

3-1-1960

## Labor Market News Letter, March 1960

Maine Employment Security Commission

Follow this and additional works at: [http://digitalmaine.com/cwri\\_docs](http://digitalmaine.com/cwri_docs)

---

### Recommended Citation

Maine Employment Security Commission, "Labor Market News Letter, March 1960" (1960). *Center for Workforce Research and Information Documents*. Paper 173.  
[http://digitalmaine.com/cwri\\_docs/173](http://digitalmaine.com/cwri_docs/173)

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](mailto:statedocs@maine.gov).

M  
C.1 25.21: 960/3

# LABOR MARKET



# NEWS LETTER

Maine Employment Security Commission

331 Water Street

Augusta, Maine



## MARCH - 1960

ISSUED BI-MONTHLY



**Labor Market Highlights** — Seasonal influences dominated labor market conditions in Maine during the past two months and were the primary cause for a continuing downward trend in total employment and a further rise in unemployment. Available economic indicators, aside from reflecting the effects of normal winter-time contractions in a number of activities which are of importance in the industrial framework of the State, still pointed to general stability of the basic economy. The State-wide employment picture is considerably more favorable currently than it was either last year or the year before, and, in view of the promise of gains in the industrialization of several communities along with better than usual pick-ups in various seasonal activities, the prospects appear to be good for a resumption this spring of the recovery movement which was evident during much of 1959.

**Employment Level** — Nonfarm wage and salary workers on the payrolls of Maine employers totalled 261,700 in February, according to preliminary estimates compiled jointly by the Maine Employment Security Commission and the United States Bureau of Labor Statistics. This was the highest nonagricultural wage and salary employment level for the month in three years, being 5,100 above February 1959 and 7,200 greater than the employment figure for the corresponding month in 1958. It was not a record for the month in this State, however, there having been three other years — 1953, 1956, and 1957 — of the past decade in which February employment was higher. In contrast, country-wide nonagricultural wage and salary employment was at an all-time February high this year. Relating Maine figures further to those for the entire United States, it is interesting to note that this State showed a February 1959-February 1960 increase of 2 percent whereas in the nation as a whole there was a 3.4 percent advance during the twelve-month period.

**Industry Changes** — Although the rate of gain was considerably stronger nationally than in this State, over-the-year improvements in Maine were reflected in nearly all of its leading industries. Only the textile mill products and transportation industries experienced employment losses for the period, all other major industry groups having either held their own or moved upward. The largest twelve-month employment gains were: 1,700 in government activities; 1,600 in lumber and wood products; 600 in wholesale and retail trade; 500 in services; 300 in construction; 200 in paper and allied pro-

ducts; 200 in leather and leather products; 200 in apparel; and 300 in finance-insurance-real estate. From the first to the middle of the winter, curtailments of 5,300 in trade, 2,800 in contract construction, and 500 in food and kindred products — together with lesser declines in paper and allied products, leather and leather products, metal products, public utilities, service, and government — caused total nonfarm wage and salary jobs to drop off by 9,900, or 3.6 percent.

**Total Unemployment** — Because of seasonal employment curtailments the total number of unemployed persons in the labor market increased steadily during the winter. In mid-February an estimated 28,700 were unemployed as compared with 27,200 in January and 24,700 in December. Rising unemployment is to be expected at this period of the year, as may be illustrated by the fact that in the past five years there was an average increase of 22.5 percent between December and February. The relative increase for the two-month period this year was 16.2 percent, or 6.3 percent under the five-year average. The volume of unemployment is considerably lower at present than either last year or the year before, there having been 40,400 unattached job seekers in the labor market in February 1959 and 44,000 in February 1958. By pre-recession standards, current unemployment is comparatively high — about 45 percent above the average of the 1956 and 1957 mid-winter levels — but if future seasonally adjusted month-to-month trends show the improvement noted in recent months it appears probable that unemployment will continue to approach a more favorable level.



**Characteristics of the Unemployed** — Marked changes occurred during the winter months in the sex composition of the unemployed labor force in Maine, according to data revealed in a continuing study — started in December — of the characteristics of the insured unemployed. In December, males accounted for 55.4 percent of the unemployed, whereas in February the proportion who were males was 65.2 percent — the number of males in an insured unemployment status having increased during the two-month period by 32.7 percent, from 7,701 to 10,223. This increase was attributable primarily to layoffs from contract construction, an industry which, of course, employs men almost exclusively in project work. In February, 23 percent of the total number of insured unemployed (15,682) were from the construction industry. Other industry groups accounting for relatively large proportions of the total number included manufacturing with 49.1 percent and wholesale and retail trade with 12 percent. There were no important changes during the December-February period with respect to the age-group distribution of the unemployed — workers in the “45 years and over” group still accounting for just about half of the total number available.

**Insured Unemployment Rates** — Maine’s rate of insured unemployment — at 8.2 percent for the first week of March — was among the eight highest in the country. States in which the ratio of insured unemployment to average monthly covered employment was greater than Maine’s included Alaska, Arkansas, Idaho, Montana, North Dakota, Washington, and West Virginia. Since the first of the year the weekly rate of insured unemployment has remained relatively

high in this State, ranging from 8.9 percent in the second week of January to the 8.2 percentage noted for the first week of March. At the first of March the nation-wide rate was 5.8 percent, while rates for the other New England States were: Connecticut — 5.4; Massachusetts — 6.8; New Hampshire — 4.2; Rhode Island — 6.9; and Vermont — 7.1. Maine’s insured unemployment rate last year at this time was 8.9 percent and two years ago it was 10.8 percent.

**Job Outlook** — In prospect for the coming summer months are: a minor boom in all branches of the construction industry except the residential building division; a better than usual volume of summer recreation business which should materialize from generally favorable economic conditions in those sections of this country and Canada from which the largest numbers of out-of-state vacationists are drawn to Maine; probable gains over last year in logging and lumbering activities, as well as in various other industries which are expanding as a result of successful industrialization promotions; and the reaching of employment levels at least as high as those attained last year in other important seasonal and nonseasonal industries. Seasonal forces are expected to cause unemployment to continue its upward climb during April and the first part of May, but after the middle of May there should be a general economic resurgence which will lead to a vastly improved employment picture throughout the State. Unemployment problems are not expected to be erased completely, but the current outlook points to a larger over-all number of available jobs this summer than last and a somewhat lower level of unemployment.

MAINE EMPLOYMENT SECURITY COMMISSION  
331 WATER STREET, AUGUSTA, MAINE  
AFFILIATED WITH  
UNITED STATES EMPLOYMENT SERVICE  
OFFICIAL BUSINESS

POSTAGE AND FEES PAID  
EMPLOYMENT SECURITY MAIL