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THE SECONDARY LABOR FORCE AND THE MEASUREMENT OF UNEMPLOYMENT

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THE central thesis of this paper is that differentiation in labor force statistics between those who are continuing or regular members of the labor force and those who are temporary or secondary members may be operationally feasible and if so would contribute to the analysis and understanding of employment and unemployment fluctuations in the American economy. In section 1 an attempt is made to define the concept of the secondary labor force. In section 2 an analysis of data from local labor market area studies and from the Current Population Survey of the Census Bureau is presented for the purpose of illustrating the expected advantages in labor force analysis of the proposed differentiation. In section 3 the problems of measurement are discussed, and a number of suggestions for further research and experimentation are made.

1. Secondary Workers and Labor Force Mobility

DEFINITIONS

Movement into and out of the labor force, or labor force mobility, can be classified into two basic types. One is an inevitable function of the human aging process and is characterized by movement into the labor force upon the completion of schooling and movement out when a worker retires or is retired because of age. The other consists of the entrances and exits of those persons who are not regularly or consistently in the labor force during the usual span of working years but who move into and out of the labor force intermittently or are in the labor force only once or twice for relatively short periods of time.

Although there have been significant changes in the conventional ages of labor force entry and retirement, changes in mobility of the first type are primarily long-run phenomena and do not exert great influence on short-run fluctuations in employment and unemployment.¹ The second type of labor force mobility is not only decidedly greater in volume of movement² but plays a vital role in short-run adjustments

¹ The increased participation of both young and old in World War II was primarily a short-run phenomenon of the second type of labor force mobility which temporarily reversed the secular trend of declining labor force participation rates on the part of teen-agers and older people.

² In 1952, for example, the total labor force averaged a net gain of 600,000

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of labor supply to labor demand in American labor markets. All workers have to enter and leave at least once, but only some make a "practice" of going into and out of the labor force. This paper is concerned with those who do.

Data are available from the Census Bureau for recent years on gross movements into and out of agricultural and nonagricultural employment and unemployment, by previous status (employed, unemployed, or out of the labor force) and by sex, but these data unfortunately do not differentiate between those who are regularly members of the labor force and those who are mobile in respect to labor force participation.⁸ To fill this need, this paper suggests a method of labor force classification which, while at present largely experimental, would if perfected and adopted make available for analytical and policy purposes data which would differentiate between the two categories of labor force attachment.

The value of such a differentiation will depend upon three factors: the advantages of the breakdown, the existence of any satisfactory alternative measurements, and the feasibility of measurement. The first two of these will be considered in section 2 of the paper and the third in section 3. Before presenting the evidence for the three factors, however, it is necessary to define as clearly as possible the terms being used.

Since there seem to be no satisfactory terms in the literature for the concepts being presented (see note 7), it is necessary to describe fully the terms used in the paper. Putting aside for the moment any questions about measurement, we can arbitrarily divide the adult, noninstitutional population into three main groups: those who have a steady and continuing labor force attachment; those who have had, are having, or are about to have a temporary labor force attachment; and those who have not had and are not likely to have any labor force attachment. The first group we shall designate as "primary workers"; the second group we shall call "secondary workers"; and the third group, "nonworkers."

Our interest here is in the characteristics and labor market behavior of persons in the second group, the secondary workers, but only those secondary workers whose labor market behavior is significant for analysis. A little reflection soon shows that attempted measurement of

persons over the 1951 average, but the monthly data show there were over 38 million "additions" to the labor force during the year. In each month, on the average, more than 3 million persons entered the labor force (cf. *Current Population Reports: Labor Force*, Bureau of the Census, Series P-50, No. 45, July 1953, pp. 1, 25).

⁸ The "additions" and "reductions" represent the number of "status" changes from the census week in the previous month to the census week in the current month.

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the entire "secondary worker" group, as such, without some limitation as to the degree and timing of the relationship to the labor force, would be a frustrating task—not only because of the amorphous nature of the group, since it could include any one who had ever been or might ever be in the labor force, but also because the resulting measurement would be an almost entirely useless bit of information for labor market analysis. A little further reflection shows, however, that since for any given period of time there are large numbers of secondary workers moving into or out of the labor force, this movement undoubtedly plays an important rôle in determining the size and composition both of the labor force and of its component parts, employment and unemployment.

We introduce, therefore, the concept of the secondary labor force. The secondary labor force consists of those secondary workers who during a given period of time, such as the census week, are in the labor force—that is, holding a job or actively seeking a job.⁴ The primary labor force, then, would consist of those primary workers in the labor force at any given time—employed or seeking employment. Most primary workers are, of course, in the labor force continuously but, at any one time, there are always a certain number not in the labor force, usually through no fault of their own.⁵

Secondary workers may be further described as those who *typically* have some leeway in deciding whether to be in or out of the labor force while primary workers, until they retire, are *normally* in the labor force unless illness or other reason forces a temporary withdrawal. Put in another way, secondary workers have a primary attachment to a non-labor-force activity, such as homemaking, child care, school, or merely idleness, and when in the labor force are in temporarily; primary workers have gainful employment or the search for gainful employment as their principal activity and when out of the labor force are out temporarily.⁶

The use of the word "secondary" is, of course, not intended to imply in any sense a "second-class" status in respect to the labor force, nor to imply that social responsibility is limited to employment opportunities for primary workers. The secondary worker through his or her

⁴ In section 3 of the paper the question is raised as to the proper categorization of secondary workers who at any given time are not seeking work solely because of their perception of the nonavailability of jobs (see p. 197 ff.).

⁵ Table 1 below shows that even for civilian men not in institutions, in the age groups between twenty-five and fifty-four, there are several hundred thousand who do not work at all in the course of a year and an even larger number who are not in the labor force in any given month.

⁶ Differentiating characteristics of primary and secondary members of the labor force are described in some detail in section 2 below.

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mobility plays an important role in the economy as a major factor in the adjustment of labor supply to demand and when in the labor force is as much a part of it as the primary worker. The designation "secondary" is meant to indicate that the secondary worker, over the span of a working life, has a primary attachment to various non-labor-force activities. If a majority of secondary workers are women, this is testimony to the importance of their status in our society in essential activities not included in the labor force. As will be shown in section 2, most secondary workers, while in the labor force, either have—or have interrupted temporarily—time-consuming non-labor-force activities which according to the "norms" of our society usually preclude labor force service.

The term in labor force literature that comes closest perhaps to the secondary worker is "marginal worker," at least when marginal worker is used to mean one who shifts into and out of the labor force. The term has two objections, however. First, the word "marginal" applied to a worker seems to imply that the worker is on the fringe of employability. The great majority of secondary workers are, of course, employable in the sense of being acceptable to employers and efficient workers when employed. Secondly, the term "marginal worker" has been used with many different meanings—contrast its use in marginal productivity theory with its use in describing those who combine labor force activity with another activity—and would be misleading if used synonymously with the definition given for "secondary worker."⁷

Although we have now presented functional definitions of primary and secondary workers and primary and secondary labor force members, the question remains whether these groups can be differentiated in a way that is both operationally and analytically useful. An operational differentiation between primary and secondary attachment to the labor force has been attempted in two studies in local labor market areas.⁸

⁷ The term "secondary worker" has also been used before but less frequently. Usually it has been employed as a short form of "secondary family worker," that is, a working member of a family other than the chief breadwinner. Secondary family workers for the most part would be "secondary workers." A secondary family worker, however, may have a continuous or primary labor force attachment; on the other hand, a secondary worker is not necessarily a secondary family worker. Similarly, several other terms in the literature cut across the terms used in this paper. A member of the "labor reserve" would be an experienced secondary worker who is not in the labor force and who might be expected to enter in a period of high labor demand. "Extra workers" usually means those potential or actual net additions to the labor force, regardless of prior experience, during a period of high labor demand. "Additional workers" has been used to mean both net additions when demand is high and net additions during a period of exceptionally low labor demand. None of these terms, therefore, would coincide with either the definition of "secondary worker" or "secondary labor force" as used in this paper.

⁸ See Irvin Sobel and Richard C. Wilcock, "Secondary Labor Force Mobility in

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In both of these studies the workers interviewed, all of whom were in the labor force, were classified as to primary or secondary labor force attachment. Those enumerated as primary members of the labor force met all of the following qualifications:

1. Had been in the civilian labor force continuously since 1945 *or* since first entrance into the labor force *or* had been out only for such reasons as illness, armed forces service, or short post-armed forces vacation, *and*

2. Would have been looking for work if did not have present job, *and*

3. Expected to remain in the labor force during a "normal working life."

Those classified as secondary labor force members were those who did not qualify as primary. In other words, their work histories and responses to questions showed

1. Voluntary movement into and out of the labor force since 1945, other than for military service or short vacations, *or*

2. An expectation of being out of the labor force (i.e. would not look for work) if did not have present job, *or*

3. An expectation of temporary labor force service, i.e. indicating an intention of leaving the labor force within a relatively short period of time and some time before the conventional age-range for retirement.

Only a small percentage of the individuals were difficult to classify. One type was the individual who was switching from a secondary to a primary attachment. A person with a history of voluntary separation from the labor force might indicate he or she would look for work if the present job ended and would stay in the labor force to age sixty-five or beyond. In the few situations like this, such information as "breadwinning status" or "ability to get along financially without a job" was decisive. The classification technique on the whole permitted a clear-cut differentiation between those with a primary and those with a secondary attachment.⁹

The workers in these survey samples, however, were all employed at the time they were interviewed. If the samples had included persons without jobs, the items for differentiation between primary and sec-

Four Midwestern Shoe Towns," *Industrial and Labor Relations Review*, April 1955, and by the same authors, *Labor Market Behavior in Nonmetropolitan Areas*, Institute of Labor and Industrial Relations, University of Illinois, 1956. The latter reports both on a field study in Kankakee, Illinois, conducted by the author of this paper in 1952 and the study in the four shoe towns, conducted by Irvin Sobel and the author in 1953.

⁹ See the Appendix for the results of "machine coding" of type of labor force attachment contrasted to "hand and judgment" coding, and see section 3 for a suggested list of schedule items designed to obtain the necessary information for primary-secondary labor force differentiation.

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ondary labor force membership would be the same with the exception of item 2. The individual would, of course, be asked if he was seeking a job to establish whether he was in the labor force.¹⁰

To sum up, the suggested operational definition of a secondary labor force member is a person who is in the labor force, as defined by the census,¹¹ but who has in recent years moved in and out or expects to leave the labor force voluntarily, either at some age short of the usual age of retirement or if he loses his job. The operational definition is essentially negative; that is, the secondary labor force member is one who does not meet one or more of the specifications for a primary attachment.¹²

In general, the secondary labor force draws upon the following groups for its membership: those women whose labor force attachment changes in response to changes in one or more of several factors such as marital status, home responsibilities, family income, and types of job openings available; a relatively small number of men who are neither young nor old but who do not wish to work continuously and can get away with it; those young men and women who move into and out of the labor force while completing their education; and those handicapped and older persons who are employable but seek or hold only temporary employment.

As to what proportion of the labor force consists of persons with a secondary attachment, any estimate would be hazardous. Woytinsky has estimated that in 1950 there were, on the average, 8 million persons in the labor force at any one time who were not in continuously during the year.¹³ Since the criterion of noncontinuous service for "secondary labor force member" covers a period longer than one year, it is not surprising to obtain an estimate of average secondary labor force size for 1950 (based on proportions from the Kankakee and Shoe Town studies) several millions higher than the "marginal group" estimated by Woytinsky.

¹⁰ An individual might be counted in the labor force, even if not actively seeking a job, if the only reason for not seeking work is the belief there are no jobs in his community or in his line of work (see the discussion on the fringe area between the labor force and non-labor force in section 3).

¹¹ Or, conceivably, under any revised definition of "in the labor force."

¹² For example, a person may have been in the labor force continuously since first entrance and would look for another job if necessary but expects to leave the labor force within two years at the age of 40.

¹³ W. S. Woytinsky, *et al.*, *Employment and Wages in the United States*, Twentieth Century Fund, 1953, pp. 315-316, 326-327. He estimated also that there were 12 million people in a "marginal group" not in the labor force. For 1950, then, the estimate is that 20 million people had less-than-continuous labor force service, with roughly 8 million in at any one time. Table 1 shows that in 1952 the number of people employed at some time during the year exceeded the average number employed by more than 9 million.

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Net additions and reductions to the secondary labor force can be estimated somewhat more precisely than the over-all size, but only if we assume that primary worker participation rates are stable. In April 1945, for example, there were almost 8 million more persons in the total labor force than there would have been if prewar trends had continued.¹⁴ In 1951, on the average, there were almost 1 million more persons in the total labor force than there would have been under the 1949 labor force participation rate but almost 5 million fewer than called for by the 1944 participation rate.¹⁵ These net changes represent changes in the size of the secondary labor force under the stated assumption (see also Table 1).

TABLE 1

1952 Work Experience Compared with Annual Average in Civilian Labor Force and Employed, by Age and Sex, in January 1953
(thousands of persons, 14 years old and over)

AGE AND SEX	WORKED DURING 1952		ANNUAL AVERAGE IN LABOR FORCE, 1952		ANNUAL AVERAGE EMPLOYED, 1952	
	Number	Per Cent of Population	Number	Per Cent of Population	Number	Per Cent of Population
Civilian noninstitutional population	70,512	63.7	62,966	56.9	61,293	55.4
Male	45,704	87.1	43,454	82.8	42,391	80.7
14-17	2,392	54.3	1,686	38.3	1,546	35.1
18-19	1,450	87.5	1,210	73.0	1,128	68.0
20-24	3,370	90.9	3,338	90.0	3,204	86.4
25-34	10,752	98.1	10,585	96.6	10,390	94.8
35-44	10,200	98.6	9,945	96.1	9,778	94.5
45-54	8,476	96.8	8,326	95.1	8,172	93.4
55-64	6,112	89.8	5,950	87.4	5,822	85.5
65 and over	2,952	50.3	2,415	41.2	2,351	40.1
Female	24,808	42.7	19,513	33.6	18,902	32.5
14-17	1,468	33.9	950	21.9	877	20.2
18-19	1,376	67.1	1,046	51.0	980	47.8
20-24	3,200	57.8	2,502	45.2	2,405	43.4
25-34	5,458	44.7	4,320	35.4	4,185	34.3
35-44	5,602	50.4	4,438	39.9	4,327	38.9
45-54	4,284	47.0	3,636	39.9	3,561	39.1
55-64	2,536	35.7	2,032	28.6	1,990	28.0
65 and over	884	13.2	590	8.8	579	8.7

Source: Computed from *Current Population Reports: Labor Force*, Bureau of the Census, Series P-50, No. 45, July 1953, Tables 3 and 4, and No. 48, November 30, 1953, Table B.

¹⁴ John D. Durand, *The Labor Force in the United States, 1890-1960*, Social Science Research Council, 1948, p. 142.

¹⁵ Computed from *Current Population Reports: Labor Force*, No. 19, March 1950, and No. 40, May 1952.

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SOME PUBLIC POLICY AND SOCIAL SCIENCE QUESTIONS

Section 2 which follows endeavors to show some of the advantages of the proposed primary-secondary labor force differentiation. To set the stage, we list below a number of questions for public policy and social science research which are related to mobility in labor force participation.

1. If "movement into and out of the labor force frames all other forms of labor mobility," as Hauser suggests,¹⁶ is it not desirable to have more analytically useful public data on labor force mobility, both for their relevance to public policy questions and as a reference point for research into the various kinds of factors—whether social, economic, political, or psychological—which influence labor force change?

2. If, as some research has indicated, wage rates are only one factor influencing labor force participation, what are the factors that determine mobility into and out of the labor force and how do they operate in the process of mobility choice? More specifically, what are the factors that determine stability or variation in labor force participation rates for the population, for primary and secondary workers, and for the various age-sex groups?

3. Is there a relationship between labor force mobility and the volume of unemployment? If there is, is the tendency to accentuate or to minimize unemployment? Also, is the effect on unemployment obscured by the techniques used in differentiating between the unemployed person and the nonworker?

4. Is there a relationship between labor force mobility and the size and industrial composition of local labor market areas? Is there also a relationship between changes in labor force participation rates and short-run changes in the demand for labor in local markets?

5. In general, do those who move into and out of the labor force (the "secondary workers" as defined) perform an important function in adjusting labor supply to labor demand or is this mobility quite independent of demand changes?

6. Finally, would data which differentiate between primary and secondary labor force attachment be contributory to workable estimates of labor force participation under various assumed conditions of economic change, such as those associated with a war emergency or an economic depression emergency? Or, assuming peacetime, nondepression conditions, would such a differentiation, if data so categorized were available, help to define "the breach between actual utilization and the capacities and desires of individuals, a policy problem sug-

¹⁶ Philip M. Hauser, "Mobility in Labor Force Participation," in E. Wight Bakke, *et al.*, *Labor Mobility and Economic Opportunity*, Technology Press and Wiley, 1954, p. 11.

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gested by the President in his message to the Congress on the Reorganization of the Council of Economic Advisers in 1953"¹⁷

Possible answers to these questions are presented in the following propositions. In respect to each proposition, primary-secondary differentiation is examined as a method of analyzing the proposition's truth or falsity. In addition, head-of-household and age-sex group data are examined as alternative methods of analysis. No claim is made that other types of data are not pertinent to an examination of the propositions, but the analysis is in terms of labor force data, both national and local.

2. The Secondary Labor Force as a Method of Analysis

SOME PROPOSITIONS

Although the focus of this volume is on the behavior of unemployment, it is difficult to analyze problems of unemployment without considering them in the context of changes in employment and in the total labor force. The following propositions are centered upon mobility in labor force participation and are presented with the alleged justification that they are all intimately related to the nature and behavior of unemployment in the United States. The propositions are as follows:

On the Determinants of Labor Force Mobility. Labor force participation rates of primary workers are almost totally insensitive in the short run to such economic variables as labor demand and wage changes.¹⁸ Labor force participation rates of secondary workers, on the other hand, are sensitive in the short run both to changes within the labor market (demand factors) and changes outside the market (supply factors).

1. Inward mobility of secondary workers is a function of both the known availability of suitable jobs and the relative desire to be employed, that is, the "need" for additional income or simply the desire to work.

2. Outward mobility results either from the loss of jobs accompanied by a perceived lack of other acceptable job opportunities or from the pressure of non-labor-force activities, such as child care, homemaking, or school.

¹⁷ Charles D. Stewart, "Unemployment Statistics and Economic Policy Uses," mimeographed, delivered before the American Statistical Association, September 11, 1954, p. 9.

¹⁸ Although rapid and substantial changes might hasten or retard initial labor force entry of young people or retirement of older people, the labor force participation rate of what might be called the "hard core" of the labor force—men between the ages of 25 and 64—changes almost imperceptibly with changes in economic activity and real incomes (see Clarence D. Long, "The Labor Force and Economic Change," in Richard A. Lester and Joseph Shister, *Insights into Labor Issues*, Macmillan, 1948, pp. 329-355).

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Gross and Net Movements. Without a significant change in the level of labor demand, the gross movements of secondary workers into and out of the labor force tend to cancel each other out, except for the net change created by population increases.

1. When the demand for labor increases relative to population, the secondary worker participation rate increases, thus creating an increase in the over-all labor force participation rate. The increase in the rate results because the attraction of an increased number of suitable job openings¹⁹ is a more powerful factor than the simultaneous falling off in the need for additional income, a factor working in the opposite direction.

2. When the demand for labor decreases, the net effect on participation rates may be small²⁰ because while the rates for some female age groups may increase²¹ these are apt to be offset by net withdrawals within other groups, particularly on the part of young men and women. Here, the strong deterrent of job scarcity offsets the inducement to seek employment provided by declining real family incomes.

3. Real wage changes are not the most direct determinant of net short-run changes in the participation rates of secondary workers, although they represent one factor. An increase in labor demand, not accompanied by real wage changes per capita employed, would activate secondary workers; a decrease in labor demand, not accompanied by per employee real wage changes, would inactivate them. Changes in real family incomes resulting from the amount of employment in the family (both jobs and hours of work) are more significant, however, than changes in real wage rates per employed person, but the main effect is to check net labor force mobility. In other words, an influx of secondary workers increases household incomes and automatically reduces the pressure for secondary labor force participation.²² Similarly, labor force withdrawals by some groups when labor demand declines may be offset by accessions stimulated by the attempt to maintain family incomes. Unless other factors are called into play,²³

¹⁹ The "suitableness" of job openings available to secondary workers involves a whole complex of factors, such as type of work, distance from place of residence, and type of fellow worker. It may also mean a fairly wide range of acceptable wage rates.

²⁰ Unless there is a retreat from an abnormally high position such as the declines experienced after World War II.

²¹ It may be that housewives are "best buys" for many employers in terms of unit costs in periods of declining labor demand.

²² A mother's job, for example, may allow a son or daughter to remain longer in school.

²³ As, for example, during World War II when patriotism and the absence of husbands, sons, and fathers who were in the armed forces helped to bring millions of additional secondary workers into the labor force. Wage controls, high income tax rates, and savings bond campaigns, it might be added, helped to hold down disposable family incomes.

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therefore, income changes represent an equilibrating device in the collective decisions of secondary workers concerning labor force activity versus non-labor-force activities.²⁴

Labor Force Participation Rates and Unemployment. It follows from the propositions above that the movement of secondary workers into and out of the labor force reduces the amplitude of unemployment fluctuations.

1. Since labor force participation rates for secondary workers increase with an increase in the number of job openings, but at a slower rate because of the dampening effect of higher family incomes, unemployment falls as labor demand increases but less than it would if there were no net influx of secondary workers.

2. After a period of abnormally high labor demand, labor force participation rates fall and unemployment may be considerably less than would otherwise be expected.²⁵

3. Except for the case just cited, the over-all labor force participation rate changes little when labor demand declines. Thus, secondary labor force mobility in a recession period has little net effect on the volume of unemployment.

4. Secondary labor force mobility thus reduces the amplitude of unemployment fluctuations in the economy—for the most part by providing a floor rather than by establishing a ceiling.²⁶ As a result of labor force mobility, however, unemployment rates fall less rapidly for secondary than for primary labor force members when labor demand rises; on the other hand, when labor demand falls, unemployment rates rise less rapidly for secondary than for primary labor force members.²⁷

Place-to-Place Differences. Secondary labor force participation rates are potentially more variable where there is little diversity in industrial composition.

1. In nonmetropolitan areas, an increase in demand (a new factory) can activate a substantial proportion of secondary workers and a

²⁴ Not considered here is the well-known inverse relationship between labor force participation and income level which exists at any instant in time. Long and others have suggested that the relationship over time can be the opposite of the static relationship (see Long, *op.cit.*, p. 343).

²⁵ The predictions of high unemployment after World War II resulted in part from underestimations of the volume of labor force withdrawals.

²⁶ This is undoubtedly beneficial to the economy, particularly in the upswing when the availability of secondary workers helps prevent labor "shortages."

²⁷ It is also possible that enumeration methods lead to an underestimation of unemployment at certain times. For example, in the initial stages of a recession secondary workers who are laid off but who are not ready to leave the labor force may not immediately seek other employment and be reported as out of the labor force. It is also possible that in such a period counting "temporary layoffs" as unemployed would give a more accurate picture (see Stanley Lebergott, "Those Unemployment Figures," *Illinois Business Review*, November 1954, p. 9).

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decrease in demand (a factory closes) can inactivate a substantial proportion. The reasons include the reluctance of workers to leave the home community and the resulting underutilization of the population in many local market areas.²⁸

2. The absence of job opportunities for secondary workers means low secondary labor force participation rates.²⁹

3. In many local labor market areas, unemployment estimates fail to reflect the immediate availability of labor because of the large proportion of secondary workers out of the labor force.³⁰

Supply-Demand Adjustment. Secondary labor force mobility tends to adjust labor supply to short-run changes in demand. Secondary labor force participation increased during World War II and during the Korean situation and fell off subsequently in both cases. In a recession, however, there is a general reluctance to withdraw from the labor force and recession unemployment may not be mitigated by net outward labor force mobility.

ADVANTAGES OF PRIMARY-SECONDARY DIFFERENTIATION IN LABOR FORCE ANALYSIS

The purpose of the paper is not to demonstrate conclusively the truth or falsity of any of the above propositions, since this is impossible with the data at hand. Instead, the purpose is a two-fold one of demonstrating the importance of the propositions in a number of aspects of labor force analysis and the usefulness of the primary-secondary differentiation as a method of analysis. For the most part the data used for illustration are those from the Census Bureau's Current Population Reports and from the two local labor market area studies previously mentioned.

The first advantage of the suggested differentiation is that it makes it possible to compare workers on the basis of whether they are mobile in respect to participation in the labor force in addition to the usual comparisons on the basis of sex and age. Some of the differences between primary and secondary labor force members, as shown by the data from the Kankakee and shoe town studies, can be quickly summarized. The differences in personal characteristics and aspects of labor market behavior shown in Tables 2 and 3 provide the background

²⁸ Geographic mobility is another factor in adjusting labor supply to demand in a local market area but is often much less important than labor force mobility.

²⁹ Many industries have, of course, made use of the labor "surplus" in smaller communities (see Richard C. Wilcock, "New Firms and the Labor Supply in Small Communities," *Current Economic Comment*, November 1954, pp. 3-15).

³⁰ Underemployment is also likely to be greater in small-population areas (see Louis J. Ducoff and Margaret J. Hagood, "The Meaning and Measurement of Partial and Disguised Unemployment," in this volume).

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TABLE 2

Distribution of the Samples by Type of Labor Force Attachment,
Kankakee, 1952, and Four Shoe Towns, 1953^a

TYPE OF ATTACHMENT	BOTH SEXES		MALE		FEMALE		MEDIAN AGE (years)
	No.	%	No.	%	No.	%	
Kankakee:							
Primary	188	63	157	87	31	27	30.3
Secondary	108	37	24	13	84	73	26.3
Total	296	100	181	100	115	100	29.1
Shoe towns:							
Primary	388	59	182	98	206	43	40.0
Secondary	271	41	3	2	268	57	33.5
Total	659	100	185	100	474	100	37.3

^a Both samples were deliberately selected in situations which would yield high proportions of secondary labor force members. The Kankakee sample was drawn in June and July 1952 from a universe of the recent "hires" (within the six-month period prior to the survey) in thirty-seven manufacturing, trade, and services companies in the Kankakee labor market area. At the time, Kankakee was a "tight" labor market and the "new hires" could be expected to include large proportions of young and of secondary workers. The universe for the shoe towns sample was the total nonsupervisory work forces of four shoe factories in as many small towns. In this case, a large proportion of secondary members was expected because of the known hiring practices of the shoe company which operated the four plants.

Source: Interviews (Kankakee) and questionnaires (shoe towns).

for subsequent discussion of labor force mobility. In some aspects of labor market behavior, not shown in Table 3, the primary and secondary workers differed very little. In both studies there were no significant differences in methods of job seeking—friends or relatives and direct application being the chief methods; in extent of job search—that is, in the number of places applied to for work; in expectation of finding a job meeting occupational preference, including job held at the time interviewed; in degree of satisfaction with their jobs; in knowledge about the labor market; and in knowledge about the company and the type of work before taking the job held at the time of the surveys.

Determinants of Secondary Labor Force Mobility. The two studies furnish some clues as to the determinants of inward and outward secondary labor force mobility suggested in the first proposition and tend to support the second and fourth propositions on net changes in labor force mobility. For inward mobility the data clearly indicate the combined effect of the "push" of certain kinds of personal circumstances and the "pull" of labor market changes. The push is illustrated

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TABLE 3
Selected Comparisons between Primary and Secondary
Labor Force Members, Kankakee and Four Shoe Towns
(per cent)

CHARACTERISTICS AND BEHAVIOR	KANKAKEE ^a		SHOE TOWNS ^b	
	<i>Primary</i>	<i>Secondary</i>	<i>Primary</i>	<i>Secondary</i>
Characteristics:				
Women	16	78	53	99
Under 25	43	63	15	34
Over 44	17	9	36	17
Widowed, divorced, or separated	11	3	13	4
Have 9 or more grades in school	62	89	38	56
Have 1 or more others in household working	49	89	54	84
Have a spouse who is working	^c	^c	39	66
Have no dependents	49	95	41	84
Behavior:				
Need to work for a living	80	5	78 ^e	8 ^e
Are "breadwinners"	76	8	97	8
Prefer factory to nonfactory jobs	59	23	46	25
Have been continuously in the labor force ^d	62	35	82	45
Would look for work if lost job ^d	90	14	84	46
Expect to stay in labor force during "normal working life" ^d	93	29	86	27

^a N = 296. The number of respondents varies slightly between items.

^b N = 659. The number of respondents varies slightly between items.

^c No data.

^d These items are related to the criteria for the primary-secondary differentiation.

^e N = 109. Interview data.

Source: Interviews (Kankakee) and questionnaires and interviews (shoe towns).

by Table 4, which shows that a large proportion of those classified as secondary members expressed a need for higher family or personal income. The pull can be illustrated by the fact that in Kankakee more than a third of the "new hires" in manufacturing, trade, and services during a period of expanding employment were secondary members of the labor force.⁸¹ In one of the shoe towns the factory had been shut down for two and one-half years and was reopened about a year before the survey was made. Sixty-five per cent of the respondents from this plant who were classified as secondary workers were labor force reentrants compared with only 34 per cent for the other three plants studied. Approximately one half of the secondary workers in the reopened plant were both labor force reentrants and company rehires.

⁸¹ Extrapolating from the sample, some 1,250 secondary workers were hired into a nonfarm work force of some 15,000 in a six-month period during which estimated unemployment for the area was averaging between 400 and 500 persons.

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TABLE 4

Primary and Secondary Workers, by Reason for Working,
Kankakee and Four Shoe Towns
(per cent)

REASON	KANKAKEE ^a			SHOE TOWNS ^b		
	Primary	Secondary	Total	Primary	Secondary	Total
Need job for living	80	5	52	78	8	54
Help support family	13	59	30	14	62	30
Personal use	7	36	18	4	24	11
Other	0	0	0	4	6	5
Total	100	100	100	100	100	100

^a N = 294.

^b N = 109.

Source: Interviews (Kankakee) and interviews (shoe towns).

Another plant was only three years old and was located in the smallest and least industrialized of the four communities. Sixty-one per cent of the respondents in this plant were not in the labor force in the period preceding their employment by the company⁸² compared with 43 per cent for the three other plants.

If the propensity to enter the labor force can be explained in terms of the desire for additional income and if entrance is related to the availability of job openings, what explains the temporary nature of the labor force attachment of secondary workers? The major explanation is found in the relative importance to these people of their non-labor-force activities and responsibilities. Table 5 illustrates the importance to secondary workers of major non-labor-force activities—"major" being interpreted to mean some activity consuming twenty hours or more a week. A third or more of the secondary worker respondents in each study had such a major non-labor-force responsibility while fully employed and roughly two-thirds in each sample had previously left the labor force at least once because of major home or school responsibilities.

Family responsibilities loom large in the analysis not only in explaining entrances (need for additional income) but also in explaining exits (need to care for family, particularly young children). The pendulum in many cases swings back and forth as the secondary worker makes decisions on the relative importance to self and family of being in or being out of the labor force. There is an element of choice, therefore, for the worker who does not have a continuously compelling economic necessity for working. As was indicated in Table 4, perhaps as many

⁸² Thirty-four per cent entered the labor force for the first time and 27 per cent reentered.

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TABLE 5
 Non-Labor-Force Activities of Secondary Workers While in the Labor Force
 and When Out of the Labor Force, Kankakee and Four Shoe Towns
 (per cent)

ACTIVITY AND REASON OUT OF LABOR FORCE	MAJOR REASON FOR PREVIOUS PERIODS OUT OF LABOR FORCE ^a		MAJOR NON-LABOR-FORCE ACTIVITY WHILE IN THE LABOR FORCE ^b		PROSPECTIVE ACTIVITY, IF LOST JOB	
	Kankakee	Shoe Towns ^c	Kankakee	Shoe Towns ^d	Kankakee	Shoe Towns ^e
Major activity:						
In school	9	2	8	1	6	2
Housework and child care	55	62	86	91	37	29
Military service	2	0	n.a.	n.a.	0	0
Unpaid family work	n.a.	n.a.	6	8	n.a.	n.a.
Other activity or reason:						
Keeping house or staying at home	19	25	n.a.	n.a.	30	20
Vacation	7	2	n.a.	n.a.	10	3
Illness or other disability	4	9	n.a.	n.a.	n.a.	n.a.
Look for a job	n.a.	n.a.	n.a.	n.a.	14 ^f	46 ^g
Other	4	0	0	0	3	0
Total	100	100	100	100	100	100

^a After first entrance and since World War II.

^b At time of survey.

^c N = 53.

^d N = 119.

^e N = 36—one-third of the secondary members had a major outside activity while holding a regular job.

^f N = 98—36 per cent of the secondary members had a major outside activity while working.

^g N = 108.

^h N = 253.

ⁱ The larger proportion of the shoe workers who would look for work reflects the older age and lower family incomes of the respondents in that sample.

n.a. = not applicable.

Source: Interviews (Kankakee) and questionnaires (shoe towns).

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as a fifth of all primary workers can make a reasonably free choice about continuation in the labor force but they are primary because they choose continuous labor force service. Almost all secondary workers have such a choice—although not necessarily every day or month—and they are secondary because they choose to move in and out. One interesting result in these studies, for example, is that almost as many of the primary women workers had children under 18 years of age as did the secondary women workers and they were primary workers because they saw no alternative to staying in the labor force.³³ Most secondary women workers with young children, on the other hand, had had fairly extensive periods out of the labor force during which they took care of their homes and children.³⁴

As for outward labor force mobility, the secondary workers had both the ability and the propensity to withdraw from the labor force. The intent or expectation of leaving the labor force before the usual age range of retirement on the part of most secondary workers is shown in Table 6. Less than 30 per cent of the respondents in each of the samples who were classified as secondary expected to stay in the labor force until any usual retirement age and some of these undoubtedly did not expect to be in continuously until final retirement. In addition,

TABLE 6
Distribution of Primary and Secondary Members in Kankakee and Shoe Towns and of Men and Women in Shoe Towns, by Expectations as to Continuation of Labor Force Service
(per cent)

HOW LONG EXPECTS TO WORK	KANKAKEE ^a		SHOE TOWNS ^b			
	Primary	Secondary	Primary	Secondary	Men	Women
2 years or less	0	4	0	7	0	4
2-5 years	1	31	0	25	1	14
Over 5 years but less than working life	4	22	8	32	6	23
Working life	93	29	86	27	90	50
Don't know	2	14	6	9	3	9
Total	100	100	100	100	100	100

^a N = 292.

^b N = 538.

Source: Interviews (Kankakee) and questionnaires (shoe towns).

³³ Thirty-six per cent of the women in the Kankakee sample and 48 per cent of the female shoe factory respondents had children under eighteen living at home compared with a national average of 28 per cent for women in the labor force (cf. *Current Population Reports: Labor Force*, June 1953, Tables 1 and 4).

³⁴ These women might be said to conform more closely to the prevailing social norm under which it is not customary to continue two "full-time" responsibilities simultaneously.

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as shown in Table 5, a majority of the secondary workers thought they would leave the labor force if they lost their jobs.

Mere intent is, of course, not enough, but the secondary workers demonstrated their ability to move into and out of the labor force both in their work histories and in their responses to questions about their ability to get along without a job. Thus, even though the secondary workers had important economic reasons for working, few of them were primary breadwinners at the time of the survey and few felt their job necessary "for a living." The secondary workers, therefore, had the ability to leave the labor force as well as the propensity.

Net Changes in Labor Force Mobility. Both inward and outward labor force mobility are to a large extent influenced by non-labor-force factors but they are also influenced by changes in the labor market. A key question for analysis, then, is whether there are net changes in labor force mobility under changing conditions in the demand for labor. Although the local labor market area studies under discussion do not offer conclusive proof, they do at least indicate that the secondary labor force in nonmetropolitan labor market areas is highly variable when there are significant, short-run changes in the demand for labor. Detailed discussions of this variability can be found in the references cited in note 8. In brief, the data from these studies show an apparent increase in the proportion of secondary workers in the labor force in Kankakee during a period when several new firms entered the area and when employment was additionally stimulated by the Korean situation, in one of the shoe towns when the shoe factory reopened after a two and one-half year shutdown, and in another of the shoe towns in the period after the shoe plant first opened in 1950. The work history data also indicate that when the shoe factory closed in one of the towns a substantial proportion of the secondary workers withdrew from the labor force for at least part of the two and one-half year period of shutdown.

Net changes in secondary labor force mobility can also be illustrated by data from the Current Population Survey of the Census Bureau, if the assumption is made that most of the net change in labor force participation rates for age-sex groups which presumably have substantial proportions of secondary members is caused by the labor force mobility of the secondary members. This assumption seems reasonable both in terms of the definitions of primary and secondary attachment and on the basis of the findings in Kankakee and the shoe towns. The brief analysis which follows is intended to illustrate, even though indirectly, some of the analytical advantages that would accrue if we had data that differentiated between primary and secondary labor force attachment.

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Table 7 shows changes in labor force participation rates, by several age-sex groups, during a period of increasing demands on the labor of the American population—the Korean War period—and during two periods of fairly moderate decreases in labor demand—the 1949 and 1953-1954 recessions. Year-to-year changes are shown in order to eliminate most of the seasonal effect.⁸⁵

The census data lend support to proposition 2 on gross and net movements into and out of the labor force. In 1952 the annual average for the participation of the adult population in the labor force was 58.7 per cent compared with 57.8 per cent in 1948, a year roughly comparable in levels of employment.⁸⁶ The increase in the rate between 1948 and 1952 can be explained largely in terms of the expansion of the armed forces.⁸⁷ The large amount of gross movement (about 67 million "additions" and "reductions" in the civilian labor force in the recession year of 1949 and almost 80 million in the high-employment-level year of 1951) does not, however, cancel itself out entirely nor does it occur without important changes in the age-sex composition of the labor force.

During the period of expansion in industrial output and employment in 1950 and 1951, when young men were entering the armed forces in relatively large numbers, there were substantial increases in the proportion of women 20 years old and over in the labor force. Since most of this increase came from women beyond the usual ages of labor force entry and since it was far above what could be accounted for by secular increases, it is reasonable to assume that the increase in rates was the result of a net addition to the secondary labor force. In addition, the rate for women under twenty years of age changed very little, checking momentarily the secular decline of participation by this group. Men sixty-five and over, however, continued to leave the labor force in increasing numbers, since apparently there was no increase in the demand for their services as had happened during World War II. The rate for civilian men under twenty declined, but this was probably the result of withdrawals to the armed forces in 1951 rather than the result of the secular decline in their participation because in the second half of 1950 their participation in the civilian labor force increased. What apparently happened in this period, then, was a slight

⁸⁵ These periods are used, even though the changes involved are relatively small and consequently the hazards of sampling errors and enumeration biases correspondingly high, because they are the only ones for which monthly data are available with detailed age-sex breakdowns.

⁸⁶ The unemployment rate in 1948 was 3.4; in 1952 it was 2.7.

⁸⁷ The total labor force was 58.8 per cent of adult population in 1951, up from 58.0 per cent in 1949, but the civilian labor force had actually dropped to 56.2 per cent in 1951 from 56.7 per cent in 1949.

TABLE 7
Selected Year-to-Year Changes in Indicators of Labor Demand and Civilian Labor Force Participation Rates, by Age-Sex Groups, Selected Periods of Labor-Demand Change, 1948-1954

PERIOD	INDICATORS OF LABOR-DEMAND CHANGE				CHANGES IN CIVILIAN LABOR FORCE PARTICIPATION RATES									
	Changes in Federal Reserve Board Index of Production ^a	Change in Proportion of:			All Men	All Women	Men 14-19	Men 20-54	Men 65 and over	Women 14-19	Women 20-24	Women 25-34	Women 35 and over	
		Persons 14 and over	Men 20-54 Employed	Men 20-54										
Period of increase in labor demand:														
Aug. 49-Aug. 50	25	1.5	1.7	0.4	0.3	0.6	2.2	0.1	-0.6	-0.4	-0.6	0.4	1.2	
Dec. 49-Dec. 50	24	1.4	2.6	0.2	-0.1	0.9	1.1	0.4	-3.5	0.9	2.2	1.2	0.6	
Apr. 50-Apr. 51	17	1.5	3.5	-0.1	-0.2	0.6	-1.8	0.2	-1.6	0.9	0.4	1.0	0.5	
Aug. 50-Aug. 51	-4	0.7	2.0	-0.2	0.1	0.4	-0.1	0.6	-0.3	1.2	-0.1	1.1	0.2	
Dec. 50-Dec. 51	-2	0.6	1.8	0.1	0.3	0.6	-1.5	1.0	-0.4	-1.0	-1.4	1.8	0.9	
Apr. 49-Apr. 51	27	1.6	3.0	0.4	-0.4	1.8	-2.6	0.5	-2.1	-0.4	3.1	2.1	2.1	
Period of decrease in labor demand:														
Aug. 48-Aug. 49	-8	-1.7	-2.2	-0.1	-0.7	0.5	-2.5	0.1	-1.0	-0.5	1.3	0.2	0.9	
Dec. 48-Dec. 49	-6	-1.3	-2.1	0.1	-0.5	0.5	-1.1	0.1	-1.2	-1.0	2.3	-1.2	1.2	
Apr. 53-Apr. 54	-12	-1.2	-2.1	0.5	-0.2	1.0	-2.3	0.5	-1.8	0.7	-0.7	1.5	1.3	
Aug. 53-Aug. 54	-12	-1.7	-2.9	0.1	0.1	0.1	-0.5	n.c.	0.3	-2.7	1.7	1.4	-0.1	
Aug. 52-Aug. 54	1	-1.6	-2.2	-0.2	-0.4	-0.3	-2.0	0.3	-1.2	-2.0	0.4	-2.1	0.6	
Aug. 49-Aug. 54	27	-0.3	1.5	-0.8	-1.0	0.4	-4.9	1.2	-5.4	-3.1	-1.2	-0.4	2.1	

^a Index of industrial production—total—without seasonal adjustment.

n.c. = no change.

Source: Compiled from *Current Population Reports: Labor Force*, Bureau of the Census, Series P-57, monthly reports, various dates, and *Federal Reserve Bulletin*, Board of Governors, Federal Reserve System, December 1953, p. 1324, and October 1954, p. 1099.

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increase in the total primary labor force as a result of some entries at younger ages and a more substantial increase in the secondary labor force in response to the increase in job openings available to secondary workers.

In two periods of moderate recession, the second half of 1949 and the first half of 1954, when demand fell from high peacetime levels, the civilian labor force changed insignificantly in proportion to population, but this seemed to occur because the decreases in participation of some age-sex groups were offset by increases on the part of others. The participation rates for both men and women under twenty years of age declined, partly as a result of a secular trend toward more years of schooling but partly, it seems probable, because when jobs are more scarce they are particularly so for this age group. The combination of secular trend and labor market practices also would explain the decline in rates for men aged sixty-five or over. For the female age groups other than the teen-age group, however, the over-all tendency was toward a slight increase in participation rates in the face of declining levels of employment. While these data are not adequate to support Woytinsky's hypothesis of a net influx of "secondary family workers" in response to the unemployment of the usual breadwinners, the data do show changes in rates which may be related to the changes in the level of labor demand. In each of the recession periods, the secular increase in the participation rates of women almost vanished.* It seems probable that the secular trend might have been reversed if women were in jobs as subject to layoff as those of men. As it was, these groups of women lost less in employment and suffered less from unemployment than did men** (see Table 8 below).

* Editor's Note: Mr. Wilcock does not present data in support of this statement and an examination of the seasonally adjusted data fails to verify it—at least insofar as females twenty-five to sixty-four are concerned. Aside from the usual random fluctuations (which cannot be ignored in a survey subject to both sampling and interview errors), no decrease in the labor force participation of females twenty-five to sixty-four could be detected in the 1949-1950 recession, either in absolute amount or in relation to the secular trend. There was a decline in relation to trend in the 1953-1954 downturn, but there is no way of telling whether it was in response to the recession or was a reaction to the high rate of participation during the Korean War. There is good reason to believe that female participation began to drop off when it became clear that the Korean War was ending, while unemployment was still declining.

** Editor's Note: A more precise test of these changes in labor force participation is had if the changes in employment or unemployment rates are added together to reveal the net changes in the labor force participation rate. If this is done for males twenty to fifty-four and for females twenty to twenty-four, twenty-five to thirty-four, and thirty-five and older, it will be found that, of the twelve comparisons for the three female age groups, six show a decline and six show a gain. The results do not indicate really systematic behavior for any of the three female groups for any of the comparisons.

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In another period, mid-1951 to mid-1953, which might be termed "a return to normalcy," there was a net decline in labor force participation rates which was apparently the result of readjustment in labor force size after the higher levels achieved during the expansion related to the Korean War. During this period (not shown in Table 7) there was a net decline in employment rates, in spite of continuing increases in industrial output, and the civilian labor force participation rate fell off by 1.1 per cent (August 1951 to August 1953) because of labor force withdrawals in all of the age-sex groups containing substantial numbers of secondary labor force members except women 35 years old and over. One unusual result was that unemployment and employment rates fell off simultaneously.

The census data, therefore, indicate some relationship between participation rates and even moderate swings in the level of unemployment in the economy.* This relationship, it is suggested, would be shown more clearly if data were available that differentiated between primary and secondary labor force attachment. With such data it would be possible to analyze, for example, shifts in proportions of secondary members in the labor force in relation to various indicators of economic well-being.

In the propositions it was suggested that there is little direct relationship between real wage changes and changes in labor force participation, but that changes in real family incomes, as affected by the amount of employment which families have, may have an important effect in dampening net changes in labor force mobility. Although the data at hand are not adequate to support this hypothesis fully, the trends shown by the census data are consistent with the hypothesis and the data from the two local labor market area studies also tend to support it. In each of the periods under discussion real wages, as measured by Bureau of Labor Statistics data on net spendable weekly earnings adjusted for cost-of-living changes, increased. These increases in real wages apparently had little effect on inducing either a net increase or a net decrease in the secondary labor force. In periods when a larger number of families would have incomes of reduced size as a result of male unemployment, however, there was a tendency for increased participation in those female age groups which have a large proportion of women in families with growing children and heavy family expenses.**

* Editor's Note: It should be noted that this finding of a relationship between labor force participation rates and even moderate swings in employment is based partly on the Korean War experience. Rees finds no such relationship during the peacetime period which embraced the 1949 recession.

** Editor's Note: These conclusions should be treated with caution. Comparisons of labor force participation rates of August 1949 with those of August 1948, or of

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Labor Force Participation Rates and Unemployment. Again using age-sex breakdowns as a substitute for data with a primary-secondary labor force differentiation, Table 8 gives some clues as to the relationship between secondary labor force mobility and unemployment. In 1950 and 1951, for example, unemployment rates declined much less rapidly for several groups than one would have expected in view of the increases in the employment rates. The cause was the net additions to the labor force in these groups. Between April 1949 and April 1951 the employment rate for women, aged twenty to twenty-four, jumped by 3.7 per cent, with 3.1 per cent accounted for by an increase in labor force participation and only 0.6 per cent resulting from a decrease in unemployment. The figures are similar for women between twenty-five and thirty-four and for those thirty-five years old and over. The unemployment rate for men, fourteen to nineteen, declined more rapidly because of the draft: in 1950, employment in this group rose more than unemployment fell because of an accelerated rate of entrance into the labor force, but in 1951 unemployment continued to fall even though the civilian employment rate leveled off and finally turned down. For men sixty-five and over the decline in unemployment was almost entirely the result of labor force withdrawals. The over-all result for this period of labor demand increase was an adaptation of labor supply to the increased demand through net inward labor force mobility. Without the net influx of secondary workers, unemployment would have been lower but very probably at a heavy cost of labor shortages and lost production.⁸⁸

As the economy reached a more normal, but still high, level of employment after the peak of defense production passed, net mobility out of the labor force made it possible for unemployment rates to

those of December 1949 with those of December 1948 will show that there was no rise at all for women twenty-five to thirty-four and that increases for women twenty to twenty-four and thirty-five and over were very small considering the fact that there is a long-run upward trend in female labor force participation rates and that the data are subject to considerable sampling and response fluctuations.

⁸⁸ Longer hours of work and more efficiency per unit of labor would also increase labor supply. The longer hours, at least, did occur. Although the increase in labor supply in the second half of 1950 and in 1951 was in part the result of the secular increase in female labor force participation rates, this increase was apparently in excess of the secular movement. Since this was the Korean War period, the reasons for the increase are undoubtedly similar to those which apply to World War II experience. The census data, of course, do not reveal whether the more important factors are on the supply side—more women with fewer home responsibilities—or on the demand side—an increase in suitable job opportunities for women and changes in employer hiring practices. The Kankakee study data (summer of 1952) indicate that female labor force entrants were influenced by both supply and demand factors in a period of expanding employment opportunities.

TABLE 8
Selected Year-to-Year Changes in Employment and Unemployment Rates
in the Civilian Labor Force, by Age-Sex Groups,
Several Postwar Periods, 1949-1954

PERIOD	BOTH SEXES, 14 AND OVER		MEN 14-19		MEN 20-54		MEN 65 AND OVER		WOMEN 14-19		WOMEN 20-24		WOMEN 25-34		WOMEN 35 AND OVER		
	E	U	E	U	E	U	E	U	E	U	E	U	E	U	E	U	
	Period of increase in labor demand:																
Aug. 49-Aug. 50	1.5	-1.1	4.5	-2.3	1.7	-1.6	-0.1	-0.5	0.6	-1.0	1.3	-1.9	1.0	-0.6	1.5	-0.3	
Dec. 49-Dec. 50	1.4	-1.2	3.4	-2.3	2.6	-2.2	-3.2	-0.3	1.6	-0.7	3.3	-1.1	1.7	-0.5	0.9	-0.3	
Apr. 50-Apr. 51	1.5	-1.6	0.9	-2.7	3.5	-3.3	-0.8	-0.8	1.2	-0.3	1.3	-0.9	1.1	-0.1	0.8	-0.3	
Aug. 50-Aug. 51	0.7	-0.9	1.5	-1.6	2.0	-1.4	0.6	-0.9	1.6	-0.4	0.5	-0.6	1.6	-0.5	0.5	-0.3	
Dec. 50-Dec. 51	0.6	-0.5	-0.8	-0.7	1.8	-0.8	0.3	-0.7	-0.4	-0.6	-0.6	-0.8	1.7	0.1	1.0	-0.1	
Apr. 49-Apr. 51	1.6	-1.2	-0.3	-2.3	3.0	-2.5	-1.1	-1.0	0.4	-0.8	3.7	-0.6	2.3	-0.2	2.1	n.c.	
Period of "return to normalcy":																	
Aug. 51-Aug. 52	-0.9	0.1	-5.2	0.2	0.2	n.c.	-3.6	0.3	-1.7	-0.2	-1.1	0.2	0.3	-0.1	0.1	n.c.	
Dec. 51-Dec. 52	-0.2	-0.3	-2.3	0.1	0.4	-0.1	-1.4	-0.3	0.2	-0.4	-3.2	-0.1	-0.9	-0.6	1.1	-0.4	
Apr. 52-Apr. 53	n.c.	-0.1	2.1	-0.7	-0.5	0.3	1.4	-0.6	-1.2	n.c.	1.4	-0.5	-0.3	-0.2	n.c.	-0.1	
Aug. 52-Aug. 53	0.1	-0.4	-1.0	-0.5	0.7	-0.4	-0.9	-0.6	1.5	-0.8	-1.4	0.1	-3.1	-0.4	1.0	-0.3	
Aug. 51-Aug. 53	-0.8	-0.3	-6.2	-0.3	0.9	-0.4	-4.5	-0.3	-0.2	-1.0	-2.5	0.3	-2.8	-0.5	1.1	-0.3	
Period of decrease in labor demand:																	
Dec. 52-Dec. 53	-1.5	0.4	-2.5	0.2	-1.1	0.9	-3.7	0.2	-3.6	n.c.	-2.2	0.2	-1.7	-0.1	-0.9	0.2	
Apr. 53-Apr. 54	-1.2	1.7	-4.4	2.1	-2.1	2.4	-2.8	1.0	-0.7	1.4	-3.0	2.3	0.6	0.9	0.4	0.9	
Aug. 53-Aug. 54	-1.7	1.8	-3.3	2.8	-2.9	2.9	-1.1	1.4	-4.6	1.9	1.0	0.7	0.1	1.3	-1.1	1.0	
Aug. 52-Aug. 54	-1.6	1.4	-4.3	2.3	-2.2	2.5	-2.0	0.8	-2.9	0.9	-0.4	0.8	-3.0 ^a	0.9	-0.1	0.7	

^a This figure is heavily influenced by net labor force withdrawals in late 1952 and early 1953.

E = employed, U = unemployed.

n.c. = no change.

Source: *Current Population Reports: Labor Force*, Bureau of the Census, Series P-57, monthly reports, various dates.

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decline even though there was a net decrease in employment opportunities for the adult population. The low level of unemployment in 1952 and 1953 concealed quite sizable employment declines for men under twenty and over sixty-four and for women between the ages of twenty and thirty-four. Secular trends were reenforced by the decrease in the number of job openings for younger and older men. The participation rates for women under thirty-five declined, if the hypotheses are correct, both because job openings were fewer for women and because family incomes were not being cut into by high rates of male unemployment. Willingness and ability to withdraw from the labor force, therefore, helped make possible the low levels of unemployment during these years.

In the periods of general though moderate employment declines, 1949 and the first half of 1954, there was no net mobility outward to moderate the growth of unemployment. Examination of the age-sex group data, however, reveals some intriguing changes in employment and unemployment rates. For each of the age-sex groups with a substantial proportion of secondary members, unemployment increased less rapidly than it did for men between the ages of twenty and fifty-four, a group which presumably has a very small proportion of secondary members. For men under twenty and over sixty-four and for women under twenty this was caused largely by labor force withdrawals. Even for women twenty years old and over, however, where the tendency was to stay in the labor force or even increase the rate of participation, unemployment rates advanced less than they did for men, twenty to fifty-four, apparently because these groups of women had lower "disemployment rates," to use Hauser's term for unemployment that follows an employment status.

On the assumption that secondary labor force mobility is primarily responsible, the data tend to support the proposition that unemployment fluctuations are less volatile for the secondary labor force and that this reduces the amplitude of unemployment fluctuations for the total labor force. Chart 1 illustrates some of the effects on unemployment rates (as a percentage of each group's labor force) during successive periods of moderate labor force—and employment—expansion, moderate labor force contraction (with employment holding relatively steady in proportion to population), and labor force stability (with declining employment).

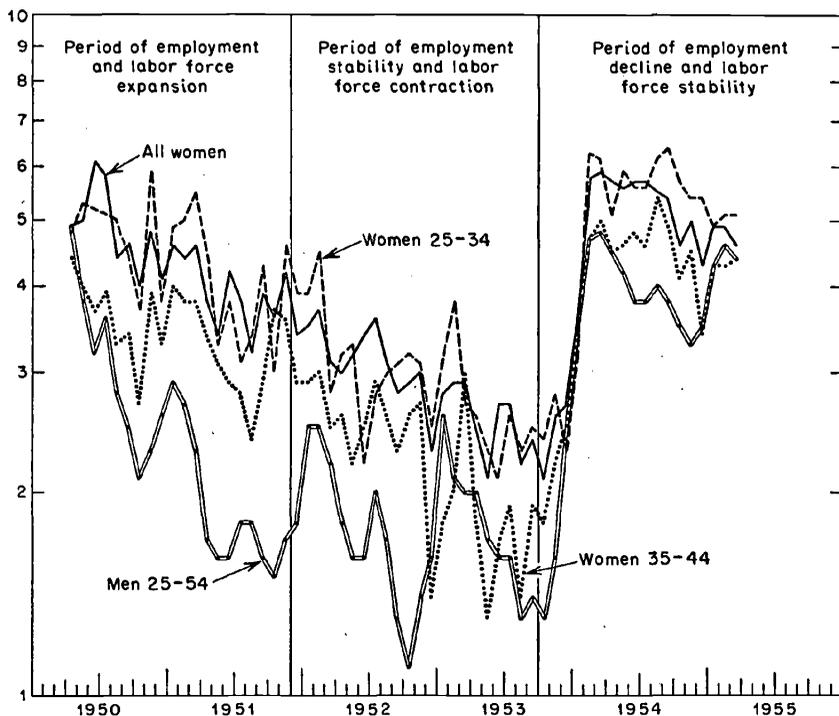
Other Advantages. The above analysis, it is contended, would be considerably improved if it were based on data that separated primary labor force attachment from secondary. Analysis by age-sex groups, however, gives some insight into the contributions which primary-secondary differentiations would make in analyzing changes in the

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CHART 1

Unemployment Rates for Several Age-Sex Groups, April 1950–March 1955

(percentage of each group's labor force)



Source: *Current Population Reports: Labor Force*, Bureau of the Census, Series P-57, monthly reports.

Ratio scale

employment and unemployment components of the labor force in relation to other changes in economic activity.

Without going into detail, it is possible to list several other areas of analysis in which the differentiation would be useful. Data on the behavior of the secondary labor force under varying economic conditions would be of particular value as additional data in formulating estimates of potential manpower under assumed conditions of high labor demand in national emergencies. Secondly, since most seasonal variations in the labor force are accounted for by secondary labor force mobility, secondary labor force data would contribute to the analysis of these seasonal shifts.³⁹ In the third place, secondary labor force data

³⁹ Charles D. Stewart has raised the question of "whether enumerators tend to assume that seasonal workers withdraw from the labor market without probing to discover whether they are seeking another job, thus contributing possibly to a substantial underestimate of those 'able, willing, and seeking to work'" (Stewart, *op.cit.*, p. 6).

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would make it somewhat easier to distinguish between secular and short-run phenomena in labor force change. If, for example, female labor force participation rates increase in a given period, as they did for women twenty-five and over between April 1953 and April 1954, is the increase due to a secular trend or is it a net inflow of secondary workers in response to short-run labor market and family income changes? Has the secular increase in female participation been the result of a larger proportion of women with a primary attachment or a larger proportion with a secondary attachment to the labor force?

Fourth, the differentiation as a method of analysis can be used to advantage in special surveys of local labor market areas, particularly when rapid changes in employment have occurred or are imminent. Data from the 1950 census indicate rather large differences in labor force participation rates among areas, differences which seem to be related to the industrial composition in local labor markets. Some of the possibilities of analysis are illustrated in the two local area studies reported sketchily in this paper and more completely elsewhere.⁴⁰

Finally, data on the secondary labor force might assist in determining the extent to which the economy is utilizing the man-hours available to it in the market. More adequate data on partial and disguised unemployment are perhaps more immediately important in this respect, but it seems probable that perfection of methods of estimating the secondary labor force would add to the labor force, under some conditions of demand, a number of people not seeking work because of a realistic recognition of the nonavailability of jobs.⁴¹ Studies in non-metropolitan areas indicate that in many of these areas the jobless residents who are able and ready to work will not search for jobs when they believe there are none to be had. The fact that they are reluctant to move to other communities is generally considered to be an indication that they like their "home towns" and are hopeful about job chances in the community and not that they do not wish to work.⁴²

ALTERNATIVE METHODS OF ANALYSIS

The attempt made in the preceding pages to analyze secondary labor

⁴⁰ See references in note 8; Louis Levine, "Unemployment by Locality and Industry," in this volume; *Labor-Force Participation, Its Significance to Labor Market Analysis*, Bureau of Employment Security, June 1952, p. 37; Nedra Bartlett Belloc, "Labor-Force Participation and Employment Opportunities for Women," *Journal of the American Statistical Association*, September 1950, pp. 400-410; and Clarence D. Long, *The Labor Force in Wartime America*, National Bureau of Economic Research, Occasional Paper 14, 1944.

⁴¹ See discussion below in section 3.

⁴² In some respects, small towns and rural nonfarm areas are similar to the situation in Antigua, described by Rottenberg, where "no one 'actively' seeks work" (see Simon Rottenberg, "Labor Force Measurement in a Pre-Industrial Economy," *The Southern Economic Journal*, October 1951, p. 223).

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force mobility on the basis of data categorized by age and sex shows that much can be done in the analysis of changes in the size and composition of employment and unemployment with this breakdown. The important question of the extent to which significant changes in employment and unemployment are brought about by changes in status of regular or temporary members of the labor force is left unanswered, except by inference. Age-sex breakdowns are vital to the analysis but it is suggested that a primary-secondary breakdown would add substantially to the successful interpretation of dynamic changes in the labor force and its components.

Data on employment and unemployment by "relationship to head of household" would also contribute greatly to the analysis of unemployment trends and their significance, particularly if such data were made available much more frequently than once in ten years.⁴³ Such data, while most useful, would be only the roughest kind of substitute for data categorized according to type of labor force attachment. The reason is that, although most heads of households are undoubtedly primary workers as defined in this paper, a sizable proportion of primary workers would not be heads of households. Similarly, while most secondary labor force members are members of households but not the heads, it is likely that a sizable number of secondary members are heads of households, even if in most cases heads of single-member households.

3. *Some Problems in Measurement*

With the concept of the secondary worker, the civilian, noninstitutional population can be categorized for any given period of time—at least in the abstract—as follows:

1. Primary labor force attachment:
 - Employed
 - Unemployed, actively seeking work
 - Unemployed, not actively seeking work because on either indefinite or temporary layoff,⁴⁴ because temporarily disabled, or because of belief that there is no work available in the community or in line of work⁴⁵
2. Secondary labor force attachment:
 - Employed
 - Unemployed, actively seeking work

⁴³ See Philip Hauser, "Differential Unemployment and Characteristics of the Unemployed in the United States, 1940-1954," in this volume.

⁴⁴ See Gertrude Bancroft, "Current Unemployment Statistics of the Census Bureau and Some Alternatives," in this volume.

⁴⁵ See *Current Population Survey: Enumerator's Manual*, Bureau of the Census, January 1951, p. 67.

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Unemployed, not actively seeking work for reasons cited above⁴⁶

3. Not in the labor force:

Secondary workers not currently in the market

Nonworkers

Unable to work (would include some primary workers)

Not interested in working

DIFFERENTIATION WITHIN THE LABOR FORCE SECTOR

The local labor market area studies that experimented with primary-secondary differentiation suggest that differentiation within the labor force segment can be limited to evidence of continuous or noncontinuous labor force attachment prior to the time of data collection, labor force status at the time of survey (employed, unemployed, out of labor force), expectation of continuing in the labor force, and age.⁴⁷ On the basis of this as yet tentative conclusion, a conclusion which should be subjected to further research, some topics of inquiry are listed which might be used in a survey designed to separate respondents into primary and secondary labor force members. No attempt is made to suggest the precise wording of questions which might be used or to suggest the exact extent of inquiry required in such an area as prior labor force attachment. Questions necessary to establish whether a person is working, has a job, or does not have a job are not included here.

For those working, or with a job but not at work:

1. Whether, since a given date (an easy one to place such as "June 1950, when Korean conflict started"), has been a month or more without a job and not looking for work (yes, no)
2. If "yes": Length of time not looking and not seeking work; reason or reasons for not looking for work (school, housekeeping, housewife with children, vacation, illness, military service, other)⁴⁸

⁴⁶ The borderline between unemployment and out of the labor force is discussed below, pp. 197ff.

⁴⁷ Other data would, of course, be essential for interpretation: sex, marital status, major non-labor-force activities, relationship to head of household, and number of workers in household. Age is relevant to the question of whether expected labor force withdrawal is or is not in the conventional range of retirement years. For example, if a sixty-three year old person expects to leave the labor force in two years, this expectation would not by itself be an indication of secondary labor force attachment.

⁴⁸ Differentiation between primary and secondary attachment, it is expected, could be accomplished automatically once the necessary combinations of responses are established. As noted in the Appendix, "reasons for being out of the labor force" probably cannot be used in the differentiation because primary workers may

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3. Whether would look for work if did not have present job (yes, no—return to school, stay home, go into military service, other)
4. At what age expects to quit working for pay or income, or, if not sure, best guess as to how many years will continue working (“working life,” less than two years, something over two years, doesn’t know)

For those not working, without a job, and looking for work:

Items 1, 2, and 4 from above (included here would be those in the category recognized by the census as not actively seeking work solely because of the lack of suitable jobs).

Since labor force measurement is exceedingly complex and difficult, it is suggested that research into various phases of secondary labor force measurement and experimentation in such measurement (perhaps in selected local labor market areas) should be a prerequisite for any large-scale use of the secondary labor force concept. The problem areas, however, are apparent. In the first place, a reliable set of “ground rules” is needed for the minority of cases where secondary and primary labor force attachment shade into one another and for the shadowy area between unemployment and out of the labor force. The problem of measurement in these borderline areas has two parts. One is a question of policy related to the uses of labor force data; the other is a technical problem related to the ability to make clear-cut and consistent distinctions. If the technical problem is solved, the policy question may still remain.

The technical problem is whether it is possible to make sufficiently reliable distinctions between primary and secondary attachment and between unemployment and out of the labor force so that the data can be used with confidence. Subjective factors are involved and reliance must be placed on the consistency of answers. In the borderline area between primary and secondary attachment, subjective factors appear in the form of attitudes and degree of interest in continued employment for those who may be shifting or about to shift their labor force attachment. The goals of research in this area would be twofold: firstly, through intensive study of individual labor market activities and attitudes, to determine those factors which most reliably differentiate according to type of attachment; secondly, to determine whether responses would be sufficiently consistent from time to time and from place to place to permit valid measures of change.

If further research does confirm the feasibility of separating primary

have been out for almost any reason. The Appendix shows the results of automatic differentiation in the Kankakee sample using combinations of responses to four questions.

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from secondary attachment, it might be expected that, over a period of time, the differentiation itself will contribute to the "reliability" of labor force interpretation, and particularly to the interpretation of unemployment figures. The reason is that the separation in the data of those with a temporary labor force attachment will make it possible, in comparing different periods, to show more precisely how unemployment is changing in relation to changes in employment. For example, when employment declines, data on the changes in the employed and unemployed components of the secondary labor force will show whether the decline is being absorbed by primary or secondary workers. When employment increases relative to population, the data should give a clearer picture of the source of the new employees—primary labor force unemployed, secondary labor force unemployed, or increases in the size of the secondary labor force.

The policy question for differentiation within the labor force sector of the population is simply whether it is in the public interest to have periodic estimates of the size and composition of the primary and secondary labor forces. Like any data, these could be misused, but the argument in favor of these additional data is similar to that in favor of the age-sex breakdowns which now are available—namely, that they would through careful analysis contribute to a better understanding of the workings of our economy.

THE BORDERLINE AREA BETWEEN UNEMPLOYMENT AND OUT OF THE LABOR FORCE

Probably few would question the existence of a borderline area between the labor force and non-labor-force segments of the economy, an area in which both the criteria for measurement and the techniques of measurement are important to the determination of who is or is not in the labor force. This borderline lies for the most part between the unemployed sector of the secondary labor force and secondary workers not in the labor force, because it is not particularly difficult to establish whether a primary worker is in the labor force.

At least two groups may be identified whose members may be difficult to classify in respect to type of labor force attachment. One consists of those who are more or less marginal in their attachment to the labor force because they are, or would be, less than average in their effectiveness as workers as a result of substantial mental or physical handicaps. In the second group are those who, as Ducoff and Hagood have expressed it: "*can* work at ordinary standards of efficiency but who may have difficulty finding employment because of hiring practices which discriminate against women, older persons, or racial

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and religious groups."⁴⁹ An unknown number of such people, otherwise able, willing and ready to work, may not be seeking employment because of such discrimination. Whether such people, most of whom would be secondary workers, should be counted in the labor force depends upon the criteria to be used.

It is not, perhaps unfortunately, a simple question of active search for work. The Census Bureau has already "compromised" its concept of "current activity" to include any person not looking for work because "he thinks there is no work available in the community or in his line of work,"⁵⁰ although it is questionable how many people in this category are actually counted as unemployed since much depends on the extent of the enumerator's probing. An active search for employment, therefore, has been officially recognized as not completely suitable as a criterion for determination of an unemployment status. Further research and experimentation, it is contended, are warranted in order to determine whether it would be operationally feasible to extend the area of "current availability" in measuring unemployment.

Even if it should be feasible, such an extension involves some policy decisions concerning the definition of unemployment. If we assume, however, that national policy is to achieve, as the Employment Act of 1946 puts it, "maximum production, employment, and purchasing power," without sacrificing such other goals as adequate leisure time, and if we assume further that the current level of demand is rarely the best base against which unemployment should be measured, a case can be made for expanding the area of "current availability" as a criterion for unemployment. In other words, if the "effective demand" does not draw into jobs or the active search for work some of those who desire employment and are both able and "ready" to accept employment, should not these people be considered as in the labor force?

Aside from the policy question, the problems of measurement are formidable and perhaps cannot even be defined accurately until more research has been undertaken and completed. Some of the questions to be asked, however, can be raised. When is a person (who is able to work) "ready" to take a job, that is, currently available? When he says that he is? These are questions perhaps for the social psychologist as well as for the economist. If a person is "ready," how much should he or she be allowed in the way of conditions under which a job would be acceptable and still be considered as realistically in the labor

⁴⁹ Louis J. Ducoff and Margaret J. Hagood, *Labor Force Definition and Measurement: Recent Experience in the United States*, Social Science Research Council Bull. 56, 1947, p. 46.

⁵⁰ *Current Population Survey: Enumerator's Manual*, p. 67. Persons not looking for work because of temporary disability or illness or because of an indefinite or more than 30-day layoff are also counted as unemployed.

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market? Is a mother available for employment and in the labor force, for example, if she says she would be working if a day nursery were available? Is unwillingness to change one's place of residence to find employment a socially valid criterion for non-labor-force determination?

The few studies available in this area do not provide adequate answers to such questions but they do suggest that additional research has potential utility. In 1942, the Works Progress Administration made an attempt to estimate short-term availability for employment in terms of the number of people prepared to accept jobs for wages within the thirty-day period following the survey date. The estimate of 13 million people available for full- or part-time employment, even if the margin of error may have been fairly large, suggests at least that this borderline area may be fairly extensive.⁵¹

While any such measurements may exaggerate availability to the extent that they include people "on the verge" of entering the labor force who are offset by others *in* the labor force "on the verge" of leaving, it seems quite probable that a substantial number would be people not actively seeking work solely because of their perception of the nonavailability of jobs.

Several special surveys of the Census Bureau attacked the problem of whether supplementary questions would reveal a number of persons among those initially classified as out of the labor force who could have been classified as "seeking work." In each of the six such studies a different set of questions was used and the results, not surprisingly, showed the additional number varying between 11 per cent and 73 per cent of the reported number of unemployed. The Census Bureau concluded:

"... the size of the marginal group identified in these studies should not be regarded as necessarily indicative of the number of 'omitted' workers. Not enough evidence has been accumulated . . . on the nature and motivation of persons in the marginal group to determine how many can be regarded as bona fide members of the labor force at the survey date. . . . In any event, there appears to be a need for further studies of this type. . . ."⁵²

One thing that was clear was that the people in "the marginal group" were not entirely responsible for their own economic support and were, by the definition used in this paper, "secondary workers."

⁵¹ *Monthly Report on Unemployment*, Works Progress Administration, April 22, 1942. Of the 13 million, 7.6 million were estimated as available for full-time employment—6.5 million housewives, 500,000 students, and 600,000 persons who were "unable or too old" to find work under "ordinary circumstances."

⁵² *Labor Force Memorandum 4*, Bureau of the Census, February 21, 1950 (see the discussion of these studies in A. J. Jaffe and Charles D. Stewart, *Manpower Resources and Utilization*, Wiley, 1951, pp. 458-461).

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In addition to the Census studies, two case studies were made in 1951, one in St. Paul, Minnesota, and one in Columbus, Ohio, on the question of the availability for work of nonworkers.⁵³ Although the samples were small, the wording of questions differed between the two studies, and one study employed interviews and the other questionnaires, some rough comparisons are possible between the findings of the two studies (see Table 9). It is quite possible, however, that the

TABLE 9
Comparison of Current Availability of
Those Classified as "Not in Labor Force,"
Columbus, Ohio, and St. Paul, Minnesota, 1951

	COLUMBUS		ST. PAUL	
	<i>Per Cent of Adult Population^a</i>	<i>Per Cent of Non-Labor Force^b</i>	<i>Per Cent of Adult Population^a</i>	<i>Per Cent of Non-Labor Force^b</i>
Currently available, if necessary training provided	5	13		
Labor market reason only for not looking for work ^c			3	9
Total currently available, including "conditions for employment" ^d	11	28	11	33
Total number who "wish to work" ^e			14	42
Current availability range	5-11	13-28	3-11	9-33
Labor force participation rate, census definition	63		62	
Labor force participation rate, "current availability" definition	68-74		65-73	

^a Adult population for Columbus includes "unable to work"; for St. Paul excludes "unable to work."

^b Non-labor force means here not in the labor force, according to census definitions. Again data for Columbus include "unable to work," but for St. Paul exclude "unable to work."

^c Could not get a job; could not get desired type of job; did not have enough training.

^d Wanted part-time only, particular hours, a particular job, specified distance from home, and similar conditions.

^e Those who answered "yes" to question: "Do you ever think you would like to take a job (go back to work)?"

Source: Derived from data in Kenneth E. Schnelle, *Manpower Resources in a Tight Labor Market*, Minnesota Division of Employment Security, 1952, and Samuel C. Kelley, *A Case Study in the Measurement of Manpower Resources*, The Ohio State University Research Foundation, 1951.

⁵³ Kenneth E. Schnelle, "Manpower Resources in a Tight Labor Market," Ph.D. thesis, University of Minnesota, Minnesota Division of Employment Security, mimeographed, 1952; Samuel C. Kelley, "A Case Study in the Measurement of Manpower Resources," mimeographed, The Ohio State University Research Foundation, 1951.

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data from these studies exaggerate when they show roughly 3 to 5 per cent of the adult population and 9 to 13 per cent of those classified as out of the labor force under census definitions immediately ready to take jobs. Exaggeration may have resulted from the wording of questions, the respondents answering within a broader time reference than the census week, and the phenomenon previously mentioned that some people about to enter the labor force may be matched by others about to leave.⁵⁴ The significance of these studies, however, lies in the fact that they were both made in large metropolitan areas with diversified employment opportunities and high rates of labor force participation, in a period of high demand for labor. In spite of these conditions, significant numbers of people not in the labor force said they were ready to take jobs if they knew of jobs they could take.⁵⁵

The results of these studies seem to suggest that additional research is warranted. Particular emphasis in such studies could be given to the reliability of response in the area of availability for employment and, perhaps more important, to the consistency of response over time; because if responses are consistent, there is hope for adequate measures of change.⁵⁶ In addition, an aim of research would be to establish what conditions for accepting employment can be included in a realistic concept of "in the labor market." Eventually, if the measurement problems are solved, it becomes a question of national policy to determine where to draw the line between the status of unemployment and a non-labor-force status.

DIFFERENTIATION WITHIN THE NON-LABOR-FORCE SECTOR

The Schnelle and Kelley studies and those which experimented with primary-secondary labor force differentiation suggest the additional possibility of experimentation in separating secondary workers from nonworkers in the non-labor-force sector of the population. Pertinent areas of inquiry for persons without a job and not looking for one would be: whether the person had ever had a job or owned a business;

⁵⁴ It is also possible that the entry of some of these people into employment would make it possible for others in the same households to leave the labor force. These comments are not intended to be criticisms of these studies because the authors were careful to point out some of the limitations and Schnelle even avoided any quantitative estimates for St. Paul on the basis of his study.

⁵⁵ In the St. Paul study, 12 per cent of the "non-labor-force" respondents said they would go to work in a national emergency. Apparently, the Korean War did not qualify as an emergency.

⁵⁶ It is noteworthy that criticism of the census measurement of unemployment has centered upon the type of people included or excluded each month and not upon inconsistencies in classification from one month to the next. Should the unemployment concept be broadened to include some categories not now included the most important question is whether these additional categories will be measured consistently.

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whether he was physically able to work; his major activity (school, housekeeping, child care, other); his expectations of entering or returning to the labor force; and the conditions under which he would look for work or take a job.

Such research would contribute to our understanding of the factors involved in individual decisions to work for pay in our society and could conceivably lead to useful measurements, perhaps at irregular or infrequent intervals, of the composition of the adult population not in the labor force. Manpower analysis, for example, could benefit from data on secondary workers not in the labor force, particularly if breakdowns were available on previous labor force experience, present major activity, and conditions for labor force entrance. Such estimates probably could never be as accurate as breakdowns in the composition of the employed and unemployed now available, but the possibility exists that they could be sufficiently valid as measures of change over time.

4. Conclusions

A significant type of labor force mobility in the American economy consists of the non-age-connected entrances and exits of persons not regularly or consistently in the labor force during the customary span of a working life. This paper suggests that it would be both operationally feasible and analytically useful to differentiate within the labor force between persons with a regular or primary and those with a temporary or secondary attachment. Such a breakdown could be incorporated in labor force data without otherwise altering the definitions and techniques used by the census and without disturbing the continuity of total figures on employment and unemployment—although some alterations in the categories of employed and unemployed have been proposed elsewhere on other grounds.

The paper has presented some of the data from two local labor market area studies that experimented with the primary-secondary differentiation and has examined detailed age-sex group data from the census, using some assumptions on the age-sex characteristics of secondary labor force members in order to suggest some of the advantages of the proposed differentiation as a method of analysis. The belief is that it will supplement such other types of data, both existing and proposed, as the age-sex and "relationship to the head of the household" breakdowns already mentioned, number of workers in a household, multi-job holders, and hours of work.

Labor force data, with separate classifications for primary and secondary members made available periodically, would contribute, along with other relevant data, to the analysis of: the factors which

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influence inward and outward labor force mobility; the determinants of net change (and of stability) in labor force participation rates; the relationships among employment, unemployment, and nonworker statuses under changing economic conditions, as, for example, whether unemployment in a given period is arising from layoffs or labor force entrances; place-to-place differences in labor force participation rates and the relationship to differences in industrial composition; and seasonal and secular changes in the size and composition of the labor force. In addition, data on changes in the primary and secondary labor forces could contribute to the information needed as guides to monetary and fiscal policy decisions and in formulating estimates of manpower potential under emergency conditions of labor demand. Finally, techniques of secondary labor force measurement could be particularly useful in the analysis of local labor market areas where rapid changes in the demand for labor are taking place or are imminent. Such changes may become more common if for various reasons, including the "cold war," the geographic dispersion of industry is accelerated and nonmetropolitan areas attract more industry.

In addition to the discussion of differentiation within the labor force, as presently defined, the question has been raised of the utility of further examination and research in the borderline area between the status of being unemployed and that of being a nonworker. The suggestion is advanced that techniques could be developed, perhaps somewhat similar to those useful in measuring consumer expectations, that would permit an expansion of the concept of unemployment to include persons who are realistically in the labor market at a given period of time although not actively seeking work for the very realistic reason that they are convinced no work is available. The census, of course, already includes some people in this category as unemployed and agrees, in some of its publications, that further research is warranted.

Finally, the suggestion is made that experimentation and research might reveal some possibilities for adequate estimates of the number of secondary workers who at any given time are not in the labor force and for some data on the characteristics and labor force expectations of such secondary workers.

As Jaffe and Stewart have put it, "the labor force is an artifact,"⁵⁷ and as such it is subject to change. In the author's opinion, the technical possibilities of achieving change in the directions suggested are, in diminishing order: differentiation within the labor force; a more precise dividing line between unemployed status and nonworker status; and

⁵⁷ Jaffe and Stewart, *op.cit.*, p. 462.

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differentiation in the non-labor-force sector between secondary workers and others. In any event, the possible advantages of secondary labor force and secondary worker data would seem to justify a recommendation for further research and experimentation on the part of university research groups, employment security agencies, and the Census Bureau.

Appendix

Mechanical Tabulation of Primary and Secondary Labor Force Attachment in Kankakee Sample, Using Combinations of Responses to Four Questions

Since the Kankakee study was experimental, and there were no models to follow in analyzing labor force mobility and primary and secondary labor force differentiation, the responses to most questions were categorized after the interviews were completed. The coding of labor force attachment was on the basis of responses to a number of questions and a considerable amount of experimentation took place in determining what combinations of responses would meet the definitions. The final coding was done through inspection of the data. Wherever necessary, relevant data from various parts of the interview schedule were used in making the final decision on each interviewee.

Quick and efficient coding of a much larger sample, periodically studied, would require automatic coding of labor force status. With this in mind, combinations of categories for four items of the coded Kankakee data were wired in an IBM "board" and the IBM machine was used to classify the sample according to labor force attachment (primary and secondary). The four items used were:

<i>Items (columns)</i>	<i>Categories (rows)</i>		
1. Length of time <i>not</i> in labor force since World War II or after first entrance	Only jobs, including interview job, summer or supplementary part-time ⁵⁸	In continuously	Several categories of length of time out of labor force
2. Periods of labor force participation	(same as above)	Several categories of "in continuous-ly" according to when entered	Several categories of "in and out" including one for "In World War II and since Korea, but not between"

⁵⁸ From work history. "Supplementary part-time job" means holding a part-time job while the individual also has a major non-labor-force activity, such as school.

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3. What respondent would be doing if not working	Looking for job; school	Vacation; home; travel	Housewife; military service; other
4. How long expects to work for living; ⁵⁹ definite period under two years	Definite period two years or more	Indefinite period, over five years, but less than working life	Working life (to age sixty or beyond); doesn't know

The questions on which these items and categories are based are as follows:

1. (On the basis of month or more not working, from work history) Was there any part of this time when you were not looking for work? About how much of this time?
2. (From work history)
3. If you did not have a job *now* what would you be doing?
4. About how many years do you expect to keep on working (for pay or income)?

For the purpose of automatic classification the following combinations of categories on four items were set up to determine primary classification:

Combination 1

- 1, 2. In labor force continuously
3. If did not have interview job, would look for work, or take vacation, or enter military service
4. Expects to work for "normal working life," or for indefinite period but more than five years, or does not know

Combination 2

- 1, 2. In labor force continuously
3. Any answer but "housewife" on activity if did not have interview job
4. Expects to work "working life" or does not know.

Combination 3

- 1, 2. Out of labor force, one month or more, *except* those in World War II and since Korea but not between, and including those who never had a regular job
3. If did not have interview job, would look for work or enter military service
4. Expects to work "working life" or does not know

Combination 1, in which continuity in the labor force is the key item, accounts for 121 of the 183 (out of 188) automatic classifications which

⁵⁹ An adjustment for the age of the respondent was made in the coding of this item (see note 47).

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agree with the original coding. Combination 2 discounts answers other than look for another job, on item 3, and makes continuous labor force service and expectation of staying in labor force the key factors. Only nine persons are covered by this combination. Combination 3 covers those primary workers who had been out of the labor force. Here, to be counted as primary, the individuals had to show, through their responses, *both* job hunting (or military service) if they did not have their interview job *and* expectation of remaining in the labor force. It might be noted that although primary workers tend to be out of the labor force for different reasons than do secondary, primary workers may have been out for any of the reasons categorized. Consequently, reasons for being out cannot be differentiated for purposes of automatic classification of labor force status. Combination 3 includes 53 of the 183 automatically classified as primary.

The following combinations of categories on four items were set up to determine secondary classification:

Combination 4

- 1, 2. Out of labor force, one month or more, *including* those in World War II and since Korea but not between, and including those who never had a regular job
3. Any answer on what would do if did not have interview job
4. Any answer on expectations of how long will work

Combination 5

- 1, 2. In labor force continuously or never had regular job
3. If did not have interview job, would look for work or enter military service
4. Expects to leave labor force in definite period of time, less than working life

Combination 6

- 1, 2. In labor force continuously, or never had regular job
3. Any answers, except "look for work," if did not have interview job
4. Any answer, except "working life," on how long will work

The IBM machine was wired to examine the cards for each combination, in order. Combinations 4, 5, and 6 therefore represent combinations which account for those interviewees not caught in combinations 1, 2, or 3. Combination 4 covers those who were in and out of the labor force and do not meet the conditions of combination 3 and classifies as secondary 65 of the 101 (out of 108) on which the machine agrees with the original coding. Combination 5 shows those cards which do not agree with item 4 on combinations 1 and 2. Only three are in this combination. Combination 6 represents those remaining after combinations 1 to 5 were examined and shows those who had

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been in continuously and neither would look for a job if did not have present one *nor* expect to stay in the labor force for "normal working life." Thirty-three are in this group.

Table A-1 shows the comparison with the original coding by inspection:

TABLE A-1
Comparison of Machine and Inspection Coding of
Labor Force Attachment, Kankakee, 1952

A. Machine Coding

<i>Combination</i>	<i>PRIMARY</i>		<i>SECONDARY</i>		
	<i>Agrees On</i>	<i>Disagrees On</i>	<i>Combination</i>	<i>Agrees On</i>	<i>Disagrees On</i>
1	121	2	4	65	3
2	9	3	5	3	2
3	53	2	6	33	0
Total	183	7 ^a		101	5 ^b

B. Inspection Coding

	<i>Original Coding</i>	<i>Machine Agrees On</i>	<i>Machine Disagrees On</i>	<i>Percentage Disagreement</i>	<i>Percentage Agreement</i>
Primary	188	183	5	2.7	97.3
Secondary	108	101	7	6.5	93.5
Total	296	284	12	4.1	95.9

^a Represents those coded by machine as primary but originally coded as secondary.

^b Represents those coded by machine as secondary but originally coded as primary.

The twelve "disagreements" are borderline cases. It is interesting to note that the five whom the machine classifies as secondary are all breadwinners, that is, primarily responsible for the income of their households. Three of the five also have dependents. None of the seven whom the machine classifies as primary are breadwinners. Four of the seven could "get along" indefinitely without a job. The twelve, in other words, were originally classified using data in addition to those represented by the four items given to the machine.

The results of the experiment are encouraging in terms of automatic classification. Further experimentation and research might reduce disagreements between machine coding and coding by inspection, where additional items of information are used, to a figure considerably smaller than the 4 per cent in this experiment. Including in the combinations responses on whether the person is primarily responsible for

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household income might reduce the percentage of disagreement, for example. Whether there are others in household working would be another item to consider in this respect. Consistency of responses on his activity if he did not have job and on his expectation of staying in the labor force also deserves additional study. The above results, as far as they go, show a consistent pattern of responses for most interviewees in terms of the original classification by labor force attachment. It would seem, then, that there is a good possibility that primary and secondary differentiation could be determined by machine, with special studies at times to determine whether the classifications deviate from those made with more complete data.

C O M M E N T

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After the Employment Act of 1946 was passed, there was considerable discussion, both inside and outside of government circles, of the meaning of the phraseology "able and willing and seeking to work" and of the relation of the Current Population Survey's definitions to this concept. At about the same time, a major discrepancy between the counts of insured unemployment and Survey unemployment immediately after World War II precipitated a review of the Survey concepts by the Budget Bureau's interagency committee on labor supply, employment, and unemployment statistics. After lengthy discussion, it was agreed in 1948 to recommend no change. In my opinion, this decision was reached partly because the Survey concepts were believed to be the best available general-purpose measure and partly because the labor force categories in use had never been tested under conditions of marked changes in the level of business activity.

Since then there have been two downswings and one upswing in business activity, and we now have a better basis for judging the sensitivity of the series as well as their adequacy for a variety of purposes. Perhaps, also, the experience of a number of years of relatively high levels of employment has given us a better appreciation of the implications of possible goals envisaged by the Act. A second major review of the concepts is now under way, and I am sure that those of us from the Budget Bureau's committee welcome this opportunity to discuss important policy questions on the measurement of unemployment.

The two papers I am discussing suggest ways of identifying and measuring partial and "disguised" or "concealed" unemployment—one with respect to persons now counted in the labor force, the other, to both this group and to persons classified as nonworkers who may be

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considered available for employment. Both papers have the merit of citing experimental results and of directly or indirectly indicating the relative importance of their suggestions for amplification of current measures. If I interpret them correctly, Ducoff and Hagood believe that one of the first tasks of a "full employment" program is to give more hours of work or more productive employment to those already employed. Wilcock would plan for jobs first for the "primary" labor force (persons with relatively stable attachments to the labor market) and next for the "secondary" labor force (persons already in the labor force with temporary or irregular attachments to it and such non-workers as may indicate a desire for employment, for whom he suggests the title, "inactive unemployed").

All of us probably agree on the desirability of periodic measures of involuntary part-time work. Perhaps the only issues to be resolved are how often the measurement is to be done and how such workers are to be treated in a statistical series. We would also agree with Ducoff and Hagood that measures of time worked (whether of hours in a week or weeks in a year) are not so significant for agricultural as for nonagricultural workers and that special research rather than current statistical measurement is needed to identify the economic areas where labor surplus or low income problems are of long standing.

Both papers suggest that there are hazards in developing enumerative techniques for determining the availability for other employment of persons already at work or the availability for jobs of persons not actively in the labor market at any given time. This caution is substantiated by some of the experimental work undertaken at the Census Bureau as well as by local labor market studies. This group knows that complex social and economic forces influence an individual's behavior in the labor market at any point in time or over time. I am inclined to put more faith in the behavior patterns reflected in workers' actions over a period of time than in their responses to hypothetical questions about their availability for jobs. Nevertheless, I agree that this is a field for further research and experimental work.

If one thinks a full employment program should be geared to provide jobs for all who express a desire to work, one will not quarrel with Wilcock for broadening his definition of unemployment to include an inactive group who indicate this desire. Even if I were to accept this goal, however, I would quarrel with differentiating primary and secondary workers in a statistical series of labor force measurement. As a confirmed feminist, I object to the notion that it is anyone else's business how long I expect to be in the labor market or whether I am fully self-supporting or support others, especially if the answers to such questions are to be used for employment policy decisions. I had hoped that the

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basis for restriction of the employment of married women, for example, had gone with the depression of the 1930's. I think the suggested distinction is an invidious one for a government statistical series. This should not be interpreted to mean that I do not believe in analytical studies of the incidence of unemployment in families or in research on the regularity of attachment to the labor market of different groups of workers. Moreover, I believe that occasional or periodic measures of family employment and income yield useful data for a wide range of economic policy decisions. But I would give first priority in labor force statistics to amplification of the measures covering persons who are at work or looking for work at a given time.