Relations industrielles Industrial Relations



Job Search and Frictional Unemployment : Some Empirical Evidence Recherche d'emploi et chômage frictionnel

C. J. Bruce et J. H. Marshall

Volume 31, numéro 3, 1976

URI: https://id.erudit.org/iderudit/028724ar DOI: https://doi.org/10.7202/028724ar

Aller au sommaire du numéro

Éditeur(s)

Département des relations industrielles de l'Université Laval

ISSN

0034-379X (imprimé) 1703-8138 (numérique)

Découvrir la revue

Citer cet article

Bruce, C. J. & Marshall, J. H. (1976). Job Search and Frictional Unemployment: Some Empirical Evidence. *Relations industrielles / Industrial Relations*, *31*(3), 402–416. https://doi.org/10.7202/028724ar

Résumé de l'article

L'auteur du présent article expose les résultats d'une enquête destinée à fournir certaines informations supplémentaires au sujet du chômage frictionnel.

Il définit d'abord ce type de chômage à partir d'une formule algébrique, puis indique trois formes de chômage frictionnel: un chômage transitoire résultant de la mise à pied des salariés, un chômage volontaire lorsque ceux-ci quittent volontairement leur emploi, un chômage d'entrée au travail, lorsqu'il s'agit des personnes qui arrivent ou reviennent sur le marché du travail.

Dans un deuxième temps, il soulève un autre élément de cette forme de chômage, soit la période plus ou moins longue au cours de laquelle les travailleurs sont à la recherche d'un emploi. Comme le chômage frictionnel est censé se produire lorsque les offres d'emploi sont égales ou supérieures aux demandes d'emploi, il est important de savoir pourquoi les travailleurs ne se placent pas immédiatement. D'une façon générale, on admet que quatre raisons principales peuvent expliquer le chômage frictionnel: 1° les travailleurs peuvent agir au hasard dans la recherche d'un emploi; 2° ils se peut qu'ils soient insuffisamment informés quant aux emplois vacants; 3° ils peuvent se réserver un temps plus ou moins long afin de recueillir des renseignements plus complets; 4° il peut arriver qu'ils mettent délibérément de côté certains emplois vacants.

L'auteur, comme bien d'autres économistes, se posent un certain nombre de questions relatives au fait du chômage frictionnel. Les travailleurs en chômage sont-ils insuffisamment informés des conditions du marché du travail? Pendant qu'ils sont sans travail, s'efforcent-t-ils de se renseigner davantage sur l'existence des emplois vacants? Selon quels critères, décident-ils de solliciter un emploi? Tiennent-ils compte des conditions de travail et des taux de salaire?

L'auteur a voulu procéder autrement, et voici comment. Il a choisi, aux fins de sa recherche, dans la ville d'Edmonton en Alberta l'endroit où étaient concentrées un grand nombre d'entreprises, soit ce qu'on appelle communément « le centre des affaires. » Il a fait porter son enquête sur une seule occupation, soit celle de dactylo. On leur a demandé combien de temps elles étaient demeurées sans emploi avant d'obtenir leur poste actuel, si elles se trouvaient suffisamment informées lorsqu'elles sont devenues sans travail, quelles furent leurs sources de renseignements au cours de leur périodec chômage et selon quels critères elles ont choisi les entreprises où elles ont postulé des emplois. Enfin, on a tenté de savoir si elles avaient, entre-temps, refusé une offre et si les taux de salaire payés par les employeurs y étaient pour quelque chose.

— 68% d'entre elles ont réussi à obtenir leur emploi actuel en moins de quatre semaines, alors que 12 des 21 qui restaient ne se sont pas mises aussitôt en chômage à la recherche d'un nouveau poste. Dans l'ensemble, la durée de la recherche d'un emploi a été de 5.7 semaines.

— Au sujet des renseignements nécessaires à la découverte de ce nouvel emploi, 42 employées, 12% d'entre elles seulement, ont déclaré qu'elles n'étaient pas suffisamment informées, alors que 30, ou 45%, estimaient posséder de bonnes ou d'excellentes informations.

— Les répondantes estiment aussi qu'elles ne considèrent pas le fait de s'enregistrer aux centres de main-d'oeuvre et aux agences de placement privées comme une activité de cueillette d'information, estimant que ces organismes ne sont que des extensions des bureaux de personnel des entreprises.

Finalement, l'Auteur s'est enquis des critères utilisés par les employées pour décider d'accepter un poste. Fait surprenant, 32 dactylos ont rejeté une offre d'emploi et 12 en ont refusé plus d'un. La principale raison de ces refus étaient que les conditions salariales étaient inacceptables.

De cette enquête, l'Auteur cherche à tirer quelques conclusions générales. L'hypothèse selon laquelle les travailleurs manquent de renseignements lorsqu'ils tombent en chômage n'est pas confirmée par les résultats de l'enquête.

Tous droits réservés © Département des relations industrielles de l'Université Laval, 1976

Ce document est protégé par la loi sur le droit d'auteur. L'utilisation des services d'Érudit (y compris la reproduction) est assujettie à sa politique d'utilisation que vous pouvez consulter en ligne.

https://apropos.erudit.org/fr/usagers/politique-dutilisation/



Cet article est diffusé et préservé par Érudit.

Érudit est un consortium interuniversitaire sans but lucratif composé de l'Université de Montréal, l'Université Laval et l'Université du Québec à Montréal. Il a pour mission la promotion et la valorisation de la recherche.

Job Search and Frictional Unemployment

Some Empirical Evidence

C.J. BRUCE and J.H. MARSHALL

> The purpose of this paper is to report on some recent empirical research undertaken in order to provide additional information concerning the frictionally unemployed.

One of the outgrowths of the last two decades' interest in inflationunemployment trade-offs has been a heightened interest in the concept of frictional unemployment — this interest arising from the general recognition that fiscal and monetary policies cannot be used to drive unemployment below its frictional level without creating severe inflationary pressures. However, the main concern of recent discussions of frictional unemployment has been theoretical analysis, with only sporadic investigations of an empirical nature having been made.

The purpose of this paper is to report on some recent empirical research which we have undertaken in order to provide additional information concerning the frictionally unemployed. The paper is divided into three sections. In the first section, the theoretical setting for the empirical work is established. In Section II, the survey methods and results are presented. And in the final section, some implications of the findings for the theory of frictional unemployment are discussed.

THEORITICAL SETTING

The level of frictional unemployment which will prevail in equilibrium1 may be defined as: (1)

$$U_{F} = E \cdot t_{F}, \tag{1}$$

BRUCE, C.J., Assistant Professor, Department of Economics, The University of Calgary, Calgary, Alberta. MARSHALL, J.H., Visiting Lecturer, Brandon University, Brandon, Manito-

We would like to thank Labour Canada for financial assistance and the Calgary Chamber of Commerce for its support in obtaining the cooperation of Calgary businesses. Thanks also to Janice Cheslak for her assistance in collecting the data. Of course, we alone retain responsibility for any remaining errors or omissions.

¹ By «equilibrium» we mean a situation in which the flow of workers becoming unemployed in a given period equals the flow of workers leaving the unemployed state in that period.

where U_F is the number of workers frictionally unemployed, E is the flow of workers entering the (frictionally) unemployed state in each time period, and t_F is the average number of time periods which workers spend frictionally unemployed. In the standard textbook treatments of frictional unemployment, primary emphasis has been given to the determination of E. For example, Neil Chamberlain and Donald Cullen, in *The Labor Sector*, ¹ identify three types of frictional unemployment according to the reasons for workers becoming unemployed. These unemployment types they call transitional, (workers temporarily laid off), voluntary, (workers who have left their previous jobs voluntarily), and entry, (workers who have newly entered or re-entered the labour force).

Recently, however, attention has been turned towards the second element of the frictional unemployment equation, the time spent frictionally unemployed, t_E. As frictional unemployment is usually defined to occur only when the stock of available vacancies equals or exceeds the stock of unemployed workers, in classifying types of frictional unemployment it is important to identify why t_E is not zero: that is, why unemployed workers do not match themselves to vacancies instantaneously. The concensus in the recent literature on job-search techniques and frictional unemployment would seem to be that there are four, not mutually exclusive reasons why frictionally unemployed workers might remain unemployed for non-zero amounts of time. First, workers may choose potential employers to apply to purely at random. In this case, even if there are as many vacancies as unemployed workers, the probability that every worker will choose a different vacancy to apply to is very low.² Secondly, workers may simply be poorly informed, in which case even if they try to use a non-random search process, more than one worker will apply for some vacancies while other «acceptable» vacancies will go unfilled. Thirdly, workers may consciously set aside a period of time to use in the gathering of information. And, finally, in markets in which the net advantages from employment with each of the firms in that market have not been equalised, well-informed workers may choose to avoid certain vacancies, «queuing» instead for the preferred vacancies.

¹ N.W. CHAMBERLAIN and D.E. CULLEN; *The Labor Sector*, (2nd Edition), McGraw-Hill, 1971, pp. 518-520.

² If there are N vacancies and N unemployed workers, the probability that every worker will choose a different firm at random, is $\frac{N!}{N^N}$ For 10 vacancies and 10 unemployed workers this probability is approximately 1 in 2,750.

It is the latter sources of frictional unemployment — the unemployment which results because workers require a non-zero amount of time to obtain jobs — that has been of greatest concern to economists recently. In this context, some of the questions which have been raised include: Are workers poorly informed about labour market conditions when they first become unemployed? Do workers actively gather additional information while unemployed — and if so, how? Do workers gain information while unemployed (whether they actively seek it or not)? How do workers decide which firms to apply to? And, do workers establish a minimum acceptable wage — and, if so, how?

Empirical studies have generally been directed at only two of these questions — the question of how workers gather information, and the question of whether workers set minimum acceptance wages.³ Furthermore, many of these studies have not dealt specifically with the frictionally unemployed but rather have relied heavily on interviews with the structurally and cyclically unemployed. For these reasons we felt that a study which concentrated on unemployed workers in a market of very low unemployment and which traced through these workers' decision processes from the moment they became unemployed to the moment they found new jobs would be useful in casting light on the determination of the frictional level of unemployment.

SURVEY METHODS AND RESULTS

Clearly, the most reliable method for discovering how unemployed workers search for jobs would be to identify workers as soon as they became unemployed and then interview them daily (or weekly) until they found new jobs. However, as the cost of undertaking such a survey is prohibitive we chose what we considered to be the next most reliable method — interviewing workers shortly after they had obtained their jobs.

³ Examples of the former type of research are to be found in: G.L. REID, «Job Search and the Effectiveness of Job-Finding Methods», *Industrial and Labor Relations Review*, July 1972, pp. 479-495; H.L. SHEPPARD and A.H. BELITSKY; *The Job Hunt*, Johns Hopkins Press, Baltimore, 1966; and D.R. MAKI; *Search Behaviour in Canadian Labour Markets*, Economic Council of Canada (Special Studies, Number 15), Ottawa 1972. H. KASPER, «The Asking Price of Labour and the Duration of Unemployment», *Review of Economics and Statistics*, May 1967, pp. 165-172, is an example of the latter.

⁴ Even this technique would not be without its problems, however. For we could not expect the behaviour of the interviewees in such a situation to be uninfluenced by the fact that they were being closely observed.

As we wished to know what the range of actual wage offers facing the unemployed workers was, we chose to restrict our interviews to a single, narrowly-defined occupational category within the central business district (CBD) of a single city. By asking the workers about their current hours, wages, and fringe benefits (at the time of the interview) we were able to construct a detailed profile of actual wage and employment conditions, a profile which would not have been available had we interviewed workers from different occupational groups.

The occupational group which we felt best suited our requirements was clerk/typist as large numbers of these workers were available in the CBD of Calgary (a city of 500,000 population). Also, the duties of clerk/typist are clearly defined, allowing for direct comparisons between firms. In order to contact potential interviewers we wrote to (and telephoned) a random sampling of 250 firms in the CBD of Calgary, (approximately 10 percent of firms in the CBD) requesting permission to interview their clerk/typists. As a result of our strict definition of the clerk/typist occupation — we required that their only duties were typing and routine clerical work and that they need not be trained to take shorthand, to do accounts, or to operate a switchboard — and because we only accepted clerk/typists who had been employed at the firm in question for less than 2 years, 158 of the firms contacted indicated that they did not have employees who met our specifications. Of the remaining 92 firms, 19 refused to cooperate, leaving 73 interviews, (a success rate of 79.3 percent). Finally, as 6 of the women interviewed indicated that they had obtained their current jobs without a search — they had been offered them while still employed at their previous jobs — these workers were excluded from our interviews. The characteristics of the 67 clerk/typists interviewed are given in Table 1. (All of those interviewed were female.)

The questions which were asked of the individuals in the survey may be divided into three general groupings: Firstly, in order to check that we were in fact dealing with a market in which workers were only unemployed for short periods of time and in which workers faced a wide range of job opportunities we asked each worker how long she had been unemployed before obtaining her current job and what her monthly wage was at the time of the interview. Secondly, we asked the workers whether they felt they were well-informed when they first became unemployed, what their sources of information were while unemployed, and how they chose the firms to which they applied. Finally, we attempted to determine whether the workers had ever

rejected a job offer and whether they had employed a minimum acceptance wage to differentiate between potential (or actual) job offers.

1. As can be seen from Table 2, the majority of the workers interviewed (68 percent) required less than four weeks to obtain their jobs; while 12 of the 21 who took four weeks or longer had not made their first applications by the beginning of the fourth week. Further-

TABLE 1
Characteristics of Clerk-Typists Surveyed

Characteristic		Number	Percentage	Characteristic	Number	Percentage
Age:	15-19	14	20.9	Previous experience:		
	20-24	41	61.2	No experience	9	13.4
	25-34	9	13.4	Less than		
				1 year	14	20.9
	35-44	3	4.5	More than		
				1 year	44	65.7
	45+	0	0			
Marital Status:				Industry:		
	Single	39	58.2	Oil & gas	17	25.3
	Married	25	37.3	Professional		
				services	10	14.9
	Divorced	2	3.0	Government	10	14.9
	Widowed	1	1.5	Financial	10	14.9
				Insurance	6	9.0
				Real estate	4	6.0
				Travel	3	4.5
				Retail	2	3.0
				Other	5	7.5

TABLE 2

Number of Weeks Unemployed and Unemployed But Not Seeking Work

	Duration of Unemployment (Weeks)	Weeks Before First Application
Weeks	Number of Workers	Number of Workers
0	17	17
0-1	7	30
1-2	8	8
2-3	5	0
3-4	9	0
4+	21	12
Average	7.5	1.8

more, all 12 of those who did not make their first application until the fourth week or later indicated that they had treated that period of time as a vacation. (See Table 3.) Thus, the average duration of unemployment, net of the time taken before making the first application, was 5.7 weeks.

The dispersion of monthly wage rates which we observed was much greater than we had expected, given the similarity of the job requirements and the skills of the workers interviewed. While the average wage was \$544.27, the range was \$396⁵, with an inter-decile range of \$175. The standard deviation of the distribution was \$70.81, giving a coefficient of variation of 13.01 percent.⁶

2. In the next set of questions we wished to find out whether the workers felt they were adequately-informed when they first became unemployed, whether they had made any conscious decision to improve their information, and how they decided to which firms they should apply. In order to answer the first of these questions we asked: «looking back, do you fell that your knowledge of employment possibilities was: very good, good, adequate, inadequate, or very poor?» Only 12 of the respondents (18 percent) indicated that they felt their information was inadequate or poor at that time, while 30 (45 percent) felt that their information was good or very good. Although the subjective evaluation of information possessed at some point in the past may be expected to be influenced by events which have occurred subsequently, the hypothesis that workers were adequately, or wellinformed when they first became unemployed is supported indirectly by the answers which were given to two other questions which were asked in widely separated sections of the interview. Firstly, it was asked whether the workers made «any conscious effort to improve [their] information or find out more about labour markets.» Only 16, or 24 percent, of respondents answered yes to this question — strongly indicating that the remaining 51, or 76 percent, felt that their initial information was adequate. Furthermore, workers were also asked whether they felt «that the information [they] had at the time [they] were hired was essentially correct. » Only 9 workers, or 12.3 percent,

 $^{^5}$ The range was somewhat exaggerated by the inclusion of two «extraordinary» wage rates — \$365 and \$761. Exclusion of these wages reduces the range to \$297 (\$400 to \$697).

⁶ Analysis of the causes of the observed wide range of wages — to be presented in a forthcoming paper — indicated that differences between employees in training, experience, and duration of employment contributed little to the explanation of wage differentials.

answered no to this question. Given that this is consistent with the answers to the first two questions — only a slight increase in information is indicated, consistent with the low percentage of workers who made a conscious effort to improve their knowledge — it again supports the finding of the first question, that workers felt they were adequately informed when they first became unemployed. This finding — if corroborated by further studies — is potentially of great significance for theories of frictional unemployment and the job search, for many existing theories are based on the (explicit or implicit) assumption that workers are poorly-informed when they first become unemployed. ¹

TABLE 3

Activities While Waiting to Make First Application

Activity	Number of Workers	Percentage
No Time Elapsed	17	25.4
Nothing	14	20.9
Vacation	12	17.9
Researched Job Possibilities/Read Newspaper	24	35.8

Perhaps the best-known theory of the job search process is found in George Stigler's «Information in the Labor Market» In this paper, Stigler implies that the duration of unemployment may be extended by the gathering of information; that is, that a certain amount of unemployment is voluntary, with workers spending a significant amount of time gathering information before beginning the application process. Followers of Stigler have even gone so far as to suggest that, to the extent that it allows for specialisation in the gathering of information, unemployment may be efficient. A number of questions were included in our survey to test the Stigler hypothesis. The results of these questions suggest that the workers in our sample spent very little time collecting information.

⁷ Cf. G. STIGLER; «Information in the Labor Market», *Journal of Political Economy*, *Supplement*, October 1962, pp. 94-105; and C.C. HOLT; «Improving the Labor Market Trade-Off Between Inflation and Unemployment», *American Economic Association*, *Papers and Proceedings*, May 1969, pp. 135-146.

^{*} Ibid.

⁹ Ibid. p. 102.

¹⁰ Cf. A.A. ALCHIAN; «Information Costs, Pricing, and Resource Unemployment»; in E.S. Phelps, ed.; *Microeconomic Foundations of Employment and Inflation Theory*, W.W. Norton, London, 1971, pp. 27-52.

For example, as reported above, when asked whether they had made a conscious effort to improve their information while they were unemployed, only 16 workers (24 percent) answered yes. Furthermore, of these 16 workers only 9 indicated that their information-search had taken place during office hours, (when they could otherwise have been filing applications). Interestingly, workers did not consider registration with Canada Manpower, (the government employment exchange), or with private employment agencies to be an information-gathering activity, as 35 workers (52 percent) had registered with the former and 39¹¹ (58 percent) with the latter. The reason which the workers in our sample give for this attitude was that they considered the employment agencies to be extensions of the potential employers' personnel departments, thus making registration with such an agency part of the application process rather than part of the information-gathering process. Also, Table 3 indicates that 24 workers (36 percent) spent some time researching job opportunities and reading newspaper advertisements before making their first application. Although this would appear to provide support for Stigler's hypothesis, upon closer questioning these workers indicated that although these activities were carried out prior to making any applications, they were not the cause of the delay in making applications. Typically, the workers that were interviewed chose to take a short break between jobs, during which time they informally «kept their ears open» for job opportunities.

The workers' response that they made little conscious effort to gather information is reflected in Table 4 where the sources of information are listed. The first column in this table lists the sources of the information which workers possessed when they first became unemployed. The second column identifies the sources of the information which were used while the workers were unemployed. The third column then identifies the sources of the information which led to the workers obtaining their current jobs. (Because of multiple answers to the first two questions, only the answers to the third question sum to 67 (100 percent).)

Most of the results reported in Table 4 correspond closely with results obtained in similar studies. 12 A significant difference occurs

Of those who registered with a private employment agency, 13 registered with one agency, 5 with two agencies, 14 with three agencies and 7 with four or more. The average number of registrations among these 39 individuals was 2.95.

¹² Cf. G.L. REID, loc. cit., H.L. SHEPPARD and A.H. BELITSKY, op. cit; D.R. MAKI, op. cit.; and A. REES and G. SHULTZ, Workers and Wages in an Urban Labour Market, University of Chicago Press, Chicago, 1970, Ch. 13.

with respect to the sources of information about current jobs, however. Most other studies have found higher percentages of workers finding their jobs through friends and relatives and lower percentages finding jobs through newspapers and employment agencies. This difference results, we believe, from the «tightness» of the labour market being studied. That is, if employers are experiencing difficulty in attracting workers — as they were in this market — they can be expected to increase the intensity of their advertising and the extent of their use of employment agencies. With this increase in information from «formal» sources, unemployed workers would not find it as necessary to use direct applications or friends and relatives to gather their information as they would have in a «loose» market.

TABLE 4

Sources of Information				
Sources	While Initially Unemployed		Information About Current Job	
	Number	Number	Number	Percentage
Newspapers	41	28	9	13.4
Friends, Relatives, etc.	25	22	14	20.9
Educational Institution	13	4	1	1.5
Employment Agencies	_	23	33	49.3
Direct Approach/Other	12	18	10	14.9

Once we had identified the sources of the workers' information and the amount of effort devoted to increasing this information our next step was to investigate the manner in which workers chose to which firms they should apply. This is a particularly important question for the theory of frictional unemployment as a theory which is based on the assumption that workers sample potential employers in a random fashion may produce significantly different predictions from one which assumes that workers are sufficiently well-informed to follow a rationally-chosen course of applications. Our findings indicate that the workers in our sample did not use a random sampling method; rather they tended to apply only to those firms about whose wages and working conditions they had some prior knowledge.

Of the 67 clerk/typists interviewed, 43 (64 percent) indicated that they know the names of specific firms which had vacancies and restricted their applications to those firms. As can be seen from Table 5, the overwhelming majority of the remaining 24 workers — workers who did not know the names of specific firms which had vacancies — chose to apply to firms which were known either to employ large

numbers of clerk/typists or to have high turnover rates. (Banks and government agencies received a large percentage of these «casual» applicants.) Other reasons why workers applied to firms where it was not known that there were vacancies were that they knew that working conditions or wages were good or that they liked the firm's location.

TABLE 5

Reasons for Applying to Firms

Where the Worker Did Not Know There Were Vacancies

Reasons	Number of Workers
Firm «normally» had vacancies	23
Firm had good working conditions	1
Firm had high wages	1
Location of firm was desirable	2

A further indication that workers did have prior knowledge of the wages and working conditions at specific firms is that 29 workers (43 percent) stated that they had consciously avoided applying for a known vacancy. The most common reasons given for this avoidance (see Table 6) were that wages were felt to be too low, the working conditions were unacceptable, and the location was inconvenient.

TABLE 6

Reasons For Avoiding Known Vacancies

Reasons	Number of Workers
Poor working conditions	14
Poor location	10
Low wages	10
Other	17

3. In the final set of questions we attempted to discover the criteria used by the workers to decide whether to accept a job offer. The answers to two questions were particularly useful. First, we asked whether the workers had rejected a job offer during their search and, if so, why? Surprisingly, 32 workers (48 percent) indicated that they had rejected a job offer, with 12 workers (18 percent) indicating that they had rejected more than one offer. (The average number of offers rejected among the 32 workers was 1.6.) The primary reasons given for these rejections was that working conditions were not acceptable,

although there were also a number of rejections because wages were considered to be too low. (See Table 7.)

Finally, we also asked whether the workers had established a minimum acceptance wage, whether they had revised this wage while searching, and, where an acceptance wage had been chosen, upon what basis that choice had been made. As many theorists have predicted, ¹³ virtually all of the workers interviewed — 64 out of 67, or 96 percent — indicated that they had established a minimum acceptance wage while they were searching. However, as was to be expected from the short duration of unemployment, the average (reported) reduction in these acceptance wages while the workers were unemployed was less than 2 percent.

TABLE 7

Reasons for Rejecting Job Offers

Reasons	Number of Workers
Poor working conditions	21
Wages too low	8
Firm too large	2
Didn't like location	1
Received a better offer elsewhere	6

Also, as there has been some dispute in the literature concerning the manner in which the acceptance wage was chosen, we asked workers how this choice had been made. Their answers, unfortunately, support neither side's view conclusively, for 34 (53 percent) indicated that they had based their acceptance wage on an estimate of the distribution of potential wage offers, (the Mortensen hypothesis), while 30 (47 percent) indicated that they had derived their acceptance wage by applying a mark-up (or mark-down) to the wage which they had been earning in their previous job, (the Holt hypothesis).

SOME IMPLICATIONS

The purpose of this paper has been to provide some empirical evidence concerning the job-search behaviour of frictionally unemployed

¹³ D.T. MORTENSEN; «A Theory of Wage and Employment Dynamics»; in E.S. PHELPS, ed.; *Microeconomic Foundation of Employment and Inflation Theory*, W.W. Norton, London, 1971; and C.C. HOLT, *loc. cit. Inflation Theory*, W.W. Norton, London, 1971; and C.C. HOLT, *loc. cit.*

workers. Keeping in mind that our results refer to only a small segment of the labour market, they may be summarised as follows:

First, the commonly-made hypothesis that workers are poorlyinformed when they first become unemployed was not supported by our data, as only 18 percent of those interviewed indicated that they felt their information was inadequate or poor. Secondly, there was little evidence that workers consciously sought additional information or delayed the application process in order to increase their knowledge of labour market conditions. Rather, our evidence indicates that the workers in our sample believed themselves to be adequatelyinformed. Where they did delay the start of the application process it was not to gather information but to take a rest, or vacation, between jobs. Furthermore, once the workers in our sample began to search for jobs they did not apply to potential employers in a random fashion but applied primarily to those firms about which they had prior information. We also found distinct evidence that workers consciously chose to apply to those firms known to pay the highest wages and to offer the most-favoured working conditions — often purposefully avoiding known vacancies at firms with below-standard wages or working conditions — and that they made a definite attempt to reduce their search times by using employment agencies to pre-screen potential employers. Finally, although 96 percent of the workers in our sample had established a minimum acceptance wage, only 12 percent has used it as a basis for rejecting a job offer — primarily, we suspect, because of their success in pre-screening vacancies.

Because the labour market which was studied differs from others in that it was composed of young, unskilled females and in that it was geographically very concentrated, the general validity of our results might be questioned. However, our *a priori* expectations concerning other labour markets is that our main findings — that workers in a «loose» market rely heavily on formal sources of information and that they pre-screen potential employers on a non-random basis — would be verified if similar studies were undertaken in different labour markets.

For example, we would expect that male heads of households would be at least as interested in pre-screening potential employers as the females interviewed in our survey, particularly if the pressures on them to obtain a job as quickly as possible were greater than on young females. Similarly, it seems likely that skilled workers would rely just as heavily, if not more heavily, on formal sources of information than did the clerk/typists in our study, for the potential for variations in specific job requirements among skilled jobs would nor-

mally be much greater than among unskilled jobs. Finally, it would appear clear that workers in geographically disperse labour markets would place greater reliance on formal sources of information and prescreening than workers in concentrated markets.

It is only with respect to the time spent before beginning the job-search process and the time spent in the gathering of information that we might expect to find that our results would differ significantly from those in other markets. In particular we would expect that household heads would not allow as much time to lapse before beginning the job-search process as did workers in our survey; while it seems possible that skilled workers might spend more time gathering information than did the workers in this market.

Keeping the above qualifications in mind, it is our belief that if a theory of frictional unemployment is to be consistent with the findings of our survey, it should incorporate the following characteristics: it should allow for the fact that workers feel themselves to be at least «adequately» informed when they first become unemployed and that few of them consider an overt search for information to be profitable. It should also take into account the observation that workers use this information to form ex ante rankings of potential employers according to wages and working conditions. And, finally, it should take account of the observation that workers use these rankings to enable them to avoid applying to the least-preferred firms and to assist them in determining whether or not to accept job offers once they are made. To the best of our knowledge none of the theories of frictional unemployment which have been developed to date incorporate all of these characteristics.

BIBLIOGRAPHIE

- ALCHIAN, A.A., «Information Costs, Pricing, and Resource Unemployment»; in E.S. Phelps, ed.; *Microeconomic Foundations of Employment and Inflation Theory*, W.W. Norton, London, 1971.
- CHAMBERLAIN, N.W. and D.E. CULLEN; *The Labour Sector*, (2nd Edition), McGraw-Hill, 1971, pp. 518-520.
- HOLT, C.C.; «Improving the Labor Market Trade-Off Between Inflation and Unemployment», American Economic Association, Papers and Proceedings, May, 1969, pp. 135-146.
- KASPER, H.; «The Asking Price of Labour and the Duration of Unemployment», Review of Economics and Statistics, May 1967, pp. 165-172.
- MAKI, D.R.; Search Behaviour in Canadian Labour Markets, Economic Council of Canada (Special Studies, Number 15), Ottawa 1972.

- MORTENSEN, D.T.; «A Theory of Wage and Employment Dynamics»; in E.S. Phelps ed.; *Microeconomic Foundations of Employment and Inflation Theory*, W.W. Norton, London, 1971.
- REES, A. and G. SHULTZ, Workers and Wages in an Urban Labour Market, University of Chicago Press, Chicago, 1970, Ch. 13.
- REID, G.L.; «Job Search and the Effectiveness of Job-Finding Methods», *Industrial* and Labor Relations Review, July 1972, pp. 479-495.
- SHEPPARD, H.L. and A.H. BELITSKY; *The Job Hunt*, Johns Hopkins Press, Baltimore, 1966.
- STIGLER, G.; «Information in the Labor Market», Journal of Political Economy, Supplement, October 1962, pp. 94-105.

Recherche d'emploi et chômage frictionnel

L'auteur du présent article expose les résultats d'une enquête destinée à fournir certaines informations supplémentaires au sujet du chômage frictionnel.

Il définit d'abord ce type de chômage à partir d'une formule algébrique, puis indique trois formes de chômage frictionnel: un chômage transitoire résultant de la mise à pied des salariés, un chômage volontaire lorsque ceux-ci quittent volontairement leur emploi, un chômage d'entrée au travail, lorsqu'il s'agit des personnes qui arrivent ou reviennent sur le marché du travail.

Dans un deuxième temps, il soulève un autre élément de cette forme de chômage, soit la période plus ou moins longue au cours de laquelle les travailleurs sont à la recherche d'un emploi. Comme le chômage frictionnel est censé se produire lorsque les offres d'emploi sont égales ou supérieures aux demandes d'emploi, il est important de savoir pourquoi les travailleurs ne se placent pas immédiatement. D'une façon générale, on admet que quatre raisons principales peuvent expliquer le chômage frictionnel: 1° les travailleurs peuvent agir au hasard dans la recherche d'un emploi; 2° ils se peut qu'ils soient insuffisamment informés quant aux emplois vacants; 3° ils peuvent se réserver un temps plus ou moins long afin de recueillir des renseignements plus complets; 4° il peut arriver qu'ils mettent délibérément de côté certains emplois vacants.

L'auteur, comme bien d'autres économistes, se posent un certain nombre de questions relatives au fait du chômage frictionnel. Les travailleurs en chômage sont-ils insuffisamment informés des conditions du marché du travail? Pendant qu'ils sont sans travail, s'efforcent-t-ils de se renseigner davantage sur l'existence des emplois vacants? Selon quels critères, décident-ils de solliciter un emploi? Tiennent-ils compte des conditions de travail et des taux de salaire?

L'auteur a voulu procéder autrement, et voici comment. Il a choisi, aux fins de sa recherche, dans la ville d'Edmonton en Alberta l'endroit où étaient concentrées un grand nombre d'entreprises, soit ce qu'on appelle communément «le centre des affaires.» Il a fait porter son enquête sur une seule occupation, soit celle de dactylo. On leur a demandé combien de temps elles étaient demeurées sans emploi avant d'obtenir leur poste actuel, si elles se trouvaient suffisamment informées lorsqu'elles sont devenues sans travail, quelles furent leurs sources de renseignements au cours de leur période

de chômage et selon quels critères elles ont choisi les entreprises où elles ont postulé des emplois. Enfin, on a tenté de savoir si elles avaient, entre-temps, refusé une offre et si les taux de salaire payés par les employeurs y étaient pour quelque chose.

- 68% d'entre elles ont réussi à obtenir leur emploi actuel en moins de quatre semaines, alors que 12 des 21 qui restaient ne se sont pas mises aussitôt en chômage à la recherche d'un nouveau poste. Dans l'ensemble, la durée de la recherche d'un emploi a été de 5.7 semaines.
- Au sujet des renseignements nécessaires à la découverte de ce nouvel emploi, 42 employées, 12% d'entre elles seulement, ont déclaré qu'elles n'étaient pas suffisamment informées, alors que 30, ou 45%, estimaient posséder de bonnes ou d'excellentes informations.
- Les répondantes estiment aussi qu'elles ne considèrent pas le fait de s'enregistrer aux centres de main-d'œuvre et aux agences de placement privées comme une activité de cueillette d'information, estimant que ces organismes ne sont que des extensions des bureaux de personnel des entreprises.

Finalement, l'Auteur s'est enquis des critères utilisés par les employées pour décider d'accepter un poste. Fait surprenant, 32 dactylos ont rejeté une offre d'emploi et 12 en ont refusé plus d'un. La principale raison de ces refus étaient que les conditions salariales étaient inacceptables.

De cette enquête, l'Auteur cherche à tirer quelques conclusions générales. L'hypothèse selon laquelle les travailleurs manquent de renseignements lorsqu'ils tombent en chômage n'est pas confirmée par les résultats de l'enquête.