

LABOR MARKET



NEWS LETTER

Maine Employment Security Commission

331 Water Street

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Labor Market Highlights — Continuing improvement in basic economic conditions in Maine was reflected in employment and unemployment trends during the spring and early summer. Seasonally expanded labor requirements in several important industries accounted for a major portion of an April-June increase of 20,700 in the number of nonfarm wage and salary jobs in the State. At the same time, however, further strength was evident in activities which are not ordinarily characterized by seasonal variations in employment needs. The upswing in labor demand created jobs for many workers, but a substantial supply of job-seekers still exists within the State. In mid-June an estimated 17,800 Maine workers were unemployed and in the labor market. The entrance into the labor force of high school and college graduates served to bolster the supply throughout the month.

Nonfarm Employment Trends — Nonfarm wage and salary jobs rose to a 1959 peak of 275,100 in pay periods ending nearest June 15 as compared with 254,400 two months earlier. Gains were made during the sixty-day period in nearly all of the State's major industries, with the most sizeable advances having been made in the lumber and wood products, food and kindred products, paper and allied products, leather and leather products, contract construction, trade, and services industries. Over-the-year, nonfarm employment increased by 3,200 jobs in spite of the loss of two major metal products plants and sharp curtailments in railroad employment. June 1958-June 1959 employment expansions of note occurred in lumber and wood products, food and kindred products, textiles, paper and allied products, leather and leather products, contract construction, and Federal government installations.

Job Opportunities for Youths — Although employment conditions have improved during the past few months, attractive job opportunities have not been plentiful enough to hold a large number of younger labor force entrants in this State. Job placements made by local employment offices of the Maine Employment Security Commission show that more youths were hired in June this year than in the same month last year. However, reports from various sections point to the fact that many of this year's high school and

college graduates are encountering difficulty in finding permanent employment. Also, in most parts of the State there have been far fewer summer jobs available than the number of applicants for such employment. Younger, school age youths are being recruited for crop harvesting operations in various sections of the State. The trend toward greater use of machine pickers has caused a noticeable drop in the demand for boys and girls to pick green beans, but relatively large numbers still will be able to engage in this activity as the season progresses.

Farm Labor Demand — Seasonal farm workers have been utilized during the past several weeks in such crop activities as planting, weeding, cultivating, spraying, dusting, and harvesting, but the total demand for such workers has been lower than during the late spring and early summer last year. This apparently has been due to reduced acreage for such important crops as potatoes, hay, corn, and dry beans, a lower-than-usual strawberry yield, and increasing mechanization of farm operations. At mid-July, the estimated number of seasonal hired workers employed on Maine farms was 9,600 as compared with 11,600 a year ago. Because growing conditions have been favorable thus far for some important crops, there is a distinct possibility that, despite acreage reductions, the eventual harvestings of such crops at maturity will be as great as, or greater than last year.

Total Unemployment — The number of persons in an unemployed status dropped off sharply during the first six months of the current year — there having been an estimated 40,700 in the labor market at the start of 1959 as compared with 17,800 in mid-June. This 56.3 percent, January-June decrease, while partly seasonal, was attributable in no small measure to general recovery from the 1957-1958 business recession — during the comparable period in 1958, unemployment dropped only 5.4 percent, from 35,000 in January to 33,100 in June. The downtrend this year, although pronounced, was not great enough to bring June unemployment down to pre-recession levels. Two years ago, approximately 11,600 workers were unemployed during the middle week of June, and in the corresponding week of 1956 an estimated 9,900 were unemployed.

Insured Unemployment — Downward trends in unemployment have occurred throughout the Country — economic improvements having been even more extensive in many other States than in Maine. During the first week of July, insured unemployment under state unemployment insurance programs was at a nation-wide rate of 3.3 percent, whereas the Maine rate was 5.2 percent. Maine's rate was the third highest in the

Country, being exceeded only by rates of 5.4 percent in Pennsylvania and 6.7 percent in West Virginia. First-of-the-month rates in the other New England states were: Connecticut — 3.5; Massachusetts — 3.5; New Hampshire — 3.1; Rhode Island — 4.1; and Vermont — 2.6.

Adequacy of Labor Supply — A summary analysis of the characteristics of job-applicants registered with the local employment offices of the Maine Employment Security Commission at the first of July indicates that, on a State-wide basis, the available supply of labor is more than adequate to meet existing and anticipated needs. Localized shortages in a relatively small number of occupations continue to exist, but this situation is caused primarily by an uneven distribution by area of the supply rather than by insufficient manpower reserves. Of the job-seekers in the labor market, 57 percent are males, 62 percent are under forty-five year of age, and only 8 percent are sixty-five years of age or older. Persons registered for work are classified on a broad occupational group basis as follows: professional and managerial — 3.5 percent; clerical and sales — 13 percent; service — 7.8 percent; skilled — 11 percent; semiskilled — 19.6 percent; and unskilled — 45.1 percent.

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