

CHANGES IN DEFENSE-GENERATED EMPLOYMENT

Between June 1965 and June 1966 defense-generated employment increased by 17 percent as shown in table 10. Of the three components, employment imputed to prime contracts accounted for the largest relative (39 percent) and absolute increase in defense-generated employment. Plants comprising this component generally devote most of their output to commercial-type items such as construction equipment, medical and dental equipment, photographic equipment and supplies, material handling equipment, food, clothing, etc.

TABLE 10.—*Defense-generated employment, June 1965–June 1966*

Components	Employment (thousands)			Percent increase, June 1965 to June 1966	Percent of total employment increase, June 1965 to June 1966
	June 1965	December 1965	June 1966		
EIS-surveyed plants.....	733	774	851	16	33.8
Imputed to prime contracts.....	1 361	408	501	39	39.6
DOD civilians.....	941	983	1,035	10	26.6
Total.....	2,035	2,170	2,387	17	100.0

¹ Based on contract awards for the 6 months, July–December 1964, converted to an annual basis.

Employment in the EIS plants (working primarily on specialized defense products) increased by 16 percent. The largest aggregate increases were in aircraft and ammunition programs as shown in table 11. Defense employment in the aircraft plants increased by 41,000, or 16 percent. The 39,000 increase in employment in the ammunition group represented more than 100-percent increase over 1965.

TABLE 11.—*EIS-surveyed employment changes by product group, June 1965 to June 1966*

[In thousands]

Defense product group	June 1965	December 1965	June 1966
Aircraft.....	263	280	304
Missiles and space.....	126	128	136
Ships.....	63	63	66
Vehicles and weapons.....	19	18	22
Ammunition.....	32	46	71
Electronics and communications.....	209	219	228
All others surveyed.....	21	21	24
Total.....	733	774	851

The geographic distribution of changes in defense-generated employment between June 1965 and June 1966 are delineated by table 12. The total change in defense-generated employment is presented in column 5, while columns 3 and 4 identify the portions of change associated with plants and DOD installations, respectively. Also included in column 6 is the geographic distribution of changes in military personnel.

The nine States indicated by an asterisk accounted for 52 percent of the 353,900 increase in defense-generated employment. Except for Missouri, Connecticut, and Illinois, these nine States also rank