

6-1-1950

Labor Market News Letter, June 1950

Maine Employment Security Commission

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Recommended Citation

Maine Employment Security Commission, "Labor Market News Letter, June 1950" (1950). *Center for Workforce Research and Information Documents*. Paper 117.
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LABOR MARKET

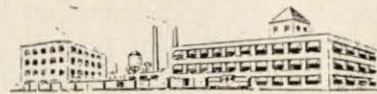


NEWS LETTER

Maine Employment Security Commission 331 Water Street Augusta, Maine



JUNE - 1950
ISSUED BI-MONTHLY



LABOR MARKET HIGHLIGHTS

There has been a noticeable increase in labor market activities throughout Maine during the past few weeks. Expanding labor requirements have been evident both in seasonal and nonseasonal industries, some of which are providing jobs for a larger number of workers than a year ago. The volume of unemployment has declined rather appreciably since the middle of May.

The job outlook for the next several months appears to be promising. General employment conditions should be favorable in most sections at least until the latter part of next fall.

MAINE LABOR MARKET ACTIVITIES SHOW MARKED INCREASE

Labor market activities expanded on a wide front in Maine during May following several months in which general employment trends had been more or less indecisive. In the early part of the month, demand for labor was comparatively slow, but, as the month progressed, there was a marked increase in the labor needs of a large number of employers in various sections of the State. There were no signs of a let-up by the end of May, and, as a matter of fact, during the first part of June the upswing in hirings was continuing at an accelerated pace.

JOB OPPORTUNITIES AT HIGHEST LEVEL IN NINETEEN MONTHS

Job opportunities in nonfarm activities were more numerous in May than in any month since October 1948. Employers requiring workers, either for pay roll expansion or replacement purposes, listed 7,200 job openings with the local employment offices of the Maine Employment Security Commission last month. Indicative of the upsurge in demands for labor is the fact that between April and May job referral requests increased by 148 per cent.

IMPROVEMENTS NOT DUE ENTIRELY TO SEASONAL FACTORS

Pay roll expansions are to be expected each spring in a number of industries, but, while it is true that gains in this State during recent weeks have been predominately seasonal in nature, labor market improvements have not been due entirely to seasonal factors. This is apparent from the fact that accession rates — even in various industries which experienced employment curtailments in the spring of 1949 — are generally higher than they were a year ago.

UNEMPLOYMENT PROBLEMS LESS ACUTE THROUGHOUT THE STATE

Although there is still a surplus of labor in Maine, unemployment problems have become much less acute in nearly all parts of the State. Public assistance rolls have been reduced in many communities; claims for unemployment insurance benefits have dropped noticeably since the middle of May; and at the end of last month there were fewer unemployed persons registered for work in the local offices of this Commission than since last fall.

JUL 25 1950

INSURED UNEMPLOYMENT RATIO HAS DECLINED SHARPLY IN MAINE

The ratio of insured unemployment to average monthly employment covered under the Unemployment Compensation Law has declined sharply during the past month. During the first week of May, approximately 14.1 per cent of the covered workers employed in an average month were in an insured unemployment status. The percentage dropped to 9.9 per cent for the week ending June 3, and to 8.7 for the week ending June 17. During the latter week, 14,800 persons were in an insured status — i.e., filing continued claims for benefits or waiting period credits.

MAINE'S RATIO REMAINS ABOVE NATION'S AVERAGE

On a nation-wide basis, 5.7 per cent of the average number employed in covered work were unemployed during the week ending May 6, whereas during the week ending June 3 the percentage was 4.8. June 3 ratios in the other New England states were: Connecticut — 4.1; Massachusetts — 8.6; New Hampshire — 12.2; Rhode Island — 13.9; and Vermont — 6.0. Maine's ratio of 9.9, while above the national average, was more favorable than the comparable ratios in two of the other five states in the New England area.

WIDESPREAD BOOM IN CONSTRUCTION WORK IS IN PROGRESS

A boom in the construction industry, which started early this spring, is still in progress. Employment in this field has mounted rapidly within a relatively short period of time, but peak employment levels for the current year have not yet been reached. Especially worthy of note is the fact that the current upswing in construction work is not confined to only a few sections of the State, but, rather, it is widespread in scope. The supply of experienced building trades workers in a few communities already has had to be augmented by importations from other areas, and it appears likely that further shortages of such workers will develop during the next month or two in other localities.

SHOE INDUSTRY IS RECOVERING FROM A SEASONAL SLUMP

Many employers in the shoe manufacturing industry have started to recall workers who were laid off during the past several weeks while style-change production adjustments were made and inventories were being taken. It is possible that some of the factories will not require as many workers as they had during the latter part of the winter, but it is expected that relatively high employment will be reached in the industry within a matter of weeks. Thus far in 1950, the industry has provided jobs for a larger number of persons than in any comparable period in the last nine years.

EMPLOYMENT IN TEXTILE INDUSTRY HIGHER THAN A YEAR AGO

Although the aggregate number of workers in the textile industry does not approach the post-war high reached in 1948, more persons are now employed in the industry than a year ago. Recent improvements in various woolen mills, together with fairly stable employment in most of the major establishments producing fabrics from cotton and synthetic fibers, have resulted in advances in the last two months. Plant closings in July for one- and two-week vacation periods are in prospect, but, at the moment, no changes in the labor requirements of the industry as a whole are looked for at least until late next fall.

FURTHER GAINS ANTICIPATED IN OTHER INDUSTRIES

The job outlook for the coming summer period in practically all of the State's major industries is favorable. Food processing and agricultural activities will provide fewer jobs than in 1949, but, nevertheless, there will be seasonal employment rises in both industries. Several plants producing paper or allied products are adding to their pay rolls at the present time; the number of job openings in the wholesale and retail trade fields is greater than last year; a boom in the recreation business appears already to be well under

way; various types of outdoor work are available; and a number of new industrial establishments are starting up in different parts of the State.

EMPLOYERS AFFORDED WIDE CHOICE IN FILLING JOB OPENINGS

Judging from the characteristics of the 25,500 applicants registered with the local employment offices, it is apparent that employers have a wide choice in selecting workers for job vacancies. Over 15,700 of the registrants are males; 5,400 are veterans; less than 1,000 have had no prior work experience; and none possess handicaps which would prevent their utilization in employment for which they are otherwise suited. Approximately 3,000 are so-called "white-collar" workers, and the rest are qualified for production, maintenance, and related types of work.

LOCALIZED SHORTAGES OF LABOR HAVE DEVELOPED IN SOME OCCUPATIONS

Despite the over-all surplus of labor in the State, shortages of qualified workers for certain jobs are in evidence in a few localities. The most significant shortage, with respect to number of workers involved, is in the woods industry. Woods operators in a number of isolated areas are running into fairly serious difficulties in recruiting men needed for cutting and pulp peeling work. The supply of domestic service workers has become depleted throughout the State, and in some cases where construction jobs have started up the number of local experienced construction workers is proving inadequate.

YOUTHS ENTERING THE LABOR MARKET WILL ADD TO THE LABOR SUPPLY

The supply of labor in this State should continue, on an over-all basis, to exceed the

demand for workers. Youths appear to be entering the labor market in large numbers, following the close of the 1949-1950 academic year in high schools and colleges. Relatively few of these new entrants are registering for work with local employment offices, but it is apparent that most are losing no time in contacting employers directly in their efforts to find jobs. It is doubtful that this increase in the supply of labor will aid materially in relieving shortages which have developed in woods, construction, and domestic service occupations.

HIRINGS IN LOGGING AND LUMBERING HAVE SHOWN A MARKED INCREASE

Since the first part of May, there has been a very appreciable rise in the labor requirements of the logging and lumbering industry. Thus far, hirings have been more extensive than during the late spring and early summer period of last year. Employment expansions have been more or less general, with practically all woods operators competing for available qualified labor. To date, recruitment efforts have fallen short of their goal, in spite of a concentrated drive made to attract every worker in the State who can qualify for woods work to the jobs which are open.

DOWNWARD TRENDS IN UNEMPLOYMENT ARE PREDICTED

With the economic picture in Maine offering considerable promise, despite a few weak spots, it is generally conceded that the downward trend in unemployment, which started in May, should continue through the summer and possibly into the fall. Adverse developments in some segments of the economy could change the outlook to a certain extent; however, it is noted that the majority of the employers contacted by representatives of the local employment offices during the past several weeks are most optimistic in their views regarding probable business trends.

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.)