

10-1-1955

Labor Market News Letter, October 1955

Maine Employment Security Commission

Follow this and additional works at: http://digitalmaine.com/cwri_docs

Recommended Citation

Maine Employment Security Commission, "Labor Market News Letter, October 1955" (1955). *Center for Workforce Research and Information Documents*. Paper 149.
http://digitalmaine.com/cwri_docs/149

This Text is brought to you for free and open access by the Labor at Maine State Documents. It has been accepted for inclusion in Center for Workforce Research and Information Documents by an authorized administrator of Maine State Documents. For more information, please contact statedocs@maine.gov.

LABOR MARKET NEWS LETTER



Maine Employment Security Commission 331 Water Street Augusta, Maine

OCTOBER - 1955

ISSUED BI-MONTHLY



Seasonal factors have had a dominating effect upon the labor market situation in Maine during the past several weeks. Total employment, largely because of curtailments in several industries which customarily experience inflated labor requirements in the summer months, turned downward between August and September. Unemployment, as would be expected considering employment developments, showed a tendency to increase in the first part of September. However, a relatively large number of persons who had been available only for summer jobs withdrew from the labor force with the result that the drop in employment was not matched by a comparable increase in unemployment. The over-all job picture continues to be brighter than in 1954, and despite reports concerning the impending liquidation of two or three additional Maine manufacturing plants, the current outlook for most of the State's leading industries appears to be rather promising.

The total number of nonfarm jobs in Maine, as revealed by data assembled jointly by the Maine Employment Security Commission and the United States Bureau of Labor Statistics, fell off from a mid-August level of 280,300 to 275,200 in the middle week of September. This decline reversed an upward employment trend which had been in evidence during the preceding five-month period, but its occurrence was not unexpected since end-of-the summer decreases are looked for each year. The downtrend, involving 5,100 jobs, was more pronounced than in some prior years, but it was less extensive than in 1954 when, for the corresponding period, the number of workers on the payrolls of nonagricultural establishments dropped by 5,900. In September last year, 271,300 persons had nonfarm jobs in Maine. Consequently, it is apparent that, as has been the case throughout most of 1955, current employment continues to run above last year.

The aggregate workforce in manufacturing industries consisted of 110,100 persons in September, while the number employed in nonmanufacturing activities totalled 165,100. Both segments of the employed labor force showed declines from August — manufacturing employment having decreased by 2,700 and nonmanufacturing by 2,400. Industries with the largest reductions included lumber and wood products, food processing, woolen textiles, contract construction, retail trade, and service. Employment curtailments in each industry, with the exception of woolen textiles, were primarily of a seasonal type and, therefore, could not be looked upon as being indicative of a reversal from the improving basic economic trends which have been materializing in the last few months.

Demand for labor, as reflected in job openings listed with the local employment offices of the Maine Employment Security Commission, dropped off at the close of the summer season, but job opportunities were still available in fairly large numbers in the early fall. As a matter of fact, the volume of demand during September was above a year ago. Last year job orders received totalled 3,863 for the month whereas September job listings this year numbered 3,908. Excluding woods openings in which Canadians might be utilized, provided qualified resident workers could not be found, the total openings received in September were 3,241 as compared with 2,222 a year ago.

The supply of workers appears to remain generally adequate to meet the demand which is arising, even though labor force withdrawals have caused a noticeable shrinkage in the size of the State's labor force. On October 1, job-seekers registered for work in the local employment offices totalled 11,640 as compared with 12,162 on September 1 and 17,434 at the first of the summer. No appreciable occupational deficiencies have been observed in recent weeks, but, as is usually the case, localized shortages continue in a few areas. Workers in the work-applicant class represent a wide range of occupational grades, being distributed percentagewise according to the following broad groups: professional and managerial — 2.4 per cent; clerical and sales — 10.7 per cent; service — 5.6 per cent; skilled — 17.8 per cent; semiskilled — 30.3 per cent; and unskilled — 33.2 per cent.

Insured unemployment under the MES Law started to move upward early in September, but in the latter part of the month and for the first weeks of October the trend was downward. During the middle week of September, 8,360 unemployed persons were in an insured UI status as compared with 8,048 in mid-August and 6,034 for the week ended October 22. The indicated September-October decline could not be attributed to improved employment conditions but, rather, to the fact that many claimants — 2,024 to be exact — completed drawing during the period the total amount of benefits to which they are entitled for the current benefit year. It is apparent, however, that at least some who were claimants in September but not in October either found employment or became nonclaimants for reasons other than re-employment or benefit rights exhaustion.

Maine's unemployment rate, derived from the relationship of insured unemployment to average monthly employment covered under the UI law, has dropped to its lowest point of the year, but it still is high when compared with the rates in most other states. In mid-October the Maine ratio was 3.5 per cent — there being only five other states, two of which are in New England, with higher rates. The ratios for the other New England States were as follows: Connecticut — 2.1 per cent; Massachusetts — 2.0 per cent; New Hampshire — 3.6 per cent; Rhode Island — 3.6 per cent; and Vermont — 2.4 per cent. The nationwide rate for the same week was 2.2 per cent.

That the State's economy is on a firmer footing than last year is well illustrated by UI benefit payments issued. During the first nine months of this year, payments amounting to \$6,610,969.00 were issued to cover 359,204 weeks of unemployment, whereas from January 1 through September 30 in 1954, 429,772 weeks of unemployment were compensated for by payments totalling \$7,860,829.00. The average weekly benefit payment in 1955 has been \$18.40, which is slightly higher than the average of \$18.29 for the first three quarters of 1954. This increase is explained not only by differences in the characteristics of the compensable claimants but also by amendments in the benefit formula which were effective April 1, 1955.

Work schedules in manufacturing industries, as a whole, apparently were fairly stable in September and certainly more extensive than a year ago. The average workweek for employed production workers in Maine was 40.6 hours last month, which represented an increase of three-tenths of an hour over August. In September 1954 the number of hours worked per week averaged 38.8 hours. The average hourly earnings of factory workers, at \$1.46, was at the highest level on record, for this State, being one cent higher than in August and three cents above the average of a year ago. Weekly earnings, also at a comparatively high point, averaged \$59.18 in September.

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