

Occupationless Health

A doctor's guide to the facts and figures of unemployment

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If they want to do their best by their patients doctors must, it seems, increasingly look up from their microscopes and the chests they are percussing to consider the wider world. So I make no apology for this guide to the extent and causes of unemployment because it probably now does much more damage to health in Britain than does the tubercle bacillus. Indeed, even when it comes to tuberculosis John Maynard Keynes may have done as much to reduce mortality as did Robert Koch. Doctors may not be able to take their scalpels to unemployment (much as they wish they could), but they need to understand its scope, distribution, causes, and course so that they can minister to individual patients and communities. And studies on unemployment and health make sense only when you know who the unemployed are and how long they have been without work.

The scale of unemployment

The figures announced on 3 October show that 3 346 198 people in Britain (13.8% of the workforce) were unemployed—more than ever before. Over two million men were unemployed (about 16%), and just under a million women (about 10%).¹ These figures are derived from counting those receiving unemployment benefit, but before November 1982 the count was of the number of people registered with the Department of Employment as seeking and being capable of and available for work. This gave a figure about 6% higher than the current method.

Neither method is entirely accurate, and it will come as no surprise to any doctor with a knowledge of epidemiology that counting the unemployed is as difficult as counting the number of "cases" of a disease—much depends on the definitions and methods used. Both methods underestimate the true numbers of the unemployed because many people who are seeking work, particularly part time work, do not register as unemployed and are not entitled to unemployment benefit. Estimates made from the census and the General Household Survey suggest that in the early 1970s about 245 000 people, most of them women, fell into this category.² Furthermore, as unemployment increases more and more people do not register—probably because they see no point. The Warwick Manpower Research group has estimated that only about 71% of those seeking work (78% of men and 58% of women) register, which, if correct, inflates the true number of unemployed to over four million.³

But the conventional methods also overestimate the number of the unemployed because they include those between jobs, and those who are voluntarily unemployed or effectively "unemployable." The Department of Employment introduced this notion of people being unemployable but at the same time warned against using it too rigidly—everybody can do something.² Another insoluble problem

with measuring the unemployed is where to include those on youth training schemes: some of these, an increasing number, are on good schemes that keep them usefully employed, whereas others are on dud schemes that are neither educational nor useful.

Better than measuring the total number of unemployed is to measure the flow of people into and out of employment and the median time that people spend unemployed: even in 1985 almost 400 000 people a month are stopping receiving unemployment benefit and presumably getting a job.¹ At the same time, however, slightly more people are losing their jobs and beginning to claim benefit. Many people do not spend long on the dole: in the 1960s about half of those who lost their jobs got another one within two weeks. Daniel estimated that in 1981 about a third of those becoming unemployed got a job within a month, the median duration of unemployment being three to four months.³

Economists have classified unemployment into three types: frictional, structural, and cyclical. Frictional unemployment results simply from the time people spend between jobs: as there are about nine million job changes a year inevitably some people will not step straight from one job to another. Beveridge thought that up to 3% of the working population at any one time might be between jobs.⁴ Structural unemployment arises from a mismatch between the jobs available and the skills of the unemployed and implies that if the unemployed learnt new skills then they would find a job in their own locality. Some of our present unemployment is structural because there are job vacancies in electronics, electrical and mechanical engineering, and for people with knowledge of the new technologies.⁵ Cyclical unemployment is caused by economic recession, and is beyond the control of individual employers and not limited to particular trades. Most of the present unemployment in Britain is cyclical.

Unemployment in time and space

In the past 12 years in Britain unemployment has increased roughly fivefold. Fig 1 shows the changes in the number of unemployed and vacancies notified to job centres (roughly a third of vacancies) between 1964 and 1985, and fig 2 shows the changes in the gap between those available for work and those working between 1964 and 1985. Some unemployment is resulting from an increase in the size of the working population, the latest government prediction being that the labour force will grow by 830 000 between 1984 and 1991, about 400 000 more than was predicted in August 1984.⁶ The increase in the number of unemployed cannot have escaped anyone's attention and is now the most important issue on the political agenda.

Everybody knows, too, of the depression of the interwar years. In August 1932, the nadir of the depression, 2 947 000 (23%) insured workers were unemployed.⁷ Knowing that about 70% of workers were insured and that unemployment was lower among those not insured, we can calculate that the total number unemployed was about 3 500 000. Thus there may now be more people unemployed than in the 1930s but the proportion unemployed is lower. The depression of the 1930s was, of course, international, and other

countries had similar unemployment: in 1932 it was 32% in the United States, 29% in Australia, and 22% in Canada and Sweden. Germany had more than 5.5 million unemployed in 1932.

But unemployment goes back much longer than the 1930s. It existed even in medieval Britain but became apparent for the first time on a large scale with the industrial revolution.⁸ It reached 11% in the depression of 1874-87, which was caused by the near completion of the railways, overproduction in shipping and steel, agricultural depression, and increasing foreign competition. Both world wars saw full employment, although it took a little longer to come about in the second. Between 1948 and 1966 the average number of employed was about 350 000, less than 2% of the workforce.

Unemployment rates also vary regionally, but this variation is decreasing. In the 1930s unemployment was five times higher in Wales than in London and the south east and three times higher in Scotland, the north west, and the north east. Now, as table I shows, unemployment is about 10% in London and the south east, 17% in Wales, 16% in Scotland, 16% in the north west, and 19% in the north east. Northern Ireland has the highest rate, at about 21%. But there are also considerable variations within regions (fig 3). In Scotland, for instance, in March 1985 it varied between 6.4% in Aberdeen and 24.1% in Cumnock and Sanquhar; and in Northern Ireland it varied from 13.9% in Ballymena to 39.5% in Strabane (the highest in the country).⁹ The variation may be greater still on an even smaller scale: the London parliamentary constituency of



FIG 2—Working population and employed labour force in United Kingdom from 1965 to 1984.

Vauxhall, for instance, in March 1985 had 10 381 unemployed people, while the constituency of Surbiton, 15 minutes away by train, had only 1583—a difference of more than sixfold, greater than the difference between the south east and Wales in the 1930s.⁹

Unemployment is a problem everywhere, however, and table II gives figures from the Department of Employment on the rates in selected countries. These cannot be directly compared as different methods are used to measure unemployment, but they show increasing unemployment in all of them. Some countries (Japan, Norway, and Sweden) have managed to keep their unemployment to about 3%, and only four (Belgium, the Netherlands, Spain, and the Irish Republic) have higher rates than Britain.¹

Who are the unemployed?

The young, the old, the unskilled, the single, men with large families, the disabled, the socially disadvantaged, members of ethnic minorities, and those who have been to prison are overrepresented among the unemployed, and particularly among the long term unemployed. Nevertheless, since 1980, when unemployment began to grow very rapidly, all sorts of groups—including the skilled and those in the middle of their working lives—have been much more affected.^{2,8} Just as the differential between employment in the north and south is fading so is that between the skilled and the unskilled. As Hawkins puts it, unemployment is not a problem of “particular people in particular places,” and programmes to increase employment and lessen the consequences of unemployment cannot be concentrated on particular areas and groups—they are needed by all.²

Nevertheless, it is possible to give some sort of answer to the questions, “Who are the unemployed?” and—probably more important when it comes to considering health—“Who are the long term unemployed?” One important group are those over 55? They are more likely to be made redundant and also find it more difficult to get another job. Daniel has said that age is of “overwhelming” importance compared with skill.¹⁰ In the 1970s a third of those who had been unemployed for more than a year were over 55, but as

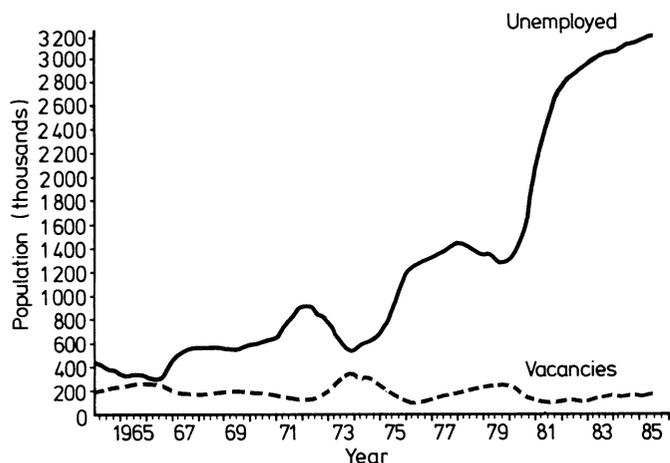


FIG 1—Unemployment and vacancies recorded at employment offices (about a third of all vacancies) in United Kingdom from 1964 to 1985.

TABLE I—Regional variation in percentage unemployment rate

Region	Unemployment (%)	Region	Unemployment (%)
Northern Ireland	20.7	Yorkshire and Humberside	14.9
North	18.8	East Midlands	12.5
Wales	16.5	South West	11.6
North West	16.2	Greater London	10.6
Scotland	15.5	East Anglia	10.3
West Midlands	15.4	South East (including London)	9.9

TABLE II—Percentage unemployment in selected countries from 1980 to 1985

	United Kingdom	Australia	Austria	Belgium	Canada	Denmark	France	Germany	Greece	Irish Republic	Italy	Japan	Netherlands	Norway	Spain	Sweden	Switzerland	United States
1980	6.9	5.6	1.9	11.7	6.6	6.9	7.6	3.6	2.1	7.9	7.8	1.9	6.7	1.1	10.6	1.9	0.2	6.5
1981	10.4	4.8	2.4	14.2	6.9	9.0	9.3	5.2	2.4	9.9	8.8	2.1	10.3	1.4	13.0	2.4	0.2	7.1
1982	12.1	6.8	3.7	16.6	10.0	9.6	10.5	7.4	2.9	12.1	10.5	2.3	14.0	2.1	15.5	3.1	0.5	9.1
1983	12.8	9.6	4.5	18.3	11.0	10.5	10.7	9.2	3.6	14.9	12.0	2.7	17.2	3.2	18.3	3.4	0.9	9.1
1984	13.1	8.9	4.6	18.6	10.7	10.3	12.1	9.2	4.1	16.5	13.0	2.7	17.6	3.3	20.6	3.1	1.1	7.3
1985 (2nd quarter)	13.4	8.4	4.2	17.3	10.3	10.9*	11.9	9.0	4.0	17.5	12.8	2.8*	15.9	3.3*	22.1*	3.1*	1.1*	7.1

*Values for first quarter, not second.

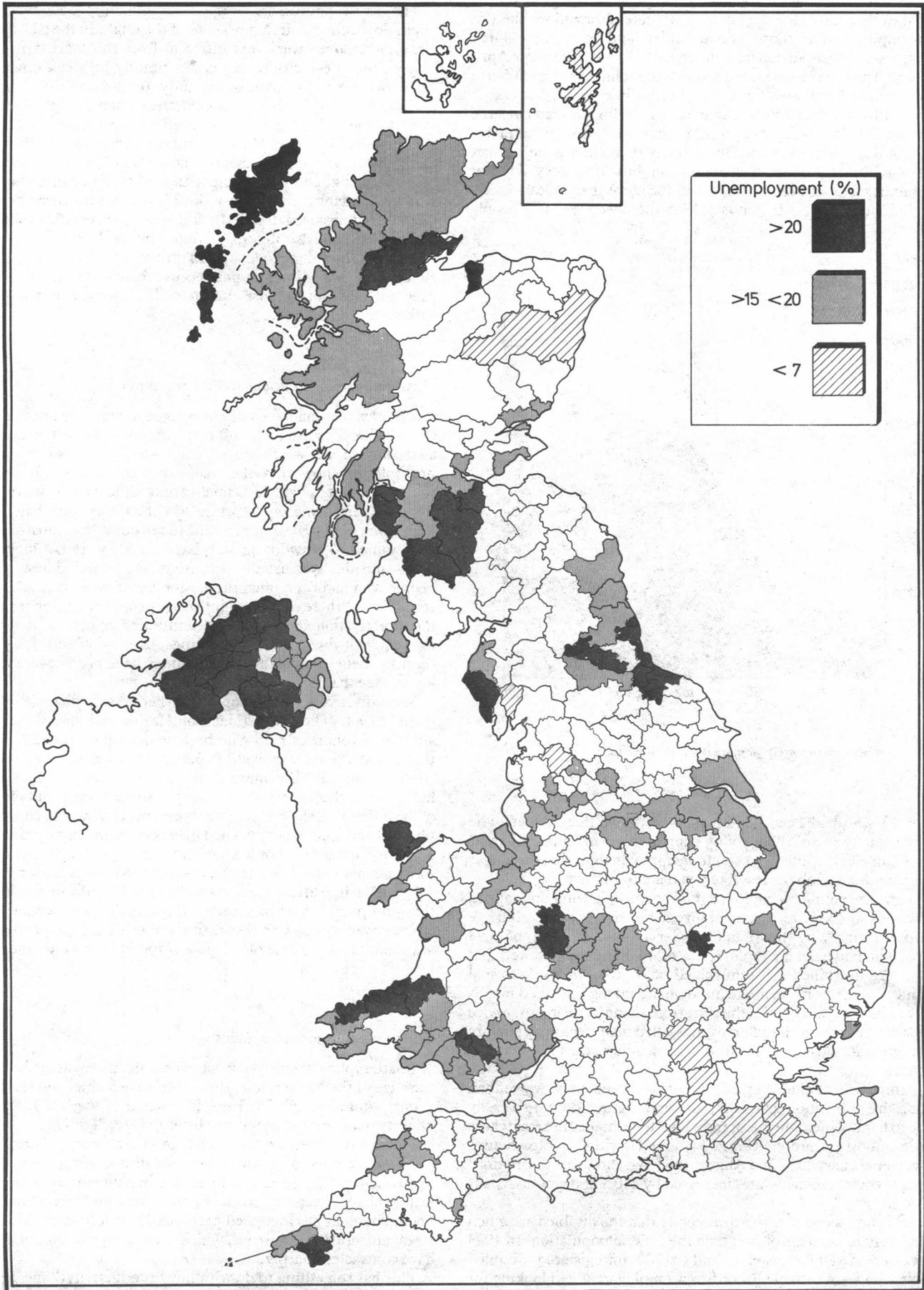


FIG 3—Variations in percentage unemployment by “travel to work” area. Most areas (white) fall in the range 7-15%, but 12 areas have rates below 7% (line shaded) and almost 40 (including most of Northern Ireland) have rates above 20%.

unemployment has grown the proportion has fallen to nearer a fifth (although the absolute numbers have, of course, grown) (fig 4).

At the other end of the age range those under 20 are more likely to be unemployed than those who are older, and as unemployment rises it rises disproportionately among the young. Between April 1979 and April 1982 total male unemployment increased from 6.6 to 15%, while among men under 20 (excluding school leavers) it increased from 9.1 to 25%—a ratio of 1:1.9.² For women over the same period the ratio was even higher—1:2.4. Furthermore, although the young were once more likely than older people to get new jobs, this difference is changing: in July 1977 only 7.5% of those under 25 had been unemployed for more than a year but by July 1982 it was 21%. In January 1985 there were 365 000 people

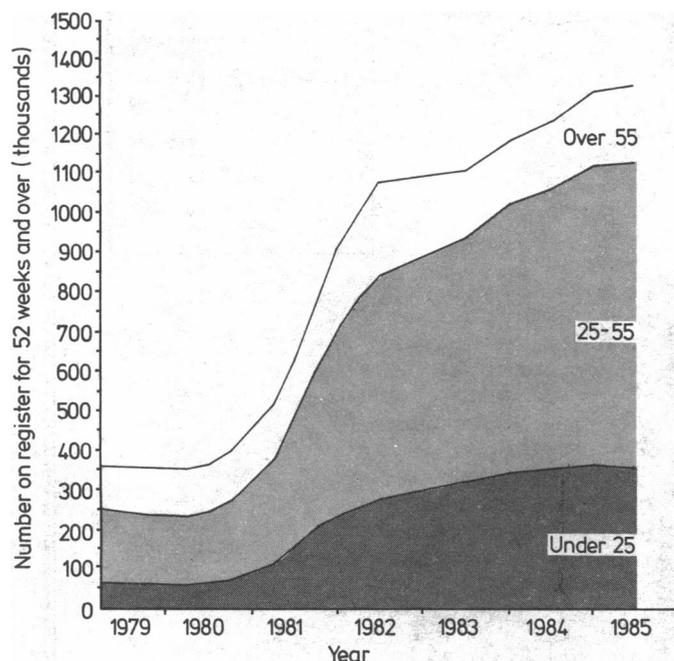


FIG 4—Numbers unemployed for more than a year by age.

under 25 who had been unemployed for more than a year. The worry is that some of these young people may remain unemployed for ever: one undisputed fact about unemployment is that the longer you are without a job the less likely you are to get one.

Among the young unemployed it is the unskilled and unqualified who are most likely to be unemployed, but this is true for all age groups. A survey by the Manpower Services Commission of 1698 people who had been unemployed for more than a year showed that 59% were unskilled or semiskilled and 77% had no formal qualifications.¹¹ Long term unemployment among unskilled men is likely to increase along with the shift from manufacturing to service industries because, although most unskilled manufacturing jobs are done by men, most of those in the service industries are done by women.

Unemployment among ethnic minorities seems to be worse than among the population generally, although figures do not so easily come to hand. Unemployment rates tend to be higher in areas where ethnic minorities are concentrated, and Hawkins quotes figures between February 1977 and August 1982 that show that in Bradford unemployment among whites increased by 240% and among Asians by 330%.²

It will come as no surprise to anybody that the disabled are much more likely to be unemployed than the general population. In 1983 there were 56 800 registered and 90 700 unregistered disabled people who were suitable for ordinary employment and looking for jobs, and 49 700 (88%) of the former and 76 500 (84%) of the latter were unemployed.¹² The latest figures show that more are employed—49% of those registered disabled and half of those unregistered.¹²

Who are the long term unemployed?

The latest figures show that 1.3 million people have been unemployed for a year, almost 40% of the total.¹ In the past the long term unemployed were very different from the short term unemployed, but these differences are beginning to break down. The Manpower Services Commission study, published in 1980, showed that almost two thirds of the long term unemployed were semi-skilled or unskilled and also confirmed the national figure that about a third were over 55.¹¹ In addition, nearly two thirds lived in areas of high unemployment; many came from construction, manufacturing, and basic industries (and many of these had been made redundant); more than a third had some handicap or illness (13% were registered disabled); and some had specific problems—poor work records, illiteracy, domestic problems, or a prison record. A survey done today would probably find that many of these factors have been diluted—not because these disadvantaged people have got jobs but because they have been joined by many more without any disadvantages.

How many people choose to be unemployed?

The idea that many people chose to be unemployed because they are “shirkers” or are better off receiving social security has enough advocates to be worth dismissing. Firstly, all surveys of the unemployed show that the majority want a job and think of unemployment as bad. In Daniel’s study almost three quarters said that for them being out of work “was bad” or “very bad.”¹⁰ The Manpower Services Commission Study found that most respondents wanted to be working and that only 8% were not looking for jobs—and this was usually because of their age.¹¹ These were all people who had been unemployed for a year or longer, and, as the report says: “there comes a point where people can no longer sustain their motivation in the face of continued rejection, heightened awareness of their own shortcomings, disillusion with job finding services, belief that all available options have been covered, and a knowledge that jobs are scarce anyway.”

Secondly, very few people are better off financially when unemployed. The Department of Health and Social Security’s study of a cohort of men who became unemployed in 1978 shows that about 7% were as well or better off when unemployed than when employed.¹³ But more than a third had an income less than half of that when they were working. Fitting these results together with studies that show that a small percentage of people enjoy better physical and mental health when they become unemployed and take a positive attitude to not having a paid job,¹⁴ we may conclude that some people may choose to be unemployed—at least for a while. In periods like the 1960s when there was little unemployment this group may have accounted for a higher proportion of the unemployed but now they constitute only a small proportion. The vast majority are worse off, dislike being unemployed, and want a job.

The causes of unemployment

In attempting to answer what causes unemployment I stand on the edge of the inexplicable, the incomprehensible, and the controversial, and although I am not frightened of the last I am of the other two factors and so will say little and step lightly.

Worldwide recession and a change in technology so that fewer people are needed to produce more goods and services are the two main factors that have led to increasing unemployment. These factors have been at work in all “mature” economies, but unemployment has increased particularly rapidly in Britain (fig 5). Its manufacturing industries, which used to supply most of the jobs, have contracted sharply.

This has something to do with low “productivity,” meaning not that Britain is full of lazy workers but rather that the quantity of goods and services produced in relation to the amount of labour, capital, energy, and entrepreneurial skills, etc, is low. Particularly

important have been the failures to invest in new technology, exploit export opportunities, design products that are wanted, and conduct good industrial relations. Hawkins makes the crude calculation that if productivity in Britain were as high as that in West Germany then 7.5 million jobs could disappear for the same output.² Many economists have argued that the present government's economic measures have increased unemployment in Britain relative to that in other European countries: Pollard has claimed that 1.5 million willing workers owe their unemployment to the government.¹⁵

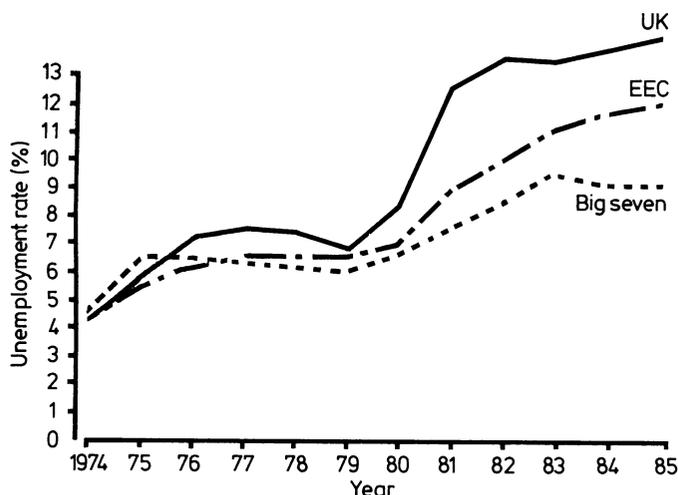


FIG 5—Increase in unemployment rate in United Kingdom, countries of the EEC, and the “big seven” (United States, United Kingdom, France, West Germany, Japan, Canada, Italy).

The poor productivity in Britain in relation to competitors is something that economic historians have observed since Victorian times, and Britain's failure cannot be explained away in purely economic terms—it has something to do with British society and culture. This is a somewhat pessimistic conclusion because British society and culture must be even more difficult to change than the British economy.

Will unemployment increase?

Barring the introduction of a radical policy specifically designed to cut unemployment few forecasters imagine that unemployment will fall much in Britain this decade. Indeed, it may well increase because the labour force will continue to grow, reflecting high birth rates in the early 1960s (those entering the market) and low rates during the first world war (those leaving). In addition, the manufacturing industries are continuing to contract without much expansion elsewhere. The University of Warwick Institute for Employment Research predicts that unemployment for men will continue to rise, reaching 18.5% by 1990, while that for women will decline a little, reaching 7% by 1990. This will thus mean that in 1990 there will be 3.3 million unemployed—2.3 million men and 0.8 million women.¹⁶

The costs of unemployment

In February 1982 a political decision was taken not to publish Treasury estimates of the cost to the Exchequer of unemployment, and since then estimates have had to be unofficial. One recent study commissioned by BBC North East estimates that unemployment costs the British Exchequer £20 billion or £6300 for each unemployed person.¹⁷ The Institute for Fiscal Studies produced an estimate for the House of Lords Select Committee on Unemployment of £4495 for each unemployed person in 1981-2.¹⁸ The committee upped this figure to a “reasonable” estimate of £5000,

giving an overall figure of £15 billion.¹⁹ None of these estimates includes lost production or other indirect costs that might arise—such as that to the National Health Service from the extra health problems of the unemployed. Nor do they include the costs to the unemployed themselves.

Sinfield and Fraser, who did the work for the BBC, were conservative in their estimates. They put the cost of benefits paid to the unemployed at £7140 m—£1760 m for unemployment benefit, £4640 m for supplementary and housing benefit, and another £740 m for men over 60 who are no longer required to register for benefits and for the unemployed in Northern Ireland. In addition, there are government costs of £300 m from the redundancy fund, which bears almost half of the costs of the state scheme, giving a total of £7440 m. The cost of lost revenue is put by Sinfield and Fraser at between £12 465 m and £12 990 m from lost income tax, £5200 m from lost national insurance contributions, and £2100 m from lost indirect taxes (or £1575 m if the unemployed are using up their savings). Sinfield and Fraser also made estimates of costs to local authorities, which include free school meals, higher student awards, lost revenue on buses, and increased costs for pupils staying on into sixth forms, careers services, and youth training schemes. Using data from Cleveland, they arrived at a figure of £490 for each unemployed person.

All of this £20 billion would not be saved if unemployment were suddenly eliminated as it costs money to create jobs, but Sinfield and Fraser calculate that if unemployment were now 5.4%, which it was when the Conservatives first came into office, then the cost to the exchequer would be £7.5-£12.5 billion less than it is now.

This is the second in a series of articles on unemployment and health.

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What is the success rate and what are the side effects of radiotherapy after radical neck surgery to remove a squamous epithelioma of the upper edge of the ear and the lymph glands?

If radical neck surgery is undertaken after removal of a squamous epithelioma of the upper edge of the ear it is presumably because the neck nodes are the site of secondary cancer. Radical surgery should be sufficient to remove all secondary disease. Radiotherapy would be recommended after radical surgery only if the secondary disease in the neck was advanced and if there were doubts about the completeness of the surgical clearance. Radiotherapy would have to be prescribed to a radical dose, and would produce a brisk erythema of the skin and a sore throat, while care would be necessary to avoid irradiating the spinal cord. It is not possible to quote a success rate for a hypothetical situation, but if radiotherapy was needed after radical surgery the disease must have been in an advanced stage with a poor prognosis. Radical radiotherapy should, however, control local disease in a high proportion of cases.—DIANA BRINKLEY, consultant radiotherapist, London.