

REPORTS AND INQUIRIES

Recent Trends in Employment and Unemployment

After seven years of irregular increase, employment in the world as a whole and in most individual countries was at a new high level in 1955. In manufacturing, the average increase from 1948 to late 1955 in 21 reporting countries was 11 per cent. Employment in non-manufacturing industries rose somewhat more rapidly than this, while employment in agriculture appears to have lagged.

Unemployment has kept within moderate bounds since the war, and has diminished in most regions during the past year—all the countries that have reported considerable unemployment in the post-war period show improvement as compared with their peak year. However, vast numbers of unemployed and underemployed in Asia, Southern Europe and Latin America—not fully covered by the statistics—give warning of severe economic and social maladjustments.

The production and distribution of the world's economic goods and services—foodstuffs, clothing, shelter, health services, government, and all the rest—is the responsibility of approximately a thousand million persons, who constitute the world's labour force. At any given time the great majority of these persons are either employed on a wage or salary basis or receiving income from a farm or business. In the long run the number of the employed increases along with the population, and is one of the important factors influencing the level of production.

The proportion of unemployed in the world as a whole is always small at any given time, but the number of unemployed in a particular country or community may at times attain a substantial percentage of the total labour force. Unemployment not only interferes with the production of the world's goods and services but also affects their distribution, since the receipt of income is commonly contingent on having a job. The prevalence and pattern of unemployment are consequently of national as well as individual concern. Statistics of employment and unemployment constitute one of the most meaningful measures of human well-being and are an indispensable tool for use in connection with programmes of economic and social development.

Despite their usefulness, statistics of employment and unemployment are not regularly produced in some countries, while certain other countries produce such statistics but do not publish them. Only a handful of countries, including Canada, Hawaii, Japan, Puerto Rico, the

United Kingdom and the United States, regularly publish information covering all employment and unemployment in the country. Employment statistics in most countries are limited to wage earners and salaried employees in non-agricultural industries or in manufacturing only. Statistics of unemployment in most cases cover agricultural as well as non-agricultural workers, but the coverage may be seriously restricted by the rules limiting eligibility for unemployment insurance or by other administrative factors.

For the purposes of the present review of post-war trends in employment and unemployment it has been possible to assemble more or less satisfactory data on employment in 29 countries, which contain approximately one-quarter of the world's total labour force and employ perhaps half of the world's industrial workers. Significant unemployment data are available from 31 countries. The coverage is most complete with respect to Europe and North America. Statistical information from Asian countries is scanty, and from Latin American countries virtually non-existent. Mainland China and the countries of Eastern Europe do not transmit statistics in these fields and are not represented in this review.

POST-WAR EMPLOYMENT TRENDS

Employment Levels

Employment since the war has shown an irregular upward trend. The major interruptions were in 1949, when declining or stagnant employment in many countries reflected slackening business activity, and in 1953, when employment levels in a number of countries were adversely affected by the tapering off of rearmament programmes and a variety of other factors. The acceleration of economic activity that followed the outbreak of the Korean war caused a rise in the level of employment in 1951, while unprecedented peacetime demand has produced record or near-record employment in 1955 in most of the countries for which statistics are available.

The extent of the increase from 1948 to 1955 varied from country to country, as would be expected, and also by segment of the working population. In general the gains in non-manufacturing (including mining, construction, trade, services, etc.) appear to have been greater than the gains in over-all employment, while employment in agriculture increased but little or actually decreased.

Only six countries supplied information covering all employment during the period, and among these the median increase from 1948 to mid or late 1955 was 6 per cent. Seventeen countries provided data on wage and salary earners in non-agricultural employment, which showed a median increase of 15 per cent. Employment data for all the countries appear in table I, while chart 1 depicts graphically the changes in non-agricultural employment in six countries illustrative of various regions.

Twenty-six countries, some of which are included in the groups mentioned above, supplied information limited to manufacturing alone. A composite employment index based on the weighted figures from most of these countries is presented in table II and chart 2, which indicate that the over-all increase in manufacturing employment from 1948 to the third quarter of 1955 was 11 per cent. This average increase is reduced somewhat by the relatively small gain in manufacturing employment in the United States, which receives heavy weight

TABLE I. EMPLOYMENT INDICES
(1948 = 100)

Country	1949	1950	1951	1952	1953	1954	Monthly data		
							Month	1954	1955
Civilian labour force employed (total)									
Canada ¹	95	94	98	99	100	99	Oct.	101	105
Hawaii	92	92	100	101	101	101	Oct.	103	104
Japan	104	103	105	108 ²	113	114	Oct.	120	125
Puerto Rico		104 ³	100	95	92	90	Apr.	95	98
United Kingdom ⁴	101	102	103	103	103	105	Oct.	106	107
United States	99	101	103	103	105	103	Nov.	104	109
Wage earners and salaried employees (excl. agriculture)—general level									
Australia	103	107	111	109	108	112	Oct.	113	116
Austria	101	102	105	103	102	106	Oct.	111	117
Belgium ⁴	95	97	101	100	99	99	...	...	...
Canada	100	102	109	112	114	110	Oct.	114	119
France	102	102	105	105	104	105	Sep.	106	108
Germany (F.R.)	102	106	113	117	122	128 ⁵	Sep.	132	141
Guatemala ⁶	100	100	99	97	95	...	...	...	...
Japan	99	102	112	117 ²	121	124	Oct.	123	137
Luxembourg ⁶	107	106	110	114	117	119	Oct.	124	131
Netherlands	104	109	112	111	114	...	...	...	...
New Zealand	102	104	106	108	111	114	Apr.	114	117
Norway	103	105	106	107	109	112	Oct.	114	115
Philippines	100	99	101	104	108	109	June	107	111
Puerto Rico ⁶		102 ³	100	96	94	93	Apr.	91	99
Saar	105	111	116	120	124	126	Nov.	128	132
United Kingdom ⁴	101	102	104	103	104	106	Oct.	107	109
United States	97	101	107	109	112	109	Nov.	110	114
Wage earners and salaried employees—manufacturing employment									
Argentina ⁶	99	97	98	94	88	89	June	90	94
Australia	101	106	109	104	105	110	Oct.	111	114
Belgium ⁴	94	94	101	97	96	96	...	...	...
Canada	100	101	108	109	113	108	Oct.	108	113
Denmark ⁶ (Empl.)	104	112	112	107	109	...	...	...	...
" ⁶ (Hrs.wkd.)	104	112	111	106	106	110	Nov.	119	115
Finland ⁶	101	104	108	103	98	100	Oct.	102	106
France	102	103	107	106	104	104	Sep.	105	106
Germany (F.R.) (Empl.)	106	111	122	125	130	137 ⁵	Sep.	141	153
" (Hrs. wkd.)	100	109	120	123	128	135	Sep.	142	155
Greece			100	100	97	101	June	100	104
Guatemala ⁶		100	100	96	...	...	...	...	...
Ireland	106	115	116	114	121	122	June	121	119
Israel	123	138	139	95 ⁷	93	100	May	97	104
Italy ⁶	99	98	99	98	99	100	July	100	101
Japan		100 ⁸	112	114 ²	114	116	Oct.	112	125
Mexico ⁶	99	104	106	106	103	...	...	...	...
Netherlands ⁶	105	110	110	107	109	114	Sep.	116	117
New Zealand	102	105	107	107	108	113	Apr.	113	117
Norway	104	106	110	109	109	112	Oct.	113	115
Philippines	100	98	99	99	109	115	June	113	116
Puerto Rico	100	107	110 ⁹	109 ¹⁰	110	116	Apr.	116	119
Saar	109	118	128	134	137	138	Nov.	141	147
Sweden ⁶	99	99	101	99	96	97	Oct.	98	100
Switzerland ⁶	100	98	108	110	110	112	Sep.	113	117
Union of S. Africa	107	113	119	121	123	125	Sep.	124	127
United Kingdom ⁴	102	105	108	106	108	111	Oct.	113	116
United States ⁶	91	97	103	103	109	99	Nov.	100	106

General Note: Italics indicate base year other than 1948. Monthly data for most of these series are published in the *International Labour Review—Statistical Supplement* and in the *I.L.O. Year Book of Labour Statistics*, where additional information about the series in each country may be obtained. For more detailed descriptions see *United Nations: Supplement to Monthly Bulletin of Statistics—Definitions and Explanatory Notes* (New York, 1954).

¹ Excludes persons temporarily laid off. 1949-52 figures are averages for less than 12 months. ² Sampling design revised Nov. 1952. ³ Average of last three quarters. ⁴ Annual data: mid-year. ⁵ Average of Mar. and Sep. ⁶ Wage earners only. ⁷ New series, Dec. 1951=100; wage earners only. ⁸ July. ⁹ Average of Jan.-Sep. and Dec. ¹⁰ Average of Jan.-Aug. and Oct.-Dec.

CHART 1. INDICES OF NON-AGRICULTURAL EMPLOYMENT

(1948=100)

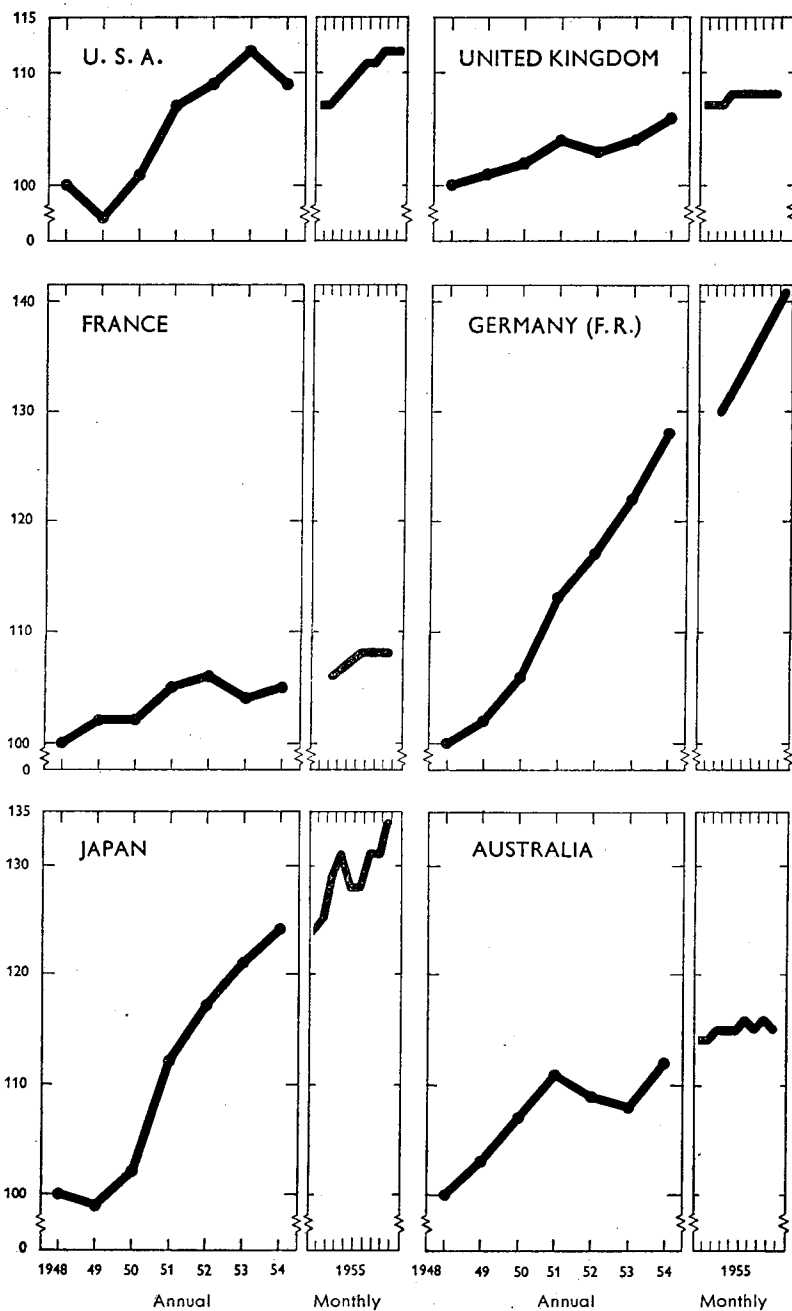


TABLE II. COMPOSITE INDICES OF EMPLOYMENT IN MANUFACTURING
(1948=100)

Region	1948	1949	1950	1951	1952	1953	1954	1955		
								First quarter	Second quarter	Third quarter
Total 21 countries ¹	100	98	101	106	106	108	107 ²	107 ²	109 ²	111 ²
North America . .	100	92	97	104	104	109	100	100	102	104 ²
Western Europe . .	100	102	104	109	109	110	113 ²	114 ²	115 ²	118 ²
Oceania	100	101	106	109	104	105	111	113	114	114 ²

¹ Includes figures for seven countries in regions not shown separately.² Provisional.

in the figures for the 21 countries combined. Separate indices for Western Europe and Oceania reveal striking increases, 15 per cent. and 14 per cent. respectively.

On the basis of incomplete data for 1955, limited in many cases to manufacturing, it appeared that about two-thirds of the reporting countries would attain a higher average level of employment in 1955 than in any previous year. Among the countries attaining new high levels of employment in 1955 were Canada, the United States, the United Kingdom, France, the Federal Republic of Germany, Australia and Japan.

The Changing Composition of Employment

The divergent trends of employment in the major sectors of the economy have been the subject of frequent comment. Such trends are ordinarily analysed in terms of census data and other long-run indicators. Current employment statistics available from a few countries suggest that there has been no change in established patterns during the past few years.

The diminishing importance of agriculture and the increasing importance of trade and services in the employment picture are clearly reflected in the figures of table III, which show employment trends by sector, during various post-war periods for which data are available, for Canada, the United States, the Federal Republic of Germany and Japan.

Employment in agriculture in Canada, the United States and Germany has dropped in the post-war period, despite an increase in the general level of employment. There has undoubtedly been an increase in Japan, though the increase shown may be due in part to seasonal factors. A decline in agricultural employment has also been observed in other countries, among them the United Kingdom; about 100,000 fewer workers were found on farms in 1954 than in 1949.

Manufacturing employment increased (except in Japan) along with total employment, but tended to lag percentagewise, slight percentage decreases in the United States and Japan offsetting an increase in Canada. The depression of important industries, such as textiles, is sometimes cited as a reason for the lag in manufacturing employment and may at any given time exercise a discernible influence. Such factors, however, are only of transitory importance. They constitute but a single episode in an industrial development that is characterised by

CHART 2. COMPOSITE INDICES OF EMPLOYMENT IN MANUFACTURING
(1948=100)

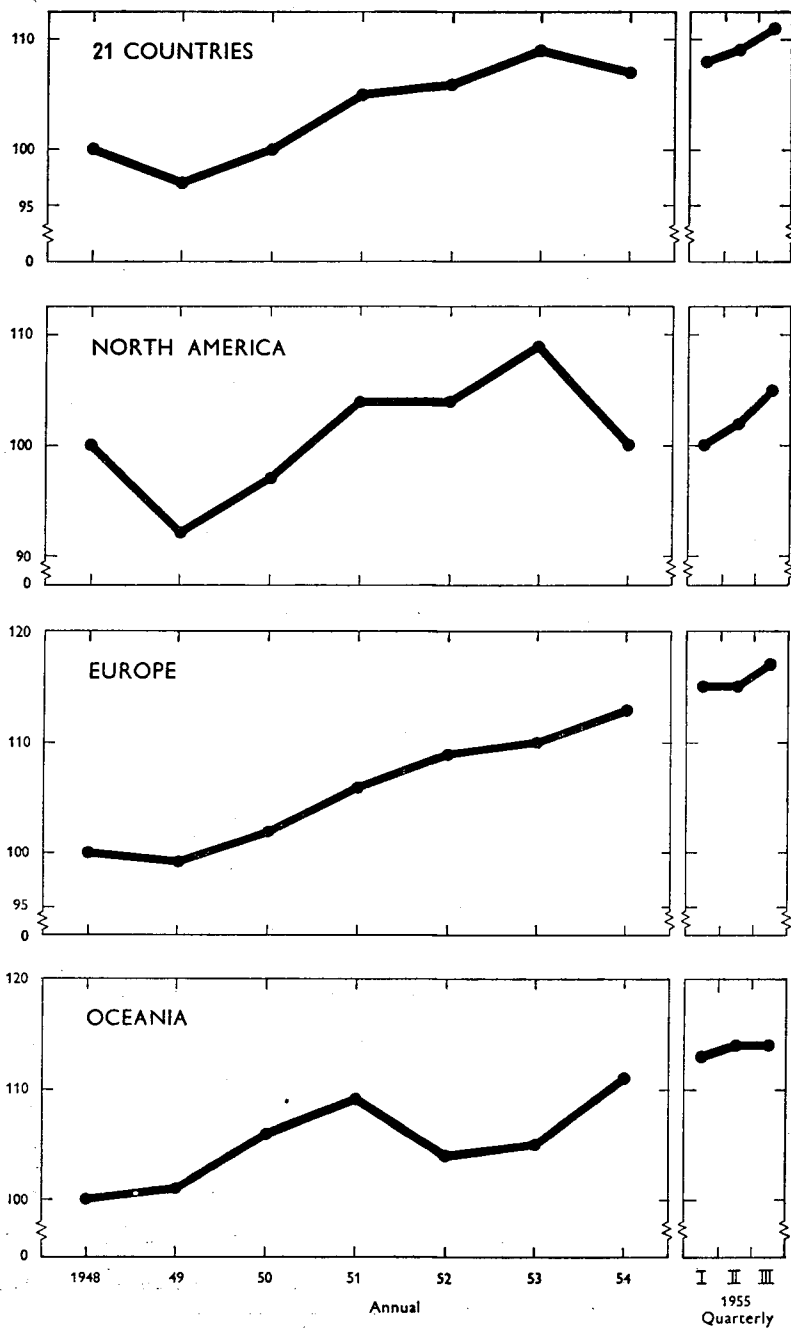


TABLE III. POST-WAR CHANGES IN CIVILIAN EMPLOYMENT
IN FOUR COUNTRIES

Country	Period	Total employ- ment	Employment sector		
			Agri- culture	Manu- facturing	Non- manu- facturing
Change during period (thousands)					
Canada ¹ . .	Aug. 1946-Aug. 1955	+ 734	— 358	+ 254	+ 838
United States . .	Sep. 1946-Sep. 1955	+ 7,683	— 875	+ 1,680	+ 6,878
Germany ² (F.R.) . .	Dec. 1951-Sep. 1954	+ 2,247	— 5	+ 834	+ 1,418
Japan . . .	Oct. 1947-Oct. 1954	+ 6,930	+ 1,990	— 230	+ 5,170
Percentage distribution of employment					
Canada ¹ . .	Aug. 1946	100	27	25	48
	Aug. 1955	100	17	26	57
United States . .	Sep. 1946	100	15	27	58
	Sep. 1955	100	12	26	62
Germany ² (F.R.) . .	Dec. 1951	100	7	41	52
	Sep. 1955	100	6	41	53
Japan . . .	Oct. 1947	100	51	19	30
	Oct. 1954	100	47	16	37

¹ Data include certain workers on temporary lay-off. ² Wage earners and salaried employees only. Construction work in iron and steel included with manufacturing.

constant change. On the other hand increasing productivity in manufacturing as a whole has reduced the labour requirements for any given level of production.¹ Continuing improvements in equipment, techniques and organisation suggest that employment in manufacturing may continue to lag in a dynamic economy characterised by rapidly increasing factory output.

Non-manufacturing, broadly defined to include trade, professional work and services as well as construction, mining, etc., has absorbed a growing number and proportion of the employed. From 1946 to 1955 this category of workers in the United States increased by almost 7 million and accounted for nearly nine-tenths of the total net gain. In Canada during the same period the increase in employment in non-manufacturing industry actually exceeded the over-all net gain. The relative importance of this sector increased in all four countries.

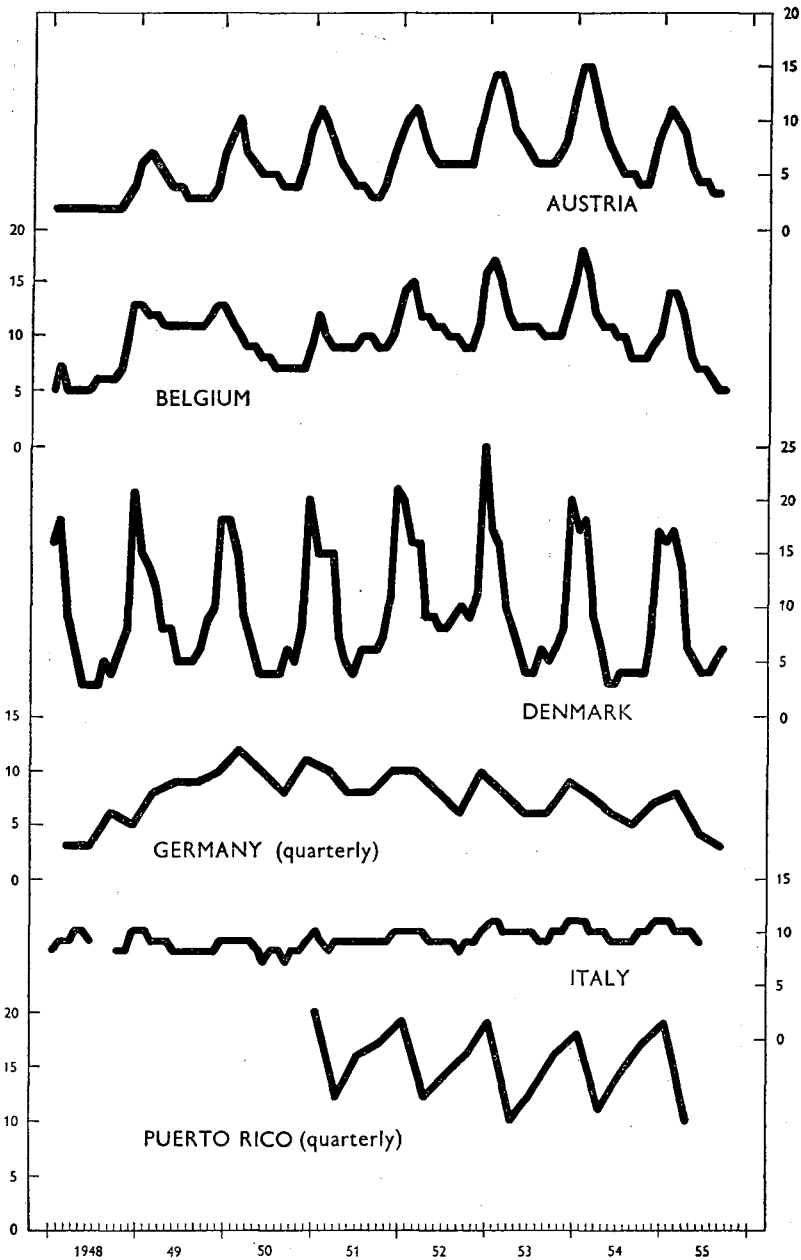
POST-WAR UNEMPLOYMENT TRENDS

Unemployment in most countries has been held within moderate bounds since the war, and during the past year has generally diminished. Mounting unemployment was rather general in 1949-50 and again in 1953-54, when a number of countries experienced post-war peaks.

Table IV presents unemployment statistics in terms of annual averages as reported by 31 countries from 1948 to 1955. The wide divergence of unemployment patterns in the individual countries is

¹ Cf. "Productivity Trends in European Manufacturing", in *International Labour Review*, Vol. LXXI, No. 5, May 1955.

CHART 3. MONTHLY FLUCTUATIONS IN UNEMPLOYMENT RATES
(Percentages)¹



¹ See footnote to table V.

TABLE IV. UNEM-
(In

Country	Annual averages				
	1948	1949	1950	1951	1952
Australia	2.6	10.3	1.2	1.0	16.6
Austria	43.4	91.2	124.8	116.2	157.0
Belgium	81.0	174.0	170.0	153.5	173.6
Berlin (Western sectors) . . . . .	.	192.0	288.7	281.6	272.7
Burma . . . . .	.	.	2.0	4.1	4.8
Canada	111.0	141.0	185.0	126.0	155.0
Ceylon	53.5	68.4	68.5	56.8	51.6
Chile	3.2	3.4	2.9	2.6	3.3
Denmark	51.6	59.0	54.8	63.0	81.6
Finland	3.5	25.7	19.2	5.6	8.3
France	77.8	131.1	152.9	120.1	131.8
Germany (F.R.) . .	591.5	1,229.7	1,579.8	1,432.3	1,379.2
Hawaii	9.4	21.4	17.7	8.3	8.4
India	224.9	293.0	314.3	338.4	384.0
Ireland	35.1	34.9	30.3	30.4	38.6
Israel . . . . .	.	6.4	5.9	6.3	9.4
Italy	1,742.0	1,672.7	1,614.9	1,721.1	1,849.7
Japan	240.0	380.0	440.0	390.0	470.0
Luxembourg	2	2	2	2	2
Netherlands	29.0	42.1	57.7	67.8	104.3
New Zealand	2	2	2	2	2
Norway	9.0	7.7	9.0	11.1	11.6
Pakistan	78.0	71.0	96.4	103.9	107.1
Puerto Rico . . . .	.	.	98.0	114.0	100.0
Saar	6.6	6.1	6.4	4.3	3.9
Spain	117.0	160.1	166.2	144.2	106.5
Sweden	25.7	26.1	22.1	18.2	22.3
Switzerland	3.0	8.1	9.6	3.8	5.3
Union of S. Africa .	12.2	15.1	16.3	10.2	12.1
United Kingdom . .	329.3	328.4	332.1	264.1	368.4
United States . . .	2,064.0	3,395.0	3,142.0	1,879.0	1,673.0

1 Beginning Jan. 1953 scope of series enlarged.

2 Less than 100.

immediately apparent. Nevertheless there is considerable agreement with respect to periods of peak unemployment. Nine countries experienced their peak years in 1949-50 and 13 in 1953-54. In the latter group, however, are several in which unemployment has been rising and for which 1955 may prove to be the peak year when complete figures are available.

In 22 of the 31 countries unemployment was lower in the most recent month of 1955 for which data are available than in the same month of 1954. All but two of the exceptions (Sweden and Denmark) are in Asia.

In appraising the severity of unemployment it is helpful to take account of the number of persons subject to unemployment, e.g. to compute the ratio between the number of the unemployed and the number of persons deemed vulnerable to loss of their jobs. Some countries do not compute such ratios, and among those that compute them there is some variety in the methods used. On the basis of available evidence,

EMPLOYMENT

(thousands)

Annual averages		Monthly data			Country
1953	1954	Month	1954	1955	
24.3	6.5	Nov.	3.0	1.7	Australia
183.7	163.8	Nov.	116.0	92.6	Austria
183.6	167.0	Nov.	134.4	96.6	Belgium
					Berlin (Western sectors)
232.4	190.1	Nov.	169.8	125.1	Burma
3.6	3.1	Oct.	2.5	4.3	Canada
162.0	246.0	Oct.	191.0	151.0	Ceylon
52.6	56.5	Sep.	60.1	69.2	Chile
2.8	3.8	Aug.	4.3	3.5	Denmark
61.0	54.1	Nov.	49.9	66.5	Finland
29.1	18.7	Nov.	6.8	3.3	France
180.0	183.3	Nov.	167.8	142.7	Germany (F.R.)
1,258.6	1,220.6	Dec.	1,287.6	1,046.0	Hawaii
9.5	11.8	Nov.	10.2	8.7	India
477.6	562.3	Oct.	569.1	695.2	Ireland
43.2 ¹	37.5	Dec.	34.4	28.4	Israel
17.7	13.2	July	13.2	9.5	Italy
1,946.5	1,958.7	Aug.	1,810.1	1,780.1	Japan
450.0	580.0	Oct.	670.0	720.0	Luxembourg
2	2		2	2	Netherlands
83.3	60.0	Nov.	50.0	35.9	New Zealand
2	2		2	2	Norway
14.4	12.7	Oct.	8.9	7.9	Pakistan
93.1	88.5	Nov.	99.9	112.3	Puerto Rico
91.0	97.0	Apr.	72.0	67.0	Saar
4.6	7.1	Nov.	6.9	5.8	Spain
107.2	122.6	Sep.	122.6	106.6	Sweden
27.2	25.5	Oct.	14.0	14.6	Switzerland
5.0	4.3	Dec.	6.1	3.3	Union of S. Africa
12.1	13.7	Oct.	12.8	11.4	United Kingdom
356.3	302.9	Nov.	281.1	243.9	United States
1,602.0	3,230.0	Nov.	2,893.0	2,398.0	

however, it appears that nearly half of the reporting countries have experienced no post-war year during which unemployment exceeded 3 per cent. of the labour force. About one-third of the countries have averaged 3 to 8 per cent. unemployment in one or more post-war years.

Eight countries have reported serious unemployment problems, as indicated by unemployment averaging 8 per cent. or more in one or more post-war years (see table V). In the summer or autumn of 1955 unemployment in all but one of the countries (Italy) was appreciably below the peak-year average. Monthly fluctuations in the unemployment rates for six of the countries appear in chart 3.

Seasonal Fluctuations in Unemployment

Chart 3 is useful in illustrating the seasonality of unemployment in a number of countries. Seasonal movements in three countries are

TABLE V. RANGE OF UNEMPLOYMENT RATES ¹
REPORTED BY EIGHT COUNTRIES WITH MAJOR UNEMPLOYMENT
IN POST-WAR PERIOD

Country	Peak year		Lowest year		Recent monthly rates		
	Year	Average rate	Year	Average rate	Month	1954	1955
Austria	1953	9.0	1947	1.7	Oct.	4.5	3.5
Belgium	1953	8.8	1947	1.9	Nov.	6.5	4.7
Denmark	1952	12.5	1954	8.0	Nov.	7.3	9.8
Germany (F.R.)	1950	10.2	1948	4.2	Sep.	4.7	2.7
Hawaii	1949	11.2	1951	4.3	Nov.	5.1	4.4
Ireland	1953	9.6	1951	7.3	Dec.	7.5	6.0
Italy	1953 and 1954	10.0	1947 and 1950	8.3	Aug.	9.3	9.1
Puerto Rico	1951	16.2	1953	14.4	Apr.	11.4	10.4

¹ Rates are given as reported by countries. They represent the number of unemployed expressed as a percentage of the number of persons deemed subject to unemployment in the group covered (e.g. the number in the labour force, the number covered by unemployment insurance, etc.).

revealed by chart 4, which also indicates the wider variations in unemployment among men than among women.

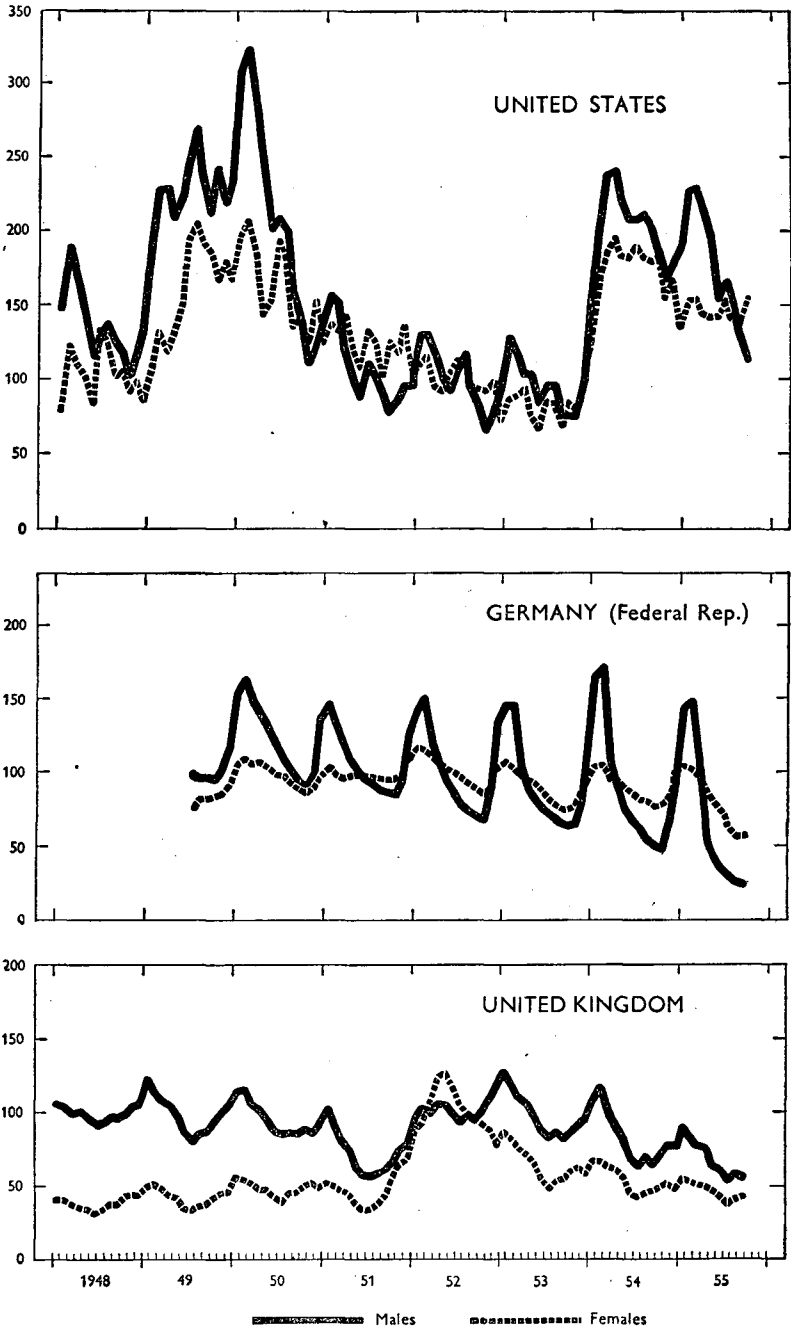
Seasonal movements were largely obscured in the period of acute labour shortage during and immediately after the war, but have since reappeared. In countries with the most marked seasonal fluctuations, unemployment in the peak months may regularly exceed that of the season of lowest unemployment by more than 50 per cent. In Belgium during recent years the unemployment rate at the winter peak has risen at least two-thirds above the low for the previous year. In Canada the winter peak has been more than twice as high as the preceding low.

Seasonal unemployment has long been associated with industries such as construction and road building, which depend to a substantial extent on weather conditions, with certain food industries whose activities are related to harvesting and gathering periods, and with the clothing industries, whose operations are influenced by buying habits, weather and style changes. Migratory and other temporary workers in agriculture are also frequent victims of seasonal unemployment, though farm workers as a group rarely account for a large proportion of the unemployed.

To the extent that the busy and slack periods of the different seasonal industries do not coincide but complement each other it would appear possible to reduce unemployment through inter-industry transfers. Some progress has indeed been made in this direction, but skill requirements, geographical separation and other obstacles to labour mobility have limited such transfers.

Certain changes in economic and social organisation have tended to augment the numbers of farm workers recorded in the statistics as unemployed. Thus, mechanisation has tended to shorten the periods of peak agricultural activity. In some countries labour contracts between farmers and farm workers are becoming more formal, with wage rates related more closely to working time, and there is a tendency to reduce labour costs by dispensing with workers when their services are not actually needed. Formerly, when among other factors agricultural

CHART 4. SEASONAL MOVEMENTS IN UNEMPLOYMENT RATES
(1952=100)



wages were lower and related labour costs much less important, maintaining farm-hands throughout the winter was more common.¹

Unemployment by Industry

In some countries workers are closely attached to their industry, so that the development of unemployment statistics by industry is feasible. Such statistics may be assembled infrequently and be published separately from the normal series. It has not been possible for the purposes of this review to examine all the available statistics of this type, but a study of the data readily available indicates that important changes have taken place as compared with pre-war conditions.

Coal mining, characterised by serious unemployment in several countries before the war, has frequently suffered from a shortage of workers in the post-war period. In the United Kingdom, for example, mining showed 15.5 per cent. unemployment in 1937, 20.6 in 1938 and 11.3 in 1939 (July figures), whereas, since the war, the rate has been consistently about 0.3 per cent. (the lowest of all major industrial groups).

During the first few post-war years unemployment in the textile industry was generally low, contrasting with immediate pre-war rates ranging up to 20 per cent. or more. A general slump in 1951-52, however, led to heavy unemployment in this industry in many countries. In Belgium the average rate (including partial unemployment) rose from 2.4 in 1947 to 23.9 in 1952. Unemployment in textiles in the United Kingdom rose to 15.2 per cent. in June 1952, from about 1 per cent. shortly before. In most of the countries affected, unemployment in textiles has subsequently diminished, partly as a result of a drift of workers away from the industry.

The construction industry was also depressed in some countries before 1940 and characterised by a considerable amount of unemployment. A brief examination of data available for recent years shows that, while a few countries have continued to experience appreciable unemployment in the industry, post-war unemployment in other countries has been reduced to a very low level. During 1955 shortage of construction workers in Europe has at times interfered with building activities.

EMPLOYMENT AND UNEMPLOYMENT TRENDS BY REGION

The preceding pages have dealt primarily with general trends in employment and unemployment, and have given little attention to regional or national variations. It is clear from the statistics presented, however, that substantial differences have existed both in the amount and the timing of the changes observed.

In the following paragraphs are discussed the developments in major geographic regions of the world; the more or less systematic data presented earlier are taken into account together with other information from various sources that has a bearing on trends in employment and unemployment.

¹ See, for example, "Agricultural Employment Problems in the Federal Republic of Germany", in *International Labour Review*, Vol. LXXI, No. 6, June 1955.

North America

Employment in the *United States* and *Canada* has risen fairly steadily since the war but has experienced two periods of hesitation: one (felt chiefly in the United States) beginning in 1949 and running into 1950, the other beginning in 1953 and continuing into 1954. Unemployment became a source of concern in both periods.

In both countries the recession of 1953-54 was felt chiefly in the manufacturing sector. During the so-called "Korea boom" period, from mid-1950 to mid-1953, manufacturing employment in the United States had expanded by 2.7 million. Nearly 1 million of the additional factory workers were women. Employment in all other non-agricultural activities expanded by 2.8 million. Subsequently, when non-agricultural employment declined in the United States, manufacturing accounted for almost all the loss between mid-1953 and mid-1954. Non-manufacturing industries generally remained stable at high levels of employment, though the mining and goods transport industries, because of their intimate connection with manufacturing activity, were also affected. Agricultural employment, which had long shown a downward trend, increased between 1953 and 1954, and again between 1954 and 1955. This may have been related, in some measure, to the higher level of unemployment in non-agricultural industries.

The earliest signs of a turning point in the United States were increases, towards the end of 1954, in average hours worked in manufacturing. The picture brightened considerably during the first quarter of 1955, and in May the level of employment surpassed all previous records for that month.

In Canada the level of employment exceeded the preceding year's level every month from January 1955.

Unemployment in the United States mounted rapidly late in 1953 and reached a peak of 3,347,000 (somewhat lower than the peak attained in 1950) early in 1954. In Canada the post-war peak in unemployment was established in early 1955. The number unemployed in Canada did not drop below the corresponding 1954 level until May 1955, whereas in the United States this drop had occurred in February. In the autumn of 1955 unemployment in both countries was somewhat above the lowest post-war levels but was below 4 per cent. of the labour force.

Latin America

The fragmentary information available concerning recent employment trends in Latin American countries points to somewhat slower advances in industrial employment than in the immediate post-war years. In a number of countries industrial production declined in 1953, in some cases resulting from measures taken to control inflation. In 1955 improvement was fairly general, Chile being an apparent exception.

In *Argentina* industrial employment declined in each post-war year until slight recovery began in 1954. The latest data, relating to June 1955, show manufacturing employment about 4 per cent. above the level of a year earlier. The index of manufacturing production was 12 per cent. above 1948, but employment was still 6 per cent. below the 1948 level. In *Mexico* the anti-inflation policy adopted in 1953 had an adverse effect on industrial employment, though industrial production continued to rise steadily and in 1954 showed a very substantial increase. Data for 1955 are not yet available. Industrial employment also declined in

Guatemala; the index of industrial production (excluding mining) regained its 1952 level in 1954, however, and some further advance was made during the first half of 1955.

Industrial output has continued to rise rapidly in *Brazil*, where there appears to be relatively little unemployment. In *Chile* non-agricultural employment has expanded considerably during the post-war period, continuing a pre-war trend. Manufacturing output increased rapidly in the period 1950-54 but declined significantly in 1955. Data on unemployment registrations in Chile have a restricted scope but may indicate trends: in 1955 such registrations appeared to be running a little lower than a year earlier.

No statistics are available concerning the effect on employment of the severe relapse suffered by *Cuba's* economy in 1953. It is known, however, that employment in the production of sugar was substantially reduced owing to crop restrictions imposed in 1952; as a result unemployment developed in other industries catering for local demand.

In *Puerto Rico* agricultural employment has been following a long-term downward trend, which has aggravated the unemployment problem. Non-agricultural employment also declined steadily from 1950 until the fourth quarter of 1954, when an increase was recorded. Unemployment in *Puerto Rico* has for some years hovered at about 15 per cent. of the labour force.

Most of the Latin American countries' economies are primarily dependent on agriculture, in which about 60 per cent. of the labour force of the region is engaged. As in other of the less developed regions, unemployment statistics are of limited significance. Lack of opportunity for regular work shows chiefly in the form of underemployment. Although the statistics available are meagre, it is known that serious underemployment exists in many of the countries of Latin America. In 1953 about 40 per cent. of the male workers in agriculture in *Puerto Rico* were found to be underemployed.¹

Western Europe

Both the general level of employment and employment in the manufacturing sector were higher in mid-1955 than in 1954 in every European country for which statistics are available, with the exception of Denmark and Ireland (in manufacturing).

Around mid-1955, the general level of non-agricultural employment was at a post-war peak in Austria, France, the Federal Republic of Germany, Luxembourg, the Netherlands, Norway, the Saar and the United Kingdom. It is probable that record levels were also attained in Belgium, Finland, Sweden and Switzerland.

With the exception of Denmark and Sweden, all European countries for which statistics are available showed less unemployment in 1955 than in 1954, according to the latest monthly data available. In a few other areas, such as Northern Ireland and several countries of Southern Europe, however, unemployment is still rather severe.

Manpower policy in most Western European countries is becoming generally centred about problems of labour shortage rather than problems of unemployment. In Great Britain, for example, basic industries such as mining, transport, and agriculture have been competing for

¹ Bureau of Labor Statistics, *Puerto Rico: Full and Underemployment in Puerto Rico, Oct. 1952-Apr. 1954*, Special Report on the Labor Force, No. 13 (mimeographed).

labour. In June 1955 there were more than twice as many vacancies available, according to employment office records, as there were unemployed persons.

The general pressure on labour supply is indicated by the upward trend of average hours worked manifest in nearly all European countries for which statistics are available. Of some five-and-a-half million workers covered in an annual survey of manufacturing establishments in Great Britain, about one-third were reported as working overtime late in 1954, the highest proportion noted since 1945.

Despite a large influx of additional manpower, there has been a steady downward trend of unemployment in the *Federal Republic of Germany* since 1950. In Western Europe as a whole the downward tendency of unemployment continued despite the temporary recession in North America beginning towards the end of 1953.¹

In *Belgium*, where unemployment had been persistently high for several years, some improvement occurred in 1954, and there were indications of recovery from the long period of stagnation. The percentage of insured workers wholly unemployed in Belgium stood at 4.7 in November 1955. *Austria* has also shown improvement and has attained low unemployment levels.

Underemployment in Italy continues to constitute a serious problem, particularly in the south.² A recent inquiry on the rural employment situation disclosed unemployment of one person out of three among the active population in agriculture. Including the underemployment of the numerous smallholders, the total labour surplus in agriculture has been estimated at not less than two-thirds of the agricultural labour force.³

Underemployment is also widespread in other countries of Southern Europe. In *Greece* an official estimate placed underemployment in agriculture as equivalent to a surplus labour force of more than 800,000 persons compared with a total economically active population of about 3,600,000. Urban underemployment represents the equivalent of about 100,000 unemployed persons.⁴

Only scanty data exist for *Portugal* and *Spain*, but underemployment in these countries appears to be on a scale comparable with that in Italy or Greece.

The Middle East

Statistical data regarding employment and unemployment in the Middle East during the post-war period are extremely scarce. In the petroleum industry the total number employed in the region doubled from 1945 to 1954, increasing from 75,000 to 150,000. Excluding petroleum, however, nine-tenths of the exports of the region are still

¹ For a more detailed description of the post-war evolution of employment and unemployment in Western Europe see I.L.O.: *Action Against Unemployment*, Studies and Reports, New Series, No. 20 (Geneva, 1950). See also "Employment and Unemployment in Western Europe", in *Monthly Labor Review* (U.S. Bureau of Labor Statistics), Vol. 77, No. 9, Sep. 1954.

² Cf. Roberto TREMELLONI: "The Parliamentary Inquiry into Unemployment in Italy", in *International Labour Review*, Vol. LXVIII, No. 3, Sep. 1953. See also: United Nations, Economic Commission for Europe: *Economic Survey of Europe in 1953, including a Study of Economic Development in Southern Europe* (Geneva, 1954).

³ United Nations, Economic Commission for Europe and Food and Agriculture Organisation: *European Agriculture—A Statement of Problems* (Geneva, 1954), p. 19.

⁴ I.L.O.: European Regional Conference, Geneva, 1955: *Report of the Director-General* (Geneva, 1954), p. 48.

agricultural products, and agriculture occupies the greater part of the labour force.

In Egypt 25 to 30 per cent. of the persons engaged in agriculture have been designated as surplus labour.¹ This is equivalent to a surplus labour force of over a million. Industrial employment is increasing slowly.

The resumption of the traditional emigration from *Lebanon*, recently equal to about 20 per cent. of the natural increase in population, has brought some relief from the heavy pressure on the labour market. Of the Arab refugees (numbering about 100,000) who have moved into the country, some have been absorbed in employment, but most remain unoccupied.

A large increase in the cultivated area in *Syria*, together with rapid expansion in industrial production, has had favourable effects on employment. Precise data are not available.

Agriculture continues to occupy some three-quarters of the population and provides most of the exports of *Turkey*. Manufacturing, however, has made steady progress since the war.²

Various factors, including notably the dispute over oil concessions, have slowed down industrial expansion in *Iran* as compared with the pre-war period. Economic development will be stimulated by the full restoration of the 1950 output of crude oil, which is expected by 1957. Preliminary results of a pilot census project in certain provinces have revealed that unemployment among young persons is a serious problem. Some of the traditional handicrafts, such as carpet making, have declined rapidly in recent decades.

Unemployment and underemployment have been serious in *Israel*, mainly as a result of heavy immigration. Unemployment began to increase in 1952 and reached a post-war peak in March 1953. Employment office statistics in that month showed a daily average of 21,000 applicants, but by June 1954 the number was 12,000 and a year later it had dropped to 8,800.

The results of a labour force sample survey made in June 1954, however, revealed that some 28,500 unemployed persons had not registered with the employment service because they were not hopeful of getting jobs or were taking other steps to obtain them.³ The survey estimated the wholly unemployed at 47,800 (equal to 9.3 per cent. of the labour force), and revealed that at least 11 per cent. of the employed were actually underemployed, since they were working less than 35 hours per week and were seeking additional work.

Asia and the Far East

Though it is not completely demonstrable with dependable statistics, there is evidence that the employment and unemployment picture has been least favourable during recent months in Asia and the Far East.

The Second World War and subsequent disturbances have undoubtedly aggravated unemployment problems in certain areas such as *Burma*, *Cambodia*, *Indonesia*, *Korea*, *Laos*, *Taiwan* and *Viet-Nam*. Although the population of these areas has increased a great deal,

¹ Statement by Egyptian delegate to the Economic and Social Council of the United Nations, 19th Session, New York, 27 May 1955.

² United Nations: *Economic Developments in the Middle East 1945-54*, p. 215.

³ *The Israel Economist*, Jan. 1955, pp. 11-12.

industrial output is generally below pre-war levels. Large-scale disguised unemployment or underemployment exists not only in the above-mentioned countries but also in most other countries of the region.

Increases in non-agricultural employment, so far as can be judged from the fragmentary statistics available, have been small in relation to the growth of population in recent years, and the labour surplus in agriculture has been further inflated. The statistics of employment office registrations, though often unsatisfactory as an indicator, suggest that unemployment was tending to rise throughout the region during 1955.

In *India* the rapid growth of the labour force has apparently not been accompanied by a commensurate increase in job opportunities. Migration from rural to urban areas, moreover, has brought the problem of unemployment into sharper focus. An unemployment crisis affected the handloom industry in 1953 and 1954.¹ The scale of the surplus manpower problem in India is suggested by the recent announcement that the twin objectives of the Second Five-Year Plan are to be the provision of employment for an extra 10 to 12 million workers and an annual increase of 5 per cent. in the national income.²

The slump in raw material prices and exports after the Korean war boom affected employment in a certain measure in some countries.³ Rubber prices began to fall as early as 1951. The numbers actually thrown entirely out of work in *Malaya* and *Ceylon*, two of the chief producers, were not very large, however, because output had been expanded quickly without important additions to the labour force. On the other hand there has been practically no gain in employment on tea and rubber estates in Ceylon since 1945, although plantations accounted for almost a quarter of the labour force, and the rate of increase of the population is one of the highest in the world—there has been an increase of nearly 2 million since 1945. Unemployment in Ceylon has become acute.

Thailand reports practically no wholly unemployed workers, but there is underemployment in rural areas. In the *Philippines* unemployment has been very severe.⁴ At the end of March 1955 it was estimated that unemployment accounted for 22.3 per cent. of the labour force of about 8 million. Registrations of applicants for work in urban centres in *Pakistan* have not shown large variations since 1950. During the first half of 1955, however, the figures tended to be noticeably higher than a year earlier.

The influx of about a million persons into *Hong Kong* after the Second World War roughly doubled the population, but additional job opportunities have been relatively few. An enormous surplus of idle manpower remains.

The situation in *Japan* has been characterised by a rapidly expanding labour force, increased productivity in manufacturing, which has restricted employment opportunities in that sector, and foreign trade

¹ Economic Commission for Asia and the Far East : *Economic Survey of Asia and the Far East, 1953* (Bangkok, 1954), p. 65.

² Speech of the Prime Minister, Mr. Nehru, to the National Development Council, New Delhi, 6 May 1955.

³ See "The World Unemployment Situation", in *International Labour Review*, Vol. LXX, No. 2, Aug. 1954.

⁴ Central Bank of the Philippines : *New Digest*, Vol. VII, No. 17, May 1955.

difficulties, which have discouraged many lines of production. The general level of employment is more than one-fourth above its 1948 position, but unemployment and underemployment are a serious problem.

Data on wholly unemployed persons in Japan show a post-war peak figure of 840,000 (2.1 per cent. of the labour force) in March 1955. "Latent" or "disguised" unemployment, not reflected in the statistics, is a more serious problem. It has been officially estimated that the disguised unemployed numbered about 3 million in 1953.¹ Many surplus workers have remained in agriculture, home handicrafts and family businesses, where they are not really needed. The situation in Japan must therefore be considered as serious.

Oceania

High levels of employment and severe shortages of labour, particularly skilled labour, have been the rule in *Australia* and *New Zealand* in the post-war years. The pressure on the labour market in Australia is shown by the relationship between numbers receiving unemployment benefit at the end of June 1955 (2,690) and the number of vacancies registered voluntarily with the employment service (57,645). In May 1955 unfilled vacancies on the registers of the New Zealand national employment service numbered 14,636, while unemployed applicants for work numbered only 79. The growth in the labour force from normal accessions and immigration into these countries was being fully taken up by the expansion in employment. Some of the effects of this "overfull employment", as it has been described, have hindered economic development programmes.

¹ *Sangyo Keizai*, Overseas Edition, 1 Aug. 1954, p. 5.