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# Community Service Bulletin

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Donald Sykes, Executive Director

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## The Inner City Employment Crisis

### PERSPECTIVE

This Community Service Bulletin is the first in a series of short documents to be published by the Community Relations-Social Development Commission of Milwaukee County. The series is designed to provide the citizens and major institutions of Milwaukee County with further information on some of the social and economic problems prevalent in their community.

This bulletin is a partial analysis of data from the Census Employment Survey (CES) [1] of the Milwaukee Inner City; i.e. the CES area, [2] shown on Map A. The purpose of this effort is to establish, if only in a cursory manner, the extent and severity of employment problems among residents of the Inner City. *The bulletin discusses and attempts to document three major employment phenomena in the Milwaukee Inner City: 'labor force unemployment', 'underemployment', and 'hidden unemployment'. [3]*

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### COMPARISON OF UNEMPLOYMENT IN THE INNER CITY AND METROPOLITAN MILWAUKEE

The following is a comparison of unemployment in the Milwaukee Inner City and Metropolitan Milwaukee Area which includes Milwaukee, Ozaukee, Washington and Waukesha Counties. The CES report estimates that during the survey period (July 27 to October 18, 1970), there were 8,902 unemployed workers in the Milwaukee Inner City, resulting in an 11.8% unemployment rate. In contrast, the three month (August, September and October) average unemployment rate for Metropolitan Milwaukee was 4.3%<sup>[4]</sup>, as calculated by the Wisconsin State Employment Service (WSES). For the survey period, WSES estimated that there were 27,867 unemployed persons in the Metropolitan Milwaukee, while the Inner City was reported to have 8,902 unemployed persons. Though the CES area contained only 12.3% of the Metropolitan Milwaukee civilian labor force, it had 32% of the total number of unemployed persons in Metropolitan Milwaukee. This results in an Inner City unemployment rate more than two and a half (2.6) times that of Metropolitan Milwaukee.

The monthly unemployment rate for Metropolitan Milwaukee over the last two years has averaged 4.9%, according to WSES estimates. Assuming the differential incidence of unemployment between the Inner City and Metropolitan Milwaukee to have remained relatively constant over the last two years, *the Milwaukee Inner City unemployment rate averaged 12.75% from August 1970 to August 1972 or more than two and a half (2.6) times higher than the Metropolitan Milwaukee area.*

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1. The 1970 Census Employment Survey (CES) data for Milwaukee is published in Employment Profiles of Selected Low-Income Areas, vol. 35.
  2. The CES area, as shown on Map A, is approximately bounded on the north by Keefe Avenue, on the west by 35th Street, on the south by Becher Avenue, and on the east by the Milwaukee River.
  3. Additional information is available upon request or in the 1972 Quantification of Need, prepared by CR-SDC.
  4. Admittedly, there are a number of differences between the WSES model for calculating the unemployment rate and the Bureau of Census methodology. Most strikingly the WSES uses a 'place of work' survey while the Census utilizes a 'place of residence' format. Secondly, the Census labor force lower age limit is 16 years while WSES includes 14 and 15 year olds. The WSES unemployment rates are, however, generally slightly higher than Bureau of Census estimates. Thus, it follows that the 11.8% unemployment rate in the Inner City report by the Census would probably be even higher using the WSES estimate model. WSES unemployment rates cited are unadjusted.

THE INNER CITY UNEMPLOYED - WHO ARE THEY?

The Inner City population is a diverse mix of white, Black and Spanish-Speaking residents. Despite commonly held notions that the Inner City is all Black, the CES data indicate that only 45,714 residents, or 40% of the total 118,260 civilian non-institutional population 16 years and over are Black.

As shown above, the Inner City labor force is more jobless than the Metropolitan Milwaukee labor force. Additionally, the CES report identifies certain Inner City demographic sub-groups, specifically - youth, women and Blacks. These sub-groups suffer higher unemployment rates than the already adverse unemployment rates of 11.8% in 1970, and 12.75% over the past two years, for the total Inner City labor force. (Unfortunately, the CES report did not differentiate unemployment rates for minorities other than Blacks.)

The following is an attempt to identify, in more detail, these demographic 'need' sub-groups within the Inner City. All comparisons in this section are among these demographic sub-groups and the total Inner City labor force. It was not possible to compare, for example, Inner City youth to youth in Metropolitan Milwaukee, because there are no available statistics.

Youth

The adjacent Table A indicates despairingly high unemployment rates among youth, 16 to 19 years, non-student status, and even higher rates for Black youths, 16 to 19 years. The table shows a 21.2% unemployment rate among Inner City white males 16 to 19 years, non-student status, and a 48.5% unemployment rate for Black males 16 to 19 years, non-student status. The white labor force unemployment rate for those 16 to 19 years non-student status, was 33.0% in 1970 while the Black female rate for 16 to 19 year olds was 50.0%. These rates of 48.5% and 50.0% reveal that virtually one-half of the Inner City Black labor force 16 to 19 years, non-student status, was unemployed during the survey week in the third-quarter of 1970.

MILWAUKEE, WIS.

Census Employment Survey Area

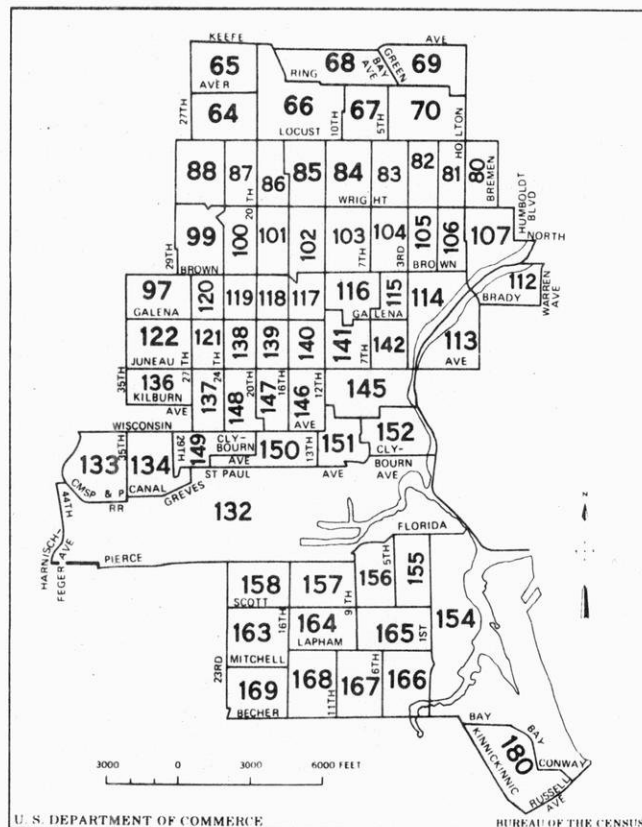




TABLE A 1970 INNER CITY UNEMPLOYMENT RATES  
Youth 16 to 19 Years, Non-Student Status

	<u>All Races</u>	<u>White</u>	<u>Black</u>
Male	34.1	21.2	48.5
Female	21.3	33.0	50.0

At the time of the 1970 Survey, there were 3,863 Inner City Youths, aged 16 to 21 years, unemployed and seeking employment. The 1970 Survey also indicated there were 7,354 youths aged 14 and 15 years in the CES census tracts. In 1970, there were some 7,700 youths 16 to 17 years old, suggesting a relatively constant youth Inner City age structure; i.e. the 7,354 youths, 14 and 15 years, reported in 1970 would now be 16 and 17 years. *Considering local economic conditions, it can be reasonably inferred that there were approximately 4,000 unemployed Inner City youths, aged 16 to 21 years, this past summer (1972).*

#### Vietnam Veterans

*The CES report shows unemployment among Inner City Vietnam Veterans, ages 22 to 34, was 16.4% compared to a 4.3% Metropolitan Milwaukee Area rate during the survey period. Additionally, the Inner City Vietnam Veteran unemployment rate was almost 50% higher than other Inner City males of comparable age. Thus, the plight of Vietnam Veterans, with an unemployment rate more than triple the Metropolitan Milwaukee labor force unemployment rate, has probably been worse the last two years than at the time of the 1970 Survey due to local economic conditions and related job opportunities.*

#### Blacks

*Similarly, rates among Inner City Blacks in almost every age and sex category were higher than white Inner City unemployment rates. The purpose of this comparison is not to discount white Inner City unemployment, for 8.3% for white males and 10.9% for white females is extremely high, but rather to identify further disparities among an already disadvantaged population; i.e. the Inner City labor force (see Table I).*

#### Women

Inner City women are also in an adverse employment position. Inner City females had a 13.4% labor force unemployment rate in contrast to 10.6% for Inner City males. This disparity between male and female rates is evident in virtually every age category. *Even more striking, is the variance between the*

*Inner City female, head of family, unemployment rate, which was 12.4%, and the Inner City male, head of family, unemployment rate, which was 6.1%.*

TABLE I INNER CITY LABOR FORCE UNEMPLOYMENT RATES (CES data)

	TOTAL (Percent)	WHITE (Percent)	BLACK (Percent)
Total 16 yrs. and over	11.8	9.3	15.2
Male Total	10.6	8.3	14.1
16 to 21 yrs., total	24.7	19.9	30.4
16 to 21 yrs., not in school	31.9	23.7	41.6
22 to 34 yrs, total	11.1	8.0	15.0
22 to 34 Vietnam veteran	16.4	13.1	21.3
25 to 34 yrs.	11.4	7.3	16.3
35 to 44 yrs.	7.6	9.2	5.7
45 to 54 yrs.	6.4	4.2	9.5
55 to 64 yrs.	4.1	4.1	4.1
65 and over	1.3	1.6	--
40 to 64 yrs.	6.2	5.7	6.9
Female Total	13.4	10.9	16.5
16 to 21 yrs, total	28.2	20.7	37.9
16 to 21 yrs, not in school	25.8	14.9	41.5
22 to 34 yrs.	14.1	11.0	16.8
25 to 34 yrs.	14.0	8.4	17.7
35 to 44 yrs.	5.4	9.4	2.8
45 to 54 yrs.	6.7	4.6	9.0
55 to 64 yrs.	7.4	7.4	7.6
65 and over	4.2	2.6	16.0
40 to 64 yrs.	6.2	6.0	6.0
Male, head of family	6.1	5.8	6.8
Female, head of family	12.4	13.7	12.0

THE UNDEREMPLOYED (THE WORKING POOR) -  
DOES IT PAY TO WORK?

*The CES Survey suggests startling evidence that large numbers of Inner City workers who work full-time (at least 35 hours) earn less than a poverty level; i.e. subsistence income. The data indicates that 29% or 10,675 of 36,245 Inner City year-round full-time workers had annual earnings less than \$4,000, the established poverty level for a family of four. [5] Similarly 17% or 3,154 of the 18,198 Inner City year-round full-time workers who were heads of families had incomes below*

5. For the purpose of comparison, this guideline is reasonably consistent with the mean family size for the CES area of 3.9 persons in 1970

\$4,000. This phenomenon of men and women who work for a living but who do not receive a living wage is referred to as under-employment or the working poor.

Another measure of income adequacy in addition to the above cited poverty guideline is the Bureau of Labor Statistics (BLS) Low Adequate Urban Family Budget. In the Spring of 1970, the Bureau of Labor Statistics reported that a budget of \$7,079 was required to maintain a family of four at a lower standard of living in Metropolitan Milwaukee. (The budget is lower relative to the BLS intermediate and higher budgets). The lower adequate budget includes allowances for food, housing, transportation, clothing and personal care, medical care and other items the family consumes directly. Other allowances consist of gifts and contributions to persons outside the family, life insurance, occupational expenses, social security, and income taxes. The style of living represented by the lower budget specifies that the family live in rental housing, perform most services for itself, and utilize free entertainment available in the community. [6]

In 1970, 18,023 or 44.5% of the total 40,481 Inner City families had annual incomes under \$7,000. (As a rough benchmark the mean Inner City family size was 3.9 in 1970.) Moreover, 20,484 or 56% of the total 36,245 Inner City year-round full-time workers had annual earnings less than \$7,000. The Survey also reports 7,626 or 41% of the total 18,198 year-round full-time Inner City workers who were heads of families had annual earnings less than \$7,000. All of which suggests that a large percentage of poor and near-poor families are supported by full-time working members of their respective families.

#### Part-Time Workers Who Desire Full-Time Work

The adjacent Table B of Underemployed Inner City Workers also considers those part-time Inner City workers who desire full-time employment. This category includes 3,331 persons who worked less than 35 hours during the survey week because of what is termed economic reasons, e.g. slack work, job changing during the week, material shortages, inability to find full-time work, etc. According to Census and BLS officials, these workers may be similarly classed as part-time workers who desire full-time work.

By summing those workers who have insufficient hours with those full-time workers who earn poverty level wages, it is

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6. For further information on the BLS Minimum Urban Family Budget, see Three Budgets for an Urban Family of Four Persons, 1969-70, supplement to Bulletin 1570-5 prepared by the Bureau of Labor Statistics, U.S. Department of Labor.

possible to obtain a figure for the total number of underemployed Inner City workers. Thus, the sum of 10,675 year-round full-time Inner City workers with annual earnings less than \$4,000 plus 3,331 part-time workers who desire full-time employment results in a total of 14,006 underemployed Inner City workers. Or in other words, 23.7% of the total 58,992 Inner City employed full-time labor force [7] are underemployed, i.e. they earned poverty level wages and/or had insufficient hours.

TABLE B UNDEREMPLOYED INNER CITY WORKERS

	TOTAL	Annual Earnings Less than \$4,000		Annual Earnings Less than \$7,000	
		Number of People	% of Total	Number of People	% of Total
Year-Round Full-Time Inner City Workers	36,245	10,675	29%	20,484	56%
Year-Round Full-Time Inner City Workers, Head of Family	18,198	3,154	17%	7,626	41%
Part-Time Inner City Workers, Who Desire Full-Time Work*	3,331	3,331	Actual Income NA	3,331	Actual Income NA
<b>Total Underemployed Workers**</b>		<b>14,006</b>		<b>23,815</b>	

\* Includes persons who worked less than 35 hours during the survey week because of economic reasons, e.g. slack work, job changing during the week, material shortage, inability to find full-time work, etc.

\*\* Includes the 10,675 year-round full-time Inner City workers whose annual earnings were less than \$4,000 plus 3,331 part-time Inner City workers who desire full-time work.

NA - Not Available

7. The employed full-time labor force includes full-time workers (35 or more hours) plus full-time workers working part-time (less than 35 hours) for economic reasons.



Summary

A major consideration of this analysis is that poverty is a relative term. The concern of this bulletin is with relative deprivation in the Milwaukee Inner City. When most Americans have a great deal, those who have much less are poor regardless of their absolute level of income. 'Low income' or 'poverty' is largely a matter of economic distance. *Economic distance is apparent when the 1969 median annual income in Metropolitan Milwaukee was \$11,338 in contrast to only \$7,704 in the Inner City, an absolute difference of \$3,634. Economic distance and relative deprivation is evident when the Inner City unemployment rate is 2.6 times the Metropolitan Milwaukee rate and when 20,484 Inner City year-round full-time workers or 56% of the total Inner City year-round full-time workers had annual earnings less than \$7,000 in 1970.*

HIDDEN UNEMPLOYMENT IN THE INNER CITY

CES interviews show that 17,638 individuals or 62.4% of the total 28,253 CES population 16 to 64 years, not in the labor force, indicated a desire for work. These 17,638 individuals may be classified as 'involuntary labor force non-participants' i.e. they have a desire for work but have withdrawn or deferred their search for work. The remaining 10,615 or the Inner City citizens 16 to 64 years not in the labor force did not indicate they wanted a regular full or part-time job and because of this are considered 'voluntary labor force non-participants'.

*In contrast to this 62.4% involuntary labor force non-participation rate [8] for the Milwaukee Inner City are results of the 1970 Current Population Survey which revealed a national 'involuntary labor force non-participation rate' about one-third (21%) of the Milwaukee Inner City rate. [9] This differential involuntary non-participation rate between the Inner City and the nation clearly demonstrates that barriers to employment more often discourage working age Inner City residents than the nation's working age population as a whole.*

In the CES Survey, involuntary non-participants indicated specifically their reasons, i.e. employment barriers, for not seeking work included family responsibilities (lack of child care), poor health, transportation problems, lack of

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8. Involuntary labor force non-participation rate is the percentage of labor force non-participants who are involuntary non-participants (and thus desire work but have been discouraged in their search and have technically withdrawn from the labor force).
  9. Employment and Earnings, vol. 17, no. 7 (January, 1971).

experience, skill or education, age discrimination and the inability to find work. The most commonly cited reason for men was poor health, illness or disability. Women cited the lack of child care as the most common reason for not seeking employment. The Milwaukee Inner City non-participation rate of 62.4% (in contrast to about 21% for the nation) shows that employment barriers, such as the above, significantly discourage potential Inner City workers from entering the labor force.

#### Further Evidence That Poor Are Work-Oriented

In 1970, the participation rate, i.e. the percent of all persons 16 years and older participating in the labor force, among Milwaukee Inner City residents was 63%, compared to 62% for Metropolitan Milwaukee. This higher Inner City participation rate, coupled with the data cited above showing an involuntary labor force non-participation rate in the Inner City three times higher than the national rate, is strong evidence that the poor are work-oriented. Their desire for work disputes the commonly held belief that minorities and other Inner City residents do not want to work.

Moreover, the failure of 'voluntary labor force non-participants' to indicate their desire for employment does not necessarily mean that these individuals had no financial hardships, or that they might not benefit from paid employment if it were made available to them. The term "voluntary" in this context simply means that such a respondent, taking into account the total situation - health, age and other responsibilities, could not say that he wanted a regular job at the time of the Survey. Undoubtedly some of these non-participants would be willing and able to work if certain circumstances could be changed (e.g. high quality child care facilities were provided; special arrangements made for health problems),

#### Current Definition of Unemployment Inadequate

The unemployment rate, as calculated by various governmental agencies, is generally considered an adequate economic indicator but a poor indicator of the utilization and development of manpower because it is only a partial indication of the whole complex of work problems and economic structure which contribute to poverty in the Inner City. For example, many Inner City workers are underemployed, as shown above, and/or have only part-time jobs and are earning too little to meet their own and their family's minimum subsistence needs. Moreover, conventional unemployment definitions do not include "involuntary non-participants" in the labor force; i.e. those potential workers who are unemployed, are not actively seeking employment, yet desire work.

The CES Survey did fortunately identify this group of 'involuntary labor force non-participants' in the Milwaukee Inner City, some 17,600 potential Inner City workers. If counted, this potential labor force would raise considerably estimates of unemployment as will be discussed below. "Involuntary non-participants" are those potential workers who desire work yet are unemployed and not 'actively' seeking work. 'Actively' refers to the government requirement that unemployed persons must have made specific efforts to find a job within the last 4 weeks.

The percentage of the total civilian non-institutional population 16 to 64 years of age will be defined as the 'involuntary non-participation rate'. It must be remembered that involuntary non-participants are those Inner City people who desire work but have withdrawn from the labor force.

One further definition is required - the 'revised or actual unemployment rate', which is the percent of the 'potential labor force' who are unemployed (Census definition) plus those who desire work but are not actively seeking work; i.e. were not actively seeking employment during the survey period. The revised or actual unemployment rate is equal to:

$$\left( \frac{\text{labor force unemployed} + \text{involuntary non-participants}}{\text{labor force} + \text{involuntary non-participants}} \right)$$

*By the usage of the following working definitions 'involuntary non-participation rate', 'potential labor force', and 'revised or actual unemployment rate' - it will be possible to more accurately assess the jobless picture in the Inner City and the need for new manpower development resources and a re-evaluation of existing policies to amend this societal disparity.*

#### Actual or Revised Unemployment in Inner City

The 'labor force unemployment rate' for all races, 16 years and over, during the survey period, was cited above for the CES area as 11.8% compared to 4.3% for Metropolitan Milwaukee. With the usage of the total 'potential labor force', 16 to 64 years, as the base for calculating the unemployment rate, the 'revised or actual rate of unemployment' for the Inner City during the survey period reveals itself as a startling 28.5%

$$\left( \frac{8,902 \text{ labor force unemployed} + 17,638 \text{ involuntary non-participants}}{75,410 \text{ labor force} + 17,638 \text{ involuntary non-participants}} \right) =$$

28.5% revised or actual unemployment rate



Likewise, instead of 8,902 Inner City unemployed workers in 1970, there were actually 26,540 unemployed persons in the Inner City, if 'involuntary labor force non-participants' are included. For more comparative data, see Tables II and III.

As stated previously, the jobless picture in Metropolitan Milwaukee the last two years has been comparatively worse than during the survey period. Thus, it may be concluded that the 'involuntary non-participation rate' the last two years has probably been higher than in the 1970 Survey. *Similarly the 'revised or actual unemployment rate' in the Inner City the last two years has probably averaged at least 30% and persons actually unemployed in the Inner City is similarly estimated to have averaged about 28,000 monthly the last two years.* These dramatic results suggest the degree of 'hidden unemployment' in the Metropolitan Milwaukee labor market and help to emphasize the relative need of the Inner City.

Following through with this method of analysis it is possible once again to identify demographic sub-groups in the CES area which are relatively more "disadvantaged" than the already needy Inner City population taken as a whole.

#### Blacks

Blacks have higher percentages of 'labor force unemployed', higher 'involuntary participation rates' and resultingly, higher 'revised or actual unemployment rates'. *Table II shows a phenomenal 'revised or actual unemployment rate' of 33.7% among Inner City Blacks in 1970; 21.9% among Black males and 44.3% among Black Inner City females compared to 36.7% for white Inner City females.*

#### Youth

Youth also have high 'involuntary participation rates', 59.5% among Inner City males 16 to 21 years, non-student status and 72.4% among Inner City females 16 to 21 years, non-student status. *This results in a 'revised or actual unemployment rate' of 36.2% among Inner City males 16 to 21 years and 41.5% for those males 16 to 21 years who are not in school. The 'revised or actual unemployment rate' is 46.9% among all Inner City females 16 to 21 years and 45.2% for those females 16 to 21 years who are not in school. (See Table III). In real numbers there were 3,853 unemployed Inner City youths (students and non-students) 16 to 21 years in 1970 plus 3,908 'involuntary participants' or approximately 7,800 'actual unemployed' youths, 16 to 21 years in the Inner City during the past summer, 1972.*



TABLE II CES EMPLOYMENT/MANPOWER INDICATORS

## FOR THE INNER CITY

		<u>TOTAL</u>	<u>WHITE</u>	<u>BLACK</u>
[A]				
LABOR FORCE	Total 16 yrs. and over..	75,410	43,246	31,277
	Male.....	43,720	25,916	17,220
	Female.....	31,690	17,330	14,058
[B]				
LABOR FORCE	Total 16 yrs. and over..	8,902	4,035	4,760
UNEMPLOYED	Male.....	4,643	2,152	2,435
	Female.....	4,259	1,883	2,325
[C]				
LABOR FORCE	Total 16 yrs. and over.,	11.8	9.3	15.3
UNEMPLOYMENT RATE	Male.....	10.6	8.3	14.1
	Female.....	13.4	10.9	16.5
[D]				
LABOR FORCE	Total 16 to 64 yrs.*....	28,253	15,546	12,219
NON-PARTICIPANTS	Male.....	6,020	3,196	2,723
(Persons Not in the Labor Force)	Female.....	22,233	12,350	9,496
[E]				
INVOLUNTARY NON-PARTICIPANTS	Total 16 to 64 yrs.*....	17,638	8,553	8,774
(Not in Labor Force yet Desire Employment)	Male.....	3,244	1,464	1,729
	Female.....	14,394	7,089	7,044
$\frac{E}{D}$				
INVOLUNTARY NON-PARTICIPATION RATE	Total 16 yrs. and over*.	62.4	55.0	71.8
	Male.....	53.8	45.8	63.5
	Female.....	64.7	57.4	74.1
[A + D]				
POTENTIAL LABOR FORCE	Total 16 yrs. and over..	93,048	51,799	40,051
	Male.....	46,964	27,480	18,949
	Female.....	46,084	24,419	21,102
$\frac{B+C}{A+C}$				
REVISED OR ACTUAL UNEMPLOYMENT RATE	Total 16 yrs. and over*.	28.5	24.3	33.7
	Male.....	16.7	13.2	21.9
	Female.....	40.4	36.7	44.3

\*Does not include those persons over 64 years who are not in the Labor Force and desire work.

### Vietnam Veterans

Again, Vietnam veterans suffer from high rates of 'involuntary labor force participation'. 'Revised or actual unemployment rate' for Vietnam veterans, 22 to 34 years, in the Inner City was 18.4%, considerably higher than the 14.6% rate for the total male Inner City population 22 to 34 years.

TABLE III UNEMPLOYED PERSONS, INVOLUNTARY NON-PARTICIPATION ANDACTUAL UNEMPLOYED PERSONS IN THE INNER CITY

	Labor Force		Involuntary		Revised or	
	Person	Rate	Person	Rate	Person	Rate
<u>Total</u>	8,902	11.8	17,638	62.4	26,540	28.5
<u>Male Total</u>	4,643	10.6	3,244	53.8	7,887	16.7
16 to 21 years, total	1,789	24.7	1,294	48.8	3,083	36.2
16 to 21 yrs. not in school	920	31.9	475	59.5	1,395	41.5
22 to 34 years, total	1,485	11.1	565	63.0	2,050	14.6
22 to 34 yrs. Vietnam Veterans	462	16.4	68	46.3	530	23.4
25 to 34 yrs.	1,036	11.4	354	67.3	1,390	14.7
35 to 44 years	635	7.6	346	78.0	981	10.4
45 to 54 years	480	6.4	475	82.7	955	12.0
55 to 64 years	236	4.1	564	38.8	800	12.6
65 and over	19	1.3	--*	--*	--*	--*
<u>Female Total</u>	4,259	13.4	14,394	64.7	18,653	40.4
16 to 21 years, total	2,074	28.2	2,598	57.6	4,672	46.9
16 to 21 yrs. not in school	1,104	25.8	1,523	72.4	2,627	45.3
22 to 34 yrs. total	1,210	14.1	5,221	79.6	6,431	46.4
25 to 34 yrs.	734	14.0	4,073	80.9	4,807	51.6
35 to 44 years	309	5.4	2,864	72.2	3,173	36.9
45 to 54 years	362	6.7	2,176	59.9	2,538	33.5
55 to 64 years	258	7.4	1,536	42.9	1,794	35.5
65 and over	47	4.2	--*	--*	--*	--*
Total Head of Family	2,101		3,893	71.8	5,994	11.4
Male, Head of Family	1,381	6.1	801	68.0	2,421	6.5
Female, Head of Family	720	12.4	3,092	78.8	3,907	43.4

\*Does not include those persons 65 years and over who are not in the Labor Force and desire work.

Women

Finally, women suffer from high rates of 'involuntary labor force participation, as indicated by a 'revised or actual unemployment rate' of 40.4% for Inner City females compared to 16.7% for Inner City males (See Table IV). Even more disheartening is the 'revised or actual unemployment rate' of 42.7% for Inner City females, head of family, in contrast to 9.4% for Inner City males, head of family. In actual numbers there were 4,259 females unemployed during the 1970 Survey and 14,394 Inner City female 'involuntary non-participants' or 18,653 'actual unemployed' females in the Inner City in 1970. This

figure for 'actual unemployed' females has probably averaged monthly close to 20,000 for the CES area over the last two year period. Additionally, a large percentage of these females are heads of families. In 1970 there were 720 labor force unemployed females, head of family, in the CES area along with another 3,092 females, head of family, classified as 'involuntary non-participants'. Monthly estimates of 'actual unemployed' females, head of family in the Inner City for the past two years are probably close to 4,000.

### The Underutilized Manpower Index

The Underutilized Manpower Index is an effort to quantify the total impact of joblessness and inadequate earning opportunities of workers in the Milwaukee Inner City. The Underutilized Manpower Index is not without precedent. In 1966, under the leadership of Labor Secretary Willard Wirtz, there was considerable effort to develop a comprehensive indicator of employment problems - the Sub-employment Index.[10] Later, adaptations of the Sub-employment Index were used by the U.S. Senate Subcommittee on Employment, Manpower and Poverty. [11]

The underutilized manpower concept and index includes:

1. People classed as unemployed, since they were jobless and looking for work during the survey week;
2. People classed as involuntary non-participants because they desire work but have been discouraged from seeking a job by various employment barriers;
3. People who are year-round full-time workers but whose annual earnings in 1970 were less than \$4,000;
4. People who are part-time workers, but desire full-time work.

The sum of these categories results in an underutilized manpower index of 43.0. This means that 43.0% or 40,546 of the total 94,329 workers in the potential labor force are considered underutilized.

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10. 1968 Manpower Report of the President U.S. Department of the Labor (1968) p. 34-36.

11. Press release by Subcommittee on Employment, Manpower and Poverty, Senator Gaylord Nelson, Chairman Sub-employment Index, May 1972.

CONCLUSION

1. There is evidence that the Milwaukee Inner City unemployment rate for the past two years has averaged 12.75%, which is 2.6 times higher than the Milwaukee Metropolitan area.
2. Vietnam veterans, youth, women and Blacks suffer higher unemployment rates than the already disadvantaged total Inner City labor force.
3. The CES data indicates considerable evidence of large scale underemployment among Inner City workers; the figures show at least 14,000 underemployed Inner City workers.
4. The above analysis suggests a high degree of 'hidden unemployment' i.e. potential workers who desire work but have withdrawn from or deferred their search for work and consequently are not counted in the labor force or among those unemployed. The inclusion of this potential Inner City labor force resulted in an average 'revised or actual unemployment rate' of at least 30% in the Inner City over the last two years and actual unemployment estimates of 28,000 persons for the Inner City.
5. Summing the 'revised or actual unemployed' with those classed as underemployed (less than \$4,000 annual earnings) results in an underutilized manpower index of 43.0, affecting 40,546 Inner City workers or 43.0% of the total 94,329 potential labor force.

The above documentation of the extent of underemployment in the Inner City, in addition to the dispairingly high labor force unemployment rates and the degree of hidden unemployment cited above, begin to set a background in which Inner City residents and their employment crisis may be more accurately viewed.

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## GLOSSARY

Labor force - Civilian persons 16 years and over are classified as in the labor force if they are currently employed, waiting to begin a new job, or actively seeking employment.

Employed persons comprise (1) all those who did any work at all as paid employees, or in their own business, profession, or farm, or who worked 15 hours or more as unpaid workers in an enterprise operated by a member of the family, and (2) all those who were not working but who had jobs or businesses from which they were temporarily absent because of illness, bad weather, vacations, labor-management dispute, or personal reasons, whether or not they were paid by their employers for the time off, and whether or not they were seeking other jobs.

Unemployed persons comprise all persons who did not work during the survey week, who made specific efforts to find a job within the last 4 weeks, and who were available for work during the survey week (except for temporary illness). Also included as unemployed are those who did not work at all, were available for work, and (a) were waiting to be called back to a job from which they had been laid off, or (b) were waiting to report to a new wage or salary job within 30 days.

Not in labor force - This category includes persons who are not classified as employed or unemployed. These persons are further classified as "engaged in own home housework," "in school," "unable to work" because of long-term physical or mental illness, and "other". The "other" group includes for the most part retired persons, those reported as too old to work, the voluntarily idle, and seasonal workers for whom the survey week fell in an "off" season and who were not reported as unemployed. Persons doing only incidental unpaid family work (less than 15 hours) are also classified as not in the labor force.

Participation rates - This represents the proportion of the civilian non-institutional population that is in the civilian labor force.

Unemployment rate - The unemployment rate represents the number unemployed as a percent of the civilian labor force. This measure can also be computed for groups within the labor force classified by sex, age, marital status, race, etc.

Year-round full-time workers - Persons who worked primarily at full-time civilian jobs 50 weeks or more in the last 12 months are classified as year-round full-time workers.

OTHER COMMUNITY SERVICE PUBLICATION AVAILABLE INCLUDE:

- No. 1 Directory of Community Groups and Organizations, by William A. Sampson, 40 pages, July, 1971.
- No. 2 A Selected Bibliography Relating to Housing and Economic Development for Milwaukee County, by Planning and Research Department Staff: Gregory C. Fehenbach, Alice J. Hugh, Edward j. j. Olson, Hiran Shaw, and Lynne C. Shifflett, 37 pages, July, 1971.
- No. 3 So You Want to Buy a House! An Introduction to the Problems and Procedures Involved, by Jay Gilmer, 21 pages, July, 1971.

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