

A faster rising outlay on services as compared to commodities has had continuing and far-reaching effects on the general character of labor force growth. Even in the short space of the 8 years between 1948 and 1956, the proportion of the experienced labor force employed in goods-producing industries fell from around 45 to 41.5 percent. Though migration from the farm was a major factor, the expansion among other nonfarm goods-producers, particularly in manufacturing, has not compared with the growth in services generally. Among other things, the expanding service activities have also generated a greater need for women workers and so contributed to the changing complexion of the labor force.

For a number of reasons, a fundamental transformation such as is involved in the goods-to-services shifts poses many obstacles to smooth adjustments. Differences in skills, rates of pay, and hiring systems as between workers in goods-producing industries and the service-rendering activities reduce the mobility of displaced workers and impede their desire and ability to find equivalent places for themselves in faster expanding alternatives.

It must be stressed, however, that the total effect observed over this period was, on the whole, rather small without involving any very extensive group of workers.

NEW WORKERS

Normally labor force growth is more vigorous in prosperous years, but the 1½ million increase for 1956 was unusually large even for a prosperous year. One factor also important, therefore, in explaining differences from 1948 among the unemployed is the relatively larger numbers of inexperienced persons looking for work in 1956 than earlier. In 1948, those who had never held a full-time job made up about 8.5 percent of the total unemployed; in 1956, around 11 percent. Whether because of rapid absorption into expanding employment opportunities or because of discouragement if jobs are not easy to find, inexperienced workers make up an almost negligible proportion of the long-term unemployed, so that their larger numbers in 1956 might have led one to have expected a somewhat different trend in duration than actually observed.

