

International Comparisons of Unemployment



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Preface

In 1961, the President's Committee to Appraise Employment and Unemployment Statistics (Gordon Committee) requested that the Bureau of Labor Statistics investigate the international comparability of unemployment statistics. The resulting study described the definitions and concepts used in seven foreign countries and presented unemployment rates adjusted to U.S. concepts for 1960. Subsequent to the Gordon Committee study, the Bureau initiated a continuing program of international labor force comparisons. To date, eight articles on unemployment comparisons have been published. Comparisons are presently made for eight foreign countries and are done on a quarterly and monthly basis as well as on the annual basis of the original study. The primary purposes of this bulletin are to bring together all of the Bureau's work on international unemployment comparisons and to describe in detail the methods of adjusting foreign unemployment rates to U.S. concepts.

Continuing contacts have been maintained with each of the countries covered, and there has also been correspondence and cooperation with international organizations such as the Statistical Office of the European Communities, the International Labour Office (ILO), and the Organization for Economic Cooperation and Development (OECD). A preliminary version of chapter 1 and appendix B of this bulletin was prepared for the OECD in 1975 and was subsequently circulated to all member countries of the Organization. In June 1976, the paper was presented by the author, Constance Sorrentino, to the first meeting of the OECD Working Party on Employment and Unemployment Statistics. Many helpful comments were received from the member countries.

The bulletin was prepared in the Bureau's Office of Productivity and Technology by Constance Sorrentino under the direction of Arthur Neef and John H. Chandler, Chief, Division of Foreign Labor Statistics and Trade. Joyanna Moy assisted in the research, tabulations, and writing of the bulletin. The data presented were those available as of December 1977.

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Introduction

Unemployment, like most phenomena in the social sciences, can be defined in various ways. No single definition could possibly satisfy all analytical and ideological interests. For example, Julius Shiskin has identified an array of seven unemployment rates for the United States, going from a very narrow to a very broad view.¹ The narrowest definition covered only persons unemployed 15 weeks or longer; the broadest included all unemployed persons seeking full-time work and half of those seeking part-time work, half of the total number of persons working part time for economic reasons, and all discouraged workers.

The current official definition of unemployment in the United States represents the total number of persons not working but available for and actively seeking work. This definition has had widespread support from various study groups and was recommended by the Committee to Appraise Employment and Unemployment Statistics (Gordon Committee) established by President Kennedy in 1961.² The definition will be reviewed again by the National Commission on Employment and Unemployment Statistics.³ The Commission has broad responsibility to examine the concepts, methods, and procedures involved in collecting, analyzing, and presenting the employment data and to recommend ways to improve the current system.

This bulletin presents adjustments of foreign unemployment rates to the U.S. concept of unemployment. The U.S. concept was chosen as the basis for comparison because it would furnish comparisons on terms most familiar to American users. Also, U.S. concepts follow closely the international standards recommended by the International Labour Office (ILO).⁴ Most foreign countries have attempted to follow the ILO definitions, but have made adaptations and interpretations to suit national needs.

The basic labor force and unemployment statistics of the foreign countries studied, with the exceptions of Australia and Canada, require adjustments to bring them into closer comparability with U.S. data. Adjustments are made for all known major definitional differences. The accuracy of the adjustments depends on the availability of relevant information; in some instances, it is necessary to make estimates based on incomplete data. Therefore, it is possible to achieve only approximate comparability among countries. Nevertheless, the adjusted figures provide a better basis for international comparisons than the figures regularly published by each country.

The adjustments made to the national data do not

have a very large effect in most cases. Only negligible changes, or none at all, have been made in the unemployment figures for Australia, Canada, Italy, Japan, and Sweden (table 1)⁵. In the case of Germany, the adjustment to U.S. definitions has resulted in a moderate reduction of the official figures on unemployment. Upward revisions of the unemployment figures for Great Britain and France have been substantial, in Britain's case amounting to over 40 percent in years of low unemployment and about 14 percent in recent years of high unemployment. French figures adjusted to U.S. definitions were 50 percent higher than the official French figures in the early 1960's, but the official and the adjusted figures have moved closer to each other over the years and, in 1976, were almost identical.

The adjustments to U.S. concepts do not make a great deal of difference in the ranking of countries according to unemployment rates. The countries at the top and the bottom of the ranking are usually not affected. However, the rankings in the middle of the array are often changed after adjustments are made.

The purpose of the original BLS study for the Gordon Committee was to evaluate the widespread impression that the high rate of unemployment in the United States, as compared to most other industrial countries, was largely due to differences in methods of measurement. The major conclusion drawn from the Bureau's study was that differences in collection procedures and definitions were only a minor factor in accounting for the higher level of unemploy-

¹ Julius Shiskin, "Employment and Unemployment: The Doughnut or the Hole," *Monthly Labor Review*, February 1976, pp. 3-10.

² President's Committee to Appraise Employment and Unemployment Statistics, *Measuring Employment and Unemployment* (Washington, U.S. Government Printing Office, 1962).

³ The Commission was established under the Emergency Jobs Programs Extension Act of 1976, PL 94-444. See John E. Bregger, "Establishment of a New Employment Statistics Review Commission," *Monthly Labor Review*, March 1977, pp. 14-20.

⁴ International Labour Office, Eighth International Conference of Labour Statisticians, *Employment and Unemployment Statistics, Report IV* (Geneva, ILO, 1954).

⁵ Italy made a major revision in survey methods in 1977. The comparative data shown in this study are based on a preliminary analysis of the new Italian data. For a discussion of the problems involved, see appendix B.

Chart 1. Unemployment Rates, Selected Years, 1959-76

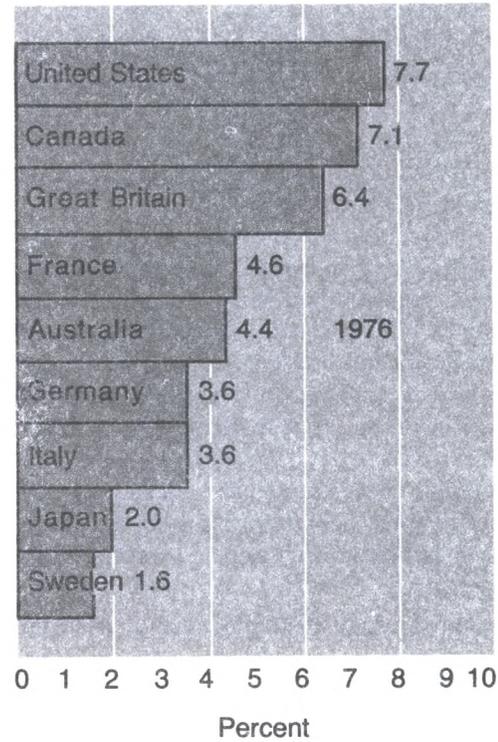
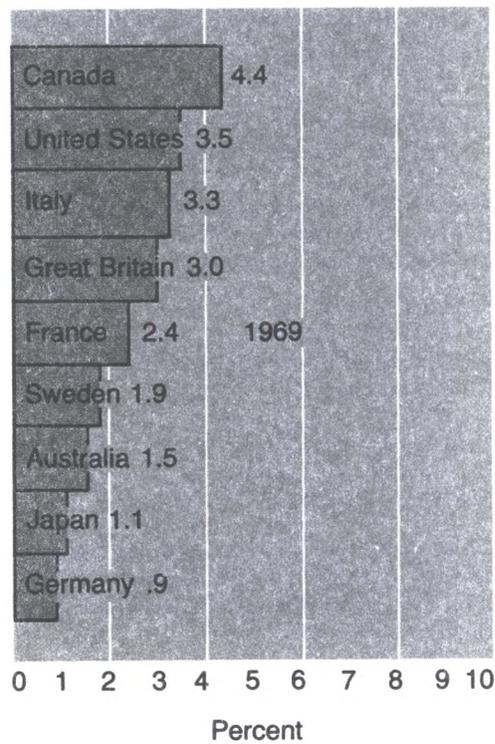
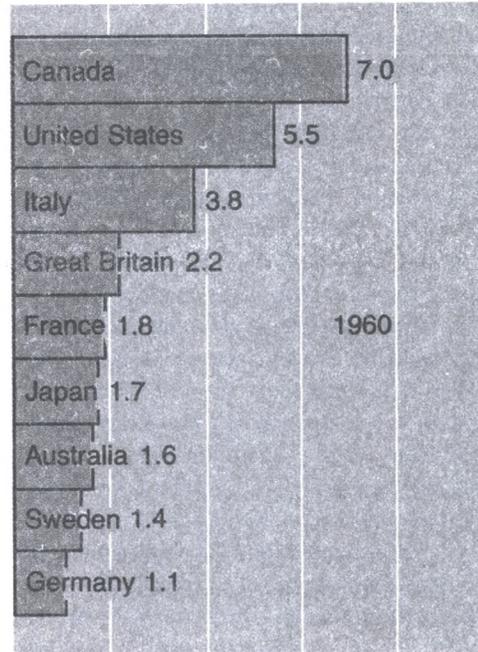
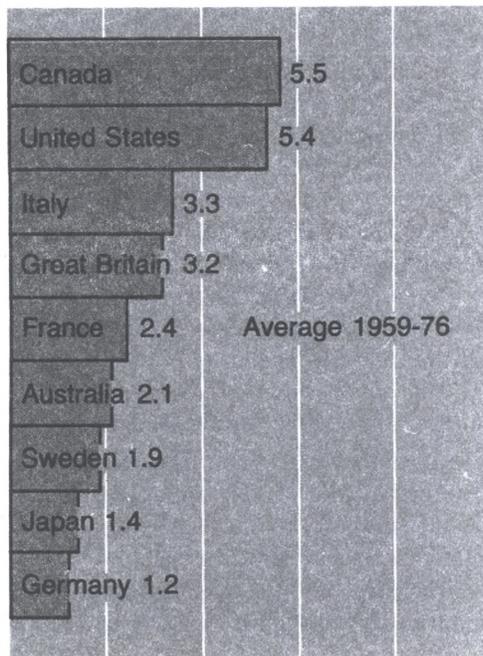


Table 1. Official unemployment rates and rates adjusted to U.S. definitions, 1960 and 1976

(Percent)

Country	1960		1976	
	Official rate	Adjusted to U.S. definitions	Official rate	Adjusted to U.S. definitions
United States	5.5	5.5	7.7	7.7
Canada	7.0	7.0	7.1	7.1
Australia	¹	1.6	4.4	4.4
Japan	1.7	1.7	2.0	2.0
France	1.3	1.8	4.5	4.6
Germany	1.3	1.1	4.6	3.6
Great Britain	1.5	2.2	5.6	² 6.4
Italy	4.0	3.8	3.7	3.6
Sweden	³ 1.4	³ 1.4	1.6	1.6

¹ Not available.

² Preliminary estimate.

³ 1961.

ment in the United States.⁶ After adjustment of such differences to U.S. concepts, the rate of unemployment in this country in 1960 was considerably higher than that for any of the other seven countries studied except Canada.

Chart 1 shows how the nine countries compared during 3 selected years and on the average for 1959-76. The 1976 unemployment rate was unusually high for the United States and the year 1969 was one of relatively low U.S. unemployment. In both years, the United States ranked near the top in the array of countries.

Chapter 1 of this bulletin presents a discussion of the international measurement of unemployment and a general description of the methods used to adjust foreign unemployment rates to U.S. concepts. The description of methods precedes the presentation of results (chapter 2) in the belief that some knowledge of the procedures involved will lead to greater understanding of the results. Breakdowns of the aggregate unemployment rates into their age and sex components are described in chapter 3. Two other significant labor market indicators—participation rates and employment-population ratios—are analyzed in chapter 4.

Although the unemployment data for foreign countries have been adjusted for statistical comparability, inter-country differences in unemployment rates reflect substantial differences in social attitudes and institutional arrangements, as well as in economic performance. Differences in the demographic and sectoral composition of the labor force also affect the unemployment rates. Such non-definitional differences are investigated in chapter 5. Appendix B presents detailed descriptions of each country's data and the methods of adjustment to U.S. concepts.

It should be kept in mind that unemployment is only one measure of underutilization of the labor force. Underutilization may also take the form of underemployment. The term underemployment is usually used to refer to persons in the labor force who involuntarily work part time ("visible" underemployment) or who are underutilized in terms of some efficiency or income standard ("invisible" underemployment).⁷ Because of difficulties in quantifying invisible underemployment, statistical measures are usually confined to measuring the number of persons working part time for economic reasons. It would be very useful to develop broader measures of underutilization, but the most that has been attempted here is to mention other relevant variables which are available for each country. Comprehensive and comparable data on labor underutilization have not yet been developed. The Organization for Economic Cooperation and Development is doing some experimental work in the area of setting up a standardized system for monitoring all facets of the labor market. However, much more data must become available before such a system can come into being.

⁶ "Comparative Levels of Unemployment in Industrial Countries," by Robert J. Myers and John H. Chandler, appendix A of *Measuring Employment and Unemployment*, President's Committee to Appraise Employment and Unemployment Statistics (Washington, Government Printing Office, 1962). This report was also published in a shorter version in the August and September 1962 issues of the *Monthly Labor Review*.

⁷ For a detailed description of the concept of underemployment, see *Measurement of Underemployment: Concepts and Methods* (Geneva, International Labour Office, 1966).

Chapter 1. The International Measurement of Unemployment

The earliest unemployment statistics were compiled by trade unions in order to determine how many of their members were temporarily unemployed. Although records of unemployment among their members have generally been kept by trade unions since their earliest days, it was only in the early 1900's that governments began to collect and publish such statistics. In some countries data were also gathered from unemployment funds paid out by the government to unemployed persons. At the beginning of World War I the usefulness of the unemployment statistics published regularly by about a dozen countries was limited, since the data were neither nationally representative nor internationally comparable.¹

With the development of mass unemployment in the 1930's, the need for better unemployment statistics became apparent. At that time, although countries were still publishing unemployment funds data and trade union statistics, the majority of "official" unemployment statistics were derived from information collected by employment offices on the registered unemployed. Apart from attempts in some decennial censuses, there were no direct measurements of the number of jobless persons at the beginning of the 1930's.

In the mid-1930's, in the United States, experiments with direct surveys of the population occurred for the first time. The unemployed were then defined as those who were not working but who were "willing and able to work." As this criterion appeared too dependent upon the interpretation and attitudes of the persons being interviewed, a set of concepts was developed in the late 1930's according to which an individual was classified as unemployed if his actual activity within a reference period was "not working and looking for work." This criterion constitutes the basis of the modern definition of unemployment.

Development of international standards

In view of the different needs of countries and the differences in their facilities for producing statistics, it has never been seriously proposed that all countries should adopt the same system for measuring unemployment. A good deal of work has been done, however, toward developing uniform international standards and definitions in employment and unemployment statistics. The major role in

¹For further information, see "Statistics of Unemployment among Workers' Organizations," *International Labour Review*, January 1921, pp. 115-20.

developing uniform standards has been played by the International Conference of Labour Statisticians, sponsored by the International Labour Office (ILO).

As early as 1925 the ILO prepared a report on methods of measuring unemployment for the Second International Conference of Labour Statisticians. The Conference recommended that, where no satisfactory data could be obtained from other sources, "an attempt should be made to obtain information on the extent of unemployment through general population censuses or that special inquiries relating to the whole population or to an adequate sample of the population be made from time to time."²

The Sixth International Conference of Labour Statisticians adopted a resolution in 1947 defining unemployment, employment, and the labor force mainly on the basis of the activity of each individual during a specified period. This "actual status" concept was a departure from the "gainfully occupied" concept commonly used by most countries in the past, according to which the classification of a person was not related strictly to activity during any specified time period, but more to a "usual activity."

The "actual status" approach was first used in a national census in the 1940 Census of the United States. This approach is now the worldwide standard, with various modifications.

The Eighth International Conference of Labour Statisticians, meeting in 1954, approved definitions of employment, unemployment, and the labor force which are now widely acknowledged, though by no means generally observed.³

In summary, the ILO definitions (given in detail in appendix A) include as unemployed all persons who, during a specified time period, were without a job, available for work, and seeking work. Also included are persons who had made arrangements to start a new job at a later date and persons on temporary or indefinite layoff without pay. Persons in these two categories did not have to be seeking work. The labor force is defined as the sum of the unemployed and the employed. The employed consist of all persons who, during a specified time period, performed

²*The International Standardization of Labour Statistics* (Geneva, International Labour Office, 1959).

³International Labour Office, Eighth International Conference of Labour Statisticians, *op. cit.* See also *The International Standardization of Labour Statistics*, Studies and Reports, New Series, No. 53 (Geneva, ILO, 1959).

some work for pay or profit, including the self-employed. Unpaid family workers are included if they worked for at least one-third of the normal working time during the specified period. Persons with a job but not at work because of illness, industrial dispute, vacation, etc. are regarded as employed. The Armed Forces may be included or excluded from the labor force.

The ILO concepts are still officially recognized, and the 12th Conference of Labour Statisticians in 1973 did not find any need to modify them. However, the definitions leave much room for interpretation. For example, the definition of unemployment indicates that a person should be seeking work to be counted as unemployed (unless waiting to begin a new job or on temporary layoff). However, no mention is made of how actively a person must be seeking work or within what period of time in the past a person must have tested the job market. The definitions state that an unemployed person should be available for work, but they do not require a test of current availability. The Armed Forces may be either included or excluded from the labor force. Also, the ILO definitions recommend a lower age limit for the statistics, but do not specify how that age limit should be determined. Further, the ILO definitions do not specify the reference period for the statistics, allowing it to be either 1 day or 1 week.

The theory behind the ILO's standard definitions is that countries having different types of statistical systems can produce unemployment statistics that are reasonably comparable from country to country. In fact, however, relatively few countries strictly observe the international definitions, and, even among those that do, there is room for some divergence, since the ILO definitions are not altogether rigid on certain points. It is for these reasons that adjustments in the figures for various countries are necessary if comparisons of unemployment levels are to be made.

The Organization for Economic Cooperation and Development (OECD) has accepted the ILO definitions and has attempted to promote their use among its 24 member countries. Building upon the work done by BLS, the OECD has attempted to estimate unemployment rates on a statistically consistent basis.⁴ The OECD has made estimates for Finland, Norway, and Spain as well as the countries studied by BLS. The OECD figures are based on the total labor force rather than the civilian labor force. BLS estimates on a total labor force basis are shown in appendix F.

The Statistical Office of the European Communities has also been working to achieve comparability of employment and unemployment statistics among its nine members. Labor force surveys using common definitions were conducted in the member countries in October 1960, in the spring of 1968 through 1971, and thenceforth, every 2 years. A description of these surveys appears in appendix E.

⁴Organization for Economic Cooperation and Development, *Economic Outlook*, July 1976, pp. 32 and 106-10.

The U.S. definition

The definitions used in the U.S. labor force survey follow the general outline of the ILO definitions, but are more specific. The U.S. definitions, described in detail in appendix B, require unemployed persons to take active job-seeking steps within the 4-week period including the reference week. Only persons on layoff who were waiting to be called back to their job and persons waiting to start a new job within 30 days do not have to actively test the job market to be classified as unemployed. Also, unemployed persons must be available to begin work immediately, except for temporary illness, and there is a survey question to test current availability.

The minimum age limit for the U.S. survey is 16, a point left undecided in the ILO definition. Also left undecided by the ILO was whether labor force status should be measured on a particular day or throughout a particular week. The U.S. survey uses a week as its basic reference period.

U.S. labor force survey data are collected for the civilian noninstitutional population only. Persons in the Armed Forces are excluded from the employment and labor force totals.

Sources of unemployment statistics

To obtain their official unemployment data, the countries studied use one of two systems for measuring unemployment: employment office registrations and labor force sample surveys. Employment office data generally relate to the number of persons on the register as of one day during a month. The figures may include persons already employed who are seeking more work or a change of jobs. The number of job applicants registered depends on the way the system is organized, the extent to which persons are accustomed to register, and the inducements for them to do so. Changes in legislation and administrative regulations can affect the continuity of the registrations series.

Labor force sample surveys record the labor force status of a person as of a reference week. Sample surveys usually yield the most comprehensive statistics on unemployment since they include groups of persons who are not covered in unemployment statistics obtained by other methods. New entrants and reentrants into the labor force, for example, would be enumerated as unemployed in labor force surveys if they are looking for work, whereas they may not register as unemployed because they are ineligible to collect unemployment benefits.

Labor force sample surveys provide a better basis for international unemployment comparisons than statistics on registrations at employment offices. Such surveys have been developed specifically to measure the employment status and characteristics of the population above a certain age. They are not dependent upon changes in legislation and

regulations. Because their central purpose is the same, these surveys have many features in common, although inevitably there are special features of the work in each country which reflect national circumstances and needs. In contrast, the coverage of registrations statistics varies widely from country to country. In some countries, for example, married women may accept the option of not joining the unemployment insurance system, and, hence, are not able to collect unemployment benefits if they lose their jobs. Other uninsured groups, such as first-time jobseekers, also have no financial incentive to register.

Sample surveys often collect a wealth of information which can be utilized to make adjustments to a common conceptual framework. Moreover, such surveys are better equipped than registrations data to solve some of the following problems of measurement:

1. Determination of the reasons why some people have jobs but are not working (vacation, illness, layoff).
2. Identification of persons currently seeking work to start at a future time (e.g., students looking in early spring for a summer job) who are not really currently available to begin work.
3. Identification of persons who have ceased their jobseeking activities because they have found a job to which they expect to report at a future date, but for which they are immediately available.
4. Identification of "discouraged workers" who do not seek work because they believe that there is no work available.

All the above problems concerning unemployment measurement are more readily solved through labor force surveys than through data on placements or unemployment insurance registrants. In practice, statistics based on registrations, by not including the nonregistered unemployed, have a downward bias; on the other hand, they tend to generate inflated figures because of the temporary inclusion of persons who have found work and are actually working and of people not seriously interested in finding work but who register for social benefits or to maintain eligibility for a pension. Persons who are working would be classified as employed in a labor force sample survey and those not really "looking for work" would most likely be recorded as "not in the labor force."

Of the countries studied here, all currently conduct labor force sample surveys. Surveys provide the "official" statistics on the unemployed in Australia, Canada, Italy, Japan, Sweden, and the United States.⁵ In France, Germany, and Great Britain, the regularly published unemployment figures refer to the registered unemployed. In addition, France and Germany have conducted labor force

⁵ Australia and Italy also give wide distribution to their registered unemployed statistics since such statistics are available monthly while the labor force survey statistics are available only quarterly. Sweden also uses registration data widely even though monthly survey data are available.

surveys since the 1950's, and Great Britain initiated a monthly household sample survey in 1971. However, the registered unemployed series remains the "official" unemployment series in all three countries partly because registration results are available more frequently and on a much more timely basis than the survey results.

Concepts and definitions

Definitions of unemployment and the labor force differ from country to country, even when the same type of data collection method is used. Appendix B to this study presents detailed descriptions of the unemployment concepts used in the nine countries. Table 2 provides a synopsis of the major areas of difference among the countries. For France, Germany, and Great Britain, two columns are shown, one covering the "official" employment office series and the other covering the labor force survey. The entries in table 2 represent the current status of the statistics. It should be pointed out that changes have been made over the years in all the countries so that different entries in some areas would have been required in earlier years. The following discussion focuses upon the items shown in table 2. Unless otherwise specified, labor force survey data rather than employment office data are described here for France, Germany, and Great Britain.

Age limits. The ILO recommends that countries establish a lower age limit for labor force statistics, but does not specify what that limit should be or how it should be determined. The lower age limit in the U.S. survey is 16, and for the other countries it ranges from 14 to 16. Only Sweden has an upper age limit as well as a lower one.

Reference period. The ILO definition recommends that the reference period for labor force statistics be a specified day or week. In all of the labor force surveys studied here, the general reference period is a week. Registration statistics, however, use a reference period of 1 day.

For jobseeking activities by unemployed persons, the reference period has been expanded beyond 1 week in the sample surveys of some countries. In the United States, Canada, and Australia, a person is counted as unemployed if he sought work within the 4 weeks including the reference week. In Sweden, a 60-day period for jobseeking is allowed.

In several of the labor force surveys, the allowable period for jobseeking activities is ambiguous.⁶ In France, Germany, Great Britain, and Italy the survey questionnaire does not clearly specify the jobseeking period. Thus, some persons may interpret it to be the reference week of the

⁶ Prior to 1967, the U.S. survey questionnaire also did not specify a time period for jobseeking. It was probably interpreted by some jobseekers to refer only to the survey week itself.

Table 2. Synopsis of unemployment statistics: Definitions recommended by the International Labour Office and definitions used in 9 countries

Item	ILO definition	United States	Canada	Australia	Japan	France	
Source	Unspecified	Labor force survey	Labor force survey	Labor force survey	Labor force survey	Employment office registrations	Labor force survey
Frequency	Unspecified	Monthly	Monthly	Quarterly	Monthly	Monthly	Annual
Age limits	Unspecified	16 years and over	15 years and over	15 years and over	15 years and over	None	15 years and over
Reference period	1 day or 1 week	1 week	1 week	1 week	1 week	1 day	1 week
Reference period for jobseeking	1 day or 1 week	4 weeks	4 weeks	4 weeks	1 week	1 day	Unspecified ¹
Whether included in labor force:							
Career military personnel	Unspecified	Excluded	Excluded	Excluded	Included	—	Included
Unpaid family workers working less than 15 hours	Excluded if worked less than one-third of normal working time	Excluded	Included	Excluded	Included	—	Included
Whether included in unemployed: ²							
Persons on layoff	Included	Included	Included ³	Included ⁴	Excluded	Excluded	Excluded
Persons who have not actively sought work ⁵	Excluded, but no test of workseeking	Excluded	Excluded	Excluded	Excluded, but no test of work-seeking ⁽⁶⁾	Included	Included
Temporarily ill jobseekers	Included	Included	Included	Included	Included ⁽⁶⁾	Included	Included
Students seeking work	Unspecified	Included	Included ⁷	Included	Included	Excluded	Included
Persons waiting to report to a new job at a later date	Included	Included	Included	Included	Excluded	Excluded	Excluded
Jobseekers not currently available for work	Excluded, but no test of availability	Excluded	Excluded	Excluded	Excluded, but no test of availability	Excluded	Included
Persons who did some work and also looked for work	Excluded	Excluded	Excluded	Excluded	Excluded	Included ⁸	Included ⁹
Special exclusions	—	—	—	—	—	Persons over 60 years old and receiving "income guarantee" payments; persons seeking part-time work	—
Base for unemployment rate	Unspecified	Civilian labor force	Civilian labor force	Civilian labor force	Total labor force	None calculated	Total labor force

See footnotes at end of table.

Table 2. Synopsis of unemployment statistics: Definitions recommended by the International Labour Office and definitions used in 9 countries—Continued

Item	Germany		Great Britain		Italy	Sweden
	Employment office registrations	Labor force survey	Employment office registrations	Labor force survey	Labor force survey	Labor force survey
Source	Monthly	Annual	Monthly	Annual ¹⁰	Quarterly	Monthly
Frequency	14 years and over	14 years and over	16 years and over	16 years and over	14 years and over	16 to 74 years old
Age limits	1 day	1 week	1 day	1 week	1 week	1 week
Reference period	1 day	Unspecified	1 day	Unspecified ¹¹	Unspecified ¹	60 days
Reference period for jobseeking						
Whether included in labor force:						
Career military personnel	—	Included	—	Excluded	Included	Included
Unpaid family workers working less than 15 hours	—	Included	—	Included	Included	Excluded
Whether included in unemployed: ²						
Persons on layoff	Excluded	Excluded	Excluded	Excluded	Included	Included
Persons who have not actively sought work ⁵	Included	Included	Included	Included	Excluded	Excluded
Temporarily ill jobseekers	Excluded	Included	Excluded	Included ⁽¹²⁾	Included	Included
Students seeking work	Included	Included	Excluded			Excluded ¹²
Persons waiting to report to a new job at a later date	Excluded	Excluded	Excluded	Included	Included	Included
Jobseekers not currently available for work	Excluded	Included	Excluded	Included	Excluded, but no test of availability	Included ¹³
Persons who did some work and also looked for work	Included ⁸	Excluded	Included ⁸	Excluded	Excluded	Excluded
Special exclusions	Construction workers receiving "bad weather money" between November 1 and March 31	—	Students age 18 or over registered for vacation employment; severely disabled persons	—	—	—
Base for unemployment rate	Wage and salary labor force	Total labor force	Wage and salary labor force	Civilian labor force	Total labor force	Total labor force

¹ Although the jobseeking period is unspecified, there is a question on jobseeking activities during the 1-month period including the reference week.

² For statistics based on employment office registrations, the term "included" applies only to the unemployed who are registered.

³ Automatically included if on temporary layoff of 26 weeks or less; must be actively seeking work if on lengthier layoff.

⁴ Automatically included if on temporary layoff of 4 weeks or less; must be actively seeking work if on lengthier layoff.

⁵ Except persons on temporary layoff or waiting to start a new job who are not required to seek work in the countries where they are classified as unemployed.

⁶ Included if illness is so minor that the person is currently available for work.

⁷ Full-time students seeking full-time work during the school term are excluded.

⁸ Persons must be without work on the day of the registration count, but some may have done work earlier or later in the week.

⁹ Persons who stated they were seeking work but who also did some marginal work during the reference week.

¹⁰ Although the survey is conducted monthly, only annual averages are published.

¹¹ Although the jobseeking period is unspecified, there is a question on jobseeking activities during the reference week.

¹² Full-time students are included in the unemployed only when seeking work during school vacations.

¹³ Except students, whose current availability is probed.

survey and others may consider it to be a longer period. France, Italy, and Great Britain do have supplementary questions which clearly specify a jobseeking period, but the responses to these questions do not affect the classification of a person as unemployed if he has already stated elsewhere that he is unemployed or "looking for work."

In Japan, the reference period for jobseeking is clearly specified as the reference week. However, according to the instructions given on the survey form, which is filled out by the respondent rather than the enumerator, persons awaiting the results of previous job applications are to list themselves as unemployed. This practice, in effect, widens the allowable jobseeking period to a time in the recent past which can be longer than the reference week.

Military personnel. The ILO definitions relate to both total labor force and civilian labor force, and no recommendation is made regarding treatment of the Armed Forces. Among the nine countries studied, draftees or conscripts are excluded from the labor force definition except in cases where they are temporarily absent from work because of military duty. In such cases, these persons are generally included in the employed category—i.e., "with a job but not at work." Treatment of career military personnel varies; they are excluded from the labor force in the United States, Canada, Australia, and Great Britain, but included in the other countries.

Unpaid family workers. According to ILO definitions, unpaid family workers are included in the labor force if they worked for at least one-third of the normal working time during the reference period. In the United States, Australia, and Sweden unpaid family workers are included in the labor force if they worked 15 hours or more in the reference period. In Great Britain all unpaid family workers were excluded from the household survey until 1976 when wives working 15 hours or more in their husbands' businesses were treated as employed whether they were paid or not. In all the other countries, unpaid family workers are classified as in the labor force with no lower limit on the number of hours worked.

In the United States, unpaid family workers who worked less than 15 hours and looked for other jobs would be classified as unemployed. In the countries without the 15-hour limit, such persons would not be classified as unemployed (except in France).

Persons on layoff. ILO definitions include persons on temporary or indefinite layoff without pay in the unemployed count. This is also the practice in the United States, Canada, Australia, and Sweden. Such persons do not have to be actively seeking work to be classified as unemployed, except that after a specified period in Canada (26 weeks) and Australia (4 weeks) they do have to be taking steps to find work.

In Japan and the Western European countries (ex-

cept Sweden) persons on temporary or indefinite layoff are classified as employed in labor force surveys. They are regarded as "with a job, but not at work."⁷ In these countries, there is generally no such thing as an unpaid layoff. Persons on layoff in most European countries and Japan receive payments from employer funds which are sometimes subsidized by the government. Also, layoffs in Europe and Japan most frequently take the form of working shorter hours during the week rather than not working at all. Such persons would also be classified as employed under U.S. concepts since they have done some work during the reference week.

Persons who have not actively sought work. Under ILO and U.S. definitions, persons should be actively seeking work to be classified as unemployed unless they are on temporary layoff or are waiting to start a new job. These latter two groups do not have to be taking active steps to find work to be classified as unemployed. However, the ILO makes no mention of testing a person's jobseeking activities. In the U.S. survey, there is a test of jobseeking activities, and persons who have not taken active steps to find work in the past 4 weeks are not classified as unemployed (with the exceptions noted above). Active jobseeking and a test of such are also required in the Canadian, Australian, and Swedish surveys for classification as unemployed. In Japan, inactive workseekers are by definition excluded from the unemployed, but there is no question on jobseeking activities. In France, Germany, Great Britain, and Italy, inactive jobseekers are included in the unemployed figures derived from labor force surveys. However, most of these countries do have supplementary questions on workseeking activities. The answers to these questions indicate that a certain percentage of persons will respond that they are unemployed or seeking work although they have not actually taken any steps to find work.

"Discouraged workers" constitute one group of inactive jobseekers. These are persons who are not looking for work but would be doing so if they believed work was available. Such persons were included in the U.S. unemployment figures until 1967; however, there was no specific question on discouraged workers. The fact that a worker was discouraged had to be volunteered by the respondent. This left a large area of uncertainty and imprecision in the definitions, as there was no assurance that discouraged workers were being uniformly reported by all enumerators. In 1967, it was decided to exclude discouraged workers from the unemployed in the United States unless the person had looked for work within the past 4 weeks. Canadian and Australian statisticians made the same decision with regard to the treatment of discouraged workers in 1976. In Sweden, discouraged workers have always been

⁷Persons on temporary layoff in the United States were also treated as employed prior to changes in definition adopted in 1957.

excluded from the unemployed, but information is collected on the number of such persons.

The ILO definitions make no mention of discouraged workers. Since jobseeking activity is mentioned as a requirement for classification as unemployed, the intent of the ILO standards appears to be to exclude discouraged workers from the unemployed.

In the countries which make no mention of discouraged workers in their survey definitions or questionnaires, the labor force classification of such persons depends upon the wording of the survey questions and the way that respondents interpret them. When the specified reference period for jobseeking is longer than 1 week, recently discouraged workers would be included in the unemployed. For example, a Swedish worker who actively sought work 2 months ago but soon became discouraged and stopped seeking work would currently be classified as unemployed. However, next month, if he continues to be discouraged, he would move into the economically inactive category.

Temporarily ill jobseekers. ILO definitions specify that unemployed persons should be available for work, except for minor illness. Those countries, such as the United States, which have a current availability requirement make an exception for persons who are temporarily ill. Thus, such persons are counted in the unemployed. In the labor force surveys of countries without a current availability requirement, temporarily ill jobseekers are also generally counted as unemployed. In Japan, however, temporarily ill jobseekers are instructed to list themselves as unemployed only if their illness is so minor that they are currently available to begin work. Thus, the Japanese practice is more restrictive than the other countries.

Prior to the revisions in the U.S. definitions adopted in 1967, persons who would have been looking for work except for temporary illness were classified as unemployed if this information was volunteered. There was no specific question on this point. In the new definitions adopted in 1967, there was no need to address this point because the allowable period for jobseeking activities was extended to 4 weeks. Thus, persons too ill to seek work during the reference week were classified as unemployed if they sought work during the 4-week period including the reference week. In countries where the reference period for jobseeking is ambiguous and is taken by some respondents to include only the reference week, temporarily ill persons who would have been seeking work except for their illness may be excluded from the unemployed. In Great Britain, however, such persons are included in the unemployed because a specific question is asked: "Would you have looked for work but for temporary illness or injury?" Britain is the only country which asks a direct question on this point.

Students seeking work. The ILO definitions make no mention of special treatment of students. Thus, the intent of

the ILO definitions is probably to treat students as any other member of the population, regarding them as employed if they worked and unemployed if they were seeking work and available to begin work.

Most countries, in their labor force surveys, follow the implied ILO definition with regard to students. Some of them apply tests of current availability before classifying student workseekers as unemployed. This is a point not immediately apparent from a reading of some survey definitions and questionnaires. For example, the Swedish survey questionnaire has no test of current availability, yet interviewers are instructed to probe into the current availability of students. In practice, full-time students are classified as unemployed in Sweden only if seeking work during school vacations. In this attempt to insure current availability, the Swedish practice may, in effect, result in an undercount of students looking for and available for part-time work during the school term. In the British General Household Survey, all full-time students are classified as not in the labor force, even if they are working or seeking work.

In Canada, full-time students seeking full-time work are automatically excluded from the unemployed during school term on the grounds that they are not currently available to begin work. Those seeking part-time work are included in the unemployed if currently available to begin work.

The pattern of working or seeking work during the school week, which is widespread in the United States, does not occur frequently in the Western European countries and Japan. Thus, the question of how to treat students with regard to labor force status has not been rigorously investigated in most other countries.

Persons waiting to report to a new job at a later date. According to ILO definitions, persons waiting to report to a new job at a later date should be classified as unemployed if not currently employed and if available to begin work immediately. This is the practice followed in the United States⁸ and several of the other countries. The reasoning behind this classification is that in many cases the anticipated job does not materialize, and the waiting period actually represents the beginning of a longer period of unemployment.

In the French survey, persons waiting to start a new job are classified as employed. The German survey does not specify the classification of such persons; according to German statisticians, they are most likely enumerated as economically inactive. This was also the case in Italy until January 1977 when the survey was revised; persons waiting to start a new job are now classified as unemployed.

Jobseekers not currently available for work. ILO definitions clearly specify that unemployed persons should be currently available to begin work (except for minor illness). Per-

⁸ Prior to 1957, persons waiting to report to a new job were classified as employed in the U.S. survey.

sons not currently available for work (e.g., students seeking work in April but not able to accept work until the end of the school term in June) should be classified as economically inactive under ILO concepts. However, the ILO definitions do not recommend a test of current availability, and most countries do not ask a question in their surveys to ascertain the availability of unemployed persons to begin work immediately. The United States, Canada, and Australia require current availability for classification as unemployed and incorporate a question on availability in their survey questionnaires. In principle, Japan and Italy require current availability, but do not have a specific question on the point in the survey. The Japanese survey questionnaire instructions indicate that persons who enumerate themselves as "looking for work" should be currently available for work. In Sweden, only the current availability of students is probed.

Persons who did some work and also looked for work. ILO definitions state that unemployed persons must be "without a job." This is also the practice in the U.S. survey where the categories of employed and unemployed are mutually exclusive and employment (even 1 hour) takes precedence over unemployment for classification purposes. In the French labor force survey, some unemployed persons may also have done some work during the reference week. That is, they regard their major status as that of an unemployed person, even though they did work a few hours at some marginal activity. The labor force surveys conducted in the other countries do not appear to count persons who did some work as unemployed. Their work activity takes precedence over their workseeking, and they are classified as employed, as in the U.S. survey.

Base for the unemployment rate. The ILO definitions do not recommend whether the unemployment rate should be calculated on the basis of the total labor force or the civilian labor force. In the United States, Canada, Australia, and Great Britain, unemployment rates from the labor force survey are calculated on a civilian labor force basis. In the labor force surveys conducted in Japan, France, Germany, Italy, and Sweden, the labor force includes career military personnel. For Germany and Great Britain, where registration statistics are the basis for the "official" unemployment rate, the wage and salary labor force, which excludes self-employed and unpaid family workers, is used as the basis for the calculation of the unemployment rate. Career military personnel are considered as part of the wage and salary labor force. France does not officially publish an unemployment rate; the official monthly unemployment figure relates to the number of persons registered as unemployed.

Adjustment to U.S. concepts

The noncomparability of national figures on unem-

ployment is attributable to two chief causes: differences in the system for collecting data and differences in concepts or definitions. It has been pointed out above that labor force sample surveys provide data on unemployment which are far more comparable internationally than statistics on the registered unemployed. Three of the countries studied, however, rely on registration statistics for their official unemployment data. Fortunately, France, Germany, and Great Britain also conduct periodic labor force surveys which have been indispensable in adjusting and interpreting the official data.

All of the other countries studied rely on labor force surveys for their official unemployment rates. However, definitions of unemployment and labor force differ from country to country, even when the same type of data collection method is used. It has been seen that definitions vary with regard to treatment of persons on layoff, unpaid family workers, military personnel, students, and other groups. Furthermore, there are differences in reference periods, age limits, and criteria for seeking work.

Adjustments have been made for many, but not all, of these differences. In some areas, data are simply not available for adjustment purposes. Where adjustments have not been made, the remaining differences are believed to be minor, although the exact extent of these differences cannot be precisely known. In other areas, adjustments were not made because institutional differences were taken into account. For example, instead of adjusting the data of all countries to the U.S. lower age limit of 16, the foreign age limits have been adapted to conform to the age at which compulsory schooling normally ends in each country. This was done because youths in most other countries complete their education and enter the labor force on a full-time basis at an earlier age than in the United States. Thus, German data are adjusted to cover 15-year-olds and over; the regularly published German data relate to 14-year-olds and over, but compulsory schooling ends at 15.

The methods of adjusting foreign country data to U.S. concepts are described in detail in appendix B. The following descriptions present a highly condensed account of the adjustments made in the various national statistics.

Canada and Australia. Canada and Australia both have labor force surveys which are closely comparable to the U.S. survey. Although there are some small conceptual differences, they are not regarded as significant enough to require adjustment.

Japan. The Japanese labor force survey was patterned after the U.S. survey, but makes use of a number of different definitions designed to serve Japanese needs. In excluding workers on layoff from the unemployed, the Japanese are somewhat more restrictive than the United States, but the number of workers laid off for a full week is believed to be very small and no adjustment has been made. The "lifetime

employment system" is a basic pattern of labor-management relations in Japan. The regular worker is granted permanent tenure, and when the activity of the establishment is reduced, the employer retains the worker, either transferring him to another job or reducing hours. Workers placed on shorter hours for economic reasons are compensated for the hours not worked under a system partially financed by the government. In having no test of workseeking activities or current availability, the Japanese survey is less restrictive than the U.S. survey. However, the instructions given on the survey questionnaire—which is filled in by the respondent rather than an enumerator—clearly state that unemployed persons must be actively seeking work.

Adjustments are made to the Japanese labor force to exclude career military personnel and unpaid family workers who worked less than 15 hours per week. These adjustments are so small that the published and adjusted unemployment rates are identical in most years.

France. The "official" monthly unemployment figures for France are based on the number of registrations at employment offices. Persons seeking part-time work are excluded as are other jobseekers who fail to register. On the other hand, persons who did some work during the week of the count, but were out of work on the day of the count and registered, are included. No unemployment rate is published. In addition, since 1974 the French authorities have made annual estimates of the unemployed under ILO definitions. These annual estimates are based upon the results of labor force surveys conducted in March of each year. Prior to 1974, the annual estimates were based on French census definitions, which are more restrictive than the ILO definitions.

For adjustment to U.S. concepts, BLS utilizes the results of the annual French labor force surveys. The BLS method of adjusting survey unemployment is quite similar to the method used by French authorities in adapting the labor force survey to ILO definitions. The French labor force survey provides detailed information on the number and characteristics of those unemployed; by subtracting those persons excluded under the U.S. definition (e.g., persons who classify themselves as unemployed but who did some work in the reference week; persons not currently available for work) and adding those who should be included (e.g., persons on layoff; persons waiting to start a new job), BLS obtains estimates of unemployment in close conformity with U.S. concepts. Some adjustments are made to the reported labor force figures, such as exclusion of career military personnel and unpaid family workers who were not at work or worked less than 15 hours.

Coefficients of adjustment are obtained from the March surveys, and interpolations are made between surveys to obtain annual average adjustment factors which are applied to the registered unemployed figures and the French annual estimates of the labor force. The figures on unem-

ployment adjusted to U.S. concepts are considerably higher than the figures from the registered unemployed series but quite close to the annual estimates under ILO definitions.

Germany. The principal and official unemployment statistics for Germany are administrative statistics representing the monthly count of unemployed registered at the employment offices. The unemployment rate is calculated on the basis of the wage and salary labor force. The registration series has certain limitations as a precise measure of unemployment. Some unemployed persons may choose not to register if they are ineligible to collect jobless benefits. Also, unemployed persons who do not want to work at least 20 hours a week are excluded. On the other hand, some persons who are working a few hours or a few days a week may be registered as unemployed. The registration figures cover all persons who at some time in the past have registered as unemployed and whose job application has not yet been settled at the time of the count. Consequently, there may be persons on the register who have found a job but have failed to report it to the employment service.

Germany also conducts a labor force survey, the Microcensus, every April or May. The Microcensus also has its limitations as a measure of unemployment, but provides a better basis for estimating unemployment under U.S. concepts than the registration series. The Microcensus was designed to produce labor force and related statistics consistent with ILO definitions.

In the Microcensus the unemployed exclude persons on layoff who are waiting to return to their job and persons waiting to begin a new job, categories which should be included under U.S. concepts. Also, the reference period for jobseeking is ambiguous, and may be interpreted by some persons to be strictly the survey week. On the other hand, some inactive workseekers and persons who are not currently available to begin work may be included in the Microcensus figures. The Microcensus does not provide data on any of these groups of persons, but these upward and downward biases may tend to cancel each other out. The Microcensus figures have usually been lower than the figures from the registered unemployed series.

The Microcensus unemployment figures, which usually relate to a week in April, are compared with the registered unemployed figures for the month nearest the survey date. This comparison yields an adjustment factor which is then interpolated between surveys to obtain annual average factors to apply to the registered unemployed series.

Germany makes annual estimates of the labor force which are obtained by adding employment from the Microcensus (adjusted to an annual average) and the registered unemployed. BLS modifies this annual estimate by excluding from the employed military personnel and unpaid family workers who worked less than 15 hours. Also, the estimated annual Microcensus unemployed rather than the registered unemployed are added to the employed to obtain

the civilian labor force under U.S. concepts. The unemployment rate derived from the adjusted data is usually lower than the official German rate based on the registered series.

Great Britain. The official unemployment statistics for Great Britain are obtained from a count of registrations at employment offices (now called "Jobcenters") and the separate "career offices" for young people. The unemployment rate is calculated on the basis of the wage and salary labor force. The completeness of coverage of these statistics depends upon the extent to which persons looking for work register as such. Figures from the 1961 population census, the 1966 "sample census," and General Household Surveys (available beginning in 1971) indicate that the registration figures significantly understate unemployment under U.S. concepts.

The General Household Survey (GHS) indicates that the number of adult males registered is slightly in excess of the number to be obtained under U.S. definitions, but the number of women is very much lower and the number of youths, male and female, is moderately lower. The registration figures have been adjusted to take the GHS findings into account, but first the GHS figures themselves required some revision. No adjustment could be made to exclude persons not currently available for work. Adjustments were made to exclude persons who reported themselves as looking for work but who were taking no active steps to find a job. Also, the number of persons on temporary layoff the entire week was estimated and added to the unemployed. Persons on temporary layoff are regarded as employed in the GHS. Further, estimates of students seeking work were added. All these adjustments had the effect of raising the number of unemployed from the official 1,305,000 to 1,610,000 in 1976. The adjusted figures for 1975 and 1976 were estimated on the basis of factors derived from the 1972 GHS results. Although GHS data have been published through 1974, the 1972 factors have been used for adjustment purposes in recent years because 1972 was a year of relatively high unemployment compared with 1973-74, and unemployment has been high in recent years. For the years prior to the first GHS, comparative estimates have been made by adjusting the 1961 and 1966 census data to U.S. concepts and interpolating between the years until 1971.

In order to convert the adjusted figures to an unemployment rate, it was necessary to develop a revised estimate of the civilian labor force. The chief adjustments to the official labor force figure consist of adding the unregistered unemployed and subtracting an estimated number of duplications in the count of the employed. (The number employed is derived from an establishment census and, hence, includes multiple jobholders more than once.) The British unemployment rate adjusted to U.S. concepts is significantly higher than the reported rate—6.4 percent versus 5.6 percent in 1976.

Data for the United Kingdom (Great Britain and Northern Ireland) could not be prepared because the General Household Survey relates only to Great Britain. Unemployment rates, based on registration statistics, are usually higher in Northern Ireland than in Great Britain. For example, in 1975, Great Britain had a published unemployment rate of 4.1 percent, while Northern Ireland's rate was 8.1 percent. Since the labor force in Northern Ireland is small, the rate for the United Kingdom (4.2 percent) was only slightly higher than the rate for Great Britain.

Italy. In 1963, a quarterly labor force survey replaced the registration statistics as the official source of unemployment data in Italy. The results of the quarterly survey form the basis of the adjustment of Italian data to U.S. concepts.

A major revision in survey methods was made in January 1977. A more probing style of questioning was introduced, resulting in significant increases in the number of persons enumerated as unemployed. The revised Italian survey represents an important step toward providing the data necessary for making adjustments to U.S. concepts. For example, the new survey asks a specific question on jobseeking activities, whereas the old survey simply inquired about a person's "status" during the reference week. In the old survey, many persons who were seeking work did not respond that their status was "unemployed." Furthermore, a question is now asked on when the last active step to find work was taken. Persons who have not taken any active steps to find work in the past 4 weeks should be excluded from the unemployed under U.S. concepts.

From January 1977 onward, the only adjustment made to the reported number of unemployed is the exclusion of those who have not taken any active steps to find work in the past 30 days. Survey results for 1977 indicate that over half of the persons enumerated as unemployed responded that their last attempt to find work was made more than 30 days ago. BLS is not certain that all such persons should be excluded. The large number of persons in this category indicates a massive number of "discouraged workers" in Italy or an interpretation by many registered unemployed persons that their presence on the unemployment register does not constitute an active step to find work in the past 30 days. This adjustment, therefore, may be modified downward when more detailed results, including cross-classifications from 1977 surveys, become available.

There are some remaining conceptual differences regarding unemployment for which no adjustments have been made. For instance, persons on layoff who are waiting to return to their jobs are counted as employed in Italy. However, legal restraints and the existence of the Wage Supplement Fund promote the use of reduced hours rather than outright layoffs when plant activity declines. Therefore, the number of persons on layoff for an entire week is probably very small. Also, survey definitions state that unemployed

persons should be currently available to begin work, but there is no test of current availability in the survey questionnaire.

The Italian Central Bureau of Statistics (ISTAT) does not plan to make a reconciliation between the old and new surveys until some time in 1978. BLS has decided to await the ISTAT reconciliation rather than make any preliminary adjustments for the 1959-76 period. Thus, the reported unemployment figures have been used with only a small adjustment to the data for 1959-63 to exclude persons enumerated as unemployed who also did some work in the reference week. The differences between the old and new unemployment series tend to cancel each other. The old series excluded jobseekers who did not respond that their status was unemployed; also excluded were persons waiting to begin a new job. Such persons are now included in the unemployed. On the other hand, the old series included as unemployed those persons who took no active steps to find work in the past 30 days. The results from the 1977 surveys indicate that the old series may have overstated unemployment somewhat because the number of persons who did not recently take active steps to find work is greater than the number of workseekers who did not initially say they were unemployed. However, there are no data on the number of persons in these categories prior to 1977.

Several adjustments were made to the Italian labor force figures. Career military personnel and unpaid family workers who worked less than 16 hours in the survey week were subtracted. The Italian data do not provide a break at the less-than-15-hour level. The 1977 surveys indicate that employment was previously undercounted by about 5 percent. Adjustment factors were derived by sex and by economic sector and applied to Italian employment data for the 1959-76 period.

The adjusted unemployment rates for 1959 through 1963 are about two-tenths of a percentage point lower than the reported rates. For 1964-76 the adjusted rates are one-tenth of a percentage point lower than the published rates. Beginning in January 1977, unemployment rates adjusted to U.S. concepts are much lower than the reported rates because of the adjustment to exclude a large number of inactive jobseekers.

Sweden. In July 1974, the monthly labor force sample survey was established as the official source for Swedish unemployment figures. At that time the data on employment office registrations were supplanted by new statistics showing the total volume of employment applications passing through the employment offices each month. Data are still published on the number of insured unemployed who are registered to collect benefits.

The labor force survey results are quite close in concept to the U.S. figures, and only minor adjustments have been made. No adjustment has been made for full-time stu-

dents who were seeking work during the school term. Data on persons not in the labor force who would have liked to have a job indicate that the number of student workseekers is very small. Also, no adjustment was made to exclude persons who were not currently available for work. Adjustments were made to the labor force figures to include persons age 75 and over and to exclude career military personnel. These small modifications rarely affect the unemployment rate.

Limitations

The adjustments of national data briefly described above yield unemployment estimates that are reasonably comparable from one country to another and that indicate the level of joblessness according to U.S. definitions. The accuracy of the adjustments depends upon the availability of relevant information; in some instances, it is possible to achieve only approximate statistical comparability among countries. Nevertheless the adjusted figures provide a better basis for international comparisons than the figures regularly published by each country.

There are certain differences for which it was not possible to make adjustments. For several countries no adjustment could be made for the differences in the amount of time allowed for jobseeking activities. No information is available on this point in the other countries, but the effect is believed to be minor. Prior to U.S. changes in definitions adopted in 1967, the U.S. time period was vague and was probably interpreted by some jobseekers, primarily women, to refer only to the survey week. Special studies indicated that the effect of the changes in definitions in 1967 resulted in only a small increase in the number of women enumerated as unemployed.⁹ In addition, for some countries adjustments could not be made for the lack of a test of current availability for work, the lack of an active jobseeking requirement, and for differences in treatment of persons on layoff and persons waiting to start a new job.

The data for more recent years for several countries are much better than the data in earlier years in terms of statistical comparability. The 1976 revisions made by Canadian and Australian statisticians have brought these surveys into closer conformity with U.S. definitions and methods. The inception of the British General Household Survey in 1971 was a major step in making available British data closely

⁹See Robert L. Stein, "New Definitions for Employment and Unemployment," *Employment and Earnings*, February 1967, pp. 9-13. On balance, the new definitions yielded a level of unemployment 100,000 lower than the official 1966 annual average. This was because most of the changes in definition were more restrictive—the requirement of active jobseeking, the test of current availability, and the change in the definition of persons absent from their jobs who sought other work.

comparable to U.S. concepts. The earlier estimates for Britain, based on population censuses in 1961 and 1966, are subject to a wider margin of error because the census data were ambiguous on a number of points; for example, the enumeration of temporarily ill persons. (See appendix B.) The new questions in the French labor force survey since 1975 and in the Italian survey since 1977 have allowed for much more precise identification of certain groups for adjustment purposes. Furthermore, for several countries, data from surveys were published irregularly in the 1960's, and for some years, no data were available. Interpolations had to be made to fill in the missing data.

For several countries, a problem remains in making adjustments because the data needed for such adjustments are not current. For both France and Germany, issuance of data from surveys lags by a year or more from the reference period. Thus current estimates often must be revised when results of more recent surveys are obtained. For Great Britain, the latest available General Household Survey is for 1974. Labor market conditions have deteriorated considerably since that time, and the estimates based on adjustment factors for years when unemployment levels were quite different are subject to an unknown margin of error.

Chapter 2. Unemployment and Employment, 1959-77

Although unemployment in the United States has generally been high in comparison with other countries, Canada, had the highest unemployment rates, on the average, for the 1959-76 period. These two countries have also experienced the most rapid growth in employment. In contrast, the Western European countries, with much lower average levels of unemployment than the United States and Canada, had very slow growth or declines in employment.

Table 3 presents data for nine countries on the civilian labor force, employment, and unemployment adjusted to U.S. concepts for the period 1959 to 1976. The following section describes the comparative levels and trends in unemployment and employment. Separate discussions of important labor market developments in each country are then taken up.

Unemployment

Despite the disrupting influence of worldwide cyclical movements and the particular economic ills that have plagued individual countries, the relative positions of the nine countries with regard to unemployment rates have shown little change over the years. From 1959 to 1976, unemployment rates in Canada and the United States were usually much higher than in the seven other countries studied (chart 2). In 10 of the 18 years, Canada had the highest unemployment rate in the industrialized world. In 1963 through 1965, and 1974 through 1976, the United States had the highest rate; in 1966-67 the United States was tied with another country for the highest rate.

Chart 2. Unemployment Rates, 1959-76

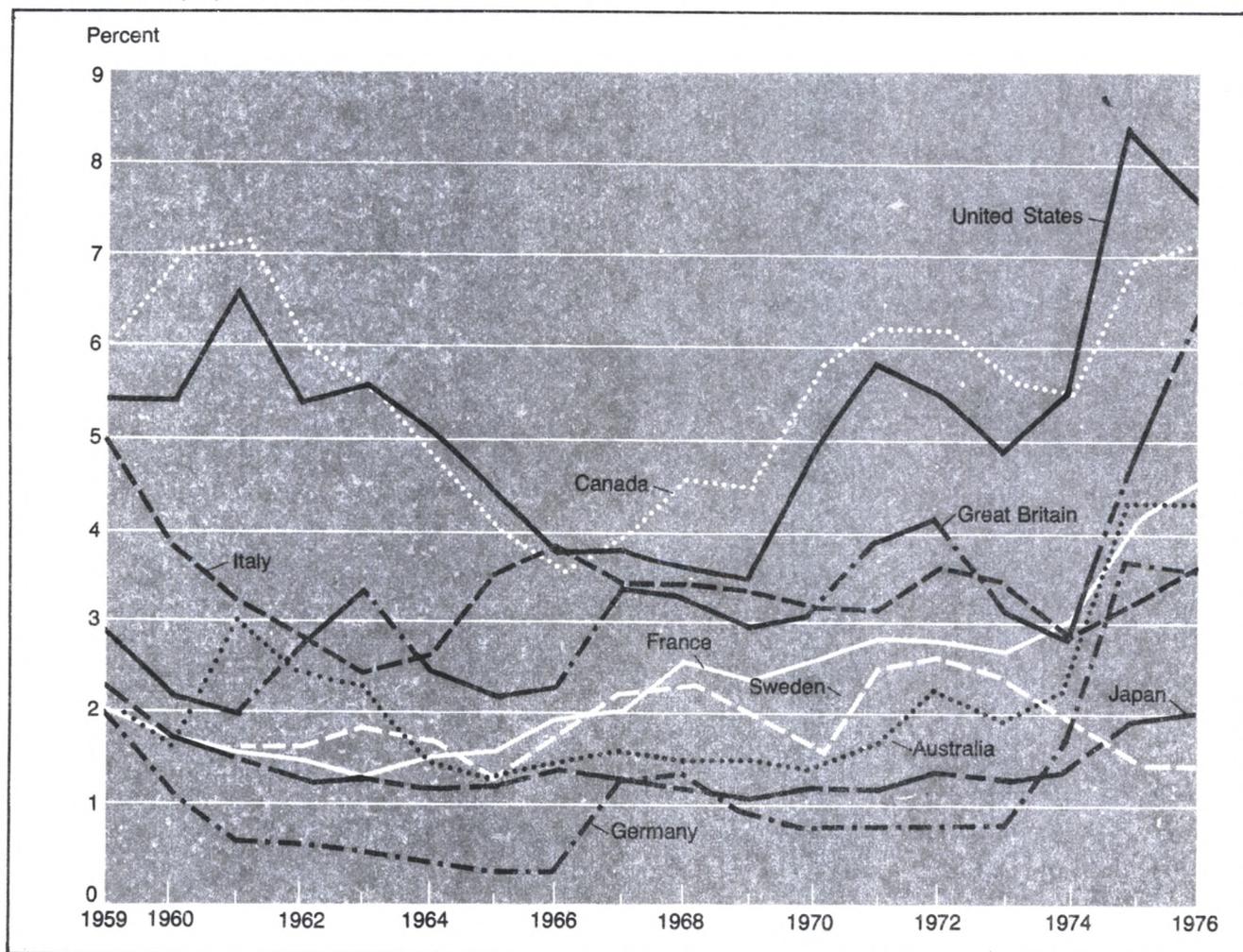


Table 3. Labor force, employment, and unemployment, 1959-76

Year	United States ¹	Canada	Australia ¹	Japan	France	Germany	Great Britain	Italy	Sweden
Civilian labor force (thousands)									
Adjusted to U.S. concepts									
1959	68,369	6,214	(²)	43,320	19,060	25,850	23,230	21,730	(²)
1960	69,628	6,382	(²)	44,120	19,080	25,990	23,470	21,520	(²)
1961	70,459	6,491	(²)	44,610	19,050	26,160	23,720	21,450	3,598
1962	70,614	6,584	(²)	45,040	19,160	26,210	24,070	21,290	3,682
1963	71,833	6,715	(²)	45,430	19,340	26,290	24,290	20,830	3,753
1964	73,091	6,898	4,559	46,040	19,680	26,270	24,420	20,760	3,711
1965	74,455	7,105	4,689	46,780	19,750	26,380	24,560	20,430	3,739
1966	75,770	7,495	4,833	47,850	20,000	26,290	24,650	20,090	3,794
1967	77,347	7,748	4,958	48,810	20,100	25,730	24,600	20,220	3,771
1968	78,737	7,952	5,070	49,680	20,380	25,780	24,460	20,130	3,822
1969	80,734	8,195	5,213	50,140	20,660	26,030	24,400	19,920	3,836
1970	82,715	8,399	5,381	50,730	20,980	26,290	24,270	19,950	3,909
1971	84,113	8,644	5,486	51,120	21,210	26,380	24,020	19,870	3,955
1972	86,542	8,920	5,589	51,320	21,430	26,280	24,240	19,610	3,963
1973	88,714	9,322	5,723	52,590	21,640	26,360	24,530	19,750	3,971
1974	91,011	9,706	5,869	52,440	21,980	26,080	24,510	20,060	4,037
1975	92,613	10,060	5,991	52,530	22,040	25,680	³ 24,820	20,270	4,123
1976	94,773	10,308	6,075	53,100	22,190	25,400	³ 25,100	20,490	4,149
As published ⁴									
1959	68,369	6,242	(²)	44,330	18,925	26,337	23,229	21,286	(²)
1960	69,628	6,411	(²)	45,110	18,951	26,518	23,523	20,972	(²)
1961	70,459	6,521	(²)	45,620	18,919	26,772	23,799	20,882	3,592
1962	70,614	6,615	(²)	46,140	19,050	26,844	24,063	20,629	3,676
1963	71,833	6,748	(²)	46,520	19,398	26,930	24,219	20,137	3,749
1964	73,091	6,933	4,559	47,100	19,638	26,922	24,408	20,026	3,710
1965	74,455	7,141	4,689	47,870	19,813	27,019	24,577	19,717	3,738
1966	75,770	7,495	4,833	48,910	19,964	26,962	24,663	19,396	3,792
1967	77,347	7,748	4,958	49,830	20,118	26,409	24,540	19,525	3,774
1968	78,737	7,952	5,070	50,610	20,176	26,291	24,462	19,484	3,822
1969	80,734	8,195	5,213	50,980	20,434	26,535	24,464	19,266	3,840
1970	82,715	8,399	5,381	51,530	20,750	26,817	24,388	19,302	3,913
1971	84,113	8,644	5,486	51,860	20,958	26,910	24,154	19,254	3,961
1972	86,542	8,920	5,589	51,990	21,155	26,901	24,405	19,028	3,969
1973	88,714	9,322	5,723	53,260	21,388	26,985	24,676	19,169	3,977
1974	91,011	9,706	5,869	53,100	21,715	26,797	24,754	19,458	4,043
1975	92,613	10,060	5,991	53,230	21,733	26,397	24,940	19,650	4,129
1976	94,773	10,308	6,075	53,780	21,863	26,136	25,135	19,858	4,155
Employment (thousands)									
Adjusted to U.S. concepts									
1959	64,630	5,843	(²)	42,340	18,680	25,340	22,560	20,650	(²)
1960	65,778	5,937	(²)	43,370	18,730	25,710	22,950	20,710	(²)
1961	65,746	6,026	(²)	43,950	18,750	26,000	23,250	20,760	3,546
1962	66,702	6,194	(²)	44,450	18,880	26,060	23,390	20,700	3,628
1963	67,762	6,343	(²)	44,840	19,080	26,170	23,460	20,340	3,690
1964	69,305	6,574	4,496	45,500	19,390	26,170	23,810	20,210	3,654
1965	71,088	6,826	4,628	46,210	19,440	26,310	24,030	19,720	3,695
1966	72,895	7,242	4,761	47,200	19,620	26,210	24,090	19,330	3,735
1967	74,372	7,451	4,879	48,180	19,700	25,390	23,770	19,540	3,692
1968	75,920	7,593	4,992	49,080	19,850	25,410	23,660	19,450	3,737
1969	77,902	7,832	5,133	49,570	20,170	25,790	23,660	19,260	3,764
1970	78,627	7,919	5,306	50,140	20,440	26,090	23,520	19,340	3,850
1971	79,120	8,107	5,398	50,480	20,620	26,170	23,090	19,260	3,854
1972	81,702	8,363	5,464	50,590	20,820	26,060	23,230	18,920	3,856
1973	84,409	8,802	5,615	51,910	21,060	26,140	23,750	19,080	3,873
1974	85,936	9,185	5,736	51,710	21,330	25,630	23,820	19,500	3,957
1975	84,783	9,363	5,725	51,530	21,100	24,740	³ 23,650	19,620	4,056
1976	87,485	9,572	5,807	52,020	21,170	24,480	³ 23,490	19,760	4,083

See footnotes at end of table.

Table 3. Labor force, employment, and unemployment, 1959-76—Continued

Year	United States ¹	Canada	Australia ¹	Japan	France	Germany	Great Britain	Italy	Sweden
Employment (thousands)—Continued									
As published ⁴									
1959	64,630	5,870	(²)	43,350	18,671	25,797	22,785	20,169	(²)
1960	65,778	5,965	(²)	44,360	18,712	26,247	23,177	20,136	(²)
1961	65,746	6,055	(²)	44,980	18,716	26,591	23,487	20,172	3,540
1962	66,702	6,225	(²)	45,560	18,820	26,690	23,631	20,018	3,622
1963	67,762	6,375	(²)	45,950	19,126	26,744	23,698	19,663	3,686
1964	69,305	6,609	4,496	46,550	19,422	26,753	24,036	19,477	3,653
1965	71,088	6,862	4,628	47,300	19,544	26,887	24,260	19,003	3,694
1966	72,895	7,242	4,761	48,270	19,684	26,801	24,332	18,637	3,733
1967	74,372	7,451	4,879	49,200	19,753	25,950	24,021	18,846	3,695
1968	75,920	7,593	4,992	50,020	19,749	25,968	23,916	18,800	3,737
1969	77,902	7,832	5,133	50,400	20,093	26,356	23,924	18,611	3,768
1970	78,627	7,919	5,306	50,940	20,394	26,668	23,811	18,693	3,854
1971	79,120	8,106	5,398	51,210	20,521	26,725	23,402	18,645	3,860
1972	81,702	8,363	5,464	51,260	20,663	26,655	23,570	18,331	3,862
1973	84,409	8,802	5,615	52,590	20,938	26,712	24,088	18,500	3,879
1974	85,936	9,185	5,736	52,370	21,100	26,215	24,169	18,898	3,963
1975	84,783	9,363	5,725	52,230	20,844	25,322	24,044	18,996	4,062
1976	87,485	9,572	5,807	52,700	20,870	25,076	23,830	19,127	4,089
Unemployment (thousands)									
Adjusted to U.S. concepts									
1959	3,740	371	(²)	980	380	510	670	1,080	(²)
1960	3,852	445	(²)	750	350	280	520	810	(²)
1961	4,714	465	(²)	660	300	160	470	690	52
1962	3,911	390	(²)	590	280	150	680	590	54
1963	4,070	372	(²)	590	260	120	830	490	63
1964	3,786	324	63	540	290	100	610	550	57
1965	3,366	279	61	570	310	70	530	710	44
1966	2,875	252	72	650	380	70	560	760	59
1967	2,975	297	79	630	400	340	830	680	79
1968	2,817	359	78	590	530	370	800	680	85
1969	2,832	364	80	570	490	240	740	660	72
1970	4,088	480	75	590	540	200	750	610	59
1971	4,993	538	87	640	590	220	930	610	101
1972	4,840	557	125	730	610	220	1,010	700	107
1973	4,304	520	108	680	580	220	780	670	98
1974	5,076	521	133	730	650	450	690	560	80
1975	7,830	697	266	1,000	930	940	³ 1,170	650	67
1976	7,288	736	268	1,080	1,020	920	³ 1,610	730	66
As published ⁵									
1959	3,740	372	(²)	980	254	540	444	1,117	(²)
1960	3,852	446	(²)	750	239	271	346	836	(²)
1961	4,714	466	(²)	660	203	181	312	710	52
1962	3,911	390	(²)	590	230	154	432	611	54
1963	4,070	374	(²)	590	273	186	521	504	63
1964	3,786	324	63	540	216	169	372	549	57
1965	3,366	280	61	570	269	147	317	714	44
1966	2,875	252	72	650	280	161	331	759	59
1967	2,975	297	79	630	365	459	519	679	79
1968	2,817	359	78	590	427	323	546	684	85
1969	2,832	364	80	570	340	179	540	655	72
1970	4,088	480	75	590	356	149	577	609	59
1971	4,993	538	87	640	446	185	752	609	101
1972	4,840	557	125	730	492	246	835	697	107
1973	4,304	520	108	680	450	273	588	668	98
1974	5,076	521	133	730	615	582	585	560	80
1975	7,830	697	266	1,000	889	1,074	936	654	67
1976	7,288	736	268	1,080	993	1,060	1,305	732	66

See footnotes at end of table.

Table 3. Labor force, employment, and unemployment, 1959-76—Continued

Year	United States ¹	Canada	Australia ¹	Japan	France	Germany	Great Britain	Italy	Sweden
Unemployment rate (percent)									
Adjusted to U.S. concepts									
1959	5.5	6.0	⁶ 2.1	2.3	2.0	2.0	2.9	5.0	(²)
1960	5.5	7.0	⁶ 1.6	1.7	1.8	1.1	2.2	3.8	(²)
1961	6.7	7.1	⁶ 3.0	1.5	1.6	.6	2.0	3.2	1.4
1962	5.5	5.9	⁶ 2.4	1.3	1.5	.6	2.8	2.8	1.5
1963	5.7	5.5	⁶ 2.3	1.3	1.3	.5	3.4	2.4	1.7
1964	5.2	4.7	1.4	1.2	1.5	.4	2.5	2.6	1.5
1965	4.5	3.9	1.3	1.2	1.6	.3	2.2	3.5	1.2
1966	3.8	3.4	1.5	1.4	1.9	.3	2.3	3.8	1.6
1967	3.8	3.8	1.6	1.3	2.0	1.3	3.4	3.4	2.1
1968	3.6	4.5	1.5	1.2	2.6	1.4	3.3	3.4	2.2
1969	3.5	4.4	1.5	1.1	2.4	.9	3.0	3.3	1.9
1970	4.9	5.7	1.4	1.2	2.6	.8	3.1	3.1	1.5
1971	5.9	6.2	1.6	1.3	2.8	.8	3.9	3.1	2.6
1972	5.6	6.2	2.2	1.4	2.8	.8	4.2	3.6	2.7
1973	4.9	5.6	1.9	1.3	2.7	.8	3.2	3.4	2.5
1974	5.6	5.4	2.3	1.4	3.0	1.7	2.8	2.8	2.0
1975	8.5	6.9	4.4	1.9	4.2	3.7	³ 4.7	3.2	1.6
1976	7.7	7.1	4.4	2.0	4.6	3.6	³ 6.4	3.6	1.6
As published ⁷									
1959	5.5	6.0	⁶ 2.1	2.2	1.3	2.6	2.0	5.2	(²)
1960	5.5	7.0	⁶ 1.6	1.7	1.3	1.3	1.5	4.0	(²)
1961	6.7	7.2	⁶ 3.0	1.4	1.1	.8	1.4	3.4	1.4
1962	5.5	5.9	⁶ 2.4	1.3	1.2	.7	1.9	3.0	1.5
1963	5.7	5.5	⁶ 2.3	1.3	1.4	.8	2.3	2.5	1.7
1964	5.2	4.7	1.4	1.1	1.1	.8	1.6	2.7	1.5
1965	4.5	3.9	1.3	1.2	1.4	.7	1.4	3.6	1.2
1966	3.8	3.4	1.5	1.3	1.4	.7	1.4	3.9	1.6
1967	3.8	3.8	1.6	1.3	1.8	2.1	2.2	3.5	2.1
1968	3.6	4.5	1.5	1.2	2.1	1.5	2.4	3.5	2.2
1969	3.5	4.4	1.5	1.1	1.7	.9	2.4	3.4	1.9
1970	4.9	5.7	1.4	1.1	1.7	.7	2.5	3.2	1.5
1971	5.9	6.2	1.6	1.2	2.1	.8	3.4	3.2	2.5
1972	5.6	6.2	2.2	1.4	2.3	1.1	3.7	3.7	2.7
1973	4.9	5.6	1.9	1.3	2.1	1.2	2.6	3.5	2.5
1974	5.6	5.4	2.3	1.4	2.8	2.6	2.6	2.9	2.0
1975	8.5	6.9	4.4	1.9	4.1	4.7	4.1	3.3	1.6
1976	7.7	7.1	4.4	2.0	4.5	4.6	5.6	3.7	1.6

¹Published and adjusted data for the United States and Australia are identical.

²Not available.

³Preliminary estimates based on incomplete data.

⁴Including military personnel for Japan, Germany, Italy, and Sweden.

⁵For the United States, Canada, Australia, Japan, Italy, and Sweden, unemployment as recorded by sample labor force surveys; for France, annual estimates of unemployment; and for Germany and Great Britain, the registered unemployed.

⁶The Australian labor force survey was initiated in 1964. Unemployment rates for 1959-1963 are estimates by an Australian researcher.

⁷For France, unemployment as a percent of the civilian labor force; for Japan, Italy, and Sweden, unemployment as a percent of the civilian labor force plus career military personnel; for Germany and Great Britain, registered unemployed (excluding adult students) as a percent of employed wage and salary workers plus the unemployed. With the exception of France, which does not publish an

unemployment rate, these are the usually published unemployment rates for each country. Published rates shown for Germany and Great Britain cannot be computed from data contained in this table.

NOTE: Data for the United States relate to the population 16 years of age and over. Published data for France, Germany, and Italy relate to the population 14 years of age and over; for Sweden, to the population aged 16 to 74; and for Canada, Australia, Japan, and Great Britain, to the population 15 years of age and over. Beginning in 1973, published data for Great Britain relate to the population 16 years of age and over. The adjusted statistics have been adapted, insofar as possible, to the age at which compulsory schooling ends in each country. Therefore, adjusted statistics for France relate to the population 16 years of age and over and for Germany, to the population 15 years of age and over. The age limits of adjusted statistics for Canada, Japan, Great Britain, and Italy coincide with the age limits of the published statistics. Statistics for Sweden remain at the lower age limit of 16, but have been adjusted to include persons 75 years of age and over.

The Canadian unemployment rate has averaged 5.5 percent since 1959; the U.S. unemployment rate, 5.4 percent (table 4). Italian unemployment was between 3 and 4 percent during most years, averaging 3.3 percent for the entire period. British joblessness also averaged 3.3 percent, and French unemployment averaged 2.4 percent. Sweden, Australia, Japan, and Germany all had unemployment rates averaging around 2 percent or less. Germany had the best labor market performance, with unemployment averaging just over 1 percent since 1959.

During the period since 1959, unemployment rates have been the most stable in Sweden and Japan (table 5). The difference between the worst and the best unemployment rate was just 1.2 percentage points in Japan and 1.5 percentage points in Sweden. The widest variation occurred in the United States, where 5 percentage points separated the highest rate from the lowest. Unemployment rates were also relatively volatile in Germany, Great Britain, and Canada. In Germany, unemployment rates usually varied within a narrow range, except for the sharp increases in 1967-68 and 1974-76. The German unemployment rate of 3.7 percent in 1975 was over 12 times the rate prevailing in 1965-66.

In the 1960's, unemployment rates in Western Europe and Japan were normally far lower than those in the United States and Canada. The labor market in most of the other countries was very tight, as reflected in the unemployment rate lows for the decade in Germany (0.3 percent in 1965-66) and Japan (1.1 percent in 1969). Australia, France, and Sweden also had unemployment rates under 2 percent for much of the decade. Achieving "full employment" required little struggle in these countries; indeed, in many years there was a scarcity of labor. Some European countries had to import large numbers of "guest workers" from the poorer nations of the Mediterranean region to maintain the rapid expansion of their economies. Australia encouraged permanent immigration. While the United States achieved a 16-year-low unemployment rate of 3.5 percent in 1969, it was still significantly higher than the rate in most of the other countries.

Conditions in the Italian labor market contrasted with those in the other European countries. Unemployment was significantly higher in Italy during the 1960's, and that country exported hundreds of thousands of workers to the labor-short countries of the North. However, in the 1970's, unemployment rates in the rest of Western Europe moved ahead of Italy's.

In the United States and Canada, unemployment in the second half of the 1960's was much lower than in the first half (table 4). U.S. unemployment averaged 5.7 percent from 1960 to 1964 and 3.8 percent from 1965 to 1969. Australia and Japan also had somewhat lower jobless rates in the latter half of the decade. In contrast, most Western European nations entered a period of recession around

1965, although the impact of the slowdown in growth generally did not make itself felt on the labor market until late 1966 and early 1967 when jobless rates began rising in Great Britain, France, Germany, Italy, and Sweden.

Changes in the unemployment picture since 1974 have been striking. Recessionary trends gathered momentum in the industrial countries following the Arab oil embargo in late 1973. During 1975-76, postwar highs in unemployment were reached in the United States, Australia, France, and Great Britain; German unemployment rates were the highest since the mid-1950's; and Japanese joblessness reached the levels of 1959. In contrast, Swedish unemployment decreased in 1975 and held steady in 1976.

Not only have most countries registered significant increases in joblessness since 1974, but the relative positions of some countries with respect to unemployment rates have changed. Canada and the United States continued to have the highest unemployment rates, but the increase in the jobless rate got underway earlier and went farther in the United States (table 6). Consequently, the U.S. rate, which had been below Canada's from 1968 through 1973, exceeded the Canadian rate in late 1974 and remained higher until

Table 4. Average unemployment rates, selected periods, 1959-76

(Percent)					
Country	1959-76	1960-64	1965-69	1970-74	1975-76
United States . . .	5.4	5.7	3.8	5.4	8.1
Canada	5.5	6.0	4.0	5.8	7.0
Australia	2.1	2.1	1.5	1.9	4.4
Japan	1.4	1.4	1.2	1.3	2.0
France	2.4	1.5	2.1	2.8	4.4
Germany	1.2	.6	.8	1.0	3.7
Great Britain . . .	3.3	2.6	2.8	3.4	5.6
Italy	3.3	3.0	3.5	3.2	3.4
Sweden	¹ 1.9	¹ 1.5	1.8	2.3	1.6
Ratio: highest to lowest . . .	4.6	10.0	5.0	5.8	5.1

¹1961 is the earlier year used.

Table 5. Highest and lowest unemployment rates, 1959-76

(Percent)			
Country	Highest	Lowest	Difference (in percentage points)
United States . . .	8.5 (1975)	3.5 (1969)	5.0
Canada	7.1 (1961, 1976)	3.4 (1966)	3.7
Australia	4.4 (1975, 1976)	1.3 (1965)	3.1
Japan	2.3 (1959)	1.1 (1969)	1.2
France	4.6 (1976)	1.3 (1963)	3.3
Germany	3.7 (1975)	.3 (1965, 1966)	3.4
Great Britain . . .	6.4 (1976)	2.0 (1961)	4.4
Italy	5.0 (1959)	2.4 (1963)	2.6
Sweden ¹	2.7 (1972)	1.2 (1965)	1.5

¹1961 to 1976.

NOTE: Years in parentheses.

Table 6. Quarterly unemployment rates, 1970-77

Period	United States	Canada	Australia	Japan	France ¹	Germany ¹	Great Britain ¹	Italy ²	Sweden
1970	4.9	5.7	1.4	1.2	2.6	0.8	3.1	3.1	1.5
I	4.2	4.8	1.4	1.1	2.3	.8	3.0	3.0	1.6
II	4.7	5.7	1.4	1.1	2.4	.7	3.1	2.9	1.5
III	5.2	6.1	1.4	1.2	2.5	.7	3.1	3.2	1.5
IV	5.8	6.1	1.4	1.3	2.8	.7	3.2	2.8	1.5
1971	5.9	6.2	1.6	1.3	2.8	.8	3.9	3.1	2.6
I	5.9	6.2	1.4	1.2	2.8	.8	3.3	3.0	2.2
II	5.9	6.3	1.5	1.2	2.6	.9	3.7	3.0	2.4
III	6.0	6.1	1.6	1.3	2.8	.8	4.1	3.0	2.6
IV	6.0	6.2	1.8	1.4	2.8	.9	4.3	3.1	2.9
1972	5.6	6.2	2.2	1.4	2.8	.8	4.2	3.6	2.7
I	5.8	6.0	2.0	1.4	2.8	.9	4.5	3.4	2.7
II	5.7	6.1	2.1	1.4	2.8	.9	4.3	3.4	2.7
III	5.6	6.4	2.6	1.4	2.7	1.0	4.1	3.7	2.8
IV	5.3	6.5	2.3	1.4	2.7	.8	3.9	3.6	2.7
1973	4.9	5.6	1.9	1.3	2.7	.8	3.2	3.4	2.5
I	4.9	5.9	2.1	1.3	2.7	.7	3.7	3.6	2.6
II	4.9	5.4	1.9	1.4	2.7	.8	3.3	4.0	2.5
III	4.8	5.4	1.7	1.2	2.7	.8	3.0	3.1	2.5
IV	4.8	5.5	1.7	1.2	2.7	1.0	2.7	2.9	2.4
1974	5.6	5.4	2.3	1.4	3.0	1.7	2.8	2.8	2.0
I	5.0	5.3	1.7	1.3	2.8	1.3	2.7	2.9	2.2
II	5.1	5.2	1.8	1.2	2.7	1.5	2.7	2.5	1.9
III	5.6	5.3	2.4	1.4	2.7	1.9	2.8	2.8	2.0
IV	6.6	5.6	3.3	1.7	3.4	2.5	3.1	3.0	1.7
1975	8.5	6.9	4.4	1.9	4.2	3.7	4.7	3.2	1.6
I	8.1	6.7	4.0	1.7	3.8	3.0	3.7	2.9	1.5
II	8.8	7.0	4.5	1.8	4.2	3.8	4.2	3.4	1.7
III	8.6	7.1	4.6	1.9	4.4	4.1	5.1	3.2	1.6
IV	8.4	7.1	4.6	2.1	4.5	3.9	5.7	3.4	1.7
1976	7.7	7.1	4.4	2.0	4.6	3.6	6.4	3.6	1.6
I	7.6	6.9	4.3	2.0	4.5	3.8	6.2	3.3	1.6
II	7.4	7.1	4.3	2.1	4.6	3.6	6.5	3.5	1.6
III	7.8	7.3	4.8	2.1	4.6	3.6	6.6	3.8	1.6
IV	7.9	7.4	4.3	1.9	4.5	3.5	6.6	3.7	1.6
1977									
I	7.4	7.8	4.6	1.9	4.7	3.4	6.8	3.2	1.7
II	7.0	8.1	5.4	2.1	5.3	3.5	7.0	3.1	1.7
III	7.0	8.2	5.7	2.1	5.8	3.6	7.2	3.6	2.0

¹Preliminary for France and Germany for 1977, and for Great Britain from 1975 onward.

²Data for 1977 are not strictly comparable with data for earlier years. (See appendix B.)

Great Britain are calculated by applying annual adjustment factors to current published data, and therefore should be viewed as only approximate indicators of unemployment under U.S. concepts. Published data for Australia, Canada, Japan, and Sweden require little or no adjustment.

NOTE: Quarterly figures for France, Germany, Italy, and

1977. Increases in unemployment were even more pronounced in other countries; sharp increases in Australian and German unemployment caused those countries to move up in ranking. At the same time, since unemployment declined in Sweden, that country displaced Germany as the country with the lowest unemployment rate. Italy, which had ranked no lower than fourth throughout 1959-74, moved down to sixth position in 1975-76.

The increases in unemployment in the 1970's have been attributed to structural change as well as cyclical factors. Even before the Arab oil embargo, a number of countries had high rates of unemployment in relation to previous experience. In all but three countries (Japan, Italy, and Germany), unemployment rates in the early 1970's were significantly higher than in the latter half of the 1960's. According to calculations by the Organization for Economic Cooperation and Development (OECD), unemployment rates at the end of 1972 in the United States, Canada, France, and Great Britain were about 1 percentage point above the rate prevailing at a similar stage of the previous business cycle.¹ The OECD has noted a tendency for unemployment levels in major industrial countries to increase from cyclical peak to cyclical peak since the end of World War II.

In Canada and the United States, the faster growth of the labor supply in the 1970's has been an element behind the rise of unemployment. In both countries, high birth rates after 1945 and social factors—higher female participation rates and the slowdown in the spread of higher education—have led to a pronounced acceleration of labor force growth. In most of Western Europe, birth rates, following the early postwar baby boom, fell back in the early 1950's. Female labor force participation has declined or increased slowly in the European countries (chapter 4), and higher education has not yet reached as large a proportion of the population as in the United States. In Western Europe, unlike the United States, the spread of higher edu-

cation has brought about a decline in the labor force participation rate of teenagers.

Supply-demand imbalances have constituted an important source of difficulty in labor markets in the 1970's. Illustrating this is the fact that several European countries experienced simultaneous increases in the number of job vacancies and the number of persons unemployed, reflecting growing supply-demand disequilibrium at the occupational, industrial, or regional level. Existing statistics do not generally allow a comprehensive analysis of these imbalances, but such fragmentary evidence as is available suggests that imbalances are increasing in a number of countries.²

Employment

Canada had, by far, the highest rate of employment growth during the period 1959 to 1976 (table 7). Employment rose at a rate of over 3 percent a year, and in 1976 there were about 3.7 million (64 percent) more persons employed in Canada than there were in 1959. Canada was the only country studied which experienced continuous employment expansion throughout the period (chart 3).

Employment growth in the United States and Australia was also strong. In the United States, annual employment increases averaged 1.9 percent, and almost 23 million (35 percent) more persons held jobs in 1976 than in 1959. The United States experienced only 2 years of declining employment, a slight decrease during the 1960-61 recession, and a more dramatic drop in the 1974-75 economic downturn. Japan was the only other country with employment growth of over 1 percent a year, and 1974 and 1975 were the only years of declining employment there.

In the Western European countries, in contrast, employment has grown slowly or actually declined since 1959. In France and Sweden, employment grew by about 0.8 percent a year; in Great Britain, the growth rate was negligible. Germany and Italy had declining employment trends. In Germany, there were 860,000 fewer persons employed in 1976 than there were in 1959.

In the United States, Canada, Japan, and France, employment growth accelerated in the second half of the 1960's. In Canada, employment growth was particularly rapid in 1965-68 (3.5 percent annually), but it then fell off to 2.1 percent per year from 1968 to 1970. In the United States and Canada, the acceleration which began around the mid-1960's was attributed to rapid economic growth combined with a large increase in young persons and women coming onto the labor market and finding jobs. In Germany and Great Britain, employment began to decline in the latter half of the 1960's after rising in the first half of

Table 7. Employment growth rates, selected periods, 1959-76

(Percent per year)

Country	1959-76 ¹	1960-65 ²	1965-70	1970-74	1974-75	1975-76
United States	1.9	1.5	2.1	2.5	-1.3	3.2
Canada	3.1	2.8	2.9	3.9	1.9	2.2
Australia . . .	2.2	³	2.7	2.0	-.2	1.4
Japan	1.3	1.2	1.7	.9	-.3	1.0
France . . . . .	.9	.9	1.0	1.1	-1.0	.3
Germany	-.1	.4	-.3	-.4	-3.5	-1.1
Great Britain .	.1	.9	-.5	.5	-.7	-.7
Italy	-.5	-1.0	-.3	.1	.6	.7
Sweden . . . .	.8	.9	.7	.6	2.5	.7

¹ 1964-76 for Australia; 1961-76 for Sweden.

² 1961-65 for Sweden.

³ Not available.

NOTE: Percent changes computed from the least squares trend of the logarithms of the index numbers.

¹ Organization for Economic Cooperation and Development, *Economic Outlook*, December 1973, pp. 32-33.

² *Ibid.*

the decade. Swedish employment growth also tapered off. Italian employment continued to decline, but at a reduced rate.

In the early 1970's, the rate of employment growth accelerated again in the United States and Canada. Canadian employment growth continued to outpace the other countries. Employment growth was regained in Great Britain, and Italy's employment began to increase after many years of decline.

The recessionary period of 1974-75 had a strong impact on employment, which fell in six of the nine countries studied. The sharpest decline—3.5 percent—was recorded in Germany. Only Canada, Italy, and Sweden maintained employment growth in 1975. The rise in Italian employment continued into the recessionary period. Even with these recent increases, 1 million fewer Italians were at work in 1976 than in 1961, the peak year for employment in Italy.

In 1976, employment continued to fall in Germany and Great Britain, but rebounded in the United States, Australia, France, and Japan. Canada's employment growth slowed somewhat in 1976, and the United States had the most rapid increase.

Sectoral employment. Generally, with a nation's economic development and its progress in industrialization, the distribution of the employed population shifts from agricultural to industrial activities, particularly manufacturing, and then from these sectors to service activities.³ Tables 8a and 8b present comparative data on civilian employment by sector in nine countries for selected years of the 1960 to 1976 period. During that time, vast long-term sectoral reallocations of employment continued to take place in Japan, France, and Italy, with more moderate shifts occurring in the other countries.

Sectoral employment is significant to the discussion of unemployment because certain sectors are more prone to unemployment than others. Also, sectoral shifts can create unemployment by displacing workers in declining sectors. Chapter 5 goes into these factors in more detail.

³For a more detailed account of sectoral trends since 1950, see Constance Sorrentino, "Comparing Employment Shifts in 10 Industrialized Countries," *Monthly Labor Review*, October 1971, pp. 3-11.

Chart 3. Annual Percent Changes in Civilian Employment, 1960-76

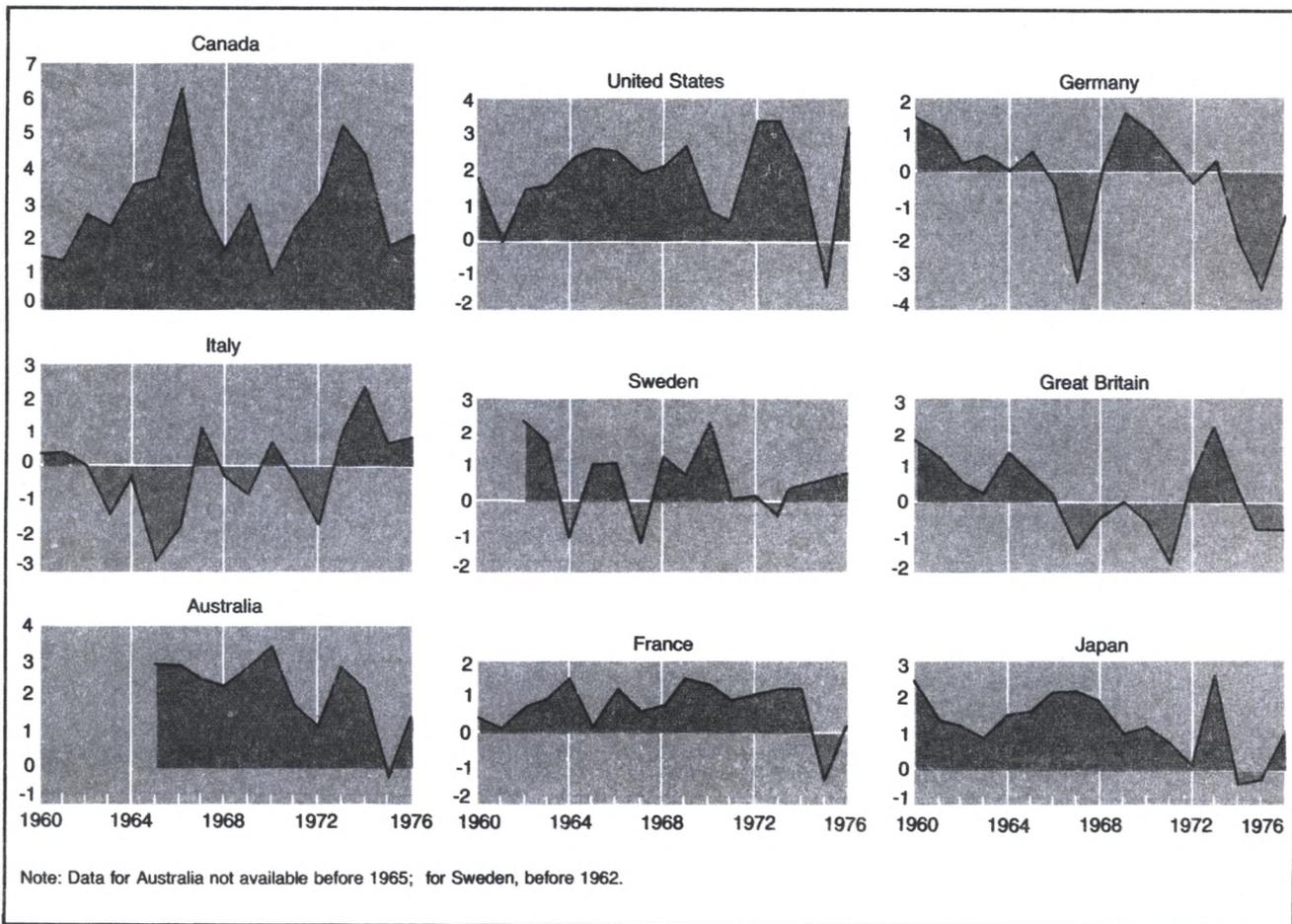


Table 8A. Employment by economic sector, selected years, 1960-76

(Thousands)

Year	United States	Canada	Australia	Japan	France	Germany	Great Britain ¹	Italy ²	Sweden
Total civilian employment									
1960	65,778	5,965	NA	43,370	18,712	25,954	24,257	19,877	3,513
1965	71,088	6,862	4,614	46,200	19,544	26,418	25,327	18,721	3,673
1970	78,627	7,919	5,326	50,140	20,393	26,169	24,748	18,460	3,836
1971	79,120	8,107	5,422	50,470	20,511	26,225	24,376	18,376	3,842
1972	81,702	8,363	5,490	50,580	20,663	26,125	24,376	18,075	3,845
1973 ³	84,409	8,802	5,615	51,900	20,938	26,201	24,948	18,239	3,861
1974	85,936	9,185	5,736	51,710	21,100	25,688	25,063	18,644	3,944
1975	84,783	9,363	5,726	51,530	20,844	24,798	24,979	18,765	4,044
1976	87,485	9,572	5,808	52,020	20,870	24,544	NA	18,900	4,070
Agriculture ⁴									
1960	5,572	795	NA	12,800	4,189	3,526	1,005	6,470	544
1965	4,477	694	448	10,500	3,468	2,876	846	4,826	421
1970	3,566	605	431	8,490	2,907	2,262	699	3,574	314
1971	3,503	608	423	7,840	2,791	2,144	674	3,530	300
1972	3,585	576	429	7,310	2,673	2,038	671	3,255	287
1973 ³	3,554	574	401	6,810	2,559	1,954	681	3,141	276
1974	3,588	583	392	6,540	2,452	1,882	662	3,072	264
1975	3,476	579	385	6,380	2,355	1,823	646	2,934	261
1976	3,417	566	374	6,210	2,266	1,714	NA	2,902	254
Industry ⁵									
1960	21,995	1,906	NA	12,380	7,136	12,400	11,466	7,267	1,420
1965	24,311	2,233	1,653	15,010	7,538	12,761	11,755	7,650	1,553
1970	26,066	2,359	1,843	17,880	7,900	12,452	11,114	8,112	1,456
1971	25,117	2,383	1,880	18,140	7,928	12,384	10,728	8,150	1,424
1972	25,709	2,446	1,855	18,290	7,959	12,214	10,470	8,030	1,396
1973 ³	27,086	2,602	1,890	19,210	8,070	12,225	10,592	8,047	1,401
1974	26,988	2,710	1,916	19,020	8,093	11,932	10,566	8,251	1,434
1975	25,022	2,629	*1,834	18,370	7,850	*11,170	10,170	8,300	1,449
1976	25,976	2,733	*1,826	18,520	7,776	*10,837	NA	8,225	1,416
Manufacturing									
1960	17,149	1,471	NA	9,430	5,240	9,872	9,098	5,344	1,120
1965	19,190	1,636	1,207	11,450	5,405	10,105	9,254	5,427	1,206
1970	20,737	1,768	1,308	13,750	5,570	9,796	9,022	5,864	1,064
1971	19,564	1,767	1,336	13,420	5,733	9,711	8,724	5,910	1,054
1972	19,866	1,828	1,310	13,810	5,782	9,550	8,446	5,826	1,046
1973 ³	20,942	1,937	1,335	14,420	5,892	9,541	8,498	5,894	1,066
1974	20,879	1,994	1,340	13,250	5,938	9,410	8,540	6,100	1,120
1975	19,275	1,890	*1,251	13,430	5,789	*8,890	8,157	6,128	1,138
1976	20,044	1,945	*1,255	13,440	5,735	*8,625	NA	6,143	1,100
Services ⁶									
1960	38,212	3,264	NA	18,190	7,387	10,028	11,786	6,141	1,550
1965	42,301	3,934	2,514	20,690	8,538	10,781	12,726	6,244	1,699
1970	48,994	4,955	3,052	23,770	9,586	11,455	12,935	6,772	2,066
1971	50,500	5,116	3,119	24,510	9,791	11,697	12,975	6,695	2,118
1972	52,408	5,341	3,206	24,980	10,031	11,873	13,236	6,790	2,162
1973 ³	53,770	5,626	3,325	25,880	10,309	12,022	13,676	7,049	2,185
1974	55,360	5,892	3,427	26,140	10,555	11,894	13,836	7,321	2,246
1975	56,285	6,155	*3,506	26,770	10,639	*11,805	14,163	7,531	2,334
1976	58,092	6,273	*3,608	27,290	10,828	*11,993	NA	7,773	2,400

¹ Includes Northern Ireland.

² Data for Italy have not been adjusted for the undercount of employment which was revealed by the revised Italian labor force survey (see appendix B).

³ From 1973 onwards, Japan includes Okinawa.

⁴ Agriculture, forestry, hunting, and fishing.

⁵ Manufacturing, mining, and construction.

⁶ Transportation, communication, public utilities, trade, finance,

public administration, private household services, and miscellaneous services.

NA = Not available.

* = Preliminary.

NOTE: Civilian employment totals may not coincide with those in table 3 because some employment could not be distributed by economic sector.

Table 8B. Percent distribution of employment by economic sector, selected years, 1960-76

Year	United States	Canada	Australia	Japan	France	Germany	Great Britain ¹	Italy ²	Sweden
Total civilian employment									
Each Year	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
Agriculture ³									
1960	8.5	13.3	NA	29.5	22.4	13.6	4.1	32.6	15.5
1965	6.3	10.1	9.7	22.7	17.7	10.9	3.3	25.8	11.5
1970	4.5	7.6	8.1	16.9	14.2	8.6	2.8	19.4	8.2
1971	4.4	7.5	7.8	15.5	13.6	8.2	2.8	19.2	7.8
1972	4.4	6.9	7.8	14.4	12.9	7.8	2.8	18.0	7.5
1973 ⁴	4.2	6.5	7.1	13.1	12.2	7.5	2.7	17.1	7.1
1974	4.2	6.3	6.8	12.6	11.6	7.3	2.6	16.5	6.7
1975	4.1	6.2	6.7	12.4	11.3	7.4	2.6	15.6	6.5
1976	3.9	5.9	6.2	11.9	10.9	7.0	NA	15.4	6.2
Industry ⁵									
1960	33.4	32.0	NA	28.5	38.1	47.8	47.3	36.6	40.4
1965	34.2	32.5	35.8	32.5	38.6	48.3	46.4	40.9	42.3
1970	33.2	29.8	34.6	35.7	38.7	47.6	44.9	43.9	38.0
1971	31.9	29.4	34.7	35.9	38.6	47.2	44.0	44.4	37.1
1972	31.5	29.4	33.8	36.2	38.5	46.8	43.0	44.4	36.3
1973 ⁴	32.1	29.6	33.7	37.0	38.5	46.7	42.5	44.4	36.3
1974	31.4	29.5	33.4	36.8	38.4	46.4	42.2	44.3	36.4
1975	29.5	28.1	*32.0	35.6	37.7	*45.0	40.7	44.2	35.8
1976	29.7	28.6	*31.4	35.6	37.3	*44.2	NA	43.5	34.8
Manufacturing									
1960	26.1	24.7	NA	21.7	28.0	38.0	37.5	26.9	31.9
1965	27.0	23.8	26.2	24.8	27.7	38.2	36.5	29.0	32.8
1970	26.4	22.3	24.6	27.4	27.3	37.4	36.5	31.8	27.7
1971	24.7	21.8	24.6	26.6	28.0	37.0	35.8	32.2	27.4
1972	24.3	21.9	23.9	27.3	28.0	36.6	34.6	32.2	27.2
1973 ⁴	24.8	22.0	23.8	27.8	28.1	36.4	34.1	32.3	27.6
1974	24.3	21.7	23.4	25.6	28.1	36.6	34.1	32.7	28.4
1975	22.7	20.2	*21.8	26.1	27.8	*35.8	32.7	32.7	28.1
1976	22.9	20.3	*21.6	25.8	27.5	*35.1	NA	32.5	27.0
Services ⁶									
1960	58.1	54.7	NA	41.9	39.5	38.6	48.6	30.9	44.1
1965	59.5	57.3	54.5	44.8	43.7	40.8	50.2	33.4	46.3
1970	62.3	62.6	57.3	47.4	47.0	43.8	52.3	36.7	53.9
1971	63.8	63.1	57.5	48.6	47.7	44.6	53.2	36.4	55.1
1972	64.1	63.9	58.4	49.4	48.5	45.4	54.3	37.6	56.2
1973 ⁴	63.7	63.9	59.2	49.9	49.2	45.9	54.8	38.6	56.6
1974	64.4	64.1	59.7	50.6	50.0	46.3	55.2	39.3	56.9
1975	66.4	65.7	*61.2	52.0	51.0	*47.6	56.7	40.1	57.7
1976	66.4	65.5	*62.1	52.5	51.9	*48.9	NA	41.1	59.0

¹ Includes Northern Ireland.

² Data for Italy have not been adjusted for the undercount of employment which was revealed by the revised Italian labor force survey (see appendix B).

³ Agriculture, forestry, hunting, and fishing.

⁴ From 1973 onwards, Japan includes Okinawa.

⁵ Manufacturing, mining, and construction.

⁶ Transportation, communication, public utilities, trade, finance, public administration, private household services, and miscellaneous services.

NA = Not available.

* = Preliminary.

Employment in agriculture declined in all countries, usually quite rapidly. In conjunction with the growth of total employment in most countries, this resulted in a significant fall in agriculture's share of employment. Great Britain had the lowest proportion of employment in agriculture, and the United States ranked second. Large differences among countries in the proportion of employment in agriculture have narrowed considerably since 1960. In 1960 the agricultural sector in Japan was larger, in terms of employment, than the industrial sector. By 1965, the industrial sector was larger. In most countries, the rate of decline in agricultural employment accelerated in the 1960's over the 1950's.

Movement out of agriculture generally increases the labor supply available for industry and services. However, rural to urban migration in Italy and Japan actually tended to curb the total labor supply. Many women and children who formerly worked as unpaid farm laborers withdrew from the labor force entirely when their families left agriculture. Thus, the female participation rate declined in both countries. (See chapter 4.) In most other countries, this effect was outweighed by the increasing number of married women entering the labor force when their children reached school age.

Employment in the industrial sector—mining, manufacturing, and construction—rose in all countries except Germany, Great Britain, and Sweden. However, the increases in the United States, Canada, Australia, and France did not keep pace with overall employment expansion; consequently, the proportion in industry actually declined. Japan and Italy were the only countries in which the industrial sector increased its share of total employment.

In the recessionary period of 1974-75, Italy and Sweden were the only countries with employment increases in the industrial sector. In Canada, overall employment rose, but industrial employment declined.

The United States emerged as the world's first service economy—over 50 percent of employment in service industries—shortly after World War II. With some lag, the other industrial nations appear to be following that pattern. Canada crossed the 50-percent level in 1958, and Australia and Great Britain joined the United States and Canada in the 1960's. In the first half of the 1970's, Japan and France also became service economies. Only Germany and Italy continue to have more workers engaged in the production of goods than of services.

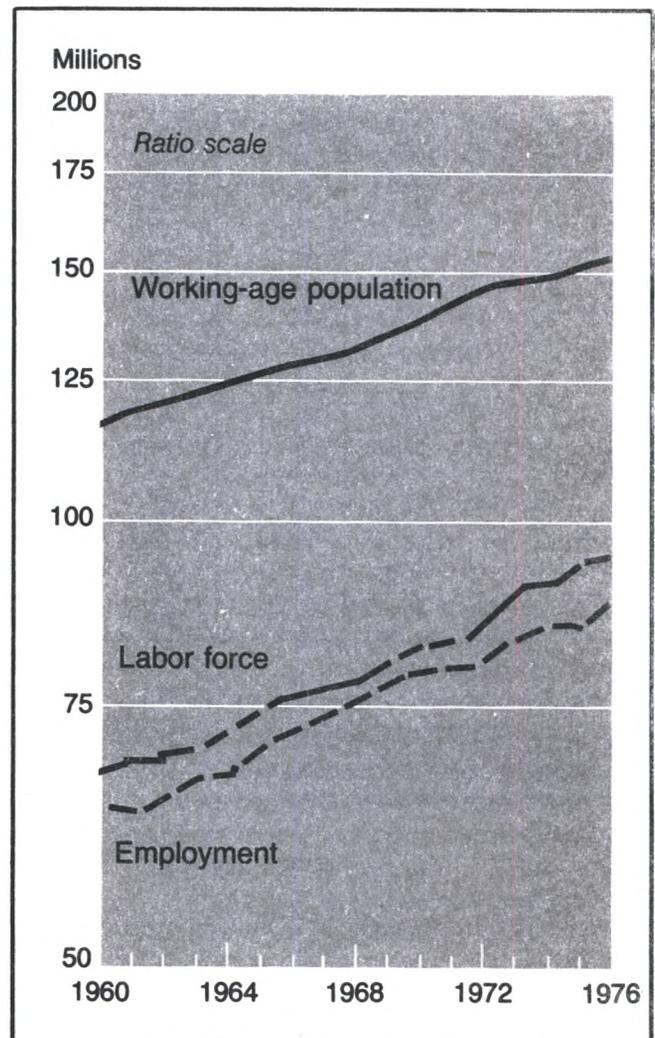
Country developments

Unemployment rates are useful indicators of labor utilization and of economic health. These statistics become even more meaningful when used in conjunction with other labor market data. Hours of work, for example, are commonly reduced in economic downturns as an alternative to laying off workers. Some countries, particularly France and Germany, employ large migrant work forces whose num-

bers can be increased or decreased in conformity with demand. Some workers withdraw from the labor force in bad times, in discouragement over the prospects of obtaining a job. Sweden has a highly developed system which provides training and employment to persons unable to find jobs. These factors and others are considered in the following brief country-by-country analyses of unemployment trends. Charts 4 through 12 show the trends in working age population, labor force, and employment for each of the countries.

United States. Following post-World War II highs of 6.8 percent in 1958 and 6.7 percent in 1961, joblessness in the United States moved downward slowly to a 16-year low of 3.5 percent in 1969. In 1970 unemployment increased sharply to 4.9 percent, and in 1971 it rose further to 5.9 percent. The low point since that time was 4.7 percent in October 1973. In late 1974 and 1975, the United States

Chart 4. United States: Working-Age Population, Labor Force, and Employment, 1960-76



suffered from its worst economic downturn since the depression of the 1930's. The average 1975 unemployment rate of 8.5 percent was the highest recorded since 1941. In 1976, unemployment still averaged 7.7 percent of the civilian labor force. In May 1977, the rate fell below 7 percent for the first time in 2½ years.

The rate of growth of the U.S. labor force has been much higher than that for Europe and Japan. From 1960 to 1976, the labor force grew at an annual rate of 2.0 percent. Since 1969 the rate of growth has been at least 2.5 percent a year except in the recession years of 1971 and 1975. Despite the severity of the recessions, the labor force continued to expand, although at a cyclically induced slower pace. During the 1975-76 expansionary period, the labor force grew at a much faster rate than in other recovery periods. The strong labor force growth in 1976 kept unemployment higher than it might otherwise have been.⁴ The growth in the labor force in 1976 reflected mainly the unusually large increase in labor force participation by adult women. Unlike previous recessions, labor force participation rates increased in 1974, remained high in 1975, and rose to a record 61.6 percent in 1976.

U.S. labor force growth rates and participation rates would have been higher than those recorded in the recession years of 1971 and 1975 if increasing numbers of persons had not withdrawn from the labor market when faced with bleak job prospects. The trend for these discouraged workers—persons who would have been looking for work except that they believed they could not find a job—has generally paralleled the cyclical changes in the number of jobless. The number of discouraged workers reached an all-time high of 1.2 million persons in the third quarter of 1975. As economic conditions improved, many of these persons entered or reentered the labor force. In 1976, the number of discouraged workers declined to 916,000. However, in the second quarter of 1977, the number of discouraged workers rose to nearly 1.1 million, the highest level since the third quarter of 1975.

Employment in the United States rose throughout the 1960-76 period, except for 1961 and 1975. In 1961, the decline was negligible; in 1975 employment fell by 1.3 percent. However, the 1975 decline in employment was much less than the increase in joblessness because of the large numbers of labor force reentrants and first-time job-seekers. Employment growth, which resumed in the second quarter of 1975, accelerated to 3.2 percent in 1976. By May 1977, the number of employed persons had increased by 6.3 million from the recession low of 84.1 million in March 1975. More than 40 percent of the increase took place after October 1976, an average of 380,000 new jobs per month.

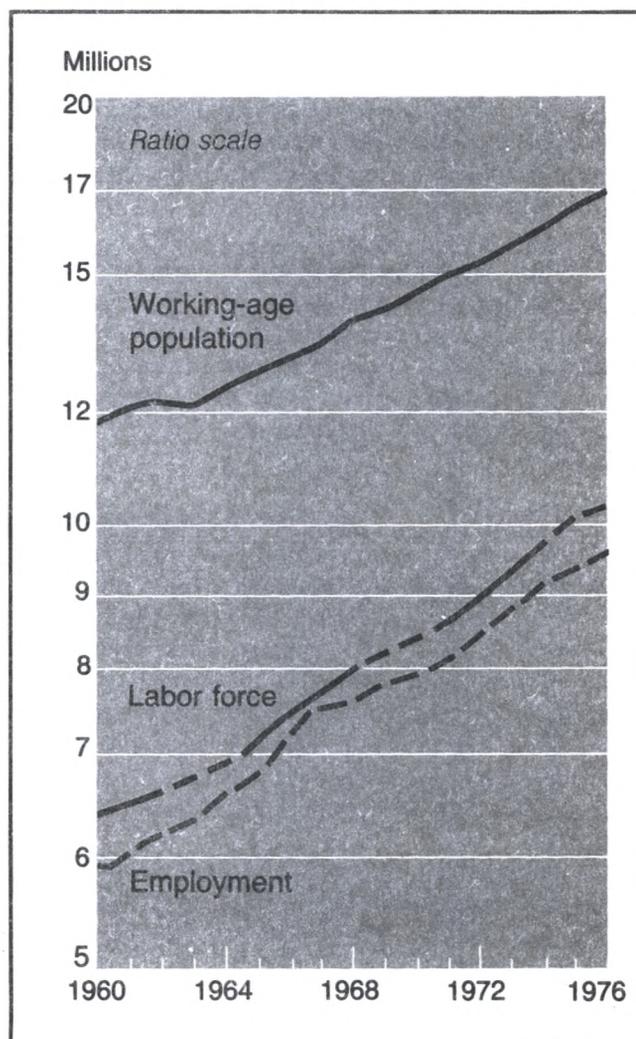
Canada. Canadian joblessness has been significantly higher

⁴Robert W. Bednarzik and Stephen St. Marie, "Employment and Unemployment in 1976," *Monthly Labor Review*, February 1977, p. 10.

than in the other industrial nations, with the exception of the United States. Only in 1965, 1966, and 1967 was unemployment below 4 percent. Unemployment was below 5 percent in 1968-69, rose to over 6 percent in 1971-72, and then fell to 5.4 percent in 1974. In the following year, unemployment began rising rapidly and by December 1976 the jobless rate had climbed to 7.5 percent, the highest in 15 years. The unemployment rate continued upward in early 1977, reaching 8.3 percent in April.

Regional differences in economic structure, employment, and incomes have remained an obstacle in achieving lower unemployment in Canada. Jobless rates are highest in the Atlantic provinces and Quebec, where the rates in 1976 were 11.0 percent and 8.7 percent, respectively. In the most industrialized province, Ontario, the unemployment rate was 6.2 percent. The Prairie provinces, at 5.9 percent, recorded the lowest regional rates.

Chart 5. **Canada: Working-Age Population, Labor Force, and Employment, Adjusted to U.S. Concepts, 1960-76**



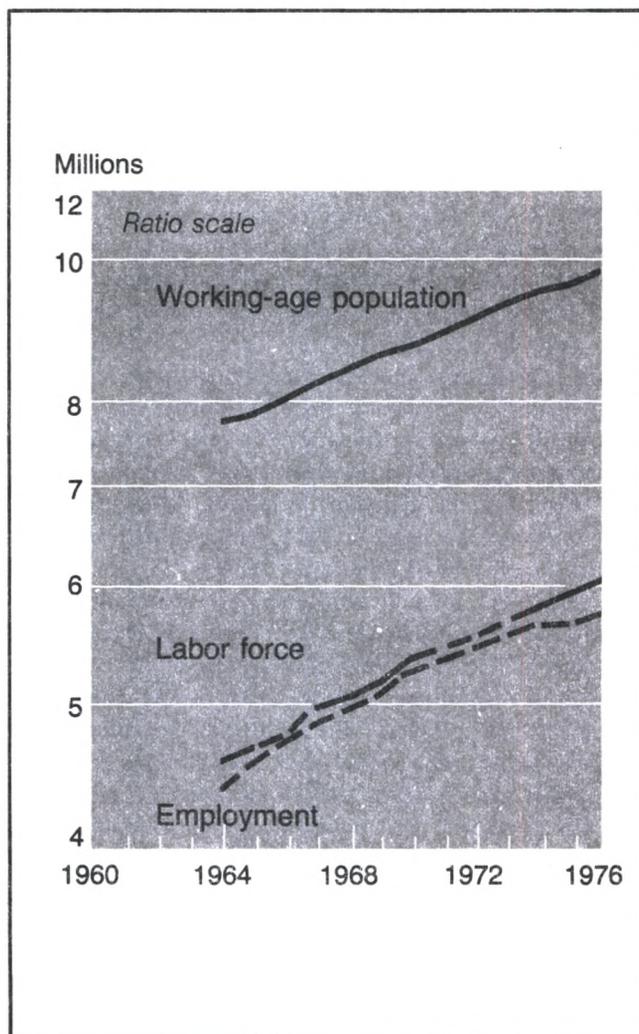
Growth in the Canadian labor force has been very rapid, outpacing all other nations studied in the period 1959-76. Much of the increase resulted from the entry of young persons and women into the work force. After reaching 5.5 percent in 1966, the labor force growth rate fluctuated within a range of 2.6 to 3.4 percent a year. In 1973 and 1974, the pace of labor force growth accelerated to above 4 percent a year, but in late 1974 growth began to taper off. The labor force increased by 3.6 percent in 1975 and by 2.5 percent in 1976. Contributing to these lower rates of growth was the new immigration law of 1974 that tied immigration more closely to labor market needs. In the period 1965 through 1974, the number of new immigrants entering the country to work was equal to one-third of the total increase in the labor force; in 1967 and 1968, the number was equal to nearly half of the increase. In 1975 and 1976, when the labor force grew more slowly, new immigrants were equal to 23 percent and 20 percent, respectively, of the increase in the work force.

Australia. Unemployment in Australia fluctuated within the low and narrow range of 1.3 to 1.6 percent from 1964, the first year for which labor force survey data are available, to 1971. Joblessness increased in 1972 to a 9-year high of 2.2 percent of the labor force and remained near 2 percent until late 1974. Between 1974 and 1975, unemployment doubled. The jobless rate in the third and fourth quarters of 1975, at 4.6 percent, was a record high for the postwar period. Employment rose in 1976, after falling marginally in 1975, but unemployment remained close to 1975 levels since the rise in employment was not sufficient to absorb the growth of the labor force. Joblessness increased steadily in 1977, reaching a new postwar high of 5.7 percent in the third quarter. In response to the slack in the labor market, Australia, traditionally a country encouraging immigration, tightened its immigration laws. Since 1972, persons born outside the country have accounted for 27 percent of the labor force.

Japan. Unemployment in Japan has remained lower and more stable than in the other major industrial nations. From 1960 through 1974, joblessness averaged 1.3 percent and never rose above 1.7 percent. However, beginning in 1974, the trend toward labor shortage was reversed. Employment declined, and in late 1974 unemployment began moving upward steadily, reaching a peak in the fourth quarter of 1975 of 2.1 percent—the highest unemployment rate recorded in Japan since 1959. Unemployment remained at around the 2-percent level throughout 1976 and the first half of 1977.

As these low rates indicate, joblessness is not highly sensitive to the demand for labor in Japan. Employers, with their tradition of lifetime employment policies, prefer to reduce working hours, terminate contracts with part-time, seasonal, and temporary workers, reduce new hires of school leavers, and encourage “voluntary retirement.” Dur-

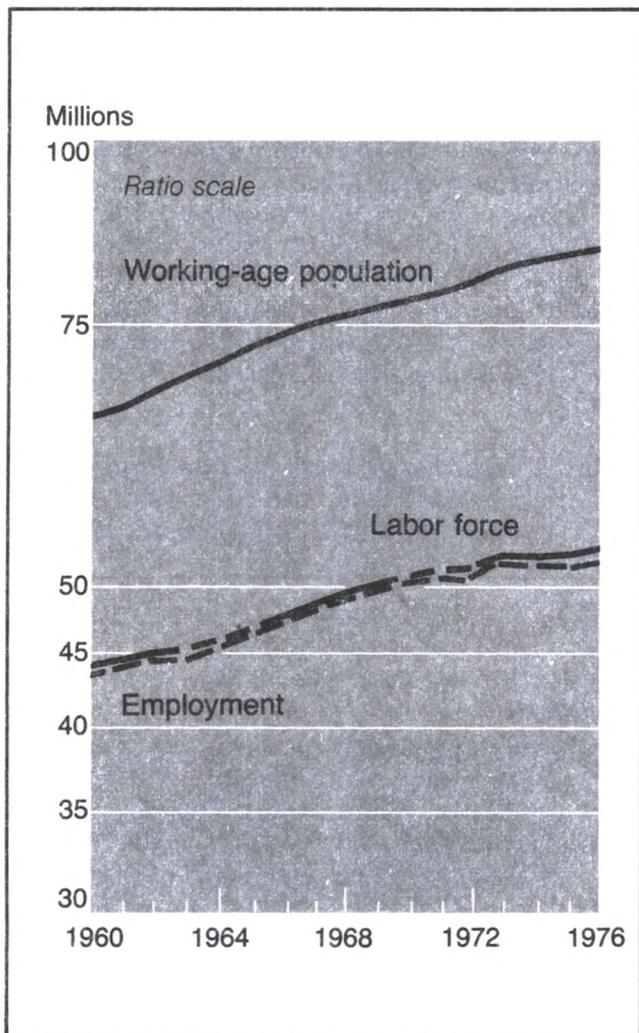
Chart 6. **Australia: Working-Age Population, Labor Force, and Employment, Adjusted to U.S. Concepts, 1964-76**



ing the 1974-75 recession, Japanese employers also stepped up the practice of transferring employees from one job to another within the same company and setting up special education and training programs to avoid layoffs of permanent employees. In 1975, employment of regular workers increased by 0.5 percent, but employment of temporary workers and day laborers fell by over 5 percent. New hires of school leavers were reduced sharply as more than one-third of Japan's major businesses cancelled plans to hire college and university graduates.

Most firms employing over 1,000 permanent workers solicited “voluntary retirements” by offering larger than normal lump-sum retirement allowances. These programs were aimed specifically at younger women who tend to resign before their marriage and older workers with about 5 years left before mandatory retirement. The firms offered job placement guidance to those “voluntary retirees” who wished to continue working. Those not placed in new jobs

Chart 7. Japan: Working-Age Population, Labor Force, and Employment, Adjusted to U.S. Concepts, 1960-76



were eligible to collect unemployment insurance benefits while jobseeking. Persons 55 years of age and over are eligible to collect benefits for up to 300 days.

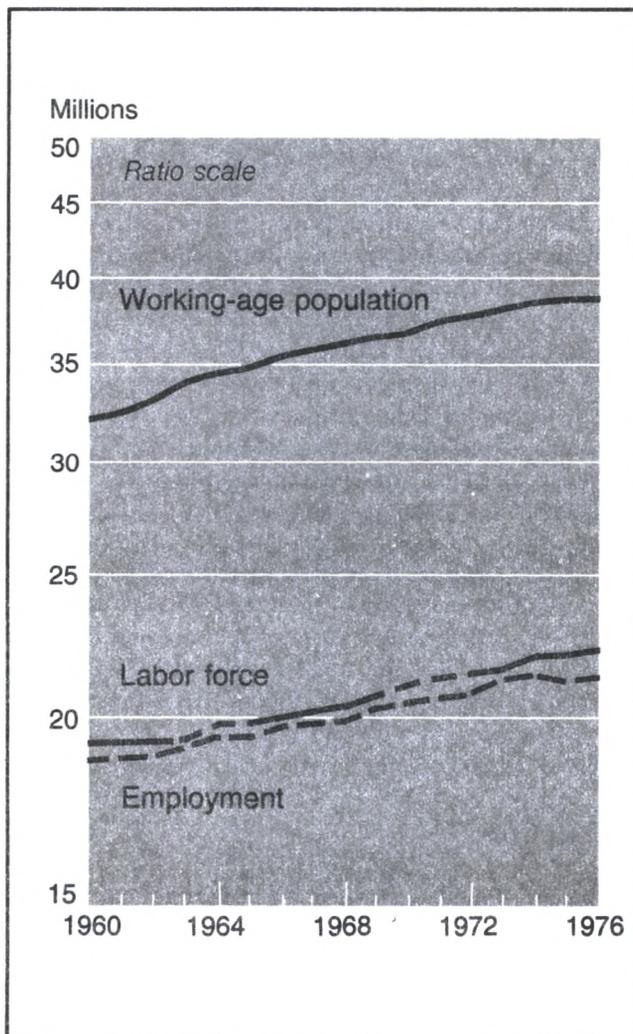
Under the Employment Insurance Law of 1975, the Japanese government subsidized enterprises which kept employees on the payroll rather than laying them off. This employment adjustment grant enabled enterprises in industries designated by the Ministry of Labor as economically impacted to pay up to 90 percent of the worker's basic wage for 6 months with a 3-month additional extension. In small and medium-size firms, the government subsidy amounted to two-thirds of the worker's wage; in large-size firms, one-half of wage costs were covered. Approximately one-third of all Japanese workers were eligible for such compensation during 1975.

The Japanese labor force declined in 1974 for the first time in the postwar era. This decline was attributed to recession-induced labor force withdrawals of laid-off con-

tractual and temporary employees. Many of these workers, mainly women, apparently preferred to withdraw from the labor force rather than look for another job. Thus, the labor force participation rate varies with the Japanese business cycle, and recorded unemployment does not appear to be a highly sensitive indication of the number of persons who would seek work if jobs were available.

France. In the early 1960's, unemployment in France remained below 2 percent of the civilian labor force, with a low of 1.3 percent in 1963. In 1967, the economy slowed down and the French jobless rate moved upward to 2.0 percent. Joblessness continued to move toward the "warning point" set forth in the government's economic plan—260,000 persons registered as unemployed—which would amount to an unemployment level of nearly 3 percent (adjusted to U.S. concepts) and in May 1968 a crisis developed. Student riots and workers' strikes immobilized the na-

Chart 8. France: Working-Age Population, Labor Force, and Employment, Adjusted to U.S. Concepts, 1960-76



tion. After the spring strikes, economic activity picked up as industry filled back orders and attempted to meet the increased consumer demand created by the sharp wage increases of the strike settlement. Unemployment declined in 1969, but then rose to around 2.8 percent in late 1970. It remained at this level until the end of 1974, when joblessness rose sharply in response to strikes in public enterprises and agencies and progressively tightening anti-inflation policies. In 1975, unemployment rose by almost 40 percent. This was equal to the rise in 1968, but the 1975 increase came on top of an unemployment level that already exceeded the 1968 rate. Joblessness continued to expand in 1976 and 1977. A postwar high of 5.8 percent was recorded in the third quarter of 1977.

In response to the higher levels of unemployment, the French government halted immigration from outside the European Community in June 1974 and tightened controls on illegal immigration. Employment of foreigners with or without work permits became more strictly monitored. In 1973, foreign workers had constituted about 10 percent of employment in France.

Another response to rising unemployment was the enactment of a new unemployment compensation program financed jointly by employers and employees, with initial funding provided by the government, whereby workers laid off for economic reasons are paid 90 percent of their former gross wage for up to 1 year unless they are reemployed. This program became effective January 1, 1975. By mid-1976, approximately one of every eight persons registered as unemployed was receiving this high benefit rate. The amount and duration of official assistance for workers on short-time schedules was also increased. The government subsidized 90 percent of employer-paid supplementary assistance for workers on short time. The number of workers partially unemployed peaked at 385,000 in November 1975, and more than 1.4 million days were compensated for by unemployment assistance. In 1976, the situation showed a marked improvement. The number of persons on short time declined from 300,000 in 1975 to 132,000, and 7 million days were paid for compared to 15 million days in 1975.

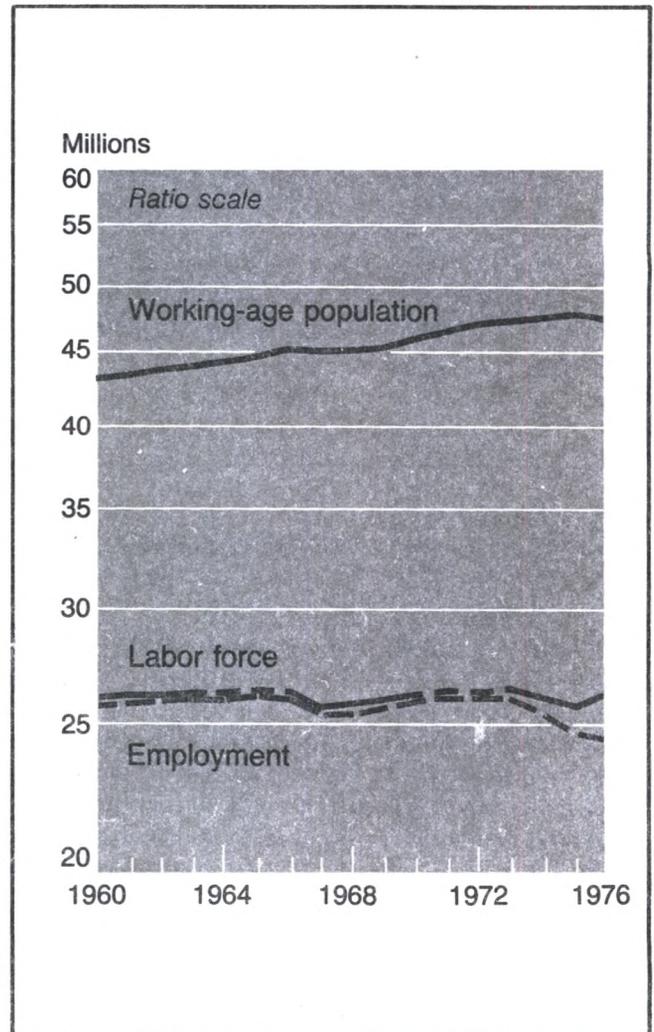
Other measures to promote employment were government subsidies and financial incentives. The subsidies were aimed at encouraging the training of unemployed 16- to 25-year-olds. Subsidies for training programs of at least 6 months provided up to 100 percent of training costs plus the minimum wage. The financial incentives were made available to firms hiring, for at least 1 year, young persons in search of their first job or persons unemployed more than 6 months.

Germany. During Germany's labor shortage of 1960-66, even normally inactive handicapped and older workers were integrated into the labor force. Unemployment was

below 1 percent from 1961 through 1966, falling to the extremely low level of 0.3 percent in 1965-66. After these years of sustained growth, the Germany economy began to slow down in mid-1966. In 1967, for the first time in the history of the Federal Republic, real output fell short of the level of the preceding year. The unemployment rate more than quadrupled, rising to 1.3 percent in 1967. Employment of German nationals dropped by over 500,000 in 1967, and almost 300,000 foreign workers left Germany between mid-1966 and mid-1967.

Recovery from the recession was rapid. Labor shortages soon reappeared and the labor market became increasingly tight. By October 1969, over seven vacancies were reported for every one person registered as jobless. Foreign workers returned to Germany as the economic picture brightened. Unemployment again fell below the 1-percent level in 1969-73.

Chart 9. Germany: Working-Age Population, Labor Force, and Employment, Adjusted to U.S. Concepts, 1960-76



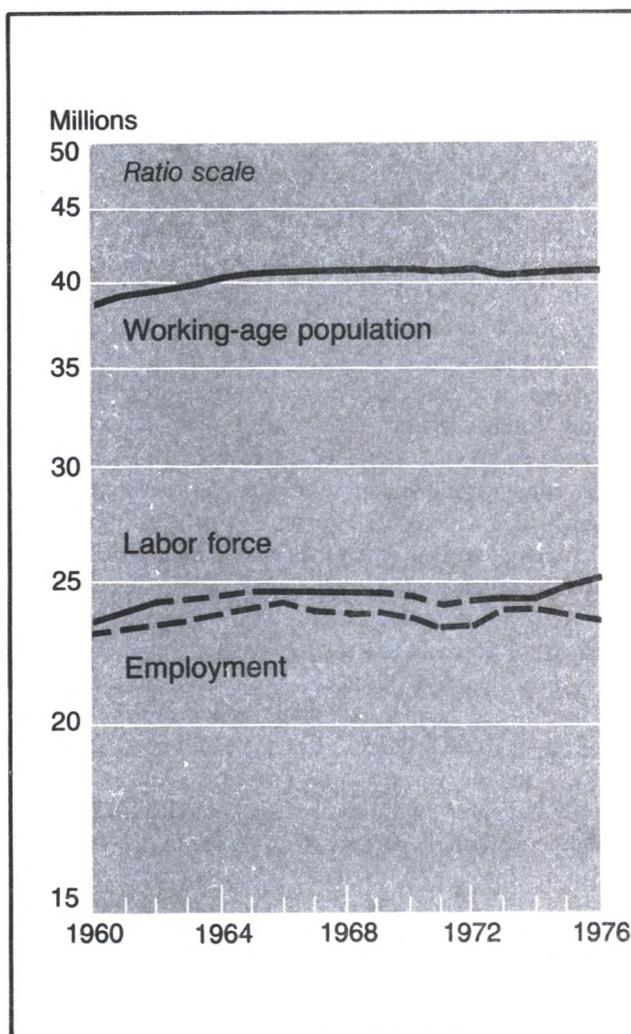
Growth in industrial output leveled off in 1973, and the labor market began to show signs of easing. The Arab oil embargo in November accelerated the deterioration, causing an interruption in German industrial production. Many firms curtailed production and introduced short-time workweeks. The number of workers receiving compensation for short-time work rose sharply to more than 300,000 in February 1974. By February 1975, a new high of almost 1 million workers were on short time. Despite an average of more than 770,000 workers on short time, employment fell by 890,000 in 1975—which exceeded the increase in unemployment by 400,000. The average number of unemployed persons in Germany more than quadrupled between 1973 and 1975, and averaged 3.7 percent of the labor force in the latter year. In 1976 and 1977, joblessness leveled off at 3.6 percent.

Since the late 1950's, the German work force has been supplemented by an influx of foreign workers who, at the peak of the inflow in 1973, constituted 10 percent of employment. Labor shortages and higher wages in Germany and lack of job opportunities in Southern Europe made the German labor market increasingly attractive to migrants. During periods of recession, foreign workers add an element of flexibility to the German labor market. (See "Labor migration" in chapter 5.) In November 1973, a ban was passed on recruiting foreign workers from outside the European Community. Foreign workers were reluctant to leave Germany because they believed that they would not be able to return.

In late 1974 and early 1975, the German government introduced measures to reduce the number of registered unemployed foreigners by requiring them to accept jobs which paid less than their former wages or unemployment compensation. If two such offers were refused, these workers could no longer collect unemployment benefits. Other efforts to limit employment of migrants included the preferential hiring of German nationals, denial of work permits to dependents of migrants, stiffer penalties for illegally employing aliens, and restrictions on the right of immigrants to settle in areas where foreigners constitute more than 12 percent of the population. In response to these restrictions, the number of foreign workers continued to decline in 1976, while employment of German nationals began to rise. By mid-1976, the number of migrants in Germany had fallen to 1.9 million, which was about the number of migrants in 1970.

Great Britain. The jobless rate in Great Britain was below 3 percent during 1959-66 except in 1963, when slackness in the economy was aggravated by a particularly severe winter which disrupted outdoor work. However, in 1967 the unemployment rate rose above 3 percent as measures to alleviate serious deficits in the balance of payments took priority over the full-employment goal. A wage and price freeze in July 1966 was followed by even more stringent measures, including devaluation of the pound in 1967. Un-

Chart 10. **Great Britain: Working-Age Population, Labor Force, and Employment, Adjusted to U.S. Concepts, 1960-76**



employment was in the 3- to 3.4-percent range until 1971 when it jumped to 3.9 percent as British firms engaged in the biggest work force cutbacks since the depression.⁵ The drastic "shake-out" of labor was in response to sharply rising labor costs and slackening demand. Some of the cutbacks were viewed as a delayed reaction to the slow growth of the late 1960's.⁶

Unemployment rose throughout 1971 and into 1972. In February, millions of workers were laid off as a coal strike caused the Government to decree emergency power cuts for factories. The 1972 unemployment rate of 4.2 percent was

⁵ See "Heath Tightening Unemployment," *The Washington Post*, December 6, 1971, p. D 12; and "Britain's Jobless: A Rapid Rise," *U.S. News and World Report*, May 24, 1971, pp. 84-85.

⁶ British Central Statistical Office, *Economic Trends*, May 1971, p. ii.

the highest yet in the postwar era. Economic growth accelerated in 1973 and unemployment moved back down to 3.2 percent. However, unemployment began to rise again with the beginning of the oil crisis in the autumn of 1973. The Arab oil embargo, combined with labor disputes in the coal and electricity industries, brought about the imposition by the Government of a 3-day workweek in early 1974. In January 1974, the number of workers temporarily laid off and receiving unemployment compensation was over 900,000, up from only 8,000 in December. Most of these workers were not counted as unemployed since they did some work during the week. The number of persons on temporary layoff fell back to more normal levels in April and May as industry returned to full workweeks.

In 1974 and 1975 British output declined and in 1976 it rose only slightly. The situation deteriorated markedly from the spring of 1976 onwards, and the second half of the year saw slow growth, accelerating inflation, and a growing foreign deficit. Faced with such developments, economic policy was tightened increasingly from spring onwards, and unemployment responded by reaching a postwar high of 6.4 percent, up from 4.7 percent in 1975. In 1977, unemployment rose further, averaging 7 percent for the first three quarters.

After rising slowly in the 1960's through 1966, the British labor force began to decline in number. By 1971, it was more than 600,000 below the 1966 high. British projections for the period, assuming the demand for labor to remain at the 1964-66 level, had indicated continued slow increases in the work force. Therefore, the decline apparently reflected withdrawals from or nonappearance in the labor market of persons discouraged by the bleak job situation. Since 1971, the labor force has been increasing by up to 0.5 percent a year as a result of increased participation by married women. However, employment has not grown since 1974.

Italy. After reaching 5 percent in 1959, the Italian unemployment rate fell to a low point of 2.4 percent in 1963, but the decline was accompanied by a sharp increase in the consumer price index.⁷ Stringent anti-inflationary measures were taken beginning in the summer of 1963, but unemployment did not begin to increase until the spring of 1964. It continued to increase, reaching 3.8 percent in 1966, the highest rate since 1960. Economic growth picked up strongly in 1967 and joblessness ranged between 3.1 and 3.4 percent until 1972, when it rose to 3.6 percent in lagged response to the lengthy recession which began in 1970.

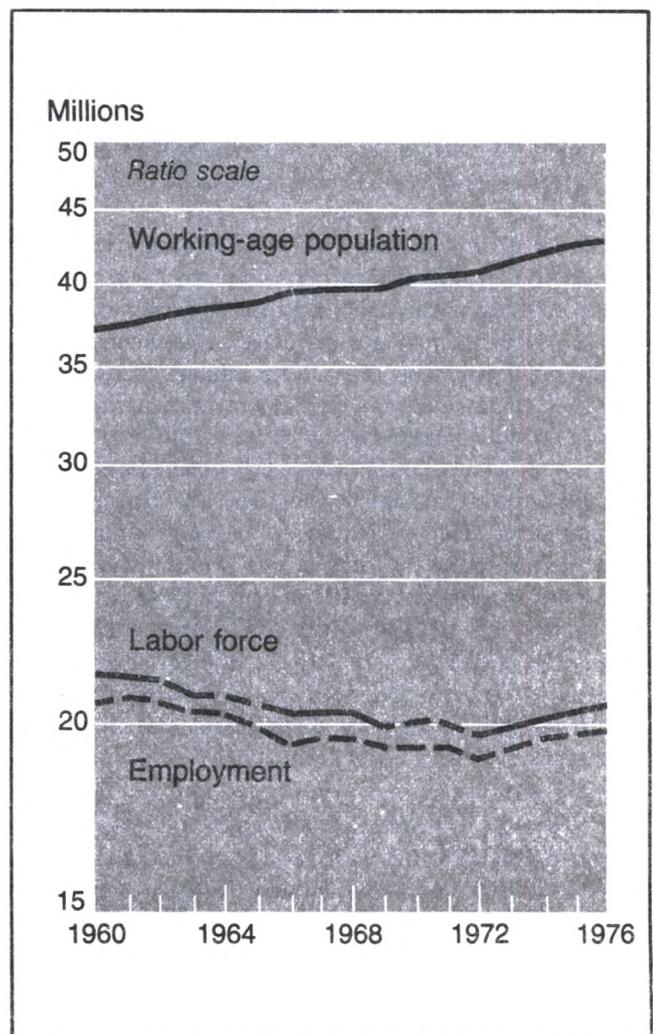
By the second quarter of 1974, unemployment had fallen to 2.5 percent. However, in mid-1974, the Arab oil

⁷Estimates of the level of unemployment from 1959 to 1972 are considered less reliable than those for 1973 onward because they are based partly on adjustment factors derived from surveys for later years. (See appendix B.) However, this probably does not have a large effect on the year-to-year trend in unemployment.

embargo, spiraling inflation, and the instability of the government all combined to create a crisis. Industrial output fell and the jobless rate rose, reaching 3.4 percent in the second quarter of 1975. The drop in output in 1975, as measured by gross domestic product, was the sharpest among the nine countries studied. Unemployment rose to 3.8 percent in the third quarter of 1976, and averaged 3.6 percent for the year. Unemployment declined in the first half of 1977, but rose sharply back to 3.6 percent in the third quarter.

Unemployment does not fully reflect the degree of labor underutilization in Italy. Agreements reached between management and labor have helped to share the burden of recession by encouraging partial rather than full unemployment. The employer-financed Wage Supplement Fund allows employers to reduce production while maintaining employment by placing workers on shorter hours and paying supplements amounting to 80 percent of lost gross earn-

Chart 11. **Italy: Working-Age Population, Labor Force, and Employment, Adjusted to U.S. Concepts, 1960-76**



ings. In 1975, over 350 million hours, more than double the 1974 level and approximately 11 percent of total hours worked, were compensated for by the fund. Consequently, the deterioration in the demand for labor in industry is initially reflected by a decline in working hours and a rise in the number of persons involuntarily working part time.

Employment increased for the fourth consecutive year in 1976, a reversal of the general decline of the 1960's. The recent rising trend in employment can be attributed partly to the extensive use of shortened workweeks and the rapid growth of the service sector.⁸

The Italian labor force has also been on the rise since 1972, after declining by 9 percent since 1960. The labor force participation rate, however, continued to decline until 1974 when an upturn in the female rate compensated for a continuing decline in the male rate. With less than half of the working-age population in the labor force, Italy has the lowest participation rate among the major industrial nations. (See chapter 4.)

Chart 12. **Sweden: Working-Age Population, Labor Force, and Employment, Adjusted to U.S. Concepts, 1961-76**

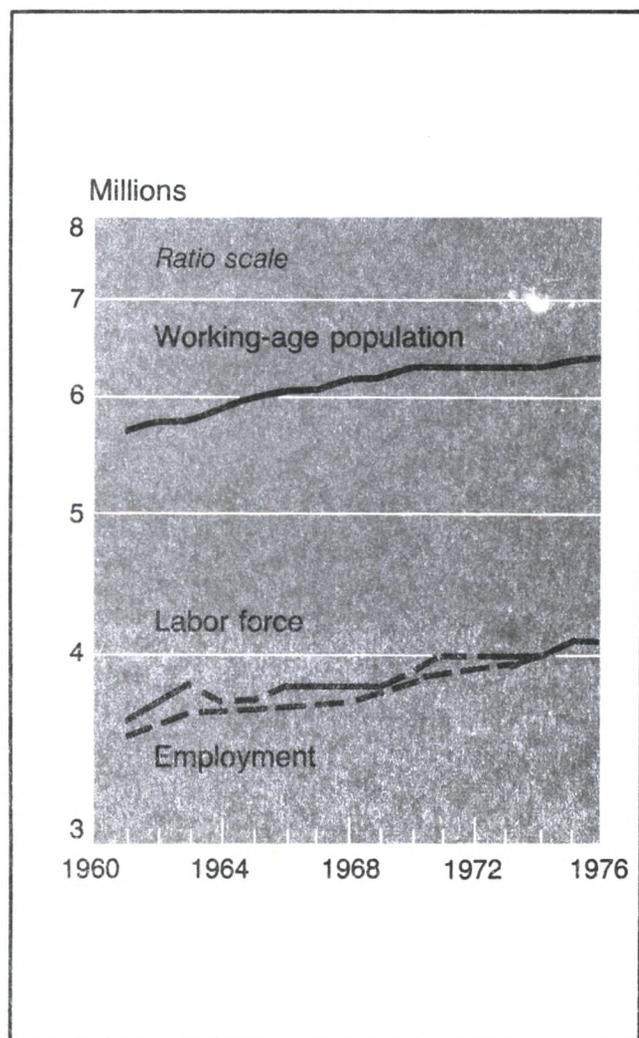


Table 9. **Sweden: Effect of labor market programs on unemployment, selected years, 1961-76**

(Numbers in thousands)

Year	Unemployment adjusted to U.S. concepts		Number of persons in labor market programs ¹	Unemployment plus persons in labor market programs as percent of civilian labor force
	Number	Rate (percent)		
1961 . .	52	1.4	15	1.9
1965 . .	44	1.2	33	2.1
1967 . .	79	2.1	48	3.4
1968 . .	85	2.2	63	3.9
1969 . .	72	1.9	65	4.1
1970 . .	59	1.5	70	3.3
1971 . .	101	2.6	83	4.6
1972 . .	107	2.7	103	5.3
1973 . .	98	2.5	112	5.3
1974 . .	80	2.0	102	4.5
1975 . .	67	1.6	94	3.9
1976 . .	66	1.6	112	4.3

¹ Monthly average of persons in training for labor market reasons, work training programs, public relief works, archive work and relief work for musicians, and sheltered and semi-sheltered workshops.

SOURCE: National Labour Market Board, *Arbetsmarknadsstatistik* (Labor Market Statistics), various issues; and BLS calculations.

Sweden. Throughout the period since the Swedish labor force survey was begun in 1961, unemployment has averaged about 2 percent, ranging from 1.2 percent (1965) to 2.7 percent (1972). Labor market developments in Sweden differed markedly from the trend in other industrial countries during the recent international recession. While most other industrial countries were deep in the throes of recession, Sweden's unemployment rate fell from 2 percent in 1974 to 1.6 percent in 1975 and 1976. Swedish output grew slowly during the 1974-75 period, while output was falling sharply in the other countries. A tendency of Swedish enterprises to hoard labor in anticipation of an upturn in the world economy helped to maintain employment.⁹ In addition, the number of persons in relief works and training programs was kept at a very high level.

In Sweden, "active labor market" policies are highly developed and provide a comprehensive system of institutions for retraining and relief works. Sweden's training program is the largest in the world relative to the size of the labor force; Sweden is the only country which deliberately uses adult training programs for countercyclical purposes. The Swedish Labor Market Board acted quickly in the 1967-68 and 1971-72 recessions to meet the unemployment problem, and its program kept the jobless rate from

⁸The high incidence of work done at home in Italy, which goes virtually unrecorded, is another element to consider when interpreting employment statistics. Partly as a result of legislation passed in 1973, home workers have been increasingly taking up recorded employment. See *Economic Surveys: Italy* (Paris, Organization for Economic Cooperation and Development, January 1976), p. 14.

⁹*The Swedish Economy, Preliminary National Budget* (Stockholm, Economic Department, Ministry of Finance, 1976), p. 97.

moving higher. Table 9 shows the effect of the Swedish labor market programs on unemployment rates in selected years of the 1961-76 period. This table shows that Sweden's unemployment rate was about 1.5 percent in both 1961 and 1976. However, the great expansion in the number of persons in labor market programs, from 15,000 to 112,000, indicates the potential for a large impact on the unemployment rate. Without the extensive training and relief programs, the unemployment rate might have been slightly higher in 1961 and considerably higher in 1976.

Although there has been little organized recruitment of foreign workers, they constitute about 6 percent of the Swedish labor force. The majority of these workers come from the nearby Scandinavian countries—Finland, Denmark, and Norway. The predominance of Nordic workers is due to the Convention on a Common Labor Market which allows free movement of labor among the Scandinavian countries. Since a cyclically related outflow of migrants in 1973, the number of aliens employed in Sweden has risen slowly.

Chapter 3. Unemployment by Age and Sex

In the United States, unemployment rates vary widely by age and sex. Teenagers characteristically have the highest unemployment rate of any age group in the labor force; workers age 55 and over have relatively low jobless rates; and, throughout the post-World War II period, American women have had higher unemployment rates than Ameri-

can men. The pattern of unemployment by age and sex in the other major developed countries often parallels the U.S. experience; however, there are some significant differences which are pointed out in this chapter.

Table 10 presents unemployment rates by age and sex adjusted to U.S. concepts for the nine countries covered in

Table 10. Unemployment rates by age and sex, 1968, 1970, and 1974-76

(Percent of civilian labor force)

Sex and age	United States					Canada ¹						Australia								
						Former basis			Revised basis											
	1968	1970	1974	1975	1976	1968	1970	1974	1968	1970	1974	1975	1976	1968	1970	1974	1975	1976		
Both sexes																				
All working ages	3.6	4.9	5.6	8.5	7.7	4.8	5.9	5.4	4.5	5.7	5.4	6.9	7.1	1.5	1.4	2.3	4.2	4.4		
Teenagers ²	12.7	15.3	16.0	19.9	19.0	11.3	14.3	12.2	7.7	10.1	11.6	15.0	15.8	4.2	3.9	6.9	12.7	13.1		
20 to 24 years	5.8	8.2	9.0	13.6	12.0	6.3	8.3	8.3	3.4	4.2	7.6	9.9	10.6	1.9	1.6	3.2	5.9	6.2		
25 to 54 years	2.3	3.4	3.8	6.4	5.7	3.6	4.3	3.8	3.4	4.2	3.9	5.1	5.3	1.0	1.0	1.5	2.7	2.8		
55 years and over	2.2	2.8	2.9	4.7	4.6	4.2	4.9	3.9	3.4	4.2	4.0	4.4	3.9	.7	.7	.8	2.2	2.0		
Male																				
All working ages	2.9	4.4	4.8	7.9	7.0	5.5	6.6	5.7	4.6	5.7	4.8	6.2	6.4	1.1	1.0	1.8	3.5	3.7		
Teenagers ²	11.6	15.0	15.5	20.1	19.2	13.5	16.2	13.5	8.7	11.3	2.2	15.4	16.4	3.6	3.7	6.1	11.2	11.8		
20 to 24 years	5.1	8.4	8.7	14.3	12.0	7.7	10.5	9.4	3.5	4.1	7.9	10.5	11.2	1.5	1.2	2.9	5.6	6.1		
25 to 54 years	1.7	2.8	3.1	5.7	4.9	4.1	4.8	4.0	3.5	4.1	3.2	4.2	4.3	.7	.6	1.1	2.2	2.3		
55 years and over	2.1	2.9	2.7	4.5	4.4	5.0	5.5	4.3	3.5	4.1	3.6	4.2	3.7	(⁴)	(⁴)	(⁴)	2.3	2.1		
Female																				
All working ages	4.8	5.9	6.7	9.3	8.6	3.5	4.5	4.9	4.4	5.8	6.4	8.1	8.4	2.6	2.2	3.2	5.7	5.7		
Teenagers ²	14.0	15.1	16.5	19.7	18.7	8.6	11.7	10.4	6.5	8.6	10.9	14.5	15.1	4.8	4.2	7.7	14.3	14.6		
20 to 24 years	6.7	7.9	9.5	12.7	11.9	4.2	5.1	6.6	3.5	4.5	7.3	9.2	9.9	2.6	2.1	3.8	6.2	6.3		
25 to 54 years	3.4	4.5	4.9	7.5	6.8	2.2	2.9	3.4	3.5	4.5	5.1	6.8	7.0	2.1	1.8	2.1	3.7	3.8		
55 years and over	2.3	2.8	3.3	5.1	4.9	(⁴)	(⁴)	(⁴)	3.5	4.5	4.7	4.4	4.4	(⁴)	(⁴)	(⁴)	(⁴)	(⁴)		
						Japan					France ⁵					Germany ⁶				
						1968	1970	1974	1975	1976	1968	1970	1974	1975	1976	1968	1970	1974	1975	1976
Both sexes																				
All working ages						1.2	1.2	1.4	1.9	2.0	2.5	2.5	2.8	3.8	4.5	1.5	.6	1.4	3.4	3.6
Teenagers ²						2.3	2.0	2.6	3.7	4.1	7.3	7.0	9.7	16.1	3.8	2.0	2.7	6.6	7.2	
20 to 24 years						1.8	2.0	2.2	3.0	3.0	3.5	3.7	4.8	6.6	10.5	1.4	.7	1.9	5.0	5.4
25 to 54 years						1.0	.9	1.1	1.6	1.6	1.8	1.8	1.9	2.6	3.3	1.1	.5	1.3	3.0	3.0
55 years and over						1.2	.9	1.5	2.0	2.4	2.1	2.6	2.5	2.3	3.3	1.6	.5	1.0	2.1	2.6
Male																				
All working ages						1.2	1.2	1.4	2.0	2.2	1.9	1.7	1.7	3.0	3.2	1.3	.5	1.3	3.2	3.2
Teenagers ²						2.6	2.7	3.2	5.1	5.5	6.4	5.4	6.7	14.1	7.5	3.7	1.6	2.7	6.6	6.3
20 to 24 years						1.8	1.9	2.1	3.2	3.1	2.9	3.0	3.4	6.4	7.5	1.3	.6	1.9	5.7	5.2
25 to 54 years						1.0	.9	1.1	1.6	1.8	1.2	.9	1.0	1.9	2.4	.9	.4	1.1	2.9	2.7
55 years and over						1.5	1.4	2.0	2.8	3.3	2.1	2.5	2.1	2.2	2.4	1.6	.5	1.0	2.3	2.5
Female																				
All working ages						1.2	1.1	1.3	1.8	1.7	3.6	3.8	4.5	5.0	6.6	1.8	.8	1.6	3.6	4.2
Teenagers ²						2.0	1.3	2.1	2.4	2.7	8.5	9.1	13.6	18.7	13.7	4.0	2.4	2.8	6.6	8.1
20 to 24 years						1.8	2.2	2.2	2.7	2.8	4.1	4.5	6.3	6.8	13.7	1.6	.7	1.9	4.2	5.5
25 to 54 years						.9	.9	1.3	1.7	1.7	3.1	3.3	3.6	3.8	4.7	1.4	.7	1.5	3.2	3.6
55 years and over						.8	(⁴)	.7	1.1	.7	2.1	2.7	3.1	2.4	4.7	1.5	.5	.8	1.9	2.7

See footnotes at end of table.

Table 10. Unemployment rates by age and sex, 1968, 1970, and 1974-76—Continued

(Percent of civilian labor force)

Sex and age	Great Britain			Italy ⁷				Sweden				
	1971	1973	1974	1968	1970	1974	1975	1968	1970	1974	1975	1976
Both sexes												
All working ages	3.9	3.2	2.8	3.5	3.2	2.9	3.3	2.2	1.5	2.0	1.6	1.6
Teenagers ²	7.0	4.1	4.5	12.4	11.9	14.3	16.8	5.6	4.3	6.8	5.6	5.5
20 to 24 years	4.8			9.3	8.8	9.1	10.3	3.0	2.2	3.2	2.8	2.8
25 to 54 years	3.3			2.7	2.4	2.0	1.6	1.3	1.6	1.7	1.1	1.3	1.1	1.1
55 years and over	3.5	4.1	2.7	1.2	.8	.4	.6	2.1	1.7	2.0	1.7	1.5
Male												
All working ages	3.9	3.5	2.8	3.3	2.8	2.5	2.8	2.3	1.4	1.7	1.3	1.3
Teenagers ²	7.4	4.4	4.5	12.5	12.2	14.3	16.2	5.5	3.4	5.6	4.2	4.2
20 to 24 years	4.8			9.3	8.7	9.0	10.3	3.1	2.0	2.6	2.2	2.2
25 to 54 years	3.1			2.8	2.5	2.0	1.6	1.2	1.4	1.8	.9	1.1	.8	.8
55 years and over	4.3	4.9	2.6	1.5	1.0	.5	.7	2.6	1.7	2.1	1.9	1.4
Female												
All working ages	3.8	2.7	2.8	4.1	3.9	3.8	4.5	2.1	1.7	2.4	2.0	2.0
Teenagers ²	6.6	3.8	4.4	11.9	11.5	14.1	17.5	6.6	5.4	8.0	7.0	7.0
20 to 24 years	4.7			9.1	9.0	9.3	10.3	2.9	2.4	4.0	3.5	3.4
24 to 54 years	3.6			2.5	2.4	2.0	1.6	1.6	2.1	1.6	1.3	1.6	1.4	1.4
55 years and over	2.0	1.9	2.9	.3	.4	(4)	.2	1.2	1.6	2.3	1.5	1.6

¹ See appendix B for descriptions of the former and revised series.

² 14- to 19-year-olds in Italy; 15- to 19-year-olds in Australia, Canada, Germany, Great Britain (1971), and Japan; 16- to 19-year-olds in United States, France, Great Britain (1973-74), and Sweden.

³ Estimated by BLS.

⁴ Not statistically significant.

⁵ French data are for March of each year.

⁶ German data are for April of 1968, 1970, and 1974, and for May of 1975 and 1976.

⁷ Italian data are not adjusted to U.S. concepts.

NOTE: See appendix C for methods of adjustment to U.S. concepts by age and sex.

this report. Data are shown for selected years of the 1968-76 period. British statistics on unemployment by age and sex could only be shown for years when the General Household Survey was available. For Italy, data could not be adjusted to U.S. concepts by age and sex. To provide some basis for comparison, figures from the unrevised Italian labor force survey have been shown in table 10. It is not possible to indicate how well these figures approximate unemployment by age and sex under U.S. concepts. The data exclude many persons who were seeking work but who did not respond that they were unemployed; on the other hand, the data include a large number of persons who took no active steps to find work in the past 30 days. (See appendix B.) It should also be noted that the data for France and Germany relate to one month in each year and are not seasonally adjusted.

The year 1968 was one of relatively low unemployment in the United States, Canada, Australia, and Japan, but one of relatively high unemployment, for the 1960's, in the European countries. Of the years covered, 1975 and 1976 were the ones of highest unemployment in all countries except Italy and Sweden.

Four age groups are shown—teenagers, 20 to 24 years, 25 to 54 years, and 55 years and over. However, for Great Britain, a breakdown of teenagers and 20- to 24-year-olds could not be made in 1973 and 1974; for France, this break-

down could not be made for 1976. The lower age limit for teenagers has been adapted to the age at which compulsory schooling ends. Appendix C discusses the methods of adjusting each country's unemployment rates by age and sex.

Teenage unemployment

In the United States, young workers have had substantially higher rates of unemployment than adults. In fact, in every year since the end of World War II, in recession and prosperity alike, teenagers have had the highest unemployment rates of any age group in the labor force. The casual methods teenagers use to find jobs, their frequent entrances and exits from the labor market, and the limited horizon of their job search activities are major contributing factors.¹ American teenagers change jobs more frequently than adults and often experience unemployment between jobs. Also, the large proportion of in-school teenagers who seek part-time or part-year work contributes to high youth unemployment in the United States. Some of the major factors affecting youth unemployment rates in the United States and abroad are discussed in chapter 5.

¹ *Youth Unemployment and Minimum Wages*, BLS Bulletin 1657, (Bureau of Labor Statistics, 1970), p. 4.

Table 11. Ratios of teenage to adult unemployment rates¹, 1968, 1970, and 1974-76

Country	Both sexes					Male					Female				
	1968	1970	1974	1975	1976	1968	1970	1974	1975	1976	1968	1970	1974	1975	1976
United States	5.5	4.5	4.2	3.1	3.3	6.8	5.4	5.0	3.5	3.9	4.1	3.4	3.4	2.6	2.8
Canada															
Former basis	3.1	3.3	3.2	(²)	(²)	3.3	3.4	3.4	(²)	(²)	3.9	4.0	3.1	(²)	(²)
Revised basis	(²)	(²)	3.0	2.9	3.0	(²)	(²)	3.8	3.7	3.8	(²)	(²)	(²)	2.1	2.2
Australia	4.2	3.9	4.6	4.7	4.7	5.1	6.2	5.5	5.1	5.1	2.3	2.3	3.7	3.9	3.8
Japan	2.3	2.2	2.4	2.3	2.6	2.6	3.0	2.9	3.2	3.1	2.2	1.4	1.6	1.4	1.6
France	4.1	3.9	5.1	6.2	(²)	5.3	6.0	6.7	7.4	(²)	2.7	2.8	3.8	4.9	(²)
Germany	3.5	4.0	2.1	2.2	2.4	4.1	4.0	2.4	2.3	2.3	2.9	3.4	1.9	2.1	2.2
Great Britain	(²)	³ 2.1	(²)	(²)	(²)	(²)	³ 2.3	(²)	(²)	(²)	³ 1.9	(²)	(²)	(²)	(²)
Italy ⁴	6.2	7.4	11.0	10.5	(²)	6.2	7.6	11.9	11.6	(²)	6.0	7.2	8.8	8.3	(²)
Sweden	3.3	3.9	5.2	5.1	5.0	3.1	3.8	5.1	5.2	5.2	4.1	4.2	5.0	5.0	5.0

¹ Ratio of teenage unemployment rate to unemployment rate for persons 25 to 54 years of age.

² Not available.

³ 1971.

⁴ Based on data which have not been adjusted to U.S. concepts.

SOURCE: Table 10.

In comparison with most other countries, teenage unemployment rates in the United States are relatively high (table 10 and chart 13). In the United States, Italy, and Canada, teenage unemployment rates were higher than 10 percent in all years studied. Unemployment of Australian and French teenagers exceeded 10 percent for the first time in 1975. Japan, Germany, and Sweden had the lowest levels of teenage unemployment during the period studied. These countries also had the lowest overall unemployment rates.

Germany's teenage unemployment rate of 3.8 percent in April 1968 was high by the standards of earlier years of the decade, when teenage unemployment was 1 percent or less. The German recession of 1967 hit teenagers the hardest. According to a report from the American Embassy in Bonn, a wave of cyclical dismissals largely affected youths with a low level of education working at unskilled jobs which had offered relatively high pay during the boom period. The need for employers to economize during the recession led to the cancellation of many odd jobs filled by the unskilled youths. By 1969, Germany was again experiencing labor shortages, and in April 1970, teenagers had an unemployment rate of only 2 percent. By 1974, the teenage jobless rate was still under 3 percent. However, a sharp increase occurred in 1975, and teenage unemployment rose further to over 7 percent in 1976, the highest teenage rate ever recorded by the German Microcensus, which began in 1957.

Youth unemployment in Japan was under 3 percent throughout 1968-74, but moved upward sharply in 1975-76. The 1976 rate of 4.1 percent, however, was still the lowest of any country studied. There is a strong preference by employers for hiring new high school graduates in Japan, as shown by the normally highly favorable job vacancy situation for graduates. Lifetime employment contracts insure that youth wages are low relative to those of adults and that youth turnover is low. Also, teenagers account for a very small and declining proportion of the labor force in Japan.

Teenage unemployment rates are, of course, affected by the overall job situation in each country. Therefore, comparative ratios of teenage unemployment rates to unemployment rates for 25- to 54-year-old adults are shown in table 11 and chart 14. Such ratios may be affected by the general level of unemployment, but they more accurately reflect the relative problems of youth unemployment among countries. In all years studied, Italy had the widest teenage-adult differential.² In 1968, teenage unemployment was 6 times as high as adult joblessness. Teenage unemployment in Italy was down slightly in 1970, but the differential widened so that youth unemployment was 7 times the adult rate. By 1974-75, the differential had grown to over 10. In 1975, Italian teenagers constituted 6 percent of the labor force and 32 percent of the unemployed. Problems of teenagers in the Italian labor market are intensified by a high dropout rate from school. Over half of Italian youths entering the labor market have not completed high school.

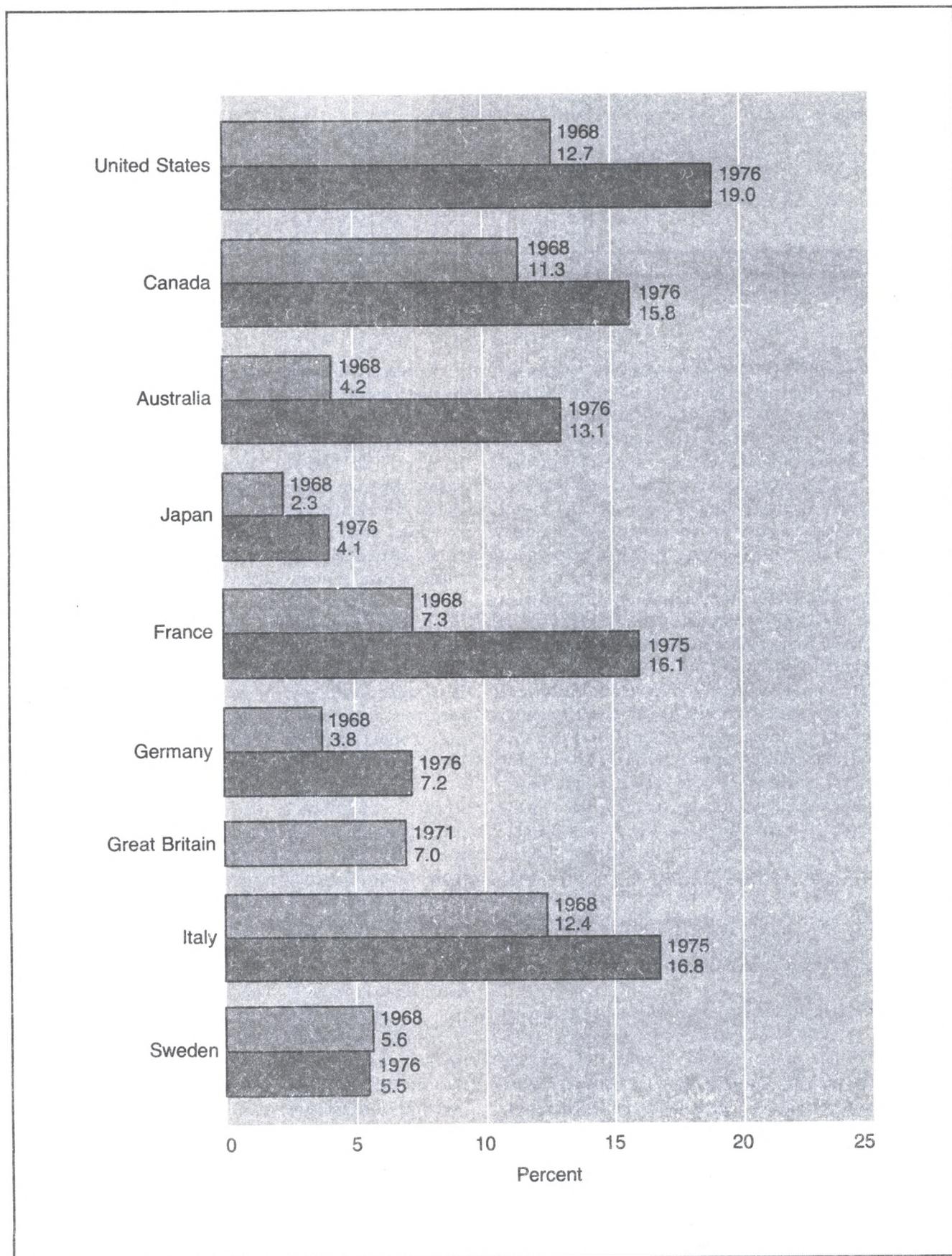
The United States also ranked high in terms of the teenage to adult ratio in 1968 and 1970, with teenagers experiencing 4.5 to 5.5 times the unemployment rate of adults. However, in 1974, Australia, France, and Sweden moved above the United States. In U.S. recessionary periods, the gap between youth and adult unemployment rates usually narrows. Thus, the ratio declined from 4.5 in 1970, to 4.2 in 1974, and to 3.1 in 1975. In contrast, between 1970 and 1975, the ratio of teenage to adult unemployment rose sharply in Australia, France, Italy, and Sweden.

Canada had relatively high youth unemployment rates, but a relatively low ratio of youth to adult unemployment. The ratio was about 3 to 1 in each year and was lower than in Australia, France, Germany, and Sweden where the overall level of unemployment and teenage unemployment rates were much lower.

Great Britain and Japan are the countries with the lowest ratios of teenage to adult unemployment. Data from

² The Italian data were not adjusted to U.S. concepts.

Chart 13. Youth Unemployment Rates, 1968 and 1976



the 1975 European Community labor force survey indicate that the youth-adult differential remained at about 2 for the United Kingdom (Great Britain and Northern Ireland). The differential has been in the 2.2-2.6 range in Japan. The ability of the British to keep youth unemployment relatively low, even during a recession period for the economy, is related to the special efforts made to help bridge the transition from school to work. British teenagers are assisted by widespread counseling, guidance, and job orientation programs in the schools, and a separate employment service for out-of-school youth. The 1,500 officers of the Youth Employment Service in Great Britain provide individual counseling to the great majority of school leavers and help place a significant number of them in their first job. (See chapter 5.)

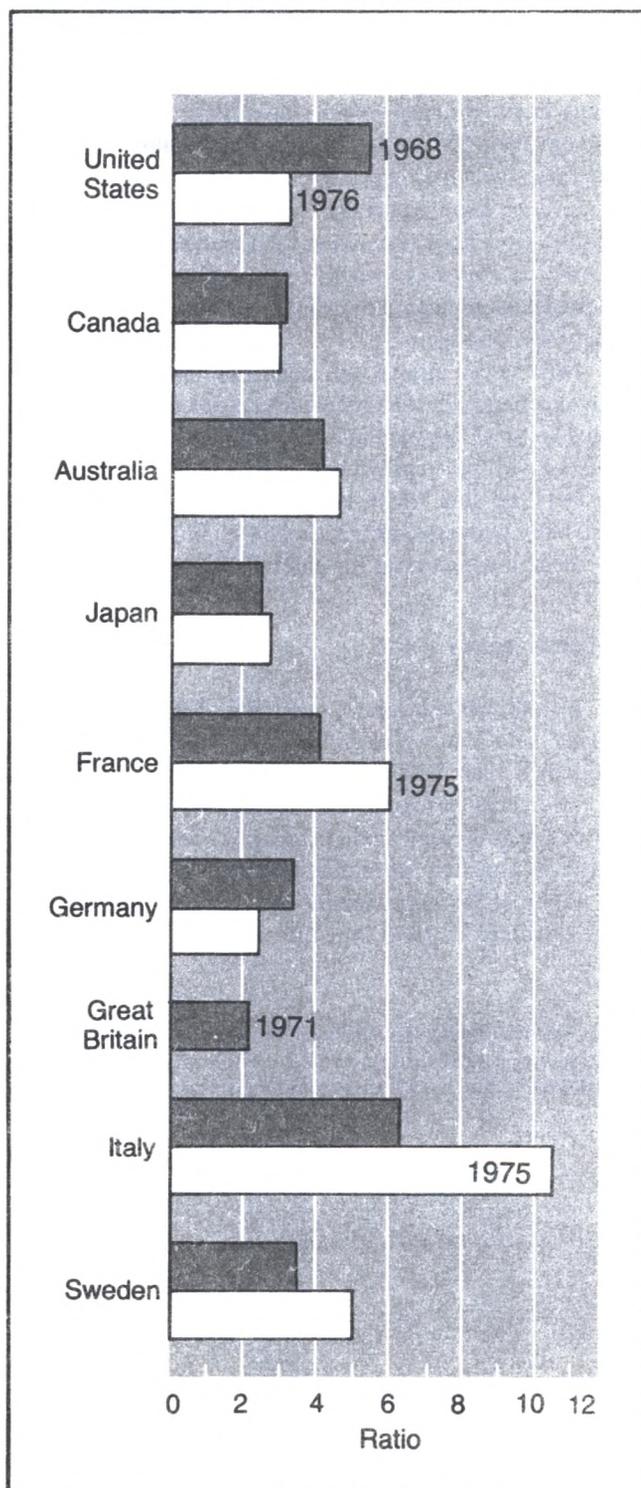
Unemployment of older workers

In the late 1940's and early 1950's, the unemployment rate for U.S. workers age 55 and over was somewhat higher than the rate for workers in the primary working ages of 25 to 54. Beginning with 1957, however, the unemployment rate for older workers has been either at the same level or lower than the rate for 25- to 54-year-olds. In 1970, for example, older workers had a 2.8-percent unemployment rate; workers age 25 to 54, a 3.4-percent unemployment rate. The figures shown in table 10 for the eight foreign countries are based on only a few years' data, but they indicate some similarities and some dissimilarities with the U.S. older worker pattern.

Older workers in Italy have much lower unemployment rates than workers in the primary working ages. In the years studied, the unemployment rate for Italian workers 55 and over was only about half the rate for persons age 25 to 54. The very low unemployment rates for older workers in Italy are related to the fact that very few persons over 55 remain economically active. The labor force participation rate for older Italians was only about 25 percent in 1968 and it has since declined. Italians over age 55 have the lowest participation rate among the major developed countries.

Similar to the U.S. pattern, unemployment rates for older workers in Australia appear to be at about the same level as or somewhat lower than the rates for workers in the primary working ages. Japanese unemployment rates for older workers were about the same as or slightly higher than the rates for 25- to 54-year-olds in 1968 and 1970. However, in 1974-76 the differential widened. In Germany, workers 55 and over had a higher unemployment rate than workers in the primary working ages in April 1968, a period of relatively high unemployment for Germany. However, with the reappearance of labor shortages, older workers were easily absorbed. By April 1970, their unemployment rate was as low as that of persons aged 25 to 54; since April 1974 it has been lower. In contrast to the other countries,

Chart 14. Ratio of Teenage to Adult Unemployment Rates, 1968 and 1976



older workers in France, Great Britain, and Sweden appear to have unemployment rates significantly higher than those of workers in the primary working ages. This was also true for Canada in 1968 and 1970, but in 1974 the unemployment rate for older workers was about the same as the rate

for 25- to 54-year-olds. In 1975-76, the jobless rate for older workers moved well below the rate for 25- to 54-year-olds.

The preceding analysis based on data for all workers 55 and over obscures a sharp difference in the unemployment experience of older men and older women relative to persons in the primary working ages. Prior to the 1974-75 recession, men 55 and over usually had higher unemployment rates than men aged 25 to 54. Women 55 and over, on the other hand, generally have unemployment rates at about the same level as or lower than women aged 25 to 54. The only exception is Sweden, where older women usually have had higher unemployment rates than women in the primary working ages.

Differences among the countries in the unemployment experience of all older workers are partly explained by this contrast between men and women 55 and over. The relatively high unemployment rates for older workers in Canada (1968 and 1970), France, and Great Britain—compared with workers aged 25 to 54—stem from relatively high unemployment rates for older male workers.

Unemployment by sex

In the United States, Australia, France, Germany, Sweden,³ and Italy, women are more likely to be unemployed than men. There do not appear to be any significant differences between male and female unemployment rates in Japan, except among teenagers. Teenage girls have lower unemployment rates than teenage boys in Japan.

In Great Britain, unemployment was higher for men than for women in 1973, but the rates were about equal-

³For Sweden, the higher male unemployment rate in 1968 was an exception. From 1961 through 1967 and 1970 through 1976, female unemployment rates were higher than the male rates.

ent in 1971 and 1974. The higher male rates in 1973 are largely attributable to the high unemployment rate for men 55 years of age and over. The 1975 European Community labor force survey indicated that the unemployment rate for women (5.2 percent) was 1 percentage point higher than the rate for men (4.2 percent) in the United Kingdom (Great Britain and Northern Ireland).⁴

In Canada, the former labor force survey consistently recorded significantly higher unemployment rates for men than for women. However, the revised survey, which contains more probing into labor force status, found that female unemployment was much higher than male unemployment in 1976. Revisions on the new basis for earlier years indicate that unemployment rates for women were slightly lower than for men in 1968 and slightly higher in 1970. A Canadian researcher attributed the lower unemployment rates for women recorded in the 1960's to the fact that Canadian women were less fully committed to labor force activity than were women in other industrial countries.⁵ Thus, Canadian women tended to bypass unemployment when both entering and leaving employment.

Women in the United States have higher unemployment rates than men largely because of higher rates for women in the prime working ages of 25 to 54. Since 1964, teenage girls have also had a somewhat higher incidence of unemployment than teenage boys, except during 1975-76. The pattern in Australia, France, Germany, and Sweden appears to be similar, with women 25-54 and teenage girls having higher unemployment rates than men in these age groups.

⁴The EC survey results should be closely comparable to the figures shown in table 10 for Great Britain. The 1973 EC survey indicated an unemployment rate of 3.6 percent for British men and 2.6 percent for British women. See appendix E for a description of the EC survey.

⁵Sylvia Ostry, *Unemployment in Canada* (Ottawa, Dominion Bureau of Statistics, 1968), pp. 5-7.

Chapter 4. Participation Rates and Employment-Population Ratios

The labor force participation rate is the proportion of the population of working age that is in the labor force. For example, the 1975 civilian population age 16 and over in the United States was 151,269,000 and the number of persons in the civilian labor force was 92,613,000; consequently, the civilian labor force participation rate was 61.2 percent.¹ The main economic interest in participation rates lies in their usefulness in explaining fluctuations in the labor force.

The employment-population ratio is derived by dividing civilian employment by the civilian working-age population. Thus, the employment-population ratio is the major component of the labor force participation rate, the only difference being that the numerator of the employment ratio excludes unemployment.

For certain purposes the employment-population ratio may be a better indicator of the labor market than the traditional measure, the unemployment rate.² Employment is a more precisely measurable condition than unemployment and, since it is much larger, it is subject to smaller relative statistical error. Seasonal adjustment is more accurate since seasonal changes are relatively small. Also, the labor force itself may fluctuate seasonally, in contrast to the population, which incorporates no seasonal movements. While the unemployment rate is potentially subject to wide variations as a result of special developments leading to growth or contraction in the labor force, the employment-population ratio includes a more stable base for a measure of labor market activity.

Since participation rates and employment-population ratios are closely related by definition, they are influenced by similar factors and show similar long-term trends. Over the long term, both measures are chiefly influenced by structural factors of a social and economic character: Trends toward longer years of schooling, early retirement, and changing attitudes toward the role of women. In the short term, changes in these rates largely reflect fluctuations in business activity. The rate of participation of some segments of the population—young

¹The U.S. labor force participation rate is usually published in terms of the total population and labor force over age 16, including the Armed Forces. In 1975, the participation rate including the Armed Forces was 61.8 percent. Civilian participation rates are analyzed in this section for purposes of international comparability.

²James E. McCarthy, "Employment and Inflation in Major Industrial Countries," *The Conference Board Worldbusiness Perspectives* No. 28, (August 1975), p. 4. See also Julius Shiskin, "Employment and Unemployment: The Doughnut or the Hole?" *Monthly Labor Review*, February 1976, pp. 3-10.

people, women, the elderly—may vary considerably depending on the labor market situation, usually tending to rise in periods of high demand and fall in periods of slack. In periods of economic downturn, there is normally a negative impact on participation rates due to discouragement of marginal workers. Working in the opposite direction, however, unemployment affecting the principal income earners of households may encourage previously nonactive members to seek employment. (See section below on cyclical trends.)

Unlike the long-term trends, short-term movements in participation rates and employment-population ratios may diverge. Thus, an expansion in the labor force may cause the participation rate to rise, while the employment ratio holds steady or falls because the number of persons seeking work increases even faster than the number actually finding jobs.

Table 12 presents civilian labor force participation rates by sex adjusted to U.S. concepts for nine countries. Data are shown by sex because the overall rate masks marked differences in the trends for men and women. All participation rates are annual averages except those for France, which are for March or October as indicated on the table. Employment-population ratios for nine countries are shown in table 13. These figures have not been shown separately by sex, but the long-term trends would be quite similar to the participation rate trends by sex.

Comparative levels and trends

The overall labor force participation rate in 1976 was over 60 percent in the United States and five other countries. Sweden had the highest activity rate at 65 percent. Italy, with 48 percent of the working-age population economically active, had the lowest activity rate in the industrialized world. The rankings by employment-population ratios were about the same as those by participation rates.

Australia and Japan had the highest male activity rates—81 percent—and Sweden had, by far, the highest female rate at 55 percent. Italy and Germany had the lowest rates for men and Italy had the lowest rate for women. The female activity rate in Italy was only about one-half of the rate in Sweden.

Only the United States, Canada, and Sweden had higher overall activity rates in 1976 than in the early 1960's. Based on data since 1964, the trend in Australia has also been upward. For these countries, sharp increases in female activity rates more than offset falling male rates.

Table 12. Labor force participation rates by sex, 1960-76

Year	United States	Canada	Australia	Japan	France	Germany	Great Britain	Italy	Sweden
Both sexes									
1960	59.4	¹ 56.2	(2)	67.9	³ 61.8	60.0	60.7	58.0	(2)
1961	59.3	¹ 56.1	(2)	67.8	³ (²)	59.9	61.5	57.4	63.2
1962	58.8	¹ 55.9	(2)	66.9	³ 61.4	59.6	60.9	56.3	63.9
1963	58.7	¹ 55.9	(2)	65.7	³ 60.6	59.4	61.0	54.7	64.4
1964	58.7	¹ 56.2	58.7	64.8	³ 60.4	59.0	60.9	53.9	63.0
1965	58.9	¹ 56.5	59.1	64.4	59.7	58.7	60.9	52.8	62.8
1966	59.2	57.3	59.5	64.6	³ 59.8	58.2	60.9	51.2	63.1
1967	59.6	57.6	59.8	64.8	58.9	57.0	60.6	51.2	62.2
1968	59.6	57.6	59.9	64.9	58.6	57.1	60.2	50.5	62.4
1969	60.1	57.9	60.2	64.6	58.3	57.1	59.8	50.1	62.3
1970	60.4	57.8	60.8	64.5	58.0	57.0	59.4	49.5	62.9
1971	60.2	58.1	60.7	64.2	57.7	56.5	59.1	49.2	63.2
1972	60.4	58.6	60.8	63.8	57.9	55.8	59.4	48.0	63.1
1973	60.8	59.7	61.1	64.0	57.8	55.4	60.8	47.9	63.0
1974	61.2	60.5	61.4	63.0	58.0	54.4	60.5	47.9	63.8
1975	61.2	61.1	61.6	62.4	58.7	53.5	⁴ 61.0	47.9	64.9
1976	61.6	61.1	61.4	62.3	58.7	53.2	⁴ 61.5	48.0	65.3
Men									
1960	83.3	¹ 82.2	(2)	84.2	³ 84.3	82.7	86.0	84.7	(2)
1961	83.2	¹ 81.3	(2)	84.3	³ (²)	82.7	85.5	83.8	83.3
1962	82.0	¹ 80.6	(2)	83.6	³ 83.6	82.2	84.9	82.4	83.0
1963	81.4	¹ 80.0	(2)	82.5	³ 83.7	81.8	84.9	80.9	82.8
1964	81.0	¹ 79.7	84.2	81.5	³ 82.5	81.4	84.1	80.3	81.2
1965	80.7	¹ 79.4	84.0	81.1	³ 81.5	80.8	83.5	79.2	80.7
1966	80.4	79.8	84.1	81.1	³ 81.3	80.5	83.1	77.5	80.2
1967	80.4	79.3	83.7	81.0	79.8	79.3	82.4	77.5	79.1
1968	80.1	78.7	83.3	81.7	78.4	79.1	81.7	76.3	78.9
1969	79.8	78.3	83.3	81.5	77.6	79.1	80.8	75.5	77.5
1970	79.7	77.8	83.2	81.5	77.1	78.8	79.8	74.5	77.2
1971	79.1	77.4	82.6	81.9	76.6	77.7	79.1	74.1	76.8
1972	79.0	77.5	82.5	81.8	76.3	76.4	78.8	72.6	76.1
1973	78.8	78.2	82.1	81.8	75.6	75.2	80.1	71.7	75.7
1974	78.7	78.7	81.6	81.5	75.2	73.6	78.9	71.3	75.7
1975	77.9	78.4	81.0	81.0	75.8	72.1	⁴ 78.8	71.0	76.0
1976	77.5	77.7	80.6	80.9	75.2	72.1	⁴ 79.0	70.5	75.8
Women									
1960	37.7	¹ 30.2	(2)	52.7	³ 43.0	41.2	38.7	33.8	(2)
1961	38.1	¹ 31.0	(2)	52.4	³ (²)	41.0	39.2	33.8	43.4
1962	37.9	¹ 31.3	(2)	51.3	³ 42.6	40.7	39.5	33.0	45.5
1963	38.3	¹ 32.0	(2)	50.0	³ 40.9	40.7	39.8	31.2	46.9
1964	38.7	¹ 32.9	33.4	49.3	³ 41.5	40.3	40.2	30.1	45.6
1965	39.3	¹ 33.9	34.4	48.8	³ 40.6	40.0	40.7	28.9	45.6
1966	40.3	35.4	35.3	49.2	³ 41.4	39.4	41.1	27.4	46.6
1967	41.1	36.5	36.3	49.6	40.8	38.4	40.9	27.4	45.8
1968	41.6	37.1	36.9	49.2	41.2	38.6	40.8	27.2	46.9
1969	42.7	38.0	37.6	48.8	41.4	38.7	41.0	27.1	47.6
1970	43.3	38.3	38.9	49.3	41.2	38.6	41.1	26.8	49.0
1971	43.3	39.4	39.2	47.7	40.9	38.4	41.3	26.6	50.0
1972	43.9	40.2	39.5	46.8	41.7	38.1	41.9	25.7	50.5
1973	44.7	41.8	40.6	47.3	42.1	38.3	43.6	26.1	50.8
1974	45.6	42.9	41.6	45.7	42.6	37.9	44.5	26.6	52.4
1975	46.3	44.2	42.5	44.8	43.1	37.5	⁴ 45.2	26.9	54.2
1976	47.3	45.0	42.6	45.0	43.8	37.7	⁴ 45.8	27.6	55.2

¹ Estimates by BLS on new survey definitions. Canada has made revisions back to 1966 on the new basis.

² Not available.

³ Data for October of 1960, 1962, 1964, and 1966. Data for all other years are for March.

⁴ Preliminary estimate.

NOTE: Data relate to the civilian labor force of working age as a percent of the civilian population of working age. Working age is defined as 16-year-olds and over in the United States, France, and Sweden; 15-year-olds and over in Australia, Canada, Germany, and Japan; and 14-year-olds and over in Italy. For Great Britain, the lower age limit was raised from 15 to 16 in 1973.

Table 13. Employment-population ratios,¹ 1960-76

Year	United States	Canada	Australia	Japan	France	Germany	Great Britain	Italy	Sweden
1960	56.1	² 52.6	(³)	66.7	58.6	59.4	59.4	55.8	(³)
1961	55.4	² 52.4	(³)	66.8	58.1	59.6	59.7	55.6	62.2
1962	55.5	² 52.9	(³)	66.0	57.1	59.3	59.2	54.7	63.0
1963	55.4	² 53.1	(³)	66.3	56.2	59.2	59.0	53.4	63.4
1964	55.7	² 53.8	57.9	64.1	56.4	58.8	59.4	52.5	62.0
1965	56.2	² 54.5	58.3	63.6	55.7	58.6	59.6	50.9	62.1
1966	56.9	55.4	58.7	63.7	55.6	58.0	59.6	49.2	62.1
1967	57.3	55.4	58.9	64.0	55.4	56.3	58.5	49.5	60.9
1968	57.5	55.0	59.0	64.1	55.1	56.2	58.2	48.8	61.0
1969	58.0	55.3	59.3	63.9	55.4	56.6	58.0	48.4	61.1
1970	57.4	54.5	60.0	63.8	55.5	56.6	57.5	48.0	61.9
1971	56.6	54.5	59.8	63.4	55.4	56.1	56.8	47.7	61.6
1972	57.0	54.9	59.4	62.8	55.3	55.3	56.9	46.4	61.4
1973	57.8	56.4	60.0	63.2	55.4	54.9	58.9	46.2	61.4
1974	57.8	57.3	60.0	62.2	55.6	53.5	58.8	46.6	62.6
1975	56.0	56.8	58.9	61.2	54.5	51.5	⁴ 58.2	46.4	63.8
1976	56.8	56.7	58.7	61.1	54.4	51.3	⁴ 57.5	46.3	64.2

¹ Civilian employment, adjusted to U.S. concepts, as a percent of the civilian working-age population. The data relate to persons 16 and over for the United States, France, Sweden, and, beginning in 1973, Great Britain; 15 and over for Canada, Japan, Germany, and prior to 1973, Great Britain; and 14 and over for Italy.

² Estimates by BLS on new survey definitions. Canada has made revisions back to 1966 on the new basis.

³ Not available.

⁴ Preliminary.

A downward trend in male participation rates has occurred in all countries and is attributable to earlier retirement and longer years of schooling. The age structure of the population also has some effect. Although declining, male activity rates were still considerably higher than female rates in 1976. However, the gap between male and female rates has narrowed significantly since 1960 in most countries. For example, Canada's male activity rate was 2.7 times the female participation rate in 1960; by 1976, it was only 1.7 times the female rate.

Since 1960, female activity rates have fallen in Japan, Germany, and Italy. The trend in France is difficult to analyze because the data for 1960, 1962, 1964, and 1966 relate to October while figures for 1967 onward are for March. The available data indicate falling female participation in the labor force between 1960 and 1966 and a rising trend since 1972.

In Germany, female participation rates rose in the 1950's, but began to fall in the 1960's, intensifying the labor shortage in that country. Adult female activity has been rising in Germany, but it has not been sufficient to make up for a sharp drop in participation by teenage girls brought about by the extension of schooling. The activity rate for teenage girls has dropped about 20 percentage points since 1960. The relatively low level of female labor force participation in Germany may also be related to the relatively small share of total employment which is in the service sector.³

In Italy and Japan, female participation rates have fallen since 1960 for all age groups. In Italy, the declining trend ended in 1972, but female activity rates have continued to fall in Japan, except for a slight increase in 1976.

A major factor in the long-term trends for Italy and Japan has been the sharp postwar decline in agricultural employment in both countries.⁴ As countries develop industrially, the initial response of female activity is to fall, along with the decline in importance of agriculture in the economy. Women who were economically active as unpaid family workers on the farm generally withdraw from the labor force when the family moves to the city. In most instances, their family responsibilities, low skill qualifications, and insufficient demand for their services discourage them from looking for a job. In Italy, about 1 million unpaid female family workers have left the agricultural sector since 1960; in Japan, about 3 million unpaid female workers have moved out of agriculture.

Surveys were made in Italy beginning in 1971 on the reasons for nonparticipation in the labor force.⁵ In 1971, women made up 80 percent of the nonparticipants, and family duties were held responsible for nonparticipation in more than half the cases. These figures indicated a likelihood that an improvement in the Italian preschooling structures could significantly increase the rate of female economic activity.⁶

⁴ See footnote 3.

⁵ Istituto Centrale di Statistica, "Indagine speciale sulle persone non appartenenti alle forze di lavoro," *Supplement to the Monthly Bulletin of Statistics*, No. 11, November 1971; *Annuario di Statistiche de Lavoro*, 1975, pp. 109-16, and 1976, pp. 103-15.

⁶ Data compiled by the Organization for Economic Cooperation and Development indicate that in Italy 62 percent of children between the ages of 3 and 6 were enrolled in school in 1970. This was a smaller proportion than in Belgium (96 percent) and France (88 percent), but larger than in the United Kingdom (60 percent) and the United States (57 percent). See OECD, *Educational Statistics Yearbook*, Volume 1, International tables, p. 27.

³ See the section on sectoral employment in ch. 2.

Along with falling participation rates for women, Germany and Italy also had absolute declines in the female labor force. Japan, on the other hand, had a rising female labor force, but it did not rise as fast as the working-age population, so the participation rate declined.

In Italy, female participation rates began to rise in 1973, after many years of decline. This increase may be partly because home workers progressively are taking up recorded employment as a result of legislation passed in 1973.⁷ According to projections by the ILO, a moderate rise in female labor force participation is foreseen for Japan, Italy, and Germany in the later 1970's, reversing the former long-term trend.⁸

After the initial fall in female activity rates which comes with the decline of agriculture, a second stage of development witnesses a rise in women's activity rates. This second stage can be seen most recently in France. Female activity rates declined until the mid-1960's and then began to rise. In the United States, female participation rates rose during most of the post-World War II period, increasing from about 32 percent just after the war to 38 percent in 1960 and 47 percent in 1976. Significant increases also occurred in Canada, Australia, and Sweden. In Great Britain, a more moderate increase oc-

curred, but Britain already had a relatively high level in 1960. France has had only a slight rise in female participation since 1965.

Underlying the rise in female participation rates in many countries have been the following factors: Lessening of job discrimination against women, increased availability of part-time work, declines in fertility rates, a high rate of increase in jobs in the service sector, and changing attitudes towards women's role in society.

Sweden's high and rapidly rising female participation rate indicates a more active involvement of married women in economic life compared with other nations. In Sweden, 53 percent of married women work, compared with roughly 46 percent in Japan, 41 percent in the United States and Great Britain, 38 percent in France, and only 33 percent in Germany. Several factors are responsible for the high Swedish rate. In Sweden many married women have no children or only one child. Furthermore, over 60 percent of women with preschool-age children work in Sweden, compared with about 30 percent in the United States. Government-financed day care centers provide for infant care, beginning with children 6 months of age, when maternity leave expires.⁹ The introduction of separate taxation for married women in 1971, parenthood insurance

⁷Organization for Economic Cooperation and Development, *Economic Survey of Italy*, (Paris, OECD, January 1976), p. 14.

⁸International Labour Office, *Labour Force 1950-2000*, Vols. IV and V (Geneva, ILO, 1977).

⁹The Swedish facilities for day care, although extensive compared with other countries, still fall short of meeting estimated needs. See Alice H. Cook, *The Working Mother, A Survey of Problems and Programs in Nine Countries* (Ithaca, Cornell University, 1975), p. 31.

Table 14. Labor force participation rates by age and sex, 1973¹

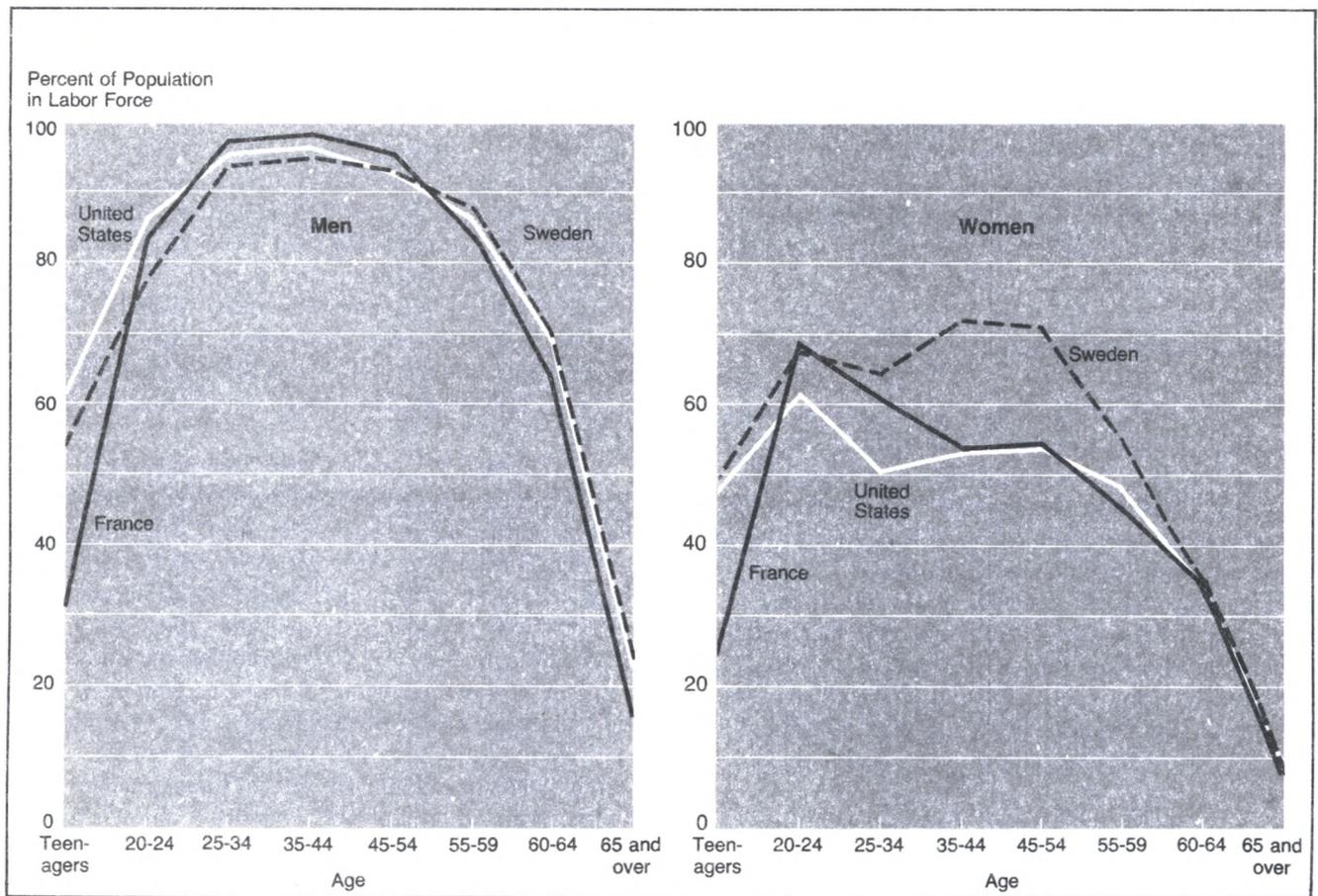
Sex and age	United States	Australia	Canada	France	Germany	Italy	Japan	Sweden
Men								
Teenagers	61.9	59.8	49.7	31.1	62.1	35.8	25.2	53.7
20-24	86.8	91.1	85.3	83.9	83.6	68.2	79.5	78.4
25-29	} 95.9	} 97.4	} 96.4	96.5	93.0	93.5	96.9	} 93.7
30-34				99.1	98.1	98.3	98.1	
35-39	} 96.3	} 97.4	} 97.3	99.0	98.7	98.1	98.1	} 95.0
40-44				98.3	98.4	97.2		
45-49	} 93.0	} 94.9	} 94.6	97.3	96.7	95.2	} 97.2	} 94.3
50-54				94.3	93.9	90.7		
55-59	86.2	89.1	} 81.3	83.7	86.2	79.0	} 86.8	} 82.7
60-64	69.1	76.0		64.1	68.5	43.3		
65 and over	22.8	21.4	18.3	15.9	15.0	10.4	46.7	² 23.9
Women								
Teenagers	47.9	55.7	39.8	24.8	60.4	26.1	27.9	49.8
20-24	61.2	61.9	62.5	68.7	67.0	42.0	67.0	67.6
25-29	} 50.2	} 43.6	} 45.2	63.8	53.4	34.0	44.4	} 65.0
30-34				56.2	48.1	30.3	46.8	
35-39	} 53.3	} 50.4	} 43.7	53.6	48.5	29.6	56.3	} 71.5
40-44				53.7	50.0	30.3		
45-49	} 53.7	} 45.2	} 42.9	54.8	50.7	29.6	} 61.3	} 71.0
50-54				53.5	46.5	25.8		
55-59	47.4	30.5	} 31.0	45.2	36.0	16.5	} 44.5	} 46.3
60-64	34.2	16.4		34.1	17.7	9.1		
65 and over	8.9	3.4	4.4	7.0	5.7	2.1	16.9	² 7.4

¹ 1972 data for Italy and Germany.

² Ages 65-74.

NOTE: Data are not adjusted to U.S. concepts.

Chart 15. Age Structure of Labor Force Participation Rates, 1973



in 1974, and greater flexibility in working time have also provided incentives for Swedish women to seek gainful employment. Parenthood insurance provides that either a mother or father may stay home up to 7 months after a child's birth and be reimbursed for 90 percent of his or her pay.

Age structure of participation rates

The age structure of participation rates differs greatly between the sexes (table 14). Male participation rates plotted by age groups display a bell shape in all countries, with high rates during the prime working ages and then tapering off after age 50 as males enter retirement. Chart 15 shows the age structure of participation rates for three of the countries, illustrating the bell shape. The growing importance of schooling and the increasing frequency of early retirement, voluntary or otherwise, have resulted in a trend toward lower participation rates at both ends of the age spectrum.

In the case of women, the above phenomena are accompanied by conditions relating to women's traditional role in society. Generally speaking, after a first maximum which occurs between 20 and 25 years of age, a fall in economic activity rates occurs which is attributable to

marriage and the birth and raising of children. Subsequently, a number of women return to work. Sometime in the 30's the female activity rate begins to rise again and reaches a second maximum in the 40's which is, except in Sweden, lower than the first maximum. In Sweden, about 68 percent of women in the 20-24 age group are economically active; this tapers off gradually to 65 percent in the 25-34 age group, then rises to a second maximum of 71.5 percent in the 35-44 age bracket. Projections indicate that Sweden is approaching a pattern of female participation by age similar to that of men, with no drop in activity connected with the birth and bringing up of children. Chart 15 shows the characteristic M-shaped curve for female participation rates in two of the three countries shown. Since 1973, the U.S. curve has changed from the M-shape shown in the chart. The differential in participation rates between the age groups 25 to 34 and 35 to 44 gradually narrowed, and by 1976, participation rates were about the same for both age groups.

Table 14 indicates a very high rate of participation for older Japanese workers. Almost half of the men in Japan 65 years old and over are still working. In the United States, only about 1 in 5 men over 65 are working, and in Germany about 1 out of every 6. A comparatively high proportion of older Japanese women are also working. The

prevalence of the work ethic in Japan partly accounts for these high participation rates of older workers. Also, social security benefits are very small and pensions are low or nonexistent. Fifty-five is still the common retirement age in Japan, but social security payments begin at age 60 and lump-sum retirement payments are not enough to allow for self-sufficiency until age 60. As a result, most workers who are retired from their regular jobs at 55 continue at lower paid jobs or go into self-employment out of financial necessity.

Cyclical trends in participation

In the short term, changes in participation rates can incorporate a significant cyclical component. It is generally assumed that the interaction between demand for and supply of labor may take two opposite forms: In the course of a recession, dismissed workers or potential labor force entrants may either be inhibited from even seeking a new job ("discouraged worker hypothesis") or be stimulated by sheer need to try harder for new sources of income ("additional worker hypothesis"). Econometric investigations have usually found confirmation at the aggregate level of the "discouraged worker hypothesis," even though this may only imply that the alternative hypothesis has less weight.¹⁰

According to research by Dernburg and Strand, the degree to which the two effects govern labor force participation depends upon the stage of the business cycle.¹¹ An initial decline in employment from a cyclical peak results in large-scale discouragement and withdrawal from the labor force. Subsequent declines in employment are met by a smaller decline in labor force participation. As the period of economic slack grows longer, pressure on additional workers to enter the labor force builds up and this tends to partially offset the discouragement effect. Because the dominant effect is withdrawal from the labor force, the official unemployment statistics understate the magnitude of the economic loss during periods of economic slack.¹²

The United States and Sweden are the only countries studied which regularly collect data on discouraged workers. In the United States, changes in the number of such workers have been consistent with cyclical changes in the demand for labor. Both the unemployment rate and the number of discouraged workers moved downward, though in differing degrees, from 1967 to 1969, when unemployment declined 5 percent and discouraged workers declined 22 percent; both series rose substantially from 1969 to 1971,

when job prospects were poor; and both moved downward again during 1972 and 1973 as the job market improved. The drop in the U.S. labor force participation rate in 1971, after a rise since 1964, was related to the sharp increase in withdrawals from the labor force of discouraged workers. The number of discouraged workers reached a recession high of 1.2 million in the third quarter of 1975—one quarter later than the unemployment peak—and the 1975 participation rate held steady at the 1974 level after rising in 1972 and 1973. After the peak, the number of discouraged workers began moving downward fairly steadily through the third quarter of 1976. However, as unemployment began to rise again, there was also an increase in the number of discouraged workers to 1 million in the final quarter of 1976.

In Sweden, economic activity slowed down in 1967-68, and both unemployment and the number of discouraged workers reached decade highs. The labor force participation rate dipped sharply in 1967, one of the few years in which female economic activity declined. In 1968, the participation rate rose, possibly evidencing the "additional worker hypothesis." In 1970-71, when unemployment moved upward sharply, the number of discouraged workers actually fell slightly and continued downward in 1972; participation rates continued to rise. This trend may have been related to the rapid expansion in government training and job creation programs in the early 1970's which probably absorbed many discouraged workers. During the international recession of 1974-75, Swedish unemployment remained low, and participation rates for women rose sharply, while the rates for men held steady. In contrast, male participation rates declined in all the other countries during the recession.

The long-term trend in Italy is one of slowly declining overall participation rates. Cyclical trends, superimposed upon this long-term trend, have occasionally caused sharper than usual declines in participation. In 1963-66, when the Italian economy turned downward and unemployment rose, participation rates dipped sharply. As economic activity moved upward, activity rates held steady in 1967 and declined only slightly until 1972 when another sharp drop occurred. The latter drop was a lagged reaction to the lengthy recession which began in early 1970. Whereas in previous cycles the easing of the labor market was accompanied by a rapid decline in participation rates, the rates remained stable in the recession which began in 1974.

¹⁰ See Jacob Mincer, "Labor Force Participation and Unemployment: a Review of Recent Evidence," in R. A. Gordon and M. S. Gordon eds., *Prosperity and Employment* (New York, Wiley and Sons, 1966).

¹¹ Thomas Dernburg and Kenneth Strand, "Hidden Unemployment 1953-62: A Quantitative Analysis by Age and Sex," *American Economic Review*, March 1966, pp. 71-95.

¹² *Ibid.* Dernburg and Strand constructed a "potential" labor force series for the United States which they used to recalculate the unemployment rate including net cyclical withdrawals from the labor force. Thus, for November 1962, when the official seasonally adjusted unemployment rate was 5.8 percent, they calculated a "manpower gap" unemployment rate of between 9.5 and 10.3 percent. Professor Alfred Tella of Georgetown University has also done work in this area. See "The Relation of Labor Force to Employment," *Industrial and Labor Relations Review*, April 1974, pp. 454-69.

The data for Germany and Great Britain also suggest that participation rates tend to react, with certain lags, to changes in the demand for labor. Participation rates declined throughout most of the 1960-76 period in Germany, but the sharpest drops occurred in 1967 and 1974, both years of recession for the economy. In Great Britain, participation rates for 1960-66 held quite steadily at about 61 percent, but then fell off to 59 percent by 1971 as unemployment rose. One noncyclical influence which should be mentioned was the raising of the British school-leaving age from 15 to 16 in 1973. Removal of the 15-year-olds from the 1973 data explains some of the in-

crease in participation rates in 1973 since 15-year-olds had a lower than average level of labor force activity.

Employment-population ratios also were sensitive to cyclical fluctuations, but did not always move in the same direction as participation rates. For example, in 1975, U.S., Canadian, Australian, Italian, and British participation rates held steady or rose while employment-population ratios declined. According to one hypothesis, this behavior in the United States was attributable to the combination of inflation and unemployment which put severe financial pressure on many families and induced an unusually large number of family members to seek jobs.

Chapter 5. Factors Contributing to Differences in Unemployment Levels

Unemployment rates in the United States have tended to be appreciably higher than in most other industrial countries, even after adjustments are made to account for differences in definitions and survey methods. Although U.S. unemployment reached a 16-year low of 3.5 percent in 1969, it was still well above the rates in Western Europe and Japan. Explanations for the differences may be sought in demographic, economic, legal, and social factors.

This chapter examines some of the factors which may contribute to differences in unemployment levels among the major industrial countries. Emphasis is placed on those factors which help to explain the relatively high unemployment rates in the United States. The discussion updates and expands upon the pioneering 1962 study by Myers and Chandler prepared for the President's Committee to Appraise Employment and Unemployment Statistics.¹ It will be noted that, in many ways, the countries studied are more alike today than they were in the early 1960's. Nevertheless, significant differences do remain which help to explain international differences in unemployment rates.

Consideration is given first to demographic factors such as the growth and composition of the labor force. Attention is also given to cyclical labor migrations, to seasonality, to income maintenance arrangements, to labor market programs, and to differences in the employment situation for young people. Finally, noneconomic factors such as legal and social restraints against layoffs are considered.

The chapter is by no means a complete survey of all the factors that influence comparative levels of unemployment rates. Such complex questions as the form of economic organization (i.e., free enterprise, socialism, etc.) and the level of wages in relation to the supply of, and demand for, labor have been deliberately excluded. Similarly, the fiscal and monetary policies chosen by the various governments are not taken into consideration. Differences in occupational, industrial, and regional supply-demand imbalances (i.e., structural unemployment) have also been excluded. Treatment of such topics is beyond the scope of this report. However, it should be noted that some of these excluded topics could be very significant factors in explaining differences in unemployment levels.

It is fairly easy to identify many of the principal causes contributing to differences in unemployment rates, but it is much more difficult to appraise their relative im-

portance. To present such a quantitative appraisal would require a study in considerable depth. Comparatively low unemployment rates in Western Europe and Japan cannot be attributed solely to any one of the topics discussed below. They are rather the cumulative effect of a number of factors which in combination have gradually enabled some national economies to provide jobs for almost all persons seeking work.

Labor force growth

It is commonly suggested that the rapid growth of the labor force in the United States has greatly increased the difficulty of maintaining full employment. Growth of the U.S. civilian labor force alone called for about 25 million new jobs between 1959 and 1976 if the unemployment rate were not to rise above the 1959 level of 5.5 percent. The economy generated 23 million new jobs, however, and the unemployment rate rose to 7.7 percent in 1976. Of course, some of this shortfall is attributable to cyclical factors.² The lower unemployment rates of the European countries and Japan from 1960 onward were achieved under conditions of slow growth or decline of the labor force. Indeed, it is often overlooked that these countries created relatively fewer net new jobs than did the countries with high unemployment rates—the United States and Canada.

The Canadian labor force grew at an annual rate of 3.2 percent, higher than the rate of increase in any other country (table 15). Australian work force growth, at 2.4 percent annually since 1964, was also rapid. The rate of growth of the U.S. labor force, at 2 percent, was much higher than that for the European countries and Japan. The labor force grew at annual rates of 1 percent or less in France, Great Britain, and Sweden. In Germany, the labor force decreased slowly but would have declined faster if not for the rapid influx of foreign workers since 1960. The labor force excluding foreign workers in Germany declined by 7 percent between 1960 and 1975, while the number of foreign workers rose about sevenfold. Italy's work force declined by 0.4 percent a year. These very low rates of labor force increase in European countries may have aided in maintaining low levels of unemployment. In fact, labor shortages developed during the 1960's in several

¹ President's Committee to Appraise Employment and Unemployment Statistics, *Measuring Employment and Unemployment*, appendix A (Washington, U.S. Government Printing Office, 1962).

² Real gross national product rose by 6 percent over the preceding year in 1959 and by 6.1 percent in 1976; both years were preceded by economic downturns. However, the 1974-75 recession was steeper and longer lasting than the 1957-58 downturn.

Table 15. Growth rates of population, labor force, and employment, 1960-76

Country	Civilian working-age population	Civilian labor force	Employment
United States . . .	1.7	2.0	1.9
Canada	2.4	3.2	3.1
Australia ¹	2.0	2.4	2.2
Japan	1.7	1.3	1.2
France	1.2	1.1	.9
Germany . . . . .	.7	-.1	-.2
Great Britain . . .	.3	.2	.1
Italy . . . . .	.8	-.4	-.4
Sweden ² . . . . .	.7	.8	.8

¹ 1964-76.

² 1961-76.

NOTE: Percent changes computed from the least squares trend of the logarithms of the index numbers.

countries—notably Germany and Japan—as the supply of labor could not keep up with demand.

Population growth and trends in participation rates are factors which underlie the different trends in the labor force among the major industrial countries. Since 1960, the civilian population of working age has grown fastest in Canada, followed by Australia, the United States, Japan, and France (table 15). Population growth was under 1 percent a year in Germany, Great Britain, Italy, and Sweden. Labor force participation rates have been rising in the United States, Australia, Canada, and Sweden, while remaining steady in Great Britain and declining in the other countries. (See chapter 4.)

The relatively rapid growth in working-age population and rising participation rates led to the relatively high rates of labor force growth in the United States, Australia, and Canada. Germany, Great Britain, and Italy had low rates of population growth and declining or steady participation rates; in these countries, the labor force grew very slowly or declined. For Japan, population growth was fairly strong but labor force growth was held down by a sharp drop in participation rates.

A major reason for the rapid increase in the U.S. working-age population and labor force compared to many European countries was this country's unusually high birth rate in the early postwar years. These children began entering the labor force in the latter 1960's. Thus, in 1967, some 3.8 million Americans turned 21, nearly 1 million more than a year earlier. The number reaching 21 remained close to 3.8 million until 1975 and then began to push above 4 million. In most other industrial countries, in contrast, the ravages of World War II precluded any prompt postwar return to normal family life. Consequently, there were no comparable postwar baby booms, and there was no comparable stream of young persons pouring into the work force.

Underlying long-term trends in participation rates are

such factors as trends toward longer years of schooling, early retirement, and changing attitudes toward the role of women. In the United States, a dramatic increase in participation rates for women occurred in the 1960-76 period. In contrast, Japan, Germany, and Italy had declining female activity rates. (See chapter 4.)

Labor force composition

Differences in the composition of the labor force among the major industrial countries are important in an investigation of why international unemployment rates differ, since certain groups have been more prone to unemployment than others. Hence, if a country has a higher proportion of its labor force in such groups, its overall unemployment rate should tend to be higher. Differences in composition by sex, age, economic sector, and economic status (i.e., self-employed, wage earner, or unpaid family worker) are examined here.

Age and sex composition. In general, women enter and leave the work force more frequently than adult men and women and younger workers change jobs more frequently, encountering more spells of unemployment in the course of these transitions than workers with more permanent job attachments. Another factor that tends to increase the unemployment rate of married women is the migration of families who generally move where the husband's job opportunities are better.³ Also, women and younger workers are more vulnerable to layoffs than adult men, because on average they do not have as many years of work experience. On the other hand, women and teenagers tend to work in occupations and industries which are not subject to sharp cyclical fluctuations. Women, for example, are more likely to be employed in white-collar jobs and in service industries where unemployment fluctuates less over the business cycle. In addition, the slower rate of entry of women and teenagers into the labor force during a recession narrows the age and sex differential in the U.S. unemployment rate.

In chapter 3 comparative data were presented on unemployment by age and sex. These figures indicated that women in most countries have higher unemployment rates than men. Female rates are about the same as male rates only in Great Britain and Japan. Teenagers have relatively high jobless rates in all countries. Thus, it is relevant to consider the trends in the proportion of the labor force accounted for by women and teenagers.

A significant increase in the proportion of women and teenagers in the labor force has been singled out as one of the reasons for the worsening unemployment situation

³ In the United States in 1970, married women age 25 to 34 who had moved to a different county within the year had an unemployment rate of 11 percent, compared to 5 percent for nonmigrants. Among married men of the same age group, the rates were 4.8 percent and 2.1 percent, respectively.

Table 16. Women and teenagers in the labor force, 1960, 1971, 1975, and 1976

Country	Women ¹					Teenagers ²				
	As percent of labor force				Labor force growth rate, 1960-76	As percent of labor force				Labor force growth rate, 1960-76
	1960	1971	1975	1976		1960	1971	1975	1976	
United States . . .	33	38	40	41	3.1	7	9	10	10	3.9
Canada	³ 27	34	37	37	5.2	³ 9	10	12	11	4.1
Australia	⁴ 29	32	35	35	4.1	⁴ 14	12	12	12	⁴ .7
Japan	40	39	37	37	.6	10	5	3	3	-6.7
France	⁵ 36	38	38	39	⁵ 1.7	⁵ 8	6	5	(⁶)	⁵ -1.6
Germany	38	36	38	38	-.1	11	8	8	9	-1.2
Great Britain . . .	34	37	39	39	1.3	⁷ 11	9	8	8	⁷ -1.7
Italy	31	28	30	30	-.4	12	8	7	(⁶)	⁸ -4.5
Sweden	⁷ 35	40	43	43	⁷ 2.2	⁷ 9	6	6	6	⁷ -1.5

¹ All working ages.

² 16- to 19-year-olds in the United States, France, and Sweden; 15- to 19-year-olds in Australia, Canada, Germany, and Japan; 14- to 19-year-olds in Italy. Data for Great Britain are for 15- to 19-year-olds in 1960 and 1971 and 16- to 19-year-olds in 1975 and 1976.

³ Estimate.

⁴ 1965 for proportion; 1965-76 for growth rate.

⁵ 1963 for proportion; 1963-75 or -76 for growth rate.

⁶ Not available.

⁷ 1961 for proportion; 1961-76 for growth rate.

⁸ 1960-75.

NOTE: Data have been adjusted to U.S. concepts. Growth rates (percent per year) based on compound rate of change.

in the United States in the 1970's. Women grew from one-third of the U.S. labor force in 1960 to 41 percent in 1976, while 16- to 19-year-olds increased their share from 7 to 10 percent. The U.S. economy has not fully absorbed these groups, and unemployment rates for women and teenagers have worsened compared with the national average. For example, the overall unemployment rate was about 5.6 percent in both 1960 and 1974; female unemployment was 5.9 percent in 1960 and 6.7 percent in 1974; teenage unemployment was 14.7 percent and 18.2 percent, respectively. In contrast, the jobless rate for males 20 years of age and over dropped from 4.7 percent to 3.8 percent over the same period.

Table 16 shows that the United States has had a comparatively large increase in the female work force during the period since 1960. Only Canada and Australia (1965-76) have had more rapid increases. In all of these countries, the strong expansion of the service sector, with jobs traditionally held by women, had an important effect. Other underlying factors are noted in chapter 4. In 1976, Sweden, which has done much to encourage women to work, had the highest proportion of women in its labor force. The United States ranked second, followed closely by France, Germany, and Great Britain. Italy had, by far, the lowest proportion of women. These rankings differed markedly from the situation in 1960, when five of the nine countries had higher proportions of women in the work force than the United States. At that time, Japan ranked first, and Germany was second. Canada ranked last, with women constituting only about one-quarter of the labor force.

Thus, the United States has had a relatively high and growing proportion of women in the labor force. Sweden has maintained low overall unemployment rates even with a large and growing female component. Female unemployment rates in Sweden, although higher than male rates, are

quite low when compared with most of the other countries. Italy has had both a low level and a declining trend in the female labor force. This has probably helped to keep unemployment down, since female unemployment rates have been 50 to 60 percent higher than the male rates in recent years. France and Germany had significantly higher proportions of women in their labor forces in 1960 than the United States, but had much lower levels of unemployment compared with the United States.

Between 1960 and 1970, the United States had the fastest growth in the teenage labor force; for the entire 1960-76 period, Canada had the sharpest increase because of extremely rapid growth in the 1970's. In all of the European countries and Japan, the teenage labor force declined between 1960 and 1976 (table 16).

In 1976, teenagers constituted 10 percent of the labor force in the United States; this proportion was exceeded only in Australia and Canada (table 16).⁴ Japan, France, and Sweden have very low proportions of teenagers in the labor force (3 to 6 percent) and this has helped to keep overall unemployment down in those countries. However, in 1960 all the other countries had higher proportions of teenagers in their labor force than the United States and were able to maintain much lower overall levels of unemployment, except for Canada.

Canada and the United States were the only countries where the proportion of teenagers in the labor force

⁴ It should be noted that the proportion of teenagers in the labor force may be affected by the lower age limit used in defining teenagers (footnote 2, table 16). These age limits have been adapted to the age at which compulsory schooling ends, which varies from age 14 to 16. If 15-year-olds were excluded from the Australian and Canadian labor forces, for example, the proportion of teenagers would probably be lowered closer to the level in the United States, where teenagers comprise persons age 16 to 19.

rose between 1960 and 1975. Basically, there are two reasons for the increases in the teenage labor forces in both countries. As mentioned earlier, the sharp increase in birth rates in the 1950's resulted in rapid growth of the teenage population beginning in the second half of the 1960's. Second, participation rates of young persons have risen significantly. In most of the other countries studied, birth rates did not rise significantly in the 1950's and participation rates have generally fallen for teenagers with the spread of higher education.

On balance, the overall effect of the demographic composition of the U.S. labor force may be to marginally increase its aggregate unemployment rate compared with some other countries. The high and growing proportion of both women and teenagers in the U.S. labor force has had an upward influence on unemployment rates. This has also been the case in Canada. In most of the other countries the female and teenage components of the work force are not as large and have either declined or increased less rapidly.

Industry and economic status. The industrial composition of the labor force and the economic status of workers (i.e., as self-employed, wage earner, or unpaid family worker) are factors of interest since workers in certain sectors of the economy and workers of wage earner status are more often unemployed than others.

In many foreign countries--Japan and Italy are the best examples--small, family-owned businesses are found more frequently than in this country. The farms, small factories, and commercial establishments owned and operated by family members have provided jobs and a substantial measure of protection from unemployment for a large segment of the labor force. In such enterprises unemployment is virtually nonexistent, though substantial underemployment and shrinkage of income may occur from time to time. Furthermore, in countries where this form of business organization plays a significant role, there is more chance that a family member who loses his wage or salary job will return to working in the family business and thus not be counted as unemployed. In the United States, on the other hand, the economies of scale that can be realized in a large and fairly homogeneous sales market have been factors encouraging a consolidation of business enterprises, so that self-employment and family operations occur less frequently and the risk of unemployment is increased.

Unemployment is much less frequently associated with agriculture than with industry, partly because agriculture is less susceptible to cyclical change, but chiefly because a high proportion of workers in agriculture are self-employed or unpaid family workers. The following tabulation shows the proportion of the employed population engaged in agriculture in 1960 and 1976:

	1960	1976
United States	8.5	3.9
Canada	13.3	5.9
Australia	n.a.	6.2

Japan	29.5	11.9
France	22.4	10.9
Germany	13.6	7.0
Great Britain	4.1	2.6
Italy	32.6	15.4
Sweden	15.5	6.2

These figures indicate that Italy, Japan, and France had the highest proportions of workers generally not susceptible to being counted as unemployed. Great Britain and the United States had the lowest proportions. However, it should be noted that the countries with the highest proportions experienced a high rate of displacement from the agricultural sector in the period under review and have therefore had the added problem of providing other jobs for the displaced farm workers.

The following tabulation shows the 1974 proportion of employment made up by wage and salary earners in the nine countries:

United States	90.4
Canada	88.7
Australia	85.8
Japan	69.3
France	80.6
Germany	83.9
Great Britain	92.0
Italy	71.5
Sweden	91.0

The United States has a higher proportion of wage and salary workers than all the other countries except Great Britain and Sweden. The small proportion of agricultural workers discussed above helps to explain this, but other factors such as the prevalence of large-scale operations in the United States play a role. Japan, Italy, and France had much lower proportions of wage and salary workers than the other countries and, therefore, had a significant group of workers who might be underemployed but who are seldom totally unemployed. Some industrial countries, notably Sweden, have been able to maintain very low rates of unemployment despite a relatively high proportion of wage and salary workers.

Labor migration

The volume of migration in the Western European countries has tended to fluctuate with the economic situation. Foreign nationals have flowed into the Northern European countries when demand is high and have left when it is low, without seriously affecting unemployment levels in the host country. This flexibility of labor supply, particularly in France, Germany, and Switzerland, has acted as a cyclical shock absorber, helping to keep unemployment rates low during recessions, although in 1974-75 the outflow was not as great as in past recessions. These cyclical flows of "guestworkers" have no precise counterpart in the United States and are one of the factors explaining why unemployment rates in some Western European countries have been lower than in this country.

Massive migratory movements of workers within Europe have occurred within the past two decades. In contrast to the involuntary and permanent migration which marked the immediate postwar decade, European migration since 1955 has been mostly voluntary and temporary. The first impetus to such migrations was the formation of the European Community (EC) in 1957 and its rules permitting the free movement of labor across the borders of member states. Subsequently, rapid economic growth in the Northern European countries attracted many migrant workers from outside the EC, mainly from the poorer Mediterranean countries such as Turkey, Greece, and Spain. In the early 1960's, the influx of migrants became very large as Northern Europe's demand for labor far outstripped the domestic supply.

Workers migrating from one EC country to another are assured equal social protection with nationals, reception facilities covering training and linguistic studies, and housing, as well as an increasing participation in the political and socioeconomic life of the host country. Migrants from outside the EC, having no official status under Community law, enter the Community under conditions set forth in bilateral agreements between member states and the countries of origin. These agreements guarantee legal migrants some social security protection in the Community, but usually less than local citizens receive.

The flow of migrant labor from Mediterranean countries to the north increased steadily until the 1966-67 recession, when many foreign workers were obliged to return home because of growing unemployment in Northern Europe. After the recession, the movement of foreign workers to the north resumed.

Measures to limit considerably, or stop, the influx of migrants by the labor-receiving countries led to a diminution

of the cyclical outflow of migrants in the 1974-75 recession. Many foreign workers remained in the host countries because they feared they would not be able to reenter under the newly restrictive immigration policies. Another factor was that increased unemployment benefits in industrialized countries exceeded any wage the migrants could hope to receive at home. This growing tendency for unemployed foreign workers to remain in the Northern European countries contributed to the sharp rise in unemployment rates recorded in most of these countries during the recent recession. This contrasts with the situation in the European recession of 1966-67, when there was a sharp outflow of foreign workers.⁵ Table 17 shows the number of foreign workers employed and unemployed in Germany over the period since 1960. Unemployment of foreign workers rose from 0.3 to 1.5 percent from 1966 to 1967, but was much higher in the 1974-75 recession, reaching a peak of 6.9 percent in 1975. The annual figures in the table conceal the fact that between mid-1966 and early 1968, over 30 percent of the foreign labor force left the country. Between mid-1973 and mid-1974 the drop was only 12 percent, but as the recession continued foreign workers left in increasing numbers.

Italy was a major labor-exporting country during the 1960's and early 1970's. However, the 1974-75 recession caused many Italians to return home, and Italy had a positive migratory balance. For example, in 1974 some 85,000 workers left Italy for Germany, while 120,000 returned home from that country. Even with this return flow, there were still about 1 million Italians working abroad in 1975, most of them in Germany, Switzerland, and France.

Almost all Northern European countries have placed bans on new immigration. These restrictions were related to the social and political problems caused by migration as well as the 1973 energy crisis and subsequent recession. With rules of the European Community providing for a free flow of workers from one member country to another, efforts to hold down the flow of migrants are aimed at countries that do not belong to the group of nine nations. About three-quarters of the foreign workers in European Community countries are from outside the Community. Germany banned recruitment of foreign labor from outside the Common Market in November 1973; Belgium and France followed with bans in 1974. In the Scandinavian countries, there is a partial ban against migratory flows from outside the free Nordic market. In Switzerland, a policy of increasing restriction on the entry of foreign workers began well before the recent recession.

Uniform statistics on migrant workers in Western Europe are not available, chiefly because nearly all countries use different methods of classifying foreign workers. Some countries include seasonal workers in their reporting, while others do not. Also, it is difficult to obtain

Table 17. Foreign workers in Germany, 1960 and 1965-76

Year	Employed foreign workers		Unemployed foreign workers ¹	
	Number (thousands)	Percent of labor force	Number (thousands)	Percent of foreign labor force
1960	281	1.1	(²)	(²)
1965	1,119	4.3	2	.2
1966	1,243	4.7	4	.3
1967	1,014	3.9	15	1.5
1968	1,019	4.0	5	.5
1969	1,366	5.3	3	.2
1970	1,807	6.9	4	.2
1971	2,128	8.1	11	.5
1972	2,285	8.7	16	.7
1973	2,595	9.8	19	.7
1974	2,446	9.3	69	2.7
1975	2,034	7.9	151	6.9
1976 (June) . .	1,937	7.6	90	4.4

¹ Registered unemployed.

² Not available.

SOURCE: *Hauptergebnisse der Arbeits- und Sozialstatistik* (Bonn, Der Bundesminister für Arbeit und Sozialordnung, various issues).

⁵ See "Effects of Recession on Immigrant Labor," *OECD Observer*, June 1972, pp. 15-18.

Table 18. Estimated number of foreign workers by country of immigration and emigration, 1975

Country of emigration \ Country of immigration	Country of immigration							
	Austria	Belgium ¹	France ²	Germany ³	Netherlands	Sweden	Switzerland ⁴	United Kingdom ¹
Algeria	--	3,000	420,000	2,000	--	¹ 200	--	500
Austria	--	--	--	78,000	--	--	21,000	--
Finland	--	--	--	--	--	103,000	--	--
Greece	--	8,000	5,000	212,000	2,000	8,000	--	2,500
Italy	¹ 2,000	85,000	210,000	318,000	10,000	2,500	281,000	56,500
Morocco	--	60,000	165,000	¹ 18,000	28,000	500	--	1,000
Portugal	--	3,000	430,000	70,000	5,000	1,000	4,000	4,000
Spain	--	30,000	250,000	132,000	18,000	2,000	72,000	15,500
Tunisia	--	--	90,000	¹ 15,000	1,000	200	--	--
Turkey	26,200	10,000	35,000	582,000	38,000	4,000	16,000	1,500
Yugoslavia	136,000	3,000	60,000	436,000	10,000	23,000	24,000	3,500
Other	21,000	76,000	235,000	328,000	104,000	60,000	135,000	690,000
Total	185,000	278,000	1,900,000	2,171,000	216,000	204,000	553,000	775,000
Percent of labor force . .	6.1	7.1	8.7	8.4	4.6	5.0	18.8	3.1

¹ Estimates for 1974.

² Excludes 124,000 seasonal workers.

³ Data for September 1975, includes unemployed foreign workers.

⁴ Excludes 86,000 seasonal workers and 85,000 foreign workers who commute daily across international borders.

SOURCE: Organization for Economic Cooperation and Development, SOPEMI (Continuous Reporting System on Migration), 1976 report.

figures on the number of daily international commuters who work in France, for example, but actually live in Spain or Belgium. The free movement of Common Market migrants into member states makes it difficult to get an accurate count of border crossings. Further problems in measuring the number of foreign workers in Western European countries are created by illegal immigration and by tourists who enter a country and stay to take temporary employment.

Thus, the number of migrant workers currently in the Western European countries is not accurately known. However, an idea of the magnitude involved can be gained from statistics from a continuous reporting system set up by the Organization for Economic Cooperation and Development (OECD) in 1973.⁶ Table 18 presents data from the OECD system by country of immigration and emigration in 1975. The table shows that foreign workers represent about 19 percent of the Swiss labor force; 8 to 9 percent of the German and French work forces; about 6 to 7 percent in Austria and Belgium; 4 to 5 percent in the Netherlands and Sweden; and 3 percent in the United Kingdom. Prior to the recession, foreign workers made up greater proportions of the labor force—25 percent in Switzerland and around 10 percent in Germany and France. The figures in table 18 include participants in the free movement of labor within the European Community countries.

As the term "guestworker" implies, the host countries of Western Europe have tended to regard the foreign workers as transient. Legal frameworks discourage migrants

from permanently settling in these countries.⁷ Also, with some exceptions, the migrants are not looking for a new home. They want jobs and money which they can send home or take with them when they leave after a few years. The "guestworker" phenomenon of these countries has no exact counterpart in the United States, Australia, Canada, Sweden, and Great Britain. These immigrant-receiving countries have traditionally taken the position that those who arrive from abroad to work may also become citizens; the legally arriving foreign worker, in short, has usually been granted immigrant status. These countries do not define their foreign populations as "migrants" or "guestworkers" but as "immigrants."

There has been a growing influx of illegal migrants in Western European countries since the virtual halt in "guestworker" hiring instituted during the 1974-75 recession. Such persons either cross international borders illegally or enter legally as visitors or students and remain to work without a permit. The European Community has estimated that there are about 600,000 illegal aliens working in member countries.⁸ German government authorities estimate that about 200,000 illegal foreign nationals are working in that country.⁹ In 1976, Germany passed a law providing for prison terms and larger fines for the illegal

⁷For example, in many countries there are work permits tying workers to certain jobs, other restrictions on job mobility, requirements for renewal of work and residence permits, and rules inhibiting the reunion of families.

⁸"Illegal Immigrants," *The Economist*, Nov. 13, 1976, p. 68.

⁹Embassy of the Federal Republic of Germany (Washington, D.C.), *What's New in Labor and Social Policy?* January/February 1976, pp. 12-14.

⁶See "Up-To-Date Information on Migration through 'SOPEMI,'" *OECD Observer*, February 1974, pp. 39-40.

recruitment and employment of foreign workers. In addition, the Commission of the European Communities has before it a proposal for a harmonized policy on illegal immigration.

In the United States, illegal aliens have also become a growing problem. Immigration officials place the number of illegals at between 7 and 12 million persons (including family members).¹⁰ A Cabinet-level Presidential committee reported in 1976 that illegal aliens have become so numerous that those apprehended annually are almost double the number of foreign citizens entering the United States legally.¹¹

Seasonality

Unemployment statistics, like many other economic series, reflect in part a regularly recurring seasonal movement which can be estimated on the basis of past experience. Seasonal adjustment procedures make allowances for changes in average climatic conditions and institutional arrangements during the year such as the influx of young persons into the labor market at the end of the school term.

Seasonality plays a more important role in some countries than in others. For instance, the unusually long and severe winters in Canada cause higher average levels of unemployment. One would also expect very large seasonal swings related to the winter in Sweden, but this has been mitigated as a result of massive government programs to stimulate winter employment. In the United States, seasonal variations explain about 90 percent of the month-to-month variance in the unemployment figures, on average, over the year. In construction alone, one study estimated that seasonal layoffs represented about 38 percent of all unemployment.¹²

From its low point in February or March to its peak in August, the U.S. contract construction industry characteristically has a massive upswing in employment. The magnitude of these seasonal swings is compared with other countries in table 19. This table indicates that the United States and Canada have the sharpest seasonal changes in construction employment. Seasonal fluctuations were the mildest in Italy and were also quite small in France, Great Britain, and Australia. Germany and Sweden were in the middle range.

European efforts to better utilize manpower during

¹⁰Vernon M. Briggs, Jr., "Mexican Workers in the United States Labor Market: A Contemporary Dilemma," *International Labour Review*, November 1975, p. 352.

¹¹*Immigration: Need to Reassess U.S. Policy*, Departments of Justice and State: report to the Congress, 1976. Also, see "Illegal Alien Study Urges Rethinking on Immigration," *The Washington Post*, Jan. 9, 1977, p. 1.

¹²*Employment and Training Report of the President, 1976*, p. 62. See also Robert J. Myers and Sol Swerdloff, "Seasonality and Construction," *Monthly Labor Review*, September 1967, p. 1.

Table 19. Construction industry: Range of indexes of employment, 1965 and 1975

(Average employment for each year = 100)

Country	1965		1975	
	Quarterly	Monthly	Quarterly	Monthly
United States . .	87-109	85-111	94-106	92-107
Australia	98-101	(1)	97-103	(1)
Canada	83-114	81-116	86-111	86-112
France	98-101	(1)	97-102	(1)
Germany	94-104	92-104	96-102	93-103
Great Britain . .	98-102	97-103	99-101	98-101
Italy	99-101	(1)	99-101	(1)
Sweden	91-107	91-107	98-102	95-107

¹ Not available.

NOTE: Quarterly data are 3-month averages except for Australia (February, May, August, and November), France (March, June, September, and December), and Italy (January, April, July, and October).

the winter months have helped to hold down seasonal unemployment in construction, and Canada has waged an aggressive campaign to reduce seasonality in construction. Similar goals were an objective of the National Commission on Construction Labor, created in the United States in 1969. The commission has explored ways to stabilize labor supplies, partly by encouraging the continuance of construction projects during the winter months.

Low temperatures, frozen ground, snow, rain, and mud impede outdoor construction during the winter. Over the years, continuing technological advances have made it possible to overcome many of these obstacles. American scientists and engineers have developed materials and techniques to permit winter construction. Such methods, although widely known, are not widely used. Canada, with winter temperatures well below freezing, has made great strides in all types of construction work through the year.¹³ During the past decade, Canada has made wide use of polyethylene wind barriers, interior heating units, cold-resistant concrete, and other materials which allow for year-round building. Experience throughout Europe—particularly in Scandinavia—confirms the technical feasibility of construction in extreme cold.¹⁴

An impediment to increased winter construction in the United States is the additional cost. Special protective shelter and protective clothing for workers may have to be provided. But when the difficulties and costs of winter operation are weighed against the costs of halting operations, the balance is often in favor of winter construction.

¹³See Economic Council of Canada, *Manpower in Construction* (Ottawa, 1975) and *Toward More Stable Growth in Construction* (Ottawa, 1974).

¹⁴Testimony of James J. Reynolds, Under Secretary of Labor, on "Seasonal Unemployment in the Construction Industry," Hearings before the Select Subcommittee on Labor of the Committee on Education and Labor, House of Representatives, 90th Congress, Second Session, on HR 15990, July 15, 1968, p. 5.

The cost savings to the economy become particularly notable when the direct and indirect savings in reduced unemployment are considered. The Department of Labor has estimated that up to a 7-percent increase in winter construction costs will be offset by a decrease in unemployment insurance outlays.¹⁵

Experience in other countries. Other industrialized countries began working on the diminution of seasonality of construction employment sooner than the United States. These steps have been particularly pronounced since the end of World War II. Two major weapons against winter unemployment have been used by foreign policy makers: compensatory employment and compensatory income policies.¹⁶ Compensatory income policies will be discussed in the section on income maintenance measures.

Compensatory employment policies attempt to reduce seasonal unemployment in construction through programming of regular public works projects, adoption of emergency public works programs, stimulation of the private construction sector,¹⁵ and scheduling of private projects.

Several Western European countries require all public construction to take place either on a year-round basis or to be concentrated during the winter months. In Germany, for example, a government directive earmarks 30 percent of all Federal construction appropriations for use between November and March. In Canada and Great Britain, administrative budget review is required to assure that the maximum amount of winter employment is obtained, and in many countries there are subsidies for winter housing construction.

Sweden has a direct and comprehensive approach to the full utilization of the construction labor force. Construction scheduling, carried out through the issuance of permits, is based upon detailed appraisals of local requirements and resources which are integrated into a national program. Seasonal demand is leveled off in the peak season by issuing building permits which require work to begin in November, and often to be completed by April.

In the United States, public facilities account for roughly one-third of total construction spending, but the ratio is approximately one-half in Great Britain and France. In Sweden, over 90 percent of all housing is built with state loans. In addition, publicly owned and controlled industries occupy an important role in the industrial structure of many Western European countries and thereby introduce

¹⁵*Ibid.*, p. 6.

¹⁶For a more detailed description of these programs, see E. Jay Howenstine, "Programs for Providing Winter Jobs in Construction," *Monthly Labor Review*, February 1971, pp. 24-32, and *Compensatory Employment Programmes: An International Comparison of Their Role in Economic Stabilization and Growth* (Paris, OECD, 1969); also Jan Wittrock, *Reducing Seasonal Unemployment in the Construction Industry* (Paris, OECD, 1967).

an important stabilization potential in the industrial construction sector. Thus, the governments of these countries can exercise a great deal of control over seasonal fluctuations through the timing of construction projects.

The results of seasonal stabilization measures have been fairly impressive. In Sweden, fluctuations in employment in the controlled building sector have narrowed considerably. Seasonal stabilization programs in Germany have virtually abolished mass dismissals by medium- and large-sized firms. Subsidies for winter housing construction in Canada have virtually eliminated seasonality in homebuilding.

The presence of a large number of foreign workers in the construction labor force of many European countries offers another solution to seasonality in the host country. In Austria, France, and Switzerland, such workers are issued temporary work permits which require them to return home before the Christmas season. New temporary permits are then issued the following spring. This policy exports the problem of seasonal unemployment to the workers' country of origin.

Income maintenance arrangements

Unemployment insurance and such income maintenance programs as short-time payments, "bad weather" compensation, and early retirement benefits may have an important impact on unemployment. Unemployment benefits may encourage workers to remain unemployed longer, while the other income maintenance measures may serve to reduce unemployment.

High levels of unemployment benefits payable for long periods of time allow workers to remain unemployed longer while they seek work with skill requirements and pay similar to those of their previous jobs. A major question has been whether high levels of unemployment benefits discourage efforts to find work quickly, thereby prolonging unemployment. Several research studies during the last few years have addressed this question.¹⁷

¹⁷Stephen T. Marston, "The Impact of Unemployment Insurance on Job Search," *Brookings Papers on Economic Activity*, No. 1, 1975 (The Brookings Institution, Washington, D.C.); Martin S. Feldstein, "Lowering the Permanent Rate of Unemployment," a study prepared for the Joint Economic Committee, Congress of the United States, Sept. 18, 1973, and "Unemployment Insurance: Time for Reform," *Harvard Business Review*, March-April 1975, pp. 51-61; H.G. Grubel, D. Maki, and S. Sax, "Real and Insurance-Induced Unemployment in Canada," *Canadian Journal of Economics*, May 1975, p. 174-91; C. Green and J. M. Cousineau, *Unemployment in Canada: The Impact of Unemployment Insurance* (Ottawa, Economic Council of Canada, 1976); N. Swan, P. Mac Rae, and C. Steinberg, *Income Maintenance Programs: Their Effect on Labour Supply and Aggregate Demand in the Maritimes* (Ottawa, Economic Council of Canada, 1976); P. A. Cook, G. V. Jump, C. D. Hodgins, and C. J. Szabo, *Economic Impact of Selected Government Programs Directed Toward the Labor Market* (Ottawa, Economic Council of Canada, 1976); J. S. Cubbin and K. Foley, "The Extent of Benefit-Induced Unemployment in Great Britain: Some New Evidence," *Oxford Economic Papers*, March 1977, pp. 128-40.

For example, three reports recently released under the auspices of the Economic Council of Canada investigate various aspects of the impact of unemployment insurance benefits on the rate of unemployment in Canada.¹⁸ In 1971, a new unemployment insurance (UI) act took effect in Canada, extending coverage, increasing the maximum weekly benefit and the ratio of payments to former earnings, and establishing more liberal eligibility requirements. Subsequently, seasonally adjusted unemployment rose despite an increasing number of vacancies. While the authors of the studies generally agree that these events were caused by the 1971 revisions, each study focuses on a particular dimension of the relationship. Green and Cousineau were primarily concerned with the impact on the unemployed segment of the labor supply. They found that the more generous UI benefits strengthened the incentive to remain or become unemployed, increasing the unemployment rate from 1 to 1.5 percentage points on this account alone. Higher UI benefits were found to facilitate a more selective job search than would have been possible prior to 1971. However, other factors may have also been operating, as noted in the study by Swan, MacRae, and Steinberg. They confined their research to one region—the Maritime Provinces—and concentrated on the effects of UI on employment rather than unemployment. They observed increasing participation rates and employment levels for women and young people as a result of the 1971 act. Finally, Cook, Jump, Hodgins, and Szabo limited their study to the macroeconomic impact of the revised act. They found the new act was clearly expansionary, since the unemployed were assured of greater purchasing power than they could otherwise have expected.

Some countries have instituted mechanisms to counter the incentive to stay idle and live off unemployment checks. Japan's approach is to pay workers a bonus when they go back to work, with the size of the bonus determined by the amount of time the worker could have continued to collect benefits. France and Great Britain try a different approach. They scale down the size of the unemployment benefit the longer it is paid.

In some countries, the systems of benefit payments to workers placed on reduced workweeks provide a mechanism for employers to keep workers partially employed rather than laying them off outright when economic activity declines. Such workers continue to be classified as employed rather than unemployed. Construction workers receiving "bad weather" compensation are also not regarded as unemployed. Finally, financial inducements toward early retirement may keep a number of persons out of the labor force who might otherwise have been looking for work.

Unemployment insurance. An international comparison of unemployment insurance systems indicates that most countries now have fairly broad coverage of the labor force, long

¹⁸ *Ibid.*

Table 20. Unemployment insurance systems, mid-1975

Country	Percent of labor force covered ¹	Required weeks employed preceding unemployment	Waiting period (days)	Maximum duration of benefits (weeks)
United States . . .	82	(²)	7	65
Canada	89	8 out of 52 ³	14	51
Japan	45	26 out of 52	7	⁴ 15-50
France	60	13 out of 52	0	⁴ 52-104
Germany	77	26 out of 156	0	52
Great Britain . . .	80	26 out of 52	⁵ 3	⁵ 52
Italy	51	52 out of 104	7	26
Sweden ⁶	100	20 out of 52	5	⁴ 60-90

¹ Coverage in 1974.

² Eligibility requirements vary widely by State.

³ For minimum benefits; 20 weeks of employment in the preceding year are required for maximum benefits.

⁴ Maximum duration for earnings-related benefits depends upon age of claimant with duration rising with age.

⁵ Figures shown relate to flat-rate benefits. For earnings-related supplements, waiting period is 14 days and maximum duration of benefits is 26 weeks.

⁶ The trade union system covers about two-thirds of the labor force and the labor market support program covers the remainder, including new entrants; other figures are for trade union system.

maximum durations of benefits, and benefits which typically replace at least half of former earnings of the average worker.¹⁹ In the United States, each of the States, the District of Columbia, and Puerto Rico have separate unemployment insurance laws subject to broad Federal guidelines. Because no uniform system exists, the most frequently applicable regulations must be used for comparisons with other countries. Australia is not covered here since unemployment relief payments are made in that country only to persons with low income.

Table 20 indicates that Sweden leads all countries in coverage of the labor force, with virtually all persons covered who complete the specified waiting period. About two-thirds of the labor force is covered by a government-subsidized system run by the trade unions. In addition, in 1974 Sweden established a "labor market support" system extending coverage to persons not in a trade union and to those whose benefits with the fund have been exhausted; also covered are all workers 16 and over who have recently entered the labor market as well as persons reentering the labor market.

Canada, the United States, and Great Britain all had coverage of at least four-fifths of the labor force in 1974.²⁰ The relatively low coverage in France, Italy, and Japan reflects, in part, large numbers of self-employed and unpaid family workers, persons generally not covered by unemployment insurance.

¹⁹ Some additional information on unemployment compensation is presented in Constance Sorrentino, "Unemployment Compensation in Eight Industrial Nations," *Monthly Labor Review*, July 1976, pp. 18-24.

²⁰ In 1975, coverage in the United States was increased to about 90 percent of the work force under Emergency Jobs and Unemployment Assistance Act passed in December 1974.

To become entitled to unemployment benefits, a worker must have worked a certain number of weeks, be willing to return to work or to undertake training, have suffered loss of employment, and, in some cases, have met a minimum level of earnings while employed.

All countries except Sweden require a set length of previous work to ensure that the unemployed person has suffered a wage loss. In the United States, most States require a minimum amount of earnings in the preceding base year rather than a minimum number of weeks of employment. In the other countries, eligibility requirements range from 8 weeks of employment out of the preceding 52 weeks in Canada (for minimum benefits) to 52 weeks of employment out of the preceding 104 weeks in Italy.

In Sweden, new entrants and reentrants to the labor force may become eligible for benefits after a 3-month period of unemployment during which they are actively seeking work. The eligibility requirement under the trade union system is 20 weeks of employment in the preceding year.

A waiting period must usually be served before unemployment benefits become payable. Canada requires the longest waiting period—2 weeks. The United States, Italy, and Japan require 1 week. Less than a week is required in Sweden (trade union system) and Great Britain (for flat-rate benefits), and no waiting period is imposed in France and Germany. Except for Japan and Sweden, a waiting period is required for each new spell of unemployment. In Japan, a waiting period of any 7 days during the preceding year satisfies the requirement. Technically, Sweden has one waiting period of 5 days during the year, but a 1964 labor-management agreement provides for employer-paid layoff benefits during this period.

In the United States, the maximum duration of benefits tends to be adjusted according to the degree of unemployment that prevails in the economy. In times of low unemployment, American workers do not fare as well as workers in most of the other countries studied, but in times of high unemployment, benefits are extended under Federal programs; during the 1974-75 recession, extensions to 65 weeks of benefits were enacted.²¹ A similar mechanism exists in Canada where the normal 26-week benefit period is doubled when the national unemployment rate exceeds 4 percent, a condition met since 1967. In Japan, 1975 legislation also contains provisions for extended benefit periods.

A maximum benefit period of 1 year is allowed in Germany and Great Britain. In Italy, benefits are payable for 26 weeks. Japan, France, and Sweden vary the maximum duration of benefits according to the age of the claimant.

Uniquely, Japan provides a lump-sum bonus worth 30 to 70 days of unemployment benefits as an incentive for

²¹The normal U.S. benefit period varies from 26 to 36 weeks according to State.

quick reemployment. The payment is determined by the unused portion of insurance rights.

Weekly benefits are expressed under most unemployment insurance benefit formulas as a percentage of the worker's recent average wages. In the United States, Canada, France, and Germany, a benefit ceiling is imposed. In France, the benefit is scaled down to a lower level after 3 months of unemployment. Under its regular system, France provides flat amounts of unemployment assistance in combination with the earnings-related insurance compensation for the first 3 months of unemployment without a means test.²² Thereafter, the assistance payments are subject to a means test. Japan and Sweden use systems of wage classes that produce a scale of percentages which vary inversely to previous earnings levels. The Swedish labor market support system provides a flat rate benefit, using a means test.

In Italy, there is an earnings-related scheme for agriculture, industry, and construction; only flat amounts are payable to all other unemployed workers. Prior to 1966, flat amounts were also paid in Great Britain, but graduated supplements based on previous earnings have been added to flat benefits for the first 6 months of unemployment.

Supplementary allowances for a nonemployed spouse and children are added in the form of flat amounts to the basic benefit in France, Great Britain, and Japan. In France, the supplements are provided under the unemployment assistance program, subject to a means test. The French worker previously earning the average manufacturing wage would be eligible for the supplemental assistance if the household had no other income than the worker's unemployment benefits and a family allowance. In the United States, only 10 States and the District of Columbia provide dependents' supplements. In Canada, these supplements are provided to workers whose income is below a certain level or whose unemployment is prolonged.

Unemployment benefits may vary by level of former income and marital status. In addition, in all of the countries except the United States, allowances are payable to families with children and are paid whether or not a worker is unemployed.²³

Table 21 presents a comparison of unemployment benefits as a percent of a manufacturing worker's average earnings in mid-1975.²⁴ In the United States, an unmarried unemployed worker generally receives unemployment benefits equal to approximately 50 percent of former gross earn-

²²Means-tested programs establish eligibility for benefits by measuring individual or family resources against a standard, usually based on subsistence needs.

²³Family allowances are primarily regular cash payments made by the government to families with children. In some countries, these programs also include educational grants, birth grants, maternal and child health services, and sometimes allowances for adult dependents. Family allowances are payable to families that contain 1 child or more (Canada, Germany, Italy, and Sweden), 2 children or more (France and Great Britain), or 3 children or more (Japan).

ings, although not in excess of a State-established maximum. The maximum benefit in the majority of States is 50 percent of the average State wage in insured employment.

In contrast, all of the foreign countries studied except Great Britain provide more than 50 percent of the average manufacturing worker's previous earnings. France provides the highest level of benefits, replacing 90 percent of former earnings to workers laid off for cyclical or structural reasons, subject to official authorization. In mid-1976, about 1 out of every 8 persons registered as unemployed was receiving this high rate of benefit. Workers not eligible for this system receive a much lower level of benefits.

Canada, Japan, Germany, Sweden, and Italy replace up to 60 percent or more of former earnings of the average manufacturing worker. In Italy, the highest benefits go to industrial workers, who receive two-thirds of former earnings. Italian construction workers can obtain one-third of their former wage (plus flat-rate benefits) and agricultural workers 60 percent; persons who lose their jobs outside agriculture, industry, and construction or who did not satisfy eligibility requirements are entitled to very small flat-rate benefits.

Both France (regular system) and Great Britain scale down the benefit amount after an initial period of unemployment. In France, regular benefits amount to 56 percent of the unmarried manufacturing worker's former wage during the first 3 months of unemployment; thereafter, the benefit falls to 50 percent. In Great Britain, a flat rate is paid for the full year in addition to an earnings-related supplement paid only for the first half-year; thus the 38-percent replacement rate for the first 6 months falls to 19 percent in the next 6 months of unemployment. Public assistance payments, including compensation for mortgage interest and rent subsidies, can substantially increase these ratios.

The payment of supplements for dependents in several countries, and of family allowances in all countries except the United States and Japan, causes the level of income support for an unemployed married person with two children to rise relative to the U.S. level (table 21). The addition of

²⁴For comparison it is assumed that average American and Canadian workers receive no dependents' supplements and that the worker has been earning the average wage in manufacturing prior to unemployment. Earnings-related unemployment benefits are based on a person's earnings in a past period of time. This past period ("base period") varies from country to country. For example, in the majority of States in the United States, the base period is the highest quarter of wages during the year preceding unemployment. In Japan, benefits are based upon the average daily wage in the 6 months preceding unemployment. France uses a base period of the 3 months preceding unemployment. In Great Britain, the base period is the tax year (April-March) preceding the calendar year in which the claim to benefit is made. These varying base periods were not taken into account in the calculations made in table 21. These calculations simply state the level of benefits available in mid-1975 as a percent of average manufacturing earnings in mid-1975.

Table 21. Unemployment benefits as a percent of average earnings, manufacturing workers, mid-1975

Country	Single worker	Married worker with 2 children	
		Unemployment benefits	Unemployment benefits and family allowances
United States ¹	50	50	50
Canada	63	63	68
Japan	60	62	62
France			
Regular system			
First 3 months	56	63	² 69-77
Subsequent months	50	57	² 63-71
Supplementary benefits system ³	90	90	² 96-104
Germany	60	60	66
Great Britain			
First 6 months ⁴	38	60	63
Next 6 months ⁴	19	41	44
Italy			
Flat-rate benefits	9	22	22
Earnings-related scheme ⁵	67	80	80
Sweden ⁶	62-72	62-72	67-79

¹ Figures shown are representative of the majority of States.

² Lower figures relate to family allowance payable to family with more than 1 wage earner; higher figure includes single wage earner allowance.

³ For workers under age 60 laid off for cyclical or structural reasons.

⁴ Means-tested public assistance payments can substantially raise these ratios.

⁵ Industrial sector employee at the same enterprise for 3 months.

⁶ Trade union system. Numerical ranges due to trade union funds.

dependents' supplements in Great Britain increases the level of earnings replacement above the U.S. level for the first 6 months of unemployment. In France, the addition of supplements under the regular system keeps the replacement ratio higher than the U.S. level even after it is scaled down following the first 3 months of unemployment. Under the supplementary program, there are no dependents' supplements, but family allowances continue to be received.

All the countries studied except the United States provided for higher wage replacement rates for persons earning relatively low wages. In Canada, a benefit rate of 75 percent applies to claimants with dependents and with earnings below one-third of maximum weekly insurable earnings. Similarly, Japanese workers at the low end of the wage scale receive 80 percent of their former wage. France allows a maximum payment of combined regular insurance and assistance of 90 percent of the former earnings of the household. This maximum is raised to 95 percent if there are dependents.

In Great Britain, the maximum of the flat rate plus earnings-related supplements equals 85 percent of former earnings. Germany allows unemployment insurance plus family allowances to amount to 80 percent of former net

earnings (about 70 percent of gross earnings). Sweden's trade union system allows a maximum benefit of about 90 percent of gross earnings. In Italy, flat-rate benefits will replace a higher proportion of the earnings of a low income than of a middle- or high-wage earner. However, there is no maximum percentage applied. In contrast to the foreign practices, the United States does not provide higher replacement rates to lower income workers. But such workers are eligible for such welfare programs as food stamps.

In the United States, unemployment benefits are treated as tax-free income. This is also the case in Japan, Germany, Great Britain, and Italy. In Canada and Sweden, however, unemployment benefits are taxable; in France, all unemployment benefits except the flat-rate assistance payments are taxable. Canadian unemployment benefits typically amount to 63 percent of former gross earnings, but, after taxes, the worker actually receives less. Therefore, Canadian benefits received by the worker are only slightly higher than U.S. payments. Similarly, "after-tax" replacement ratios in France and Sweden would be somewhat nearer the U.S. level.

Short-time payments. In some countries, special payments are available for workers placed on short workweeks. During 1974-75, the introduction or improvement of compensation for partial unemployment permitted a fairly widespread resort to part-time work in several countries as a means of spreading a reduced volume of employment among the work force.

For many years, statutory unemployment insurance or assistance schemes in France, Germany, Great Britain, and Sweden have contained provisions covering payments for partial unemployment.²⁵ Japan introduced such payments in 1975. In Italy, partial-unemployment compensation is provided by a special institution, the Wage Supplement Fund. The United States and Canada do not have systems for short-time payments.

Short-time payments replace 70 to 90 percent of foregone gross earnings in Japan, 80 percent in Italy, 60 percent in Germany, and about 50 percent in France. Generally, financing is partly out of public funds and partly by the firms concerned.

Almost 3 million Japanese workers (5 to 6 percent of the labor force) received short-time compensation at some time during 1975. In Germany, the number of such workers peaked at 4 percent of the labor force in early 1975. There were also large numbers of workers receiving short-time compensation in France and Italy during 1974-75. Without the special benefit programs, many of the workers on short workweeks would have been unemployed. Short-time payments have undoubtedly played an important role in pro-

²⁵ For further information see Sar A. Levitan and Richard S. Belous, "Work-sharing Initiatives at Home and Abroad," *Monthly Labor Review*, September 1977, pp. 16-20; and Peter Henle, *Work Sharing as an Alternative to Layoffs* (Washington, Congressional Research Service, July 19, 1976).

tecting many workers threatened by dismissal in these countries.

Some countries, such as the United States, have traditionally rejected the idea of compensation for short-time work because it can encourage rigidity in the labor market, with employers receiving public funds to keep workers employed while not adopting necessary technological and organizational changes. While this argument is recognized as valid, defenders of the short-time compensation system are prepared to pay the price. They are convinced that, as soon as temporary difficulties are overcome, it will prove to be much more efficient and cheaper to have maintained trained personnel.²⁶ Also they consider that layoffs are viewed most unfavorably by the public (see section on legal and social factors).

"Bad weather" compensation. Most European countries provide special compensation for construction workers who lose work time on account of bad weather. These schemes take three major forms: Statutory systems; collective agreements; and collective agreements given the force of law.

To qualify for bad-weather benefit payments, workers are generally required to report for duty at the usual time and to remain available for any other reasonable alternative work which may be assigned to them by the employer. The amount of compensation ranges between 60 and 75 percent of the basic wage, but in some cases is as high as 90 percent. In some countries, such as Austria, Norway, Sweden, and Great Britain, a limit is placed on the number of hours or days for which bad weather is compensated. In other countries, such as Germany and Ireland, no time limit has been instituted. In most countries, these schemes are financed only through contributions from employers. In a few countries, workers also pay contributions in addition to their unemployment insurance contributions. In general, government financing has been confined to occasions when funds prove inadequate.

The system in Germany provides a good example of a compensatory income program. Since 1959, construction workers in Germany have been kept on the employer's payroll during the winter months (November 1 to March 31) and receive compensation—termed "bad weather money"—for any days not worked because of inclement weather. The employer pays the bad weather compensation along with the workers' regular earnings and is reimbursed for the bad weather pay by the Federal Employment Office. The German construction worker does not sever his employment relationship in order to collect benefits and he is not counted as unemployed. Prior to the institution of bad weather money, the German construction worker had to either depend on unemployment insurance or find other work during bad weather. The employment relationship

²⁶ National Commission for Manpower Policy, *Reexamining European Manpower Policies*, Special Report No. 10 (Washington, August 1976), p. 31.

was severed and he was counted as unemployed in the German statistics.

As a result of the bad weather money system, German unemployment rates in the construction industry are not appreciably higher than the overall unemployment rate. Before the institution of the system, construction industry unemployment was about 3½ times the overall unemployment rate.

Another practice with a similar effect occurs in Great Britain. There, construction workers receive a guaranteed minimum wage; this encourages their employers to utilize work forces as fully as possible. The scheme provides for the worker to receive the normal wage for half the time lost during a normal workweek, with a guarantee that he will receive his usual pay for a minimum of 36 hours in a week. He is also entitled to 36 hours of pay during the following week. Thereafter, if the bad weather continues, he is required to register as unemployed under the unemployment compensation system. This scheme places the cost of idleness directly on the employer, thus creating an incentive for him to stabilize production at the highest possible level.

Early retirement benefits. Payment of early retirement benefits can reduce recorded unemployment in two ways. First, the early retiree may withdraw from the labor force; therefore, he would not be regarded as unemployed. Second, his early retirement may free a job for an unemployed person. Whether a retired person wishes to continue to work depends in part on the amount of his pension. The higher it is, the less likely he will be to continue working.

Various schemes for early retirement have been offered to workers in several countries, usually for cyclical or structural reasons. In France, for workers over 60 years of age at time of dismissal or who become 60 while receiving unemployment benefits, a 1972 income guarantee scheme replaced the former payments made to workers until they reached retirement age—"waiting allowances"—under the unemployment insurance program.²⁷ Recipients of the income guarantee, unlike recipients of "waiting allowances," are not included in the registered unemployed. The scheme guarantees that workers dismissed after reaching age 60 will receive benefits up until their retirement at age 65. These benefits are more generous than the normal unemployment benefits, replacing up to 85 percent of former earnings.

As of July 1975, French manual workers who have been engaged in more arduous kinds of labor, and also all women workers who have borne at least three children, became eligible for early retirement at 60 on the same pension as is normally given at age 65.²⁸ The measure was enacted partly in response to a union campaign for early retirement as a means of combating rapidly rising unemployment. It

²⁷Organization for Economic Cooperation and Development, *Economic Survey of France* (Paris, OECD, February 1973), p. 22.

²⁸Incomes Data Services, "Early Retirement for Some Manual Workers in France," *IDS International Report*, July 1976, pp. 2-3.

was estimated that initially about 75,000 persons were affected by the new scheme.

In Great Britain, an early retirement scheme began in January 1977.²⁹ It provided £23 a week tax-free to employed or unemployed persons who opted to retire a year early. If such early-retirement volunteers were employed, their employers had to replace them with someone on the unemployment register. The initial trial scheme expired at the end of June 1977, and 10,600 persons were involved. A second phase of the scheme began July 1, 1977, and was expected to cover about 13,000 more persons.

Sweden instituted a national partial retirement scheme in mid-1976.³⁰ If the insured worker transfers to part-time work, he can receive a partial pension between ages 60 and 65. The pension replaces 65 percent of the income lost because of the transfer. The scheme is financed by employers through a social insurance fee. The law also makes it possible to receive a reduced pension as early as age 60, while the usual pensionable age was lowered from 67 to 65. For persons who opt for early retirement, benefits are reduced by 0.5 percent per month below the age of 65.

Labor market programs

Labor market policies constitute the measures used by government to upgrade the skills of workers, to create jobs, and to match people and jobs. The general techniques of labor market policy have been developed and used in both Western Europe and North America. However, differences in economic environment, social attitudes, and institutional arrangements have had an impact on the mix of labor market measures and on the way in which they have been applied in different countries.³¹

The following sections present a brief discussion of some of the instruments of labor market policy used in the major industrial countries. Government-sponsored adult training seeks to upgrade the quality of the work force. Public works projects have been used to create jobs in times of cyclical or seasonal employment downturns. In the area of matching people and jobs, relocation incentives for workers and industries and the work of the national employment services are significant instruments of labor market policy.

Training programs. The United States first embarked upon a large-scale government program of retraining for adults

²⁹See "Jop Swap," *Incomes Data Services, IDS International Report*, October 1976, p. 2; and "Job Release Takes Off," *Department of Employment News*, January 1977, p. 1.

³⁰"Flexible Retirement Provisions in Sweden: A Novel System," *European Industrial Relations Review*, March 1977, pp. 11-12.

³¹For a study of the different strategies taken with regard to the mix between unemployment compensation and other employment policies, see Organization for Economic Cooperation and Development, *Unemployment Compensation and Related Employment Policy Measures* (Paris, OECD, forthcoming).

under the 1962 Manpower Development and Training Act. The MDTA expired at the end of fiscal year 1973. Government training programs are now authorized under the Comprehensive Employment and Training Act (CETA) of 1973. Western European countries have been operating retraining programs throughout the postwar period, and in some cases, as far back as the 1920's and 1930's.³²

The European training programs offer adult trainees a variety of benefits to enable them to undertake training. These benefits include compensation for loss of earnings, social insurance premiums, lodging and food, special clothing and tools, travel, and dual household maintenance.³³

Unlike the situation in the United States, where 85 percent of all training program enrollees were disadvantaged in 1974,³⁴ European training programs are not concentrated on the disadvantaged. The European programs are available to persons seeking advancement or preparation for shortage occupations as well as to the unemployed and unskilled.

Public systems of continuous training of adults, sometimes called lifetime learning, are coming to the fore in Western Europe.³⁵ The need for a more qualified work force is judged to be so urgent and the right to training for advancement so fundamental that France (1967 and 1971) and Germany (1969) have made outright commitments to the principle of universal eligibility to continuing lifetime training. The existence of a vast amount of adult training in the United States, including private and public vocational training, and the long period of general education compared with other countries probably lessen the need for "permanent education."

New enrollments in government-sponsored training programs were 2.4 percent of the Swedish labor force in 1976 compared with 1.5 percent in the United States in fiscal 1976.³⁶ Recent rapid expansion in Canadian training

programs has put that country close to Sweden in the extent of adult training. German legislation in 1969 and 1971 had laid the basis for an explosive expansion of adult training under public sponsorship, and France's 1971 law on adult training sets a goal of keeping over 2 percent of the labor force constantly in training.³⁷

Sweden is unique in that it has deliberately employed its adult training programs as an economic instrument for countercyclical purposes, expanding them rapidly whenever demand slackens. Thus, the training courses in Sweden are used as a form of public works for the unemployed as well as a means of upgrading the skills of the labor force. They have been an important factor in holding Swedish unemployment rates low during economic downturns.

Job creation. Public works projects are used in most countries to offset cyclical or seasonal declines in employment. In Germany, unemployment insurance funds may be used to provide jobs on public works projects in lieu of making unemployment insurance payments. The relief work programs include road construction, reforestation, and recovery of wastelands. Preference is given to projects likely to lead to permanent jobs.

Projects similar to those in Germany are utilized in Sweden. In 1976, almost 1 percent of the Swedish work force was employed in relief works. The Swedish Labor Market Board also has unique powers for stimulating the investment of private capital to create jobs and mitigate cyclical fluctuations.³⁸ This requires close coordination of monetary and fiscal policy with employment policy. Employers may set aside as much as 40 percent of their profits for capital investment, depositing a fixed proportion of this in the Swedish central bank, without paying income taxes on the amount set aside. When it is determined that capital investment would be appropriate to combat a recession, the funds may be released with additional tax incentives to employers who use them for new plant and equipment.

In the United States, the first large-scale public works employment program since the 1930's was enacted in 1971. Under this Public Employment Program (PEP), funds were made available nationally for public service employment when the national unemployment rate equaled or exceeded 4.5 percent for 3 consecutive months. As a result, 226,000 persons, or about 0.3 percent of the labor force, obtained employment during fiscal 1972. PEP was terminated at the end of fiscal 1973, and public works jobs are now funded under CETA. In fiscal 1976, first-time enrollments in public

³²See Margaret S. Gordon, *The Comparative Experience with Retraining Programs in the United States and Europe* (Berkeley, University of California, 1966).

³³U.S. Department of Labor, Manpower Administration, *Manpower Policy and Programs in Five Western European Countries*, (Manpower Research Bulletin Number 11, July 1966).

³⁴Under CETA, the composition of participants in U.S. programs has changed somewhat. In fiscal 1976, 76 percent of all trainees under Title I of CETA were classified as disadvantaged.

³⁵Beatrice Reubens, "Manpower Policy in Western Europe," *Manpower*, November 1972, pp. 16-22.

³⁶U.S. figures comprise first-time enrollments under Titles I, III, and IV of the Comprehensive Employment and Training Act. Title I authorizes a nationwide program of comprehensive employment and training services. Title III provides for nationally sponsored and supervised training and job placement programs for such special groups as youth, offenders, older workers, and others with a particular labor market disadvantage. Title IV provides the authorization for the Job Corps, a program of intensive education, counseling, and training for disadvantaged youth.

³⁷In 1973, about 3.7 percent of the French labor force received training in whole or in part with government funds. Since many courses are of brief duration, a smaller proportion of the labor force was in government-funded training at any one time.

³⁸See Hans Brems, "Swedish Fine Tuning," *Challenge*, March-April 1976, pp. 39-42; and "Anti-Recession Policies in Sweden," *OECD Observer*, March-April 1976, pp. 31-32.

service jobs under CETA totalled 487,000, or 0.5 percent of the U.S. labor force.³⁹

Matching people and jobs. All Western European countries and Canada include relocation assistance as an important part of their labor market programs. There are allowances for travel expenses, payments to cover the cost of moving household goods, and in some countries a resettlement allowance to help defray the expenses of selling one home and buying another and allowances to cover the added expense of maintaining two households if the worker cannot move his family right away. In the United States, relocation with government assistance is not extensive.⁴⁰

The United States has had some experience with fostering economic development in lagging regions beginning with programs under the Area Redevelopment Act of 1961. In the mid-1960's, further steps were taken with the enactment of the Appalachian Regional Development Act and the programs of the Economic Development Administration. These provided for business loans, grants and loans for public works and development facilities, technical assistance, and research assistance in areas with relatively high unemployment.

European countries have had considerable experience in the use of programs to attract industry to areas where unemployment is high. In Germany and Great Britain, there are programs to encourage investment and industrial growth in areas where surplus labor is available. France uses a system of loans, interest subsidies, and tax incentives to guide industrial location. In Sweden, the Labor Market Board can influence the location of industrial enterprises through its authority to approve loans.

Measures to improve information about available workers and job vacancies concern both the demand and supply side of the labor market. Employment services in almost all countries studied have been modernized, although the scope and quality of the services offered vary from country to country.

It should be noted that only in the English-speaking countries—the United States, Canada, Australia, and Great

Britain—is there extensive activity by private employment agencies. In most countries such agencies are forbidden, restricted to certain occupations, or regulated. In Great Britain, regulatory legislation was passed in 1973 which established licensing requirements for private employment agencies.

Data-processing techniques have frequently been introduced in employment service agencies to match job vacancies and applicants with a minimum of delay. Japan has pioneered in the development of a computerized employment service linking the 700 offices of the service with a Labor Market Center. Only in Japan and France does it appear that computers do the work of matching job requirements and candidate qualifications.⁴¹ In the United States, for example, job banks in most States have eliminated tedious searching through files, but searching on supply and demand sides is carried on separately. In Japan, Sweden, and Germany, interregional placements have grown whereas in the United States local market clearance predominates.

Factors affecting youth unemployment

The business cycle has a pronounced effect on youth unemployment. Thus international differences in youth unemployment rates are partly the result of cyclical factors such as the timing and severity of recessions. However, in times of both prosperity and recession, the United States has had youth unemployment rates which rank among the highest in the industrial world. The United States has also had a rather wide differential between youth and adult unemployment rates, although some countries have caught up with or surpassed the United States in recent years in terms of the youth-adult differential. (See chapter 3.)

Some of the factors which may affect international differences in youth unemployment rates are discussed below. Supply and demand trends in the youth labor market are discussed first. Other aspects considered are the student labor force, apprenticeship, counseling and placement services, and the youth minimum wage.

Supply and demand. As indicated in an earlier section, the United States and Canada have had rapid increases in the teenage labor force during the period since 1960, while the European countries and Japan have had declining teenage work forces. Thus the United States and Canada were under pressure from a fast-growing teenage labor force which contributed to higher rates of both overall and teenage unemployment. However, some countries in which the teenage

³⁹Enrollments under Titles II and VI of CETA. Title II authorizes transitional public service employment and other manpower services in areas with 6.5 percent or higher unemployment for 3 consecutive months. Title VI authorizes a temporary emergency program of public service jobs to help ease the impact of high unemployment. Public works jobs have also been created by the Public Works Economic Development Act. By June 30, 1977, 38,000 short-term jobs, amounting to 19,900 labor months of work, had been created by this act.

⁴⁰Relocation assistance projects for workers were undertaken under the MDTA, which aided the relocation of about 14,000 workers and their families between 1965 and 1969. Congress did not appropriate any funds for these projects after 1969. There is relocation assistance available under the Trade Act of 1974 to workers who lose their jobs because of imports.

⁴¹Organization for Economic Cooperation and Development, *Inflation: the Present Problem* (Paris, OECD, December 1970), p. 108; and "Manpower Policy in Japan," *OECD Observer*, April 1973, p. 34. Computer processing of job openings and job applicants in France began in 1977. The system currently operates on a regional basis and there are plans to eventually establish links between the regional computer systems.

labor force has actually declined—e.g., France and Italy—also have substantial youth unemployment.

During the 1960's, a tight labor market in many European countries and Japan fostered a high demand for young workers. Labor shortages gave many young people opportunities to choose among jobs and to enter the occupational hierarchy at higher levels than would have been possible in less favorable times. The favorable experience of the 1960's has been changing, and several countries have observed a deterioration in the relative position of youth in recent years as structural problems have been intensified by deep recession.⁴²

In some nations, new entrants are eagerly sought by employers who are willing to take youngsters without occupational skills or previous work experience. Japan, Great Britain, and Germany are among the countries where the transition is eased because employers recruit young people straight from school and provide training for many of them. While this acceptance of youth is less common in France, it is even less visible in the United States where employers exhibit little active interest in hiring teenagers.⁴³ According to one study, employers are reluctant to hire American teenagers because of restrictions on employing them in hazardous work, the cumbersome machinery of work certificates, union restrictions, and problems of transportation.⁴⁴ Also, dissatisfaction with teenager absenteeism, unreliability, and job performance is common.

The student labor force. The labor market activity of students in the United States differs markedly from the pattern abroad. The frequent entries and exits of students in the American labor market do not occur to any significant extent in Western European countries and Japan. The working student is very much an American phenomenon. The young persons who work or seek work in other countries are mainly out-of-school youth.

⁴²In response to the rise in youth unemployment during the 1970's, the OECD has carried out research on the problems faced by young people in the transition from school to work. See *The Entry of Young People into Working Life* (Paris, OECD, 1977). In addition, the OECD convened a "High Level Conference on Youth Unemployment" in December 1977 to work out a diagnosis of the problem and to exchange national experiences concerning the measures taken to deal with youth unemployment. The Council of Ministers of Social Affairs of the European Communities (EC) also held a conference on youth unemployment in late 1977 to identify areas where common action might be necessary.

⁴³Beatrice G. Reubens, "Foreign and American Experience with the Youth Transition," in *From School to Work: Improving the Transition*, a collection of policy papers prepared for the National Commission for Manpower Policy (Washington, U.S. Government Printing Office, 1976), p. 274. See also Beatrice G. Reubens, *Bridges to Work: International Comparisons of Transition Services* (New York, Universe Books, 1977).

⁴⁴*Youth Unemployment and Minimum Wages* (BLS Bulletin 1657, 1970), p. 69.

In the United States, unemployment rates for students have been higher than for nonstudents under age 25 since 1965, reversing the situation of the early 1960's and previously, when the rates were higher for those out of school. The higher rate among students may reflect the much larger numbers seeking employment and their limited availability with respect to hours of work.⁴⁵

Separate figures for employment and unemployment of students are not available for most countries. No country has a survey as comprehensive as the October special labor force survey questions on students for the United States.⁴⁶ However, some information on student labor force activity is available for Canada, Great Britain, and Japan.

According to the October 1975 survey for the United States, 31 percent of all employed persons age 16 to 24 were enrolled in school. If part-time college students are excluded, the proportion declines to 26 percent. Persons enrolled in school accounted for 14 percent of total U.S. unemployment. If they had not been included, the October 1975 unemployment rate (not seasonally adjusted) would have been 6.7 percent rather than 7.8 percent.

A recent special study on labor force activities of Canadian students presented some data which can be compared with the U.S. October surveys.⁴⁷ The figures indicate that student labor force activity in Canada, although substantial, is not as widespread as in the United States. In October 1975, 24 percent of all employed persons age 15 to 24 were enrolled in school. If part-time Canadian students are excluded, the proportion falls to 19 percent. Persons enrolled in school accounted for 11 percent of total Canadian unemployment in October 1975.

British full-time students who also worked accounted for only 9 percent of total employment of 15- to 24-year-olds in 1972. This figure is an annual average; a figure for students working during the school term (as reflected in the U.S. figures for October) would be considerably lower. However, even on an annual basis, the figure is well below the U.S. and Canadian proportions for October.

In Japan, only about 50,000 persons are normally engaged in both work and schooling. This represents less than 1 percent of employment in the 15- to 24-year-old age group.

The United States has much higher proportions of 16- to 19-year-olds in school. (See table 22.) For example, about 94 percent of all 16-year-olds are in school in the United States, 80 percent in Japan, 40 percent in Great Britain, and 30 percent in Germany. For 19-year-olds, the contrast

⁴⁵Anne M. Young, "Employment of School Age Youth," *Monthly Labor Review*, September 1970, p. 9.

⁴⁶For example, see Anne M. Young, "Students, Graduates, and Dropouts in the Labor Market, October 1975," *Monthly Labor Review*, June 1976, pp. 37-41.

⁴⁷Leonel Plasse, *Labour Force Activities and Characteristics of Students*, Statistics Canada Research Paper No. 14, July 1977.

Table 22. Percent of 16- to 19-year-olds in educational institutions, all levels, 1966-72

Country	Year	Age			
		16	17	18	19
United States . . .	1970	94.1	86.9	58.1	45.4
Australia	1972	54.9	36.3	18.0	10.7
Canada	1970	87.1	69.0	45.5	30.3
France	1970	62.6	45.5	30.6	21.8
Germany	1969	31.3	19.2	12.9	9.6
Great Britain	1970	41.6	25.9	17.4	13.7
Italy	1966	33.6	27.4	19.7	11.0
Japan	1970	80.0	74.8	29.5	22.0
Sweden	1972	73.7	60.7	40.7	24.0

SOURCE: Organization for Economic Cooperation and Development, *Educational Statistics Yearbook, Vol. II, Country Tables* (Paris, OECD, 1975) as tabulated by Beatrice Reubens in *From School to Work: Improving the Transition*, a collection of policy papers prepared for the National Commission for Manpower Policy (Washington, U.S. Government Printing Office, 1976), p. 280.

is even greater. Thus, other countries have a much higher proportion of teenagers who are out of school and working at or seeking full-time year-round jobs. Furthermore, those young persons still in school in Europe and Japan usually do not also participate in the labor force. This has been attributed to the academic demands of school combined with government financial support to young persons, especially those in low income families, who continue their education beyond the legal minimum age.

Apprenticeship and formal training programs. In the United States, a small proportion of high school graduates enroll in apprenticeship or vocational training courses. A study of the high school class of 1972 indicated that only 1.9 percent planned to enroll in apprenticeship or on-the-job training programs and 10.8 percent planned to take vocational or technical training at specialized schools or junior colleges.⁴⁸ The total number of apprenticeships completed annually in the United States is roughly 50,000, with 292,000 persons enrolled in such programs as of January 1, 1975. In contrast, Germany, with a much smaller population than the United States, had 1,400,000 persons in apprenticeship programs during 1975. The contrast was even greater in 1960 when the United States had 166,000 and Germany had 1,224,000 apprentices in training. In that year, France had about 140,000 enrolled apprentices and Great Britain had 123,000.

In most foreign countries, apprenticeship and vocational education are widespread. Vocational education programs are predominant in France and Sweden; apprenticeship training is the principal type of industrial training for youths in Great Britain and Germany, and is widely used elsewhere. In Japan, training within enterprises usually

⁴⁸National Center for Education Statistics, *National Longitudinal Study of the High School Class of 1972*, Data File Users Manual (Washington, Department of Health, Education, and Welfare, July 1976).

marks the beginning of life-long employment. Where apprenticeship programs are significant, they provide employment security for a good proportion of the young people in the labor force. Apprentices are not immune to unemployment but they have shown greater stability during training than other youth.⁴⁹ Historically, countries with extensive apprenticeship programs have had low youth unemployment.

Apprenticeship in America never acquired the scope or prestige that it enjoyed in Europe because the economic and social development of the United States did not encourage this form of craft training. Neither employers nor workers were eager to enter agreements that would be binding on them for a period of years. U.S. unions obtain the bulk of their membership through channels other than apprenticeship.⁵⁰

In recent years, apprenticeship has been declining relative to other activities of young people in those countries where apprenticeship formerly was well established. The number of apprenticeship places has been declining in Germany, Great Britain, and Australia, for instance. Employers are increasingly reluctant to undertake apprenticeship because of the rising cost of training, the trend toward longer schooling which deprives the employer of the preferred age group, and technological changes which require a broader, general educational background and wider, less specialized training.⁵¹

Counseling and placement services. Several countries, including Germany, Great Britain, and Japan, engage in extensive counseling and placement activities for youth.⁵² In Germany, for instance, the Federal employment service and its local agencies provide nearly all students with comprehensive vocational orientation before graduation. If training in the chosen occupation is not available locally, the vocational guidance service can provide youth with financial assistance to go where training is given. In Great Britain, staff members of the Careers Offices of the Youth

⁴⁹Beatrice G. Reubens, "Foreign Experience," in *Report of Congressional Budget Office Conference on The Teenage Unemployment Problem: What Are the Options?* Congress of the United States, Congressional Budget Office (Washington, U.S. Government Printing Office, October 14, 1976), p. 56.

⁵⁰Thomas H. Patten, Jr., *Manpower Planning and the Development of Human Resources* (New York, John Wiley and Sons, 1971), pp. 284, 300.

⁵¹Beatrice G. Reubens, *Policies for Apprenticeship*, Unpublished study prepared for the Organization for Economic Cooperation and Development, 1977.

⁵²Reubens, *Bridges to Work*, *op. cit.*; *Transition from School to Work in Selected Countries*, (Bureau of Labor Statistics, August 1969); David Bauer, *Factors Moderating Unemployment Abroad* (New York, The Conference Board, 1970), pp. 8-9; and *Manpower Report of the President*, 1968, p. 118.

Employment Service interview almost all school leavers. During the 1960's, they placed approximately one-third of all youths in their first jobs. The public employment service in Japan conducts guidance programs and provides information to the education authorities, who in turn give vocational orientation in the schools. Partly as a result of the deliberate efforts of the official guidance and placement services to prearrange jobs, a large portion of the youths of these countries are able to obtain their first job after leaving school without experiencing an initial period of unemployment.

Youth minimum wages. Wage differentials based on the worker's youth alone are used on a very limited basis in the United States. The Fair Labor Standards Act contains provisions for subminimum wages for students and learners, but these provisions have not been used to any significant extent partly because employers generally regard the required recordkeeping as too burdensome. Also, employers feel that students are not willing to work at subminimum wages.

In contrast, differentials between youth and adult wages are common in Western Europe and Japan. Some countries have minimum wage laws that provide for lower minimum wages for teenagers. Some have collective bargaining procedures that can result in differentially lower wages for young workers. Still other countries use both mechanisms.⁵³

Under collective bargaining agreements in Great Britain, youth enter employment at about 30 percent of adult earnings and, by steps, reach adult wages normally at age 21 for men and 18 for women. In France, with both a statutory minimum and minimum rates set under collective bargaining, there is a system of reduced rates whereby youth enter employment at about 70 percent of the adult minimum at age 16 and reach the adult rate at age 18. Youth wage rate schemes are also used in Canada, Germany, and Japan. In Japan, where wages are based in large part on age or seniority throughout working life, young workers start at about one-third the adult rate.

It has been argued that relatively low wages for teenagers compared to adult wages tend to facilitate the employment of youth. One study concluded the following:

The evidence from abroad indicates that low wages for youth are an inducement to employers to seek young workers eagerly. The relatively low youth unemployment rates abroad . . . are partially a reflection of the fact of low wages for youth.⁵⁴

⁵³ *Youth Unemployment and Minimum Wages*, pp. 107-12, 135-79.

⁵⁴ Thomas W. Gavett, "Youth Unemployment and Minimum Wages," *Monthly Labor Review*, March 1970, p. 9.

This study pointed out that low wages for youth in Europe cannot be separated from the extensive apprenticeship programs in such countries as Germany and Great Britain and from the lifetime employment system in Japan under which high wages in later years with the firm offset the low wages paid young workers. Also, experience in foreign countries having institutions different from those in the United States has a limited application to American teenagers who are much more likely to be looking for a part-time job rather than a permanent job.

The situation in France and Canada demonstrates that more is involved in achieving full employment among teenagers than provisions for lower wage levels. Both of these countries provide youth minimum wages, yet both have high youth unemployment. Furthermore, in spite of legislation and agreements for youth differentials, the actual earnings of youth have risen faster than those of adults in a number of foreign countries.⁵⁵ Thus, several European countries report a growing reluctance on the part of employers to hire young people because of relatively high wage rates and fringe benefits for entry-level jobs which result in a cost disadvantage if training and induction costs are included. Apprentice wages have also risen considerably in Western European countries.

Legal and social factors

Legal and social factors play an important role in holding down unemployment in Western Europe and Japan. Unemployment in several European countries has been curbed by legislation or labor-management agreements that shield workers from layoffs. U.S. job security measures, by contrast, are much weaker. Where they exist, they are based on seniority and usually specify severance pay related to the length of service.⁵⁶

In Germany, under a 1951 law, a legally valid discharge may be declared ineffective by the Labor Court if it is "socially unjustified," that is, if it cannot be based on the characteristics or conduct of the employee or on important needs of the enterprise. Even if important business needs warrant the discharge, it is nevertheless "socially unjustified" if the employer selected the worker for discharge without giving sufficient attention to the social factors involved.⁵⁷ The procedures required under the 1951 law were made even stronger by the Works Constitution Act of 1972. Under certain collective bargaining agreements, German employers are prohibited from dismissing workers be-

⁵⁵ Reubens, "Foreign Experience," pp. 287-88.

⁵⁶ David Jenkins, "Job Security Measures Growing Throughout Europe," *World of Work Report*, July 1976, p. 3.

⁵⁷ Kurt Braun, "European Limitations on Employee Dismissal," *Monthly Labor Review*, January 1965, p. 67.

tween a given age (ages 45 to 55, depending on the industry) and the age of pensionable retirement.⁵⁸

As a good example of how the German system works, one of the companies of the Thyssen group carried out a massive reorganization, involving the loss of about 6,000 jobs. The head of the firm's works council, which is an employee-run unit financed by the company, discussed problems with the employees, found jobs for many in other units of the company, and negotiated numerous problems with management. Not a single day was lost through labor conflict and no one suffered exceptional hardship.⁵⁹

Strict legislation also exists in Italy. Courts have applied tough standards to judge whether adequate justification exists for a dismissal; if not, a dismissed employee is entitled to reinstatement or an indemnity of 5 months' wages. In case a layoff is eventually made, the employer is required to take account of a number of factors, including the family responsibilities and economic situation of the workers. In many firms, labor agreements also provide protection. At Fiat, where worker protection has been increasingly strengthened by labor contracts during the past few years, no reduction in the work force is permitted.⁶⁰

The French Ministry of Labor can require an employer to postpone separations for economic reasons to allow the Ministry time to determine that every precaution has been taken to minimize the hardship on workers. The employer is expected to make strong efforts at the firm's expense to find another job for workers about to be separated.

A national agreement on security of employment was signed in February 1969 by French employers and all the trade union federations. This agreement, like the individual industry agreements which followed it, recognizes the responsibility of the parties towards security of employment. In the case of prospective dismissals, the firm must consult with the plant employment committee and give due notice, endeavor to minimize dismissals, and utilize intraplant or intracompany transfers. Reductions of staff must be achieved as far as possible by attrition. The employer must give a dismissed worker priority reemployment rights for a year, guarantee seniority rights with the firm, and assist him in obtaining all unemployment benefits to which he is entitled. The employer "must search for possibilities of re-employment likely to suit the wage-earners who are dismissed as well as training facilities from which these workers might benefit."⁶¹

⁵⁸Edward Yemin, "Job Security: Influence of ILO Standards and Recent Trends," *International Labour Review*, January-February 1976, p. 3.

⁵⁹Jenkins, *op. cit.*, p. 3.

⁶⁰Jenkins, *op. cit.*, p. 4.

⁶¹Organization for Economic Cooperation and Development, *Manpower Policy in France* (Paris, OECD, 1973), p. 63.

An employer's ability to lay off workers is also considerably restricted by Swedish law. Existing protection of employees was improved when the Security of Employment Act went into effect in 1974.⁶² According to this law, an employee can only be dismissed on "reasonable" grounds. The law virtually prohibits the dismissal of any employee except for the most serious misbehavior. The law is so stringent that it is beginning to show some counterproductive effects. It has had a negative effect on the employment of workers who find it more difficult to prove themselves—e.g., the young, the old, and the handicapped.⁶³ The Promotion of Employment Act of 1974 contains rules designed to help older employees and disabled workers. According to these rules, labor market authorities are to negotiate with the employer and appropriate trade union in an effort to allow such workers to retain their jobs.

Laws or labor-management agreements requiring advance notice of layoff give workers time to look for another job prior to dismissal. Where advance notification provisions are in effect, they allow for the placing of at least some workers in new jobs without a period of unemployment associated with the job search.

In the United States, most collective bargaining agreements do not contain clauses prescribing advance notice of layoff. Moreover, those provisions that deal generally with advance notice of layoff (43 percent of the major agreements) normally specify only a very limited time period—in most cases less than 30 days.⁶⁴

Advance notification has been required by various laws regarding the dismissal of workers in Western European countries. One type of law obliges the employer to notify the employment service of the impending dismissal. Such laws exist in France, Germany, and Great Britain. In Sweden, the Employers' Federation has an agreement with the Labor Market Board which requires a minimum of 30 days' notice to the employment service by employers preceding collective dismissals. Also, the Promotion of Employment Act (1974) contains rules concerning periods of notice to trade unions before production cutbacks can involve dismissals.

Another type of law calls for advance notice to employees prior to dismissal. France, Germany, Great Britain, and Sweden have such legislation. For example, the Swedish law on Security of Employment requires a minimum of 1 month's notice, with longer notice (up to 6 months) as an employee gets older.

Besides laws, social custom and tradition play an important part in diminishing the threat of layoff in Europe and Japan. Employers avoid dismissals if at all possible be-

⁶²Lennart Forseback, *Industrial Relations and Employment in Sweden* (Stockholm, The Swedish Institute, 1976), p. 99.

⁶³Jenkins, *op. cit.*, p. 4.

⁶⁴*Characteristics of Major Collective Bargaining Agreements, July 1, 1975* (BLS Bulletin 1957, Bureau of Labor Statistics, 1977), p. 89.

cause they feel a high degree of responsibility for their regular employees and continue to provide employment, perhaps at reduced hours, when production declines. In addition, the employer may be somewhat afraid of loss of prestige among his fellow employers, because layoffs might be interpreted as proof of his failure as businessman. In Sweden, for example, companies reportedly try greatly to avoid the weakening of their reputation for job stability, especially since most major employers are located in small towns or cities, where company practices are common knowledge.⁶⁵

Recognized "regular" employees in Japan benefit from a paternalistic attitude on the part of employers that is unmatched by other industrial nations. In large Japanese enterprises, appointment to a regular job virtually assures employment until retirement, and the employer takes responsibility for maintaining the worker during periods of economic adversity.

In most foreign industrial countries, legal and social restrictions against layoff are reinforced by the reluctance of workers to change jobs in search of improved wages or working conditions. In the United States and Canada, labor turnover rates in manufacturing are significantly higher than in Western Europe and Japan. The United States and Canada have approximately 50 to 60 separations (quits, layoffs, and other job terminations) annually per 100 occupied jobs. European separation rates, in contrast, generally range from 30 to 40 per 100 jobs, and Japanese separation rates are even lower, under 30 per 100 jobs annually. Quit rates, where available, show a similar disparity among the United States, Canada, and other industrial nations.

Data on the duration of unemployment indicate that a larger proportion of U.S. and Australian unemployment is of the short-term job-changing variety compared with other countries. However, it is not known to what extent differences in the proportion of those unemployed for long periods can be attributed to differences in the duration and level of unemployment benefits.

In the United States, mobility is often considered a desirable attribute of a worker even though the search for a new job may entail some unemployment. In contrast, the job attachment of European and Japanese workers is much stronger than in the United States, partly because of the belief that a change of jobs is likely to reflect unfavorably on a worker's dependability.

Conclusion

Why there has been more unemployment in the United States than in most Western European countries and Japan is a question to which there is no simple or universally accepted answer. The foregoing analysis has re-

vealed several reasons for differences in unemployment rates. The relatively rapid increase in the U.S. labor force has contributed to higher unemployment here. The labor force in most other countries has grown quite slowly or declined. Teenagers make up a relatively high and growing proportion of the labor force in the United States. This is significant because teenage unemployment is higher than the overall average in all countries. The teenage labor force has grown rapidly in the United States while declining in all countries except Canada and Australia. This decline has helped keep Western European and Japanese unemployment rates down, but, in the early 1960's, when teenagers constituted a larger proportion of the labor force than in the United States, these countries had substantially lower unemployment rates than the United States. The small proportion of the U.S. labor force engaged in agriculture and the large wage and salary component have also contributed to our higher unemployment rates compared with most industrial countries.

Cyclical flows of foreign workers to and from certain European countries help to dampen unemployment increases during recessions. The United States does not have significant cyclical movements in its foreign labor supply.

In many European countries, strong efforts have been made to achieve a better distribution of work throughout the year by reducing seasonal fluctuations in hirings and dismissals. Government directives and financial incentives have helped to lower seasonal fluctuations, particularly in the construction sector. The United States does not exert as much control over construction scheduling as some other countries.

Income maintenance arrangements may have an important impact on unemployment statistics. A comparison of unemployment insurance systems reveals that most countries now have a fairly broad coverage of the labor force, a lengthy maximum duration of benefit payments, and benefits which typically replace at least half of former earnings of the average manufacturing worker. Most foreign countries provide higher levels of income replacement to the unemployed than the United States, especially when dependents' supplements and family allowances are taken into account. On the other hand, the United States provides a comparatively long duration of benefits during times of recession. In some countries, bonuses for quick re-employment and the practice of scaling down benefits after a certain length of time may provide incentives to find new jobs more quickly than would otherwise occur. Short-time payments, "bad weather" compensation, and early retirement arrangements may also serve to avoid statistical increases in the number of unemployed persons. The under-employment of many workers receiving short-time payments abroad does not show up in the unemployed count.

Some countries have experienced much lower levels of youth unemployment than the United States. One reason has been the great deal of student labor force activity

⁶⁵Jenkins, *op. cit.*, p. 4.

in the United States compared to abroad. Also, European educational and labor market institutions have tended to put the masses of youth into training for narrow vocational specialties while American youth are still continuing general education. The European system's emphasis on apprenticeship and vocational training tends to put young people into stable work-training relationships that discourage mobility. The prevalence of "lifetime" employment arrangements in Japan also discourages worker mobility.

Thus, joblessness among youth abroad has been checked partly because of vocational guidance and industrial training which reduce the frequent job changes and spells of unemployment characteristic of young persons in the United States. However, vocational education in Europe reflects a heavily structured status system for entry into jobs—the kind of system that has been traditionally rejected in the United States.⁶⁶ A firm decision regarding a career at the age of 15 to 17 is common in Europe. These countries seem to prefer to structure the early years of work by such devices as apprenticeship systems, severance pay regulations, or lifetime contracts, as in Japan. While these devices reduce the level of frictional unemployment, they also reduce mobility and possibilities for career changes in later life. In the United States, youth counselors have stressed the importance of extended schooling rather than early career decision because of the wider range of jobs open to persons with high school diplomas and college degrees.

The threat of layoffs in Europe and Japan is considerably diminished by legal restraints and management's reluctance to let workers go. Moreover, the worker's attachment to the job is firmer abroad than in the United States. Labor mobility is low, and short-term transitional unemployment is much less prevalent than in the United States. It is apparent that unemployment in Japan, and to some extent in certain other industrial countries, is not a threat to the entire body of wage and salary workers, as in the United States. Rather, it tends to be more concentrated among a restricted group of temporary or seasonal workers, new entrants, or others in the process of entering or leaving the labor force.

⁶⁶*Manpower Report of the President*, 1968, p. 117.

The widespread use of short-time benefits in Europe and Japan and their absence in the United States reflect different social and cultural patterns. In most European countries and Japan, there is a traditional preference for job security as against job mobility; layoffs have ordinarily meant dismissal and a break in the employer-employee relationship. In the United States, layoffs are much more common. When American firms in Europe have attempted to lay off workers in the postwar years, they have faced strong adverse reactions because of these differences in social patterns.

It is evident that the different institutions, attitudes, and practices of other countries help many of them to maintain lower average unemployment rates than appear to be feasible at present in the United States. It can be argued, however, that at least some of the reasons for the lower unemployment rates in Europe and Japan arise from features which inhibit efficiency as well as lower unemployment. For example, while higher labor turnover rates and greater worker mobility in the United States increase the average level of unemployment, the job security of the regular worker in Europe and Japan also involves an appreciable cost. Unemployment may be less cyclically volatile because of hoarding of labor during downturns of economic activity, but the result may be disguised unemployment rather than overt unemployment. Although foreign employment practices bring advantages in the form of income maintenance and job security, some of these benefits are probably paid for by a lower aggregate productivity of labor.

Furthermore, many foreign countries still have a large proportion of small, family-owned businesses which shield self-employed and unpaid family workers from the threat of unemployment. During slack periods, such workers tend to work part time or withdraw from the labor force rather than seek another job with pay. In the United States, the economies of scale that can be realized in a large, homogeneous market have encouraged business consolidations, so that self-employment and unpaid family work occur less frequently and the risk of unemployment is increased. Where small, family-owned businesses are still predominant, workers may be underemployed a good part of the time, impairing the efficiency and productivity of the countries involved.

Appendix A. International Labour Office Definitions

In 1954, the Eighth International Conference of Labour Statisticians adopted the following definitions of labor force, employment, and unemployment:

Labor force

The civilian labor force consists of all civilians who fulfill the requirements for inclusion among the employed or the unemployed, as defined below.

The total labor force is the sum of the civilian labor force and the Armed Forces.

Employment

1. Persons in employment consist of all persons above a specified age in the following categories:

- a. At work; persons who performed some work for pay or profit during a specified brief period, either one week or one day;
 - b. with a job but not at work; persons who, having already worked in their present job, were temporarily absent during the specified period because of illness or injury, industrial dispute, vacation or other leave of absence, absence without leave, or temporary disorganization of work due to such reasons as bad weather or mechanical breakdown.
2. Employers and workers on own account should be included among the employed and may be classified as "at work" or "not at work" on the same basis as other employed persons.
3. Unpaid family workers currently assisting in the operation of a business or farm are considered as employed if they worked for at least one-third of the normal working time during the specified period.

4. The following categories of persons are not considered as employed:

- a. Workers who during the specified period were on temporary or indefinite layoff without pay;
- b. persons without jobs or business or farms who had arranged to start a new job or business or farm at a date subsequent to the period of reference;
- c. unpaid members of the family who worked for less than one-third of the normal working time during the specified period in a family business or farm.

Unemployment

1. Persons in unemployment consist of all persons above a specified age who, on the specified day or for a specified week, were in the following categories:

- a. Workers available for employment whose contract of employment had been terminated or temporarily suspended and who were without a job and seeking work for pay or profit;
- b. persons who were available for work (except for minor illness) during the specified period and were seeking work for pay or profit, who were never previously employed or whose most recent status was other than that of employee (i.e. former employers, etc.), or who had been in retirement;
- c. persons without a job and currently available for work who had made arrangements to start a new job at a date subsequent to the specified period;
- d. persons on temporary or indefinite layoff without pay.

2. The following categories of persons are not considered to be unemployed:

- a. Persons intending to establish their own business or farm, but who had not yet arranged to do so, who are not seeking work for pay or profit;
- b. former unpaid family workers not at work and not seeking work for pay or profit.

Appendix B. Sources of Data and Methods of Adjustment: Nine Countries

United States

The United States has three sources of unemployment statistics. Data based on the number of persons registering to collect unemployment insurance are available on a weekly basis. The number of persons served by the U.S. Employment Service is available monthly. Statistics from the monthly labor force survey have been available since 1940 and are regarded as the "official" unemployment statistics. Before the 1930's, no direct measurements were made of the number of jobless persons. In response to the increased need for unemployment statistics during the depression of the 1930's, direct surveys of the population were initiated but the definitions of unemployment—those who were not working but were willing and able to work—did not meet the standards of objectivity that many technicians felt were necessary to measure the level of joblessness at a point in time or changes over a period of time. In 1940, a set of precise concepts was adopted for the national sample surveys of households conducted by the Works Progress Administration. Classification of one's labor force status depended principally on whether one was working, looking for work, or engaged in other activities within a designated time period. In 1943, responsibility for the survey was transferred to the Bureau of the Census. In 1959, responsibility for the analysis and publication of labor force survey data was shifted to the Bureau of Labor Statistics, with the Bureau of the Census retaining the responsibility for the collection and tabulation of the statistics.

Unemployment

Registered unemployment. The United States has two registered unemployed series: Insured unemployment and persons registered with the U.S. Employment Service. Insured unemployment represents the number of persons reporting a week of unemployment under an unemployment insurance program. It includes some persons who are working part time who would be counted as employed in the labor force survey. Excluded are persons who have exhausted their benefit rights and workers who have not earned rights to unemployment insurance. In general, excluded from coverage are those persons engaged in agriculture, domestic service, unpaid family work, selected non-profit organizations, some State and local government, and self-employment.

The rate of insured unemployment is the number of insured unemployed expressed as a percent of average covered employment. Because of differences in State laws and procedures under which unemployment insurance programs are operated, State unemployment rates generally indicate, but do not precisely measure, differences in unemployment among the individual States. Figures on unemployment insurance claims are published by the Employment and Training Administration of the Department of Labor in *Unemployment Insurance Claims Weekly Report*.

In nonrecessionary periods, unemployed persons receiving benefits under the various State and other unemployment insurance programs typically account for less than half of total U.S. joblessness. (This ratio has swelled during downturns to as much as 75 percent.) For this reason, and as a consequence of administrative changes and variations from State to State, statistics from unemployment insurance programs are not directly comparable with data on total unemployment from the Current Population Survey. However, the unemployment insurance data are extremely useful as indicators of current change, especially because they are timely and available on a weekly basis.

The second and less widely used series counts individuals served by the U.S. Employment Service. Monthly data are available on persons counseled, tested, and/or placed by the Employment Service. These monthly statistics are published by the Employment and Training Administration of the Department of Labor in *Selected Services Provided by the United States Employment Service*.

Labor force survey unemployment. The monthly household survey—the Current Population Survey (CPS)—provides statistics on the civilian noninstitutionalized population 16 years of age and over. Persons under 16 years of age are excluded from coverage because of child labor laws and compulsory school attendance. However, separate statistics are collected and published for 14- and 15-year-olds. The results of the CPS are published monthly by BLS in *Employment and Earnings*.

The CPS is currently collected from a probability sample of approximately 56,000 households. Since July 1955, the reference week of the CPS is the calendar week including the 12th day of the month. The actual survey is conducted during the following week, which is the week containing the 19th day of the month. Prior to July 1955, the reference week was the calendar week containing the

U.S. Current Population Survey Questionnaire (Excerpt)

<p>18. LINE NUMBER</p>	<p>20. Did ... do any work at all LAST WEEK, not counting work around the house? (Note: If farm or business operator in hh., ask about unpaid work)</p> <p>Yes <input type="radio"/> No <input type="radio"/> (Go to 21)</p>	<p>21. (If 1 in 19, skip to 21A.) Did ... have a job or business from which he was temporarily absent or on layoff LAST WEEK?</p> <p>Yes <input type="radio"/> No <input type="radio"/> (Go to 22)</p>	<p>22. (If LK in 19, skip to 22A.) Has ... been looking for work during the past 4 weeks?</p> <p>Yes <input type="radio"/> No <input type="radio"/> (Go to 24)</p>	<p>24. INTERVIEWER CHECK ITEM Unit in rotation group: (Mark one circle only)</p> <p><input type="radio"/> 2, 3, 4, 6, 7 or 8 (End questions) <input type="radio"/> 1 or 5 (Go to 24A)</p>								
<p>19. What was ... doing most of LAST WEEK -</p> <p>Working <input type="checkbox"/> Keeping house <input type="checkbox"/> Going to school or something else <input type="checkbox"/></p> <p>Working (Skip to 20A) ... WK <input type="checkbox"/> With a job but not at work ... J <input type="checkbox"/> Looking for work ... LK <input type="checkbox"/> Keeping house ... H <input type="checkbox"/> Going to school ... S <input type="checkbox"/> Unable to work (Skip to 24) ... U <input type="checkbox"/> Retired ... R <input type="checkbox"/> Other (Specify) ... OT <input type="checkbox"/></p>	<p>20A. How many hours did ... work LAST WEEK at all jobs?</p> <p>49+ <input type="radio"/> (Skip to item 23) 1-34 <input type="radio"/> (Go to 20C) 35-48 <input type="radio"/> (Go to 20D)</p>	<p>21A. Why was ... absent from work LAST WEEK?</p> <p>Own illness ... <input type="checkbox"/> On vacation ... <input checked="" type="checkbox"/> Bad weather ... <input type="checkbox"/> Labor dispute ... <input type="checkbox"/> New job to begin within 30 days (Skip to 22B and 22C2) <input type="checkbox"/> Temporary layoff (Under 30 days) <input type="checkbox"/> Indefinite layoff (30 days or more or no def. recall date) (Skip to 22C3) <input type="checkbox"/> Other (Specify) ... <input type="checkbox"/></p>	<p>22A. What has ... been doing in the last 4 weeks to find work? (Mark all methods used; do not read list.)</p> <p>Checked with - pub. employ. agency <input type="checkbox"/> pvt. employ. agency <input type="checkbox"/> employer directly ... <input type="checkbox"/> friends or relatives ... <input type="checkbox"/> Placed or answered ads. ... <input type="checkbox"/> Nothing (Skip to 24) ... <input type="checkbox"/> Other (Specify in notes, e.g., CETA, union or prof. register, etc.) ... <input type="checkbox"/></p>	<p>24A. When did ... last work for pay at a regular job or business, either full- or part-time?</p> <p>Within past 12 months <input type="checkbox"/> 1 up to 2 years ago ... <input type="checkbox"/> 2 up to 3 years ago ... <input type="checkbox"/> (Go to 24B) 3 up to 4 years ago ... <input type="checkbox"/> 4 up to 5 years ago ... <input type="checkbox"/> 5 or more years ago ... <input type="checkbox"/> (Skip to 24C) Never worked ... <input type="checkbox"/></p>								
<p>20C. Does ... USUALLY work 35 hours or more a week at this job?</p> <p>Yes <input type="radio"/> What is the reason ... worked less than 35 hours LAST WEEK?</p> <p>No <input type="radio"/> What is the reason ... USUALLY works less than 35 hours a week?</p> <p>(Mark the appropriate reason)</p> <p>Slack work ... <input type="checkbox"/> Material shortage ... <input type="checkbox"/> Plant or machine repair ... <input type="checkbox"/> New job started during week ... <input type="checkbox"/> Job terminated during week ... <input type="checkbox"/> Could find only part-time work ... <input type="checkbox"/> Holiday (Legal or religious) ... <input type="checkbox"/> Labor dispute ... <input type="checkbox"/> Bad weather ... <input type="checkbox"/> Own illness ... <input type="checkbox"/> On vacation ... <input type="checkbox"/> Too busy with housework, school, personal bus., etc. ... <input type="checkbox"/> Did not want full-time work ... <input type="checkbox"/> Full-time work week under 35 hours ... <input checked="" type="checkbox"/> Other reason (Specify) ... <input type="checkbox"/></p> <p>(Skip to 23 and enter job worked at last week)</p>	<p>20D. Did ... lose any time or take any time off LAST WEEK for any reason such as illness, holiday or slack work?</p> <p>Yes <input type="radio"/> How many hours did ... take off?</p> <p>(Correct 20A if lost time not already deducted; if 20A reduced below 35, correct 20B and fill 20C; otherwise, skip to 23.)</p> <p>No <input type="radio"/></p>	<p>21B. Is ... getting wages or salary for any of the time off LAST WEEK?</p> <p>Yes ... <input type="checkbox"/> No ... <input type="checkbox"/> Self-employed <input type="checkbox"/></p>	<p>22B. Why did ... start looking for work? Was it because ... lost or quit a job at that time (pause) or was there some other reason?</p> <p>Lost job ... <input type="checkbox"/> Quit job ... <input type="checkbox"/> Left school ... <input type="checkbox"/> Wanted temporary work <input type="checkbox"/> Other (Specify in notes) ... <input type="checkbox"/></p>	<p>24B. Why did ... leave that job?</p> <p>Personal, family (Incl. pregnancy) or school ... <input type="checkbox"/> Health ... <input type="checkbox"/> Retirement or old age ... <input type="checkbox"/> Seasonal job completed ... <input type="checkbox"/> Slack work or business conditions <input type="checkbox"/> Temporary nonseasonal job completed ... <input type="checkbox"/> Unsatisfactory work arrangements (Hours, pay, etc.) <input type="checkbox"/> Other ... <input type="checkbox"/></p>								
<p>20E. Did ... work any overtime or at more than one job LAST WEEK?</p> <p>Yes <input type="radio"/> How many extra hours did ... work?</p> <p>(Correct 20A and 20B as necessary if extra hours not already included and skip to 23.)</p> <p>No <input type="radio"/> (Skip to 23)</p>	<p>OFFICE USE ONLY</p> <table style="width:100%; border: none;"> <tr> <td style="text-align: center;">INDUSTRY</td> <td style="text-align: center;">OCCUPATION</td> </tr> <tr> <td> <input type="radio"/> A <input type="radio"/> B <input type="radio"/> C <input type="radio"/> D <input type="radio"/> E <input type="radio"/> F <input type="radio"/> G <input type="radio"/> H <input type="radio"/> J <input type="radio"/> K <input type="radio"/> L <input type="radio"/> M <input type="radio"/> Ref. </td> <td> <input type="radio"/> N <input type="radio"/> P <input type="radio"/> Q <input type="radio"/> R <input type="radio"/> S <input type="radio"/> T <input type="radio"/> U <input type="radio"/> V <input type="radio"/> W <input type="radio"/> X <input type="radio"/> Y <input type="radio"/> Z <input type="radio"/> Ref. </td> </tr> </table>		INDUSTRY	OCCUPATION	<input type="radio"/> A <input type="radio"/> B <input type="radio"/> C <input type="radio"/> D <input type="radio"/> E <input type="radio"/> F <input type="radio"/> G <input type="radio"/> H <input type="radio"/> J <input type="radio"/> K <input type="radio"/> L <input type="radio"/> M <input type="radio"/> Ref.	<input type="radio"/> N <input type="radio"/> P <input type="radio"/> Q <input type="radio"/> R <input type="radio"/> S <input type="radio"/> T <input type="radio"/> U <input type="radio"/> V <input type="radio"/> W <input type="radio"/> X <input type="radio"/> Y <input type="radio"/> Z <input type="radio"/> Ref.	<p>22C. 1) How many weeks has ... been looking for work? <input type="radio"/> <input type="radio"/> <input type="radio"/> <input checked="" type="radio"/></p> <p>2) How many weeks ago did ... start looking for work? <input type="radio"/> <input type="radio"/> <input type="radio"/> <input type="radio"/> <input type="radio"/></p> <p>3) How many weeks ago was ... laid off? <input type="radio"/> <input type="radio"/> <input type="radio"/> <input type="radio"/> <input type="radio"/></p>	<p>22D. Has ... been looking for full-time or part-time work?</p> <p>Full <input type="radio"/> Part <input type="radio"/> <input checked="" type="radio"/></p>	<p>22E. Is there any reason why ... could not take a job LAST WEEK?</p> <p>Yes <input type="radio"/> Already has a job ... <input type="checkbox"/> Temporary illness ... <input type="checkbox"/> Going to school ... <input type="checkbox"/> Other (Specify in notes) <input type="checkbox"/></p> <p>No <input type="radio"/></p>	<p>22F. When did ... last work at a full-time job or business lasting 2 consecutive weeks or more?</p> <p>Within last 12 months (Specify) ... <input type="checkbox"/> (Month)</p> <p>One to five years ago ... <input type="checkbox"/> More than 5 years ago ... <input type="checkbox"/> Never worked full-time 2 wks or more <input type="checkbox"/> Never worked at all ... <input checked="" type="checkbox"/> (SKIP to 23. If layoff entered in 21A, enter job, either full or part time, from which laid off. Else enter last full time civilian job lasting 2 weeks or more, or "never worked.")</p>	<p>24C. Does ... want a regular job now, either full- or part-time?</p> <p>Yes ... <input type="checkbox"/> Maybe - it depends (Specify in notes) (Go to 24D) <input type="checkbox"/> No ... <input type="checkbox"/> (Skip to 24E) Don't know ... <input type="checkbox"/></p>	<p>24D. What are the reasons ... is not looking for work? (Mark each reason mentioned)</p> <ul style="list-style-type: none"> <input checked="" type="checkbox"/> Believes no work available in line of work or area <input type="checkbox"/> <input checked="" type="checkbox"/> Couldn't find any work <input type="checkbox"/> <input checked="" type="checkbox"/> Lacks nec. schooling, training, skills or experience ... <input type="checkbox"/> <input checked="" type="checkbox"/> Employers think too young or too old ... <input type="checkbox"/> <input checked="" type="checkbox"/> Other pers. handicap in finding job <input type="checkbox"/> <input checked="" type="checkbox"/> Can't arrange child care ... <input type="checkbox"/> <input checked="" type="checkbox"/> Family responsibilities ... <input type="checkbox"/> <input checked="" type="checkbox"/> In school or other training ... <input type="checkbox"/> <input checked="" type="checkbox"/> Ill health, physical disability ... <input type="checkbox"/> <input checked="" type="checkbox"/> Other (Specify in notes) ... <input type="checkbox"/> <input checked="" type="checkbox"/> Don't know ... <input type="checkbox"/>
INDUSTRY	OCCUPATION											
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<p>23. DESCRIPTION OF JOB OR BUSINESS</p> <p>23A. For whom did ... work? (Name of company, business, organization or other employer.)</p> <p>23B. What kind of business or industry is this? (For example: TV and radio mfg., retail shoe store, State Labor Dept., farm.)</p> <p>23C. What kind of work was ... doing? (For example: electrical engineer, stock clerk, typist, farmer.)</p> <p>23D. What were ...'s most important activities or duties? (For example: types, keeps account books, files, sells cars, operates printing press, finishes concrete.)</p>					<p>23E. Was this person</p> <p>An employee of PRIVATE Co., bus., or individual for wages, salary or comm. ... P <input type="checkbox"/></p> <p>A FEDERAL government employee ... F <input type="checkbox"/></p> <p>A STATE government employee ... S <input type="checkbox"/></p> <p>A LOCAL government employee ... L <input type="checkbox"/></p> <p>Self-empl. in OWN bus., prof. practice, or farm</p> <p>Is the business incorporated? <input type="checkbox"/> Yes <input type="checkbox"/> No (or farm) ... SE <input type="checkbox"/></p> <p>Working WITHOUT PAY in fam. bus. or farm ... WP <input type="checkbox"/></p> <p>NEVER WORKED ... NEV <input type="checkbox"/></p>							

8th day of the month. All interviewing, either by personal visit or telephone call, is done by trained interviewers.

In the CPS, unemployed persons include those who did not work at all during the survey week, were looking for work, and were available for working during the reference period except for temporary illness. Those who had made specific efforts to find work within the preceding 4-week period, such as by registering at a public or private employment agency, writing letters of application, canvassing for work, being on a union or professional register, etc., are considered to be looking for work. Also included as unemployed are those who did not work at all during the survey week, were available for work, and (a) were waiting to be called back to a job from which they had been laid off, or (b) were waiting to report to a new wage or salary job scheduled to start within the following 30 days. Full-time students looking for part-time work are counted as unemployed if they meet the above criteria.

Although there have been improvements in measurement techniques, the concepts of employment and unemployment have remained essentially the same since the initiation of the national sample survey in 1940. Two minor changes have been made in the concepts and definitions used in determining labor force status. The first change occurred in 1957. As a result of a comprehensive interagency review of the employment and unemployment data, two groups which had been previously classified as "employed, with a job but not at work," were reclassified as unemployed. These two groups were (1) persons who were laid off for a definite period of less than 30 days (persons on layoff for 30 days or longer were already classified as unemployed), (2) persons waiting to report to a new wage or salary job scheduled to begin within 30 days, except for those attending school during the survey week, who are classified as not in the labor force. When these two groups were reclassified, data for all major labor force components were adjusted to the new definition for every month back to January 1947.

The second change in the definitions of employment and unemployment occurred in 1967, following the recommendations of the President's Committee to Appraise Employment and Unemployment Statistics (the Gordon Committee). The Gordon Committee recommended that more information be gathered and published on participants in the labor force and that labor force concepts be clarified. After more than a year of testing the new definitions clarifying labor force survey concepts, the labor force survey questionnaire was revised in January 1967. The principal changes in the survey were:

1. The lower age limit on employment, unemployment, and other labor force concepts was raised from 14 to 16 years. This change reflects the fact that most 14- and 15-year-olds are barred from most occupations by child labor laws. Historical data were revised as far as possible to provide a consistent series based on the population 16 years of age and over.

2. To be counted as unemployed, a person must be currently available for work (except for temporary illness). In the past, there was no test of current availability. The revision primarily affected the classification of students who began seeking work during the school year, but were not available to begin work until the end of the term. Previously, they were included in the unemployed; now they are classified as not in the labor force.
3. To be counted as unemployed, a person must have reported a specific jobseeking activity (applying to an employer, going to a private or public employment agency, answering a want ad) within the past 4 weeks. (An exception is made for persons waiting to start a new job in 30 days or waiting to be recalled from lay-off.) Formerly, the labor force survey questionnaire was ambiguous as to the time period for jobseeking, and there was no specific question regarding methods of looking for work. Persons who would have looked for work except for the belief that no work was available—discouraged workers—were previously theoretically included in the unemployed but are now classified as not in the labor force.
4. Persons with a job are classified as employed, even if they were absent from their jobs during the survey week and looking for other jobs. Before, persons absent from work because of strikes, bad weather, etc., but looking for other jobs were counted as unemployed.

The removal of 14- and 15-year-olds from the labor force survey reduced employment by 1 million and unemployment by 60,000, but had no measurable effect on the unemployment rate. Except for raising the lower age limit of the CPS coverage, the historical data were not revised to take into account the other changes in the survey since the differences between the old and new series were on the borderline of statistical significance. In only a few detailed series were there significant differences between the two surveys. However, it was not considered technically feasible to revise any of the historical statistics on the basis of a single year of data.

Labor force

According to CPS definitions, the civilian labor force comprises all civilians 16 years of age and over classified as either unemployed or employed. The total labor force includes, in addition, members of the Armed Forces stationed either in the United States or abroad. Information on the size of the Armed Forces is obtained from official records of the Department of Defense.

The definition of the unemployed was discussed above. The employed comprise (1) all those who, during the survey week, did any work at all as paid employees, or in their own business, profession, or on their own farm, or who worked 15 hours or more as unpaid workers in a family-operated enterprise and (2) all those who did not work but had jobs or businesses from which they were temporarily absent due to illness, bad weather, vacation, labor-management dispute, or various personal reasons—whether or not they were seeking other jobs.

Unemployment rate

The unemployment rate represents the number of unemployed as a percent of the civilian labor force. This measure is also computed for various worker groups by sex, age, race, industry, occupation, etc., and for combinations of these characteristics.

Quarterly and monthly estimates

For the United States, the seasonally adjusted quarterly and monthly unemployment rates are those published by the Bureau of Labor Statistics in its monthly publication, *Employment and Earnings*. At the beginning of each calendar year, the BLS revises the seasonal adjustment factors for unemployment and other labor force series from the CPS to take into account data from the previous year. Until full-year data are available, the seasonal adjustment factors are based on data through the prior year.

Since 1973, the Census Bureau's X-11 method¹ has been used to seasonally adjust the labor force data. For most series, the computation is based upon the most recent 10-year period. Prior to 1975, BLS assumed that the magnitude of the seasonal increase or decrease was proportional to the level of the series and, therefore, used the multiplicative version of the X-11 program exclusively in adjusting the employment and unemployment series. It was found that this procedure did not adequately allow for changes in seasonal patterns during periods of sharply changing unemployment. This problem was highlighted in May-June 1975 when large numbers of teenagers left school and entered the labor force. Since this flow tends to be fairly constant and relatively independent of the level of joblessness in any year, the additive option of the X-11 was better suited to seasonally adjust the teenage unemployment series. Consequently, BLS revised its seasonal adjustment procedures. Currently, seasonality for teenage unemployment and for other unemployment series of which teenagers are the primary components are adjusted using the additive procedure of the X-11 method. All other series are adjusted using the multiplicative procedure.

After the components of a series are seasonally adjusted, the values are aggregated to provide seasonally adjusted values for other series. For example, the unemployment rate for all civilian workers is derived by dividing the estimate of total unemployment (the sum of 4 seasonally adjusted age-sex components) by the civilian labor force (the sum of 12 seasonally adjusted age-sex components).

Canada

Canada has three sources of unemployment statistics, only one of which is widely used. Data based on registra-

¹For a detailed description of the X-11 method, see Technical Paper No. 15, *The X-11 Variant of the Census Method II Seasonal Adjustment Program*, by Julius Shiskin, Alan Young, and John Musgrave, 1967 revision (Bureau of the Census, 1967).

tions for unemployment insurance benefits, registrations for employment at Canadian Manpower Centres, and labor force surveys are all available on a monthly basis. Following the report of a ministerial committee on unemployment statistics in August 1960, the results of the labor force survey have been regarded as the "official" Canadian unemployment series. No adjustments have been made in the official Canadian data since they are very close in concept to the U.S. figures.

Unemployment

Registered unemployed. Canada has two series of registered unemployed statistics. The first consists of monthly counts of unemployment insurance claimants and beneficiaries. The second, and less widely used series, is a count of registrations for employment at the Canada Manpower Centres (CMC). Most persons filing a claim for unemployment insurance benefits are requested to register with CMC. CMC receives notices of vacancies from employers all across the country and tries to match registrants with vacancies. No unemployment rates are published based on these administrative data.

Data on unemployment claimants and beneficiaries are published monthly by Statistics Canada in the *Statistical Report on the Operation of the Unemployment Insurance Act*. Data on registrations at the Canada Manpower Centres are published in Statistics Canada's *Canada Manpower Review*.

Labor force surveys. The labor force survey, conducted by Statistics Canada, was introduced as a quarterly survey in 1945 and converted to a monthly survey in November 1952. Statistics are published monthly in *The Labour Force*.

In 1972, a major project was begun to revise the survey to embrace a number of substantial statistical refinements, to collect new data, and to ask more specific questions on labor force status. Throughout 1975, the former and revised surveys were conducted in parallel to enable an analysis of the differences between the two surveys over a 12-month period and to develop a revised historical series. After the December 1975 survey, the old survey was discontinued. The new Canadian survey is very close in concepts to the United States survey; therefore, no adjustments are required for comparability with U.S. definitions.

The reference period for the monthly labor force survey is usually the week containing the 15th of the month. All interviewing, either by telephone call or personal visit, takes place the following week. The survey is currently based on a sample of approximately 55,000 households. The sample was designed to represent all persons 14 years of age and over residing in Canada, except for residents of the Yukon and Northwest Territories, persons living on Indian Reserves, inmates of institutions, and full-time members of the Armed Forces. The number of persons excluded amounts to approximately 2 percent of the population 14

Canadian Survey Questionnaire Used from 1976 Onward

Authority - Statistics Act, Chapter 15, Statutes of Canada 1970 - 71 - 72.

Docket No. **2** Survey date **3** Assignment No. **4** Authority - Statistics Act, Chapter 15, Statutes of Canada 1970 - 71 - 72. **05**
 HRD page - line No. Given name Surname **1** FORM NO. **05**
5 **6** **7**

10 DID ... DO ANY WORK AT ALL LAST WEEK (not counting work around the house)?
 Yes ¹ No ² Go to 30
 Perm. unable to work ³ Go to 50

11 DID ... HAVE MORE THAN ONE JOB LAST WEEK?
 Yes ¹ No ² Go to 13

12 WAS THIS A RESULT OF CHANGING EMPLOYERS LAST WEEK?
 Yes ¹ No ²

13 HOW MANY HOURS PER WEEK DOES ... USUALLY WORK AT HIS/HER:
 (Main) JOB? If total 30 or more go to 16
 Other jobs?

14 WHAT IS THE REASON ... USUALLY WORKS LESS THAN 30 HOURS PER WEEK?
 Enter code

15 LAST WEEK, HOW MANY HOURS OF OVERTIME OR EXTRA HOURS DID ... WORK?
 (include paid and unpaid time at all jobs) If none enter 00

16 LAST WEEK, HOW MANY HOURS DID ... LOSE OR TAKE OFF FROM WORK FOR ANY REASON SUCH AS ILLNESS, HOLIDAY, OR LAYOFF? (From all jobs)
 If none enter 00 and go to 18

17 WHAT WAS THE MAIN REASON FOR LOSING THESE HOURS?
 Enter code

18 HOW MANY HOURS DID ... ACTUALLY WORK LAST WEEK AT HIS/HER:
 (Main) JOB? Other jobs?

19 IN THE PAST 4 WEEKS, HAS ... LOOKED FOR ANOTHER JOB?
 Yes ¹ No ² Go to 71

20 WHAT HAS ... DONE IN THE PAST 4 WEEKS TO FIND ANOTHER JOB?
 Enter code(s) and go to 71

30 LAST WEEK, DID ... HAVE A JOB AT WHICH HE/SHE DID NOT WORK?
 Yes ¹ Go to 33 No ²

31 LAST WEEK, DID ... HAVE A JOB TO START AT A DEFINITE DATE IN THE FUTURE?
 Yes ¹ No ² Go to 50

32 COUNTING FROM THE END OF LAST WEEK, IN HOW MANY WEEKS WILL ... START TO WORK AT HIS/HER NEW JOB?
 Go to 50

33 WHY WAS ... ABSENT FROM WORK LAST WEEK?
 Enter code and if code 6 go to 32

34 DID ... HAVE MORE THAN ONE JOB LAST WEEK?
 Yes ¹ No ²

35 HOW MANY HOURS PER WEEK DOES ... USUALLY WORK AT HIS/HER:
 (Main) JOB? If total 30 or more go to 37
 Other jobs?

36 WHAT IS THE REASON ... USUALLY WORKS LESS THAN 30 HOURS PER WEEK?
 Enter code

37 UP TO THE END OF LAST WEEK, HOW MANY WEEKS HAS ... BEEN CONTINUOUSLY ABSENT FROM WORK?

38 IS ... GETTING ANY WAGES OR SALARY FOR ANY OF THE TIME OFF LAST WEEK?
 Yes ¹ No ²

39 INTERVIEWER CHECK ITEM:
 * If code 5 (layoff) in 33 ¹ go to 56
 * Otherwise ² go to 40

40 IN THE PAST 4 WEEKS, HAS ... LOOKED FOR ANOTHER JOB?
 Yes ¹ No ² Go to 71

41 WHAT HAS ... DONE IN THE PAST 4 WEEKS TO FIND ANOTHER JOB?
 Enter code(s) and go to 71

50 HAS ... EVER WORKED?
 Yes ¹ No ² Go to 55

51 WHEN DID ... LAST WORK AT A JOB OR BUSINESS?
 If month unknown enter - in month

52 INTERVIEWER CHECK ITEM:
 * If last worked before ¹ go to 55
 * Otherwise ² go to 53

53 ABOUT HOW MANY HOURS PER WEEK DID ... WORK AT THAT JOB?
 Full-time ¹ Part-time ²

54 WHAT WAS THE MAIN REASON WHY ... LEFT THAT JOB?
 Enter code

55 INTERVIEWER CHECK ITEM:
 * If "perm. unable to work" in 10 ¹ go to 80
 * Otherwise ² go to 56

56 IN THE PAST 8 MONTHS HAS ... LOOKED FOR WORK?
 Yes ¹ No ² Go to 70

57 * IN THE PAST 4 WEEKS WHAT HAS ... DONE TO FIND WORK? Mark all methods reported
 Nothing ¹ Go to 83

* IN THE PAST 4 WEEKS HAS ... DONE ANYTHING ELSE TO FIND WORK? Mark all other methods reported
 For each method given ask:

* WHEN DID ... LAST (Repeat method) ? No. of weeks

Checked with:	Method used	ago (excl. svy. week)
PUBLIC employment AGENCY	<input type="radio"/>	<input type="text"/>
PRIVATE employment AGENCY	<input type="radio"/>	<input type="text"/>
UNION	<input type="radio"/>	<input type="text"/>
EMPLOYERS directly	<input type="radio"/>	<input type="text"/>
FRIENDS or relatives	<input type="radio"/>	<input type="text"/>
Placed or answered ADS	<input type="radio"/>	<input type="text"/>
LOOKED at job ADS	<input type="radio"/>	<input type="text"/>
OTHER Specify in NOTES	<input type="radio"/>	<input type="text"/>

58 WHAT WAS ... DOING IMMEDIATELY BEFORE HE/SHE STARTED TO LOOK FOR WORK? FOR EXAMPLE, WORKING, KEEPING HOUSE, GOING TO SCHOOL OR SOMETHING ELSE
 Enter code

59 UP TO THE END OF LAST WEEK, HOW MANY WEEKS HAS ... BEEN LOOKING FOR WORK?

60 HAS ... BEEN LOOKING FOR A JOB TO LAST FOR LESS THAN 6 MONTHS, OR, MORE THAN 6 MONTHS?
 Less than 6 months (incl 6 mos.) ¹ More than 6 months ²

61 ABOUT HOW MANY HOURS OF WORK PER WEEK HAS ... BEEN LOOKING FOR?
 Full-time ¹ Part-time ²

62 INTERVIEWER CHECK ITEM:
 * If "1 week ago" for any method in 57 ¹ go to 84
 * Otherwise ² go to 83

63 WAS THERE ANY REASON WHY ... DID NOT LOOK FOR WORK LAST WEEK?
 Enter code

64 WAS THERE ANY REASON WHY ... COULD NOT TAKE A JOB LAST WEEK?
 Enter code and go to 70

EDUCATIONAL ACTIVITY

80 LAST WEEK, WAS ... ENROLLED IN A SCHOOL, COLLEGE, OR UNIVERSITY?
 Yes ¹ No ² Go to 80

81 WAS ... ENROLLED AS A FULL-TIME OR A PART-TIME STUDENT?
 Full-time ¹ Part-time ²

82 WHAT KIND OF SCHOOL WAS THIS?
 Enter code

INFORMATION SOURCE

90 HRD page-line No. of person providing the above information
 Last interview This interview

91 Was this information provided over the telephone?
 Yes ¹ No ²

70 INTERVIEWER CHECK ITEM: DESCRIPTION OF MAIN JOB OR BUSINESS.

* If "No" (never worked) in 50 ² go to 80
 * If last worked before in 51 ³ go to 80
 * Otherwise go to 72 through 76 and check that the information is complete and correct.

71 HAS ... CHANGED EMPLOYERS SINCE LAST MONTH?
 Yes ¹ Enter new information for 72 through 76 No ² Check that information in 72 through 76 is complete and correct

72 FOR WHOM DID ... WORK? (Name of business, government dept. or agency, or person)

 No change OR

73 WHEN DID ... START WORKING FOR THIS EMPLOYER?
 No change ¹ or If month unknown enter - in month

74 WHAT KIND OF BUSINESS, INDUSTRY OR SERVICE WAS THIS? (Give full description - e.g., paper-box manufacturing, retail shoe store, municipal board of education)

 No change OR

75 WHAT KIND OF WORK WAS ... DOING? (Give full description: e.g., posting invoices, selling shoes, teaching primary school)

 No change OR

76 Class of worker: Main job No change ¹ OR Enter code Other job No change ¹ OR Enter code

years of age and over. Although the revised labor force survey collects data on persons 14 years of age and over, the official labor force and unemployment data refer to persons 15 years of age and over.

Since compulsory education ends at age 15 or 16 in Canada, no adjustment is necessary. In the former labor force survey, the official lower age limit was 14. Under the former survey, Canadian statistics were adjusted by BLS to exclude the 14-year-olds.

The unemployed include all persons who, during the reference week, were in any of the following categories: (1) Without work and had actively looked for work in the past 4 weeks and available for work; (2) been on layoff for 6 months or less and were available for work; or (3) had not actively looked for work in the past 4 weeks but had a new job to start in 4 weeks or less and were available for work.

In order to determine labor force status, the interviewer asks a series of specific, direct questions designed to provide precise and comprehensive information about labor force activities and characteristics. The interviewer asks, "Did . . . do any work at all last week, not counting work around the house?"; "Last week, did . . . have a job at which he/she did not work?"; "In the past four weeks what has . . . done to find work?"; "Was there any reason why . . . could not take a job last week?" In the former survey, more general questions were asked: "What did . . . do mostly last week?"; "Did . . . do anything else last week?" While these questions led to a straightforward distinction among persons who are employed, unemployed, or not in the labor force, they were not suited for detailed probing, particularly on the characteristics of persons near the margins of the three basic labor force categories.

Specific questions regarding availability for work in the reference week are now asked and some persons who were unemployed under the old survey would not have met the availability requirements of the revised survey. For example, full-time students looking for full-time work are automatically considered not available for work in the reference week according to the revised labor force survey. However, full-time students seeking part-time work are regarded as available (unless they report otherwise) and, if the other criteria are met, are included among the unemployed.

Persons on layoff with instructions to return to work within 30 days of the layoff—the temporarily laid off—were classified as unemployed in the former survey. All others on layoff were classified as unemployed if they stated that they would have looked for work in the reference week except that they expected to be recalled to their former jobs. However, no questions on this point were asked of these persons and, unless they had volunteered the information that they expected to be recalled, they were classified as not in the labor force.

In the revised survey, persons on layoff for less than 26 weeks are classified as unemployed. Those who have been laid off for more than 26 weeks are classified as un-

employed if they looked for work in the previous 4 weeks. Otherwise, they are classified as not in the labor force. In both surveys then, persons on layoff expecting to return to work are classified as unemployed. The distinguishing feature is that the revised survey is able to identify persons on layoff with greater precision due to direct questioning, and to record additional information about such persons, such as the duration of the layoff. In the United States, there is no time limit after which laid-off workers waiting to be recalled to work must look for another job to be counted as unemployed.

Canadians waiting to start a new job were not identified separately in the former survey, and, as a result, generally were classified as unemployed or not in the labor force, depending on whether or not they reported that they were looking for work. A small number could also have been classified as employed and included among the "had a job but not at work" category. In the revised survey, they are unemployed if their new job is to start within 4 weeks of the end of the reference period. If the job is to start in more than 4 weeks from the end of the reference period, they are classified as unemployed only if they also looked for work. This is similar to the U.S. practice.

Persons without jobs who stated they would have looked for work except for certain conditions—discouraged workers—were formerly classified as unemployed. However, there was no specific question on this point, and the information on discouragement had to be volunteered. In the revised survey and in the United States survey, discouraged workers are considered as not in the labor force.

On the basis of these more detailed questions, aggregate unemployment rates were revised downward slightly. In 1975, the jobless rate was revised from 7.0 percent to 6.9 percent. While the total difference was slight, there were substantial differences in the estimates by sex and region. In the revised survey, unemployment was significantly higher for women and lower for men. In 1975, the unemployment rate for women was 6.4 percent according to the old survey and 8.1 percent according to the new survey. Female joblessness was formerly understated since women tended to respond to the question, "What did . . . do mostly last week?" in terms of household or other non-labor force activities. The more specific wording of the revised questionnaire revealed that many of these women were unemployed.

Lower unemployment estimates for men (6.2 percent versus 7.4 percent in 1975, with differences concentrated in winter and spring), result mainly from differences in the manner in which the new survey identifies and classifies persons who have not actively sought work.

Labor force

The labor force is composed of all persons who, during the reference week, were employed or unemployed. The

employed in Canada include all persons who, during the reference week, were in any of the following categories: (1) Did any work for pay or profit; (2) did any unpaid family work which contributed directly to the operation of a farm, business, or professional practice owned or operated by a related member of the household; or (3) had a job but were not at work due to illness, disability, personal or family responsibilities, bad weather, labor dispute, or vacation.

With the introduction of the current labor force survey, the methods used to measure employment and unemployment were revised, although the concepts remained essentially the same. These revisions have brought the Canadian questionnaire closer to that of the United States. There were a few differences between the former Canadian survey and the United States survey, but most have disappeared with the introduction of the revised Canadian survey. Under the old survey, to be counted as employed, Canadian farm housewives had to work more than 20 hours in the survey week, but there was no minimum of hours worked for other unpaid family workers. The revised survey, using more specific questions to identify work activities, contains no restrictions on farm housewives or other unpaid family workers. In the United States, unpaid family workers must work 15 hours or more during the survey week to be counted as employed. However, the difference in treatment of unpaid family workers working less than 15 hours is probably insignificant.

In the former Canadian survey, a small number of persons with a job but who were not at work and also looked for work in the reference week were classified as unemployed. In the revised survey, as in the U.S. survey, working takes precedence over looking for work. Thus, these persons are now classified as employed.

The revisions of the survey resulted in slightly higher employment estimates for women of all age groups (4.4 percent) and men 15 to 24 years (2.8 percent) due to more precise identification of employment activities. No changes were made to employment estimates for men 25 years of age and over.

Unemployment rate

Annual unemployment rates for Canada are calculated by averaging the results of the monthly labor force surveys. From 1966 onward, unemployment rates based on the revised definitions of unemployment and employment have been estimated by Statistics Canada. The rates for 1959-65, however, have not been revised. Labor market conditions were believed to be too different in this earlier period to make estimates based on 1975 relationships.

Quarterly and monthly estimates

For Canada, no adjustments are necessary to the labor force survey data for comparability with U.S. defini-

tions. The seasonally adjusted jobless rates are those published by Statistics Canada in its monthly publication, *The Labour Force*.

Statistics Canada uses the X-11 Variant of the U.S. Bureau of the Census Method II seasonal adjustment program to seasonally adjust the labor force survey data. The multiplicative version is used for some series, the additive version for other series. Statistics Canada has also experimented with a modification of the X-11, known as Statistics Canada X-11-ARIMA (auto-regressive integrated moving average). Seasonally adjusted estimates of the labor force, employed, and unemployed are derived by the summation of the appropriate series.

Seasonally adjusted figures have been calculated on a current basis since January 1975; the seasonal adjustment program is run each month using data up to and including the most recent month. At the end of the calendar year, the seasonally adjusted figures are revised.

Australia

Australia has two sources of unemployment statistics, both of which are widely used. Data based upon registrations at employment offices are available on a monthly basis. A quarterly labor force survey, begun in 1964, provides unemployment data in close conformity with U.S. concepts. Since about 1970, the statistics from the quarterly survey have been regarded as the "official" Australian unemployment series by the International Labour Office. Registrations statistics are released about 2 weeks before publication of the survey data. In addition, because the registrations statistics are on a monthly basis, they are still used as current labor market indicators in Australia.

Unemployment

Registered unemployed. These statistics comprise all persons who were still registered with the Commonwealth Employment Service (CES) on the Friday nearest the end of the month, who claimed when registering that they were not employed, and who were seeking full-time employment, i.e., 35 hours or more per week. They include persons referred to employers but whose employment was still unconfirmed, and persons who had recently obtained employment without notifying the CES. The statistics are published by the Department of Employment and Industrial Relations in the *Monthly Review of the Employment Situation*.

Separate figures are published for recipients of unemployment benefits. Such benefits are payable only to persons of limited means. All recipients of benefits must complete a weekly statement of income, and benefits are reduced by other income over a specified low level. Recipients of unemployment benefits must also have at least 1 year of residence in Australia immediately before un-

Australian Population Survey Questionnaire (Excerpt)

<p>8. MOST OF LAST WEEK DID ... WORK AT A JOB OR BUSINESS OR DO SOMETHING ELSE?</p> <p>Worked (Go to Q.10) ... <input type="checkbox"/> 1</p> <p>Had a job but not at work (exclude waiting to start new job) ... <input type="checkbox"/> 2</p> <p>Looking for work ... <input type="checkbox"/> 3</p> <p>Kept house ... <input type="checkbox"/> 4</p> <p>Went to school ... <input type="checkbox"/> 5</p> <p>Retired or voluntarily inactive ... <input type="checkbox"/> 6</p> <p>Permanently unable to work (No more questions) ... <input type="checkbox"/> 7</p> <p>Other (Specify on field query form) ... <input type="checkbox"/> 8</p> <p>SD only : Institutionalised (No more questions) ... <input type="checkbox"/> 9</p>	<p>15. WHY WAS ... AWAY FROM WORK LAST WEEK?</p> <p>Leave or holiday ... <input type="checkbox"/> 1</p> <p>Own illness or injury ... <input type="checkbox"/> 2</p> <p>Lost job in week ... <input type="checkbox"/> 3</p> <p>Began job in week ... <input type="checkbox"/> 4</p> <p>Bad weather, breakdown, etc. ... <input type="checkbox"/> 5</p> <p>Laid off or on short time: Economic reasons ... <input type="checkbox"/> 6</p> <p>Industrial dispute NPE ... <input type="checkbox"/> 7</p> <p>Industrial dispute PE ... <input type="checkbox"/> 8</p> <p>On strike ... <input type="checkbox"/> 9</p> <p>Note: If Q.10 <i>not</i> asked and box 5, 6, 7, 8 or 9 above, go to Q.22B; otherwise go to Q.23</p>	<p>21. IF ... HAD FOUND WORK IS THERE ANY REASON WHY ... COULD NOT HAVE STARTED LAST WEEK?</p> <p>Yes - own temporary illness or injury ... <input type="checkbox"/> 1</p> <p>- child care problems ... <input type="checkbox"/> 2</p> <p>- going to school ... <input type="checkbox"/> 3</p> <p>- made arrangements to start a new job; - preferred to start in survey week ... <input type="checkbox"/> 4</p> <p>- preferred to start after survey week ... <input type="checkbox"/> 5</p> <p>other reasons (Specify on field query form) U ... <input type="checkbox"/> 6</p> <p>NILF ... <input type="checkbox"/> 7</p> <p>No ... <input type="checkbox"/> 8</p>
<p>9. DID ... DO ANY PAID WORK AT ALL LAST WEEK OR WORK WITHOUT PAY IN A FAMILY BUSINESS?</p> <p>Yes ... <input type="checkbox"/> 1</p> <p>No (Go to Q.11) ... <input type="checkbox"/> 2</p>	<p style="text-align: center;">No Qs 16 and 17</p>	<p>22A. WHEN DID ... BEGIN LOOKING FOR WORK?</p> <p>22B. WHEN WAS ... LAID OFF/WHEN DID ... GO ON STRIKE?</p> <p style="text-align: right;">WEEKS AGO</p> <p style="text-align: right;"><input type="text"/> <input type="text"/></p> <p>Note: Record whole weeks to end of survey week. If box 5, 6, 7 or 8 in Q.15 probe whether period 4 weeks or less; recode if necessary. Ask for last job in Q.23 to Q.26.</p>
<p>10. HOW MANY HOURS DID ... WORK LAST WEEK AT ALL JOBS, INCLUDING OVERTIME AND EXCLUDING TIME OFF?</p> <p>Note: HOURS</p> <p>If 01-34 hours, go to Q.12.</p> <p>If 35 hours and over, go to Q.23</p> <p style="text-align: right;"><input type="text"/> <input type="text"/></p>	<p>18. (If "Looked for work" in Q.8, ask Q.19) HAS ... BEEN LOOKING FOR WORK AT ANY TIME DURING THE PAST FOUR WEEKS?</p> <p>Yes <input type="checkbox"/> (Ask Q.19)</p> <p>No (No more questions) ... <input type="checkbox"/> 11</p>	<p>23. WHAT WAS ... OCCUPATION LAST WEEK?</p> <p>.....</p> <p style="text-align: right;"><input type="text"/> <input type="text"/> <input type="text"/></p>
<p>11. (If "Had a job but not at work" in Q.8, ask Q.12) EVEN THOUGH ... DID NOT WORK LAST WEEK, DID ... HAVE ANY JOB, BUSINESS (OR FARM)?</p> <p>Yes <input type="checkbox"/> (Ask Q.12)</p> <p>No (Go to Q.18) ... <input type="checkbox"/> 1</p>	<p>19. HAS ... BEEN LOOKING FOR FULL-TIME OR PART-TIME WORK DURING THE PAST FOUR WEEKS?</p> <p>Full-time work ... <input type="checkbox"/> 12</p> <p>Part-time work ... <input type="checkbox"/> 13</p>	<p>24. FOR WHOM DID ... WORK LAST WEEK? (Name/Full Address)</p> <p>.....</p> <p>.....</p> <p>.....</p>
<p>12. DOES ... USUALLY WORK LESS THAN 35 HOURS AT ... PRESENT JOB(S)?</p> <p>Yes (Ask Q.13) ... <input type="checkbox"/> 2</p> <p>No (Go to Q.15) ... <input type="checkbox"/> 3</p>	<p>20. WHEN LOOKING FOR WORK DURING THE PAST FOUR WEEKS - WAS ... REGISTERED WITH THE COMMONWEALTH EMPLOYMENT SERVICE OR OTHER EMPLOYMENT AGENCY?</p> <p>..... <input type="checkbox"/> 1</p> <p>DID ... APPLY TO PROSPECTIVE EMPLOYERS IN PERSON? ... <input type="checkbox"/> 2</p> <p>DID ... APPLY BY POST OR TELEPHONE? ... <input type="checkbox"/> 3</p> <p>DID ... DO ANYTHING ELSE? ... <input type="checkbox"/> 4</p> <p>Active ... <input type="checkbox"/> 4</p> <p>Non-active ... <input type="checkbox"/> 5</p> <p>(Specify on field query form) ... <input type="checkbox"/> 6</p>	<p>25. IN WHAT KIND OF BUSINESS OR INDUSTRY DID ... WORK LAST WEEK?</p> <p>.....</p> <p style="text-align: right;"><input type="text"/> <input type="text"/> <input type="text"/></p>
<p>13. WOULD ... PREFER TO WORK 35 HOURS OR MORE?</p> <p>Yes <input type="checkbox"/> (Ask Q.14)</p> <p>No (If Q.10 <i>not</i> asked, go to Q.15; otherwise, go to Q.23) ... <input type="checkbox"/> 1</p>	<p>26. LAST WEEK DID ... WORK FOR AN EMPLOYER FOR WAGES, SALARY, KIND ETC? ...</p> <p>IN OWN BUSINESS - WITH EMPLOYEES? ... <input type="checkbox"/> 2</p> <p>WITH NO EMPLOYEES? ... <input type="checkbox"/> 3</p> <p>WITHOUT PAY IN FAMILY BUSINESS? ... <input type="checkbox"/> 4</p> <p>Never worked ... <input type="checkbox"/> 5</p>	<p>14. WHY DOESN'T ... WORK LONGER?</p> <p>No work ... <input type="checkbox"/> 2</p> <p>All other reasons ... <input type="checkbox"/> 3</p> <p>Note: If Q.10 <i>not</i> asked, ask Q.15; otherwise, go to Q.23.</p>

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employment or must intend to reside permanently in Australia. Seasonal workers are not eligible for unemployment benefits.

Labor force surveys. The Australian labor force survey, conducted by the Australian Bureau of Statistics, is similar in concepts and definitions to the U.S. labor force survey. Revisions in definitions in May 1976 have brought the Australian survey closely in line with U.S. concepts. Although there were some differences prior to these revisions, they are not believed to be important enough to require adjustment. The Australian survey is conducted quarterly, by means of personal interviews, in February, May, August, and November. Until 1972, a 1-percent sample of about 40,000 private dwellings and a sample of other dwellings (hotels, motels, etc.) were taken. In 1972, the sample was redesigned based on data from the 1971 Census of Population. The revised sample consists of about 30,000 private dwellings and a sample of nonprivate dwellings which together represent a sample of two-thirds of 1 percent of the population of Australia. Results of the surveys are published by the Australian Bureau of Statistics in *The Labour Force*.

Interviews are carried out during a period of 4 weeks, so that there are 4 survey weeks in each of the months to which the survey relates. These 4 weeks are chosen so as to fall within the limits of the calendar month or with minimum encroachment into the adjacent months.

As of May 1976, unemployment estimates have been based on the revised definition below. Unemployed persons are now defined as all civilians aged 15 years and over who either:

- a. During the survey week did not work and did not have a job, but could have taken one had it been available, and had been looking for full-time or part-time work in the 4 weeks up to and including the survey week (including persons who would have been prevented from taking a job in the survey week by their own temporary illness or injury, or by their having made arrangements to start in a new job after the survey week which they would have preferred to start in the survey week); or
- b. were waiting to be called back to a job from which they had been temporarily laid off without pay for 4 weeks or less (including the survey week).

The definition of unemployment prior to May 1976 differed in several respects from the above definition. First, persons who would have been looking for work but had not because they believed no work was available—"discouraged workers"²—were included in the unemployed prior to May 1976. However, the Australian survey did not contain a specific question on discouraged workers; such information had to be volunteered by the respondent. Discouraged workers are now excluded from the labor force. Second, some persons classified as unemployed were not actually

able to take a job in the survey week. There is now a test for current availability of jobseekers. Third, the period for jobseeking activities for unemployed persons was limited to the survey week. Now, a period of 4 weeks (including the survey week) is allowed for jobseeking in order to classify persons as unemployed.

Students actively seeking work are classified as unemployed both in the old and revised surveys. Under the old survey, special probing into the current availability of students was made in the November survey (that is, at the end of the school year).

Beginning in February 1975, questions were added to the survey to ascertain the number of persons seeking work during a 4-week period who could have taken a job in the survey week. Evaluation of the results of these new questions led to the May 1976 revisions in definitions. Although unemployment officially remained on the old definition from February 1975 through February 1976, data were also published on the new basis for this period. Therefore, BLS has made adjustments to the data going back to February 1975. The Australian Bureau of Statistics does not intend to make historical revisions for the period prior to February 1975. BLS has not made historical revisions either. On an annual basis, the difference between the old and new definitions in 1975 was very small—the old definitions produced an average unemployment rate of 4.3 percent; the new definitions raised the rate to 4.4 percent. In several survey months, however, the difference was wider, as indicated by the following tabulation:

	Unemployment rate	
	Old definitions	New definitions
1975:		
February	4.6	4.9
May	3.9	4.2
August	3.9	4.1
November	4.6	4.5
1976:		
February	4.7	5.0

The unemployment rate for women was also significantly different: 5.7 percent on the old basis and 6.2 percent on the new basis for 1975. The male rate was increased only marginally, from 3.5 to 3.6 percent.

Labor force

The labor force, under survey definitions, comprises all civilians 15 years of age or over who, during the survey week, were employed or unemployed. Unemployment definitions were discussed above. Employed persons comprise all who, during the survey week, (a) did any work for pay, profit, commission, or payment in kind in a job or business or on a farm (including employees, employers, and self-employed persons); or (b) worked 15 hours or more without pay in a family business or farm; or (c) had a job, business, or farm but were not at work because of illness, accident, leave, holiday, production holdup due to bad

²Called "discouraged jobseekers" in Australia.

Japan

weather, plant breakdown, etc., or because they were on strike. These definitions are identical to U.S. definitions, and no adjustments are required for comparability with U.S. concepts.

In the 1971 population census, trainee teachers (enrolled at government teachers' colleges and in some cases enrolled also at other institutions) were for the first time classified as not in the labor force; since then they have also been excluded from labor force estimates derived from the Australian survey. Exclusion of these persons constitutes a break in the series between May and August 1971; the number of trainee teachers excluded from the labor force in August amounted to 24,000. This makes no difference in the unemployment rate for Australia.

Unemployment rate

Annual unemployment rates for Australia have been calculated by averaging the published data for February, May, August, and November of each year. For 1975 onward, as mentioned above, data based on the new definition of unemployment have been used.

The Australian labor force survey was initiated in 1964. Unemployment rates for 1959 through 1963 are estimates made by an Australian researcher based on linking of the survey and registration statistics.³

Quarterly and monthly estimates

For Australia, no adjustments are necessary for comparability with U.S. definitions. The seasonally adjusted unemployment rates are those published by the Australian Bureau of Statistics (ABS) in their publication, *The Labour Force Survey*. Since the Australian labor force survey is conducted quarterly, no monthly estimates of joblessness on the labor force survey basis are made.

Every year, the seasonally adjusted statistics are revised to take into account the previous year's data. The ABS has adopted for its standard method of seasonal adjustment, the X-11Q (quarterly) Variant of the Census Method II seasonal adjustment program of the U.S. Bureau of the Census. Until 1974, a standard multiplicative adjustment was used. This method assumes that the amplitude of seasonal change is proportional to the level of the series. Following the rapid rise in the level of unemployment in 1974, this proportional relationship apparently changed substantially and the X-11Q method was unable to adapt sufficiently. ABS made an estimate of the effect of the change in the proportional relationship and applied prior adjustment factors to the data before seasonally adjusting. Therefore, the seasonal factors reflect one proportional relationship up to 1974 and another relationship since then.

³Barry Hughes, "Supply Constraints and Short-term Employment Functions: A Comment," *The Review of Economics and Statistics*, Number 4, 1971, p. 394.

The principal system of labor force statistics in Japan was patterned after the American system and was installed with the aid of American experts. Japanese statisticians have subsequently introduced a number of modifications to adapt the system better to Japanese needs.

The Japanese labor force survey has been conducted monthly by the Bureau of Statistics, Office of the Prime Minister, since September 1946, and currently comprises a sample of about 76,000 persons residing in 33,000 households. This represents a sampling ratio of about 1 out of every 1,000 persons 15 years old and over. Results are published by the Bureau of Statistics in the *Monthly Report on the Labour Force Survey*.

Adjustment of Japanese labor force data to U.S. concepts is based mainly on the monthly labor force survey. In September 1967, the survey design was revised and the enumeration method changed from "self enumeration and interview" to "self enumeration"—i.e., the labor force survey schedule is now filled in by the respondent rather than the enumerator. The major data items have been revised back to 1953 by Japanese authorities based on the new survey design.

Unemployment

The unemployed in the Japanese labor force survey consist of all persons 15 years of age or over without jobs who did not work at all during the survey week (the week ending on the last day of each month) and who:

1. State that they actually sought work during the survey week; or
2. Were awaiting the results of previous employment applications.

In the Japanese questionnaire, the question "Was this person engaged in work at all during the survey week?" has eight possible answers. One of the following is checked by the respondent:

1. Engaged mainly in work
2. Engaged partly in work besides attending school
3. Engaged partly in work besides home duties, etc.
4. Had a job but did not work
5. Had no job but seeking one
6. Attending school
7. Engaged in home duties
8. Others

Persons checking response number 5—"had no job but seeking one"—are classified as unemployed. This response is defined in the explanatory notes accompanying the survey schedule as follows: "Refers to the person who had no job but was actually seeking work by answering advertisements in the newspaper, applying at the Public Employment Security Office, etc. Also refers to the person who is waiting for an answer to an application and is able to take up a job immediately after he finds one."

Labour Force Survey Schedule

Confidential

Designated Statistics
No. 30

(For First month)

Month ____ Year ____
Bureau of Statistics
Office of the Prime
Minister

The statistical law, on which this survey is based, prohibits the use of the information supplied by you for purposes other than strictly statistical. It is also forbidden that enumerators and any other officials who may be engaged in the survey disclose what is reported in the schedules. You are, therefore, kindly requested to provide information frankly and accurately.

PLEASE READ THE FOLLOWING NOTES BEFORE FILLING OUT

All members who usually live in your household should be included in this schedule.

Persons who usually live in your household refer to those who have been living, or are going to live in your household for three months or more as of the end of the month.

Persons to be included

- * Family members
- * Living-in employees
- * Persons living in the family without paying for room and for meals.

Persons who are temporarily absent from your household for travelling or working elsewhere shall be reported at their homes if their absent period is less than three months. If they have been, or are going to be, absent from home for three months or more, they shall be enumerated at their destination.

In-patients in a hospital shall be reported at the hospital if they have been hospitalized for three months or more. If not, they shall be reported at their homes.

Special attention should be paid to the following cases.

Lodgers

- * Lodgers such as roomers and boarders who pay room rent should be reported individually as a separate household.
- * Lodgers living together with their relatives should be reported with their relatives as one household.

Persons living in dormitories

- * Persons living in school dormitories, dormitories for unmarried employees, etc. should be reported individually as a separate household.

Columns to fill out

For persons 15 years old and over as of the end of the month (26th in December) fill out the designated columns entry page on the reverse side.

- * The household head should be entered in the column No. 1.

- * Use another schedule, if the number of household members is six or more.

For persons 14 years old and under, fill out the columns below.

When entry is over, check if the entry is correct. Write the name of the head in the designated column, and give this schedule to the enumerator.

In this survey, actual status during the survey week ending the last day (26th for December) of the month should be entered.

For instance, for the person who happened to work temporarily during the survey week, the entry should be made as regards the work done even if he usually does not work. For the person who is usually working in an office but who was absent from work and assisted his farm work during the survey week, the entry should be made as regards the farm work.

	For persons 14 years old and under as of the end of the month (26th for December)			For the baby who is not yet named, write "not yet named"	
Household No.	51	52	53	54	55
1. Name					
2. Relationship to household head					
3. Sex	1 Male 2 Female	1 Male 2 Female	1 Male 2 Female	1 Male 2 Female	1 Male 2 Female
4. Date of birth	Year Month Day	Year Month Day	Year Month Day	Year Month Day	Year Month Day

Japan

To be filled in by the enumerator	Enumeration district code	For a person 15 years old and over	Household code	Area of cultivated land			Number of members of the household	Both sexes	Male	Female
				1. 50 ares or more	2. More than 10 ares but less than 50 ares	3. Less than 10 ares or without cultivated land				
						Under 15				

1 Name	Enter the names of persons 15 years old and over who usually live in your household. See the notes on page 1 for the persons to be included.	Number	1	2	3	4	5
2 Relationship to the household head	Write as Wife, Mother, Eldest son, Wife of eldest son, Domestic servant, Business employee, etc. according to relationship to the household head.		Head				
3 Sex	Circle 1 for male, or 2 for female		1. Male 2. Female	1. Male 2. Female	1. Male 2. Female	1. Male 2. Female	1. Male 2. Female
4 Date of birth			Year Month Day	Year Month Day	Year Month Day	Year Month Day	Year Month Day
5 Marital status	Circle an appropriate number irrespective of official record.		1. Never married 2. Married 3. Widowed, divorced				
6 Was this person engaged in work at all during the survey week?	Work means any work for pay or profit including the work in a family business on a farm, in a store, and so on. For a person engaged mainly in work 1 For a person engaged partly in work besides attending school, engaging in home duties, and so on 2 or 3 For a person not engaged in work Had a job but did not work 4 Had no job but seeking one 5 Attended school, engaged in home duties and others 6, 7 or 8		1. Engaged mainly in work 2. Engaged partly in work besides attending school 3. Engaged partly in work besides engaging in home duties and so on 4. Had a job but did not work 5. Had no job but seeking one 6. Attended school 7. Engaged in home duties 8. Others	1. Engaged mainly in work 2. Engaged partly in work besides attending school 3. Engaged partly in work besides engaging in home duties and so on 4. Had a job but did not work 5. Had no job but seeking one 6. Attended school 7. Engaged in home duties 8. Others	1. Engaged mainly in work 2. Engaged partly in work besides attending school 3. Engaged partly in work besides engaging in home duties and so on 4. Had a job but did not work 5. Had no job but seeking one 6. Attended school 7. Engaged in home duties 8. Others	1. Engaged mainly in work 2. Engaged partly in work besides attending school 3. Engaged partly in work besides engaging in home duties and so on 4. Had a job but did not work 5. Had no job but seeking one 6. Attended school 7. Engaged in home duties 8. Others	1. Engaged mainly in work 2. Engaged partly in work besides attending school 3. Engaged partly in work besides engaging in home duties and so on 4. Had a job but did not work 5. Had no job but seeking one 6. Attended school 7. Engaged in home duties 8. Others
6 ~ 2 Seeking a main job or a secondary one (For persons who circled 5 in column 6)	Seeking a main job 1 Seeking a secondary job besides attending school, engaging in home duties, and so on 2		1. Seeking a main job 2. Seeking a secondary any job (End of question)	1. Seeking a main job 2. Seeking a secondary any job (End of question)	1. Seeking a main job 2. Seeking a secondary any job (End of question)	1. Seeking a main job 2. Seeking a secondary any job (End of question)	1. Seeking a main job 2. Seeking a secondary any job (End of question)
7 Hours worked during the survey week. (Use the "memorandum" at page 4)	Include hours worked on side jobs, home handicrafts, temporary jobs, etc. For a person who had a job but did not work during the survey week (person who circled 4 in column 6), write O.		hours	hours	hours	hours	hours

Japan

<p>Details of work</p> <p>* Report on the work this person actually did during the survey week. ** Report on the work this person did for longest hours if he worked on two or more jobs during the week. *** For the person who circled 4 in column 6, report on the work from which he was absent.</p>	<p>8. Status</p> <p>For an employee</p> <p>Regular employee 1</p> <p>Temporary employee (an employee who has a contract of employment with a period of a month or more but not more than a year) 2</p> <p>Day labourer (including an employee who has a contract of employment with a period of less than a month) 3</p> <p>For a company or public corporation director 4</p> <p>For a self employed worker</p> <p>With employees 5</p> <p>Without employee 6</p> <p>For a family worker 7</p> <p>For a person who did home handicraft 8</p> <p style="text-align: right;">Circle an appropriate number</p>	<p>For an employee</p> <p>1. 2. 3. 4. 5. 6. 7. 8.</p> <p>Regular Day labourer Temporary Director Self employed worker (with employees) Self employed worker (without employee) Family worker Home handicraft</p>	<p>For an employee</p> <p>1. 2. 3. 4. 5. 6. 7. 8.</p> <p>Regular Day labourer Temporary Director Self employed worker (with employees) Self employed worker (without employee) Family worker Home handicraft</p>	<p>For an employee</p> <p>1. 2. 3. 4. 5. 6. 7. 8.</p> <p>Regular Day labourer Temporary Director Self employed worker (with employees) Self employed worker (without employee) Family worker Home handicraft</p>	<p>For an employee</p> <p>1. 2. 3. 4. 5. 6. 7. 8.</p> <p>Regular Day labourer Temporary Director Self employed worker (with employees) Self employed worker (without employee) Family worker Home handicraft</p>	<p>For an employee</p> <p>1. 2. 3. 4. 5. 6. 7. 8.</p> <p>Regular Day labourer Temporary Director Self employed worker (with employees) Self employed worker (without employee) Family worker Home handicraft</p>
	<p>9 Name of establishment</p> <p>Write the name of the office, factory, shop, etc. in which this person worked.</p> <p>Circle an appropriate number for the organization.</p>	<p>1. Unincorporated 2. Company 3. Others</p>				
	<p>10 Kind of business or industry</p> <p>Write specifically the kind of business or industry at the office, factory, shop, etc. where this person worked.</p>					
	<p>11 Kind of work</p> <p>Write specifically the kind of work in which this person was engaged at the office, factory, shop, etc.</p>					
	<p>12. Number of persons engaged in the enterprise as a whole</p> <p>State the number of persons engaged in the enterprise including the main office, branch offices, factories, etc.</p> <p>Circle 9 for a central or local government employee.</p>	<p>1. 2. 3. 4. 5. 6. 7. 8. 9.</p> <p>1 person 2 persons 3 persons 4 persons 5 persons 6 persons 7 persons 8 persons Government 1000 persons or more</p>	<p>1. 2. 3. 4. 5. 6. 7. 8. 9.</p> <p>1 person 2 persons 3 persons 4 persons 5 persons 6 persons 7 persons 8 persons Government 1000 persons or more</p>	<p>1. 2. 3. 4. 5. 6. 7. 8. 9.</p> <p>1 person 2 persons 3 persons 4 persons 5 persons 6 persons 7 persons 8 persons Government 1000 persons or more</p>	<p>1. 2. 3. 4. 5. 6. 7. 8. 9.</p> <p>1 person 2 persons 3 persons 4 persons 5 persons 6 persons 7 persons 8 persons Government 1000 persons or more</p>	<p>1. 2. 3. 4. 5. 6. 7. 8. 9.</p> <p>1 person 2 persons 3 persons 4 persons 5 persons 6 persons 7 persons 8 persons Government 1000 persons or more</p>
	<p>13 Desire for work</p> <p>For a person who is wishing to change jobs</p> <p>Seeking 1</p> <p>Not seeking 2</p> <p>For a person who is wishing to have another job in addition to the present one</p> <p>Seeking 3</p> <p>Not seeking 4</p> <p>Others 5</p>	<p>For a person who is wishing to change jobs</p> <p>1. 2. 3. 4. 5</p> <p>Seeking Not seeking Others</p>	<p>For a person who is wishing to change jobs</p> <p>1. 2. 3. 4. 5</p> <p>Seeking Not seeking Others</p>	<p>For a person who is wishing to change jobs</p> <p>1. 2. 3. 4. 5</p> <p>Seeking Not seeking Others</p>	<p>For a person who is wishing to change jobs</p> <p>1. 2. 3. 4. 5</p> <p>Seeking Not seeking Others</p>	<p>For a person who is wishing to change jobs</p> <p>1. 2. 3. 4. 5</p> <p>Seeking Not seeking Others</p>

Notes for entry (Question 6~13)

6. **Was this person engaged in work during the survey week?**
 "Work" means any work for pay or profit whether it be in the form of wages, salary, business profits, etc. Family members who worked for the family business such as a farm, store etc. are regarded as those "working", even though they did not receive any wages. The work also includes any home handicraft or temporary work for pay or profit.
"1 Engaged mainly in work" refers to a person who was engaged mainly in work on a farm or in an office, etc.
"4 Had a job but did not work" refers to:
 a the employee or the worker who had been away from his work because of sickness, holidays, etc., but who is expected to receive wages or salary.
 b the self employed person or employer who had been away from his work for less than 30 days because of sickness, holidays, etc.
"5 Had no job but seeking one" refers to the person who had no job but was actually seeking work by answering the advertisements in the newspaper, applying at the Public Employment Security Office, etc. Also refers to the person who is waiting for the answer of the application and is able to take up a job immediately after he finds a job.
7. **Hours worked during the survey week**
 Include the hours worked on a main job, side job, assisting in the family enterprise, temporary remunerative work, preparing for and clearing work, overtime work, etc.
 Do not include the hours spent for housekeeping, voluntary work without pay, meals, breaks, transporting to and from an office, etc.
8. **"Self employed worker"** includes a shop keeper, a factory owner, a farmer, doctor, solicitor, writer or travelling merchant etc., who carries on his own business on account.
9. }
 10. } See example on separate sheet.
 11. }
12. **Number of persons engaged in the enterprise as a whole**
 Self employed worker should be counted if the organization is "unincorporated".
13. **Desire for work**
 "Wishing to change jobs" refers to the employee who wished to be a self employed worker, to change the enterprise where he had been working to another, the self employed worker who wished to be an employee, etc. But does not refer to the person who wished to change the type of work in the same enterprise.

Memorandum for question 7 on the reverse side						
Names						
Hours worked (to be recorded every day)	Day	Hours.Minutes	Hours.Minutes	Hours.Minutes	Hours.Minutes	Hours.Minutes
	Day	.	.	.	.	.
	Day	.	.	.	.	.
	Day	.	.	.	.	.
	Day	.	.	.	.	.
	Day	.	.	.	.	.
	Day	.	.	.	.	.
	Total	.	.	.	.	.

Students who are actively seeking work would be enumerated as unemployed if they check "had no job but seeking one." Employed students would be counted as such since they would check "engaged partly in work besides attending school." It should be noted that very few students are also engaged in work in Japan--only about 50,000, representing less than 1 percent of the 15- to 24-year-old labor force.

The Japanese method appears to be more restrictive than the U.S. method. Excluded from the unemployed count in Japan, but included in the U.S. count, are:

1. Persons on layoff who were waiting to return to their jobs and not seeking other work.
2. Temporarily ill jobseekers who were not in a condition to begin work immediately. Such persons, if in a condition to work and seeking work, would be classified as unemployed.
3. Some persons who had recently been looking for jobs (i.e., within the past 4 weeks), but who took no active steps in the survey week and were not waiting for an answer from a previous job application. The questionnaire appears to relate "job seeking" to the survey week.
4. Persons without a job and waiting to report to a new job at a later date. Such persons are considered, as a rule, neither to be seeking a job nor to be waiting for the results of previous job applications. Therefore, they are classified as economically inactive.

Method of adjustment. There are no data available to estimate accurately the number of additional persons who would be counted as unemployed in Japan if U.S. survey methods and definitions were used. However, the total number who would be added is probably small. The "lifetime employment" system (in which a worker remains with the same employer until retirement) is a basic pattern of labor-management relations in Japan. In most plants, the worker is, in effect, granted permanence of tenure. When the activity of the establishment is reduced, the employer holds the worker on, either transferring him to another job or reducing hours.

In the downturn of economic activity which began in 1974, a growing number of persons became "temporarily laid off" in Japan. This was partly because of the employment adjustment grant system, through which the central government provides a portion of the allowances paid to laid-off workers. (See chapter 2.) In the labor force survey, persons receiving these subsidies are regarded as employed. In the unlikely event that a person was laid off without pay, he would be classified as unemployed.

A Japanese "layoff" is quite different from an American one. Persons on temporary layoff in Japan are not discharged, and they are still paid by their firms. They are under a continuing employment contract and usually work a reduced number of days or hours during the week rather than being totally without work. Under U.S. concepts, persons who work at all during the reference week are classified as employed, as are the Japanese on "temporary lay-off."

No information is available on the number of persons in Japan not classified as unemployed because of temporary illness or the number of persons recently looking for work, but taking no concrete steps in the survey week. The fact that persons awaiting the results of previous job applications are counted as unemployed results in the widening of the jobseeking period beyond the survey week. However, there is no specified period allowed for jobseeking activities, such as the 4-week period used in the U.S. survey. There is also no information on the number of persons waiting to report to a new job at a later date. The number of such persons not classifying themselves as unemployed results in a slight understatement of Japanese unemployment under U.S. concepts.

Labor force

In Japan, the labor force consists of all persons 15 years of age and over who: (1) Worked 1 hour or more for pay or profit or as unpaid family workers in the survey week; (2) were employed; or (3) were self-employed persons or paid employees with jobs but temporarily absent from work provided that: (a) If self-employed, their absence from work did not exceed 30 days; (b) if paid employees, they received pay for part of the survey week.

Four differences between U.S. and Japanese concepts of the labor force are noted. First, Japan includes and the U.S. excludes inmates of institutions in the survey universe (both countries include staff members of institutions as employed persons). Japan probably classifies all, or nearly all, inmates of institutions as not in the labor force--therefore, no adjustment is necessary.

Japan includes and the U.S. excludes unpaid family workers who worked 1 but less than 15 hours in the survey week (460,000 in 1975). Japan includes career military personnel (the "self defense force") in the labor force. Finally, persons with a paid job but not at work during the survey week are in the U.S. labor force whether or not they receive pay for the time off; in Japan, such workers must have received pay for part of the survey week to be considered as in the labor force. No adjustment seems necessary for this since Japanese employees under a continuing employment contract normally receive wages or salaries when absent from work.

Method of adjustment. The number of unpaid family workers who worked less than 15 hours in the survey week is reported in the survey results each month. Such persons are subtracted from the labor force. Japan does not publish figures on the self-defense force in the survey; such figures were obtained from the Japanese Embassy in Washington.

Unemployment rate

Japan computes its unemployment rate by dividing the unemployed by the total labor force. Adjustment to

U.S. concepts is accomplished by dividing the reported unemployed by the labor force adjusted to exclude family workers working less than 15 hours and the self-defense force. The adjustments result in either no change or a slight increase in the reported unemployment rates (table B-1).

Quarterly and monthly estimates

The Bureau of Labor Statistics prepares quarterly and monthly estimates of Japanese unemployment rates, adjusted to U.S. definitions and seasonally adjusted. The method used in making these estimates is as follows:

Unemployment. No adjustment is necessary to estimate unemployment on a basis comparable to U.S. definitions. BLS uses the Economic Planning Agency's (EPA) seasonally adjusted number of unemployed. These figures are published in the EPA's monthly report, *Japanese Economic Indicators*. The EPA method for seasonal adjustment was developed by the EPA and is an adaptation of the X-10 Variant of the U.S. Bureau of the Census seasonal adjustment program. The X-10 was modified by the EPA to take account of the rapid growth and structural changes experienced in Japan. Each year, the seasonal adjustment program is rerun to incorporate the experience of the previous year and to estimate the seasonal factors for the current year.

Labor force. An adjustment for comparability to U.S. concepts is made to EPA's seasonally adjusted labor force data. The ratio of the labor force adjusted to U.S. definitions to the "as published" labor force, based on annual average estimates, is applied to the monthly seasonally adjusted labor force data to estimate the labor force adjusted to U.S. concepts. The seasonally adjusted labor force figures are prepared by the EPA in the same manner as unemployment figures.

France

The official monthly unemployment figures for France relate to the number of registered unemployed persons. No unemployment rate is published. In addition to the monthly counts of the registered unemployed, the French National Institute of Statistics and Economic Studies (INSEE) makes annual estimates of the labor force and unemployment which, prior to 1974, were intended to be comparable with the results of the French population censuses. Since 1974, the annual estimates have been based on the number of unemployed under ILO definitions, as determined from the results of annual labor force surveys. Unemployment under ILO definitions represents a broader concept than that under French census definitions. The annual unemployment estimates are currently obtained by

Table B-1. Japan: Labor force data adjusted to U.S. concepts, 1959-76

(Numbers in thousands)

Item	1959	1960	1961	1962	1963	1964	1965	1966	1967
Reported labor force	44,330	45,110	45,620	46,140	46,520	47,100	47,870	48,910	49,830
Less: Unpaid family workers who worked less than 15 hours	¹ 800	¹ 780	¹ 800	¹ 880	¹ 880	¹ 840	¹ 870	¹ 830	790
Less: Career military personnel	210	210	210	220	210	220	220	230	230
Adjusted civilian labor force . . .	43,320	44,120	44,610	45,040	45,430	46,040	46,780	47,850	48,810
Unemployed	980	750	660	590	590	540	570	650	630
Published unemployment rate (percent)	2.2	1.7	1.4	1.3	1.3	1.1	1.2	1.3	1.3
Adjusted unemployment rate (percent)	2.3	1.7	1.5	1.3	1.3	1.2	1.2	1.4	1.3
	1968	1969	1970	1971	1972	1973	1974	1975	1976
Reported labor force	50,610	50,980	51,530	51,860	51,990	53,260	53,100	53,230	53,780
Less: Unpaid family workers who worked less than 15 hours	690	600	560	510	440	440	420	460	440
Less: Career military personnel	240	240	240	230	230	230	240	240	240
Adjusted civilian labor force . . .	49,680	50,140	50,730	51,120	51,320	52,590	52,440	52,530	53,100
Unemployed	550	570	590	640	730	680	730	1,000	1,080
Published unemployment rate (percent)	1.2	1.1	1.1	1.2	1.4	1.3	1.4	1.9	2.0
Adjusted unemployment rate (percent)	1.2	1.1	1.2	1.3	1.4	1.3	1.4	1.9	2.0

¹ Estimate based on relationship of new series to old series in 1967.

increasing the unemployed job registrant series to include the unregistered unemployed under ILO definitions—about 6 percent greater in 1975. The extent to which the registered series undercounts unemployment has declined sharply since the adoption of a compulsory national insurance system in 1967.

In October 1960, a regular series of labor force surveys was initiated, complementing the general population censuses. These surveys indicate that the annual French unemployment and labor force estimates based on population census concepts need to be adjusted considerably to conform more closely to U.S. concepts. The annual unemployment estimates based on ILO concepts, however, need to be adjusted only slightly to conform to U.S. concepts.

In March 1975, INSEE published an article in which French unemployment from the March 1974 survey was adjusted to “international definitions.”⁴ The international definitions used were the definitions adopted by the ILO in 1954. INSEE’s method of adjusting survey unemployment was the same as that being used by BLS, except that persons seeking a non-wage or -salary job were excluded by INSEE but are included by BLS. INSEE did not adapt the labor force to “international definitions” in the article.

INSEE has continued its work on adapting French unemployment to international concepts. In the last chapter of the results of the 1975 and 1976 labor force surveys, INSEE presented estimates of employment and unemployment according to international definitions.⁵ Additional questions initially incorporated in the 1975 survey questionnaire made it possible to obtain more precise estimates under international definitions. For example, questions are now being asked on current availability for work and on jobseeking activity within the previous month. Prior to 1975, there were no such questions in the survey.

Unemployment and labor force

Registered unemployed. Official monthly unemployment statistics in France refer to the registered unemployed, consisting of all persons registered with the employment offices at the end of each month. The figures are published by the Ministry of Labor in the *Bulletin mensuel des statistiques du travail*. The reductions in the INSEE coefficient by which the registered unemployed are inflated to obtain annual estimates of French unemployment partially reflect a substantial increase in the proportion of unemployed workers claiming unemployment status following the adop-

⁴ Bernard Grais, “Methodes et sources utilisees pour la mesure du chomage,” *Economie et Statistique*, March 1975, pp. 63-69.

⁵ Baudouin Seys and Pierre Lulhe, *Enquete Sur L'Emploi de 1975, Resultats provisoires*, Les Collections de L'INSEE, Series D, Number 42, December 1975, pp. 71-76; and *Enquete Sur L'Emploi de 1976, Resultats provisoires*, Les Collections de L'INSEE, Series D, Number 48, November 1976, pp. 59-68.

tion of a compulsory unemployment insurance system in 1967. Prior to that, France had a nonstatutory insurance plan established by collective bargaining agreements. The National Employment Agency was established in July 1967 to carry out employment exchange and other labor market management tasks. The new system provides coverage for over half the French labor force, whereas the earlier plan covered only about one-quarter of the work force. Also affecting registration statistics was the 1975 enactment of a new program whereby workers laid off for economic reasons receive 90 percent of their former wages.

Like most registration counts, the French series is limited largely to recently employed wage and salary workers who have lost their jobs. Wage and salary workers make up about three-quarters of the French labor force. Persons seeking a job for the first time rarely register, and women workers appear to depend on the placement offices relatively less than men. Furthermore, the registration statistics do not include recipients of the “income guarantee,” a form of early retirement pension paid under certain conditions to older workers who lose their job. Despite the establishment of the National Employment Agency, a substantial number of unemployed still do not register as such, as is clear from the results of the labor force survey.

Labor force surveys. INSEE conducted experimental labor force surveys irregularly during the 1950’s, using samples of 5,000-10,000 households. In the series of surveys begun in October 1960, a sample of over 25,000 households was used—a sampling ratio of 1 in 600. The surveys were conducted in October and March of alternate years, except in 1961 when no survey was conducted. The survey of March 1967 terminated this series.

Beginning in March 1968, INSEE inaugurated a new series of labor force surveys, using a different sampling method than that used in the 1960-67 surveys. INSEE had found that the 1962-67 surveys underestimated the total population, particularly for age groups with the highest activity rate. It was mainly to remedy this bias that the new sampling method was introduced. The sample for the new series is made up of areas rather than households. The greater geographic concentration of interviews under the new method permits savings in time and cost of interviewing. In addition, the new method permits better enumeration of persons in “marginal” lodgings, such as young people living in individual rooms. Surveys in the new series are conducted annually each March,⁶ using samples of 55,000-60,000 households—a sampling ratio of 1 in 300. Detailed results of these surveys have been published through

⁶ The surveys are taken over a period of 7 weeks, usually beginning the last week of February and ending the second week of April. Most interviews (i.e., over 90 percent) are conducted during the first 4 weeks of this period. The 1968 survey, however, was delayed and spread over a fairly long period, and the 1975 survey was conducted in April and May because the population census was taken in March.

March 1972. Summary results for 1973 through 1976 are also available and have been utilized in this study to prepare preliminary estimates for those years. From 1977 onwards the survey is conducted twice a year, in March and October. No results for 1977 have been published yet.

Foreign workers are counted on the same basis as national workers in the labor force surveys. Some separate data on foreign workers are published in the survey results.

The French labor force surveys are limited to residents of private households. Collective households such as military camps, hotels, hospitals, homes for the aged, and religious communities are not surveyed. Also excluded are residents of mobile homes. INSEE has made estimates of the civilian labor force excluded from the survey, and these figures have been added to the reported labor force.⁷ In recent years, there have been about 500,000 such persons. All such persons are assumed to be employed; INSEE states that they are persons who are engaged in an activity.

Both the old and the new surveys employ the same basic definitions and wording of questionnaires. The questionnaire used in the surveys is so constructed that the population 15 years of age and over (14 and over prior to 1968) can be classified according to two different definitions of employment status—one corresponding to that used in the population censuses, and therefore also comparable to INSEE's annual labor force and unemployment estimates, and the second corresponding more closely to U.S. labor force concepts.

Census definitions. In the population census, persons are asked to indicate their principal activity at the time of the census. Persons stating that they are employed or unemployed constitute the labor force. No further questions are asked regarding employment status. In the labor force surveys, people are asked their principal activity at the time of the survey and the interviewer records their spontaneous responses. Those responding that they have a job or are unemployed are comparable to the labor force under the census definition.

Labor force survey definitions. The labor force surveys attempt to probe deeper into the economic activity and status of those who do not initially respond that they have a job or that they are unemployed—the “inactive” population by census definitions. These are persons who respond that their principal activity is that of housewife or student, or that they are retired from the work force. These persons are asked two additional questions. The first question concerns whether any professional activities were carried out during the reference week. Persons who answer that they worked 1 hour or more are classified as “marginally employed.” The second additional question concerns jobseeking activities. Persons without a job who did not work at all in the survey week are asked whether they sought work.

⁷The INSEE figures were not derived from direct observation, and should be regarded only as an estimated order of magnitude.

Those answering “yes” are classified as “marginally unemployed.”

Under labor force survey definitions, the employed comprise all persons responding “employed” as their principal activity plus the “marginally employed” as defined above. The unemployed comprise all persons responding “unemployed” as their principal activity plus the “marginally unemployed.” Thus, the labor force surveys arrive at a concept of the labor force broader than that of the population censuses.

Under French survey concepts, persons do not have to be actively seeking work or currently available for work to be counted as unemployed. Also, persons who worked a few hours during the survey week are counted as unemployed if they responded that their principal activity was “unemployed.” On the other hand, persons on layoff and persons waiting to begin a new job are counted as employed if they responded that their principal activity was “employed.”

Comparability of surveys. As mentioned earlier, France initiated a new series of labor force surveys in 1968, utilizing a somewhat different sampling technique than used in the 1960-67 surveys. Concepts and definitions remained the same. INSEE statisticians assert that a gap between the old and new series has undoubtedly arisen from the differences in sampling methods. They have stated that the change in sampling method had little, if any, effect on unemployment under census definitions, but feel that there may have been a significant impact on the “marginally unemployed” figures. INSEE has made no link between the two series of surveys.

In analyzing the survey results, BLS has noted a sharp increase in the number of “marginally unemployed” persons between 1967 and 1968, from 132,000 to 306,000 (table B-2). Some of the increase was undoubtedly due to deteriorating economic conditions in 1968, but an unknown proportion may also be attributed to the better enumeration of persons in “marginal” lodgings under the new sample design.

Labor force participation rates provide another indicator of the break in the comparability of the surveys between 1967 and 1968. The figures for teenagers are difficult to interpret because the age of compulsory schooling was increased from 14 to 16 in 1968. Economic activity rates for both boys and girls declined slowly from March 1963 to March 1967, then dropped sharply in March 1968. However, activity rates for several other age groups appear to reflect the effects of the change in surveying method in 1968. Thus, between 1963 and 1967 activity rates of 20- to 24-year-old women held steady around 61 and 62 percent, then rose to 66.5 percent in 1968. Both men and women in the 55 to 64 age group also had an abnormal increase in economic activity, based on the previous trend. It may well be that women in their early twenties and men and women over age 55 who lived alone in rooming houses

QUESTIONNAIRE INDIVIDUEL

Pour toute personne née en 1961 ou avant (et ayant MOB différent de 9)

Prénom : _____

TC	N° i	1 Sexe 1. Masc. 2. Fem.	2 Date de naissance mois année	3 Lien avec le chef de ménage (voir code)	4 MOB (sauf pour la 1 ^{re} enquête dans l'aire)	5 Catégorie	6 Nationalité (voir code)	7 État matrimonial	1. Célibataire 2. Marié 3. Veuf 4. Divorcé, légalement séparé
3									

8. **FILTRE** : Présenter la carte n° 2 : Occupation principale à la date de l'enquête.
La personne doit se classer elle-même.
9. Pendant la **SEMAINE DE RÉFÉRENCE**, du _____ au _____ 1975,
(dernière semaine du lundi au dimanche précédant la date d'enquête).
M... a-t-il cependant exercé une activité professionnelle ?
Même une activité non rémunérée en aidant un membre de sa famille dans sa profession par exemple.
Ne fût-ce qu'une heure, ne fût-ce qu'un travail occasionnel ou exceptionnel.
10. **M... a-t-il déjà exercé une activité professionnelle même pendant une courte période, même s'il y a longtemps ? Exclure les activités purement occasionnelles.**
11. (Si oui à la question précédente) :
- a. Dernière profession exercée (et qualification) ? _____
- b. M... travaillait-il : _____ à son compte (artisan, commerçant, profession libérale...) _____
en aidant un membre de sa famille dans sa profession _____
comme salarié _____
nombre de salariés permanents : _____
- c. Activité de l'établissement (Préciser le plus possible) : _____
- d. A quelle date M... a-t-il cessé d'exercer cette activité ? Année _____
(Si en 1971 ou après) Mois _____

Si 1 directement → Partie I
Si 5 directement → Partie III
Autres → Q. 9

Oui ... 1 Si 1 directement → Partie I
Non ... 0

Oui ... 1
Non ... 0 Si 0 directement → Partie II

Réservé à la D.R.

CSA
AEAR
AEA
AE5A

PARTIE I. — ACTIVITÉ PROFESSIONNELLE PRINCIPALE

Partie à remplir pour toutes les personnes classées « 1 » à la question 8 « FILTRE ».
toutes les personnes ayant répondu « oui » à la question 9 (décrire dans ce cas l'activité professionnelle de la semaine de référence et non l'activité professionnelle habituelle ou la plus fréquente).

12. **PROFESSION PRINCIPALE** : _____
(Préciser le plus possible - Exemples : mécanicien réparateur d'automobiles, charpentier, en fer, dessinateur-projeteur, coiffeur pour dames, etc.)
13. **M... travaille-t-il, sans être salarié, en aidant un membre de sa famille dans sa profession ?**
Oui ... 1
Non ... 0
14. (Si « non » à la question précédente). **M... exerce-t-il cette profession comme :**
- Exploitant agricole (propriétaire, fermier, métayer...) _____ 0
Membre d'une profession libérale _____ 1
Employeur ou travailleur indépendant : artisan, commerçant, industriel, etc _____ 2
Travailleur à domicile pour le compte d'une ou plusieurs entreprises _____ 3
Apprenti sous contrat _____ 4
Salarié d'un parent qui travaille à son compte _____ 5
Salarié placé par l'intermédiaire d'une entreprise de travail temporaire _____ 6
Autre salarié _____ 7
_____ 8
- M... emploie-t-il des salariés ? Combien ?
(Ne pas compter les gens de maison ; dans l'agriculture, compter seulement les salariés permanents).
1 ou 2 salariés _____ 1
3 à 5 _____ 2
6 ou plus _____ 3
n'emploie pas de salariés _____ 0
15. a. Si M... est ouvrier, qualification de l'emploi actuel :
- Mancœuvre ou manœuvre spécialisé _____ 1
Ouvrier spécialisé (OS 1, OS 2, etc.) _____ 2
Ouvrier qualifié ou hautement qualifié (P 1, P 2, P 3, etc.) _____ 3
_____ 4
- b. Si M... est agent de l'État ou d'une collectivité locale, employé d'un service public (EDF, SNCF, etc.), militaire de carrière. **Grade.** (Exemples : commis principal, secrétaire administratif, chef de gare de 2^e classe, aide-opérateur mécanographe, etc.)
- c. Si M... est dans un autre cas, préciser sa position hiérarchique. (Exemples : contremaître, chef d'atelier, directeur commercial, chef de culture, chef de rayon, etc.)

Réservé à la D.R.

P

24. M... cherche-t-il un emploi occasionnel pour une durée limitée ?

Oui	1
Non : cherche un emploi permanent.....	0

25 a. M... est-il actuellement inscrit à un office public de placement : Agence Nationale pour l'Emploi (ANPE), bureau de main d'œuvre d'une mairie ?

Oui	1
Non ...	0

b. DEPUIS UN MOIS, M... a-t-il fait d'autres démarches pour trouver un emploi ?

Oui	1
Non ...	0
	2

→ Lesquelles ? (Si plusieurs réponses, inscrire celle qui a le plus petit numéro)

S'est inscrit (ou est resté inscrit) dans un office privé de placement ou une agence de travail temporaire..	1
A fait une annonce dans un journal ou sur un tableau d'affichage	2
A répondu à des offres d'emploi publiées par annonce dans un journal ou sur un tableau d'affichage ..	3
A cherché par relations personnelles	4
A utilisé d'autres modes de recherche. (Préciser)	5

26. Depuis combien de temps M... cherche-t-il un emploi ?

N'a pas commencé ses recherches	0
Moins d'un mois	1
1 mois à moins de 3 mois	2
3 mois à moins de 6 mois	3
6 mois à moins d'1 an	4
1 an à moins de 2 ans	5
2 ans à moins de 3 ans	6
3 ans et plus	7
→ Préciser le nombre de mois	

27. (Sauf pour les personnes classées 1 à la question 8. FILTRE) A la suite de quelles circonstances M... cherche-t-il un emploi ?

Vient de terminer (ou termine) ses études	1
Vient de terminer son service militaire.....	2
Vient de quitter un emploi :	
dont il a été licencié :	
licenciement individuel	3
licenciement collectif	4
dont il a démissionné :	
salaire ou revenu insuffisant, conditions de travail (horaires, pénibilité, etc.), distance du domicile	5
pour motifs personnels	6
pour lequel il a pris sa retraite.....	7
qui était un emploi occasionnel.....	8
Avait cessé toute activité (pour s'occuper de sa famille, de ses enfants, ou pour raisons de santé, etc.).	9

28. (Pour les personnes classées 1 à la question 8. FILTRE) Pourquoi M... cherche-t-il un autre emploi ?

Il existe une crainte ou une certitude de perdre l'emploi actuel.....	1
M... désire trouver un emploi plus satisfaisant en ce qui concerne :	
Le salaire, le revenu	2
Les conditions de travail (horaires, pénibilité, etc.), la distance par rapport au domicile	3
M... cherche une seconde activité à exercer en plus de celle qu'il exerce actuellement.....	4
Autres circonstances.....	5

29. (Sauf pour les personnes classées 1 à la question 8. FILTRE) M... perçoit-il des allocations de chômage ?

Aide publique.....	1
Assurance-chômage ASSEDIC.....	2
Aide publique et assurance-chômage ASSEDIC	3
Non	0

France: English translation of labor force survey questions relating to labor force status

8. Respondent is asked to classify himself in one of following categories listed on card 2:

1. Practicing a profession; employed; working in a relative's business as an unpaid family worker (go to Part I)
2. Without work and looking for work
3. Housewife (keeping own home)
4. Student or pupil
5. Military conscript (performing compulsory service) (go to Part III)
6. Retired
7. Others without a professional position

9. During the reference week did ... practice a professional activity? (If yes, go to Part I)

Part I--Employed Persons

(To be completed for all persons classified under number 1 to question 8 or replying yes to question 9)
12 to 16. Occupation, class of worker, industry, etc.

17. Is ... a regular, seasonal, or occasional worker?
18. Is the principal activity full or part time?
19. State the number of hours actually worked during the reference week in the principal profession
 - including overtime
 - excluding hours paid for but not worked; travel between home and work site; hours lost due to sickness, holiday, or unemployment

20. If the number of hours worked is less than 45, give reason:

- A. Short-term reasons:
 - Start or cessation of job
 - Illness (including long-term illness)
 - Maternity leave (under national insurance)
 - Annual or personal leave
 - Bad weather, reduction of seasonal activity
 - Labor dispute (strike or lock-out)
 - Partial unemployment (or slack work)
 - Performing an occasional job at present
 - Participation in training course
 - Other (specify)
- B. Long-term reasons (only if no short-term reason is given):
 - Normal working hours in establishment
 - Nature of work (tiring, dangerous, etc.)

- Part-time job
- Other (specify)

Part II--Seeking Employment

(To be completed for all persons except military conscripts, whether employed or not)

21. Did ... seek a job (or another job)?
 - Yes - sought wage employment
 - Yes - sought self-employment (skip to following Part)
 - No (skip to following Part)
22. If ... found a job NOW, could he begin work immediately?
 - Yes
 - No, why?
 - Finishing his studies
 - Has a job and is not able to quit immediately
 - Temporarily ill
 - Other (specify)
23. Did ... look for:
 - A full-time job
 - A part-time job, but would accept a full-time job
 - A part-time job only
24. Did ... seek a temporary job for a limited duration?
 - Yes
 - No: permanent job only
- 25A. Is ... registered at the Agence Nationale pour l'Emploi (ANPE) or a local employment bureau?
- B. In the past month, did ... make any other attempts to find a job?

If yes:

 - Registered at private employment agency or an agency for temporary work
 - Advertised in a newspaper or other public place
 - Answered newspaper ads or other job announcements
 - Asked personal friends
 - Other (specify)
26. How long has ... looked for work?
 - Not yet commenced job search
 - Less than 1 month
 - 1-3 months
 - 3-6 months
 - 6 mos-1 year
 - 1-2 years
 - 2-3 years
 - 3 or more years

Table B-2. France: Unemployment as recorded by labor force surveys, 1960-76

(Thousands)			
Date	Total unemployment	Under census definitions	Marginally unemployed
October surveys:			
1960	450	202	248
1962	457	254	203
1964	420	254	166
1966	506	371	135
March surveys:			
1963	343	223	120
1965	360	236	124
1967	437	305	132
1968	656	350	306
1969	687	362	325
1970	684	330	353
1971	767	423	344
1972	794	451	343
1973	734	394	340
1974	782	441	342
1975 ¹	1,185	737	448
1976	1,350	911	439

¹This survey was conducted in April.

were much better represented in the series of surveys beginning in 1968.

In the following method of adjustment, the possible gap between the two series of surveys has not been taken into account because of the absence of any data with which to make an adjustment for the impact of change in surveying technique. However, it should be kept in mind that the French unemployment rates adjusted to U.S. concepts are likely to be somewhat understated for the period prior to 1968 because of underenumeration of the "marginally" unemployed.

Method of adjustment

The detailed information provided by the labor force surveys can be used to estimate French labor force and unemployment according to U.S. concepts of measuring these items. In summary, annual estimates of France's labor force and unemployment, adjusted to U.S. concepts, are derived as follows: (1) The total civilian labor force and unemployment figures from the labor force surveys are adjusted to U.S. concepts; (2) ratios are computed comparing (a) the adjusted labor force with the civilian labor force figures (from the labor force surveys) that are comparable with French population census definitions, and (b) the adjusted unemployed with the registered figure for the survey month; (3) annual adjustment factors are derived and applied to the published French figures. Detailed descriptions of these three steps follow.

Adjustment of labor force survey results to U.S. concepts.

The adjustments of the reported unemployment figures to U.S. concepts are shown in tables B-3 (October surveys) and B-4 (March surveys). Total reported unemployment, including the marginally unemployed, is adjusted to:

1. Exclude those who state that their principal activity was unemployed but who did some work in the survey week. The number of such persons is reported in the labor force survey. (If those who worked less than 15 hours were unpaid family workers, they would be classified as unemployed in the United States if they were seeking paid employment, but sufficient detail for making this distinction is not available from the French surveys.)
2. Exclude unemployed persons (both the "active" and the "marginal") who stated that they had not yet commenced seeking work. Such persons would be classified as outside the labor force in the United States. Some of the unemployed (census definition) who have not yet commenced seeking work may be among those (already subtracted from the unemployed total) who stated they were unemployed but who did some work in the survey week.

The number of unemployed persons who had not commenced seeking work is reported in the labor force survey. In the 1975 and subsequent surveys, persons were asked specifically whether they had made any attempts at jobseeking in the previous month. Those who responded that they had not done so have been excluded from the unemployed for comparability with U.S. concepts. In the surveys prior to 1975, persons were asked how long they had been looking for work, but there was no specific question as to whether active steps were taken in the previous month. Persons who responded that they had not begun to look for work were excluded from the unemployed in the years prior to 1975 for adjustment to U.S. concepts. Thus, there may well be some persons who have not been excluded prior to 1975 who did not take active steps within the previous month. This is indicated by the higher proportion of marginally active persons who did not commence seeking work in 1975 and 1976 compared with previous years—40 percent in 1975 and 1976; 20-25 percent in 1968-74.

3. Exclude unemployed persons (both "active" and "marginal") who were not currently available for work except for reasons of temporary illness. Data on the number of such persons were not regularly collected in the surveys until 1975. Results for that year indicated that 4.7 percent of the unemployed under census definitions and 40.2 percent of the marginally unemployed were not currently available for work (except for temporary illness). These proportions have been applied each year through 1974 to obtain estimates of the number of persons not currently available for work. Beginning in 1975, a regular question on current availability (within 15 days) was added to the survey, and data were published on this point. Again, there is a possibility of overlap with items 1 and 2 above.
4. Exclude the number of persons who fall into more than one of the first three categories above, to avoid doublecounting. In the results of the 1975 labor force survey, information on this point was provided for the first time. The data indicated that 11 percent of the sum of persons in the first three categories, under census definitions, should be excluded because of double counting. Similarly, 23 percent of these persons in the "marginally active" category should be excluded. For 1968 onward, the adjustment for overcount has been based on estimates supplied by

INSEE. For the years prior to 1968, BLS has made estimates of the overcount based on 1968 relationships. The number of such persons has been added back into the unemployed count.

5. Include persons who stated they were employed but who did not work at all in their principal activity during the survey week because of partial unemployment or slack work (i.e., temporary layoff) or because they either were waiting to start work or left their previous employment. The number of persons in these two categories is reported in the survey results. Some of these persons may have worked in secondary jobs during the survey week, but no data are available on this point.
6. Include other jobseekers who said they had a job in the "census" sense but were looking for work in the "international" sense. This group comprises a small number of workers identified by INSEE for the first time in the 1975 survey. They are probably such persons as unpaid family workers who worked fewer than 15 hours and were seeking paid jobs. They should be included under U.S. concepts. The 1975 data indicated that they represented a small number of persons, about 11,000. INSEE has used this figure as a constant in making estimates of unemployment under ILO concepts back to 1968. BLS has also

followed this procedure. For the years prior to 1968, the number of persons in this category was estimated based on 1968 relationships.

7. Exclude persons under 16 years of age from the unemployed count. The lower age limit for the French labor force surveys was 14 until 1968 when it was raised to 15. Since compulsory schooling now ends at age 16 in France, 14- and 15-year-olds have been excluded from the unemployed in 1960 through 1967, and 15-year-olds have been omitted from data for 1968 and following years. The numbers of unemployed 14- and 15-year-olds was not separately reported in the labor force surveys. Their numbers were estimated by assuming they had the same unemployment rate as all teenagers.

The adjustments to the labor force figures reported in the French surveys are shown in tables B-5 and B-6. The total civilian labor force (including the "marginally" employed and unemployed) is adjusted to exclude unpaid family workers not at work, unpaid family workers who worked 1 but less than 15 hours, and persons reporting themselves as employed but who were not at work because of "durable reasons," that is, personal convenience or the nature of the job. Figures on all the above categories are

Table B-3. France: Adjustment of unemployment data from October surveys to U.S. concepts, 1960-66

(Numbers in thousands)

Item	1960			1962			1964			1966		
	Total	Male	Female	Total	Male	Female	Total	Male	Female	Total	Male	Female
Reported unemployed	450	160	290	465	183	282	420	175	245	506	204	302
Less: Persons at work 1 hour or more	22	16	5	17	7	10	12	5	7	16	10	6
Less: Unemployed who have not commenced seeking work ^{1,2}	77	17	60	85	33	52	67	20	47	58	18	40
Less: Persons not currently available for work ³	109	24	85	94	36	58	79	43	36	71	22	49
Plus: Adjustment for double count ⁴	48	13	35	45	17	28	36	15	21	33	11	22
Plus: Employed persons not at work due to:												
Start or cessation of job ¹	29	14	15	20	10	10	27	13	14	22	15	7
Partial unemployment (slack work) ¹	46	20	26	41	18	23	33	13	20	29	14	15
Plus: Other jobseekers ⁵	4	1	3	4	2	2	4	2	2	5	2	3
Adjusted unemployed, age 14 and over	369	151	219	379	154	225	362	150	212	450	196	254
Less: 14- and 15-year-olds ⁶	21	10	11	21	10	11	19	10	9	18	8	10
Adjusted unemployed, age 16 and over	348	141	208	358	144	214	343	140	203	432	188	244
Registered unemployed (October)	116	69	47	163	94	69	119	71	48	154	93	61
Adjusted unemployed age 16 and over as percent of registered unemployed	300.0	204.3	442.6	219.6	153.2	310.1	288.2	197.2	422.9	280.5	202.2	400.0

¹ Number of persons reported as "unknown" distributed proportionally.

² Based on data reported in the surveys on persons who have not commenced seeking jobs. No data were available on the number of persons who had not actively sought work in the preceding month.

³ Estimates based on data reported in 1975 which indicated 4.7 percent of the unemployed under census definitions and 40.2 percent of the marginally unemployed were not currently available for work.

⁴ This adjustment allows for the fact that persons may have been excluded more than once by appearing in more than one of the above categories. Double count was estimated as 23 percent of the above three categories.

⁵ Persons who were classified as employed, but who were seeking work and would be counted as unemployed under U.S. concepts. Estimates based on data from INSEE which indicate that this group is equivalent to 2 percent of the reported unemployed.

⁶ Number of 14- and 15-year-olds reported in the survey divided by ratio of reported to adjusted unemployed age 14 and over.

Table B-4. France: Adjustment of unemployment data from March surveys to U.S. concepts, 1963-76

(Numbers in thousands)

Item	1963			1965			1967			1968		
	Total	Male	Female	Total	Male	Female	Total	Male	Female	Total	Male	Female
Reported unemployed	343	156	187	360	155	204	437	200	237	656	269	387
Less: Persons at work 1 hour or more	8	4	4	10	8	1	9	6	3	18	11	7
Less: Unemployed who have not commenced seeking work ¹	69	27	42	57	14	43	46	12	34	105	29	76
Less: Persons not currently available for work ²	58	23	35	61	15	46	67	17	50	139	38	101
Plus: Adjustment for double count ³	31	12	19	29	8	21	28	8	20	61	20	41
Plus: Employed persons not at work due to:												
Start or cessation of job ¹	18	10	8	16	10	6	9	7	2	28	15	13
Partial unemployment (slack work) ¹	31	15	16	38	15	23	41	21	20	36	19	17
Plus: Other jobseekers ⁴	7	3	4	7	3	4	9	4	5	11	5	6
Adjusted unemployed, age 14 and over	295	142	153	322	154	168	402	205	197	530	250	280
Less: 14- and 15-year-olds ⁵	16	8	8	19	9	10	23	12	11	7	4	3
Adjusted unemployed, age 16 and over	279	134	145	303	145	158	379	193	186	523	246	277
Registered unemployed (March)	178	116	62	153	95	58	189	123	66	264	168	96
Adjusted unemployed age 16 and over as percent of registered unemployed	156.7	115.5	233.9	198.0	152.6	272.4	200.5	156.9	281.8	198.1	146.4	288.5
	1969			1970			1971			1972		
Reported unemployed	687	278	409	684	249	435	767	273	494	794	287	506
Less: Persons at work 1 hour or more	19	12	7	19	12	7	21	13	8	24	15	9
Less: Unemployed who have not commenced seeking work ¹	102	27	75	109	25	84	123	30	93	117	24	92
Less: Persons not currently available for work ²	148	39	109	158	36	122	158	39	119	159	33	126
Plus: Adjustment for double count ³	70	23	47	78	23	55	77	21	56	79	19	60
Plus: Employed persons not at work due to:												
Start or cessation of job ¹	26	14	12	22	12	10	26	15	11	18	9	9
Partial unemployment (slack work) ¹	29	13	16	26	11	15	23	12	11	20	9	11
Plus: Other jobseekers ⁴	11	4	7	11	4	7	11	4	7	11	4	7
Adjusted unemployed, age 14 and over	554	254	300	535	226	309	602	243	359	622	256	366
Less: 14- and 15-year-olds ⁵	4	2	2	4	2	2	2	1	1	2	1	1
Adjusted unemployed, age 16 and over	550	252	298	531	224	307	600	242	358	620	255	365
Registered unemployed (March)	246	148	99	250	145	105	335	190	145	389	221	167
Adjusted unemployed age 16 and over as percent of registered unemployed	223.6	170.3	301.0	212.4	154.5	292.4	179.1	127.4	246.9	159.4	115.4	218.6
	1973			1974			1975 ⁶			1976		
Reported unemployed	734	251	483	782	259	524	1,185	486	699	1,350	511	839
Less: Persons at work 1 hour or more	21	13	8	22	14	8	29	18	11	34	22	12
Less: Unemployed who have not commenced seeking work ¹	110	25	85	120	28	92	257	60	197	238	56	182
Less: Persons not currently available for work ²	156	35	121	158	37	121	215	49	166	192	44	148
Plus: Adjustment for double count ³	81	21	60	72	19	53	99	25	74	82	22	60

See footnotes at end of table.

Table B-4. France: Adjustment of unemployment data from March surveys to U.S. concepts, 1963-76—Continued

(Numbers in thousands)

Item	1973			1974			1975 ⁶			1976		
	Total	Male	Female	Total	Male	Female	Total	Male	Female	Total	Male	Female
Plus: Employed persons not at work due to:												
Start or cessation of job ² . . .	18	9	9	18	9	9	16	8	8	26	13	13
Partial unemployment (slack work) ¹	20	9	11	20	9	11	35	16	19	18	8	10
Plus: Other jobseekers ⁴	11	4	7	11	4	7	11	5	6	5	2	3
Adjusted unemployed, age 14 and over	577	221	356	603	221	383	845	413	432	1,017	434	583
Less: 14- and 15-year-olds ⁵	2	1	1	2	1	1	2	1	1	2	1	1
Adjusted unemployed, age 16 and over	575	220	355	601	220	382	843	412	431	1,015	433	582
Registered unemployed (March)	378	192	186	439	207	232	755	391	364	938	465	474
Adjusted unemployed age 16 and over as percent of registered unemployed	152.1	114.6	190.9	136.9	106.3	164.7	111.7	105.4	118.4	108.2	93.1	122.8

¹ Number of persons reported as "unknown" distributed proportionally.

² Through 1974 estimated as 4.7 percent of unemployed under census definitions and 40.2 percent of the marginally unemployed. Beginning 1975, based on results of the survey.

³ This adjustment allows for the fact that persons may have been excluded more than once by appearing in more than one of the above categories. From 1968, the adjustment was made on the basis of data supplied by INSEE. Double count for prior years estimated as 23 percent of the above three categories.

reported in the survey results. The unemployed who have not commenced seeking work or who were not currently available for work should also be excluded from the labor force. The method of estimating these categories was explained above. Also, the adjustment to eliminate double counting in these unemployed categories must also be made here.⁸

Finally, the number of persons in the reported labor force who are under the age of 16 should be excluded. The number of 14-year-olds in the labor force was separately reported in the surveys conducted from 1960 through 1967. In 1968, the lower age limit was raised to 15. The number of 15-year-olds in the labor force has been estimated by applying the reported labor force participation rate for 15-year-olds to the estimated 15-year-old population from demographic data reported to the OECD.⁹

⁸ The double-count adjustment was modified slightly to apply only to double counting of persons who had not commenced seeking work and were also not currently available for work. Thus, the adjustment did not apply to persons who stated that their principal activity was "unemployed" but who did some work in the survey week. Such persons were excluded from the unemployed, but should not be excluded from the labor force because they would be classified as employed by U.S. concepts.

⁹ Organization for Economic Cooperation and Development, *Demographic Trends, Supplement Country Reports* (Paris, OECD, 1966) and *Demographic Trends, 1970-1985 in OECD Member Countries* (Paris, OECD, 1974).

⁴ Persons who were classified as employed, but who were seeking work and would be counted as unemployed under U.S. concepts (e.g., unpaid family workers who worked fewer than 15 hours and were seeking paid jobs). The figures for 1968 onward were supplied by INSEE. For prior years, estimated as 2 percent of the number of reported unemployed.

⁵ Number of 14- and 15-year-olds reported in the survey divided by ratio of reported to adjusted unemployed age 14 and over.

⁶ Data for April.

Detailed results of the French surveys through March 1972 have been published. For the later surveys, only summary results have been published, and these have been used to make interim estimates until the detailed results become available. Therefore, some minor revisions may be made in the future in tables B-4, B-6, and B-7.

Adjustment ratios. (See tables B-3 through B-6.) Ratios of (a) labor force figures adjusted to U.S. concepts to (b) unadjusted figures based on census definitions were computed for each labor force survey. Ratios of adjusted unemployed to registered unemployed for men and women were also computed. The unemployment ratios were computed separately for men and women because of the large difference in the degree to which unemployed men and women register. In March 1976, the adjusted civilian labor force age 16 and over was 1.5 percent greater than the civilian labor force by French census definitions. Adjusted unemployment was 8 percent greater than unemployment recorded in the registered unemployed series. Male unemployment according to U.S. concepts was 7 percent smaller than registered male unemployment; female unemployment under U.S. concepts was 23 percent higher than registered female unemployment. The March 1976 survey was the first one to show an overstatement of male unemployment by the registered series; all previous surveys had indicated that the registration series understated male unemployment by U.S. definitions.

Table B-5. France: Adjustment of labor force data from October surveys to U.S. concepts, 1960-66

(Numbers in thousands)

Item	1960	1962	1964	1966
Reported civilian labor force ¹ ..	20,025	20,642	20,862	20,948
Less: Unpaid family workers:				
Not at work ²	27	46	36	35
At work less than 15 hours ² ..	178	168	177	136
Less: Employed persons not at work for durable reasons ^{2,3} ..	15	19	32	33
Less: Employed who had not commenced seeking work ^{2,4} ..	77	85	67	58
Less: Persons not currently available for work ⁵	109	94	79	71
Plus: Adjustment for double count ⁶	21	24	23	21
Adjusted civilian labor force, age 14 and over	19,640	20,254	20,494	20,636
Less 14- and 15-year-olds ⁷ ..	⁸ 581	442	368	308
Adjusted civilian labor force, age 16 and over	19,059	19,812	20,126	20,328
Reported civilian labor force (census definitions)	18,929	19,672	20,055	20,239
Adjusted civilian labor force age 16 and over as percent of reported civilian labor force ..	100.7	100.7	100.4	100.4

¹ Labor force surveyed including marginally active plus estimated labor force not covered by the survey less career military personnel.

² Number of persons reported as "unknown" distributed proportionally.

³ "Durable reasons" refers to nature of the job and personal convenience.

⁴ Based on data reported in the surveys on persons who had not commenced seeking jobs. No data were available on the number of persons who had not actively sought work in the preceding month.

⁵ Estimated as 4.7 percent of unemployed under census definitions and 40.2 percent of the marginally unemployed.

⁶ This adjustment allows for the fact that persons may have been excluded more than once above since they could have neither commenced seeking work nor been currently available for work.

⁷ Number of 14- and 15-year-olds estimated in the survey divided by ratio of reported civilian labor force to adjusted labor force age 14 and over.

⁸ Estimate.

The adjustment factor for men has been declining rapidly in recent years. In March 1969, male unemployment adjusted to U.S. concepts was 70 percent higher than registered male unemployment. By 1970, this factor had fallen to 55 percent, and by 1975, to 5 percent. Part of this decline was brought about by the spread of the New Employment Agency throughout the country. The decline was also related to higher unemployment benefits in France which induced more persons to register. Periods of recession, such as 1974-76, also tend to cause more unemployed persons to register at employment offices, thus reducing the adjustment factor which is applied to the registrations series.

Female adjustment factors have also been declining (except in 1976 when the factor rose slightly) for the same reasons stated above. However, the adjustment factors for women remain much higher than those for men since many unemployed women are new entrants or reentrants to the labor force and are not eligible for jobless benefits.

Annual estimates of labor force and unemployment adjusted to U.S. concepts. The adjustment factors developed from the labor force surveys for October and March of alternate years 1960 through 1966 and March of each year beginning in 1967 were prorated by month to obtain annual average adjustment factors (shown on table B-7). For the years 1959 and 1960, the adjustment factor for 1961 was assumed to apply. The March 1976 adjustment factor was assumed to apply in 1976 in order to make preliminary estimates for that year. When the March 1977 survey results are available, some revisions to the 1976 unemployment estimates may be necessary because of the prorating technique.

The October surveys taken at 2-year intervals between 1960 and 1966 indicated much higher unemployment adjustment factors than the March surveys. This may indicate a large seasonal variation in adjustment factors; however, it is difficult to determine the extent of seasonal variation in the factors since no two surveys were taken in the same year. A comparison of age distributions of the unemployed in October and March reveals some significant differences. The following tabulation shows the average age distribution for the 1962-66 October surveys versus the distribution for the 1963-67 March surveys:

	October	March
	(Percent)	
Total under census definitions ..	100.0	100.0
14 to 19 years	34.6	31.3
20 to 24 years	13.5	15.1
25 to 54 years	38.5	41.3
55 and over	13.3	12.3
Total marginally active	100.0	100.0
14 to 19 years	22.3	27.9
20 to 24 years	11.6	12.9
25 to 54 years	47.0	41.9
55 and over	19.0	17.3

These figures indicate that, under census definitions, teenage unemployment was a higher proportion of total unemployment in October than in March. The reverse was true for marginally active teenagers.

According to census definitions, teenagers seeking their first job had a much higher representation in the October surveys. For the marginally active teenagers, however, representation was highest in March, as shown in the following tabulation:

	October	March
	(Percent)	
Under census definitions	24.1	16.3
Marginally active	19.2	24.5

These differences probably reflect the fact that in-school teenagers ("marginally active") are more likely to seek work in March for the coming summer vacation. According to INSEE officials, out-of-school teenagers ("census definitions") who completed their schooling in the previous June tend to look seriously for their first job around September and October, after a summer vacation. Thus, there

are some important differences between March and October survey results.

In 1977, INSEE began to conduct two surveys each year—in March and October. When results of these surveys become available, the extent of the seasonal variation between the March and October adjustment factors will be better known.

The annual adjustment factor for the labor force has fluctuated within a narrow range of 99.7 to 101.5. The adjusted labor force was occasionally below the labor force under census definitions because the addition of the “marginal” labor force was more than cancelled out by the subtraction of 14- and 15-year-olds, unpaid family workers not at work or working less than 15 hours, and other elements not included in the U.S. labor force, as discussed earlier.

Unemployment rate

Adjusted unemployment rates are obtained by dividing the adjusted unemployed figures by the adjusted labor force figures. These adjusted rates are higher than the unemployment rates calculated from published French data

(except in 1963). In 1959, the adjusted French unemployment rate was 2.0 percent, whereas the rate based on unadjusted data was 1.3 percent (table B-7). By 1976, the adjusted and unadjusted figures were much closer—4.6 and 4.5 percent, respectively.

Quarterly and monthly estimates

BLS estimates seasonally adjusted jobless rates adjusted to U.S. definitions for France. The method used in making these estimates is as follows:

Unemployment. Quarterly and monthly adjustment factors (to adjust to U.S. concepts) are derived from the annual French labor force surveys by prorating between surveys, as described above. These adjustment factors are applied to the INSEE seasonally adjusted number of registered unemployed to arrive at seasonally adjusted estimates of joblessness adjusted to U.S. definitions. The seasonally adjusted registered unemployed series is published in INSEE's monthly bulletin, *Bulletin Mensuel de Statistique*. INSEE utilizes the additive version of the X-11 Variant of the U.S. Census Bureau's Method II seasonal adjustment program.

Table B-6. France: Adjustment of labor force data from March surveys to U.S. concepts, 1963-76

(Numbers in thousands)

Item	1963	1965	1967	1968	1969	1970	1971	1972	1973	1974	1975 ¹	1976
Reported civilian labor force ²	20,179	20,502	20,530	21,304	21,417	21,621	21,658	21,818	21,914	22,154	22,902	23,027
Less: Unpaid family workers:												
Not at work ³	46	67	31	48	45	51	48	36	} ⁴ 160	} ⁴ 162	⁴ 28	⁴ 28
At work less than 15 hours ³	139	162	141	86	111	135	117	124			123	125
Less: Employed persons not at work for durable reasons ^{3,5}	22	9	20	24	11	14	19	19	⁶ 19	⁶ 19	⁶ 17	⁶ 17
Less: Unemployed who had not commenced seeking work ^{3,7}	69	57	46	105	102	109	123	117	110	120	257	238
Less: Persons not currently available for work ⁸	58	61	67	139	148	158	158	159	156	158	215	192
Plus: Adjustment for double count ⁹	29	27	26	56	58	72	70	72	74	67	94	77
Adjusted civilian labor force, age 14 and over	19,874	20,173	20,251	20,958	21,058	21,226	21,263	21,435	21,543	21,762	22,356	22,504
Less: 14- and 15-year-olds ¹⁰	468	435	420	97	56	55	29	29	⁶ 25	⁶ 25	⁶ 25	⁶ 20
Adjusted civilian labor force, age 16 and over	19,406	19,738	19,831	20,861	21,002	21,171	21,234	21,406	21,518	21,737	22,331	22,484
Reported civilian labor force (census definitions)	19,518	19,864	19,923	20,609	20,764	20,940	20,994	21,119	21,253	21,487	22,048	22,152
Adjusted civilian labor force age 16 and over as percent of reported civilian labor force	99.4	99.4	99.5	101.2	101.1	101.1	101.1	101.4	⁶ 101.2	⁶ 101.2	⁶ 101.3	⁶ 101.5

¹ Data for April.

² Labor force surveyed including marginally active plus estimated labor force not covered by the survey less career military personnel.

³ Number of persons reported as “unknown” distributed proportionally.

⁴ Through 1974, estimated as 0.7 percent of reported labor force (data not yet published). Beginning 1975, the number at work less than 15 hours was published. Number not at work was estimated from 1972 proportions.

⁵ “Durable reasons” refers to nature of the job and personal convenience.

⁶ Preliminary.

⁷ Through 1974, based on data reported in the surveys on persons who had not commenced seeking work. Beginning 1975, based on results of specific question in survey on number of persons

who had not actively sought work in the preceding month.

⁸ Through 1974, estimated as 4.7 percent of unemployed under census definitions and 40.2 percent of the marginally unemployed. Beginning 1975, based on results of the survey.

⁹ This adjustment allows for the fact that persons may have been excluded more than once above since they could have neither commenced seeking work nor been currently available for work. From 1968, the adjustment was made on the basis of data supplied by INSEE. Double count for prior years estimated as 23 percent of the above two categories.

¹⁰ Beginning in 1968, the labor force data relate to 15-year-olds and over. Therefore, only 15-year-olds are omitted in 1968 and following years. The number of persons under age 16 were estimated from the survey and were divided by the ratio of reported civilian labor force to adjusted civilian labor force age 14 (or 15) and over.

Labor force. BLS estimates quarterly civilian labor force figures based on INSEE estimates of end-of-year civilian employment and end-of-quarter data on the number of employees in nonagricultural industries and other available data. The BLS estimates are then seasonally adjusted using the U.S. Bureau of the Census X-11 seasonal adjustment program, multiplicative version.

Unemployment rate. Quarterly unemployment rates are computed by dividing the 3-month average of seasonally

adjusted unemployment (adjusted to U.S. definitions) by the seasonally adjusted (adjusted to U.S. definitions) labor force. Monthly unemployment rates are calculated in a similar way. Since estimates of the labor force are only available quarterly, the labor force is held constant for each of the 3 months which make up that quarter. Additionally, the latest available labor force figure is used until enough data are available to make a more current estimate. At that time, quarterly and monthly jobless rates are recalculated.

Table B-7. France: Labor force and employment data before and after adjustment to U.S. concepts, 1959-76

(Numbers in thousands)

Item	1959	1960	1961	1962	1963	1964	1965	1966	1967
PUBLISHED FIGURES									
Registered unemployed	141	130	111	123	140	114	142	148	196
Male	86	82	67	72	86	71	86	92	123
Female	55	49	45	51	54	43	55	55	73
Civilian labor force	18,925	18,951	18,919	19,050	19,399	19,638	19,813	19,964	20,118
Total unemployed ¹	254	239	203	230	273	216	269	280	365
Percent of registered	180	184	183	187	195	189	189	189	186
Unemployment rate	1.3	1.3	1.1	1.2	1.4	1.1	1.4	1.4	1.8
ADJUSTED FIGURES									
Civilian labor force (rounded)	19,060	19,080	19,050	19,160	19,340	19,680	19,750	20,000	20,100
Percent of published figures	100.7	100.7	100.7	100.6	99.7	100.2	99.7	100.2	99.9
Unemployed (rounded)	380	350	300	280	260	290	310	380	400
Male	160	153	125	115	115	127	142	175	192
Percent of registered	186.2	186.2	186.2	159.3	133.5	178.9	164.6	190.1	155.9
Female	218	194	178	167	149	163	168	203	212
Percent of registered	395.7	395.7	395.7	327.0	275.0	378.1	305.1	369.0	289.8
Unemployment rate	2.0	1.8	1.6	1.5	1.3	1.5	1.6	1.9	2.0
PUBLISHED FIGURES									
Registered unemployed	254	223	262	338	383	394	498	840	934
Male	156	129	146	188	208	193	238	428	444
Female	98	94	116	150	176	201	260	412	490
Civilian labor force	20,176	20,434	20,750	20,958	21,155	21,388	21,715	21,733	21,863
Total unemployed ¹	427	340	356	446	492	450	615	889	993
Percent of registered	168	152	136	132	128	114	123	106	106
Unemployment rate	2.1	1.7	1.7	2.1	2.3	2.1	2.8	4.1	4.5
ADJUSTED FIGURES									
Civilian labor force (rounded)	20,380	20,660	20,980	21,210	21,430	21,640	21,980	22,040	22,190
Percent of published figures	101.0	101.1	101.1	101.2	101.3	101.2	101.2	101.4	101.5
Unemployed (rounded)	530	490	540	590	610	580	650	930	1,020
Male	240	213	214	233	240	216	253	435	413
Percent of registered	154.1	164.9	146.4	124.2	115.4	112.0	106.2	101.6	93.1
Female	286	280	323	359	370	368	392	497	603
Percent of registered	292.2	298.0	278.4	239.0	210.5	183.3	150.8	120.7	122.8
Unemployment rate	2.6	2.4	2.6	2.8	2.8	2.7	3.0	4.2	4.6

¹ Until 1971 based on census definitions; thenceforth, based on ILO definitions.

Germany

The official unemployment statistics for Germany are administrative statistics representing the number of persons registered as unemployed at the offices of the employment service. Since 1957, the registered unemployed series has been supplemented by data on unemployment obtained from a household labor force survey, the Microcensus. The Microcensus definitions and concepts are similar to U.S. labor force survey concepts and the Microcensus is used as the basis for adapting German unemployment statistics to U.S. concepts.

Unemployment

Registered unemployed. The German registered unemployed count is taken on a specified day at the end of each month and covers those who at some previous time registered as unemployed and whose job application has not yet been settled. Persons 15 years of age and over without a job or employed for less than 20 hours per week are counted as unemployed if they are available for work, not ill, and seeking paid employment of 20 hours per week or more. Registration is not compulsory, but it is an essential condition for receiving unemployment benefits. The data on registrations are published monthly by the Federal Labor Office in *Amtliche Nachrichten*.

The registration statistics distinguish between unemployed jobseekers and jobseekers who are not unemployed (table B-8). All jobseekers are referred to as "arbeitsuchende." Unemployed jobseekers are designated as "arbeitslose," the official German unemployment concept. The difference between the jobseekers and the unemployed comprises the "nichtarbeitslose arbeitsuchende," that is, jobseekers who are not unemployed. These are mainly persons who have a job, but are looking for a new job or a supplementary job. Also included in the "nichtarbeitslose arbeitsuchende" are persons who are not employed and who are seeking "insignificant" employment of less than 20 hours per week.

In 1976, the total number of jobseekers was 1,296,000, of whom 1,060,000 were unemployed and 236,000 were not unemployed. Of the unemployed, 84 percent were seeking full-time work ("vollzeitarbeitslose") and the remainder were seeking 20 hours or more, but not full-time work ("teilzeitarbeitslose"). Statistics are not published on the number of persons working less than 20 hours per week who are classified as unemployed.

Beginning with December 1959, persons in the construction industry who receive unemployment insurance benefits known as "bad weather money" (payable during the period of November 1 to March 31) are excluded from the unemployment count. This makes a substantial difference in the registered unemployed total since construction unemployment in Germany is generally very heavy in the winter months; peak unemployment in January was 3 to 5

Table B-8. Germany: Statistics on the registered unemployed, 1959-76

(Thousands)			
Year	Total number of jobseekers	Unemployed jobseekers ¹	Other jobseekers ²
1959 ³	659	540	119
1960	395	271	124
1961	302	181	121
1962	272	155	118
1963	303	186	118
1964	282	169	113
1965	252	147	105
1966	277	161	116
1967	579	459	120
1968	443	323	120
1969	301	179	123
1970	281	149	132
1971	325	185	140
1972	403	246	156
1973	452	273	178
1974	778	582	196
1975	1,274	1,074	200
1976	1,296	1,060	236

¹ These are the official German unemployment figures. Some persons with negligible employment are included.

² Comprises jobseekers who have a job but are looking for a new job or a supplementary job and persons who are not employed and who are seeking work of less than 20 hours per week.

³ Data for 1959 include persons in the construction industry who receive unemployment benefits known as "bad weather money." For 1960 and later years, such persons are excluded from the unemployed.

SOURCE: *Amtliche Nachrichten* (Nuremberg, German Federal Labor Office).

times the September level in the late 1950's. Separate figures are available on the number of recipients of "bad weather money." Persons outside the construction industry who register to receive short-time benefits have always been excluded from the registered unemployed count. Separate figures are also collected on the number of such persons.

The yearly average of registered unemployed is computed by dividing by 12 the sum of one-half the total for the previous December plus the monthly totals for January through November of the current year plus one-half the total for December of the current year. This method is used because the counts of registered unemployed are taken at the end of each month.

The German registered unemployed series has certain limitations as a precise measure of unemployment. Registrants are drawn predominantly from the wage and salary labor force. There are indications that certain unemployed persons, particularly women and teenagers, choose not to register. Also, unemployed persons who do not want to work at least 20 hours a week are excluded. They would be considered as unemployed in the U.S. and German labor force surveys. On the other hand, registrations include a number of part-time workers with negligible employment (i.e., working less than 20 hours per week) who want more work. Under U.S. and German labor force survey definitions, such persons would be regarded as employed. The

fact that the count is made as of a single day instead of a longer period tends to produce a higher figure than would a count of persons who have not worked at all during an entire week, as in the United States. Also, the figures could include persons who found jobs and started working after the date on which they initially registered or renewed their registration.

Microcensus. Since 1957 the monthly count of the registered unemployed has been supplemented by the Microcensus, a sample survey of households conducted by the Federal Statistical Office. The survey, first taken in October 1957, was generally conducted in January, April, July, and October until 1975. At that time, the quarterly surveys were discontinued, and only one survey is now conducted each year, in the last week of April or the 1st week of May, depending on which week contains no public holiday.

Household samples of 1.0 percent (about 180,000 households in 1960 and 230,000 households currently) were surveyed in October 1957-62 and April or May of the following years. Surveys for the other three quarters used a 0.1-percent sample. Summary survey results are published periodically in the monthly *Wirtschaft und Statistik*. The detailed survey results are published in Series 6 of *Bevölkerung und Kultur*.

The reference period for the Microcensus is the week prior to the survey interviews. There is no specified period for jobseeking activities related to the definition of unemployment.

The unemployed in the Microcensus are defined as persons 14 years of age and over who are not at work in the survey week and who state that they are unemployed or that they are looking for work. Unemployment status is determined by the answers to two questions. The first asks "Is this person unemployed?" The term unemployed is defined to include persons who normally have a job but are temporarily out of work as well as persons coming out of school and looking for an apprenticeship. Persons who normally do not have an occupation, such as housewives and pensioners who were not recently working, are not to be classified as unemployed under this question.

The second question asks "Was this person looking for work?" An affirmative answer to this question also results in classification of a person as unemployed if he did not work in the reference week. This question is designed to find out how many normally inactive persons are seeking work.

The total number of unemployed persons—"erwerblosse"—consists of those classified as either unemployed in the first question or as looking for work in the second. Those enumerated as unemployed in the first question are classified as unemployed whether or not they state that they are looking for work in the second question. Thus, there may be some inactive workseekers in the Microcensus unemployment total.

There is also no probing into the unemployed person's current availability to begin work. Thus a person seeking work in April but only able to accept it in June is enumerated as unemployed in the April Microcensus. A sudden increase in youth unemployment in April 1968 is partly explained by the change in the school-leaving date from March to July that year. The large youth unemployment recorded in April 1968 includes students who reported themselves as unemployed but who were looking for work beginning in July. The 1977 Microcensus (for the labor force survey of the European Community) asks for the first time whether persons who claim to be seeking a job are immediately available for employment. The results from the 1977 Microcensus are not yet available.

There is no question concerning layoffs in the Microcensus. German statisticians believe that persons on temporary layoff are most likely classified as employed in the Microcensus. They would probably be regarded as "with a job but not at work." According to German statisticians, persons waiting to report to a new job at a later date are probably classified as economically inactive, and temporarily ill jobseekers would be counted as unemployed.

Foreign workers in Germany are included within the scope of the Microcensus, and unemployment data have been shown separately for such workers in recent years. For example, in May 1975, 134,000 unemployed foreign workers were reported in the Microcensus. This compares with 167,000 registered unemployed foreign workers in the same month.

The following differences between the Microcensus concepts and U.S. unemployment concepts have been noted: (1) Current availability to begin work is not required in the German survey, but is required in the U.S. definition of unemployment; (2) active jobseeking is not required in the German survey, but in the United States a person must have engaged in some specific jobseeking activity within the past 4 weeks;¹⁰ (3) persons on layoff are probably classified as employed in Germany (unless they state they are looking for work) and as unemployed in the United States; (4) persons waiting to report to a new job at a later date are classified as not in the labor force in Germany and as unemployed in the United States.

Method of adjustment. No adjustment is made to the Microcensus unemployment figures to account for the definitional differences noted above. The data needed for such an adjustment are not available since these categories are not enumerated in the Microcensus. The overall effect of these differences is believed to be small. The lack of a test of current availability and inclusion of some inactive jobseekers tend to bias the unemployment figures in an upward direction for comparison with U.S. concepts; on the other hand,

¹⁰Unless awaiting recall from layoff or waiting to start a new job within 30 days. In these cases, the person would also be counted as unemployed even though not actively seeking work.

VI. FRAGEN AN DIE HAUSHALTSMITGLIEDER

Ja 1	Nein 2	Hausfrau 1 Wehrpfl. 3 Zeit-Be- rufssoldat 4 Schüler, Studierende an Grund-, Haupt- (Volks-)/ Realschule 5 Gymnasium 6 Berufsfach-/ Fach-/Tech- nikerschule 7 Ingen.-/Höh- Fachschule/ Akademie 8 Hochschule/ Universität 9 Entfällt = Spalte bleibt leer	Abkürzungen, auch mehrere, eintragen Katalog siehe letzte Seite des Bogens	Mit Arbeits- losen- geld/- hilfe 1 Ohne Arbeits- losen- geld/- hilfe 2 Entf. Spalte bleibt leer	Erwerbs- tätigkeit 1 Rente, Ver- mögen, Pen- sion, Alten- teil, Unter- stützung 2 Arbeits- losengeld/ -hilfe 3 Unterhalt durch Eltern, Ehemann usw. 4 Soldat 1	Arbeits- amt 1 Private Vermittl. 2 Zeitung 3 Personl. Verbin- dung 4 Bewer- bung 5 Sonstige 6 Entfällt = Spalte bleibt leer	Wenn in den letzten 2 Jahren beendet, genaues Datum eintragen, sonst das Jahr der Beendigung Fragen 37--39, 41 beantworten! Entfällt = Spalte bleibt leer	01 02 03 usw.	Vergessen Sie nicht, nach der ZWEITEN Erwerbstätigkeit zu fragen !				Selbständ., Zw.-Meist. 1 Mithelf. 2 Beamter, Richter 3 Angest. 4 Arbeiter 5 Heimarb. 6 Hausgew.- treibend 7 Kfm. Lehr. usw. 8 Gew. Lehr. usw. 9 Entfällt = Spalte bleibt leer	00 01 02 usw. 50 u mehr = 50	Ja 1 Nein 2	00 01 02 usw. bei 98 und mehr Stunden = 98 Bei früherer Erwerbstätigkeit: Spalte bleibt leer	Gründe siehe Schluß- sel Ent- fällt = Spalte bleibt leer	Ent- fällt = Spalte bleibt leer
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Erwerbstätigkeit und sonstige Unterhaltsquellen

Erwerbstätigkeit

22	23	24	25	32	33	34	2	35	36	37	38	39	40	41	42	43	44
In irgendeiner Weise regel- mäßig od. ge- legentlich erwerbs- oder berufstätig, hauptberuflich oder nur neben- her, auch mit- helfend im Fa- milienbetrieb	Hausfrau, Wehrpflicht., Berufssoldat, Schüler, Student	Wenn Renten-, Pensions- oder Unterstützungs- empfänger, welcher Art sind die Renten, Pensions- oder Unterstützungs- zahlungen ?	Arbeits- los mit/ ohne Arbeits- losen- geld/- hilfe	Woraus werden über- wiegend die Mittel für den Lebens- unterhalt bezogen ?	Eine Beschaf- tigung wird gesucht durch ...	Nur für Arbeitsuch- ohne Tätigk. Frühere Erwerbstätig- keit wurde beendet.	Lfd. Nr. der Person im Haus- halt	Arbeitet bei wem (Firma, Dienststelle, Praxis, eigener Betrieb usw.)	Ort (Gemeinde) der Arbeitsstätte	Geschäftszweig (Branche) des Betriebes, der Firma usw.	Gegenwärtig Tätigkeit (Ber	Tätigkeit wird ausgeübt als	Nur für Selb- ständige Anzahl der fam- liaren Arbeits- kräfte (ohne Heim- arbeiter)	Nur für Nicht- selbst. Mit dem Arbeit- geber ver- wandt, ver- schwä- gert	Ge- leistete Arbeits- stunden in der Be- richts- woche	Wenn weniger als 42 Stunden ge- leistet, Grund dafür	
37	38	—	39	40	41	—	13 14	—	—	—	—	42	43 44	45	46	47 49	49,50
							0 1										
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Germany: English translation of labor force survey questions relating to labor force status

Columns 22-34. To be completed for employed and all other persons:

Column 22. Is . . . normally employed in an occasional, or full-time job, or as an unpaid family worker?

Column 25. Is . . . unemployed? If yes, does . . . receive unemployment benefits?

Column 32. What is . . . chief means of livelihood?

- Employment
- Rent, personal fortune, pension, old-age benefits, relief benefits
- Unemployment insurance or unemployment welfare assistance
- Assistance from parents or husband
- Soldier

Column 33. Was . . . seeking work by:

- Applying at labor exchange
- Applying at private employment agencies
- Newspapers
- Personal friends or trade union
- Participating in competitive exam
- Other

Column 34. For jobseekers without a job. If job ended within last 2 years, list the precise date at which the job ended.

Columns 35-44. To be completed for employed persons:

Columns 35-39. Name of employer, location, industry, occupation, and class of worker.

Column 43. Hours worked in survey week.

Column 44. If . . . worked less than 42 hours, give reason.

exclusion of persons on layoff and persons waiting to start a new job biases the figures in a downward direction. These two opposite effects tend to cancel each other to some extent. If a bias remains, it is likely to be that the Microcensus unemployment figures are somewhat overstated in comparison with U.S. data. This is because the number of persons on layoff in most years was probably virtually nil, whereas the numbers not currently available and not actively seeking work were probably more numerous. Figures on the number of short-time workers indicate that only in 1967 and 1974-76 could the number laid off the entire survey week have affected the unemployment rate.

It was decided to discard the 0.1-percent survey results and utilize only the 1-percent Microcensus in making the adjustments to U.S. concepts. Before 1975, the survey was conducted quarterly, as mentioned earlier, with a large (1-percent) sample in the second quarter (usually) and very small samples in the other quarters of the year. Data for the small-sample quarters from 1971 through 1975 have not been published. The data from the small-sample surveys, even when available, are of questionable reliability concerning measurement of unemployment because German unemployment has been so low in most years that sampling errors are very high. Furthermore, it was necessary to develop a method which would not depend upon quarterly data in the future, since such data are no longer collected. Unemployment data from the large and the available small-sample surveys are shown in table B-9.

Some adjustments in Microcensus data, discussed below, have been made in order to: (1) Convert the survey data to approximately the same time of the month as the registration count; (2) exclude 14-year-olds; and (3) produce annual averages based on data for only 1 month of each year.

1. *Adjustment of survey data to end of month.* Beginning with 1963, all large-sample surveys have been conducted in the last full week of April or in early May.¹¹ During 1959-62, however, most of the surveys were conducted near the beginning of October.¹² In order to simplify the prorating of adjustment factors, the reported unemployment figures for 1959-62 were roughly adjusted to end-of-month estimates on the basis of the registered unemployed series (table B-10).
2. *Exclusion of 14-year-olds.* Since compulsory schooling is required until age 15 in Germany, 14-year-olds should be excluded from the unemployed count. Unemployment data by age are reported in the results of the 1-percent Microcensus each year. The proportion of the unemployed who are 14-year-olds is applied

¹¹In 1965, 1973, and 1976 the survey was conducted during the first week of May; in 1975, during the second week of May.

¹²The October 1960 survey was conducted during the last week of the month.

Table B-9. Germany: Unemployment according to the Microcensus, 1959-76

(Thousands)

Date	Number unemployed	Date	Number unemployed
1957: October ¹ . . .	2 431	1966: January . . .	103
1958: October ¹ . . .	2 342	April ¹	49
1959: October ¹ . . .	214	July	66
1960: October ¹ . . .	152	October	66
1961: April	³ 81	1967: January . . .	352
July	³ 61	April ¹	290
October ¹	91	July	212
1962: January	³ 159	October	191
April	³ 89	1968: January . . .	352
July	³ 45	April ¹	412
October ¹	102	July	308
1963: January	³ 238	October	232
April ¹	86	1969: January . . .	300
July	³ 78	April ¹	214
October	³ 58	July	210
1964: January	139	October	203
April ¹	97	1970: January . . .	242
July	63	April ¹	167
October	51	July	52
1965: January	118	1971: April ¹	206
May ¹	57	1972: April ¹	208
July	72	1973: May ¹	190
October	61	1974: April ¹	381
		1975: May ¹	918
		1976: May ¹	944

¹ Large-sample (1-percent) survey. Other surveys are the small-sample (0.1-percent) surveys.

² Excludes Saar.

³ Excludes West Berlin.

SOURCE: *Wirtschaft und Statistik* (Wiesbaden, Statistisches Bundesamt), various issues.

Table B-10. Germany: Adjustment of Microcensus unemployment¹ from early-in-month to end-of-month estimate, 1959-62

(Unemployed in thousands)

Date	Micro-census unemployed	Ratio of end-of-month to early-in-month unemployed ²	Unemployed converted to end-of-month
October 4-10, 1959 . . .	214	1.03	220
October 23-29, 1960 . . .	152	(³)	152
October 1-7, 1961	91	1.02	93
October 7-13, 1962 . . .	102	1.06	108

¹ Figures for these surveys were reported both including and excluding West Berlin. The figures shown here include West Berlin.

² Based on registered unemployed. Since registered unemployed data refer to the last day of each month, end-of-month unemployment was taken as the registered unemployment figure for the current month and early-in-month unemployment was taken as the average of the registered unemployment in the current month and the preceding month. Thus, the ratio for October was computed as the registered unemployed in October divided by the average of registered unemployed in September and October.

³ Survey conducted in last week of month.

to the estimated annual average unemployed each year. The resulting number is negligible except in 1968, when an estimated 24,000 14-year-olds were unemployed.

3. *Estimation of annual averages.* Annual average adjustment factors for unemployment were derived by calculating the ratio of Microcensus unemployment from the 1-percent surveys (adjusted to end of month when necessary) to registered unemployment and prorating these ratios from year to year. Thus, the figures for October 1959 through October 1962 and April 1963 through the latest available survey date were prorated to obtain annual averages.

Table B-11 shows the adjustment factors used as well as adjustment factors resulting from using alternative methods. The method described above is "Method 1" which utilizes the results of the 1-percent surveys, disregarding the 0.1-percent surveys. Method 2 incorporates the 0.1-percent surveys as well as the 1-percent surveys, with prorating between surveys. Method 3 also incorporates all surveys, but uses the average of the four quarters (when available) of the Microcensus unemployed as an approximation of the annual average. Method 4 uses only the 1-percent surveys and annualizes the results based on the ratio of registered unemployment in the Microcensus month to registered unemployment for the entire year. These four methods produce unemployment rates which are quite close to each other, with the most significant deviations occurring in 1967 and 1970 (table B-12).^{1 3}

The adjustment factors indicate that the registered unemployed series normally overcounts unemployment under survey concepts. In most years, the adjustment factor to be applied to the registration count is less than 100. Only in 1960 and 1968-71 was the adjustment factor over 100 (Method 1).

Labor force

Germany makes annual average estimates of the labor force which represent the sum of the employed under Microcensus concepts and the registered unemployed. The 1-percent Microcensus employment data were adjusted for seasonality on the basis of the 0.1-percent surveys, when available. Since these small-sample surveys are no longer conducted, the Microcensus employment data are now adjusted to annual averages on the basis of statistics on persons employed derived from notifications by employers to the statutory social insurance scheme and to the Federal Institute for Employment.

^{1 3} Although the differences in the adjustment factors were rather large, the unemployment rates using the alternative methods did not vary much because unemployment was at such low levels in Germany. Thus, adjustment factors of 124.8 (Method 1) and 100.9 (Method 3) yielded 1968 unemployment rates of 1.6 and 1.3 percent, respectively.

Table B-11. Germany: Adjustment ratios (Microcensus unemployed as percent of registered unemployed) using alternative methods

Year	Method 1 ¹	Method 2 ²	Method 3 ³	Method 4 ⁴
1959 ⁵ . . .	93.7	89.0	88.5	93.7
1960 ⁵ . . .	102.4	100.8	⁶ 72.7	107.0
1961 ⁵ . . .	90.3	70.2	⁶ 67.4	82.3
1962 ⁵ . . .	96.6	72.2	70.8	106.5
1963 ⁵ . . .	65.3	66.7	71.0	47.3
1964	60.5	53.2	52.1	66.3
1965	44.6	58.0	52.4	44.2
1966	44.7	48.6	44.1	40.4
1967	73.8	55.6	56.9	58.0
1968	124.3	116.3	100.9	124.5
1969	137.4	149.9	129.6	138.0
1970	135.7	90.6	96.0	138.3
1971	119.6	115.3	—	128.6
1972	90.2	—	—	90.2
1973	82.3	—	—	83.9
1974	78.1	—	—	73.7
1975	88.2	—	—	90.1
1976 (May)	86.7	—	—	86.3

¹ Adjustment ratios derived from 1-percent Microcensuses and prorated to obtain annual averages.

² Adjustment ratios derived from 0.1-percent and 1-percent Microcensuses and prorated to obtain annual averages.

³ Average of quarterly Microcensuses divided by annual average registered unemployed.

⁴ Unemployed from 1-percent Microcensus annualized by dividing by ratio of registered unemployed in Microcensus month to annual average registered unemployed.

⁵ Adjustments made in Microcensus data to reflect end-of-month figures and to include West Berlin.

⁶ Ratios for 1960 and 1961 estimated (Microcensus not conducted in all four quarters).

Employed persons, according to the Microcensus, comprise (a) all those, including unpaid family workers, who worked as much as 1 hour during the survey week and (b) all those who had jobs or businesses at which they had previously worked, but from which they were temporarily absent during the survey week because of illness or injury, industrial dispute, vacation or other leave of absence, or temporary disorganization of work for reasons such as bad weather or temporary breakdown. Persons on temporary layoff and career military personnel are also considered to be employed.

There are four differences between the U.S. and German concepts of the labor force. First, the United States excludes and Germany includes career military personnel. Second, the United States excludes and Germany includes unpaid family workers who work less than 15 hours per week. Third, the registered unemployed rather than the Microcensus unemployed are included. Finally, Germany includes 14-year-olds in the labor force, whereas the age at which compulsory schooling ends is 15.

Method of adjustment. The German annual employment estimates are adjusted by subtracting career military personnel, unpaid family workers who worked less than 15 hours per week, and persons 14 years of age. The number of

Table B-12. Germany: Estimated annual average Microcensus unemployed and unemployment rates based on alternative methods¹

Year	Unemployed (thousands)					Unemployment rates (percent)				
	Registered unemployed	Estimated Microcensus unemployed				Registered unemployment rate	Estimated Microcensus unemployment rate			
		Method 1	Method 2	Method 3	Method 4		Method 1	Method 2	Method 3	Method 4
1959	540	506	481	478	506	2.6	2.0	1.9	1.8	2.0
1960	271	278	273	197	290	1.3	1.1	1.1	.8	1.1
1961	181	163	127	122	149	.8	.6	.5	.5	.6
1962	154	149	111	109	164	.7	.6	.4	.4	.6
1963	186	121	124	132	88	.8	.5	.5	.5	.3
1964	169	102	90	88	112	.8	.4	.3	.3	.4
1965	147	66	85	77	65	.7	.2	.3	.3	.2
1966	161	72	78	71	65	.7	.3	.3	.3	.2
1967	459	339	255	261	266	2.1	1.3	1.0	1.0	1.0
1968	323	403	376	326	402	1.5	1.6	1.5	1.3	1.6
1969	179	246	268	232	247	.9	.9	1.0	.9	1.0
1970	149	202	135	143	206	.7	.8	.5	.5	.8
1971	185	221	213	—	238	.8	.8	.8	—	.9
1972	246	222	—	—	222	1.1	.8	—	—	.8
1973	273	225	—	—	229	1.2	.9	—	—	.9
1974	582	455	—	—	429	2.6	1.7	—	—	1.6
1975	1,074	947	—	—	968	4.7	3.7	—	—	3.8
1976	1,060	² 919	—	—	915	4.6	3.6	—	—	3.6

¹ See table B-11 for alternative methods.

² Using May 1976 factor only.

NOTE: For adjustment to U.S. concepts, one further adjustment (to exclude 14-year-olds) is made to the data shown (see table B-13).

career military personnel can be obtained from annual estimates of the labor force excluding military personnel reported to the Statistical Office of the European Communities. The proportion of unpaid family workers who usually work 15 hours or less was reported in the Microcensus through 1971. Since that time, only the number who actually worked 15 hours or less in the survey week has been reported. Figures on those who usually worked 15 hours or less are more desirable here in order to discount the seasonal factor in the Microcensus. Therefore, for 1972 and later years the reported figures on unpaid family workers working 15 hours or less have been adjusted to a "usual status" figure based on data for 1967-71, which indicate that 45 percent of the reported number of family workers working 15 hours or less usually do so. The number of 14-year-olds is obtained from the 1-percent Microcensus results. Instead of the registered unemployed, the Microcensus unemployed (adjusted to an annual average as described above) are added to the adjusted employed to arrive at the German labor force adjusted to U.S. concepts.

Unemployment rate

Until 1965, the official German unemployment rate was computed by the Ministry of Labor and Social Welfare by dividing the registered unemployed by the estimated wage and salary labor force. The Ministry's estimates of wage and salary employment were based on notifications which employers are required to submit to the employment exchanges showing all job hires and terminations. The Ministry has not made such estimates since 1963; therefore, 1964 and 1965 unemployment rates were computed using

the 1963 estimate of wage and salary earners. Beginning with 1966, the official unemployment rate has been computed by dividing the registered unemployed by the sum of the registered unemployed and wage and salary employment based on the Microcensus.

For comparison with the United States, estimated unemployment based on the Microcensus concepts is divided by the annual civilian labor force adjusted to U.S. concepts to obtain the estimated unemployment rate for Germany (table B-13).

Quarterly and monthly estimates

BLS estimates seasonally adjusted unemployment rates adjusted to U.S. concepts for Germany. The method used is as follows:

Unemployment. Data on the number of persons registered as unemployed require adjustment to correspond to U.S. definitions of unemployment. Annual adjustment factors are derived from the Microcensus and are applied on a prorated basis to the seasonally adjusted monthly number of registered jobless. The Deutsche Bundesbank seasonally adjusts registered unemployment each month, including data up to and including the most recent month, using the multiplicative version of the U.S. Census Bureau's Method II, X-11 Variant, seasonal adjustment program. The data are published in the *Statistische Beihefte zu den Monatsberichten der Deutsche Bundesbank, Reihe 4, Saisonbereinigte Wirtschaftszahlen.*

Labor force. The Deutsche Bundesbank seasonally adjusts Statistisches Bundesamt's quarterly estimates of em-

ployed wage and salary workers, using the same method as for the registered jobless. To make current quarterly estimates of employment adjusted to U.S. definitions, BLS applies the prior year's ratio of employment (adjusted to U.S. concepts) to the quarterly employed wage and salary worker figures. BLS then adds the seasonally adjusted quarterly number of unemployed (adjusted to U.S. concepts) to arrive at the seasonally adjusted quarterly wage and salary labor force. Revisions are made when Statistisches Bundesamt publishes its current year estimate of the total labor force.

Unemployment rate. Quarterly jobless rates are computed

by dividing the quarterly seasonally adjusted unemployed, adjusted to U.S. concepts, by the quarterly seasonally adjusted labor force, also adjusted to U.S. concepts. Monthly rates are calculated by dividing monthly seasonally adjusted (adjusted to U.S. definitions) joblessness by the quarterly adjusted labor force. Since estimates of the labor force are only available quarterly, the labor force is held constant for each of the months which comprise that quarter. Additionally, the latest available labor force figure is used until a more current estimate is published. At that time, the affected quarterly and monthly jobless rates are recalculated.

Table B-13. Germany: Labor force data adjusted to U.S. concepts, 1959-76

(Numbers in thousands)

Item	1959	1960	1961	1962	1963	1964	1965	1966	1967
Employment.	25,797	26,247	26,591	26,690	26,744	26,753	26,887	26,801	25,950
Less: Career military personnel.	228	293	343	401	425	456	454	481	489
Less: Unpaid family workers working less than 15 hours ¹	81	89	84	68	77	45	50	53	61
Less: 14-year-olds ²	143	158	163	160	76	85	69	53	13
Plus: Adjusted Microcensus unemployed	506	278	163	145	121	101	66	72	339
Adjusted civilian labor force.	25,851	25,985	26,164	26,206	26,287	26,268	26,380	26,286	25,726
Rounded	25,850	25,990	26,160	26,210	26,290	26,270	26,380	26,290	25,730
Registered unemployed	540	271	181	154	186	169	147	161	459
Microcensus unemployed ³	506	278	163	149	121	102	66	72	339
Less: 14-year-olds ⁴	0	0	0	4	0	1	0	0	0
Adjusted unemployed	506	278	163	145	121	101	66	72	339
Rounded	510	280	160	150	120	100	70	70	340
Unemployment rates (percent):									
As published ⁵	2.6	1.3	.8	.7	.8	.8	.7	.7	2.1
Adjusted	2.0	1.1	.6	.6	.5	.4	.3	.3	1.3
	1968	1969	1970	1971	1972	1973	1974	1975	1976
Employment.	25,968	26,356	26,668	26,725	26,655	26,712	26,215	25,322	25,076
Less: Career military personnel.	477	485	499	500	529	510	526	524	532
Less: Unpaid family workers working less than 15 hours ¹	68	65	62	50	57	58	58	52	52
Less: 14-year-olds ²	18	10	10	8	13	8	8	10	10
Plus: Adjusted Microcensus unemployed	374	238	197	217	221	220	454	945	917
Adjusted civilian labor force.	25,779	26,034	26,294	26,384	26,277	26,356	26,077	25,681	25,399
Rounded	25,780	26,030	26,290	26,380	26,280	26,360	26,080	25,680	25,400
Registered unemployed	323	179	149	185	246	273	582	1,074	1,060
Microcensus unemployed ³	403	246	202	221	222	225	455	947	919
Less: 14-year-olds ⁴	29	8	5	4	1	5	1	2	2
Adjusted unemployed	374	238	197	217	221	220	454	945	917
Rounded	370	240	200	220	220	220	450	940	920
Unemployment rates (percent):									
As published ⁵	1.5	.9	.7	.8	1.1	1.2	2.6	4.7	4.6
Adjusted	1.4	.9	.8	.8	.8	.8	1.7	3.7	3.6

¹Ratio from 1-percent Microcensus of unpaid family workers usually working less than 15 hours to total unpaid family workers working less than 15 hours applied to reported annual average.

²Percentage of persons employed under age 15 from 1-percent Microcensus applied to reported annual average employment.

³Microcensus unemployment adjusted to an annual estimate

(see table B-12, Method 1).

⁴Percentage of persons unemployed under age 15 from 1-percent Microcensus applied to reported annual average unemployment.

⁵Registered unemployed as a percent of the wage and salary labor force.

Great Britain

British unemployment statistics are the result of collection procedures, concepts, and definitions that differ substantially from those used in the United States. The British data are based on a count of registrants at employment offices (now called "Jobcenters") or the separate careers offices for young people. Adjustment to U.S. concepts is particularly difficult because, unlike all other countries studied here, Britain did not conduct a regular household survey until 1971. Adjustments for earlier years are based primarily on the results of the April 1961 population census and the April 1966 "sample census" of Britain, in which questions were asked similar to those of the U.S. labor force survey.

The introduction of the General Household Survey in 1971 fills significant gaps in our knowledge of British labor force characteristics. For instance, it provides annual average unemployment rates under definitions quite close to U.S. definitions. Figures from the censuses require many adjustments to adapt them to U.S. concepts and they relate to only one point in time—a week in April. The Household Survey also provides the first indication of the number of people classified as "looking for work" who were not actively doing so. Finally, the government has decided not to hold a mid-decade partial census as in 1966. Therefore, the yearly figures on population structure from the General Household Survey will become more and more important in filling the statistical gap between 1971 and the next decennial census. The results of the 1971 through 1974 surveys have been published and are analyzed here. When results of the later surveys become available, some revisions may have to be made in the adjusted data for 1975 onward.

Prior to the publication of the 1971 General Household Survey, British unemployment rates were adjusted to U.S. concepts based upon the 1961 census and 1966 sample census. For the years after 1966, adjustments based upon the 1966 sample census were applied. The use of adjustment factors from a year when unemployment was low to adjust data for years when unemployment was high is subject to a substantial margin of error. In view of the results of the 1971 household survey, the previously published adjusted unemployment rates for the period 1967-72 were significantly overstated. The 1971 survey indicates that the proportion of unemployed persons who register increases substantially as unemployment increases. The inverse of this relationship was confirmed in the 1973 survey results: The proportion of unemployed persons who registered decreased as unemployment declined.

Unemployment

Registered unemployed. The regularly published British unemployment statistics are based on a count of registrants at employment offices or youth employment service careers of-

fices as of the second Thursday in the month.¹⁴ Registrants must be seeking full-time work and be available to begin work currently. The count includes claimants to unemployment benefits and persons who are not claiming benefits, but it excludes persons temporarily laid off and severely disabled people who are unlikely to obtain work other than under special conditions. Separate figures are compiled for persons temporarily laid off.

The total registrations count includes unemployed "school leavers," defined as persons under 18 years of age who have not entered employment since terminating full-time education. However, adult students were excluded from the unemployed beginning in March 1976. Adult students are defined as persons age 18 or over who are registered for temporary employment during a school vacation, at the end of which they intend to continue in full-time education. Separate figures are still published on the number of adult students registered.

Until the mid-1970's, very few adult students registered as unemployed. However, beginning in about 1973, the British National Union of Students has been publicizing among college students the advantages of registering as unemployed during vacation periods. Although students are usually not eligible for unemployment benefits, they can claim supplementary benefits of approximately £7 per week. A record number of 121,000 adult students were registered as of January 8, 1976, constituting 9 percent of all those registering as unemployed and prompting British officials to examine their statistical treatment of such students. The Department of Employment subsequently decided to exclude adult students from the unemployed count, with the rationale that, unlike school leavers, students are not looking for permanent work but only for a vacation job or a passport to supplementary benefits. A change in administrative regulations was made for the 1976-77 school year under which the financial incentive to register during the short vacation breaks at Christmas and Easter was taken away. During summer vacations, students will still be eligible for supplementary benefits.

Registration is not compulsory but is required for receipt of unemployment benefits under the National Insurance Scheme or, for persons of working age and capable of work, allowances under the Supplementary Benefits (formerly termed "national assistance") programs. Supplementary benefits are payable to those unemployed persons who do not qualify for unemployment benefits or whose income, including unemployment benefits, falls short of their assessed needs and resources. In addition, employed persons not eligible for benefits may register to take advantage of the free services. In the past, the unemployment service made about 20 percent of all adult placements.¹⁵

¹⁴ Prior to October 1975, the unemployment count was taken as of the Monday nearest the middle of the month.

¹⁵ Manpower Services Commission, *Annual Report 1974-75* (London, Her Majesty's Stationery Office, 1974), p. 19.

Persons who register as unemployed receive credits toward their national insurance contributions. These credits are received even if persons have exhausted their benefits and, under 1975 legislation, even if they have been disqualified from receiving benefits. These credits provide a further incentive to register since they count toward a person's eligibility for retirement pension.

The completeness of coverage of the British unemployment statistics is a function of the extent to which persons looking for work register at the employment offices. Failure to register can occur for several reasons. Some persons looking for work and eligible for benefits may decide not to register immediately in order to avert the possibility of having to accept an undesirable job, if offered, on penalty of being disqualified from benefits.

Persons who are out of work and sick will be registered as such and not as unemployed. They are not entitled to register as unemployed and claim benefits since they cannot satisfy the condition of being available for work. Persons registered as unemployed who fall sick are transferred to the sickness register maintained by the Department of Health and Social Security. However, some persons may register as nonclaimants to benefits when they are nearly recovered from their illness in order to find a job quickly.

Persons also may not register because they are ineligible to receive unemployment benefits. Such persons include: (1) Married women and workers over retirement age (65 for men; 60 for women) who may accept the option of not joining the National Insurance System;¹⁶ (2) teenagers seeking their first job and other new entrants and reentrants to the labor force¹⁷ (persons must have at least 26 weeks of employment covered by the unemployment insurance system before they are eligible for benefits); (3) persons who have voluntarily quit their previous job or who were discharged for cause (such persons are ineligible for benefits for a maximum of 6 weeks); and (4) previously self-employed persons and unpaid family workers. Of course, some members of the above groups may register in order to obtain supplementary benefits, credits toward national insurance contributions, or help in finding a job. Married women are rarely eligible for supplementary benefits, but members of the other groups listed above may be eligible.

¹⁶ According to a report in the British publication *Labour Research*, 75 percent of British married women "opt out" of the National Insurance Scheme. (See "Unemployment Still Rising," *Labour Research*, October 1970, p. 155). This represents an increase from 60 percent estimated by the Department of Employment in 1960.

¹⁷ Young persons under 18 seeking their first employment who register for job placement with the youth employment service careers office are included in the British registered unemployment count. However, there is no compulsion to register and, in 1971, only about 15,000 school leavers who had not yet been in insured employment were included in the British registered unemployed total. By 1975, this figure had risen to 45,000 as labor market conditions worsened considerably.

It should be noted that, under the Social Security Act of 1975, women who marry after April 6, 1977, will no longer have the option of not joining the National Insurance System. The Department of Employment expects that removal of this option will result in a large increase in female unemployment registrations. Preliminary forecasts suggest that about 580,000 women will have lost the opportunity to "opt out" of the system by April 1978 and that this number will increase to about 2.2 million by 1988.

In two respects, British registered unemployment data are more inclusive than U.S. unemployment statistics. First, the British data include those out of work on the day of the count who worked during the rest of the week. Such persons would be counted as employed in the United States. Second, workers may continue to register as unemployed even though they have really given up hope of finding work. Such persons would be considered as discouraged workers in the U.S. labor force survey, and hence, would be enumerated as not in the labor force. In most other respects, however, British unemployment statistics are less comprehensive than those obtained from the U.S. labor force survey. The extent of undercount can be estimated by analysis of statistics from population censuses and the General Household Surveys.

Census statistics. Unemployment statistics, differing in concepts from the registered unemployed series, are available from the decennial population census of Great Britain. The most recent censuses were conducted in April 1961 and April 1971. Results of the 1971 population census are not analyzed here, however, because of the availability of the General Household Survey (GHS) for that year. Definitions used in the GHS are more closely comparable with U.S. concepts than the census statistics.

In addition, British statistical authorities conducted what they termed a "sample census" in April 1966, which also yielded detailed statistics on unemployment. Data were not collected in exactly the same way in 1961 and 1966, however, and certain adjustments must be made to put the two sources on an equivalent basis.

Although the population censuses are the major source for evaluating the British unemployment figures for the 1960's, they have important limitations. A major limitation of the decennial censuses is that persons reported as unemployed were not asked whether they were registered at the employment office. In the 1966 sample census and the General Household Surveys, this question was asked. In addition, the decennial censuses and the 1966 sample census are self-enumerations—i.e., the respondent fills in the forms himself. The Household Survey utilizes experienced interviewers, trained to interpret the questions carefully. Also, the more probing questions asked in the Household Survey allow for more precise counts of the unemployed. Finally, the Household Survey relates to the full year whereas the censuses relate to only 1 week in April.

In the 1966 sample census, persons were classified as "out of employment" if they were: (1) Registered as unem-

ployed; (2) not registered but otherwise looking for work; (3) unable to seek work because of temporary sickness or injury; or (4) had found a job and were waiting to start work at a future date.

In the 1961 census, the definition of "out of employment" simply stated "Economically active persons out of employment during the whole of the week before the census, or ceasing to be employed during that week . . . , but expecting to work again." Also included were persons who were unable to seek work because of sickness or injury. In both the 1961 and 1966 censuses, persons at school (including university) were classified as economically inactive even if they were seeking work or did paid work during holidays, weekends, or other free time.

The 1961 census provided data on the number of persons "out of employment" according to two categories: sick and all other. In 1966, additional detail was obtained as to whether persons "out of employment" were registered at employment or careers offices. In 1961, only data with reference to the week preceding census day, April 23, were collected. Registered unemployed counts were taken on April 10 and May 15, 1961; therefore, there is no direct correspondence between registration and census dates for 1961. The 1966 census provided information as of the census day as well as the census week. The Monday of census week in 1966, April 18, corresponded to the date of the registered unemployed count for April.

Data from these censuses indicate that the registration statistics undercount unemployment in Great Britain to a large extent. The concept "out of employment" used in the British censuses is fairly close in definition to the U.S. concept of "unemployed." However, there are some important differences between the British census and U.S. survey definitions which should be accounted for before any conclusions are drawn.

A post-enumeration survey of the 1961 census indicated that the number of married women who reported themselves as economically active needed to be increased by 5 percent; for single, widowed, and divorced women, the corresponding figure was 1 percent. Furthermore, the Ministry of Labor (now Department of Employment) stated that these may well be underestimates of the census undercount.¹⁸ The 1966 sample census involved as underenumeration of 1.5 percent for all categories of persons.¹⁹

In the 1961 census, anyone who had a job but became unemployed during the census week was counted as "out of employment." The 1966 census data, as of census day, also include as "out of employment" persons who worked later in the week, but, in addition, the data provide information on the number of persons out of work the

entire week. Persons who do any work at all during the survey week are classified as employed in the United States.

Some persons who were enumerated as "out of employment, sick" in the censuses would probably not be counted as unemployed under U.S. definitions. This may have resulted from misinterpretation of the census questionnaire by persons permanently disabled or suffering illnesses of more than a temporary nature.²⁰ Also, persons collecting sickness or injury benefits would be likely to classify themselves as "out of employment, sick" even if they were not interested in obtaining a job when able to work again.

Persons on temporary layoff were classified as employed in the censuses. They would be counted as unemployed in U.S. statistics.

In the United States, a person must have taken active steps to find work in the past 4 weeks to be classified as unemployed (unless on layoff or waiting to start a new job). Neither the 1961 nor the 1966 census provided information on whether persons who said they were seeking work had actually taken steps to find work. Some information on this point was obtained from the household surveys.

Method of adjustment based on census statistics. Coefficients of adjustment were derived from the 1961 and 1966 census results and applied to the regularly published British statistics on the registered unemployed. Adjustment factors for 1962 through 1965 were interpolated from the 1961 results. Factors for 1959 and 1960 were assumed to be the same as for 1961. Because the degree of undercount varies considerably by age and sex, four separate adjustment factors were derived—for adult men, adult women, teenage boys, and teenage girls. Teenagers are defined as persons 15 to 19 years of age.

Derivation of adjustment factors from the 1961 and 1966 censuses required several modifications in the published census results in order to account for the differences noted above between the British censuses and the U.S. labor force survey (tables B-14 and B-15). Four adjustments were made:

1. *Increasing the number of unemployed adult women in the 1961 census to account for those improperly enumerated as economically inactive.* Based on the post-enumeration survey of the 1961 census, economically active married women should be increased by 195,000 and economically active single, widowed, and divorced women by 39,000. These uncounted women were persons who regarded their principal occupation as that of housewife or home duties and failed to enumerate themselves as employed, even though they were working at a part-time job, or as unemployed, even though they were looking for work.

²⁰ A follow-up survey of the 1966 sample census supports this conclusion. See Office of Population Censuses and Surveys, Social Survey Division, *A Quality Check on the 1966 10 Percent Sample Census of England and Wales* (London, Her Majesty's Stationery Office, 1972), p. 80.

¹⁸ *Ministry of Labour Gazette*, November 1965, p. 479.

¹⁹ *Unemployment Statistics: Report of an Inter-Departmental Working Party* (London, Her Majesty's Stationery Office, November 1972), p. 33.

It is a safe assumption that a high proportion of these omitted women were unemployed at the time of the census. In the absence of any information on this point, for this study it was arbitrarily assumed that 75 percent of the undercount represents part-time workers and 25 percent represents unemployed workers. This yields an upward adjustment of 59,000 to the adult women "out of employment" in the 1961 census. No similar adjustment was needed for the 1966 census results, since underenumeration was apparently proportionally the same for all groups (1.5 percent). A 1.5-percent increase in all categories, then, would not change the ultimate adjustment factors.

2. *Excluding persons classified as unemployed who worked at any time during census week.* The 1966 census indicated that 4 to 7 percent of those reported as "out of employment" on census day actually did some work during the week (proportions varied by the four age/sex categories for which adjustments were determined and also by whether persons were registered or not registered as unemployed). No data were collected on the number of persons classified as "out of employment" who worked during the census week in 1961; therefore, the 1966 proportions were assumed applicable to the 1961 data for adjustment purposes.

3. *Adjusting downward the number of persons reported as "out of employment, sick."* A very large number of persons were enumerated as "out of employment, sick" in both the 1961 and 1966 censuses. In 1966, 31 percent of the total number of persons "out of employment" on census day were listed as sick, down from 44 percent in 1961.

According to the 1966 census, only 10 percent of all persons registered as unemployed were also reported as sick; however, 45 percent of the unregistered persons "out of employment" were reported as sick. The 1961 census provided no data according to whether a person "out of employment" was registered or not registered.

It is assumed that the registered unemployed who were also sick in the 1966 census would be classified as unemployed under U.S. definitions (given above adjustment for those who worked sometime during the week). However, the unregistered unemployed who were sick probably included a substantial number of persons who would not be counted as unemployed in the United States. In order to arrive at a reasonable estimate, it was assumed that the proportion of persons registered as unemployed and also sick is the same as the proportion of unregistered persons who were sick.

Using this method of estimation, only 24,400 of the 185,100 unregistered, sick (adjusted to exclude those who worked during the week) in 1966 are assumed to be unemployed by U.S. definitions. In light of the results of the 1971 Household Survey, this appears to be a reasonable estimate. Again, 1966 relationships had to be assumed for 1961.

4. *Subtracting persons not actively seeking work.* The censuses do not provide any information on this point. However, the 1971 General Household Survey indicates that 22.3 percent of the number of persons seeking work but not registered as such had not actually taken any steps to find work in the survey week. No details were given by age or sex. Allowing for the possibility that some may have sought work in the previous 4 weeks, this percentage was scaled down to 15 percent for adjustment purposes. Thus, 15 percent of the "not registered, other" category—adjusted to exclude persons waiting to start a new job—was subtracted for each age/sex group.

No adjustment is included above for persons on temporary layoff. Since figures are available each year on which to base an estimate of the number of such persons, an adjustment is made on table B-18 rather than on tables B-14 through -16 to include them in the unemployed count. There is also no adjustment made to account for the fact that all full-time students are classified as economically inactive in the censuses. There is no information available as to the degree to which such persons register as unemployed. The Department of Employment began to separately identify registered unemployed adult (age 18 and over) students in July 1971 and has made annual estimates back to 1967. Further information on adult students appears in the section on the General Household Survey.

In summary, the numbers of registered and unregistered unemployed persons in the 1961 and 1966 censuses were adjusted to exclude those who did some work during the census week; further adjustments were made to the unregistered unemployed to exclude persons who were not actually seeking work. These adjustments deflate considerably the number of persons reported as unemployed for comparability with U.S. concepts. For example, 61 percent of the persons reported as "out of employment" in the 1961 census and 70 percent in the 1966 census are considered to be unemployed under U.S. concepts.

The adjusted unemployed totals were compared with the registered unemployed count for each of the four age/sex groups. The census day registration count was available from the results of the 1966 census; in the 1961 census, however, such data were not collected. For 1961, the adjustment factors were calculated based on interpolations of registered unemployed data made by the Department of Employment. The resultant adjustment factors to be applied to the regularly published unemployment statistics were as follows:

	1961	1966
Adult men	22	38
Adult women	93	182
Teenage boys	123	65
Teenage girls	152	101

The method of applying these factors is described later in the section titled "Combining the census and survey analyses."

These figures indicate that the propensity for unemployed adults to register declined between 1961 and 1966, whereas the teenage propensity to register increased. These changes in the propensity to register were unrelated to cyclical factors since recorded unemployment was 1.4 percent in both 1961 and 1966. The increased propensity to register on the part of teenagers is probably related to a more active effort by the Youth Employment Service. During the early 1960's much criticism was leveled at the service, perhaps spurring it to greater efforts to register young people.²¹

A partial explanation for the large increase in under-registration or decline in the propensity to register of adults may have been the growing number of workers receiving payments in lieu of notice of dismissal. Such persons are ineligible to draw unemployment benefits simultaneously and, hence, would probably delay registration. Notice of dismissal (with length of notice based on length of service) became compulsory under the "Contracts of Employment Act" of 1963.²²

Another element in the explanation is the Redundancy Payments Act of 1965 which gave workers the right to claim severance pay from their employers based on age and

²¹The Youth Employment Service was reviewed by a Working Party of the National Youth Employment Council which published its report in December 1965. The report made a number of recommendations for improving the work of the service: (1) Youth employment offices should establish earlier contact with young people at school and with their parents; (2) there should be closer partnership between the service and the schools in the preparatory stages of career guidance; (3) the staffing of the service should provide for more specialization in dealing with the needs of particular groups of young people; and (4) the service should experiment with more intensive methods of following up the progress of young people at work. Action was taken to promote the further development of the service along the lines recommended in the report.

²²This law imposes upon employers the obligation of giving a minimum period of notice to all employees continuously employed for over 26 weeks, as follows: 1 week's notice for those with up to 2 years' service; 2 weeks for 2-5 years' service; and 4 weeks for service of 5 years or more.

Table B-14. Great Britain: Derivation of adjustment factors from the 1961 census

(Numbers in thousands)

Item	Total	Adults		Teenagers ¹	
		Male	Female	Male	Female
Registered unemployed on Monday of census week ²	300.0	201.0	75.0	14.0	10.0
Out of employment ³	734.6	446.3	421.7	37.7	32.9
Registered ²	300.0	201.0	75.0	14.0	10.0
Sick ⁵	29.4	19.3	8.5	.6	1.0
Other ⁵	270.6	181.7	66.5	13.4	9.0
Not registered	434.6	245.3	142.7	23.7	22.9
Sick	268.1	192.2	65.4	4.1	6.4
Other	166.5	53.1	477.3	19.6	16.5
Percent unemployed on Census Monday who did not work in census week: ⁶					
Registered	—	96.0	93.9	93.9	92.5
Not registered	—	93.2	93.2	93.4	94.3
Census unemployed adjusted to exclude those who worked in census week: ⁷					
Registered	285.8	193.0	70.4	13.1	9.3
Not registered	405.3	228.6	133.0	22.1	21.6
Sick	249.9	179.1	61.0	3.8	6.0
Other	155.4	49.5	72.0	18.3	15.6
Unemployment adjusted to U.S. concepts:					
Registered	285.8	193.0	70.4	13.1	9.3
Not registered	172.4	54.8	81.2	19.1	17.3
Sick ⁸	17.0	5.3	9.2	.8	1.7
Other	155.4	49.5	72.0	18.3	15.6
Less: Persons not actively seeking work ⁹	11.7	2.7	6.6	1.0	1.4
Total adjusted unemployed	446.5	245.1	145.0	31.2	25.2
Percent of registered unemployed	149	122	193	223	252
Adjustment factor	49	22	93	123	152

¹ 15- to 19-year-olds.

² There were no questions asked on whether persons were registered as unemployed in the 1961 census. The data shown are interpolations by the Department of Employment from the registration counts of April 10 and May 15.

³ Data (except for the registered unemployed) relate to persons "out of employment" the entire census week as well as to persons who had a job but became unemployed during the week.

⁴ Includes 59,000 women not reported as unemployed in the 1961 census. This represents an adjustment for the underenumeration of economically active women.

⁵ Breakdown of registered unemployed into "sick" and "other" estimated by using 1966 proportions.

⁶ Figures from 1966 census. Such data were not collected in 1961.

⁷ Estimated by applying above proportions of persons who did not work in census week to figures reported in census which include some persons who worked during census week.

⁸ Calculated by assuming that ratio of "not registered, sick" to "not registered, other" is the same as ratio of "registered, sick" to "registered, other."

⁹ Estimated as 15 percent of the "not registered, other" category, adjusted to exclude persons waiting to start a new job. (According to the 1971 General Household Survey, 63 percent of males and 39 percent of females in the "not registered, other" category were waiting to start a new job.)

Table B-15. Great Britain: Derivation of adjustment factors from the 1966 census

(Numbers in thousands)

Item	Total	Adults		Teenagers ¹	
		Male	Female	Male	Female
Registered unemployed on Monday of census week ²	296.3	194.2	57.3	26.2	18.6
Out of employment ³	731.2	393.5	238.6	50.6	48.5
Registered	296.3	194.2	57.3	26.2	18.6
Sick	28.0	18.7	6.5	1.1	1.7
Other	268.3	175.5	50.8	25.1	16.9
Not registered	434.8	199.4	181.3	24.3	29.8
Sick	198.5	116.1	69.5	4.1	8.8
Other	236.3	83.3	111.8	20.2	21.0
Percent unemployed on census Monday who did not work in census week:					
Registered	—	96.0	93.9	93.9	92.5
Not registered	—	93.2	93.2	93.4	94.3
Census unemployed adjusted to exclude those who worked in census week: ⁴					
Registered	282.2	186.4	53.8	24.7	17.3
Not registered	405.6	185.8	169.0	22.7	28.1
Sick	185.1	108.2	64.8	3.8	8.3
Other	220.5	77.6	104.2	18.9	19.8
Unemployment adjusted to U.S. concepts:					
Registered	282.2	186.4	53.8	24.7	17.3
Not registered	244.9	85.9	117.5	19.7	21.8
Sick ⁵	24.4	8.3	13.3	.8	2.0
Other	220.5	77.6	104.2	18.9	19.8
Less: Persons not actively seeking work ⁶	16.7	4.3	9.5	1.1	1.8
Total adjusted unemployed	510.4	268.0	161.8	43.3	37.3
Percent of registered	173	138	282	165	201
Adjustment factor	73	38	182	65	101

¹ 15- to 19-year-olds.

² Data on registrations were collected in the 1966 census.

³ According to status of persons on Monday of census week.

⁴ Estimated by applying above proportions of persons who did not work in census week to figures as of census Monday.

⁵ Calculated by assuming that ratio of "not registered, sick" to "not registered, other" is the same as ratio of "registered, sick" to "registered, other."

⁶ Estimated as 15 percent of the "not registered, other" category adjusted to exclude persons waiting to start a new job. (According to the 1971 General Household Survey, 63 percent of males and 39 percent of females in the "not registered, other" category were waiting to start a new job.)

Table B-16. Great Britain: Derivation of adjustment factors from the 1971 General Household Survey (GHS)

Item	Total		Adults		Teenagers ¹	
	Male	Female	Male	Female	Male	Female
GHS data inflated to universe levels: ²						
Total	582,000	357,000	493,000	285,000	89,000	72,000
Looking for work	446,000	224,000	—	—	—	—
Registered	412,000	104,000	—	—	—	—
Not registered	34,000	120,000	—	—	—	—
Persons in "looking for work" category not actively seeking work ³	5,000	18,000	4,000	14,000	1,000	4,000
Adjusted unemployed ⁴	577,000	339,000	489,000	271,000	88,000	68,000
Registered unemployed ⁵	640,000	119,000	562,000	83,000	78,000	36,000
Adjusted unemployed as percent of registered unemployed	90	285	87	327	113	189
Adjustment factor	-10	185	-13	227	13	89

¹ 15- to 19-year-olds. In the GHS, data are not shown separately for the age group 15-19. Figures are shown for 15- to 17-year-olds and 18- to 24-year-olds. The number of 18- to 19-year-olds in the 18-24 age group was estimated based on the results of the 1971 population census.

² Universe unemployment estimates were not published in the GHS. The figures shown were derived by estimating male and female civilian employment from other sources and utilizing the male and female unemployment rates reported in the GHS to solve

for unemployment in the following relationship: $U \div (E + U) = R$ (where U = unemployment; R = unemployment rate; E = employment).

³ Estimated as 15 percent of persons looking for work, but not registered. Broken down into adult and teenage components according to same proportions as total unemployment.

⁴ Total unemployment less persons not actively seeking work.

⁵ As reported by Department of Employment.

length of service. At the maximum, the redundancy payments can provide 30 weeks' pay. Where redundancy payments are made, the initial effect is that the newly unemployed person will not be forced to register at the employment office because of an immediate need for money. Such a person can take the time to look for suitable work and not be obliged to be available at all times to answer the employment office's summons when a vacancy occurs.

The General Household Survey. A new type of survey, the General Household Survey, was conducted in Great Britain for the first time in 1971. It is a continuous multipurpose sample survey covering a total of about 12,000 private (noninstitutional) households containing about 35,000 people over the year. Although conducted monthly, the survey is designed so that the minimum period over which it is representative of Great Britain is a quarter-year; successive quarters are added together to provide annual figures. Results of the first year's interviews were published in 1973; the 1972 through 1974 surveys were published in 1975 through 1977.²³

The survey collects information about employment, unemployment, housing, education, health, mobility, and household makeup in such a way that each subject can be related to the others. It provides much information on social structure and trends.

A comparison between midyear estimates based on the 1971 census and GHS annual results indicates that the GHS gives a good representation of the population in private households. However, young people aged 15 to 24 may be underrepresented to some degree in the GHS; married women are probably slightly overrepresented.

The first two surveys covered the population 15 years of age and over. In 1973, when the school-leaving age was raised to 16, the survey also began to cover 16-year-olds and over. The Armed Forces are not excluded from the labor force by definition; they would be included if they reside in private households. However, most military personnel reside in military establishments which are not covered by the sample.

Employed persons, by GHS definition, are persons who had a job for pay or profit in the reference week, even if it was only for a few hours. Casual or seasonal workers are counted as employed only if they were working during the specified week. Persons absent from work because of holiday, strike, illness, or temporary layoff are regarded as employed. Unpaid family workers were classified as economically inactive in the 1971 through 1975 surveys. Beginning in 1976, wives working 15 hours or more in their husbands' businesses have been treated as employed whether

they were paid or not. Since the great majority of family workers are paid in Great Britain, this change will have a very small effect.

Full-time students who worked part time were counted as employed in the 1971 survey, unlike the practice in the censuses where full-time students are regarded as economically inactive. In 1972 and subsequent household surveys, however, working full-time students were placed in the economically inactive category. In 1972, data both including and excluding the working students were published. These data indicate that the annual average number of working students is so small that their exclusion does not affect the unemployment rate.

Persons taking courses in government training centers are normally classified as economically inactive in the GHS since the stipend they receive is not considered a wage payment. However, if an employer pays an employee to attend a course at a government training center, the person would be classified as employed.

Unemployed persons, by GHS definitions, consist of those who, in the reference week, were looking for work, would have looked for work if they had not been temporarily sick, or were waiting to take up a job they had already obtained. Because the Household Survey is conducted by experienced interviewers rather than by self-enumeration (as the census), the category of persons who would have been looking for work but for temporary illness is more precisely determined. Interviewers are given a definition of "temporary" for this question in the Household Survey—i.e., an illness lasting 28 days or less. No such definition appeared in the census questionnaires or instructions.

As noted earlier, persons on temporary layoff are regarded as employed rather than unemployed. Full-time students who were looking for work would be counted as unemployed in 1971 and not in the labor force in 1972 and following years. The number of students looking for work was apparently almost nil in 1972. It should be noted that students in boarding schools are not surveyed in the GHS, which relates to private households only. Thus, students are most likely underrepresented in the GHS.

Persons who said they were looking for work in the GHS were asked, additionally, what steps they took to find work in the survey week. In 1971, this question elicited the fact that 22.3 percent of the people looking for work but not registered as unemployed did nothing more than look at job vacancies in the newspapers or simply wait for "something to turn up."

In 1971, the GHS did not divide those waiting to take up jobs and those temporarily sick by whether or not they were registered. Data on the unregistered unemployed were restricted to persons who said they were looking for work in the survey week. In the 1972 and 1973 surveys, questions on registration as unemployed were asked of persons looking for work and persons waiting to start a new job. In 1974 and following surveys, all categories of unemployed persons were asked whether they were registered as unem-

²³Office of Population Censuses and Surveys, Social Survey Division, *The General Household Survey: Introductory Report* (London, Her Majesty's Stationery Office, 1973); *The General Household Survey 1972* (London, HMSO, 1975); *The General Household Survey 1973* (London, HMSO, 1976); and *The General Household Survey 1974* (London, HMSO, 1977).

GENERAL HOUSEHOLD SURVEY

SS 457/3B

IN CONFIDENCE

INDIVIDUAL SCHEDULE

							PER.
	DAY	MONTH	YEAR				
Date of Interview →				AREA.	SER.	HLD.	
Time Individual Schedule started							

TO ALL	EMPLOYMENT	CODE	
1. Were you working for pay or profit at any time last week - that is the 7 days ending last Sunday?	Yes No → X ASK (a)	1	GO TO Q.2
IF NO			
(a) Even though you weren't working did you have a job which you were away from last week?	Yes No → X ASK (1)	1	GO TO Q.2
IF NO			
(1) Last week were you			
PROMPT AND RING FIRST THAT APPLIES	waiting to take up a job which you had already obtained?	3	} GO TO Q.2
	out of employment but looking for work? ..	4	
	or would you have looked for work but for temporary sickness or injury?	5	
	NONE OF THESE	6	GO TO Q.23 ON PAGE 9

IF CODED 1 OR 3-5 AT Q.1

2. Do you consider yourself to be a part-time worker or a full-time worker?	Part-time Full-time	1 2
3. Do you consider yourself to be a seasonal worker - that is, someone who reckons to work part of the year only?	Yes No	1 2

MAIN JOB LAST WEEK (MOST RECENT IF CODED 3, 4 OR 5 AT Q.1)

NEVER WORKED, RING → X	
4. Occupation	OFF. USE I II III
.....	
.....	
Industry	
.....	
employee	1
self-employed	2

IF MANAGER, SUPERINTENDENT OR SELF-EMPLOYED

IF NOT MANAGER ETC, DNA X

(a) Number of employees in the establishment	25 or more	1
	1-24	2
	Nil	0

NOW REFER BACK TO Q.1	
If coded 1	go to Q.5 on page 2
If coded 3	go to Q.17 on page 7
If coded 4	go to Q.16 on page 7
If coded 5	go to Q.19 on page 8

British General Household Survey Questionnaire (Excerpt)

TO THOSE WORKING LAST WEEK (CODED 1 AT Q.1)

		CODE	
5.	Last week did you have any other job or business in addition to the one you have just told me about?	Yes ... No	1 2 ASK (a) ASK Q.6
	IF YES		
	(a) Occupation	OFF. USE I II	
	..... Industry		
	..... employee		1
	self-employed		2
6.	How many hours a week do you usually work (in your main job) <u>excluding meal breaks and overtime?</u> →		.....
7.	Were you away from work at all last week for reasons other than business?	Yes No	1 2 ASK (a) SEE Q.8
	IF YES		
	(a) Why were you away from work?		
	Own illness or accident		1 ASK (b)
	Holiday		2
	Strike at own place of work		3
	Short-time/lay off		4 ASK (c)& (d)
	Began or lost job in week		5
	Other (SPECIFY)		6
		
	(b) Were you paid, or will you be paid, any National Insurance Sickness Benefit for last week?	Yes No	1 2 ASK (b1) ASK (c)& (d)
	(1) Did this include or were you also paid any supplementary allowance?	} Yes ... No	1 2 ASK (c)& (d)
	ALTERNATIVE WORDING WHERE APPROPRIATE Will this include or will you also be paid any supplementary allowance?		
	(c) When did this period away from work start? DATE		} SEE Q.8
	(d) When did it finish? DATE		
	IF DID NOT FINISH DURING LAST WEEK, RING →		i

British General Household Survey Questionnaire (Excerpt)

		CODE	
<u>TO EMPLOYEES ONLY</u>	IF SELF-EMPLOYED, DNA	X	GO TO Q.10
8. Does your employer pay you anything when you are off sick?			
	Yes	1	
	No	2	
	DK	3	
9. Do you expect to receive a pension from your employer when you retire?			NOW ASK Q.10
	Yes	1	
	No	2	
	DK	3	
<hr/>			
<u>TO ALL EMPLOYEES AND SELF-EMPLOYED</u>			
10. Have you retained any pension rights from a previous job which you are either drawing now or will be able to draw in the future?			
	Yes	1	
	No	2	
11. Have you been with your present employer/self-employed (in your main job)			
RUNNING	for less than 6 months?	1	ASK (a) -
PROMPT	for 6 months but less than 12 months?	2	(c)
	for 12 months or more?	3	GO TO Q.12
(a) How many changes of employer have you made in the last 12 months? \longrightarrow			
	IF NO PREVIOUS EMPLOYMENT IN LAST 12 MONTHS, ENTER "0"		
(b) How long had you been actively looking for work before you <u>found</u> your present job?			
	Days		
	Weeks		
	Months		
	(STATE CALENDAR, 4 WEEKLY ETC.)		
(c) How did you <u>first</u> hear about your present job - was it through			
	an employment exchange?	1	
RUNNING	a private employment agency?	2	
PROMPT	an advertisement?	3	
BUT CODE	a relative or friend?	4	
ONE	direct application to an employer?	5	
ONLY	or in some other way? (SPECIFY)	6	
		
		
		

British General Household Survey Questionnaire (Excerpt)

TO THOSE WORKING LAST WEEK (CODED 1 AT Q.1)

HAND INFORMANT CARD A.

12. Which of the statements on this card comes nearest, on the whole, to what you think about your present (main) job?	Very satisfied	1	ASK Q.13
	Fairly satisfied	2	
	Neither satisfied nor dissatisfied	3	ASK (a)
	Rather dissatisfied	4	
	Very dissatisfied	5	

(a) Is there any reason why you are not completely satisfied with your job?

(b) Why are you dissatisfied?

13. Are you seriously thinking of changing or leaving your job?	Yes	1	ASK (a)
	No	2	ASK Q.14

IF YES

(a) (May I check) why is this?

For reasons already given at 12(a) or (b).....	Y
For other reasons (SPECIFY BELOW)	X

14. How long does it usually take you to get from home to work?	Hrs. Mins.		NOW GO TO TRAVEL PAGE 8
	Work at home	X	
	No usual place of work	0	

British General Household Survey Questionnaire (Excerpt)

TO THOSE LOOKING FOR WORK LAST WEEK (CODED 4 AT Q.1)

15. When looking for work last week

	were you registered with an employment exchange?	1	ASK Q.16
INDIVIDUAL	were you registered with a private employment agency?	2	
PROMPT,	did you advertise or reply to advertisements?	3	ASK Q.17
CODE ALL	did you make a direct approach to a prospective	4	
THAT	employer?	5	
APPLY	were you awaiting the results of applications?	6	
	or did you do something else to find work? (SPECIFY)..		
		
		

TO THOSE REGISTERED WITH AN EMPLOYMENT EXCHANGE (CODED 1 AT Q.15)
OR WAITING TO START A NEW JOB (CODED 3 AT Q.1)

16. Did you draw, or will you draw, any	Yes	1	ASK (a)
unemployment benefit for last week?	No	2	ASK Q.17
IF YES			
(a) Did this include, or were you also	Yes	1	ASK Q.17
paid, any supplementary allowance?			
ALTERNATIVE WORDING WHERE APPLICABLE	No	2	
Will this include or will you also be			
paid any supplementary allowance?			

TO THOSE WAITING TO START A NEW JOB, LOOKING FOR WORK, OR WOULD HAVE
LOOKED FOR WORK BUT FOR TEMPORARY SICKNESS (CODED 3-5 AT Q.1)

17. When did you last work?			
	Less than a week ago	1	ASK Q.18
	One week but less than 1 month	2	
	One month but less than 3 months	3	
	Three months but less than 6 months	4	
	Six months but less than 1 year	5	
	One year or more ago	6	
	NEVER WORKED BEFORE	0	GO TO TRAVEL PAGE 8

18. Have you retained any pension rights			
from a previous job which you are			
either drawing now or will be able	Yes	1	
to draw in the future?	No	2	

19. Why did you stop work?

NOW GO TO
TRAVEL
PAGE 8

ployed, so that these surveys indicate overall proportions for registration and non-registration.

Results of the 1971 GHS indicate that between one-fifth and one-quarter of all those who described themselves as looking for work were not registered with the Department of Employment. Roughly, 7.5 percent of men looking for work were unregistered; for women, 53.7 percent were unregistered.

The results of the 1971 GHS indicate an average unemployment rate for Great Britain of 3.9 percent of the civilian labor force. The rate for men was 3.9 percent and for women, 3.8 percent. The Department of Employment figures on registered unemployment for 1971 yield an overall figure of 3.1 percent—4.1 percent for men and 1.3 percent for women. (These rates from the registered unemployed series, normally published as a percent of the wage and salary labor force, are based on the wage and salary plus self-employed labor force in order to make meaningful comparisons with the GHS.)

The above figures indicate that the registered unemployed figures slightly overstated male unemployment rates in 1971, but that female rates were substantially understated. The overstatement of male unemployment is surprising in view of the results of the 1961 and 1966 censuses. Also, the GHS itself indicates that 7.5 percent of unemployed men seeking work were unregistered. There are two reasons for the higher unemployment of men in the registered series. First, male registrants who did some work in the reference week of the GHS would be counted as employed rather than unemployed in the GHS. The 1966 sample census results indicate that about 4 percent of registered unemployed men did some work in the census week. Second, "occupational pensioners," who are not in fact seeking work, are required to stay on the register until age 65 in order to maintain eligibility for a pension without making national insurance contributions.²⁴ Such persons would probably declare themselves as retired in the GHS. A special survey conducted in October 1973 found that 12 percent of the persons registered as unemployed that month regarded themselves as not really being in the labor market. Apart from occupational pensioners, those with little interest in working were largely women and older, disadvantaged workers who had become resigned to their lot—i.e., "discouraged workers."

Unfortunately, data reported in the GHS are not inflated to a universe level, and published information on sampling characteristics is not complete enough to allow calculation of sampling ratios to apply to the actual figures reported. Therefore, BLS has made an estimate of aggregate unemployment for 1971 by first determining the level of employment compatible with GHS concepts and then deriv-

²⁴ Such persons were included in the registered unemployed statistics as a result of parliamentary decisions. In accordance with the Social Security Act of 1973, the rules were changed in April 1975 so that occupational pensioners are no longer required to register as unemployed.

ing unemployment by applying the GHS unemployment rate of 3.9 percent (table B-16). Civilian employment compatible with GHS concepts was taken to be the 4-quarter employment average from the establishment census plus an estimate of self-employed persons and domestics who are not covered by the establishment census, less an estimate of multiple jobholders. (See section on labor force adjustments for further explanation.) This employment figure includes wage and salary workers and self-employed persons, but excludes unpaid family workers. Its coverage is, therefore, the same as the GHS. The 1971 civilian employment figure, thus determined, is 23,106,000. This figure and the GHS unemployment rate are compatible with a total unemployment level of 938,000.²⁵

Figures for 15- to 19-year-olds were not separately reported in the GHS. Instead, data for 15- to 17-year-olds and 18- to 24-year-olds were shown. In order to determine an adjustment factor for teenagers, an estimate was made, based on 1971 census proportions, of the number of 18- and 19-year-olds in the 18-24 age group.

Besides adding persons on temporary layoff (done in table B-18), only one adjustment must be made in GHS unemployment data for comparability with U.S. concepts. Persons enumerated as seeking work who have not taken any recent actions to do so should be excluded. The 1971 GHS indicates that 22.3 percent of the number of persons seeking work but not registered as such had not actually taken steps to find work in the reference week. Allowing for the possibility that some may have taken active steps in the previous 4 weeks, this percentage was scaled down to 15 percent for adjustment purposes. Thus, 15 percent of the unregistered unemployed seeking work is subtracted from aggregate unemployment under GHS definitions. This amounts to 5,000 men and 18,000 women.

GHS unemployment, adjusted as described above, was then related back to the registered unemployed series to obtain adjustment factors (table B-16).

The following tabulation shows the 1971 adjustment factors in relation to those derived from the 1961 and 1966 censuses:

	1961	1966	1971
Adult men	22	38	- 13
Adult women	93	182	227
Teenage boys	123	65	13
Teenage girls	152	101	89

²⁵ The results of the 1971 population census can be compared with the above estimate. The census reported 1,298,800 persons "out of employment" during the entire week of the census. April and May were relatively low unemployment months compared with the annual average for 1971—representing about 95 percent of the annual average. (The average of the April and May counts is taken to approximate the timing of the 1971 census which enumerated persons according to their status as of April 25. Registered unemployed counts were taken on April 5 and May 10). Dividing the census "out of employment" by 95 percent yields 1,367,000. Annual unemployment from the GHS, as estimated above, is 69 percent of this figure. This confirms the results of the analysis of the 1961 and 1966 censuses, in that the "out of employment" category significantly overstates unemployment by U.S. concepts.

Shifts in the propensity to register between 1961 and 1966 have already been discussed. Between 1966 and 1971, the adult female propensity to register continued its decline. This finding is supported by the fact that, as reported unemployment rates rose from 1.4 to 3.4 percent and female unemployment rates from 0.8 to 1.4 percent, those for married women rose only slightly from 0.6 to 0.7 percent, based on the registered unemployed series. Rather than being a true reflection of labor market conditions, this small increase in registered unemployment for married women probably resulted from a further decline in the propensity to register.²⁶

While the adult female propensity to register declined between 1966 and 1971, the adult male propensity to register rose sharply—to the point where there was “over-registration” of males age 20 and over. Thus the tendency of unemployed men not to register as unemployed was outweighed by the tendency of registered unemployed males to do some work during the week of registration and for pensioners, not actually seeking work, to register as unemployed.

The rise in the propensity of adult males to register is undoubtedly related to the deterioration of economic conditions between 1966 and 1971. Reported unemployment rates more than doubled between these 2 years, rising from 1.4 to 3.4 percent. There are reasons for supposing that, in periods of exceptionally high unemployment, the propensity to register increases. The more serious the problem, the more people are aware of the problem and of their rights to unemployment compensation. Furthermore, persons who would normally search for jobs on their own during times when jobs are easy to find would increasingly turn to the Employment Service for help in obtaining employment.

A further incentive to register was the introduction of earnings-related unemployment benefits in October 1966. Previously, unemployment compensation consisted of a flat benefit unrelated to prior earnings. Earnings-related benefits amount to one-third of a person's former earnings between certain specified amounts. Also, increases in flat-rate benefits were large, amounting to a 20-percent increase in 1971 alone.

The propensity to register on the part of teenagers continued to increase between 1966 and 1971. There was a sharp increase for teenage boys and a slight increase for teenage girls. Continued development and improvement of the Youth Employment Service played a role in this trend.

Combining the census and survey analyses. Coefficients of adjustment were derived from the 1961 and 1966 censuses and the General Household Surveys to be applied to the regularly published British statistics on the registered unemployed. Adjustment factors for 1962 through 1965 were interpolated from the 1961 and 1966 results; factors for

1959 and 1960 were assumed to be the same as for 1961. For 1967-70, factors were interpolated from the 1966 and 1971 results; factors for 1972 through 1974 were derived from the surveys conducted in those years. Aggregate unemployment levels were derived from these surveys by the same method used for the 1971 survey—i.e., determination of a universe-level employment and derivation of unemployment by applying the GHS unemployment rate for that year. Since linking with earlier years was not required, it was not necessary to calculate adjustment factors for different age and sex categories after 1971. The aggregate unemployment levels for 1972 through 1974 were adjusted to exclude persons not actively seeking work. From 1972 onward, the proportion of persons who had not actively sought work was not published. Unpublished tabulations obtained from The Office of Population Censuses and Surveys indicate that a smaller proportion of persons were not actively seeking work in 1972 through 1974, compared with 1971. Therefore, 10 percent of the “not registered, other” category was subtracted (compared with 15 percent in 1971).

Persons on temporary layoff are not included in either the census or the GHS unemployed. Since they should be included for comparability with U.S. concepts, the number of persons on temporary layoff has been estimated from figures published on the number of workers in manufacturing who were laid off the entire week. These figures were inflated to include nonmanufacturing by using the ratio of manufacturing workers to all workers temporarily laid off and receiving benefits (normally a ratio of 85 to 90 percent).

Table B-17 shows the annual adjustment factors for 1959-71, the registered unemployed, and the estimate of unregistered unemployed derived by applying the adjustment factors. The unregistered unemployed are added to the registered unemployed and persons on temporary layoff in table B-18 to obtain total British unemployment adjusted to U.S. concepts. For example, registered unemployment of 752,000 in 1971 is adjusted upward to 930,000 for comparability with U.S. concepts.

A small adjustment for a few years had to be made in the data for adult students to regularize the date of the unemployment count. The counts of adult student registrations were not always taken at the same time in the month—e.g., sometimes they were taken in early January and sometimes in late January. This had a large effect on the data since school vacations were over by late January. The adjustments, although significant in some months, were very small on an annual basis.

For 1975 and 1976, in lieu of survey results, the proportion of unregistered to registered unemployed in 1972 was applied (19 percent). This was done because 1972, like 1975 and 1976, was a year of relatively high unemployment. As results from General Household Surveys for 1975 and later years are analyzed, the estimates of adjusted unemployment since 1974 will probably require some revision.

²⁶ For some explanations of this trend, see Gny Standing, “Hidden Workless,” *New Society*, October 14, 1971, pp. 716-19.

Table B-17. Great Britain: Calculation of the unregistered unemployed, 1959-71

Item	1959	1960	1961	1962	1963	1964	1965	1966	1967	1968	1969	1970	1971
	Percent												
Adjustment factors: ¹													
Teenagers:													
Male	123	123	123	111	100	88	77	65	55	44	34	23	13
Female	152	152	152	142	131	121	110	101	99	96	94	91	89
Adults:													
Male	22	22	22	25	28	32	35	38	28	18	7	-3	-13
Female	93	93	93	111	129	146	164	182	191	200	209	218	227
	Thousands												
Registered unemployed ²	445	346	312	432	521	372	317	331	521	549	544	582	758
Teenagers	39	28	25	55	72	48	43	42	67	60	67	76	114
Male	24	17	14	33	43	29	26	26	44	41	46	53	78
Female	15	11	11	22	29	19	17	16	23	19	21	23	36
Adults	406	318	287	377	449	324	274	289	454	489	477	506	644
Male	299	231	212	289	351	251	215	234	377	420	416	442	562
Female	107	87	75	88	98	74	59	55	77	70	61	64	83
Unregistered unemployed ³	219	170	151	238	305	237	211	222	300	252	192	160	157
Teenagers	53	38	34	68	81	49	39	33	47	36	36	33	42
Male	30	21	17	37	43	26	20	17	24	18	16	12	10
Female	23	17	17	31	38	23	19	16	23	18	20	21	32
Adults	166	132	117	170	224	188	172	189	253	216	156	127	115
Male	66	51	47	72	98	80	75	89	106	76	29	-13	-73
Female	100	81	70	98	126	108	97	100	147	140	127	140	188

¹ 1961 factors derived from population census; 1966 factors from "sample census;" 1971 factors from General Household Survey. 1959 and 1960 factors assumed same as 1961; 1962-65 and 1967-70 factors interpolated.

² Annual average data by sex divided into age groups according to midyear proportions of the registered wholly unemployed.

³ Computed by applying adjustment factors to registered unemployed data.

Labor force

British civilian labor force estimates are obtained by adding civilian wage and salary workers (employed and unemployed) and estimates of the self-employed and employers. Unpaid family workers, a small category, are excluded. Estimates of the self-employed and employers are interpolated by British statistical authorities from results of population censuses. The number of unemployed wage and salary workers is obtained from the registered unemployed figures reported by the Department of Employment. The number of employed wage and salary workers was based solely upon quarterly counts of National Insurance cards until June 1971 when an annual employment census was instituted. Quarterly estimates of employed wage and salary workers are now derived from the annual census and quarterly sample surveys of establishments. To provide a link between the old and new systems, both the card count and a census were taken in June 1971 and the card count system was continued through 1972. Estimates on the census basis were made for earlier years by the British statistical authorities.

British statistics on the civilian working population (labor force) differ from U.S. concepts in three respects:

(1) The establishment census overcounts wage and salary employment under U.S. concepts. Because it is an establishment inquiry, a person who had two regular jobs with different employers in the census or survey week would be counted twice. Thus, it is a measure of the

number of jobs rather than the number of workers in Great Britain. The U.S. labor force survey measures the number of workers. In another respect, the establishment census undercounts employment: Persons in private domestic service are excluded. There were 90,000 such persons in the 1971 National Insurance card count.

(2) Unpaid family workers are also excluded from the establishment census, which covers only wage and salary workers. Such persons are included in the U.S. labor force if they worked 15 or more hours during the survey week.

(3) The unregistered unemployed are not included in the British labor force statistics. Unemployed persons do not appear in the British count of the working population unless they have registered as such. Persons on temporary layoff are included in the British statistics on employment.

Method of adjustment. The British statistics on the labor force were adjusted to U.S. concepts based on information from the population census and the General Household Surveys.

1. *Adjustment for overcount of employment.* According to the results of the 1971 GHS, 3.3 percent of the male workers and 2.8 percent of the female workers were multiple jobholders. About 57 percent of the multiple jobholders held more than one wage or salary job (a male-female breakdown was not available on this point). It was assumed that 57 percent of the 3.3 percent of male workers were multiple jobholders in the establishment census. Thus, 1.9 percent of all men reported as working in the establishment

census were multiple jobholders. Similarly 1.6 percent of the women held more than one wage or salary job. These percentages were applied to the reported number of male and female employees in the establishment census to arrive at an estimate of the overcount due to multiple jobholding. For 1971, using this method, there were 385,000 multiple jobholders in the establishment census figures.²⁷ Domestic workers, who were not covered in the establishment census, should be added. They numbered about 90,000 in 1971. Thus a net overcount of 295,000 (385,000 - 90,000) was estimated for 1971.

In 1972, using the same method discussed above, it was estimated that 2.2 percent of the men and 1.6 percent of the women in the establishment census were multiple jobholders. Data on multiple jobholding was not available from the 1973 and 1974 surveys. Therefore, for years after 1972, the 1972 relationships have been used. The number of domestic workers was assumed to be 0.4 percent of civilian employment each year, based on the 1971 census.

The proportion of multiple jobholders in the 1966 sample census was somewhat less than in 1971—2.5 percent versus 3.1 percent for both sexes. The adjustment for multiple jobholders was scaled down to 1.5 percent for men and 1.4 percent for women in 1966 and prorated through 1971.

2. *Unpaid family workers.* There are very few unpaid family workers in Great Britain because British tax laws are such that the majority of family workers are paid. Data on the number of family workers are available from the population censuses, but there is no indication as to how many are unpaid and how many work fewer than 15 hours during the week. It was decided that the number of unpaid family workers is probably too small to warrant an adjustment to include them. This assumption can be tested when results of the 1976 General Household Survey become available, since this survey will enumerate wives who work in their husband's business without pay.

3. *The number of unregistered unemployed,* as determined above, was added to the reported labor force.

Unemployment rate

The published British unemployment rate is computed by dividing the number of registered unemployed (including school leavers but excluding adult students) by the total wage and salary labor force (employed and unemployed). The unemployment rate adjusted to U.S. concepts is computed by dividing the sum of the registered (including adult students) and estimated

²⁷This figure may be somewhat overestimated because in the GHS a person may be coded as having more than one job when the different jobs are all with the same employer; such a person could be counted only once in the Census of Employment. However, there is no information on the amount by which the 385,000 should be reduced.

unregistered unemployed and persons on temporary layoff by the civilian labor force adjusted for overcount and registered unemployed. (See table B-18.)

Quarterly and monthly estimates

The Bureau of Labor Statistics estimates seasonally adjusted unemployment rates adjusted to U.S. definitions for Great Britain. The method used in making these adjustments is as follows:

Unemployment. To arrive at the number of unemployed, adjusted to U.S. concepts, BLS adds together the wholly unemployed (which excludes school leavers and adult students), school leavers, persons temporarily laid off, the unregistered unemployed, and adult students.

The number of wholly unemployed excluding school leavers and adult students is the seasonally adjusted series published by the Department of Employment. Since 1972, the series has been adjusted using the additive version of the X-11 Variant of the U.S. Bureau of the Census Method II seasonal adjustment program. Prior to 1972, a multiplicative seasonal adjustment program devised by the Central Statistical Office was used. School leavers and the temporarily laid off are seasonally adjusted by BLS using the multiplicative option of the X-11. The number of unregistered unemployed is calculated by multiplying the sum of the wholly unemployed and school leavers, both of which are seasonally adjusted, by annual factors, derived from the General Household Survey.

The number of adult students added to the unemployed for adjustment to U.S. concepts is a constant based on the annual average number of adult students registered as unemployed. As noted above, an increasing number of adult students in the period 1970-76 registered as unemployed during their holidays in order to collect supplementary benefits. The registration of these persons caused distortions in BLS's seasonal adjustment of this series. Therefore, a constant number of adult students is added to the quarterly and monthly estimates of the unemployed. In 1977, fewer adult students registered during the short school holidays, because regulations were changed so that they were no longer entitled to benefits.

Labor force. Monthly estimates of the labor force cannot be made because employment statistics are published only quarterly. Quarterly estimates of the labor force adjusted to U.S. definitions are derived by adding reported employment (employees in employment plus the self-employed), seasonally adjusted by the Department of Employment, to the seasonally adjusted number of unemployed adjusted to U.S. concepts. Estimates of the number of persons temporarily laid off the entire week and multiple jobholders are subtracted. The figure used for multiple jobholders is a constant derived from the latest available General Household Survey.

Table B-18. Great Britain: Adjustment of labor force data to U.S. concepts, 1959-76

(Numbers in thousands)

Item	1959	1960	1961	1962	1963	1964	1965	1966	1967
Reported civilian employment	22,785	23,177	23,487	23,631	23,698	24,036	24,260	24,332	24,021
Plus: Registered unemployed	444	346	312	432	521	372	317	331	519
Reported civilian labor force	23,229	23,523	23,799	24,063	24,219	24,408	24,577	24,663	24,540
Less: Net overcount	219	225	230	232	233	228	232	232	241
Plus: Adult students ¹	—	—	—	—	—	—	—	—	2
Plus: Unregistered unemployed ²	219	170	151	238	305	237	211	222	300
Adjusted civilian labor force	23,229	23,468	23,720	24,069	24,291	24,417	24,556	24,653	24,601
Rounded	23,230	23,470	23,720	24,070	24,290	24,420	24,560	24,650	24,600
Registered unemployed	444	346	312	432	521	372	317	331	519
Plus: Adult students ¹	—	—	—	—	—	—	—	—	2
Plus: Temporarily laid off ³	7	1	6	9	7	1	5	4	7
Plus: Unregistered unemployed ²	219	170	151	238	305	237	211	222	300
Adjusted unemployed	670	517	469	679	833	610	533	557	828
Rounded	670	520	470	680	830	610	530	560	830
Unemployment rate (percent):									
As published ⁴	2.0	1.5	1.4	1.9	2.3	1.6	1.4	1.4	2.2
Adjusted to U.S. concepts	2.9	2.2	2.0	2.8	3.4	2.5	2.2	2.3	3.4
	1968	1969	1970	1971	1972	1973	1974	1975	1976
Reported civilian employment	23,916	23,924	23,811	23,402	23,570	24,088	24,169	24,004	23,830
Plus: Registered unemployed	546	540	577	752	835	588	585	936	1,305
Reported civilian labor force	24,462	24,464	24,388	24,154	24,405	24,676	24,754	24,940	25,135
Less: Net overcount	261	260	279	295	337	336	337	5,333	5,330
Plus: Adult students ¹	3	4	5	6	9	9	11	35	44
Plus: Unregistered unemployed ²	252	192	160	157	160	176	85	5,180	5,251
Adjusted civilian labor force	24,456	24,400	24,274	24,022	24,237	24,525	24,513	5 24,822	5 25,100
Rounded	24,460	24,400	24,270	24,020	24,240	24,530	24,510	5 24,820	5 25,100
Registered unemployed	546	540	577	752	835	588	585	936	1,305
Plus: Adult students ¹	3	4	5	6	9	9	11	35	44
Plus: Temporarily laid off ³	2	5	5	11	10	6	9	16	6
Plus: Unregistered unemployed ²	252	192	160	157	160	176	85	5,180	5,251
Adjusted unemployed	803	741	747	926	1,014	779	690	5 1,166	5 1,606
Rounded	800	740	750	930	1,010	780	690	5 1,170	5 1,610
Unemployment rate (percent):									
As published ⁴	2.4	2.4	2.5	3.4	3.7	2.6	2.6	4.1	5.6
Adjusted to U.S. concepts	3.3	3.0	3.1	3.9	4.2	3.2	2.8	5 4.7	5 6.4

¹ Adult students registered as unemployed adjusted slightly to regularize date of count.

² For 1959-71 see table B-17 for method of estimation. For 1972 through 1974, unemployment from household surveys inflated to universe levels and adjusted to U.S. concepts. Surveys for 1975 onwards have not been published; unregistered unemployed figures for 1975 and 1976 are estimated as described in text.

³ Manufacturing workers laid off the entire week inflated to include nonmanufacturing based on data on registrations for temporary layoff benefits.

⁴ Registered unemployed as a percent of the civilian wage and salary labor force.

⁵ Preliminary estimate.

Unemployment rate. Quarterly unemployment rates are estimated by dividing the 3-month seasonally adjusted average of unemployment (adjusted to U.S. definitions) by the seasonally adjusted (adjusted to U.S. concepts) labor force. Since labor force data are only available quarterly, the labor force is held constant for each of the 3 months which make up that quarter. Additionally, the latest available labor force figure is used until the next quarterly figure is published. At that time, the unemployment rates are recalculated. The labor force figures generally lag by 4 months.

Italy

Prior to 1963, the International Labour Office (ILO) published the number of registered unemployed persons as representative Italian unemployment figures. The unemployment rate was computed by dividing the number of registered unemployed by the economically active population (excluding persons seeking first employment) reported in the 1951 population census. Beginning in 1963, however, the ILO began publishing the results of a quarterly sample survey as the more representative unemployment figures.

La settimana di riferimento è quella che comprende il giorno di riferimento

(Nella risposta ai quesiti delle varie colonne attenersi, ove richiesto, alle sigle o cifre convenzionali riportate in calce alla corrispondente colonna)

NOTIZIE PER TUTTE LE PERSONE DELLA FAMIGLIA							DA COMPILARE SOLAMENTE PER LE PERSONE IN ETÀ DI 14 ANNI O PIÙ														
Numero d'ordine dei componenti	Relazione col capo famiglia	Sesso	Età (anni compiuti)	Presenti o temporaneamente assenti			Stato civile	Istruzione	CONDIZIONE		Ore di lavoro effettuate nella settimana di riferimento			Ramo di attività economica prevalente dell'unità locale ove viene esercitata la professione, posizione nella professione e professione, arte o mestiere del lavoratore		Durata ricerca della occupazione	ADDETTI ALLA AGRICOLTURA E ALLE COSTRUZIONI (col. 14=1 o 4)	RISERVATO			
				Motivo dell'assenza	Durata dell'assenza (mesi)	Località ove si trova l'assente			Sigla	Cifra	N. ore	Causa	Posizione nella professione	PROFESSIONE	Se le ore sono inferiori a 33 indicare:				Se le ore sono superiori a 33 indicare:	Posizione nella professione	PROFESSIONE
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	
1																					
2																					
3																					
4																					
5																					
6																					
7																					
8																					

<p>Col. 2 RELAZIONE COL CAPO FAMIGLIA: Capo famiglia . . . 1 Coniuge 2 Figli 3 Altri parenti . . . 4 Domestici e simili . 5 Altri 6</p> <p>Col. 3 SESSO: Maschi M Femmine F</p> <p>Col. 4 ETÀ: Indicare gli anni compiuti secondo la "Tabella dell'età".</p>	<p>Per i PRESENTI indicare sempre: Col. 5 (motivo) 00 Col. 6 (durata) 00 Col. 7 (località) 00 Per gli ASSENTI dal Comune per tutta la settimana di riferimento indicare: Col. 5 (motivo): Emigrati all'estero . . . 1 Domiciliati di fatto in altro Comune . . . 2 Momentaneamente assenti Equipaggi in navigazione . . . 4 Col. 6 (durata): La durata dell'assenza in mesi Col. 7 (località): Lo stato estero e la provincia dove si trova l'assente (cfr. codice sul retro).</p>	<p>Col. 8 STATO CIVILE: Celibe o nubie . . 1 Coniugato 2 Vedovo 3 Separato 4</p> <p>Col. 9 ISTRUZIONE: Analfabeta 1 Nessun titolo . . . 2 Lic. elementare . . 3 Lic. scuola media inferiore . . 4 Diploma scuola media superiore . . 5 Laurea 6</p>	<p>Col. 10 CONDIZIONE: Professionista: Occupato OC-1 Ricerca nuova occupazione RO-2 Non professionale: In cerca di 1ª occupazione PO-3 Servizio leva SL-4 Casalinga C-5 Studente S-6 Inabile IN-7 Pensionato P-8 Altra condizione (beneficenziari, anziani, detenuti, vagabondi e simili) A-9</p>	<p>Col. 12 CAUSA ATTIVITÀ RIDOTTA: Malattia o maternità 1 Ferie o festività 2 Cattivo tempo 3 Inizio o cessaz. dell'attività nella settimana 4 Contratto di lavoro o rapporto d'impiego 5 Sottoccupazione: Causa stagionale 7 Altra causa 8 Non convenienza o interesse a maggior lavoro 9 Altre cause (specificare nelle annotazioni) 0</p> <p>Col. 13 CASSA INTEGRAZIONE GUADAGNI: Ne usufruisce 1 Non ne usufruisce 0 (cfr. NORME sul retro)</p>	<p>Col. 14 - RAMO DI ATTIVITÀ ECONOMICA Agricoltura, foreste, caccia e pesca AG-1 Industrie estrattive ES-2 » manifatturiere MA-3 » costruzioni CO-4 Produzione e distribuzione di energia elettrica e di gas: distribuzione acqua EL-5 Commercio CM-6 Trasporti e comunicazioni TR-7 Credito e assicurazione CE-8 Servizi e attività sociali varie SE-9 Pubblica Amministrazione PA-0</p> <p>Col. 15 - POSIZIONE NELLA PROFESSIONE Indipendenti: Imprenditore 1 Libero professionista 2 Lavoratore in proprio 3 Dipendenti: Dirigente 4 Impiegato 5 Operaio, subalterno e assimilato; categorie intermedie dell'industria 6 Coadiuvanti 7</p> <p>Col. 16 - PROFESSIONE Indicare, usando termini specifici, la professione, arte o mestiere esercitata; per i disoccupati, la professione, arte o mestiere esercitata nell'ultima occupazione posseduta.</p>	<p>Col. 17 DURATA RILEVAZIONE OCCUPAZ. PAZ. Indicare da quanti mesi e alla rilevazione della occupazione</p> <p>Le colonne 18 e 19 fanno riferimento ai tre mesi precedenti quello dell'attuale rilevazione</p> <p>Indicare, se le ore effettuate unicamente nell'agricoltura o rispettivamente nelle costruzioni</p>
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A N N O T A Z I O N I			Data di consegna all'Ufficio del Comune 195	
DELL'INTERVISTATORE (da compilare SEMPRE se col. 12 = 0)		DELL'UFFICIALE DI ANAGRAFE		L'INTERVISTATORE (Cognome e nome leggibili) Visto: per la revisione IL CAPO DELL'UFFICIO ADDETTO ALLA RILEVAZIONE
		Per i componenti che alle col. 6 figurano assenti da oltre 24 mesi, indicare se sono ancora iscritti in anagrafe, barrando il rettangolo che fa al caso		
Componente (n. d'ordine col. 1)	iscritto	Non iscritto		
	<input type="checkbox"/>	<input type="checkbox"/>		
	<input type="checkbox"/>	<input type="checkbox"/>		
	<input type="checkbox"/>	<input type="checkbox"/>		

ATTENZIONE: Le famiglie devono essere intervistate, al loro domicilio, non appena decorsa la settimana di riferimento. I modelli devono essere restituiti all'ISTAT entro e non oltre il 12° giorno successivo a quello di riferimento.

La settimana di riferimento è quella che comprende il giorno di riferimento

DA COMPILARE SOLAMENTE PER LE PERSONE IN ETÀ DI 14 ANNI O PIÙ																															
DA COMPILARE: sempre per gli OCCUPATI e le PERSONE IN CERCA DI NUOVA OCCUPAZIONE; per tutti gli altri solo se hanno effettuato almeno 1 ora di lavoro nella settimana di riferimento.												RICERCA DELL'OCCUPAZIONE																			
Stato civile	Istruzione	Condizione	Qualunque sia la condizione dichiarata, ha effettuato ore di lavoro nella settimana di riferimento? Se Sì, indicare il numero di ore lavorate in tutte le attività da cui la persona o la famiglia trae un guadagno	ATTIVITA' LAVORATIVA PRINCIPALE (O UNICA)										Solo per chi ha i codici 1 o 2 alla colonna 20																	
				PROFESSIONE		Branca di attività economica prevalente della unità locale	Numero ore effettivamente lavorate nella settimana di riferimento nella sola attività principale		Luogo dove svolge l'attività lavorativa	Come svolge la sua attività	Oltre l'attività principale svolge altri lavori anche in un diverso periodo dell'anno?	Cerca attività un lavoro?	Da quanti mesi è alla ricerca di un lavoro? (o per quanto tempo è stato alla ricerca di un lavoro?)	Quali azioni concrete ha compiuto per cercare lavoro? (barrare i codici corrispondenti a tutte le azioni compiute)	Quando ha compiuto l'ultima azione concreta per cercare lavoro?	Solo per chi ha i codici 5 o 6 alla colonna 20	Perché non cerca attivamente un lavoro?	Per gli scolari e studenti in età da 10 a 15 anni compiuti.	Contribuisce in qualche modo al proprio reddito familiare? (Rispondere Sì o NO)	Numero d'ordine											
				Denominazione	Codice		Posizione nella professione	Numero ore													Se sono inferiori a 40 indicare la causa	20	21	22								23	24	25	26	27
8	9	10	11	12		13	14	15	16	17	18	19	20	21	22								23	24	25	26	27				
															1	2	3	4	5	6	7	8									1
															1	2	3	4	5	6	7	8									2
															1	2	3	4	5	6	7	8									3
															1	2	3	4	5	6	7	8									4
															1	2	3	4	5	6	7	8									5
															1	2	3	4	5	6	7	8									6
															1	2	3	4	5	6	7	8									7
															1	2	3	4	5	6	7	8									8
															1	2	3	4	5	6	7	8									9

Col. 8 - STATO CIVILE	Col. 10 - CONDIZIONE	Col. 12 - PROFESSIONE	Col. 13 - POSIZIONE NELLA PROFESSIONE	Col. 14 - BRANCA DI ATTIVITA' ECONOMICA	Col. 16 - CAUSA RIDOTTA ATTIVITA'	Col. 17 - LUOGO	Col. 18 - MODO	Col. 19 - ATTIVITA' SECONDARIA	Col. 20 - RICERCA DI LAVORO	Col. 21 - DURATA DELLA RICERCA	Col. 22 - AZIONI CONCRETE DI RICERCA	Col. 23 - EPOCA DELL'ULTIMA AZIONE COMPIUTA	Col. 24 - CAUSA DELLA NON RICERCA	Col. 25 - STUDIO E LAVORO	Col. 26 - CONTRIBUTO REDDITO FAMILIARE
Celibe, nubile 1 Coniugato 2 Vedovo 3 Separato, divorziato, già coniugato 4	Occupato 1 Ricerca nuova occupazione 2 In cerca di occupazione 3 Servizio di leva 4 Casalinga 5 Studente 6 Inabile al lavoro 7 Persona ritirata dal lavoro 8 Altre condizioni (pensionanti, anziani, detenuti, vagabondi e simili) 9	Indicare, usando termini specifici, la professione esercitata, per le persone in cerca di nuova occupazione la professione arte o mestiere esercitati nell'ultima occupazione posseduta. Se la professione è fra quelle sottoelencate, indicare il codice che fa al caso. Insegnante, professore, bidello, personale scolastico 1 Militare di carriera fino ad appuntato 2 Militare di carriera da vice brigadiere in su 3 Ferroviere, tranviere, altri dipendenti dei pubblici trasporti 4 Cantoniere stradale e assimilati 5 Portalettere e altri dipendenti degli uffici delle P.P.T.T. 6 Natturbino 7 Membro di equipaggio mercantile in navigazione 8	Impiegato o intermedio 1 Libero professionista 2 Lavoratore in proprio 3 Coadiuvante 4 Dirigente 5	Agricoltura, foreste, caccia e pesca 01 Energia e acqua 02 Estrazione e trasformazione di minerali non energetici e prodotti derivati, industria chimica 03 Industrie di trasformazione dei metalli e meccanica di precisione 04 Officine e botteghe di riparazione di beni di consumo (auto, calzature, elettrodomestici, orologi, ecc.) 05 Altre industrie manifatturiere 06 Costruzioni e installazione di impianti 07 Commercio, alberghi e pubblici esercizi 08 Trasporti e comunicazioni 09 Credito e assicurazione, servizi prestati alle imprese, noleggio senza personale, locazione 10 Pubblica amministrazione, forze armate, assistenza e previdenza sociale 11 Altri servizi, attività sociali varie, istituzioni religiose, enti stranieri e organizzazioni internazionali 12	Malattia o maternità 01 Conflitto di lavoro 02 Ferie o festività 03 Cattivo tempo 04 Inizio o cessazione dell'attività nella settimana 05 Contratto di lavoro o rapporto d'impiego 06 Causa stagionale 07 Ridotta attività dell'azienda 08 Non ha trovato occasioni di maggior lavoro 09 Non convenienza o interesse a maggior lavoro 10 Altra causa 00	In casa o nelle immediate vicinanze 1 Fuori casa, ma nello stesso Comune 2 In altro Comune 3 Luogo variabile (rappresentanti, personale viaggiante, ecc.) 4	In modo regolare e continuo 1 In modo occasionale e saltuario 2 Solo stagionale 3	Sì 1 NO 2	NO, ma potrebbe lavorare a particolari condizioni 1 NO, non ha possibilità o interesse a lavorare 2 NO, ha già un lavoro, e non ne cerca un altro 3 NO, non ancora compiuta 4	NO, non ha possibilità o interesse a lavorare 1 Da 1 a 6 mesi fa 2 Oltre 6 mesi fa 3 Non ancora compiuta 4	Negli ultimi 30 giorni 1 Da 1 a 6 mesi fa 2 Oltre 6 mesi fa 3 Non ancora compiuta 4	Iscrizione presso ufficio pubblico di collocamento 1 Iscrizione presso agenzie private di collocamento 2 Visita personale a possibili datori di lavoro 3 Segnalazione a datori di lavoro da parte di amici e conoscenti 4 Invio a datori di lavoro di domande scritte di assunzione o partecipazione a concorsi 5 Inserzioni sui giornali per richieste di lavoro 6 Risposta ad inserzioni di datori di lavoro pubblicate sui giornali 7 Azioni concrete di ricerca non ancora iniziate 8	(N.B. - Il rilevatore non legga le cause elencate, ma ascolti le motivazioni della persona e traduca il codice che fa al caso. Se la persona indica più di un motivo, fare riferimento al motivo prevalente). Motivi di famiglia (assistenza ai figli e altri parenti, altri obblighi familiari, ecc.) 1 Motivi di studio 2 Ritiro dal lavoro per età 3 Motivi di salute, invalidità o altro impedimento fisico (compresa l'età avanzata) 4 Assenza di bisogno 5 Vana ricerca di un lavoro in passato 6 Convinzione di non disporre di sufficiente preparazione professionale e di non poter trovare un lavoro adatto alle proprie possibilità 7 E' considerato troppo giovane o troppo vecchio dai datori di lavoro 8 Servizio di leva 9 Non sa 0	Sì 1 NO 2	Rispondere per tutti i componenti della famiglia con almeno 10 anni d'età.

ATTENZIONE: Le famiglie devono essere intervistate, al loro domicilio, non appena decorso la settimana di riferimento. I modelli devono essere restituiti all'ISTAT entro e non oltre il 12° giorno successivo a quello di riferimento.

**Italy: English translation of labor force survey questions relating to labor force status:
Questionnaire used prior to 1977**

Columns 8-19. To be completed only for persons 14 years of age and over:

Column 10. Status:

- Professional
- Employed
- Seeking a new job
- Nonprofessional
- In search of first job
- Military conscript
- Housewife
- Student
- Unable to work
- Retired
- Other (financially independent, old age, prisoner, vagabond, etc.)

Columns 11-16. To be completed for all employed persons and persons seeking a new job and for persons whose status is nonprofessional if they worked during the reference week:

Column 11. Hours worked during the reference week

Columns 12-13. If less than 40 hours, indicate:

Column 12. Reason:

- Sickness or maternity
- Labor dispute
- Vacation or holiday
- Bad weather
- Start or termination of job during the reference week
- Work contract or terms of employment
- Underemployed
 - seasonal reasons
 - other reasons
- Not convenient or interested in working longer hours
- Other (specify)

Column 13. Are you taking advantage of the Wage Supplement Fund?

Column 14. Industry

Column 15. Class of worker (self-employed, wage or salary worker, unpaid family worker)

Column 16. Occupation

Column 17. Duration of seeking employment (to be completed for persons whose status is seeking a new job or in search of first job)

**Italy: English translation of labor force survey questions relating to labor force status:
Questionnaire used from 1977 onward**

Columns 8-24. To be completed only for persons 14 years of age and over:

Column 10. Status:

1. Employed
2. Seeking a new job
3. In search of first job
4. Military conscript
5. Housewife
6. Student
7. Unable to work
8. Retired
9. Other (financially independent, old age, etc.)

Column 11. Whatever the status declared, did you do any work at all in the reference week? If yes, indicate the number of hours worked in all the activities in which the individual or the family made earnings or profits.

Columns 12-19. To be completed for all employed persons and persons seeking a new job. For all other persons, complete only if 1 hour or more of work has been done in the reference week.

Column 12. Profession

Column 13. Position in the profession

Column 14. Branch of economic activity

Column 15. Hours worked during the reference week

Column 16. If less than 40 hours, indicate the reason:

1. Sickness or maternity
2. Labor dispute
3. Vacation or holiday
4. Bad weather
5. Start or termination of job during reference week
6. Work contract or terms of employment
7. Seasonal cause
8. Reduced business activity
9. Have not found opportunity for more work
10. Not convenient or interested in working longer hours
00. Other

Column 17. Place of work

Column 18. Regularity of activity (regular, seasonal, occasional, etc.)

**Italy: English translation of labor force survey questions relating to labor force status:
Questionnaire used from 1977 onward—Continued**

Column 19. Aside from your principal activity, do you do other work at another time of the year?

Column 20. To be completed by all persons age 14 or over, whatever the status reported in column 10.
Are you actively seeking work?

1. Yes, seeking a wage or salary job
2. Will soon begin a wage or salary job
3. Will begin, subsequent to reference week, self-employment and already have the necessary means
4. Intend to become self-employed, but do not yet have the necessary means to do so
5. No, would seek work only under certain conditions
6. No, do not have the possibility or the interest in seeking work
7. No, have a job and not seeking another

Columns 21 to 23. To be completed by all who responded according to number 1 or number 2 in column 20.

Column 21. How long have you been looking for work? (If the search has not begun, enter zero.)

Column 22. What definite actions have you taken to find work?

1. Registered at public employment office
2. Registered at private employment agency
3. Visited employers
4. Brought to attention of an employer by friends or acquaintances
5. Sent a resume to an employer or took a competitive exam
6. Placed an ad in a newspaper
7. Responded to an ad in a newspaper
8. Have not yet taken active steps to find work

Column 23. When did you last take definite action to find work?

1. In the last 30 days
2. One to six months ago
3. Over 6 months ago
4. Have not begun job search

Column 24. To be completed by those who responded according to number 5 or 6 in column 20.

Column 24. Why are you not actively seeking work? (The interviewer does not read the causes listed, but records response of the person interviewed.)

1. Family reasons
2. Studies
3. Retired
4. Health, invalidity, or other physical impediment
5. Absence of need
6. Searched in vain in the past
7. Insufficient professional preparation
8. Too young or too old
9. Military duty
10. Don't know

The results of the sample survey form the basis of the adjustment to U.S. concepts.

A major revision in survey methods was made in January 1977. The definition of unemployment remained essentially the same, but more probing questions were incorporated in the survey questionnaire. The more probing style of questioning resulted in significant increases in the number of persons enumerated as employed and unemployed. In addition, questions are now asked on work-seeking activities, and it is possible to determine the number of persons who have not taken active steps to find work in the past 30 days. The results indicate that there are a large number of such persons, who would probably be classified as "discouraged workers" rather than as unemployed under U.S. concepts. However, many may be registered unemployed persons who do not consider the listing of one's name on the unemployment register to be an active job search step in the last 30 days.

At the time this section was prepared, BLS had the summary results of the January and April 1977 surveys and the new survey definitions and questionnaire. BLS may revise its adjusted estimates of Italian labor force data after the complete results of the new surveys are obtained and certain remaining points have been clarified.

Unemployment

Registered unemployed. Italy tabulates the number of job-seekers 15 years of age and over registered at the local employment offices of the Ministry of Labor on the last day of each month. They are divided into five classes: (1) Unemployed formerly employed persons seeking work; (2) youths under age 21 and others seeking their first job and jobseekers released from military service; (3) housewives seeking work for the first time; (4) pensioners seeking employment; and (5) employed persons seeking other jobs. Usually classes (1) and (2), representing over 90 percent of the total in recent years, are used as a measure of unemployment.

Until the recent modifications in the Italian labor force survey, the registrations series was commonly acknowledged to overstate the level of unemployment because of failure of registrants to cancel their registrations promptly after obtaining jobs. The registration figures formerly were considerably higher than the unemployment data derived from the labor force survey. For example, in 1975 an average of 1,202,000 persons²⁸ were registered as unemployed; according to the labor force survey, 654,000 were unemployed. However, in January 1977, when more probing questions were incorporated in the survey, the survey enumerated 1,459,000 unemployed persons, while the registrations series counted 1,314,000.

Labor force surveys. Beginning with January 1959, the Italian Central Institute of Statistics (ISTAT) has conducted quarterly labor force surveys, usually in January,

²⁸Classes 1 and 2 of registered unemployed persons.

April, July, and October and with reference to the calendar week which includes the 20th of the month. Earlier surveys were conducted in September 1952, May 1954, May 1955, April 1956, May and November 1957, and October 1958. The surveys currently cover about 83,000 households distributed among some 1,400 communities representative of the whole country. They are carried out by personal interview.

Until 1972 the surveys covered the noninstitutional *resident population*, including persons temporarily working abroad and accompanying family members. Separate results were also published for the *present-in-area population*, which excludes persons temporarily abroad. Beginning in 1972, only the present-in-area population has been surveyed. Summary survey results are published by ISTAT in the *Bollettino Mensile di Statistica* and the *Notiziario ISTAT (foglio 34)*. More detailed results are published annually in the *Annuario di Statistiche de Lavoro*.

Modifications in the survey were made in January 1964 and January 1977. Beginning in January 1964, unemployed persons were defined as all those 14 years of age and over who did not work at all in the survey week and were actively seeking work. Prior to 1964, unemployed persons were defined as all those 14 years of age and over who actively sought work during the survey week and (a) did not work at all or (b) stated they did not have jobs (even though they may have done some work in the survey week).

In the surveys prior to January 1977, one question determined a person's labor force status. This question inquired as to the respondent's "condition" during the reference week. The possible answers on the survey form were as follows:

Professional:
Employed
Seeking a new job

Nonprofessional:
Seeking first job
Military conscript
Housewife
Student
Unable to work (handicapped)
Pensioner
Other (independent means, aged, etc.)

According to the definitions appearing on the survey form, persons enumerated as "seeking a new job" were those who had lost their job, were looking for another job, and were in a condition to accept a job if it was offered. This group of persons is referred to as the unemployed-*disoccupati*-in the survey results. Persons enumerated as "seeking first job" were those who had never been employed and were actively seeking work. The sum of the unemployed and the first-time jobseekers is referred to as those in search of work-*in cerca di occupazione*-in the survey results.

According to ISTAT, persons on layoff who were waiting to return to their jobs would most likely respond that they were employed. Persons not looking for work in

the survey week because of temporary illness and persons waiting to start a new job would most likely be classified as not in the labor force since they were not actively seeking work. However, no specific questions were asked on any of these categories.

Although the survey definitions stated that persons "seeking a new job" or "seeking first job" should be actively seeking work, there was no test or time period specified for workseeking activities. All persons enumerated as seeking work were asked the duration of their job search, and all persons responded according to some duration. Thus, there was no category of persons who had not begun looking for work. However, persons who had taken active steps to look for work more than 1 month ago, but had not done anything to find work during the month including the reference week, were counted as unemployed. Also, current availability for work was noted in the definition of persons "seeking a new job" but not in the definition of persons "seeking first job." There was no test of current availability in the survey questionnaire.

Special surveys of persons "not in the labor force" conducted in April 1973 and April 1975 indicated that many people were looking for work but not stating that they were unemployed or seeking a first job in the regular Italian surveys.²⁹ These surveys, unlike the regular Italian survey described above, contained more probing questions. They attempted to elicit information on the Italian population's attitude toward the labor market and reasons for nonparticipation in the labor force. Persons age 14 through 70 were interviewed.

The April 1973 and 1975 surveys were coordinated with the regular April labor force surveys. They classified the population in Italy into four categories according to degree of economic activity (table B-19): (1) Persons age 14 or over who are employed, unemployed, or looking for their first job. This represents the labor force in its most strict sense, and comprises those persons who respond that they are economically active in the above senses (employed, unemployed, etc.) when asked their current "condition." In April 1973, there were 19 million such persons. (2) Persons who say they are looking for a job who did not term themselves as unemployed or seeking their first job in the question concerning current "condition." There were 660,000 such persons in April 1973. (3) Persons who say they are not looking for work but who would accept it under certain conditions. In April 1973, there were 1.1 million persons in this category. (4) Persons who, although they are of working age (14-70), say that they are not working, are not looking for work, and are not disposed to accept work. In April 1973, there were 17.5 million persons in this category.

²⁹ A special survey of persons "not in the labor force" was also conducted in February 1971. However, it is of limited usefulness because it did not contain questions on workseeking activities. Also, it was not conducted in conjunction with the regular quarterly survey.

In January 1977, more probing questions were incorporated into the regular Italian labor force survey questionnaire and the definition of unemployment was made more precise. In addition to asking about a person's condition during the survey week, specific questions concerning workseeking activities are now asked. The current definition of unemployment—*persone in cerca di occupazione*—refers to all persons looking for work, including: (1) Those *previously employed*, namely persons age 14 and over who have lost previously held paid employment, have not performed any work during the reference week, and stated (a) that they were seeking paid employment and were able to accept it if offered to them; or (b) that they would begin, subsequent to the survey period, paid employment and had already found such employment; or (c) that they would become, subsequent to the survey period, self-employed and already had the necessary means.³⁰ (2) Those *seeking first job*, namely, persons age 14 and over who had never worked, or have been self-employed, or who have voluntarily discontinued working for a period of time not less than 1 year and fall within one of the three categories ("a," "b," or "c") noted under the previously employed above. (3) Those persons *in occupations not classified as employment*, namely, persons age 14 and over who stated initially that they were housewives, students, ex-workers, etc., but in answer to a second question in the course of the interview affirmed that they were looking for employment. Included in this group are the persons who described themselves as previously employed or seeking their first job (1 and 2 above) and intended to become self-employed but did not yet have the necessary means to do so.

The questions asked in the Italian survey concerning workseeking activities are as follows: (1) Are you actively seeking work? (2) How long have you been looking for work? (3) What definite actions have you taken to find work? and (4) When did you last take definite action to find work? Only an affirmative answer to the first question or an answer expressing intent to begin a new job or self-employment at a later date is required for enumeration of a person as unemployed. If the later questions elicit that the person has not actually begun his job search or has not taken any recent steps to find work, he is still classified as unemployed.

Question (4) noted above is unique to the Italian survey as a test of workseeking activity. For example, the U.S. survey asks "What have you been doing to look for work in the past 4 weeks?" The difference here is that the U.S. question specifically mentions a time period—4 weeks—while the Italian question asks when the person last actively sought work. One of the answers to the Italian question on the survey form is "in the last 30 days."

³⁰ In past surveys, persons who were seeking work who have been self-employed were included in the "previously employed" category. They are now included in the "seeking first job" category. Also, groups "b" and "c" were not identified in previous interviews.

Table B-19. Italy: Selected results from special labor force surveys, April 1973 and April 1975

(Thousands)

Item	April 1973			April 1975		
	Total	Men	Women	Total	Men	Women
Labor force	18,999	13,804	5,195	19,436	13,984	5,452
Employed	18,264	13,357	4,907	18,769	13,585	5,184
Seeking another job	(¹)	(¹)	(¹)	1,055	783	272
Unemployed or seeking first job	735	447	288	667	399	268
Not in the labor force (ages 14-70)	19,265	4,889	14,376	19,710	5,132	14,578
Looked for work but did not declare themselves as unemployed in a previous question	658	153	505	496	140	356
Did not look for work, but would accept work under certain conditions	1,121	190	931	908	158	750
Neither seeking work nor interested in work under certain conditions	17,486	4,546	12,940	18,306	4,834	13,472

¹ Not available.

SOURCE: Istituto Centrale de Statistica, *Annuario di Statistiche del Lavoro*, 1975 (for April 1973 survey), pp. 109-16; and 1976 (for April 1975 survey), pp. 103-15.

BLS is not certain that all persons who do not respond "in the last 30 days" should be excluded from the Italian unemployment figures for comparability with U.S. concepts, which require active jobseeking within the past 4 weeks. In the Italian survey, there could be a number of persons registered as unemployed who do not consider their act of registration to be their last definite action to find work, especially if reregistration is not required each month in order to obtain unemployment benefits. A cross-classification between jobseeking activities and time of last active job search would help to resolve this point.

Results from the January and April 1977 surveys, like the results of the special April 1973 and 1975 surveys, indicate that a large number of persons classified as "not in the labor force" in former surveys were actually actively seeking work by registering at official or private employment agencies, answering or placing advertisements in the newspapers, sending letters, or meeting with prospective employers. As noted above, the 1977 surveys also indicated that a significant proportion of persons previously enumerated as unemployed did not take any recent—i.e., within the past 30 days—active steps to find work.³¹ The major results of the January 1977 survey are shown in table B-20.

Beginning in January 1977, persons who are waiting to begin new jobs are enumerated as unemployed. There is no specific question on this point, but it is one of the responses listed to the question "Are you actively seeking work?" Such persons were most likely classified as not in

the labor force in earlier surveys. The category of persons seeking their first job was defined more broadly in January 1977 to include persons who had voluntarily discontinued working for a period of time not less than 1 year. Under the previous definition, such reentrants to the labor force were not included among the first-time jobseekers. They were classified as "seeking a new job."

Table B-20. Italy: Major results of the January 1977 labor force survey

(Thousands)

Item	Total	Men	Women
Labor force	21,357	14,551	6,806
Employed	19,898	13,904	5,994
Persons stating they have a job	18,991	13,499	5,492
Persons first stating they were unemployed, but then admitting to some type of work in reference week	907	405	502
Unemployed	1,459	647	812
Previously employed	253	159	94
Seeking first job	619	308	311
Persons who first stated they were inactive but subsequently affirmed they were looking for work	587	180	407
Nonworking population	34,132	12,517	21,615
Persons of working age ¹	18,220	4,784	13,436
Not seeking employment but would accept work under certain conditions	1,122	233	889
Persons not of working age ²	15,912	7,733	8,179
Total population ³	55,489	27,068	28,421

¹ Ages 14 through 70.

² Under age 14 and over age 70.

³ Sum of labor force and nonworking population.

SOURCE: Istituto Centrale di Statistica.

³¹The January 1977 results indicate that 65 percent of the previously employed unemployed took active steps to find work in the past 30 days; for the first-time jobseekers, the proportion was 55 percent; for those who first did not declare themselves as employed, the proportion was 32 percent. In the April 1977 survey, the corresponding proportions were 63, 53, and 33 percent.

Method of adjustment. From January 1977 onward, the only adjustment made to the reported number of unemployed is the exclusion of those who had not taken any active steps to find jobs in the past 30 days. As noted above, BLS is not certain that all persons should be excluded who reported no active steps in the past 30 days. The large number of persons in this category indicates a massive number of "discouraged workers" in Italy or an interpretation by many registered unemployed persons that their presence on the unemployment register does not constitute an active step to find work in the past 30 days. In the adjustments shown here, BLS has excluded all persons who reported no active steps to find work in the past 30 days. This adjustment may be modified when more information on the 1977 survey, and more detailed results, become available. In January 1977, 52.6 percent of the reported unemployment has been subtracted; in April, the proportion subtracted was 54.4 percent.

No adjustment has been made to exclude persons on layoff from the unemployed count. For many years Italy has had a Wage Supplement Fund (*Cassa Integrazione Guadagni*) maintained by employer contributions, which provides payments to compensate workers put on part time for economic reasons of a temporary nature. Also, legal restraints make it very difficult for firms to lay off workers. For these reasons, the term layoff has a somewhat different, more structured meaning in Italy than in the United States. Thus, when the activity of a plant declines, workers are put on short-time schedules, if at all possible, rather than laid off. According to a 1969 report from the U.S. Embassy in Rome, the number on part time who did no work at all during the reference week could not be accurately reported by ISTAT because there were so few workers in that category.

ISTAT will not make a reconciliation between the old and new surveys until some time in 1978. It is not yet known what the nature of this reconciliation will be and whether historical adjustments will be made. BLS has decided to await the ISTAT reconciliation rather than make any preliminary adjustments for the period 1959-76. Thus, the reported unemployment figures from the old Italian survey are used here, with only a small adjustment to the data for 1959-63 (discussed later). The differences between the old series and the adjusted new series may tend to cancel each other out. The old series excluded the workseekers who did not initially declare themselves as unemployed; also excluded were persons waiting to begin a new job. On the other hand, the old series included as unemployed those persons who took no active steps to find work in the past 30 days. The results from January and April 1977 indicate that the old series may have overstated unemployment somewhat because the number of persons who did not actively seek work in the past 30 days is greater than the number of workseekers who did not initially say they were unemployed.

The results of the special April 1973 and 1975 labor force surveys provided information on the number of jobseekers who did not initially declare they were unemployed. However, these surveys were not used to adjust the unemployment data because they did not provide any information on the time period in which active jobseeking last occurred. Thus, no adjustment could be made to exclude the inactive workseekers.

One other minor adjustment has been made to the data for 1959 to 1963. According to the report of the Statistical Office of the European Communities on the results of the October 1960 labor force survey conducted in the six member countries, 4.4 percent of those reported as unemployed in Italy in October 1960 were engaged in some work during the survey week. However, this would probably include some unpaid family workers who worked less than 15 hours in the survey week and who would be classified as unemployed according to U.S. definitions if they were seeking paid employment. To roughly adjust the Italian unemployment figures for 1959-63 to exclude persons who worked during the survey week, the published figures have been reduced by 3 percent. No adjustments are needed after 1963 since such persons were excluded from the reported unemployed after that date.

Labor force

The labor force consists of all employed and unemployed persons 14 years of age and over; career military personnel are included. Prior to 1964, the labor force consisted of all "regularly" employed persons 10 years of age and over and unemployed persons 14 years of age and over. Unpaid family workers are included in the labor force regardless of the number of hours worked.

The employed consist of persons age 14 and over who worked for pay or profit during the survey week or who were temporarily absent from work as a result of sickness, holidays, or temporary layoff. Prior to 1964, employed persons consisted of all those 10 years of age or over who stated they had jobs, regardless of the number of hours they worked. Persons 10 years of age and over who did some work in the survey week but who stated they did not have jobs were classified as either (a) occasional workers and "not in the labor force" or (b) unemployed, if 14 years of age or over and actively seeking a job. Beginning in 1964, the occasional worker category was dropped in favor of underemployed persons—defined as persons who worked less than 33 hours in the reference week because of economic reasons, i.e., lack of work, and not because of their own preference.³² Underemployed persons are classified as a subcategory of employed persons and therefore as "in the labor force." ISTAT revised data for 1963 by (1)

³²Beginning in January 1977, underemployed persons are defined as those who worked less than 26 hours for economic reasons.

adding all persons formerly classified as occasional workers to the employed category and (2) reclassifying part of the new total employed category into the underemployed subcategory. (The new definitions were apparently introduced in 1963 so that 1963 survey results could be classified according to both the old and new labor force status definitions.) For years prior to 1963, ISTAT added the total "occasional worker" category to the employed total.

The January and April 1977 labor force surveys indicated that employment as well as unemployment was understated by prior surveys. Approximately 1 million persons who did not initially respond that they were employed stated, under further questioning, that they had done some work during the reference week.³³ Unfortunately, no information on this point was obtained in the special surveys conducted in April 1973 and 1975.

Method of adjustment. Data on career military personnel in Italy can be obtained from figures reported to the Statistical Office of the European Communities. The career military are subtracted from the reported labor force to arrive at the civilian labor force.

Employed youths under the age of 14 are subtracted, including those classified as occasional workers in 1959-62; no adjustment is needed on this point after 1965.

Unpaid family workers not at work in the survey week are subtracted. These figures are reported in the survey. "Regularly employed" unpaid family workers at work 1 but less than 16 hours in the survey week are also subtracted. U.S. definitions would exclude unpaid family workers at work less than 15 hours in the survey week; however, the Italian data do not provide a break at the less-than-15-hours level.

For the years 1959-63, the number of "occasional workers" at work less than 16 hours in the survey week as unpaid family workers is subtracted. In 1963, 75,000 "occasional workers" worked as unpaid family workers, of whom 25,000 worked less than 16 hours. Prior to 1963, the number of unpaid family "occasional workers" was not classified by number of hours worked. Since one-third of the unpaid family occasional workers worked less than 16

hours in 1963, it is roughly estimated that one-third of unpaid family occasional workers worked less than 16 hours in prior years, and they have been subtracted from the labor force.

Results of the January and April 1977 labor force surveys indicate that employed Italian men were undercounted by 3 percent and women by 9 percent. These figures were also reported by economic sector. To make adjustments for the unreported employed for the entire 1959-76 period, adjustment factors were applied for four separate categories of the employed: (1) Men in agriculture; (2) men in nonagricultural activities; (3) women in agriculture; and (4) women in nonagricultural activities. Factors relating to sectors as well as sex were used because there has been a massive shift out of the agricultural sector in Italy since 1959. The figures for January and April 1977 indicate that unreported employment is predominantly in the agricultural sector.

The adjustment factors used were averages calculated from the January and April 1977 data. The factors, relating to unreported as a percent of reported employment, were as follows: For men in agriculture—10.1 percent; for men in nonagricultural activities—2 percent; for women in agriculture—21.7 percent; for women in nonagricultural activities—6.7 percent. A further adjustment was made to exclude persons in the unreported employed category who were unpaid family workers who worked 15 hours or less in the reference week. Data are not yet available on this point from the 1977 surveys. However, these surveys indicated that about 60 percent of the previously unreported employed were either self-employed or unpaid family workers. It is believed that a significant proportion of the unreported employed could be unpaid family workers who worked only a few hours a week. Persons in this category should be excluded for comparability with U.S. concepts. Persons with such a marginal attachment to the labor force would most likely initially respond that their status was other than employed—e.g., housewife, student, etc. In the absence of exact data on this point, 10 percent of the "unreported employed," as calculated above for the years 1959-76, was subtracted to account for unpaid family workers who worked less than 15 hours. BLS is attempting to get precise figures on this point from ISTAT, perhaps from unpublished tabulations. Table B-21 shows the method of obtaining unreported employment for 1959-76. The labor force therefore has been adjusted to U.S. concepts by adding estimates of unreported employment and subtracting career military personnel, employed youths under age 14, and unpaid family workers who worked less than 16 hours in the survey week. There may be some duplication between the latter two categories—that is, unpaid family workers under age 14 who worked less than 16 hours in the survey week. However, after 1965 there have been no employed youths under age 14 reported and duplication in prior years could not have been large.

³³There is also a large sector of illegal unreported unemployment in Italy known as *il lavoro nero*, or the labor black market. Use of the labor black market allows firms to pay lower wages and avoid payments into social security and similar funds, which are very high in Italy relative to wages. Also, firms using black market labor can bypass laws that make it virtually impossible to lay off workers in slack periods. Because the jobs are unreported, there are also no tax or social security deductions from the wages received by the workers. No attempt has been made here to determine the effect of the labor black market on the labor force survey results. Some illegally employed workers may report their employment in the survey, but it is likely that many will respond that they are either not in the labor force or unemployed. For a discussion of hidden employment in Italy see CENSIS, *L'Occupazione Occulta*, CENSIS Ricerca No. 2 (Rome, CENSIS, 1976).

Table B-21. Italy: Calculation of unreported employment, 1959-76

(Thousands)

Year	Reported employment				Total	Estimated unreported employment ¹				Adjusted unreported employment ²
	Agricultural		Nonagricultural			Agricultural	Nonagricultural			
	Men	Women	Men	Women				Men	Women	
1959	³ 4,449	³ 2,301	³ 9,315	³ 3,822	1,390	449	499	186	256	1,251
1960	³ 4,353	³ 2,124	³ 9,596	³ 3,792	1,347	440	461	192	254	1,212
1961	³ 4,060	³ 2,072	³ 9,900	³ 3,904	1,320	410	450	198	262	1,188
1962	³ 3,781	³ 1,988	³ 10,190	³ 3,879	1,277	382	431	204	260	1,149
1963	³ 3,500	³ 1,765	³ 10,406	³ 3,868	1,204	354	383	208	259	1,084
1964	³ 3,307	³ 1,621	³ 10,715	³ 3,807	1,155	334	352	214	255	1,039
1965	³ 3,349	³ 1,544	³ 10,398	³ 3,693	1,128	338	335	208	247	1,015
1966	3,192	1,397	10,428	3,620	1,077	322	303	209	243	969
1967	3,122	1,358	10,697	3,669	1,070	315	295	214	246	963
1968	2,869	1,304	10,880	3,747	1,042	290	283	218	251	938
1969	2,706	1,245	10,879	3,781	1,020	273	270	218	259	918
1970	2,499	1,114	11,170	3,910	979	252	242	223	262	881
1971	2,453	1,135	11,164	3,893	978	248	246	223	261	880
1972	2,274	1,024	11,176	3,857	934	230	222	224	258	841
1973	2,176	1,016	11,306	4,002	934	220	220	226	268	841
1974	2,105	1,006	11,571	4,216	944	213	218	231	282	850
1975	1,999	965	11,717	4,315	934	202	209	234	289	841
1976	1,959	970	11,742	4,455	941	198	210	235	298	847

¹ Adjustments based on figures from the January and April 1977 labor force surveys. For men in agriculture—10.1 percent of reported employment; for women in agriculture—21.7 percent; for men in nonagricultural activities—2 percent; for women in non-agricultural activities—6.7 percent.

² Total unreported employment less 10 percent to account for unpaid family workers who worked less than 15 hours in the reference week.

³ Adjusted to exclude employed persons under age 14.

Unemployment rate

The figure for the unemployed (adjusted to exclude those who worked in 1959-63) is divided by the adjusted labor force figure to arrive at Italian unemployment rates compatible with U.S. concepts. The resulting rates for 1959 through 1963 are about two-tenths of a percentage point lower than the reported Italian unemployment rate (table B-22). For 1964-76, the adjusted unemployment rates are one-tenth of a percentage point lower than the published rates. Beginning in January 1977, however, the published Italian unemployment data are on the revised basis and are much higher than previously reported. The adjusted figures are much lower than the reported unemployment rates because of the exclusion of a large number of inactive work-seekers.

Annual average unemployment rates are calculated by ISTAT as the average of the relevant data for January, April, July, and October. The average for these four dates is not exactly representative of the calendar year; however, BLS has not adjusted these data to a calendar-year basis.

Quarterly estimates

BLS estimates seasonally adjusted unemployment

rates adjusted to U.S. concepts for Italy. Since the Italian labor force survey is conducted quarterly, no monthly estimates of joblessness on the labor force survey basis are made.

Unemployment. Italy does not publish seasonally adjusted labor force data. For 1970 through 1976, BLS seasonally adjusted the reported Italian unemployment figures; no adjustments for comparability with U.S. concepts have been made to these figures. Seasonal adjustment is by the multiplicative version of the U.S. Bureau of the Census X-11 Variant, Method II, seasonal adjustment program.

The unemployment data beginning in 1977 do require adjustment for comparability with U.S. concepts. After adjustment, the data have been seasonally adjusted based on the previous year's seasonal factors. This assumes that seasonal factors based on the pre-1977 survey results are applicable to the new, adjusted, survey results.

Labor force. BLS seasonally adjusts the reported quarterly Italian labor force data and then applies factors to adjust the figures for comparability with U.S. definitions.

Table B-22. Italy: Labor force data adjusted to U.S. concepts, 1959-76

(Numbers in thousands)

Item	1959	1960	1961	1962	1963	1964	1965	1966	1967
Reported labor force	21,286	20,972	20,882	20,629	20,137	20,026	19,717	19,396	19,525
Less: Career military personnel	182	134	154	160	155	192	188	176	185
Less: Employed persons under age 14	282	271	236	180	94	27	19	0	0
Less: Unpaid family workers not at work	175	70	62	38	58	21	19	237	231
Less: Unpaid family workers at work less than 16 hours	60	55	41	27	62	66	76	60	49
Less: Unpaid family "occasional workers" at work less than 16 hours	3206	3139	3130	386	325	(4)	(4)	(4)	(4)
Plus: Unreported employment ⁵	1,251	1,212	1,188	1,149	1,084	1,039	1,015	969	963
Adjusted civilian labor force	21,732	21,515	21,447	21,287	20,827	20,759	20,430	20,092	20,223
Rounded	21,730	21,520	21,450	21,290	20,830	20,760	20,430	20,090	20,220
Reported unemployment ⁶	1,117	836	710	611	504	549	714	759	679
Less: Reported unemployed who worked in the survey week	34	25	21	18	15	(4)	(4)	(4)	(4)
Adjusted unemployed	1,083	811	689	593	489	549	714	759	679
Rounded	1,080	810	690	590	490	550	710	760	680
Unemployment rate (percent):									
As published	5.2	4.0	3.4	3.0	2.5	2.7	3.6	3.9	3.5
Adjusted to U.S. concepts	5.0	3.8	3.2	2.8	2.4	2.6	3.5	3.8	3.4
	1968	1969	1970	1971	1972	1973	1974	1975	1976
Reported labor force	19,484	19,266	19,302	19,254	19,028	19,169	19,458	19,650	19,858
Less: Career military personnel	195	198	182	190	191	191	183	169	169
Less: Employed persons under age 14	0	0	0	0	0	0	0	0	0
Less: Unpaid family workers not at work	235	217	219	218	221	222	217	214	212
Less: Unpaid family workers at work less than 16 hours	60	51	35	61	44	50	46	39	36
Less: Unpaid family "occasional workers" at work less than 16 hours	(4)	(4)	(4)	(4)	(4)	(4)	(4)	(4)	(4)
Plus: Unreported employment ⁵	938	918	881	880	841	841	850	841	847
Adjusted civilian labor force	20,132	19,918	19,947	19,865	19,613	19,747	20,062	20,269	20,488
Rounded	20,130	19,920	19,950	19,870	19,610	19,750	20,060	20,270	20,490
Reported unemployment ⁶	684	655	609	609	697	668	560	654	732
Less: Reported unemployed who worked in the survey week	(4)	(4)	(4)	(4)	(4)	(4)	(4)	(4)	(4)
Adjusted unemployed	684	655	609	609	697	668	560	654	732
Rounded	680	660	610	610	700	670	560	650	730
Unemployment rate (percent):									
As published	3.5	3.4	3.2	3.2	3.7	3.5	2.9	3.3	3.7
Adjusted to U.S. concepts	3.4	3.3	3.1	3.1	3.6	3.4	2.8	3.2	3.6

¹ Estimated based on 1960 ratios.

² Includes unknowns.

³ Estimated as one-third of all "occasional workers" who worked as family workers.

⁴ Not applicable after 1963.

⁵ See table B-21.

⁶ Sum of reported unemployed and first-time jobseekers.

Sweden

Sweden depended for many years on unemployment statistics maintained by trade unions. From 1956 to mid-1974, however, the Swedish Labor Market Board used monthly statistics on registrations of the unemployed at local unemployment offices. In July 1974, these monthly counts were replaced by new statistics showing the total volume of employment applications passing through the employment offices. At the same time, the monthly labor force sample survey, begun on a regular quarterly basis in 1962 and on a monthly basis in 1970, was established as the official source for Swedish unemployment figures.

Unemployment

Registered unemployed. Prior to July 1974, registration statistics comprised all persons registered as unemployed with the employment offices on the Monday in the week including the 15th of the month. The new employment application statistics, introduced in July 1974, represent the first phase of a coordinated statistical information system covering employment applications, job vacancies, and labor market policy measures. This system is intended to form the basis for planning activities at all levels of the employment service organization.

The new statistics cover all persons who file employment applications at the employment offices, whether unemployed or not. They show for each month the total inflow and outflow of applicants, the number of individuals transferring to retraining programs or public works projects, and the number of applicants remaining on the registers at the end of each month. Statistics on registered insured unemployment are also available. These figures comprise registrants for unemployment benefits by members of unemployment insurance funds established by trade unions. About two-thirds of the labor force belong to these funds. Statistics on applications at employment offices and on insured unemployment are published monthly by the National Labor Market Board in *Arbetsmarknadsstatistik* (Labor Market Statistics).

Labor force surveys. Since 1959, the Swedish Central Bureau of Statistics has made sample surveys of the labor force which are closely comparable in concepts and definitions to the U.S. survey. The 1959 surveys, conducted in May and November, were experimental. Two more were made in 1960 and three more in 1961. From 1962 through 1969, quarterly surveys were conducted in February, May, August, and November. Beginning in 1970, surveys have been made on a monthly basis. The surveys are conducted by telephone interview and relate to the week including the 15th of the month. Results are published monthly by the Central Bureau of Statistics in *Arbetskraftsundersökningen* (The Labor Force Survey).

About 12,000 persons were interviewed in the quarterly surveys. The sample size of the monthly surveys is currently 23,000 persons.

The unemployed consist of all persons (excluding invalids and institutionalized persons) between the ages of 16 and 74 who were not at work in the survey week (unpaid family workers who worked less than 15 hours in the survey week are considered not at work) who:

1. State they were looking for work (including persons awaiting the results of previous applications) within the past 60 days (counted from the last day of the survey week); or
2. Were waiting to be called back to a job from which they were laid off without pay; or
3. Were waiting to start a new job within 30 days; or
4. Would have looked for work except for being temporarily ill.

Prior to 1970, all persons 14 years of age and over were covered by the labor force surveys. However, data for these years were collected in such a way that revision to the new age limits of 16 to 74, instituted in 1970, could be made by Swedish authorities.

The 1967 revisions of the U.S. definitions brought them closer to the Swedish definitions. Under the revised U.S. definitions, a person must have engaged in some specific jobseeking activity within the past 4 weeks to be counted as unemployed. Prior to the revisions, there had been no specific question concerning methods of seeking work. In the Swedish survey there is a specific question—"In what way did you seek work?"—which is partially a check on the earlier question—"Were you looking for work?" This is quite similar to the current U.S. procedure. However, the time limit in the Swedish survey is 60 days rather than the 4-week period specified in the U.S. survey.

As in the United States, discouraged workers are classified as not in the labor force in Sweden.³⁴ Until 1976, Sweden collected data on discouraged workers by asking the question: "Would you have looked for work if you believed suitable work was available in your area?" In 1976, the phrasing of the question was changed, and the following three questions are now asked of persons not in the labor force: "Would you have liked to have worked last week?" "Were you prevented from working last week?" and "Why were you prevented from working last week?" In the United States, the questioning procedure relating to discouraged workers is similar to that now used in Sweden.

In the Swedish survey, students seeking work and currently available for work are supposed to be classified as unemployed, i.e., the classification used in the U.S. survey for such persons. However, a problem in enumerating unemployed students arises from the fact that there is no specific test of current availability for work in the Swedish questionnaire. In practice, therefore, the interviewers are

³⁴In Sweden, discouraged workers are referred to as the "latent unemployed."

instructed to consider full-time students as unavailable for work except during school vacations in order that a student seeking work during the school term, but available for work only during school vacation, would be excluded from the unemployed count—the same practice as in the United States. This practice, however, results in the classification of Swedish students seeking part-time work after school hours as not in the labor force. In the United States, they would be regarded as unemployed.

In Sweden, “active labor market” policies are highly developed and provide a comprehensive system of institutions for training and retraining. Persons who are given a wage or salary payment while receiving on-the-job training or attending courses at the request of the employer are classified as employed in the Swedish labor force survey. This is the practice followed in the United States. Unlike the United States, however, Sweden classifies as “not in the labor force” persons receiving government-sponsored vocational training or retraining without wage or salary payment. Such persons generally would be regarded as unemployed in the United States.

Method of adjustment. No adjustments have been made in the Swedish unemployed count as measured by the labor force surveys. It is not necessary to add figures for unemployed persons age 75 and over since unemployment among such persons is negligible.

No adjustment has been made for students seeking work during the school term. Data derived from the new questions on discouraged workers indicate that the number of such students is small. The number of students who would have liked a job and who were currently available for work during the survey week averaged about 4,000 in 1976. However, this represents an upper limit of the possible number of unemployed students who should be added because not all of these students were actively seeking work. Even at the upper limit, the resulting increase in the unemployment rate would be only about one-tenth of 1 percent.

No adjustment could be made for the more lengthy period allowed for jobseeking activities in Sweden—60 days as opposed to the 4-week period specified in the U.S. survey. The longer period allowed in Sweden undoubtedly results in some upward bias in the Swedish unemployment data when compared with U.S. figures.

No adjustment could be made for the classification of persons in government-sponsored institutional training programs as outside the labor force rather than unemployed. The monthly average number of persons in training for labor market reasons rose continuously from 8,100 in 1961 to 46,000 in 1973, then moved downward to 36,000 in 1975. However, all such persons would not be regarded as unemployed under U.S. concepts. For example, some Swedish training programs for youth are similar to the U.S. Job Corps program. Participants in the Job Corps are considered as not in the labor force. Also, an unknown number

of persons in the Swedish training programs receive a wage or salary in connection with on-the-job training. These persons are counted as employed in both Sweden and the United States.

Inclusion of all persons in Swedish training and retraining programs in the unemployed count would raise the comparative Swedish rate by two-tenths of a percentage point in 1961 (from 1.5 to 1.7) and by 1.1 percentage points in 1973 (from 2.5 to 3.6). These figures, of course, represent the outer limits of the probable effect of reclassifying these persons according to the U.S. method. The effect is much smaller if we focus only upon special retraining programs for persons previously unemployed. There were 4,700 persons in such courses in 1961 and 17,100 in 1973. Addition of these persons to the unemployed count would raise the Swedish rate by one-tenth of a percentage point in 1961 and four-tenths of a percentage point in 1973.

Labor force

The labor force figures used in Sweden include career military personnel. The civilian labor force is used in U.S. calculations of unemployment rates. Therefore, adjustments are made to the reported Swedish labor force to eliminate the career military (about 18,000 persons). Data on career military personnel are obtained from Swedish population censuses. A small adjustment is also made to include in the labor force persons age 75 and older. Data on these persons were available from the quarterly surveys conducted in the 1961-69 period. From 1970 onward, these data are derived from special tabulations.

Unemployment rate

The published Swedish unemployment rate is calculated by dividing the unemployed by the total labor force aged 16 to 74. The adjusted rate is computed by dividing the unemployed by the civilian labor force, adjusted to include those 75 years old and over and to exclude career military personnel. The effects of the adjustments are so small that the reported and adjusted rates are identical in most years (table B-23).

Quarterly and monthly estimates

The Bureau of Labor Statistics calculates seasonally adjusted unemployment rates adjusted to U.S. concepts for Sweden. The method used to make these estimates is as follows:

Unemployment. Since the Swedish labor force survey concept of unemployment is quite similar to that of the U.S., no adjustment is made for comparability. BLS uses the Central Bureau of Statistics' (SCB) seasonally adjusted unemployment series. The SCB seasonally adjusts using the

Table B-23. Sweden: Labor force data adjusted to U.S. concepts, 1961-76

(Numbers in thousands)

Item	1961	1962	1963	1964	1965	1966	1967	1968
Registered unemployed	21.0	23.3	24.8	21.2	20.0	26.7	35.9	40.1
Registered insured unemployed	16.6	18.6	20.1	17.0	16.6	22.2	28.8	33.4
Percent of total insured	1.2	1.3	1.4	1.1	1.1	1.4	1.7	2.0
Labor force survey data:								
Reported labor force: ¹								
Age 14 and above	23,670	3,746	3,813	3,779	3,796	3,847	3,817	3,867
Age 16 to 74	23,592	3,676	3,749	3,710	3,738	3,792	3,774	3,822
Age 14 and 15	54	46	42	49	38	34	27	27
Age 75 and over ³	24	24	22	20	20	21	16	18
Labor force age 16 and over	3,616	3,700	3,771	3,730	3,758	3,813	3,790	3,840
Less: Career military personnel	18	18	18	19	19	19	19	18
Adjusted civilian labor force	3,598	3,682	3,753	3,711	3,739	3,794	3,771	3,822
Reported unemployed:								
Age 16 to 74	² 52	54	63	57	44	59	79	85
Reported unemployment rate (percent)								
Age 16 to 74	² 1.4	1.5	1.7	1.6	1.2	1.6	2.1	2.2
Adjusted unemployment rate (percent) ⁴	1.4	1.5	1.7	1.5	1.2	1.6	2.1	2.2
	1969	1970	1971	1972	1973	1974	1975	1976
Registered unemployed	36.0	36.5	59.6	69.0	66.2	—	—	—
Registered insured unemployed	29.9	29.5	45.3	48.2	46.0	39.0	36.7	32.7
Percent of total insured	1.7	1.5	2.0	2.0	1.9	1.5	1.4	1.2
Labor force survey data:								
Reported labor force: ¹								
Age 14 and above	3,877	—	—	—	—	—	—	—
Age 16 to 74	3,840	3,913	3,961	3,969	3,977	4,043	4,129	4,155
Age 14 and 15	23	—	—	—	—	—	—	—
Age 75 and over ³	14	14	12	12	12	12	12	12
Labor force age 16 and over	3,854	3,927	3,973	3,981	3,989	4,055	4,141	4,167
Less: Career military personnel	18	18	18	18	18	18	18	18
Adjusted civilian labor force	3,836	3,909	3,955	3,963	3,971	4,037	4,123	4,149
Reported unemployed:								
Age 16 to 74	72	59	101	107	98	80	67	66
Reported unemployment rate (percent)								
Age 16 to 74	1.9	1.5	2.5	2.7	2.5	2.0	1.6	1.6
Adjusted unemployment rate (percent) ⁴	1.9	1.5	2.6	2.7	2.5	2.0	1.6	1.6

¹ Beginning January 1970, the age limits of the Swedish labor force survey were revised to cover persons age 16 to 74. Previously, persons age 14 and above were covered. A revised series of data back to 1962 based on the new age limits has been published by Swedish authorities.

² Only three surveys were conducted in 1961. Therefore, the average figures for the three surveys have been adjusted slightly (based on ratios obtained from the 1962 surveys) to compensate for the missing February data.

³ Labor force age 14 and above minus labor force age 16 to 74 and labor force age 14 and 15 for 1961-69; figures on persons 75 years old and over were published in special tabulations for 1970 and 1971. The 1971 figure is being used for 1972 and later years until special tabulations for those years become available.

⁴ Reported unemployment age 16 to 74 as percent of adjusted civilian labor force. The number of unemployed persons age 75 and over is negligible.

multiplicative version of the SA-4 program of the Swedish Institute of Economic Research. This series is published in the SCB monthly, *Arbetskraftsundersokningen*. The SCB revises its seasonally adjusted series when full-year data are available.

Labor force. Swedish labor force data require a small adjustment for comparability to U.S. definitions. The ratio of annual average labor force adjusted to U.S. concepts to annual average "as published" labor force is applied to seasonally adjusted monthly labor force data. The SCB does

not publish a seasonally adjusted labor force series; therefore, BLS seasonally adjusts the Swedish labor force using the multiplicative version of the U.S. Bureau of the Census X-11 Variant, Method II, seasonal adjustment program.

The previous year's seasonal factors are applied to current data until the full year's experience can be incorporated into the seasonal adjustment program.

1. Did you do any paid work last week?
(week , i. e.)?

2. We will include paid work and work in your own business (farmers included) or freelance work, even if it did not take more than an hour. Did you do any work of this kind last week (.)?

3. How did you spend most of last week? Were you running your own home (studying) or doing something else?

AH = Running your own home
ST = Studying
Ö = Miscellaneous
FR = Temporarily absent from work
SÖ = Looking for work
VPL = Military service
IA = Admitted for institutional treatment
LS = Chronically ill or an invalid

4. Has any member of your family (Has your husband or any other member of your family) whom you live with a business of his/her own (including a farm) or a freelance type of job?

5. Did you do any work in his/her business last week (.) without being paid money for it?

English Translation of Swedish Labor Force Survey Questionnaire

6. How many hours did you work last week (.....)?
Include any overtime, as well as extra work or an extra job.
7. Are you employed even though you did not do any paid work last week?
Or are you self-employed (including farmers) or a freelance?
8. Were you looking for work last week (.....
.....)?
9. Why were you away from work last week (.....)?
- 1 = ill
 - 2 = on holiday
 - 3 = on military service
 - 4 = industrial dispute
 - 5 = leave of absence or some other reason
 - 6 = temporarily laid off without pay
 - 7 = waiting to start a new job within 30 days
10. In what way did you look for work?
- Af = Employment Service
 - Ag = employer
 - An = advertisement (s)
 - Ö = some other way (s)
11. How many weeks have you been looking for work (or laid off)?
12. Do you belong to an approved unemployment benefit society?
- 13A. Who was your main employer last week
(when you were last employed)?
- 13B. Is the firm a limited company?

English Translation of Swedish Labor Force Survey Questionnaire

14. What is the main line of business (production) of the firm (work-place)?

- 15A. What was your main work last week (when you were last employed)?

- 15B. In what occupation would you class this work?

16. Last week (when you were last employed), did you work as ...
 1. a self-employed person
 2. an employee
 3. a member of the family, helping without being paid money

17. Did you have any employees?

18. Were you employed by
 3. state/national authorities
 4. municipal/local authorities or
 5. a private employer?

19. Last week, then, you worked for hours.
Would you have liked more work?

20. Could you have taken on more work last week?

21. How many hours would you have liked to have worked altogether last week (.....)?

22. How many hours do you normally put in every week at your job
(IF MORE THAN ONE/OM FLERA: at your jobs)?

23. Why did you work less than 35 hours last week?

24. Why do you usually work less than 35 hours per week?

English Translation of Swedish Labor Force Survey Questionnaire

25. Why did you work less than 35 hours last week and not any other week?
- 01 Not enough work to be had, factory/machinery being repaired, shortage of materials, production reduced
 - 02 Busy looking after the home and family
 - 03 Ill myself
 - 04 Studying
 - 05 Full working week less than 35 hours
 - 06 Leave of absence or some other reason
 - 07 Do not want to work full time
 - 08 Left a job or started a new one during the week
 - 09 On holiday
 - 10 Bad weather
 - 11 Industrial dispute
26. How many hours do you normally put in every week at your job (IF MORE THAN ONE/OM FLERA: at your jobs)?
27. Why do you usually work less than 35 hours per week?
- 1. Not enough work to be had, factory/machinery being repaired, shortage of materials, production reduced
 - 2. Busy looking after the home and family
 - 3. Ill myself
 - 4. Studying
 - 5. Full working week less than 35 hours
 - 6. Other reason(s)
 - 7. Do not want to work full time
28. Would you have liked to have had work last week (.....)?
29. Could you have taken on work last week, or were you prevented from doing so?

English Translation of Swedish Labor Force Survey Questionnaire

30. What was your main reason for not being gainfully employed last week or for not applying for gainful employment?
- 1 No suitable job opportunities in the area
 - 2 Person interviewed rates his/her chances of obtaining employment as small
 - 3 Other reason(s)
31. What was your main reason for being unable to take on work last week?
- 4 Nobody to look after the children
 - 5 Too busy with housework and/or with nursing in the family
 - 6 Busy studying
 - 7 Ill or temporarily admitted for institutional care
 - 8 Other reason(s)
32. How many hours would you have liked to have worked last week?
33. Have you ever applied for work, and if so, when?
34. When did you last apply for work?
35. How many hours would you have liked to have worked last week?
37. One can start looking for a job immediately after leaving another job, or one may wish to start working again after a period without work.
- How did you start to look for work? "Immediately" here means not more than one month?

English Translation of Swedish Labor Force Survey Questionnaire

38. Did you leave your job in connection with personnel or production cuts, because the work you were engaged for was completed or for some other reason?

- 1 Personnel or production cut
- 2 Work completed
- 3 Reasons of health (including early retirement)
- 4 Child care, housework
- 5 Studies
- 6 Retirement
- 7 Removal to another area
- 8 Other reason(s)

39. What is your marital status?

- 1 Married
- 2 Unmarried
- 3 Formerly married (widow, widower, divorced)

40. Have you any children living at home who are under 17?

- a. How many?
- b. How old are they?

A. We shall be coming back for an interview in(month). Can we then

- a. get in touch with you via the same telephone number?

(IF YOUR PHONE NUMBER WILL BE DIFFERENT/OM NYTT TELEFON NUMMER):

- Will you also be changing your address?
- What will your new address be?

- b. get in touch with you by phone?

(IF SO/OM JA):

- What will your phone number be?
- Will you still have the same address in(month)?

(IF NOT/OM NEJ):

- What will your new address be?

B. When do you think we will be likeliest to find you at home?

Appendix C. Methods of Adjustment by Age and Sex

The adjusted unemployment rates by age and sex (chapter 3) are less reliable than the overall adjusted unemployment rates. Whereas adjustments made to the overall unemployment rates were based on published statistics generally available each year, adjustments by age and sex were often partially estimated on the basis of data for years other than those studied. For example, career military personnel and unpaid family workers working less than 15 hours a week had to be excluded from the labor force in most countries for comparability with U.S. data. Such adjustments by age group for France and Italy were based on age distributions from the 1960 labor force survey coordinated by the Statistical Office of the European Communities. (See appendix E.) For Japan, age distributions of career military personnel were taken from the 1965 census.

The following sections present descriptions of the methods of deriving comparative data by age and sex in the nine countries studied.¹ Since the methods used in 1968, 1970, and 1974-76 were identical, tables are shown only for the 1968 adjustments (1971 for Great Britain).

Canada

Prior to the 1976 revision in the Canadian survey, data were published with a lower age limit of 14. Separate data were published on 14-year-olds, however, and they have been excluded. The figures for 1968 and 1970 from the old Canadian survey significantly understated female unemployment and overstated male unemployment. Statistics Canada prepared a revised series for 1968 and 1970, but did not show all detailed age breakdowns. For 1974, figures for all age groups adjusted to the new survey concepts, which are comparable with U.S. statistics, were available. For comparison, 1968, 1970, and 1974 figures based on both the old and new surveys are shown.

Australia

No adjustments were made for Australia, since the regularly published data are regarded as comparable with U.S. statistics.

¹See appendix B for detailed descriptions of the methods used to adjust each country's overall unemployment rate to U.S. concepts. This appendix relates to additional estimates that have been made to derive unemployment rates by age and sex.

Japan

The reported Japanese labor force includes career military personnel and unpaid family workers working less than 15 hours. The age distribution of the career military labor force was based on the 1965 census age distribution of protective service workers, of which the national defense force is a part. The age and sex distribution of unpaid family workers working less than 15 hours was based on the ratios for all unpaid family workers. The published unemployed figures do not require adjustment. The adjusted unemployment rates by age and sex for Japan are virtually the same as the rates based on published data (table C-1).

France

Both the labor force and the number unemployed require adjustment to U.S. concepts (table C-2). The reported labor force in the French labor force surveys includes career military and military contingents. Separate totals for these groups are shown by sex in the survey but are not broken down by age. Age distributions, therefore, were assumed to be the same as in the 1960 survey coordinated by the Statistical Office of the European Communities. A further adjustment needs to be made to include persons living in collective households, such as hotels, which are not within the scope of the survey. (See appendix B.) Such persons are assumed to be employed and to have the same age distribution as the surveyed labor force. After subtracting career military and military contingents and adding an estimate of the civilian labor force not covered by the surveys, the resulting civilian labor force is not entirely compatible with U.S. concepts because it includes unpaid family workers not at work or working less than 15 hours during the week, persons reporting themselves as employed but who were not at work because of "durable reasons" (personal convenience or the nature of the job), unemployed persons who had not commenced seeking work or are not currently available for work, and 15-year-olds. Data are available by sex for all of the above items except persons not currently available for work. Such persons were distributed by sex according to the same proportions as unemployed persons who had not commenced seeking work. Data by age are not separately available for any of these items except 15-year-olds. Therefore, adjustment by age for the other items is made by dividing each age-sex group of the reported civilian labor force by the overall male and

Table C-1. Japan: Labor force and unemployment adjusted to U.S. concepts, by age and sex, 1968

(Numbers in thousands)

Employment status	Total 15 years and over	15 to 19 years	20 to 24 years	25 to 54 years	55 years and over
Labor force					
Both sexes	50,610	3,960	7,230	32,060	7,360
Less: Career military personnel ¹	240	20	40	160	20
Less: Unpaid family workers working less than 15 hours ²	690	40	60	450	130
Adjusted civilian labor force	49,680	3,900	7,130	31,450	7,210
Male	30,580	1,980	3,910	19,900	4,790
Less: Career military personnel ¹	240	20	40	160	20
Less: Unpaid family workers working less than 15 hours ²	120	20	20	60	10
Adjusted civilian labor force	30,220	1,940	3,850	19,680	4,760
Female	20,030	1,990	3,320	12,140	2,580
Less: Unpaid family workers working less than 15 hours ²	560	20	40	390	110
Adjusted civilian labor force	19,470	1,970	3,280	11,750	2,470
Unemployed					
Both sexes	590	90	130	300	90
Male	370	50	70	190	70
Female	230	40	60	110	20
Unemployment rate (percent)					
Adjusted to U.S. concepts:					
Both sexes	1.2	2.3	1.8	1.0	1.2
Male	1.2	2.6	1.8	1.0	1.5
Female	1.2	2.0	1.8	.9	.8
As published:					
Both sexes	1.2	2.3	1.8	.9	1.2
Male	1.2	2.5	1.8	1.0	1.5
Female	1.1	2.0	1.8	.9	.8

¹ Age distribution of career military personnel based on 1965 census age distribution of protective service workers.

² Based on age distribution of all unpaid family workers.

NOTE: Because of rounding, subtotals may not add to totals.

SOURCE: *Annual Report on the Labour Force Survey, 1975* (Tokyo, Office of the Prime Minister, Bureau of Statistics) and BLS adjustments.

female ratios of reported to adjusted civilian labor force 16 years of age and over.

The reported unemployment figures for France include persons who did some work but were looking for other jobs in the survey week, persons who had not begun to seek work or were not currently available for work, and 15-year-olds. These persons should be excluded for comparability with U.S. concepts. On the other hand, the French unemployed count does not include persons who stated they were employed but who did no work at all during the survey week because of partial unemployment or slack work or because they were either waiting to start a new job or left their previous employment. Such persons should be included for comparability with U.S. concepts. Breakdowns by age are not available for the above items; however, sex breakdowns are available except for those persons not currently available for work, discussed above. The number of unemployed 15-year-olds is estimated by assuming they have the same unemployment rate as all teenagers 15 to 19 years of age. Adjustments by age for the other differences are then made by dividing the reported number un-

employed in each age-sex group by the overall male and female ratios of reported to adjusted unemployed 16 years of age and over.

The resulting adjusted unemployment rates for males are only slightly lower than the figures based on the reported survey data. For females, however, the downward adjustment is considerable. This is because reported female unemployment contains a high proportion of the number of persons who had not yet commenced seeking work or were not currently available for work (table C-2).

Germany

The German labor force as reported in the April Microcensus includes career military personnel, unpaid family workers working less than 15 hours, and 14-year-olds. These groups must be excluded for comparability with U.S. statistics. All career military personnel in Germany are males and their age distribution can be determined from published age distributions of the labor force including and excluding the career military. The number of

Table C-2. France: Labor force and unemployment adjusted to U.S. concepts, by age and sex, March 1968

(Numbers in thousands)

Employment status	Total		16 to 19 years	20 to 24 years	25 to 54 years	55 years and over
	15 years and over	16 years and over				
Labor force						
Both sexes	21,069	20,972	1,559	2,516	12,845	4,052
Less: Career military personnel ¹ . . .	265	265	1	20	231	13
Plus: Labor force not surveyed ² . . .	500	500	30	67	312	90
Civilian labor force	21,304	21,207	1,588	2,563	12,926	4,129
Adjusted to U.S. concepts ³	20,958	20,861	1,560	2,513	12,728	4,061
Male	13,133	13,064	867	1,279	8,433	2,486
Less: Career military personnel ¹ . . .	228	228	1	16	201	10
Plus: Labor force not surveyed ² . . .	310	310	17	34	203	55
Civilian labor force	13,215	13,146	883	1,297	8,435	2,531
Adjusted to U.S. concepts ³	13,137	13,068	878	1,289	8,385	2,516
Female	7,937	7,909	692	1,237	4,413	1,566
Less: Career military personnel ¹ . . .	37	37	—	4	30	3
Plus: Labor force not surveyed ² . . .	190	190	13	33	109	35
Civilian labor force	8,090	8,062	705	1,266	4,492	1,598
Adjusted to U.S. concepts ³	7,822	7,794	682	1,224	4,343	1,545
Unemployed						
Both sexes	656	648	141	111	294	103
Adjusted to U.S. concepts ⁴	530	523	114	88	233	86
Male	269	265	60	41	105	58
Adjusted to U.S. concepts ⁴	250	246	56	38	97	54
Female	387	385	81	70	189	45
Adjusted to U.S. concepts ⁴	280	277	58	50	136	32
Unemployment rate (percent)						
Adjusted to U.S. concepts:						
Both sexes	2.5	2.5	7.3	3.5	1.8	2.1
Male	1.9	1.9	6.4	2.9	1.2	2.1
Female	3.6	3.6	8.5	4.1	3.1	2.1
As published:						
Both sexes	3.1	3.1	9.0	4.4	2.3	2.5
Male	2.1	2.0	6.9	3.2	1.2	2.3
Female	4.9	4.9	11.7	5.7	4.3	2.9

¹ Age distribution based on figures from 1960 EEC labor force survey.

² Age distribution based on proportions from surveyed labor force by age.

³ Adjusted to exclude unpaid family workers not at work or working less than 15 hours; employed persons not at work for "durable" reasons; and unemployed persons who have not commenced seeking work or are not currently available for work. Figures on these exclusions are available in total and by sex, but not by age. Therefore, the adjusted figures by age group are derived by dividing each age-sex group of civilian labor force by the overall male and female ratios of reported to adjusted civilian labor force for 16-year-olds and over (male: 100.60; female: 103.44).

⁴ Adjusted to exclude persons classified as unemployed who

worked during the survey week, had not commenced seeking work, or were not currently available for work, and to include persons classified as employed who were not at work owing to the start or cessation of a job or slack work. Figures for these adjustments are available in total and by sex, but not by age. Therefore, the adjusted figures by age group are derived by dividing the reported number unemployed in each age-sex group by the overall male and female ratios of reported to adjusted unemployed age 16 and over (male: 107.72; female: 138.99).

SOURCE: *Enquetes Sur L'Emploi de 1968 et 1969, Resultats detaillés* (Paris, Institut National de la Statistique et des Etudes Economiques) and BLS adjustments.

unpaid family workers working less than 15 hours is published by sex. No age distributions are published, however. Therefore, it was assumed that the age distribution of unpaid family workers who worked less than 15 hours was the same as that for all unpaid family workers. Separate data on 14-year-olds by sex are available from the Microcensus results.

Microcensus unemployment is adjusted only to ex-

clude 14-year-olds. The distribution of unemployed by age was not published as such by Germany in 1968, but can be derived by subtracting data on the employed by age and sex from data on the labor force by age and sex. The number of 14-year-olds in the unemployed count is obtained in this manner. Unemployment has been reported by age in more recent years.

The resulting adjusted unemployment rates for Germany by age and sex are identical to or only one-tenth of a percentage point higher than the rates based on the published data (table C-3).

Great Britain

Adjusted figures by age and sex for Great Britain could be reliably prepared for 1971, the year of the first General Household Survey, and later years. The regularly published British data are from registered unemployment statistics rather than a labor force survey. Data on registered unemployed persons are particularly weak for comparisons of youth unemployment, since a high proportion of unemployed youths are new entrants to the labor force. Such persons are generally not eligible to collect unemployment benefits and are, therefore, much less likely to register with employment offices than the experienced unemployed. Many unemployed women also do not register in Great

Britain. The method of adjustment of the British data by age and sex is based, therefore, on the General Household Surveys (GHS) which cover the labor force groups generally excluded from registration statistics.

Figures on the labor force and unemployed were reported by age and sex in the 1971 GHS, but were not inflated to universe levels—i.e., levels representing the entire country. In table C-4, all data shown are representative of the entire country. Reported figures on employees, self-employed, and registered unemployed have been augmented by adding the estimated number of unregistered unemployed. An estimate of the overcount in the reported figures on employees has been subtracted. (See appendix B for details.) The resulting adjusted civilian labor force, broken down into its male and female components, was then distributed by age according to the age-sex distribution of the civilian labor force (unadjusted to U.S. concepts) from the 1971 GHS. The GHS did not report data for the age groups 15-19 and 20-24; instead, figures for age

Table C-3. Germany: Labor force and unemployment adjusted to U.S. concepts, by age and sex, April 1968

(Numbers in thousands)

Employment status	Total		15 to 19 years	20 to 24 years	25 to 54 years	55 years and over
	14 years and over	15 years and over				
Labor force						
Both sexes	26,766	26,719	2,487	2,705	16,343	5,186
Less: Career military personnel ¹	485	485	32	169	282	2
Less: Unpaid family workers working less than 15 hours ²	68	68	4	3	40	22
Adjusted civilian labor force	26,213	26,166	2,451	2,533	16,021	5,162
Male	17,157	17,131	1,309	1,556	10,795	3,472
Less: Career military personnel ¹	485	485	32	169	282	2
Less: Unpaid family workers working less than 15 hours ²	11	11	2	1	4	4
Adjusted civilian labor force	16,661	16,635	1,275	1,386	10,509	3,466
Female	9,609	9,588	1,178	1,149	5,548	1,715
Less unpaid family workers working less than 15 hours ²	57	57	2	2	36	18
Adjusted civilian labor force	9,552	9,531	1,176	1,147	5,512	1,697
Unemployed						
Both sexes	412	382	94	36	171	81
Male	229	213	47	18	92	56
Female	183	169	47	18	79	25
Unemployment rate (percent)						
Adjusted to U.S. concepts:						
Both sexes	1.6	1.5	3.8	1.4	1.1	1.6
Male	1.4	1.3	3.7	1.3	.9	1.6
Female	1.9	1.8	4.0	1.6	1.4	1.5
As published:						
Both sexes	1.5	1.4	3.8	1.3	1.0	1.6
Male	1.3	1.2	3.6	1.2	.9	1.6
Female	1.9	1.8	4.0	1.6	1.4	1.5

¹ Age distribution derived from age distributions of labor force including and excluding career military personnel.

² Based on age-sex distribution of all unpaid family workers in April 1968.

SOURCE: *Hauptergebnisse der Arbeits- und Sozialstatistik 1968* (Bonn, Der Bundesminister Für Arbeit und Sozialordnung), *Statistisches Jahrbuch für Die Bundesrepublik Deutschland 1969* (Wiesbaden, Statistisches Bundesamt, July 1969), and BLS adjustments.

NOTE: Because of rounding, subtotals may not add to totals.

Table C-4. Great Britain: Labor force and unemployment adjusted to U.S. concepts, by age and sex, 1971

(Numbers in thousands)

Employment status	Total 15 years and over	15 to 19 years	20 to 24 years	25 to 54 years	55 years and over
Labor force					
Both sexes:					
Employees in employment	21,554	—	—	—	—
Plus: Self employed	1,848	—	—	—	—
Plus: Registered unemployed ¹	758	—	—	—	—
Less: Net overcount	295	—	—	—	—
Plus: Unregistered unemployed	157	—	—	—	—
Adjusted civilian labor force ²	24,022	2,276	2,731	14,477	4,539
Rounded	24,020	2,280	2,730	14,480	4,540
Male:					
Employees in employment	13,376	—	—	—	—
Plus: Self employed	1,477	—	—	—	—
Plus: Registered unemployed ¹	640	—	—	—	—
Less: Net overcount	254	—	—	—	—
Plus: Unregistered unemployed	-63	—	—	—	—
Adjusted civilian labor force ²	15,176	1,214	1,669	9,257	3,035
Rounded	15,180	1,210	1,670	9,260	3,040
Female:					
Employees in employment	8,178	—	—	—	—
Plus: Self employed	371	—	—	—	—
Plus: Registered unemployed ¹	119	—	—	—	—
Less: Net overcount	41	—	—	—	—
Plus: Unregistered unemployed	220	—	—	—	—
Adjusted civilian labor force ²	8,847	1,062	1,062	5,220	1,504
Rounded	8,850	1,060	1,060	5,220	1,500
Unemployed					
Both sexes:					
Registered unemployed ¹	758	—	—	—	—
Plus: Temporarily laid off	11	—	—	—	—
Plus: Unregistered unemployed	157	—	—	—	—
Adjusted unemployed ²	926	156	133	478	160
Rounded	930	160	130	480	160
Male:					
Registered unemployed ¹	640	—	—	—	—
Plus: Temporarily laid off	10	—	—	—	—
Plus: Unregistered unemployed	-63	—	—	—	—
Adjusted unemployed ²	587	88	82	288	129
Rounded	590	90	80	290	130
Female:					
Registered unemployed ¹	119	—	—	—	—
Plus: Temporarily laid off	1	—	—	—	—
Plus: Unregistered unemployed	220	—	—	—	—
Adjusted unemployed ²	340	68	51	190	31
Rounded	340	70	50	190	30
Unemployment rate (percent)					
Adjusted to U.S. concepts:					
Both sexes	3.9	7.0	4.8	3.3	3.5
Male	3.9	7.4	4.8	3.1	4.3
Female	3.8	6.6	4.7	3.6	2.0

¹ Includes adult students.

² Distributed by age according to the 1971 General Household Survey. Data for 15- to 19-year-olds and 20- to 24-year-olds were estimated by utilizing the 1971 Population Census. The GHS reported data for 15- to 17-year-olds and 18- to 24-year-olds.

SOURCE: *The General Household Survey: Introductory Report* (London, Office of Population Censuses and Surveys, Social Survey Division) and BLS adjustments.

groups 15-17 and 18-24 were reported. The number of 18- and 19-year-olds in the 18-24 category was estimated by utilizing proportions of the labor force by age and sex from the 1971 population census. For 1973 and 1974, no breakdown of the 16-24 age group was made because of the lack of relevant data. It should be noted that the lower age limit for British statistics was raised from 15 to 16 in 1973.

The registered unemployed figures were adjusted to U.S. concepts by sex by adding the unregistered unemployed and persons on temporary layoff. The resulting figures, by sex, were then distributed by age according to the age-sex distribution of the unemployed (unadjusted to U.S. concepts) from the 1971 GHS, supplemented by the 1971 population census. Data on unemployment by age and sex as measured by the population census (persons "out of employment") were used to estimate the number of unemployed 18- and 19-year-olds in the 18-24 age group (table C-4).

Italy

Italian labor force data by age and sex could not be reliably adjusted to U.S. concepts. Therefore, only published

age and sex breakdowns were shown for Italy in chapter 3. It is not known how well these published breakdowns approximate U.S. concepts. The figures exclude persons who were actively seeking work but who did not report themselves as unemployed. On the other hand, they include a large number of persons who took no active steps to find work in the past 30 days.

Sweden

The reported Swedish labor force includes career military personnel. In addition, in 1968 the labor force included 14- and 15-year-olds; in 1970 and subsequent years 14- and 15-year-olds were excluded but persons 75 years old and over were also excluded. The age distribution of the career military was based on a special survey conducted in Sweden in February 1964. Data on 14- and 15-year-olds for 1968 were provided by the National Central Bureau of Statistics in unpublished tabulations. For those 75 years old and over, figures are published once a year in the labor force survey. The Swedish unemployed figures require only the age adjustments discussed above. The resulting adjusted unemployment rates by age and sex are virtually the same as the published rates (table C-5).

Table C-5. Sweden: Labor force and unemployment adjusted to U.S. concepts, by age and sex, 1968

(Numbers in thousands)

Employment status	Total		16 to 19 years	20 to 24 years	25 to 54 years	55 years and over
	14 years and over	16 years and over				
Labor force						
Both sexes	3,868	3,840	251	469	2,330	791
Less: Career military personnel ¹	18	18	2	6	10	0
Adjusted civilian labor force . .	3,850	3,822	249	463	2,320	791
Male	2,399	2,382	130	264	1,446	542
Less: Career military personnel ¹	18	18	2	6	10	0
Adjusted civilian labor force . .	2,381	2,363	128	258	1,436	542
Female	1,469	1,458	121	205	884	249
Unemployed						
Both sexes	86	85	14	14	40	17
Male	54	54	7	8	26	14
Female	32	31	8	6	14	3
Unemployment rate (percent)						
Adjusted to U.S. concepts:						
Both sexes	2.2	2.2	5.6	3.0	1.7	2.1
Male	2.3	2.3	5.5	3.1	1.8	2.6
Female	2.2	2.1	6.6	2.9	1.6	1.2
As published:						
Both sexes	2.2	2.2	5.6	3.0	1.7	2.1
Male	2.3	2.2	5.4	3.0	1.7	2.6
Female	2.2	2.1	6.6	2.9	1.6	1.2

¹ Age distribution based on special survey conducted in February 1964.

SOURCE: *The Labour Force Surveys, 1961-69* (Stockholm, National Central Bureau of Statistics) and BLS adjustments.

Appendix D. Calculation of Labor Force Participation Rates and Employment-Population Ratios

Participation rates

Labor force participation rates as shown in chapter 4 of this bulletin are defined as the proportion of the civilian population of working age that is in the labor force. The labor force used in these calculations is the civilian labor force adjusted to U.S. concepts. Since participation rates by sex were also needed, the adjusted labor force had to be broken down into its male and female components. This was done according to the procedures described in appendix C on methods of adjustment by age and sex, except for Germany and Great Britain.

For Germany, age-sex adjustments, as described in appendix C, were made to the April or May Microcensus figures. The 1960-76 participation rate data, however, are annual averages derived from annual estimates of the labor force by sex. These figures are adjusted to U.S. concepts on the basis of the Microcensus.

In the age-sex adjustment section for Great Britain, only data from the British General Household Survey which began in 1971 were considered. However, since participation rates were required for the entire 1960-76 period, the 1971 survey was inadequate. Instead, figures on the labor force by sex were adjusted to U.S. concepts by first obtaining the published British figures, subtracting an estimated overcount, and adding the unregistered unemployed. These adjustments are described in detail in the methods section for Great Britain (appendix B). The overcount factor and the unregistered unemployed are originally derived by sex, as explained in the methods section.

The population base for the participation rate calculations is defined as the civilian population of working age. Such data are usually reported in labor force surveys. For most countries, the Armed Forces had to be excluded from the regularly published population figures. Working age was defined so as to cover the same ages as the adjusted labor force figures—e.g., persons age 16 and over in the United States; age 15 and over in Germany, etc. Where population figures were not available on this basis, estimates of working age population had to be made. For Italy, working age population data were not reported in the labor force survey. Therefore, estimates of mid-year population as reported to the OECD were used. The Armed Forces were subtracted from these figures so that they would relate to the civilian population. OECD population estimates were also used for Germany, since annual rather than April data were used for the labor force.

Employment-population ratios

The employment-population ratios shown in chapter 4 were obtained by dividing civilian employment by the civilian population of working age. Civilian employment adjusted to U.S. concepts was obtained by subtracting the adjusted unemployed from the adjusted labor force for each year. The civilian population of working age was obtained in the same way as for the participation rates described above. No breakdowns of employment ratios by sex were made.

Appendix E. European Community Labor Force Surveys

The Statistical Office of the European Communities has been working to promote comparability of employment and unemployment statistics among member countries. In October 1960, labor force surveys using common definitions were conducted in each of the six member countries—Belgium, France, Germany, Italy, Luxembourg, and the Netherlands.¹ The surveys were repeated annually from 1968 to 1971, but not all Community countries participated; Luxembourg did not take part in the 1968 survey, and the Netherlands did not participate in the three following surveys. The 1968 to 1971 surveys were conducted in the spring.

The survey was conducted again in the spring of 1973 in the six original member countries and in the United Kingdom. In 1975, all member countries took part, including Ireland and Denmark. The survey was again conducted in 1977 and will henceforth be conducted every two years.

Collection of data

For the 1960 and each subsequent survey, a standard questionnaire and rules to be followed in collecting the data were drawn up by the Statistical Office of the European Communities. The sampling and visits to households were carried out by the national statistical institutes who were also responsible for sending the results to the Statistical Office. The Statistical Office handled all the processing of data.

Scope of survey

The survey covers all persons whose place of residence is in one of the member states of the Community during the reference week. For technical reasons, it was not

¹Survey results may be found in the following publications of the Statistical Office of the European Communities: *Une enquête par sondage sur les forces de travail dans les pays de la CEE en 1960*, Informations Statistiques 1963, Number 2; *Population et forces de travail en 1968*, Statistiques Sociales 1969, Number 6; *Population et forces de travail en 1969*, Statistiques Sociales 1970, Number 4; *Enquête par sondage sur les forces de travail en 1970*, Statistiques Sociales 1971, Number 2; *Enquête par sondage sur les forces de travail en 1971*, Statistiques Sociales 1972, Number 3; *Population and Employment, 1968-1972*, Social Statistics 1973, Number 2; *Labour Force Sample Survey 1973*, Social Statistics 1975, Number 1; and *Labour Force Sample Survey 1975*, Eurostat, 1977. Beginning with the publication *Population and Employment, 1968-72* the descriptions and table headings appear in English as well as the other languages of the Community.

possible to include collective households such as hostels, boarding schools, hospitals, or workers' lodgings in all countries. Therefore, the survey has been limited to private households. Members of private households make up about 97 percent of the total population of the Community.

The 1960 survey was based on a sample of 1 percent; for the subsequent surveys, the sample size varied each year according to country (for example, 1968, 0.5 percent in the Netherlands and Belgium; 1 percent in Germany).

Comparability of historical series

According to the EC Statistical Office, a comparison of the results of the 1960, 1968-71, 1973, and 1975 surveys must be made with caution. Random errors are a feature of all sample surveys and can, in certain cases, exceed the magnitude of the variations from one year to another. Also, although these surveys were synchronized in that they all took place in the spring of each year (except in 1960), they were carried out over different periods in the different countries and were spread over several weeks in some countries. Finally, it has been necessary to revise figures for various reasons after publication of the first results. Thus, the final French results for 1968 have been published along with the 1969 results and the 1969 figures for Belgium have been revised in the 1970 publication.

The results of the 1960 survey, as published in 1963, cannot be considered comparable with those of the subsequent surveys. Nevertheless, the Statistical Office has attempted to bring the different surveys into line as far as possible by using unpublished working documents in Number 2/1973 of the *Social Statistics* series.

Following certain improvements introduced in the 1973 survey, notably concerning the distinction between the "usual" situation with regard to economic activity and the actual situation in the reference week, strict comparisons between the 1973 and 1975 results and those of previous surveys are not always possible.

Definitions of the labor force

The definitions used in the European Community surveys are essentially based on ILO definitions. However, a rigorous application of the international definitions was not possible because of the necessity of avoiding too detailed a survey requiring complicated computer calculations.

The use of definitions common to all the Community countries means that the results may not be the same as those used nationally. As the Statistical Office tries to achieve comparable results, these results do not always agree with data from the same surveys processed according to national definitions.

The labor force in the Community surveys is defined as all persons age 14 and over whose normal residence is in a private household in one of the Community countries participating in the survey and who, during the reference week, was employed or unemployed according to the following definitions.

Employed. Employed persons comprise all persons age 14 or over who:

1. Have carried out remunerative work as their main occupation during the reference week;
2. are normally employed, but who, during the course of the reference week, were not at work because of illness, accident, holiday, strike, or other circumstances. People who have not worked because of technical breakdowns or bad weather are also included in this group.
3. carry out unpaid work assisting in a family business or farm as long as this work occupies more than 14 hours per week.

Specifically excluded from the employed are:

1. Persons who temporarily or for an unlimited period have no work and are not paid during the reference week;
2. persons without paid employment and who have neither a farm nor any other business, but who have taken steps to start a new job, farm, or business at a later date;
3. unpaid family workers who have worked less than 15 hours in the reference week;
4. military conscripts (career military personnel are included in the employed).

Unemployed. Unemployed persons comprise all those who have declared themselves to be unemployed and who fall into one of the following categories:

1. Employable workers who were unemployed and seeking paid work during the reference week because their employment contract had come to an end or had been temporarily suspended;
2. persons with no previous employment, or whose last employment was not that of a paid worker (former employers, etc.), or who had ceased working for a period of time, and who, during the reference week, were capable of working and seeking paid employment;
3. persons without work and capable of working immediately who had made arrangements to start a new job at a later date;

4. people laid off temporarily or for an indefinite period without pay.

Inactive population. This covers all persons who were under 14 years of age or who were 14 years old or older but could not be considered either employed or unemployed under the above definitions. The inactive population includes persons who declare themselves to be unemployed, but who are not seeking paid employment—for example, persons making arrangements to set themselves up in business.

Family workers who have declared that they are employed but have only worked between 1 and 14 hours during the reference week are also part of the inactive population. Also, inactive persons can be in the process of seeking employment (students looking for a first job, for example) or have a part-time job (a housewife working for other households, for example).

Differences between European Community and U.S. definitions

The European Community surveys differ from the U.S. labor force survey with respect to age limits, classification of military personnel, and with regard to the “inactive population” as defined by the European Community. The EC surveys use a lower age limit of 14, whereas the U.S. surveys use age 16 as the lower limit. Career military personnel are included in the labor force as defined by the EC and excluded in the United States. Some persons in the EC’s “inactive population” would be regarded as in the U.S. labor force, either as employed or unemployed. Thus, persons who do not declare in the EC survey that they have a “main occupation” or that they are “unemployed” are not classified in the labor force even if they are performing some part-time work or are seeking work. This is similar to the procedure in the French labor force survey in which work seekers are classified as “unemployed” or “marginally unemployed.” The concept of “marginally unemployed” in the French survey corresponds closely to the category “inactive workseekers” in the EC survey.

European Community survey results

The EC surveys provide a wealth of comparative data, including data on labor force, employment, and unemployment by age and sex. Data on activity rates, part-time workers, sectoral employment, professional and territorial mobility, hours of work, and methods and duration of workseeking are included. There is also a great deal of information broken down by region in each country. Table E-1 shows some of the data obtained from the 1973 labor force survey.

Table E-1. Population of the European Community by type of activity, spring 1973

(Thousands)

Type of activity	Belgium	France	Germany	Italy	Luxembourg	Netherlands	United Kingdom
1. Persons with a job	3,516	20,194	25,584	17,019	134	4,306	23,683
With 2 or more jobs.	85	(¹)	617	461	5	106	442
Looking for another job	82	539	(¹)	817	1	137	790
2. Persons who have declared themselves to be unemployed	59	374	133	717	1	82	515
Looking for a first job	12	64	26	451	(¹)	10	26
3. Total labor force (1+2)	3,575	20,568	25,717	17,736	135	4,388	24,198
4. Inactive persons	3,884	17,921	22,418	23,849	146	5,340	18,209
With an occasional job	39	629	731	1,149	3	315	384
Looking for a job	17	368	(¹)	841	1	65	394
5. Persons less than 14 years old	2,087	10,878	12,442	11,866	66	2,802	11,610
6. Total population (3+4+5)	9,546	49,366	60,577	53,451	347	12,530	54,017

¹Not available.

SOURCE: Statistical Office of the European Communities, *Social Statistics*, Number 1, 1975.

Appendix F. Unemployment Rates on a Total Labor Force Basis

Table F-1. Total labor force (including Armed Forces) and unemployment rates, adjusted to U.S. concepts, 1959-76

Year	United States	Canada	Australia	Japan	France	Germany	Great Britain	Italy	Sweden
Total Labor Force (Thousands)									
1959	70,921	6,334	(¹)	43,530	19,890	26,080	23,780	22,160	(¹)
1960	72,142	6,501	(¹)	44,330	19,920	26,260	23,920	21,890	(¹)
1961	73,031	6,612	(¹)	44,820	19,890	26,530	24,190	21,850	3,644
1962	73,442	6,710	(¹)	45,260	19,960	26,620	24,510	21,690	3,728
1963	74,571	6,838	(¹)	45,640	20,030	26,720	24,720	21,230	3,799
1964	75,830	7,017	4,611	46,260	20,300	26,730	24,840	21,170	3,759
1965	77,178	7,217	4,745	47,000	20,320	26,850	24,980	20,820	3,787
1966	78,893	7,601	4,901	48,080	20,560	26,770	25,070	20,480	3,841
1967	80,793	7,854	5,035	49,040	20,660	26,220	25,020	20,620	3,818
1968	82,272	8,052	5,151	49,920	20,950	26,260	24,860	20,560	3,867
1969	84,239	8,292	5,297	50,380	21,220	26,520	24,780	20,350	3,880
1970	85,903	8,491	5,465	50,970	21,540	26,790	24,640	20,330	3,953
1971	86,929	8,732	5,569	51,350	21,770	26,880	24,390	20,290	4,000
1972	88,991	9,004	5,670	51,550	21,990	26,810	24,610	20,000	4,008
1973	91,040	9,404	5,796	52,820	22,210	26,870	24,890	20,140	4,012
1974	93,240	9,787	5,937	52,680	22,550	26,610	24,860	20,410	4,078
1975	94,793	10,139	6,055	52,770	22,620	26,160	² 25,160	20,600	4,161
1976	96,917	10,388	6,140	53,340	22,760	25,930	² 25,440	20,820	4,185
Unemployment Rate (Percent)									
1959	5.3	5.9	(¹)	2.2	1.9	2.0	2.8	4.9	(¹)
1960	5.3	6.8	(¹)	1.7	1.8	1.1	2.2	3.7	(¹)
1961	6.4	7.0	(¹)	1.5	1.5	.6	1.9	3.2	1.4
1962	5.3	5.8	(¹)	1.3	1.4	.6	2.8	2.7	1.4
1963	5.5	5.4	(¹)	1.3	1.3	.4	3.4	2.3	1.7
1964	5.0	4.6	1.4	1.2	1.4	.4	2.5	2.6	1.5
1965	4.4	3.9	1.3	1.3	1.5	.3	2.1	3.4	1.2
1966	3.6	3.3	1.5	1.4	1.8	.3	2.2	3.7	1.5
1967	3.7	3.8	1.6	1.3	1.9	1.3	3.3	3.3	2.1
1968	3.4	4.5	1.5	1.2	2.5	1.4	3.2	3.3	2.2
1969	3.4	4.4	1.5	1.1	2.3	.9	3.0	3.2	1.9
1970	4.8	5.6	1.4	1.2	2.5	.8	3.0	3.0	1.5
1971	5.7	6.2	1.6	1.2	2.7	.8	3.8	3.0	2.5
1972	5.4	6.2	2.2	1.4	2.8	.8	4.1	3.5	2.7
1973	4.7	5.5	1.9	1.3	2.6	.8	3.1	3.3	2.4
1974	5.4	5.3	2.2	1.4	2.9	1.7	2.8	2.7	2.0
1975	8.3	6.9	4.4	1.9	4.1	3.6	² 4.6	3.2	1.6
1976	7.5	7.1	4.4	2.0	4.5	3.5	² 6.3	3.5	1.6

¹ Not available.

² Preliminary estimate based on incomplete data.

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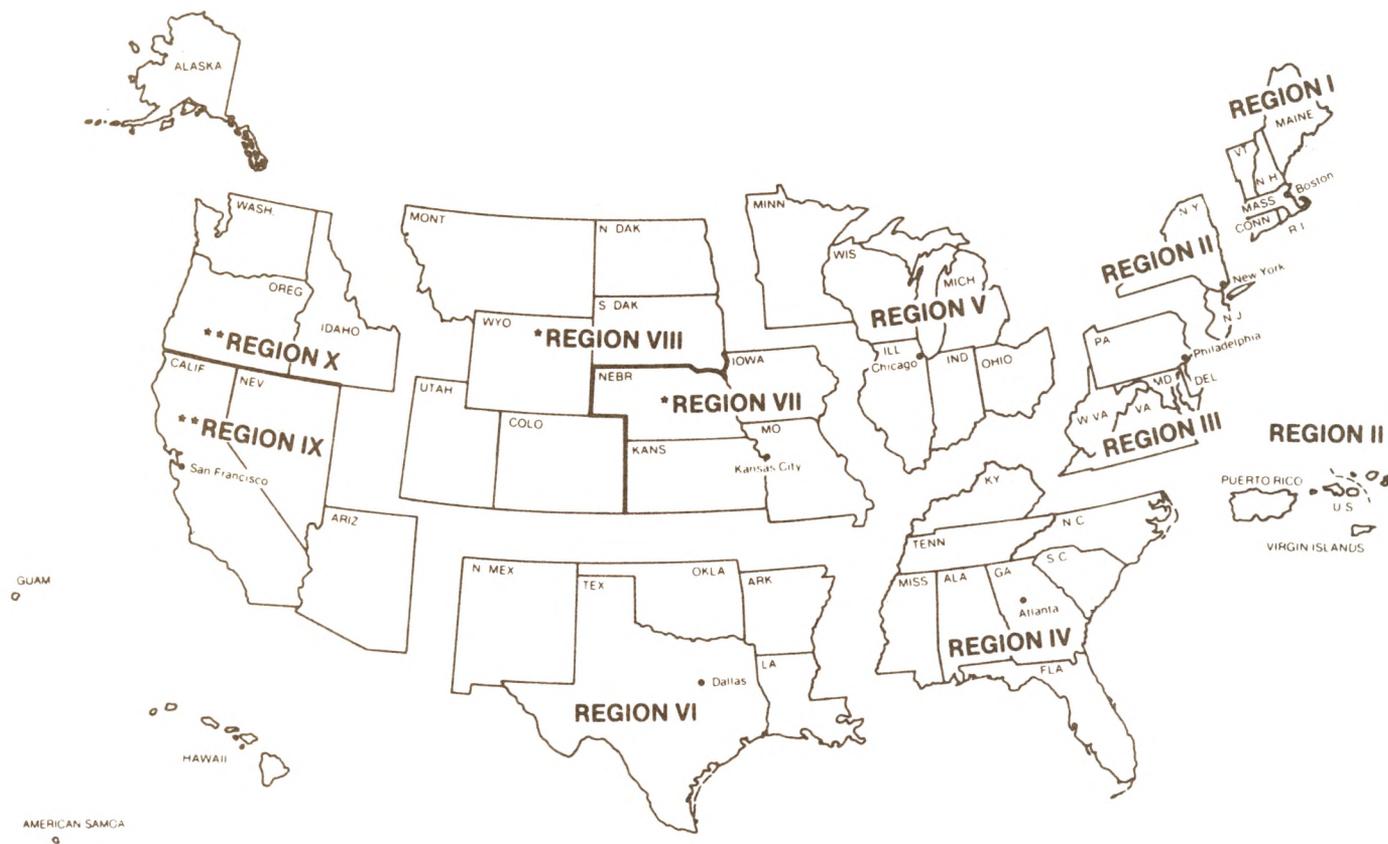
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