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Labor Market News Letter, October 1953

Maine Employment Security Commission

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LABOR MARKET



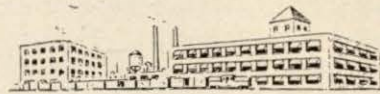
NEWS LETTER

Maine Employment Security Commission 331 Water Street Augusta, Maine



OCTOBER - 1953

ISSUED BI-MONTHLY



LABOR MARKET HIGHLIGHTS

The supply of labor has started to increase in Maine.

Unemployment has not become extensive, however.

Expanded supply has reduced localized labor shortages.

Employment is off slightly, but still at a high level.

Average workweek and earnings remain favorable.

Seasonal curtailments probably will cause further rise in unemployment.

However, no serious unemployment problems are anticipated.

CLAIMS LOAD MOVING UPWARDS

Although the volume of unemployment in Maine is by no means great enough to warrant special attention at the present time, there have been indications during the past two months that an earlier-than-usual upward trend in unemployment is developing. Normally, claims for unemployment compensation show a definite decline between August and September, but the September claims load this year rose slightly as is evidenced by the fact that the number of persons in an insured unemployment status averaged 5,500 per week in September as compared with 5,300 in August. The level of insured unemployment was not particularly high, but the reversal from customary trends, viewed in conjunction with changes in other economic indicators, was worthy of note.

SUPPLY OF LABOR HAS INCREASED

Employers seeking experienced workers to fill job openings stand a better chance now than they have had in recent months of finding qualified persons who can meet their hiring specifications. On October 1, approximately 10,300 job-seekers had active applications for work on file in the local offices of the Maine Employment Security Commission. This represented a 17 per cent increase over the 8,800 registrants looking for work on September 1 and was 33.7 per cent higher than a year ago when 7,700 persons were registered for work. Recent increases which have materialized have tended to alleviate localized shortages in some occupational grades, but it is apparent that there still is no excessive overall surplus of workers in the Maine labor market.

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TURNOVER OF JOB-SEEKERS RATHER MARKED

Turnover among job-seekers in the labor market has been rather pronounced during the past two months. Between August 1 and October 1 there was a marked decline in the number of workers available in the lower age groups; females seeking jobs increased by 6.2 per cent; the number of unskilled workers dropped by 8.5 per cent; the supply of skilled and semiskilled workers rose by 45.9 per cent; and the number of professional, managerial, clerical, sales, and service workers increased by 3.3 per cent. A variety of factors accounted for the changing composition of the supply, the most important of which were: the withdrawal from the labor force of many youths who had been available only for summer jobs; adjustments in production schedules in both defense production and consumer industries; the end of the summer tourist season; and developments in the food processing and canning industries.

NUMBER OF HARD-TO-FILL JOBS LOWER

There has been a slight easing of occupational shortages since September 1, but there continues to be demand for certain classes of workers which cannot be met immediately from the supply of labor available. Job openings proving the most difficult to fill are those classified in technical and skilled fields in which relatively few persons are afforded an opportunity to receive training or to acquire experience. Other shortages existing at the moment are more or less temporary and are localized in character. During the middle of October, twenty-five different occupations, in which an aggregate of seventy-seven workers were needed, were listed in the "Shortage" category by the local offices of the Maine Employment Security Commission. Openings in these occupations were for six professional

or managerial, three service, thirty-six skilled, twelve semiskilled, and twenty unskilled workers.

NONAGRICULTURAL EMPLOYMENT OFF SLIGHTLY

The number of persons employed in nonagricultural industries in Maine totalled 286,100 in mid-September, according to preliminary estimates compiled by the Maine Employment Security Commission in cooperation with the United States Bureau of Labor Statistics. This represented a job decline of 300 from the middle week of August and an over-the-year decrease of 3,800 jobs from September 15, 1952. It is not unusual for nonagricultural employment to drop off, because of seasonal factors, between August and September; so, the thirty-day decline, especially since it was small, was not significant. However, of some significance was the fact that September was the third month in succession in which the employment level has been lower than in the corresponding month of 1952.

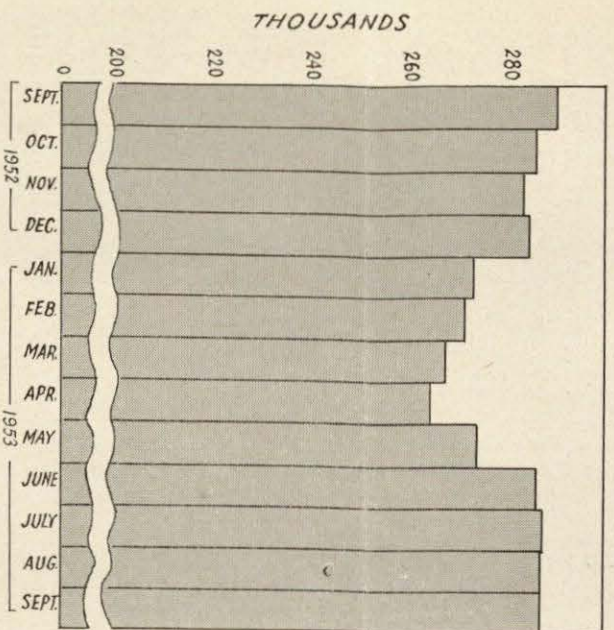
NO LARGE-SCALE CURTAILMENTS NOTED

In comparing current and year-ago employment data for the State's leading industries, it is noted that there have been no curtailments which have been alarmingly large. In fact, in some instances industries have registered fairly substantial twelve-month gains. On the whole, however, the trend has been downwards. Among the industries which have had noticeable employment declines from last year are lumber and wood products, shipbuilding, paper and allied products, woolen textiles, shoe manufacturing, transportation, and government. Industries which have registered gains include food and kindred products, cotton textiles, contract construction, and wholesale and retail trade.

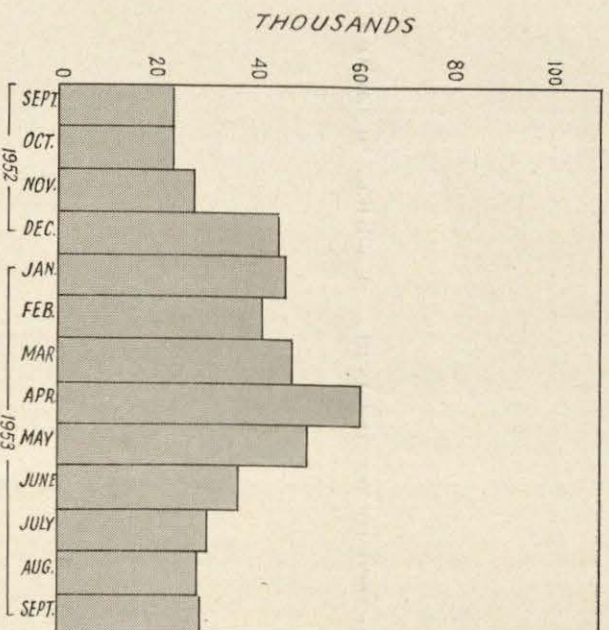
Selected Labor Market Trend Indicators

SEPTEMBER 1952 — SEPTEMBER 1953

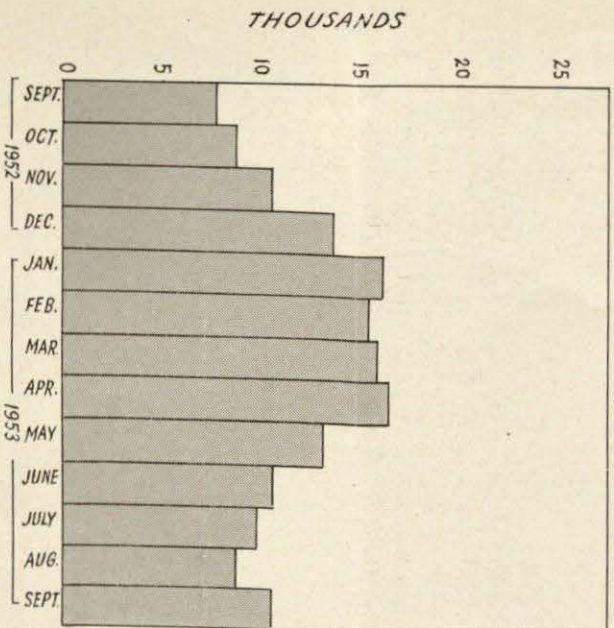
NONAGRICULTURAL EMPLOYMENT



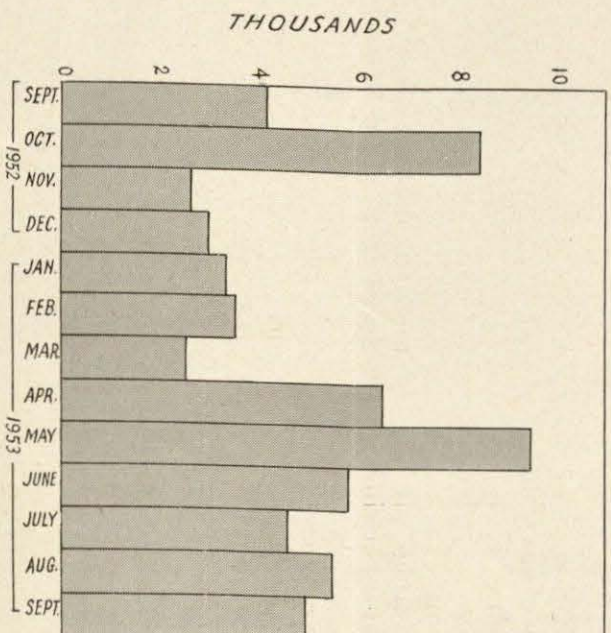
U C CLAIMS LOAD



REGISTERED JOB SEEKERS



JOB OPENINGS RECEIVED



AVERAGE WORKWEEK FAIRLY FIRM

Trends in the hours worked by production workers in manufacturing industries — regarded by some observers as one of the most sensitive indicators of general economic developments — have remained fairly firm. In spite of sharp reductions in the production schedules of some activities — notably, shoe manufacturing — the over-all average workweek has dropped only 0.2 hours in the past two months. In the middle week of September the average was 40.1 hours as compared with 40.3 hours in July. It is noted that the average was down by 1 full hour per week from September 1952, when the weekly hours worked averaged 41.1, but this twelve-month decrease appeared to be somewhat exaggerated by the fact that the average workweek in September last year was unusually high.

AVERAGE HOURLY EARNINGS AT PEAK

The average hourly earnings of production workers employed in manufacturing industries during the middle week of September amounted to \$1.406. This figure, equaling

that for July, represented an all-time peak, being 1 cent higher than for August and 5.6 cents higher than for September 1952. Average weekly earnings in the week ending nearest September 15 amounted to \$56.32. This was a bit lower than in July when weekly earnings averaged \$56.60 — the drop being attributable to shorter work schedules — but it was 87 cents above the average weekly pay check in September 1952.

SEASONAL UPSWING IN UN- EMPLOYMENT IN PROSPECT

The upward trend in unemployment which already has begun to take shape and which probably will climb more rapidly in the next several weeks can be attributed chiefly to seasonal factors. It is possible that unemployment will be higher this fall than in the corresponding period last year because of some curtailments which might not properly be classed as of a seasonal type, but as far as can be determined, no drastic nonseasonal cut-backs are in store, and, for this reason, an excessive volume of unemployment is not likely to materialize before the end of the year.

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