

Bulletin

Institute for IER Employment Research

No 1, 1988

The purpose of the IER Bulletin is to provide up-to-date information about the research and other activities of the Institute. It will be published at least quarterly and will summarise the results of recently completed research as well as describing work in progress and new projects. Announcements of forthcoming workshops, conferences and publications will also be made.

IER Medium-Term Assessment

The Institute's medium-term assessment is undergoing a major change during 1987/88, affecting both its content and its dissemination in the short and long term. As regards content, the focus will shift towards a greater degree of analysis of industrial-occupational labour markets, eventually introducing a spatial dimension where the data permit. The Institute will also shift from the elaboration of a single benchmark forecast to the identification of 'scenarios'. As regards dissemination, the IER will replace the annual publication of the **Review** by the preparation of a sequence of publications with substantial summaries appearing in the appropriate issues of the IER Bulletin.

The main areas of research for the occupational assessment for 1987/88 consist of (i) the preparation of an interim assessment which updates that given in the 1987 **Review**; (ii) work devoted to extending the IER's capacity to conduct occupational assessments over a wide range and in depth; and (iii) the preparation of a new series of economy-wide occupational assessments.

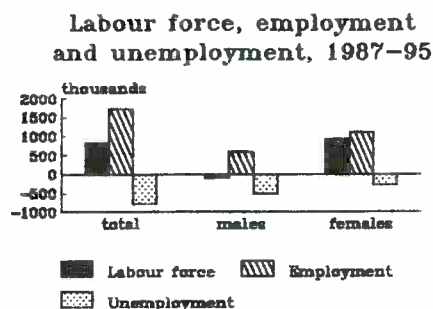
Review of the Economy and Employment: Occupational Update, 1988.

ISSN 0265 9387 £12.50

Published by the Institute for Employment Research 1988. Those who have not already purchased the 1987 **Review** may obtain both the **Review** and the **Occupational Update** for £20.00.

Prospects for Occupational Employment 1987-95

The interim occupational assessment has now been published as the **Review of the Economy and Employment: Occupational Update, 1988**, prepared by Rob Wilson. It examines the prospects for the economy to 1995 and assesses their implications for employment according to industry, employment status (self-employed, full-time and part-time employment), occupation and gender. The projections are based on a macroeconomic and industrial assessment which takes into account recent developments in the world economy and domestic economic performance. Occupational employment trends have been re-assessed in the light of the latest results from the Labour Force Surveys.



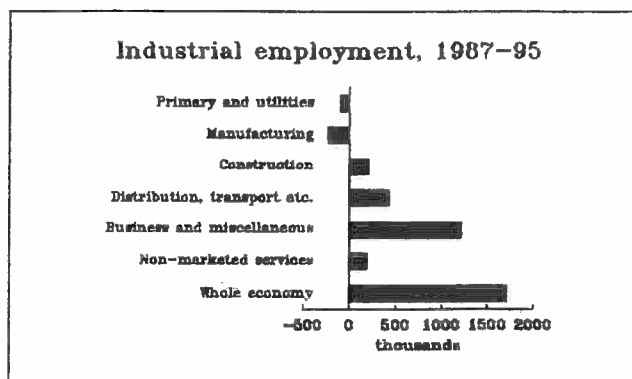
It is important to recognise that considerable uncertainty is attached to any forecast. The projection summarised below is intended to be broadly indicative of the underlying trends in the level and structure of employment.



The results of the assessment show that the economy is entering a crucial period in which the extent of reform and regeneration is to be tested severely. Balance of payments problems are already self-evident and there is increasing nervousness on the inflation front. Despite the exceptionally good performance in recent years, the British economy is still relatively vulnerable in the medium term because of its modest record of investment in new technology, training, and research and development.

Having said that, however, the growth record for 1987 was so good - GDP increasing by almost 5 per cent - that some slow down was to be expected over the medium term. Nonetheless, growth in output in manufacturing is expected to average about 3½ per cent per annum and that in business and miscellaneous services to be almost 4 per cent per annum.

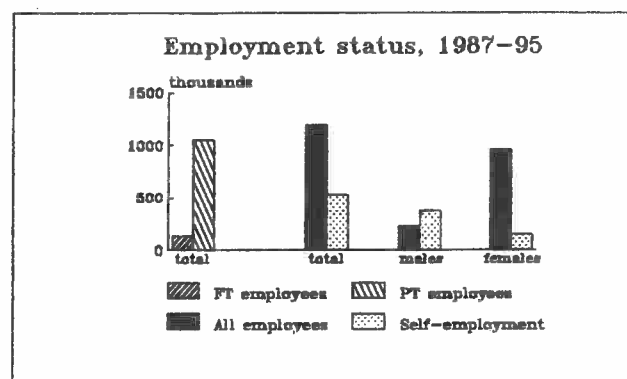
With manufacturing productivity growing faster than output, this means that some further decline of almost 250 thousand jobs between 1987 and 1995 is likely, a relatively modest reduction compared with that of 1½ million jobs lost during 1980-87. In contrast, in construction, distribution, transport and communication, the growth of output is expected to exceed that of productivity and employment is projected to rise by over 600 thousand, including 200 thousand jobs in construction and 300 thousand jobs in hotels and catering.



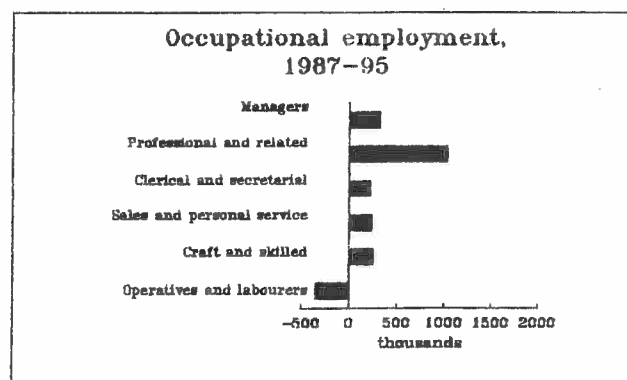
The main area of employment growth, however, is in business and miscellaneous services which benefit from a rise in demand from both firms and households offset by only a relatively modest growth in productivity. An increase of about 1.2 million jobs is projected by 1995. Finally, amongst non-market services, an increase of 200 thousand jobs is anticipated, concentrated in the health and education services.

Overall, employment is projected to rise by 1½ million or ¼ per cent per annum between 1987 and 1995. This growth is expected to favour part-time workers, females and those in self-employment (see table). The male labour force is projected to remain roughly stable between 1987 and 1995 at 16.3 million, in contrast to the

growth from 11.7 to 12.5 million anticipated for females. In part, the latter reflects the expansion of employment opportunities for females through its encouragement of more active participation in the labour market. Unemployment will continue to decline, reaching 9 per cent or so for males and 5 per cent for females by 1995.



At the occupational level, the main growth of employment is concentrated in the professional and related occupations which account for 1 million additional jobs. Managers (including owners of small businesses in the service sector), sales and personal service occupations, clerical and secretarial occupations, and craft and other skilled manual occupations are each expected to grow by 0.2 - 0.3 million. These increases are offset by an increase of 0.4 million jobs for operatives and labourers.



The occupational prospects for males and females differ significantly. The growth of female employment is particularly strong in managerial, professional and related occupations. Female shares of total employment in these occupations also rise most noticeably, together with the share in sales and personal services. By 1995 females take about 40 per cent of employment in managerial, professional and related occupations, 80 per cent of clerical and secretarial jobs, and just over 70 per cent of sales and personal service occupations; in contrast barely 25 per

cent of operatives and labourers and only 4 per cent of craft and skilled manual workers are females.

Employment Status	% of total UK employment		
	1981	1987	1995
Female employees	38.3	39.7	40.6
Self-employment	8.7	11.5	12.7
Part-time employees	18.8	21.1	23.7
% unemployment rates			
males	10.9	12.4	9.0
females	6.0	7.7	5.1

Infrastructure for the Protection of Intellectual Property: Patent Agents and Patent Monopolies

This research report examines the inter-relationship between the poor technological performance of the UK economy in recent years and the central role played by patent agents in protecting intellectual property produced as a result of research and development. It is based on an analysis, commissioned by the Office of Fair Trading, of two OFT surveys to find the effects on applicants of statutory and practice restrictions in the drawing up of patent applications and to examine the structure and attitudes of the patent agent profession itself.

Patent agents have an effective monopoly over the drafting of patent specifications. The key element in this monopoly is the sole right of representation for gain before the Comptroller General of the Patent Office. This monopoly dates back almost 100 years but was re-affirmed in the 1977 Patents Act. It was this situation which was the subject of the OFT investigation. The report concludes that there are strong grounds for removing the effective monopoly of patent agents in drafting patent specifications and that barriers to entry into the profession should be considerably relaxed. These conclusions formed part of the evidence upon which the OFT made their recommendations to the Government some of which have now been incorporated into the **Copyright Design and Patent Bill**.

The results from the survey of patent agents indicated the way in which restrictions on entry into the patent agent profession have been correlated with very high relative earnings compared with most other professions. A considerable amount of education and training is required in order to qualify as a patent agent, often involving the individual in three or more years of study for a degree and a further three or more years in obtaining the professional qualification. Clearly, there is an important issue concerning whether this level of qualification is necessary to promulgate the majority of patent work. This report, however, addresses the

question of whether the monopoly position of Patent Agents raises their income above the competitive level, independently of the accreditation argument.

The report also considers the various options for the protection of intellectual property that are open to the inventor, and, in particular, the role of the patent system. While the patent monopoly is designed to provide an inducement to invent, the propensity to patent will clearly depend on the costs and benefits offered by the alternative routes at the time protection is sought. If a decision is taken to obtain patent protection, there are still a variety of ways in which this can be achieved. A fairly straightforward pattern emerged, linking the type of inventor with the method obtained for obtaining patent protection. The type of patent protection sought by independent inventors and small firms was often quite limited, although there was some evidence that they were in need of broader technological and financial advice. Many independent inventors and small firms appeared to opt for processing their own applications rather than using an Independent Patent Agent; the latter system seemed better geared to the larger independent firms and members of a group of companies.

Infrastructure for the Protection of Intellectual Property: Patent Agents and Patent Monopolies

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Authors : Derek Bosworth and Rob Wilson

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Women and Paid Work – Issues of Equality

The present labour force position of women has not been reached through a continuous process which simply sped up during the last twenty or thirty years. During the 20th century alone, the relative importance of paid employment in women's lives has fluctuated markedly. Any belief that the work of women during the First World War would quickly alter social attitudes and begin the march of progress towards greater labour market equality was soon belied by the experience of the inter-war years. Nor did their Second World War contribution produce a radical re-thinking of the position of women. The exigencies of war rather than the possibilities of peace seemed to dominate: the married women in Beveridge's welfare state were expected to return to motherhood with only a small minority pursuing gainful employment.

What rescued women from a regression to the past was not a cultural change born of war-time experience but the rising demand for labour in the post-war boom. By the time the British

economy again experienced unemployment on the scale of the inter-war years, the position of women had altered and a ratchet of changed social attitudes and economic convenience appeared to be in place to defend it.

The present labour force position of women may not of course be irreversible. But the fear that high unemployment will nurture negative attitudes towards equality has been less important than the focus on whether or not what has been achieved amounts to as much as it seems.

One of the main aims of this book is to deal with this central issue by replacing the rather static pictures of female labour force participation by dynamic ones which capture the patterns of education, paid and unpaid work undertaken by women over their life cycles. Comparison of these life cycle representations from cohort to cohort yields much richer insight into the place of paid work in women's lives. This does, however, create methodological difficulties requiring quite complex manipulation of individual work history information. It involves the creation of new summary statistics to capture the main features of women's activity. It requires a careful attention to cohort effects in order to extract the maximum information from cross-sectional surveys when much-needed longitudinal surveys are not available. It calls for a re-interpretation of familiar aggregate labour force statistics in terms of underlying decision-making processes and the preferences and constraints which govern the observed outcomes.

Through this subtler treatment of the female life cycle in statistical and econometric analysis, the book pursues a second objective: to create a wider area of common quantitative ground on which economists and sociologists might seek a more productive synthesis of their different perspectives.

Finally **Women and Paid Work** considers the main policy issues which arise from studying the current position of women in the labour market and changes which have taken place since the Second World War. The prospects for greater equality in preparation for, access to and experience of the labour market give little room for complacency. The need for government to create a stronger legislative framework within which greater equality can be achieved is given particular stress. It remains to be seen whether this will be forthcoming. Nor can we be sure that it will be enough in a period of increasing pressure on labour force flexibility and the minimisation of labour costs. Meanwhile, however, the contributors to this book have provided new evidence and interpretations of the developing position of women in the labour market and the place of work in women's lives.

The research programme which provided the main basis for this book was co-ordinated by Peter Elias and funded by the Equal Opportunities Commission.

Women and Paid Work - Issues of Equality

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THE INSTITUTE

The Institute for Employment Research was established by the University of Warwick in 1981. The fields in which the Institute aims to promote advanced study and research include

- the macroeconomic, industrial and spatial factors affecting employment
- the relationship between the labour market and the rest of the economy
- labour market behaviour and policy
- developments in population, education, training and household behaviour affecting the labour market
- comparative international research in relevant areas.

The Institute has grown out of the former Manpower Research Group which was created in 1975 with a major programme grant from the Manpower Services Commission. This followed previous research in the general field of labour economics and employment forecasting. Since 1978, assessments of the economy and employment at a highly disaggregated level have been prepared each year. This work gave rise to the publication of **Britain's Medium-Term Employment Prospects** (1978) and **Economic Change and Employment Policy** (1980). The **Review of the Economy and Employment** was first published in 1981 in order to make the findings of the assessment available more widely on a regular basis and to stimulate discussion about the changing structure of employment and its implications for policy.

The Institute, directed by Professor Robert Lindley, has a staff of 25 of whom 15 are full-time academic researchers, including economists, geographers and sociologists. While the majority of the Institute's work is rooted in applied economics, the range of research is diverse and includes quantitative economic analysis using time series and large scale cross-sectional survey data; survey-based sociological research; and studies of labour market behaviour based on in-depth interviews.