

Looking for a 'better' job: job-search activity of the employed

*During the mid- to late-1990s,
unemployment fell and employment rose;
the job-search rate of the employed also declined,
although many employed persons
still searched for new jobs*

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An undisputed fact about the U.S. labor force is that people who already have jobs sometimes decide to look for “better” jobs. However, each potential jobseeker determines his or her own criteria for defining “better,” and that definition may change as the individual’s circumstances change. For example, younger workers may experiment with different kinds of jobs and frequently look for new ones that match their interests and abilities. Other workers who plan to start families, or already have them, may seek jobs that offer enhanced family-related benefits, such as health insurance, child care, or vacation time. And, workers of all kinds or in all circumstances may seek jobs that offer higher pay or greater security. In February 1999, 4.5 percent of employed wage and salary workers had actively looked for a new job in the prior 3 months, but the likelihood that workers have looked for a new job varied, depending on their characteristics and their current jobs.

Until recently, there has been little statistical information about the job-search activities of people who already are employed. Since the 1940s, observers of the U.S. labor market have had information available on a monthly basis about the unemployed—that is, jobseekers who are *without* jobs. This information comes from the Current Population Survey (CPS), a monthly survey of about 50,000 households that is conducted by the Census Bureau for the Bureau of Labor Statistics.¹

The first BLS effort to learn about the job-search activities of *employed* persons was from a

set of supplemental questions in the May 1976 CPS.² According to data from that survey, 4.2 percent of all workers (3.3 million) who had been employed at their present job for at least 4 weeks had looked for a new job in the 4 weeks prior to the survey.

Since the 1976 survey, the CPS had not included any questions on the job-search activities of employed persons until supplemental questions were included in February 1995 on workers in contingent and alternative employment arrangements. Those questions were repeated in the CPS in February 1997 and again in February 1999. In these surveys, workers were asked about their job-search activity in the prior 3 months. (Workers who had less than 3 months of tenure with their present employer were asked about job-search activities conducted since they had started with their present employer.) Because the length of the reference period for the 1995, 1997, and 1999 surveys was 3 months, the data from those surveys are not strictly comparable to data from the 1976 survey, which had a 4-week reference period.

This article focuses on employed *wage and salary* workers who used *active* methods to search for a *new* job. Active job-search methods include contacting an employer directly, registering at a public or private employment agency, scheduling an interview through a school or university employment center, checking union or professional registers, asking friends or relatives about available jobs, sending out resumes, filling out

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applications, and placing or answering ads. Excluded from this analysis of employed jobseekers are all self-employed workers, as well as wage and salary workers who were looking for a *second or additional* job or who used only passive methods to search for a new job. Passive job-search methods include merely reading the want-ads or attending a job-training program or course.

This article first examines whether any trends have emerged in the proportion of workers actively seeking new jobs in February 1995, 1997, and 1999. Then, the focus turns to how different characteristics of workers—such as sex, age, earnings, health and retirement benefits coverage, educational level, tenure with current employer, job security, occupation, industry, and union membership—relate to workers' likelihood to seek new jobs.

Trends, 1995–99

The unemployment rate, the proportion of the civilian labor force that was unemployed, fell from 5.4 percent (seasonally adjusted data) in February 1995 to 4.4 percent in February 1999. Over the same period, nonfarm payroll employment, as measured by the Current Employment Statistics (CES) survey, increased by 11.4 million (seasonally adjusted), an annual growth rate of 2.4 percent. During this period of falling unemployment and rapid employment growth, the percent of employed wage and salary workers who had actively looked for a new job in the 3 months prior to the survey also declined, from 5.6 percent in February 1995 to 5.0 percent in February 1997 and 4.5 percent in February 1999.³

Economists long ago demonstrated that the unemployment rate is a cyclical economic indicator that rises during recessions and falls during economic expansions. Could the employed-job-search rate also be a cyclical economic indicator? During recessions or other periods of deteriorating job security, growing numbers of workers may choose to look for jobs that they believe are more secure, thereby raising the employed-job-search rate. However, workers also may decide not to look for jobs because they believe that there are not enough “better” employment opportunities available to make their job search worthwhile, and that might lower the job-search rate among the employed. During economic expansions, employment opportunities are more plentiful, and more workers may seek jobs that offer higher pay or better benefits than their current position. Employers in turn may encourage productive workers to stay—and discourage them from seeking jobs elsewhere—by raising their pay or improving their benefits and working conditions. Only three comparable data points currently are available on the job-search rate of employed persons, and all of them have occurred during an economic expansion. Thus, the data are insufficient to determine whether the job-search rate among the employed exhibits any cyclical pattern.

Sex and age

As previously noted, the job-search rate for employed wage and salary workers declined over the three survey periods, from 5.6 percent in February 1995 to 4.5 percent in February 1999. Among men, the rate in February 1995 was 6.0 percent, compared with 5.3 percent for women. By February 1999, the gap between men and women had nearly dissolved; the rate for men was 4.6 percent and the rate for women was 4.4 percent. (See table 1.)

Age appears to have a stronger relationship with the likelihood of searching for a new job. Workers ages 16 to 24 were much more likely than persons age 25 and older to actively seek other employment opportunities. The higher job-search rates among employed younger workers might reflect the fact that they tend to experiment with different types of jobs until they find careers that suit their interests and eventually settle into jobs that match their economic and social needs. As the labor market tightened over the 1995–99 period, however, the likelihood of young workers to seek new jobs declined, particularly when compared with the job-search rate of workers age 25 and older. Perhaps many younger workers were able to find jobs more suitable to their desires and were, therefore, less inclined to search for new ones by 1999. The job-search rate for workers age 25 and older, while already lower than that of younger workers, also ebbed much less over the 1995–99 period.

Compensation

Pay and benefits are among the principal elements of job quality that most workers consider when deciding whether to change jobs. If given a choice between two otherwise identical jobs, a rational jobseeker would choose the one that offers higher pay. The effect of employee benefits on job choices is more ambiguous, however. For example, suppose a jobseeker could choose between two jobs that were identical except that one offers health insurance and the other does not. If the jobseeker did not presently have health insurance, he or she logically might choose the job that offers insurance. But if the jobseeker already was covered by health insurance through a spouse's employer-sponsored plan, the decision would be more complicated. The jobseeker would have to consider the features of each health plan, the security of the spouse's job, and perhaps other factors before deciding which job to choose.

The cps does not include any questions on the characteristics of other jobs that employed jobseekers could choose. There is information, however, about workers' present jobs, such as the amount they are paid and whether they are covered by employer-sponsored health and retirement plans.

Wages and salaries. Are workers who receive lower pay more

Table 1. Wage and salary workers who actively searched for a new job in the prior 3 months, by age and sex, February 1995, 1997, and 1999

[Numbers in thousands]

Age and sex	1995		1997		1999	
	Total who responded	Percent who searched for a new job in the prior 3 months	Total who responded	Percent who searched for a new job in the prior 3 months	Total who responded	Percent who searched for a new job in the prior 3 months
Total						
Total, 16 years and older	107,031	5.6	110,546	5.0	114,898	4.5
16 to 19 years	5,351	8.1	5,828	6.9	6,360	5.9
20 to 24 years	11,842	9.2	11,326	8.4	11,692	7.3
25 years and older	89,837	5.0	93,392	4.5	96,845	4.0
25 to 34 years	29,147	7.1	28,590	6.4	28,126	5.8
35 to 44 years	29,292	5.1	30,579	4.6	31,649	4.4
45 to 54 years	19,950	3.7	22,078	3.3	23,966	2.8
55 to 64 years	9,119	2.1	9,698	2.1	10,475	1.7
65 years and older	2,329	.9	2,447	.9	2,629	1.2
Men						
Total, 16 years and older	55,897	6.0	57,655	5.3	59,541	4.6
16 to 19 years	2,641	7.9	2,978	7.3	3,187	5.1
20 to 24 years	6,264	9.5	5,932	9.0	6,049	7.8
25 years and older	46,992	5.4	48,745	4.8	50,305	4.1
25 to 34 years	15,807	7.7	15,281	7.1	14,937	6.0
35 to 44 years	15,206	5.3	16,011	4.6	16,558	4.6
45 to 54 years	10,119	3.9	11,197	3.3	12,016	2.7
55 to 64 years	4,678	2.5	5,008	2.3	5,502	1.6
65 years and older	1,182	1.1	1,249	1.0	1,292	1.3
Women						
Total, 16 years and older	51,134	5.3	52,891	4.6	55,357	4.4
16 to 19 years	2,711	8.4	2,850	6.4	3,173	6.8
20 to 24 years	5,578	8.9	5,394	7.7	5,643	6.8
25 years and older	42,845	4.6	44,647	4.2	46,540	3.9
25 to 34 years	13,340	6.4	13,309	5.5	13,189	5.6
35 to 44 years	14,086	4.9	14,568	4.5	15,092	4.2
45 to 54 years	9,831	3.6	10,882	3.4	11,950	2.9
55 to 64 years	4,441	1.8	4,690	1.8	4,973	1.8
65 years and older	1,147	.8	1,198	.9	1,337	1.2

or less likely to seek new jobs than workers with higher pay? Data on the usual weekly earnings of wage and salary workers who usually work full time (35 hours or more per week) are examined to answer this question. As shown earlier in this article, employed men were slightly more likely than women to look for a new job, and younger workers were much more likely than middle-aged or older workers to look for a new job. To isolate the relationship between earnings and the probability of looking for a new job, it is necessary to examine the earnings of workers in each sex-age category separately. For each sex-age category, full-time wage and salary workers employed in February 1999 were divided into five equally sized groups according to their reported usual weekly earnings. These five groups are called quintiles, ranging from the lowest paid 20 percent of workers, referred to as the first quintile, to the highest paid 20 percent, called the fifth quintile. Table 2 shows the earnings levels that mark the boundaries between the five quintiles for each sex-age group in February 1999.

The data provided in table 3 show the job-search rates of full-time workers in each of the earnings quintiles, by age.

These estimates indicate no clear pattern in job-search rates across earnings quintiles within each sex-age group. One might surmise that the lowest paid workers have more incentive to look for higher paying jobs, while workers who already are highly paid might have less motivation to seek jobs in which they could earn still more. Although this argument seems logical, it does not consider the job opportunities that might be available to workers in different earnings quintiles. Many of the lowest paid workers have relatively low levels of educational attainment and job skills, leaving them with fewer opportunities to obtain better jobs. A large proportion of them may not seek better jobs because they believe that their job search would be fruitless. Many of the highest paid workers have higher levels of educational attainment and job skills, providing them with more abundant job opportunities. Many of these highly paid workers thus may decide to seek opportunities to raise their earnings even more. Indeed, employed college graduates and those with at least some college experience were more likely to have looked for a new job than were workers with a high school diploma or less education. (The

Table 2. Quintiles of usual weekly earnings for full-time wage and salary workers by age and sex, February 1999

Age and sex	Total wage and salary workers (in thousands)	Boundary between first and second quintile	Boundary between second and third quintile	Boundary between third and fourth quintile	Boundary between fourth and fifth quintile
Total					
16 to 19 years	1,552	\$202	\$254	\$301	\$375
20 to 24 years	8,407	257	321	402	519
25 to 34 years	25,368	320	453	584	774
35 to 44 years	28,071	361	507	696	981
45 to 54 years	21,846	380	541	749	1,060
55 to 64 years	8,660	370	517	745	1,074
65 years and older	1,298	239	319	475	762
Men					
16 to 19 years	1,083	225	263	305	369
20 to 24 years	4,716	270	341	424	548
25 to 34 years	14,376	345	485	616	849
35 to 44 years	16,080	413	596	790	1,104
45 to 54 years	12,137	450	658	888	1,246
55 to 64 years	4,986	427	628	904	1,261
65 years and older	690	236	324	601	1,115
Women					
16 to 19 years	469	178	220	288	386
20 to 24 years	3,690	244	305	367	486
25 to 34 years	10,992	302	410	528	717
35 to 44 years	11,991	310	418	573	793
45 to 54 years	9,710	324	454	603	840
55 to 64 years	3,673	318	445	581	854
65 years and older	609	242	315	423	623

Table 3. Percent of full-time wage and salary workers who actively searched for a new job in the prior 3 months, by age, sex, and weekly earnings quintile, February 1999

Age and sex	First quintile	Second quintile	Third quintile	Fourth quintile	Fifth quintile
Total					
16 to 19 years	8.2	10.2	(¹)	(¹)	(¹)
20 to 24 years	6.9	5.1	7.9	3.9	5.6
25 to 34 years	5.2	4.1	5.6	4.4	5.7
35 to 44 years	4.6	4.1	3.9	2.7	5.8
45 to 54 years	2.3	3.2	1.7	2.2	3.2
55 to 64 years	1.2	1.9	.6	.5	2.5
65 years and older	(¹)	(¹)	(¹)	(¹)	(¹)
Men					
16 to 19 years	(¹)	(¹)	(¹)	(¹)	(¹)
20 to 24 years	6.4	3.8	12.6	3.2	3.6
25 to 34 years	5.5	5.0	4.6	6.2	5.8
35 to 44 years	3.4	3.7	4.0	3.4	6.7
45 to 54 years	3.4	2.4	3.0	2.3	1.9
55 to 64 years9	3.3	.9	.2	3.8
65 years and older	(¹)	(¹)	(¹)	(¹)	(¹)
Women					
16 to 19 years	(¹)	(¹)	(¹)	(¹)	(¹)
20 to 24 years	7.7	2.8	5.7	5.5	7.3
25 to 34 years	4.6	3.0	5.5	4.7	4.2
35 to 44 years	5.1	6.0	2.7	3.3	4.2
45 to 54 years	2.5	1.9	1.8	2.6	3.5
55 to 64 years	1.5	.3	(¹)	1.5	.4
65 years and older	(¹)	(¹)	(¹)	(¹)	(¹)

¹ Job-search rates not shown for groups with fewer than 300,000 workers.

next section further examines the relationship between workers' educational attainment and their likelihood to seek new jobs.) Information on current pay is not sufficient to assess the likelihood that workers will seek new jobs. Rather, information on current pay must be combined with information on the pay workers could receive from alternative jobs. Unfortunately, such information would be difficult or impossible to obtain.

Health and retirement benefits. Workers not covered by health insurance from any source in February 1999 were more than twice as likely as workers who had health insurance to have looked for a new job in the 3 months prior to the survey. (See table 4.) Although the job-search rates of workers with and without health insurance declined from 1995 to 1999, the job-search rate for those without insurance was more than twice the rate of those with insurance in each of the three surveys. Also in each survey, workers who received health

insurance from a source other than their own employer were somewhat more likely to have looked for a new job than were workers who participated in their employer's health plan.

Workers' likelihood to seek new jobs also is related to their participation in employer-sponsored retirement plans. Table 4 shows that workers ages 20 and older who did not participate in a retirement plan were considerably more likely than workers who participated in a plan to have searched for a new job in the 3 months prior to the survey. Employers offer retirement plans, in part, to attract productive workers. The specific type of retirement plan the employer offers also could influence a worker's decision whether to stay with an employer until retirement or switch to another employer. The two broad types of retirement plans are defined-benefit and defined-contribution plans. Length of service directly affects the level of benefits from defined-benefit plans, but not from defined-contribution plans.⁴ Workers who participate in defined-benefit

Table 4. Percent of wage and salary workers who actively searched for a new job in the prior 3 months, by age, sex, and coverage under health and retirement plans, February 1999

Age and sex	Not covered by any health plan	Covered by health plan			Not covered by employer-provided retirement plan	Covered by employer-provided retirement plan
		Total	From source other than own employer	From own employer		
Total						
Total, 16 years and older	8.2	3.9	4.9	3.5	6.1	3.2
16 to 19 years	9.2	4.9	5.1	3.8	5.9	5.9
20 to 24 years	9.7	6.5	7.9	5.5	8.4	4.9
25 years and older	7.6	3.6	4.3	3.4	5.6	3.1
25 to 34 years	8.3	5.4	6.3	5.1	7.2	4.7
35 to 44 years	8.3	3.9	4.7	3.7	5.8	3.6
45 to 54 years	6.2	2.5	4.0	2.1	5.0	1.9
55 to 64 years	4.5	1.5	2.1	1.3	2.4	1.2
65 years and older	5.1	1.0	1.4	.2	1.7	.5
Men						
Total, 16 years and older	8.4	3.9	5.2	3.6	6.5	3.3
16 to 19 years	9.4	3.9	4.1	2.8	5.2	4.0
20 to 24 years	10.9	6.5	7.2	6.2	9.2	5.6
25 years and older	7.6	3.7	5.2	3.4	6.1	3.2
25 to 34 years	8.0	5.7	6.8	5.5	7.5	5.2
35 to 44 years	8.1	4.2	6.9	3.8	6.2	3.8
45 to 54 years	6.4	2.4	5.6	1.9	6.0	1.5
55 to 64 years	4.4	1.4	2.2	1.2	2.2	1.2
65 years and older	(¹)	.8	1.1	.5	1.9	.7
Women						
Total, 16 years and older	7.9	3.8	4.7	3.4	5.7	3.1
16 to 19 years	9.0	6.0	6.1	5.2	6.5	8.6
20 to 24 years	8.2	6.4	8.4	4.8	7.7	4.1
25 years and older	7.7	3.4	3.9	3.2	5.2	3.0
25 to 34 years	8.9	5.0	6.1	4.6	7.0	4.2
35 to 44 years	8.5	3.6	3.7	3.5	5.4	3.3
45 to 54 years	6.1	2.7	3.2	2.5	4.2	2.4
55 to 64 years	4.6	1.6	2.0	1.3	2.5	1.2
65 years and older	2.5	1.1	1.8	(²)	1.6	.2

¹ Job-search rates are not shown for groups with fewer than 75,000 workers.

² Less than 0.05 percent.

Table 5. Wage and salary workers age 25 and older who actively searched for a new job in the prior 3 months, by educational attainment and sex, February 1995, 1997, and 1999

[Numbers in thousands]

Educational attainment and sex	1995		1997		1999	
	Total who responded	Percent who searched for a new job in the prior 3 months	Total who responded	Percent who searched for a new job in the prior 3 months	Total who responded	Percent who searched for a new job in the prior 3 months
Total, 25 years and older	89,837	5.0	93,392	4.5	96,845	4.0
Less than a high school diploma	9,147	3.2	9,389	3.3	9,275	2.7
High school graduates, no college	29,191	3.9	30,672	3.2	30,425	2.9
Some college or associate degree	25,948	5.9	26,265	4.9	27,486	4.6
College graduates, total	25,551	6.2	27,065	5.9	29,660	5.0
Men, 25 years and older	46,992	5.4	48,745	4.8	50,305	4.1
Less than a high school diploma	5,478	3.9	5,730	3.5	5,521	2.6
High school graduates, no college	14,743	3.9	15,679	3.5	15,544	3.3
Some college or associate degree	12,774	6.5	12,907	5.2	13,575	4.4
College graduates, total	13,997	6.6	14,429	6.2	15,666	5.3
Women, 25 years and older	42,845	4.6	44,647	4.2	46,540	3.9
Less than a high school diploma	3,669	2.1	3,660	3.0	3,755	2.7
High school graduates, no college	14,448	3.8	14,993	2.8	14,881	2.6
Some college or associate degree	13,174	5.3	13,357	4.7	13,911	4.8
College graduates, total	11,554	5.6	12,636	5.6	13,994	4.8

plans, therefore, may be less likely than workers with only defined-contribution plans to change employers or look for new jobs. This hypothesis cannot be tested using CPS data, however, because the February 1995, 1997, and 1999 surveys did not include questions that would distinguish between workers with defined-benefit plans and those with defined-contribution plans.⁵

Human capital

The term “human capital” refers to the education, training, experience, health, and other characteristics that affect the economic and cultural welfare of individuals.⁶ Human capital falls into two categories, general and specific. Workers apply general human capital to a variety of work settings, and formal education is the most common example of general human capital. Specific human capital includes knowledge and skills that improve a worker’s productivity in one work setting, but that might not be relevant or easily adaptable to other work settings. One measure of specific human capital is the length of time workers have been with their current employer. The occupations in which workers are employed require elements of both general and specific human capital. Educational attainment and tenure appear to have an opposite relationship with workers’ likelihood to have looked for a new job. Workers with higher levels of educational attainment are more likely to have looked for a new job, while workers with longer tenure are less likely to have looked for a new job. The effect of occupation on job-search rates is more ambiguous.

Educational attainment and occupation. As previously noted, the extent of active job search was highest for workers with higher levels of education. Among workers age 25 and older, those with some college education or a bachelor’s degree were more likely to have searched for alternative employment than were those with a high school diploma or less education. The overall downward trend in job-search rates among the employed from 1995 through 1999 is similar to the patterns for most of the educational attainment groups. (See table 5.)

Among persons employed in the major occupational groups, there appears to be little variation in job-search activity, and all occupational groups showed similar downward trends over the 1995–99 period. For the most part, managers and professionals were no more likely to have searched for a new job than were persons employed in service or administrative support occupations. (See table 6.)

The lack of variation in job-search rates across the major occupational groups seems somewhat contradictory, given that managers and professionals typically have higher levels of educational attainment than workers in most other occupational categories. As just discussed, workers with higher levels of education were more likely to search for a new job. This apparent contradiction is resolved, however, when the job-search rates of workers in each occupation are examined along with the educational attainment of those workers. As table 6 shows, within most major occupational groups, job-search rates were higher for workers with higher levels of educational attainment. The difference in job-search rates between workers with higher and lower levels of educational attainment was

especially sharp within the lower paying occupations, such as operators, fabricators, and laborers and workers in service or administrative support occupations. Indeed, college graduates in these occupations were more likely to have searched for a new job than were college graduates employed as managers or professionals. The higher job-search rates of highly educated workers in lower paying jobs suggest that these workers might have been motivated to look for a new job both because they sought higher pay and they had broader job opportunities than workers with less education.

Tenure. As table 7 shows, workers who had been with their current employer less than a year were much more likely than those with longer tenure to have looked for a new job in the 3 months prior to the survey. Overall, job-search rates were lower for workers in each successively higher tenure category

shown in the table. This pattern generally is apparent even within specific age groups of men and women.

Workers who have long tenure with their employer may be less likely to look for a new job because they may benefit economically from having longer tenure. For example, as workers stay with a particular employer, they may acquire more experience and knowledge about the employer's products, services, customers, and processes. This experience and knowledge may enable long-term employees to be more productive, and their employers may compensate them for that higher productivity. Other potential employers may not value that specific experience and knowledge as highly, and therefore, may not be as willing to offer higher compensation to entice workers to change employers. High-tenured employees also typically receive more vacation time than workers with less seniority. As discussed earlier, employees who participate in de-

Table 6. Percent of wage and salary workers age 25 and older who actively searched for a new job in the prior 3 months, by major occupation and educational attainment, February 1995, 1997, and 1999

Occupation	Total	Less than a high school diploma	High school graduates, no college	Some college or associate degree	College graduates, total
1995					
Total, 25 years and older	5.0	3.2	3.9	5.9	6.2
Executive, administrative, and managerial	5.1	1.2	3.0	4.6	6.3
Professional specialty	5.1	2.6	3.1	4.6	5.4
Technicians and related support	5.2	—	2.3	5.7	6.4
Sales occupations	5.7	2.0	4.3	7.2	6.6
Administrative support, including clerical	4.8	1.5	3.5	5.4	7.7
Service occupations	5.4	3.2	5.0	6.9	9.1
Precision production, craft, and repair	4.0	2.6	3.2	5.6	5.8
Operators, fabricators, and laborers	5.0	3.6	4.3	7.4	8.8
Farming, forestry, and fishing	5.8	5.9	4.3	10.3	1.3
1997					
Total, 25 years and older	4.5	3.3	3.2	4.9	5.9
Executive, administrative, and managerial	4.6	3.6	2.8	4.0	5.7
Professional specialty	5.0	—	3.2	4.2	5.4
Technicians and related support	5.2	—	4.7	5.2	5.9
Sales occupations	5.4	4.4	3.3	6.9	6.4
Administrative support, including clerical	4.3	2.4	2.7	4.4	8.8
Service occupations	3.9	4.2	3.0	4.7	5.6
Precision production, craft, and repair	3.6	2.1	3.0	5.2	4.9
Operators, fabricators, and laborers	4.3	3.5	3.7	5.9	8.3
Farming, forestry, and fishing	3.8	2.5	4.2	6.4	4.3
1999					
Total, 25 years and older	4.0	2.7	2.9	4.6	5.0
Executive, administrative, and managerial	4.1	2.7	2.1	3.7	5.0
Professional specialty	4.4	2.2	2.2	5.2	4.3
Technicians and related support	4.0	10.5	3.0	3.9	4.6
Sales occupations	4.4	5.1	3.5	4.4	5.2
Administrative support, including clerical	4.2	4.0	2.6	4.7	7.1
Service occupations	4.0	2.3	3.5	5.1	7.1
Precision production, craft, and repair	3.5	2.1	2.8	4.6	6.5
Operators, fabricators, and laborers	3.5	2.3	3.3	4.9	6.2
Farming, forestry, and fishing	4.1	3.8	1.2	7.4	16.2

NOTE: Dash indicates data not available.

Table 7. Percent of wage and salary workers who actively searched for a new job in the prior 3 months, by age, sex, and tenure with current employer, February 1999

Age and sex	Total	Less than 1 year	1 to 3 years	4 to 5 years	6 to 9 years	10 to 14 years	15 to 19 years	20 years or more
Total								
Total, 16 years and older	4.5	7.7	5.4	4.1	3.6	2.4	1.7	1.0
16 to 19 years	5.9	6.6	4.7	6.5	(¹)	(¹)	(¹)	(¹)
20 to 24 years	7.3	8.6	6.7	6.2	3.1	(¹)	(¹)	(¹)
25 years and older	4.0	7.7	5.2	3.9	3.6	2.4	1.7	1.0
25 to 34 years	5.8	8.0	5.7	5.2	5.1	2.8	2.5	(¹)
35 to 44 years	4.4	8.4	5.4	3.6	3.4	3.0	2.2	2.4
45 to 54 years	2.8	7.1	4.4	3.0	2.8	1.8	1.8	.7
55 to 64 years	1.7	4.1	3.2	2.0	2.2	1.2	(²)	.8
65 years and older	1.2	5.4	2.1	.9	(²)	1.1	.4	(²)
Men								
Total, 16 years and older	4.6	7.9	5.9	4.3	3.4	2.5	2.1	1.1
16 to 19 years	5.1	5.6	4.6	(¹)	(¹)	(¹)	(¹)	(¹)
20 to 24 years	7.8	8.7	7.9	6.5	(²)	(¹)	(¹)	(¹)
25 years and older	4.1	8.2	5.6	4.1	3.5	2.5	2.1	1.1
25 to 34 years	6.0	8.2	5.8	5.5	5.6	2.9	3.1	(¹)
35 to 44 years	4.6	9.6	6.1	4.4	2.6	3.0	3.0	3.0
45 to 54 years	2.7	8.4	5.3	2.7	2.4	1.7	1.4	.6
55 to 64 years	1.6	3.0	3.9	.9	2.6	1.0	(²)	.9
65 years and older	1.3	(²)	2.7	1.6	(²)	2.2	(²)	(²)
Women								
Total, 16 years and older	4.4	7.6	4.9	3.8	3.7	2.3	1.2	.8
16 to 19 years	6.8	7.5	4.9	11.1	(¹)	(¹)	(¹)	(¹)
20 to 24 years	6.8	8.5	5.5	5.9	8.0	(¹)	(¹)	(¹)
25 years and older	3.9	7.3	4.7	3.6	3.7	2.3	1.3	.8
25 to 34 years	5.6	7.8	5.7	5.0	4.6	2.7	1.6	(¹)
35 to 44 years	4.2	7.5	4.8	2.8	4.1	2.9	1.0	1.3
45 to 54 years	2.9	5.9	3.7	3.3	3.2	1.9	2.2	.9
55 to 64 years	1.8	5.3	2.5	3.1	1.7	1.4	(²)	.6
65 years and older	1.2	10.2	1.3	(²)	(²)	(²)	.6	(²)

¹ Job-search rates are not shown for groups with fewer than 75,000 workers.² Less than 0.05 percent.

financed-pension plans typically receive higher benefit amounts during retirement for each additional year they had worked for the employer. Finally, unionized workers may benefit from higher seniority because union contracts often specify that pay, benefits, layoff decisions, and other conditions of work are determined by seniority.

Part-time workers

Most people who work part time (defined in the cps as less than 35 hours per week) prefer such a schedule because it accommodates their family, school, or other obligations or enables them to pursue leisure activities. Some people, however, work part time because they could only find part-time jobs or their work hours had been reduced to part time by their employer. Overall, persons who worked part time were more likely than full-time workers to seek alternative employment. Persons who worked part time voluntarily, however, had job-search rates that were the same as the job-search rates of workers who usually worked full time.⁷ In February 1999, the

job-search rate was 4.0 percent for voluntary part-time workers and for those who usually worked full time. (See table 8.)

Persons who worked part time for economic reasons, sometimes referred to as “involuntary part-time workers,” were much more likely to search for a new job while employed than were full-time or voluntary part-time workers. In February 1995, nearly a quarter of those working part time for economic reasons (regardless of usual full- or part-time status) had sought other employment in the 3 months prior to the survey, and that share had edged down only slightly by February 1999. Among persons working part time for economic reasons during the February 1999 survey reference week, those who usually worked part time had a job-search rate of 22.9 percent—nearly double the job-search rate for persons working part time for economic reasons, but who usually worked full time. Apparently, many of the workers who usually worked full time viewed their involuntary part-time status as a temporary circumstance, and as a result, they were less likely to seek other employment than were workers whose involuntary part-time status seemed more permanent.

Contingent workers

The principal focus of the February 1995, 1997, and 1999 CPS supplements was to identify the number of workers in contingent employment arrangements. Contingent workers are individuals who did not perceive themselves as having an explicit or implicit contract to continue their employment into the future and who did not expect their jobs to last much longer *for an economic reason*.⁸ Workers who did not expect to continue in their jobs *solely for personal reasons*, such as retirement or returning to school, are not considered contingent.

As table 9 shows, in each of the three surveys, contingent workers were about four times as likely as noncontingent workers to have looked for a new job in the 3 months prior to the survey. Furthermore, job-search rates for contingent workers

generally did not decline substantially with age as they did for noncontingent workers. This pattern suggests that workers who had jobs they considered insecure were likely to look for new jobs regardless of their age. The overall job-search rate for contingent workers was 16 percent in February 1999. It seems somewhat surprising that the rate was not higher, given that contingent workers, by definition, perceive their jobs as insecure. With the rapid job growth and falling unemployment in the United States during the 1995–99 period, many contingent workers might have believed that they could wait until their jobs ended before seeking new ones. In addition, some contingent workers might have just started their temporary employment arrangements at the time they were surveyed and, thus, might not yet have been ready to look for new jobs. With future data, researchers could determine whether contingent

Table 8. Percent of wage and salary workers who actively searched for a new job in the prior 3 months, by age, sex, and full- or part-time status, February 1995, 1997, and 1999

Age and sex	Usually work full time, less persons that work part time for economic reasons ¹	At work part time for noneconomic reasons, usually work part time (voluntary)	At work part time for economic reasons, usually work full time (involuntary)	At work part time for economic reasons, usually work part time (involuntary)
1995				
Total, 16 years and older	4.9	4.8	14.2	24.4
16 to 24 years	8.3	6.2	20.5	26.4
25 years and older	4.5	3.9	11.9	23.5
Men, 16 years and older	5.2	6.1	12.4	29.0
16 to 24 years	8.6	6.0	14.8	27.0
25 years and older	4.8	6.3	11.5	30.1
Women, 16 years and older	4.5	4.3	17.2	21.3
16 to 24 years	7.8	6.4	28.8	25.8
25 years and older	4.1	3.3	12.5	19.6
1997				
Total, 16 years and older	4.4	4.5	12.1	22.3
16 to 24 years	7.0	5.8	19.2	27.9
25 years and older	4.1	3.6	10.3	19.9
Men, 16 years and older	4.7	5.5	13.6	26.1
16 to 24 years	7.3	6.6	24.0	34.9
25 years and older	4.4	3.8	10.6	21.8
Women, 16 years and older	3.9	4.1	9.8	20.0
16 to 24 years	6.7	5.2	10.0	23.0
25 years and older	3.6	3.5	9.7	18.8
1999				
Total, 16 years and older	4.0	4.0	11.9	22.9
16 to 24 years	6.4	5.6	12.2	23.9
25 years and older	3.7	2.8	11.9	22.5
Men, 16 years and older	4.0	5.1	15.1	24.3
16 to 24 years	6.1	5.9	14.0	25.0
25 years and older	3.7	3.8	15.4	23.9
Women, 16 years and older	4.0	3.5	7.8	22.0
16 to 24 years	6.8	5.3	8.3	23.1
25 years and older	3.7	2.6	7.8	21.7

¹ The usual full- and part-time status of persons are concepts of employment. Full-time workers are those who usually worked 35 hours or more (at all jobs combined). This group will include some individuals who worked less than 35 hours in the reference period for either economic or noneconomic reasons

and those who are temporarily absent from work. In this context, "persons at work part time for economic reasons" have been removed from the larger group and tabulated separately.

workers are more likely to look for a new job during recessions, when workers might be less confident that they will be able to find a new job quickly after their contingent job ends.

Industry and union membership

Concerns about job security also may be reflected in varying job-search rates across industries. For example, government wage and salary workers, whose jobs generally are thought to be more secure than private-sector jobs, were less likely than workers in the private sector to have searched for a new job. (See table 10.) The lower job-search rates of government workers also might result from the higher median weekly earnings (in 1999) and benefits associated with government employment, although earnings in many private-sector industries compare favorably with government pay when bonuses and other incentives are considered. One important factor contrib-

uting to the difference in median weekly earnings between workers in government and the private sector is the occupational distribution of the industry. Managerial and professional specialty occupations, which are characterized by very high median weekly earnings, account for nearly twice the share of employment in government, as they do in the private sector.

Among the major private-sector industry groups, workers in services, retail trade, and agriculture were more likely to look for another job than were workers in other industries. In February 1995, workers in construction also had a higher-than-average job-search rate, but by February 1999, construction workers had a job-search rate that was below the overall average for all industries. The sharp drop in the job-search rate of construction workers might have been related to the rapid employment growth in construction. From February 1995 to February 1999, construction employment grew at an annual rate of 5.9 percent, compared with a growth rate of 2.4 percent for all nonfarm industries com-

Table 9. Percent of wage and salary workers who actively searched for a new job in the prior 3 months, by age, sex, and status as a contingent worker, February 1995, 1997, and 1999

Age and sex	1995		1997		1999	
	Contingent	Noncontingent	Contingent	Noncontingent	Contingent	Noncontingent
Total						
Total, 16 years and older	20.2	4.9	17.7	4.4	16.3	3.9
16 to 19 years	16.3	7.1	11.3	6.3	10.2	5.4
20 to 24 years	16.7	8.4	21.3	7.3	16.0	6.5
25 years and older	21.9	4.3	17.9	4.0	17.7	3.5
25 to 34 years	25.9	6.1	19.7	5.8	20.6	5.1
35 to 44 years	23.0	4.4	20.9	4.0	21.4	3.9
45 to 54 years	22.2	3.1	17.4	2.9	16.0	2.4
55 to 64 years	11.8	1.8	11.4	1.7	8.2	1.5
65 years and older	3.4	.7	2.9	.8	5.8	.8
Men						
Total, 16 years and older	21.6	5.2	19.7	4.7	16.6	4.0
16 to 19 years	18.1	6.8	17.5	6.1	10.7	4.5
20 to 24 years	16.0	8.9	24.8	7.7	13.9	7.2
25 years and older	23.6	4.6	18.8	4.3	18.7	3.7
25 to 34 years	28.5	6.6	23.5	6.5	23.8	5.2
35 to 44 years	26.3	4.5	20.3	4.1	22.0	4.1
45 to 54 years	20.5	3.4	14.5	3.0	14.9	2.3
55 to 64 years	11.8	2.1	16.5	1.7	5.9	1.5
65 years and older	6.6	.6	1.9	.9	5.0	1.0
Women						
Total, 16 years and older	18.9	4.5	15.7	4.1	16.1	3.8
16 to 19 years	15.0	7.4	5.2	6.6	9.8	6.3
20 to 24 years	17.3	7.9	18.0	6.7	18.2	5.7
25 years and older	20.1	3.9	17.0	3.7	16.8	3.4
25 to 34 years	22.9	5.6	15.8	5.0	17.4	5.0
35 to 44 years	20.0	4.2	21.5	3.9	20.8	3.6
45 to 54 years	23.5	2.8	19.9	2.8	16.9	2.5
55 to 64 years	11.8	1.5	6.1	1.7	10.2	1.5
65 years and older	(²)	.8	(¹)	.7	6.4	.7

¹ Job-search rates are not shown for groups with fewer than 75,000 workers.

² Less than 0.05 percent.

NOTE: Contingent workers are individuals who do not perceive themselves as having an explicit or implicit contract to continue their employment into the

future. Workers who did not expect to continue in their job solely for personal reasons, such as retirement or returning to school, are not considered contingent. Contingent workers did not expect their job to last much longer for an economic reason.

Table 10. Wage and salary workers who actively searched for a new job in the prior 3 months, by industry, February 1995, 1997, and 1999

[Numbers in thousands]

Industry	1995		1997		1999	
	Total who responded	Percent who searched for a new job in the prior 3 months	Total who responded	Percent who searched for a new job in the prior 3 months	Total who responded	Percent who searched for a new job in the prior 3 months
Total, 16 years and older	107,031	5.6	110,546	5.0	114,898	4.5
Private wage and salary workers	88,335	6.0	92,195	5.2	95,744	4.7
Agriculture	1,364	7.3	1,455	5.3	1,419	5.2
Mining	637	3.7	595	2.8	521	4.0
Construction	4,410	6.2	5,146	4.3	5,420	3.9
Manufacturing	19,584	4.9	19,944	4.3	19,505	3.9
Durable goods	11,397	4.7	12,063	4.5	12,102	4.0
Nondurable goods	8,187	5.2	7,881	4.1	7,404	3.8
Transportation and public utilities	6,514	4.7	6,542	4.5	7,231	4.4
Transportation	3,800	4.8	3,928	5.1	4,352	4.6
Communications and other public utilities	2,714	4.5	2,614	3.6	2,880	4.2
Wholesale trade	3,980	4.7	4,208	5.2	4,470	4.2
Retail trade	17,949	7.4	18,217	6.9	19,358	5.5
Eating and drinking places	5,608	8.3	5,658	7.9	6,038	6.6
Other retail trade	12,341	7.1	12,559	6.5	13,320	5.0
Finance, insurance, and real estate	6,718	5.2	6,959	4.7	7,607	4.6
Banking and other finance	3,358	5.9	3,383	5.4	3,716	5.2
Insurance and real estate	3,360	4.5	3,576	4.1	3,891	4.0
Services	27,038	6.4	28,833	5.2	30,049	5.0
Private household	886	6.8	760	4.4	543	6.4
Other services	26,152	6.4	28,074	5.2	29,506	5.0
Business, automobile, and repair services	4,839	9.8	5,751	6.2	6,258	6.0
Personal services, except private households	2,348	6.3	2,476	5.5	2,485	6.1
Entertainment and recreation services	1,351	9.0	1,553	6.9	1,702	6.3
Professional services	17,603	5.3	18,264	4.7	19,036	4.4
Hospitals	4,000	3.7	4,194	4.0	4,098	4.0
Health services, except hospitals	4,802	5.1	5,131	4.1	5,189	3.8
Educational services	2,325	5.3	2,443	5.3	2,823	4.6
Social services	1,890	6.1	1,987	5.1	2,128	6.0
Other professional services	4,586	6.5	4,510	5.7	4,799	4.4
Forestry and fisheries	11	—	30	19.7	24	—
Government wage and salary workers	18,695	3.9	18,351	3.8	19,154	3.2
Federal	3,448	3.7	3,282	3.7	3,281	2.7
State	5,416	5.2	5,006	4.8	5,237	4.9
Local	9,831	3.3	10,063	3.3	10,636	2.6

NOTE: Dash indicates data not available.

bined.⁹ Perhaps the rapid employment growth increased construction workers' perceptions of job security, thereby reducing their need to seek more secure jobs elsewhere. It is also possible that, with increasing construction activity, employers in the industry might have taken steps to induce workers not to seek jobs with other firms or in other industries.

Workers in manufacturing, mining, and transportation and public utilities were the least likely to look for other employment, followed closely by workers in finance, insurance, and real es-

tate. Wage and salary workers who were members of unions or represented by unions also were much less likely to search for another job while employed than were nonunion workers.¹⁰

THE JOB-SEARCH RATE among employed wage and salary workers declined over the period from February 1995 to February 1999. Some demographic characteristics and different levels of social or economic well-being appear to influence a worker's likelihood to search for a new job. While there was little differ-

ence between men and women in job-search rates, younger workers were much more likely than workers age 25 and older to engage in search activities. Workers who were not covered by health insurance from any source and those without retirement benefits were considerably more likely to have looked for a new job. Workers with higher levels of educational attain-

ment were more likely to search for a new job, while workers who had longer tenure with their current employer were less likely to do so. The relationship between earnings or occupation and workers' likelihood to search for a new job was not so clear cut. The collection of information on active job search of employed persons is relatively too new. □

Notes

¹ The main purpose of the cps is to obtain information on employment, unemployment, demographics, earnings, and other characteristics of the labor market in the United States. The Census Bureau conducts the cps and the Bureau of Labor Statistics analyzes and publishes the data. In the cps, most of the unemployed are persons who do not have a job, but are available for work and have actively sought employment in the 4 weeks prior to the monthly administration of the survey. The cps also obtains information on the demographic characteristics of the unemployed, their reasons for unemployment, the length of their job search, the types of job-search methods they have used, the occupations and industries in which they previously had worked, and more. For information on how national unemployment estimates are compiled from the cps, see *How the Government Measures Unemployment*, Report 864 (Bureau of Labor Statistics, March 1994), available on the Internet at: http://stats.bls.gov/cps_htgm.htm. A more detailed technical explanation of the cps is available in *BLS Handbook of Methods*, Bulletin 2490 (Bureau of Labor Statistics, April 1997), pp. 4–14, available on the Internet at: <http://stats.bls.gov/pub/hom/homhome.htm>.

² For an analysis of the data from the May 1976 cps, see Carl Rosenfeld, "The extent of job search by employed workers," *Monthly Labor Review*, March 1977, pp. 58–62.

³ Combining the *employed* jobseekers (5.1 million) with the *unemployed* jobseekers (5.6 million) means that 8.9 percent of the wage and salary labor force was seeking a new job in February 1999. Also, note that the number of unemployed jobseekers is less than the total number of unemployed wage and salary workers because the total includes persons who are expecting recall from a layoff, but have not actively looked for a job. Although the vast majority of unemployed persons actively sought employment in the 4 weeks prior to the survey, persons expecting recall from a layoff need not have actively searched for a job to be counted as unemployed.

⁴ Defined-benefit plans legally obligate employers to pay retirees an annuity that is based on a formula specified in the plan documents. The size of the benefit usually depends on the retiree's pre-retirement salary and years of service with the employer. Defined-contribution plans typically specify how much an employer has agreed to contribute to each employed participant's individual plan account, but not the amount of benefits that will be paid during retirement. Many defined-contribu-

tion plans also permit employees to contribute to their own accounts, often on a tax-deferred basis. The size of the benefit each participant receives during retirement depends on the amount the employer and employee contributed to the plan and the investment earnings on the contributions. For a discussion of how length of service affects retirement benefit amounts, see William J. Wiatrowski, "Factors affecting retirement income," *Monthly Labor Review*, March 1993, pp. 25–35.

⁵ The May 1988 and April 1993 cps supplements on employee benefits included questions about the characteristics of retirement plans. There is considerable doubt about the reliability of cps information on the types of retirement plans in which workers participate, however. Many respondents to household surveys such as the cps may not have sufficient knowledge of employee benefit plans and terminology to provide detailed information about their provisions. For this reason, the February 1995, 1997, and 1999 cps supplements did not include questions on retirement plan type. For a discussion on collecting employee benefits information in surveys, see Diane E. Herz, Joseph R. Meisenheimer II, and Harriet G. Weinstein, "Health and retirement benefits: data from two BLS surveys," *Monthly Labor Review*, March 2000, pp. 3–20.

⁶ See Gary S. Becker, *Human Capital* (Chicago, University of Chicago Press, third edition, 1993).

⁷ Full-time workers are those who usually worked 35 hours or more (at all jobs combined). This group includes some individuals who worked fewer than 35 hours during the survey reference week for either economic or noneconomic reasons and those who are temporarily absent from work.

⁸ For further discussion of contingent workers, see Steven Hipple, "Contingent work: results from the second survey," *Monthly Labor Review*, November 1998, pp. 22–35.

⁹ Seasonally adjusted estimates from the Bureau of Labor Statistics, Current Employment Statistics survey.

¹⁰ Job-search data by industry and union affiliation for February 1995, 1997 and 1999 are available by contacting the authors by phone: (202) 691–7409; (202) 691–5456; or by e-mail, Meisenheimer_j@bls.gov or Ilg_R@bls.gov.