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Case Studies of Displaced Workers

Experiences of Workers After Layoff

Bulletin No. 1408

UNITED STATES DEPARTMENT OF LABOR
W. Willard Wirtz, Secretary

BUREAU OF LABOR STATISTICS
Ewan Clague, Commissioner



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Preface

The displacement of workers is too often one of the costs of industrial progress. The full extent of such costs to individual workers, however, is not always recognized. The Bureau of Labor Statistics has conducted five case studies of the post-layoff experiences of close to 3,000 workers who had been employed in different manufacturing industries in various regions of the country.

The study is part of the Bureau of Labor Statistics research program on the implications of technological and other changes and is designed to support the activities of the Department of Labor and of other agencies in carrying out the objectives of the Manpower Development and Training Act.

The Bureau of Labor Statistics appreciates the cooperation of the companies and unions involved, and the individual displaced workers who provided the information upon which this report is based. The Bureau is also grateful to the Bureau of Employment Security and to local offices of State employment service agencies which furnished data for the study.

The bulletin was prepared by Herbert Hammerman under the supervision of Edgar Weinberg, Chief, Division of Technological Studies, under the general direction of Leon Greenberg, Assistant Commissioner for Productivity and Technological Developments. The surveys were conducted and data tabulated by James F. Walker, Chief of the Branch of Labor Requirements, assisted by Leon R. Kaye.

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CASE STUDIES OF DISPLACED WORKERS

I. Introduction and Summary

Introduction

The experience with technological change in this century has demonstrated its long-term beneficial effects in terms of increased productivity, faster economic growth, more jobs, and higher wages and employee benefits. However, where technological change has been accompanied by plant shutdowns or mass layoffs, it has had serious adverse effects on individual workers.

The Bureau of Labor Statistics has conducted five case studies of the effects of plant shutdowns or large-scale layoffs related in part to technological change in recent years. These studies concern plants in the following manufacturing industries: petroleum refining, automotive equipment, glass jars, floor coverings, and iron foundries. The plants were located in six areas (4 in the Midwest, 1 in the East, and 1 in a Mountain State). The number of workers displaced totaled close to 3,000, ranging from about 100 in one plant to more than 1,000 in another. The layoffs took place over the period July 1960 through June 1962. The surveys were conducted between April 1962 and April 1963; and the periods between surveys and layoffs ranged from 6 to 21 months.

These case studies supplement studies of displaced workers which have been made over the years and which reflect varying economic conditions. Noteworthy among industries covered by some recent studies were meatpacking, newspaper publishing, railroad equipment, textiles, and automotive equipment. Appendix B lists a number of displaced worker studies conducted prior to and after World War II.

This chapter summarizes the highlights of the findings from the five case studies. It covers the causes of displacement; labor market conditions at the time of displacement; measures taken to prevent displacement and help workers find jobs and maintain income; the characteristics of the displaced workers; their job hunting experiences; and some job effects of displacement.

In the subsequent sections, each of the cases is described following the outline indicated above. The analysis points up the relation between selected personal characteristics (age, education, etc.) and reemployment experience. The scope and method of conducting these studies are explained in Appendix A.

Summary

This section compares data for the different case studies, to bring out any consistent patterns or contrasts. Some generalizations have been made, but it should be noted that the data in the separate case studies have not been combined statistically.

Factors Influencing Displacement

The experience in attempting to select cases for study of worker displacement due uniquely to technological change clearly indicates that such cases are difficult to find. Although technological change was a factor in each of the five cases studied, it was by no means the sole factor. Along with an outmoded production process, a change in consumer demand to a product using a different material, or an old and outmoded plant, other factors such as the loss of an important industrial customer or a history of labor-management conflict were involved. In each instance, it was extremely difficult to determine which factor or factors had a decisive influence on the ultimate decision to shut the plant or lay off workers.

Labor Market Conditions

The plants were located in six substantially industrialized and highly diversified areas. The smallest area had a labor force of a little under 50,000; the largest, well over 500,000. Unemployment rates at the time of the layoffs were in excess of or close to the "relatively substantial unemployment" level of 6 percent in 5 of the 6 areas. Subsequently, conditions improved and, by the time the surveys were conducted, unemployment had declined substantially in each of these five areas.

Measures to Prevent Displacement

Layoffs may be prevented or minimized by various means such as: the use of attrition, i. e., quits and retirements, to reduce the work force; the early retirement of older workers; spreading available work by measures such as the elimination of overtime; and timing the change to take place during periods of business expansion. Four of the case studies involved plant shutdowns where none of these means was used. In the fifth case, more than half of the projected employment reduction was achieved by attrition. No new employees were hired for over 3 years before the first group of employees were laid off. The same firm, the oil refinery, also induced older workers (over age 51), not scheduled for layoff under the seniority regulations, to retire early by offering them a substantial "age allowance" as a separation payment in addition to their regular severance pay and to an immediate annuity. In that case, 1 out of 6 of the displaced workers accepted early retirement and thereby saved the jobs of a like number of younger workers.

Measures to Help Displaced Workers Find Jobs

By far the most effective source of assistance in locating jobs appears to have been personal contacts. From one-half to two-thirds of the displaced workers responding to this question stated that "friends or relatives" was the source responsible for finding their jobs. Relatively few workers credited the State employment service with locating their jobs. However, employment service records in one case indicate that some workers may have understated the help given them by the employment service.

The nature and extent of assistance in finding jobs given displaced workers by their employer varied considerably from case to case, depending on management attitudes, the history of labor-management relationships, and union contract provisions. In four of the cases, the majority of the workers were represented by unions affiliated with the American Federation of Labor and Congress of Industrial Organizations (AFL-CIO); in the fifth case there was an independent union. Types of assistance used in one or more of the case studies included: early notice of the impending layoff; placement services; interplant transfers; retraining programs; and in-plant reassignments and transfers.

Early Notice. One firm ceased new hiring 3 years before the layoffs began, notified the workers well in advance of termination, and phased out the layoffs over a period of a year. In all other cases, notice was considerably shorter. The longest advance notice was 6 months; the shortest, little more than 2 months.

Placement Services. Substantial and effective assistance in securing jobs for displaced workers was given in only two cases, in one by the company and in the other by the union. The oil company assisted in placing workers through its own employment office and also entered into an agreement to pay the placement fees of two private employment agencies. The company stated that it had assisted one-third of the reemployed workers in locating their jobs, although one-half of those so placed were no longer working on those particular jobs at the time of the survey. In another case, that of the automotive equipment plant, the union invited all displaced members to fill out a job referral form which was circulated among companies with which it had contracts. As a result of these efforts, approximately 200 out of more than 1,000 displaced workers were employed by companies under contract to the union.

Interplant Transfers. Although all five companies were multiplant firms, only two offered interplant transfers, in both instances under union negotiated plans. In neither instance were relocation allowances granted. In one case, the contract with the major union representing production and maintenance workers provided that, if the company shut down a plant and transferred its operation to another plant, the employees would be given an opportunity to transfer to the other plant with their jobs. They would be credited with full seniority for layoffs and recall as well as for economic

benefits such as pensions and vacation. In the second case, the contract required only the transfer of economic benefits, but no job security benefits. The importance of job security to the displaced workers is indicated by the fact that a much larger proportion of eligibles accepted transfer in the first case than in the second, despite the fact that the new plant was twice as far away. Some effects of these provisions are discussed in the subsequent section on "mobility and reemployment."

Employer Retraining Programs. None of the five employers adopted programs to retrain displaced workers for jobs elsewhere. One company publicly announced the establishment of a \$ 100,000 retraining fund shortly after announcing the impending shutdown; but the program was not implemented. About 30 percent of the displaced workers registered for training. The company reported that for over 70 percent of the registrants, there was no reasonable prospect for job placement after retraining because of age, inadequate schooling, or low scores on aptitude tests. It stated that many were not willing to train for service jobs paying much lower wages than they had been receiving, and that few were willing to give up unemployment compensation and supplementary unemployment benefits, for which they would have been disqualified under existing regulations, while engaged in a full-time training program.

Inplant Reassignments and Transfers. In one instance, where a substantial number of workers were laid off but the plant was not closed, the persons to be laid off were determined on the basis of plantwide seniority. This procedure left numerous vacancies which were filled by reassignment, transfer, and retraining of the employees remaining with the plant.

Measures to Maintain Income

Unemployment Insurance. The most important source of income for the displaced workers was unemployment insurance. In four cases, the number receiving such benefits ranged from 69 to 94 percent of the total, for an average of from 18 to 27 weeks. Even in the fifth case, with relatively low unemployment at the time of the survey, close to half of the workers received U.I. benefits.

Supplementary Unemployment Benefits. These benefits had been negotiated in only one case. By the time of the survey, benefits had been received by 2 out of 3 of the displaced workers of that company for an average of 22 weeks.

Severance Pay. Some form of severance pay was obtained by displaced workers in 4 of the 5 cases, but in only one in sufficient amount to be of substantial assistance in a period of protracted unemployment. The oil refinery paid a "service allowance" based on weekly base pay and length of service. The lowest amount paid to any of the displaced workers was in excess of \$ 600.

Early Retirement Pay. While the pension program in each case provided for early retirement at age 60 or sooner, in only two cases did more than a very small proportion of the displaced workers benefit from this provision. One involved a substantial number of older workers and, in a period of 14 months after the shutdown was announced, pensions were paid to 375 workers, 283 of them in the major bargaining unit. The bulk of them were for early retirement; otherwise, for normal or disability retirement. It should be noted that, with the payment of these pensions, the pension fund was not sufficient to cover the vested rights of the younger workers. Under contract provisions, therefore, deferred pensions were substantially reduced for those in the 50-59 age group and were wiped out for those under 50. In the second case, a contributory plan provided immediate or deferred annuities for those with 10 or more years of service regardless of age. Ninety percent of the laid-off workers 55 years old and over received immediate annuities and another 5 percent, deferred annuities. One out of 3 displaced workers under 55 received immediate or deferred annuities.

In all other cases, many workers with long service who had been accumulating pension rights lost those rights entirely.

Personal Characteristics of the Displaced Workers

The average displaced worker was a white male in his late forties. He had some high school education; was married, owned his home, and had two dependents. Women accounted for 2 out of 5 workers in one case, 1 out of 5 in another, and insignificant proportions in the others. In no case did nonwhites exceed 7 percent of the total. While most workers were age 45 or over, the proportion in this category varied from 21 percent in one case to 94 percent in another. In four of the cases, a majority of the displaced workers had at least some high school education; in all but one case the proportion of graduates was relatively small.

Job Hunting Experience

The search for a job was a difficult experience for many displaced workers. For a large number it was fruitless. Most of the displaced workers had had long years of service in a particular line of work. Many were ill-prepared for the strenuous efforts of job hunting. The evidence indicates, however, that most made the effort with the following results:

Employment and Unemployment. Only 2 out of 3 of all 3,000 displaced workers in the 5 cases studied were employed at the time of the surveys, and in the separate cases the proportion ranged from one-half to four-fifths. One-tenth were retired or for other reasons not seeking employment. Close to 1 out of 4 were seeking employment but were unemployed. The rate of unemployment varied from a low of 8 percent in one case to a high of 39 percent in another. In each case, it was substantially higher than the unemployment rate in the labor market area as a whole (ranging from 3 to 5 percent). In 5 of the 6 areas, it was more than 5 times the area unemployment rate.

There was substantial long-term unemployment. In four cases, workers unemployed 16 weeks or more at any time between the layoff and survey constituted over half of the displaced workers; in two of those cases, it was two-thirds. In the same four cases, those unemployed a half-year or more ranged from over two-fifths to more than half.

A substantial proportion of the displaced workers in the surveys had held no jobs at all from the time of their layoff. A considerable number, however, ranging from 1 out of 8 to about 3 out of 8, had changed their jobs and had held 2 or more jobs.

Early Withdrawals from the Labor Force. Sizable numbers of displaced workers, ranging from 9 to 14 percent of the total, indicated they were no longer seeking employment. Such withdrawals from the labor force represented substantial proportions of workers in the 60-64 age group. It seems clear that many found themselves compelled to end their careers as wage earners earlier than they had planned. At best, their withdrawal meant early retirement with pensions below the amount which would have been due them at normal retirement and a lower income than had been anticipated. In many instances, particularly in the case of women, older workers without pensions withdrew because of their inability to obtain jobs.

Age and Reemployment. Unemployment was markedly higher among workers of age 45 and over than among younger workers. In two cases, where finer age breakdowns were feasible, by far the highest unemployment rates were found in the 55-59 age groups. A substantial proportion of workers in the 60 and over age groups were not seeking work. A considerable number of these had taken early retirement benefits. Many others may have been discouraged from looking for work, foreseeing age discrimination. More displaced workers volunteered comments on the subject of such discrimination than on any other subject in each of the five cases. Most were workers in their fifties or above; but many were younger.

Education and Reemployment. Displaced workers who had completed high school had substantially lower unemployment rates than those who did not--less than half in three cases. The differences in unemployment rates between those who had no high school and those who had some were smaller.

High school education seemed, from case to case, to have helped older workers obtain reemployment. In general, among older workers, high school graduates fared better than nongraduates; and workers with some high school had lower unemployment rates than those with no high school. Workers not seeking employment were found for the most part among the less educated. The combined handicap of inadequate education and older age caused many to withdraw from the labor market before they normally would have retired.

Reemployment of Women. The rate of unemployment among women was almost 3 times that among men in the two cases where meaningful comparisons were possible. Only one-fourth of the displaced women workers were employed, in both cases. In one, almost 7 out of 8 women, compared with 1 out of 3 men, had been out of work a half-year or more. In the other case, the ratio was 2 out of 3 women compared with 1 out of 4 men. Likewise, displaced women workers in the two cases had a much higher unemployment rate than men at each educational level and at each age group under 60. A larger proportion of women than men in the 60-64 age group were not seeking employment. The impact of discrimination because of age would seem to have been felt earlier among women than among men. The highest level of unemployment was reached by women at age 45-54, by men at age 55-59.

Skill Level and Reemployment. All case studies reveal a higher unemployment rate among the less skilled workers. Unemployment ranged from none to 33 percent among maintenance workers, from 8 to 39 percent among machine operators, and from 20 to 59 percent among laborers. A similar pattern was revealed when hourly earnings were used as a rough measure of skill. In these studies, most of the unemployed were found at the lowest earnings levels.

Industries Providing Jobs. Very few displaced workers were able to find jobs in the same industry. In four cases, such workers constituted, at the most, no more than 1 out of 5 of the total reemployed. In two cases, the bulk of such placements were due to interplant transfers under union contracts.

Most reemployed workers, except in one of the cases, did secure jobs in manufacturing industries. However, substantial proportions, ranging from about 1 out of 4 to almost 3 out of 5, found employment in nonmanufacturing industries (including government).

Mobility and Reemployment. For most workers, it was necessary to look outside their home area to obtain a job in the same industry. That willingness to move was a positive factor in obtaining employment is also indicated by the fact that greater proportions of employed workers than unemployed had sought work outside their home cities.

The two cases involving interplant transfers cast some light on inducements and obstacles to worker mobility. Only the guarantee of job protection--the transfer of full seniority rights--was sufficient to induce a substantial number of displaced workers to undertake relocation. Even in that case, a large majority of the displaced workers did not accept relocation. Relatively few workers were willing to transfer with accumulated rights to pensions, vacation, and other economic benefits, but no seniority on layoffs. However, the need to conserve rights to pensions and other employee benefits was one among other inducements to relocate, such as age discrimination by local employers, and the economic pressures of larger families.

Obstacles to mobility included: home ownership; family and social ties; the secondary role in the family of the job of the displaced woman worker; children in school; uncertainty regarding the company's intentions; and fears of future layoffs. Another factor impeding mobility was the high cost of transfer. Apart from costs of relocation, many transferred workers found it necessary or expedient to maintain two homes and to commute between areas on weekends, at least in the first year after transfer.

Training and Reemployment. Only a small number of displaced workers, ranging from 2 to 7 percent, took any training courses, other than on-the-job, after displacement. Nevertheless, a large majority indicated that they would be interested in taking a training course if they did not have to pay for it. Many men were interested in learning special skills such as welding, electronics, auto mechanics, and machine repair. Women emphasized office and clerical occupations and nursing.

Job Effects of Displacement

Besides long-term unemployment, displaced workers who found jobs experienced lower earnings, work of lower skill, loss of employee benefits, and loss of seniority protection.

Effects on Earnings. A majority of those who obtained reemployment accepted reduced hourly earnings. In each of the five cases, more than half of the reemployed workers had lower earnings, with the ratio as high as 4 out of 5 in one case. Moreover, many workers took a substantial decline in earnings, amounting to at least 20 percent. Those who did so constituted at least 1 out of every 4 reemployed workers, and in one case were more than half of the total. In contrast, only small proportions of the reemployed achieved higher earnings.

Older workers who obtained employment experienced a greater decline in hourly earnings than younger workers. The proportion of workers whose earnings had dropped at least 20 percent increased substantially after age 45. Also, by the same measure, the workers with the least schooling took the sharpest cuts in wages.

In each case studied, the proportion of wives who were working increased after the layoff. In most cases, the greater part of the increase was in part-time rather than full-time jobs.

Effects on Employee Benefits. In their comments on the questionnaires, displaced workers frequently complained, often bitterly, of the loss of employee benefits. This was considered one of the most serious hardships resulting from worker displacement, since most workers were at least partly dependent upon such benefits for security to themselves and their families in old age or in illness. Moreover, many types of benefits are based upon length

of service and workers obtaining other employment had to start anew in accumulating rights. Most of the reemployed workers indicated that employee benefits on their current jobs were less favorable than on their previous jobs.

Changes in Type of Job. As a concomitant of the loss in earnings, many of the displaced workers experienced a downgrading of skill. This was truer of semiskilled than of skilled occupations. While in four cases the change in jobs for a majority of workers in maintenance occupations meant no change in occupational group, in no case did as many as one-third of the machine operators obtain jobs in the same occupational group. Substantial proportions of the operators who were reemployed were working as laborers or in custodial jobs.

Effect on Union Membership. The layoffs had a serious impact on membership in labor unions. Prior to displacement, some 9 out of 10 of the displaced workers were union members. By the time of the surveys, membership in unions was reduced to no more than 1 out of 3 in two cases and in no event more than slightly higher than 2 out of 3. The highest proportion of retention of union membership by displaced workers was found among displaced workers of a plant where substantial numbers were either transferred to another area under union contract or obtained jobs at unionized plants with the assistance of the union. Part of the decline in union membership was due to the substantial proportion of displaced workers who were unemployed or not seeking employment at the time of the surveys. However, even when consideration is limited only to those workers who had found jobs, the figures still show a substantial drop in union membership, resulting in a range of membership of from two-fifths to three-fifths of all reemployed workers. An important reason for this decline is the fact that many of the new jobs were in unorganized industries or plants, and workers in such jobs were no longer eligible for membership in the union to which they had belonged.

Effects on Seniority. Displacement resulted in loss of benefits that long service conferred on individuals. The large majority of the displaced workers had over 10 years of seniority. In some plants, substantial proportions had longer service. Workers with at least 20 years of seniority amounted to 1 out of 4 in one plant, 1 out of 3 in a second, and 7 out of 8 in a third. The loss of seniority meant the loss of protection in layoffs for reemployed workers.

II. A Layoff at a Modernized Petroleum Refinery

A petroleum refinery in the Midwest replaced obsolete with more efficient equipment. The jobs of 800 workers were terminated during a 14-month period, from September 1960 through October 1961. The survey on which this study is based was conducted in April 1962, from 6 months to over a year and a half after the terminations.

Description of Plant

The refinery was over 70 years old. The replacement of obsolete with modern equipment had been proceeding since 1956. For example, a single 140,000-barrel-a-day crude oil refining unit which started up in 1959 replaced 10 smaller capacity units and required only 11 percent as many workers. Altogether, about 1,800 jobs had been eliminated between early 1958 and October 1961. In March 1962, employment was 5,200.

The plant is located in a highly industrialized metropolitan area. Manufacturing employment in the area is close to one-half its labor force, and the bulk of manufacturing employment is in the primary metal industries. During the period of the layoff, the unemployment rate for the area ranged from 4.6 to 9.9 percent, and averaged 7.8 percent. At the time of the survey, April 1962, the rate was 4.7 percent.

Measures to Ease Displacement

Management took several steps to ease the impact of employment reductions on the workers. The workers were represented by an independent union.

Attrition. First, all hiring was stopped beginning in mid-1957. Soon thereafter, staffing reductions were projected and estimates were made of the number of jobs which would be vacated by quits, deaths, and retirements. More than half of the 1,800 total reduction was accomplished through attrition. The 800 workers who were to be laid off were informed several months in advance and were terminated on a scheduled basis.

Seniority System. The workers to be displaced were selected on the basis of a plantwide seniority system. The company had hired all workers as laborers, and promoted them to higher level jobs as they were trained. Workers were chosen for dismissal on the basis of least seniority in the plant, regardless of the jobs performed. Those remaining were offered retraining by the company to fill vacated positions. The company set up an 80-hour training course on work time, prepared a 300-page textbook, and used movies, film strips, demonstrations, and field trips. Several weeks of on-the-job training were given. No age limit was set on retraining.

Separation Payments. Close to half of the displaced workers received unemployment insurance benefits. Two forms of severance pay were given by the company: First, a "service allowance" was computed by multiplying total years of service, minus 2, by 75 percent of weekly base pay--reduced by 1/84 for each month after the worker's 58th birthday. A worker under age 58, earning \$ 3.00 an hour (close to the average rate), with 12 years of service, would have received a service allowance of \$ 900. The lowest service allowance actually paid to the workers included in the survey was a little over \$ 600.

Second, a "supplemental age allowance" was paid to workers over age 51 who voluntarily retired, regardless of their length of service. A maximum of \$ 4,800 was paid at age 58, with the amount gradually scaled down toward zero at age 51 on the one hand and at age 65 on the other. For example, a worker voluntarily retiring at age 56 would have been paid a supplemental age allowance of \$ 3,428. If his hourly rate was \$ 3.00 and his seniority 25 years, he also would have received a service allowance of \$ 2,070. His total separation pay would have amounted to \$ 5,498.

Table 1 shows the distribution of total separation payments received by the terminated workers, by age groups. The highest separation pay among the workers surveyed was in excess of \$ 8,400. In addition to the separation payments, participants in the company retirement plan with 10 or more years of service were permitted to take an immediate or a deferred paid-up annuity, based on both the worker's and the company's contributions to the plan. About 1 out of 6 workers under age 55 received immediate annuities and another 1 out of 6 were eligible for future payments. Ninety percent of those 55 and over received immediate annuities and another 5 percent were eligible for future annuities.

Placement. The refinery's employment office assisted displaced workers in locating other employment. About 600 other employers in the area were contacted. The refinery also contracted to pay the employment fee charged by two private employment agencies.

Personal Characteristics of the Displaced Workers

All of the workers released by the refinery were men, and nearly all were of the white race and were married. (See chart 1 and table 2.) Close to two-fifths were under 35 years of age, and a little more than the same number were between age 35 and 44. Only one-fifth were 45 years of age or over.

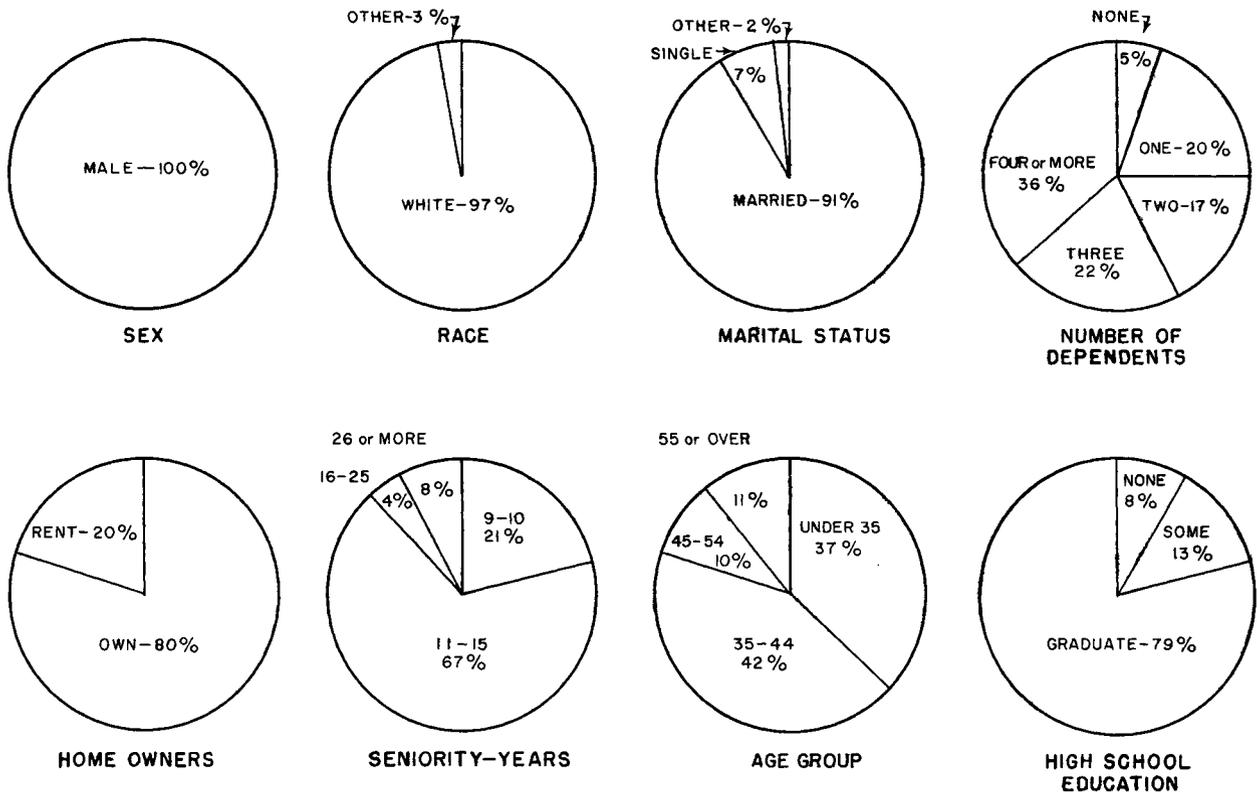
Nearly three-fifths had 3 or more dependents. Four-fifths of the total owned their own homes. Over a majority of the workers were high school graduates or had some college. Very few, mostly older workers, had no high school education.

Table 1. Petroleum Refinery--Range of Separation Pay of Displaced Workers and Average Payment, by Age Group¹

Age group	All displaced workers (percent)	Average separation pay	Percent of workers receiving--					
			Total	\$ 500-\$ 999	\$ 1,000-\$ 2,999	\$ 3,000-\$ 4,999	\$ 5,000-\$ 6,999	\$ 7,000 and over
All displaced workers	100	\$ 1,504	100	51	39	2	5	3
Less than 35 years	37	896	100	67	33	--	--	--
35-44 years	42	1,000	100	46	54	--	--	--
45-54 years	10	1,207	100	61	33	6	--	--
55 years and over	11	5,640	100	5	9	14	45	27

¹ Separation pay consists of: (1) for all workers, a "service allowance" based on length of service and weekly base pay; and (2) for workers between age 51 and 65 terminating voluntarily, a "supplemental age allowance" up to \$4,800 at age 58.

Chart 1. Petroleum Refinery—Personal Characteristics of Displaced Workers.



Most of the displaced workers age 45 and over had quit voluntarily, motivated by the company's separation pay program. Voluntary terminations accounted for one-sixth of all displaced workers. The median age for those who terminated voluntarily was 57; for all the displaced workers, the median age was 37.

Because of the company's layoff procedure, the seniority of the displaced workers was concentrated within a small range. Their lowest seniority was 9 years, and 88 percent of the total had between 9 and 15 years of seniority. For the group as a whole, the median seniority was 13 years; for those workers who terminated voluntarily the median was 26 years.

Job Hunting Experience

Employment and Unemployment. At the time of the survey, 83 percent of the displaced workers were employed. About 8 percent were unemployed and 9 percent were not looking for work. Most of the latter had retired between the time of the layoff and the survey.

Table 2. Petroleum Refinery--Selected Characteristics and Employment Status of Displaced Workers

Characteristics	All displaced workers	Employment status ¹			
		Total	Em-ployed	Unem-ployed	Not seeking employment
		Percent			
Total, all displaced workers	100	100	83	8	9
<u>Sex:</u>					
Male	100	100	83	8	9
<u>Race:</u>					
White	97	100	83	8	9
Other	3	100	100	--	--
<u>Age:</u>					
Less than 35 years	37	100	90	8	2
35-44 years	42	100	91	9	--
45-54 years	10	100	95	5	--
55 years and over	11	100	23	4	73
<u>Education:</u>					
No high school	8	100	27	--	73
Some high school	13	100	80	4	16
High school graduate	71	100	90	9	1
At least some college	8	100	81	13	6
<u>Hourly earnings level:</u>					
Under \$2.70	11	100	81	19	--
\$2.70 - \$2.89	17	100	84	16	--
\$2.90 - \$3.09	36	100	89	7	4
\$3.10 and over	36	100	66	7	27

¹ At the time of the survey.

The majority had experienced less than 6 weeks of unemployment. (See table 3.) One out of 5 reported no unemployment, many of this group having retired. More than 1 out of 4, however, had 16 or more weeks of unemployment and more than 1 out of 6 reported having been unemployed as long as 6 months and more.

Table 3. Petroleum Refinery--Duration of Unemployment

Length of time unemployed ¹	Percent of displaced workers
Total ²	100
No days lost	21
Up to 1 week	16
2-5 weeks	19
6-10 weeks	11
11-15 weeks	6
16-20 weeks	8
21-25 weeks	1
26 weeks or more	18

¹Workers included in the sample were terminated over a period of 1 year. The time between termination and the survey ranged from about 6 to 18 months, depending on the individual termination date. Length of time unemployed includes all unemployment experienced between layoff and survey.

²Does not include workers not seeking employment.

Over half had been employed in only 1 job since leaving the refinery. Close to one-fourth had two jobs and about one-sixth had 3 or more jobs.

Age and Education and Reemployment. Since the group was concentrated within a narrow range of ages (79 percent under 45) and educational levels (79 percent high school graduates), differences in employment status are probably not significant. (See table 2.) Nevertheless, the handicaps of age and lack of education in seeking employment were the subjects most frequently mentioned by displaced workers in answering the questionnaires. The following are some typical comments.

On Age

"I notice that no one likes to employ a man if he is older than 35 years old. Most will not even discuss the situation, not even the courtesy to talk to a man over 35." (Age 38)

"Industry does not like to hire men over 35 years of age and in many cases are justified. These men will have a hard time competing with younger men for other employment throughout the area." (Age 42)

"The most discouraging experience I've had is being told I was too old for employment in fields that required training (on-the-job training). I was 35 years old at the time." (Age 35)

"Many of my friends who were laid off at the same time and who were in my age bracket or their late 30's found it exceedingly difficult to obtain jobs because of this factor." (Age 29)

Education

"You must have a degree (high school) to get anywhere today." (Age 38)

"You have to have at least two years of college for jobs which don't have anything to do with college work." (Age 33)

"Industry demands at least a high school diploma now." (Age 39)

"Employers seem to want young college men with experience." (Age 38)

"While job hunting, it became apparent to me that knowing a craft or having more than a high school education is a must." (Age 31)

Skill Level and Reemployment. The rate of unemployment among unskilled workers was considerably higher than among other groups. (See table 4.)

Table 4. Petroleum Refinery--Employment of Displaced Workers Before and After Termination, by Occupation

Occupation at refinery	Employment status at survey date (percent)									
	Total	Unem- ployed	Employed in present job as--							
			Mainte- nance worker ¹	Oper- ator	Techni- cian or inspec- tor	Un- skilled worker ²	Truck- driver	Govern- ment worker ³	Sales or clerical worker	Self- employed worker
Maintenance worker ¹	100	--	52	11	5	11	--	5	11	5
Operator	100	8	8	16	6	31	2	11	10	8
Technician or inspector ...	100	5	--	5	29	28	--	14	14	5
Unskilled worker ²	100	20	9	6	--	48	--	11	3	3
Truckdriver	100	6	--	6	6	11	39	6	11	16

¹ Includes all maintenance mechanics.

² Includes laborers, helpers, and custodial workers.

³ Primarily firemen, policemen, and postmen.

Note: Because of rounding, sums of individual items may not add to 100.

One out of 5 displaced workers classified as unskilled were unemployed at the time of the survey. Maintenance workers, the most skilled, on the other hand, reported no unemployment.

Considering relative earnings as a rough measure of skill, it is clear that the two lowest paid groups (under \$ 2.70 and \$ 2.70-\$ 2.89) had more than double the unemployment rate experienced by the two higher paid groups of workers (table 2).

Industries Providing Jobs. Nearly two-thirds of the employed workers found jobs in manufacturing industries but only 7 percent were reemployed by the oil refinery industry. (See table 5.) About half of those who found jobs in manufacturing industries were reemployed in the steel industry, the dominant industry in the labor market area. Most of the remaining third of all workers finding new jobs were employed in various nonmanufacturing industries; some were employed by government, mainly local government; six percent were self-employed.

Table 5. Petroleum Refinery--Types of Industries Providing Current Jobs¹

Industry	Percent of workers
Total, all employed workers	100
Manufacturing	64
Steel products	31
Chemical products	7
Oil refining	7
Cleaning products	5
Food products	3
Other	11
Nonmanufacturing	18
Finance and insurance	4
Construction	3
Retail	3
Other	8
Government	12
Local government (police, firemen, etc.)	8
Post office	4
Self-employed	6

¹Jobs held at time of the survey.

Assistance in Finding Jobs. The most frequent source of job leads, cited by over half of the people surveyed, was "friends and relatives." Next most common were "newspaper ads," mentioned by over two-fifths of the group; "other companies where applied for jobs" (nearly two-fifths); the "State employment service" (almost a third); and the "refinery's job placement service" (also almost a third). Private employment agencies retained by the refinery were named by nearly a fourth.

Slightly over half of those responding also named "friends or relatives," as the source which actually located their jobs. However, "other companies where applied for jobs" was named by 12 percent; newspaper ads, by 8 percent; the refinery's job placement service or private employment agencies retained by the refinery by 6 percent; other private employment agencies, by 2 percent; the State employment service by 1 percent, and the union by 1 percent. Nearly a fifth (18 percent) claimed they got the job "on their own."

The answers to this section of the questionnaire frequently did not agree with other information collected. About half of the men filed claims for unemployment compensation with the State employment service. Nearly a fourth of these were given job referrals, and over one-third of those referred found jobs with the firm to which they were sent. Yet virtually none of these credited the agency with having located their job for them.

The refinery officials estimated that, excluding employees who left voluntarily under the severance pay arrangements, the company assisted in locating jobs for one-third of the workers. Information on job referrals by the company compares very closely with the worker's place of employment (as shown on the questionnaire). However, a great many workers did not seem to be aware of the part played by the company in helping them get jobs. Only half of the men whom the company assisted in locating jobs, however, were still working at those particular jobs at the time of the survey. Those who had left did so either because they had been laid off or had secured better positions elsewhere.

Mobility and Reemployment. The displaced workers were asked whether they had looked for work beyond the local area. From their responses, it appears that, comparing those who obtained jobs and those who did not, about equal proportions sought work outside their home city. However, 1 out of 7 of the reemployed workers had looked for work further than 50 miles away; none of those who were unemployed had done this.

Training and Reemployment. About 1 out of 10 workers reported that earlier training given by the company for jobs in the refinery helped them subsequently in getting jobs outside.

About a fifth of the workers reported that they had had job training since leaving the refinery. In about two-thirds of these cases, the training was on the job. In the remaining cases, the training was generally obtained in private schools and paid for by the workers. All workers who had received formal job training either at the refinery or at schools were employed at the time of the survey.

Close to nine-tenths of the displaced workers said they would be interested in taking a training course if they did not have to pay for it. Three-fourths said they were interested in training for a better job. Of those interested in training, 21 percent desired a course in electronics. Other interests were electrical training (10 percent), laboratory research (6 percent), welding (5 percent), and engineering (4 percent).

Some Job Effects of Displacement

Displaced workers who were employed at the time of the survey, reported losses in earnings on their present jobs compared to their job at the refinery and, in general, some downgrading in skill levels.

Effect on Earnings. Four out of 5 reemployed workers were earning less at the time of the survey than at the refinery. (See table 6.) Close to one-tenth were earning about the same wages and a little more than one-tenth had higher earnings. For approximately 1 out of 3, the drop in earnings was at least 20 percent.

Most sharply affected were those who had been in the higher earnings categories. Well over half (58 percent) of the workers who had been earning \$ 3.10 an hour or more suffered a decline of at least 20 percent compared with 8 percent in the lowest paid group, under \$ 2.70 per hour. Only 8 percent of the highest paid group achieved higher earnings, compared with 31 percent in the lowest paid group.

A number of workers commented on the loss of fringe benefits because of displacement. Typical comments were:

"I lost a great deal in old age pension and vacation. These are important to me and my family." (Age 40)

"My only regrets at leaving were giving up or losing my vacation of three weeks for 14 years of service, my fringe benefits. I liked the retirement plan on which I paid part, the stock plan. Things in that line were a lot better than I have now." (Age 41)

Table 6. Petroleum Refinery--Change in Earnings Level

Hourly earnings level at refinery	Total	Percent on current job receiving--					
		At least 30% less	20.0-29.9% less	10.0-19.9% less	Up to 9.9% less	Same earnings ¹	Higher earnings
All employed workers	100	7	25	24	23	9	12
Under \$ 2.70	100	--	8	8	38	15	31
\$ 2.70 - \$ 2.89	100	--	14	29	29	9	19
\$ 2.90 - \$ 3.09	100	6	20	35	23	10	6
\$ 3.10 and over	100	14	44	14	14	6	8

¹Within 5¢ either way.

Some wives of displaced workers apparently adjusted to the change by seeking outside employment. Before the layoff, the wives of 25 percent of the displaced workers were employed. The proportion of wives working had increased to 29 percent, at the time of the survey; the increase was mainly in part-time work, with little change in the proportion obtaining full-time work.

Changes in Type of Job. Displaced workers in general had to take jobs at lower skills. (See table 4.) Even among the maintenance workers, only half were employed at the same skill levels. The "operator" and the "technician or inspector" groups showed sizable proportions taking jobs in the unskilled worker category.

In comparing their current job with their job at the refinery, the large majority considered the current job worse in terms of both wages and fringe benefits. In 3 other aspects of the job--supervision, type of work, and travel to work--the general belief was that there had been an improvement. The respondents generally felt that there had been little change in hours of work and prospects of promotion.

III. A Closed Automotive Equipment Plant

A Midwest automotive equipment plant was closed in June 1962, displacing approximately 1,100 employees. The operations and equipment of the plant were transferred to an existing plant about 150 miles away, in an adjacent State, and to a new plant in the South. The company also had several plants located in a number of other areas. The survey was conducted in April 1963, 10 months after the plant shutdown.

Description of Plant

At the time of the shutdown, the plant had been in existence more than 40 years. The company had lost its principal customer, a major automobile manufacturer which had decided to produce its own equipment. The result was a significant change in the nature of operations at the plant, from long-run for a single customer, to short-run operations for many customers. The loss of business had caused the company to close two other plants in the same area at earlier dates. The plant closing, in June 1962, was preceded by long conflict between the company and the union over proposed measures to achieve economies.

The plant was located in a highly industrialized area, which has a labor force of close to 200,000. Manufacturing workers in the area account for about 1 out of 3 workers in nonagricultural employment. Principal manufacturing industries providing employment are transportation equipment; stone, clay, and glass products; fabricated metal products; and electrical machinery.

The area was classified by the U.S. Department of Labor as one of relatively substantial unemployment at the time of the plant closing. The unemployment rate of 6.8 percent, however, had declined from 9.3 percent a year earlier. The decline continued, with the unemployment rate dropping to 4.9 percent in April 1963, the month of the survey, when the area was classified as one of only moderate unemployment.

Measures to Ease Displacement

The bulk of the plant's production and maintenance workers were represented by an industrial labor union. Some skilled workers were organized by a craft union. Both unions were affiliated with the AFL-CIO.

Interplant Transfers. The contract between the company and the industrial union had provided for interplant transfers of members of the bargaining unit. If the company shut down a plant and transferred its operations to another plant, the employees would be given the opportunity to transfer to the other plant with their jobs. While working on the transferred job, such employees would be credited with full seniority for layoff and recall as well as for economic benefits, such as vacation pay, pensions, etc.

If the company shut down a plant and did not transfer operations to another plant, employees were to be given the right to transfer to other plants covered by the master agreement before new workers were hired by such plants. Although transferring workers would start as new employees, they would carry seniority with them for purposes of economic benefits.

Approximately 800 jobs were transferred to a plant in another State after the closing of the subject plant. In March 1962, 3 months before the plant closing, the workers were advised by plant bulletin to sign a request-to-transfer form. Some 230 workers were, at their own request, transferred with their jobs to the other plant and retained full seniority on those jobs. A few other workers transferred to various plants of the company as new hires except for retention of seniority for economic benefits. Total transferees numbered about 265. The contract between the company and the craft union did not provide for interplant transfers, and members of that bargaining unit do not appear to have been given the opportunity to make such transfers.

Company Efforts. The company announced the impending shutdown of the plant 6 months in advance of the closing. The company subsequently circulated information about the skills of the displaced workers among the industries in the area of the plant shutdown. It met with a committee of real estate people in the area to which the operations were transferred and secured their agreement not to raise rents arbitrarily. It also publicly announced the establishment of a \$100,000 retraining fund in February 1962, but the training program was never actually put into effect. A total of 322 employees, in a ratio of 3 men to 1 woman, registered for training. The average age of the men was 52, and of the women 49. Both men and women had average schooling of a little over ninth grade. The company reported that for more than 70 percent of the registrants there was no reasonable prospect for job placement after retraining because of age, inadequate schooling, or low scores on aptitude tests. It stated that many were not willing to take training courses for service jobs paying much lower wages than they had been receiving, and few were willing to give up unemployment compensation and supplementary unemployment benefits for which they would have been disqualified under existing regulations while engaged in a full-time training program.

Union Efforts. The union representing the large majority of the workers sought to assist its displaced members in finding reemployment. It invited all displaced members to fill out job referral forms, describing their personal characteristics, qualifications, education, and employment history. The forms were then circulated among companies with which the union had contracts. As a result of those efforts, approximately 200 workers were employed by companies under contract with the union. The largest proportion of these were hired by one firm which was expanding and which accepted displaced workers up to age 55. Union representatives explain the willingness of this company to hire older workers on the ground that it desired "instant skills," trained workers who could adapt to new jobs with a minimum of retraining.

Apparently, the union was not able to place women workers readily. Union representatives stated that men at 55 and over and women at any age were hardest hit by failure to find jobs. The union representatives said that they could place skilled tradesmen--millwrights, machinists, electricians--at any age, with little difficulty.

Unemployment Insurance. At the time of the survey, about 7 out of 10 of the displaced workers had received some unemployment insurance benefits (table 7). The average duration of those benefits was 21 weeks.

Separation Payments. Under the union contract, displaced workers were entitled to three types of separation payments: supplementary unemployment benefits; deferred severance pay; and pensions. Supplementary unemployment benefits, provided for under union contract and paid concurrently with unemployment compensation, had been obtained by two-thirds of the displaced workers, for an average duration of 22 weeks by the time of the survey (table 7).

Table 7. Automotive Equipment Plant--Unemployment Insurance and Supplementary Unemployment Benefits

Period benefit received	U. I. (Percent)	S. U. B. (Percent)
Total ¹	100	100
Receiving benefits	69	67
For 1-10 weeks	17	19
For 11-20 weeks	8	12
For 21-30 weeks	43	35
For 31 or more weeks	1	1
Not receiving benefits	31	33
Average number of weeks benefit received	(21)	(22)

¹Does not include workers not seeking employment.

The S. U. B. provision in the contract also provided for lump-sum separation payments to be received 1 year after involuntary termination by workers not eligible for normal or early retirement pensions. For most of the displaced workers, the due date for receiving payments was July 1963.

The amount for each worker was computed by a formula involving his base hourly rate, plant seniority, and the state of the trust fund. This sum was reduced by any benefits previously paid under the S.U.B. program. For example, if the trust fund had been fully funded, a worker with a \$2.50 base hourly rate and 25 years of service (average seniority was greater) would have been entitled to a lump-sum payment of \$2,782.50 minus S.U.B. payments. However, the amount of the payment was reduced by 35 percent because the fund had been substantially depleted 3 years earlier when separation pay benefits were given to over 1,000 employees of another plant closed by the company.

Between March 1962 and May 1963 pensions had been paid to 375 workers, 283 of them in the major bargaining unit. Three-fourths of the pensioners were men. One-sixth of the total obtained normal retirement benefits, half as many received disability pensions, and the rest--more than 3 out of 4 pensioners--took early retirement benefits. In accordance with contract provisions, the heavy drain on the pension fund required the parties to reduce deferred pensions to a little more than 40 percent of the amounts credited to workers age 50-59 and to allot no deferred pensions to workers under 50. This caused considerable bitterness, some of it directed at the union as well as at the company, among displaced workers who lost their pension rights.

Personal Characteristics of the Displaced Workers

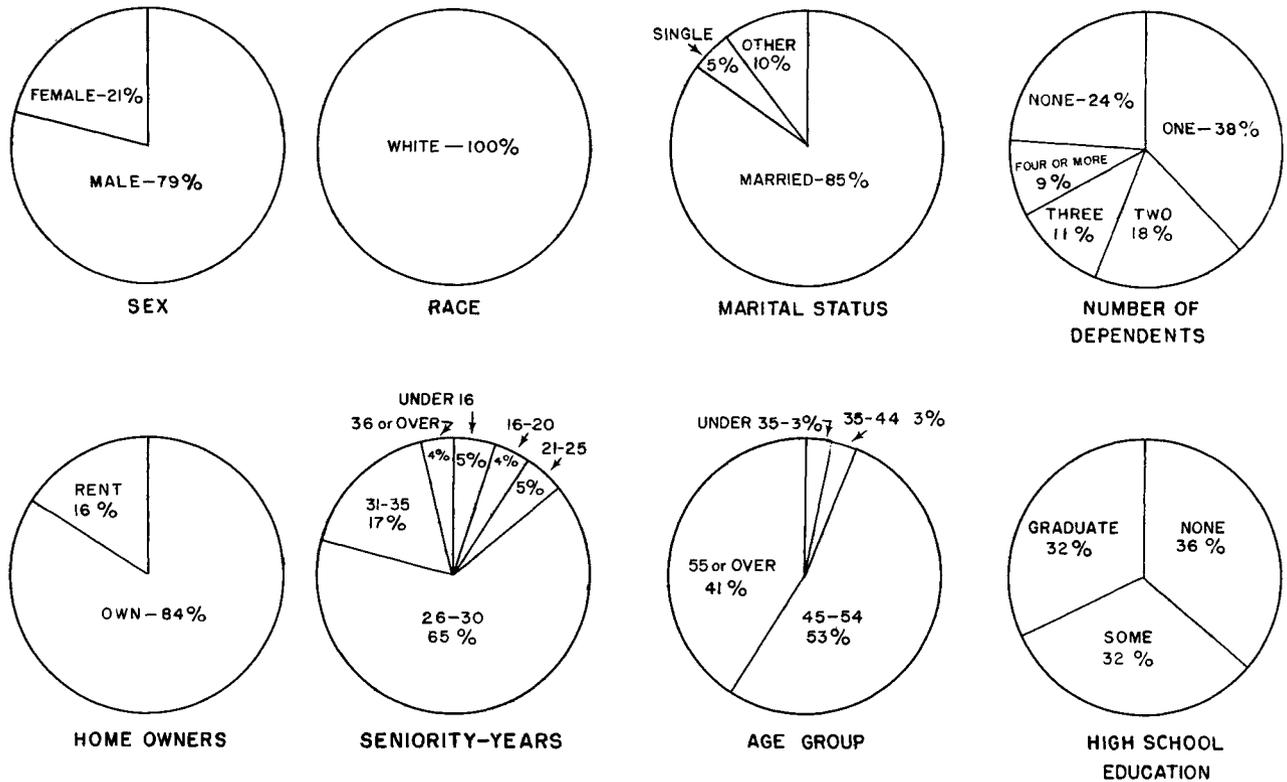
About 4 out of 5 of the displaced workers were men. (See chart 2 and table 8.) The proportion of women employed by the company had declined because of reductions of the work force. All the terminated workers were of the white race. According to union representatives, about 100 Negroes had been hired during World War II and up to 1952; but, because of lower seniority, none was left after previous reductions in force.

Very few workers were under age 45 when the plant was closed. More than half were between 45 and 54 years of age, and the remainder were 55 and over. This high age level was the result of the "bumping" of workers with less seniority in the course of a number of earlier work force contractions. As a result, almost 7 out of 8 had 26 or more years of seniority when displaced.

Almost one-third of the workers were high school graduates. An equal proportion had attended high school but had not graduated. A little more than a third had no high school education at all.

Most of the workers were married. Only 5 percent were single and 10 percent widowed or divorced. However, 24 percent had no dependents and a larger proportion had 1 dependent. Fewer than 40 percent had 2 or more dependents.

Chart 2. Automotive Equipment Plant—Personal Characteristics of Displaced Workers.



Job Hunting Experience

Employment and Unemployment. Ten months after the final layoff, only 3 out of 5 of the displaced workers were employed. (See table 8.) This included workers transferred to other plants of the company. More than one-fourth were unemployed, and about 1 out of 7 was not seeking work.

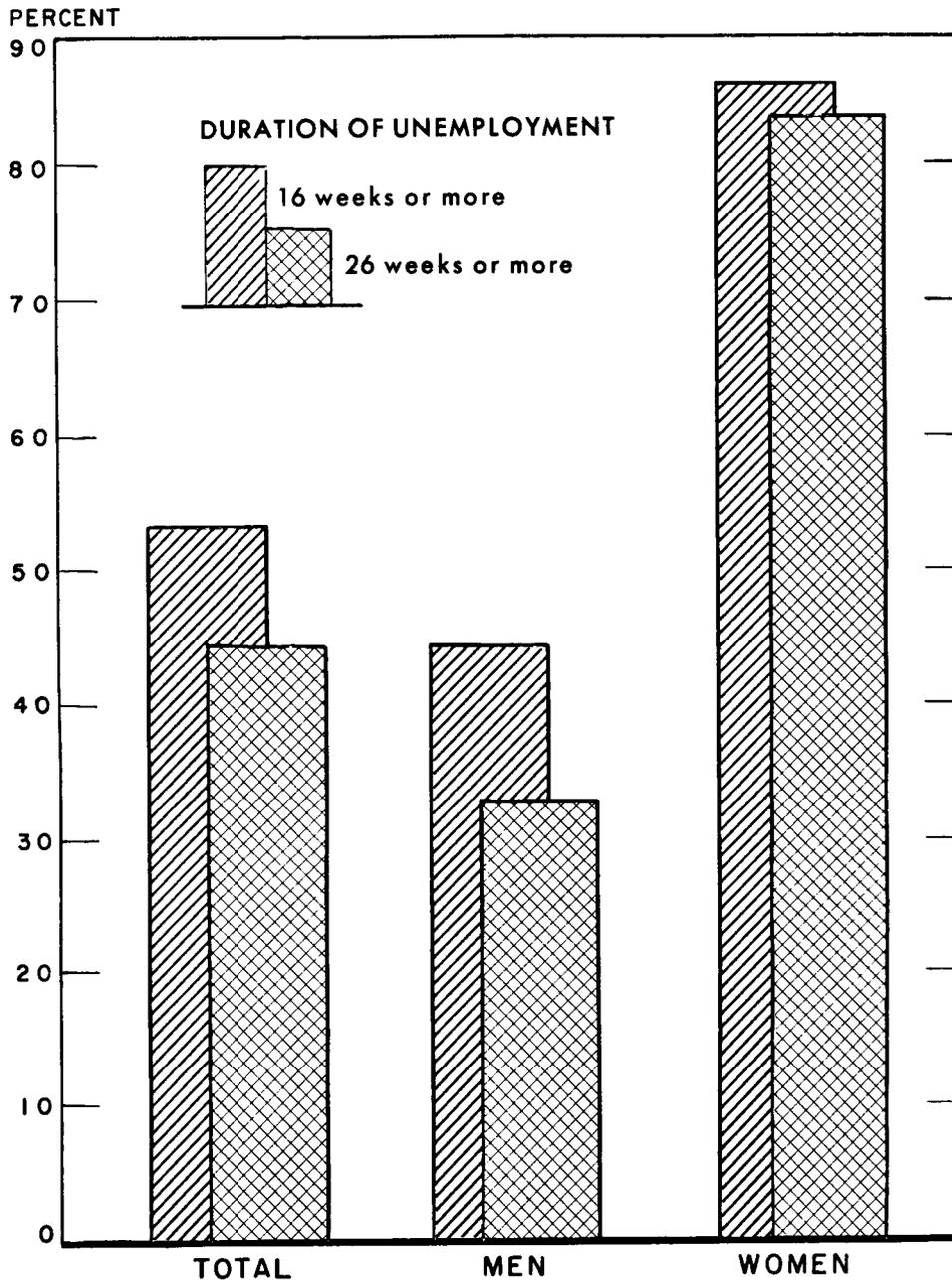
Primarily as a result of the sizable number of workers who transferred to another plant of the company in accordance with the union agreement, 1 out of 5 displaced workers lost no time through unemployment. About one-third lost less than 5 weeks. On the other hand, more than 2 out of 5 workers were out of work a half-year or more. Over half were unemployed 16 weeks or more. (See chart 3.)

Table 8. Automotive Equipment Plant--Selected Characteristics and Employment Status of Displaced Workers

Characteristics	All displaced workers	Employment status ¹			
		Total	Em- ployed	Unem- ployed	Not seeking employment
		Percent			
Total, all workers ...	100	100	59	27	14
<u>Sex:</u>					
Male	79	100	67	20	13
Female	21	100	26	56	18
<u>Race:</u>					
White	100	100	59	27	14
<u>Age:</u>					
Less than 35 years ...	3	100	63	10	27
35 - 44 years	3	100	89	11	0
45 - 54 years	53	100	67	29	4
55 years and over	41	100	44	29	27
<u>Education:</u>					
No high school	36	100	46	35	19
Some high school	32	100	58	33	9
High school graduates .	32	100	73	15	12
<u>Hourly earnings level:</u>					
Under \$2.50	21	100	36	45	19
\$2.50 - \$2.89	31	100	57	31	12
\$2.90 - \$3.29	25	100	64	22	14
\$3.30 - \$3.69	18	100	78	13	9
\$3.70 and over	5	100	81	8	11

¹At time of survey.

Chart 3. Automotive Equipment Plant — Long-Term Unemployed as Percent of Total Displaced Workers



Over half of the displaced workers had held only one job since termination. Almost a tenth had had 2 jobs. Relatively few had worked for more than 2 employers.

The effects of unemployment on the morale of the displaced worker were succinctly stated in the following comment by a 49-year-old man: "I get the same answer everyday. 'Come back later'. I am ashamed of myself. I hate to come home."

Age and Reemployment. Age was clearly related to unemployment. Only a very small proportion were under 45 years of age. Relatively few in this group were unemployed and seeking work, only 1 out of 10 (table 9).

In the 45-54 age group, the unemployed were about 3 out of 10. Among those who were 55-59, they accounted for 3 out of 8. From age 60 on, the unemployment rate declined, but more than half were no longer seeking employment. This reflects in part the sizable number of early retirements mentioned earlier. It also reflects the feelings of hopelessness expressed by a number of older displaced workers, for example:

"The minute they see that I am over fifty they turn me down." (Age 56)

"There is much talk about discriminating against the colored race, but...I am convinced that there is more discrimination against the aged group." (Age 54)

"Life expectancy is longer now than it ever was. My grandfather lived to be 90, my father-in-law is 80 and still going along. I have 20 to 30 years to look forward to doing nothing." (Age 60)

"I am 48 and I don't think I should be considered old."

"Mine, like a lot of people, is age, plus no education.... Now, machines are taking jobs that people had." (Age 56)

"At my age of 55, it is almost impossible to obtain a job. It was only through the help of the union that some in our group were able to obtain employment."

Education and Reemployment. A significantly higher proportion of high school graduates (73 percent) had employment than workers who had not graduated high school (58 percent), or those had not attended high school (46 percent). (See table 9.) The unemployment rate was relatively low among high school graduates, (14 percent), compared with the workers in each of the other groups (33 percent or more). A larger proportion of those with no high school education were not seeking employment than those with higher levels of education.

Table 9. Automotive Equipment Plant--Employment of Displaced Workers by Age Group and Educational Level¹

Age group	Percent				
	All displaced workers	Employment status ²			
		All workers	Em- ployed	Unem- ployed	Not seeking employment
All workers					
All age groups	100	100	58	28	14
Less than 35 years	3	100	60	11	29
35 - 44 years	3	100	89	11	0
45 - 54 years	53	100	67	29	4
55 - 59 years	25	100	58	37	5
60 - 64 years	15	100	27	19	54
65 years and over	1	100	0	14	86
No high school					
All age groups	100	100	46	36	18
Less than 35 years	--	--	--	--	--
35 - 44 years	1	100	100	0	0
45 - 54 years	40	100	58	38	4
55 - 59 years	33	100	44	49	7
60 - 64 years	24	100	33	16	51
65 years and over	2	100	0	0	100
Some high school					
All age groups	100	100	58	33	9
Less than 35 years	--	--	--	--	--
35 - 44 years	2	100	50	50	0
45 - 54 years	62	100	62	33	5
55 - 59 years	23	100	67	31	2
60 - 64 years	12	100	28	30	42
65 years and over	1	100	0	40	60
High school graduates					
All age groups	100	100	73	14	13
Less than 35 years	8	100	61	11	28
35 - 44 years	8	100	100	0	0
45 - 54 years	57	100	80	16	4
55 - 59 years	19	100	75	20	5
60 - 64 years	8	100	7	10	83
65 years and over	--	--	--	--	--

¹Age group and educational level at termination.²At time of survey.

Note: Differences between tables 8 and 9 are due to exclusion of questionnaires that did not contain data for both age and education.

Although high school education helped the older workers in obtaining employment, the unemployment rate increased with age among the more educated as well as among those with less education--from 16 percent at age 45-54 to 20 percent at age 55-59 for high school graduates, compared with an increase from 38 percent to 49 percent for those with no high school training. The following are comments by displaced workers on the importance of education:

"Education is so important now if you want to work." (Age 56)

"I think education is the key today for success, also work opportunities. My education was limited to high school, and with my present position I fear my advancement might be hampered because of this." (Age 36)

Reemployment of Women. One of the most striking findings of the study was the difficulty women had in finding reemployment. Well over half of the women were out of work as compared with one-fifth of the men. With the inclusion of those not seeking employment, a total of three-fourths of the women did not have jobs. Chart 3 shows that 5 out of 6 women were unemployed at least a half-year, compared with 1 out of 3 men. It is also notable that very few women who had been unemployed for 16 weeks or longer had secured jobs.

Furthermore, the level of unemployment among women was considerably higher than among men at all ages and all education levels. (See chart 4 and tables 10 and 11.) High school graduation, however, appears to have been an aid in securing reemployment among both sexes. While no women specifically charged discrimination because of sex in their comments on the questionnaires, a number complained about age discrimination at age levels below those at which men complained. Chart 4 shows a peak unemployment rate of 67 percent among women in the 45-54 age group. The highest unemployment rate among men was reached between ages 55 and 59 and was almost double the rate in the 45-59 age group.

Skill Level and Unemployment. Table 12 presents occupations before and after displacement. The table excludes data for approximately one-fifth of the workers transferred to other plants of the company under the union agreement. Since most of these employees were transferred with their jobs, their inclusion would have tended to obscure what had happened to the other employees. The table also shows separate data for certain occupations by sex because of the extremely large proportion of women who had not obtained jobs. Among the 4 women's occupations shown, all but the one involving clerical employees show at least 4 out of 5 unemployed.

For male workers, unemployment was highest among the unskilled laborers, 3 out of 5. Close to half of the men remained unemployed who had been in semiskilled occupations as assemblers and inspectors. Men who were machine operators, who appear to have been classified higher than semiskilled at the equipment plant, had a much lower proportion of

**Chart 4. Automotive Equipment Plant-Unemployment by--
Sex, Education, and Age Group**

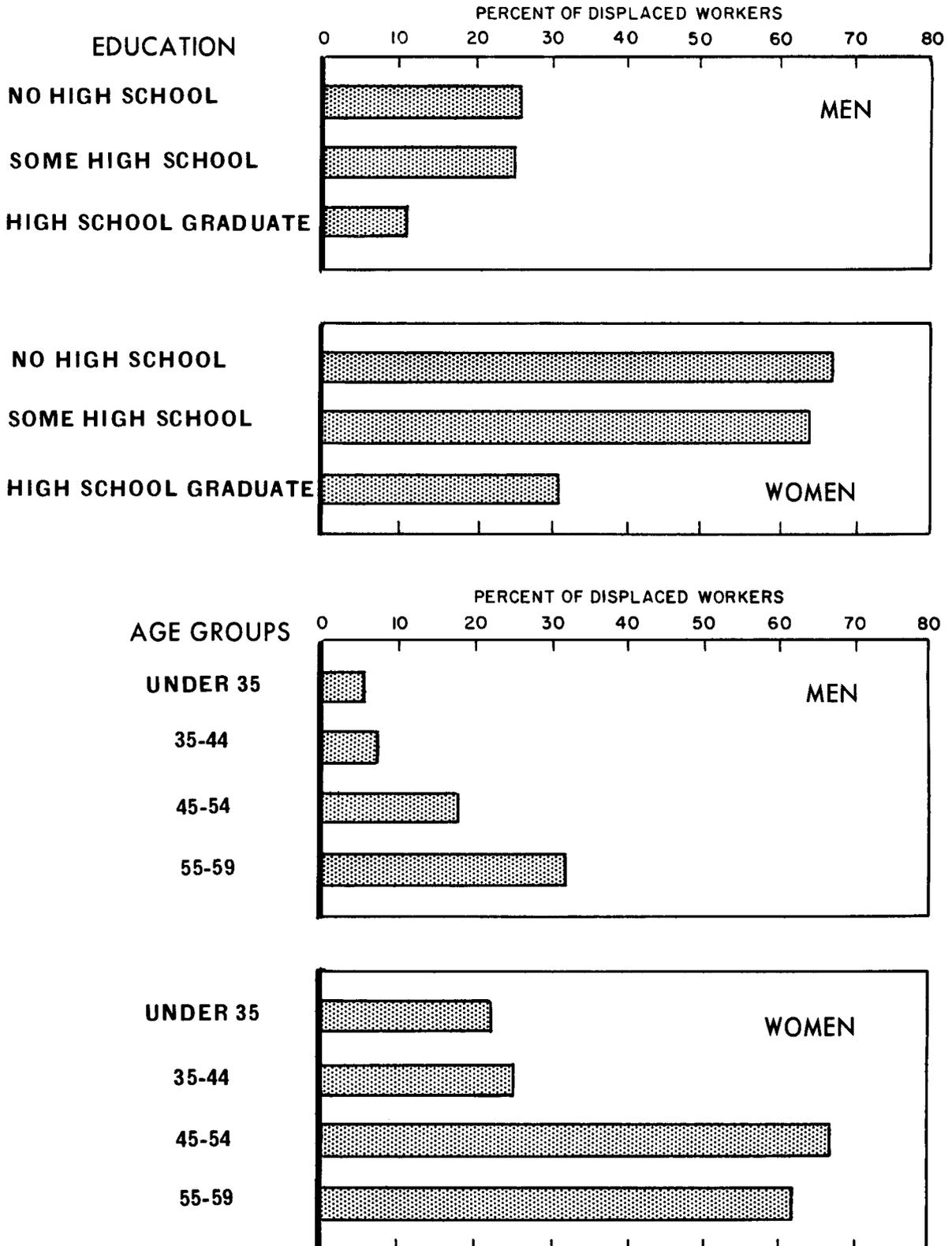


Table 10. Automotive Equipment Plant--Employment Status of Displaced Workers by Sex and Age Group¹

Age group	Percent				
	All displaced workers	Employment status ²			
		All workers	Em-ployed	Unem-ployed	Not seeking employment
Men					
All age groups	100	100	67	21	12
Less than 35 years . . .	2	100	84	5	11
35 - 44 years	3	100	93	7	0
45 - 54 years	51	100	79	17	4
55 - 59 years	26	100	65	32	3
60 - 64 years	16	100	30	20	50
65 years and over . .	2	100	0	14	86
Women					
All age groups	100	100	25	57	18
Less than 35 years . . .	4	100	11	22	67
35 - 44 years	4	100	75	25	0
45 - 54 years	59	100	27	67	6
55 - 59 years	23	100	23	62	15
60 - 64 years	10	100	9	13	78
65 years and over . .	--	--	--	--	--

¹Age group at termination.

²At time of survey.

Note: Differences between tables 8 and 10 are due to exclusion of questionnaires that did not contain data for both sex and age.

Table 11. Automotive Equipment Plant--Employment Status of Displaced Workers by Sex and Educational Level¹

Educational level	Percent				
	All displaced workers	Employment status ²			
		All workers	Em-ployed	Unem-ployed	Not seeking employment
	Men				
All educational levels	100	100	67	21	12
No high school	34	100	56	26	18
Some high school	33	100	66	25	9
High school graduates .	33	100	79	11	10
	Women				
All educational levels	100	100	25	57	18
No high school	43	100	15	67	18
Some high school	33	100	28	64	8
High school graduates .	24	100	39	31	30

¹Educational level at termination.

²At time of survey.

Note: Differences between tables 8 and 11 are due to exclusion of questionnaires that did not contain data for both sex and education.

Table 12. Automotive Equipment Plant--Employment Before and After Termination, by Occupation (excludes transferred workers)

Occupation at closed plant	Sex	Percentage distribution at closed plant	Employment status at survey date (percent)																	
			All workers	Unemployed	Employed in present job as--															Other
					Machine operator	Assembler	Inspector	Maintenance worker	Tool and die maker	Machinist	Laborer	Custodial worker	Shipping-stock worker	Clerical worker	Sales worker	Supervisor	Draftsman	Professional worker		
Machine operator	M	22	100	30	27	4	3	1	--	--	9	10	2	--	4	1	--	--	9	
	F	3	100	90	--	--	--	--	--	--	5	--	5	--	--	--	--	--	--	
Assembler	M	11	100	45	8	10	4	--	--	6	4	--	--	--	5	2	--	2	14	
	F	16	100	79	1	1	2	--	--	--	--	2	--	5	--	--	--	--	10	
Inspector	M	7	100	47	13	--	18	3	--	--	--	7	6	--	--	--	--	--	6	
	F	3	100	84	--	--	--	--	--	--	--	--	--	--	--	--	--	--	16	
Maintenance worker ...	M	6	100	26	--	2	--	58	--	--	2	--	--	--	--	--	2	5	5	
Set-up	M	3	100	24	--	32	8	--	--	8	12	4	--	--	--	--	--	--	12	
Tool and die maker ...	M	4	100	12	--	--	--	--	76	12	--	--	--	--	--	--	--	--	--	
Machinist	M	3	100	12	4	--	--	--	--	84	--	--	--	--	--	--	--	--	--	
Laborer	M	5	100	59	5	--	--	11	--	--	--	15	5	--	5	--	--	--	--	
Shipping-stock worker	M	3	100	42	8	--	4	17	--	--	8	--	--	--	4	--	--	--	17	
Clerical worker	M	3	100	24	--	--	10	--	--	--	--	--	--	33	--	--	--	--	33	
	F	1	100	12	--	--	--	--	--	--	--	--	--	76	12	--	--	--	--	
Supervisor	M	3	100	17	4	4	--	4	--	--	9	4	--	9	--	31	--	--	18	
Draftsman	M	3	100	8	--	--	--	--	--	--	--	--	--	--	--	--	84	4	4	
Professional worker ..	M	2	100	--	--	--	--	--	--	8	--	--	--	--	--	--	--	92	--	
Other	M	2	100	76	8	--	--	--	--	--	--	8	--	--	--	--	--	--	8	

unemployment. Unemployment was still lower for men in the more skilled jobs, such as maintenance and set-up man and was lowest for those who had held the highly skilled jobs of machinist and tool and die maker.

Considering relative earnings as a rough measure of skill, workers earning the lowest pay at the automotive equipment plant, under \$2.50 per hour, experienced the highest unemployment, 45 percent (table 8). Unemployment was lower for successively higher wage groups and amounted to only 8 percent in the group earning \$3.70 and over per hour.

Industries Providing Jobs. Three-fourths of the reemployed workers had obtained jobs in other manufacturing plants--almost half in the automotive equipment industry, and another one-tenth in the automobile industry (table 13). Seventeen percent were working in nonmanufacturing industries, and 6 percent in government, mostly local government jobs. A small proportion were self-employed.

Table 13. Automotive Equipment Plant--Types of Industries Providing Current Jobs¹

Industry	Percent of employed workers	
	Including transferred workers	Not including transferred workers
Total, all employed workers	100	100
Manufacturing	75	62
Automotive equipment	47	21
Automobile	11	17
Steel products	6	8
Other	11	16
Nonmanufacturing	17	25
Engineering firms	2	3
Hospitals	2	3
Service stations	1	2
Other	12	17
Government	6	10
Federal	(²)	1
State	1	1
County	1	1
Municipal	4	7
Self-employed	2	3

¹Jobs held at time of survey.

²Less than 0.5 percent.

After exclusion of the transferred workers who constituted one-third of the reemployed workers, over three-fifths were found employed in manufacturing industries--with one-fifth in automotive equipment plants, and close to that proportion in the automobile industry. Nonmanufacturing industries, then, accounted for one-fourth of the reemployed, and government for one-tenth.

Assistance in Finding Jobs. The principal sources of job leads, cited by over half of the respondents, were the State employment service and friends or relatives. Others were the union, newspaper ads, and direct application. However, the principal source cited as actually locating present job was friends or relatives, cited in almost half the cases; the second most important source was the union which was credited with locating the jobs of 1 out of 4 of the reemployed workers; other sources were named by much smaller proportions of workers.

Mobility and Reemployment. About 2 out of 3 displaced workers stated that they had limited their job search to their home city. A greater proportion of the unemployed had thus limited themselves than had the employed workers, and a much smaller ratio of unemployed to employed had extended their search for jobs more than 50 miles beyond home.

The sizable number of displaced workers who obtained jobs with the same company in other areas provides an opportunity to make a special study of the characteristics of these transferees and to compare them with the employees who had not left the area. As indicated earlier, the union contract permitted all workers whose actual jobs were moved to another plant to move with their jobs and retain all their seniority as long as they worked at those jobs. All others had transfer rights to any plants covered by the union's master agreement and would retain seniority only for purposes of employee benefits, such as vacation pay, pension, etc.

The workers who chose to move with their jobs amounted to some 30 percent of the number eligible and 20 percent of all displaced workers. They constituted by far the greater number of all transferred employees. Chart 5 presents a comparison of certain characteristics of the transferring workers with those of all displaced workers.

Only 7 percent of the transferring workers were women, compared with 21 percent of all displaced workers (table 14). The overriding influence would seem to be the fact that in most cases husbands were working in the home area.

Chart 5. Automotive Equipment Plant – Comparison of Selected Characteristics of Transferred Workers and All Displaced Workers

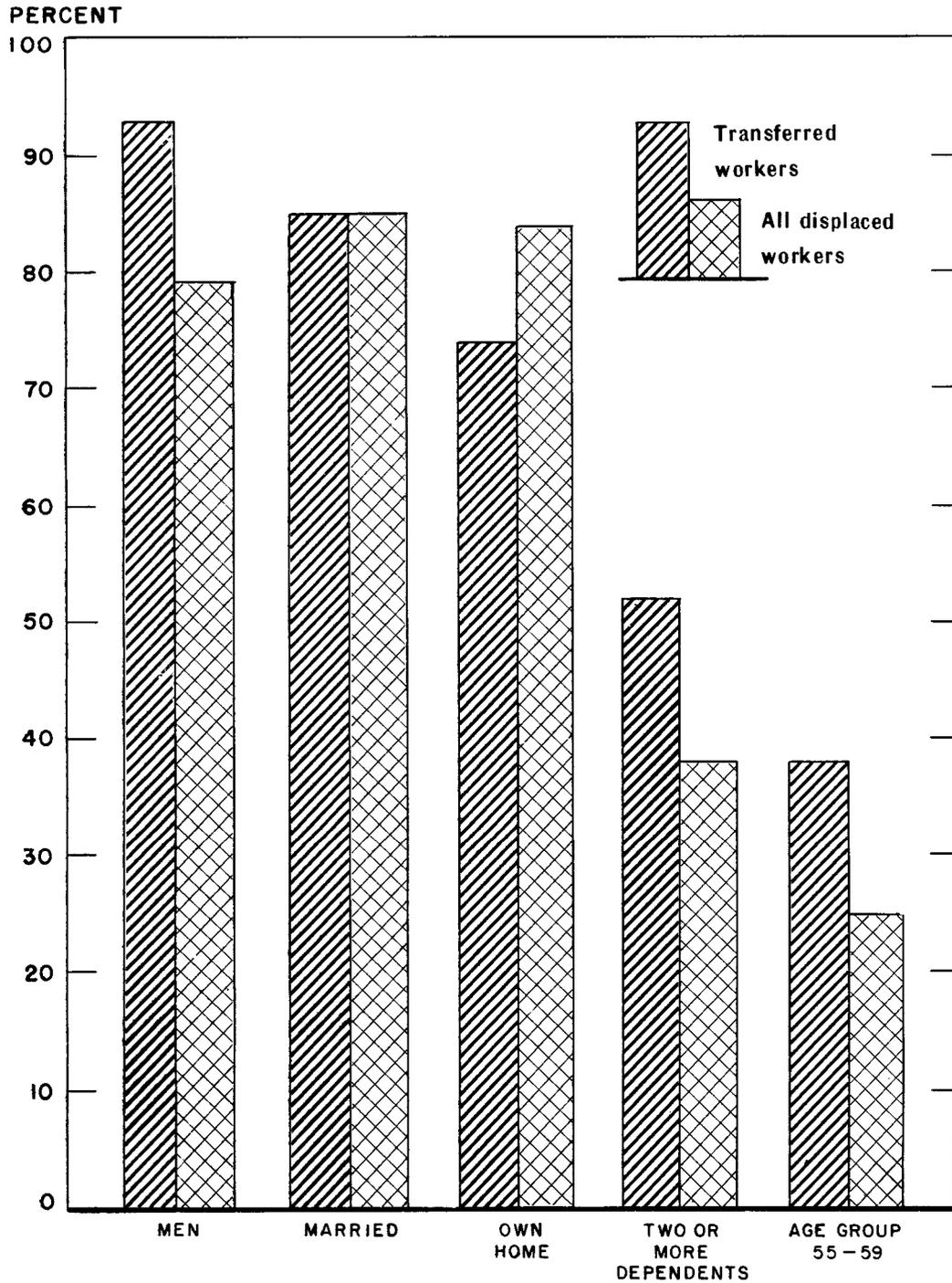


Table 14. Automotive Equipment Plant--Selected Characteristics of Workers Who Transferred to Other Plants of the Company Compared With All Displaced Workers

Characteristics	Percent	
	Transferred workers	All displaced workers
All workers	100	100
<u>Sex:</u>		
Male	93	79
Female	7	21
<u>Age:</u>		
Less than 35 years	1	3
35 - 44 years	2	3
45 - 54 years	51	53
55 - 59 years	38	25
60 - 64 years	8	15
<u>Education:</u>		
No high school	29	36
Some high school	38	32
High school graduate	33	32
<u>Marital status:</u>		
Married	85	85
Single	2	5
Other	13	10
<u>Dependents:</u>		
None	15	24
1	33	38
2	22	18
3	17	11
4 or more	13	9
<u>Home ownership:</u>		
Own or buying home	74	84
Renting home	26	16

A comparison by age reveals slightly fewer transferees below 55, a considerably greater proportion in the 55-59 age group, and fewer at age 60 and over. The fact that 38 percent of the transferred workers were age 55-59 indicates that fear of unemployability at that age level and unwillingness to lose pension benefits were compelling factors. Two typical comments:

"It seemed advisable and practical, considering age, experience, etc., to go with the job. The move has been disturbing to family life.... However, to protect pension rights, insurance, and other benefits, I intend to stay with the company." (Age 58)

"I came with my work in order to save pension rights." (Age 56)

While there was not much difference in marital status, the transferees as a group had more dependents than other workers. On the question of home ownership, 3 out of 4 of those who responded were homeowners, a smaller ratio than for the entire group of displaced workers, about 5 out of 6 of whom were homeowners.

That a great deal of hardship was involved in the transfer is shown by the fact that by far the majority of those who stated that they owned their homes owned homes in the closed plant area. This meant: (1) for many, weekly commuting the 150 miles between the two areas; and (2) the burden of maintaining two homes. A number of workers commented on this, for example:

"I own my home in /the closed plant area/ and we drive back and forth each weekend.... We rent an apartment in /the job area/ and pay \$80.00 a month rent."

"I have to travel each weekend and... rent an apartment and live apart from my family, which does not make for happiness."

"The big thing is I can't be at home with my family where I belong, and the added expense of traveling and keeping two homes."

A wife: "I'm only in /the job area/ every other week with my husband and we haven't been apart for 35 years."

Influences inducing transferred workers to keep their homes in the closed plant area included fear that the new jobs would be eliminated, age of the transferees and nearness of retirement, close family and social ties, children in school, and similar factors. As time passes, more of them may sell their homes and put down some roots in the job area. Others may rent their old homes in the expectation of returning to them after retirement. Nevertheless, the costs of transfer--economic, personal, and social--were high.

These costs indicate some of the reasons why so many displaced workers did not take advantage of the favorable terms of transfer that had been negotiated for them. The following are statements by the workers who had chosen not to transfer with their jobs:

"I could have went to /the job area/ with the company, but I didn't want to sell out and go there and get stuck. They aren't too sure how long they will be there."

"The reason I didn't go with the company is I don't think they will be there a couple of years and start moving somewhere else, or they will sell the business. Another thing is I own a new home and if I would sell it here and buy there, I would lose my shirt."

"We were told if we wanted to go to sign up. We would have had to sell everything and start over again. It is not easy for people to give up what they took a long time to get together. . . . Many went and quit, as it was impossible to keep two places."

Some of the transferred workers complained that the company and the workers were not being treated equally by the tax laws. They stated that the company could write off the costs of its move, while the workers received no deductions for their heavy transfer costs. Some examples:

"Why aren't we allowed to write our moving expenses off on taxes the same as the company?"

"If my expenses were deductible from income taxes, we would be better off."

"If a company makes a move. . . does said company have to bear cost of moving or is this cost charged off in some manner against their taxes? If a salaried employee transfers with the company, the cost of moving for said salaried help is paid for by the company. But if an hourly worker goes along with the company, he must bear his own cost of moving."

Training and Reemployment. About 6 percent of the displaced workers reported having taken training courses since leaving the automotive equipment plant. Only a little more than 2 out of 5 workers stated that they would be interested in taking training if it were offered without cost to them. This group comprised roughly one-third of the employed workers and two-thirds of the unemployed.

The type of training desired covered a wide variety of occupational fields. Among those more frequently mentioned were welding, machinist, tool and die, office and clerical, machine operation, and electrician. Some displaced workers attested to the importance of training in obtaining reemployment:

"In the smaller shops you have to be experienced in reading blueprints and set up your own machine. I do not have enough training in this field to qualify." (Age 51)

"I think if a person can read a blueprint thoroughly, age doesn't matter much in getting employment." (Age 51)

"I was selected for this position not only due to my past experience in drafting, but also my background in electronics which I secured by home study." (Age 52)

As noted earlier, the company publicly announced a \$100,000 retraining fund at the time of the shutdown, but later said that the age, educational level, or aptitude scores of most of the displaced workers made them ineligible for retraining. Various workers commented bitterly, feeling the original offer had not been sincere. One stated: "I feel that the company, in announcing a retraining program and then abandoning it, has harmed our chances of employment in this area."

Some Job Effects of Displacement

Effects on Earnings. Close to three-fifths of all employed workers, including transferred workers, were earning lower hourly pay than at the automotive equipment plant. (See table 15.) For half of this group, the drop in pay was at least 20 percent. Only 1 out of 10 reemployed workers received higher earnings. A sizable proportion (almost one-third) were employed at the same earnings levels, due largely to the interplant transfers.

Workers who had been in the lowest pay category at the automotive equipment plant, under \$2.50 per hour, experienced the greatest decrease in earnings. More than one-third of this group experienced a decrease in pay of at least 30 percent. On the other hand, the highest paid group, \$3.70 and over, had the largest proportion of workers with increased earnings.

Table 15. Automotive Equipment Plant--Change in Earnings Level

Hourly earnings level at closed plant	Percent on current job receiving--						
	Total	At least 30% less	20.0-29.9% less	10.0-19.9% less	Up to 9.9% less	Same earnings ¹	Higher earnings
All employed workers	100	17	12	16	13	32	10
Under \$ 2.50	100	36	11	8	12	24	9
\$ 2.50 - \$ 2.89	100	14	9	11	9	47	10
\$ 2.90 - \$ 3.29	100	18	8	23	14	29	8
\$ 3.30 - \$ 3.69	100	11	21	14	22	21	11
\$ 3.70 and over	100	12	7	26	2	30	23

¹Within 5¢ either way.

Chart 6 presents the change in earnings of reemployed workers by age and education. In the oldest age group, 55 years and over, a greater proportion of workers earned 20 percent less pay and a smaller proportion had increased earnings than workers in the 45-54 age group. Both of these age groups fared worse than the relatively few workers in the two lower age groups. A considerably higher proportion of high school graduates than nongraduates increased their earnings. About an equal proportion of workers with no high school and workers with some high school had experienced a drop in earnings, but the percentage decline in earnings was smaller for the group which had had some high school.

A number of the workers felt deeply about the loss of employee benefits, particularly the loss of pension rights, upon displacement, for example:

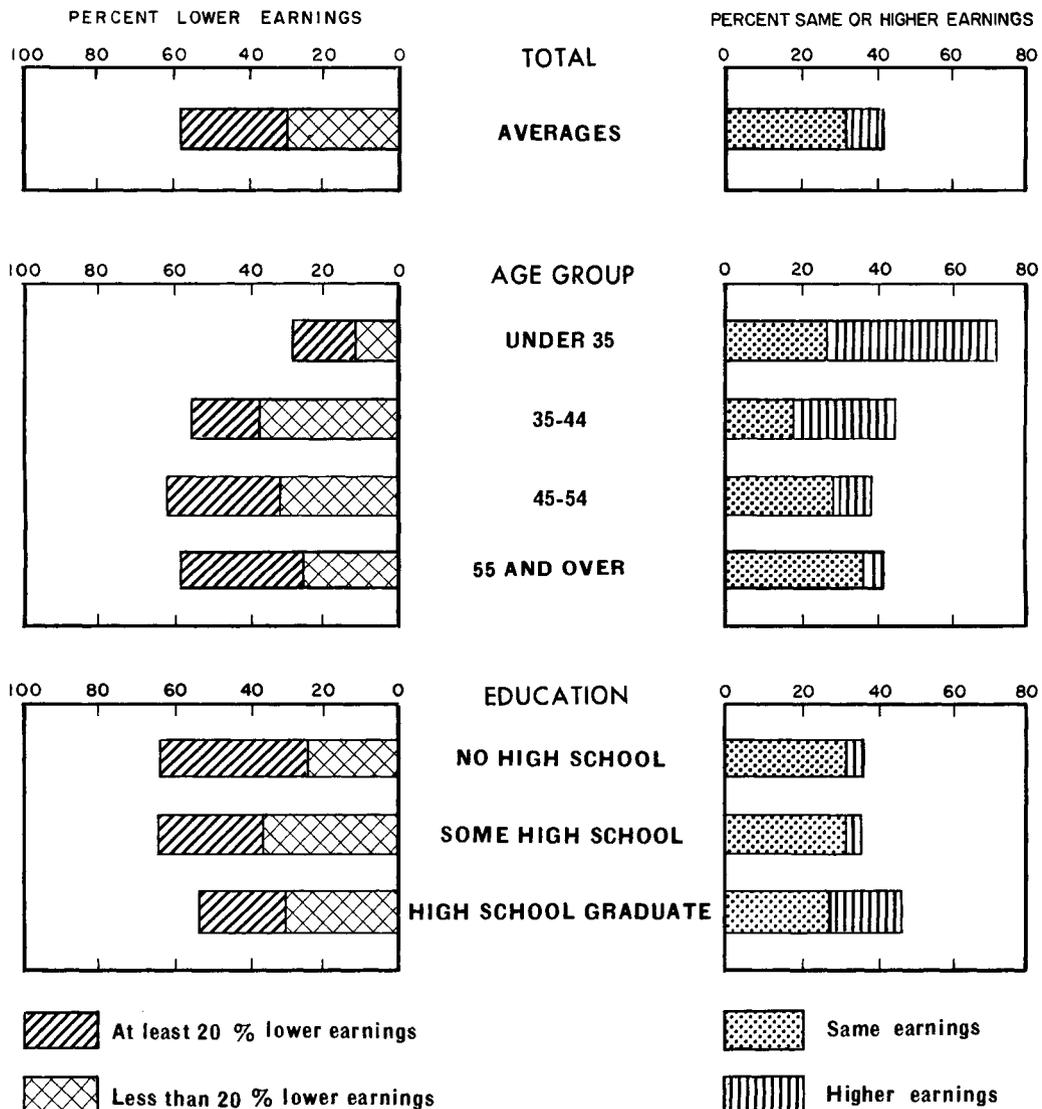
"I think the company should compensate all those people under 50 years old who are unable to claim pension rights." (Age 44)

"I worked for the company for 27-1/2 years. Yet I will not receive my pension, and the company can start the same cycle again with a new set of employees." (Age 49)

"The thing I'm very bitter about is, I lost all my insurance, and I get no pension, and I will receive only a small percent of my severance pay." (Age 49)

In some families, about 10 percent of the total adjustment to the loss of income took the form of a previously nonworking wife (or husband) obtaining employment--mainly part-time work for spouses in the case of the reemployed workers and full-time work for spouses of the unemployed workers.

Chart 6. Automotive Equipment Plant—Change in Earnings of Reemployed Workers, By Age and Education



Changes in Type of Job. Professionals, draftsmen, and skilled workers, such as tool and die makers, machinists, and maintenance workers, seemed to have had little difficulty in securing jobs in their specialties. (See table 12.) In other occupations, however, even among clerical workers and supervisors, relatively small proportions were reemployed in the same occupations. In the largest group, the lesser skilled machine operators, close to 1 out of 5 of the reemployed were working as laborers or in custodial jobs.

In comparing their current jobs with their jobs at the automotive equipment plant, a majority of the reemployed workers reported their present job as less favorable in wages and fringe benefits. They were about equally divided in evaluating the type of work. More than 4 out of 5 thought the new job was better or the same in terms of supervision. About one-third or more felt that, in terms of travel to work, hours of work, and prospects for promotion, the current jobs were worse. No more than one-fourth found any improvement in these three items.

Effects on Union Membership. Before displacement, 94 percent of the workers surveyed were union members. This proportion had declined to 69 percent at the time of the survey. It may be noted that membership was maintained by the bulk of the displaced workers who had remained unemployed or were not seeking jobs--almost 80 percent of each group. Despite the admitted help of the union in securing jobs for a sizable number of the reemployed workers, little more than 60 percent were members of a union at the time of the survey. This may have been partly due to employment of many in nonunionized plants or industries.

Effects on Seniority. As noted earlier, close to 7 out of 8 displaced workers had had at least 26 years of seniority at the closed plant. This seniority which had meant protection against layoffs, was totally lost except for the 1 out of 5 displaced workers who transferred with their jobs to another city 150 miles away. Seniority also conferred certain economic benefits, such as longer vacations and pension rights, and these also were lost by all but those who transferred to other plants of the company. The significance of the loss of seniority is indicated in the following comment by a 47-year old man who had had 27 years of seniority at the closed plant:

"Work at /a second shop/ May 1962 to March 1963. Laid off. Reason, less than one year of seniority."

Other comments were:

"I feel strongly that a man has as much right to his full seniority as the investors of money have to their money."

"I also think that some kind of laws should be passed that, when a person spends practically a lifetime on one job, he should not be thrown out on the street with no protection or security for his family because a company decides to move their plant out of town."

IV. Partial Closing of a Glass Jar Plant

A plant located in the Midwest closed its glass jar and a small paper box manufacturing operations in March 1962, displacing approximately 600 workers. Both production and clerical workers were included in the layoff. About 800 other workers continued to be employed at the plant in its other activities, including a zinc rolling mill, a metal products division, the company's laboratories, and its main offices. The company has a number of other plants in different areas of the country and various subsidiary firms. It has continued to manufacture glass products in some of the plants. The survey on which this study is based was conducted in November 1962, 8 months after the March 1962 layoff.

Description of the Plant

The plant was about 75 years old. In announcing the closing of the glass and paper box operations to the employees in January 1962, the company stated that it "is a high cost plant, with a low productivity, and that it cannot compete with more efficient operations throughout the industry." Two of the company's other glass jar manufacturing plants were newly constructed and had more modern equipment. In the opinion of a union representative, the move was motivated more by a desire to obtain lower wage rates and fringe benefit costs.

The labor market in which the plant is located is a highly industrialized area with a labor force of close to 50,000. Manufacturing accounts for 45 percent of all nonagricultural employment of the area. The majority of manufacturing employment is in the durable goods industries, and the largest industry is automotive equipment and parts. Other important manufacturing industries include electrical machinery, primary metal products, and food and kindred products. The glass manufacturing plant was the second largest employer in the area a little over a half-year prior to the shutdown of the glass operations. A half-year after the shutdown, it was still the sixth largest employer.

At the time of the layoff, March 1962, the unemployment rate was 7.5 percent, and the labor market area was designated by the Department of Labor as one of substantial unemployment. That rate, however, represented a decline of more than 4 percentage points from a year earlier. Unemployment continued to drop and the rate stood at 5.1 percent in November 1962, the month of the survey. The extent of the decline appears to have been largely seasonal, as the rate rose to 6.9 percent by March 1963. Despite the loss of 600 jobs at the company, total manufacturing employment in the area rose slightly between January and November 1962. Total nonagricultural employment increased by 4 percent.

Measures to Ease Displacement

The employees were informed of the closing of the glass jar and paper box operations on January 12, 1962, a little more than 2 months before the shutdown on March 19, 1962. Within the 2-month period, operations were gradually decreased until the date of the closing. The majority of the workers were represented by one union, and some specialized crafts, by two others. All three unions were AFL-CIO affiliates.

Pension Benefits. The workers were covered by group insurance and by pension plans provided for in the three union contracts, and a salaried workers' plan. A few who had reached retirement age received their pensions. Early retirement at reduced rates was provided for in all three union contracts and in the plan for salaried employees. One contract, covering 75 percent of the displaced workers, permitted early retirement at age 60 with 15 years of service; the other contracts, at age 55. A vested right in a delayed pension was provided for by the plan for workers represented by the largest of the unions and by the salaried workers' plan.

Separation Payments. Displaced employees who had been employed any time in 1962 obtained separation pay. It was based on length of service and hourly rate. The amounts paid ranged from \$ 160 to \$ 690. A few older employees who were ineligible for retirement benefits received \$ 900.

Unemployment Compensation. About three-fourths of the displaced workers received unemployment insurance benefits for an average of 18 weeks. One-third were paid benefits for 21 weeks or more. These figures should be interpreted conservatively since the survey was conducted only 8 months after the plant closing, and a number of workers had not yet exhausted their unemployment insurance.

Placement of Displaced Workers. A firm which took over the closed box department of the glass jar plant had hired about 30 of the displaced workers at the time of the survey. Despite the subject company's policy of hiring only former employees for its metal operations in the area, it appears from the employment information contained in the questionnaires that only a small proportion of the displaced workers were transferred to those operations or were employed by any of the company's plants located in other areas.

The company temporarily hired a retired personnel officer to assist displaced workers by writing resumes, talking with other personnel people in the area, and arranging interviews. Also, before the shutdown, it allowed workers time off for interviews with representatives of the State employment service.

Personal Characteristics of the Displaced Workers

The ratio of men to women among the displaced workers was roughly 3 to 2; nearly all were white. (See chart 7 and table 16.) The median age at termination was 49. One-third were between age 45 and 54, and nearly as many were older; only one-tenth were under 35.

Four out of 5 were married; most of the remainder were divorced or widowed. A sizable proportion (3 out of 10) had no dependents, and almost as many had only one dependent. Three-fourths owned their own homes. Four out of 10 workers had had no high school education. A slightly smaller proportion had gone to school above the elementary level but had not graduated from high school. A little less than one-fourth were high school graduates.

Plant seniority averaged 18 years. Only 1 out of 8 had fewer than 11 years' seniority. Almost 1 out of 3 had at least 21 years of seniority.

Chart 7. Glass Jar Plant—Personal Characteristics of Displaced Workers.

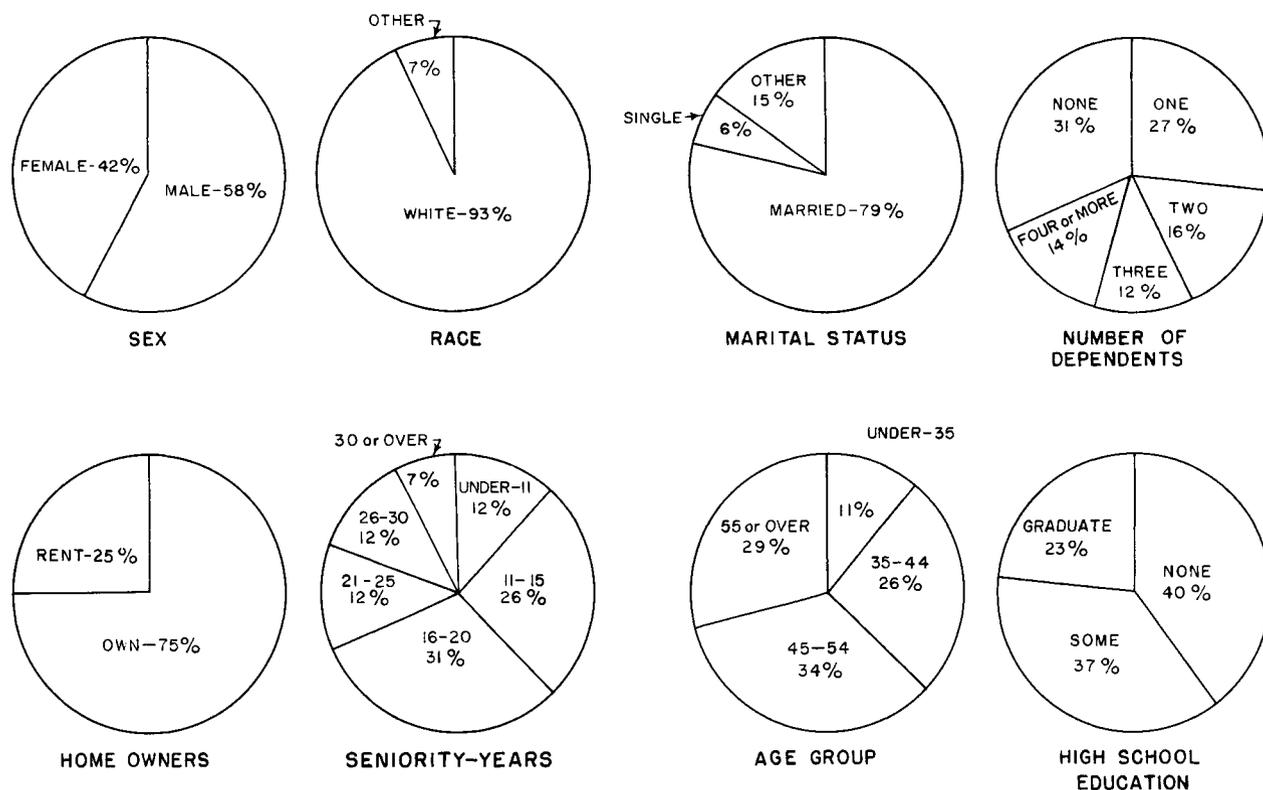


Table 16. Glass Jar Plant--Selected Characteristics and Employment Status of Displaced Workers

Characteristics	All displaced workers	Employment status ¹			
		Total ²	Em- ployed	Unem- ployed	Not seeking employment
		Percent			
Total, all workers	100	100	50	39	11
<u>Sex:</u>					
Male	58	100	67	23	10
Female	42	100	27	61	12
<u>Race:</u>					
White	93	100	51	39	10
Other	7	100	40	40	19
<u>Age:</u>					
Less than 35 years	11	100	72	24	4
35 - 44 years	26	100	59	39	2
45 - 54 years	34	100	55	40	5
55 years and over	29	100	28	44	28
<u>Education:</u>					
No high school	40	100	37	46	17
Some high school	37	100	53	41	6
High school graduate	23	100	63	32	5
<u>Hourly earnings level:</u>					
Under \$1.90	37	100	29	61	10
\$1.90 - \$2.29	24	100	53	33	14
\$2.30 - \$2.69	17	100	60	30	10
\$2.70 and over	22	100	70	22	8

¹ At time of the survey.

² Because of rounding, sums of individual items may not equal 100.

Job Hunting Experience

Employment and Unemployment. The search for employment was a difficult experience for most of the displaced workers; for many it was fruitless. At the time of the survey, only one-half of the displaced workers were employed. Close to two-fifths were unemployed, and the remaining tenth were not seeking work. (See table 16.)

The result of the layoff was not only a high level of unemployment but also unemployment of substantial duration. More than 2 out of 5 of the displaced workers were out of work a half-year or more. Three out of 5 experienced at least 16 weeks of unemployment. (See chart 8.) Fewer than 1 out of 10 lost no time at all; and fewer than 1 out of 4 lost less than 6 weeks of work. These figures do not include data covering retiring employees, most of whom collected a number of weeks of unemployment compensation before retiring.

Two out of 5 displaced workers had held no jobs at all by the time of the survey. Close to half had had one job. One out of 6 had had two or more jobs.

Reemployment of Women. There was a marked difference between the success of male workers and female workers in obtaining employment. Two out of 3 men were employed compared with little more than 1 out of 4 women. As many as three-fifths of the women workers were unemployed, and the remainder were not seeking work. (See table 16.)

This contrast in the employment experiences of men and women is highlighted by the data on duration of unemployment (chart 8). Twenty-three percent of the men and 70 percent of the women were unemployed at least a half year. On the other hand, 36 percent of the men and only 4 percent of the women had less than 6 weeks of unemployment.

While unemployment among men was heaviest in the older age groups, age 55 and over, and among those with the least education (no high school training at all), women experienced heavy unemployment in all age groups and at all educational levels. (See tables 17 and 18 and chart 9.)

Age and Reemployment. The rate of employment declined in each successive age group (table 19). Unemployment increased from 24 percent of those under age 35 to 60 percent of workers age 55-59. The majority of the workers in the 60-64 age group stated that they were not looking for work.

In the case of men, age appears to have become an important factor in obtaining employment in the late fifties (table 17 and chart 9). The rate of unemployment rose from one-fifth to one-half between age group 45-54 and age 55-59. The rate of unemployment of women was high at all ages but rose to a level of 70 percent as early as age 45-54.

Chart 8. Glass Jar Plant—Long-Term Unemployed as Percent of Total Displaced Workers

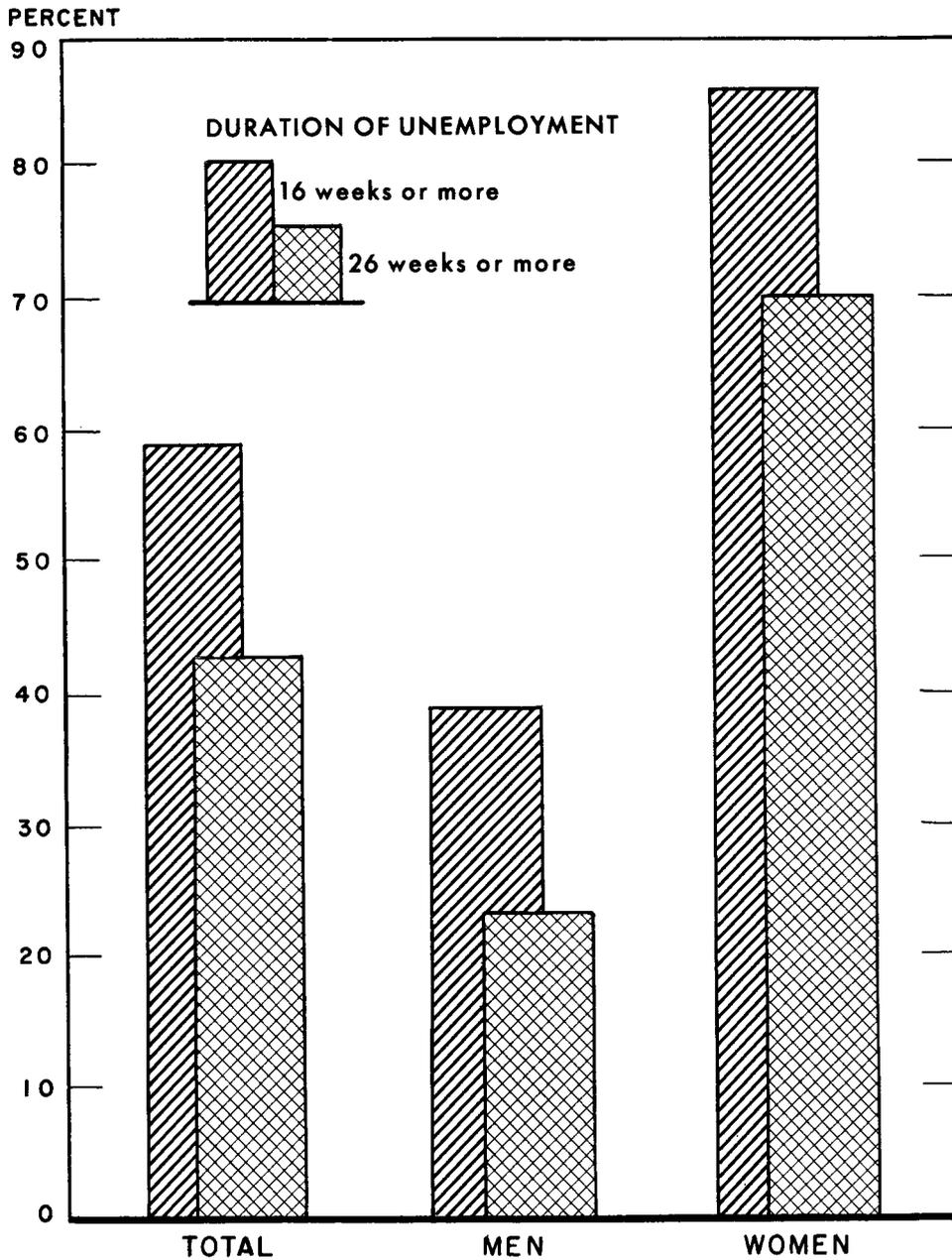


Table 17. Glass Jar Plant--Employment Status of Displaced Workers,
by Sex and Age Group¹

Age group	Percent				
	All displaced workers	Employment status			
		All workers	Em- ployed	Unem- ployed	Not seeking employment
Men					
All age groups	100	100	66	24	10
Less than 35 years	14	100	85	10	5
35 - 44 years	28	100	76	22	2
45 - 54 years	31	100	77	19	4
55 - 59 years	13	100	49	51	0
60 - 64 years	11	100	22	27	51
65 years and over	3	100	11	22	67
Women					
All age groups	100	100	26	63	11
Less than 35 years	7	100	37	58	5
35 - 44 years	25	100	35	63	2
45 - 54 years	38	100	26	70	4
55 - 59 years	16	100	24	71	5
60 - 64 years	13	100	9	35	56
65 years and over	1	100	0	33	67

¹ Age group at termination.

Note: Differences between tables 16 and 17 are due to exclusion of questionnaires that did not contain data for both sex and age.

Table 18. Glass Jar Plant--Employment Status of Displaced Workers, by Sex and Educational Level¹

Educational level	Percent				
	All displaced workers	Employment status			
		All workers	Em-ployed	Unem-ployed	Not seeking employment
	Men				
All educational levels ...	100	100	66	24	10
No high school	42	100	50	32	18
Some high school	33	100	73	23	4
High school graduate and higher	25	100	85	11	4
	Women				
All educational levels ...	100	100	26	63	11
No high school	38	100	19	65	16
Some high school	42	100	33	59	8
High school graduate and higher	20	100	27	65	8

¹ Educational level at termination.

Note: Differences between tables 16 and 18 are due to exclusion of questionnaires that did not contain data for both sex and education.

**Chart 9. Glass Jar Plant—Unemployment by--
Sex, Age, and Education**

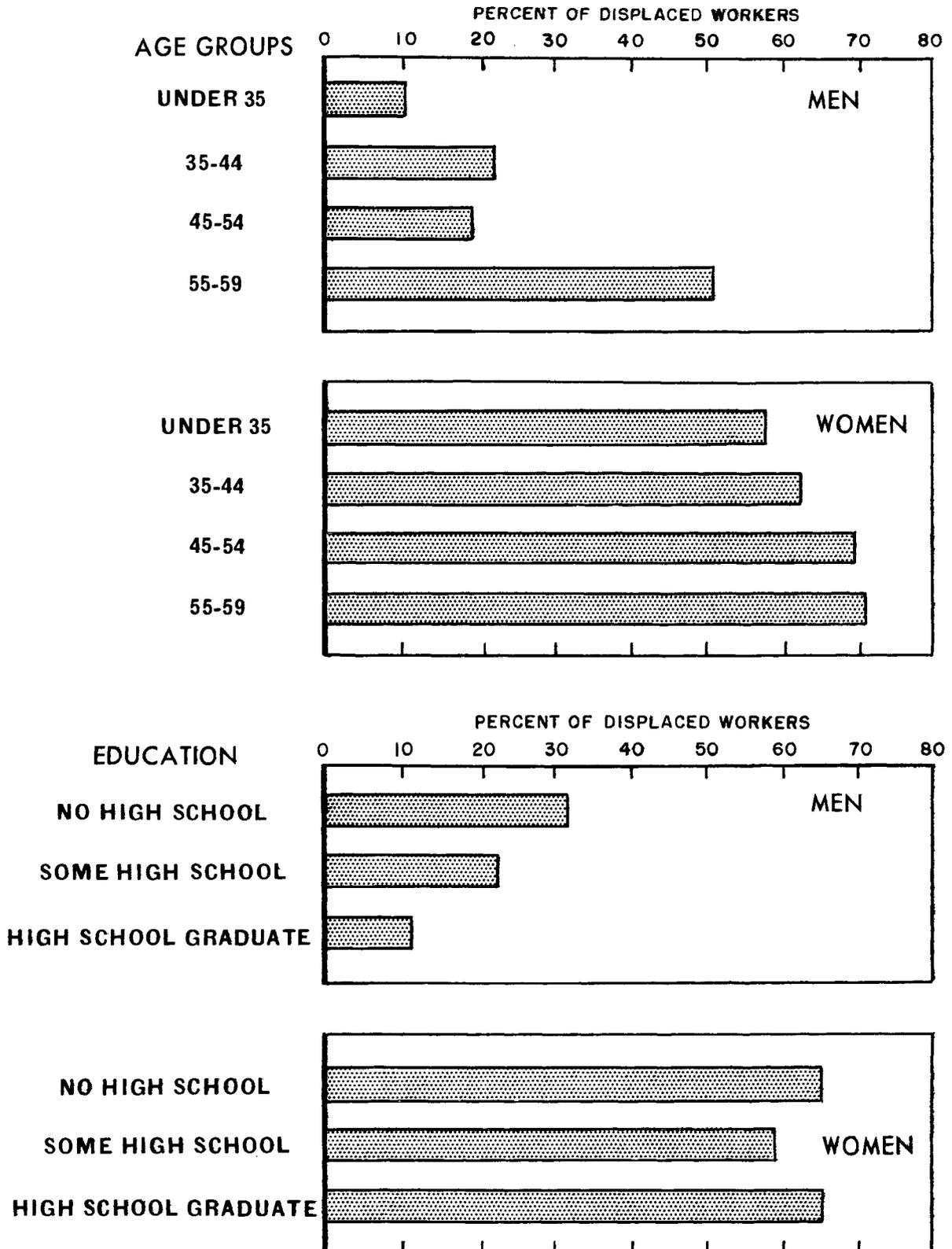


Table 19. Glass Jar Plant--Employment Status of Displaced Workers, by Educational Level and Age Group¹

Age group	Percent				
	All displaced workers	Employment Status ²			
		All workers	Em-ployed	Unem-ployed	Not seeking employment
All workers					
All age groups	100	100	49	40	11
Less than 35 years	11	100	72	24	4
35 - 44 years	27	100	58	40	2
45 - 54 years	34	100	53	43	4
55 - 59 years	14	100	38	60	2
60 - 64 years	12	100	16	30	54
65 years and over	2	100	8	25	67
No high school ²					
All age groups	100	100	38	45	17
Less than 35 years	5	100	83	17	0
35 - 44 years	15	100	48	46	6
45 - 54 years	32	100	46	47	7
55 - 59 years	24	100	32	64	4
60 - 64 years	20	100	15	29	56
65 years and over	4	100	11	33	56
Some high school ²					
All age groups	100	100	54	40	6
Less than 35 years	12	100	62	35	3
35 - 44 years	30	100	60	40	0
45 - 54 years	40	100	53	43	4
55 - 59 years	10	100	55	45	0
60 - 64 years	7	100	25	31	44
65 years and over	1	100	0	0	100
High school graduate and higher ²					
All age group	100	100	64	31	5
Less than 35 years	22	100	76	17	7
35 - 44 years	41	100	65	33	2
45 - 54 years	28	100	68	32	0
55 - 59 years	5	100	29	71	0
60 - 64 years	4	100	0	33	67
65 years and over	0	--	--	--	--

¹ Age and educational level at termination.

² At time of survey.

Note: Differences between tables 16 and 19 are due to exclusion of questionnaires which did not contain data for both age and education.

About 1 out of 3 respondents to the written questionnaire volunteered comments covering a broad range of subjects, the most frequent of which was the complaint against age barriers encountered in the path of reemployment. The following are some typical comments:

"All applications rejected because of age and sex." (Age 58)

"Too old to get a job any place else and not old enough to draw my social security." (Age 58)

"I am now almost 42 years old and they don't seem to want to hire a person after they reach the age of 40." (Age 42)

"At my age, they don't want you in factories. I would be willing to take a training course in anything that my schooling and age would let me." (Age 49)

"Employers should be urged to hire older employees as long as they are capable. We have to live also and don't have a chance." (Age 58)

"At 60, one is as old as one feels and to think that all I am good for at this span of life is to be a 'baby sitter' is not a good feeling for one's morale and mental state." (Age 60)

Education and Reemployment. In general, those who had attained higher educational levels found reemployment more easily. (See table 19.) Thus, 2 out of 3 high school graduates were employed, compared with a little more than half of those who had some high school education but did not graduate and 2 out of 5 workers who had no high school training. Greater education helped older workers in finding reemployment (except for high school graduates age 55-59 where the small number involved does not permit valid interpretation).

High school graduation was important for the men, and all but a few of the male graduates were reemployed (table 18). In contrast, only half of the men with no high school education were working. In the case of the women, educational level appeared to make little difference in securing jobs. (See chart 9.)

The following are comments on the educational barrier:

"When you are past 35 years old and haven't graduated from high school, no one wants you." (Age 49)

"I have found during my 7 months of unemployment that all manufacturers require a high school education before they even consider hiring." (Age 62)

Skill Level and Reemployment. In view of the fact that workers at the glass jar plant were paid under an incentive system, there was probably less direct relationship between hourly earnings and individual skill levels than would exist if hourly rates were paid. Nevertheless, the contrast in reemployment experiences between the higher and lower skilled workers should be and is broadly indicated by a comparison between the highest and lowest earning levels (table 16). Close to two-fifths of the workers earned less than \$ 1.90 an hour at the glass jar plant; and a little more than one-fifth earned \$ 2.70 or over an hour. Only 29 percent of the lowest paid group were employed at the time of the survey, while 70 percent of the highest paid workers were employed.

An occupational analysis reveals a high level of unemployment in unskilled and semiskilled production jobs, such as laborers, machine operators, and packers, with unemployment rates from 36 to 71 percent. (See table 20.) In contrast, unemployment was relatively low among displaced maintenance workers and supervisors.

The following two statements by displaced jar plant workers are a commentary on this situation:

"I found there were no jobs available for general labor or semi-skilled workers." (Age 28)

"I found there are skilled jobs just waiting for the asking." (Age 30)

Industries Providing Jobs. Of those who had obtained employment, only about half were working in manufacturing industries. (See table 21.) The largest group among these, constituting 21 percent of all reemployed workers, were employed in the glass industry, almost all of them in other glass companies located in other areas. A considerably smaller proportion had secured jobs in the manufacture of corrugated containers, with the firm which had taken over the subject company's paper box operations. Only 6 percent of all reemployed workers were employed in the dominant auto and auto parts industry. The rest were scattered among several different manufacturing industries.

About 1 out of 3 of the total were employed in nonmanufacturing industries, including construction, hospitals, retail trade, domestic service, and many others. Of the remaining employed workers, most were working in government activities, primarily at a State college and the municipal public schools; and the rest were selfemployed.

Assistance in Finding Jobs. The sources most widely used in seeking jobs, each cited by more than half of the workers, were the State employment service and friends or relatives. A substantial number also stated that

Table 20. Glass Jar Plant--Employment Before and After Termination, by Occupation

Occupation at closed plant	Per-centage distri-bution at closed plant	Employment status at survey date (percent)											
		All work-ers	Unem-ployed	Employed in present job as--									Other
				Oper-ator	Mainte-nance worker	Laborer	Super-visor	Cleri-cal worker	Assem-bly or packing worker	Custo-dial worker	Domes-tic or restau-rant worker		
Operator or machine attendant	20	100	39	28	3	12	--	5	2	9	--	2	
Maintenance worker .	17	100	11	14	51	11	5	5	1	2	--	--	
Laborer	17	100	36	10	10	21	--	4	--	19	--	--	
Supervisor	5	100	7	3	7	7	59	11	3	--	--	3	
Clerical worker	5	100	44	4	--	--	4	40	4	4	--	--	
Packing worker	33	100	71	1	--	(¹)	--	4	9	--	13	2	
Inspector	3	100	58	--	--	--	--	15	5	11	--	11	

¹ Less than 1 percent.

Table 21. Glass Jar Plant--Types of Industries Providing Current Jobs¹

Industry	Percent of employed workers
Total, all employed workers	100
Manufacturing	53
Glass	21
Containers (corrugated)	9
Autos and auto parts.....	6
Food products	2
Steel products	2
Tools	1
Foundry	1
Other	11
Nonmanufacturing	31
Construction	3
Hospital	2
Domestic service	2
Department store	1
Laundry and dry cleaning	1
Vending machines	1
Restaurant	1
Other	20
Government	11
State college	4
State prisons	1
County departments	1
Municipal public schools	4
Other municipal departments	1
Self-employed	5

¹Jobs held at time of the survey.

they had used newspaper ads and had applied to other companies for jobs. Few had gone to private employment agencies or to the union in their job search.

Two-thirds of the workers who actually obtained employment credited friends or relatives with the responsibility for locating their current jobs. One out of 6 credited the State employment service. Other sources were indicated by small proportions of those who responded to this question.

Mobility and Reemployment. It appears that mobility had a significant influence on success in finding work. Thus, 3 out of 5 unemployed workers had limited their area of job search to their home city, compared with 1 out of 3 displaced workers who obtained employment. On the other hand, only 1 out of 5 unemployed sought work further than 50 miles from their home city, as against 2 out of 5 of the reemployed. As noted earlier, roughly half of the latter, one-fifth of all reemployed workers, left their home city to obtain work in the glass industry elsewhere. Home ownership, family ties, the spouse's job, and insufficient funds were among factors which appear to have affected willingness to seek jobs outside the area. One displaced worker said: "I would be willing to go anywhere to find work if I had the money to get there."

Training and Reemployment. A small proportion of the displaced workers reported that they had taken training courses since leaving the glass jar plant. Such trainees constituted about 5 percent of the workers who had been reemployed and 3 percent of those still unemployed at the time of the survey.

The large majority of the respondents, 4 out of 5 employed and 9 out of 10 unemployed, stated that they were interested in taking training courses if they were offered without charge. The kinds of training desired covered a wide variety of occupational fields, from nursing and clerical work to machine operation and electronics.

The recognition of the need for retraining displaced workers is indicated in the following comments:

"Not able to find work, and not experienced in anything but factory work." (Age 37)

"This has taught me that everyone should have some training in a special field. There are too many untrained people like myself looking for any kind of a job at any wage." (Age 50)

Some Job Effects of Displacement

Effect on Earnings. Three-fourths of the reemployed workers experienced a loss in earnings (table 22). For half of those with lower earnings, the drop was 30 percent or more. In addition, a substantial number had an earnings loss of between 20 and 30 percent. Only 19 percent of the total number of employed workers increased their earnings.

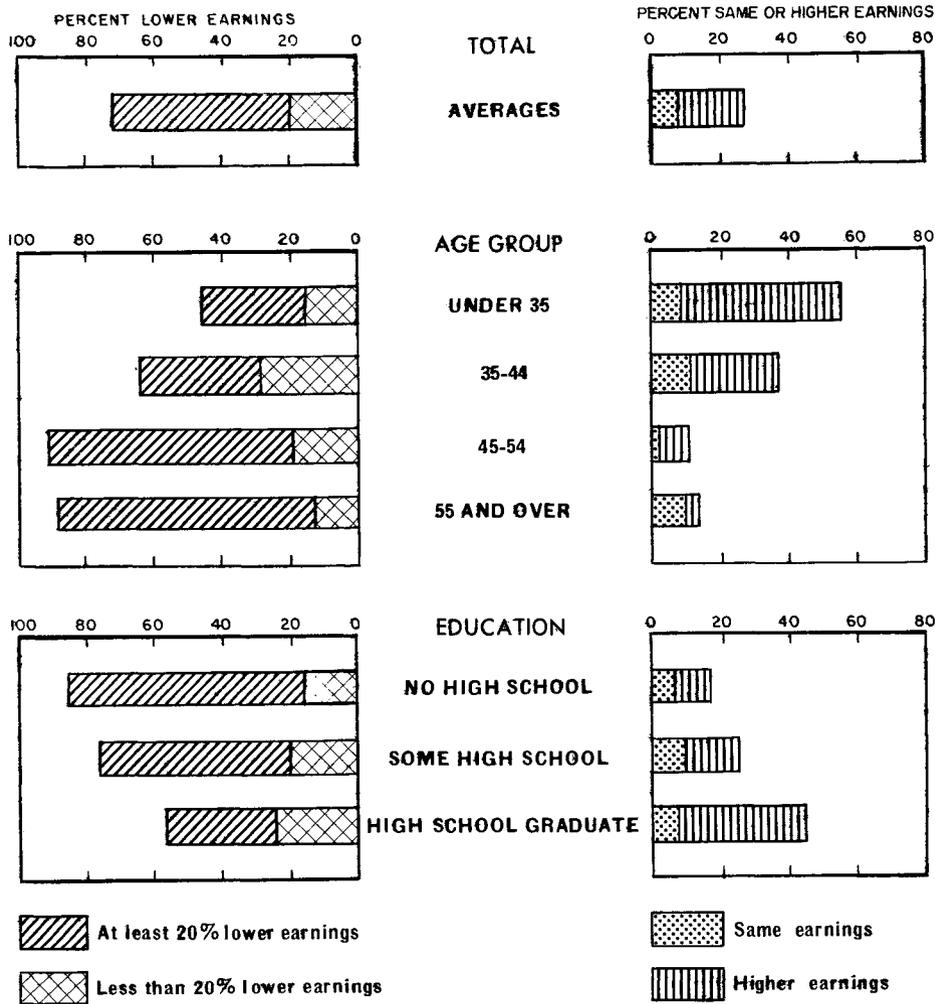
Table 22. Glass Jar Plant--Change in Earnings Level

Hourly earnings level at closed plant	Percent on current job receiving--						
	Total	At least 30% less	20.0- 29.9% less	10.0- 19.9% less	Up to 9.9% less	Same earn- ings ¹	Higher earn- ings
All employed workers .	100	37	17	10	10	7	19
Under \$1.90	100	50	6	6	11	6	21
\$1.90 - \$2.29	100	41	12	12	9	12	14
\$2.30 - \$2.69	100	16	31	10	8	8	27
\$2.70 and over	100	37	19	13	10	5	16

¹ Within 5¢ either way.

Chart 10 shows that both age and education were closely related to change in earnings levels. The great majority of workers at age 45 and over and most of those workers with little or no high school education experienced an hourly earnings loss of at least 20 percent. On the other hand, the bulk of the workers whose earnings increased were either under age 45 or high school graduates or both.

Chart 10. Glass Jar Plant – Change in Earnings of Reemployed Workers, by Age and Education



A majority of the reemployed also stated that their present job was inferior to their job at the glass jar plant in fringe benefits. The effects of the loss of employee benefits were expressed with particular poignance in the following comments:

"I had four more years to work and I could have retired, but I lost my factory pension and retirement along with my job. Now, I have no life insurance or hospitalization." (Age 57)

"I went to work when my husband left me with 3 small children and was going to finish my life with my factory pension. Now, I have nothing." (Age 57)

Changes in Type of Job. Many of the reemployed workers accepted jobs at lower skills. (See table 20.) For example, about one-third of the semiskilled machine operators who obtained reemployment were in laborer or custodial jobs. While almost three-fourths of the women workers in packing occupations were unemployed, almost half of those with jobs were in domestic or restaurant work. A number of former maintenance workers were reemployed in machine operator or laborer jobs.

In comparing their current job with their job at the glass jar plant, a majority considered their current job worse in terms of both wages and fringe benefits. Only 25 percent felt there was any improvement in prospects for promotion. Substantial proportions (40 percent or more) believed that there was little change in three other aspects of the job--supervision, travel to work, and hours of work.

Effects on Unionization. Union membership among the displaced workers fell sharply. Before the layoff, 9 out of 10 workers belonged to a union. At the time of the survey, the ratio of union membership was reduced to 1 out of 3. Even among those workers who were employed, union membership had dropped by half, from 86 percent to 44 percent of the total number of employed workers, probably due largely to reemployment in unorganized plants. In the case of the unemployed, membership fell to less than one-sixth of the previous level.

Loss of Seniority. As indicated earlier, the average displaced worker had accumulated 18 years of seniority at the glass jar plant. One out of five had had more than 25 years of seniority. The loss of this seniority signified a loss of job security for several years to come, since those reemployed by other companies would have the least protection against further layoff. It also meant the loss of accumulated credits toward economic benefits, including vacation, pension, and other fringe employee benefits.

V. A Closed Floor Covering Plant

A floor covering plant in the East was closed in June 1961, displacing over 300 workers. This was one of 7 plants of the same company, all located in the eastern part of the country. The survey on which this study is based was conducted in October 1962, 16 months after the plant closing.

Description of Plant

The shutdown represented a consolidation of the firm's activities due primarily to changing consumer tastes, a greatly decreased demand for a type of floor covering which the plant was geared to produce. The company's profit and loss statements showed a net loss in 4 of the 5 years, 1957-61.

The plant had been constructed about 35 years earlier and had been enlarged 14 years prior to its closing.

The plant was located in a highly industrialized metropolitan area, in which about one-third of the total labor force and two-fifths of all non-agricultural employment were in manufacturing. The principal manufacturing industry in the area was chemicals, followed by transportation equipment. Other industries were stone, clay and glass products, food, machinery, and fabricated metals.

The labor market area was classified by the U.S. Department of Labor during the period between the layoff and the survey as an area of moderate unemployment. The unemployment rate was 5.9 percent in the month of the plant shutdown, June 1961, and declined to 4.0 percent one year later. It declined further to 3.0 percent in October 1962, the month of the survey. Thus, general economic conditions in the labor market area were relatively favorable for reemployment after the layoff.

Measures to Ease Displacement

The decision to close the plant was made in February 1961, 4 months before the plant shutdown. The employees were first notified of this decision by letter during that month. They were kept further informed by bulletins and letters.

Interplant Transfers. In May 1961, the workers were notified that the operations were being moved to the company's plant in another city, 70 miles away, and were advised that they might apply for rehiring by that plant in accordance with the union agreement.

The displaced workers were represented by an industrial type of union, affiliated with the AFL-CIO. Their union agreement covered the production and maintenance workers of the plant to be closed and two other plants of the company located in other areas. The agreement provided that, if the company discontinued all manufacturing operations in any one of the three covered plants, the employees of that plant would have "preference for employment opportunities at any of the other two plants." Preference would be in the order of the closed plant seniority. This contractual right to reemployment was limited by the following factors: (1) Any employees currently on layoff from the plant with the employment opportunities would have first opportunity for recall; (2) Transferred employees would lose their seniority for future layoff and other purposes, except for pension, insurance and health benefits, and paid vacation; and (3) Eligibility for reemployment was subject to physical and mental qualifications, and knowledge, training, and skill.

Although 3 out of 5 displaced workers had made application to be placed on the recall list at the closing of the floor covering plant, relatively few--no more than 1 out of 8--accepted employment in the other plant.

Pension Benefits. A negotiated pension plan made provision for reduced early retirement pensions for workers at least 60 years old with 15 or more years of credited service. Thirteen workers were eligible for early retirement at the time of plant closing. Four of these shortly thereafter became eligible for normal retirement, and the other 9 elected to take their early retirement benefits rather than wait for a full pension at 65. The plan made no provision for vested rights in a deferred pension for workers below early retirement age.

Separation Pay. Separation payments were given to some salaried employees in accordance with company practice. Production workers, however, were not eligible for such payments.

Placement of Displaced Workers. The company wrote one letter to each of 47 companies to assist in placement of wage employees, and two letters to each of 23 companies to assist its salaried workers in finding employment. A representative from the State employment service visited the plant to explain unemployment insurance procedures.

Unemployment Compensation. Unemployment insurance benefits were obtained by 87 percent of the displaced workers for an average of 25 weeks. About one-third of the workers received benefits for 31 weeks or more. Only 27 percent received less than 11 weeks' compensation.

Personal Characteristics of the Displaced Workers

All but a small proportion of the displaced workers were men, and nearly all were white. (See chart 11 and table 23.) The median age of displaced workers at the time of termination was 43. About one-fifth were under 35 and another fifth were age 55 and over. One-third were in the 35-44 age group. A very small proportion, about one-sixth, had finished high school, and more than two-fifths had not attended high school at all.

Nearly four-fifths of the displaced workers were married, and only one-tenth were single. Over half supported two or more dependents. Two-thirds owned their own homes. Two-fifths had 11-15 years of service in the plant. One-fifth had less than 6 years of seniority; and one-eighth had 21 years and over.

Chart 11. Floor Covering Plant—Personal Characteristics of Displaced Workers.

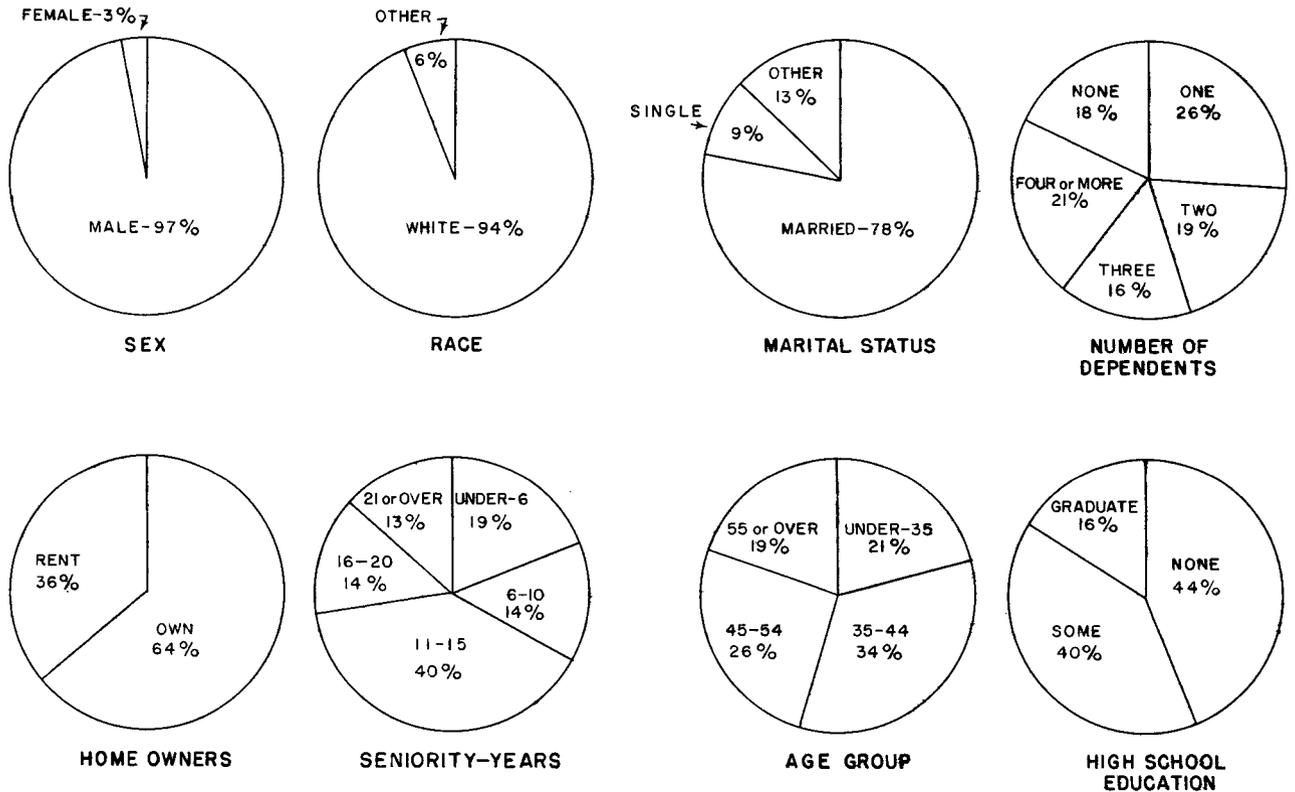


Table 23. Floor Covering Plant--Selected Characteristics and Employment Status of Displaced Workers

Characteristics	All displaced workers	Employment status ¹			
		Total	Em-ployed	Unem-ployed	Not seeking employment
		Percent			
Total, all workers	100	100	74	17	9
<u>Sex:</u>					
Male	97	100	75	16	9
Female	3	100	50	40	10
<u>Race:</u>					
White	94	100	76	17	7
Other	6	100	67	20	13
<u>Age:</u>					
Less than 35 years	21	100	72	26	2
35 - 44 years	34	100	83	16	1
45 - 54 years	26	100	77	20	3
55 years and over	19	100	47	6	47
<u>Education:</u>					
No high school	44	100	75	20	5
Some high school	40	100	75	17	8
High school graduate	16	100	89	7	4
<u>Hourly earnings level:</u>					
Under \$ 2.00	13	100	60	24	16
\$ 2.00 - \$ 2.14	32	100	79	19	2
\$ 2.15 - \$ 2.29	29	100	71	20	9
\$ 2.30 - \$ 2.44	12	100	81	3	16
\$ 2.45 and over	14	100	84	8	8

¹ At time of the survey.

Job Hunting Experience

Employment and Unemployment. Although the rate of unemployment in the labor market area as a whole was down to 3 percent at the time of the survey, 17 percent of the displaced workers were still unemployed. Another 9 percent were not seeking work. Seventy-five percent were employed. (See table 23.)

Moreover, more than 50 percent of the displaced workers had been unemployed one-half year or longer. (See table 24.) Two out of three had experienced at least 16 weeks of unemployment. Only 8 percent did not lose any time at all, and 18 percent lost less than 6 weeks. Close to 2 out of 3 of all displaced workers had had only one job in the 16 months between the date of the plant closing and the time of the survey. One out of 7 had had two jobs in that interval. Few had worked for more than two employers.

Table 24. Floor Covering Plant--Duration of Unemployment

Length of time unemployed	Percent of all workers	Percent of displaced workers currently ¹ --	
		Employed	Unemployed
Total ²	100	100	100
No days lost	8	10	--
Up to 1 week	2	3	--
2 - 5 weeks	8	10	--
6 - 10 weeks	6	8	--
11 - 15 weeks	10	13	--
16 - 20 weeks	9	11	2
21 - 25 weeks	5	6	2
26 or more weeks	52	39	96

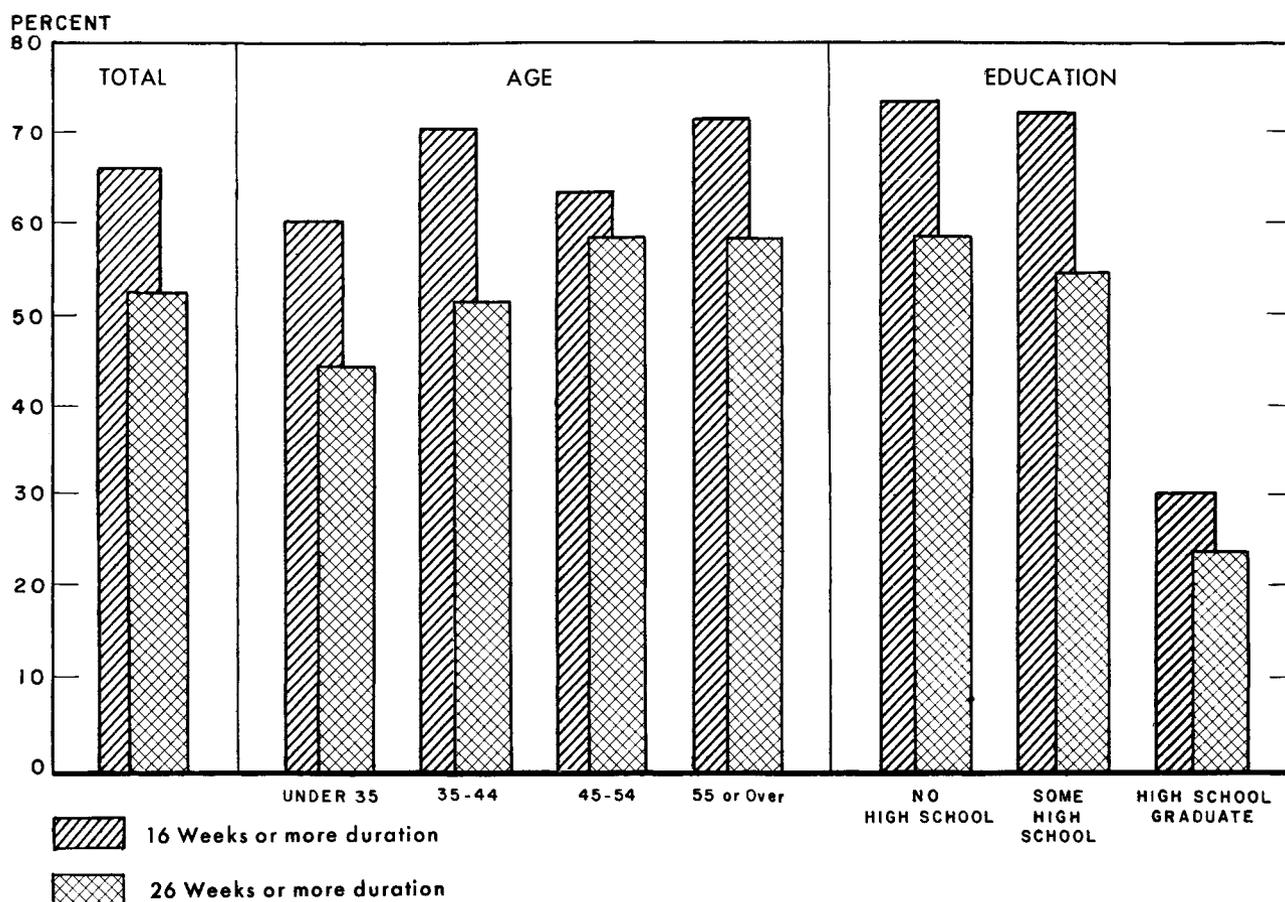
¹ At time of the survey.

² Does not include workers not seeking employment.

Age and Reemployment. The rate of reemployment was highest (83 percent) in the 35-44 age group and next highest (77 percent) at age 45-54. (See table 23.) Except for the oldest age group, in which close to half of the workers were not seeking employment, employment was lowest (72 percent) in the youngest age group. Unemployment accounted for 26 percent of the group under 35 as compared with 16 percent of the workers age 35-44.

Unemployment, however, was of shorter duration among the younger workers. (See chart 12.) Long-term unemployment of 26 weeks or more was experienced by 44 percent of those under 35, 51 percent of those at age 35-44, and 58 percent of workers who were 45 or over.

Chart 12. Floor Covering Plant – Long-Term Unemployed as Percent of Total Displaced Workers, by Age and Education



The obstacles to reemployment posed by age were most frequently commented upon by respondents to the questionnaire. The following are some sample comments:

"When you're 40 years of age, no work." (Age 40)

"I feel that not only for myself, but many in my age group, time is fast running out on us." (Age 42)

"If I were a few years older, I doubt that any company would hire me." (Age 38)

"They don't want older people I have to work as I have no one to support me Too young to retire and too old to work, as it seems." (Age 53)

"My age was a big factor They told me so." (Age 49)

Education and Reemployment. The small proportion who had graduated from high school fared significantly better (only 7 percent unemployed) than those who had no high school or had gone to high school but had not been graduated (20 percent and 17 percent, respectively). As shown in chart 12, there were also considerably fewer long-term unemployed among the graduates than among either of the other groups.

A cross-tabulation of employment status by education for two age groups, "less than 45" and "45 and over," reveals virtually no difference in reemployment experience between educational levels for the younger group (table 25). Among the older workers, however, there was a clear relationship between employment and education. The unemployed accounted for 1 out of 4 workers with no high school education, 1 out of 7 workers with some high school, and none among high school graduates.

A number of displaced workers stated that they were hampered by inadequate education in seeking reemployment. Some cited other factors--age, no trade--as well as education.

Some examples:

"I don't know what I could qualify for, since I have only an eighth grade education I have been working in different plants for the past 18 years, doing unskilled work, and I am still subject to layoffs." (Age 33)

"I find it very hard to get a job after the age of 35, if you don't have any special training, or are not a high school graduate." (Age 35)

Table 25. Floor Covering Plant--Employment Status of Displaced Workers, by Selected Age Group and Educational Level¹

Educational level	Percent				
	All displaced workers	Employment status			
		All workers	Employed	Unemployed	Not seeking employment
Less than 45 years					
All educational levels	100	100	88	12	0
No high school	33	100	86	14	0
Some high school	48	100	88	12	0
High school graduates	19	100	88	12	0
45 years and older					
All educational levels	100	100	66	19	15
No high school	60	100	68	25	7
Some high school	30	100	54	14	32
High school graduates	10	100	86	0	14

¹ Age and education level at termination.

Note: Differences between tables 23 and 25 are due to exclusion of questionnaires that did not contain data for both age and education.

"Most employers today are looking for at least high school graduates. (I have only 2 years of high school.)" (Age 37)

"I find it very hard to get a job in plants because of lack of education and no trade." (Age 41)

Skill Level and Reemployment. The rate of unemployment was highest in the lowest skill classification, laborers (table 26). It was at about the same level for both semiskilled machine operators and higher skilled maintenance workers.

Table 26. Floor Covering Plant--Employment Before and After Termination, by Occupation

Occupation at closed plant	Percentage distribution at closed plant	Employment status at survey date (percent)								
		All workers	Unemployed	Employed in present job as--						
				Operator	Maintenance worker	Laborer	Supervisor	Clerical worker	Custodial worker	Other
Operator	38	100	22	29	9	18	1	1	6	14
Maintenance worker	16	100	21	10	51	15	--	--	--	3
Laborer	37	100	33	16	9	28	--	--	2	12
Supervisor	5	100	31	--	--	15	39	--	--	15
Clerical worker	4	100	18	--	--	--	--	55	--	27

Considering earnings level as a rough measure of skill, the highest unemployment rates--ranging from 19 percent to 24 percent--were found in the earnings levels below \$ 2.30 per hour (table 23). The lowest unemployment rates--3 percent and 8 percent--occurred among the groups with earnings at \$ 2.30 and over.

Industries Providing Jobs. Fewer than 2 out of 3 of the displaced workers who responded to this question obtained employment in other manufacturing plants. (See table 27.) Those working in the same industry were only the workers transferred to a plant of the same floor covering firm in another area and amounted to 17 percent of all reemployed workers. Other manufacturing industries significantly represented were rubber products, chemical products, and textiles. More than one-fifth of the total were employed in nonmanufacturing industries, and most of the remainder in government. A very small proportion were self-employed.

Table 27. Floor Covering Plant--Types of Industries Providing Current Jobs¹

Industry	Percent of employed workers
Total, all employed workers	100
Manufacturing	63
Floor covering (Transfers to another plant of the same company)	17
Rubber products	8
Chemical products	7
Textiles	7
Wallboard products	4
Transportation equipment	2
Other	18
Nonmanufacturing	22
Construction	5
Other	17
Government	13
Federal Government	1
State Government	4
County Government	3
Municipal Government	5
Self-employed	2

¹ Jobs held at time of the survey.

Assistance in Finding Jobs. The two sources most widely used in looking for work, each cited by more than half of the displaced workers, were the State employment service and friends or relatives. A substantial number also indicated that they had replied to newspaper ads and had applied at other companies. Relatively few had used private employment agencies or were referred by the union or company.

As the source responsible for actually locating their present jobs, more than 3 out of 5 of the employed workers credited friends or relatives. About 1 out of 10 each cited newspaper ads and applications to other companies for jobs. The State employment service was named by 6 percent, private employment agencies by 5 percent, and the union by 2 percent of the reemployed workers.

Mobility and Reemployment. Mobility appears to have been a factor in success in finding work. Sixty percent of those unemployed at the time of the survey had limited their search for employment to their home city, compared with 45 percent of those who were employed. Also, a smaller proportion of the unemployed than of the employed workers (5 percent compared with 11 percent) had traveled more than 50 miles from home to look for work.

A close analysis of the relatively small proportion of the terminated workers, who were transferred to one of the company's plants in a city 70 miles distant, sheds additional light on the mobility problems of displaced workers. These workers, while transferring earned pension rights and other economic benefits, were otherwise hired as new employees having lost all accumulated seniority for purposes of layoff and recall. This might account in part for the small number of transferees. As a group, the transferees were older than the other displaced workers, two-thirds of them age 45 or over compared with fewer than half of all displaced workers in that age group. Of those giving information as to home ownership, 55 percent were homeowners, a smaller proportion than for the nontransferees.

About 4 out of 5 of the transferees were still residing in the labor market area of the closed plant or nearby areas at the time of the survey. These people commuted daily or maintained a temporary, second residence in the new area during the workweek. One stated that he had transferred only because his age, 57, prevented him from securing other employment. He stated:

"I had no choice but to go back to work with the company as I was turned down at several plants because of my age. I now have to travel . . . 70 miles each way."

Another found he was unable to maintain two homes, and left the new job for a job in another State where he could live temporarily with relatives.

Training and Reemployment. Only 2 percent of the workers indicated that they had taken any training courses since leaving the floor covering plant. Seventy-seven percent of the total, and over 90 percent of those who were unemployed, stated that they were interested in taking training; 12 percent of those desiring training were interested in learning to become auto mechanics. Others expressed interest in training as machinists, welders, carpenters, and several other occupations.

A need for retraining was clearly expressed by one worker who stated that he had been "unable to secure employment due to lack of training and age, after working with the company for 26 years." (Age 46)

Some Job Effects of Displacement

Effects on Earnings. Somewhat more than half of the reemployed workers experienced a drop in hourly pay. (See table 28.) The decline amounted to 20 percent or more for one-fourth of the workers. Over one-fourth obtained higher pay. The data reveal no clear relationship between changes in wage levels and skill level as represented by the hourly rate received at the floor covering plant.

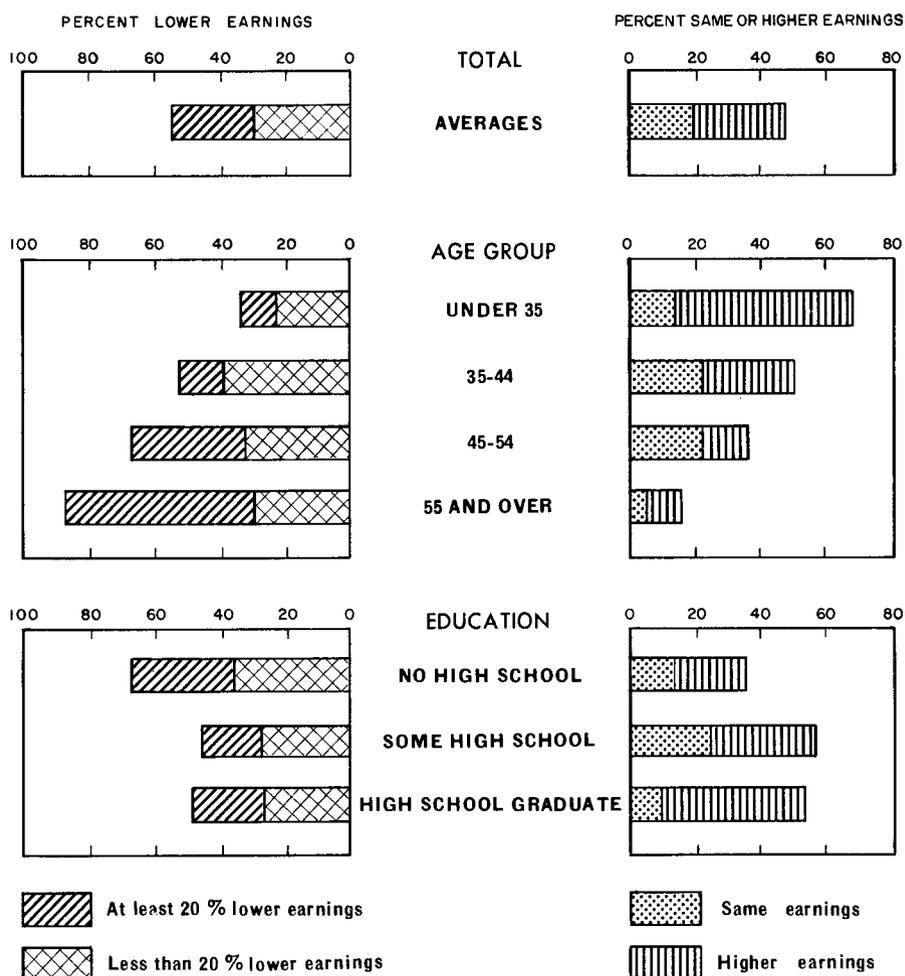
Table 28. Floor Covering Plant--Change in Earnings Level

Hourly earnings level at closed plant	Percent on current job receiving--						
	Total	At least 30% less	20.0- 29.9% less	10.0- 19.9% less	Up to 9.9% less	Same earn- ings ¹	Higher earn- ings
All employed workers .	100	8	16	18	12	18	28
Under \$ 2.00	100	9	14	23	4	9	41
\$ 2.00 - \$ 2.14	100	2	13	26	8	25	26
\$ 2.15 - \$ 2.29	100	12	23	6	17	23	19
\$ 2.30 - \$ 2.44	100	9	18	23	14	--	36
\$ 2.45 and over	100	10	6	20	17	17	30

¹ Within 5¢ either way.

As shown in chart 13, age bore an important relationship to change in earnings levels. About one-eighth of all the workers in the lowest age group had a decline in wages of at least 20 percent. The ratio rose to one-third in the 45-54 group, and was close to three-fifths of the oldest group. On the other hand, higher wages were associated with lower age--over half of the youngest group and less than one-tenth of the oldest reported increases in wages.

Chart 13. Floor Covering Plant—Change in Earnings of Reemployed Workers, By Age and Education



Increased wages were also associated with greater education--2 out of 5 high school graduates as compared with 1 out of 5 of those with no high school received higher wages. Significant declines in wages, at least 20 percent, were experienced by a considerably greater proportion of workers who had not attended high school than in the other two groups.

Close to half of the reemployed stated that their present job was less liberal in fringe benefits than their job at the floor covering plant. Another third found no change and fewer than one-fifth believed that there had been an improvement. Except in the case of transferred workers, there was a total loss of rights to accumulated pension benefits.

Between the time of the plant closing and the time of the survey, the proportion of wives working rose from a ratio of 1 out of 3 to 2 out of 5. There was an increase both in wives working full-time and those working part-time. The increase occurred mostly among the wives of reemployed workers.

Changes in Type of Job. A number of displaced workers were reemployed on jobs at lower skill. One out of 4 of the sizable group of semi-skilled machine operators had been downgraded to laborer and custodial jobs. (See table 26.) Among the more skilled maintenance workers, 1 out of 10 were employed as machine operators and nearly 1 out of 6 held laborer jobs. The only occupational groups in which a majority of the displaced workers were reemployed in the same classifications were maintenance and clerical workers.

A majority or close to a majority of the workers considered their present job worse than their job at the floor covering plant, not only in terms of wages and and fringe benefits, but also in terms of type of work and prospects for promotion. About half thought hours of work were about the same as before. Over two-fifths believed that quality of supervision and travel to work were about the same. In none of the job comparisons did more than one-third consider that their conditions had been improved.

Effects on Union Membership. A consequence of the plant closing was a marked loss in union membership. More than 9 out of 10 workers at the floor covering plant had been members of the union. At the time of the survey, union membership among the displaced floor covering plant workers had declined to less than two-fifths. Even among the reemployed workers, it fell to less than half.

VI. The Closing of Two Iron Foundries

A company with a number of plants located in the Midwestern and Western areas of the country closed two iron foundries in July 1960 and March 1961, displacing a total of about 100 workers. The survey was conducted in April 1962, 21 months and 13 months respectively, after the two plant closings.

Description of the Plants

The plant shutdowns resulted from the development of a new process to produce steel castings, which had been installed in some of the company's plants. Consumer demand for the new product brought about an increase in production in these plants and the discontinuance of production in the two plants under study.

Both areas in which the plants were located are major production and employment areas. One area had a labor force of close to 200,000. Manufacturing employment accounted for 1 out of 5 nonagricultural workers. The manufacturing industries with the largest employment were food, primary metals, and ordnance. Nonmanufacturing employment consisted mainly of workers in trade, government, and services. At the time of the survey, the labor market area was designated by the U.S. Department of Labor as one of moderate unemployment. At the time of the layoff, in July 1960, the unemployment rate was 2.8 percent. It rose the following year and was 3.7 percent in July 1961. Unemployment declined in 1962 to 3.1 percent at the time of the survey in April and dropped further later in the year.

The second area is a large metropolitan center which had a labor force of well over 500,000. Manufacturing workers accounted for 1 out of 4 of total nonagricultural employment. The largest manufacturing industries were machinery and food. This area also was characterized by moderate unemployment. The unemployment rate for the area was up to 6.9 percent when the plant was closed in March 1961, but fell to 3.6 percent during the survey month in April 1962.

Measures to Ease Displacement

Unemployment Compensation. All but 6 percent of the displaced workers received some unemployment compensation. One-fourth obtained unemployment compensation for 41 weeks or more; two-fifths for 31 weeks or more; and three-fifths for at least 21 weeks. The average number of weeks of unemployment compensation was 27.

Separation Payments. Separation pay was provided for under union contract. However, this generally amounted to only a few weeks' pay, since a substantial proportion of the workers had relatively little service with the company.

Placement of Displaced Workers. In both areas, the workers were given less than 6 months notice of the impending plant closings. The company stated that it gave some workers the opportunity to transfer to other locations, but very few accepted the offer and most of those who did accept soon returned to their homes. The questionnaires showed that none of the displaced workers were employed at other plants of the company. Approximately 1 out of 7 workers stated that the company assisted them in looking for work. An equal number stated that the union, an AFL-CIO affiliate, helped them.

Personal Characteristics of the Displaced Workers

Virtually all of the displaced workers were men; all but 7 percent were white. (See chart 14 and table 29.) At the time of termination, the median age was between 47 and 48. One-fifth were under 35. Three-tenths were 55 and over. The educational level was very low; three out of 5 had no high school training. Most of the rest had not graduated from high school.

Chart 14. Foundries—Personal Characteristics of Displaced Workers.

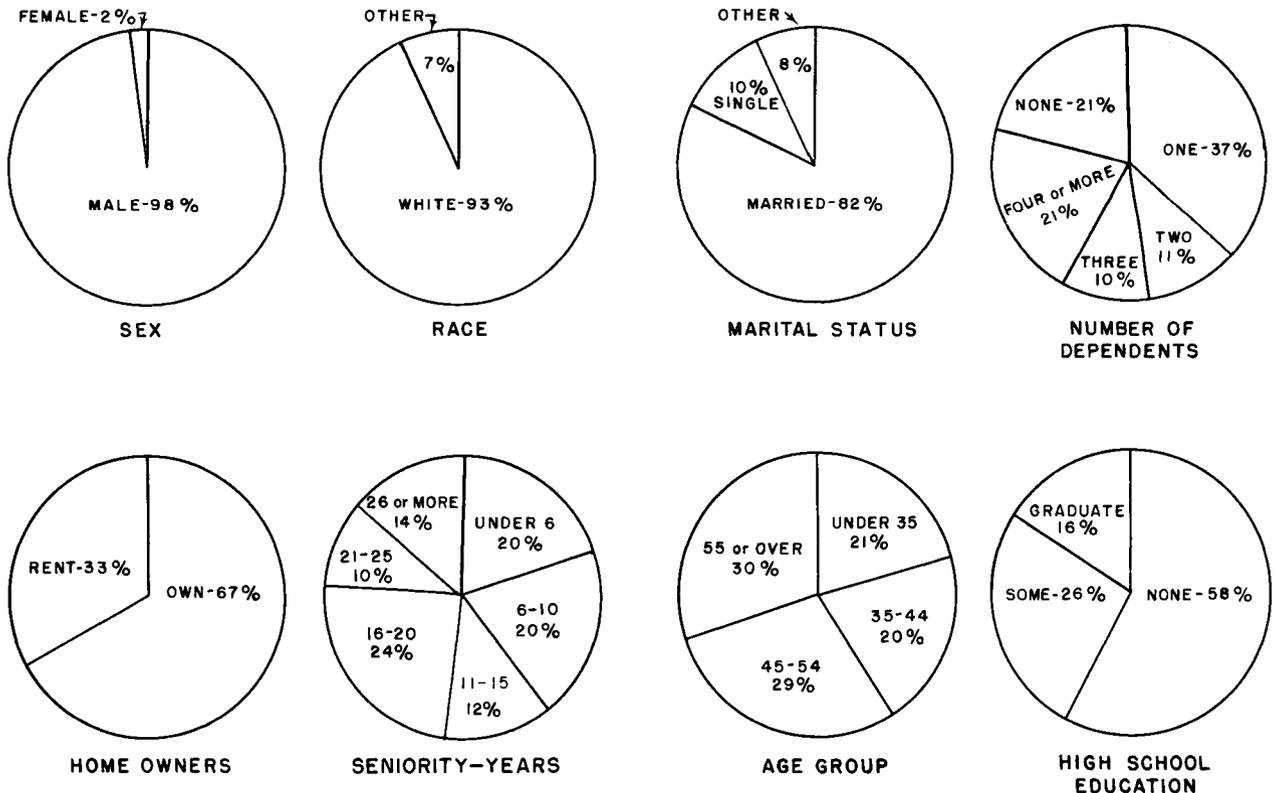


Table 29. Foundries--Selected Characteristics and Employment Status of Displaced Workers

Characteristics	All displaced workers	Employment status ¹			
		Total	Em-ployed	Unem-ployed	Not seeking employment
		Percent			
Total, all workers ...	100	100	59	28	13
Sex:					
Male	98	100	58	28	14
Female	2	100	100	0	0
Race:					
White	93	100	60	25	15
Other	7	100	33	67	0
Age:					
Less than 35 years ...	21	100	72	28	0
35 - 44 years	20	100	71	29	0
45 - 54 years	29	100	68	28	4
55 years and over	30	100	35	35	30
Education:					
No high school	58	100	50	34	16
Some high school	26	100	45	41	14
High school graduate ..	16	100	93	7	0
Hourly earnings level:					
Under \$ 2.30	24	100	46	50	4
\$ 2.30 - \$ 2.49	26	100	52	36	12
\$ 2.50 - \$ 2.69	24	100	46	21	33
\$ 2.70 - \$ 2.89	20	100	83	17	0
\$ 2.90 and over	6	100	100	0	0

¹At time of the survey.

A large majority of the displaced workers were married. Almost three-fifths had no dependents or only one dependent. However, one-fifth had 4 dependents or more. Two-thirds were homeowners.

Plant seniority averaged about 14 years. One-fifth had service not exceeding 5 years, and another fifth had service from 6 to 10 years. However, one-fourth had at least 21 years of seniority.

Job Hunting Experience

Employment and Unemployment. At the time of the survey, two-fifths of the displaced workers were not employed. Twenty-eight percent were unemployed and looking for work, and 13 percent were not seeking employment. (See table 29.)

The plant closings also had been followed by long periods of unemployment. (See table 30.) More than half of the workers were out of work for at least 26 weeks. Seven out of 10 had 16 or more weeks of unemployment. Even among those who were employed at the time of the survey, one-third had been out of work a half-year or more.

Table 30. Foundries--Duration of Unemployment

Length of time unemployed	Percent of all workers	Percent of displaced workers currently ¹ --	
		Employed	Unemployed
Total ²	100	100	100
No days lost	1	2	--
Up to 1 week	7	11	--
2 - 5 weeks	8	12	--
6 - 10 weeks	8	7	11
11 - 15 weeks	7	9	4
16 - 20 weeks	10	14	--
21 - 25 weeks	7	11	--
26 or more weeks	52	34	85

¹At time of the survey.

²Does not include workers not seeking employment.

One-fourth of all displaced workers had held no jobs at all since leaving the foundry. One-half of the total had had one job during the period. As many as 1 out of 4 had held two jobs or more. One worker indicated the precariousness of his reemployment by stating: "Will be laid off from present job because of automation--17 others included."

Age and Reemployment. Unemployment was at about the same level, a little over one-fourth, among all age groups under 55 (table 29). At 55 and over, unemployment amounted to more than one-third; and in addition almost one-third were not seeking work.

Comments by displaced workers responding to the questionnaires most frequently cited age as a critical handicap in securing reemployment, for example:

"Who would hire a man of 50 unless he worked for nothing?"
(Age 51)

"Too old to work and too young for a pension. I hope the Government would come up with some kind of work for us men 50 and over." (Age 50)

"Everywhere I looked for work they told me I was too old."
(Age 49)

"It was quite discouraging to be told I was too old. I am now 49 and can still put out a day's work."

Education and Reemployment. The relatively small group of high school graduates fared considerably better than all others, with a reemployment total of over 90 percent. (See table 29.) On the other hand, those with some high school education had a slightly worse experience than workers who had not attended high school.

Table 31 presents a cross tabulation of employment status by age and education. Because of the small number of workers involved, only two age groups of about equal size are used: "less than 45 years"; and "45 years and older." Among the older workers, those who had some high school education had a better reemployment record than those with no high school training. Their unemployment rate was about one-fourth, compared with a rate of more than one-third among the less educated. The high school graduates were too few for valid comparison. In the younger group, high school graduates had a considerably more favorable experience than either of the other two groups, an unemployment rate of only 8 percent. However, those who did not complete high school fared worse than the workers who did not attend high school at all.

The feelings of older workers with little education were expressed by one respondent, 55 years old, as follows: "My age is against me. My education is against me. Nobody seems to want me anymore."

Table 31. Foundries--Employment Status of Displaced Workers by Selected Age Group and Educational Level¹

Educational level	Percent				
	All displaced workers	Employment status			
		All workers	Em- ployed	Unem- ployed	Not seeking employment
Less than 45 years					
All educational levels	100	100	75	25	0
No high school	47	100	76	24	0
Some high school	20	100	43	57	0
High school graduate..	33	100	92	8	0
45 years and older					
All educational levels	100	100	49	32	19
No high school	68	100	44	37	19
Some high school	28	100	54	23	23
High school graduate..	4	100	100	0	0

¹Age and educational level at termination.

Note: Differences between tables 29 and 31 are due to exclusion of questionnaires that did not contain data for both age and education.

Skill Level and Reemployment. As shown in table 32, the rate of unemployment was highest for the lowest skill job, laborer. About one-half of the workers in that occupational group were unemployed. Unemployment rates among operators and maintenance workers were each about one-third.

A rough measure of relative skill is hourly earnings. For example, the percent employed was considerably greater for the 1 out of 4 foundry workers who had earned \$2.70 or more per hour than for lower paid workers (table 29). The rate of unemployment was by far the highest for the lowest paid fourth who had received less than \$2.30 per hour.

Table 32. Foundries--Employment Before and After Termination, by Occupation

Occupation at closed foundries	Percentage distribution at closed foundries	Employment status at survey date (percent)						
		All workers	Unemployed	Employed in present job as--				
				Operator	Custodial worker	Laborer	Maintenance worker	Other
Operator	55	100	36	16	24	13	0	11
Foreman	4	100	0	40	60	0	0	0
Laborer	22	100	48	14	14	24	0	0
Maintenance worker . . .	13	100	33	17	0	17	33	0
Clerical worker . . .	6	100	0	0	0	40	0	60

Industries Providing Jobs. Only 8 percent of the reemployed workers found jobs in other foundries. (See table 33.) Fewer than half were working in manufacturing industries. Manufacturing industries providing the most jobs, other than foundries, were machinery and fabricated metal products. Employment in nonmanufacturing firms was secured principally in construction and retail trade. One-fifth were employed in government, mainly in schools.

Assistance in Finding Jobs. More than 3 out of 5 workers cited the State employment service, friends or relatives, and classified newspaper ads as sources used in seeking jobs. About equal proportions, 1 out of 8, named the company, the union, and private employment agencies, respectively.

Friends or relatives was the source named as responsible for actually locating present jobs by close to half of the reemployed workers. One out of 7 stated they had obtained their jobs without assistance. One-tenth credited the State employment service. Four percent named the union.

Mobility and Reemployment. As indicated by the actions of the displaced foundry workers, the mobility of the job seekers seems to have had little effect on their success in securing employment. A slighter greater percentage

of the employed workers than unemployed stated that they had sought work outside their home city. The same percentage of both groups, about 1 out of 12, extended their area of job search further than 50 miles from home.

Table 33. Foundries--Types of Industries
Providing Current Jobs¹

Industry	Percent of employed workers
Total, all employed workers	100
Manufacturing	42
Foundry	8
Other primary metal products	4
Machinery	8
Fabricated metal products	6
Paper products	4
Other	12
Nonmanufacturing	36
Construction	12
Retail	12
Other	12
Government	19
Schools	8
Hospitals	3
Other	8
Self-employed	3

¹Jobs held at time of the survey.

Training and Reemployment. Only 4 percent of the workers reported having taken training courses since leaving the foundries. Approximately 75 percent of the workers, however, responded that they would be interested in taking training if it were offered without cost to them. Among the training courses most desired were welding, construction equipment, construction, mechanics, and electronics.

Some Job Effects of Displacement

Effect on Earnings. Three-fourths of the displaced foundry workers who secured jobs suffered a decline in hourly earnings. (See table 34.) For over one-fifth of the total, the drop in earnings was 30 percent or more. For close to two-fifths, it was 20 percent or more. Only one-sixth had higher earnings than at the foundry.

Table 34. Foundries--Change in Earnings Level

	Percent on current job receiving--						
	Total	At least 30% less	20.0-29.9% less	10.0-19.9% less	Up to 9.9% less	Same earnings ¹	Higher earnings
All employed workers	100	22	16	22	16	8	16
Under \$ 2.30	100	8	8	25	17	17	25
\$ 2.30 - \$ 2.49	100	15	8	15	15	15	31
\$ 2.50 - \$ 2.69	100	25	25	8	33	0	8
\$ 2.70 - \$ 2.89	100	30	30	40	0	0	0
\$ 2.90 and over	100	67	0	33	0	0	0

¹Within 5¢ either way.

Note: Because of rounding, sums of the individual items may not equal 100.

Those most sharply affected were the workers previously at higher wage levels. Well over half of those earning \$2.50 or more per hour experienced a decline of at least 20 percent, compared with less than one-fourth of those previously earning less than \$2.50. Moreover, virtually all of the workers attaining increased earnings had been in the lower wage group.

Five out of 6 reemployed workers stated that their current jobs were no better than their foundry jobs in fringe benefits, and close to half said they were worse. The impact of the loss of fringe benefits, on top of the

combined handicaps of age and education in seeking reemployment, was expressed by a 54-year-old displaced worker as follows: "Every place I went. . . . too old and didn't have a high school education. After 23 years at one company. Then to lose everything, pensions and insurance."

The proportion of wives working increased somewhat in families with displaced men, but mainly where men were employed at the time of the survey. The number of wives working full-time increased substantially, among the families of both the employed and the unemployed men, since the foundry closings.

Changes in Type of Job. Many workers were reemployed at lower skills. Thus, most of the machine operators who were reemployed were working at custodial or laborer jobs (table 32). A number of maintenance workers obtained jobs as machine operators or laborers.

In comparing their current job with their foundry job, close to half of the workers believed their current jobs to be worse in prospects for promotion. Around half found there was no difference in supervision and hours of work. Somewhat equal proportions stated that the type of work was better, the same, or worse.

Effects on Union Membership. Before the closing of the foundries, 9 out of 10 workers were union members. At the time of the survey, however, union membership among the displaced workers was reduced to one-third of the total. A major part of the membership loss occurred among the unemployed and those not seeking work. However, even among the employed, slightly under one-half indicated that they were members of a union after reemployment.

Appendix A. Scope and Method

This is a study of the characteristics and experiences after layoff of close to 3,000 displaced workers.¹ Information about the workers was obtained from four sources: (1) the previous employer's payrolls and personnel records were used to obtain the names, addresses, and data on certain characteristics of the displaced workers; (2) company officials and union representatives were interviewed to obtain background information; (3) questionnaires mailed to the workers contained most of the information received from the employers for correction or corroboration by the workers, and provided for additional information on worker characteristics and post-layoff experiences; and (4) local offices of the State employment service agencies supplied data on length of unemployment and job referrals.

Obtaining the Data

In three cases, information was obtained from over 90 percent of the displaced workers. In the other two, because of the large number of workers involved, a sample of the displaced workers was selected for study: 1 out of 4 in the case of the petroleum refinery; and 2 out of 3 in the case of the automotive equipment plant.

In each of the studies, more than half of the displaced workers to whom questionnaires had been sent answered the first request. A second request was sent to those not responding and generally about half of those likewise responded. A sample of the remaining nonrespondents was selected for follow-up. These generally were reached by telephone or, if they could not be reached in that way, by personal visit. In a few cases, when the selected nonrespondent could not be reached, some information was obtained through neighbors or relatives. The information obtained from the workers by telephone and personal visits was weighted to represent the other nonrespondents in the sample and nonrespondents who were not in the sample in order to minimize any bias resulting from the possible similarity of nonrespondents.

¹The individual case studies concerned: (1) about 800 workers laid off by a Midwest petroleum refinery in the course of a year; (2) over 1,000 workers displaced by the shutdown of a Midwest automotive equipment plant; (3) some 600 workers displaced upon the partial closing of a Midwest glass jar plant; (4) about 300 workers displaced by the closing of an Eastern floor covering plant; and (5) about 100 workers displaced by the shutdown by a single employer of two iron foundries, one in the Midwest and the other in a Mountain State. Because the small number of workers displaced by the closing of each of the two iron foundries limited feasible statistical breakdowns, the data for both foundries have been combined to form a single case study.

A comparison of the information from the voluntary respondents and that obtained by telephone and personal visits revealed no significant differences in characteristics or status. Observations made by the nonrespondents indicated that they generally felt more bitterly toward their previous employer or their union. Several stated they did not respond because they could not adequately report their feelings. Others said they were suspicious that the company was connected with the study and was seeking information.

Tabulation of the Data

Answers to each question were tabulated independently. Because of omissions, therefore, the number responding to each question varied. In each instance, only those responding to a particular question were included in the tabulation and the total number of answers were given the value of 100 percent. This variation in the total number of cases sometimes resulted in minor discrepancies in cross tabulations requiring answers to two or more questions. Such discrepancies have been noted where they occurred. On some tables, percentages do not total 100 because of the rounding of decimals.

Since some of the questions asked for opinions or could be interpreted differently, there were also other apparent inconsistencies in the tabulations. For example, the workers were asked to evaluate their present wages as "better," "worse," or "same." In some cases, they would consider a lower wage as "better" because they were able to work more hours. No attempt was made to edit either fact or opinion answers. Where there was an obvious misunderstanding, the answer was omitted from the tabulation.

Throughout the study, data on length of time unemployed or length of period for which unemployment insurance benefits were received include all unemployment experiences between the time of layoff and the time of the survey. The terms "employed" and "reemployed" are used interchangeably and, for the purposes of this report, have the same meaning.

Limitations of the Study

In evaluating the findings of this study, it is important to note certain limitations of its scope and method.

First, as a series of case studies, the study as a whole is at most illustrative, not representative, of the characteristics and experiences of workers who have been displaced because of technological or other change. Some generalizations have been made from the data, but the data in the separate case studies have not been combined statistically. What has been attempted in the summary section was a comparison of the data for the different case studies to bring out any consistent patterns or contrasts that they might reveal.

Second, the study was based on written questionnaires sent to the homes of the displaced workers, as well as written records of the companies involved and the local offices of the State employment service agencies. Because of the size of the project and time limitations, no oral interviews were obtained from the voluntary respondents to secure other than the basic employment data requested in the questionnaires. Consequently, the questions had to be more limited and simpler than might otherwise have been the case to prevent misunderstanding. Even so, there was some variation in the answers to certain questions, depending on the respondents interpretation of the information requested. Also, it is clear from some of the comments that, despite the statement on the use that would be made of the questionnaire, some respondents might have hoped for some benefits or assistance as a result of their cooperation, and such expectations might have influenced their answers.

Third, it was not feasible to establish a uniform time interval between layoff and survey. Consequently, the interval varied broadly from a minimum of 6 months to a maximum of 21 months. In one case, a large-scale layoff was carried out over a period of more than a year, and the period between the layoffs and the survey varied from 6 months to over a year and a half. Much of the data on employment and unemployment and duration of unemployment were affected by the time that had elapsed after layoff.

Appendix B. Selected Bibliography of Displaced Worker Studies

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