

Korean years, was not materially different. In 1948, the overall rate of unemployment was 3.8 percent; in 1956 it was 4.2 percent.

When yearly estimates of unemployment are based on averages of regular monthly surveys, as has been the case since 1940, two sometimes independent developments affect the average. One of these is the number of different persons becoming unemployed, affecting the total count through the number of new spells of unemployment reported each month; the other is the average duration of unemployment, determining how many months in all, persons are counted during each spell of unemployment.¹² Each of these factors may reflect different economic causes and their interrelationships are important for evaluating the trend of total unemployment.

NEW VERSUS CONTINUING UNEMPLOYMENT

A comparison of the trend in the rates of new and continuing unemployment between 1948 and 1956 (table V-1) shows some evidence of a lengthening of the duration of unemployment, whereas the proportion of different persons looking for work each year remained about the same. New unemployment is measured by the persons reporting 1 to 4 weeks of unemployment at the time of the survey while continuing unemployment is measured by the number who reported looking for work longer than 4 weeks.¹³ The swings in total unemployment over the period pretty much mirror fluctuations in the number unemployed over 4 weeks. By comparison, the rate expressing the total number of persons unemployed each year was relatively much more stable. At the beginning and end of the period, the rate of new unemployment was about the same, whereas the rate of continuing unemployment rose by about 25 percent. All of the moderate increase in the rate of total unemployment was accounted for by the proportionately much greater rise in the continuing unemployed.

TABLE V-1.—*New, continuing, and total unemployment,¹ 1948-56*

Year	As a percent of civilian labor force			Number in thousands		
	Total	New	Continuing	Total	New	Continuing
1948.....	3.4	1.8	1.6	2,064	1,087	977
1949.....	5.5	2.4	3.1	3,395	1,517	1,878
1950.....	5.0	2.1	2.9	3,142	1,307	1,835
1951.....	3.0	1.6	1.4	1,879	1,003	876
1952.....	2.7	1.5	1.2	1,673	925	748
1953.....	2.5	1.4	1.1	1,602	910	692
1954.....	5.0	2.0	3.0	3,230	1,303	1,927
1955.....	4.0	1.7	2.3	2,654	1,138	1,516
1956.....	3.8	1.8	2.0	2,551	1,214	1,337

¹ New unemployment is expressed as the number of persons reporting a spell of 1 to 4 weeks of unemployment at the time of the survey; continuing, as the number reporting a spell of more than 4 weeks.

NOTE.—Figures are based on old definition of unemployment.

¹² The number of new spells reported each month is not an exact index of the number of different persons becoming unemployed during the year, because of the fairly high proportion of persons experiencing two or more spells. Studies since 1955 in the annual work experience surveys indicate, however, that this group has remained a fairly constant proportion of the total of unemployed persons throughout.

¹³ Technically, this does not cover the occasional case when there are 5 weeks between surveys. The estimates could be adjusted to take account of these cases, but it is not very likely that the effect on the annual averages would be of any consequence. In table V-1, all estimates are expressed in terms of the original definitions used before January 1957. The two groups excluded from the unemployed on this basis, persons on temporary layoff with instructions to return to work within 30 days and persons not in school with new jobs to begin also within 30 days—increase the rate of new unemployment without changing the trend. The groups excluded would be included among the continuing unemployed only insofar as they had misunderstood or misreported their original status.