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Labor Market News Letter, December 1951

Maine Employment Security Commission

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LABOR MARKET



NEWS LETTER

Maine Employment Security Commission 331 Water Street Augusta, Maine



DECEMBER - 1951

ISSUED BI-MONTHLY



LABOR MARKET HIGHLIGHTS

The over-all volume of unemployment in Maine is not as great as it was a year ago at this time, but in some communities — particularly those which are largely dependent upon the shoe and textile industries — relatively extensive labor surpluses have developed in the last few months.

Nonagricultural employment dropped between October and November to around 271,900, but this was approximately 5.3 per cent higher than in November 1950.

Shortened workweeks in several major manufacturing industries have had an adverse effect upon the take home pay of many production workers. The average weekly earnings of production workers amounted to \$50.06 during mid-November. The average workweek was 37.6 hours.

Improvements are looked for in a few industries in the next few months, but seasonal curtailments in activities which normally have reduced working forces in the winter months probably will be responsible for continuing upward trends in unemployment.

UNEMPLOYMENT TRENDS

Although several communities have been feeling the cumulative affects of curtailed production in certain segments of the shoe and textile industries, the volume of unemployment in Maine as a whole is not as great as it was a year ago. During November, increasing UC claims loads — attributable primarily to employment cuts in various seasonal activities — pointed to a rise in the number of persons in the labor market, but the November upswing was not as pronounced as in 1950 largely because work in such lines as contract construction and fish canning was not reduced as soon or as sharply as usual. The upward trend which was apparent in November was continuing to manifest itself during the first part of the current month, but, thus far, the December claims load has been approximately 15 per cent lower than the end-of-the-year volume in 1950.

CURRENT DEMAND FOR LABOR

Job openings listed with the sixteen local offices of the Maine Employment Security Commission reveal a few bright spots in the State's labor market picture. A number of shoe factories which had rather drastic employment reductions in the late summer and early fall periods have shown signs of production pick-ups and have started to rehire some of their former employees. Employment requirements are a bit firmer in the textile industry than for several months. Demand for labor is strong in a few scattered metalworking plants — two recently opened establishments having had fairly extensive expansions within a short period of time — but there also have been contractions in the number employed in two or three other large plants which manufacture machinery. The Christmas season has resulted in a demand for temporary sales clerks in shopping centers throughout the State and short-term jobs have developed also in the government postal service field. As has been the case in the past, the demand for wood cutters exceeds the number of Maine workers available for such jobs.

MAR 6 1952

ADEQUACY OF LABOR SUPPLY

The supply of labor in Maine, with the exception of men available for woods work, appears to be generally adequate to meet the bulk of the existing demand. On December 1, over 14,000 persons were maintaining active applications for work in the local employment offices of the MESOC. Experienced workers from practically all occupational grades, utilized in manufacturing and nonmanufacturing industries found in Maine, were represented in the group of registered job-seekers, but it is noted that migration to defense production centers in other states has thinned the ranks of those with certain skills for which demand might arise at any time. It is expected that the over-all surplus of labor will increase in the next two months as further employment curtailments occur in seasonal activities. Also, lay-offs threatened by a nonseasonal lack of orders in a number of manufacturing establishments will, if they materialize, add to the surplus.

DEFENSE PRODUCTION CONTRACT AWARDS

Although a few industries in Maine — notably construction and shipbuilding — have been stimulated by the defense mobilization program, a relatively small proportion of the productive capacity of many of the State's major industries has, as yet, been tapped for the manufacture of defense goods. Recent defense contract awards to Maine establishments in the textile, machinery, food and kindred products, paper manufacturing, and metal products industries probably will have but little effect upon the labor market, since, for the most part, plants benefiting by the awards will have to make few adjustments in their working forces to fulfill the contracts.

AVERAGE HOURLY AND WEEKLY EARNINGS

Estimates based upon data furnished by selected manufacturing plants indicate that the average hourly earnings of production workers in the middle week of November amounted to \$1.33. This was the highest hourly average earnings rate for any mid-month period for which earnings data are available for production workers in Maine. Despite this com-

paratively high hourly earnings level for Maine production workers, shortened work-weeks in November served to reduce their average weekly earnings. In November, the average weekly earnings for such workers totalled \$50.06. This was the lowest weekly average of the year thus far and was \$1.50 under that for November 1951.

CONTRACT ASSISTANCE PROGRAM, U. S. DEPARTMENT OF COMMERCE

The U. S. Department of Commerce has inaugurated a Contract Assistance Program in New England which promises to be of inestimable value in bringing together plants with open capacity needing subcontracting opportunities and end-product manufacturers interested in new subcontracting sources. Manufacturers — large and small — desiring to benefit from this service should contact the U. S. Department of Commerce Field Office at 477 Congress Street in Portland. Also, the Maine Industrial Mobilization Division, at the same Portland address, is in a position to render assistance to small firms desiring defense work.

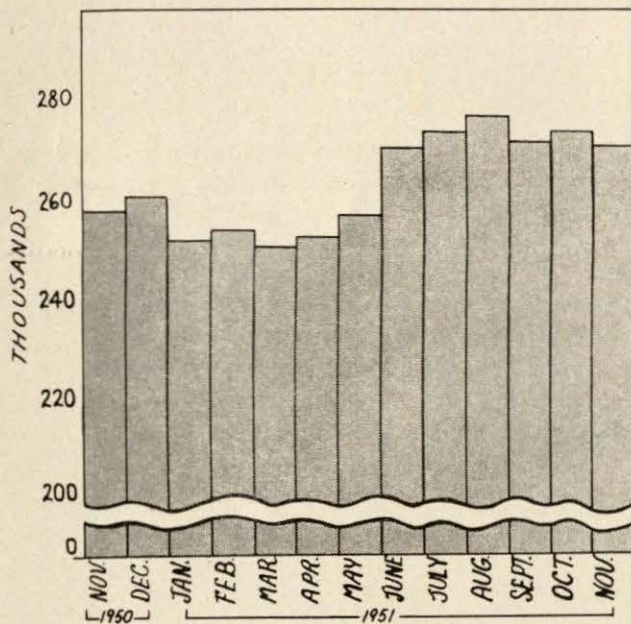
NONAGRICULTURAL EMPLOYMENT

Preliminary estimates prepared by the Maine Employment Security Commission in cooperation with the United States Bureau of Labor Statistics indicate that employment in non-agricultural activities in this State increased by approximately 5.3 per cent during the twelve-month period, November 15, 1950 to November 15, 1951. The estimated number of workers with full- or part-time jobs in non-farm establishments totalled 271,900 during mid-November weekly pay periods this year as compared with 258,200 during pay periods ending nearest November 15 last year. Between October and November, there was an indicated drop of around 2,600 in the number on the pay rolls of nonfarm employers. This thirty-day decrease of 0.9 per cent was attributable largely to seasonal factors, but it is noted that the decline was by no means as great — either relatively or in terms of the number of workers affected — as the 2.7 per cent decline of 7,100 which occurred in 1950 between October and November when total employment went from 265,300 to 258,200.

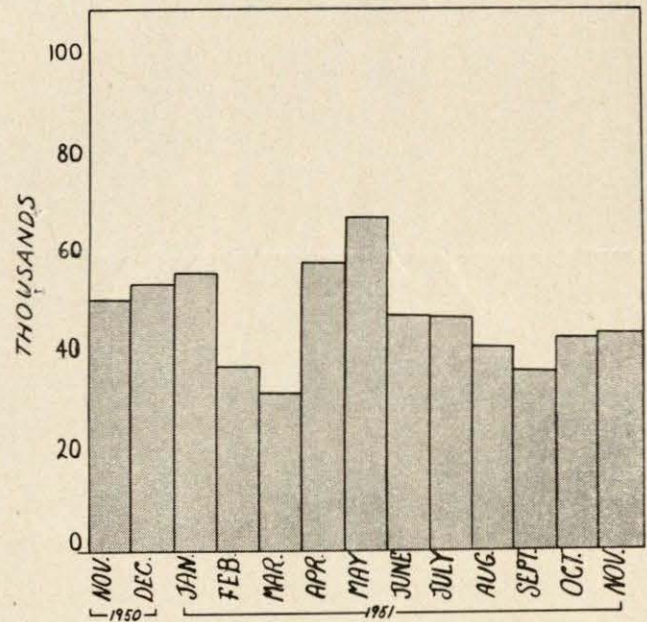
Selected Labor Market Trend Indicators

NOVEMBER 1950 — NOVEMBER 1951

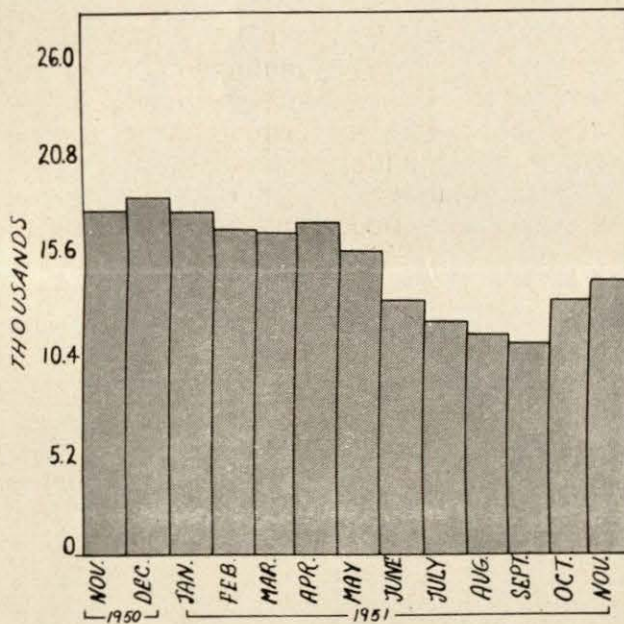
NONAGRICULTURAL EMPLOYMENT



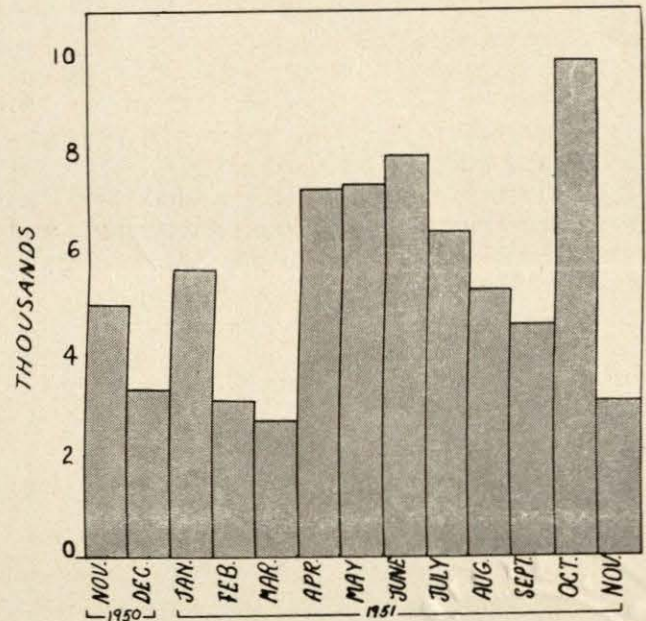
U.C. CLAIMS LOAD



REGISTERED JOB SEEKERS



JOB OPENINGS RECEIVED



CHANGES IN THE EMPLOYMENT PATTERN

During the last twelve months, as over-all employment has moved upwards, there have been several marked changes in both the industrial and geographic distribution of the employed labor force in Maine. The accelerated defense mobilization program has been almost wholly responsible for extensive expansions in heavy construction work and in government and privately owned shipyards. In such instances, because increased activities were carried on in areas which did not have labor reserves great enough to meet the labor demand, available workers from other areas had to be utilized. While advances were being made in these fields, and in paper manufacturing and woods operations as well, relatively large employment losses were incurred in the textile, apparel, shoe, machinery, transportation, and retail trade industry groups. Employment in the food processing industry was higher in November than a year ago, but this was due

primarily to unusual factors affecting the normal seasonal working schedules of sardine canning plants.

AVERAGE WEEKLY HOURS OF WORK

Detracting from the possible impression of exceptional economic activity generally implied in the comparatively high employment level of this fall is the fact that there has been a considerable amount of "underemployment" among workers with jobs in a number of the State's major manufacturing industries. During the middle week of November, the average workweek for production workers in manufacturing activities was only 37.6 hours. By way of comparison, in mid-November last year the average workweek was 41.1 hours. Curtailed operating programs have been apparent in all but a few of the large manufacturing industry groups, and there have been no instances of outstanding increases in scheduled workweeks.

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.)

