

# Employed but not at work: a review of unpaid absences

*During a typical week, about 5 million workers are absent from their jobs and more than 2 million of them receive no pay for the week; these numbers have grown as the work force has increased and as vacations—both paid and unpaid—have become more prevalent*

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Most public attention focuses on the total count of the employed and the unemployed. But there is a large segment of workers whose status invites special inquiry because, while counted as employed, they were not actually working. During a typical week, about 5 million workers are absentees<sup>1</sup>—with a job but not at work for the entire week because of vacations, illnesses, and other reasons and, thus, are removed from the economic stream for that period. For the more than 2 million workers who receive no pay<sup>2</sup> for the missed week of work, that absence may have unwelcome personal costs as well.

This article focuses on the worker group to which most employees belong at some time during the year—that is, persons with a job but not at work.<sup>3</sup> The analysis covers such issues as who these persons are, their reasons for not working, the industries in which they are employed, and differences between men and women in this status.

Monthly changes in the number of unpaid week-long absences are discussed briefly in this article. These absences ranged from nearly 4 million in August 1980 to 1.4 million during the survey week in November. The data used here are derived from the Current Population Survey (CPS) and refer to nonagricultural wage and salary workers.<sup>4</sup>

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## Absences and reasons for not working

The total number of week-long absentees (including paid and unpaid) at a given time increased substantially between 1950 and 1980, rising from 2.0 to 5.1 million. While employment grew during this period, absences grew more. Absentees as a percentage of the employed increased from 4.2 to almost 6 percent. Most of this advance occurred in the 1950's and late 1960's. A slight rise in absenteeism in the early 1970's has been largely offset by a decline in the latter part of the decade. This decline was due to a slight reduction in the incidence of absences because of illnesses and other reasons except vacations.

Throughout the period, the major reason for week-long absences was vacations. As the following tabulation shows, vacations have become an even more important reason for not working:

<i>Reason for absence</i>	<i>1950</i>	<i>1980</i>
With a job, but not at work	1,954,000	5,057,000
Percent . . . . .	100.0	100.0
Vacation . . . . .	54.2	59.6
Illness . . . . .	28.2	24.7
Bad weather . . . . .	2.9	1.5
Labor dispute . . . . .	4.3	2.0
Other reasons . . . . .	10.4	12.2

The tabulation also shows that illness, the second most important reason for absences in 1980, now accounts

for only a quarter of all absences. In the early 1970's, there was concern about an increase in "unscheduled personal absence"—that is, absences caused by illnesses and "other" reasons, some of which may be called "avoidable."<sup>5</sup> Since that time, however, the incidence of full-week absences for such reasons has declined among women and has held steady for men.<sup>6</sup> In addition, no increases in the incidence of part-week absences have been registered for men or women.<sup>7</sup>

Women are twice as likely as men to miss a week of work for "other" reasons (excluding bad weather and labor dispute),<sup>8</sup> such as taking care of children who are ill. It should be noted, however, that even among women, only a small portion of absences can be attributed to these "other" reasons, as the following tabulation of employed nonagricultural wage and salary workers shows (data are 1980 annual averages):

<i>Incidence of absences</i>	<i>Men</i>	<i>Women</i>
Number . . . . .	48,324,000	37,215,000
Percent . . . . .	100.0	100.0
With a job, but not at work . . .	5.3	6.6
Vacation . . . . .	3.1	4.1
Illness . . . . .	1.4	1.5
Bad weather . . . . .	0.1	( <sup>1</sup> )
Labor dispute . . . . .	0.2	( <sup>1</sup> )
Other reasons . . . . .	0.5	0.9

<sup>1</sup> Less than .05.

Vacations and illnesses are the major reasons for absences regardless of the worker's sex. Among women, only a smattering miss a week or more of work at a time because of bad weather or labor disputes, principally because relatively few women work in occupations requiring outside work or in industries which are subject to protracted labor-management disputes. Incidence rates of absences for workers in various industries are examined later in this article; these will help explain the facts just stated.

### **Paid or unpaid?**

Although a majority of persons with a job but not at work receive pay, about 43 percent of full-week absences were unpaid. On average, about 2.2 million workers were unpaid during a typical week in 1980. This number has doubled since 1957, the first year for which these data were collected. The incidence of unpaid absences also rose between 1957 and 1980—from 2.1 to 2.6 percent—despite a slight decline in the 1970's. The ratio of paid-to-unpaid absences—1.3 to 1 in 1980—has shown little change over time. Since 1960, this ratio has remained in the range of about 1.2–1.4 to 1. There have, however, been substantial differences in the ratio of paid to unpaid absences by sex over time.

Men are much more likely to be paid for weeks taken

off than women. The paid-to-unpaid ratio for men has been substantially above that for women since the data were first collected in 1957. In 1980, women were paid for about half of their full-week absences, while men were paid for close to two-thirds of their absences.

Whether a worker is paid or unpaid during an absence is often related to the reason for not working. Persons on vacation are quite likely to be paid during their absence and the incidence of paid vacations has risen over time. Within each major industry group, the amount of time provided for paid vacations has been increasing over the years.<sup>9</sup> The ratio of paid-to-unpaid vacations, however, has fallen substantially—from 4.4 to 1 in 1960 to 2.5 to 1 in 1980—as the incidence of unpaid vacations has grown even more rapidly than that of paid vacations. The decline in the paid-unpaid ratio can be mainly attributed to faster employment growth in those industries which are less apt to provide paid vacations and to an increase in the number of persons willing to take vacations without pay—that is, an increased desire for leisure.

Persons absent from work for reasons other than vacation are more likely to be unpaid. Workers who are ill are somewhat more likely to be paid for time off than are those with "other" reasons for not working. Of course, included among persons with "other" reasons are those directly involved in labor-management disputes, who are never paid by their employer during their absence. (Some persons unable to work because of a labor-management dispute, though not on strike themselves—they may be supervisory workers—may be paid for missed work, however. Such persons are to be distinguished from those laid off as a result of a strike, who are numbered among the unemployed.) The ratio of unpaid workers absent because of illness showed an increase through the mid-1970's, but has shown almost no change thereafter. The ratio for persons absent because of "other" reasons has remained consistently low over the two-decade span.

### **Unpaid absences by industry**

There are substantial variations among industries<sup>10</sup> in their incidences of full-week absences, the reasons for those absences, and the likelihood that the worker is absent without pay. Furthermore, the industries with the highest incidence of full-week absence are not necessarily those with the highest incidence of unpaid absences.

The industry with the highest incidence of unpaid absences in 1980 was construction (table 1). Construction workers were generally absent for reasons other than vacations or illnesses, with bad weather playing an important role in keeping them away from their jobs. Construction workers are not absent more than other workers, so their high incidence of unpaid absences

**Table 1. Private wage and salary workers with a job but not at work by industry, reason for absence, and pay status, 1980 annual averages**

[Numbers in thousands]

Industry	Employed	Total absent from work	Percent of employed absent due to								Ratio of paid to unpaid			
			All reasons		Vacation		Illness		Other reasons		All reasons	Vacation	Illness	Other reasons
			Total	Unpaid	Total	Unpaid	Total	Unpaid	Total	Unpaid				
Total <sup>1</sup>	69,915	3,732	5.3	2.4	2.9	0.7	1.5	0.9	1.0	0.8	1.2	3.0	0.6	0.2
Mining	909	70	7.7	3.7	3.6	.8	2.0	1.3	2.1	1.7	1.0	3.7	.5	.3
Construction	4,373	235	5.4	3.9	1.6	.7	1.4	1.1	2.4	2.1	0.4	1.3	.3	.1
Manufacturing	21,088	1,227	5.8	2.2	3.0	.4	2.0	1.2	.9	.6	1.6	5.8	.7	.3
Durable goods	12,670	738	5.8	2.2	3.0	.4	2.0	1.1	.8	.6	1.7	6.5	.8	.3
Nondurable goods	8,418	489	5.8	2.4	3.1	.5	1.9	1.2	.9	.7	1.5	5.0	.6	.3
Transportation and public utilities	5,300	348	6.6	2.0	4.2	.8	1.3	.4	1.2	.8	2.2	3.9	2.2	.5
Wholesale and retail trade	17,581	788	4.5	2.4	2.5	.9	1.3	.9	.7	.6	.9	1.8	.4	.5
Wholesale trade	3,514	149	4.2	1.5	2.4	.3	1.2	.7	.7	.5	1.9	6.2	.6	.5
Retail trade	14,066	640	4.5	2.7	2.5	1.0	1.3	1.0	.7	.6	.7	1.5	.3	.2
Finance, insurance, and real estate	5,257	238	4.5	1.6	2.8	.6	1.0	.4	.7	.6	1.8	3.5	1.4	.3
Miscellaneous services	15,407	826	5.4	2.6	3.2	1.1	1.1	.8	1.0	.8	1.1	2.0	.6	.2

<sup>1</sup> Excludes workers in agriculture and private households.

means that they simply are not paid for most of their absences. It is generally accepted that many construction workers are paid relatively high hourly wages in part to compensate for unpaid absences. Moreover, these workers tend to have looser attachments to employers than do most other workers, which further explains the tendency for their absences not to be financed.

Persons employed in mining were next in terms of incidence of unpaid absences, with a ratio nearly as high as construction workers. They also registered a relatively large number of unpaid absences for reasons other than illnesses and vacations. The majority of persons not at work because of "other" reasons are not paid during their absences, and mining employees were no exception. Workers in mining also had a high likelihood of being on leave without pay because of illness.

Retail trade workers had a higher-than-average incidence of unpaid absences, although they took fewer full-week absences than did most workers. About 40 percent of retail trade workers' vacations involved leave without pay compared with 25 percent for total nonagricultural wage and salary workers. Services industry workers, whose incidence of unpaid absences was nearly as high as that for retail trade workers, also were likely to take a larger-than-average number of unpaid vacations. Their incidence of unpaid absences owing to illness and other reasons was about average. Both services and retail trade have higher concentrations of casual, short-term, and part-time workers who generally must report to work to be paid.

Although manufacturing workers posted a slightly higher than average number of total full-week absences, unpaid absences were about average. Manufacturing employees registered more weeks of leave mainly because of illnesses—especially paid time off for illnesses.

The proportions of manufacturing workers absent because of vacations and "other" reasons were in line with those for total workers. However, compared with workers in all other industries, manufacturing employees were the most likely to be paid for their vacations, as only about 15 percent of all week-long vacations were unpaid. Widespread union coverage undoubtedly contributed to their high incidence of paid time off.

Workers in transportation and public utility industries—who also tend to be unionized—posted a unique record of absences, both paid and unpaid. Unpaid absences were slightly below average because of the small number of workers on unpaid sick leave. More unusual is the high incidence of total absences, which results from a large number of paid full-week absences for vacations. Because of the high incidence of total absences among workers in transportation and public utilities and their low incidence of unpaid absences, the overall proportion of unpaid absences among these employees was the lowest of all industries—about 30 percent compared with an average of 45 percent for all nonagricultural industries.

Persons employed in finance, insurance, and real estate posted a low incidence of unpaid absences mainly because these workers took off relatively few weeks for illness. Total absences on account of illness were lower for these workers than for those in other industries, perhaps because of the preponderance of white-collar workers in the industry, who, like other white-collar employees, generally are less apt to have illnesses lasting a week or more.

The smallest incidence of unpaid absences was registered among workers in wholesale trade; these workers also posted the smallest incidence of total week-long absences. The incidence of paid absences for persons who were ill, on vacation, or had other reasons for not being

at work were the same as the average for total industries, but unpaid absences were substantially lower among wholesale trade workers for each of the three major reasons for absences.

*Industry absences over time.* The pattern of increasing and then slightly decreasing incidence of unpaid absentees was evident in most, but not all, industry groups. (See table 2.) Private wage and salary workers in finance, insurance, and real estate exhibited an increase in the incidence of unpaid absence only between the latter two dates, while most other major industry groups showed a rise in the first decade and a slight decline or leveling off in the second. All industry groups had a higher incidence of unpaid absences in 1980 than in 1960.

### Monthly count of unpaid absentees

The number of persons on week-long leave without pay varies greatly from month to month. The smallest number of unpaid absences does not occur every year in the same month or even the same season, whereas the largest number of workers consistently takes unpaid leave in July or August. In 1980, the number of unpaid week-long absences was highest during the survey week in July and lowest in December (numbers are in thousands).

Month	Unpaid absences	Change from previous month
January	2,120	643
February	1,929	-191
March	1,830	-99
April	2,127	297
May	1,648	-479
June	2,549	901
July	4,054	1,505
August	3,949	-105
September	1,785	-2,164
October	1,591	-194
November	1,404	-187
December	1,353	-51

The comparatively low level of unpaid December absences is largely related to the early timing of the survey week, because persons wait to take their leave during the Christmas period.

**Table 2. Employed persons on unpaid absences from work by industry, annual averages, selected years, 1960-80**

Industry	Numbers in thousands			As a percent of industry employment		
	1960	1970	1980	1960	1970	1980
Total, private wage and salary workers <sup>1</sup>	904	1,522	1,696	2.1	2.8	2.4
Mining	14	14	34	2.5	2.8	3.7
Construction	101	154	172	3.4	4.4	3.9
Manufacturing	338	573	473	2.0	2.8	2.2
Durable goods	190	343	275	2.1	2.9	2.2
Nondurable goods	148	230	199	2.0	2.8	2.4
Transportation and public utilities	78	111	108	1.9	2.5	2.0
Wholesale and retail trade	193	331	424	1.9	2.6	2.4
Wholesale trade	26	35	52	1.2	1.4	1.5
Retail trade	167	295	373	2.1	2.8	2.7
Finance, insurance, and real estate	36	55	84	1.0	1.0	1.6
Miscellaneous services	147	284	402	2.2	2.8	2.6

<sup>1</sup> Excludes workers in agriculture and private households. Data for 1960 include 14 and 15 year olds.

Rarely is the entire over-the-month movement due solely to seasonal factors. Changes which have no seasonal pattern, such as increases in strike activity, unseasonably bad weather, or certain epidemics, influenza for example, help make up the month-to-month variations. The nonseasonal components of the number of unpaid absences often contain the largest portion of an over-the-month change in unpaid absenteeism. And, as the word "nonseasonal" implies, a large increase (or decrease) in absences may occur in any month of any year—even in a month generally characterized by a small number of absences. For example, the number of unpaid absences during the December survey week has ranged from 1.3 to 1.7 million over the last 5 years, and the count during the January survey week has been between 1.6 and 2.4 million. Accordingly, there has been much volatility in the size of the December-January increases in unpaid absences; the rise from December 1975 to January 1976 was only about 125,000, while the over-the-month increase the following year was about 875,000. The advance posted in January 1980 was 650,000 while the January 1981 rise measured less than 250,000. The high degree of volatility in the monthly series of unpaid absences makes the calculation of a series adjusted for seasonality a difficult task which yields results of uncertain reliability. □

### FOOTNOTES

<sup>1</sup> These data are derived from the Current Population Survey (CPS), a monthly survey of about 60,000 households conducted by the Bureau of the Census for the Bureau of Labor Statistics. Private household workers are excluded from the data presented here on absences among nonagricultural wage and salary workers. In 1980, there were, on average, 60,000 full-week absences among agricultural wage and salary workers, about 60,000 among private household workers, and more than 600,000 among the self-employed. These groups of workers were excluded from this analysis because detailed information by pay status and industry are not available. Private household workers are, however, included in the data shown for 1950.

<sup>2</sup> In this report, unpaid workers are nonagricultural wage and salary workers who were with a job but not at work for the entire survey week. Such persons are not to be confused with "unpaid family workers," who are defined as working 15 hours or more during the survey week as unpaid workers in an enterprise operated by a family member.

<sup>3</sup> The data on absences used in this report are from the monthly CPS. The count of absences from this source is different from the numbers derived from the more commonly used source of data on absences, the May supplement to the CPS. Among the differences are:

(1) The universe for the monthly CPS consists of all workers, both full and part time, while the May supplement is restricted to nonfarm wage and salary workers who hold one job and usually work at least 35 hours per week; (2) the monthly CPS counts as absences those resulting from vacations, industrial disputes, bad weather, illness, or other voluntary, noneconomic reasons, while the May supplement excludes those resulting from vacations, industrial disputes, and bad weather; and (3) the monthly CPS data on absences provide information on workers who had a week-long absence, while the May supplement includes persons who normally work full time but actually worked fewer than 35 hours during the survey week—that is, the supplement includes part-week, as well as full-week, absences. Most important, for purposes of this article, only the monthly CPS provides data on the pay status of persons on leave. For analysis of data from the May CPS supplement, see Daniel E. Taylor, "Absences from work among full-time employees," *Monthly Labor Review*, March 1981, pp. 68-70.

<sup>4</sup> An important reason to look into the issue of unpaid absences has to do with the contrasting ways in which unpaid workers are treated in the Nation's two major monthly employment series, the Current Population Survey and the Current Employment (or establishment) Statistics Program. Data from the establishment survey are based on establishment records compiled monthly from mail questionnaires by the Bureau of Labor Statistics in cooperation with State agencies. Such payroll reports on nonagricultural wage and salary employees are from a sample of establishments employing more than 30 million such workers.

Because of different employment concepts—as well as variations in sampling, collection, and estimation methodology—the employment levels registered by these two surveys are dissimilar. In 1980, nonagricultural wage and salary employment as measured by the establishment survey was 90.6 million, compared with 86.7 million from the CPS. Although it is not possible to quantify all of the differences between the surveys, the differential can be narrowed by taking into account data series such as unpaid absences. Thus, by subtracting the number of such absences from the CPS nonagricultural employment level (or adding the same number to payroll employment), the 1980 annual average differential can be reduced by 2.2 million.

For more information on the differences between the employment estimates from the CPS (household survey) and the Current Employment Statistics Program, see Gloria Peterson Green, "Comparison of Nonagricultural Employment Estimates from Two Surveys," *Employment and Earnings*, March 1981, pp. 6-8, and "Comparing employment estimates from household and payroll surveys," *Monthly Labor Review*, December 1969, pp. 9-20. It should be noted that little suc-

cess has been achieved by accounting for unpaid absences when measuring the differences in the over-the-month movements of the CPS and establishment employment estimates, partly because of the great volatility in unpaid absences. Moreover, a 1976 Bureau of Labor Statistics working paper by Joseph R. Antos and others, entitled "Why Employment Estimates Differ: A Study of Discrepancies Between BLS Household and Payroll Estimates" found that simply subtracting the entire number of unpaid absences from the CPS estimate is not always an optional method of reconciling the two surveys for trend analysis. The reasons for this are not possible to determine conclusively, but may include sampling and survey response biases and the quality of the data.

<sup>5</sup> See Janice Neipert Hedges, "Absence from work: a look at some national data," *Monthly Labor Review*, July 1973, pp. 24-30.

<sup>6</sup> It should be noted that data for years prior to 1968 are not strictly comparable with data for more recent periods. A change in the CPS questionnaire in mid-1967 resulted in a small increase in the number of persons classified as employed but absent from work. Currently, all persons who have a job from which they are absent are considered employed; before the questionnaire revision, persons who were absent from work and looking for a new job were counted as unemployed.

<sup>7</sup> For further information on total absences (both full- and part-week), see Taylor, "Absences from work."

<sup>8</sup> "Other" reasons include maternity, school, sickness of other family members, personal business, and various other responses. A study conducted by the Bureau of Labor Statistics in 1978 showed that, in addition to including the categories just named, the count of full-week absences for "other" reasons also includes a similar number of misclassified responses. The misclassified group of persons not at work because of "other" reasons is comprised mainly of persons who should have been classified according to the standard reasons—that is, illness, vacation, or bad weather—and those who should have been grouped with the unemployed or with persons not in the labor force. The 1980 data, however, are apt to contain fewer misclassifications because of improvements made in survey procedures.

<sup>9</sup> Industries also have increased the number of weeks of paid absences for which workers are eligible. See *Handbook of Labor Statistics, Bulletin 2070* (Bureau of Labor Statistics, 1980), tables 112 and 113, pp. 275-82.

<sup>10</sup> The data on unpaid workers by industry presented in this report refer only to *private* nonagricultural wage and salary workers, excluding private household industry workers, as more comprehensive data do not exist for 1960. (See section on industry absences over time.)