

INVOLUNTARY PART-TIME WORK AS A COMPONENT OF UNDEREMPLOYMENT

A. INTRODUCTION

Work in previous OECD Employment Outlooks (1987*a*, 1988*a*, 1989*a*) has emphasized the importance of understanding how individuals and different groups of the population may be constrained involuntarily in the amount or type of work they can find or can offer. Understanding such underemployment is important for analysing policies which might aid in using the labour force more efficiently, enhance the quality and quantity of the labour supply, and meet equity objectives¹.

Underemployment is an extremely large subject. It includes issues such as earnings and income adequacy, underutilisation of skills or qualifications, employment stability, and hours of work desired, which are conceptually difficult and for which data are often rather difficult to come by [BLMR (1986); ABS (1986); Gordon (1972); Vietorisz, Mier and Giblin (1975); Hussmanns and Mehran (1988, 1989); NCEUS (1979); Sullivan and Hauser (1979); Clogg and Shockey (1985)]. Accordingly, this chapter has the aim of measuring different types of involuntary part-time employment, a key feature in all discussions of underemployment. It also explores whether or not those in that situation are looking for another job or additional work; and explores the extent to which involuntary part-time work is a temporary state by examining flows into and out of involuntary part-time work.

The chapter is structured as follows. Section B briefly considers some of the conceptual and measurement issues. Section C presents data on the magnitude of the problem. Section D analyses information on employed persons who also indicate that they are looking for another job or additional work. Section E presents available data on flows into and out of underemployment. Finally, Section F presents the summary and conclusions.

B. CONCEPTUAL AND MEASUREMENT ISSUES

Underemployment is a broad and complex issue and available data seldom lend themselves to simple interpretation or presentation. This chapter focuses on a particular component of the underemployed, namely the involuntary part-time employed. They comprise the following three categories as measured in labour force surveys:

- Persons who usually work full-time, but during the reference week worked fewer hours than usual at their job for economic reasons, irrespective of how many fewer hours, or who worked part-time for economic reasons;
- Persons who usually work part-time because they cannot find a full-time job;
- Persons who usually work part-time for reasons other than the inability to find full-time work and who worked fewer hours than usual at their job during the reference week for economic reasons. This group is called other involuntary part-time.

The term involuntary often arouses controversy. As with many other behavioural categories, it is difficult to conceptualise and measure. The use of the term in this chapter is based on the responses of individuals to labour force surveys. Consider the second of these three categories — those who say they cannot find a full-time job. To generalise, upon classifying persons as part-time workers most surveys ask “why are you working part-time”. Responses can vary from school or household duties to the inability to find full-time work. Only those who give the latter response are included in this category. Therefore, several important points must be noted. First, this group does not necessarily include all part-time workers who, if circumstances changed, would like to work full-time. Second, some persons who cite their inability to find full-time work may mean that it has

not been possible to find a job with an hours schedule which matches their constraints due to non-paid work responsibilities. This response may also mean that they want to work more in their current job, but are unable to do so given the hours/wage package of the employer². They will be counted as involuntary part-timers, but those who straight away give the response of household duties are excluded even though the underlying reasons may be the same. There are, of course, other potential reasons why some workers may not be able to find full-time jobs. They may lack the skills, experience or training required for many full-time jobs, or they may be viewed by employers as more likely than other workers to leave the job because non-paid work responsibilities appear to permit only a marginal attachment to the labour force [Bednarzik (1983a); Hamel (1985)]. However, there is little information available to examine the relative importance of these reasons.

The other main category — those who worked fewer hours than usual at their job for economic reasons — is more straightforward. Surveys typically ask “why did you work less than usual”. Reasons related to business conditions, such as slack work or lack of orders, which are typically beyond an individual worker’s control, are usually considered involuntary. This particular change in status, moreover, would often be expected to be more sensitive to overall cyclical changes in the economy, although sectoral shifts at a given level of aggregate demand can also be important. During an economic downturn, the number of persons who have their work hours reduced typically rises before unemployment begins to increase, mainly because employers tend to reduce hours when possible before laying off workers in order to minimise the cost of turnover [Bednarzik (1983a)]³.

Following the International Labour Office, where possible, those categorised in one of the three groups above have been further disaggregated by whether or not they are looking for additional work or another job [see Hussmanns and Mehran (1989)]. Such information can be viewed as one means of providing a further check on the involuntary nature of these groups’ employment situation. In other words, if looking, they are trying to change what is considered an unsatisfactory status. Of course, considerable caution is required in the interpretation of such information. “Looking for another job” is likely affected by, for example, perceptions of labour market conditions. If conditions are rather poor, many might consider it futile to search, even if they would like full-time work.

Data have been gathered for 15 Member countries. For several reasons, cross-country comparisons require considerable care. First, the definitions of part- and full-time employment differ. (Country-specific definitions of part-time and full-time employment *per se* are given in last year’s *Employment Outlook* [OECD (1989a),

Chapter 1, Annex 1.B].) For example, in the United States persons who usually work 35 hours or more are classified as full-time. Even if they worked fewer hours than usual during the survey reference week for economic reasons they will only be counted as involuntary part-time workers in this chapter if they actually worked less than 35 hours. For many European countries, on the other hand, the full- and part-time distinction is based on self-assessment rather than usual hours worked. In this chapter, persons who say they work full-time and whose actual hours were less than usual hours for economic reasons are categorised as involuntary part-time employed.

Second, the range of possible economic reasons for working fewer hours than usual are not identical. Third, in several countries data for the category “working part-time because a full-time job cannot be found” are not available. This chapter uses in its place the number of part-time workers who say that they wish to work more hours, irrespective of how many hours that might be. Fourth, research suggests that there is a clear cyclical dimension to some components of involuntary part-time work [Bednarzik (1983a); Leppel and Clain (1988)]. To the extent that countries are in different phases of the cycle, comparisons of the degree of involuntary part-time work will be affected. While cyclical analysis is important, this chapter focuses on point-in-time information as long-run time-series data are relatively scarce. Finally, the analysis is limited to persons. This is an important limitation because one is often interested in the degree of underemployment. For example, one might draw a sharp contrast between persons currently working 10 hours per week but who want to work 40, compared to those working 30 hours but who want to work 35. Such data are, however, relatively scarce.

This chapter focuses, therefore, on those persons who wish to work more than they are currently. Thus, analysis of the other side of the coin, persons who want to work less and might therefore be considered overemployed, is excluded. There are two reasons for this. First, the subject of involuntary part-time is large in its own right. Second, comparative information on persons wishing to work less is quite rare.

C. MAGNITUDE OF INVOLUNTARY PART-TIME EMPLOYMENT

1. Magnitude and proportion of involuntary part-time work in total employment

For the latest year available, the number of involuntary part-timers ranged from about 30 000 in

Table 7.1. Proportion of types of involuntary part-time employment in total employment, by sex, for fifteen OECD countries, 1988^a

	All persons					Men					Women				
	Total employment (000s)	Total part-time employment	Part-time for economic reasons, usually work full-time ^b	Part-time due to inability to find a full-time job ^c	Other involuntary part-timed	Total employment (000s)	Total part-time employment	Part-time for economic reasons, usually work full-time ^b	Part-time due to inability to find a full-time job ^c	Other involuntary part-timed	Total employment (000s)	Total part-time employment	Part-time for economic reasons, usually work full-time ^b	Part-time due to inability to find a full-time job ^c	Other involuntary part-time ^d
Australia (1989)	7727.6	21.48	0.53	3.62	..	4571.9	8.45	0.69	1.82	..	3155.7	40.36	0.29	6.24	..
Belgium (1987)	3382.1	10.33	0.24	3.21	0.01	2164.3	2.21	0.25	0.93	e	1217.8	24.75	0.22	7.27	0.03
Canada (1986)	11634.0	15.56	0.79	4.42	..	6657.0	7.81	0.90	2.42	..	4977.0	25.92	0.64	7.09	..
Denmark (1987)	2561.0	25.13	0.59	2.16	0.11	1383.1	10.30	0.80	0.59	0.02	1177.9	42.54	0.35	4.01	0.21
Germany (1987)	26159.0	12.99	0.21	0.86	0.01	15941.5	2.28	0.29	0.20	e	10217.5	29.71	0.09	1.90	0.02
Greece (1987)	3581.1	7.87	2.47	1.32	0.14	2352.1	5.12	2.44	1.12	0.06	1229.0	13.12	2.53	1.72	0.30
Ireland	1001.2	8.15	0.60	2.37	0.03	666.1	3.97	0.70	1.80	..	335.1	16.45	0.42	3.50	0.08
Italy	20664.0	5.53	0.38	1.98	0.03	13758.9	3.24	0.38	1.35	0.02	6905.1	10.09	0.37	3.22	0.06
Japan	57910.0	8.19	0.74	1.23	..	35050.0	3.02	0.57	0.57	..	22860.0	16.10	1.01	2.23	..
Netherlands (1987)	5728.3	29.75	0.22	6.03	0.05	3662.3	13.91	0.20	1.97	0.01	2066.1	57.82	0.27	13.23	0.12
Portugal (1986)	4063.9	5.24	0.10	1.40	..	2431.6	2.81	0.12	0.60	e	1632.3	8.85	0.06	2.59	0.01
Spain	11680.4	5.87	0.47	1.60	0.02	8091.3	2.57	0.53	0.55	0.01	3589.1	13.31	0.35	3.95	0.04
Sweden (1986)	4268.7	24.19	0.17	2.94	..	2237.8	10.91	0.21	0.91	..	2030.9	38.83	0.13	5.17	..
United Kingdom (1987)	24605.6	22.60	0.55	2.24	0.09	14147.7	5.99	0.71	1.48	0.01	10458.0	45.08	0.33	3.26	0.19
United States	114968.0	17.88	1.53	2.16	..	63273.0	11.05	1.63	1.49	..	51696.0	26.23	1.40	2.99	..

a) Some slight differences exist between the definitions applied in this table and the definitions of part- and full-time as outlined in the *1989 Employment Outlook*, Annex 1.B. In particular, most countries classify persons as part- or full-time workers according to their usual status. This is generally done on the basis of the respondent's self-assessment or on the basis of usual weekly hours being above or below a specific level. The difference between the information shown here and the definitions applied in the *1989 Employment Outlook* refers to those on "part-time for economic reasons, usually work full-time". This group was counted among the full-time employed in the *1989 Employment Outlook*, but are considered here as one component of the involuntary part-time employed.

b) For Australia, Canada, Japan, Sweden and the United States, this group refers to persons whose usual hours of work are at least 35, 30, 35, 35 and 35, respectively, and who during the reference week worked less than the above cut-off for economic reasons. For the remaining countries, this group refers to persons who describe their job as full-time and who worked less than they usually do for economic reasons. In Australia, economic reasons are taken to mean being stood down, working short-time, or insufficient work. In Canada, the concept includes working short-time or being laid off for part of the week. For the United States, economic reasons include slack work, a shortage of materials for plant and equipment, and/or a need for repair work to plants and equipment. Business slack is the sole economic reason in Japan. In Sweden and the EEC countries, economic reasons include slack work, and either the starting of a new job, or the ending of a job (without taking up a new one) during the reference week.

c) The figures for Japan, Australia and Sweden refer to part-time workers who want to work more hours, irrespective of the actual amount of additional hours desired.

d) Part-time for other reasons or no reasons given, and worked less than usual for economic reasons. These data are available only for the EEC countries. United States data are available for persons who usually work part-time and who say that the reason is "slack work". This concept is rather different from that for the EEC countries because it does not refer to part-time workers who worked less than usual for economic reasons. The meaning of usually working part-time because of slack work, which one would expect to be of a temporary nature, is not clear. In 1988, this group was just over 0.5 per cent of total employment.

e) The sample size is too small for reliable estimates.

Sources: *Australia: The Labour Force*, Australian Bureau of Statistics. Data refer to August.

United States: Employment and Earnings. Data are based on averages of monthly estimates from the Current Population Survey. Unpublished data were also provided.

Sweden: Arbetskraftsundersökningen, AKU Statistiska Centralbyrån. Data are based on averages of monthly estimates from the Labour Force Survey.

Japan: "The Special Survey of the Labour Force Survey". Unpublished data were provided by the Statistics Bureau, Management and Coordination Agency.

EEC countries: Unpublished data provided by EUROSTAT on the basis of each country's Labour Force Survey.

Canada: The Labour Force, Statistics Canada.

Ireland to around 4.2 million in the United States (these figures can be calculated from Table 7.1). In between were Portugal (61 000), Denmark (73 000), Belgium (117 000), Sweden (133 000), Greece (140 000), Spain (244 000), Germany (283 000), Australia (321 000), the Netherlands (361 000), Italy (494 000), Canada (606 000), the United Kingdom (709 000) and Japan (1.1 million). The ratio of these three categories to *total* employment for 15 countries is shown in Table 7.1.

While survey and definitional differences must be kept in mind and quite likely affect the results, the following points are pertinent. First, there are substantial differences in the ratio of *total* involuntary part-time to *total* employment across countries. The proportion ranges from a low of just over 1 per cent in Germany⁴ to over 6 per cent in the Netherlands. Second, in every country, the overall ratio is always greater for women. Third, among the three categories shown, working part-time because a full-time job cannot be found is by far the most important. Greece is the sole exception.

Comparing men and women is instructive. The proportion of men found in the category of involuntary part-time due to economic reasons, which ranges from around 0.1 per cent in Portugal to around 2.4 per cent in Greece, is higher than that for women in all countries other than Greece, Japan and the Netherlands. The difference is particularly large in Germany. It is possible that this reflects differences in the industry affiliation of men compared with women.

Conversely, a higher proportion of employed women reported that they could only find part-time jobs compared with men. Among women the proportion varies from around 1.7 per cent in Greece to just over 13 per cent in the Netherlands. This compares with a range of less than 1 per cent to 2.4 per cent for men.

There are several caveats to note concerning the information in Table 7.1. First, it is important not to exaggerate the extent of involuntary part-time work as measured here. The large majority of part-time workers are classified as voluntary part-timers (on an unweighted basis, about 2 in 3 male and 4 in 5 female part-time workers are so classified). Second, the issue addressed in Table 7.1 is different from that of the *incidence* of involuntary part-time work among part-time workers. On that basis, with the exception of the Netherlands, Portugal and Sweden, men are more likely than women to be involuntary part-time. A good part of the reason that the ratio of total involuntary part-time to total employment is higher among women is related to the fact that so many more women work part-time compared with men. However, there is no perfect one-to-one correspondence across countries between a high ratio of part-time to total employment and a high ratio of involuntary part-time to total employment. For example, among women, the Netherlands ranks first on both measures while the United Kingdom ranks second and tenth, respectively.

2. Age and sex composition of involuntary part-time work

It is also instructive to examine the distribution of involuntary part-time work by age and sex. Table 7.2 presents this distribution separately for the two predominant components of involuntary part-time employment.

Consider first usual full-time workers working less than usual for economic reasons. Men make up more than 50 per cent of this group in every country except Japan, where around 40 per cent are prime-age women. In Germany, Ireland and Spain, men comprise more than three-quarters. In Portugal and the United Kingdom, one-third of those in this category are young male and female workers. In Greece, Denmark and Japan, older male and female workers are 44 per cent, 32 per cent and 31 per cent, respectively, of this group.

By contrast, women predominate amongst part-time workers who say they cannot find a full-time job. They account for at least six of every ten such workers. The only exceptions are Greece and Ireland. In Belgium, Denmark, Germany, the Netherlands and Spain, more than three-quarters are women. Moreover, adult women generally comprise the largest percentage. In Australia, Belgium, Canada, Ireland, Spain, Sweden and the United Kingdom young male and female workers make up one-third of the total.

3. Industry distribution of part-time workers who could not find a full-time job

The relationship between industry and slack work is fairly straightforward. Slack work tends to be concentrated in those industries which are most affected by cyclical factors, and a worker's status could, therefore, be said to be influenced by his or her industry affiliation. However, this relationship is not clear for those workers who could only find part-time employment, because their short-time status became effective upon taking up the position. They had no industry attachment immediately prior to their securing employment [Bednarzik (1983a)]. One would expect these workers to be in industries where part-time work *per se* is more prevalent. Table 7.3 presents the industry distribution of this latter group of workers.

The distribution varies substantially across countries. In Belgium, Denmark, Germany, the Netherlands, Spain and the United Kingdom, the service sector as a whole accounts for over 75 per cent. Most important here are distribution and trade, and other services. Greece and Italy have a lower proportion in the service sector: around 46 and 51 per cent respectively, and a relatively higher proportion in agriculture (20 and 28 per cent).

Table 7.2. Distribution of involuntary part-time workers by age and sex, 1988^a

	Part-time for economic reasons, usually work full-time ^b						Part-time due to inability to find a full-time job ^c								
	Men			Women			Men			Women					
	15-24 years	25-54 years	55 years and over	15-24 years	25-54 years	55 years and over	15-24 years	25-54 years	55 years and over	15-24 years	25-54 years	55 years and over			
Australia (1989)	41.0	100.00	100.00	..	..	..	280.0	100.00	100.00	14.46	12.32	2.93	23.11	44.96	2.21
Belgium (1987) ^d	8.1	100.00	100.00	9.56	37.05	20.86	7.35	108.5	100.00	6.60	11.04	0.81	30.00	48.00	3.55
Canada (1986)	91.9	100.00	100.00	..	..	..	..	100.00	100.00	16.34	12.45	2.53	23.54	41.25	4.09
Denmark (1987)	15.2	100.00	100.00	10.49	37.16	28.08	3.60	16.52	100.00	4.40	7.67	2.60	12.78	55.49	17.06
Germany (1987)	55.3	100.00	100.00	7.69	54.30	21.27	1.81	10.41	100.00	1.77	10.28	2.31	15.17	53.59	16.58
Greece (1987) ^d	88.3	100.00	100.00	6.78	30.59	27.80	13.63	16.41	100.00	10.92	33.76	10.78	8.05	26.15	10.34
Ireland	6.1	100.00	100.00	14.54	47.88	14.30	13.63	8.38	100.00	16.34	27.44	6.75	18.50	26.86	4.11
Italy ^d	77.6	100.00	100.00	38.71	20.83	9.31	9.31	17.46	100.00	11.04	24.89	9.67	15.14	56.34	7.23
Japan	420.0	100.00	100.00	29.55	15.91	2.27	2.27	38.64	100.00	710.0	14.08	9.86	56.34	56.34	11.27
Netherlands (1987)	12.8	100.00	100.00	11.19	39.16	5.46	12.07	28.35	100.00	345.6	8.24	9.08	18.70	50.27	10.13
Portugal (1986) ^d	3.9	100.00	100.00	23.40	37.52	11.84	9.59	11.88	100.00	57.0	9.02	11.40	15.43	44.70	14.09
Spain ^f	55.4	100.00	100.00	14.64	39.47	23.35	6.76	9.95	100.00	186.4	11.55	3.83	18.70	40.97	13.05
Sweden (1986) ^e	7.3	100.00	100.00	..	..	..	..	..	100.00	125.3	7.90	1.12	26.90	50.76	6.07
United Kingdom (1987) ^f	134.3	100.00	100.00	21.49	43.66	9.53	11.06	10.85	100.00	550.3	17.58	7.84	16.64	50.76	13.31
United States ^f	1760.0	100.00	100.00	13.86	38.75	6.25	9.72	4.09	100.00	2485.1	..	..	..	..	..

a), b), c) See notes a), b), c) of Table 7.1.
d) Data refer to those aged 14-24, 25-49 and 50 and over.
e) Data refer to those aged 16-24, 25-54 and 55-64.
f) Data refer to those aged 16-24, 25-54 and 55 and over.

Sources: See Table 7.1.

Table 7.3. **Industry distribution of those working part-time due to their inability to find a full-time job. 1988**

	Number (000s)	Total (%)	Agriculture and hunting	Energy and water	Mineral extraction and others ^a	Metal manufac- turing and others ^b	Other manufac- turing industries	Building and civil engineering	Distribution and trade	Transportation and communi- cations	Finance and insurance	Other services	Public administration	Not declared
Belgium	112.7	100.00	0.27	0.27	0.89	1.24	3.64	1.60	32.39	1.95	5.24	42.15	10.38	..
Denmark (1987)	57.5	100.00	2.43	0.52	1.22	2.26	5.22	1.74	14.43	2.43	5.39	57.57	4.35	2.26
Germany	228.8	100.00	1.31	0.22	1.31	3.93	6.03	1.01	25.79	5.81	5.16	39.99	9.53	..
Greece (1987)	48.7	100.00	19.10	..	1.03	1.23	7.39	23.61	10.47	3.70	3.70	27.52	0.82	0.21
Ireland	29.4	100.00	6.12	0.34	0.34	1.70	6.80	9.86	30.61	4.76	4.42	31.29	2.38	1.02
Italy	456.2	100.00	27.51	..	0.66	1.14	7.23	12.28	16.13	2.02	2.26	28.26	2.50	..
Japan	710.0	100.00	5.63	..	..	—21.13—	—	5.63	29.58	4.23	2.82	29.58	1.41	..
Netherlands (1987)	349.5	100.00	1.00	0.17	0.83	1.17	6.24	1.60	20.11	3.26	5.81	54.68	4.03	1.09
Portugal	81.6	100.00	15.32	0.49	0.74	0.74	7.23	4.78	14.09	1.59	3.92	48.04	2.94	..
Spain	187.9	100.00	4.84	5.32	0.32	1.86	10.16	1.97	16.39	1.92	3.19	56.52	2.50	..
United Kingdom	490.7	100.00	1.67	0.47	0.47	1.57	4.83	6.09	27.96	3.57	4.44	39.84	8.84	0.16

a) Extraction and processing of non-energy-producing minerals and derived products; chemical industry.

b) Metal manufacture; mechanical, electrical and instrument engineering.

Sources: See Table 7.1.

The statistics for Japan are interesting as just over one-fifth of the group work in manufacturing. No other country is close to this percentage. In general, countries with a higher ratio of involuntary part-time to total employment are more likely to have a higher proportion in the service sector. Germany is the only exception.

D. EMPLOYED PERSONS WHO ARE LOOKING FOR WORK

1. Introduction

One further element often used to identify the underemployed is whether or not they are looking for another or additional job, the idea being that if one is in an involuntary situation, then one might expect to observe steps taken to try and change that situation. This section presents such information and includes for comparison the proportion of full-time and voluntary part-time workers looking for work. Two central issues: *a*) Are the involuntary part-time employed more likely to be looking for work compared to other employed persons?; and *b*) Are involuntary part-timers who could not find full-time work more likely than other involuntary part-timers to be looking for work?

2. Who is looking for work?

Table 7.4 shows the percentage of those who are employed and are looking for work (the Australian data refer to the percentage of the employed who want to work more hours and are looking for another job).

The data reveal a reasonably clear pattern. The highest incidence of looking for work is almost always among those who say they cannot find a full-time job, followed by those working part-time for economic reasons, then by voluntary part-timers and, last, full-time workers. This is an important finding because it does suggest that, in terms of the employment categories used here, those in some sense less satisfied with their current status try to change it. Wanting to work more is not simply a wish on their part. There are, however, differences across countries and between men and women.

Women who are working part-time because they cannot find a full-time job are less likely than men to be looking for work. This may reflect differences in the underlying reasons for which a full-time job has not been found. Women likely face more difficult non-paid work constraints such as child care and household duties (see Chapter 5 for a discussion of child care). Finding jobs which have work schedules to match such constraints could be one reason that this type of involuntary part-

time work is so important among women [Nardon (1986); Bednarzik (1983a)]. And, to the extent that employers' hiring functions include beliefs about the relative risk of turnover due to non-paid work constraints, the problem can be magnified. Equally important, such constraints also reduce the time available to look for work, or at least make the process more difficult.

Among those whose work schedules were cut for economic reasons, the proportion looking for work ranges from about 5.4 per cent in Germany to 31.6 per cent in Portugal. Gender differences are not obvious for this category. The percentage difference for this category, between those who are looking for a job and those who are not, is less than is the case for other categories of involuntary part-time workers.

In the Netherlands, Denmark and the United Kingdom, around 6 to 10 per cent of those working full-time are looking for a job. Women who work full-time are usually more likely to be looking than men, but the differences are rather small and there are exceptions. Men working part-time voluntarily are more likely than women to be looking for a job. Portugal and Belgium are exceptions.

E. LABOUR FORCE FLOWS AND INVOLUNTARY PART-TIME EMPLOYMENT

1. Introduction

Cross-section data on the types of involuntary part-time employment provide useful information on its significance. However, they cannot be used to describe the underlying labour force dynamics showing, for example, the likelihood that such workers remain in or escape from that state, nor do they provide information on where such workers come from.

This section, accordingly, analyses labour force flow data for Spain and the United States. The Spanish data are matched records of individuals who were in the labour force survey in both the second quarter of 1987 and 1988. The United States data are matched records of individuals' labour force status at two points in time one year apart between 1984 and 1985. It is rather important to bear in mind several problems with such data bases. First, some persons are always lost from the sample for reasons such as having moved or not responding in subsequent interviews, and such persons are more likely to be those whose labour market activity is more marginal or volatile. Second, if labour force status is misclassified in one survey, spurious changes in activity may be recorded. For example, suppose an individual

Table 7.4. Incidence of looking for a different or additional job among those in full-time employment, voluntary part-time employment and involuntary part-time employment, 1988^a

	All persons				Men				Women			
	Full-time workers	Voluntary part-time workers	Part-time for economic reasons, usually work full-time	Part-time due to inability to find a full-time job	Full-time workers	Voluntary part-time workers	Part-time for economic reasons, usually work full-time	Part-time due to inability to find a full-time job	Full-time workers	Voluntary part-time workers	Part-time for economic reasons, usually work full-time	Part-time due to inability to find a full-time job
Australia (1989)	..	..	..	33.96	..	..	..	46.80	..	..	..	28.60
Belgium (1987) ^b	2.12	4.25	15.14	33.36	1.93	0.06	14.10	48.13	2.56	4.05	17.20	30.02
Canada (1986)	3.31	—	10.17	—	3.30	—	15.20	—	3.30	—	8.10	—
Denmark (1987) ^b	6.45	8.09	7.45	29.79	5.89	11.53	6.98	31.89	7.48	7.15	8.71	29.43
Germany (1987) ^b	2.15	2.50	5.43	17.68	2.06	7.28	5.43	33.85	2.35	2.02	5.41	15.23
Greece (1987)	1.76	2.99	9.63	46.41	1.87	5.36	13.18	50.00	1.52	2.19	3.07	41.94
Ireland ^b	4.74	6.73	21.07	59.97	4.68	11.97	18.67	66.64	4.87	5.50	28.96	53.16
Italy ^b	3.05	7.07	14.31	55.83	2.96	9.07	13.57	64.32	3.24	6.14	15.81	48.71
Japan ^b	5.08	—	6.79	—	5.30	—	8.00	—	4.60	—	6.20	—
Netherlands (1987)	9.97	11.98	10.59	24.01	9.09	12.40	12.63	26.23	13.12	11.78	8.02	23.48
Portugal (1986) ^b	3.79	6.98	31.62	40.63	3.93	6.17	27.60	61.20	3.55	7.39	42.40	33.50
Spain ^b	2.41	8.08	16.33	31.53	2.39	12.19	16.64	47.70	2.47	6.55	15.23	26.45
United Kingdom (1987) ^b	5.77	5.88	15.09	34.17	5.69	11.08	13.56	47.92	5.95	5.23	19.59	25.74

a) See notes a) to c) of Table 7.1.

b) Data refer to those looking for either an additional job or a new job.

Sources: See Table 7.1.

actually working full-time was recorded at time t as being involuntarily part-time and at time $t+1$ was correctly classified as a full-time worker. This shows up in the data as an exit from involuntary part-time work when, in fact, no change in status had occurred. Finally, any changes in status that may have occurred between the surveys cannot be captured.

2. Flows out of involuntary part-time work

The issues to be examined in this sub-section include: *a)* Are involuntary part-timers substantially more likely than voluntary part-timers, the unemployed or non-participants to enter full-time work?; *b)* Is the risk of becoming unemployed rather different among groups of the employed?; and *c)* Among the unemployed, are those looking for a full-time job more likely to find work than those looking for a part-time job?

Bearing in mind the small sample size for some of the categories, several important points arise out of the data for Spain (Table 7.5). First, almost 31 per cent of involuntary part-time workers were in full-time positions one year later. Amongst those who were employed at both dates, just under one of two were full-time, while one in four remained involuntarily part-time. However, “other” part-timers who were voluntarily working part-time were somewhat more likely to move into full-time jobs compared with the group “could not find a full-time job”. Apparently, over the year, either circumstances changed for a considerable number of this group or, given that the part- and full-time distinction is based on self-assessment, beliefs on what constitutes a full-time job changed.

Second, the likelihood of becoming unemployed was greater for involuntary part-timers compared with full-time workers and voluntary part-timers. About 18 per cent of involuntary part-time workers became unemployed compared to just around 4 per cent of full-time and voluntary part-time. It appears that the majority of those who entered unemployment did so as a result of their contract being terminated. Third, the success rate of finding work was higher for those who were unemployed and looking for full-time work than it was for those who were unemployed and looking for part-time work: 30 and 20 per cent, respectively. Interestingly, if employment was found, almost 7 out of 10 persons who had been looking for part-time work were classified as full-time. Only a very small proportion of the unemployed entered into involuntary part-time employment. Finally, involuntary part-timers were slightly more likely than the unemployed to enter full-time employment and much more likely to be in some kind of employment. That is, having a job, even an involuntary part-time one, makes future employment

much more likely and also appears to make for a somewhat easier “transition” into full-time employment than does seeking work while unemployed — although it is less satisfactory than having already found a full-time job, or being voluntarily in a part-time position.

Some striking differences in these flows exist between men and women. While the sample size is quite small for men, those employed men who were unable to find a full-time job in 1987 were more than twice as likely as women to move into full-time jobs. While the proportion who were counted as employed at both dates, at about 68 per cent, was essentially identical for men and women, just under one-third of these women remained involuntary part-time compared to only one in twenty-five men. Given that this category refers to those who say that they cannot find a full-time job, such a stark contrast might reflect greater problems for women in matching work schedules to non-work responsibilities [Mutchler (1987); Bednarzik (1983*a*)]. This result is consistent with a finding in the previous section that women who cannot find a full-time job are less likely than men to be looking for work. Finally, there appears little difference between men and women full-timers. Almost all were employed at both dates, although about 8 per cent of men who had been full-time workers were counted as involuntary part-time one year later.

Table 7.6 shows the data for the United States. Data are available to analyse both those who could find only a part-time job and those who usually work full-time, but during the reference week were working part-time for economic reasons. The key points to emphasize are: first, involuntary part-time workers whose work schedules had been cut for economic reasons were much more likely than other part-time workers or the unemployed to become full-time workers. This would be expected because hours reductions due to slack work and other economic reasons are likely to be temporary.

Second, differences in the likelihood of becoming unemployed are important. The likelihood of involuntary part-time workers being unemployed one year later was about the same (8 per cent) regardless of whether they usually worked full-time or usually worked part-time. But only 2 per cent of full-timers were unemployed one year later. The rate at which involuntary part-time workers left the labour force was higher for those who usually worked part-time (13.5 per cent) compared with those who usually worked full-time (8.9 per cent), with women being more likely than men to be out of the labour force.

Third, the distinction between the unemployed looking for full- or part-time work does seem to capture some difference in behaviour. The percentage of each group who had found a job was not greatly different. However, those who had been looking for full-time jobs were much more likely to be actually in a full-time job. That

Table 7.5. **Proportion leaving, continuing or becoming involuntary part-time in Spain, second quarter 1987-1988**

Status in 1987	Sample size ^a	Total (%)	Status in 1988											
			Unemployed				Employed				Not in labour force			
			End of contract	Laid off	Others ^b	Not classified	Involuntary part-time ^c	Full-time employment	Other part-timed	Not classified	End of contract	Laid off	Others ^e	Not classified
All persons														
<i>Unemployed</i>	4100	100.00	17.38	3.97	3.32	36.09	0.72	26.13	0.95	0.82	1.12	0.46	0.77	6.07
Looking for full-time work	2200	100.00	17.88	4.42	4.03	33.40	0.88	27.53	0.85	0.67	1.29	0.28	0.78	6.13
Looking for part-time work	300	100.00	15.00	2.14	3.04	39.29	0.54	13.75	3.04	2.32	0.71	1.07	1.61	14.82
Looking for any kind of work	1600	100.00	17.12	3.68	2.39	39.28	0.52	26.41	0.71	0.74	0.97	0.61	0.58	4.42
<i>Employed</i>	16100	100.00	2.76	0.81	0.86	0.17	0.69	87.18	2.81	0.31	0.40	0.20	2.51	0.51
Involuntary part-time ^c	300	100.00	9.32	1.13	5.14	1.93	17.04	30.55	15.27	5.79	3.38	0.48	5.14	3.38
Full-time employment	15100	100.00	2.65	0.79	0.78	0.14	0.25	90.62	0.96	0.10	0.28	0.20	2.22	0.24
Other part-time ^d	700	100.00	1.96	0.78	0.78	0.08	3.22	36.55	40.24	0.63	1.65	0.08	8.08	5.25
<i>Not in labour force</i>	21400	100.00	0.62	0.12	0.16	2.42	0.18	2.58	0.71	0.03	0.98	0.13	3.23	88.33
Men														
<i>Unemployed</i>	2300	100.00	20.62	5.04	3.51	24.66	0.41	34.44	0.18	0.73	0.78	0.57	0.89	3.74
Looking for full-time work	1300	100.00	21.28	5.91	4.24	22.87	0.55	34.84	0.28	0.59	0.67	0.36	0.99	3.80
Looking for part-time work	100	100.00	28.00	1.00	1.00	30.00	..	11.00	..	7.00	..	..	..	7.00
Looking for any kind of work	900	100.00	19.19	4.03	2.56	26.97	0.23	35.21	0.06	0.57	0.97	0.91	0.80	3.46
<i>Employed</i>	11400	100.00	2.63	0.76	0.68	0.17	0.11	90.59	0.92	0.21	0.25	0.21	2.17	0.21
Involuntary part-time ^c	100	100.00	6.08	2.03	6.08	1.35	2.70	54.73	6.08	4.73	5.41	..	4.73	0.68
Full-time employment	11100	100.00	2.51	0.75	..	0.16	7.77	91.58	0.47	0.09	0.19	0.22	2.10	0.11
Other part-time ^d	200	100.00	3.56	..	0.30	..	1.19	50.15	27.89	0.30	2.08	..	6.23	5.34
<i>Not in labour force</i>	6200	100.00	0.76	0.15	0.10	2.26	0.04	3.66	0.54	..	0.70	0.28	6.82	82.90
Women														
<i>Unemployed</i>	1800	100.00	13.49	2.68	3.10	49.94	1.11	16.06	1.30	0.94	1.55	0.33	0.64	8.90
Looking for full-time work	900	100.00	13.15	2.37	3.69	48.02	1.32	17.38	1.10	0.77	2.15	0.17	0.50	9.35
Looking for part-time work	200	100.00	11.96	2.39	3.48	41.30	0.65	14.35	3.70	1.30	0.87	1.30	1.96	16.52
Looking for any kind of work	700	100.00	14.40	3.21	2.16	55.52	0.90	14.85	0.82	1.04	0.97	0.22	0.30	5.67
<i>Employed</i>	4700	100.00	3.09	0.95	1.30	0.19	2.08	79.07	7.32	0.53	0.75	0.16	3.33	1.22
Involuntary part-time ^e	200	100.00	10.34	1.05	4.85	2.11	21.73	23.00	17.93	6.12	2.74	0.63	5.49	4.22
Full-time employment	4000	100.00	2.85	0.93	1.13	0.09	0.71	88.02	2.30	0.15	0.55	0.15	2.55	0.58
Other part-time ^d	500	100.00	1.49	1.07	0.85	0.11	3.94	31.56	44.67	0.64	1.39	0.11	8.85	5.22
<i>Not in labour force</i>	15200	100.00	0.56	0.11	0.19	2.48	0.24	2.11	0.78	0.04	1.10	0.07	1.76	90.55

a) Sample sizes were assumed to be proportional to the magnitude of the weighted estimate and are approximate.

b) Sectoral restructuring, voluntarily for other reasons.

c) Involuntary part-time employment is due to inability to find a full-time job.

d) Other reasons for having a part-time job are taking a course of instruction or vocational training, illness or disability, unwillingness to take full-time work and other reasons.

e) Other reasons for being out of the labour force are military service, family responsibilities, early retirement on economic grounds, retirement on account of illness or disability, retirement for other reasons and other voluntary reasons.

Source: Unpublished data provided by the Instituto Nacional de Estadística.

Table 7.6. **Proportion leaving, continuing or becoming involuntary part-time in the United States, 1984-1985**

Status in 1984	Sample size ^a	Total (%)	Status in 1985						Not in labour force
			Unemployed		Employed				
			Looking for full-time work	Looking for part-time work	Full-time employment	Involuntary part-time, usually work full-time ^b	Involuntary part-time, usually work part-time ^c	Voluntary part-time	
All persons									
Unemployed	18039	100.00	22.05	2.93	32.33	1.88	6.35	8.68	25.79
Looking for full-time work	14285	100.00	25.52	1.62	36.66	2.06	6.65	4.91	22.58
Looking for part-time work	3754	100.00	8.84	7.88	15.85	1.20	5.22	23.02	37.99
Employed	269495	100.00	2.41	0.35	75.91	1.15	2.25	10.85	7.09
Full-time employment	216260	100.00	2.27	0.15	88.14	1.00	0.97	3.09	4.38
Involuntary part-time, usually work full-time ^b	3787	100.00	7.55	0.69	58.60	8.50	7.18	8.61	8.87
Involuntary part-time, usually work part-time ^c	8833	100.00	6.92	1.26	34.57	2.93	20.91	19.91	13.49
Voluntary part-time	40615	100.00	1.68	1.18	21.37	0.85	4.60	50.38	19.94
Not in labour force	165299	100.00	1.67	0.83	4.39	0.22	0.95	5.19	86.75
Men									
Unemployed	9715	100.00	26.94	2.11	37.50	2.21	6.07	6.06	19.10
Looking for full-time work	8236	100.00	29.71	1.09	41.12	2.37	6.03	3.27	16.40
Looking for part-time work	1479	100.00	11.49	7.78	17.31	1.35	6.29	21.64	34.14
Employed	149351	100.00	2.72	0.24	84.24	1.22	1.47	5.27	4.84
Full-time employment	132190	100.00	2.44	0.10	90.85	1.03	0.73	1.73	3.12
Involuntary part-time, usually work full-time ^b	2170	100.00	9.40	0.41	63.23	8.94	6.18	5.44	6.41
Involuntary part-time, usually work part-time ^c	3244	100.00	10.60	1.14	41.83	3.91	18.03	12.85	11.62
Voluntary part-time	11747	100.00	2.43	1.58	25.36	1.18	4.40	43.02	22.02
Not in labour force	50852	100.00	2.33	0.96	5.13	0.28	0.96	4.91	85.43
Women									
Unemployed	8324	100.00	16.34	3.88	26.30	1.49	6.68	11.73	33.59
Looking for full-time work	6049	100.00	19.80	2.35	30.58	1.64	7.49	7.14	31.00
Looking for part-time work	2275	100.00	7.12	7.96	14.90	1.10	4.53	23.91	40.48
Employed	120144	100.00	2.02	0.48	65.55	1.06	3.23	17.78	9.88
Full-time employment	84070	100.00	2.00	0.22	83.87	0.95	1.34	5.24	6.36
Involuntary part-time, usually work full-time ^b	1617	100.00	5.07	1.05	52.38	7.92	8.53	12.86	12.18
Involuntary part-time, usually work part-time ^c	5589	100.00	4.78	1.32	30.36	2.36	22.58	24.01	14.58
Voluntary part-time	28868	100.00	1.38	1.02	19.75	0.72	4.68	53.37	19.09
Not in labour force	114447	100.00	1.37	0.78	4.06	0.19	0.94	5.32	87.34

a) The sample size represents the sum of the unweighted counts over the 12-month period. The actual number of distinct persons represented is smaller than the sample size shown because, given the CPS rotation pattern, up to 4 over-the-year matches are possible for each person.

b) Persons who usually work 35 hours or more per week, but worked less than 35 hours during the reference week due to economic reasons, or who had just started or terminated a job.

c) Persons who usually work less than 35 hours per week, the vast majority of whom say that they cannot find full-time work. Also included is a much smaller group who give slack work as the reason.

Source: Unpublished data provided by the United States Bureau of Labor Statistics.

said, leaving unemployment for involuntary part-time work, at between 6-9 per cent, is important to note. Moreover, this movement is largely into the group who say that they cannot find full-time work. It would seem possible, therefore, that some accepted the job as a "better than nothing" alternative [Heller (1986)]. The likelihood of being unemployed at both dates was rather greater for those who were looking for full-time jobs, while among part-time job-seekers about 38 per cent were, one year later, out of the labour force. Taken together, this might indicate less labour market attachment among at least part of this latter group. It is possible also that many became discouraged with their prospects and left the labour force, although previous research on discouraged workers suggests that only a small proportion of the unemployed who leave the labour force are classified as discouraged (in the sense that they say they are not seeking work because they believe no jobs are available) [OECD(1987a)].

Finally, there are some differences in these flows between men and women. Men working full-time were more likely than women to remain in full-time employment. Importantly, women working involuntarily part-time were quite a bit less likely compared with men to have moved into a full-time position, and slightly more likely to have remained involuntary part-time, at least for the category "could not find full-time work".

A close examination of Tables 7.5 and 7.6 suggests several important differences between the two countries which likely reflect differences in underlying labour market conditions, although definitional dissimilarities should also be borne in mind. First, at least as represented by the data here, full-time workers in both countries are rather similar. Over 90 per cent of them were employed at both dates, most still in full-time employment. Second, involuntary part-time workers who say that they cannot find a full-time job are much more likely to have become unemployed and less likely to have remained employed (regardless of type of employment status) in Spain compared with the United States. That is, they seem more vulnerable to the higher aggregate unemployment in Spain. At the same time, *given* that they were employed at both dates, the probability of moving into full-time employment among all persons was about the same in both countries.

Third, in Spain a much higher percentage of the unemployed were so classified at both dates compared with the United States, a difference consistent with the greater extent of measured long-term unemployment in Spain. And the proportion of the unemployed who found a job was lower in Spain (29 per cent) than in the United States (about 50 per cent). While the unemployed in the United States had more success in finding a job, it should also be pointed out that the rate of leaving the labour force is substantially higher in that country. For

example, among the unemployed looking for full-time work, almost 60 per cent were unemployed at both dates in Spain compared with 27 per cent in the United States. However, if one calculates the percentage without work at both dates, the differences narrow to 68 and 50 per cent, respectively. This is consistent with previous research on unemployment flows and emphasizes again how essential it is to understand the reasons for such differences in order to grasp fully the dynamics of long-term unemployment and joblessness [OECD(1988a)]⁶.

3. Flows into involuntary part-time work

Equally important as analysis of labour force flows from underemployment is that of flows into underemployment. Where do underemployed workers come from? Spanish data for 1987 and 1988 and United States data for 1984 and 1985 were constructed to provide an initial overview of this question.

Spanish and American data in Table 7.7 show the distribution of involuntary part-time workers in 1988 (1985), classified by their reported labour force status one year earlier. The essential points concerning Spain are the following. First, as defined here, around 30 per cent of the underemployed in 1988 had also been underemployed in 1987. Second, there are large differences between men and women. Over one-third of men who were underemployed in 1988 had, one year earlier, been working full-time and 30 per cent came from unemployment. In contrast, one-third of underemployed women in 1988 had also been underemployed and 23 per cent had been out of the labour force the previous year.

For the United States, the following are the important points. First, among those part-time workers who could not find a full-time job in 1985, while 20 per cent were in that state at both dates, almost 24 per cent had been employed full-time one year earlier. Second, just over 1 in 5 workers who could not find a full-time job had previously been classified as voluntary part-time. Finally, the majority of those on part-time schedules for economic reasons had been full-time workers.

F. SUMMARY AND CONCLUSIONS

1. Summary

This chapter has presented a comparative analysis of the involuntary part-time employed. The main empirical findings from the cross-section data are:

- While there are substantial differences across countries in the ratio of total involuntary part-time

Table 7.7. **Involuntary part-time workers distributed by their labour force status one year earlier, Spain and the United States**

	Spain			United States					
	Involuntary part-time, second quarter 1988 ^a			Involuntary part-time, usually work part-time 1985 ^a			Involuntary part-time, usually work full-time 1985 ^b		
	Total	Men	Women	Total	Men	Women	Total	Men	Women
Sample size ^c	180	24	156	8 786	3 278	5 508	3 792	2 178	1 614
Status one year earlier (%)	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00
Unemployed	16.29	37.50	12.99	13.04	18.00	10.10	8.94	9.87	7.68
Looking for full-time work	10.67	29.17	7.79	10.81	15.16	8.22	7.75	8.95	6.13
Looking for part-time work	0.84	..	0.97	2.23	2.84	1.87	1.18	0.92	1.55
Looking for any kind of work	4.49	8.33	3.90	..	..	..	..	..	..
Employed	62.08	52.08	63.64	69.17	67.14	70.38	81.67	83.66	79.00
Full-time employment	20.79	35.42	18.51	23.80	29.44	20.44	57.20	62.53	50.00
Involuntary part-time, usually work full-time ^b	..	..	..	3.10	4.09	2.51	8.49	8.91	7.93
Involuntary part-time, usually work part-time ^u	29.78	8.33	33.44	21.02	17.85	22.91	6.83	5.83	8.18
Voluntary/other part-time ^d	11.52	8.33	12.01	21.25	15.77	24.51	9.15	6.38	12.89
Not in labourforce	21.63	10.42	23.38	17.79	14.85	19.53	9.39	6.47	13.32

a) Involuntary part-time employment in the Spanish data is due to inability to find a full-time job. For the United States, the data refer to persons who usually work less than 35 hours per week, the vast majority of whom say that they cannot find full-time work. Also included is a much smaller group who give slack work as the reason.

b) Persons who usually work 35 hours or more per week, but worked less than 35 hours during the reference week due to economic reasons, or who had just started or terminated a job.

c) The sample size for Spain was assumed to be proportional to the magnitude of the weighted estimate and is approximate. The sample size for the United States represents the sum of the unweighted counts over the 12-month period. The actual number of distinct persons represented is smaller than the sample size shown because, given the CPS rotation pattern, up to 4 over-the-year matches are possible for each person.

d) Spanish data refer to other part-time workers. Other reasons for part-time work in Spain are taking a course of instruction or vocational training, illness or disability, unwillingness to take full-time work and other reasons.

Sources: See Table 7.5 for Spain and Table 7.6 for the United States.

to total employment, quite importantly this ratio is always higher for women than men. On the other hand, the *incidence* of involuntary part-time to part-time work is generally greater among men. The contrast between these two results partly reflects the fact that women are much more likely than men to work part-time *per se*;

- With only a few exceptions, both in terms of numbers and as a proportion of employment, by far the most important category of involuntary part-time work is the inability to find a full-time job;
- The age and sex distribution of part-time workers who could not find full-time work reveals that the majority are adult women, while men generally comprise the majority of the significantly smaller group of workers working part-time because of slack work;
- With few exceptions, most part-timers who could not find full-time jobs are found in the service sector, particularly in distribution and trade, and other services. This is not surprising because one expects these involuntary part-time workers to be working in areas which provide a lot of part-time work;
- Data on the incidence of job search on the part of the employed show a rather consistent pattern. The highest incidence of looking for work is almost always among those who say they cannot find a full-time job, followed by those working part-time for economic reasons, voluntary part-timers and full-time workers, in that order.

This chapter also examined over-the-year flow data for Spain and the United States. The main findings are:

- Most full-time workers were also counted as full-time one year later and, with the exception of men in Spain, only a small percentage entered involuntary part-time employment, or unemployment;
- On average, about one-third of part-time workers who could not find a full-time job had moved into full-time work one year later. However, men were more successful than women in making this transition, and women were more likely to remain in the state of working involuntarily part-time;
- The likelihood of involuntary part-time workers being counted as unemployed one year later, at about 18 per cent in Spain and 8 per cent in the United States, was much higher than the comparable probability for full-time workers;
- The probability of the unemployed finding a job was quite a bit higher in the United States than in Spain. While this is consistent with previous research on the unemployment-employment transition, it should also be pointed out that dropping out of the measured labour force is higher in the United States. The difference between the two countries in

remaining jobless is substantially lower than is the case for remaining unemployed;

- At least in the United States, movement into involuntary part-time work from unemployment seems important to note. About 8 per cent of the unemployed had, one year later, made this transition. While the findings on the transition from involuntary part-time work to full-time employment suggest that some or many may ultimately make the move to full-time jobs, the data also show that roughly one in twelve involuntary part-timers were counted as unemployed one year later.

2. Conclusions

The analysis presented in this chapter raises several issues. First, the desire to work full-time among those who could not find a full-time job cannot be considered merely a matter of “wishes.” More so than other employed persons, they are looking for additional work or another job. In addition, a slightly greater percentage of these workers appear, on the basis of flow data, to enter full-time jobs compared to the unemployed. While the differences are not great, they do suggest the possibility that being employed, even if involuntarily part-time, makes the transition to full-time jobs somewhat easier. It should be remembered, however, that this conclusion derives from the over-the-year flow data of just two countries.

Second, and equally important, employed women, who comprise the majority of those who say they cannot find full-time jobs, are less likely than men to say they are looking for work and less likely to make the transition to full-time employment. This important finding suggests that the underlying reasons for the inability to find full-time work differ considerably between men and women. For example, given the gender division of labour, women are much more constrained by non-paid work responsibilities, making it particularly difficult for them to find work schedules on offer from employers that fit in with those responsibilities. Such factors also constrain their ability to search for work. Statistical discrimination might also be at work. That is, finding full-time work may be made more difficult for married women if employers’ hiring practices are affected by the belief that they are less likely to be reliable employees because of such responsibilities — a judgement which is then applied to all women regardless of their actual individual circumstances⁷.

Finally, it may be useful to reiterate that this chapter has not considered the issues of involuntary part-time employment over time or over phases of the business cycle. The dynamics of the components of underemployment, therefore, remain to be addressed.

NOTES

1. Issues of labour underutilisation, a broad concept of labour supply, are also part of this debate. See De Neubourg (1988) for an analysis of this issue.
2. There is an extensive literature on the determinants of the supply of work schedules offered by firms and how they may vary across types of workers. While the analyses are often rather complicated, the central point is that firms cannot possibly offer an infinite variety of schedules, and this is related not only to technological factors but may also be related to problems of monitoring and the importance of fixed employment costs. A perfect matching of the desired schedules of all employees and employers is quite unlikely. Discussion of these issues is beyond the scope of this chapter [see Kahn and Lang (1987); Lazear (1981)].
3. Okun (1981) provides a useful examination of the process of labour input adjustments by employers in response to both positive and negative shocks, and enumerates the reasons why employers may wish to hoard labour in a downturn. Okun (1973) has also examined the components contributing to lost (added) output during a downturn (upturn) including unemployment, fewer (more) hours worked by the employed and reduced (increased) participation. The relationship between production and unemployment with the business cycle is also analysed using Okun's theory in Hamada and Kurosaka (1984).
4. In Germany, workers are compensated for a part of their loss in earnings by the unemployment insurance system if their employer puts them on part-time work rather than on layoff. There were 463 000 such workers in March 1987 (1.8 per cent of total employ), the reference period for the data in Table 7.1. It is possible that many of those who were protected by such measures did not report themselves as having lost hours of work during the survey reference week, as they were continuing to be paid on a full-time basis. This may partly explain the low figures for Germany.
5. The incidence of the failure to find full-time work by industry indicates that it is in distribution and trade, and other services where this ratio is generally highest.
6. To understand fully such issues requires analysis of the dynamics of job creation [see Blanchard (1989); Blanchard and Diamond (1989)].
7. It has sometimes been suggested that women choose jobs which will be the least affected, in terms of wages and wage growth, by interruptions in labour market experience [Polachek (1979)]. Part-time jobs are likely to have less of a return to experience, and continuity possibly less important for career development, than is the case with full-time jobs. However, England (1982) found little evidence that women choose jobs to minimise income loss, i.e. the author found no correlation between measures of skill depreciation and intermittent labour force attachment and the percentage of women in an occupation. In any case, the argument about choice may apply less to women working part-time involuntarily. They both wish to work full-time and a non-trivial proportion are looking for work.