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Labor Market News Letter, April 1950

Maine Employment Security Commission

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LABOR MARKET

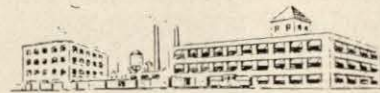


NEWS LETTER

Maine Employment Security Commission 331 Water Street Augusta, Maine



APRIL - 1950
ISSUED BI-MONTHLY



LABOR MARKET HIGHLIGHTS

Unemployment continues at a high level in Maine, but seasonal employment requirements in a number of industries should absorb many workers within the next few months.

Demand for labor, generally, has been slow. No known needs are going unmet at present.

The State's labor force will be augmented in June as a result of the entrance into the labor market of high school and college graduates. The employment outlook for these young men and women is not promising.

One of the brightest spots in the labor market picture is the construction industry. Construction work is expected to provide a greater amount of employment this year than last.

SEASONAL FACTORS ACCOUNT FOR INCREASE IN UNEMPLOYMENT

Seasonal employment declines in three important industries, together with the return to the labor market of many workers who had withdrawn from the labor force during the past few months, have accounted for a noticeable increase this spring in the amount of unemployment in Maine. The major industries experiencing seasonal pay roll curtailments in the latter part of March and the first part of April included lumber and wood products, paper and allied products, and shoe manufacturing.

NONSEASONAL EMPLOYMENT DECLINES HAVE CAUSED ADDITIONAL UNEMPLOYMENT

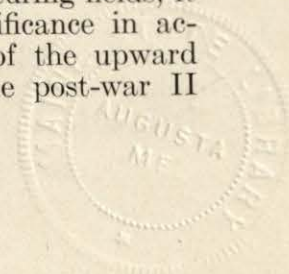
Contributing to the rise in the number of jobless workers in the labor market have been a few scattered nonseasonal employment declines. Such employment reductions have not been concentrated in any particular industries, although in the textile field several woolen mills had lay-offs in March and the first part of April. During the past two months, four manufacturing plants — each in a different industry — were destroyed by fire. The loss of these plants threw over 500 persons out of work, and affected the employment prospects of nearly 100 more who would have become employed in one of the establishments within the next few months.

SPRING AND SUMMER EXPANSIONS SHOULD ABSORB MANY WORKERS

Hirings in various industries which normally experience seasonal pick-ups in the spring and summer months should absorb many of the workers who are currently seeking jobs. However, despite a probable decline from the present peak unemployment level, it is anticipated that the State's pool of labor which might be utilized in year-round activities will continue to be extensive. In fact, this pool of unemployed workers may prove to be greater than during the spring and summer months of last year.

TECHNOLOGICAL IMPROVEMENTS HAVE MEANT FEWER JOBS

Improved production techniques have served to reduce employment requirements in a number of industries during the past few years, and consequently have been a cause for increased unemployment among workers who normally are in the labor force on a continuous basis. This influence upon the labor market has not been spectacular, but, because of the introduction of more efficient machines and processes in some manufacturing fields, it has been of fundamental significance in accounting for at least a part of the upward trend in unemployment in the post-war II period.



MAY 11 1950

JOB OPPORTUNITIES HAVE NOT KEPT PACE WITH LABOR FORCE GROWTH

Another very important factor in the steady growth of unemployment in this State has been an expansion of the labor force without a corresponding increase in job opportunities. The labor force—that is, the persons of working age who are either employed or looking for work—has risen sharply in the past four years. Graduates from colleges and high schools have entered the labor market in record breaking numbers, but retirements from the labor market of older workers have been comparatively few.

CURRENT RATE OF UNEMPLOYMENT INCREASE SHOWS LEVELING OFF

Although the State's reserve of labor appears—aside from seasonal fluctuations—still to be increasing in size, there have been indications in the past few months of a leveling off in the rate of increase. Since the first of the year, there has been an increase of 4.8 per cent in the number of job applicants registered for work with the local offices of this Commission. During a comparable period last year, the rate of increase was 35.5 per cent.

REGISTERED JOB-SEEKERS TOTALLED 32,900 ON APRIL 1

On April 1, job-seekers maintaining active applications for work in the sixteen local offices of this Commission totalled nearly 32,900. Of the workers registered, 9,700 were women and 8,600 were veterans. Since the applicants represent a wide range of occupational grades, employers in this State could fill practically any job vacancy from the supply of registered job-seekers. On a broad occupational basis, 2.2 per cent of the registrants are qualified for professional or managerial jobs; 8.5 per cent are clerical workers or salespersons; 5.6 per cent have had previous experience in jobs found in the various service industries; 22.1 per cent are skilled workers; 27.3 per cent have worked in semi-skilled occupations; and 34.3 per cent are unskilled.

JUNE GRADUATIONS WILL EXPAND THE STATE'S LABOR FORCE

A large percentage of the young men and women graduating from high schools and colleges this year undoubtedly will enter the labor force. Some already have been attempting to establish employment contacts—and with a certain degree of success, but the majority probably will not have lined up jobs by the time the school year ends. Unfortunately, the immediate job outlook for youths entering the labor market this spring is not bright.

DEMAND FOR LABOR HAS BEEN SLOW

Labor demand, as reflected in job openings listed with the local employment offices, has been relatively slow. Thus far this year, requirements have been running about 47 per cent below last year. A pick-up in demand has been noted in some activities in the past several weeks, but job opportunities continue to be scarce. The most numerous job openings have been for clerical, sales, service, and semi-skilled workers.

SHARP UPSWING IN CONSTRUCTION WORK IS ANTICIPATED

Preliminary forecasts indicate that the construction industry will provide a greater number of jobs this year than in 1949. Sharp upswings in construction work are looked for during the next few weeks in a number of localities, and as the season progresses, it is not at all improbable that shortages of qualified building trades workers will develop in some areas. The pick-up will not be confined to building construction, since several major engineering projects are planned.

LOGGING AND LUMBERING INDUSTRY TO RE-EMPLOY MANY IN MAY

Although down seasonally at the moment, employment in the logging and lumbering industry should expand rather appreciably during the middle and latter part of May. Most of the workers who were laid off from

the industry earlier in the season, when the spring thaw slowed down ground operations, will have little difficulty in finding jobs when cutting and pulp peeling operations get fully under way during May. Overall requirements for woodsmen are expected to be at a fairly high level during the rest of this year, and, in some cases, employers in this field have indicated that their labor needs will be higher than in 1949.

DEMAND FOR FOOD PROCESSING WORKERS IS STARTING TO DEVELOP

Demand for food processing workers is starting to develop in a number of coastal communities where fish curing and packing is conducted on a commercial basis. Sardine canning plants probably will reach peak production schedules later in the season, depending upon the supply of fish suitable for packing. Labor needs in this branch of the food and kindred products industry should be as great as last year. However, it is anticipated that fewer workers will be needed this summer than in 1949 in vegetable processing activities.

FARM JOBS WILL BE AVAILABLE WITHIN A SHORT TIME

Needs for seasonal farm workers will materialize in the near future, as soon as ground conditions and the weather are right for planting operations. Normally, farm labor requirements do not expand very appreciably until late in the summer when crops are harvested, but planting and cultivating activities always provide employment for a fairly large number of workers. Demand for seasonal

agricultural labor probably will be less extensive this year than in the past several summers due to planned curtailments in some of the State's major crops.

INFLUX OF SUMMER VISITORS WILL CREATE MANY JOBS

According to present indications, Maine's summer tourist and resort business should reach a peak-level record this year, but, even though the influx of summer visitors should fall short of expectations, it is certain to create thousands of employment opportunities during July and August in various trade and service industries. The majority of these jobs usually are filled by youths and others who are not in the Maine labor force except during the summer months. Nevertheless, some of the persons currently in the labor market undoubtedly will be absorbed in such summer jobs this year.

SEASONAL GAINS LOOKED FOR IN OTHER INDUSTRIES

Recent seasonal lay-offs in the paper and allied products and the shoe manufacturing industries will not be of long duration. The shoe industry probably will return to full-scale production by the latter part of June, but gradual improvements are looked for prior to that time. The number of employees of paper manufacturing plants who were laid off because of seasonal factors — all were engaged in outdoor work — was relatively small, and those who have not yet been recalled to their jobs probably will be rehired within the next few weeks.

SELECTED UNEMPLOYMENT INSURANCE PROGRAM STATISTICS During the benefit year just ended — April 1, 1949 through March 31, 1950:

86,237 persons initiated claims series,

81,553 of whom were determined eligible for benefits on the basis of sufficiency of wage credits.

66,981 claimants drew at least one benefit payment.

20,947 claimants exhausted their benefit rights during the period.

805,336 weeks of unemployment were compensated during the year.

\$15.49 was the average weekly check issued.

\$41,868,150.66 was available for benefits at the beginning of the benefit year.

\$36,410,413.15 was available for benefits at the end of the benefit year.

Maine Employment Security Commission

EMPLOYMENT OFFICES

<i>Location</i>	<i>Address</i>	<i>Telephone</i>
Augusta	331 Water Street	1200-41
Bangor	182 Harlow Street	6435
Bath	174 Front Street	1748
Biddeford	275 Main Street	4-4571
Calais	87 Main Street	427
Caribou	Main Street	3331
Ellsworth	City Hall, Room 7	333
Houlton	32 Bangor Street	3606
Lewiston	19 Park Street	4-6971
Machias	Main Street	167
Portland	615 Congress Street	2-0186
Rockland	437 Main Street	105
Rumford	244 Waldo Street	805
Sanford	25 Washington Street	1045
Skowhegan	29 Water Street	368
Waterville	79 Temple Street	1886

After Five Days Return To
MAINE
EMPLOYMENT SECURITY COMMISSION
AUGUSTA MAINE
OFFICIAL BUSINESS

EMPLOYMENT SECURITY MAIL
UNITED STATES POSTAGE
ACCOUNTED FOR UNDER
ACT OF CONGRESS
(PAR. 13, SEC. 579, P. L. & R.)