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Labor Market News Letter, September 1961

Maine Employment Security Commission

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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 seasonal 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 retail 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.

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.