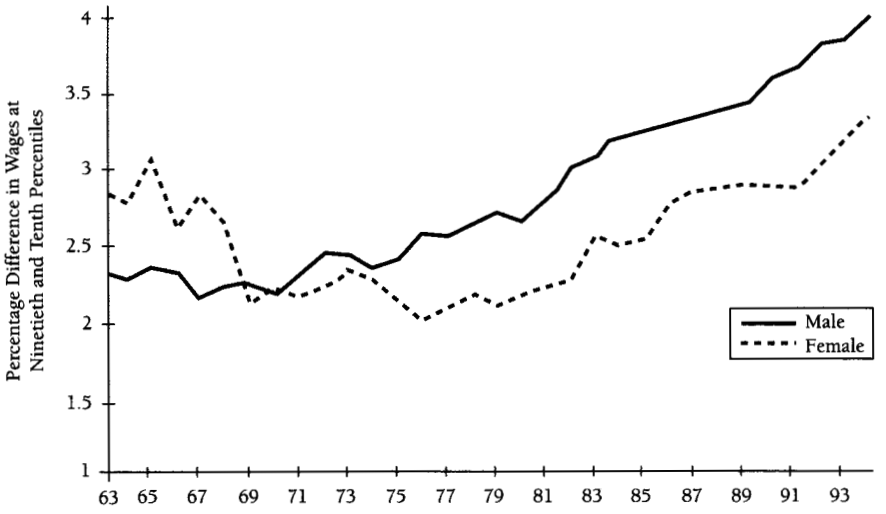
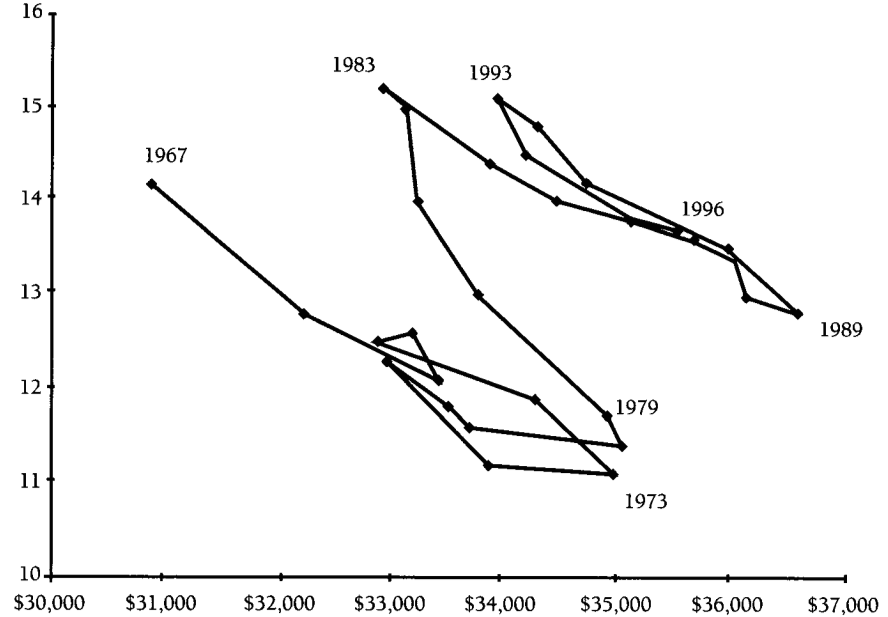
Figure I.1 Difference in Weekly Wages for Male and Female American Workers at the 90th and 10th Percentiles, 1963 to 1993



Source: Author's tabulation of the March CPSs.

Figure I.2 Median Household Income and Poverty, 1967 to 1996



Source: U.S. Dept. of Labor, Bureau of the Census, *Current Population Reports*, series p-60

Figure 1.1 Partial-Equilibrium Impact of a Wage Subsidy (s) on the Low-Wage Labor Market

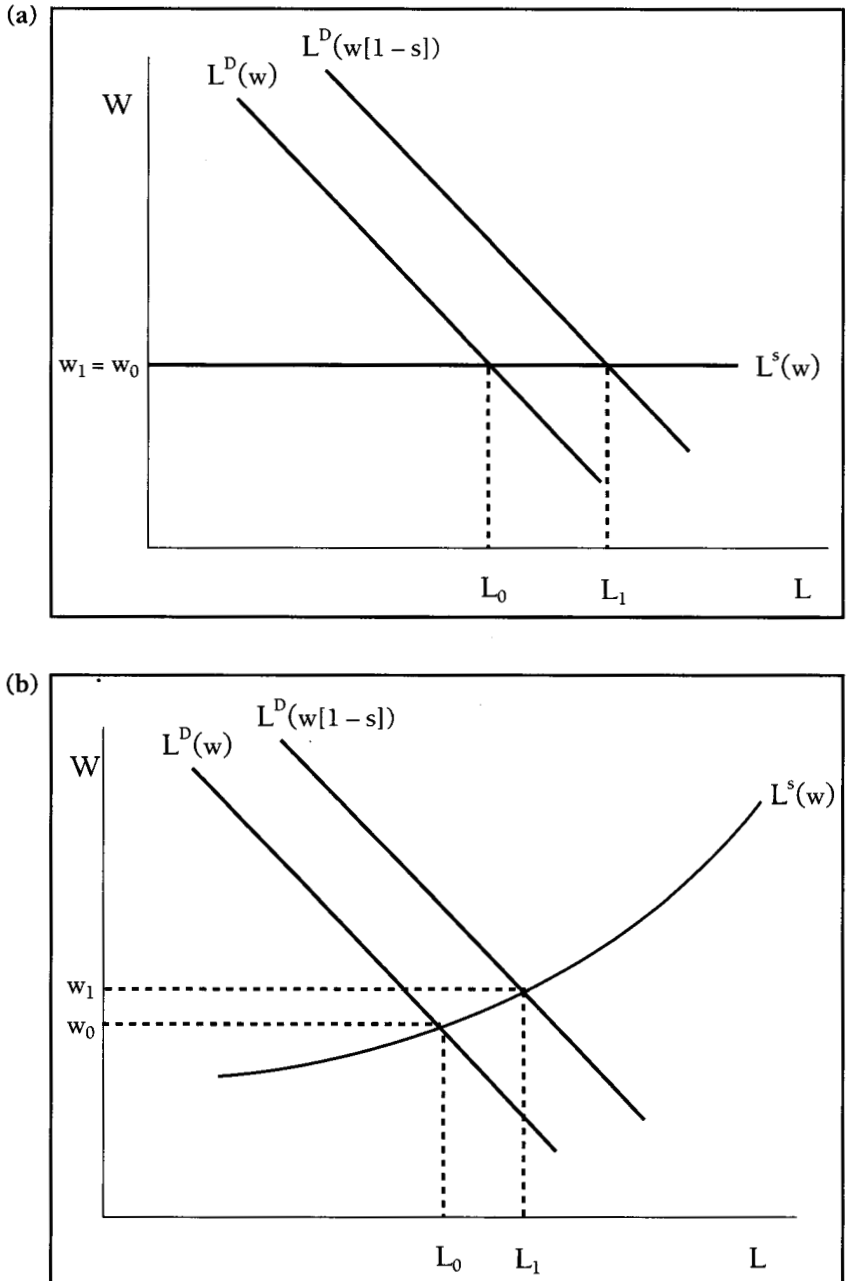


Figure 1.2 Differences in Employment Rates Between Nondisadvantaged and Disadvantaged Youth, 1984 to 1992

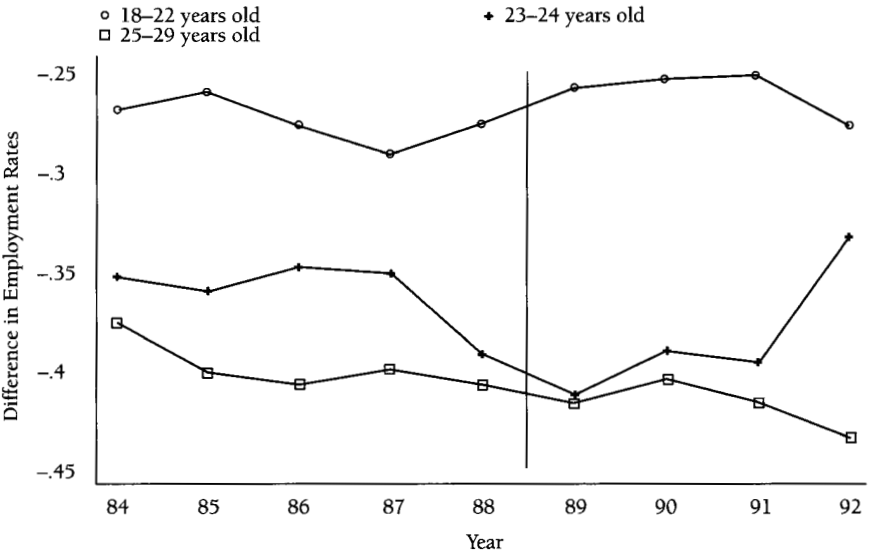


Table 1.1 Targeted Jobs Tax Credit (TJTC) Certifications and the Employment of Economically Disadvantaged Youth, 1984 to 1992 (in Millions)

	TJTC Certifications		Employment of Disadvantaged Youth		
Year	Total	Disadvantaged Youth	18–22	23–24	Total Eligible
1984	.563	.328	1.454	.649	2.103
1985	.622	.367	1.452	.624	2.076
1986	.242	.144	1.264	.617	1.881
1987	.598	.349	1.213	.562	1.776
1988	.497	.282	1.200	.550	1.750
1989	.452	.231	1.281	.477	1.281
1990	.445	.219	1.204	.502	1.204
1991	.428	.225	1.181	.513	1.181
1992	.364	.191	1.174	.541	1.174

Sources: Numbers of TJTC certifications are from U.S. House of Representatives (1993, 1073) and from unpublished tabulations provided by the U.S. Department of Labor, Employment and Training Administration. Data on certifications for 1984 and 1985 cover fiscal years (October of the previous year to September of the listed year); data for 1986 cover October 1985 to December 1986; data for 1987 to 1992 cover calendar years. The low number of certifications in 1986 partially reflects the suspension of the program from January to late October 1986.

Notes: I tabulated employment levels of economically disadvantaged youth from the March current population surveys using CPS basic sampling weights. Economically disadvantaged status for each individual aged eighteen to twenty-four in the March CPSs from March 1984 to March 1992 was imputed using the available information on family income in the previous calendar year and family structure combined with information on the relevant lower income living standard level by geographic region and metropolitan area of residence. Residents of Alaska and Hawaii are excluded from the employment totals. Economically disadvantaged individuals aged eighteen to twenty-four were eligible for the TJTC during the 1984 to 1988 period; eligibility was restricted to those aged eighteen to twenty-two from 1989 to 1992.

Table 1.2 Employment Rates for Economically Disadvantaged and Nondisadvantaged Young Adults, Aged 18 to 29 Years, 1984 to 1992

	18 to 22 Years Old		23 to 24 Years Old		25 to 29 Years Old	
Year	Disadvantaged	Nondis-advantaged	Disadvantaged	Nondis-advantaged	Disadvantaged	Nondis-advantaged
1984	.361	.631	.425	.779	.421	.798
	(.010)	(.005)	(.017)	(.006)	(.011)	(.004)
1985	.381	.642	.422	.783	.408	.811
	(.010)	(.005)	(.017)	(.006)	(.012)	(.004)
1986	.365	.643	.456	.804	.412	.820
	(.010)	(.005)	(.018)	(.006)	(.012)	(.004)
1987	.365	.647	.455	.806	.424	.824
	(.011)	(.005)	(.019)	(.006)	(.012)	(.004)
1988	.367	.644	.429	.821	.423	.836
	(.011)	(.005)	(.019)	(.006)	(.012)	(.004)
1989	.397	.657	.412	.825	.419	.836
	(.012)	(.005)	(.020)	(.007)	(.013)	(.004)
1990	.391	.644	.435	.825	.434	.839
	(.012)	(.005)	(.019)	(.007)	(.013)	(.004)
1991	.378	.629	.400	.797	.413	.829
	(.012)	(.005)	(.019)	(.007)	(.012)	(.004)
1992	.349	.644	.448	.781	.391	.826
	(.011)	(.005)	(.020)	(.007)	(.012)	(.004)

Notes: Employment rates by economically disadvantaged status and age group are estimates from the March CPSs for 1984 to 1992 based on current employment status for March of each year. Each observation is weighted by its CPS basic sampling weight. Cell sample sizes vary from 599 to 11,442. Standard errors are in parentheses.

Economically disadvantaged status for each individual aged eighteen to twenty-nine in the March CPSs from 1984 to 1992 was imputed using the available information on family income in the previous calendar year and family structure combined with information on the relevant LILSL by geographic region and metropolitan area of residence. Residents of Alaska and Hawaii are excluded from the samples.

Table 1.3 Differences-in-Differences-in-Differences (DDD) Estimates of the Impact of Targeted Jobs Tax Credit (TJTC) Eligibility on Employment Rates

	Employment Rates		
	Before 1987–1988	After 1989–1990	Time Difference
Experimentals, 23–24-year-olds			
Disadvantaged	.442	.423	−.019
	(.013)	(.014)	(.019)
Nondisadvantaged	.814	.825	.012
	(.004)	(.005)	(.006)
Disadv./nondisadv. difference	−.372	−.402	
	(.012)	(.012)	
Difference-in-difference			−.030
			(.017)
Placebos, 18–22- and 25–29-year-olds			
Disadvantaged	.390	.410	.019
	(.006)	(.006)	(.009)
Nondisadvantaged	.748	.755	.006
	(.002)	(.002)	(.003)
Disadv./nondisadv. difference	−.358	−.345	
	(.006)	(.006)	
Difference-in-difference			.013
			(.008)
DDD estimate			−.043
			(.020)
Adjusted DDD estimate			−.034
			(.019)

Notes: Cells contain mean employment rates for the identified group and time period from the March CPSs for 1987 to 1990. Standard errors are in parentheses. Each observation is weighted by its CPS basic sampling weight. The DDD estimate is the difference-in-difference from panel A minus that in panel B. Economically disadvantaged status for each individual aged eighteen to twenty-nine in the March CPSs was imputed using the available information on family income in the previous calendar year and family structure combined with information on the relevant LILSL by geographic region and metropolitan area of residence. Residents of Alaska and Hawaii are excluded from the samples

The adjusted DDD estimate is the coefficient on the third-order interaction term of a time period (before/after) dummy with an age-group dummy (age twenty-three to twenty-four equals 1) and a disadvantaged status dummy in an individual-level employment regression of the form given by equation 1.3 covering all eighteen- to twenty-nine-year-olds for pooled March CPS data covering 1987 to 1990. The other covariates included are three individual-year dummies; a disadvantaged-status dummy; eleven age dummies; two dummies for the interaction of age group (eighteen to twenty-two and twenty-five to twenty-nine) with disadvantaged status; a before/after dummy interacted with disadvantaged status; two interactions of age group and the before/after dummy; dummy variables for sex, marital status, and race; four education-group dummies; interactions of the sex dummy with the race, marital status, and education dummies; interactions of the before/after dummy with the education, race, and sex dummies; fifty state dummies; and eight dummies for interactions of the before/after dummy with census-division dummies. The sample size for the regression is 103,600. The regression was estimated using CPS basic sampling weights.

Table 1.4 Major U.S. Wage Subsidy Programs and Demonstration Projects for the Disadvantaged

Program	Description	Estimated Impacts
New jobs tax credit (NJTC), 1977–1978	A noncategorical, incremental employment subsidy that provided a 50% tax credit for wages of up to $4,200 per employee for increases in employment of more than 2% over the previous year.	Evidence suggests the NJTC modestly expanded aggregate employment (by 0.2% to 0.8%) from mid-1977 to mid-1978, with the impact concentrated in construction and retail trade.
Targeted jobs tax credit (TJTC), 1979–1994	A categorical wage subsidy that provided a tax credit to employers hiring certified target-group individuals. Target groups included economically disadvantaged youth and AFDC recipients.	Estimates from legislative changes in TJTC eligibility rules suggest up to a 7% positive impact on employment of disadvantaged young adults. Random assignment evaluations for welfare recipients suggest job searchers are less likely to find jobs when they are encouraged to inform employers of eligibility.
Job Training Partnership Act (JTPA), Title II, 1983–present	The on-the-job-training (OJT) component of JTPA, Title II provides a temporary wage subsidy of up to six months to encourage firms to hire and train JTPA participants (economically disadvantaged adults and youths). Some effort is made to develop job slots and to link participants with jobs.	Thirty-month follow-up results form random assignment evaluation imply substantial and sustained positive earnings impacts (10% for men and 15% for women) for adults enrolled in the service strategy emphasizing private-sector placement in subsidized OJT slots. No impacts apparent for out-of-school youths.

(Table continues on p. 48.)

Table 1.4 *Continued*

Program	Description	Estimated Impacts
Youth Incentive Entitlement Pilot Project (YIEPP), 1978–1981	Demonstration project that guaranteed full-time, minimum-wage summer jobs and part-time school-year jobs to disadvantaged youth aged 16–19 in selected communities provided they stayed in school. 100% wage subsidies for private-sector employers and direct job creation in the public sector.	Doubled school-year employment rates and earnings and greatly increased summer employment and earnings of youths in treatment communities. Increased private-sector employment of eligible youths by 18%. Substantial positive earnings effects persist at least one year after the program.
Homemaker-Home Health Aide (HHHA) demonstrations, 1983–1986	Provided "job-ready" AFDC recipients with four to eight weeks of training and up to twelve months of subsidized employment under close supervision with private and quasi-public nursing homes and home health agencies.	HHHA demonstrations produced significant earnings gains for participants in five of seven states. Earnings gains averaged $2,000 annually in first two years of program and gains of $500 were sustained four to five years after exit from program.

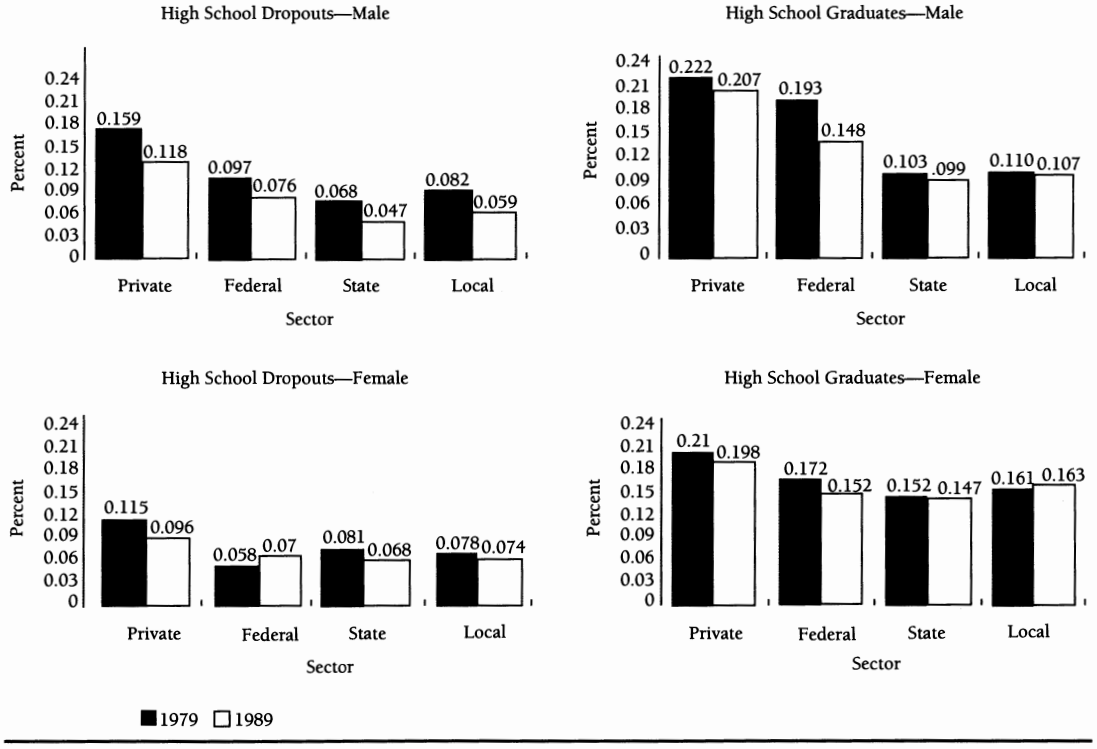
Table 2.1 Annual Cost per Job in UEZ Programs

Area	Direct Cost	Net Cost
England	15,000	60,000
New Jersey	13,070	13,070
Indiana	10,170	53,506
Indiana	1,633	43,579
Maryland	Infinite	Infinite

Source: Ladd (1994, 213).

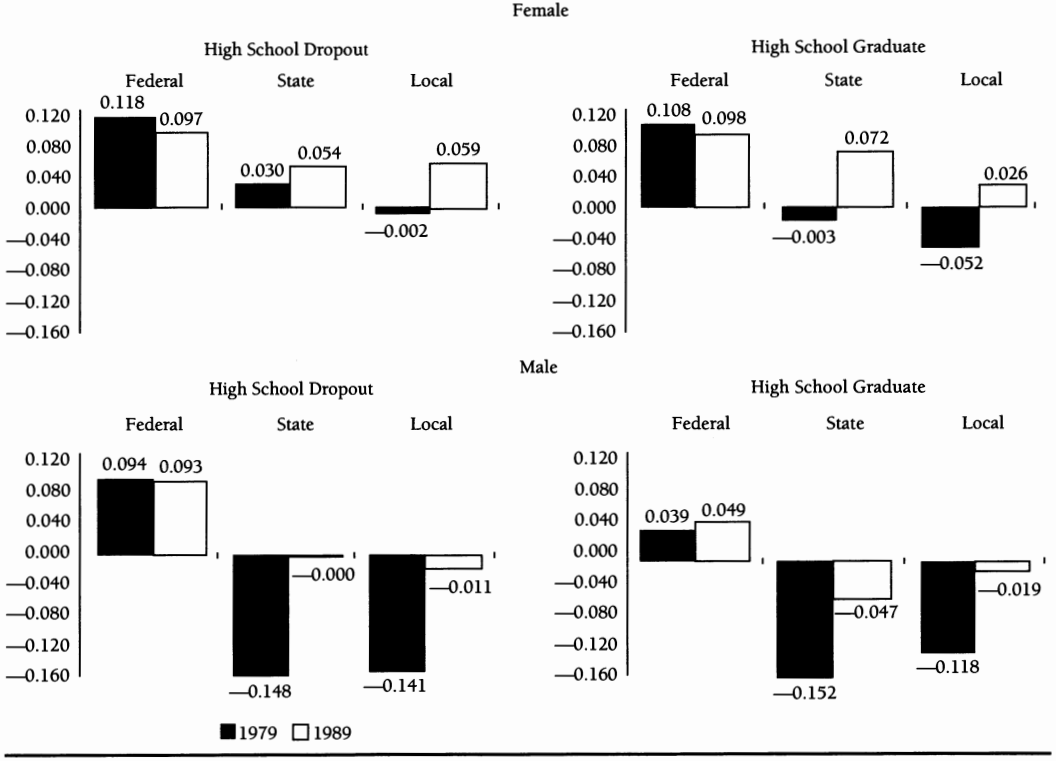
Notes: The net cost numbers are Ladd's estimates of effective jobs created for UEZ residents, divided by the true cost of the program. The England results are taken from Rubin and Richards (1992). The New Jersey results are from Rubin (1990). The Indiana results are from Papke (1991) and Rubin and Wilder (1989). The Maryland results are from the U.S. General Accounting Office (1988).

Figure 3.1 High School Dropouts and High School Graduates as Proportions of Total Employees by Sector, 1979 and 1989



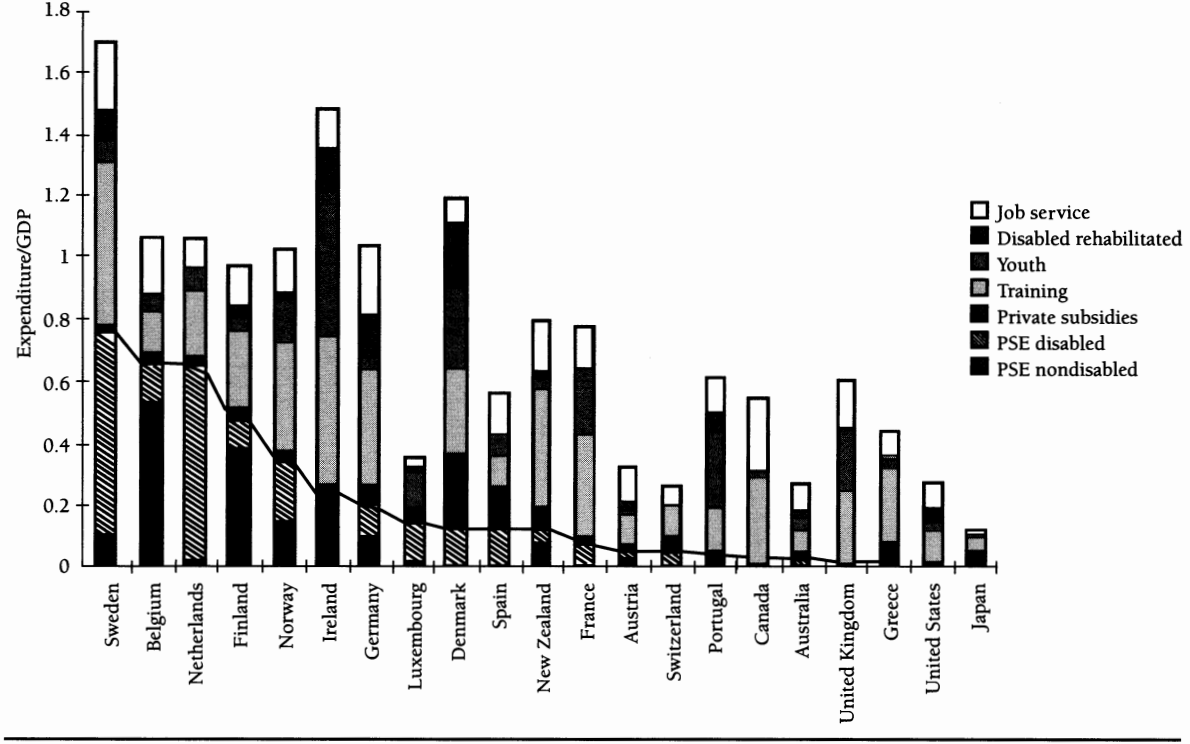
Source: Author's tabulation of Outgoing Rotation Groups.

Figure 3.2 Pay Differentials by Level of Government for High School Dropouts and High School Graduates, All Occupations



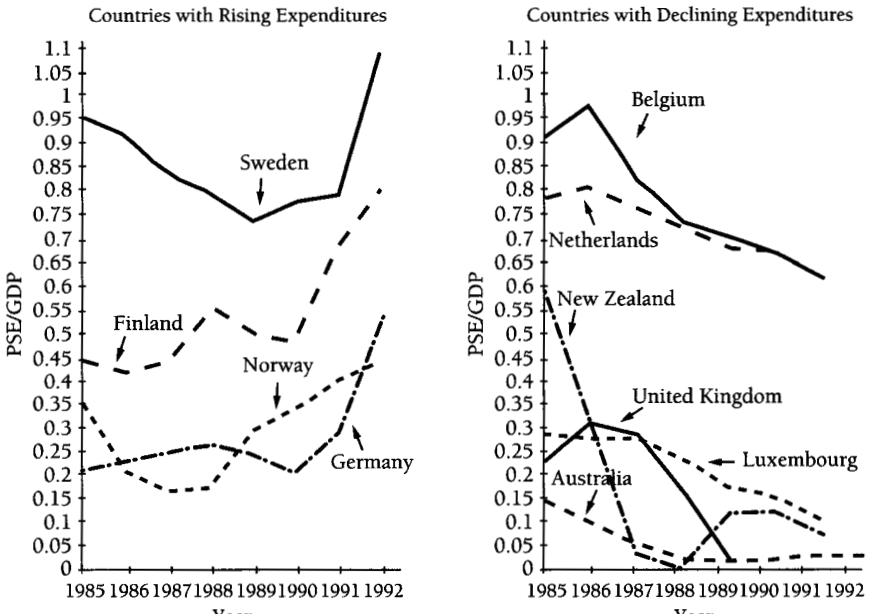
Source: Author's tabulation of 1980 and 1990 PUMS.

Figure 3.3 Active Labor Market Programs as a Percentage of GDP, 1990



Source: OECD (1992a).

Figure 3.4 Public Service Employment as a Percentage of GDP, 1985 to 1992



Source: OECD (1992a).

Table 4.1 Studies of Profit-Sharing and Labor Demand

Study	Data Source	Unit of Analysis	Sample size[a]	% with PS[b]	Time Period	Profit-Sharing Measures	Main Results
Disaggregated data							
1. Beil and Neumark 1993	U.S. publicly traded firms with union contracts	Firm	204	8%	1978–1987	Dummy for PS negotiated in union contract	Weakly favorable: Adoption of PS in union contract associated with higher employment growth and lower employment variability, though effects not statistically significant
2. Bradley and Estrin 1992	Large British retail chains	Firm	5	20%	1971–1985 (balanced)	PS dummy and B/W	Mixed: PS firm had higher employment than others, and B/W positively related to employment changes, but similar employment changes over the business cycle
3. Cahuc and Dormont 1992	French manufacturing firms	Firm	565	46%	1986–1989	B/W	Mixed/favorable: B/W negatively related to employment levels if firm effects not included, but not in within-firm specifications
	1) U.S. small						

(*Table continues on p. 110.*)

Table 4.1 *Continued*

Study	Data Source	Unit of Analysis	Sample size[a]	% with PS[b]	Time Period	Profit-Sharing Measures	Main Results
4. Chelius and Smith 1990	businesses	Firm	2997	31%	1987	PS dummy and B/W (cash and deferred plans)	Generally favorable; PS firms have smaller employment decreases when sales decline; result is stronger for PS dummy than for B/W
	2) Quality of Employment Survey	Persons	404	26%	1977	PS dummy	Weakly favorable: Workers in PS plans less likely to be laid off, but not statistically significant
5. Estrin and Wilson 1989	British metal-working and engineering firms	Firm	52	40%	1978–1982 (balanced)	PS dummy and B/W	Generally favorable: Authors reject hypothesis that PS payments are part of the marginal cost of labor
6. Finseth 1988	U.S. publicly traded manufacturing firms	Firm	133	54%	1971–1985 (balanced)	PS dummy and B/W (both cash and deferred plans)	Mixed: B/W more responsive than W to changes in profits; mixed results on stability (PS increases employment when profits per employee is used as demand measure)
	French manufac-						

7. Fitzroy and Vaughn-Whitehead 1989	turing firms	Firm	116	25%	1983–1985 (balanced)	PS dummy and profit share per worker	Mixed: Profit share per worker negatively related to employment, but cash PS firms maintain higher employment in downturn
8. Florkowski 1994	U.S. publicly traded firms	Firm	443	[c]	1971–1987 (balanced)	PS dummy	Mixed/unfavorable: Pre/post comparisons showed similar stability but higher average employment after adoption; small firms had lower cutbacks for negative shocks and more growth under positive shocks after adoption
9. Gerhart 1991	Exempt employees, U.S. business units	Firm	156	80%[d]	1981–1985 (unbalanced)	B/W, net of human capital and job factors	Favorable: Higher B/W associated with lower variability of exempt employment, controlling for variability of firm performance
10. Jones and Pliskin 1989	British printing, footwear, and clothing firms	Firm	127	87%	1890–1975 (unbalanced)	PS dummy and B/W	Mixed: PS dummy associated with lower employment, but B/W coefficient sensitive to whether measures of worker participation are included
	West German						

(*Table continues on p. 112.*)

Table 4.1 *Continued*

Study	Data Source	Unit of Analysis	Sample size[a]	% with PS[b]	Time Period	Profit-Sharing Measures	Main Results
11. Kraft 1991	firms	Firm	65		1977, 1979	PS dummy	Favorable: PS firms had lower dismissal rate
12. Kruse 1991a	U.S. publicly traded firms	Firm	1383	47% 40%	1971–1985 (balanced)	PS dummy, and percent of worker covered (deferred plans)	Generally favorable: PS associated with more stability in the face of negative demand shocks in manufacturing, but not in nonmanufacturing
13. Kruse 1991b	U.S. publicly traded firms	Firm	568	32%	1980–1986 (unbalanced)	B/W	Generally favorable: PS payments, unlike wages and defined benefit payments, do not appear to be treated as part of marginal cost of labor
14. Kruse 1993	U.S. publicly traded firms	Firm	500	40%	1971–1991 (unbalanced)	PS dummy and B/W (both cash and deferred plans)	Mixed: No general evidence of lower responsiveness to negative demand shocks after adoption of PS, except when PS appeared to substitute for fixed wages/benefits
15. Wadhwani and Wall 1990	British publicly traded firms	Firm	101	21%	1972–1982 (balanced)	PS dummy and B/W	Unfavorable: Both PS measures statistically in-

					significant, but magnitudes indicate B/W depresses employment more than wages do
Aggregate data 16. Bhargava 1994	Japanese aggregate and British industry data	Aggregate economy and industry	1955–1986	% of workers covered in UK	Mixed: Employment less variable in Japanese bonus system than in UK, but higher PS coverage within UK industries was not associated with lower variability
17. Estrin, Grout, and Wadhwani 1987	Japanese aggregate data	Aggregate economy	1959–1983	B/W	Unfavorable: Wages and bonuses have slightly positive, insignificant coefficients when controlling for capital and not output (in contrast to Freeman and Weitzman, 1987)
18. Freeman and Weitzman 1987	Japanese aggregate and industry-level data	Aggregate economy and manufacturing	1959–1983	B/W	Favorable: Bonus appears to have profit-sharing component and, unlike wages, relates positively to employment (controlling for output changes)

PS = profit-sharing B/W = profit-sharing bonus/wage W = wage

[a] Sample size represents number of firms or persons in sample (not total firm-years for panel data).

[b] Percentage of firms or people with profit-sharing at any point in the period studied.

[c] The 443 profit-sharing adopters were compared to industry mean values from an unreported number of other firms.

[d] The percentage is of employees eligible for bonuses in the sample firms.

Table 4.2 Prevalence of Reported Profit-Sharing, 1988 to 1993

	1988	1989	1990	1991	1992	1993
Young employees reporting availability of profit-sharing (NLSY)						
1. In given year	32%	34%	34%	34%	35	35%
2. In every year for job held this year	21	20	19	19	20	21
3. Medium and large firms	28	26		26		29
4. Small firms			17		16	
Employee coverage reported by firms (BLS)						
5. Medium and large firms	18	16		16		17
6. Small private firms			15		16	
7. Profit-linked matches to 401(k) savings/thrift plans[a]	2	3		4		4
Professional/administrative employees						
Young employee reports (NLSY)[b]						
8. In given year	39	42	36	(48[c])	(34[c])	(43[c])
9. In every year for this year's job	23	24	20	(27[c])	(18[c])	(28[c])
Firm reports (BLS)						
10. Medium and large firms	20	15		(13[c])		(14[c])
11. Small private firms			16		(18[c])	

Technical/clerical employees						
Young employee reports (NLSY)[b]						
12. In given year	51	51	36	(50[c])	(36[c])	(53[c])
13. In every year for this year's job	35	31	21	(29[c])	(19[c])	(36[c])
Firm reports (BLS)						
14. Medium and large firms	21	13		(16[c])		(17[c])
15. Small private firms			17		(19[c])	
Production employees						
Young employee reports (NLSY)[b]						
16. In given year	36	39	20	38	21	42
17. In every year for this year's job	25	24	11	22	13	27
Firm reports (BLS)						
18. Medium and large firms	15	18		18		18
19. Small private firms			13		14	

NLSY: National Longitudinal Survey-Youth Cohort.

BLS: U.S. Department of Labor, Bureau of Labor Statistics, *Survey of Employee Benefits in Medium and Large Firms* (1989, 1990, 1992, 1994) and *Survey of Employee Benefits in Small Private Firms* (1991, 1993).

[a] In the BLS surveys, savings/thrift 401(k) plans (requiring employee contributions) are distinguished from profit-sharing plans (many of which are 401(k)s that allow, but do not require, employee contributions). Some of the savings/thrift plans, though, use profit-linked matches to employee contributions; the estimates are provided in row 7 (derived from published data).

[b] To compare with BLS, the NLSY occupational data are for small firms in 1990 and 1992, and medium/large firms in other years.

[c] BLS occupational categories were changed in 1991; the "professional/administrative" number after 1990 (in parentheses) includes technical workers, while the "technical/clerical" number is for clerical/sales. The NLSY categories are changed to provide comparable estimates for these years.

Table 4.3 Education Levels, Skill Requirements for Current Jobs, and Pay Levels and Types for Private-Sector Employees, 1989

	Sample Size			Pay Levels (Mean) and Performance-Linked Pay (% Covered)								
	Un-weighted (1)	Weighted (Millions) (2)	Weighted (%) (3)	Average Hourly Pay (4)	Profit-Sharing 1989 (Every Year)[a] (5)	Bonuses (6)	Commis-sions (7)	Piece Rates (8)	Stock Options (9)	Tips (10)	Any Perfor-mance-Linked (11)
Overall	6,720	18.5	100.0%	$ 9.68	34.0% (20.2)	14.8%	7.5%	2.6%	1.4%	3.6%	48.9%
Education level											
<12 years	1,082	1.9	10.3	7.16	19.7 (12.0)	8.3	2.6	4.8	0.7	4.6	34.4
12 years	3,073	8.6	46.5	8.57	32.1 (19.5)	11.7	5.7	3.6	1.0	3.7	45.6
13–15 years	1,396	3.9	21.4	9.95	36.4 (20.1)	16.6	10.4	1.5	1.7	5.1	54.4
16 years	820	2.9	15.9	13.06	43.8 (27.1)	23.2	12.7	0.7	1.6	1.5	60.4
>16 years	304	1.1	6.0	14.11	39.6 (21.7)	22.9	6.6	0.0	3.7	2.4	54.5
Schooling req. to get job											
None	774	1.5	8.4	7.24	15.3 (9.2)	9.2	4.9	7.1	0.7	8.0	36.5
Grade school (1–8 grades)	264	0.5	2.8	6.69	28.5 (17.5)	8.0	1.0	6.8	0.0	6.2	41.5
Some high school (9–11 grades)	884	1.9	10.6	7.18	25.7 (15.0)	8.6	3.1	3.6	0.6	7.6	39.4
High school (12 grades)	2,860	8.1	44.2	8.97	35.9 (21.2)	12.5	7.3	2.7	1.4	3.7	49.7

(*Table continues on p. 120.*)

Table 4.3 *Continued*

	Sample Size			Pay Levels (Mean) and Performance-Linked Pay (% Covered)								
	Un-weighted (1)	Weighted (Millions) (2)	Weighted (%) (3)	Average Hourly Pay (4)	Profit-Sharing 1989 (Every Year)[a] (5)	Bonuses (6)	Commis-sions (7)	Piece Rates (8)	Stock Options (9)	Tips (10)	Any Perfor-mance-Linked (11)
Some college/ associate degree	1,050	3.2	17.5	10.63	39.2 (20.7)	18.7	10.1	0.7	1.1	1.4	54.0
College degree	690	2.6	14.0	14.20	43.3 (28.8)	25.6	11.1	0.0	2.7	0.4	58.1
Graduate/prof. degree	123	0.5	2.5	16.36	33.3 (18.0)	23.2	5.6	2.2	3.5	1.1	48.8
Work exp. or training req. to get job											
Yes	3,919	11.3	61.2	10.44	34.3 (20.2)	16.4	8.7	1.8	1.6	3.2	50.2
No	2,795	7.2	38.8	8.54	33.5 (20.1)	12.3	5.7	3.9	1.0	4.3	46.8
No, and no college req.	2,317	0.1	30.3	7.44	31.2 (18.2)	9.4	4.6	4.7	0.9	5.3	44.9
Type of exp./training req.											
Trade, voc., bus., tech. school	1,001	2.9	15.9	10.49	32.2 (19.3)	15.6	8.7	1.8	1.7	2.7	48.4

Apprenticeship	300	1.0	5.3	11.98	30.7	(15.7)	16.7	9.6	3.3	1.4	1.5	47.0
Formal co. training program	606	1.7	9.2	11.18	44.1	(22.9)	23.6	14.0	1.2	3.9	2.6	61.1
On-the-job training/exp.												
With cur. employer	2,092	6.2	33.3	10.49	36.7	(21.9)	17.3	7.8	1.8	2.4	2.7	52.0
With prev. employer	2,089	6.2	33.7	10.52	35.5	(21.0)	19.0	8.5	1.6	1.6	3.2	52.0
Armed forces training program	69	0.2	1.1	12.44	44.0	(27.4)	14.6	8.0	0.0	0.0	3.3	53.2
Other	188	0.6	3.2	11.65	31.3	(15.6)	21.6	16.6	0.2	0.5	2.5	51.0
Months of training req. to become fully qualified to do job												
≤1 month	2,239	5.0	27.2	7.17	25.8	(15.8)	9.1	5.1	3.7	0.7	8.1	42.8
2–6 months	1,796	4.8	26.3	9.15	37.7	(22.4)	13.0	8.4	2.6	0.9	2.1	50.9
7–12 months	951	2.9	15.7	10.06	37.0	(21.5)	16.1	8.6	1.7	1.4	2.4	50.3
>12 months	1,688	5.7	30.8	12.40	36.7	(21.7)	21.0	8.5	2.0	2.3	1.6	52.5

(*Table continues on p. 122.*)

Table 4.3 *Continued*

	Benefits Available									
	Total Number (Mean) (12)	Health Insurance (% Covered)[a] (13)	Life Insurance (% Covered)[a] (14)	Dental Insurance (% Covered)[a] (15)	Paid Vacation (% Covered)[a] (16)	Paid Sick Leave (% Covered)[a] (17)	Maternity/ Paternity Leave (% Covered)[a] (18)	Retirement Plan (% Covered)[a] (19)	Child Care (% Covered)[a] (20)	Training/ Educational Opportunities (% Covered)[a] (21)
Overall	4.9	78.0% (69.8)	65.9% (53.6)	51.7% (42.1)	80.2% (71.7)	60.6% (44.6)	62.8% (37.0)	53.9% (41.4)	5.0% (1.6)	47.5% (32.7)
Education Level										
<12 years	3.1	60.6 (52.2)	44.7 (34.2)	33.0 (24.2)	68.4 (59.6)	36.0 (24.9)	46.6 (26.2)	32.2 (20.56)	2.3 (0.7)	23.3 (12.6)
12 years	4.7	76.3 (68.0)	63.2 (50.4)	48.6 (39.0)	79.2 (70.6)	53.6 (38.9)	61.9 (36.0)	51.6 (39.2)	3.7 (1.4)	41.3 (27.6)
13–15 years	5.3	81.6 (72.1)	69.9 (56.1)	56.9 (46.2)	82.0 (72.1)	66.5 (50.6)	67.5 (42.7)	57.8 (43.0)	5.5 (1.7)	53.3 (36.6)
16 years	6	87.4 (81.6)	79.5 (69.6)	63.2 (54.8)	88.3 (81.5)	83.0 (62.5)	71.8 (42.4)	65.4 (55.9)	8.2 (2.8)	68.2 (52.8)
>16 years	5.8	87.8 (79.5)	77.8 (66.2)	62.5 (52.7)	85.0 (76.2)	83.5 (60.0)	61.2 (31.2)	68.6 (55.5)	10.7 (1.8)	66.4 (46.2)
Schooling req. to get job										
None	2.7	52.3 (43.9)	38.9 (29.7)	25.6 (18.8)	58.0 (49.6)	29.8 (21.0)	40.0 (22.4)	26.4 (17.2)	2.7 (1.7)	17.8 (11.2)
Grade school	3	57.6 (53.4)	43.4 (35.6)	29.9 (25.6)	60.1 (55.8)	27.5 (17.5)	45.0 (25.5)	35.2 (25.8)	2.1 0.0	21.2 (14.6)
Some high school	3.3	62.4 (53.5)	45.3 (35.3)	33.6 (26.0)	70.7 (60.0)	35.6 (25.4)	46.5 (27.0)	36.5 (24.2)	2.1 (1.1)	24.2 (12.8)
High school	4.9	80.0 (71.2)	67.2 (53.6)	52.7 (42.3)	81.4 (72.8)	57.8 (42.6)	64.5 (37.1)	54.5 (40.5)	3.8 (1.3)	44.1 (28.1)
Some college/ associate degree	6	86.1 (78.4)	76.1 (62.3)	62.7 (51.4)	88.9 (79.9)	79.3 (58.8)	75.4 (49.3)	63.7 (52.0)	8.2 (2.4)	65.0 (47.3)
College degree	6.6	94.2 (88.4)	87.3 (77.9)	70.6 (63.0)	92.5 (85.4)	90.7 (69.1)	74.6 (43.7)	75.2 (64.9)	8.9 (2.4)	78.2 (63.2)

Graduate/prof. degree	5.7	88.6 (80.5)	75.5 (61.2)	58.9 (47.0)	87.9 (79.1)	86.1 (62.7)	61.0 (32.9)	61.1 (50.5)	11.9 (2.1)	66.1 (45.6)
Work exp. or training req. to get job										
Yes	5.2	81.1 (73.3)	69.3 (56.9)	54.8 (45.1)	82.5 (74.4)	65.5 (49.0)	65.4 (38.3)	55.6 (43.2)	5.4 (1.9)	53.0 (37.6)
No	4.5	73.2 (64.5)	60.5 (48.5)	46.9 (37.4)	76.7 (67.6)	53.1 (38.0)	58.9 (35.1)	51.1 (38.8)	4.5 (1.3)	39.0 (25.3)
No, and no college req.	4	69.9 (59.9)	54.9 (43.3)	42.0 (33.0)	73.7 (64.8)	45.0 (32.2)	56.1 (33.3)	46.3 (33.6)	2.9 (1.1)	30.8 (18.1)
Type of exp./ training req.										
Trade, voc., bus., tech. school	5.2	81.4 (72.9)	68.0 (54.3)	55.4 (44.8)	82.2 (74.2)	63.6 (48.4)	64.3 (38.4)	55.2 (43.6)	4.7 (1.8)	57.4 (42.8)
Apprenticeship	4.3	77.9 (66.9)	63.6 (45.2)	47.7 (35.3)	69.4 (60.6)	53.8 (40.2)	49.2 (21.2)	50.0 (31.5)	2.9 (1.1)	48.2 (30.3)
Formal co. program	6.3	90.0 (82.8)	83.6 (72.7)	67.9 (59.5)	90.1 (82.7)	78.1 (58.3)	75.9 (44.7)	71.5 (59.5)	10.5 (3.4)	69.7 (54.9)
On-the-job training/exp.										
With cur. employer	5.5	83.1 (76.1)	72.1 (60.3)	57.9 (48.0)	85.7 (77.3)	68.5 (50.2)	69.1 (39.6)	60.1 (47.7)	5.6 (1.5)	56.6 (40.9)
With prev. employer	5.2	80.9 (73.7)	69.5 (57.6)	53.8 (43.9)	83.7 (76.3)	67.9 (51.6)	65.7 (38.9)	53.5 (40.7)	5.6 (2.0)	52.0 (36.7)

(Table continues on p. 124.)

Table 4.3 *Continued*

	Benefits Available									
	Total Number (Mean) (12)	Health Insurance (% Covered)[a] (13)	Life Insurance (% Covered)[a] (14)	Dental Insurance (% Covered)[a] (15)	Paid Vacation (% Covered)[a] (16)	Paid Sick Leave (% Covered)[a] (17)	Maternity/ Paternity Leave (% Covered)[a] (18)	Retirement Plan (% Covered)[a] (19)	Child Care (% Covered)[a] (20)	Training/ Educational Opportunities (% Covered)[a] (21)
Armed forces training program	6.3	97.1 (90.9)	79.0 (67.4)	81.4 (73.5)	89.6 (80.9)	74.8 (54.4)	57.2 (25.9)	70.0 (53.2)	6.9 (0.3)	67.0 (52.4)
Other	5.4	82.4 (73.9)	77.1 (60.9)	53.3 (44.4)	81.8 (71.5)	69.7 (57.9)	69.7 (39.2)	52.9 (42.6)	9.9 (4.4)	54.8 (37.2)
Months of training req. to be fully qualified to do job										
≤1 month	3.7	65.0 (56.4)	50.3 (39.6)	40.2 (32.3)	69.6 (61.1)	44.1 (32.7)	55.4 (33.6)	40.2 (28.6)	3.6 (1.1)	28.9 (17.1)
2–6 months	5.3	81.4 (73.7)	69.9 (57.1)	56.0 (46.1)	83.5 (75.1)	63.8 (48.3)	69.6 (43.9)	59.0 (45.2)	5.6 (1.9)	50.6 (34.9)
7–12 months	5.5	84.5 (76.9)	73.2 (60.6)	57.5 (48.4)	86.3 (77.9)	71.0 (52.2)	67.5 (40.0)	58.2 (46.5)	5.7 (1.9)	55.0 (39.3)
>12 months	5.4	84.2 (76.2)	73.4 (60.6)	55.8 (44.8)	84.3 (75.8)	67.9 (49.0)	61.2 (32.7)	59.8 (48.0)	5.6 (1.8)	58.3 (41.7)

[a] First number is percentage reporting benefit in 1989, while number in parentheses is percentage reporting it in every year for job held in 1989.

Table 4.4 Prevalence of Profit-Sharing, by Demographic and Job Characteristics, for Private-Sector Employees, 1989

	Sample Size		% Reporting Profit-Sharing (Weighted)	
	Unweighted (1)	Weighted (Millions) (2)	In 1989 (3)	In Every Year for Job Held in 1989 (4)
Overall	6,720	18.5	34.0%	20.2
Gender				
Male	3,662	10.4	34.7	20.5
Female	3,058	8.1	33.2	19.7
Race				
Black	1,628	1.9	29.5	18.6
Hispanic	1,124	0.8	32.7	19.4
Other	3,968	15.8	34.7	20.4
Marital status				
Married, sp. present	3,319	9.9	35.9	21.7
Separated/divorced	957	2.4	28.6	17.6
Single	2,444	6.2	33.2	18.7
Family poverty status				
In poverty last year	656	1.3	18.4	10.3
Not in poverty last year	4,913	14.5	36.5	21.8

Location				
Northeast	1,209	3.7	34.6	20.2
North Central	1,583	5.5	35.7	21.8
South	2,601	6.1	33.5	19.2
West	1,277	3.2	32.1	19.8
Rural	1,369	3.7	31.1	18.2
Urban	5,201	14.7	34.9	20.8
Tenure with employer				
6 months or less	1,454	3.7	22.7	15.1
6 months to 1 year	916	2.3	30.6	20.7
1 to 2 years	1,176	3.1	33.2	17.1
2 to 5 years	1,763	5.0	38.6	22.3
More than 5 years	1,346	4.1	40.5	23.9
Establishment size				
10 employees or fewer	1,655	4.8	21.9	11.2
11–50 employees	1,912	5.3	29.4	18.0
51–100 employees	715	1.8	39.9	26.8
101–500 employees	1,328	3.5	45.7	28.1
More than 500	933	2.7	46.9	27.0
Employer has other locations				
No	2,261	6.3	20.4	10.1
Yes	4,438	12.2	41.2	25.0

(Table continues on p. 128.)

Table 4.4 *Continued*

	Sample Size		% Reporting Profit-Sharing (Weighted)	
	Unweighted (1)	Weighted (Millions) (2)	In 1989 (3)	In Every Year for Job Held in 1989 (4)
Occupation				
White-collar	3,329	10.1	41.7	24.9
Managerial	625	2.0	43.8	24.6
Professionial	503	1.7	43.9	19.6
Technical	263	0.9	40.3	22.0
Sales	777	2.4	42.2	26.7
Clerical	1,160	3.1	43.9	27.2
Blue-collar	3,385	8.3	24.7	14.4
Service	917	2.1	16.8	9.3
Farming	122	0.3	19.8	8.2
Precision production/crafts	815	2.4	26.0	16.3
Operators, fabricators	769	1.7	33.6	20.2
Transportation, moving	371	0.9	31.2	18.3
Laborers	388	0.9	17.5	8.2
Industry				
Agriculture	108	0.3	30.1	11.9
Mining	43	0.2	29.2	19.8

Construction	502	1.5	16.3	9.7
Durable manufacturing	742	1.9	42.4	25.6
Nondurable manufacturing	919	2.7	45.9	28.9
Transportation	259	0.7	39.3	18.0
Communications	111	0.3	43.1	29.5
Utilities	86	0.3	40.2	30.9
Wholesale trade	292	0.8	42.2	26.8
Retail trade	1,263	3.3	32.3	18.8
Finance, insurance, real estate	519	1.6	49.0	30.8
Services				
Business	385	1.0	36.6	21.7
Health	598	1.6	21.1	8.6
Other	884	2.5	21.0	12.1
Union contract coverage				
Covered	965	2.4	32.6	17.5
Not covered	5,653	15.9	34.4	20.6

Notes: The year 1989 was chosen owing to availability of data on education/training requirements for current job (see table 4.1). Patterns are very similar for other years. The differences within each category are all statistically significant at $p < .05$, except for the union/nonunion difference in column 7 ($p = .098$).

Table 4.5 Pay Levels for Profit Sharers and Non-Profit-Sharers, by Education/Training and Job Characteristics, 1989

	Total Number of Benefits Available		Mean Hourly Pay		Pay Difference Associated with Profit-Sharing: Controlling for Standard Determinants		Pay Difference Associated with Profit-Sharing: Also Controlling for Other Pay Types, Benefits	
	No Profit-Sharing in 1989 (1)	Profit-Sharing in 1989 (2)	No Profit Sharing in 1989 (3)	Profit-Sharing in 1989 (4)	1989 Cross-Section (5)	Job Changers (6)	1989 Cross-Section (7)	Job Changers (8)
Overall	3.9[a]	6.7	$8.60[a]	$10.07	5.5%[a]	3.6%[a]	−0.3%	−0.5%
Education								
Less than 12 years	2.5[a]	5.7	6.87[a]	7.55	1.8	7.2[a]	−4.5	2.6
12 years	3.7[a]	6.6	7.71[a]	9.06	8.7[a]	1.7	2.0	−2.6
13–15 years	4.4[a]	6.9	9.25	9.70	1.5	4.5[a]	−4.3[a]	0.6
16 years	5.4[a]	7.1	12.85	13.80	4.9	2.2	0.3	−0.8
More than 16 years	5.3[a]	7.0	14.07	15.28	9.1	11.0[a]	7.8	7.2
Schooling required for job								
Less than high school	2.4[a]	5.7	6.59[a]	7.59	6.1[a]	0.4	−0.7	−1.2
High school degree	4.0[a]	6.7	8.32[a]	9.06	3.4[a]	3.1	−2.6	0.8
At least some college	5.7[a]	7.2	11.89	12.14	3.4	4.8	−0.5	1.6
Experience/training required for job								
Yes	4.2[a]	6.8	9.58[a]	10.62	2.1	1.4	−2.9[a]	−2.8

No	3.4[a]	6.5	7.29[a]	9.23	10.0[a]	5.9	3.0[a]	1.4
No college required	3.0[a]	6.3	6.57[a]	8.22	10.2[a]	6.3[a]	2.6	1.7
Months of training to be fully qualified for job								
One month or less	2.8[a]	6.4	6.47[a]	8.02	6.2[a]	−12.2[a]	0.4	−16.0[a]
2–6 months	4.4[a]	6.8	8.24[a]	9.32	6.4[a]	3.8	−0.2	0.1
7–12 months	4.5[a]	6.9	9.52	9.97	0.8	5.0	−4.9[a]	0.4
More than 12 months	4.5[a]	6.8	11.79	12.83	2.1	5.1	−1.5	0.5
Occupation								
White-collar	4.9[a]	7.0	9.92[a]	10.75	4.4[a]	2.3	−1.0	−1.4
Managerial/professional	5.5[a]	7.0	12.45	13.10	4.1	2.4	−0.2	−0.5
Technical/sales/clerical	4.5[a]	6.9	8.55[a]	9.64	4.6[a]	2.3	−1.5	−1.9
Blue-collar	3.1[a]	6.2	7.60[a]	8.94	7.6[a]	4.9[a]	0.7	0.6
Service	2.6[a]	6.2	6.26[a]	7.71	8.2[a]	2.0	1.2	−2.2
Precision production/ crafts	3.1[a]	6.1	9.79[a]	10.69	−3.5	5.7	−0.8	1.2
Other blue-collar	3.3[a]	6.2	7.32[a]	8.52	8.8[a]	5.8[a]	1.3	1.5

Notes: Columns 5 and 7 represent percentage difference in pay of profit-sharers from non-profit-sharers. In both columns, controls are present for education, sex, race, tenure, and experience and their squares, union coverage, establishment size, and thirty-five occupation and fifteen industry dummies. In column 7, additional controls comprise five individual incentive systems and nine other benefits. Columns 6 and 8 represent percentage difference in pay associated with change in profit-sharing for those who changed jobs in the period. Column 6 includes controls for firing or layoff from previous job and changes in union coverage, establishment size, tenure and its square and averge occupation and industry earnings, while column 8 also includes controls for changes in the nine other benefits.

[a] Difference associated with profit-sharing is significant at $p < .05$.

Table 4.6 Disposition of 1989 Job over Five-Year Period, by Skill Level and Job Characteristics

	Full Sample				Comparison of Non-Profit Sharers (NPS) to Profit-Sharers (PS)[b]							
					Laid Off		Fired		Quit		Kept Job	
	Laid Off	Fired	Quit	Kept Job	NPS	PS	NPS	PS	NPS	PS	NPS	PS
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)
Overall												
Number	760	292	2,692	1,909	542	118	204	58	1,787	517	702	402
Percentage (weighted)	10.5%	3.6%	41.1%	35.7%	13.1%[a]	9.0%	4.6%[a]	3.5%	47.3%[a]	42.4%	24.5%[a]	36.8%
Education												
Less than 12 years	15.5	5.7	44.7	23.3	17.1[a]	11.0	6.3	7.9	48.0	48.7	17.4[a]	23.3
12 years	12.0	4.2	38.4	36.3	14.4[a]	10.3	5.4[a]	3.1	44.2[a]	40.8	25.5[a]	35.9
13–15 years	9.9	3.3	42.3	35.6	12.6[a]	8.9	4.1	3.4	48.5	47.5	24.8[a]	33.1
16 years	6.8	1.6	43.8	40.5	8.9	7.1	1.3[a]	3.7	53.5[a]	42.2	26.7[a]	41.7
More than 16 years	2.8	1.4	43.6	41.1	4.3	3.8	1.9	2.1	54.7[a]	32.1	26.1[a]	50.0
Schooling required for job												
Less than high school	15.3	5.2	46.6	23.1	16.5	14.8	6.1	4.4	52.6[a]	42.5	14.6[a]	26.4
High school degree	11.2	4.2	38.3	37.3	13.9[a]	8.4	5.1	4.3	43.3	42.7	27.2[a]	35.6
At least some college	6.3	1.8	41.0	42.2	8.5	7.5	2.2	2.3	47.9[a]	42.3	30.2[a]	41.5
Experience/training required for job												
Yes	9.7	3.5	40.8	37.1	12.5[a]	8.1	4.1	4.0	46.2	44.5	27.0[a]	35.0
No	11.7	3.8	41.4	33.7	14.1[a]	10.4	5.3[a]	2.6	48.8[a]	39.0	20.8[a]	33.5
No college required	13.2	4.6	40.2	32.8	14.9	12.5	6.2[a]	3.0	47.9[a]	38.7	21.0[a]	35.9

Months of training to be fully qualified for job												
One month or less	11.9	5.3	45.8	28.1	12.7	13.0	6.4[a]	4.3	53.8[a]	38.5	17.2[a]	34.3
2–6 months	11.2	3.3	42.1	35.0	14.0	8.9	4.0	3.0	48.6	44.4	25.5[a]	33.5
7–12 months	10.2	2.4	38.7	38.5	13.5	7.6	3.1	3.5	42.7	41.7	28.1[a]	40.3
More than 12 months	8.8	2.9	37.6	41.7	12.7	7.0	3.7	3.3	42.7	43.1	29.9[a]	39.9
Occupation												
White-collar	7.4	2.8	43.0	38.3	9.3[a]	7.3	3.8	3.5	49.3[a]	45.0	27.1[a]	37.3
Managerial/professional	5.8	2.4	42.3	40.0	6.7	8.4	3.4	3.4	50.1[a]	40.1	27.7[a]	42.6
Technical/sales/clerical	8.4	3.1	43.4	37.3	10.9[a]	6.7	4.1	3.5	48.8	47.4	26.7[a]	34.6
Blue-collar	14.3	4.5	38.7	32.6	16.5[a]	12.6	5.2[a]	3.4	45.5[a]	36.8	22.4[a]	35.7
Service	6.6	5.2	54.8	25.0	7.1	3.7	6.2[a]	2.1	59.7	44.5	18.3[a]	35.6
Precision production/ crafts	18.0	2.5	34.3	35.6	21.9[a]	12.9	2.8	1.2	41.3	36.5	24.0[a]	39.8
Other blue-collar	16.2	5.4	33.0	34.7	19.1 [a]	15.2	6.1	5.2	39.1[a]	34.6	23.9[a]	33.0
Tenure in 1989												
12 months or fewer	13.6	5.7	53.4	17.5	15.3[a]	12.8	6.8[a]	4.0	56.9[a]	53.4	10.1[a]	21.3
More than 12 months	9.1	2.6	35.3	44.3	11.8[a]	7.7	3.0	3.3	40.9	38.3	34.2[a]	42.2

Notes: Numbers represent (weighted) percentage of 1989 jobs that ended in given way by 1993 or were kept through 1993. Remaining jobs (differences between 100 percent and sum of four outcomes) could not be tracked (6.5 percent dropped out of sample, and 2.5 percent had missing information).

[a]Difference between profit-sharers and non-profit-sharers is significant at $p < .05$.

[b]Profit-sharers are those who reported its availability in every year for job held in 1989. Those reporting it only in some years are included in columns 1–4 but omitted in columns 5–12

Table 4.7 Predicting Disposition of 1989 Job

	Multinomial Logits on Ultimate Disposition of All 1989 Jobs[b]								Weibull Survival Model on New Jobs[c]					
	(1)				(2)				(3)		(4)		(5)[d]	
	Layoff		Quit		Layoff		Quit		Layoff		Layoff		Layoff	
Demographic characteristics														
Female	0.727[a]	(3.12)	1.243[a]	(3.05)	1.116	(0.81)	1.465	(0.81)	0.507[a]	(4.92)	0.778	(1.30)	0.687[a]	(2.30)
Age	1.044[a]	(1.97)	0.964[a]	(2.36)	1.041	(1.62)	0.955	(1.62)	1.036	(1.33)	1.039	(1.17)	1.022	(0.82)
Black	1.449[a]	(3.25)	1.010	(0.11)	1.548[a]	(3.32)	1.012[a]	(3.32)	1.170	(1.10)	1.252	(1.33)	1.142	(0.91)
Hispanic	1.471[a]	(3.03)	1.124	(1.23)	1.642[a]	(3.40)	1.127[a]	(3.40)	1.176	(1.00)	1.319	(1.44)	1.228	(1.24)
Education (less than high school omitted)														
High school	0.671[a]	(2.91)	0.700[a]	(3.19)	0.840	(1.10)	0.760[a]	(2.14)	0.803	(1.50)	0.905	(0.56)	0.873	(0.91)
Some college	0.481[a]	(4.48)	0.746[a]	(2.35)	0.620[a]	(2.47)	0.788	(1.63)	0.606[a]	(2.54)	0.742	(1.24)	0.659[a]	(2.02)
Bachelor's degree	0.392[a]	(4.50)	0.822	(1.36)	0.632	(1.80)	0.828	(1.09)	0.480[a]	(2.70)	0.640	(1.27)	0.665[a]	(1.37)
Graduate degree	0.108[a]	(4.96)	0.849	(0.86)	0.215[a]	(3.01)	0.825	(0.85)	0.099[a]	(3.18)	0.296	(1.61)	0.146[a]	(2.58)
Benefits														
Profit-sharing	0.516[a]	(5.97)	0.727[a]	(4.31)	0.611[a]	(3.53)	0.956	(0.50)	0.552[a]	(3.55)	0.738	(1.31)	0.642[a]	(2.30)
Health insurance					0.983	(0.09)	1.079	(0.50)			1.171	(0.72)	0.999	(0.00)
Life insurance					0.862	(0.89)	0.779[a]	(2.04)			0.909	(0.43)	1.099	(0.50)
Dental insurance					0.883	(0.88)	0.969	(0.32)			0.649[a]	(2.05)	0.760	(1.57)
Paid sick leave					1.109	(0.73)	0.987	(0.13)			1.132	(0.61)	1.329	(1.69)
Maternity/paternity leave					1.041[a]	(0.28)	0.727[a]	(3.08)			1.014	(0.07)	1.030	(0.17)
Paid vacation					0.623[a]	(2.52)	0.652[a]	(2.88)			0.618[a]	(2.22)	0.470[a]	(3.94)
Retirement plan					0.751	(1.90)	0.772[a]	(2.44)			0.947	(0.25)	0.985	(0.08)

(Table continues on p. 140.)

Table 4.7 *Continued*

	Multinomial Logits on Ultimate Disposition of All 1989 Jobs[b]								Weibull Survival Model on New Jobs[c]					
	(1)				(2)				(3)		(4)		(5)[d]	
	Layoff		Quit		Layoff		Quit		Layoff		Layoff		Layoff	
Child care support					1.026	(0.11)	0.829	(1.15)			1.430	(0.98)	1.352	(0.90)
Education/training opportunities					0.751[a]	(2.08)	1.017	(0.18)			0.524[a]	(2.92)	0.558[a]	(3.26)
Job characteristics														
Union coverage	1.088	(0.68)	0.563[a]	(5.56)	1.119	(0.77)	0.583[a]	(4.49)	1.574[a]	(2.75)	1.756[a]	(2.77)	1.570[a]	(2.56)
Ln (firm size)	0.943[a]	(2.32)	0.883[a]	(6.85)	1.003	(0.09)	0.943[a]	(2.55)	0.985	(0.46)	1.059	(1.27)	1.057	(1.41)
Multiestablishment firm	0.817	(1.92)	0.954	(0.60)	0.930	(0.58)	1.079	(0.83)	0.731[a]	(2.50)	0.802	(1.43)	0.760[a]	(2.08)
Ln (1989 hourly pay)	0.899	(0.91)	0.613[a]	(5.69)	0.821	(1.33)	0.738[a]	(2.92)	1.056	(0.36)	0.870	(0.70)	0.833	(1.08)
Tenure (1989)	0.675[a]	(7.66)	0.670[a]	(10.87)	0.705[a]	(5.99)	0.701[a]	(8.52)						
Tenure squared	1.019[a]	(3.91)	1.020[a]	(5.64)	1.017[a]	(3.07)	1.017[a]	(4.35)						
Occupation/industry controls	No				Yes				No		Yes		Yes	
Sample size	5,966				4,870				1,983		1,507		2,055	
Log-likelihood	−7652.2245				−6000.796				−952.449		−670.012		−921.344	
Sigma									0.986	(0.03)	0.896	(0.03)	0.917	(0.03)

[a] $p < .05$ (null hypothesis is relative risk ratio of 1)(T-statistics in parentheses).

[b] The multinomial logits have five possible outcomes: layoff, firing, quit, retention, or unknown status. Estimates for being fired, or having unknown status, are not reported but available (job retention is base category).

[c] The Weibull survival model predicts the hazard of layoff in the current week, given that one has not been laid off yet. Jobs not ending in layoff are treated as censored.

[d] To test for sensitivity to restricted sample from missing benefits data, column 5 includes dummy variables for each benefit's missing values.

Table 4.8 Benefits and Layoff Risk, by Skill Level

	Profit-Sharing (1)	Paid Vacation (2)	Education/Training Opportunities (3)	Retirement Plan (4)
Multinomial logit models				
Education				
Less than 12 years	1.097 (0.23)	0.857 (0.35)	0.787 (0.62)	0.561 (1.46)
12 years	0.702 (1.84)	0.610 (1.93)	0.769 (1.42)	0.990 (0.05)
More than 12 years	0.508[a] (2.77)	0.576 (1.46)	0.712 (1.40)	0.520[a] (2.41)
Schooling required for job				
High school or less	0.677[a] (2.39)	0.602[a] (2.49)	0.850 (1.06)	0.848 (0.95)
Less than high school	0.576 (1.89)	0.602 (1.69)	0.797 (0.78)	0.820 (0.68)
High school degree	0.693 (1.82)	0.585 (1.85)	0.908 (0.51)	0.832 (0.82)
At least some college	0.587 (1.87)	0.744 (0.58)	0.529[a] (2.15)	0.569 (1.75)
Training required for job				
Yes	0.684[a] (2.04)	0.639 (1.73)	0.823 (1.08)	0.877 (0.65)
No	0.563[a] (2.76)	0.636 (1.65)	0.694 (1.77)	0.586[a] (2.37)
No college work required	0.654 (1.83)	0.662 (1.44)	0.717 (1.47)	0.666 (1.63)
Months of training to be fully qualified for job				
One month or less	0.533[a] (2.46)	0.567 (1.87)	0.848 (0.68)	0.859 (0.56)
More than one month	0.689[a] (2.24)	0.563[a] (2.37)	0.716[a] (2.05)	0.655[a] (2.32)

Weibull survival models				
Education				
Less than 12 years	0.457 (1.52)	0.403[a] (2.26)	0.840 (0.45)	1.302 (0.63)
12 years	0.906 (0.37)	0.482[a] (2.77)	0.564[a] (2.27)	1.027 (0.11)
More than 12 years	0.531 (1.66)	0.543 (1.38)	0.353[a] (2.95)	0.647 (1.07)
Schooling required for job				
High school or less	0.711 (1.57)	0.429[a] (4.13)	0.611[a] (2.49)	1.154 (0.72)
Less than high school	0.414[a] (2.29)	0.476[a] (2.57)	0.557 (1.73)	1.609 (1.58)
High school degree	1.035 (0.12)	0.400[a] (2.85)	0.674 (1.53)	0.831 (0.67)
At least some college	0.594 (1.07)	1.123 (0.19)	0.275[a] (3.00)	0.561 (1.22)
Training required for job				
Yes	0.687 (1.59)	0.529[a] (2.55)	0.447[a] (3.63)	0.887 (0.54)
No	0.775 (0.73)	0.335[a] (3.52)	0.744 (0.95)	1.096 (0.28)
No, and no college required	0.634 (1.16)	0.320[a] (3.62)	0.780 (0.74)	1.284 (0.72)
Months of training to be fully qualified for job				
One month or less	0.497[a] (1.96)	0.430[a] (3.07)	0.637 (1.47)	1.447 (1.33)
More than one month	0.799 (0.94)	0.473[a] (2.73)	0.459[a] (3.41)	0.708 (1.41)

Notes: Drawn from specifications done separately for each group listed at left (based on models 2 and 5 of table 4.7). Numbers represent risk of layoff for those with the benefit, relative to those without it (no difference = 1). All variables from table 4.7, specifications 2 and 5, were included, but only those that attract a significant coefficient in any subsample are presented here.

[a] $p < .05$ (null hypothesis is that relative risk ratio equals one).

Figure 5.1 The Effects of a Mandated Benefit on Wages and Employment

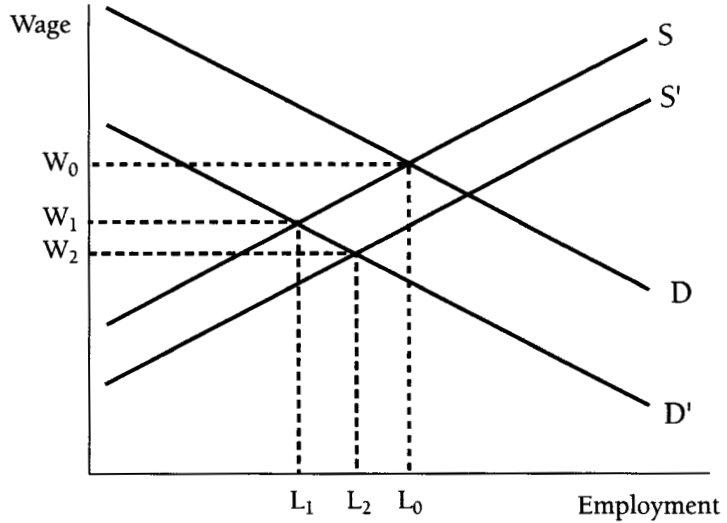


Figure 5.2 The Effect of a Minimum Wage on Employment in a Competitive Market

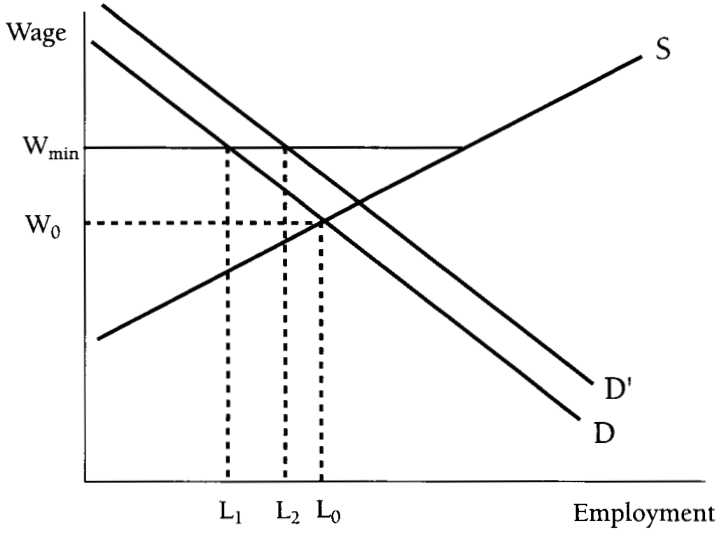


Figure 5.3 The Effects of a Minimum Wage on Employment in a Monopsony Market

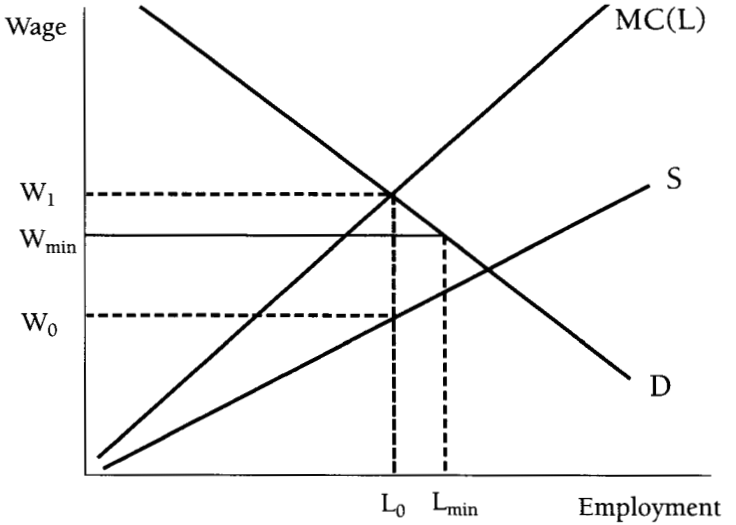


Figure 5.4 The Incidence of the EITC with a Minimum Wage

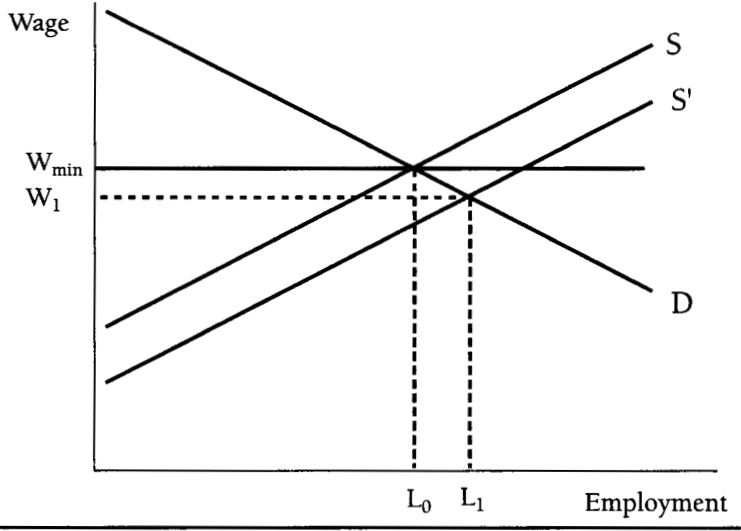


Table 5.1 Poverty Status by Wage Level for Hourly and Salaried Workers (Percentage of All Wage and Salaried Workers)

		Poverty Status		
Hourly Wage	Below Poverty	100–150% Poverty Level	150% + Poverty Level	Total
	0.45	0.41	2.29	3.15
<$4.25	(14.27)	(13.07)	(72.66)	
	[9.10]	[6.62]	[2.58]	
	1.83	1.42	6.89	10.15
$4.25–5.15	(18.06)	(14.02)	(67.92)	
	[37.10]	[22.08]	[7.76]	
	2.66	4.38	79.66	86.70
$5.15+	(3.06)	(5.06)	(91.88)	
	[53.79]	[70.50]	[89.67]	
Total	4.94	6.22	88.84	100.00

Notes: Workers not reporting the same industry and occupation in the current period as in the previous year and workers reporting hourly earnings below $1 were excluded from the sample. The numbers in parentheses represent row percentages. The numbers in brackets represent column percentages.

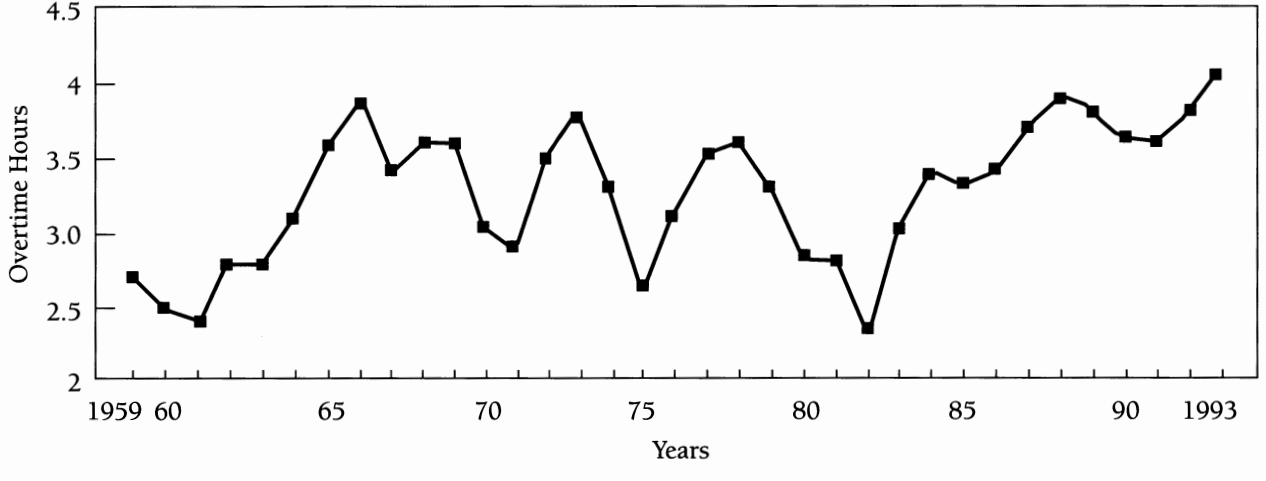
Table 5.2 Simulated Poverty Status of Hourly and Salaried Workers with Minimum-Wage Increase and/or Annual Hours Increases

	Below Poverty Level		100–150% Poverty Level	
	Percent	Percent Reduction from Actual	Percent	Percent Reduction from Actual
Actual	4.94	—	6.22	—
1. Minimum wage = $5.15; only minimum-wage workers affected	4.86	−1.5	6.15	−1.2
2. Minimum wage = $5.15; minimum- and subminimum-wage workers affected	4.79	−3.2	6.08	−2.2
3. Annual hours increase; no minimum-wage increase	3.80	−23.0	5.97	−4.1
4. Annual hours increase; minimum wage =$5.15; only minimum-wage workers affected	3.75	−24.1	5.82	−6.4
5. Annual hours increase; minimum wage = $5.15; minimum- and subminimum-wage workers affected	3.44	−30.4	5.68	−8.6

Table 5.3 Mean Annual Hours of Hourly and Salaried Workers by Poverty Status

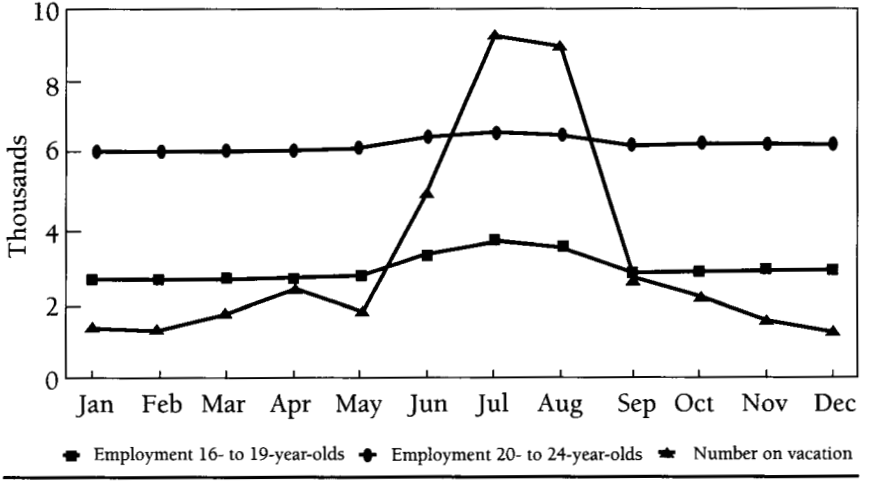
	Below Poverty Level	100–150% Poverty Level	150% + Poverty Level
Mean	1,198	1,595	1,841

Figure 6.1 Overtime Hours in U.S. Manufacturing, 1959 to 1993



Source: Council of Economic Advisors, Economic Report of the president, 1994, table B45, p 320.

Figure 6.2 Number of Young Workers on Vacation and Number of Young Workers, by Month, 1985 to 1994



Source: Bureau of Labor Statistics.

Table 6.1 The Distribution of Person-Hours Worked, 1992

	% of 15- to 64-Year-Olds Employed (1)	Annual Hours Worked (2)	% Part-time (3)	Vacation/ Holiday Weeks (4)
United States	70.4%	1,768	17.5%	4.6
United Kingdom	67.6	—	23.5	6.6
Canada	66.8	1,715	16.8	—
France	59.5	1,666	12.7	7.0
Germany	67.3	1,618	14.1	8.5
Italy	54.9	(1,764)	5.9	8.1
Japan	73.9	1,965	20.5	4.4[a]
Australia	66.3	—	24.5	5.8[a]
Austria	65.9	—	9.1	7.8
Belgium	58.5	—	12.4	6.2
Denmark	73.8	—	22.5	7.0
Finland	64.3	1,741	7.9	9.8
Netherlands	63.5	1,415	32.8	8.3
New Zealand	65.1	—	21.6	5.8[a]
Norway	72.6	1,415	26.9	6.4
Spain	47.0	1,911	5.9	7.5
Sweden	76.9	1,485	24.3	7.6

Sources: Column 1 calculated by multiplying 1-standardized unemployment rate (normal rate if no standardized rate) by labor participation rate in OECD, *Employment Outlook* (December 1993). Column 2: OECD, *Employment Outlook* (1994, table B), using total employment except for the Netherlands and Italy for 1983. Column 3: OECD, *Employment Outlook* (1994, table D, 198). Column 4: Bell and Freeman (1995, table 2), for full-time manufacturing workers.

[a] Based on minimum legal annual leave from OECD (1994, table 6.12).

Table 6.2 Variation in Time Worked in the United States, 1985

	%
Usual hours worked per week	
1–24	12%
25–29	2
30–34	4
35–39	7
40	54
41–48	8
49 or more	12
Usual days worked per week	
1–3	8
4	6
5	74
6	10
7	2
Shift workers	16
Evening	6
Night	3
Rotating	4
Split	1
Other	2
Multiple jobholders	5
Weekend work	44
Overtime work	12

Sources: Shirley Smith, "The Growing Diversity of Work Schedules"; Earl Mellor, "Shiftwork and Flexitime: How Prevalent Are They?"; John F. Stinson, "Moonlighting by Women Jumped to Record Highs"; Daniel Carr, "Overtime Work: An Expanded View"; all in U.S. Department of Labor, *Monthly Labor Review* (November 1986), special section on time spent

Table 6.3 Summary of Studies That Use Market-Generated Evidence to Assess the Effects of Hours Reductions on Employment

Studies	Percent Change Per 1% Change in Independent Factor
1. Studies of employment responses to hours	
Six estimated elasticities using time-series data:	−0.1 to −1.7
2. Studies of output responses to hours worked	
Six estimated elasticities using time-series data:	0.8 to 2.5
3. Studies of hours responses to overtime pay	
Four studies, cross-section, estimated percentage change[a] in employment from raising premium from 50 to 100 percent	1.6 to 2.0
One study, automobile time-series, employment effect of one week from raising overtime	
4. Macroeconomic studies, simulated effects of work-sharing	
United Kingdom, average of five macroeconomic models	−0.3 to −0.6
Treasury model	−.05 to −0.3
Belgium, two models	−.02 to −0.4
France, two models	−0.3 to −0.6
Germany, one model	−0.7 to −0.8
Netherlands, two models	0.2 to −0.1

Sources: Lines 1 and 2, studies summarized in Houpis (1993); line 3, Ehrenberg and Smith (1982, table 5.3); Smyth and Karlson (1991); Nussbaum and Wise (1978); line 4, Houpis (1993); Owen (1989, table 9.1); van Ginneken (1984).

[a] I averaged the Solnick and Swimmer high and low estimates (as reported in table 5.3 of Ehrenberg and Smith 1982)

Table 6.4 European Work-Sharing Schemes, 1972 to 1986

Reducing Hours per Week
1982—France: Statutory reduction of workweek from forty to thirty-nine hours; increase in paid leave from four to five weeks; and restriction on overtime, with full compensation for workers. The initial plan was to reduce hours worked to thirty-five between 1981 and 1985, but the estimated employment effect of sixteen thousand to seventy thousand was so low that the government abandoned the program.
1983 to 1986—Belgium: The 3-5-3 plan. Firms paid a 3 percent lower increase in wages and were supposed to reduce worktime by 5 percent and increase employment by 3 percent. Those that failed to increase employment had to pay the 3 percent wage reduction into an employment fund. The claimed employment effect was twenty-three thousand jobs.
France: Contrats de Solidarité induces firms to hire to offset reductions in worktime.
Part-Time Job Sharing
1982—United Kingdom: Job-splitting scheme. Individual retired early on half-time basis and was replaced by half-time unemployed person. Program judged a failure in terms of take-up rate.
1983—France: Job-splitting scheme. Failed.
1984—Benelux countries: Public servants hired for four days of work. Uncertain outcome.
Early-Retirement Schemes
1972—Netherlands: Early-retirement scheme pays 70 percent of wages if workers retire at age sixty but no mandatory replacement. Judged not successful.
1977—Belgium: Early retirement with requirement that retiree be replaced with unemployed person aged less than thirty.
1976 to 1977—United Kingdom: Job release scheme. Gives workers weekly allowance for retiring early, provided employer replaces them. Judged successful.
1977—Netherlands: Solidarity contracts. Workers aged 55 to 59 can retire with 70 percent of gross wages if replaced by 1-1.
1981—France: Contrats de Solidarité. Similar scheme. Judged successful, but abandoned in 1983 for program of early retirement without mandatory replacement.

Sources: Dreze (1991); Hinrichs, Roche, and Sirianni (1991); OECD (1994, 1995).

Table 6.5 U.S. and Canadian Short-Term Compensation Programs

U.S. Program
Allows UI eligibles short-time compensation when their employer reduces days worked; sometimes there is an extra charge to employers; reduction in regular UI if laid off.[a]
1982 California Evaluation
1. Program costs more in UI system; reduced federal and state taxes. 2. Assumed number on STC saved proportionate number of jobs.
1986 U.S. Evaluation
1. Program costs more in UI charges and in employer costs. 2. Employers used STC and layoffs rather than substituting STC for layoffs completely. 3. Employees in firms using STC receive regular UI for 1 to 2 percent fewer hours; in STC firms, 11 to 12 percent were unemployed compared to 14 percent in control group. 4. Hours on UI and STC greater in STC firms than UI hours in control group, implying some increased reduction in person-hours in STC firms. 5. Most employers were satisfied with STC because it retains valued employees. 6. No noticeable productivity effects.
Canadian Program
Allows UI eligibles to gain twenty-six to thirty-eight weeks of short-time compensation; no reduction in regular UI; more stringent requirements on firms than in the United States; higher replacement rate than in the United States.
1982 Canadian Evaluation
1. Program cost more in UI charges, but not in employer costs. 2. One-quarter use STC and layoffs; many (43 percent) laid off after program.

(*Table continues on p. 212.*)

Table 6.5 *Continued*

3. Three-fourths of layoffs averted (by asking employers/looking at post-program layoffs).
4. Estimated 5.7 to 1.0 benefit/cost ratio.

1993 Canadian Evaluation

1. Work-sharing cost 33 percent more in UI charges per layoff (no waiting period).
2. Program averted 62,800 layoffs in 1991. 29 percent of those on work-sharing were laid off later, so that the program averted 43,200 in 1991.[b]
3. Participants had fewer weeks laid off/work-sharing than comparison employees.
4. Work-sharing workers reported higher job satisfaction and were more likely to be employed one to two years later.
5. Firms returned to full production sooner but did not adjust; provided less training.

[a] States with short-time compensation laws are California, Arizona, Oregon, Florida, Washington, Illinois, Maryland, Hawaii, and Pennsylvania.

[b] The 29 percent refers to a population of 67,500. The study finds 67,500 jobs saved but notes that 7 percent of the comparison firms that considered layoffs did not do so, suggesting that only 63,000 jobs were saved. The 43,200 is based on a calculation that deducts 29 percent of 67,500 and 7 percent of 67,500.

Table 7.1 Employment Outcomes by Race and Gender: Means (and Standard Deviations)

		Jobs Require College		Noncollege Jobs			Affirmative Action[a]	
	All Jobs	Yes	No	Primary Central Cities	Suburbs	Other Areas	Yes	No
Percentage of employees								
White males	–	–	.335	.243	.370	.361	.311	.366
White females	–	–	.353	.265	.375	.334	.360	.344
Black males	–	–	.092	.149	.064	.123	.099	.082
Black females	–	–	.092	.166	.054	.103	.101	.079
Hispanics	–	–	.124	.145	.128	.097	.130	.117
Asians	–	–	.043	.056	.040	.025	.051	.034
Last hired worker								
White males	.286	.373	.260	.167	.301	.263	.217	.314
White females	.350	.384	.341	.293	.370	.310	.358	.318
Black males	.083	.049	.096	.149	.063	.126	.098	.093
Black females	.088	.055	.102	.170	.070	.109	.112	.090
Hispanic males	.081	.045	.089	.092	.086	.094	.092	.085
Hispanic females	.060	.034	.067	.067	.067	.065	.074	.058
Asian males	.026	.034	.023	.038	.019	.011	.027	.017
Asian females	.020	.022	.017	.012	.021	.012	.016	.019

Notes: All means are sample-weighted.

[a]Both columns refer only to jobs that do not require a college degree.

Table 7.2 Means on Characteristics of Firms and Jobs

	All Jobs	Jobs Require College		Noncollege Jobs			Affirmative Action[a]	
		Yes	No	Primary Central Cities	Suburbs	Other Areas	Yes	No
Daily task performance								
Customers	.716	.825	.702	.768	.678	.683	.711	.690
Reading/writing	.647	.898	.613	.659	.613	.543	.643	.575
Arithmetic	.664	.775	.650	.650	.649	.651	.623	.684
Computers	.537	.735	.511	.571	.495	.469	.561	.446
None of above	.070	.001	.079	.056	.084	.100	.074	.086
Hiring requirements[b]								
High school diploma	.748	1.000	.715	.761	.704	.684	.780	.632
General experience	.694	.766	.684	.722	.670	.672	.705	.656
Specific experience	.627	.740	.612	.667	.596	.582	.652	.561
References	.742	.863	.726	.735	.721	.728	.752	.691
Previous training	.400	.530	.383	.417	.388	.310	.399	.362
None of above	.051	.020	.055	.041	.061	.054	.038	.077

[a]Both columns refer only to jobs that do not require a college degree.

[b]A given factor is counted as a hiring requirement if a firm considers that factor either absolutely necessary or strongly preferred in order to be hired.

Table 7.3 Applicants and Hires by Race and Gender

		Jobs Require College		Noncollege Jobs			Affirmative Action[a]	
	All Jobs	Yes	No	Primary Central Cities	Suburbs	Other Areas	Yes	No
Percentage of applicants who are								
Black males	.146	.082	.168	.242	.125	.205	.170	.165
Black females	.124	.111	.128	.190	.095	.145	.149	.103
Hispanics	.137	.109	.145	.155	.144	.135	.149	.141
Asians	.058	.068	.055	.055	.058	.045	.067	.041
Ratio[b] of new hires to applicants								
Black males	.568	.598	.571	.616	.504	.615	.576	.564
Black females	.710	.495	.797	.895	.737	.752	.752	.874
Hispanics	1.029	.725	1.076	1.026	1.063	1.178	1.114	1.014
Asians	.793	.824	.727	.909	.690	.511	.642	.878
Ratio of employees to applicants								
Black males	–	–	.630	.616	.512	.600	.588	.497
Black females	–	–	.742	.874	.568	.710	.678	.767
Hispanics	–	–	.905	.935	.889	.719	.872	.830
Asians	–	–	.741	1.018	.690	.556	.761	.829

[a]Both columns refer only to jobs that do not require a college degree.

[b]"Ratios" refer to ratios of means rather than vice versa.

Table 7.4 Effects on Race/Gender of Most Recent Hire: Multinomial Logit Estimates

	White Female	Black Male	Black Female	Hispanic Male	Hispanic Female	Asian Male	Asian Female
Geographic location							
Primary central city	.074	.846	.902	.808	.624	1.290	−.092
	(.150)	(.204)	(.205)	(.243)	(.249)	(.375)	(.463)
Other areas	−.050	.459	.458	.355	−.070	.248	.034
	(.162)	(.232)	(.236)	(.274)	(.318)	(.509)	(.529)
Establishment size							
1–20	−.180	−1.270	−1.523	−.611	−.394	−1.077	−1.664
	(.228)	(.308)	(.301)	(.407)	(.407)	(.584)	(.616)
21–50	.056	−.811	−.769	−.051	.001	−.795	−1.828
	(.239)	(.320)	(.310)	(.421)	(.424)	(.588)	(.777)
51–100	.078	−.488	−.508	−.206	.228	−.864	−.052
	(.255)	(.332)	(.329)	(.431)	(.430)	(.631)	(.602)
101–500	.177	−.297	−.327	−.129	.072	−.540	−.608
	(.229)	(.286)	(.283)	(.385)	(.386)	(.512)	(.540)
Percentage of applicants who are in group[a]	—	.030	.051	.024	.028	.048	.054
		(.004)	(.006)	(.004)	(.005)	(.011)	(.012)
Percentage of customers who are in group[b]	—	.019	.025	.016	.017	.017	.007
		(.005)	(.005)	(.007)	(.007)	(.010)	(.011)

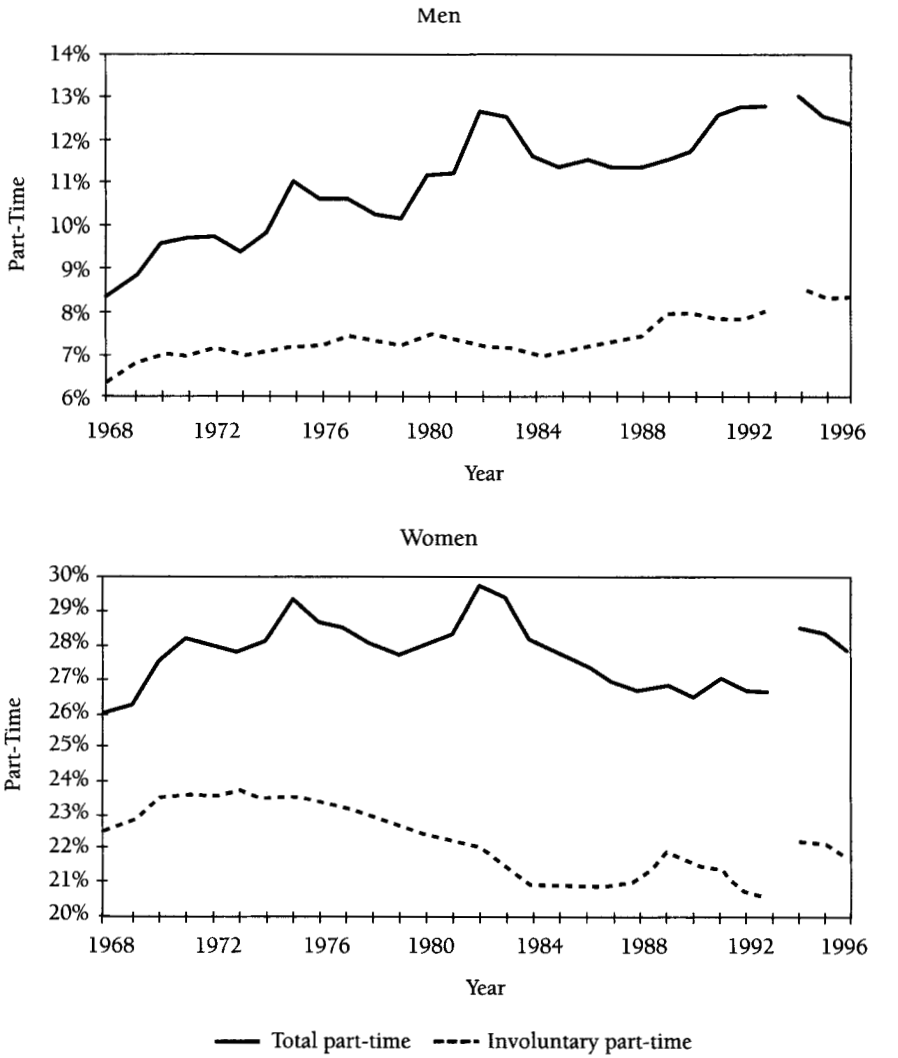
Daily tasks							
Customers	.970	.068	.973	−.221	.166	−.902	.118
	(.148)	(.203)	(.232)	(.240)	(.264)	(.385)	(.438)
Reading/writing	−.279	−.292	−.305	.210	.049	−.012	−.150
	(.131)	(.184)	(.188)	(.217)	(.232)	(.392)	(.424)
Arithmetic	−.046	−.751	−.392	−.337	.002	.073	−.066
	(.129)	(.181)	(.182)	(.209)	(.224)	(.359)	(.409)
Computers	1.000	.116	.825	−.424	.697	.510	.166
	(.128)	(.193)	(.189)	(.233)	(.233)	(.387)	(.424)
Hiring requirements							
High school diploma	.332	−.030	.112	−.653	.007	−.580	.084
	(.155)	(.207)	(.220)	(.229)	(.266)	(.408)	(.526)
Specific experience	−.083	−.231	−.329	−.314	−.287	.130	.245
	(.132)	(.192)	(.190)	(.228)	(.238)	(.393)	(.450)
Vocational training	−.273	−.252	−.233	.007	−.205	−.720	−.159
	(.126)	(.192)	(.188)	(.226)	(.328)	(.367)	(.387)
Affirmative action	.164	.264	−.163	.402	.338	.283	−.066
	(.122)	(.183)	(.182)	(.210)	(.224)	(.362)	(.403)
Log L	−3204.5	−3204.5	−3204.5	−3204.5	−3204.5	−3204.5	−3204.5

Notes: White males are the omitted cateogry for the multinomial logit equations. Other controls include dummy variables for MSA, industry, and collective bargaining at the firm, as well as the age and education of the last worker hired.

[a]Identified by race for all groups except whites and by gender for blacks only.

[b]Identified by race for all groups except whites.

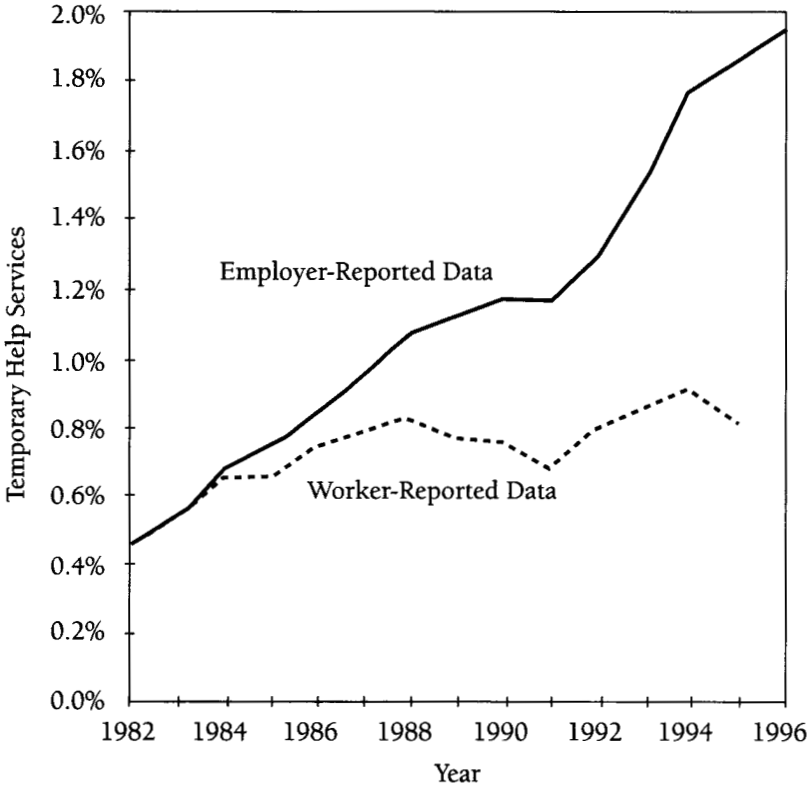
Figure 8.1 Share of Part-Time Work



Sources: 1967 to 1988 in U.S. Department of Labor (1989), table 23; 1989 to 1996 in U.S. Department of Labor, *Employment and Earnings*, January, various issues, table 7 in section entitled Household Data Annual Averages.

Notes: Both plots based on all civilian workers, age sixteen and over, at work in non-agricultural industries. Data between 1993 and 1994 are not consistently defined.

Figure 8.2 Temporary Help Services as a Share of All Employment



Sources: Employer data provided by Bureau of Labor Statistics. All employees in SIC 7363, help supply services, as a share of all nonfarm employees. Worker-reported data tabulated from March CPSs. All workers, sixteen to sixty-five, indicating their main industry in previous year was SIC 736, personnel supply services, as a share of all workers. These data are noiser owing to small annual samples.

Table 8.1 Characteristics of Part-Time, Temporary, and Full-Time Workers, by Main Job Held in 1995 and Skill Level

	Part-Time Workers		Temporary Help Services Workers		Full-Time (Not THS) Workers	
	All	Less skilled[a]	All	Less skilled[a]	All	Less skilled[a]
Percentage						
Female	70.1	69.0	60.4	54.9	43.6	41.1
Black	10.1	12.5	24.6	27.5	11.9	13.7
Hispanic	9.0	12.3	8.5	14.6	9.9	15.1
Under 25	35.3	34.2	20.5	22.1	11.7	14.0
Over 50	14.2	17.9	11.3	13.1	16.4	18.5
Married	47.1	45.6	42.2	41.3	59.5	58.5
Number of children	0.9	0.9	0.8	0.9	0.8	0.8
Percentage with	46.0	100.0	44.3	100.0	44.9	100.0
No more than high school degree						
College degree or more	17.2	0.0	19.3	0.0	26.6	0.0
In poor families	14.3	19.6	19.6	26.3	4.7	7.8
Percent part-time	100.0	100.0	27.2	28.2	0.0	0.0
Average hourly earnings	$11.29	$9.61	$10.09	$8.72	$14.04	$10.82

Table 8.1 *Continued*

	Part-Time Workers		Temporary Help Services Workers		Full-Time (Not THS) Workers	
	All	Less skilled[a]	All	Less skilled[a]	All	Less skilled[a]
Median hourly earnings	$7.08	$6.25	$7.24	$6.13	$11.50	$9.13
Average hours per week	21.7	22.1	36.2	35.8	43.3	42.5
Average weeks per year	36.7	35.2	32.6	30.4	47.8	47.1
Average weeks unemployed	3.2	4.3	8.5	11.1	1.6	2.1
Percentage						
With employer-provided health insurance	21.0	17.8	23.6	17.2	67.2	59.1
With health insurance coverage	78.3	71.8	66.7	58.9	84.6	77.4
With employer-provided pension	15.7	12.3	8.9	5.3	53.5	43.7

Sources: Data for columns 1, 2, 5, and 6 come from the 1996 March CPS. Data for columns 3 and 4 come from combining the 1995 and 1996 March CPSs, to increase the number of observations.

[a]Less skilled workers are those with only a high school degree or less.

Table 8.2 Occupation and Industry Status of Part-Time, Temporary, and Full-Time Workers, by Main Job Held in 1995 and Skill Level

	Part-Time Workers		Temporary Help Services Workers		Full-Time (Not THS) Workers	
	All	Less skilled[a]	All	Less skilled[a]	All	Less skilled[a]
Occupational distribution						
Managerial, professional and technical	20.8	6.1	16.7	6.4	32.4	10.4
Sales	17.5	19.8	3.7	2.1	10.2	9.3
Clerical	18.7	15.5	37.5	29.2	15.0	15.1
Service	27.2	36.2	7.8	9.6	11.3	15.6
Blue-collar	15.8	22.2	34.2	52.7	31.2	49.7
Industry distribution						
Agriculture, mining, construction, fishing, and forestry	4.8	6.9	0.0	0.0	8.5	12.5
Durable and nondurable goods	4.8	5.7	0.0	0.0	20.5	26.0
Transportation, communication, and utilities	3.3	3.5	0.0	0.0	7.8	8.2
Wholesale and retail trade	34.2	40.6	0.0	0.0	18.3	22.1
Finance, insurance, and real estate	4.1	3.5	0.0	0.0	6.7	5.0
Business and repair services	5.6	6.7	100.0	100.0	5.0	5.1
Personal services	6.2	8.8	0.0	0.0	2.6	3.6
Entertainment and recreation	3.2	3.0	0.0	0.0	1.5	1.4
Professional services	32.0	19.5	0.0	0.0	23.0	12.5
Public administration	1.8	1.8	0.0	0.0	6.0	3.6

Sources: Data for columns 1, 2, 5, and 6 come from the 1996 March CPS. Data for columns 3 and 4 come from combining the 1995 and 1996 March CPSs, to increase the number of observations.

[a]Less skilled workers are those with only a high school degree or less.

Table 8.3 Growth in the Temporary Help Services Industry

	% of THS Employment 1984–1985	% of THS Employment 1994–1995	% Change in Employment 1984–1985 to 1994–1995
Occupation			
Managerial, professional, and technical	24.3	16.7	3.0
Sales	2.8	3.7	98.1
Clerical	43.6	37.5	29.0
Service	15.5	7.8	−24.6
Blue-collar	13.7	34.2	274.3
Gender			
Female	76.7	60.4	18.1
Male	23.2	39.6	154.8
Education level			
Less than high school	12.5	12.1	45.1
High school degree	40.5	32.1	18.8
Some post-high school	27.3	36.4	99.9
College or more	19.8	19.3	46.1
Total	100.0	100.0	49.9

Sources: Data from the 1985 to 1986 and 1995 to 1996 March CPS, using information on main job in previous year.

Table 8.4 Part-Time Employment in Selected OECD Countries

	1979	1995
United States	16.4	18.6
Canada	13.8	18.6
Japan	15.4	20.1
Austria	7.6	13.9
Belgium	6.0	13.6
Denmark	22.7	21.6
Finland	6.7	8.4
France	8.1	15.6
Germany	11.4	16.3
Greece	NA	4.8
Ireland	5.1	11.3[a]
Italy	5.3	6.4
Netherlands	16.6	37.4
Norway	27.3	26.5
Portugal	7.8	7.5
Spain	NA	7.5
Sweden	23.6	24.3
United Kingdom	16.4	24.1

Source: OECD, *Employment Outlook* (July 1996), table E.

[a]1994.

Table 8.5 Estimated Size of the Contingent Labor Force, by Skill Level (in Thousands)

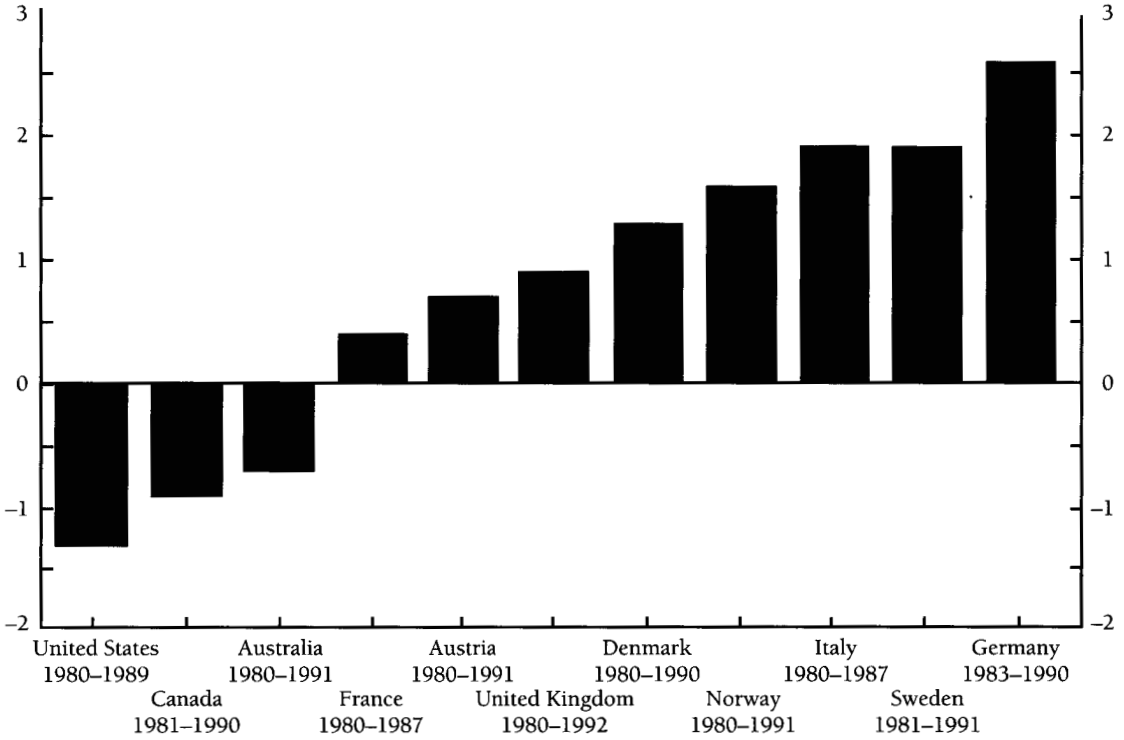
	All Workers		Less-Skilled Workers[a]	
	Total	"Problem"	Total	"Problem"
Part A. Based on Main Job Held in 1995				
Temporary help Services	1,012	405–678	400	160–268
Part-time (Not including THS)	21,787	4,489–8,813	9,960	2,748–4,551
Business Services (Not including THS or part-time)	4,031–5,375	806–1,075	1,797–2,395	359–479
Total	26,380–28,174	5,700–10,566	12,157–12,755	3,213–5,298
Percentage of labor force	21.7–22.8	4.6–8.5	22.1–23.1	5.8–9.6
Part B. Based on Main Job Held in 1985				
Temporary help services	711	284–476	359	144–241
Part-time (Not including THS)	19,524	4,824–8,499	11,852	3,655–5,704
Business services (Not including THS or part-time)	3,011–4,015	602–803	1,689–2,252	338–450
Total	23,246–24,250	5,710–9,778	13,900–14,563	4,137–6,395
Percentage of labor force	21.6–22.5	5.3–9.0	22.7–23.6	6.7–10.4

Notes: In columns 1 and 3, THS and part-time jobs are the total (nonoverlapping) number of such jobs reported in the March 1996 or March 1986 CPSs. Business services counts 75 percent (minimum) to 100 percent (maximum) of all remaining business services jobs.

In columns 2 and 4, the THS minimum represents 40 percent of all THS jobs and the maximum represents 67 percent of all THS jobs. The part-time minimum represents all involuntary part-time workers, and the maximum also includes 25 percent of all remaining part-time workers. Business services includes 20 percent of all business services jobs shown in column 1.

[a]Less skilled workers are those with only a high school degree or less.

Figure 9.1 Growth in Real Wages of Low-Paid Workers over the 1980s (Annualized Percentage Change)



Source: OECD, *Employment Outlook* (1993, ch 5).

Table 9.1 Some Economic Performance Statistics, 1960 to 1994

A. Productivity Growth (%)

	Output per Worker			Output per Worker-Hour		
	1960 to 1973	1974 to 1979	1980 to 1994	1960 to 1973	1974 to 1979	1980 to 1992
United States	1.78	−0.12	1.01	2.15	−0.95	2.01
Germany	4.18	2.64	1.48	4.97	4.23	2.36
United Kingdom	2.86	1.25	1.68	4.02	3.32	2.91

B. Hours, Full-Time Manufacturing Workers, 1990

	Annual Hours	Holidays/52	Hours per Week
United States	1904	0.09	40.0
Germany	1643	0.16	37.6
United Kingdom	1769	0.13	38.8

C. Annual Hours per Worker

	1970	1979	1993
United States	1889	1808	1776
Germany	1949	1764	1588

D. Value-Added in High-Technology Industry

	% Manufacturing		% GDP	
	1979	1988	1979	1988
United States	20.8	24.4	4.8	4.7
Germany	16.5	20.3	5.6	6.3
United Kingdom	15.0	19.7	3.7	3.9

Sources: (A) Centre for Economic Performance, OECD dataset; Gordon (1995), table 2; (B) Bell and Freeman (1994); (C) OECD (1994a, table B); (D) Bean and Crafts (1995).

Table 9.2 OECD Standardized Unemployment Rates

	1955 to 1959	1960 to 1967	1968 to 1973	1974 to 1980	1981 to 1995
United States	4.9	4.9	4.6	6.7	6.9
Germany	3.2	0.6	1.0	2.7	6.0
United Kingdom	2.1	2.6	3.4	5.2	9.9

Sources: Layard et al. (1994, annex table A3); OECD (1994a).

Notes: OECD standardized rates in Germany are substantially lower than the rates reported in German official statistics because the latter exclude various categories of workers (for example, the self-employed) from the denominator.

Table 9.3 Unemployment Rates by Skill (Percentage)

	1971 to 1974	1975 to 1978	1979 to 1982	1983 to 1986	1987 to 1990	1991
United States[a]						
Total (male)	3.6	5.5	5.7	7.3	5.0	5.8
High education[b]	1.7	2.2	2.1	2.7	2.1	2.8
Low education[c]	5.3	8.6	9.4	12.8	9.8	11.0
Ratio	3.1	3.9	4.5	4.7	4.7	3.9
Total (female)	4.6	6.3	5.7	6.7	4.5	5.2
High education	2.2	3.1	2.8	3.1	2.1	2.8
Low education	6.6	9.3	9.8	12.5	9.3	10.9
Ratio	3.0	3.0	3.5	4.0	4.4	3.9
Germany[d]						
Total (male)		2.8	3.4	6.3	4.9	3.8
High education[e]		1.5	2.0	3.3	2.9	2.1
Low education[f]		5.2	7.6	13.9	12.1	10.0
Ratio		3.5	3.8	4.2	4.2	4.8
Total (female)		4.9	5.6	8.5	6.9	4.8
High education		1.5	2.9	5.8	5.4	3.7
Low education		6.6	7.9	12.8	11.8	8.8
Ratio		4.4	2.7	2.2	2.2	2.4

(*Table continues on p. 302.*)

Table 9.3 *Continued*

	1971 to 1974	1975 to 1978	1979 to 1982	1983 to 1986	1987 to 1990	1991
United Kingdom[g]						
Total (male)	2.9	4.4	7.7	10.5	7.5	10.0
High education[h]	1.4	2.0	3.9	4.7	4.0	5.7
Low education[i]	4.0	6.4	12.2	18.2	13.5	17.4
Ratio	2.9	3.2	3.1	3.9	3.4	3.1
Total (female)	2.7	4.6	6.7	8.7	5.9	6.8
High education	3.1	3.6	4.2	6.4	4.3	4.5
Low education	2.6	4.8	7.3	9.4	6.8	7.9
Ratio	0.8	1.3	1.7	1.5	1.6	1.8

Sources: For the United States, Bureau of Labor Statistics, *Handbook of Labor Statistics* (1989, table 67), *Statistical Abstract of the United States* (1993, table 654). For Germany, Buttler and Tessaring (1993, table 3). For the United Kingdom, General Household Survey data tapes.

[a] Data refer to individuals aged twenty-five to sixty-four.

[b] Four or more years of college (15.7 percent of labor force in 1970, 28.2 percent in 1991).

[c] Less than four years of high school (37.5 percent of labor force in 1970, 14.5 percent in 1991).

[d] The data have been adjusted to be compatible with the OECD standardized rate. A common multiplier has been used for each category within any one year, but the multipliers differ across years.

[e] Degree (11.3 percent of working-age population in 1976, 15.9 percent in 1989).

[f] No formal qualification (39 percent of working-age population in 1976, 27.8 percent in 1989).

[g] Data refer to individuals aged sixteen to sixty-four.

[h] Passed A levels (18+ examination) or professional qualification or university degree.

[i] No qualifications.

Table 9.4 Aspects of the Earnings Distribution

A. Male Earnings Differentials by Education: Ratio of High- to Low-Education Groups

	Early 1970s	Early 1980s	Late 1980s
United States	1.49	1.37	1.51
Germany		1.36	1.42
United Kingdom	1.64	1.53	1.65

B. Earnings Dispersion (Males)

	1975	1979 to 1981	1985 to 1986	1987 to 1988	1989 to 1990
United States					
D9/D5	1.93	1.95	2.09	2.10	2.14
D5/D1	2.44	2.44	2.63	2.63	2.63
D9/D1	4.71	4.76	5.50	5.53	5.63
Germany					
D9/D5			1.65	1.65	1.65
D5/D1			1.45	1.41	1.39
D9/D1			2.39	2.32	2.29
United Kingdom					
D9/D5	1.66	1.72	1.85*	1.91	1.96
D5/D1	1.43	1.47	1.59*	1.61	1.64
D9/D1	2.37	2.53	2.94*	3.08	3.21

C. Earnings Dispersion (Females)

	1975	1979 to 1981	1985 to 1986	1987 to 1988	1989 to 1990
United States					
D9/D5	1.97	1.98	2.11	2.11	2.15
D5/D1	2.13	2.00	2.16	2.27	2.27
D9/D1	4.17	3.96	4.56	4.79	4.88
Germany					
D9/D5			1.60	1.58	1.58
D5/D1			1.56	1.50	1.50
D9/D1			2.50	2.37	2.37
United Kingdom					
D9/D5	1.72	1.71	1.80*	1.84	1.92
D5/D1	1.47	1.43	1.50*	1.56	1.58
D9/D1	2.52	2.45	2.70*	2.87	3.03

(Table continues on p. 304.)

Table 9.4 *Continued*

D. Male Earnings Deciles (Deflated by CPI)

	United States			Germany			United Kingdom		
	D1[a]	D5[a]	D9[a]	D1	D5	D9	D1	D5	D9
1980	100	100	100				100	100	100
1981	98	98	99				101	102	106
1982	95	96	101				100	103	108
1983	93	95	100	100	100	100	100[b]	106[b]	112[b]
1984	89	96	101	103	104	105	101	108	116
1985	89	96	103	110	107	109	101	109	117
1986	91	98	105	114	111	113	104	113	123
1987	88	97	104	119	115	115	105	116	128
1988	90	97	104	123	119	120	107	119	135
1989	89	95	104				108	121	138
1990							107	121	138

E. Female Earnings Deciles (Deflated by CPI)

	United States			Germany			United Kingdom		
	D1	D5	D9	D1	D5	D9	D1	D5	D9
1980	100	100	100				100	100	100
1981	97	98	100				101	102	109
1982	96	100	104				100	103	108
1983	95	101	105	100	100	1001	105[b]	109[b]	115[b]
1984	93	102	107	107	105	107	107	111	117
1985	96	103	109	119	111	112	108	113	119
1986	94	105	113	124	115	119	111	117	127
1987	95	108	116	134	120	121	113	121	129
1988	95	108	116	143	125	126	116	126	139
1989	95	108	119				118	128	147
1990							118	130	147

Sources: (A) OECD (1993, table 5.6) and Davis (1992); (B) and (C) OECD (1993, table 5.2); (D) and (E) OECD (1993, table 5.3).

[a] D9, D5, D1 are the upper limits of the deciles of the earnings distribution.

[b] Measurement changed, so not comparable to previous numbers.

Table 9.5 1979 to 1990 Public-Sector Employment Growth per Capita (Annual Percent)

United States	0.2
Germany	0.2
United Kingdom	0.1
European Community	0.6

Source: OECD (1994b, table 1.1)

Note: These figures represent growth in public-sector employment normalized on the working-age population (sixteen to sixty-four).

Table 9.6 Growth in the Labor Force

	Men			Women		
	1975 to 1979	1979 to 1983	1983 to 1991	1975 to 1979	1979 to 1983	1983 to 1991
United States	1.8	0.9	0.9	4.3	2.5	2.1
Germany	0.0	0.8	0.4	0.8	1.2	1.7
United Kingdom	0.1	−0.2	0.0	1.7	0.2	1.9

Source: OECD (1994b, statistical annex, tables G, H).

Table 9.7 Tax Rates

A. The Marginal Tax Wedge (%)

	1978	1981	1985	1989	1991 to 1992
United States	44.3	50.4	48.1	38.2	38.5
Germany	66.0	64.3	67.5	66.3	63.8
United Kingdom	51.6	51.9	54.6	49.9	50.4

B. Average Payroll and Income Taxes (%)

	1976 to 1980	1986 to 1990
United States	34	35
Germany	41	42
United Kingdom	32	29

Notes: The overall tax wedge includes payroll taxes, personal income taxes, and consumption taxes and is taken from OECD (1994c, table 9.1). Payroll plus income taxes are equal to (labor costs ÷ posttax wages) − 1. They therefore include employers' pension contributions and are computed from the CEP OECD dataset.

Table 9.8 Active Labor Market Programs, 1990

	Labor Market Training		Direct Job Creation/ Subsidized Employment	
	1	2	1	2
United States	0.11	0.9	0.01	0.4
Germany	0.38	2.5	0.17	0.4
United Kingdom	0.23	1.1	0.02	0.1

Source: OECD (1993, table 2B1).

Notes: 1 = expenditures as percentage of GDP; 2 = annual inflow as a percentage of labor force.

Table 9.9 The Changes in the Supply of Skilled Workers

A. Relative Supply of College-Educated Workers

	Percentage of Population or Labor Force			Growth Rates	
	1970	1980	1990	1970 to 1980	1980 to 1990
United States	10.8	16.6	21.5	4.4	2.6
Germany	6.0	7.4	9.4	3.6	3.5
United Kingdom	8.0	12.0	18.3	7.0	4.3

B. Supply of Qualified Workers

	Percentage of Workforce with a Qualification			Growth Rates	
	1[a]	2[b]	3[c]	2/1	3/2
Gemany	61.0	65.8	72.2	1.3	1.3
United Kingdom[d]	45.3	57.0	69.7	2.9	2.5
United Kingdom (A-level plus)	16.1	24.8	35.8	5.1	4.7

Sources: (A) OECD (1993, table 5.7); (B) Abraham and Houseman (1994, table 9) for Germany, General Household Survey data tapes for the United Kingdom.

Notes: The German vocational qualifications are typically of a far higher standard than those in the United Kingdom. Indeed, it may be argued that only A-level or higher qualifications in the United Kingdom are comparable in quality with those in Germany. (A-levels are national examinations taken at age eighteen.)

[a] 1976 in Germany; 1971 to 1974 in the United Kingdom.

[b] 1982 in Germany; 1979 to 1982 in the United Kingdom.

[c] 1989 in Germany; 1987 to 1990 in the United Kingdom.

[d] Males only.

Table 9.10 International Test Scores

A. Distribution of Scores in International Mathematical Tests of Thirteen-Year-Old Pupils, 1963 to 1964 (%)

Score (out of 70)	United States	Germany	United Kingdom
<5	22	8	24
6–30	62	59	49
31–51	14	30	22
>51	1	3	5
Mean score	16	25	19
cv (sd/mean)	82	53	88

B. Scores in International Mathematics Tests for Thirteen-Year-Old Pupils, 1990

Score (out of 100)	United States	Germany	United Kingdom
Average	59.5	70.8	55.3
Top decile	89.3	93.3	82.7
Bottom decile	32	50.7	29.3

C. Percentage of Employees at Various Levels of Literacy, by Literacy Type, 1995

	United States			Germany		
Literacy Level[a]	Prose[b]	Document	Quantitative	Prose	Document	Quantitative
4/5	24.8	22.7	27.1	15.5	22.4	27.6
3	34.0	33.9	32.5	40.5	41.6	45.2
2	26.2	25.6	24.5	33.3	30.7	22.9
1	15.0	17.8	15.9	10.7	5.3	4.3

Sources: (A) and (B) Prais (1994); (C) OECD (1995, tables B-1a, B-1b, B-1c).

[a] Level 1 is the minimal level; level 5 requires a very high degree of sophistication.

[b] "Prose," "document," and "quantitative" refer, respectively, to the ability to extract information from text, from displays, and of a numerical kind.