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Labor Market News Letter, April 1953

Maine Employment Security Commission

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LABOR MARKET NEWS LETTER

Maine Employment Security Commission 331 Water Street Augusta, Maine

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LABOR MARKET HIGHLIGHTS

Demand for labor in Maine, as reflected in job orders listed with MESC employment offices, is rising.

Seasonally expanded labor requirements in a number of industries should create an even more active labor market in the next few weeks.

The supply of labor in the State is smaller than in the past few years, but it should prove generally adequate to meet the anticipated demand.

Some job openings calling for experienced workers may, however, prove hard to fill in the coming weeks.

The seasonal downtrend in employment in the first three months of the year was less pronounced than usual which has accounted for a low level of unemployment in the State.

DEMAND FOR LABOR IS PICKING UP

Although employment curtailments, attributable either to seasonal factors or to changes in defense production requirements, have occurred in a few industries during the early spring period this year, over-all demand for labor has continued to be remarkably firm. In fact, there appear to be positive signs of a strong upturn developing which should, if uninterrupted, result in exceptionally favorable employment conditions in most sections of the State within the next three months.

Hirings in the food processing, construction, apparel, retail trade, and service industries have picked up more or less generally, and an active demand for workers experienced in metalworking trades is beginning to manifest itself in at least two southern Maine labor market areas.

MANPOWER IS AVAILABLE

The supply of labor in Maine should, for the most part, prove to be adequate to meet the needs which are expected to arise in the coming weeks. However, it is to be noted that there are fewer job-seekers available at present than in the corresponding spring periods of the past several years, and for this reason many employers who usually have increased labor requirements in the spring and summer months may find that there will be fewer fully qualified applicants for jobs in their establishments than has been the case in the past. Indicative of the decline in the State's labor reserve which has taken place over the last twelve months is the drop which has occurred in persons registered for work in the sixteen local offices of the MESC. On April 1, registrants in the offices totalled 15,813 as compared with 19,011 a year ago.

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SUPPLY OF LABOR WILL INCREASE

An increase in the over-all supply of labor in Maine is looked for in the latter part of May and in June when youths enter the labor market following the close of the current academic year. The added workers from this source should tend to alleviate potential labor shortage conditions which might otherwise develop. However, it is unlikely that an over-supply of labor will result since graduating classes this year are not, in most instances, expected to be excessively large when compared with those of the past few years and with those which are in prospect four or five years from now. Housewives, in many sections, will become available for summer jobs when the demand arises, with the result that employers who can utilize women to meet seasonally expanded employment requirements will have an additional source of supply upon which they may draw.

OCCUPATIONAL SHORTAGES MAY RISE

Because relatively few of the persons who will become available in the next few months will have had enough work experience to qualify for some of the jobs in which workers will be needed, it appears entirely probable that in spite of quantitative sufficiency of the supply its qualitative deficiencies will become more pronounced. At present, local employment offices have only fourteen different types of occupations which are listed in the shortage class. The shortage list has been dropping in the last few months—it included twenty occupations two months ago—but, judging from the reported hiring plans of many different employers, there can be little question but what the list will be considerably larger by mid-summer. The most urgent shortages are expected to occur in various metalworking trades.

SEASONAL FACTORS REFLECTED IN EMPLOYMENT TRENDS

According to preliminary estimates compiled by the Maine Employment Security Commission in cooperation with the United States Bureau of Labor Statistics, over-all nonagricultural employment in Maine, although at a high level, followed a downward trend in the first three months of the year. In March, nonfarm workers with jobs totalled 267,500, as compared with 271,200 in February and 273,300 in January. This downward movement, while appearing to be fairly sizeable at first glance, was, in fact, less extensive than, although pretty much in conformity with, customary directional trends for the winter period when a number of large industries almost always experience seasonal payroll curtailments. The January-March decline was not as abrupt as last year, and the fact that 4,500 more workers had nonfarm jobs last month than in March 1952 is indicative of continuing basic improvement in the general employment situation.

SHIFTS NOTED IN DEFENSE PRODUCTION

Shifting emphasis from one phase of the national defense production program to another has not, as yet, caused marked changes in economic conditions in any labor market area in Maine. It is recognized, however, that this factor might tend to have rather far-reaching effects within certain localities in the months to come. On a state-wide basis, the number of persons engaged in defense production has remained relatively constant, thus far, with recent employment reductions which have occurred in shipbuilding and related activities having been pretty much offset by gains in various metal products establishments. What the future holds with regard to defense production requirements is subject to conjecture, but it may be assumed from the stated hiring plans of some employers engaged in manufacturing defense goods that the total number of defense jobs in Maine will not decline in the next four or five months and that they might even increase slightly.
Selected Labor Market Trend Indicators

MARCH 1952 — MARCH 1953

THOUSANDS
REGISTERED JOB SEEKERS

THOUSANDS
NONAGRICULTURAL EMPLOYMENT

THOUSANDS
JOB OPENINGS RECEIVED

THOUSANDS
U.C. CLAIMS LOAD
AVERAGE WORKWEEK REMAINS STEADY

Since the first of the year the average work-week of production workers employed in manufacturing industries has remained very steady, except during weeks when unusual occurrences—such as the recent floods in Maine—have interfered with production schedules. In the middle week of March, the average number of hours worked was 41.6. This was approximately the same as the average for mid-February, and was only four-tenths of an hour under the average for the middle week of January. A year ago in March the average was 41.2 hours. It is apparent from the trends which have been in evidence that not only has the number of workers employed continued at comparatively high levels, but the persons with jobs have, for the most part, had the advantage of working on a full-time basis.

EARNINGS OF PRODUCTION WORKERS

There have been no significant changes in either the average hourly or average weekly earnings of production workers in manufacturing industries in Maine during the past two months. Such workers earned an average of $1.39 per hour in March which was about the same as in January and February, and their weekly earnings averaged $57.96. The earnings position of workers in the State is at an all-time record high. Wages in the past four years have risen at an unprecedented rate, the average pay check of production workers in March having been 25.6 per cent greater than in March 1949. Over a three-year span, there has been an 18.9 per cent rise; since 1951, the increase has been 9.4 per cent; and the current earnings level is 5 per cent above a year ago.

UNEMPLOYMENT AT COMPARATIVELY LOW LEVEL

With generally favorable economic conditions prevailing, over-all unemployment in Maine has continued at a comparatively low level. Communities which are solely, or principally dependent upon seasonal industries have had definite surpluses of labor during the winter months, but no unusually serious unemployment problems have arisen in any area. Unemployment insurance claims loads have not been particularly heavy, having been, for the first calendar quarter this year, 8.8 per cent under the load in the same period in 1952. During March, the average weekly number of persons in an insured unemployment status was 6,980.