

PART II
EMPLOYMENT

CHAPTER I
POST-ARMISTICE CONTRACTION
IN EMPLOYMENT

As was indicated in the outline sketch of Part I, Chapter I, the substitution of peace for war meant, and was bound to mean, a substantial contraction in aggregate activity. There had, of course, to be a large expansion in civilian peace work, but this was much less than the reduction in military activity and civilian war work. The call to effort being less keen, the response was naturally smaller, just as it had been smaller in pre-war days. The purpose of this chapter is to discover how large the net contraction was. To that end I shall compare the situation immediately before the Armistice with that which obtained in the spring or early summer of 1920, the peak of the post-war Boom. Material is available for a comparison with either the end of April or the end of July 1920. As a study of the tables in the Appendix suggests, it makes no material difference which of these dates is used. Therefore, since April fits in best with other parts of this enquiry, I shall work with that month. In our most important sources of information, data are only available for persons in the employee category, *i.e.* salary- and wage-earners, or, if we prefer it, persons other than employers and men and women working on their own account; and we must, therefore, confine ourselves to these.

It is necessary at the outset to make precise the meaning to be assigned to the term employment. First, employ-

ment means for us *gainful* employment ; so that the work done by women gratuitously in their own homes, for example, does not count as employment. This is in accordance with common usage, though, as will be indicated presently, we must be careful not to be led by it into wrong inferences. Secondly, in the British Censuses a person is scheduled as gainfully *occupied* in the job to which he is normally attached, even though he is not at the time actually at work in it. For the Armed Forces I propose to count as *employed* all who are thus gainfully occupied, even though at the time they are in hospital or prisoners of war in enemy hands. But among civilians our definition must be different. In the ZS reports, of which an account will be given immediately, persons engaged in a strike or lock-out are included among the employed, but persons out-of-work as an indirect consequence of such disputes, *e.g.* through the industries in which they are engaged being unable to obtain materials, are not included. In the questionnaires issued to employers, upon which the ZS reports are based, no specific instructions were given as to the way in which persons laid off on account of sickness were to be treated ; but in a note prepared for me in the Statistics branch of the Ministry of Labour the opinion is expressed that "workpeople temporarily absent owing to sickness would in most cases be included in the numbers returned". Owing to the large-scale influenza epidemic prevalent at the time of the Armistice, this point is obviously important. Thus, broadly speaking, the terms employed and unemployed in civil occupations are understood here in the same sense as in the British Unemployment Insurance Acts ; the employed comprise all gainfully occupied persons in the employee category minus the unemployed.

From the beginning of the war until November 1920 the Board of Trade — and in the later stages the Ministry of Labour — carried out periodical enquiries embodied in

what are known as the Z8 reports into the state of employment in the main body of occupations other than the Armed Forces in the United Kingdom.¹ Forms were issued to selected employers asking in most cases for the number of males and females "in your employ" or "employed in the above establishment" at a particular date or in a particular pay-week. In the occupations covered by the enquiry the proportion of employers from whom returns were obtained were different in different occupations and at different dates. In the report for April 1919 it is stated (p. 2): "For Government Establishments, the Civil Service and Coalmining, the returns are practically exhaustive; for Local Government they cover 38 per cent, and for industries other than Coalmining 33 per cent of the workpeople employed; while the percentage of workpeople covered falls to about 10 per cent for commerce and about 5 per cent for agriculture in Great Britain. The resulting figures, accordingly, are uncertain in different degrees." Thus, except for Government establishments, the Civil Service and coal mines, the Z8 figure for that date — and there is no reason to suppose that the data for other periods were better — depends on samples, in some cases very small samples. It follows that they are liable to very substantial error and should not at best be regarded as more than rough approximations. Moreover, after January 1920 agriculture in Great Britain was withdrawn from the Z8 enquiries; and the figures given in the April return are stated to be "very rough estimates included for the sake of completeness only". They appear to be obtained by adding to the January figures numbers approximately equal to those by which the figures for April 1919 exceeded those for January 1919.

¹ These reports have not hitherto been published nor have the returns of figures contained in them, except in respect of July 1914, November 1918 and July 1920. For these months the figures were printed in *British Labour, 1914-21*, by a committee of the British Association, edited by Professor Kirkaldy.

Unfortunately there is a considerable range of occupations which the Z8 returns do not cover. In the report for July 1918 these, together with an estimate of the total number of *males* occupied in them in 1914, are listed as follows :

Agriculture in Ireland	850,000
Mercantile Marine	125,000
Clergy, literary and other professions	270,000
Sundry minor commercial occupations	240,000
Costermongers, hawkers and sundry dealers	130,000
Domestic service (outdoor and indoor)	315,000
Gardeners (except market-gardeners, covered under "Agriculture" in Great Britain), seedsmen and florists	160,000
Other occupations	60,000
	2,150,000

These numbers evidently include employers and persons working on their own account as well as men belonging to the employee category. For females no corresponding table is provided. But female domestic servants are not covered by the returns, and these amounted, according to the 1921 Census for England and Wales, to 1,005,000. As will appear presently, women employed in very small dress-making establishments were also excluded. The number of these is not known. To judge from the list of excluded male occupations, it does not seem likely that any substantial number of women in civil work other than the above failed to be counted in the returns.

For the Armed Forces the totals of men demobilised at various dates after the Armistice from the Army, Royal Naval Division and Royal Air Force are available in statistics provided by the War Office. We have also information about the numbers who, though not technically demobilised till after the Armistice, had been passed to the Reserve and in effect returned to civil life before it.

The Admiralty have supplied figures for the Royal Navy. Information is also available about the number of women demobilised from the Armed Forces during the eighteen months following the Armistice. Unfortunately in all cases, though a distinction is drawn between officers and other ranks, we have no direct means of knowing what proportion of the men and women belonged to the employee category. However, as will be shown presently, it is possible to make a rough estimate of these numbers; which, of course, are what we need to combine with our data about civil employment.

With these preliminaries, we have to attempt a comparison between the numbers of males and females in the employee category that were employed in the sense explained above in the whole body of civilian work plus the Armed Forces in the United Kingdom at the Armistice and at the end of April 1920 respectively. For readers who do not care to follow the analysis in detail, a summary of results is provided at the end of the chapter.

MALES

Let us begin with males. The Z8 returns give 8,163,000 males in the employee category employed at the Armistice, and 10,736,000 at the end of April 1920 — an increase of 2,573,000. This needs no comment.

For the Armed Forces calculation is harder. According to the War Office, 4,029,000 officers and men of the Army, Royal Naval Division and Royal Air Force were demobilised between the Armistice and 30th April 1920. Of these 143,000 in reserve classes had already been released and returned to civil life before the Armistice. Therefore for our purposes they ought not to be counted; and the gross effective demobilisation is reduced to 3,885,000. Meanwhile recruits and re-enlistments of ex-soldiers amounted

to 178,000 ; which brings the net figure down to 3,707,000. The Admiralty state that the net outflow from the Royal Navy, exclusive of the Royal Naval Division, from November 1918 to April 1920 amounted to 267,000. The final figure for *all* the Armed Forces is thus 3,974,000.

We have now to try to estimate how many out of this total consisted of males belonging to the employee category. There are two ways in which this question can be approached. First, the ZS report for July 1918 estimates that, of male employers and persons working on their own account, some 250,000 enlisted. The Director of Statistics of the Ministry of Labour judges this to refer to persons previously engaged in the ZS occupations. The corresponding number for the non-ZS occupations I shall suggest in a moment probably amounted to, say, 100,000. This gives a total of round about 350,000. The same ZS report estimates that there were roughly 200,000 unoccupied males (presumably, from the context, men of military age) in the United Kingdom in 1914 ; and that there were " a considerable number " of men who returned from abroad to enlist. Obviously none of the unoccupied can have belonged to the employee category. Let us put the total enlisted from these two groups outside that category at 200,000. Thus we get a total enlistment of non-employees of some 550,000. Allowing for killed, re-enlistments and so on, we may estimate (or guess) the number who were demobilised after the Armistice at, say, 450,000. The alternative line of approach is simpler. At the time of the 1921 Census 11 per cent of the males in Great Britain between 18 and 44 (*i.e.* roughly of military age) were unoccupied or employers or persons working on their own account, *i.e.* were outside the employee category. Applying this proportion to our final figure of 3,974,000, we obtain 437,000. This is practically identical with the 450,000 arrived at — the calculations were done independently —

by the other route : a very satisfactory result. We thus get, for the total number of males in the employee category effectively demobilised from all the Armed Forces between the Armistice and the end of April 1920, approximately $3\frac{1}{2}$ millions.

We have still to take account of post-war employment in the non-Z8 occupations. The list of these occupations and the numbers attached to them in 1914, that were given in the Z8 report for July 1918, have already been cited. That report states that, for various reasons, the proportion of enlistments from this group were substantially less than for the population as a whole, and puts them at 450,000. Taking account of the character of the group, we may expect the share of the enlistments drawn from employers and persons working on their own account to have been substantially larger than for most occupations, say 20 per cent, which gives roughly 100,000. This leaves enlistments from the employee category at some 350,000. Allowing for casualties and so on, we may thus estimate, though with a wide margin of error, the number of employee members of the Armed Forces, who passed from demobilisation into this group, at 300,000. There were also probably some persons who passed into it out of munition work, Government service and other Z8 occupations. I suggest, for what it is worth, an aggregate estimate of 350,000.

Thus, for employment of males in the employee category in all civil occupations and also in the Armed Forces, the changes between the Armistice and the end of April 1920 work out as follows :

Increase in the Z8 occupations	2,573,000
„ „ non-Z8 occupations	350,000
	<hr/>
	2,923,000
Decrease in the Armed Forces	3,500,000
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<i>Net decrease,</i>	say <u>600,000</u>

It is possible to attempt a check-up on this last figure from another angle. In the Z8 report for July 1918 it is estimated that during the war the Z8 occupations were increased by some 200,000 men returned from or postponing retirement. Some such number we may reckon as probably withdrawn from industry after the Armistice. The same report estimates that some 90,000 boys came into these occupations at an abnormally early age. Here again we may reckon with a post-war reduction in numbers. But this reduction should be put at more than 90,000. For in the Z8 report of July 1919 we read : " The provision of the Education Act (1918) keeping children at school till the end of the quarter (or in some districts half-year) after they are 14, instead of permitting them to leave on their birthday, has been enforced since February 1st, 1919. Moreover, during the war the numbers leaving before they were 14 after passing a requisite standard rose considerably, and it has since fallen very much " (p. 14). The Z8 report for April 1920 estimates that 132,000 fewer boys were then employed in the Z8 occupations than at the Armistice. Taking into account the non-Z8 occupations, we may reckon with a rough figure of 150,000. Moreover, there must have been a fair number of demobilised men who were incapacitated by wounds or sickness from subsequent employment. According to information provided by the War Office, " between November 11th, 1918, and May 31st, 1920, 335,000 men were discharged from the hospitals as disabled by War Service ". These men presumably were included in the demobilisation figures. No information is available as to the severity of their injuries or illness ; but we may perhaps reasonably guess that, say, 100,000 in the employee category were in this way withdrawn from employment. We thus get 450,000 withdrawals altogether. Against them must be set new entrants due to the normal growth of population. Now, between the Census years

1911 and 1921 the total *female* population of Great Britain over 10 years old — which was not significantly affected by war casualties — increased by 1,694,000 (from 16,789,000 to 18,483,000); which would give some quarter of a million in eighteen months. Of the population over 10 years old at the 1921 Census, 82·8 per cent of the males were returned as gainfully occupied. This percentage refers to *all* gainful occupations, not merely to occupations in the employee category. But that is not likely to make much difference. We may infer, for the eighteen months, a normal addition to gainfully occupied males in the employee category of some 200,000. Deducting this from our 450,000, we are left with a net natural decrease, so to speak, in gainfully occupied males in the employee category of some 250,000.

To get the corresponding decrease in *employment* we have to add the excess of unemployment at the end of April 1920 over what it was at the time of the Armistice. Now, in November 1918 the percentage of unemployed returned by the Trade Unions — this did not, of course, include salary-earners — was 0·5 per cent; and that for males in the insured industries, 0·4 per cent. Since the total of males then employed in the Z8 occupations was 8,163,000, the unemployed in these occupations cannot have amounted to more than, say, 40,000 wage-earners, or 50,000 altogether, of males in the employee category. At the end of April 1920 there were 217,000 ex-Service men in receipt of out-of-work donation; civil workers were no longer eligible. The Trade Union percentage of unemployment was 0·9 per cent and the insured-industries percentage for males was 2·6 per cent. Since the former figure suggests a total male unemployment less than the recorded number of unemployed ex-Service men, the latter is clearly to be preferred. On the basis of a Z8 return of 10,736,000 employed males in the Z8 occupations it may be conjectured that the total number of males unemployed was not far off 300,000;

which entails an excess over the figure for November 1918 of about a quarter of a million.

We thus get by this route, when the various items discussed above are combined, an aggregate contraction in employment among males in the employee category of round about half a million. This agrees reasonably well with the 600,000 reached by the other and less speculative method. I shall accept 600,000. Obviously, however, in view of the nature of the data and the large element of conjecture present in some of our estimates, this figure might easily be wrong either way by 100,000 or perhaps even 200,000.

FEMALES

Turn now to females. Between the Armistice and the end of April 1920 the Z8 returns show a decrease in numbers employed of 800,000. During the same period there were demobilised from the Armed Forces some 100,000 women.¹ These, no doubt, included some women not belonging to the employee category, but the number cannot have been very large. What of employment for persons in this category in the non-Z8 occupations? In the Z8 report for July 1918 it is estimated that during the war some 400,000 women were drawn into the Z8 occupations from domestic service and very small workshops and workrooms in the dress-making trade. No estimate is made of the respective contributions of these two sources, but obviously that from domestic service must have been greatly predominant; for in England and Wales at the 1921 Census the number of women in *all* dress-making and blouse-making establishments was only 146,000 as against over a million in domestic service. As we have already seen, other non-Z8 occupations are not likely to have played any important part. *Prima facie*, then, we might be inclined to reckon that

¹ Cmd. 565, 1920, p. 8, gives 96,700 by February 1920.

between the Armistice and the end of April 1920 something like 400,000 women would have been passed back into the non-Z8 occupations. There is, however, a consideration to be set against this. At the Census of 1911 the number of women returned for Great Britain as engaged in domestic service was 1,392,000; in 1921 it was 1,117,000, showing a decrease of 275,000. There is some doubt about the comparability of these figures. For England and Wales the corresponding figures, which Dr. Bowley accepts as comparable, were 1,261,000 and 1,005,000, showing a decrease of 256,000.¹ This fact suggests that many fewer women returned to domestic service during our period than left it during the war. It does not seem, therefore, that we should reckon on a post-war expansion in the number of women in the employee category in the non-Z8 occupations of more than, say, from 250,000 to 300,000. This will give a rough net figure for the aggregate contraction in all employments, including the Armed Forces, of some 600,000. That figure represents voluntary withdrawals plus excess unemployment, the latter item being, there is reason to believe, probably very small.

It is worth while, in passing, to review these voluntary withdrawals in the light of what happened in the course of the war itself. The influx of women into gainful employment between July 1914 and November 1918 amounted to 1,663,000 into the Z8 occupations, minus some 400,000 withdrawn from domestic service and small dress-making establishments, plus something less than 100,000 enrolled in the Armed Forces, say 1,350,000; of which not more than 150,000 at most could be accounted for by the normal growth of population. Voluntary withdrawal on a large scale was, therefore, to be expected, more especially because the war-time influx of women workers — which was most

¹ Compare Bowley, Special Memorandum 17A, London and Cambridge Economic Service, p. 10.

marked in the munition-making industries — was in the main designedly temporary to meet a temporary demand. An abnormally large proportion of it consisted of married women. This is clear from the fact that, whereas, according to the Census of 1911, only 15 per cent of those gainfully occupied were married, in many munition works a general proportion of from 40 to 60 per cent were married.¹ Such women would for the most part have no wish to remain in wage-earning employment after their husbands and sons had returned from the war, and might be expected voluntarily to withdraw. Moreover, a number of girls had gone into industry during the war at an abnormally early age; and we might expect at least an equivalent fall afterwards. In fact the Z8 report for April 1920 estimates that the number of girls under 18 employed in the Z8 occupations was 74,000 less at that date than at the Armistice. In view of these considerations it is *prima facie* surprising that the voluntary withdrawal only amounted to about half of the new entrants, other than those attributable to the growth of population, into all occupations during the war period — say half a million against a million. It would seem that their experience of gainful occupations in war-time had created a new attitude favourable to such occupations in a large number of women. This is an interesting fact. The new attitude, however, did not survive the 1920–21 Slump. For, according to the Census (for Great Britain) taken in April 1921, the proportion of females over 10 years old returned as gainfully occupied was slightly less than it was in 1911 — 30·8 per cent as against 32·3 per cent.²

¹ Kirkaldy, *British Labour, 1914–21*, p. 30.

² Cf. London and Cambridge Memorandum 17A, by Dr. Bowley, p. 4. The above fact is *prima facie* surprising, for we should expect *a priori* that, as a result of male deaths in the war, the proportion of women who were single or widowed, and, therefore, specially likely to seek gainful employment, would have been larger in 1921 than in 1911. In fact, however, the number of these women per thousand of those over 15 fell from 494 to 480 between these years. (Cf. Carr-Saunders and Caradog Jones, *Social Structure of England and Wales*, First Edition, p. 10.)

SUMMARY

In sum, then, we find that between the Armistice and the end of April 1920 the number of males in the employee category who were employed in civil work and the Armed Forces together decreased by 600,000. The corresponding figure for females works out also at 600,000, making a grand total of some 1,200,000 persons. As already indicated, these figures are extremely rough approximations, subject, especially as regards males, to large error. Of the broad fact, however, that employment, as here defined, contracted very substantially between the Armistice and the end of the Boom period they leave no doubt. It must be remembered always that a considerable part of the drop in women's employment was undoubtedly offset by the return of women from gainful recorded employment to unpaid unrecorded employment as domestic servants to themselves and their families in their own homes; a consideration against which is to be set the fact that a good number of the servant-keeping class, who in part fended for themselves during the war, returned after it to their pre-war habits. It should be added that during the eighteen months to which this discussion relates hours of work were reduced on the average by about 10 per cent.