. The explanation seems to be that some of these workers had the skills and experience desired by employers located not too far beyond the boundaries of the Mt. Vernon labor market area.

## Marital status and children under 18

Among the questionnaire respondents, 92 percent were married and 62 percent had children under 18 years of age. With the exception of those who had left the labor force, therefore, almost all of the respondents could be considered breadwinners with family responsibilities. Family responsibility, as measured by the proportions married and the presence of children under 18, was roughly similar for each of the employment status groups. The small differences that existed seemed to be associated primarily with place of residence. Higher proportions of both the area employed and the out-of-town workers lived on farms than those in the other groups, and these two groups had somewhat higher proportions of children under 18. The migrants also had more children under 18, on the average, and this fact is probably related to the younger average age of this group.

Some nonmigrants mentioned their school-age children as a reason for staying in Mt. Vernon--the children could stay in the same schools and keep the same friends. A number of the out-of-town workers reported that they were keeping their families in Mt.

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<sup>17</sup>Because of the historical upward trend in years of school completed, younger workers in general have had more years of school than older workers. The relationship between age, education, and length of unemployment is examined in chapter IV.

TABLE 2. Laid-off workers by resident status, age, and educational achievement, April 1956

(Percentage distribution)

Age of laid-off workers	By age <sup>1</sup>								
	Total of sample in labor force	Total migrants	Out-of-town workers	Total non-migrants	Mt. Vernon non-employed	Area employed	Under-employed	Un-employed	Out of labor force
Total .....	100	100	100	100	100	100	100	100	100
Under age 45 .....	52	59	53	50	53	64	41	30	11
Under 25 .....	4	7	4	3	2	5	2	2	6
25-34 .....	20	25	17	20	23	26	11	11	4
35-44 .....	28	27	32	27	28	33	28	17	1
Age 45 and over.....	<sup>2</sup> 48	41	47	50	47	36	59	70	89
45-54 .....	28	26	36	26	26	24	27	29	8
55-64 .....	17	15	11	19	16	10	28	33	18
65 and over .....	3	0	(3)	5	5	2	4	8	63
Number in sample .....	1,395	279	207	909			173	179	144
Years of schooling of laid-off workers	By educational achievement <sup>4</sup>								
	Total of sample in labor force	Total migrants	Out-of-town workers	Total non-migrants	Mt. Vernon non-employed	Area employed	Under-employed	Un-employed	Out of labor force
Total.....	100	100	100	100	100	100	100	100	100
8 years or less.....	64	60	57	67	62	59	78	78	82
7 or under .....	14	13	13	15	15	9	11	27	41
8 years .....	50	47	44	52	47	50	57	51	41
9 years or more.....	36	40	43	33	38	41	22	22	18
9-11 .....	16	17	20	15	18	14	10	15	8
12 years or more .....	20	23	23	18	20	27	12	7	10
Number in sample .....	1,361	278	199	884	260	283	169	172	131

<sup>1</sup>Based on a sample of 1,539 respondents.<sup>2</sup>Provided those not in the labor force are included.<sup>3</sup>Less than 0.5 percent.<sup>4</sup>Based on a sample of 1,492. No data for 34 respondents.

Source: Mail questionnaire data.

Vernon for the same reason. The migrants, on the other hand, frequently reported that they had moved their families so that the family would be together and in order that their higher incomes would permit better care of their children.

### Homeownership

Families and family ties contributed to the strong sense of community attachment among the laid-off workers. Strengthening their attachment was their long residence in the area and the high incidence of homeownership. While working at the shops, 74 percent of the workers had owned their homes. In the  $2\frac{1}{2}$  years after the shutdown, this proportion had dropped only 3 percent, despite much unemployment and the acceptance by many of the workers of jobs in other labor market areas.

Ownership of homes in the Mt. Vernon area declined more markedly on the part of migrants than of other groups. When working at the shops, 67 percent of these workers had owned their homes; at the time of the survey, the proportion had declined to 51 percent. Among the out-of-town workers, however, there was no significant change in homeownership (a slight increase from 74 to 76 percent). This was not surprising, since these men reported their intention to live in or near Mt. Vernon as long as possible.

The continued ownership of Mt. Vernon area homes by 51 percent of the migrants appeared more surprising. Although this may have been due, to some extent, to known or imagined depressed real estate values, it nevertheless suggests that many of those who had moved away with their families still hoped to return.

For other groups, homeownership changed relatively little between the lay-off and the survey, remaining almost unchanged for the Mt. Vernon employed and for the underemployed. Among the area employed, homeownership even increased slightly, perhaps because some workers bought small farms after the

layoff. Among those who left the labor force, homeownership fell from 77 to 73 percent.

Homeownership among the unemployed fell somewhat more than for the other groups still living in the area, declining from 72 percent to 63 percent in the  $2\frac{1}{2}$  years after the layoff. One reason that homeownership did not fall more precipitously for the unemployed was that many of this group were older persons who had finished paying for their homes while working at the shops. The fact that those who had skilled jobs at the shops more often owned their homes (79 percent) than did the unskilled (67 percent) may be as much the result of a higher average age as of higher incomes.

### Years of residence and place of residence

For almost all of the laid-off workers, Mt. Vernon or a neighboring town was "home." Practically all (99 percent) had lived in the Mt. Vernon area at least 5 years and 85 percent, 20 or more years. Even the migrants had only a slightly shorter residence in the area than the laid-off workers as a whole, 8 percent having lived in the area less than 10 years, compared with 3 percent of the nonmigrants.

Not only had most of the laid-off workers lived in the area all or most of their lives, but few had moved around within the area. With the exception of the migrants, those who had lived in Mt. Vernon before the shutdown were still living at the same addresses at the time of the survey, as were those who lived elsewhere in Jefferson County or in neighboring counties.

Since place of residence was found to be related to employment experience after the shutdown, it is interesting to examine the geographical location of the car shop workers while employed at the shop. Although a few lived as far as 50 miles away, 95 percent lived within a radius of 30 miles and 58 percent, within 10 miles. The long-service workers, for the most part, lived within short commuting distances, even though

a sizable proportion lived in nearby rural areas. Many of the long-distance commuters, on the other hand, had worked for relatively short periods at the shops. For example, only 7 percent of those who lived 20 or more miles away had worked 20 or more years in the car shops, whereas 43 percent of those who lived within  $1\frac{1}{2}$  miles had had a similar amount of service.

In the total group of nonmigrants, at the time of the survey about 30 percent lived in Mt. Vernon, about 50 percent lived elsewhere in Jefferson County, and the remaining 20 percent lived in adjacent counties. A much higher proportion of the unemployed (46 percent) and out-of-the-labor-force (59 percent) groups had Mt. Vernon addresses than did the fully employed (25 percent) and underemployed (17 percent).

Concentration of the unemployed and the retired in and near Mt. Vernon, and of the underemployed in Jefferson County outside of Mt. Vernon and out-of-the-county places of residence, reflects the labor market situation that existed in the area. Many city dwellers who could not find industrial employment had no alternative sources of employment, whereas many of those in rural areas lived on small farms and earned some income from farming. Also, the rural dwellers were more likely to have skills and experience that enabled them to find odd jobs and thus avoid complete unemployment. More of those residing in rural areas would have been classified as unemployed or fully retired were it not for the incomes from their farms. Many of the farmers were classified as underemployed because of the low incomes received from their farms.

### **Employment experience after the shutdown**

At the time of the survey, 79 percent of the car shop workers were employed. Most of these had experienced previous unemployment which will be reviewed in chapter IV. In the remainder of this chapter, the postshutdown employment experiences of the car shop workers are examined.

### **Industry and area of employment**

At the time of the questionnaire survey in the spring of 1956, only 53 percent of those with full-time jobs (36 percent of the total sample) were working in the Mt. Vernon area. Of the fully employed working in the Mt. Vernon area, more than half (52 percent) had non-Mt. Vernon addresses. With manufacturing employment at a very low level and a majority of these people living on farms or in small communities, the largest source of local employment was agriculture (41 percent). Fewer of the group had found jobs in manufacturing (15 percent), trade (12 percent), and services (11 percent). Despite the employment of some of this group in manufacturing, a majority remained in manual work, and this majority becomes even greater if farming is included as manual work (table 3).

In contrast with those fully employed in the Mt. Vernon area, a majority of the out-of-town workers and migrants were in manufacturing jobs. Eighty-one percent of the out-of-town workers and 73 percent of the migrants were working in railroad car shops<sup>18</sup> or in other manufacturing jobs. The largest number of out-of-town workers were employed in the East St. Louis-Granite City-Alton area of Illinois, but others were in Decatur, Shelbyville, Springfield, Peoria, and La Grange, Ill.; St. Louis, Mo.; and Washington, Ind.

The migrants were more widely scattered than the out-of-town workers, but a large majority were living and working in Illinois (78 percent); 14 percent were in other Midwestern States, and 8 percent were outside the Midwest. The largest concentrations of migrants were in the greater Chicago area, for the most part in industrial suburbs west and south of Chicago, and in the greater St. Louis area, in the industrial area on the Illinois side of the Mississippi River, where many of the out-of-town workers were also employed.

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<sup>18</sup>Because the jobs are so similar, workers in railroad car building and in repair were grouped together.



TABLE 3. Laid-off workers employed at time of survey, by industry group and by migrant status, April 1956

(Percentage distribution)				
Industry group	Total sample <sup>1</sup>	Migrants	Nonmigrants <sup>2</sup>	Out-of-town workers
Total.....	100	100	100	100
Railroad car shops.....	11	17	2	35
Other manufacturing.....	30	56	15	46
Extractive industries.....	4	1	5	4
Trade.....	9	5	12	4
Services.....	10	9	11	6
Construction.....	5	5	6	2
Agriculture.....	25	3	41	1
Transportation and communication.....	3	3	4	1
Other.....	3	1	4	1
Number in sample	1,162	277	678	207

<sup>1</sup>Inadequate or no data for 54 additional respondents.

<sup>2</sup>Inadequate data for 52 additional respondents. For example, a number indicated odd jobs, and these were not classified by industry.

Source: Mail questionnaire data.

The remaining migrants were widely dispersed with concentration in the Decatur and Peoria, Ill., areas. Of the 22 percent living and working in other States, a majority were in the neighboring States of Indiana and Missouri. For those who went long distances, the favorite States were Texas, California, and Florida.

No specific data were obtained on the reasons for moving to particular communities. Although most of the migrants first found jobs before they moved to an area, it is not known why they applied in particular places. A number were recruited by firms that came to Mt. Vernon for that purpose. Since almost all of the migrants and their wives were Mt. Vernon natives, it is unlikely that many had family reasons for moving to particular communities. Those who went to Texas, Florida, and California may have been attracted as much by climate as by job opportunities or by relatives and friends who preceded them.

#### Length of time in finding jobs

In addition to the major differences in types of employment, another significant difference between the out-of-town workers and migrants on the one hand and the employed nonmigrants on the other, is in the length of service in the jobs held at the time of the survey. Half of the nonmigrants had been on such jobs 2 or more years, whereas only 14 percent of the out-of-town workers and migrants had that amount of service. Two factors account for this. One is that a large proportion of nonmigrants, and particularly those who had farms, took other jobs immediately after the car shop layoff. The other factor is that more out-of-town workers and migrants than of the other group had two or more jobs after the layoff. Among the nonmigrants, 39 percent of the employed with Mt. Vernon addresses and 36 percent of the area employed had two or more jobs after the layoff, by the date of the survey. In contrast, 52 percent of the out-of-town workers and 61

percent of the migrants reported two or more jobs after leaving the car shops. Work histories obtained in the interviews show that a number of the out-of-town workers and migrants had obtained some kind of stopgap employment in the Mt. Vernon area before accepting jobs outside. Layoffs, low incomes, or local employment at lower than customary skill levels were among the factors leading to the decision to accept out-of-area employment.

Relatively few of those laid off, therefore, immediately sought work in other labor market areas. At the time of the survey, however,  $2\frac{1}{2}$  years after the largest part of the layoff, most of the out-of-town workers and migrants had been working outside the Mt. Vernon area for well over a year. Fourteen percent had been working in other areas since 1953 (7 percent since the spring of that year); 47 percent had taken outside jobs during 1954; 20 percent did so between January through June 1955; and the remaining 19 percent began to work in other areas after that date. This pattern suggests reluctance on the part of workers to seek and accept jobs in other areas. This is also borne out by responses in the personal interviews and by the fact that most of the out-of-town workers and migrants experienced a considerable amount of unemployment before migrating to other jobs.<sup>19</sup>

Almost all of the laid-off car shop workers reported that they had wanted local employment, and most of those who accepted jobs in other areas did so because (1) they were unwilling to take the kind of work available to them in the local market; (2) they were recruited by outside employers and accepted because no comparable jobs seemed to be available or about to become available; or (3) they had been unable to find suitable jobs in the local area and further unemployment was intolerable. The out-of-town workers and migrants had, therefore, on the average, taken longer in finding their first jobs after the layoff than the nonmigrants. Sixty-three percent of the Mt. Vernon address employed and 74 percent of the area employed obtained their first jobs within 6 months of layoff. In contrast,

only 50 percent of the out-of-town workers and 57 percent of the migrants found their first jobs within 6 months.

### Occupation and skill level

Despite their reluctance to seek and take jobs outside the Mt. Vernon area, the out-of-town workers and migrants more often found jobs at higher skill levels and earnings than did the nonmigrants. At the time of the survey, 40 percent of the out-of-town workers and 36 percent of the migrants were in skilled manual jobs, compared with 18 and 15 percent of the Mt. Vernon address and Mt. Vernon area employed. Farming was not counted as a skilled manual job and data were distorted by the high proportions of local employed who were in agricultural jobs. (See table 4.)

In the absence of complete data on training and experience, relative success of the several groups in finding work at suitable skill levels and earnings must be examined in relation to occupation, skill level, and earnings in the car shops. Of the several categories of those who were employed at the time of the survey, the out-of-town workers reported the greatest length of service and the highest average skill level at the car shops. Sixty-four percent in this group had been 10 or more years at the shops, compared with 49 percent of the migrants and 47 percent of the nonmigrants. Both the migrants and the out-of-town workers had also had higher skilled jobs, on the average, than the nonmigrants. Proportions employed in semiskilled or skilled jobs at the car shops were: Mt. Vernon address, 72 percent; Mt. Vernon area, 68 percent; out-of-town workers, 84 percent; and migrants, 87 percent.<sup>20</sup>

Skill level at the car shops was a minor reason that 40 percent of the out-of-town workers and 22 percent of the

<sup>19</sup>The interview responses are examined in chapter III and the unemployment data in chapter IV.

<sup>20</sup>These proportions were obtained from interview data.

TABLE 4. Laid-off workers employed at time of survey, by residence and employment status and by occupational group, April 1956

(Percentage distribution)						
Occupational group	Total sample <sup>1</sup>	Mt. Vernon employed	Area employed	Under employed <sup>2</sup>	Out-of-town workers	Migrants
Total.....	100	100	100	100	100	100
Professional and managerial.....	5	8	7	3	2	4
Clerical and sales .	3	5	4	---	4	2
Services.....	6	10	3	3	3	7
Agricultural.....	25	22	40	84	---	5
Skilled <sup>3</sup> .....	24	18	15	4	40	36
Semiskilled <sup>3</sup> .....	23	24	17	3	31	31
Unskilled <sup>3</sup> .....	14	13	14	3	20	15
Number in sample.	1,157	263	287	127	205	275

<sup>1</sup>No data or inadequate data for 59 additional respondents.

<sup>2</sup>Some of these did not furnish adequate information to classify by occupational group.

<sup>3</sup>Manual jobs in manufacturing, extraction, construction, etc.

Source: Mail questionnaire data.

migrants were in the same occupations they held at the car shops, in contrast with a mere 4 percent of the nonmigrant employed who were still in the same occupation. Much more important was the fact that more of those who went to other labor markets found jobs in manufacturing or in railroad car shops. Of those who found other car shop jobs, 53 percent stayed at the same skill level, whereas 31 percent moved to higher skill jobs. Of those who took other than car shop manufacturing jobs in other areas, 62 percent remained at the same level and 19 percent moved up.

Among those with full-time jobs in the Mt. Vernon area, differences existed between those with Mt. Vernon and non-Mt. Vernon addresses. Of the Mt. Vernon address employed, 72 percent had worked in the shops 5 or more years, compared with 45 percent of the non-Mt. Vernon address group, indicating that many of the former group had been laid off later than those residing in the Mt. Vernon area.

Most of those with local area employment also experienced major industrial and occupational shifts. Eighty percent of the Mt. Vernon address employed and 88 percent of the Mt. Vernon area employed were not only in non-manufacturing industries at the time of the survey but also, in almost all cases, in occupations quite different from those at the car shops (tables 3 and 4). The great diversity of industries and occupations in which these groups found employment can be attributed almost solely to the scarcity of industrial employment in the area in the years following the closing of the car shops.

#### Earnings and income comparisons <sup>21</sup>

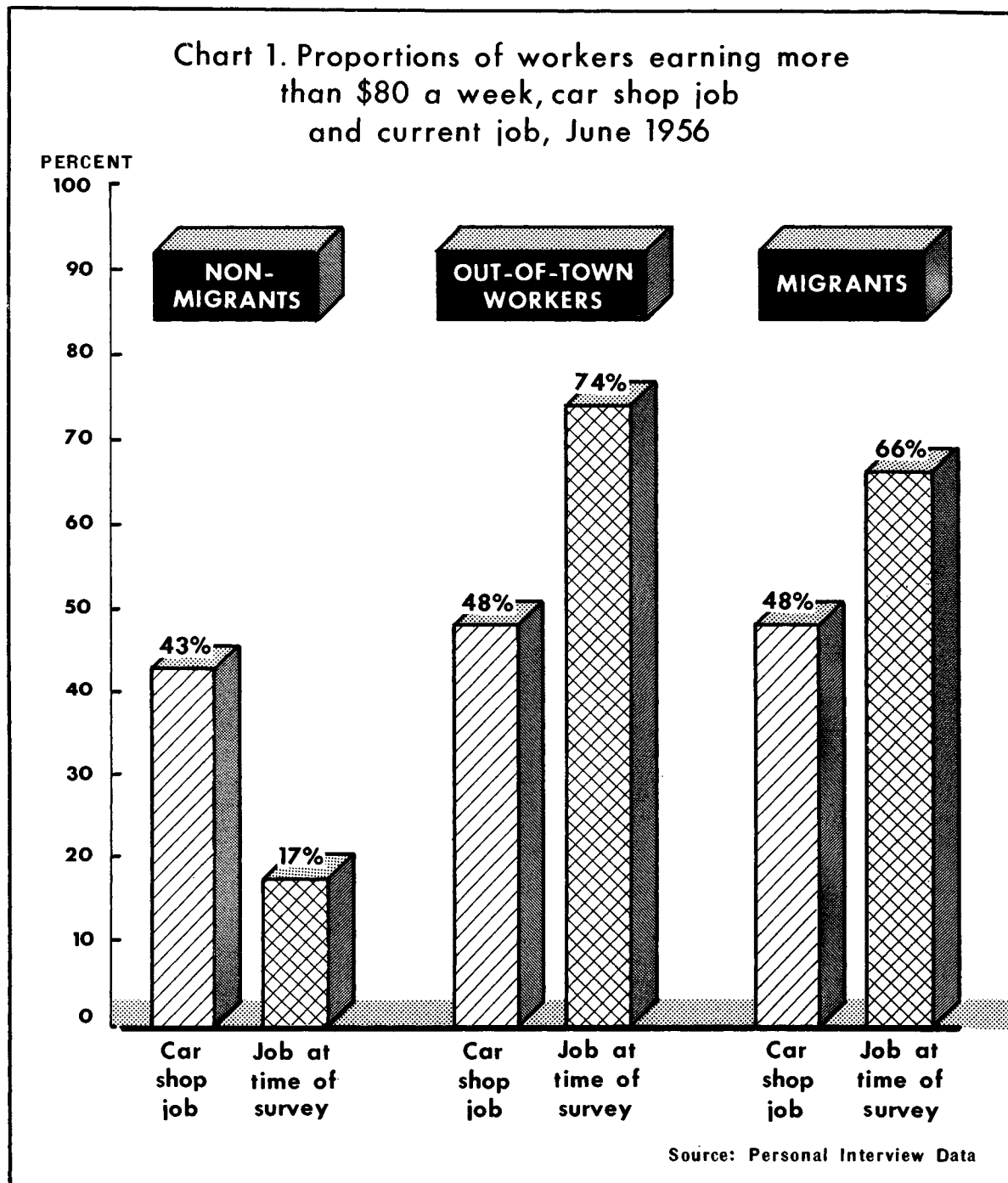
Changes in earning power between the time of employment in the car shops

<sup>21</sup>Earnings and supplemental income data were obtained in the personal interviews, but are presented here to complete the picture of the employment experience of the laid-off workers.

and of the survey showed marked contrasts between the various groups (table 5 and chart 1). Average earnings of the nonmigrant employed were, at the time of the survey, substantially below the level of those received at the car

shops and also well below the level of those working in other areas.

Since supplemental income was relatively small, it is clear that standards of living of the locally employed had



been seriously impaired. Wives of only 15 percent of the interviewed nonmigrants were working, although this figure would almost certainly have been higher had there been more plentiful job opportunities.<sup>22</sup> A number of the men had supplemental incomes, mostly from farming and odd jobs. Of the employed nonmigrants, 19 percent had secondary income-producing jobs and 18 percent of the out-of-town workers had secondary jobs or sources of income in the Mt. Vernon area, in most cases on farms. In contrast, only 6 percent of the migrants had secondary jobs or sources of income, with a third of these related to farming.

Unlike the nonmigrants, most out-of-area workers had improved their incomes in relation to their car shop earnings. With respect to estimated family income, 84 percent of the out-of-town employed workers and 77 percent of the migrant workers had total family incomes of more than \$80 a week, whereas only 43 percent of the families of the Mt. Vernon address employed and 23 percent of the Mt. Vernon

area employed families had incomes that high (chart 2). The area employed (mostly rural dwellers) had lower family incomes than did the locally employed with Mt. Vernon addresses, owing largely to the low average income from a majority of the farms. Almost 90 percent of the underemployed and almost 100 percent of the unemployed had family incomes of \$60 or less, with a third of the employed nonmigrants and almost all of the underemployed (mostly rural dwellers) and unemployed (mostly urban dwellers) reporting family incomes of \$60 or less.

#### Comparison with car shop jobs

Data on earnings and income obtained from the questionnaires indicated that the employed nonmigrants might look back upon their layoff from their car shop jobs with a sense of financial loss, and interviews confirmed this. Almost

<sup>22</sup>14 percent of the wives of out-of-town workers had jobs, but only 7 percent of the migrants' wives were employed.

TABLE 5. Laid-off workers by migrant status and by usual gross weekly earnings in car shop jobs and in jobs held at time of survey, June 1956<sup>1</sup>

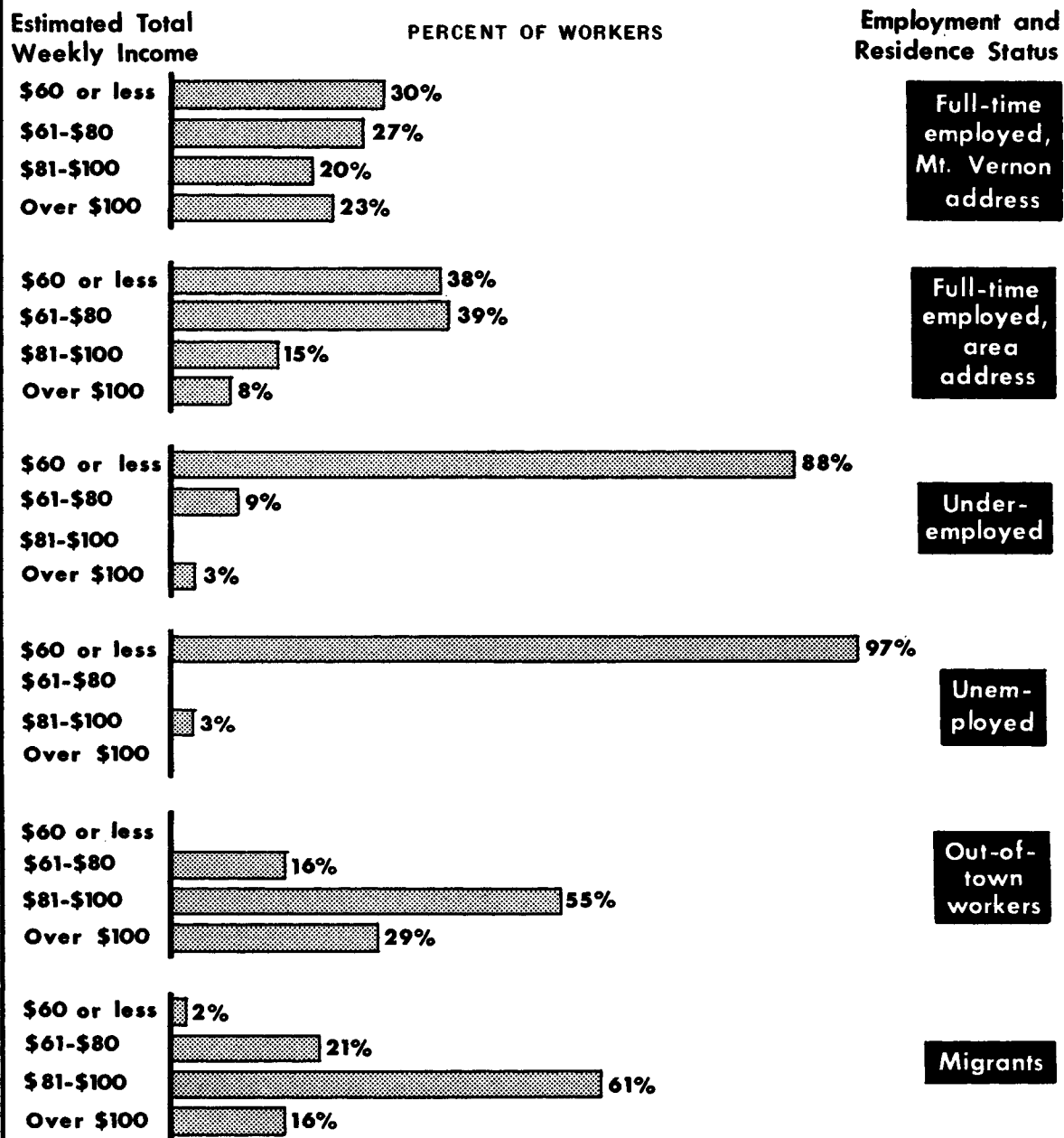
(Percentage distribution)						
Earnings intervals	Nonmigrants		Out-of-town workers		Migrants	
	Car shop	Current job	Car shop	Current job	Car shop	Current job
Total.....	100	100	100	100	100	100
\$50 or less.....	-	<sup>2</sup> 38	-	2	-	2
\$51-\$60 .....	7	18	-	-	5	-
\$61-\$70 .....	18	15	16	10	13	11
\$71-\$80 .....	32	12	36	14	34	21
\$81-\$90 .....	26	5	28	36	25	30
\$91-\$100 .....	14	5	14	22	18	29
Over \$100 .....	3	7	6	16	5	7
Number in sample.....	234		50		56	

<sup>1</sup>No data or insufficient data for 11 additional respondents.

<sup>2</sup>In this group, 15 percent earned \$30 or less; 9 percent, \$31-\$40; 15 percent, \$41-\$50.

Source: Personal interview data.

Chart 2. Estimated total weekly family incomes,  
by employment and residence status, June 1956



Source: Personal Interview Data

three-fourths of those with local full-time jobs considered the car shop job better than their current job. About 60 percent of the Mt. Vernon address employed and almost 90 percent of the Mt. Vernon area employed who preferred the car shop job gave better wages as the reason. The underemployed overwhelmingly preferred the car shop job (table 6).

A majority of both the out-of-town workers and the migrants also preferred the car shop to their current jobs, but the reasons given show much less preoccupation with the wage level, reflecting the generally more adequate level of earnings of these two groups. The most frequent type of reason given by those in the groups who preferred working at the car shops had to do with location, since they preferred jobs in Mt. Vernon to those in other areas. Some also mentioned the favorable hours at the car shops, referring to the shops' quota system which permitted workers

who had completed their day's quota to go home before the end of the scheduled workday. Those who had work to do on their farms or had other part-time work particularly liked this arrangement.

#### The problem of the underemployed

For purposes of analysis, some of those with jobs in the Mt. Vernon labor market area were classified as underemployed. In order to make a clear-cut distinction between full-time employed and underemployed, workers were placed in the latter category when their responses to the mail questionnaires indicated that they were either working part time or earning a substandard income and, at the same time, were actively seeking other employment. Because of limitations of the questionnaire data, a person was classified as earning a substandard income if he reported no regular job but indicated that

TABLE 6. Attitude of laid-off workers now in full-time employment, toward current job and car shop job, June 1956

(Percentage distribution)				
Comparison of jobs	Employed: Mt. Vernon address	Employed: area address	Out-of-town workers	Migrants
Total.....	100	100	100	100
Car shop better.....	73	71	72	61
Wages.....	43	62	8	20
Nature of work <sup>1</sup> .....	16	3	10	20
Location or hours of work.	14	6	54	21
Current job better.....	17	16	22	37
Wages.....	8	6	18	21
Nature of work <sup>1</sup> .....	8	9	4	14
Location or hours of work.	1	1	-	2
Other <sup>2</sup> .....	10	13	6	2
Number of responses.....	120	90	50	56

<sup>1</sup>Includes liking the type of work, the job itself, and the supervision.

<sup>2</sup>Includes those who felt jobs equal and those who thought jobs too different to compare.

Source: Personal interview data.

he had some income from farming, odd jobs, or some type of small business and was actively seeking work.<sup>23</sup>

Although the difficulties of measuring underemployment were great, the underemployed, as classified in this study, seem to represent a fairly distinct group when compared with the fully employed nonmigrants. In many respects, they are comparable with the long-term unemployed, differing from that group primarily because they had some income from work and because they included a larger proportion of rural dwellers. Presumably, a number of the underemployed would have been unemployed had they been living in the city rather than on small farms.

Compared with the area employed, the underemployed were older (59 percent were 45 and over, compared with 36 percent of the area employed) and they had less education (78 percent with 8 grades or less compared with 59 percent). In comparison with all fully employed nonmigrants, the underemployed included a higher proportion of rural dwellers, and had average lower skill levels at the car shops (24 percent had been in skilled jobs compared with 34 percent). Further, the great majority (85 percent) were working on farms at the time of the study and had been on farms since being laid off at the car shops (71 percent); and, according to interview data, the great majority also had total family incomes of \$60 or less a week (88 percent compared with 34 percent of the other nonmigrant employed).

Most of the underemployed who were interviewed reported an active search for work only in the Mt. Vernon area and indicated that they would take any kind of local job, since they wished to continue living on their farms but hoped to supplement farm income with local nonfarm employment.

### Self-employment

Significant was the high degree of self-employment among the laid-off industrial workers. Almost one-third of

the total number in the labor force (31 percent) were self-employed when interviewed (almost half of the nonmigrants), and another 9 percent reported some experience with self-employment after the shutdown. This can largely be attributed to the relatively large number (88 percent) who owned small farms. Of the total self-employed, 58 percent were farmers and the rest were in a variety of occupations--taxi-driving, retail store operation, and a number of skilled trades (painting, carpentry, metalworking). In the skilled trades, many were in the "odd-job" category, working short and variable hours.

Almost all of the self-employed were nonmigrants. Although as a group, the self-employed had steadier employment after the layoff than the nonmigrants employed by others, many (26 percent) were classified as underemployed, with low average incomes. Approximately 70 percent of the underemployed worked for themselves; the rest of the self-employed (74 percent) were in a variety of occupations, including farming. Their self-employment reflected more the relative scarcity of wage-earning jobs in the local area than the inability to earn a reasonable income. In terms of age, education, homeownership, car shop occupation, skill, and length of service, the self-employed among the nonmigrants differed little from the nonmigrants who worked for others.

### Employment status of the older worker

Because older workers allegedly have greater difficulty in finding jobs than do younger workers, it is of interest to examine the employment experience of workers between the ages of 55 and 65.<sup>24</sup> Compared with the entire sample, this age group had a higher proportion

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<sup>23</sup>Although the interview data would permit a more precise determination of underemployment, it was found that the differences in classification would be minor and it was decided to use the same criteria in order to maintain comparability.

<sup>24</sup>The unemployment experience of older workers is examined in chapter IV.



of underemployed (18 compared with 11 percent), a higher proportion of self-employed (43 compared with 30 percent), but about the same proportion in agriculture (20 and 19 percent, respectively). On the other hand, 23 percent of the total laid-off group had found manufacturing jobs (exclusive of railroad car building), whereas only 10 percent of the 55 to 65 age group had done so. Yet, 10 percent of these older workers had obtained other railroad car shop jobs, compared with 9 percent of the total sample. The ability to get jobs in car shops helped raise the proportion of the 55 to 65 age group working in other labor market areas to 25 percent, compared with 32 percent of the total group.<sup>25</sup>

When the older worker group was expanded to include those between 45 and 65 years of age, it was found that the railroad car building and repair firms had hired significantly greater

proportions of workers in this age group than had other types of manufacturing firms. Of the out-of-town workers with in this age group, 64 percent were in car shop jobs, compared with 74 percent of the migrants; only 42 and 27 percent, respectively, were employed in other manufacturing jobs. One explanation is that the car building and repair firms were more willing to hire these older workers in order to utilize their car shop skills and experience. The higher proportion of older out-of-town workers than migrants who were in manufacturing jobs other than car shops was due in part to the fact that a number of the out-of-town workers had skills (particularly welding) that could be utilized by a Granite City, Ill., manufacturer, who was apparently more willing to hire older workers than were some other manufacturing firms.

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<sup>25</sup>Of those between 55 and 65 who took out-of-area jobs, 40 percent were working in car building or repair and 40 percent were in manufacturing other than car building.

### Chapter III. Decisions on Where to Live and Work<sup>26</sup>

The workers who were laid off as a result of the car shop shutdown had varied experiences with respect to when, how, and where they found jobs and the kinds of employment they obtained. In the search for jobs, many workers were faced with complex decisions. Should they accept local employment less favorable than their car shop employment? Should they look for work in other labor market areas? What should an out-of-area job offer to be worth accepting? If a job were taken in another area, should the family move, either immediately or at some future time?

A major purpose of the personal interview was to obtain some information about labor market decisions in the 2 or 3 years immediately following the layoff. The decisionmaking process is examined, therefore, in turn, for the nonmigrants, the out-of-town workers, and for the migrants.

#### Why nonmigrants remained in Mt. Vernon

Responses to the mail questionnaires implied that the overwhelming majority of the former car shop workers preferred to live and work in the Mt. Vernon area. This was shown by the fact that at the time of the survey 82 percent of the respondents gave Mt. Vernon area as their home address, although only 36 percent had full-time jobs in the area. As stated previously, there was also a continued high degree of homeownership in the Mt. Vernon area, even among those with regular employment in other labor market areas. Finally, among those with jobs in other areas beyond normal commuting distance, 43 percent still had their homes

and families in the Mt. Vernon area even though most of them had been working outside the area well over a year, and many for 2 or even 3 years.

The implication of strong hometown attachment shown in the questionnaire data was confirmed by the data obtained in the interviews and is supported by at least one other study of southern Illinois workers.<sup>27</sup> Many of the laid-off workers who stayed in Mt. Vernon had not actively searched for work outside the area and when interviewed, a majority of the employed nonmigrants were not seeking other employment in or out of the local labor market area. Excluding those out of the labor force, 30 percent of the nonmigrants (employed and unemployed) said they were seeking work, and of these, almost two-thirds were looking only in the Mt. Vernon area. The proportion of the unemployed however, who said they were seeking jobs in other labor market areas was greater than that of the employed.

In order to evaluate hometown attachment, the nonmigrants were asked: "What are the reasons that you have preferred to stay in the Mt. Vernon area since the car shops closed?" and "What are the minimum conditions under which you would accept a job outside the Mt. Vernon area?" The reasons given in response to the first question are shown in table 7. Perhaps the

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<sup>26</sup>Personal interview data.

<sup>27</sup>A survey of southern Illinois unemployed showed that although one-fourth had had their last employment outside the southern Illinois region, almost all (97 percent) considered southern Illinois their permanent home. Applicant and Claimant Survey, op. cit.

TABLE 7. Reasons given by laid-off workers employed in Mt. Vernon area for preferring to stay in Mt. Vernon, multiple responses, June 1956

(Percentage distribution)				
Reasons given	Mt. Vernon employed	Area employed	Underemployed	Unemployed
Total.....	100	100	100	100
Mention of home or property ownership, other than farm.....	29	17	18	17
Farm ownership .....	13	32	25	4
Mt. Vernon is home-town .....	19	16	18	28
Family and friends.....	16	11	9	28
Found work in area .....	13	13	6	<sup>1</sup> 4
Other reasons <sup>2</sup> .....	10	11	24	19
Number of responses.....	<sup>3</sup> 209	142	63	54

<sup>1</sup>Unemployed who had found work and then lost it.

<sup>2</sup>Such as age, children in school, and not knowing where to find jobs in other areas.

<sup>3</sup>Number of respondents, 278; number of responses, 468.

Source: Personal interview data.

most significant finding is that such a small proportion of the responses had to do with finding local employment.<sup>28</sup> Property ownership and personal attachment to the area and its people were the major reasons for the desire to stay.

These responses do not mean that employment and income were unimportant. They indicate, rather, that the nonmigrants preferred to stay in Mt. Vernon because of their property and personal ties, despite lower average earnings and reduced living standards. Some of the nonmigrants said they had attempted to secure employment in other areas, but had been unsuccessful because they were above a certain age.

In answer to the question about conditions for acceptance of jobs outside Mt. Vernon, two-thirds of the nonmigrants 45 years or older (66 percent) listed various conditions; the other third (34 percent) said they would not or did not want to leave for any type of job.

A somewhat higher proportion of those under 45 (39 percent) said they did not want to leave the Mt. Vernon area for any kind of job.<sup>29</sup> A little more than half of the total number of nonmigrants (55 percent), however, listed financial conditions under which they would accept employment in other areas. Most of those willing to accept jobs outside the area made specific requirements of wages, hours, steadiness of employment, or type of work. In most cases, however, these conditions were based either on the respondents' previous experience or on information from others about outside jobs. Ten percent said they would have to earn enough more to cover the higher costs of living in, or commuting to, other labor market areas; 3 percent said they

<sup>28</sup>Using the first mentioned reason as the major reason, 11 percent of the nonmigrants gave "finding work" as the major reason for staying in Mt. Vernon.

<sup>29</sup>Such answers mean "any kind of job" the respondents considered within the realm of the probable.

would have to get the union scale; 5 percent, that they would have to sell their property (usually a farm) at a good price. The remaining 37 percent mentioned specific wages--more than \$80 a week for 22 percent and \$80 or under for the remainder. Only a few said they would take any kind of job. A large majority of the nonmigrants did not know of, nor had they recently been actively searching for, any specific job openings in other areas. Although 30 percent were seeking other employment when interviewed, only 11 percent were considering jobs in other areas. Further, 10 percent had recently known of jobs in other areas that they had decided not to apply for. A majority of the farmers were reluctant to give up their farms, preferring to combine farming with industrial jobs as they had done when they worked at the car shops, because the farms would be a source of food and income in the eventuality of future layoffs.

The nonmigrants, therefore, although in most cases not satisfied, were apparently determined to remain in the Mt. Vernon area as long as they were getting by. Some were quite satisfied with their post-car-shop employment and earnings, but the interviews left little doubt that most hoped for the establishment of new factories in the area that would provide good paying industrial jobs.

The combined responses to several interview questions revealed that the major reasons for nonmigration were property ownership (homes, farms, and other property), family and social ties, respect for the Mt. Vernon school system, the intangible but real factor of loyalty to the hometown, lack of knowledge of employment opportunities in other labor market areas, a reluctance to concede that the community would remain in a depressed condition, a certain amount of obsolescence or nontransferability of skills, and the perception of some of the workers 45 and over that jobs were not open in other labor market areas to persons past middle age.<sup>30</sup>

Factors on the demand side of the market for labor also tended to limit

outmigration of the laid-off workers. Some remained in the area only because outside employers had not hired them. Formal or informal hiring restrictions with respect to age limited the employment opportunities of the older workers. The emphasis of many employers on comparable work experience and established local residence handicapped those Mt. Vernon workers who applied for jobs in very different industries in communities some distance from their homes. Seniority systems and in-plant promotions made it difficult for many to obtain jobs where their own or comparable skills were needed.

### **Why the out-of-town workers kept their homes in Mt. Vernon**

The out-of-town workers might be described as those who were trying to solve the problem of achieving a satisfactory income and, at the same time, living in the hometown. Although it is possible that many of them would be unwilling to continue their long-distance commuting indefinitely, a number had maintained this arrangement for as long as 2 or 3 years at the time interviewed.

Most out-of-town workers had jobs at least 85-90 miles from their homes (the distance to the industrial Illinois towns east of St. Louis), although others were working as far as 260 miles away (La Grange, Ill., for example). Some worked within 100 miles of Mt. Vernon and commuted daily, usually in car pools, but a majority rented rooms in the vicinity of their jobs and commuted to their homes on weekends or on alternate weekends.

Few viewed this setup as permanent, however. Therefore, they still faced the decision of whether to move their families from the Mt. Vernon area or accept what might be less satisfactory

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<sup>30</sup>High average age has been associated with displaced workers and the problems of finding new jobs in other depressed areas. Examples include coal miners and textile workers. See William H. Miernyk, *Depressed Industrial Areas--A National Problem*. Washington, D.C., National Planning Association Pamphlet No. 98, January 1957, p. 13.

jobs and earnings in local employment, as jobs became available. Most of them hoped that new industry in Mt. Vernon would provide them with job opportunities comparable with those that had existed at the car shops.

The out-of-town workers were asked in the interviews: "Your job is in (place) but you have kept your family in Mt. Vernon. Why have you kept your family here?" The responses, summarized in table 8, show that much emphasis was placed on economic and financial factors, particularly the ownership of property and the cost of moving.

This group was also asked whether they would rather work in Mt. Vernon or in the areas where they had found jobs. Of the 50 out-of-town workers interviewed, 43 (86 percent) preferred jobs in Mt. Vernon. These 43 were then asked: "What kind of jobs would you take in Mt. Vernon?" In reply, 15 (34 percent) either did not mention wages or said they would take a job with a living wage; another 12 (28 percent) mentioned specific weekly wages below \$80, which is significant since 74 percent of the total group were earning more than \$80 in their current jobs; and another 8 (19 percent) said they

would accept less pay than in their current out-of-area jobs. The remaining 8 (19 percent) indicated they would accept a job in Mt. Vernon only if it paid more than \$80 a week.

A number specified particular occupations, mostly manual, but others said they would take anything or, at least, any reasonable job that provided steady full-time employment. Although these replies undoubtedly exaggerated the actual willingness to accept substantially lower wages, they nevertheless indicated a general willingness to make some sacrifice to obtain local employment. Few out-of-town workers, however, saw any immediate hope of finding local jobs. Only 11 of the 50 said they were taking active steps to find Mt. Vernon jobs, but none of the 11 were seeking work in other labor market areas. In fact, only 1 of the 50 was seeking a job in another labor market area.

### Why the migrants moved with their families

Most migrants hoped that an increase in Mt. Vernon job opportunities would enable them to return to work in the area. This group, however, had decided that in the meantime they would

TABLE 8. Reasons given by out-of-town workers as to why they kept family in Mt. Vernon, June 1956

Reasons given	(Percentage distribution)			
	Major responses		Multiple responses	
	Number	Percent	Number	Percent
All responses.....	48	100	72	100
Owned home or property, other than farm.....	17	36	26	36
Owned farm.....	6	13	7	10
Costs and problems of moving .....	14	29	19	27
Wife working <sup>1</sup> .....	3	6	5	7
Children in school.....	4	8	6	8
Other.....	4	8	9	12

<sup>1</sup> 7 wives of the out-of-town workers had jobs in Mt. Vernon at the time of the interview; 5 of them had incomes of \$30 a week or less.

Source: Based on interview data from 50 out-of-town workers.

be better off to move with their families to the areas where they had found work. Only a few considered the move as necessarily permanent.

When asked, "What were your reasons for moving your family away from the Mt. Vernon area," a majority of the migrants gave economic and financial reasons for moving their families, as had the out-of-town workers, when asked why they kept their families in Mt. Vernon. A substantially greater proportion than of the out-of-town workers, however, gave personal reasons which can be summed up as "keeping the family together" (table 9).

Of the 56 migrants interviewed, 44 (79 percent) said they would prefer working in Mt. Vernon, compared with 86 percent of out-of-town workers who preferred jobs in Mt. Vernon. As a measure of the intensity of this preference, only 14 percent of those who desired Mt. Vernon jobs said they must earn more than \$80 a week there, although 66 percent of all migrants were earning more than that amount in their current jobs.

Fewer migrants than out-of-town workers, however, were willing to take any steady job in Mt. Vernon regardless of pay level. All but two migrants listed a specific minimum wage level

or said they would require a living wage; others, in addition to wages, had requirements such as some specific type of work, 40 or more hours of work a week, or steady work.

Like the out-of-town workers, however, few migrants believed job openings would occur in Mt. Vernon in the near future. This belief in part explains why only 7 of the 56 migrants interviewed said they were actively seeking employment in Mt. Vernon. Two of the seven reported that they were seeking work not only in Mt. Vernon but in other areas as well. Of the 56, only 2 reported that they were seeking jobs only in other areas.

Clearly, the migrants as well as the out-of-town workers, in almost all cases, were working in other labor market areas as a result of necessity rather than choice. This is borne out even by those few who said "no" when asked whether they would rather work in Mt. Vernon. The out-of-town workers and migrants (17 out of the 106) who gave this answer were asked why they said "no". Although no one said he preferred his new location, 11 of the 17 gave the reason that no opportunities existed in Mt. Vernon; the other 6 thought opportunities were better in their new labor market area. It appears probable from this that even some in

TABLE 9. Reasons given by migrants for moving families from Mt. Vernon, July 1956

(Percentage distribution)				
Reasons given	Major responses <sup>1</sup>		Multiple responses	
	Number	Percent	Number	Percent
All responses.....	50	100	66	100
No job opportunities in Mt. Vernon	19	38	21	32
Cost and time of commuting.....	6	12	11	17
Cost of maintaining 2 establishments .....	5	10	11	17
To keep family together.....	19	38	22	33
Other.....	1	2	1	1

<sup>1</sup>6 respondents did not specify a major reason.

Source: Based on interview data from 56 migrants.

this group would return to Mt. Vernon if new job opportunities became available.<sup>31</sup>

Of interest also is the fact that 14 percent of the out-of-town workers and migrants had tried self-employment in the Mt. Vernon area before accepting out-of-area jobs. Since the self-employment generally yielded low incomes, this is further indication of the desire to live and work in or near Mt. Vernon.

### **Comparison of employed non-migrants with those working in other areas**

It was clear that despite their preference for Mt. Vernon, the out-of-area workers had gone outside the area to seek work. Only a minority of the non-migrants, however, had attempted to find work in other areas. Clearly, those who found local employment which they considered as good or better than their car shop jobs would not seek out-of-area jobs. These nonmigrants, however, were far outnumbered by those who had accepted lower earnings and income in local jobs rather than look elsewhere.

Other nonmigrants, especially in the older age groups, had sought jobs in other areas and either had not found, or were not accepted for, suitable employment. A frequent complaint of workers age 45 and over who made voluntary comments on their questionnaires was that although they had sought jobs in other areas they had been turned down because of age. Several of the older interviewed respondents described at some length how their search for jobs around the State failed because of their age. Still others had not sought jobs in other labor markets because they believed such a search would be fruitless.

Although the type of interview used was inadequate to establish motivation on the part of individual workers, the evidence suggested that most of the employed nonmigrants were working in Mt. Vernon because they were able to find local employment and believed that the advantages of working near home

outweighed the advantages of long-distance commuting or migration.

Most out-of-town workers and migrants were those who either could not find local jobs or could not find jobs they considered suitable. A number of out-of-town workers, had taken outside jobs not because they were unable to find work in Mt. Vernon, but because of the higher earnings in other areas. Some who had been recruited by outside employers and tended to be among the most employable of the former car shop workers in terms of skills and education, put a higher price on the acceptance of local area jobs.

Although the migrants differed from the other groups in several respects, the differences were not so great as to make them clearly distinct or to account for their migration. Somewhat fewer than in the other groups had owned homes in the Mt. Vernon area and few owned farms; this group also included most of the unmarried and a large proportion of younger persons. They, like the out-of-town workers, had gone to other labor market areas either because they could not find jobs in the Mt. Vernon area or could not find jobs at adequate earnings or skill levels. Decisions to move families depended in most cases on the distance of their jobs from Mt. Vernon or the desire to keep families together.

Again, however, the migrants, like the out-of-town workers, tended to be more employable than the nonmigrants. They were, on the average, more highly skilled and had worked longer in the car shops. They also had a somewhat higher average level of education than the nonmigrants. These factors, with the larger proportion of younger persons in this group, suggest that the combination of relative youth and factory experience was helpful in obtaining factory jobs in other labor market areas.

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<sup>31</sup>The migrants who were interviewed were all working in other areas of Illinois or in St. Louis. It is possible that some of the migrants who had moved to such distant States as Texas, California, and Florida had made a permanent change and would not be interested in returning.

## Chapter IV. Unemployment and Unemployment Insurance

Almost all of the workers who were laid off when the car shops shut down experienced some unemployment. Some of those covered by the survey who had been laid off before the final shutdown were unemployed at the time of the shutdown. In this chapter, duration of unemployment and the extent and importance of unemployment insurance to the workers are analyzed.

### Unemployment trends in the Mt. Vernon area after the shutdown

A change in the territory included in the Mt. Vernon labor market area was made by the Illinois State Employment Service shortly after the shutdown, making impossible a satisfactory comparison of area unemployment trends before and after the shutdown.<sup>32</sup> In Jefferson, Wayne, and Hamilton Counties, however, an area in which Mt. Vernon is the largest urban community, unemployment was estimated at 16.3 percent of the total labor force in April 1954, 2 months after the shutdown (table 10). Before the shutdown, unemployment in these counties was estimated to be between 10 and 12 percent of the total labor force.<sup>33</sup>

Although the three-county area is larger than the preshutdown Mt. Vernon labor market area and the labor force figures are estimated from partial data, the data appear sufficiently reliable to indicate the trend of unemployment after the shutdown. The three counties include almost all of the Mt. Vernon labor market, and those portions of Wayne and Hamilton counties outside of the Mt. Vernon labor market area are largely rural sections which, in the

period after the shutdown, had relatively little change in employment and unemployment.

The unemployment estimates for the periods just before and after the shutdown almost certainly underestimate the unemployment in the nonagricultural sector of the Mt. Vernon labor market. Most nonfarm employment in the area is in Mt. Vernon itself and much of the unemployment was concentrated there. Questionnaire data indicated that smaller proportions of rural than of urban residents were totally unemployed, although a considerable amount of the underemployment was concentrated in rural areas.

From a peak in the months immediately following the shutdown, unemployment in the area gradually dropped through late 1955 and early 1956, rising again in April 1956, but it was still below the 1954 level. The decline in unemployment resulted from a shrinking of the local labor force rather than from an expansion in job opportunities, since employment in the area also declined. Between April 1954 and May 1956, the drop in the employment level almost equaled that in the level of unemployment. The major element in this labor force shrinkage was outmigration of workers, although older workers' withdrawal from the labor force was accelerated, illustrating the scarcity of

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<sup>32</sup>Beginning in April 1954, labor force estimates were prepared for Jefferson, Wayne, and Hamilton Counties, instead of for Jefferson County only.

<sup>33</sup>These estimates are based on information supplied by the Illinois State Employment Service.



job opportunities faced by the laid-off workers.

In the spring of 1956, when the field study was made, layoffs in other labor market areas had resulted in the return to Mt. Vernon of some of the outmigrants.<sup>34</sup> This temporarily reversed the downtrend in the labor force and created a substantial increase in local unemployment; some of this increase in unemployment was reflected in the questionnaire responses.<sup>35</sup>

### Unemployment of car shop workers

A large majority of the laid-off car shop employees experienced a month or more of unemployment. Sixty-seven percent reported 3 or more months' unemployment; 54 percent were without work for 6 or more months, and 31 percent were unemployed for a year or longer. According to the questionnaire responses,<sup>36</sup> 84 percent applied for unemployment insurance and 79 percent received benefits.

Although the questionnaire responses may exaggerate slightly the total amount of unemployment,<sup>37</sup> they illustrate several aspects of the employment and unemployment experience of the respondents. For example, two important reasons for staying in Mt. Vernon were (1) availability of jobs or self-employment immediately after layoff, and (2) inability to obtain employment in other areas. Both are reflected in the unemployment experience of the nonmigrants, of whom approximately one-third had found other employment almost immediately after layoff and another third were unemployed for a year or more--figures noticeably higher than those for out-of-town workers and migrants (table 11). In other words, many who found jobs quickly in the Mt. Vernon area stayed, but in addition, others also stayed who found job finding very difficult. Many of those with long periods of unemployment were men over 45 who found it difficult to find jobs in other areas.

Almost 9 out of 10 of the out-of-town workers and migrants had experi-

enced some unemployment, but fewer persons in these groups than of the nonmigrants were unemployed for a year or more. The particular pattern of

<sup>34</sup>Southern Illinois outmigrant workers tend to return to their hometowns not only when job opportunities become available but also when they are laid off in other areas. For additional evidence, see Applicant and Claimant Survey, op. cit.

<sup>35</sup>By October 15, 1956, however, unemployment had again fallen off substantially both because of heavy outmigration to industrial plant jobs in the central and northern part of Illinois and because of employment increases in nonmanufacturing establishments in Mt. Vernon. The Illinois State Employment Service reported that, as of October 15, 1956 (Labor Market Trends, November 1956), the number of unemployed men was approximately half that of 6 months earlier. The Employment Service's report stated: "Continued recruitment by firms outside the area has practically drained off all the skilled machine operators. However, many of these same men would be willing to return home if local employment opportunities presented themselves."

<sup>36</sup>When not otherwise specified, data in this chapter are from the questionnaire responses.

<sup>37</sup>In the interviews, 86 percent said they applied for benefits (84 percent on questionnaires): 19 percent said they drew no benefits (21 percent on questionnaires). These results are very similar, but only 61 percent of those interviewed reported 2 or more weeks of total unemployment, compared with 76 percent of those who completed questionnaires. Other than sampling differences, this discrepancy has two possible explanations. Some of those who completed the mail questionnaires misunderstood the meaning of "unemployed" and reported total unemployment for periods when farming, doing odd jobs, or when otherwise self-employed. Further, a few may have tried to match total unemployment with the length of time they drew unemployment compensation. It might be noted, also, that under the Illinois Unemployment Compensation Act, some benefits can be received even if a person is not totally unemployed. In section 239 of the act (as amended to July 1, 1951), the definition of unemployed includes a person who is otherwise eligible and in any week works less than full time for wages less than his weekly benefit amount. Thus, a person with no total unemployment could receive benefits. Further, the data for this study were coded in such a way that persons with less than 2 weeks of total unemployment were counted with those with no unemployment. Some of these people drew unemployment compensation benefits.

TABLE 10. Estimates of civilian labor force, Jefferson, Wayne, and Hamilton Counties, Ill., April 1954-April 1956

Labor force	April 1956	October 1955	April 1955	October 1954	April 1954 <sup>1</sup>
Total civilian labor force,.....	24,050	23,450	24,475	24,725	27,525
Total employed .....	21,450	21,600	21,725	21,425	23,025
Nonagricultural wage and salary workers.....	11,850	11,900	11,825	11,725	13,125
Other nonagricultural workers .....	3,200	3,200	3,200	3,200	3,200
Agricultural workers .....	6,400	6,500	6,700	6,500	6,700
Total unemployed .....	2,600	1,850	2,750	3,300	4,500
Unemployed as percent of labor force.....	10.8	7.9	10.8	13.3	16.3
Numerical change in--					
Period	Labor force	Total employment	Non-agricultural employment	Un-employment	
April 1954-October 1954.....	-2,800	-1,600	-1,400	-1,200	
October 1954-April 1955.....	-250	+300	+100	-550	
April 1955-October 1955.....	-1,025	-125	+75	-900	
October 1955-April 1956.....	+600	-150	-50	+750	

<sup>1</sup>Revised figures.

Source: Labor Market Reports, Research and Statistics Section, Illinois State Employment Service reports.

TABLE 11. Laid-off workers by duration of unemployment and by migrant status, April 1956  
(Percentage distribution)

Duration of unemployment	Total sample <sup>1</sup>	Nonmigrants	Out-of-town workers	Migrants
Total.....	100	100	100	100
Unemployment .....	76	69	88	89
2 weeks-2 months.....	9	7	9	16
3-5 months .....	13	10	17	21
6-8 months .....	14	11	23	17
9-11 months .....	9	7	14	12
12-17 months .....	13	12	15	13
18-23 months .....	9	9	7	7
2 or more years.....	9	13	3	3
No unemployment <sup>2</sup> .....	24	31	12	11
Number in sample.....	1,290	826	193	271

<sup>1</sup>Questionnaires contained inadequate data for 105 additional workers.

<sup>2</sup>Includes those with less than 2 weeks' total unemployment.

Source: Mail questionnaire data.

unemployment for out-of-town workers and migrants implied not only that more than half of them had concentrated their employment search in the local area for some months after the layoff, but also that search for and acceptance of employment in other areas accelerated rapidly after the first few months of unemployment.

Migrants had somewhat less unemployment, on the average, than out-of-town workers which indicates that they were more willing to break their ties, at least temporarily, with the hometown.

Data on total months of unemployment are supplemented by responses to the question on the time required to find the first job after layoff. Forty-seven percent of the area full-time employed had found employment within 2 weeks after being laid off, and 71 percent of the underemployed had engaged in some type of work within a similar length of time. These high figures reflect the fact that many of the area employed and underemployed were able to resume or take up farming or odd jobs shortly after the layoff. In contrast, only 26 percent of the full-time employed with Mt. Vernon addresses, 12 percent of the out-of-town workers, and 13 percent of the migrants had found their first jobs within 2 weeks.

### **Comparison of the short-term and long-term unemployed**

Eighty-three percent of those with little (2 weeks or less) or no unemployment were workers who stayed in the Mt. Vernon area. On the other hand, 89 percent of those with at least 2 years of unemployment after the shutdown were also persons who stayed in the area. Thus, most of both the shortest and longest periods of unemployment was concentrated among the nonmigrants.

Absence of unemployment, however, had not in all cases meant satisfactory solution of the employment problems of the laid-off workers. Many who reported no unemployment were farmers or farmhands who had depended upon

work in the car shops for adequate income; others had not worked at a regular or full-time job since the layoff, but had taken whatever odd jobs they could find, and were, therefore, counted with the underemployed; finally some had left the labor force after the layoff because they were age 65 or over. Interviews indicated that some decisions to retire were hastened by the scarcity of jobs in the area.

Most of those with little or no unemployment, however, had found local jobs they considered satisfactory, and so were not faced directly with the problem of whether to migrate. In contrast, those who had no work for at least 2 years after the shutdown were those without ready sources of local employment, many of whom had looked for work in other areas without success.

Large numbers of nonmigrants reported either short-term or long-term unemployment; 40 percent of the group were unemployed from 3 to 18 months after the layoff. In contrast, 69 percent of the out-of-town workers and 63 percent of the migrants had been unemployed for from 3 to 18 months. For the most part, therefore, the out-of-town workers and migrants saw few alternatives to factory work. They did not own farmland and could not afford to buy it; they could not get, could not earn enough, or did not want, odd jobs; and they had insufficient capital or did not feel qualified to go into business for themselves.

The employment alternatives facing individual workers were clearly a major factor associated with duration of unemployment. Little relation appeared, however, between the period of unemployment and factors such as the level of skill either in the car shop occupation before the shutdown, or in the job of those who had found factory employment at the time of the survey. Although those with children under 18 (used as an indication of family financial responsibilities) reported somewhat shorter periods of unemployment than those with no school-age children, the explanation may lie in the difference in age distribution, since younger persons ex-

perienced shorter periods of unemployment than did those in the higher age groups.

### **Those unemployed at time of survey**

A majority of those unemployed at the time of the survey had experienced protracted unemployment. Only 8 percent found jobs within 2 weeks after the shutdown, whereas 61 percent were more than 6 months in finding their first jobs, compared with only 36 percent in the entire sample. In total amount of unemployment between the shutdown and the survey, 92 percent of this group had been out of work 6 or more months, 75 percent a year or more, and 40 percent 2 or more years. Some had been unemployed continuously since the lay-off, and approximately 9 out of 10 had exhausted their unemployment compensation benefits.

Many of the long-term unemployed had no interest in or opportunity to engage in farming or odd-job work, some had looked unsuccessfully for work both locally and in other areas. Further, much long-term unemployment was associated with age--70 percent of those unemployed in April 1956 were age 45 or older, while only 48 percent of all respondents in the labor force were in that age group. These older unemployed were in most cases not eligible for social security since only 8 percent were 65 or over.

In addition to being older, on the average, than the rest of the laid-off group, the unemployed had less education; 78 percent reported 8 or fewer grades of school. Those over 45 years of age, and particularly those over 55, suffered a double handicap because of age and lack of education.<sup>38</sup>

With the exception of the migrants, the unemployed group reported the greatest shift from homeownership. Further, almost all (97 percent) of the interviewed unemployed had weekly family incomes of \$60 or less at the time of the study. Less than half of

the interviewed unemployed, however, said they were actively considering jobs outside the Mt. Vernon labor market area. The most important reason given by those not seeking jobs in other areas, was that to do so would be futile. Almost all who gave this reason were persons over age 45 and in many instances between 55 and 65. They had either tried to find jobs in other areas and had failed, or knew many who had tried and failed. A small minority of the unemployed, however, felt that they should not have to seek work in other areas; that local industry and business should provide enough jobs.

### **Those out of labor force at time of survey**

Many of the 9.4 percent of the questionnaire respondents who were not in the labor force at the time of the survey had not retired immediately after the shutdown. This, and the fact that the withdrawal rate appeared above average, justified examination of the employment and unemployment experiences of this group, most of whom were 65 years of age or older.

The car shops had no formal retirement age and a number of the men close to 65 or 65 years and over had not wanted to retire when they were laid off. A number had not retired even at the time of the survey. In 1956, 21 percent were working (almost all in the Mt. Vernon area and mostly as self-employed), and 11 percent were unemployed and actively looking for work. The rest (68 percent) had withdrawn from the labor force. Interviews with some of the retired workers, however, indicated that a number had left the labor force only because they were unable to find jobs, although they had looked for work within the first year after the layoff. Approximately 10 percent of the total out-of-the-labor-force group had some employment after the shutdown.

### **Age, education, and duration of unemployment**

Age and amount of formal education were related significantly to length of

<sup>38</sup> For more extended discussion, see below.

unemployment after the car shop lay-off. The data indicate, however, that the relationship between age and length of unemployment was the more significant. Only 32 percent of those unemployed less than 6 months were 45 years of age or older, while 47 percent of those with 6 through 8 months of unemployment were in this age group. The proportion of persons 45 and over increased to 56 percent of those unemployed from 9 through 17 months and to 74 percent of those who were jobless for 18 months or longer. In the sample as a whole, less than 40 percent were out of work for 9 or more months, but 64 percent of the 55 through 64 age group were unemployed that long (table 12).

The number of weeks of unemployment insurance benefits also increased with the age of the workers. Benefits were exhausted by 52 percent of those in the 45 through 54 age group and 65 percent of those from 55 through 64 years of age; these rates were 22 and 36 percent, respectively, for the 25 through 34 and the 35 through 44 years age groups. In addition, although 24 percent of the 35 through 44 age group drew no benefits, only 15 and 8 per-

cent in the 45 through 54 and the 55 through 64 age groups, respectively, likewise drew no benefits.

Included in the group of those who were unemployed for 6 months or longer, were 76 percent of the grade school graduates, 56 percent of the high school graduates, and only 31 percent of those with some post-high-school education. Among all laid-off workers, 56 percent of the workers with some education beyond high school either experienced no unemployment or were unemployed less than 3 months; 43 percent of the high school graduates had a similar experience, while only 31 percent of grade-school graduates fell in this category (table 13).

Measurement of the relative influence of educational achievement and of age upon length of employment was not possible. When replies were analyzed, however, it was clear that the proportion of workers 45 years of age and over who reported 6 or more months of joblessness was greater than for those under 45, except in the 45 through 54 age group who had 4 or more years of education beyond grade school. In each educational group, however, work-

TABLE 12. Laid-off workers, by duration of unemployment and by age group, April 1956

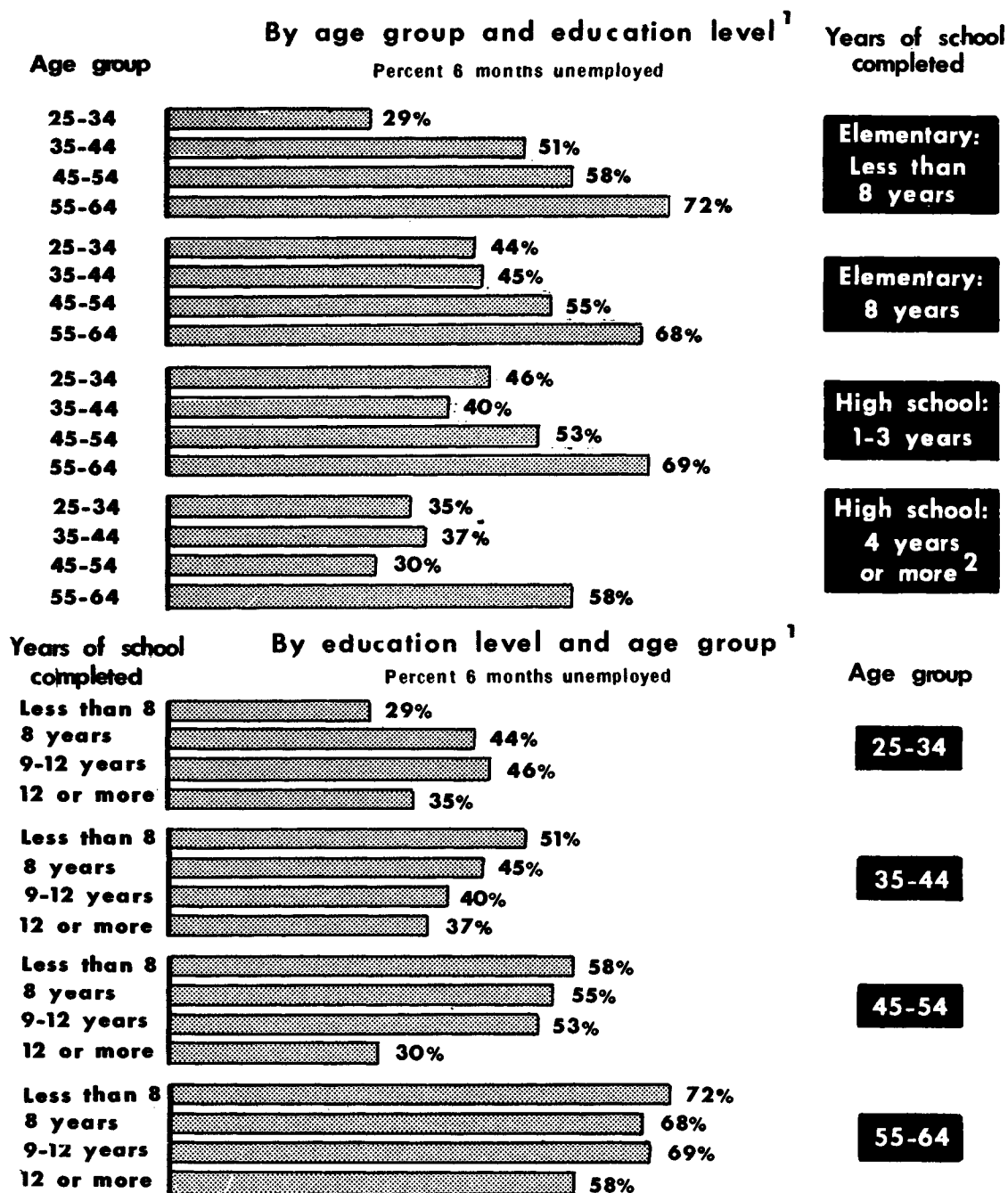
(Percentage distribution)								
Duration of unemployment	Total sample <sup>1</sup>		Age groups					
	Number	Percent	20-24	25-34	35-44	45-54	55-64	65 and over
Total .....	1,407	100	100	100	100	100	100	100
Unemployment .....	1,053	75	82	71	72	77	85	59
2 weeks-2 months .....	127	9	26	10	10	10	2	5
3-5 months .....	175	12	18	19	16	9	7	3
6-8 months .....	198	14	10	16	15	14	12	13
9-17 months .....	293	21	21	18	19	26	26	6
18 months or more .....	260	19	7	8	12	18	38	32
No unemployment <sup>2</sup> .....	354	25	18	29	28	23	15	41

<sup>1</sup>Questionnaires contained inadequate data for 132 additional workers.

<sup>2</sup>Includes those with less than 2 weeks' unemployment. The high proportion of persons 65 or over with no total unemployment is influenced by the fact that a large proportion of the older workers who did not retire stayed in the labor force as self-employed (farming and odd jobs).

Source: Mail questionnaire data.

Chart 3. Proportions unemployed 6 months or more after car shop layoff, by age and education level, April 1956



<sup>1</sup> Based on 1,297 mail questionnaires.

Persons under 25 and 65 or over were omitted from this tabulation.

<sup>2</sup> Includes only 18 out of 248 with some education beyond high school.

TABLE 13. Laid-off workers by duration of unemployment and by educational achievement, April 1956

(Percentage distribution)							
Duration of unemployment	Total sample <sup>1</sup>		Amount of schooling				
			Elementary school		High school		College
	Number	Percent	Less than 8 grades	8 grades	9-11 grades	12 grades	13 grades or more
Total.....	1,370	100	100	100	100	100	100
Unemployment .....	1,026	75	77	76	74	70	76
2 weeks-2 months .....	126	9	7	7	11	13	34
3-5 months .....	169	12	9	11	13	18	19
6-8 months .....	196	14	13	14	17	15	9
9-17 months .....	283	21	18	23	23	14	5
18 months or more .....	252	19	30	21	10	10	9
No unemployment <sup>2</sup> .....	344	25	23	24	26	30	24

<sup>1</sup>Questionnaires contained inadequate data for 169 additional workers.

<sup>2</sup>Includes those with less than 2 weeks of unemployment.

Source: Mail questionnaire data.

ers 55 and over experienced substantially more unemployment than those in the 45 through 54 age group (chart 3).

Similarly, in each age group, length of unemployment tended to show a relationship to years of schooling. The most marked difference occurred when comparison was made between those with 12 or more years and those with less than 12 years of schooling. The high school graduates showed significantly smaller proportions who had been unemployed for 6 months or longer. The proportions of those experiencing long-term unemployment, however, increased for workers 45 years of age or older, except for those from 45 through 54 who had completed high school. It seems clear, therefore, that although education was related to length of unemployment, age was a more significant barrier to reemployment than education.

### The role of unemployment insurance

Chronic unemployment in a depressed area is comparable at the local level with a national depression. Unemployment insurance plays a significant role in such communities but cannot by itself have any great effect on the restoration of local prosperity.

Major layoffs at the Pressed Steel Car Co. plant occurred in March and April 1953 and in February and March 1954, with about a thousand persons laid off each period. The layoffs had immediate effect on unemployment benefits and the great extent to which Jefferson County unemployment benefits in 1953 and 1954 were attributable to previous employment at the car shops. For example, the increase in number of weeks compensated between January 1954 and March 1954 can be assigned almost entirely to the February car shop layoff. Further, a significant proportion of the compensable unemployed in January 1953 had their covered employment in the car shops (table 14).

A major portion of the benefits paid in 1953 and 1954, therefore, resulted from previous employment at the Pressed Steel Car Co. Although far less than the laid-off workers' earnings would have been, the \$2 million in compensation benefits during the 2 years not only helped the unemployed workers but also helped to bolster the income of the community at large. Total weeks compensated for the county as a whole fell from 55,430 in 1954 to 21,750 in 1955 and benefits paid, from \$1,385,670 to \$486,375.

TABLE 14. Employment at Pressed Steel Car Co. and unemployment compensation paid to all unemployed workers, Jefferson County, Ill., 1953-54, by month

Year and month	Car-shop employment		Jefferson County unemployment benefits		
	Total <sup>1</sup>	Net change	Number of weeks compensated <sup>1</sup>	Benefits paid	Number who exhausted benefits <sup>1</sup>
Total: 1953 and 1954	--	--	85,920	\$2,061,680	1,950
1953: Total.....	--	--	30,490	\$676,010	560
January.....	1,680	--	1,880	38,565	50
February.....	2,250	+570	880	19,820	40
March.....	1,610	-640	1,970	45,810	50
April.....	1,200	-410	3,000	68,250	--
May.....	1,160	-40	<sup>2</sup> 1,160	20,490	--
June.....	1,130	-30	3,110	66,760	30
July.....	930	-200	3,070	68,940	30
August.....	850	-80	2,860	65,390	70
September.....	930	+80	3,780	88,500	100
October.....	1,160	+230	2,690	58,140	40
November.....	1,120	-40	2,380	52,310	60
December.....	900	-220	3,710	83,035	90
1954: Total.....	--	--	55,430	1,385,670	1,390
January.....	1,040	+140	2,740	63,030	110
February.....	100	-940	3,770	92,280	140
March.....	(3)	-90	5,650	143,370	200
April.....	(3)	--	5,660	145,810	70
May.....	(3)	--	6,380	165,345	---
June.....	(3)	--	6,480	168,125	---
July.....	(3)	--	6,870	173,860	120
August.....	(3)	--	5,400	135,985	100
September.....	(3)	--	4,210	101,740	160
October.....	(3)	--	3,140	74,900	200
November.....	(3)	--	2,220	53,450	160
December.....	(3)	--	2,910	67,775	130

<sup>1</sup>Rounded to nearest 10.

<sup>2</sup>No explanation available for sudden drop.

<sup>3</sup>Approximately 10 workers employed as watchmen and janitors.

Source: Illinois State Employment Service and Division of Unemployment Compensation, Illinois Department of Labor.

Data on the weeks of benefits paid to the former car shop workers were obtained from the mail questionnaires (table 15). Of the workers laid off from the car shops in 1953 and 1954, 84 per cent applied for unemployment benefits and 79 percent received them. The nonmigrants not only exhausted their benefits more frequently than did the out-of-town workers and migrants, but a greater proportion of the nonmi-

grants drew no benefits. These results are less contradictory than they seem because the nonmigrants were much less homogeneous than the other two groups. The nonmigrants included not only those who had other employment immediately available in the locality after the shut-down or who had the highest qualifications for local employment, but also those who were least employable because of age or other reasons.



TABLE 15. Laid-off workers drawing unemployment benefits by number of weeks of benefits and by migrant status, April 1956

(Percentage distribution)					
Weeks of benefits	Total sample <sup>1</sup>	Total drawing benefits <sup>2</sup>	Nonmigrants	Out-of-town workers	Migrants
Total .....	100	100	100	100	100
Total drawing benefits .....	79	100	77	86	80
1-4 weeks .....	6	7	4	6	11
5-12 weeks .....	14	18	13	18	17
13-18 weeks .....	8	10	7	10	9
19-25 weeks .....	9	11	6	16	11
26 weeks <sup>3</sup> .....	42	54	47	36	32
Not drawing benefits <sup>4</sup> .....	21	--	23	14	20

<sup>1</sup>Based on a sample of 1,260; questionnaires contained inadequate data for 135 additional workers.

<sup>2</sup>Based on 996 questionnaires.

<sup>3</sup>Includes a few who exhausted their benefits in less than 26 weeks.

<sup>4</sup>Includes those who were ineligible for benefits.

Source: Mail questionnaire data.

Extrapolation from the data in table 15 shows that an estimated 1,500 of the 1,900 production and maintenance workers laid off from the car shops in 1953 and 1954 drew benefits during those years for a total of at least 30,000 weeks of benefits. For those who drew benefits, therefore, the average duration of benefits was at least 20 weeks, and at least 54 percent exhausted their benefits. These figures are well above State averages.<sup>39</sup> Further, according to interview data, 17 percent of the total sample had more than one period of unemployment between the shutdown and the time of the survey, and 14 percent drew unemployment compensation subsequent to their initial period of benefits. Almost one-fourth of the migrants, according to interview data, had two periods during which they drew benefits. This higher proportion is apparently caused by the number of these migrants who return to Mt. Vernon to seek work when laid off in other areas and the larger number in this group who were eligible for subsequent benefits. This

eligibility had been obtained through either post-car-shop employment or the carryover of benefit rights to which car shop employment had entitled them.

### Economic effects of unemployment insurance

An important effect of unemployment insurance is the reduction in the amount of welfare aid required by unemployed workers and their families. Since workers think of unemployment insurance benefits as money they have earned through their employment, the substitution of unemployment benefits for relief has important social and moral as well as economic consequences. The role of unemployment insurance in this

<sup>39</sup>Average duration of benefits in Illinois, April 1955 through March 1956, was 9.9 weeks. From April 1, 1956, through October 31, 1956, approximately 13 percent of Illinois beneficiaries exhausted all benefit rights.

respect was revealed by interview data which showed that only 3 percent of those who had less than 6 months of unemployment received any welfare aid, either in goods or cash. In contrast, 13 percent of those with 6-8 months of unemployment received some kind of welfare aid, as did 16 percent of those with 9-17 months of unemployment and 34 percent of those unemployed for 18 or more months. Also receiving welfare aid were nearly 10 percent of those with no unemployment, most of whom were subsistence farmers.<sup>40</sup>

The role of unemployment insurance in minimizing welfare or other aid was emphasized by the fact that less than half of the interview respondents who received unemployment compensation had any other sources of family income during their longest period of unemployment. Of the 142 interview respondents with additional family income while unemployed, 47 percent had \$20 or less in such income each week.

Unemployment insurance, therefore, largely supplanted public and private relief during the period in which the workers were eligible for benefits. Four out of every five of those laid off received unemployment compensation, and of those who did not draw benefits, almost all were ineligible because they were again employed. Of the 400 workers interviewed, all but 74 (18.5 percent) applied for unemployment benefits. Forty-one of the 74 had been continuously employed, and 17 had made too much money on the farm to qualify. Of the remaining 16, 14 had not applied

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<sup>40</sup>Few of those not receiving welfare aid had any knowledge of social welfare agencies. In the interviews, those who had not received any help from public or private social agencies were asked: "Do you know what agencies handle welfare aid in the community?" Only 17 percent of those interviewed had any such knowledge. Most of those who indicated some such knowledge said that the person to see would be either the township or the county supervisor. Those with no unemployment (mostly farmers) and those who had had long periods of unemployment were more likely than others to know where to apply for aid. These data are an indirect indication of the importance of unemployment compensation.

because they believed they were not eligible (insufficient wage credit, quit job, or not looking for work), one said he didn't believe in unemployment insurance, and the remaining person said he had "held off" so he could draw later. Those who were eligible therefore, clearly had little difficulty in receiving benefits and only a very small minority who may have been eligible failed to apply.

Although it would be impossible to assess accurately the effect of unemployment insurance on the mobility of the laid-off workers, there is little doubt that there was an effect. This effect, however, appeared to be less in determining where workers would seek and find jobs than on the sequence and timing of their job search and acceptance. The direction and success of job search seemed to be influenced more by the state of job markets. For example, 76 percent of those interviewed who had been laid off in 1953 found jobs in less than 6 months, with 53 percent finding jobs in 2 weeks or less. Those laid off in 1954, on the other hand, were longer, on the average, in finding jobs, with 35 percent finding jobs in 2 weeks or less and 64 percent finding their first jobs within 6 months of the shutdown. Because of the layoffs in the previous year and because unemployment had risen in other labor market areas, those laid off in the spring of 1954 had more difficulty. In addition, a larger proportion of the 1953 layoffs were owners of small farms who, because of this, did not become totally unemployed. Fluctuations in the placement activity of the Mt. Vernon office of the Illinois State Employment Service give further indication that the duration of unemployment for many workers was closely related to the level of job opportunities not only in Mt. Vernon but also in other labor market areas.

In the interviews, questions were asked about methods of job search during periods of unemployment. In almost every case, the longest stretch of unemployment reported was the period immediately following the lay off from the car shops and it was this period which was analyzed. Excluding as

job search the regular reporting to the Illinois State Employment Service while drawing unemployment insurance, 82 percent of the respondents made their major effort at finding a job through direct applications to employers. Of the remainder, 8 percent depended primarily on information obtained from friends and relatives, 3 percent sought leads through their union, 2 percent depended primarily on newspaper advertisements or other sources, and 5 percent indicated they made no special efforts to seek jobs. Impressions gained in interviewing indicated that the small proportions who tried to find jobs through friends, the unions, or newspapers, or who saw no point in active search for work, reflected the scarcity of job opportunities in the local area.

Reluctance to seek work in other areas--despite the odds against finding local employment--was shown by the fact that almost half of the interview respondents sought work only in the local area. As table 16 shows, however, even some of those who did not look for work in other areas during their

longest period of unemployment were nonetheless out-of-town workers or migrants at the time interviewed. The table shows, however, a relationship between the locus of job hunting and the migrant status of the individuals when interviewed. Sixty-one percent of the nonmigrants had looked for work only in the local area. Many of these went into farming or small business; others found local wage employment quickly; still others believed they had little chance, because of age or other reasons, of finding employment elsewhere. On the other hand, 75 percent of the out-of-town workers and 88 percent of the migrants had looked for jobs in other labor market areas during the period of unemployment after the shutdown (table 16).

### Opinions on significance of unemployment insurance for the community

Ten businessmen in the community, selected at random, were interviewed in the summer of 1956 and were asked

TABLE 16. Laid-off workers by places they sought employment while unemployed and by migrant status, June 1956

(Percentage distribution)				
Places laid-off workers sought employment	Total sample	Non-migrants	Migrants	Out-of-town workers
Total.....	100	100	100	100
Total seeking employment .....	94	92	96	100
Local labor market only.....	48	61	8	25
Both local area and outside .....	13	10	25	18
Outside: Up to and beyond 100 miles but only in Illinois.....	22	13	48	36
Outside: Both in Illinois and other States .....	11	8	15	21
Not seeking employment.....	6	8	4	--
Number in sample.....	<sup>1</sup> 307	215	48	44

<sup>1</sup>Excludes 44 persons who had no unemployment.

Source: Personal interview data.

what, in their opinion, unemployment compensation had meant to Mt. Vernon workers and business. All 10 said that the effect of unemployment insurance upon the community had been beneficial, although a few expressed concern about individuals who might have taken advantage of the system. None believed that benefits had been a major source of income for businesses in the community, although several mentioned the value to businesses that sell necessities, such as groceries. Most of the businessmen thought that the benefit payments were only of indirect assistance to them.

While some thought the benefits were of major importance to the workers who received compensation, others thought the benefits could cover only some necessities and therefore provide "a small cushion" that would be "a little better than nothing." The general reaction is

summed up in the words of a plant superintendent:

It has been a good thing. Without it there would have been a panic when the shops closed. It has had a good effect on this town. The average worker lives from payday to payday. Unemployment compensation feeds him until he can find other employment without going too far into debt.

The manager of a large retail store said:

Unemployment "comp" kept the worker from starving and saved his pride. It gives him a stopgap and a chance to get out and find work.

Finally, several of the replies indicated that the respondents believed that unemployment insurance should permit a worker to seek employment in his skill range and enable him to concentrate his employment search in his hometown.

## Chapter V Summary

When the Pressed Steel Car Co. ceased operations early in 1954 at Mt. Vernon, economic disaster threatened that community where chronic unemployment was already a basic labor problem. Because of declines in job opportunities in mining and in farming which were not offset by expansion in other employment sectors, the Mt. Vernon area unemployment was about 10 percent of the labor force before the car shop shutdown. With the termination of operations at this largest employment source in the community, area unemployment increased to about 16 percent.

A survey by the Institute of Labor and Industrial Relations of the University of Illinois and the Bureau of Labor Statistics of the U.S. Department of Labor, more than 2 years later, revealed that of the 1,539 former car shop workers who responded to mail questionnaires (80.7 percent of the survey population), 12 percent were still unemployed, 11 percent were underemployed, and 9 percent had left the labor force. Fifty-four percent of these workers, however, had been unemployed 6 or more months of the time since the plant had shut down. Two-thirds of the entire group of ex-car shop workers had full-time jobs at the time of the survey; 36 percent worked and lived in the Mt. Vernon labor market area (nonmigrants); 13.5 percent maintained residence in the area but commuted to work in other labor market areas (out-of-town workers), and 18 percent had both jobs and residence in other areas (migrants).

Some significant relationships were found between the postshutdown employ-

ment experience of these workers and their personal characteristics. Excluding those who had left the labor force, almost all of the workers were males and almost half were 45 years old or over. The older workers contributed more to unemployment and underemployment than did the younger men. Seventy percent of the unemployed and 59 percent of the underemployed were 45 years of age or older. Besides the relationship between age and the rate of unemployment and underemployment, the work history data revealed that the older workers had had more months without work in the time between the shutdown and the survey than had the younger workers.

Another factor which caused both a higher rate and a longer duration of unemployment was the amount of formal schooling. Workers with a grade school education experienced more unemployment than those with a high school education.

None of the other personal characteristics measured had as much influence upon the postshutdown employment experience as did age and education. Family responsibility was the reason for keeping families in Mt. Vernon while the breadwinner was employed outside (out-of-town workers), but it was also the reason for moving families away (migrants). In all of the employment status groups, there was a high incidence of longtime residence and homeownership in the area. Place of residence was, however, related to employment experience after the shutdown. The unemployed and the retired were more concentrated in and near the city, while those fully employed within the

Mt. Vernon area and the underemployed were more likely to have out-of-town and out-of-county places of residence. Rural dwellers who were usually younger and with more alternative sources of employment, particularly in farming and in odd jobs, had both less unemployment and more underemployment than the city dwellers.

In general, the jobs of the out-of-town workers and migrants had higher skill levels and earnings than the jobs of the nonmigrants. Further, while only 4 percent of the employed nonmigrants were in the same occupation as when in the car shops, 40 percent of the out-of-town workers and 22 percent of the migrants were in the same occupation. In level of skill, most of those who took manufacturing jobs in other areas stayed at the same occupational level, and some moved up. Almost all of the nonmigrant employed, in contrast, experienced major industrial and occupational shifts. For the most part, the employed nonmigrant suffered a major decline in his earnings. On the other hand, the out-of-town workers and the migrants earned substantially more than they had at the car shops.

Hometown attachment, the greatest obstacle to geographic mobility, was strong enough to keep many workers in the community even though they knew they could obtain jobs at higher skill levels and substantially higher earnings elsewhere. Most of the out-of-town workers (79 percent) and migrants (73 percent) had sought or accepted out-of-area employment only after at least 2 months of unemployment in the Mt. Vernon area. Eighty-six percent of the out-of-town workers reported that they would prefer jobs in Mt. Vernon, and only a few made their return contingent upon wages as high as in their out-of-town jobs. Most of the migrants also hoped for an increase in job openings in Mt. Vernon and were willing to make some financial sacrifice in order to return there.

Some of the older workers were unable to secure employment in other areas and others did not seek employment elsewhere because they believed they would not be accepted. Homeowner-

ship was another obstacle to geographic mobility because the workers were reluctant to sell or rent their homes in a depressed market. Finally, optimism kept many displaced workers waiting for job opportunities in Mt. Vernon.

The approximately 30,000 weeks of unemployment insurance benefits, a factor in slowing migration, largely eliminated the need for public or private relief during that period and provided much needed income for the unemployed, their families, and the community at large. Welfare aid increased markedly, however, for those who exhausted their benefits.

To solve the unemployment problem, a number of local organizations were actively seeking to attract new industry in order to create new jobs and sources of income for the community.

From the point of view of the unemployed and of the community at large, the solution to the problem appeared to lie in the attraction of new industry. Without new industry, it was feared that unemployment rates would remain high, younger workers and high school and college graduates would be lost to the community, property values would decline, incomes would fall, capital resources would be unused, and the community would tend to stagnate.

A number of organizations were actively promoting new industry at the time of the survey. Mt. Vernon New Industries, Inc., had been formed, the Industrial Development Committee of the Chamber of Commerce had been established, and the workers themselves had created the Jefferson County Industrial Organization. At the time of the study, little progress had been made in providing new jobs. Two of the organizations, however, were still in the formative stage and the third, Mt. Vernon New Industries, was handicapped by limited funds and restrictions in its charter. Although there were differences of opinion as to the methods to be used in attracting new industry, all groups had the same goal of creating new jobs and sources of income for the community.

## **Appendix A**

### **Design of Study and Sampling**

## **Appendix B**

### **Mail Questionnaire**

### **Personal Interview Schedule**





## Appendix A. Design of Study and Sampling

The problems which occasioned this study may be summarized briefly as follows:

1. Since the labor market area had a surplus of labor before the shutdown, large numbers of those laid off faced extended unemployment if they sought jobs in the local labor market, or, as a major alternative, migrated from the community with the attendant disruption of family and social ties and problems of beginning anew in a strange community.

2. For many of the workers over 45, outmigration was not a suitable alternative because of the difficulties middle-age workers have in securing factory employment.

3. For some workers--those most attractive to employers because of age, particular skills, or other factors--reemployment in the local labor market area was not a major problem, but for many of these workers employment at comparable or even higher levels of skill was available only at lower wages.

4. For other workers, self-employment was an alternative with the major choices being farming, odd jobs, and small business. Many of them already were farmers but they had been working in the car shops, in most cases, because their farms were small, the land relatively poor, and their farm incomes low. Obtaining an adequate income from odd jobs or from operating a small business (such as a gas station or a grocery store) was difficult in a community with a high level of unemployment.

5. For the community as a whole, the major alternatives were, on the one

hand, to undergo the slow process of reducing unemployment through outmigration and a shrinkage in population or, on the other hand, to seek to bring in new manufacturing plants and other sources of new jobs.

6. The community faced other problems as a result of the shutdown and the reduced average income of its population. These problems included increased burdens on public relief with, at the same time, reduced tax revenues; the loss to other communities of some of the more ambitious and able members of the labor force, at all occupational levels; and potentially large losses in incomes of trade and service industries.

In seeking to understand the nature of these problems, the more specific research questions were:

1. How much unemployment occurred as a direct result of the shutdown?

2. Were there significant differences in characteristics between those who suffered short periods of unemployment and those who were out of work for an extended period of time?

3. Who were the unemployed more than 2 years after the shutdown? How many of these had been continuously unemployed and what factors were associated with such extensive unemployment?

4. What was the role of unemployment insurance after the shutdown?

5. What happened to those who stayed in the Mt. Vernon labor market area? Why did they stay? How many were

fully employed and what kinds of jobs did they have? How did they compare their new jobs with their car shop employment?

6. How many were less than fully employed, either because of short hours of work, or subsistence earnings? What kinds of jobs did the underemployed have?

7. Of those who found jobs in other labor market areas, how many kept their families in or near Mt. Vernon (in this study called out-of-town workers) and how many moved away with their families (that is, migrants)? How were decisions made to move or not to move when jobs were found in other areas?

8. What kind of jobs were found in other labor market areas?

9. How did the out-of-town workers and migrants compare their jobs with their former jobs at the car shops? How did they perceive and analyze their overall situation in terms of economic and family problems?

10. Under what conditions would the out-of-town workers and migrants be willing to accept employment in Mt. Vernon? Did they want to return and what did they expect in the way of wages and working conditions?

11. Was age a factor of special importance in unemployment, underemployment, and migration?

12. Did the shutdown bring about an increase in the retirement and semiretirement of laid-off workers?

13. What was the impact of the shutdown on the commercial and business life of the community?

14. How did businessmen view the problem of unemployment and the prospects for new industry?

15. What steps were being taken to secure new sources of employment in Mt. Vernon and what were the prospects?

All available data were analyzed in order to find the answers to the preceding questions. Further detail concerning procedures in sampling the nonrespondents to the mail questionnaire and in obtaining a sample of the survey population for personal interviews follows.

A stratified sample, which would represent the major categories of employment status and residence, was constructed on the basis of the numbers and the age distribution within each stratum, as shown by the questionnaires. Included within the sample, also, was a proportionate group of nonrespondents to the questionnaire; their distribution within the several strata was made by assuming an age distribution comparable with that of the respondents.

The interview sample was not, therefore, an exact probability sample, but scientific sampling procedures were used as a guide. In effect, it was a stratified sample with varying ratios designed to obtain an optimum allocation of respondents. The size of each sample cell--that is, the subsample for each stratum--was determined by a formula<sup>41</sup> which accounted for the estimated age distribution within the stratum and the estimated cost of obtaining interviews.

### **Subsample of mail questionnaire nonrespondents**

Of the 1,908 individuals in the survey population, 383 (20 percent) failed to respond after two followup letters. Letters to another 72 persons (3.8 percent) were returned undelivered after three mailings. The number of persons not reached on the first mailing was higher than 72, but some new addresses were obtained by means of telephone calls in the Mt. Vernon area.

When it was determined that there were 455 nonrespondents (23.8 percent), a subsample of the nonrespondents was obtained in order to permit an analysis of any significant differences between

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<sup>41</sup>See formula on page 45.

respondents and nonrespondents. The following formula for a random sample was used to calculate the size of the subsample:

$$n_s = \frac{N_s}{.01N_s + 1}$$

where  $N_s$  = population remaining, and  $n_s$  = the subsample size. This formula assumes certain universe values and is based upon the general formula given by Hansen, Hurwitz, and Madow.<sup>42</sup>

Application of the formula called for 82 additional questionnaires from a random sample of the nonrespondents. This random sample could not be drawn from the entire remaining population of 455, because the addresses of 72 persons were unknown and some of the other nonrespondents were living in widely scattered places such as Los Angeles, Brooklyn, and Dallas. Further, although the budget for the study permitted interviews with a sample of nonrespondents living in various places in Illinois, it did not permit interviews with those living in Indiana, Missouri (except for St. Louis), and Wisconsin, or any extensive search for nonrespondents in areas where it was planned to interview migrants.

Completion of questionnaires by nonrespondents no longer living in the Mt. Vernon area, therefore, presented special problems. Because of the costs of finding nonrespondents who were migrants, it was decided to obtain the minimum number of 82 nonrespondents in the Mt. Vernon area with a random sample from the available addresses, and, in addition, to secure as many questionnaires as feasible from nonrespondents living in the areas where interviews with migrants would be conducted.

The 82 questionnaires were obtained from previous nonrespondents in the Mt. Vernon area but only 4 additional

questionnaires were filled out by nonrespondents living in other areas. These four were also interviewed. Thus, a total of 86 questionnaires was obtained from the 383 persons who presumably had received initial questionnaires but had not responded.

### **Analysis of subsample of nonrespondents**

As a result of the inability to include a proportionate number of migrants in the subsample, only about 5 percent of the subsample were migrants, compared with 19 percent who submitted mail returns. The out-of-town worker proportion of the subsample is almost identical with that of the respondent sample and the nonmigrant proportion is greater (70 percent, compared with 58 percent).

Only about 10 percent of the subsample were unemployed or underemployed, compared with 24 percent of those who responded by mail. Thirty-one percent of the subsample were farmers, compared with 19 percent of the mail respondents. The subsample, as a group, also represented less unemployment during the total period following layoff, with about one-half unemployed for 2 weeks or less after the layoff, whereas only 24 percent in the mail sample were unemployed that short a time; only 12 percent were unemployed a year or more, compared with 31 percent for the mail respondents. The subsample group not only reported less unemployment but also had steadier work since the shutdown--64 percent had been on their jobs 2 years or longer whereas only 35 percent of the larger group had been as long as 2 years in their current jobs. In addition, 71 percent were still on their first job since the shops closed, compared with 53 percent of the larger group. Finally 56 percent of the subsample found their first job after layoff from the car shops in 2 weeks or less, compared with only 27 percent of those who submitted the mail questionnaires.

In most other respects, there were no significant differences between the

<sup>42</sup>M. H. Hansen, W. N. Hurwitz, and W. G. Madow, *Sample Survey Methods and Theory* (New York, John Wiley and Sons, Inc., 1953), vol. I, p. 127.

nonrespondent subsample and the mail response sample. Car shop experience was similar, but the subsample group had slightly lower average skill levels, had commuted slightly greater distances, had slightly shorter service, and had a slightly earlier date of layoff. Proportions of the two sample groups who were laid off, applied for unemployment compensation benefits, and received no benefits were very close. Proportions of those with current jobs in manufacturing and of the currently self-employed were also very close. The types of job shifts (industry and occupation) were quite similar except to the extent that these data reflected, for the subsample, the higher proportions in farming and the smaller proportions of unemployed and underemployed.

With respect to personal data, the subsample matched the mail sample on marital status, children under 18, and years of residence in Mt. Vernon. In age, there was little difference except for the proportion of the subsample in the 55-64 age group, with 46 percent over 45 years of age, compared with 52 percent in the larger sample.

The subsample group had somewhat more education, on the average, in that a higher proportion had completed high school. Reflecting the underrepresentation of migrants, homeownership while at the shops had been somewhat higher: 81.5 percent, compared with 73.3 percent; also for those in the subsample, homeownership dropped less in the period after the shutdown--to 80.2 compared with 70.4 percent. Finally, a somewhat higher proportion of the subsample lived in outlying parts of the labor market area, that is, beyond the Mt. Vernon rural routes.

In conclusion, the subsample did not differ markedly from the larger sample in personal characteristics. It represented somewhat more the rural dwellers who were less firmly attached to the car shops or at least less dependent upon them as a source of employment. More important, however, the subsample group represented those who found satisfactory jobs in the local area shortly after the shutdown (or in

the case of farmers, those who already had them).

## Sampling design for interviews

The formula used for the interviews is based on formulas presented by Hansen, Hurwitz, and Madow.<sup>43</sup> Professor Robert Ferber, Bureau of Economic and Business Research, University of Illinois, provided advice on the application of the formulas to the particular problems of this study.

The formula used is the following:

$$opt. n_h = \frac{N_h S_h / \sqrt{C_h}}{\sum (N_h S_h / \sqrt{C_h})} n$$

$$\text{where } S_h = \sqrt{P_h Q_h}$$

The symbols indicate the following: *n* is the sample size; *h* represents a stratum; *N* is the total number; *S* is the standard deviation based on the age data obtained in the mail questionnaires; *C* is the cost factor; *P* is the proportion of respondents under 45 years of age; and *Q* is the proportion of respondents 45 years of age or over.

Application of the formula to the data from the mail questionnaire returns is shown in table A-1. Experience with the resulting stratified subsamples in the field is shown in table A-2.

In table A-1, the "suggested" sample distribution (column 13) is based in part upon an estimated distribution of nonrespondents to the questionnaire. This estimated distribution was calculated on the basis of the age distribution of the nonrespondents, since this item of information was available from union records. As previously pointed out, nonrespondents were more likely than respondents to have obtained employment in the Mt. Vernon area shortly after being laid off at the car shops.

<sup>43</sup>Ibid., pp. 205-209, 220-222.

TABLE A-1. Stratified sample for personal interviews, June-July 1956

Stratum	(1) Respondents by mail	(2) Percent distribution respondents	(3) Estimated distribution nonrespon- dents <sup>1</sup>	(4) Estimated distribution of survey population	(5) $P_h =$ Percentage under age 45 <sup>2</sup>	(6) $Q_h =$ Percentage 45 and over <sup>2</sup>	(7) $S_h =$ Standard deviation	(8) $N_h S_h =$ column 4 x column 7
Total.....	1,453	100.0	383	<sup>3</sup> 1,836	--	--	---	---
Employed, Mt. Vernon address.	238	16.4	70	308	54.5	45.5	0.498	153.4
Employed, Mt. Vernon area address.....	267	18.4	87	354	62.8	37.2	.483	171.0
Underemployed, Mt. Vernon area.....	169	11.6	41	210	42.6	57.4	.496	104.2
Unemployed, Mt. Vernon area....	175	12.0	34	209	32.3	67.7	.469	98.0
Out-of-town work- ers.....	195	13.4	54	249	52.1	47.9	.501	124.7
Migrants.....	275	19.0	89	364	57.8	42.2	.495	180.2
Total in labor force.....	1,319	90.8	375	1,694	--	--	--	--
Out of labor force.	134	9.2	8	142	12.6	87.4	--	--

TABLE A-1. Stratified sample for personal interviews, June-July 1956--Continued

Stratum	(9) $\sqrt{C_h}$	(10) $\frac{N_h S_h}{\sqrt{C_h}}$	(11) $\frac{N_h S_h \sqrt{C_h}}{(N_h S_h \sqrt{C_h})}$	(12) Suggested sample distribution	(13) Sample of respondents <sup>4</sup>	(14) Sample of non-respon- dents <sup>5</sup>	(15) Interviews completed	(16) Net change column 16 minus column 13
Employed, Mt. Vernon address	1.41	108.8	27.2	109	93	16	120	+11
Employed, Mt. Vernon area address.....	2.24	76.3	19.0	76	56	20	90	+14
Underemployed, Mt. Vernon area	2.0	52.1	13.0	52	42	10	35	-17
Unemployed, Mt. Vernon area.....	2.0	49.0	12.2	49	41	8	34	-15
Out-of-town workers.....	2.0	62.4	15.6	62	49	13	50	-12
Migrants.....	3.46	52.1	13.0	52	31	21	56	+4
Total in labor force.....	--	400.7	100.0	400	312	88	385	-15
Out of labor force.....	--	--	--	--	--	--	15	+15
Total number in sample.....	--	--	--	--	--	--	400	0

<sup>1</sup>Nonrespondents who received questionnaires but did not reply. If the 72 individuals who did not respond and were not contacted and were thus not available for the nonrespondent subsample or the interview sample are added, the total of 455 nonrespondents as indicated in table 1, footnote 1, are accounted for. This column gives the estimated distribution of nonrespondents on the assumption of an age distribution comparable to that of respondents. Union data showed that 59.9 percent of the nonrespondents were under 45 years of age.

<sup>2</sup>These age data are from the mail questionnaire responses.

<sup>3</sup>1,836 plus the 72 individuals not contacted equal the survey population of 1,908.

<sup>4</sup>A sample of 312 respondents equals 23.65 percent of the 1,319 respondents in labor force.

<sup>5</sup>This is the estimated distribution of nonrespondents. A sample of 88 nonrespondents to the questionnaire equals 23.5 percent of the 375 nonrespondents in the labor force who received mail questionnaire schedules.

TABLE A-2. Analysis of use of alternates in personal interview sample

Stratum	Original sample			Alternates			
	Original interview sample <sup>1</sup>	Refusals	Not located	Number drawn	Not located	Net number	Number used
Total .....	400	3	40	192	58	134	43
Employed, Mt. Vernon address .....	93	--	1	5	2	3	1
Employed, Mt. Vernon area address.....	56	--	3	13	3	10	3
Underemployed, Mt. Vernon area .....	42	--	--	7	1	6	--
Unemployed, Mt. Vernon area .....	41	2	6	14	4	10	8
Out-of-town workers....	49	--	3	16	8	8	3
Nonrespondents.....	67	1	4	28	16	12	5
Migrants.....	<sup>2</sup> 52	--	23	<sup>3</sup> 109	24	85	23

<sup>1</sup>See table 1.

<sup>2</sup>Because of problems of locating nonrespondents in areas other than Mt. Vernon, 21 respondents were added to the 31 called for by column (13), table A-1, (Sample of respondents).

<sup>3</sup>Includes nonrespondents; 4 were interviewed.

Because of this and because some of the respondents changed their employment and residence status between the time they completed the questionnaire and the time of the interview, the distribution of the respondents interviewed did not correspond exactly with the suggested distribution. More than the estimated number of persons employed in the Mt. Vernon area were included. This is so both because there were more nonrespondents in this category than expected and because some of those in the unemployed or underemployed categories, according to questionnaire responses, had moved into the fully employed categories by the date of the interview. The unemployed and underemployed figures are lower than expected therefore, not only because some respondents had moved out of these categories but also because these categories were less well represented in the nonrespondent group.

Although the interview sample was intended to exclude persons out of the labor force, 15 persons in this category were included. Some were non-

respondents whose status was not known prior to the interview and some were respondents who retired after they had completed questionnaires.

Because of these various factors, it was impossible to estimate the under- and over-representation in the several strata in comparison with the mail questionnaire returns. The data suggested, however, some overrepresentation of area employed and some underrepresentation of underemployed and unemployed in the interview sample.

Because they were widely scattered, the migrants also received special handling. With a limited budget, it was not possible to run a random and proportionate sample of migrants. To obtain the number indicated by the formula, it was decided to obtain these interviews in labor market areas where relatively large numbers of the migrants had become residents. On the assumption that a representative sample of experiences would be obtained if these areas were at varying distances from Mt. Vernon, the four areas of greater St. Louis--St. Louis, East St. Louis, Gran-

ite City, and Alton (85-100 miles); Decatur (120 miles); Peoria (200 miles); and South Chicago (270 miles) were chosen. All except the city of St. Louis are in Illinois. Of the 56 personal interviews with migrants, 21 were held in the greater Chicago area, 18 in the greater St. Louis area, 12 in and around Decatur, and 5 in the Peoria area.

Second, a proportionate number of nonrespondent migrants was not sought, because so many of the out-of-area addresses were inaccurate. Instead, all of the known persons in the survey population in each of the four areas, including nonrespondents, were selected as samples. The interviewers were instructed to make no more than two calls at each available address in each of the areas until the required number of interviews was obtained. The number of interviews sought in each area was proportionate to the size of the group of migrants in each area. The interviewers were instructed to combine a random selection from the addresses they had with the development of an efficient routing through the area, because of the large geographical size of each of the areas in which interviewing was to take place, with some re-

spondents as much as 30 miles apart.

At various places throughout this report, the interview sample findings have been compared with the findings from the total number of questionnaires (respondents plus nonrespondents who completed questionnaires after personal contact). The similarity of results in the interview and questionnaire samples, as well as the logical explanations for the few differences found, indicate that the data for the several strata in the interview sample reflect the populations within each stratum with a considerable degree of accuracy. It is estimated that the 400 interviews provide data for each stratum that are accurate within a maximum standard deviation of 2.5 percent. This means that the maximum sampling error should be plus or minus 5 percentage points at the 95-percent level of confidence. The sampling error for the questionnaire results is, of course, very much smaller, since 80 percent of the total sample is included. Because the interview sample underrepresents or overrepresents some of the employment and residence categories, combined data for the total group of laid-off workers used in the text have been taken only from the questionnaire data.

## Appendix B.

### Mail Questionnaire

United States Budget Bureau No. 44-5606

Approval expires December 31, 1956

UNIVERSITY OF ILLINOIS

INSTITUTE OF LABOR AND

INDUSTRIAL RELATIONS

**CONFIDENTIAL SURVEY OF EMPLOYMENT EXPERIENCE OF PRODUCTION AND  
MAINTENANCE WORKERS EMPLOYED BY THE PRESSED STEEL CAR COMPANY,  
MOUNT VERNON, ILLINOIS, IN 1953 AND 1954**

.....  
Please return before April 1, in the attached, stamped envelope to Institute of Labor and  
Industrial Relations, University of Illinois, Champaign, Illinois  
.....

The purpose of this survey is to discover how and where workers find jobs when the  
plant where they were working shuts down completely in an area where employment  
opportunities are limited. All information on this form will be kept *strictly confidential*  
*and will be seen only by employees of the Institute of Industrial and Labor Relations of the*  
*University of Illinois.*

**I. YOUR EMPLOYMENT AT THE MOUNT VERNON CAR SHOPS.**

1. How many years altogether did you work at the Car Shops? \_\_\_\_\_ Years
2. In your last two years at the Car Shops, what was your usual occupation (or job  
title)? \_\_\_\_\_
3. How far did you travel from home to work (*one way*)? \_\_\_\_\_ Miles
4. When did you finally leave the Car Shops? \_\_\_\_\_ Month \_\_\_\_\_ Year  
Were you laid off? Yes ☐ No ☐  
Did you quit? Yes ☐ No ☐

**II. AFTER YOU LEFT THE MOUNT VERNON CAR SHOPS FOR THE LAST  
TIME —**

1. Did you apply for unemployment compensation? Yes ☐ No ☐  
If "Yes" a. How many weeks of compensation benefits did you draw? \_\_\_\_\_ Weeks  
b. Why did your benefits stop? (*check one*)  
☐ I found a job (*or* I entered my own business).  
☐ My benefits were used up.  
☐ Other reason.
2. Between the time you left the Car Shops for the last time and now, how many  
months *altogether* were you totally unemployed and looking for work? \_\_\_\_\_ Months
3. If you are not working now, check the answer that applies to you.  
☐ I am not able to work.  
☐ I have retired. Date of retirement? \_\_\_\_\_ Month \_\_\_\_\_ Year  
☐ I am doing housework in my own home.  
☐ I am actively looking for work.  
☐ Other reason. (Specify) \_\_\_\_\_



III. WHAT ARE YOU WORKING AT NOW? (Please answer these if you are doing ANY kind of work for PAY or INCOME. If not, go immediately to Question IV.)

1. Do you work for an employer? Yes ☐ No ☐

If "YES" Your occupation (or job title)? \_\_\_\_\_

Name of Company \_\_\_\_\_

City or Town \_\_\_\_\_ State \_\_\_\_\_

Were you told about this job by — (Check one)

☐ Illinois State Employment Service (Unemployment Office)?

☐ The Union?

☐ The Pressed Steel Car Company?

☐ None of these?

2. Do you have your own business or farm? Yes ☐ No ☐

If "YES" What kind of business is it? \_\_\_\_\_

Where is it located? (Town or County) \_\_\_\_\_

3. How long have you been in your present job or business? \_\_\_\_\_ Months

a. Is it your *first job or business* since you left the Mount Vernon Car Shops?

Yes ☐ No ☐

b. If it is *not your first job*, how long did it take to get your first job after you left the Car Shops? \_\_\_\_\_ Months

4. Do you earn income from any other kind of work? Yes ☐ No ☐

If "YES" Is it farm? ☐ Non-farm? ☐

5. If you are now working outside the Mount Vernon area (*too far to commute every day from Mount Vernon*)

a. When did you start working outside the area? \_\_\_\_\_ Month \_\_\_\_\_ Year

b. Has your family moved with you? Yes ☐ No ☐

EVERYBODY PLEASE ANSWER FOLLOWING QUESTIONS WHETHER YOU ARE EMPLOYED OR UNEMPLOYED

IV. OTHER INFORMATION.

1. Sex: Male ☐ Female ☐

2. Age: Please check your correct age group:

14-19 ☐ 35-44 ☐ 65 and over ☐

20-24 ☐ 45-54 ☐

25-34 ☐ 55-64 ☐

3. What is the highest grade of school you completed? \_\_\_\_\_ Grade

4. Are you married? ☐ Other (single, widowed, separated, divorced)? ☐

5. How many children under 18 years of age do you have? None ☐

One ☐ Two ☐ Three ☐ Four ☐ Five or more ☐

6. How many years have you lived in or near Mount Vernon (within commuting distance)? \_\_\_\_\_ Years

7. Home Ownership:

a. When you worked at the Car Shops, did you own your own home in or near Mount Vernon (commuting distance to the Shops)? Yes ☐ No ☐

b. Do you *now* own your home in or near Mount Vernon? Yes ☐ No ☐

- V. YOUR CORRECT ADDRESS: Please give us your correct present home address:

(Number) (Street or Road) (Town) (State)

- VI. COMMENTS: (We would appreciate any comments you have on employment or unemployment problems in the Mount Vernon area.)

HAVE YOU ANSWERED ALL QUESTIONS?

## Personal interview schedule

U. S. Budget Bureau No. 44-5614  
Approval Expires December 31, 1956

Int. No. \_\_\_\_\_

### UNIVERSITY OF ILLINOIS

#### Institute of Labor and Industrial Relations

#### CONFIDENTIAL SURVEY OF EMPLOYMENT EXPERIENCE OF THOSE EMPLOYED BY PRESSED STEEL CAR CO., MT. VERNON, ILLINOIS, IN 1953 AND 1954

#### Personal Interview Schedule

Mail Questionnaire completed? Yes \_\_\_\_\_ No \_\_\_\_\_

Name \_\_\_\_\_

Address \_\_\_\_\_

Age \_\_\_\_\_

Employed ☐

Unemployed ☐

Out of L.F. ☐

--The questionnaire was mailed to every one who worked at the car shops in 1953 or 1954.

--A smaller number have been selected at random for personal interviews.

--You are one of those selected.

--The interviews are important because we can learn more about the effects of the shutdown through personal interview than is possible with the questionnaire.

--Any information you give will be kept strictly confidential and will be seen only by staff members of the Institute of Labor and Industrial Relations.

Interviewer \_\_\_\_\_

Date of Interview \_\_\_\_\_

# A. WORK HISTORY

Int. No. \_\_\_\_\_

## 1. JOBS SINCE LEAVING THE CAR SHOPS--FULL TIME AND PART TIME (Primary job for each period listed.)

Are you working now? Yes \_\_\_\_ No \_\_\_\_ (Start with present job and work back):

DATES				YOUR FAMILY RESIDENCE AT TIME	EMPLOYER'S NAME; CITY (COUNTY) OR STATE	INDUSTRY	OCCUPATIONAL ASSIGNMENT	USUAL HOURS WORKED PER WEEK	USUAL GROSS WEEKLY EARNINGS	REASON FOR LEAVING EMPLOYER OR CHANGING OCCUPATION
FROM		TO								
MO.	YR.	MO.	YR.							

## 2. ADDITIONAL INCOME-PRODUCING WORK AT PRESENT.

a. Do you do any farm\_\_\_\_\_ nonfarm\_\_\_\_\_ work in addition to your regular job?

(1) In season, how many hours each week do you normally work at this? \_\_\_\_\_(hours)

(2) Approximately how much net additional weekly income do you earn from this work? \$ \_\_\_\_\_

b. At present, is your wife working regularly in paid employment? Yes \_\_\_\_ No \_\_\_\_ \$ \_\_\_\_\_

c. Are there others in the family--living with you--who are now working? Yes \_\_\_\_ No \_\_\_\_ Who? \_\_\_\_\_

d. Do they contribute to the family income? Yes \_\_\_\_ No \_\_\_\_ Approximately how much? \_\_\_\_\_

3. PERIODS NOT WORKING--I see there are some periods here when you did not have a job after leaving the car shops.

(Working backwards) Between (mo. and yr.)\_\_\_\_\_ and (mo. and yr.)\_\_\_\_\_ were you looking for work?

IF LOOKING, did you write or make personal application? (Include registration at ES or telephone call as personal application.) In what towns (inc. State) did you look? IF NOT LOOKING, why were you not looking for a job (or not able to work)?

a. Data for periods not working after leaving the car shops.

DATES				CIRCLE 1-- IF LOOKING 2-- IF NOT LOOKING	(1) IF LOOKING, RECORD HOW AND WHERE LOOKED  (2) IF NOT LOOKING, RECORD REASON NOT LOOKING	UNEMPLOYMENT COMPENSATION			APPROXIMATE WEEKLY AMOUNT OF INCOME (NET) OTHER THAN UNEMPLOYMENT COMPENSATION
FROM Mo.	Yr.	To Mo.	Yr.			DID YOU APPLY FOR U. C.?	NO. WEEKS OF BENEFITS	WEEKLY AMOUNT	
				1                  2					
				1                  2					
				1                  2					
				1                  2					

b. If you did not apply for U.C., why not?

Not applicable ☐

c. Experience with Social agencies:

- (1) During your periods of unemployment, did you receive help from any public or private social agencies other than the State Employment Service (e.g., welfare department, church, etc.)?

Yes \_\_\_\_\_ No \_\_\_\_\_

- (2) What kind of help did you receive?

Cash \_\_\_\_\_ Advice \_\_\_\_\_

Goods \_\_\_\_\_ Other (specify) \_\_\_\_\_

- (3) If no on (1), do you know what agencies handle "welfare" aid in the community? (Details) If yes, what agency or agencies helped you?

4. CAR SHOP EXPERIENCE (last 2 years before leaving car shops).

- a. What was your last job at the car shops?

(Begin with last job and work back.)

DATES				USUAL OCCUPATIONAL ASSIGNMENT	USUAL HOURS PER WEEK	USUAL GROSS WEEKLY EARNINGS
FROM		TO				
MO.	YR.	MO.	YR.			

b. Where was your family living during your last employment at the car shops?

\_\_\_\_\_Where were you living?\_\_\_\_\_  
(town, county)

c. How would you compare your usual job at the car shops with the job you have now (if unemployed--the last job you had)? (If necessary, probe on wages, hours, working conditions.) CIRCLE appropriate starting words---

My present job is \_\_\_\_\_

My usual job at the car shops was \_\_\_\_\_

My last job was \_\_\_\_\_

## 5. LONGEST JOB

a. What job did you hold for the longest time since World War II (end of 1945)?

b. How did you happen to get into this type of work?

c. If you are no longer doing this type of work, why did you give it up?

## B. TRAINING:

Since leaving the car shops, have you had any vocational or apprenticeship training?  
Yes\_\_\_\_\_ No\_\_\_\_\_Describe type and extent of such training:

## C. GEOGRAPHIC MOBILITY AND COMMUNITY ATTACHMENT

NOTE: If the respondent has had no jobs since the car shops and is now out of the labor force, ask no further questions. (If coded (2) on question 3a, columns 2 and 3.)

ALL OTHER RESPONDENTS can be divided into three GROUPS. THESE ARE:

A--NONMIGRANT. Now lives and works in Mt. Vernon area.  
(Include respondent who is now unemployed)

B--COMMUTING MIGRANT. Lives in area, but now working outside.

C--NONCOMMUTING MIGRANT. Lives and works outside Mt. Vernon area.

ASK REMAINING QUESTIONS IN ACCORDANCE WITH THE RESPONDENT'S CATEGORY.

A. Ask of all Nonmigrants: (plus those who, in response to A-5, say their present job in Mt. Vernon is worse than their usual car shop job.)

1. What are the reasons that you have preferred to stay in the Mt. Vernon area since the car shop closed?

2. What are the minimum conditions under which you would accept a job outside the Mt. Vernon area? (Probe, if necessary, on type of work, hours, housing, schools, etc.)

3. In the last few months, did you know of any specific jobs outside the Mt. Vernon area for which you were qualified that you decided not to apply for?

Yes\_\_\_\_\_ No\_\_\_\_\_

(Answers: Be sure to distinguish between (1), (2), and (3). )

4. Even though you are working now, are you still trying to find a new job?

Yes\_\_\_\_\_ No\_\_\_\_\_

If "Yes": What kind of a job?

Where?\_\_\_\_\_

**B. Ask of All Commuting Migrants:**

1. Your job is in (place)\_\_\_\_\_ but you have kept your family in Mt. Vernon. Why have you kept your family here?

2. Would you rather work in Mt. Vernon than in (name the area)\_\_\_\_\_?

Yes\_\_\_\_\_ No\_\_\_\_\_

If "Yes": What kind of job would you take in Mt. Vernon (probe, if necessary, on type of work, pay, hours)?

If "No": Why did you say that?

3. In the last few months did you know of any jobs in the Mt. Vernon area for which you were qualified that you decided not to apply for?

Yes\_\_\_\_\_ No\_\_\_\_\_

(ON EITHER QUESTION) If "Yes": What kind of job was it? Why didn't you want it?

(Answers: Be sure to distinguish between (1), (2), and (3). )

4. Even though you are working now, are you still trying to find a new job?

Yes\_\_\_\_\_ No\_\_\_\_\_

If "Yes": What kind of job?\_\_\_\_\_

Where?\_\_\_\_\_

**C. Ask of All Noncommuting Migrants:**

1. What were your reasons for moving your family away from the Mt. Vernon area?

2. Would you rather work in Mt. Vernon than in (name the area)\_\_\_\_\_?

Yes\_\_\_\_\_ No\_\_\_\_\_

If "Yes": What kind of job would you take in Mt. Vernon (probe, if necessary, on type of work, pay, hours)?

If "No": Why did you say that?

3. In the last few months did you know of any jobs in the Mt. Vernon area for which you were qualified that you decided not to apply for?

Yes\_\_\_\_\_ No\_\_\_\_\_

(ON EITHER QUESTION) If "Yes": What kind of job was it?

Why didn't you want it?

(Answers: Be sure to distinguish between (1), (2) , and (3). )

4. Even though you are working now, are you still trying to find a new job?

Yes\_\_\_\_\_ No\_\_\_\_\_

If "Yes": What kind of job?\_\_\_\_\_

Where?\_\_\_\_\_