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Maine Employment Security Commission

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LABOR MARKET NEWS LETTER

Maine Employment Security Commission  331 Water Street  Augusta, Maine

DECEMBER - 1953
ISSUED BI-MONTHLY

LABOR MARKET HIGHLIGHTS

The volume of unemployment in Maine increased sharply in November and the upward trend appeared to be carrying over into December.

Curtailments in various seasonal industries have been responsible for a major portion of the rise in the number of workers in the labor market.

Nonseasonal employment reductions also have been in evidence in different industries.

With the supply of labor having increased, little difficulty is being experienced in finding qualified workers to fill job vacancies as they arise.

The average workweek for production workers in manufacturing industries dropped off during the fall months causing weekly earnings to decline also.

Average hourly earnings, however, were at a record high level in November.

UI CLAIMS LOAD RISING

Indicative of increasing unemployment, the volume of claims filed in this State for unemployment insurance benefits has risen rather sharply during the past few months. The closing down until spring of various seasonal activities has given impetus to the upward swing which has been in evidence since the latter part of the summer, but it is also true that scattered employment cuts of a nonseasonal nature have been contributing factors. In November, the average weekly number of persons in an insured unemployment status was 11,200, as compared with 6,500 in October, 5,500 in September, and 5,300 in August.

LEVEL IS ABOVE LAST YEAR

The total UI claims load in November was at an undeniably, but not an alarmingly, high level, being 88.4 per cent above a year ago. The pronounced over-the-year increase was attributable to employment declines in a number of different industries, but, actually, it was not reflective of generally disruptive labor market developments. Downward employment adjustments from last year's exceptionally high November peak have not been particularly severe in most industries which have experienced declines and the number of different communities with marked unemployment problems has not increased too appreciably, to date.
JOB OPPORTUNITIES EXIST

Although the demand for labor in Maine, as measured by job openings listed with the local employment offices of the Maine Employment Security Commission, has fallen off, job opportunities continue to be available in fairly large numbers. In November, employers utilizing the services of the public employment offices listed 1,604 openings in which qualified resident workers were needed. Fewer than one-third of the job vacancies were in manufacturing industries, and it was noted that a large proportion of the manufacturing workers sought were needed for replacement rather than payroll expansion purposes. Demand was reasonably brisk for persons required in retail trade and various service establishments.

DEMAND FOR LABOR BEING MET

Very little difficulty is being experienced now in finding workers for openings made known to the local employment offices. At the moment, there are only thirty-nine job openings on file in the public employment offices which cannot be filled immediately from local labor supply sources within the communities in which the needs exist. These vacancies are in sixteen different occupational categories. Two months ago, the local offices listed twenty-five shortage occupations in which seventy-seven workers were required. Current hard-to-fill jobs are classified on a broad occupational group basis as follows: professional or managerial — 4; clerical — 1; sales — 1; service — 12; skilled — 10; semi-skilled — 10; and unskilled — 1.

WORKERS IN THE LABOR MARKET

An analysis of work applications on file in the local employment offices reveals that the total number of persons registered rose by 53.9 per cent, from 10,300 to 15,580, between October 1 and December 1. The composition of the registered supply underwent various changes during the sixty-day period, the most important change having been in the occupational characteristics of the available workers. Among the December 1 applicants were 350 professional and managerial, 1,351 clerical and sales, 955 service, 3,012 skilled, 4,415 semiskilled, and 5,767 unskilled workers. Gains occurred in each broad occupational group, but increases were especially pronounced in the last three categories which expanded by 67.9 per cent, 51.1 per cent, and 66.8 per cent, respectively.

NONAGRICULTURAL EMPLOYMENT DOWN

Preliminary estimates compiled by the Maine Employment Security Commission in cooperation with the United States Bureau of Labor Statistics indicate that there were approximately 274,200 workers employed in nonagricultural activities in Maine during pay periods ending nearest to November 15. This represented a 2.4 per cent drop from mid-October when 280,800 nonfarm workers had jobs and a 3.2 per cent decline from the November 1952 employment level of 283,200. The thirty-day decrease, involving 6,600 jobs, was due to both seasonal and nonseasonal reductions. The effect on the labor market of at least some of the curtailments in seasonal industries was lessened by the withdrawal from the labor force of a number of the affected workers.

INDUSTRY TRENDS MIXED

Over-the-year employment trends in the State's major industries were somewhat mixed between November 1952 and November 1953. Most industries experienced declines — some much more pronounced than others — but there were a few in which twelve-month gains occurred. Industries with the largest employment reductions included textiles, lumber and wood products, food and kindred products, shoe manufacturing, and shipbuilding. Curtailments in textiles were especially far-reaching, with total employment for the industry as a whole dropping from 25,400 to 22,300. Of the industries showing gains, contract construction led with a twelve-month rise of 1,900 jobs, from 12,400 to 14,300. Other activities which had expansions — both of which were comparatively small — included apparel manufacturing and government.
LESS OVERTIME WORK IN NOVEMBER

Pointing to less overtime work in many lines, the average workweek for production workers in manufacturing industries dropped to 38.6 hours in the middle week of November. Weekly hours worked in October and September averaged 39.9 and 40.1, respectively, and last year in November the average was 40 hours. The over-all average ordinarily dips during the fall period due to seasonal influences affecting production schedules in several major industries; so, the downward trend between September and November was by no means extraordinary. However, work schedules were cut more extensively this fall than last and it appears that in some instances recent downward adjustments have not been tied to any regular seasonal pattern.

AVERAGE HOURLY EARNINGS AT PEAK

The average hourly and weekly earnings of production workers employed in manufacturing jobs were relatively high in November, and in the case of weekly earnings, the average last month was at a record high point of $1.42 per hour. Shortened work schedules in several industries caused weekly earnings to drop off slightly, despite the high hourly earnings rate. In November, weekly earnings of production workers averaged $54.61, as compared with $56.03 in October, $56.32 in September, and $55.25 in November 1952.