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LABOR MARKET NEWS LETTER



Maine Unemployment Compensation Commission 331 Water Street Augusta, Maine



DECEMBER - 1948



LABOR MARKET HIGHLIGHTS

Nonagricultural employment in Maine continued on a downward trend in November as a result of further curtailments in various seasonal activities and changing economic conditions affecting payrolls in major nonseasonal industries. Unemployment has risen sharply since the end of the summer, and, consequently, the surplus of labor in the state has reached sizeable proportions. Demand for labor has dropped to an extremely low point, and it appears that jobs will continue to be scarce for several months.

November unemployment payments, combining Servicemen's Readjustment payments and unemployment compensation benefit checks, totalled \$622,742—an increase of approximately 92 percent over such payments in November, 1947. At the end of November (1948) funds available for benefits under the Maine Unemployment Compensation Commission program amounted to \$43,346,513.54. This reserve was \$2,219,003.95 greater than the sum available November 30, 1947.

EMPLOYMENT CONTINUES TO DROP

a downward trend, according to current estimates prepared by the Maine Unemployment Compensation Commission in cooperation with the U. S. Bureau of Labor Statistics. Full and part-time workers engaged in nonagricultural activities during pay periods ending nearest November 15 totalled approximately 264,500. This figure reflects a 1.5 percent decline from the nonagricultural employment estimate established for mid-October and it is 1.3 percent below the November 1947 level. Employment in non-farm activities has been falling since the middle of August when a peak for the year of 280,100 was reached. Industries which normally experience employment contractions each fall have accounted for a large part of the recent over-all declines, but at the same time there has been a noticeable leveling off in many of the state's major nonseasonal industries.

The number of persons gainfully employed in Maine industries has continued on

KEY INDUSTRIES ATTRACTING WIDESPREAD INTEREST

Maine's largest manufacturing industries—lumber and wood products, textiles, pulp and paper, and leather (shoes) products—because of the importance of these industries to the general economy of the state. Fluctuating employment has been the rule rather than the exception during the past few months in each field, but there has been no evidence of extreme curtailments in any one of the groups. Employment levels are somewhat below last year, except in the pulp and paper industry, and it is apparent that, especially in the textile and shoe industries, a smaller proportion of the total number employed are working full time. However, these four industries provide jobs for a sizeable number of persons, as is emphasized by the fact that aggregate employment in these fields totalled 84,000 during the middle week of November. By way of comparison, these industries employed 84,400 during pay periods ending nearest October 15, and 88,200 during the middle of November last year.

Public interest has been focused on recent developments in four of

SEASONAL FACTORS ACCOUNT FOR MANY EMPLOYMENT REDUCTIONS

reduced operations in sardine canning establishments located in a number of coastal communities were largely responsible for a 1,900 employment decrease in the food and kindred products industry. In the construction field, work on many projects started to taper off, and in some cases was suspended, because of planned curtailments for the winter months. These curtailments resulted in a drop of about 600 in the number of construction workers employed in Maine. There was an employment decline of about 500 in the transportation and other public utilities field which was at least partly attributable to seasonal retrenchments, and government employment was down 600 chiefly because of reductions in work on outdoor projects. The number of persons engaged in service industries fell off by about 300 during the period. This decrease occurred in various establishments (seasonal hotels and camps, amusement and recreation places, etc.) which usually shut down late in October.

Seasonal employment declines were pronounced in several non-agricultural industries during the October - November period. Re-

UNEMPLOYMENT HAS RISEN TO COMPARATIVELY HIGH LEVEL

and claims for benefits under the Unemployment Compensation Program or the Servicemen's Readjustment Allowance Program), has risen sharply during the past two months. During the first week of October insured unemployed workers totalled 6,381, whereas during the first full week of December the number was 14,500. This represents a 127 percent increase over the two month period. It is interesting to note that of the total number of workers "insured" under the Maine Unemployment Compensation Law, approximately 6.2 percent are unemployed at present.

Unemployment in this state, as measured by the number of persons in an "insured unemployment" status (i.e., totally and partially unemployed persons filing claims for waiting period credits



MAY 4 1950

PRELIMINARY ESTIMATE OF NONAGRICULTURAL EMPLOYMENT IN MAINE, NOVEMBER, 1948 ¹

(In thousands)

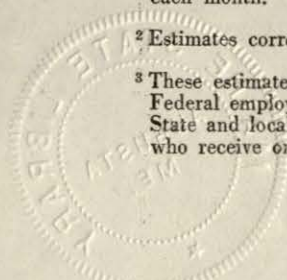
Compiled by the Maine Unemployment Compensation Commission in cooperation with the United States
Bureau of Labor Statistics

INDUSTRY	Nov. ² 1948	Oct. ² 1948	Nov. ² 1947	Percent of Change	
				Oct. 1948 to Nov. 1948	Nov. 1947 to Nov. 1948
Total Nonagricultural Employment	264.5	268.6	268.0	-1.5	-1.3
Total Manufacturing	111.3	113.6	117.4	-2.0	-5.2
Durable Goods	34.2	34.3	37.0	-0.3	-7.6
Lumber and Wood Products	20.6	20.5	22.3	0.5	-7.6
Primary and Fabricated Metal Products and Machinery	10.1	10.2	10.1	-1.0	0.0
All Other	3.5	3.6	4.6	-2.8	-23.9
Nondurable Goods	77.1	79.3	80.4	-2.8	-4.1
Food and Kindred Products	9.4	11.3	10.3	-16.8	-8.7
Textile Mill Products and Ap- parel	29.2	28.8	30.2	1.4	-3.3
Paper and Allied Products	18.8	19.1	18.7	-1.6	0.5
Leather Products	15.4	16.0	17.0	-3.8	-9.4
All Other	4.3	4.1	4.2	4.9	2.4
Total Nonmanufacturing	153.2	155.0	150.6	-1.2	1.7
Mining and Quarrying5	.5	.5	0.0	0.0
Contract Construction	12.6	13.2	13.2	-4.5	-4.5
Transportation and Other Public Utilities	19.6	20.1	19.8	-2.5	-1.0
Wholesale and Retail Trade	48.4	48.2	48.6	0.4	-0.4
Finance, Insurance and Real Estate Business, Personal and Misc. Ser- vices	6.5	6.5	6.4	0.0	1.6
Government ³	24.4	24.7	24.1	-1.2	1.2
Government ³	41.2	41.8	38.0	-1.4	8.4

¹ Data presented exclude domestics in private households, self-employed, and unpaid family workers. Employment figures (except for government) relate to full- and part-time wage and salary workers in pay periods ending nearest the 15th of each month. Figures are rounded to the nearest hundred.

² Estimates corrected to December 13, 1948.

³ These estimates, representing federal, state and local employment, are prepared by the U. S. Bureau of Labor Statistics. Federal employment is as of the first of the month and excludes fourth-class postmasters and substitute rural mail carriers. State and local government estimates represent persons on pay rolls during end-of-month pay periods, exclusive of those who receive only nominal amounts of pay, such as for each meeting or fire attended.



LABOR SURPLUSES EXIST IN MANY OCCUPATIONS

At the beginning of December 17,706 persons were maintaining active work applications in the local offices of this Agency. Not all of these registrants were unemployed, and some were temporarily out of work awaiting callbacks to their usual jobs, but all—whether attached to regular jobs or not—had signified a desire to obtain new employment. These job-seekers were classified in the following broad occupational groups: professional and managerial—537; clerical and sales—1,709; service—1,325; skilled—3,078; semi-skilled—4,968; and unskilled—6,089. Of this total number, 11,420 were males. Veterans now seeking work through the sixteen employment offices total 5,864, of whom 683 possess physical handicaps. Handicapped nonveterans who are currently registered number 545.

DEMANDS FOR LABOR SINK TO LOWEST POINT IN EIGHT MONTHS

In the face of the growing surplus of labor in Maine, demands for workers, as reflected in job vacancies listed with the Commission's local employment offices, appear to be shrinking drastically. On December 1 the list of openings included only 853 jobs in nonagricultural industries, exclusive of the lumber and wood products industry. This was the smallest number of such job openings held since the first of April, and was 65 percent under the number on hand at the first of October. In the lumber and wood products industry, openings totalled 7,674 on December 1, but most of these jobs were in woods camps located in isolated areas far removed from supply sources of available job-seekers in the state.

PROSPECTS FOR JOB-SEEKERS ARE NOT BRIGHT

Job prospects at the present time do not appear bright, and it is doubtful that job opportunities will be at all numerous until late next spring. A large percentage of the 1,056 nonagricultural employers contacted by local office representatives during November are expected to maintain their working forces at current levels or to

effect reductions during the next few months. Some employers indicated that they plan payroll expansions, but they were in the minority, and it appears likely that any employment increases which might occur in these employers' plants will more than be offset by declines in others.

BENEFITS ISSUED TO UNEMPLOYED EXCEED \$622,700 IN NOVEMBER

Unemployment Compensation and Servicemen's Readjustment Allowance payments issued during November to unemployed claimants amounted to \$622,742. These payments were issued to cover 39,307 weeks of unemployment; that is, aggregate weeks during which eligible claimants were out of work or were "partially unemployed" through no fault of their own. November benefits were higher than those issued in any of the preceding three months, and were nearly 92 percent above the benefits issued in November last year. At the end of the month (November 1948) funds available for benefits under the Maine Unemployment Compensation Program amounted to \$43,346,513.54. This reserve was \$2,219,003.95 greater than the amount available on November 30, 1947.

NEW ENGLAND BUSINESS TRENDS

Stable business conditions were evident generally throughout New England during the first nine months of 1948. Manufacturing employment was 1.4 percent below the corresponding period of 1947. Electric energy production showed a moderate 6.2 percent increase. New England department store sales recovered from an August drop to stand 4.6 percent above September, 1947. October Unemployment insurance claims, New England-wide, were 12 percent above those of October a year ago.

The shoe industry's output has recovered slowly from its post-war readjustment, and production for the first nine months of this year was up two percent from that of 1947. The textile industry, in which the supply of goods now generally exceeds the demand, has experienced scattered shutdowns throughout the region. Business in cotton textiles has been slow. (According to a New England Council survey October cotton consumption was 23.8 percent below that of October, 1947.)

Maine Unemployment Compensation Commission
331 Water Street
Augusta, Maine

To the Reader:

Last month the MAINE LABOR MARKET NEWS contained a notice asking that recipients indicate on an attached coupon if they wished to continue to receive the NEWS LETTER. Many indicated that the information was of value to them. If you have not already done so, and wish to receive the NEWS LETTER, please return the attached coupon. While no charge is made for the NEWS LETTER, the Commission does not feel justified in mailing it to any who have not definitely requested this service.

Maine Unemployment Compensation Commission,
331 Water Street,
Augusta, Maine

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Date

The contents of the Maine Labor Market News Letter are of interest to me and I would like to receive it regularly. Please address my coupon as follows:

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DURABLE GOODS TREND

pliances and in the machine tool trades, especially in October.

New England's durable goods industries, in general, showed brisk activity, although there was a noticeable softening of the demand for electrical ap-

CONSTRUCTION GAINING

tract volume, through the first 10 months, was sustained at a level of 18 percent above that reported for the same 1947 interval. An eight percent gain in residential awards and a 25-percent increase in nonresidential construction activity contributed to the over-all New England gain. Rhode Island led the six-state advance, with a 10-month increase of 62 percent. Other gains were: Massachusetts, 21 percent; Connecticut, 13 percent; Maine, 12 percent; Vermont, 5 percent, and New Hampshire, less than one percent.

New England construction contracts totalled 51 million dollars, an increase of 14 percent over September figures. The 1948 dollar con-

ECONOMIC GAINS

Federal income taxes alone for each Federal dollar spent in his rehabilitation. In the fiscal year 1949 the cost of the vocational rehabilitation program will be approximately 25 million dollars. Of this total, 7 million dollars will be the state's share in this rehabilitation program. The average cost of rehabilitation per person is less than \$500 and it costs more than this amount annually to keep physically handicapped persons on federal, state or community relief. Rehabilitated, these physically handicapped workers become producers of wealth instead of mere consumers. They are community assets, rather than liabilities. Once placed in suitable jobs, handicapped workers have an exception-

A rehabilitated worker, according to federal figures, pays back \$10 in

ally low labor turnover rate, they are safety-conscious; hence their accident rate is down, and they take a pride in their work which means increased production.

HANDICAPPED STATUS

At the close of November business, the 16 offices of the Maine Unemployment Compensation Commission had 1,228 handicapped workers who were seeking suitable jobs in the state. This number included 113 women, and 683 physically handicapped veterans. A total of 87 new job applications were made in November throughout the state. During last month, the offices made 112 handicapped placements, including six women and 77 veterans. During the same period, office personnel held 194 counseling interviews, which included interviews with 13 women and 116 veterans. These interviews were aimed at placing the physically handicapped workers, veteran and non-veteran, in jobs which they could do as well as the so-called normal worker, and which would not aggravate their individual handicaps.

VOLUME OF BENEFITS EXPECTED TO CONTINUE UPWARD TREND

that unemployment insurance benefits will continue to increase in volume during the next several months. There have been no indications that business and industrial activities will fall off to the extent that unemployment will become as wide-spread as during the period immediately prior to the outbreak of World War II. However, unless unforeseen developments affecting general economic conditions in the state occur, Maine's unemployment problem promises to become more acute in the coming year than it has been in any of the preceding eight years.

Because of unsettled prospects in some of the state's principal industries, it appears more than likely

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