

## LABOR MARKET



## NEWS LETTER

Maine Employment Security Commission 331 Water Street Augusta, Maine

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**In spite of weak spots** in the state-wide employment picture, there have been positive signs of accelerated labor market activity in a number of areas since the middle of winter. It is apparent that in some communities where relatively large numbers of persons are unemployed, job opportunities continue to be extremely scarce, but, except in such localities, demand for labor, generally, has become fairly brisk. The upturn in labor requirements has been attributable not only to needs arising in industries which customarily add to their working forces at this time of year but also to small employment expansions in several non-seasonal activities.

**Although labor demand** is picking up generally, seasonal layoffs in March and April from industries which invariably experience employment curtailments at this time of year caused a noticeable increase in the volume of unemployment in Maine. The upturn in the number of jobless workers in the labor market has not, however, been unusually sharp, and, in fact, it has been much less pronounced than the increase which occurred last year at this period. It is noted that not only has the rate of increase been smaller, but the level of unemployment in the State is lower than in the spring of 1954.

**Workers in an insured unemployed status** under the state unemployment compensation program totalled 15,200 during the middle week of April, whereas the number a year ago was 17,350. The ratio of insured unemployment to total covered employment was 8.7 per cent in mid-April, which was not exceptionally high considering that in the corresponding week in 1954 the ratio was 10 per cent and in 1949 it was 16.3 per cent. The rate of unemployment continues to be greater in Maine than in the nation as a whole — early in April the nation-wide ratio was 4.5 per cent — but this is to be expected because of industrial composition factors.

**Benefit payments issued** under the unemployment insurance program have been lower during the past four months than during the comparable months of the preceding year, but, because of relatively high unemployment throughout most of 1954, payments made in the twelve-month period ended on March 31 were considerably above those for the April 1, 1953–March 31, 1954 period. By way of comparison: In the most recently completed twelve months, benefits amounting to \$9,593,-817.00 were issued to cover 528,600 weeks of unemployment, while in the preceding benefit year, the sum of \$7,251,260.00 was paid out to compensate 418,060 weeks of unemployment.

**Employment in nonfarm industries** in Maine dropped off slightly at the end of the winter because of curtailments of a seasonal nature in the lumber and wood products, contract construction, and shoe manufacturing industries. However, the level of employment both in February and March was higher than in the corresponding months of 1954. In the middle week of February workers on the payrolls of nonfarm employers numbered 259,500, and in pay periods ending nearest March 15 employed workers totaled 258,200. Nonagricultural jobs in Maine for the comparable periods last year were: February — 259,200, and March — 255,800.

**Employment increases in several industries** since mid-winter have tended to offset, in part, the effects of seasonal reductions in others. Expanding industries added 1,400 workers between February and March while losses in activities in which reductions were made totalled 2,700 jobs. The net decline of 1,300 was approximately 62 per cent less than the 1954 February-March decrease. Activities in which expansions occurred within the thirty-day period this year included metalworking, food and kindred products, textiles, apparel, miscellaneous manufacturing industries, wholesale and retail trade, service, and government.

**Increasing labor requirements** in a variety of industries have been reflected in the job openings listed with the local employment offices of the Maine Employment Security Commission. Last month, 1,969 openings were made known to the offices by employers, and of these only 156 were in woods operations where bonded Canadian woodsmen might have to be utilized if local labor supplies proved inadequate. The remaining 1,813 represented the largest number of job vacancies — exclusive of those included in importation offset orders — received for worker referral action in several months. Corresponding openings received in February totalled 1,574 and the number listed in March 1954 totalled, 1,545.

**The supply of available labor**, judging from work applications on file with the employment offices, appears to be more than ample — except where localized stringencies exist — to meet de-

mand which might arise in the coming months. On April 1, job-seekers registered with the local offices totalled 22,500. These workers were classified, on a broad occupational group basis as follows: professional and managerial — 560; clerical and sales — 1,769; service — 1,006; skilled — 4,260; semiskilled — 5,844; and unskilled — 9,035.

**Localized shortages of workers** have involved very few jobs in the past several months, and those that have developed from time to time have been caused by a lack of persons available for particular types of work rather than numeric deficiencies in the supply. At the close of the current school year in June, the State's labor reserve will be augmented by the entrance into the labor market of young men and women who will be completing their educational careers. The appearance of these youths in the market should avert any possibility of further shortages developing in the coming months. Instead, the anticipated rise in the supply should result in keener competition for the jobs which are available.

**The average workweek** for production workers employed in manufacturing industries dropped from 40.9 hours in February to 40.7 hours in March. This decline was not great enough to be of any significance — it apparently having been caused by the effects of seasonal influences upon the operations of a few industries. The average hourly earnings of production workers have remained fairly constant for the past seven months — the March average having been \$1.44 per hour. Average weekly earnings were \$58.52 last month,

After Five Days Return To  
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EMPLOYMENT SECURITY COMMISSION  
AUGUSTA MAINE  
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EMPLOYMENT SECURITY MAIL  
UNITED STATES POSTAGE  
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ACT OF CONGRESS  
(SEC. 35.4 (P) (1), P. L. & R.)