

Worker displacement still common in the late 1980's

Even during a period of rapid employment growth — from 1985 through 1989 — 4.3 million persons were displaced from their jobs

Diane E. Herz

Worker displacement is often considered a symptom of poor economic times. While large job losses are expected during recessionary periods, far fewer are expected during expansionary ones. Data for the 1980's show that, while workers had lost more jobs during the recessionary years early in the decade than during the subsequent expansion, displacements were not uncommon even during years of rapid economic growth. This reflects the fact that in any dynamic economy, some industries may experience widespread declines (or expansions), while others may experience less dramatic changes. In the latter years of the decade, some employers were forced to curtail operations even though overall economic conditions were favorable.

The years 1985 through 1989 marked the third through seventh years of continuous economic expansion in the United States. Over the period, total employment expanded by 11.7 million.¹ At the same time, however, 4.3 million workers who had been with their employers for at least 3 years lost their jobs because their plants or businesses closed down or moved, their positions or shifts were abolished, or not enough work was available for them to do. The 4.3 million compared with 5.1 million workers reported displaced during an earlier survey period that included the recessions of 1980 and 1981–82. Of the 4.3 million workers displaced in recent years, 72 percent were reemployed when surveyed in January 1990. This was a considerable improvement over the 60-percent reem-

ployment rate found among those displaced in the early 1980's.

Interest in the experiences of displaced workers heightened in the early 1980's, as back-to-back recessions led to serious job losses, particularly in manufacturing. Researchers, policymakers, and others wanted to know what happened to workers who had lost their jobs due to structural adjustment or other reasons. In response to their concern, the Employment and Training Administration of the U.S. Department of Labor requested that BLS design a survey of worker displacement to be conducted in January 1984, and covering the preceding 5 years.

Since the 1984 survey, three other surveys of the same type have been conducted—in January of 1986, 1988, and 1990. This article provides an overview of displacement patterns during the 1980's and describes the employment situation of workers displaced during the 1985–89 period, always focusing on those who had been with their employers for at least 3 years.²

Displacement less concentrated, 1985–89

Although fewer in number, the workers displaced in the late 1980's represented a wider range of industries and occupations than did those displaced earlier in the decade. During the first two survey periods, both of which included the 1981–82 recession (the first survey also covered the 1980 recession), nearly 50 percent of the displaced workers had lost factory jobs. That proportion declined to 38 percent during

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Table 1. **Displaced workers by industry and class of worker, 1979-83 and 1985-89¹**

[Numbers in thousands]

Industry and class of worker	1979-83	1985-89
Total, age 20 and over ²	5,091	4,326
Nonagricultural private wage and salary workers	4,700	3,997
Mining	150	135
Construction	401	311
Manufacturing	2,483	1,626
Durable goods	1,875	1,056
Lumber and wood products	81	54
Furniture and fixtures	65	58
Stone, clay, and glass products	75	63
Primary metal industries	219	98
Fabricated metal products	173	94
Machinery, except electrical	396	202
Electrical machinery, equipment, and supplies	195	205
Transportation equipment	354	217
Automobiles	224	110
Other transportation equipment	130	107
Professional and photographic equipment	54	36
Other durable goods industries	62	28
Nondurable goods	808	569
Food and kindred products	175	112
Textile mill products	80	46
Apparel and other finished textile products	132	141
Paper and allied products	60	25
Printing and publishing	103	79
Chemical and allied products	110	57
Rubber and miscellaneous plastic products	100	45
Other nondurable goods industries	49	64
Transportation and public utilities	336	271
Transportation	280	199
Communication and other public utilities	56	73
Wholesale and retail trade	732	845
Wholesale trade	234	217
Retail trade	498	628
Finance, insurance and real estate	93	254
Services	506	556
Professional services	187	247
Other service industries	318	308
Agricultural wage and salary workers	100	57
Government workers	248	118
Self-employed and unpaid family workers	25	49

¹ Data refer to persons with tenure of 3 years or more who lost or left a job between January 1979 and 1983 or between January 1985 and 1990 because of plant closings or moves, slack work, or the abolishment of their positions or shifts.

² Total includes a small number who did not report industry.

the most recent period. (See table 1.) While factory workers were overrepresented even among the most recently displaced—as factory jobs accounted for about a fifth of total employment—they have increasingly been joined by workers displaced from service-producing industries. Both overall increases in service-sector employment and weakness in certain industries—even as the general economy was growing robustly—contributed to growth in the number of displaced service workers.³

Between 1985 and 1989, overall manufacturing employment grew slightly, as some industries expanded and others contracted. While the incidence of factory displacement was a third less than that posted early in the decade, far more

displacement still occurred among factory workers than among workers in any other major industry group. At 1.6 million, the number of persons losing long-held factory jobs was 165,000 below that observed during the previous survey period (1983 through 1988), and about 900,000 less than during each of the first two survey periods (1979 through 1983 and 1981 through 1985).

The most recent job losses were concentrated among the same group of manufacturing industries as were the earlier ones. Between 1985 and 1989, about 200,000 workers each were displaced from the electrical (and electronic) equipment and nonelectrical machinery industries, both high-displacement industries in previous periods. Another 215,000 workers lost jobs in transportation equipment (including auto manufacturing). Nondurable goods industries with the greatest numbers of displaced workers included apparel, with 140,000, and food processing, with 110,000.

About 45 percent of all recently displaced workers had held jobs in private service-producing industries before displacement, and another 3 percent had been employed in government jobs. In contrast to manufacturing industries, many of which suffered long-term declines in employment in the 1980's, nearly all service-producing industries grew throughout the 1985-89 period. In some industries, overall expansion concealed underlying patterns, as some employers imposed cutbacks while others added to their payrolls. In retail trade, for example, 630,000 workers were displaced between 1985 and 1989, while overall industry employment expanded by 2.2 million. Another 560,000 workers lost jobs in the expanding services industries. And, while employment in finance, insurance, and real estate grew over the period, 250,000 workers were displaced from those industries, partly as a result of financial troubles among banks and savings and loan institutions.

Reflecting these industry patterns, 1.1 million operators, fabricators, and laborers and 710,000 precision production workers lost jobs between 1985 and 1989. Workers displaced from these occupations accounted for 43 percent of all displaced workers, down from 56 percent in the first survey period. Also, 870,000 managers and professionals and 625,000 administrative support workers were displaced over the period. (See table 2.)

Measuring the risk of displacement

It is clear that workers in some industries and occupations were at much greater risk of losing their jobs than were others, and that the risk of

displacement varied from period to period during the 1980's. The magnitude of those differences can be estimated using *displacement rates*. These rates compare the number of displaced workers in specific industries and occupations during specified survey periods with employment of workers with 3 or more years of tenure in those industries and occupations during the same periods. Thus, they permit estimation of the likelihood of displacement sometime during specific 5-year periods. Displacement rates for the first and fourth displaced worker survey periods are included in table 3.⁴

As shown, workers in the goods-producing industries—mining, construction, and manufacturing—were much more at risk of losing their jobs during both survey periods than were those in service-producing industries. More than 1 in every 4 mining employees and nearly 1 in 9 manufacturing employees were displaced sometime between 1985 and 1989. In contrast, only about 1 in 20 workers employed in the services industries was displaced.

The risk of displacement declined substantially over the decade for workers employed in goods-producing industries. For example, the probability of displacement fell from 19 percent to 12 percent in construction and from 18 percent to 12 percent in durable goods manufacturing between the first and fourth survey periods.

Such improvement was less common in the service-producing industries. In the finance, insurance, and real estate industry, for example, the risk of displacement during the fourth survey period was more than double that during the first period; this at least partially reflected the severe solvency problems of some banks and savings and loan institutions. In contrast, displacement rates were about unchanged in wholesale and retail trade (combined) and were down slightly in services industries.

As would be expected, occupational data showed similar patterns, with operators, fabricators, and laborers at the greatest risk, and professionals at the least risk of being displaced. Since the first survey period, the likelihood of displacement declined substantially for workers in precision production and operator jobs, but remained about unchanged or fell slightly for most other worker groups.

Demographics of displacement

Who gets displaced depends on many different factors. Differences in worker tenure or productivity often have an impact on one's chances of displacement. Discrimination based on age, sex, or race may also lead to the targeting of particular groups of workers. Probably more than any-

Table 2. **Displaced workers by occupation, 1979–83 and 1985–89¹**

[Numbers in thousands]

Occupation	1979–83	1985–89
Total, age 20 and over ²	5,091	4,326
Managerial and professional specialty	703	869
Executive, administrative, and managerial	444	563
Professional specialty	260	307
Technical, sales, and administrative support	1,162	1,209
Technicians and related support	122	129
Sales occupations	468	457
Administrative support, including clerical	572	623
Service occupations	275	250
Precision production, craft, and repair	1,042	711
Mechanics and repairers	261	190
Construction trades	315	197
Other precision production, craft and repair	467	325
Operators, fabricators, and laborers	1,823	1,142
Machine operators, assemblers, and inspectors	1,144	697
Transportation and material moving occupations	324	251
Handlers, equipment cleaners, helpers, and laborers	355	194
Farming, forestry, and fishing	68	59

¹ Data refer to persons with tenure of 3 years or more who lost or left a job between January 1979 and 1983 or between January 1985 and 1990 because of plant closings or moves, slack work, or the abolishment of their positions or shifts.

² Total includes a small number who did not report occupation.

thing else, however, displacement patterns simply reflect industry conditions. That is, the workers most likely to lose their jobs are those in declining industries or in establishments undergoing significant structural changes. Table 4 presents data on both the number of workers displaced and displacement rates for various worker groups during the first and fourth survey periods.

As shown, in both 5-year periods, men were more likely to be displaced than were women. The 2.6 million men who were displaced between 1985 and 1989 accounted for 61 percent of all displacement; that share was down slightly from 65 percent for the 1979–83 period. Because of their concentration in the relatively volatile goods-producing industries, men had a somewhat higher risk than women of losing their jobs. During the first survey period, when displacement from those industries was very common, about 9 percent of employed men with 3 or more years of tenure were displaced, compared with 7 percent of employed women. Declines in goods-producing displacement later in the decade lessened men's risk of job loss. In the most recent survey period, about 7 percent of men and 6 percent of women were displaced.

Eight of every 10 workers displaced over the 1985–89 period were between the ages of 25 and 54. Most of the others were age 55 or older, although a small proportion were in their early twenties. The latest survey showed a much greater concentration of displaced workers within the

Table 3. **Displacement rates by industry and occupation, 1979-83 and 1985-89¹**

[In percent]

Characteristic	Displacement rates	
	1979-83	1985-89
Industry		
Total, age 20 and over.....	8.3	6.4
Nonagricultural private wage and salary workers.....	11.2	8.5
Mining.....	26.6	22.0
Construction.....	19.2	12.3
Manufacturing.....	16.7	11.4
Durable goods.....	18.4	12.1
Nondurable goods.....	14.0	10.2
Transportation and public utilities.....	8.8	6.7
Wholesale and retail trade.....	8.4	8.7
Finance, insurance, and real estate.....	2.9	6.6
Services.....	5.6	4.8
Agricultural wage and salary workers.....	13.0	6.6
Government workers.....	2.1	1.0
Self-employed and unpaid family workers.....	.4	0.7
Occupation		
Total, age 20 and over.....	8.3	6.4
Managerial and professional specialty.....	4.4	4.5
Executive, administrative, and managerial.....	5.9	5.9
Professional specialty.....	3.1	3.1
Technical, sales, and administrative support.....	6.6	6.2
Technicians and related support.....	7.3	6.2
Sales.....	7.9	6.5
Administrative support, including clerical.....	5.7	6.0
Service occupations.....	4.3	3.7
Protective services.....	3.1	1.1
Other service occupations.....	5.0	4.5
Precision production, craft, and repair.....	12.7	8.0
Mechanics and repairers.....	(²)	6.1
Construction trades.....	(²)	7.0
Other.....	(²)	10.9
Operators, fabricators, and laborers.....	16.9	11.3
Machine operators, assemblers, and inspectors.....	19.8	13.6
Transportation and material moving occupations.....	11.3	8.6
Handlers, equipment cleaners, helpers, and laborers.....	16.9	9.2
Farming, forestry, and fishing.....	2.6	2.5

¹ Displacement rates for individual industries and occupations are calculated by dividing the level of displacement in a specific industry or occupation in a specified period by an estimate of total employment in that industry or occupation during the same period.

² Data not available.

35-to-44 age group than did the first survey, covering the early years of the decade. This pattern reflected the growing concentration of the labor force in this age interval—due to the aging of the baby-boom generation—rather than a targeting of those workers for dismissals. In fact, the actual risk of displacement varied only slightly across age groups.

About 3.8 million, or 87 percent, of recently displaced workers were white, and about 450,000 (10 percent) were black. Black workers were only slightly more likely than white workers to have been displaced between 1985 and 1989. This was a change from the earliest years of the decade, during which blacks were far more likely to lose their jobs. Hispanic workers, in contrast, continued to be overrepresented among the displaced. It is unclear why Hispanic workers were

at a greater risk of displacement than others; however, their shorter average tenure—even among those with at least 3 years on the job—was probably one factor.

Reemployment up over the decade

The proportion of displaced workers who held new jobs when surveyed in January 1990 was 72 percent, about the same as was found in January 1988, but well above the 60 percent noted in the first survey in January 1984. The proportion of the displaced who were unemployed—14 percent in January 1990—was also little changed from January 1988, but was down dramatically from 26 percent recorded in January 1984.

Increases in reemployment and decreases in unemployment among displaced workers during the second half of the 1980's reflected both overall improvements in national economic conditions and the timing of individual survey periods. Because of movements in the business cycle, a larger proportion of the displacements during the 1979-83 period than during the most recent period had occurred in the 2 years immediately preceding the respective survey. Thus, those displaced earlier in the decade had less time, on average, before the survey date to find a job than did those displaced later.

Increases in reemployment occurred across all affected worker groups. As the tabulation below shows, recently displaced men, women, white, black, and Hispanic workers were all more likely to hold new jobs as of January 1990 than were those displaced earlier in the decade. Improvements were especially dramatic among black workers. Seventy-two percent of the group displaced during the most recent period were reemployed in January 1990, compared with only 42 percent of those surveyed in January 1984.

	Percent reemployed, January		Percent unemployed, January	
	1984	1990	1984	1990
Total...	60.1	72.3	25.5	14.0
Men.....	63.6	74.3	27.1	15.3
Women...	53.4	69.4	22.5	12.1
White....	62.6	72.2	23.4	13.8
Black....	41.8	72.1	41.0	15.9
Hispanic..	52.2	66.2	33.7	18.0

As did previous surveys, the January 1990 study showed that the likelihood of finding new jobs varied markedly by industry. For example, 71 percent of displaced manufacturing employees were reemployed in January 1990, compared with 79 percent of displaced services workers.

Workers who lost jobs in the auto industry had a very low reemployment rate—62 percent. In contrast, 86 percent of displaced government workers held new jobs. Patterns were similar by occupation, with only two-thirds of displaced operators, but 83 percent of displaced professionals, reemployed.

About half changed industries

Many workers displaced between 1985 and 1989 who found new jobs were no longer working in the same industries from which they had been displaced. The proportion reemployed in work similar to jobs they had lost varied by industry. Six of every 10 workers displaced from the services industries, for example, were reemployed in new service industry jobs in January 1990. In contrast, only 43 percent of displaced durable goods manufacturing workers had found new jobs in that sector.

Because the services industries were expanding throughout the 1985–89 period, a disproportionate share of workers who changed industries moved into services jobs. For example, of the 1.2 million reemployed displaced manufacturing workers, half found new manufacturing jobs, and 19 percent began working in services. The remainder were spread among construction (6 percent); retail trade (9 percent); transportation and public utilities (5 percent); finance, insurance, and real estate (4 percent); and wholesale trade (4 percent).

Reemployed displaced workers were slightly less likely to change occupations than to change industries. Fifty-five percent of displaced operators, fabricators, and laborers, for example, found jobs similar to their old ones. Another 12 percent were reemployed in precision production work. Others took sales, clerical, and managerial jobs.

Many reemployed lost earnings

While workers displaced between 1985 and 1989 had an easier time finding new jobs than did those displaced earlier in the decade, earnings patterns in the new jobs were quite similar to those noted in the earlier study periods. As did the previous three surveys, the January 1990 survey showed that more than 4 in every 10 workers who had lost full-time wage and salary jobs and were again working full time earned less on their new jobs than on their old ones. And, about 1 in 4 suffered earnings losses of 20 percent or more. (See table 5.) It should be noted that such decreases are also somewhat understated (and increases overstated), as the figures in table 5 are not adjusted for inflation.

Other workers reduced their work activity

Table 4. **Number of displaced workers and displacement rates, by age, sex, race and Hispanic origin, 1979–83 and 1985–89**

[Numbers in thousands]

Characteristic	Displaced workers ¹		Displacement rates ²	
	1979–83	1985–89	1979–83	1985–89
Total				
Total, 20 years and over	5,091	4,326	8.5	6.5
20 to 24 years	342	129	7.9	3.8
25 to 54 years	3,809	3,410	8.8	6.7
25 to 34 years	1,692	1,199	10.8	6.7
35 to 44 years	1,218	1,338	8.5	7.1
45 to 54 years	900	873	6.9	6.3
55 to 64 years	748	623	7.6	6.5
65 years and over	191	163	7.7	6.4
Men, 20 years and over	3,328	2,619	9.2	6.7
Women, 20 years and over	1,763	1,707	7.4	6.2
White				
Total, 20 years and over	4,397	3,778	8.3	6.5
Men	2,913	2,311	8.9	6.7
Women	1,484	1,467	7.3	6.3
Black				
Total, 20 years and over	602	447	10.5	6.7
Men	358	242	12.1	7.3
Women	244	204	8.8	6.1
Hispanic³				
Total, 20 years and over	282	342	9.4	8.8
Men	189	222	9.7	9.0
Women	93	120	8.6	8.3

¹ Data refer to persons with tenure of 3 years or more who lost or left a job between January 1979 and 1984 or between January 1985 and 1990 because of plant closings or moves, slack work, or the abolishment of their positions or shifts.

² Displacement rates for individual groups were calculated by dividing the number of displaced workers by an estimated level of total employment among the group.

³ The rate for Hispanic workers from 1979–83 was calculated using an average employment figure for 1980–83, as 1979 data were not available.

NOTE: Detail for the above racial and Hispanic origin groups will not sum to totals because data for the "other races" group are not presented, and Hispanics are included in both the white and black population groups.

after displacement, and most likely suffered significant earnings declines as a result. As shown, about 280,000 of the workers who had lost full-time jobs were reemployed part time in January 1990. Most of these workers would probably have continued in their full-time jobs had they not been displaced. Another 180,000 were either self-employed or were working for no pay in a family business at the time of the survey.

Of the workers who did find new full-time jobs, those displaced from goods-producing industries suffered the greatest earnings losses. Within manufacturing, workers who lost jobs in transportation equipment, which includes auto manufacturing, had the most difficult time. Six of every 10 displaced workers in this industry earned less on their new job than on their old one, and more than half of this group suffered declines of 20 percent or more. At the other extreme, 7 in 10 of the workers displaced from finance, insurance, and real estate actually earned

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more on their new jobs than on their old ones. Again, it should be noted that the data in table 5 do not adjust for the effects of inflation.

Health insurance losses

About 74 percent of workers displaced between 1985 and 1989 had been covered by some form of group health insurance on their lost jobs, down slightly from 78 percent in January 1984. About 1 in 4 of those who had previously been covered were no longer covered by any group plan at the time of the January 1990 survey.⁵ (See table 6.)

As would be expected, the previously covered workers who were unemployed in January 1990 or who had left the labor force were those most likely to be without health insurance. About 40 percent had no coverage at the survey date, compared with 17 percent of those who had new jobs. In relation to results of previous surveys, however, coverage among displaced workers in

all employment status groups was up substantially. The fact that coverage increased even for nonemployed workers suggests that they relied more heavily than in the past on the plans of their spouses or other family members. A substantial increase in the number of dual-earner families during the 1980's certainly makes such a scenario plausible.⁶

As in previous surveys, displaced black and Hispanic workers were more likely than whites to be without any health insurance coverage at all in January 1990. While blacks and whites were about equally likely to have been covered on their predisplacement jobs, blacks were much less likely to still be covered after displacement, perhaps because they were less likely to have the insurance of an employed spouse to fall back on. Among Hispanic workers, the incidence of both predisplacement and postdisplacement coverage was very low; only 60 percent of displaced Hispanics were covered by a group health plan on their lost jobs, and a third of these workers

Table 5. **Displaced workers¹ who lost full-time wage and salary jobs and were reemployed in January 1990, by industry of lost job and characteristics of new job**

[Numbers in thousands]

Industry of lost job	Total re-employed, January 1990	Full-time wage and salary job						Part-time job	Self-employed or other full-time job
		Total ²	Total who reported earnings	Earnings on new job relative to those of lost job					
				20 percent or more below	Below, but within 20 percent	Equal to or above, but within 20 percent	20 percent or more above		
Total who lost full-time wage and salary jobs	2,879	2,424	2,167	25.1	18.1	27.5	29.3	279	177
Construction	213	189	178	28.7	17.4	33.7	20.2	6	18
Manufacturing	1,137	962	851	28.4	20.7	25.0	25.9	114	61
Durable goods	747	642	578	30.1	20.8	24.4	24.7	64	41
Primary metals industries	68	57	47	(⁴)	(⁴)	(⁴)	(⁴)	8	3
Steel ³	43	36	28	(⁴)	(⁴)	(⁴)	(⁴)	7	0
Other primary metals	26	22	18	(⁴)	(⁴)	(⁴)	(⁴)	2	3
Fabricated metal products	60	52	48	(⁴)	(⁴)	(⁴)	(⁴)	4	4
Machinery, except electrical	151	133	120	31.7	20.0	23.3	25.0	8	10
Electrical machinery	144	119	106	18.9	19.8	27.4	34.0	12	13
Transportation equipment	157	132	121	34.7	24.8	24.0	16.5	20	5
Automobiles	68	62	59	(⁴)	(⁴)	(⁴)	(⁴)	6	0
Other transportation equipment	89	70	61	(⁴)	(⁴)	(⁴)	(⁴)	14	5
Nondurable goods	390	320	274	24.8	20.8	26.3	28.1	50	20
Transportation and public utilities	191	170	149	22.8	28.2	29.5	19.5	13	7
Wholesale and retail trade	558	465	411	23.6	13.4	27.3	35.8	64	29
Finance, insurance, and real estate	173	139	120	15.0	15.0	28.3	41.7	19	15
Services	420	346	306	21.2	17.3	26.5	35.0	39	35
Professional	200	165	150	19.3	17.3	26.0	37.3	24	11
Other	220	181	156	23.1	17.3	26.9	32.7	16	23
Public administration	17	13	13	(⁴)	(⁴)	(⁴)	(⁴)	4	0
Other industries ⁵	171	139	137	21.9	10.9	35.0	32.1	20	12

¹ Data refer to persons with tenure of 3 years or more who lost or left a full-time wage and salary job between January 1985 and January 1990 because of plant closings or moves, slack work, or the abolishment of their positions or shifts.

² Includes 257,000 persons who did not report earnings on lost job.

³ Includes blast furnaces, steelworks, rolling and finishing mills, and iron and steel foundries.

⁴ Data not shown where base is less than 75,000.

⁵ Includes a small number who did not report industry.

were no longer covered in January 1990. The low coverage rates for Hispanics probably reflected their relatively greater concentration in more marginal jobs.

DESPITE OVERALL economic expansion, many workers continued to be displaced from long-held jobs during the late 1980's. Workers displaced during the latter half of the decade, however, had a much easier time finding new jobs than did those displaced during the early 1980's. Increases in postdisplacement employment and decreases in unemployment over the decade were dramatic. But displaced workers who were reemployed in January 1990 were no more likely to be holding jobs with earnings comparable to those they had lost than were their counterparts displaced in the first half of the decade. And, although increases in the number of dual-worker families and in reemployment rates led to improvement in the incidence of health insurance coverage, many workers—especially minorities—remained unprotected after losing their jobs. □

Footnotes

¹ Employment changes are for the period December 1984 through January 1990. That period coincided with the January 1990 displaced worker survey reference period.

² Each displaced worker survey was conducted as a supplement to the Current Population Survey, a regular monthly survey of about 60,000 households nationwide. Results from the first displaced worker survey, and extensive discussion of definitions, were reported in Paul Flaim and Ellen Sehgal, "Displaced workers of 1979-83: how well have they fared?" *Displaced Workers, 1979-83*, Bulletin 2740 (Bureau of Labor Statistics, 1985). Other survey results were reported in Francis W. Horvath, "The pulse of economic change: displaced workers of 1981-85," *Displaced Workers, 1981-85*, Bulletin 2289 (Bureau of Labor Statistics, 1987); and Diane E. Herz, "Worker displacement in a period of rapid job expansion," *Monthly Labor Review*, May 1990, pp. 21-33.

A fifth displaced worker survey will be conducted in January 1992.

³ For a discussion of the increase in displacement among workers in service-producing jobs, see Herz, "Worker displacement," pp. 21-33.

⁴ The displacement rates shown were calculated by dividing the level of displacement in a specific industry or occupation by an estimate of average employment in that industry or occupation. Employment estimates are averages of industry and occupational employment figures during the specified periods, adjusted for tenure on the job. The numbers of workers with at least 3 years of tenure were estimated by applying tenure distributions to employment figures. Figures for 1979 through 1983 were adjusted with tenure data from the January 1983 supplement to the Current Population Survey (CPS). Figures for 1985 through 1989 were adjusted with 1987 CPS tenure data. Displacement rates may be slightly overstated, as average employ-

Table 6. **Workers who lost jobs between January 1985 and 1990 by incidence of group health insurance on lost job and current coverage under any group plan,¹ January 1990**

[Numbers in thousands]

Characteristic	Total ²	Covered by group health insurance on lost job		Not covered on lost job	
		Total	Not covered under any plan in January 1990		
			Number		Percent
Both sexes					
Total, age 20 and over	4,326	3,191	737	23.1	1,006
Employed	3,129	2,363	411	17.4	670
Unemployed	607	432	181	41.9	162
Not in labor force	590	396	145	36.6	174
Men					
Total, age 20 and over	2,619	2,004	461	23.0	536
Employed	1,945	1,525	260	17.0	364
Unemployed	401	285	121	42.5	106
Not in labor force	273	195	80	41.0	66
Women					
Total, age 20 and over	1,707	1,186	276	23.3	470
Employed	1,184	839	151	18.0	307
Unemployed	206	147	60	40.8	56
Not in labor force	317	201	65	32.3	107
White					
Both sexes, age 20 and over	3,778	2,795	593	21.2	872
Men	2,311	1,777	380	21.4	463
Women	1,467	1,018	213	20.9	409
Black					
Both sexes, age 20 and over	447	327	113	34.6	105
Men	242	177	62	35.0	58
Women	204	149	52	34.9	47
Hispanic					
Both sexes, age 20 and over	342	206	69	33.5	107
Men	222	131	41	31.3	67
Women	120	75	28	37.3	40

¹ Excludes medicaid and medicare.

² Data refer to persons with tenure of 3 years or more who lost or left a job between January 1985 and January 1990 because of plant closings or moves, slack work, or the abolishment of their positions or shifts.

NOTE: Detail for the above racial and Hispanic origin groups will not sum to totals because data for the "other races" group are not presented, and Hispanics are included in both the white and black population groups.

ment figures would be less than the total number of workers with 3 years' tenure at any time during the survey period.

⁵ Excluding medicaid and medicare. In the January 1990 survey, the question on health insurance coverage after displacement specifically excluded coverage through medicaid or medicare. Past surveys had not specifically excluded any plans. The change seems to have had little effect on the data, however. Had workers been reporting coverage through those plans in previous surveys, insurance coverage would most likely have fallen in January 1990. Instead, more workers, not fewer, were covered in January 1990 than 2 years earlier.

⁶ Changes in the composition of American families since 1940 are discussed in detail in Howard V. Hayghe, "Family members in the work force," *Monthly Labor Review*, March 1990, pp. 14-19.