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Labor Market News Letter, January 1962

Maine Employment Security Commission

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LABOR MARKET



NEWS LETTER

Maine Employment Security Commission

331 Water Street

Augusta, Maine



JANUARY - 1962

ISSUED BI-MONTHLY



Labor Market Highlights—Between middle weeks of October and of December, 1961, regular seasonal trends predominated in economic trend indicators maintained by the Maine Employment Security Commission. During these two months, the work force declined by 17,600 or 4.5 percent. Unemployment increased by 4,700 or 23.4 percent, agricultural jobs fell off by 17,900, and nonagricultural jobs by 4,400. In this last group, there were, in December as compared with October, 3,100 fewer persons employed in food processing plants, 2,800 less in contract construction, and 2,100 more in wholesale and retail trade. Nondomestic service industries, at the most recent date, employed 1,200 fewer workers than two months previously, manufacturing except food processing 800 more and government 500 more. Around three-fourths of the drops in farm jobs and in food processing were between October and November. Most of the drop in construction and the entire net gain in trade, November store workers having numbered under one percent below those of October, was in the second month of the period.

Unemployment—There were 24,800 persons jobless in Maine in the middle week of December, and, of these, 12,600 constituted the insured unemployed, being continued claimants for unemployment insurance benefits. In addition, 3,200 individuals who had exhausted their benefit rights under the regular program were drawing benefits under the temporary extended program. Of the remaining 9,000 persons, slightly over half had base period employment in establishments not included in the employment security system, such as farms and small firms. A third were new and reentrant workers. The small balance had base period covered employment, including those under the Federal worker and railroad programs, but were not currently in a continued claims status under the State program. State ratios of insured unemployment are obtained by relating the insured unemployed to average monthly employment covered under the employment security program. In mid-December, Maine's rate, at 6.6 percent, was the eighth highest in the nation and the highest in New England, Vermont's having been 5.6 percent and the other states being below 5 percent. Between October and December, the largest change in the composition of the unemployed was a regular annual increase in the numbers of those who had exhausted their State benefits for the year 1961-1962. This December, there were 700 to 900 more in this group than at the same time in the preceding two years, but 2,000 less than in December 1958.

Characteristics of the Unemployed — Of the 12,600 insured unemployed in mid-December, 61 percent were men, and around half were persons 45 years old and over. Classified by the industry in which they formerly had been employed, 57 percent had last worked at manufacturing plants, with largest groups being 19 percent from food processing plants and 11 percent from leather and leather products. Largest segments from nonmanufacturing were from contract construction, with 17 percent of the total, and from wholesale and retail trade, with 10 percent. Their current period of unemployment had lasted four weeks or less for 51 percent of these insured unemployed. By occupational groups the most significant were 42 percent unskilled, 22 percent semiskilled, and 19 percent skilled.

Extended Benefits (Federal) Program — The 3,200 individuals who were drawing extended benefits in mid-December differed in several ways from the 12,600 drawing under the regular State program. Proportionately 64 percent of the total were women. Those 45 years and over represented 58 percent of the total. Relatively more had worked in factories, 71 percent of the total, and, in addition to large groups from food and leather goods factories, former textile workers constituted 17 percent of the total. Persons who had worked at construction jobs made up 7 percent of this total. Although the unskilled and semiskilled were the largest occupational groups, in proportions very close to their repre-

sensation among State program insured unemployed, they were followed by clerical-sales and by skilled workers, each with between 12 and 13 percent of the total.

Local Office Openings and Placements—There were at the end of December 4,862 openings for workers listed with the local offices. The majority of these are for semiskilled workers in lumber and wood products. This is somewhat lower than last year at this time when 5,952 openings were listed as unfilled.

During the months of November and December local offices throughout the State placed 3,534 workers in jobs, an increase of 27.3 percent over last year during these two months. These placements were made in the following industries: Construction 12.1 percent, Manufacturing 34.8 percent, Trade 29.8 percent, Services 17.8 percent, All others 5.5 percent. Slight differences are noted from last year when placements were made as follows: Construction 13.9 percent, Manufacturing 40.1 percent, Trade 18.4 percent and Services 19.8 percent, All others 7.8 percent.

Nonfarm Wage and Salary Employment—Wage and salary workers employed in nonagricultural industries in the State numbered 275,300 in mid-December, according to preliminary estimates compiled by the Maine Employment Security Commission in cooperation with the United States Bureau of Labor Statistics. This represented an increase of 400 jobs over the corresponding period in November, but was 3,700 below the mid-October level of 279,000. Customary seasonal curtailments primarily in food and kindred products, contract construction, and service industries were responsible for the two-month decline. The November-December increase was

due chiefly to temporary hirings by trade establishments preparatory to the Christmas shopping season and by the post office department for the handling of Christmas mails. Nonfarm employment in December 1961 was 1,700 above the level of December 1960. The largest twelve-month gains occurred in metals and machinery manufacturing and government activities.

Average Workweek and Earnings—The average workweek of production workers employed in manufacturing industries increased from 39.4 hours in October to 39.9 hours in November, and 41.2 hours in mid-December. Hourly earnings of these workers averaged \$1.85 in October and \$1.87 in both November and December. Average weekly earnings in December were \$77.04, an increase of \$2.43 over November, and \$4.15 more than the October average of \$72.89. During mid-month weekly pay periods in December 1960 the workweek averaged 39.2 hours, average hourly earnings were \$1.79, and weekly earnings averaged \$70.17.

NOTE: Beginning next month, the monthly Maine Nonfarm Employment release and the bimonthly Labor Market Newsletter will be consolidated into one new publication to be issued monthly. The new release, entitled, MAINE MANPOWER, will include the major features of both bulletins and highlights of other programs with which the Commission is concerned, such as Area Redevelopment. The publication schedule of Maine Manpower will be the same as the former monthly release, i.e., on or about the 20th of the month following the month of reference. The first issue will, therefore, be released on or about the 20th of February and will contain the data for January 1962.

MAINE EMPLOYMENT SECURITY COMMISSION
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NEWS LETTER

Maine Employment Security Commission

331 Water Street

Augusta, Maine

NOVEMBER - 1961

ISSUED BI-MONTHLY



Labor Market Highlights—Between the middle of August and of October, the total work force in Maine declined by 3.5 percent, from 402,200 to 388,000. Nonagricultural employment dropped by about the same ratio, from 347,600 to 334,600. Of this loss of 13,000 nonfarm jobs, 2,200 were self-employed and related workers, and 10,800 were of wage and salaried employees. Agricultural employment in the State regularly reaches a peak in September; the individual crop harvested which contributes most to this regular expansion is of potatoes in Aroostook County, and in second place, in recent years, have been apples, mainly in Kennebec, Androscoggin, and York County areas. In the last five years, farm employment statewide averaged 37,200 in August; 45,100 in September; and 39,600 in October. This year, comparable figures of 33,400 in August, 40,800 in September, and 33,300 in October repeated the normal seasonal pattern, but at a substantially lower level than in the past. Unemployment in the past two months dropped by 5.2 percent, from 21,200 in mid-August to 20,100 in mid-October.

Nonagricultural Wage and Salary Employment

—The number of wage and salary workers on the payrolls of nonfarm employers in Maine dropped 3.7 percent, from 289,800 to 279,000 between August and October. The two-month decline, involving 10,800 jobs, was attributable primarily to seasonal curtailments in such industries as lumber and wood products, food and kindred products, contract construction, trade, and service. During this period, jobs in manufacturing industries declined from 109,400 to 103,500, while aggregate employment in non-manufacturing activities decreased from 180,400 to 175,500. This year's October nonagricultural wage and salary figure is very slightly below the preceding decade's median level of 280,000 employed for the month. Also, in manufacturing, the current October level is below the 1951-1960 median of 110,400. For both the total and for manufacturing jobs, virtually all figures above these ten-year mid-points were in the early part of the decade, in 1956 or earlier.

Underemployment—Workers eligible for unemployment benefits who worked part-time and who earned less than the weekly benefits to which they might be entitled if fully unemployed are partially or under-employed. In the month of September, such claims represented approximately 15 percent of the total number filed, and

in October this year, they made up 19 percent. A year ago, in October, they had been 21 percent. Establishments classified as manufacturing non-rubber footwear, in which this partial employment is particularly widespread, reported an average workweek of 32.2 hours in October this year. This represented a decline from this August's figure of 36.3 hours and a slight increase over the October, 1960, figure of 31.5 hours.

Maine's Insured Unemployment Rate, National—In the middle week of October, insured unemployment in Maine was 5.4 percent of the covered work force. This was the fifth highest State rate in the country, and the highest, as it has been for some time, in New England. This rate was 6.8 percent in mid-September and had been 6.1 percent in mid-August.

Exhausted Benefit Rights and (Federal) Temporary Extended Compensation Program—A decline in insured unemployment under the State program since the first of October has resulted from UI exhaustions. In mid-October, there had been 1,533 of these, an increase of 11.1 percent over a year ago. At the end of October, this year's exhaustions were running around 19 percent over the same time a year ago. This year, those exhausting their State

benefits will be entitled to benefits under the Federal Temporary Extended Compensation Program; the number of continued claimants under this coverage swelled from around 200 in early October, representing those who had insufficient calendar year 1960 base period earnings, to around 1,500 in the latter part of the month. From the start of this program on April 10, there had been, through the end of October 4,800 persons who filed claims as exhausting State benefit rights, and who were compensated for 29,000 weeks of unemployment.

Registered Job-Seekers—At the end of October, 1961, there were 18,800 persons registered with the local employment offices. This represented a decline of slightly over one percent from levels of 19,000 to 19,100 at the end of August and September this year and October a year ago. Of the current applicants, 49 percent were women. In broad occupational categories, the largest group currently represented was the unskilled,

with 40 percent of total applicants. The semi-skilled category followed, with 19 percent of the total, and next was the clerical-sales with 14 percent.

Average Workweek and Earnings — Average hourly earnings of production workers employed in manufacturing industries in the State moved up from \$1.81 in August to \$1.84 in September, and \$1.85 in October. The average number of hours worked per week by these workers was 39.4 hours in mid-October as compared with 39.2 hours in September and 40.5 hours in August. Although average hourly earnings increased during September and October, the drop in the average workweek resulted in lower average weekly earnings. Weekly earnings averaged \$73.31 in August, \$72.13 in September, and \$72.89 in October. In mid-October 1960 the workweek averaged 39.2 hours, average hourly earnings were \$1.79, and average weekly earnings amounted to \$70.17.

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NEWS LETTER

Maine Employment Security Commission

331 Water Street

Augusta, Maine



SEPTEMBER - 1961

ISSUED BI-MONTHLY



Labor Market Highlights—Between June and August, major developments in the Maine work force followed seasonal patterns. Total unemployment declined month by month from 25,800 in June to 23,000 in July and 21,200 in August. There were 6,200 more agricultural workers employed in August than there had been in June, all of them hired employees rather than operators and unpaid members of their families. Nonagricultural jobs increased during the period by 4,700, from 342,900 to 347,600, but, in mid-August, this total was 4,100 below a year ago, with manufacturing wage and salary workers being 2,800 below last August.

Work Force Trends—The estimated total work force in Maine in mid-August was approximately 402,200, of which 5.3 percent were unemployed. The current work force is about the same as a year ago at this time, but unemployment shows an increase of 3,100 persons or 17.1 percent over a year ago. However, unemployment this month has hit its usual summer low mark for the first eight months of the year, being 40.3 percent lower than it was during February, the peak month so far in 1961, and 7.8 percent lower than in July, when there were 23,000 job-seekers unable to find work.

Nonfarm Wage and Salary Employment—Nonfarm employment in the State moved up 3,900, from 285,900 to 289,800, from the middle week of June to mid-August. During the sixty-day period employment in manufacturing establishments increased 2,300, and nonmanufacturing employers added 1,600 workers. The most sizable gains occurred in food and kindred products, contract construction, and service industries. Working force expansions in these industries are customary at this season of the year.

Farm Labor Developments—Comparison of the summer trends for 1960 and 1961 in seasonal farm worker employment in Maine, as estimated by local public employment offices in the State, indicates a continuation of a long range decrease in farm labor needs which had been quite evident the past few years. Current estimates at the middle of August show around 13,200 sea-

sonal hired workers in agricultural employment compared with 14,900 for the same period last year. Year to year changes are caused by differences in growing conditions, crop maturing dates, and acreage under cultivation; but it is evident from job openings listed with the local offices that more widespread mechanization on farms has been the major reason for the declining volume of agricultural job opportunities—especially for youths—during the summer months.

Insured Unemployment Rates—There has been a nearly steady decline in the rate of insured unemployment from 12.9 percent at the end of April to 6.1 percent at the end of August. The latter ratio was the third highest in the Country, West Virginia and Puerto Rico having higher rates than Maine, and Pennsylvania having the same one. The nation-wide rate was 4.3 percent, and Vermont had a rate of 3.6 percent and New Hampshire of 3.9 percent. A year ago, Maine's rate was 4.9 percent.

Characteristics of the Insured Unemployed—Between April and August, women increased from 42 percent of the insured unemployed to over 60 percent. Between June and August, insured unemployment (UI) decreased 14.6 percent from 13,700 to 11,700 (in rounded figures). In June, almost 23 percent of the insured unemployed had previously worked in food and kindred products, and between 10.5 and 12.5 percent of the total in each of textile-mill products, leather and leather goods, and wholesale and re-

tail trade. In August, between 15.0 and 18.5 percent of the total had previously been employed in each of food and kindred products, textile-mill products, and leather and leather goods, and almost 12 percent had been employed in trade. Since May, between 65 percent and 69 percent of the insured unemployed had been previously at work in manufacturing.

Changes in Total Unemployment Figures—The two-month, June to August, decline of 4,600 persons unemployed was made up of a drop of 2,000 in insured unemployment (UI), of 2,200 in jobless new and reentrant workers—a group which regularly reaches its annual peak in June with school closing and the start of summer activity—and drops of around 200 each in persons who had previously worked in noncovered employment and in those who had previously been in covered employment but were not currently in an insured unemployed status. In June, July, and August, the insured unemployed, UI, were between 52 and 56 percent of total unemployment, and had been 72.4 percent of the total in April.

Area Certification Program—In mid-August, the Bureau of Employment Security of the U. S. Department of Labor had classified the Biddeford-Sanford Labor Market Area as one of substantial and persistent unemployment, and the Lewiston-Auburn Standard Metropolitan Statistical Area as one of substantial unemployment. Very small labor market areas certified as of substantial and persistent unemployment were Boothbay Harbor, Dover-Foxcroft, Rockland, and Skowhegan-Madison. The Lincoln area was certified as of substantial unemployment.

Average Workweek and Earnings — In mid-August the average workweek of production workers employed in Maine's manufacturing industries was 40.5 hours as compared with 40.1 hours in both June and July. Hourly earnings of these workers averaged \$1.82, and average weekly earnings amounted to \$72.98 in mid-June as well as in the corresponding week of July. In the middle week of August average hourly earnings were \$1.81 and weekly earnings averaged \$73.31.

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NEWS LETTER

Maine Employment Security Commission

331 Water Street

Augusta, Maine



JULY - 1961
ISSUED BI-MONTHLY



Labor Market Highlights—Between mid-April and mid-June labor market conditions in Maine improved, but at a relatively slower pace than in preceding years. The two-month gain in jobholding this year was 8.4 percent, but in the five years 1956-1960 had ranged between 10.3 and 13.9 percent above April levels. Recently, seasonal increases took place in agriculture, and the most significant gains in nonagricultural activities were also of a seasonal nature. Insured unemployment dropped around 40 percent from a mid-April high of almost 22,800 to a June level of about 13,700. Total unemployment dropped relatively much less, or by only 18.1 percent from 31,500 to 25,800, the numbers of unemployed new workers and those re-entering the labor force having increased from 9.0 percent of all jobless persons in April to 16.6 percent in June.

Work Force Trends—Although most of these changes just mentioned take place regularly at this season of the year, the current levels, in some instances, differ significantly from those of recent years. Unemployment in mid-June at 6.4 percent of the work force was higher, both numerically and relatively, than in the years 1953-1957 when it had been between 9,900 and 19,000, and in 1959 and 1960, when it was 20,400 and 18,400. A June peak level of 33,400 jobless, or 8.4 percent of the work force had been reached in 1958. Agricultural jobs, comparing June levels for the past decade, have with few exceptions, experienced a continuing downward trend. In 1951, these numbered 43,800; in 1956, 38,300; and this year, 27,200 — a drop in five years of 29 percent and in ten years of 38 percent. In comparison with this long-term uptrend in June unemployment and decline in farm jobs, the total number of persons in the State's work force in this month has remained practically stationary. In the decade 1952-1961, these figures have moved only within the very narrow range of 394,800 to 396,400, and are currently 395,900.

Nonfarm Wage and Salary Employment — In mid-June employment in nonagricultural establishments in Maine totalled 285,900, the highest level reached since September of last year. Seasonal expansions resulted in an increase of 19,800 nonfarm jobs in the State between the

middle of April and payroll periods ending nearest to June 15. The largest gains during the two-month period occurred in lumber and wood products, food and kindred products, leather and leather products, contract construction, wholesale and retail trade, service, and government industries.

Demand for Labor—The spring increase in labor requirements of expanding industries was less this year than last, and approximated levels of 1959. From the first of May to the end of June, local employment offices of the Maine Employment Security Commission made 743 placements of workers on farms, compared with 1,606 last year and 523 in 1959; this year, there were 5,063 nonagricultural placements made during this sixty-day period, a year ago there had been 5,820 and in 1958 there were 5,080. In May and June this year, compared with last year, local offices made 19.5 percent more placements in wholesale and retail trade, 5.6 percent less in nondomestic services, 10.1 percent less in contract construction, and 23.9 percent less in manufacturing. Placements in June were 2,786 this year and had been 3,119 last year; this falling off practically equalled the decline by two coastal offices in food industry placements, fish canneries having this year run below last year's employment figures because of lack of fish. Nonagricultural job openings received in May and June this year totalled 11,987, or 7.6 per-

cent below last year's figure for these two months of 12,970. At the first of July, the local offices had 1,342 unfilled openings on hand, excluding those in which Canadian woodsmen may be employed in the absence of qualified resident workers.

Average Workweek and Earnings—The average workweek of production workers engaged

in manufacturing activities moved up from 39.4 hours in April and May to 40.1 hours in June. Hourly earnings in all three months averaged \$1.82. In mid-June 1960, the average workweek was 40.5 hours and average hourly earnings amounted to \$1.77. Weekly earnings in June this year averaged \$72.98, a gain of \$1.27 over April and May, and \$1.29 above the average for June 1960.

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