

Work Plans of Men Not in the Labor Force

VERA C. PERRELLA AND
EDWARD J. O'BOYLE*

CURRENT CONCERN about persons who are "underutilized" at a time when employment is generally high in the United States has led to interest in various aspects of this problem. One significant form of underutilization is reflected in nonparticipation in the labor force, that is, failure to work or look for work on the part of persons who really want work.¹ Of all the groups exposed to this type of risk, none commands greater attention than adult men because of their strong cultural identification with the work role. This article focuses on the work plans of 20- to 64-year-old men who were not working or looking for work in February 1967. These work plans reflect the men's attitudes and opinions about work, as well as their health and economic circumstances.

In the Current Population Survey relating to the week ending February 18, 1967, an estimated 2.3 million men 20 to 64 years old were not in the labor force because of illness, retirement, taking

time off, or for other reasons except going to school.² This group made up 5 percent of all the men 20 to 64 years old and two-thirds of the men in these ages not in the labor force. (The remaining one-third were not included in this survey because school attendance was the reason they were not working or looking for work.) The men in the CPS sample who were not in the labor force for the reasons cited were asked 1 week later, in the week ending February 25, to complete a questionnaire supplying detailed information on their desire for work, reasons for not working or looking for work, future work intentions, their own evaluation of whether they were able to work, and other related items.

The following sections of part I discuss personal and economic characteristics of the nonparticipants as a group. Part II examines the differences among the men by work plans.

Summary of Findings

1. Absence from the labor force is of short duration for a substantial proportion of the adult men not in the labor force at any given time. Of the 2.3 million men not in the labor force in the week ending February 18, 1967, 340,000, or 15 percent, were working or looking for work by the following week and another 130,000, or 6 percent, expected to work or look for work within 4 weeks.

2. Potentially 900,000, or 4 out of 10, of the men, could be additions to the labor force. Besides the 470,000 who were in the labor force or expected to enter shortly, another 430,000 were interested in working.

3. Poor health is by far the most important factor which keeps men in the prime working ages from participation in the labor force. About 1.4 million men—59 percent of the total—did not want a job at the time of the survey because they were sick or disabled. In addition, some of the men who were already in the labor force or were about to enter had been ill and not in the labor force 1 week before the survey.

4. Only 200,000 sick or disabled men felt they would want a job in the future. A majority of these men would need special assistance to enable them to work.

5. Some men want work but for various reasons do not take any steps to find it. Of the 130,000 men who wanted a job but were not looking for one, health was the reason given by a majority of

*Of the Division of Labor Force Studies, Bureau of Labor Statistics. This is part I of a two-part article. Part II will appear in the September *Review*.

¹ See Harold Goldstein, "On Aspects of Underutilization of Human Resources," in 1967 *Proceedings of the Social Statistics Section* (American Statistical Association, Washington, D.C.), pp. 115-121.

² This article is based primarily on information from supplementary questions to the February 1967 monthly survey of the labor force conducted for the Bureau of Labor Statistics by the Bureau of the Census through its Current Population Survey. Data presented in this report on men not in the labor force for reasons other than going to school relate to 20- to 64-year-old men in the civilian noninstitutional population in the calendar week ending February 18, 1967. All members of the Armed Forces and inmates of institutions are excluded. Since the estimates are based on a sample, they may differ from the figures that would have been obtained from a complete census. Sampling variability may be relatively large in cases where the numbers in each group are small. Small estimates, or small differences between estimates, should be interpreted with caution.

them for their nonparticipation. Factors suggesting discouragement—lack of education, inability to find work, transportation problems, and age—accounted for about one-fourth of these men.

6. Only 10 percent of the men said they did not want to work because they had retired.

7. Poverty areas of the largest metropolitan areas had more than their share of men of working age who were not in the labor force. About 8 percent of the 20- to 64-year-old male population but 15 percent of the men in the survey lived in urban poverty areas.

8. Poor health was more frequently a problem among men who resided in urban poverty areas than among those in urban nonpoverty areas. Sixty-one percent of the men in the survey in poverty areas did not want a job at the time of the survey because of sickness or disability, compared with 53 percent of those in nonpoverty areas. Also, the proportion of men with health problems who indicated that they would be able and wanted to work if they had special assistance was greater in poverty than in nonpoverty areas, 18 percent and 9 percent, respectively.

9. Twenty-five percent of the nonwhite men compared with 19 percent of the white men were already in the labor force at the time of the survey. Relatively fewer nonwhite men were retired, however. The proportion of nonwhite men who did not want a job because of sickness or disability was not significantly higher than for white men, because more of the nonwhite men were in the younger age groups where the incidence of poor health is lower.

10. Only 4 out of 10 of the men had been in the labor force at some time during 1966, and unem-

ployment had been widespread among them. Nearly one-third of this group had been unemployed for at least 1 week, a proportion more than 2½ times that for all men 20 to 64 years old.

11. Since the majority of the men could not work because of illness, income levels were low. More than one-third were in families with incomes under \$200 a month.

Age, Color, and Family Status

In the week ending February 25, 1967, one-fifth of the 2.3 million men 20 to 64 years old who were not in the labor force in the preceding week were already in the labor force or planning to be within 4 weeks (hereafter called reentrants). Another 6 percent said they were interested in a job at that time even though they were not looking for one. The remaining 74 percent (1.7 million) did not currently want a job, primarily because of illness or disability (table 1). Moreover, the preponderant majority of the larger group, whatever their reasons for not wanting a job at the time of the survey, did not foresee any likelihood of labor force participation.

The men were heavily clustered at the upper end of the 20- to 64-year age span, with nearly one-third 55 to 61 years old and one-fourth 62 to 64 years old. Only one-fourth were under 45 years of age. Since men who were not in the labor force because they were going to school were excluded from this survey, the heavy concentration in the older ages is to be expected. Generally, adult men, most of whom are family heads, are in the labor force. From the time they complete their education until they retire, it is only illness or some other special circumstance that keeps men out of the labor force.

The work plans of the men varied by broad age group. Among men under age 35, the proportions who were reentrants or did not want a job because of illness or disability were about equal. Among men 35 to 59 years old, however, those who did not want a job because of illness or disability outnumbered reentrants 3 to 1. While a majority of the 60- to 64-year-old men did not want a job because of illness or disability, a significant proportion reported that they did not want a job because they were retired (table 2). Some who were retired may have been sick or disabled but gave precedence to retirement as the main reason for not wanting a job. There were no statistically signif-

TABLE 1. WORK PLANS OF MEN 20 TO 64 YEARS OLD WHO WERE NOT IN LABOR FORCE IN THE WEEK ENDING FEBRUARY 18, 1967

Work plans as of week ending February 25, 1967	Number (in thousands)	Per- cent
Total not in labor force week ending February 18, 1967	2,310	100.0
In labor force within 4 weeks	470	20.3
In labor force at time of special survey	341	14.8
Expect to be in labor force within 4 weeks	129	5.6
Want a job but not looking	128	5.5
Do not want a job currently	1,712	74.1
Sick or disabled	1,363	59.0
Cannot or do not want to work	1,165	50.4
Want to work in the future	198	8.6
Will be able and plan to work	57	2.5
Will need special help to work	141	6.1
Retired	247	10.7
Want or may want to work in the future	35	1.5
Do not want to work	212	9.2
All other reasons	102	4.4
Want or may want to work in the future	73	3.2
Do not want to work	29	1.3

icant differences in work plans between all married men and those of other marital status (single, widowed, divorced, or separated).

Nonwhite men formed a larger proportion of the total in the survey than of the comparable age group in the labor force, one-sixth and one-tenth, respectively. This relationship is to be expected since nonwhite men have a lower labor force participation rate than white men in all ages except 20 to 24 years. In the latter age group a much larger proportion of white than of nonwhite men are in college and therefore are less likely to be working or looking for work. In the survey as in the population as a whole, nonwhite men were younger than white men. Over one-third of the nonwhite and one-fifth of the white men were under 45 years of age. In part because of the greater concentration in the younger ages, a larger proportion of the nonwhites were reentrants and a markedly smaller proportion were retired.

Two-thirds of all the men were married, and practically all of the married men were household heads. Among the men of other marital status, fewer than one-half were heads of households.

One-half of the men had no other person dependent upon them for support.³ Even among the married men a relatively high proportion—3 out of 10—had no dependents. It is not possible to ascertain to what extent this arose because the husband's income was not large enough to support a dependent or the wife had enough income of her own. A greater proportion of the nonwhite than white married men had four dependents or more.

Educational Attainment

Educational attainment was relatively low for the men surveyed. Approximately 6 out of 10 of the men had completed 8 years of school or less, and only about a fourth had completed 4 years of high school or more. Among 20- to 64-year-old men who were in the labor force, these proportions were reversed. The lower educational attainment of the men who were not in the labor force result from several factors. Relatively more of the men in the survey were older or nonwhite, groups which tend to have less education than younger or white men. In addition, this survey excluded men attending school, comparatively few of whom are nonwhite. More than one-half of the white and three-fourths of the nonwhite men had 8 years of school or less; the proportion of the nonwhite men (11 percent) with at least a high school education was less than half that of the white men.

Income

Because of the large number of older and disabled men in the survey group, 43 percent of all the men were receiving Social Security benefits in 1966; 25 percent were receiving other pensions (table 3). About 35 percent of all men had income from earnings, 13 percent said they received income from public assistance sources, and 7 percent had no income from any source. One-fifth of the men derived income from dividends, interest, or

³ A dependent is a person for whom the respondent furnished more than one-half his support.

TABLE 2. WORK PLANS OF MEN 20 TO 64 YEARS NOT IN THE LABOR FORCE, BY AGE, COLOR, AND RESIDENCE, FEBRUARY 1967

[Percent distribution]

Work plans	Total	All men			White	Nonwhite	Residents of—	
		20 to 34 years	35 to 59 years	60 to 64 years			Poverty areas ¹	Non-poverty areas ¹
Total: Number (thousands).....	2,310	269	1,216	825	1,934	376	353	776
Percent.....	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
In labor force or expect to be within 4 weeks.....	20.4	40.9	22.7	10.2	19.3	25.3	25.5	20.5
In labor force.....	14.8	32.0	15.7	7.8	14.1	18.1	16.7	15.2
Expect to be in labor force within 4 weeks.....	5.6	8.9	7.0	2.4	5.2	7.2	8.8	5.3
Want a job but not looking.....	5.5	6.7	5.1	5.8	5.4	6.6	5.9	4.4
Do not want a job.....	74.1	52.4	72.2	84.0	75.3	68.1	68.5	75.2
Sick or disabled.....	59.0	43.5	64.6	55.8	58.0	63.8	61.5	53.1
Retired.....	10.7	4.5	23.3	12.3	2.7	4.2	17.3
All other reasons.....	4.4	8.9	3.0	5.0	5.0	1.6	2.8	4.8

¹ Data pertain to men living in the 100 largest Standard Metropolitan Statistical Areas. The Bureau of the Census developed a poverty area classification system in which poverty areas were identified by ranking census

tracts in metropolitan areas with a population of 250,000 or more, on the basis of 1960 data on income, education, skills, housing, and proportion of broken homes.

TABLE 3. SOURCE OF PERSONAL INCOME IN 1966 OF MEN NOT IN THE LABOR FORCE, BY WORK PLANS
[Percent distribution]

Source of personal income	Work plans, all men					
	Total	In labor force or expect to be within 4 weeks	Want a job but not looking	Do not want a job		
				Sick or disabled	Retired	Other reasons
Total.....	100.0	100.0	100.0	100.0	100.0	100.0
No income.....	6.9	10.0	11.8	6.7	1.3	4.0
Earnings.....	34.7	73.2	48.0	19.5	33.1	44.0
Dividends, interest, or rent.....	21.9	20.5	15.7	14.0	61.5	45.0
Social Security ¹	42.6	13.7	28.3	54.1	49.0	25.0
Other pensions.....	25.2	8.5	16.5	26.1	52.7	33.0
Workmen's compensation.....	4.1	3.0	2.4	5.5	.4	
Unemployment insurance.....	3.8	12.2	1.6	1.4	1.7	2.0
Public assistance.....	13.4	5.7	13.4	18.6	2.1	7.0
Other income.....	3.0	2.2		3.9	1.3	4.0

¹ Old-age, survivors, disability, and health insurance.

NOTE: Since some men had more than one source of income, the sum of the sources exceeds 100.0 percent.

rent. Some had income during 1966 from more than one source. A greater proportion of the men under age 45 than of those 60 to 64 years old had income from public assistance or no income at all. Nonwhite men were more likely than white men to be recipients of public assistance. As is to be expected, the young men were more likely to have had income from earnings, and the older men from Social Security and private pensions as well as from dividends.

Personal as well as family income levels were quite low at the time of the survey. Under more favorable circumstances, the majority of the men would be the primary earners in their families, a group whose earnings generally are higher than those of secondary workers. Three out of 5 of the

men had personal income under \$200 a month, and for more than a third family income was also under \$200 a month (table 4). Since the men were not in the labor force, and therefore not working, the lack of earnings had a strong effect on family income levels.

Relatively more of the nonwhite than of the white men and more of the unmarried than of the married men were at the lower income levels. Personal and family income levels were highest for the men who did not want a job at the time of the survey because they had retired or for reasons other than their own sickness or disability. It may be that the men who said they did not want a job because they had retired represent mostly those who had sufficient income to remain retired. For

TABLE 4. MONTHLY PERSONAL AND FAMILY INCOME OF MEN NOT IN THE LABOR FORCE, BY WORK PLANS AND COLOR, FEBRUARY 1967
[Percent distribution]

Monthly income	Work plans, all men						White	Nonwhite
	Total	In labor force or expect to be within 4 weeks	Want a job but not looking	Do not want a job				
				Sick or disabled	Retired	Other reasons		
Personal income.....	100.0	100.0	100.0	100.0	100.0	100.0	100.0	
Less than \$100 ¹	38.3	43.6	54.9	40.8	10.2	27.8	35.8	
\$100 to \$199.....	23.8	16.6	22.1	28.1	17.7	17.8	23.3	
\$200 to \$299.....	15.1	13.8	12.4	15.7	17.2	11.1	16.0	
\$300 to \$399.....	8.3	7.5	5.3	7.5	14.4	12.2	8.7	
\$400 and over.....	14.5	18.5	5.3	7.9	40.5	31.1	16.2	
Family income.....	100.0	100.0	100.0	100.0	100.0	100.0	100.0	
Less than \$100 ¹	14.8	18.1	21.4	15.0	7.2	5.6	13.3	
\$100 to \$199.....	20.6	19.1	25.9	23.6	8.2	12.2	18.8	
\$200 to \$299.....	17.8	16.9	19.6	19.4	13.9	8.9	17.9	
\$300 to \$399.....	13.7	13.0	10.7	13.6	14.9	18.9	14.0	
\$400 and over.....	33.2	33.0	22.3	28.4	55.8	54.4	36.0	

¹ Includes those persons reporting no income.

the rest of the men in the survey, work plans were not so much the outgrowth of income levels but of the continuation or termination of the circumstances which caused them to leave the labor force. Obviously, there is not much choice about working, despite financial necessity, in cases of severe health problems.

Work Experience

Most of the men who were not in the labor force in February 1967 had not been in the labor force during the entire preceding year. Only 35 percent of the men had worked during 1966, compared with 95 percent of all men in these ages in the population. (See chart.) There was no difference between white and nonwhite in the small proportions working in 1966. Age, however, was a factor. A greater proportion of men under 45 years of age than of older men had worked during the year, reflecting in part the lower frequency of disabling health problems among younger men. Among those

who had reentered the labor force, 70 percent had worked during 1966, nearly three times the proportion for those who did not want a job at the time of the survey. This provides some evidence of the shortrun nature of the reentrants' absence from the labor force.

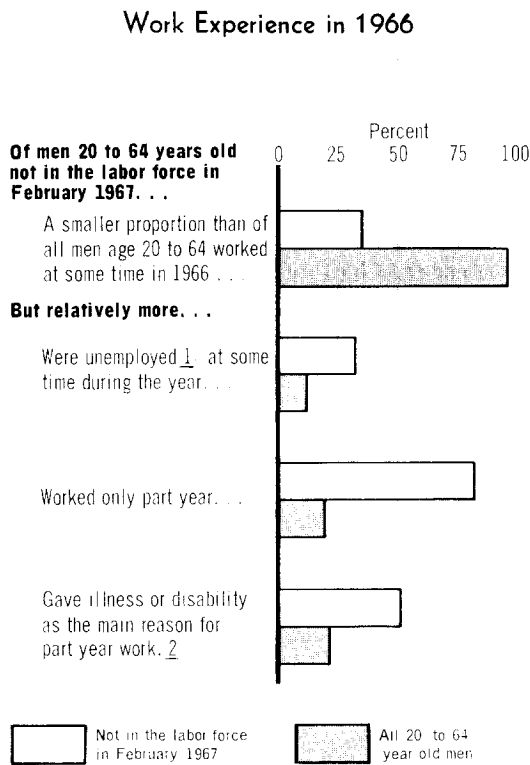
Even for those who had been able to work in 1966, the employment picture was bleak. Of those who worked, only 4 out of 10 worked for more than half the year at full-time jobs. About the same proportions of younger and older workers, but relatively fewer of the nonwhite than the white men, worked for more than one-half the year.

Unemployment was high among these part-year workers. Many had several weeks of unemployment and were jobless a number of times during the year. In addition, a substantial number of the men in the survey had looked but could not find any work at all during 1966.

These indicators of employment problems reflect the greater risk of joblessness among nonwhite men. Relatively fewer nonwhite than white men with work experience during the year worked at least half the year at full-time jobs. Also, a far greater proportion of the nonwhite than white in the labor force were unemployed at some time during the year.

Among the men who did not work at all in 1966, illness or disability was overwhelmingly the reason. Nearly 75 percent of the men were in this category. Inability to find work was of only minimal importance. Retirement and other reasons not connected with personal illness or inability to find work accounted for practically all of the rest of the men with no work experience during the year.

A large proportion of the men had not worked for several years. Almost one-third of the 1.8 million men who were not reentrants had not worked for more than 5 years and some had never worked at all, primarily because of physical or mental disability. There was little difference in the proportions of nonwhites and whites who had last worked before 1962.



¹ As percent of all within each group who worked or looked for work during the year.

² As percent of all part-year workers within each group.

Poverty Areas

Forty-nine percent of the 2.3 million men 20 to 64 years old not in the labor force in February 1967 lived in the Nation's 100 largest Standard Metropolitan Statistical Areas, compared with 57 percent of all men in these ages. The poverty areas

within these metropolitan areas, however, held 15 percent of the men not in the labor force, although only 8 percent of all men in these ages lived in poverty areas. Thus, the survey results confirm the fact that poverty areas of the largest metropolitan areas have more than their share of men of working age who are not in the labor force.

Health problems occurred more frequently among men not in the labor force who resided in poverty areas of the SMSA's than among those in nonpoverty areas. Approximately 61 percent of the men in poverty areas did not want a job at the time of the survey because of sickness or disability, compared with 53 percent of those in nonpoverty areas. However, a larger proportion of the men in poverty areas, 18 percent, than in nonpoverty areas, 9 percent, who had health problems indicated that they would be able and wanted to work if they had special assistance.

A smaller proportion of those in poverty areas, 4 percent, than in nonpoverty areas, 17 percent, did not want a job at the time of the survey because they were retired. This difference is accounted for by the smaller proportion of 55- to 64-year-old men in poverty areas, and the lower frequency of retirement among older, nonwhite men.

Work Attitudes and Preferences

Once his formal schooling has been completed and before his retirement, the American male is generally work-oriented, whether or not he has enough money to live comfortably without earnings. On the other hand, repeated rebuffs in the job market, because of little training or education, physical limitations, or race may affect the desire to work. In order to probe, at least superficially, the work attitudes of men who were not in the labor force, those in the survey were asked: "If by some chance you were to get enough money to live comfortably without working, do you think you would work anyway?" As shown above, nearly 6 out of 10 of the men expressed a preference for work. Men under age 55 were more likely than older men to prefer working. Among the younger men, a greater proportion of those with at least a high school diploma than of those without one preferred to work: among older workers, about half in each group would work. Relatively more of the nonwhite than white replied in the affirmative, in part because a larger proportion were in the younger ages.

<i>Age, color, and work plans</i>	<i>Percent of men who would work</i>
Total.....	57
20 to 54 years.....	67
55 to 64 years.....	49
White.....	55
Nonwhite.....	62
In labor force or expect to be within 4 weeks..	76
Want a job or interested in working in the future.....	74
Do not want a job or not able to work.....	42
Sick or disabled.....	48
Retired and other.....	18

Overall, the preference for working or not working appeared to be a reflection of the men's general circumstances with respect to health, age, and income. The men who were already back in the labor force or expecting to be within a month, that is, those who were younger and had more years of schooling, on the average, than the rest of the men, had the highest proportion who said they would prefer to work even if they did not need the money. The men who had retired and others who were able to work but did not want a job—the groups with highest income—indicated the lowest preference for returning to work.

To determine the men's viewpoint with respect to the importance of a job and to relate it to their work plans, they were asked to make one of three choices in answer to the question: "What would you say is the most important thing about a job?" Overall, two-thirds of the men gave "good wages" or "liking the work," with about equal proportions giving each, and about 10 percent gave "respect obtained from working." One out of 5 workers could not select one reason as most important but gave a combination of two or more of the above reasons. One-half of the men who were able to work but did not want a job indicated that liking the work was most important, double the proportion favoring good wages. This relationship undoubtedly reflected the fact that most of these were retired men who, on the average, were better situated financially than the other groups. Those who had returned to the labor force, on the other hand, were more inclined to state that good wages were the most important factor rather than liking the work. Sick or disabled men who wanted a job also favored good wages over liking the work, but among those who did not want a job about the same proportions indicated each of these two reasons.

Nonwhite men were considerably more likely than white men to feel that good wages were the

most important factor. Approximately half of the nonwhites placed the emphasis on wages, compared with about 3 out of 10 of the whites. Among men with less than 4 years of high school, good wages were more often considered the most important thing than was liking the work. In contrast, among those with more years of schooling, the number who thought liking the work was the most important factor was 2½ times the number who thought good wages were. Undoubtedly men with more education were able to earn more when employed than the lesser educated men, and therefore could afford to consider job factors other than wages.

In order to determine interest in job training, the men who wanted a job at the time of the survey and those who were or might be interested in working in the future were asked: "Would you be willing to go back to school for training if this would help you get a job?" Interest in taking training was quite high, particularly among the younger men, as shown above.

<i>Age and education</i>	<i>Percent of men interested in taking training</i>
Total.....	51
20 to 44 years old.....	72
45 to 54 years old.....	56
55 to 64 years old.....	37
Completed less than 4 years of high school.....	48
Completed 4 years of high school or more.....	60

Age was a more important factor than education in willingness to take training. Among those who were not high school graduates, about double the proportion of the men under 55 years as of those 55 years and over were interested in training. The comparatively low proportion of older men who were interested in taking training probably reflects, in part, a belief by many that at their age it would be impractical to go to school for retraining. Also, many of the older men with temporary disabilities may have felt that when they became able to return to the job market they would readily find employment on the basis of their previous work experience. Further, some older persons may think the role of the student is appropriate for younger persons only and, therefore, may feel ill at ease in this role.

Unemployment is but one form—albeit the most extreme—of underutilization of workers. In theory at least, any worker who is functioning at less than his full productive potential may be regarded as underutilized. And in this sense, there are probably very few people who are not underutilized to some extent. Full realization of everyone's maximum potential is an ultimate goal of our democracy, toward which all manpower development efforts are directed.

—*Manpower Report of the President Transmitted
to the Congress April 1968.*