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Labor Market News Letter, August 1951

Maine Employment Security Commission

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LABOR MARKET

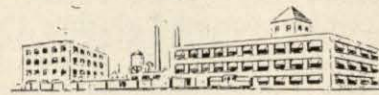


NEWS LETTER

Maine Employment Security Commission 331 Water Street Augusta, Maine



AUGUST - 1951
ISSUED BI-MONTHLY



LABOR MARKET HIGHLIGHTS

Despite employment and workweek curtailments in scattered establishments representing some of the major industries in Maine, over-all employment, through the impetus of accelerated activity in seasonal activities, has moved upwards during the summer months.

Industries showing the greatest strength have been agriculture, construction, food processing, paper manufacturing, woods operations, and trade and service.

Demand for nonfarm labor has slackened, but there are still job opportunities available in all fields of industrial activity.

The volume of unemployment has dropped off since spring and is now at its lowest point of the current year. There are isolated shortages of qualified workers needed for some classes of jobs. Numerically, however, the supply of labor is more than adequate to meet both current and anticipated demand. Out-of-state labor will have to be imported in September for potato harvesting jobs because manpower resources in Aroostook County, as in the past several years, are not sufficient to meet the seasonally inflated demand.

INDUSTRY TRENDS

The labor market in Maine has been subjected to mixed trends among several major industries during the past several weeks. Weaknesses have been in evidence in the textile field largely because of high inventories of finished textile products and slow consumer demand; paper manufacturing has been carried on at record levels; production requirements in the shoe manufacturing industry, while somewhat spotty, have moved upwards following a spring and early summer seasonal slack spell; cuts in residential construction work have been obscured by expansions of military and other public and quasi-public installations; some metalworking establishments have made encouraging gains while others, unsuccessful in obtaining defense contracts, have been affected adversely; a few weak spots have been noted among plants manufacturing articles from wood; wood cutting operations, however, have had more job openings than there are resident workers available for such employment; and seasonal industries — such as, agriculture,

food processing, fishing, and those trade and service businesses which usually respond to the influx of summer vacationists — have been exceptionally active.

NONAGRICULTURAL EMPLOYMENT

The number of persons with full- or part-time nonfarm jobs in Maine increased by 13,600 during the sixty-day period ending on July 15, 1951. During pay periods ending nearest July 15, approximately 274,000 workers were on the pay rolls of nonagricultural employers, whereas two months earlier total employment was estimated at 260,400. The July level was 3,200 above that for mid-June, when 270,800 were engaged in nonfarm work. In comparing the latest available figures with those of a year ago, it is noted that over-all nonagricultural employment rose by 9,300, from a level of 264,700, between July 1950 and July 1951.¹

¹ Source: Latest nonagricultural employment estimates published by the Maine Employment Security Commission in Cooperation with the United States Bureau of Labor Statistics. (Copies of publications giving breakdowns by industry available upon request.)

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FARM LABOR REQUIREMENTS

Requirements for seasonal farm labor, needed particularly in harvesting jobs, have been heavy. The principal crops thus far have included hay, peas, beans, and blueberries. Youths, recruited during the spring by the local offices of the Maine Employment Security Commission, have been utilized extensively but adult labor has also been very much in demand. The importation of out-of-area labor was necessary in Aroostook County in order that peas might be harvested without crop losses, and, in some communities in Washington County, local sources of labor supply proved inadequate to meet the demand for workers to engage in bean picking and blueberry raking operations. Recruiting problems may yet be encountered in finding workers to harvest cucumbers, corn, and apples, but it appears at present that extensive labor importations will have to be undertaken only in Aroostook County when the potato crop matures by the middle or latter part of September.

DEMAND FOR NONFARM LABOR

Demand for nonagricultural labor, as reflected in job openings listed with the local employment offices of the Maine Employment Security Commission, dropped off somewhat in July. During the month, Maine employers requested worker referrals to 6,510 openings, whereas in June the number of openings made known to the offices totalled 8,030. Decreased demand was accounted for in part by numerous plant shut-downs for one-and two-week vacation periods early in July, decreased production requirements in a few industries, and the attainment, or near-attainment, during June of desired summer employment goals in some expanding seasonal industries. Industries in which demand was heaviest during July included: woods operations, food processing, construction, trade, and service.

REGISTERED JOB-APPLICANTS

At the beginning of August there were 12,000 persons registered for work with the sixteen local offices of this Commission. This represented a decline of nearly 3,800 during the

two-month period, June 1-August 1. Although various factors contributed to relatively high turnover among job-seekers during the period, the decrease in applicants was attributable primarily to extensive hirings in seasonal industries. Workers in the labor market at the start of this month were from various industrial and occupational fields, but deficiencies in the supply of labor were apparent, at least with respect to the number available for woods jobs, harvesting work in a few areas, job openings for machinists, and different classes of construction work.

INSURED UNEMPLOYMENT

The supply of available labor has reached a seasonal low for the year thus far, but in spite of this, there is still a fairly large volume of unemployment in the State. During the latter part of July, the ratio of insured unemployment to average monthly employment covered under the Maine Employment Security Law was 5.3 per cent. Therefore, for every 1,000 workers with jobs in covered employment, approximately 53 workers from covered employment were unemployed. In the middle part of May when insured unemployment was at its 1951 peak, the insured unemployment-employment ratio was 7.8 per cent.

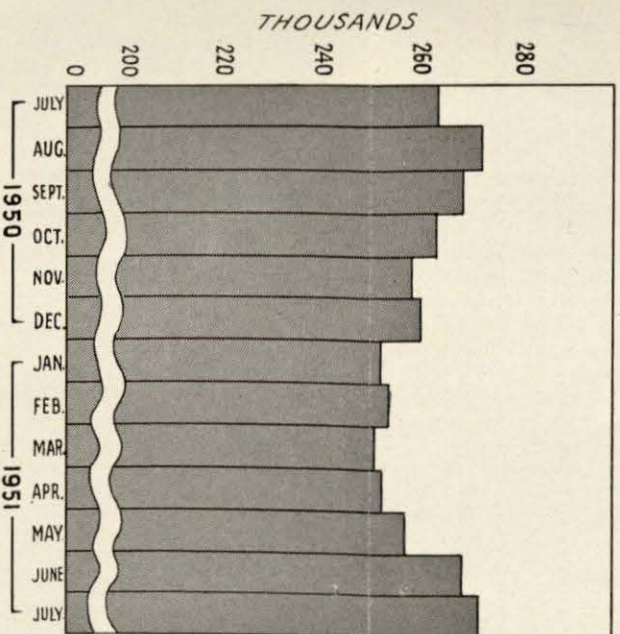
AVERAGE WORKWEEK AND EARNINGS

The average workweek of production workers in manufacturing industries dropped from 39.9 hours to 38.5 hours between mid-May and July. The most pronounced declines, attributable in part to production curtailments resulting from decreased orders and in part to the failure of individual establishments to get back on full operating schedules following plant shut-downs for one-and two-week vacation periods, occurred in the food processing, textile, wood products, and metal products industries. Largely because of the shorter average workweek, the average weekly earnings of production workers showed a decline between May and July from \$51.75 to \$50.50. The average hourly earnings of such workers, however, increased slightly from \$1.297 to \$1.311.

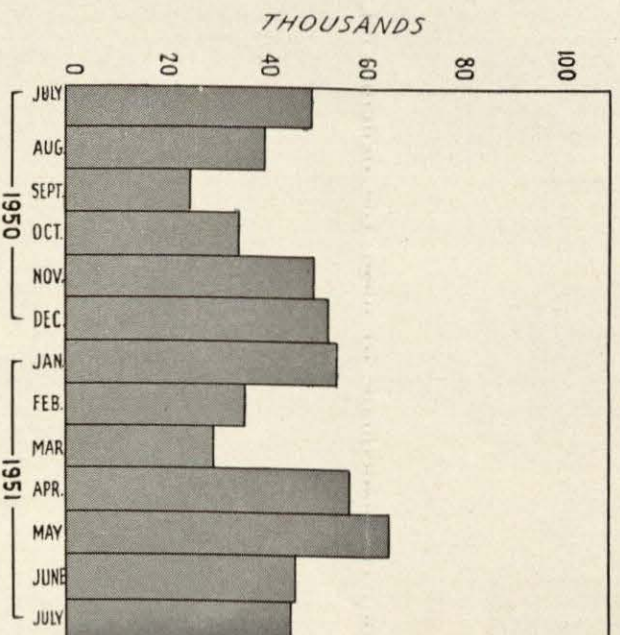
Selected Labor Market Trend Indicators

JULY 1950 — JULY 1951

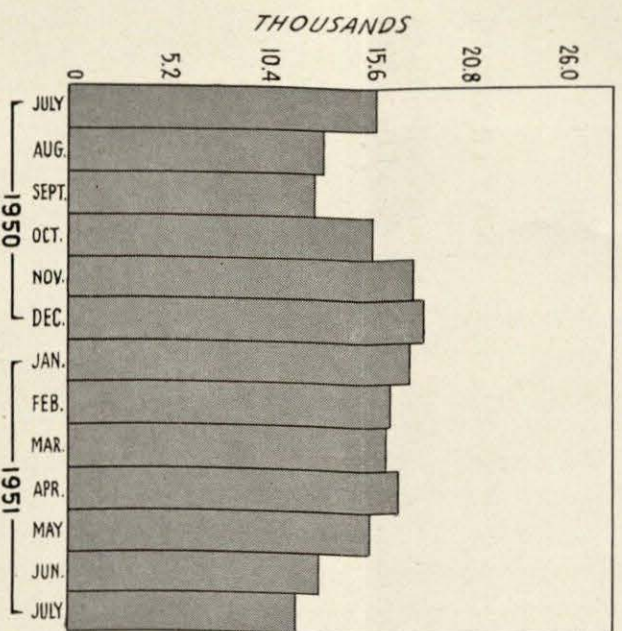
NONAGRICULTURAL EMPLOYMENT



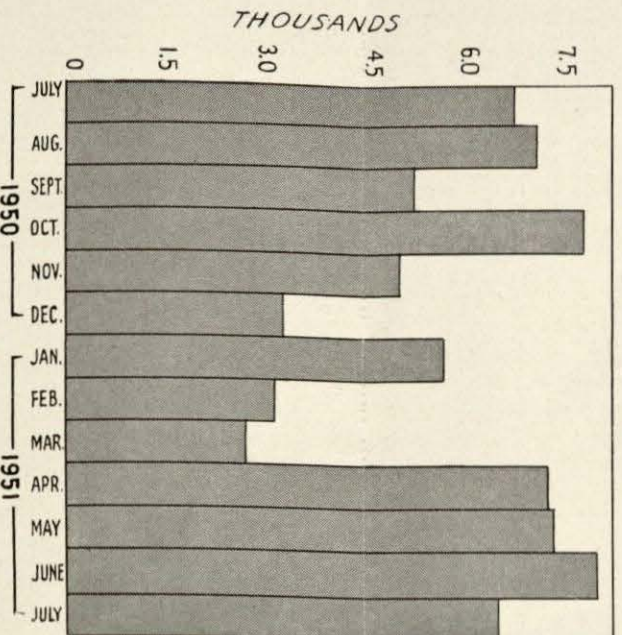
U.C. CLAIMS LOAD



REGISTERED JOB SEEKERS



JOB OPENINGS RECEIVED



EMPLOYMENT OUTLOOK

Although temporary retrenchments in a few major industries have had an effect on labor market conditions, the employment picture in this State appears to be quite stable, with generally promising developments in prospect for the late summer and early fall periods. Pay roll reductions at the end of the summer in a number of seasonal activities will not result in corresponding increases in the volume of unemployment since many youths and women who have been engaged in such em-

ployment will, undoubtedly, withdraw from the labor force as soon as they are released. Job opportunities in other lines should, on the other hand, absorb many who are already in the labor market, and for this reason declines in the over-all number of unemployed job seekers in Maine are likely to occur in the coming weeks. The most notable expansions which are anticipated will be in jobs for qualified construction workers, woods workers, persons who will accept harvesting jobs, and men skilled in occupations found in certain of the metalworking industries.

Maine Employment Security Commission

EMPLOYMENT OFFICES

<i>Location</i>	<i>Address</i>	<i>Telephone</i>
Augusta	331 Water Street	1200-41
Bangor	131 Franklin 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	177 Main 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.)