

This PDF is a selection from an out-of-print volume from the National Bureau of Economic Research

Volume Title: The Measurement and Interpretation of Job Vacancies

Volume Author/Editor: P DGT

Volume Publisher: P DGT

Volume ISBN: 0-87014-471-5

Volume URL: <http://www.nber.org/books/unkn66-2>

Publication Date: 1966

Chapter Title: The Relations Between Temporary Help Services and Job Vacancies: A Pilot Study

Chapter Author: Mack A. Moore

Chapter URL: <http://www.nber.org/chapters/c1616>

Chapter pages in book: (p. 549 - 565)

The Relations Between Temporary Help Services and Job Vacancies: A Pilot Study

MACK A. MOORE

GEORGIA INSTITUTE OF TECHNOLOGY

Since shortly after World War II, companies specializing in the practice of hiring temporary clerical workers and assigning them to work on the premises of customers have become numerous. The total is believed to exceed five hundred, with several operating nation-wide through branch offices, franchise holders or licensees.

Since there is some pattern between the demand for such temporary workers and the general business cycle, the hypothesis of this paper is that there is a correlation between changes in the demand for temporary help and the demand for permanent help. Thus, the purpose of this study is to explore the feasibility of establishing a job vacancy index based on the volume of demand for various skill levels of temporary help.

THE TEMPORARY HELP SERVICE INDUSTRY

The author has written an article which extensively describes the history and operation of the temporary help service (THS) industry,¹ but a brief description of the concept of "renting" help will be useful here. Although many THS's provide male help for various

¹ "Historical Development, Operation, and Scope of the Temporary Help Service Industry," *Industrial and Labor Relations Review*, July 1965. That article, as well as this paper, is largely based on the author's unpublished Ph.D. dissertation, "The Role of Temporary Help Services in the Clerical Labor Market," University of Wisconsin, 1963. The data was collected in Madison, Wisconsin, but some additional surveying was subsequently conducted in Atlanta in preparing this paper.

types of work—mostly common labor—this paper will be largely limited to the discussion of female clerical help.

Operation

The THS's recruit women who generally are only interested in temporary work. These women are interviewed and tested, and their characteristics, amount of work desired, and other pertinent information are recorded and filed. When a customer places a request for temporary help, a worker whose qualifications and personal circumstances appear to be compatible is telephoned and offered the assignment. If she accepts, she is instructed to report at the appointed time and place; if she refuses, another applicant is called, and so on. Since customers usually give very short notice—usually the prior day or even the same day—and since all applicants are assured that they may reject assignments, with no explanation required, locating a willing and capable applicant often requires several calls.

The innovatory characteristic of THS's is that they pay the worker, and make the usual payroll deductions, which allows the customer to avoid any employment relationship with the worker, yet the customer actually directs the worker's activities for the time she is assigned to him. The customer is billed at an hourly rate. The standard practice is to bill the customer (and pay the worker) for a minimum of four hours. The mark-up between the wage rate and the billing rate covers payroll taxes, overhead, and profit, and ranges from fifty cents to one dollar per hour.

Classification

There has been some contention that the mark-up is a "fee," for the purposes of placing THS's under the state laws regulating private employment agencies. The controversy as to whether THS's are brokers, independent contractors, employment agencies, or some new concept, has been thoroughly discussed elsewhere, and has no relevance to the current objective.² It is interjected only for the purpose of emphasizing that THS's—whatever they are—are not,

² See my "The Role of Temporary Help Services," Chapters 8 and 9.

in a functional sense, employment agencies. The mark-up is no more a fee than is the difference between the price of a haircut and the share paid the barber by the owner of a shop (although there is, so this writer contends, a theoretical difference in the respective employment relationships).

TEMPORARY HELP SERVICE WORKERS

Characteristics

Information from employment records for all women performing any work during a given year (1960) at the Madison, Wisconsin, branch of Manpower, Inc. was recorded and analyzed; 416 women were mailed a questionnaire, and 206 responded. The 62 women who worked during a given week were mailed a more lengthy questionnaire, and 50 responded. The following comments are based on the findings in Madison, but characteristics of THS workers may vary from one locality to another, since no location seems to be typical.

Among some THS industry leaders, there seems to be a general notion that the typical worker is a mother in her thirties, with several years office experience, whose children are beyond preschool age, and who is returning to the labor force on a part-time basis. If Madison even approximates a representative situation, such a profile is not accurate. While 71 per cent were or had been married (60 per cent with husband at present), of that group, 47 per cent had no children under 18, 43 per cent were childless, and 28 per cent had children under six. The median age was 24, and about two-thirds were under 30. As to labor market status, the workers tended to be women in some transitory situation: that is, they had recently moved to the area, and/or expected to move away, for one reason or another; they were between jobs, or had recently withdrawn from the regular labor force due to pregnancy or some other reason. A substantial number of the former workers responding had withdrawn from the regular labor force a short time before beginning THS work, and many had re-entered the labor force soon after ceasing such work. About 44 per cent of the respondents

indicated that they had desired 40 hours or more per week, and 57 per cent wanted 30 hours or more.

In summary, one may characterize the typical worker as a geographical and/or occupational transient who wants reasonably full-time work for a limited period. Of the former workers responding, only about 15 per cent indicated that they would not have sought some form of direct employment if THS work had not been available.

Benefits and Sacrifices

The major advantages of THS work are flexibility and variety. The worker can refuse any assignment, or she can end her availability with no notice (except that she is requested to finish any assignment she accepts). The worker gets a chance to enjoy changes of scenery, meet different people, and perform varied tasks. The first advantage seems to be clearly dominant.

The chief sacrifices are uncertainty of work and low hourly rates. Workers usually receive, as noted earlier, very short notice, so that assignments often do not allow time for necessary arrangements, such as child care. Temporary workers are willing to accept a lower wage; thus, an evaluation of the remuneration must be within the context of the temporary, rather than permanent, labor market. A survey of Manpower, Inc. customers in Madison revealed that Manpower workers received about 92 per cent of the rate customers would pay the workers as direct temporary employees (\$1.28 vs. \$1.40). Thus, THS workers do not appear to make unreasonable wage sacrifices when the rates are compared with direct temporary rates. When compared with permanent rates, the loss is substantial, since not only is the hourly rate less, but the temporary worker (whether THS or direct) sacrifices fringe benefits and longevity increases.

TEMPORARY HELP SERVICE CUSTOMERS

Thirty-eight customers of Manpower-Madison were given questionnaires for a given week to complete and mail; thirty responded. In addition, all customers who used Manpower help in Atlanta

during selected weeks in October 1964 were surveyed via telephone, to obtain some specific information regarding the use of THS help and permanent job vacancies.

The most frequent users of THS help are companies experiencing fluctuations in the work load, particularly where the work cannot be postponed until a slack period occurs, and where the peak load periods are unpredictable. An apparently significant number of THS customers are experiencing growth, or are undergoing a systems changeover or reorganization; these firms use THS help while determining whether a job is permanent, or how many permanent workers will be needed after the transition.

Individual customer motivations consist of two factors: (1) the need for available help on short notice to meet unforeseen needs; or (2) the desire to avoid placing the worker on the payroll. The second category consists of two subgroups: (a) to avoid the inconvenience of recruiting workers and of entering them on the records; and (b) to avoid potential liability to the worker in the form of workmen's or unemployment compensation.³ The relative importance of these motives seems to vary according to the business structure of the community. In Madison, for example, most of the customers were local concerns, and thus largely motivated by the first factor (availability). On the other hand, Atlanta thrives on branch outlets of national and regional firms; it has been reported that over 3000 firms have outlets here, including 400 of the 500 largest in the country. Thus, the second factor (avoiding the employment relationship) appears to be the more important, since a common policy is to require home office authorization to hire help directly.

Such advantages as guaranteed performance by the workers (a common feature offered by THS's), cost, and the avoidance of overtime are minor considerations.⁴

³ Item (b) is more often a factor in the use of industrial help, since workmen's and unemployment compensation claims are much more frequent among industrial workers than among clerical workers.

⁴ But providing help on short notice is not the only role of THS's, by any means. In Madison, clerical customers were asked to assume that some intermediary were available whereby applicants could be furnished as quickly as help from Manpower was furnished, and to indicate whether they would prefer to hire such help, or use Manpower anyway. Of the 30 responding, 27 indicated

Specific Use of THS Workers

THS workers perform one of two major functions: (1) fill strictly temporary vacancies, i.e., replacing an absent regular employee or performing peak load or special jobs; or (2) temporarily fill a permanent, or potentially permanent, vacancy. The first function is mostly for convenience, and is merely part of the recent trend toward the use of service firms for specialized jobs. Outside contractors are engaged for such operations as maintenance, food service, piped music, and a host of others. THS's are an addition to the list. The real function of THS's, in a policy sense, lies in the second role, its function in connection with permanent job vacancies.

But before turning to job vacancies, it might be well to discuss briefly the relationship between the use of THS help and the customer's regular work force. Some groups, notably labor unions, contend that THS help replaces regular employees. Since the motivation for using THS industrial workers (male) differs from that of using clerical help (female), these warrant separate treatment.

While my original survey in Madison was limited to clerical customers, my association with the industry has provided some general insight into the industrial aspect. In addition, I did an informal survey of Manpower, Inc. industrial customers in Atlanta for the third week in October 1964. The effort was largely in vain, since the person contacted was usually a warehouse supervisor (most of the industrial workers were employed in materials handling) with little or no knowledge as to job vacancies, or as to the likely alternative if THS help were not available. But it can be concluded that, for firms using THS, industrial help is generally used to perform tasks which are ancillary to the primary business in which the firm is engaged. Clerical help is usually used to perform the same work as regular employees, i.e., as a temporary replacement

the latter, which suggests that they place a large premium on the avoidance of the time and expense involved in screening applicants, and in processing workers on to the payroll. In the case of industrial workers, little screening would be necessary, but processing workers on to the payroll would be; this may be cumbersome, especially in the case of branch outlets. One can only conclude that availability, plus avoiding the employment relationship, combine to produce *expediency* as the key factor in explaining the use of THS help.

or addition, while industrial workers more often perform exogenous jobs, namely materials handling or custodial work. This does not mean, however, that industrial workers do not reduce the potential number of regular employees in a fair number of cases, because some industrial customers are primarily engaged in materials handling; this is particularly true in Atlanta, due to the importance of distribution. Thus, for example, commercial warehouses, as well as those of private distributive outlets, will often maintain a crew large enough to meet normal work loads, relying on THS help for peak loads. Such firms would otherwise be forced to retain a larger crew and tolerate some idleness, or hire casual help as needed. In the first instance, THS's increase the efficiency of labor. Since a stated union aim is to maximize the employer's total wage bill, such efficiency may be distasteful to unions, but like automation, can hardly be considered subversive. In the second instance, THS's formalize the casual labor market; and with the bad taste lingering from the shape-up, this would seem a worthwhile contribution in itself.

There is an occasional instance where THS industrial help is used to displace a regular full-time employee. For example, one firm reported that it used THS help exclusively to operate its (one) truck. But such cases are rare.

More definite information was obtained on the use of clerical help. Manpower, Inc. customers in Atlanta, for the last week in October 1964, were asked to indicate the alternative they would be likely to try if THS help were not available. The answers were as follows:

a. Hire additional regular employees	2
b. Hire temporary help directly	16
c. Work regular work force overtime, without pay	6
d. Work regular work force overtime, with pay	7
e. Spread work among regular employees or supervisors	1
f. Other, or not known	4
Total	36

In Madison, one out of the 30 respondents indicated the hiring of additional regular help as the likely alternative.

From the above findings, several observations are noteworthy. THS's do not bring about any significant displacement of regular

employees, and thus do not appreciably decrease the demand for labor. While common labor is fairly interchangeable, clerical labor is so only to a limited degree, so that if THS clerical workers are used in lieu of permanent help, the turnover would be prohibitive; competent members of the permanent labor force will not accept the sacrifices of THS work, except for short periods.⁵ Since some of the THS work would otherwise be performed on an overtime basis, THS's effect a small increase in the demand for labor, in terms of numbers of workers but probably not in terms of total hours. THS's increase the efficiency of the labor force by reducing idle time.

The effect of THS's on the labor market is also seen on the supply side. Former Manpower workers in Madison were asked to indicate their likely alternatives if THS work had not been available. Some 15 per cent (representing 10.7 per cent of the total hours of work represented by all respondents) would not have sought any job at all. Those who would have sought direct temporary or part-time work were asked to assume that they could not find such work, leaving only the choices of seeking a full-time permanent job or no job at all. About 72 per cent (representing 57.6 per cent of the total hours) would not have sought any job. These findings suggest that somewhere between 15 and 72 per cent (depending on the success in locating direct casual employment) represent additions to the labor force. The need for providing flexible work for women, who would not otherwise be available for work, has long been expressed.⁶

TEMPORARY HELP AND JOB VACANCIES

The 41 clerical customers of Manpower, Inc. in Atlanta, for the third week in October 1964, were asked their specific reasons for using THS help. Replies were as follows:

⁵ In Madison, the median length of availability was only three months, and even the total period may be interrupted from time to time. About one-half of the workers performed a total of three assignments or less during their entire Manpower, Inc. careers.

⁶ See e.g., *Womanpower: A Statement by the National Manpower Council*, New York, 1957, pp. 244-253.

a. To replace regular employee (absent, vacation, etc.), or to perform seasonal, peak-load, or special, nonrecurring job	31
b. To temporarily fill a permanent job while recruiting a regular employee	5
c. While determining whether the job was permanent	4
d. While determining the number of additional permanent employees that would be needed	1
Total	41

The use indicated by reason "a" has no relationship to permanent job vacancies. Reason "b" is self-explanatory. Reasons "c" and "d" usually mean that the customer is unable to distinguish a temporary increase in the work load from a permanent expansion, or is undergoing a reorganization process, such as converting to a computer system.

The last three reasons (a total of 10 out of 41) obviously relate to job vacancies. Industrial customers were also asked the reasons for using THS help, and eight of the 33 indicated the temporary filling of permanent jobs. These proportions are both about 25 per cent. In Madison, it was found that 22 per cent of the workers were temporarily filling permanent jobs. While there is no contention that any of these samples are representative of the entire industry, or that the methodology is statistically defensible, they do convince me that there is a sufficient relationship between the demand for temporary help and job vacancies to warrant some investigation of the possibility of establishing a job vacancy index. The question, of course, is how?

First, a method must be devised to estimate with some degree of reliability the relationship between THS volume and job vacancies. Next, the timing must be established. There is no question that THS's suffer declines during recessions, and those THS operators who offer an opinion believe that their volume leads the general business cycle. Customers in an expansionary phase use THS help, for reasons noted earlier. During a decline, they would logically decrease the use of THS help before reducing the permanent work force, not only because the regular work force could perform the work, but also because THS's are in part a luxury item. Although reductions in clerical help have been rare in recent

years, an index would be useful in analyzing the rate and pattern of growth in vacancies.

Once the above information is available, one could gain some knowledge as to types of vacancies. THS's usually have four basic classifications. By recording the pay rate and hours worked by each Manpower, Inc. worker in Madison, it was possible to break down the total hours accounted for by each classification, as follows:

<i>Skill Level</i>	<i>Per Cent of Total Hours in 1960</i>
I General office worker (filing, etc.)	28.1
II Typist	32.3
III Adding machine—comptometer-dictaphone	20.9
IV Stenographer	18.2
V Miscellaneous	0.5
Total	100.0

By keeping track of the job orders by classification, one could study any changing patterns in the demand for skill levels relative to each other.

Possible Sources of Information; Limitations

At present, total volume of THS's is not collected separately, but is included under "services." For 1963, however, the Census Bureau identified the industry separately, and the information is to be published early in 1965.⁷ Presumably, the information will subsequently be available on a continuing basis. If so, it may be possible to establish the relationship between changes in THS volume and the general business cycle. This information would be helpful in studying job vacancies, if the relationship between THS volume and job vacancies can be established, but it would be highly aggregated, and growth of the THS industry would be a (perhaps hopelessly) complicating factor.

In my opinion, the local level provides the most likely possibility of establishing an index. While I cannot speak for the industry, or for any individual or company therein, it may be that some THS operators at the local level would cooperate in obtaining specific information, if it could be done without interfering with the op-

⁷ Letter from Harvey Kailin, U.S. Department of Commerce, Bureau of the Census, dated August 21, 1964.

eration of the business and without annoying customers. To elaborate, some THS's might ask the customer to give the general reason for needing extra help (that is, whether the occasion is a peak load, temporary replacement, or permanent opening), as well as the classification (typist, steno, dictaphone operator, file clerks, etc.) needed. But since the staff people who receive customer orders and assign workers are usually rushed, such information is often neglected. If a brief and simple, but adequate, statement could be prepared, perhaps some THS's could be persuaded to cooperate. Again, it would be highly presumptuous of this writer to suggest that such cooperation would be forthcoming. The best approach would be that of a personal plea on an individual basis, since winning the prospect's confidence would be a task in itself, as the industry is highly competitive.

It may be that the above process would only be needed long enough to establish the desired relationships. Once the correlation between total orders and job vacancies is established, vacancies can be estimated from the total orders. That, however, would tell nothing of levels of skills open, which could be obtained by tabulating total hours by rates of pay (this information is often available in weekly recapitulations). But even this would tell nothing of the specific job titles represented by the vacancies; such information would require examination of each job order.

Since the original draft of this paper was written, the author was successful in persuading one THS operator to ask each customer if the demand for temporary help was related to a permanent job opening. The results were not only disappointing, they were puzzling. Only 3 to 4 per cent answered in the affirmative (whereas it was noted earlier that three independent surveys made directly by the author indicated from 20 to 25 per cent). After some deliberation, plus some discussion with the THS staff, it was surmised that customers might suspect that a positive answer would invite a deluge of applicants; some THS's (as will be discussed later) combine their operations with a permanent placement service, and it may be that customers were unaware that the THS in question was not such a firm. Customers would not be likely to experience such suspicions when surveyed by an independent researcher. Thus, some other means of obtaining the information

must be devised. A mail questionnaire is a possibility, except that if even a small number fail to respond the results would be distorted.

With regard to the notion that the divulgence of a job vacancy may be suspected as inviting applicants, I should like to digress briefly, by engaging in some conjecture on the collection of job vacancy data by the public employment service. Some other papers at this conference reported response rates from employers of as much as 95 per cent. While ostensibly encouraging, the figure provides no assurance that a similar percentage of total job vacancies within each responding firm is being reported. That is, some firms may cooperate only to the extent of reporting hard-to-fill jobs. Furthermore, some firms fear that only marginal workers register at the employment service, a fear partially validated by the fact that workers believe that only marginal jobs are listed. Therefore, the employment service unintentionally specializes in residual jobs and applicants. In addition, the writer's intuition suggests that the typical worker, especially the one who is better qualified, may view an employment exchange in somewhat the same light as he views a marriage bureau, with a feeling that resort to an intermediary is an indictment upon his manhood. Even employers seem to object to such an impersonal procedure. Finally, it is submitted that employers may be reluctant to list job vacancies with the employment service, on the grounds that voluntary cooperation might be construed as acquiescence in the compulsory use of the placement service (assurances by the U.S. Department of Labor, noted in Mr. Levine's paper, notwithstanding); such a development is already being foretold by private employment agency groups.

While the above assertions should be tested, it may be that with the present set of attitudes, private parties would be met with a more favorable reception in the search for job vacancy data than would the public employment service.

THS'S AND PERMANENT PLACEMENT AGENCIES

To further point up the possibilities available from THS records, the question of combining THS's and permanent placement serv-

ices should be examined. Some of the older THS's have experimented with permanent services, and have generally concluded that the two types of business are entirely distinct, and thus should be kept separate. The author agrees that the two functions are entirely distinct, as previously discussed. Furthermore, just as most THS orders from customers are for strictly temporary help, most THS workers are seeking only temporary work. And yet a small percentage of THS applicants—probably 10 per cent or so—are seeking permanent jobs. At present, conventional THS's generally discourage the permanent applicant, since she is not likely to be available for more than a short period and even that period may end abruptly, possibly during the middle of an assignment.

There are situations in which a THS and a permanent placement agency share common ownership; these are usually local concerns, and the two operations are under separate management. It is known that a customer will occasionally call the permanent agency and request referrals, and at the same time call the THS for a temporary worker to tide him over while screening applicants. But there is no way to determine the frequency of these occasions.

In the case of THS's alone, workers cannot be readily converted to the customer's payroll in those cases where such conversion would be mutually desirable. Most THS's require the applicant to sign an agreement that she will not join the payroll of a customer to whom she has been assigned at any time during the previous three months, and a monetary penalty is often stipulated. Some restrictive arrangement is necessary in order to prevent the use of THS's as free employment agencies. And while some of the restrictive clauses appear to be unduly stringent, most are written and administered in such a manner as to discourage abuses, rather than with a view toward collecting revenue per se, since the industry has had to wage an almost constant campaign against identification of its services with those of employment agencies.⁸ In

⁸ The question of regulation, and of restrictive agreements, is discussed in "The Role of Temporary Help Services." The implications of regulating THS's as employment agencies are obvious; for example, in states where employment agency fees are set by law, the maximum allowable fee in some cases would not cover the payroll taxes that must come from the THS's mark-up, not to mention overhead and profit. The author has been researching the THS industry for

those cases of common ownership, the two operations cannot be combined outright, since the THS part of the business would be subject to the laws regulating private employment agencies. Therefore, an arrangement whereby a customer in need of a permanent worker could accept an applicant on a trial basis cannot be widely practiced. By the same token, the practice of offering applicants or prospective applicants the opportunity to "shop" the job market encounters obstacles. With regard to applicants, there is a perhaps more important consideration; that is, many women, especially among the married ranks, are not sure whether they wish to work temporarily, permanently, part-time, full-time, or not at all. Such a person may begin by accepting part-time or temporary work, then find that her personal circumstances (such as child-care arrangements, attitude of husband, etc.) permit regular employment; or she simply may be induced to enter the regular labor force because she is attracted by the working conditions, duties, or surroundings of a particular job. But if such a prospective applicant works through a THS, the transition is difficult, for reasons noted. On the other hand, she is reluctant to seek a regular job, and the labor market for part-time and temporary employment is even less perfect than that for permanent employment, i.e., temporary clerical jobs are very perishable and part-time clerical jobs are scarce.⁹

Just as there are many potential or tentative applicants, there are potential or tentative job vacancies. The author's contact with THS customers strongly suggests that it is not too uncommon for a customer to find that a THS worker has unusual ability, and would like to "make room" for her. Finally, one often hears an employer say that he is "always looking for good employees," or that he has a job open if the " 'right' person would apply."

over four years, in varying degrees of intensity; he is firmly convinced that the controversy over regulation is due to lack of knowledge, plus resentment among some groups and individuals against fee-charging agencies. This is not to suggest that private employment agencies—or, necessarily, THS's for that matter—should be free of regulation. The only concern here is that THS's are *not* employment agencies.

⁹ "A substantial number of cashiers, bookkeepers, and various other clerical workers, but relatively few typists and secretaries, hold part-time jobs. . . . In the professions, part-time and temporary work is far less common. . . ." *Womanpower*, p. 246.

To bring this point into focus, if some form of trial arrangement were available to employers and to workers, then many latent jobs, and workers, would be aroused. There is at least one company in the process of establishing franchises on a national scale in which the trial basis concept is reportedly encouraged; but the firm is in the missionary stage, and except for some largely unproductive correspondence, the author has no knowledge of its operation; no reply was received to the question of how the regulation problem was to be approached.

If and when the THS industry is able to abandon its defensive position on the regulation issue, the author believes that some form of combining temporary and permanent placements may become accepted, particularly if temporary and permanent services could be combined outright, or at least be able to operate in unity.¹⁰ To summarize the items already discussed, the reasoning is as follows: (1) Female clerical workers are a heterogeneous lot; not only does ability vary among workers with the same occupational title, but there is some informal opinion that hiring officers are influenced by the applicant's aesthetic qualities; in addition, some wish to hire workers who blend in with the present work force as to personal characteristics, such as age. Therefore, considerable screening is desirable. (2) There is a need, and a desire, to alleviate labor market rigidities. With the tight clerical labor market, employers are generally forced to accept the first applicant meeting the minimum requirements. (3) Such employers are reluctant to discharge a worker unless she is wholly unsatisfactory.¹¹ Employers are also

¹⁰ Outright combination might prove administratively unworkable. Also, some compromise arrangement on fees may need to be devised, such as allowing the worker some credit for time spent as a temporary worker, against the permanent placement fee. In any event, combination would probably require a complete restructuring of laws regulating permanent agencies, since the THS part of the operation might tend to lose its identity in some transactions.

But a permanent and temporary combination might accomplish the same result by sufficient interchange of information, and still maintain legal separation. The biggest advantage of outright combination, in my view, would be that of projecting the image of a new concept in intermediaries.

¹¹ It might be argued that since employers usually stipulate a probationary period for new hires, then all new workers are "on trial." But the fact remains that the termination of a worker from the employer's own payroll is more involved (and more embarrassing) than simply notifying her employer, i.e., the THS, that she is no longer needed.

reluctant to terminate clerical workers during slack periods, from fear of inability to replace them when the work load increases. (4) Participation in the labor force is to a large degree optional with women, and many would welcome the chance to enter on a tentative basis. From a policy standpoint, a logical conclusion of these points is that if workers, and jobs, were available on a trial basis, a better matching process would obtain.

If the above prognosis is accurate, what are the implications for job vacancy research? Or, one may ask, what job vacancy knowledge would be gained that is not already available from public and private employment agencies, or from conventional THS's? There are two possibilities: (1) It is logical that intermediaries would be more widely used if they provided an additional service, i.e., that of providing tentative workers and jobs. (2) If intermediaries were providing such service, they would *have to* ascertain whether an opening is strictly temporary, tentatively permanent, potentially permanent, or definitely permanent. (More definite information on the labor market status of the applicant would likewise be necessary.) Assuming, then, that the cooperation of these intermediaries could be obtained, some valuable job vacancy information would be available. That is, such information would become an inherent part of each transaction; the job vacancy investigator would not have to persuade each prospect to obtain the information from customers in the interest of research, but would only have to persuade any integrated operator to grant accessibility to existing records.

One final obstacle would be that of growth. Under present arrangements, if a THS office has survived for as long as five years under continuous management, it is usually considered to be mature (at least this is the rule of thumb used by one large company), so that changes in volume are attributable to seasonal and cyclical variations, with some long-run growth. While the industry itself is still showing noticeable growth, most of the growth seems to be from expansion into new geographical and occupational areas. Should the breakthrough in integration or unification of temporary and permanent services actually materialize, it might be necessary to wait until that concept reaches a similar plateau.

It should also be mentioned that the degree of correlation between the use of THS help and the number of permanent job vacancies may vary with economic conditions; the customer motivation for using THS help may differ, for example, during a slack period as compared with an expansionary period. But it might be possible to overcome this difficulty by studying seasonal variations.

In conclusion, while the possibilities of establishing a job vacancy index from the pattern of THS demand may be long run, they nonetheless do exist. The obstacles would be formidable but not insurmountable.

SUMMARY

1. There is a correlation between the demand for temporary help, as reflected in THS volume, and the number and types of permanent job vacancies.

2. If a means of estimating this relationship can be devised, the possibilities of establishing a job vacancy index appear promising.

3. Such a relationship would be difficult to estimate at the macro-level, because of the dynamic nature of the THS industry.

4. The most feasible approach is that of establishing a personal relationship with selected THS's at the local level, winning their cooperation in securing information expressly for research.

5. If and when the concept of assigning workers to permanent or potentially permanent jobs on a trial basis should be implemented on any substantial scale, the chances of securing the necessary information would be greatly enhanced. In addition, it should be possible to classify jobs (and applicants) as to the "degree" of permanency.