

MAINE STATE LEGISLATURE

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MAINE PUBLIC DOCUMENTS

(in three volumes)

VOLUME II

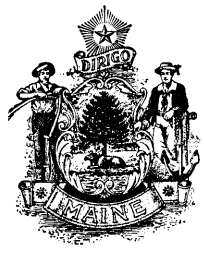
SIXTH ANNUAL REPORT

OF THE

**MAINE UNEMPLOYMENT
COMPENSATION COMMISSION**

TO

**HIS EXCELLENCY
GOVERNOR SUMNER SEWALL**



JANUARY 31, 1943

331 Water Street
Augusta, Maine
January 31, 1943

Honorable Sumner Sewall
Governor of Maine
State House
Augusta, Maine

Dear Governor Sewall:

In accordance with section 11 (a) of the Maine Unemployment Compensation Law there is respectfully submitted herewith a report covering the administration and operations of this law during the preceding calendar year, together with a balance sheet showing the financial status of the Maine Unemployment Trust Fund at the close of the calendar year 1942.

Respectfully submitted,

MAINE UNEMPLOYMENT
COMPENSATION COMMISSION

Representing the Public

MYRON E. BENNETT

Representing the Employers

CHAS. E. FORTIN

Representing the Employees

In Memory Of

David Walton

Chairman

Maine Unemployment Compensation Commission

August 4, 1941 to December 8, 1942

Federalization of the Unemployment Compensation

In our fifth annual report to your Excellency we called your attention to the fact that the Social Security Board was definitely striving to federalize the State Unemployment Compensation Agencies. Centralization of all power in the hands of the few at Washington is progressing rapidly. Legislation to federalize unemployment compensation systems in the states has been advocated by several members of the Federal Social Security Agency. A bill calling for complete federalization was introduced late in the last session of Congress, it died a natural death. This is a bold disregard of the rights of once sovereign states; it is a step toward illegal seizure of the more than three billion dollars now on deposit in the United States Treasury to the credit of the states for unemployment benefit purposes. This move is only a part of the policy that is being rapidly substituted for democracy in this one time republic by the bureaucrats at Washington. It is quite clear that our State Constitution would be violated if that money is transferred, because it was collected under state Laws.

In most cases the state governments are far superior in economical operation and administration to the many federal agencies immersed in red tape and manned by impractical idealists versed only in the art of spending money. New methods of cooperating should be in the making rather than new methods being devised which will result in further disharmony in unemployment compensation affairs.

SUMMARY OF BENEFIT ACTIVITIES—1942

Initial Claims

The total number of initial claims, disposed of, for the calendar year 1942 was 26,548, and of this number, 23,205, or 87.4% was found eligible, and 3,259, or 12.6%, not eligible, while 84 was disposed of for "other reasons".

These figures, broken down by quarters, are as follows:

	1st quarter	2nd quarter	3rd quarter	4th quarter
Eligible	3,616	14,260	3,467	1,862
Not Eligible	1,562	982	386	329
Other Reasons	22	29	23	10
	<hr/> 5,200	<hr/> 15,271	<hr/> 3,876	<hr/> 2,201

The first quarter, terminated March 31, 1942, ended the benefit year which ran from April 1, 1941 to March 31, 1942, and those determinations were made with respect to earnings for the calendar year 1940, while the determinations of the other three quarters were made with respect to earnings for the calendar year 1941, and, those found to be not eligible, were due, of course, to lack of earnings or because their earnings were less than \$144.00 as required by the Maine Unemployment Compensation Law.

It will be noted, that 15,271 initial claims were disposed of during the second quarter, or 57.5% of the total number handled for the calendar year, which quarter carries the transition from the old benefit year to the new, and which quarter marked the high tide of Determination Activity in the Central Office.

At the close of business December 31, 1942, there were 175 Initial Claims pending in the Central Office.

Benefit Payments

Extending the decline of 1941, both in number and amount of Benefit Payments, due to the continuing impact of the War Effort, the year 1942 provided the lowest figures since the beginning of Benefit Payments in 1938, the net number of payments being 141,724, as against 226,876 in 1941, which 1942 figure showed a decrease of 75% from the all time high of 1938, and a decrease of 38% from the previous low of 1941.

Schedule of Monthly Net Benefit Payments

1942	Number of Certificates	Amount of Certificates
January	20,270	\$141,925.19
February	13,481	96,626.06
March	11,595	85,298.43
April	13,888	116,543.83
May	17,905	154,426.16
June	14,866	132,901.55
July	13,417	124,082.84
August	9,508	89,801.30
September	7,571	70,678.30
October	5,648	51,751.83
November	5,755	50,953.33
December	7,820	67,675.58
	141,724	\$1,182,664.40

The month of May witnessed the highest distribution of payments, where a net amount of \$154,426.16 was paid, while the lowest amount in Benefit Payments was reached in November, with \$50,953.33. The net monthly average for the year was \$98,555.36. This was against a monthly average of \$129,081.84 for 1941.

The net amount of \$1,182,664.40 was 24% of the net income for the year, net income being contributions, plus interest and penalties, and minus contribution refunds. This was against 30% in 1941 and 83% in 1940.

From April 1, 1942 and up to December 31, 1942, that period completing the first three quarters of the Benefit Year beginning April 1, 1942, 69.5% of those claimants, who had been determined eligible, had continued to file for a period sufficient to complete a full week of waiting period and had received one or more Benefit Payments.

During this same period, only 2,289 claimants had exhausted their available benefits, constituting 16.8% of those who had drawn one or more weekly payments, and 11.7% of the number of claimants who had been determined eligible for the Benefit Year beginning April, 1942.

The cumulative Net Benefit Payments from January 1, 1938 to December 31, 1942 were \$13,264,956.65.

TABLE I—COVERED WORKERS EMPLOYED DURING LAST MONTHLY PAY PERIODS IN 1941 BY INDUSTRY GROUPS *

INDUSTRY	MONTH OF:											
	Jan.	Feb.	March	April	May	June	July	August	Sept.	Oct.	Nov.	Dec.
TOTAL.....	150,220	153,428	158,047	166,453	174,047	175,868	179,899	183,704	184,531	188,149	185,334	182,650
Agriculture, Forestry, Fishery.....	149	142	141	137	155	162	192	234	187	242	270	246
Mining.....	278	276	234	491	443	488	404	373	409	404	302	235
Construction.....	4,109	4,722	6,156	7,853	9,005	8,867	10,035	11,426	12,615	15,601	13,518	10,711
Manufacturing:												
Food and Kindred Products.....	4,378	4,347	4,667	7,646	7,934	8,703	11,235	11,647	11,993	9,175	6,824	4,891
Textiles and Apparel.....	30,107	30,492	30,980	34,928	35,425	33,200	32,799	33,253	33,211	33,382	33,506	32,531
Basic and Finished Lumber Prod.....	22,396	22,571	21,434	17,754	21,723	22,039	21,129	21,393	21,422	23,503	25,075	26,915
Paper and Allied Products.....	14,692	14,911	14,676	14,927	15,207	15,537	15,672	15,585	15,537	15,610	15,527	15,325
Printing and Publishing.....	1,455	1,472	1,457	1,415	1,417	1,437	1,444	1,434	1,425	1,397	1,418	1,406
Chemicals and Allied Products.....	526	482	536	769	906	521	413	438	476	608	550	592
Leather and Leather Products.....	17,483	18,518	19,028	18,916	18,413	18,679	18,276	17,918	17,057	15,412	15,453	16,338
Stone, Clay and Glass Products.....	974	979	1,114	1,607	1,723	1,644	1,458	1,473	1,563	1,508	1,413	1,184
Iron, Steel and Their Products.....	1,472	1,490	1,510	1,740	1,848	1,956	1,972	1,971	1,976	1,986	1,893	1,917
Transportation Equipment.....	4,396	4,860	5,336	5,993	6,693	7,329	8,820	10,179	11,774	15,594	15,465	15,618
Nonferrous Metals.....	103	105	110	110	114	115	123	125	116	119	114	106
Machinery (Except Electrical).....	4,300	4,496	4,624	4,704	4,862	5,018	5,174	5,394	5,404	5,357	5,334	5,511
Other Manufacturing.....	551	528	544	527	523	510	518	528	554	580	607	597
Transportation, Communication and Other												
Public Utilities.....	7,854	8,301	8,367	8,130	7,844	8,102	8,149	8,379	8,033	8,288	8,349	8,190
Eating and Drinking Places.....	1,807	1,770	1,851	2,209	2,302	2,500	2,510	2,554	2,432	2,380	2,440	2,360
Other Wholesale and Retail Trade.....	24,069	23,772	25,625	26,178	26,315	27,021	27,405	27,156	26,726	26,481	27,118	27,976
Finance, Insurance, Real Estate.....	3,429	3,432	3,456	3,484	3,500	3,502	3,637	3,624	3,578	3,567	3,574	3,560
Hotels, Camps, Lodging Places.....	1,822	1,961	2,167	2,562	3,106	3,780	3,523	3,567	3,202	2,478	2,060	2,000
Other Service Industries.....	3,862	3,791	3,973	4,344	4,556	4,713	4,971	5,013	4,813	4,449	4,455	4,425
Miscellaneous.....	8	10	11	29	33	45	40	40	28	28	21	16

*"Last Monthly Pay Period," as used in this table means weekly, semi-monthly, monthly, etc., payroll periods, according to payroll practices of individual employers, falling nearest to the end of each month. Consequently, this table does not include all workers engaged in covered employment during each month.

TABLE 2—TOTAL WAGES PAID FOR COVERED EMPLOYMENT IN 1941 BY INDUSTRY GROUPS

INDUSTRY	Total for Year	QUARTER:			
		First Quarter	Second Quarter	Third Quarter	Fourth Quarter
TOTAL.....	\$215,836,347	\$43,135,620	\$50,874,453	\$56,903,709	\$64,922,565
Agriculture, Forestry, Fishery.....	211,998	35,280	35,866	56,113	84,739
Mining and Quarrying.....	851,544	92,695	90,054	91,124	77,671
Construction.....	13,427,748	1,442,044	2,935,186	4,119,281	4,931,237
Manufacturing:					
Food and Kindred Products.....	7,779,932	1,177,912	1,826,342	2,614,967	2,160,711
Textiles and Apparel.....	38,061,157	7,652,495	9,709,864	9,633,173	11,065,620
Basic and Finished Lumber Products.....	18,317,932	4,174,724	3,941,454	4,480,521	5,721,233
Paper and Allied Products.....	25,019,761	5,365,740	5,917,465	6,613,864	7,122,692
Printing and Publishing.....	2,245,982	511,447	530,333	538,405	665,797
Chemicals and Allied Products.....	739,579	132,486	226,589	169,027	211,477
Leather and Leather Products.....	19,710,101	4,838,192	5,002,500	5,073,431	4,795,978
Stone, Clay and Glass Products.....	1,736,324	321,523	481,727	455,158	477,916
Iron, Steel and Their Products.....	3,143,109	572,362	734,304	837,349	999,094
Transportation Equipment.....	16,034,777	2,177,433	3,028,881	4,281,032	6,547,431
Nonferrous Metals.....	155,629	31,769	37,161	39,342	47,357
Machinery (Except Electrical).....	8,382,822	1,593,000	1,913,976	2,242,948	2,632,898
Other Manufacturing.....	606,483	124,865	129,927	137,869	213,822
Transportation, Communication and Other Public Utilities.....	11,837,347	2,707,410	2,834,335	3,095,783	3,199,819
Eating and Drinking Places.....	1,490,980	278,328	355,870	426,795	429,987
Other Wholesale and Retail Trade.....	33,753,895	7,149,408	8,008,144	8,513,212	10,083,131
Finance, Insurance, and Real Estate.....	6,449,413	1,517,509	1,576,292	1,598,579	1,757,033
Hotels, Camps, Lodging Places.....	2,159,015	377,954	539,594	712,687	528,780
Other Service Industries.....	4,194,788	858,629	1,010,999	1,163,079	1,162,081
Miscellaneous.....	26,031	2,415	7,590	9,965	6,061

TABLE 3—CLAIMANTS WHOSE BENEFIT YEARS ENDED MARCH 31, 1942

CLASSIFIED BY BENEFIT RATE AND NUMBER OF FULL WEEKS OF ACTUAL BENEFITS

Number of Full Weeks of Benefits	All Claimants	Claimants With Benefit Rates Of:										
		\$5.00 to \$5.99	\$6.00 to \$6.99	\$7.00 to \$7.99	\$8.00 to \$8.99	\$9.00 to \$9.99	\$10.00 to \$10.99	\$11.00 to \$11.99	\$12.00 to \$12.99	\$13.00 to \$13.99	\$14.00 to \$14.99	\$15.00 to \$15.99
TOTAL	35,877	11,653	4,164	4,677	4,554	3,508	2,331	1,749	1,122	752	476	891
0.0.	10,529	2,693	1,009	1,365	1,528	1,294	891	664	405	268	169	243
0.0- 0.9.	794	84	58	107	141	130	107	53	36	30	23	25
1.0- 1.9.	2,992	774	360	402	401	319	245	176	130	76	40	69
2.0- 2.9.	2,401	709	285	363	321	253	162	120	82	29	32	45
3.0- 3.9.	2,285	754	321	303	317	210	121	109	50	40	16	44
4.0- 4.9.	1,977	657	258	298	236	170	128	88	48	40	15	39
5.0- 5.9.	1,690	645	225	221	197	154	74	49	28	38	21	38
6.0- 6.9.	1,458	523	171	197	181	118	81	57	42	28	18	42
7.0- 7.9.	1,212	433	145	167	123	104	69	45	41	32	24	29
8.0- 8.9.	966	354	131	117	113	88	46	32	29	16	11	29
9.0- 9.9.	1,740	1,186	125	104	126	65	34	30	25	14	13	18
10.0-10.9.	766	248	83	106	110	77	36	28	30	13	10	25
11.0-11.9.	1,260	804	76	102	96	58	27	32	17	12	19	17
12.0-12.9.	1,004	594	83	85	71	45	37	32	20	11	11	15
13.0-13.9.	531	114	89	97	64	64	29	21	13	13	5	22
14.0-14.9.	773	425	67	80	57	34	33	29	16	10	6	16
15.0-15.9.	446	58	80	64	57	47	34	36	23	15	4	28
16.0-.....	3,053	598	598	499	415	278	177	148	87	67	39	147

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TABLE 4—CLAIMANTS WHOSE BENEFIT YEARS ENDED MARCH 31, 1942, WHO DID NOT EXHAUST ALL CREDITS CLASSIFIED BY BENEFIT RATE AND NUMBER OF FULL WEEKS OF ACTUAL BENEFITS

Number of Full Weeks of Benefits	All Claimants	CLAIMANTS WITH BENEFIT RATES OF—										
		\$5.00 to \$5.99	\$6.00 to \$6.99	\$7.00 to \$7.99	\$8.00 to \$8.99	\$9.00 to \$9.99	\$10.00 to \$10.99	\$11.00 to \$11.99	\$12.00 to \$12.99	\$13.00 to \$13.99	\$14.00 to \$14.99	\$15.00 to \$15.99
TOTAL	30,329	8,767	3,531	4,134	4,097	3,206	2,139	1,588	1,026	676	436	729
0.0.....	10,529	2,693	1,009	1,365	1,528	1,294	891	664	405	268	169	243
0.0- 0.9	794	84	58	107	141	130	107	53	36	30	23	25
1.0- 1.9	2,991	773	360	402	401	319	245	176	130	76	40	69
2.0- 2.9	2,401	709	285	363	321	253	162	120	82	29	32	45
3.0- 3.9	2,284	753	321	303	317	210	121	109	50	40	16	44
4.0- 4.9	1,976	657	258	298	235	170	128	88	48	40	15	39
5.0- 5.9	1,688	643	225	221	197	154	74	49	28	38	21	38
6.0- 6.9	1,449	515	171	197	181	118	81	57	42	28	18	41
7.0- 7.9	1,197	419	145	167	123	104	68	45	41	32	24	29
8.0- 8.9	958	347	131	117	113	87	46	32	29	16	11	29
9.0- 9.9	877	323	125	104	126	65	34	30	25	14	13	18
10.0-10.9	753	238	83	106	109	76	36	28	30	12	10	25
11.0-11.9	677	230	74	99	96	56	27	32	17	10	19	17
12.0-12.9	556	151	82	85	69	45	36	32	20	11	11	14
13.0-13.9	437	102	74	74	51	54	24	17	8	11	4	18
14.0-14.9	372	81	57	71	43	29	27	24	14	8	6	12
15.0-15.9	390	49	73	55	46	42	32	32	21	13	4	23

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TABLE 5—CLAIMANTS WHOSE BENEFIT YEARS ENDED MARCH 31, 1942, WHO EXHAUSTED ALL CREDITS CLASSIFIED BY BENEFIT RATE AND NUMBER OF FULL WEEKS OF ACTUAL BENEFITS

Number of Full Weeks of Benefits	All Claimants	Claimants with Benefit Rates of—										
		\$5.00 to \$5.99	\$6.00 to \$6.99	\$7.00 to \$7.99	\$8.00 to \$8.99	\$9.00 to \$9.99	\$10.00 to \$10.99	\$11.00 to \$11.99	\$12.00 to \$12.99	\$13.00 to \$13.99	\$14.00 to \$14.99	\$15.00 to \$15.99
TOTAL	5,548	2,886	633	543	457	302	192	161	96	76	40	162
0.0												
0.0- 0.9												
1.0- 1.9	1	1										
2.0- 2.9												
3.0- 3.9	1	1										
4.0- 4.9	1				1							
5.0- 5.9	2	2						1				
6.0- 6.9	9	8										1
7.0- 7.9	15	14										
8.0- 8.9	8	7					1					
9.0- 9.9	863	863										
10.0-10.9	13	10			1	1				1		
11.0-11.9	583	574	2	3		2				2		
12.0-12.9	448	443	1			2		1				1
13.0-13.9	94	12	15	23	13	10	5	4	5	2	1	4
14.0-14.9	401	344	10	9	14	5	6	5	2	2		4
15.0-15.9	56	9	7	9	11	5	2	4	2	2		5
16.0	3,053	598	598	499	415	278	177	148	87	67	39	147

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TABLE 6—SUMMARY OF NUMBER OF WEEKS COVERED BY ALL BENEFIT PAYMENTS ISSUED FROM
JANUARY 1 TO NOVEMBER 30, 1942, BROKEN DOWN BY INDUSTRY AND BY MONTH

INDUSTRY	Total	MONTH OF:											
		Jan.	Feb.	March	April	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.
TOTAL ALL INDUSTRIES.....	141,257	20,199	13,468	11,574	13,864	17,756	14,829	13,348	9,457	7,576	5,618	5,751	7,817
Agriculture, Forestry and Fishing.....	282	21½	17½	13½	21	42	66½	61	38	9	6	2	3
Mining and Quarrying.....	1,241	323	86½	293½	127½	160	75	58½	25	20	8	16	48
Construction.....	8,444½	1,214½	1,519	1,204½	1,191	1,144	641½	525½	320	223½	117	146	198
Manufacturing:													
Food and Kindred Products.....	20,451	2,955	2,333	1,113½	1,859	2,675½	1,504½	844½	580½	310	523	1,774½	3,978
Textiles and Apparel.....	27,997½	4,624	2,513½	2,050	1,959½	3,092½	2,988	3,298	2,080½	1,959½	1,480	1,106½	845½
Basic and Finished Lumber Prod	16,844½	924½	850	1,782½	4,395	3,810	1,194	1,094	1,091½	658	483	277½	284½
Paper and Allied Products.....	6,596	568	344	368	519	883	980	1,020½	637½	504½	403½	232	136
Printing and Publishing.....	1,005½	78	91	65	65	122½	180	173	120	63	16	17	15
Chemicals and Allied Products	451	77	69	58	17½	38	21	53	35	36½	22½	4½	19
Leather and Leather Products...	26,146	4,702½	1,626½	1,346½	1,187½	2,284½	3,801½	3,211½	2,387	2,316½	1,483	1,013	786
Stone, Clay and Glass Products	2,304	712½	522½	363½	243½	178	91½	93	41	18	7	11½	22
Iron and Steel and Their Prod.	395	51½	18	14½	29	42	29	11	8	16	17	38½	120½
Nonferrous Metals & Their Prod.	28½	10	6½	1							2	4	5
Transportation Equipment.....	919	116½	102½	77	72	130½	108	81½	61½	37½	60	49	23
Machinery (Except Electrical)...	608½	100	63	37	34½	61	55½	56	44	39	43	38	37½
Other Manufacturing Industries	567½	80	36	31	28	34½	31	68	48	49½	52½	54	55
Transportation, Communication, & Other Public Utilities.....	5,846	704	539	462	409	672½	809	739½	507½	239	123½	217½	423½
Eating and Drinking Places.....	1,286½	193	162½	123	105½	147½	114½	117	112½	78	40½	37	55½
Other Wholesale and Retail Trade	12,964	1,564½	1,646	1,479	1,077½	1,517	1,560½	1,401½	972½	665	385½	337½	357½
Finance, Insurance, Real Estate	1,019½	171½	150	134	69½	85½	74	77	77	60	38½	28	54½
Hotel, Camps, Lodging Places....	2,927	588	415	258½	260½	383	225	120	114½	123½	204½	1½	233
Other Service Industries.....	2,932½	438½	357	298½	193	252½	279	244	155½	150	102	345½	117

TABLE 7—NUMBER OF WEEKS COVERED BY BENEFIT PAYMENTS AND AMOUNT OF PAYMENTS FOR THE YEAR
1942 BY INDUSTRY GROUP*

INDUSTRY	Total		Type of Unemployment					
	No. of Wks. Covered	Am't. of Payments	Total		Part-Total		Partial	
			Weeks Covered	Amount	Weeks Covered	Amount	Weeks Covered	Amount
Total All Industries.....	141,257	1,189,700	115,755	1,004,071	6,822	45,840	18,680	139,789
Agriculture, Forestry and Fishing.....	282	1,957	239	1,732	41	215	2	10
Mining and Quarrying.....	1,241	11,817	1,139	11,141	102	676		
Construction.....	8,444½	82,042	7,778½	76,545	508½	3,890	157½	1,607
Manufacturing:								
Food and Kindred Products.....	20,451	129,245	14,634	93,744	2,118½	11,968	3,698½	23,533
Textiles and Apparel.....	27,997½	243,221	23,899½	210,986	721	5,014	3,377	27,221
Basic and Finished Lumber Products.....	18,844½	134,288	16,046½	128,798	610	3,954	188	1,536
Paper and Allied Products.....	6,596	66,322	5,937½	61,468	238½	2,074	420	2,780
Printing and Publishing.....	1,005½	9,197	884	8,487	56½	335	65	375
Chemicals and Allied Products.....	451	3,374	395	3,006	42½	265	13½	103
Leather and Leather Products.....	26,146	218,754	17,888	160,623	559½	4,578	7,698½	53,553
Stone, Clay and Glass Products.....	2,304	16,623	2,172	15,695	84	510	48	418
Iron and Steel and Their Products.....	395	3,743	362½	3,413	24½	234	8	96
Transportation Equipment.....	919	9,433	839	8,670	65½	610	14½	153
Nonferrous Metals and Their Products.....	28½	356	26½	342	2	14		
Machinery (Except Electrical).....	608½	6,408	549½	5,869	17	131	42	408
Other Manufacturing Industries.....	567½	3,775	303½	2,379	24	146	240	1,250
Transportation, Communication and Other Public Utilities.....	5,846	58,608	4,117½	40,912	284	2,076	1,444½	15,620
Eating and Drinking Places.....	1,286½	9,928	1,133	8,925	75½	526	78	477
Other Wholesale and Retail Trade.....	12,964	124,029	11,102½	103,120	870½	6,125	991	9,784
Finance, Insurance and Real Estate.....	1,019½	10,848	955	10,404	63½	437	1	7
Hotels, Rooming Houses, Camps and Other Lodging Places.....	2,927	22,565	2,790½	21,707	127	782	9½	76
Other Service Industries.....	2,932½	23,167	2,562½	21,105	186½	1,280	183½	782

* Represents gross benefits issued. Not adjusted for returned checks.

TABLE 8—SUMMARY OF AMOUNT COVERED BY ALL BENEFIT PAYMENTS ISSUED FROM JANUARY 1 TO NOVEMBER 30, 1942,
BROKEN DOWN BY INDUSTRY AND BY MONTH

INDUSTRY	Total	MONTH OF:											
		Jan.	Feb.	March	April	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.
TOTAL ALL INDUSTRIES.....	\$1,189,700	\$142,363	\$96,880	\$85,945	\$117,326	\$155,022	\$133,862	\$124,516	\$90,510	\$71,365	\$52,443	\$51,437	\$68,031
Agriculture, Forestry and Fishing	1,957	10	129	99	144	317	423	378	270	95	52	12	23
Mining and Quarrying.....	11,817	2,980	454	2,698	1,260	1,653	726	588	303	240	92	233	585
Construction.....	82,042	9,494	13,324	10,130	12,463	11,759	7,291	6,128	3,701	2,479	1,366	1,718	2,189
Manufacturing:													
Food and Kindred Products....	129,245	15,589	12,237	6,366	12,169	17,402	9,700	5,441	3,968	2,136	3,405	12,104	28,728
Textiles and Apparel.....	243,221	34,915	18,535	15,562	16,299	27,579	26,978	30,827	19,689	19,148	14,628	10,881	8,180
Basic and Finished Lumber Prod	134,288	6,255	5,670	12,092	35,587	32,210	9,515	8,771	9,296	5,689	4,176	2,420	2,607
Paper and Allied Products.....	66,322	4,510	2,892	2,952	4,892	8,704	9,767	10,790	7,333	5,728	4,565	2,550	1,639
Printing and Publishing.....	9,197	627	742	518	521	1,013	1,667	1,686	1,219	665	153	172	184
Chemicals and Allied Products	3,374	461	435	395	129	306	153	417	336	329	186	48	179
Leather and Leather Products	218,754	31,445	11,501	9,074	10,505	21,141	34,437	28,987	21,760	19,943	13,486	9,356	7,119
Stone, Clay and Glass Products	16,623	4,732	3,262	2,350	1,997	1,458	776	871	440	225	89	137	286
Iron and Steel and Their Prod. .	3,743	294	158	119	233	338	274	106	85	213	145	377	1,401
Nonferrous Metals and Their Pr.	956	92	56	10							36	72	90
Transportation Equipment	9,433	1,015	809	649	756	1,412	1,151	909	679	480	639	680	254
Machinery (Except Electrical) .	6,408	863	564	298	362	749	585	608	485	501	504	453	436
Other Manufacturing Industries	3,775	550	239	243	224	289	245	394	311	341	287	330	322
Transportation, Communication &													
Other Public Utilities.....	58,608	5,917	4,460	3,724	3,877	6,364	8,042	7,828	5,965	2,557	1,316	2,768	5,790
Eating and Drinking Places.....	9,928	1,330	1,043	805	18	1,142	902	957	973	656	337	378	587
Other Wholesale and Retail Trade	124,029	12,517	13,506	12,625	10,891	15,130	16,214	14,719	10,346	6,768	3,978	3,508	3,827
Finance, Insurance, Real Estate	10,848	1,594	1,377	1,262	726	951	860	878	919	783	499	372	627
Hotels, Camps and Lodging Places	22,565	4,121	3,075	1,962	2,028	2,939	1,668	1,063	985	1,110	1,640	8	1,966
Other Service Industries.....	23,167	3,052	2,412	2,012	1,445	2,136	2,483	2,170	1,442	1,279	864	2,860	1,012

TABLE 9—WEEKS COMPENSATED AND AMOUNT OF BENEFIT PAYMENTS BY TYPE OF UNEMPLOYMENT AND BY MONTH FOR THE YEAR 1942*

Month	All Payments		Type of Unemployment					
	Weeks Covered	Amount of Payments	Total		Part-Total		Partial	
			Weeks Covered	Amount	Weeks Covered	Amount	Weeks Covered	Amount
TOTAL.....	141,257	\$1,189,700	115,755	\$1,004,071	6,822	\$45,840	18,680	\$139,789
January.....	20,199	142,363	16,114	117,867	971	5,824	3,114	18,672
February.....	13,468	96,880	11,842	87,398	797	4,758	829	4,724
March.....	11,574	85,945	10,168	77,420	745	4,345	661	4,180
April.....	13,864	117,326	12,739	109,511	695	4,952	430	2,863
May.....	17,756	155,022	15,349	137,633	1,372	9,446	1,035	7,943
June.....	14,829	133,862	12,187	112,917	745	5,396	1,897	15,549
July.....	13,348	124,516	11,244	107,368	412	3,168	1,692	13,980
August.....	9,457	90,510	7,458	74,161	308	2,180	1,696	14,169
September.....	7,576	71,365	5,515	55,275	253	1,967	1,808	14,123
October.....	5,618	52,443	4,117	41,452	155	1,160	1,346	9,831
November.....	5,751	51,437	3,523	33,593	145	1,000	2,083	16,844
December.....	7,817	68,031	5,499	49,476	229	1,644	2,089	16,911

*Represents gross benefits issued. Not adjusted for returned checks.

TABLE 10—AVERAGE BENEFIT PAYMENT BY INDUSTRY FOR YEAR 1942

INDUSTRY	All Payments	Type of Unemployment		
		Total	Part-Total	Partial
TOTAL.....	\$8.42	\$8.67	\$6.72	\$7.48
Agriculture, Forestry and Fishing.....	6.94	7.25	5.24	5.00
Mining and Quarrying.....	9.52	9.78	6.63	.....
Construction.....	9.72	9.84	7.65	10.20
Manufacturing:				
Food and Kindred Products.....	6.32	6.40	5.65	6.36
Textiles and Apparel.....	8.69	8.83	6.95	8.06
Basic and Finished Lumber Products.....	7.97	8.03	6.48	8.17
Paper and Allied Products.....	10.05	10.35	8.70	6.62
Printing and Publishing.....	9.15	9.60	5.92	5.77
Chemicals and Allied Products.....	7.48	7.61	6.24	7.63
Leather and Leather Products.....	8.37	8.98	8.18	6.96
Stone, Clay and Glass Products.....	7.21	7.23	6.07	8.71
Iron and Steel and Their Products.....	9.47	9.42	9.55	12.00
Transportation Equipment.....	10.26	10.33	9.31	10.55
Nonferrous Metals and Their Products.....	12.49	12.91	7.00	.....
Machinery (Except Electrical).....	10.53	10.68	7.71	9.71
Other Manufacturing Industries.....	6.65	7.84	6.08	5.21
Transportation, Communication and Other Public Utilities.....	10.03	9.93	7.31	10.81
Eating and Drinking Places.....	7.72	7.88	6.97	6.12
Other Wholesale and Retail Trade.....	9.57	9.74	7.04	9.87
Finance, Insurance and Real Estate.....	10.64	10.89	6.88	7.00
Hotels, Rooming Houses, Camps and Other Lodging Places.....	7.71	7.78	6.16	8.00
Other Service Industries.....	7.90	8.24	6.86	4.26

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TABLE 11—ANALYSIS OF BENEFIT PAYMENTS ISSUED DURING 1942 AND 1941 TO RESIDENTS OF THE VARIOUS COUNTIES IN MAINE*

COUNTY	Benefit Payments				Percent Change 1942 From 1941
	1942		1941		
	Amount of Payments	Percent Distribution	Amount of Payments	Percent Distribution	
TOTAL.....	\$1,189,700	100.0	\$1,549,099	100.0	-23.2
Androscoggin.....	129,612	10.9	226,487	14.6	-42.8
Aroosook.....	70,870	6.0	100,452	6.5	-29.4
Cumberland.....	186,836	15.7	275,024	17.7	-32.1
Franklin.....	28,524	2.4	21,360	1.4	+33.5
Hancock.....	41,380	3.5	59,918	3.9	-30.9
Kennebec.....	121,966	10.3	146,994	9.5	-17.0
Knox.....	34,540	2.9	33,501	2.2	+3.1
Lincoln.....	8,896	0.7	14,964	1.0	-40.5
Oxford.....	50,986	4.3	72,290	4.7	-29.5
Penobscot.....	114,774	9.6	129,314	8.3	-11.2
Piscataquis.....	11,819	1.0	12,578	0.8	- 6.0
Sagadahoc.....	26,986	2.3	23,328	1.5	+15.7
Somerset.....	48,666	4.1	51,888	3.3	- 6.2
Waldo.....	16,725	1.4	31,940	2.1	-47.6
Washington.....	107,635	9.0	76,526	4.9	+40.6
York.....	113,116	9.5	177,806	11.5	-36.4
Interstate.....	76,369	6.4	94,729	6.1	-19.4

*Represents gross benefits issued. Not adjusted for returned checks.

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TABLE 12—NUMBER OF WEEKS ELAPSED BETWEEN THE END OF THE BENEFIT PERIOD AND THE DATE OF BENEFIT PAYMENT FOR
THE YEAR 1942

Number of Weeks	Total Benefit Payments Analyzed*	Intrastate			Interstate Payments
		Total	Part-Total	Partial	
TOTAL All Payments.....	141,257	108,344	6,822	18,680	7,411
Paid within 1 week.....	109,554	92,625	5,645	5,910	5,374
1 week and less than 2.....	23,160	9,761	729	11,620	1,050
2 weeks and less than 3.....	3,758	2,413	213	762	370
3 weeks and less than 6.....	3,434	2,601	169	276	388
6 weeks and over.....	1,351	944	66	112	229
TOTAL FIRST PAYMENTS ...	16,777	11,820	872	3,401	684
Paid within 1 week.....	9,796	8,266	661	615	254
1 week and less than 2.....	4,610	1,922	119	2,391	178
2 weeks and less than 3.....	1,143	710	46	287	100
3 weeks and less than 6.....	946	723	36	78	104
6 weeks and over.....	281	194	10	29	48
TOTAL Second and Subsequent Payments	124,481	96,524	5,950	15,280	6,727
Paid within 1 week.....	99,758	84,359	4,984	5,295	5,120
1 week and Less than 2.....	18,550	7,839	610	9,229	872
2 weeks and less than 3.....	2,615	1,703	167	475	270
3 weeks and less than 6.....	2,488	1,873	133	198	284
6 weeks and over.....	1,070	750	56	83	181

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*The total number of payments was 141,884. There were 626 supplemental payments issued during the year.

TABLE 13—DISTRIBUTION OF BENEFIT PAYMENTS BY AMOUNT OF COMPENSATION FOR 1942

Amount of Compensation	Total Benefits Payments Analyzed*	Benefit Payments for—		
		Total	Part-Total	Partial
TOTAL.....	138,637	113,597	8,749	16,291
Less than \$1.00.....	4	0	1	3
\$1.00-\$1.99.....	3	0	0	3
2.00- 2.99.....	227	0	57	170
3.00- 3.99.....	2,626	1	1,001	1,624
4.00- 4.99.....	2,849	5	1,106	1,738
5.00- 5.99.....	18,252	14,645**	1,659	1,948
6.00- 6.99.....	32,767	28,265***	1,750	2,752
7.00- 7.99.....	16,627	13,911	960	1,756
8.00- 8.99.....	10,853	8,957	639	1,257
9.00- 9.99.....	14,005	12,196	525	1,284
10.00-10.99.....	11,402	10,117	383	902
11.00-11.99.....	5,983	5,224	192	567
12.00-12.99.....	7,515	6,642	169	704
13.00-13.99.....	4,698	4,099	111	488
14.00-14.99.....	2,143	1,840	67	236
15.00-15.99.....	3,503	3,180**	75	248
16.00-16.99.....	1,301	1,077	24	200
17.00-17.99.....	462	376	9	77
18.00.....	3,417	3,062***	21	334

*The total number of payments for 1942 was 141,884. The total number analyzed was 138,637. 3247 payments were not analyzed because of a deduction made for a previous over-payment, a workman's compensation payment, or a last payment which was less than the weekly benefit amount.

**There were 11,039 benefit payments for total unemployment at the minimum rate of \$5.00. There were 1079 benefit payments for total unemployment at the maximum rate of \$15.00.

***There were 18,813 benefit payments for total unemployment at the minimum rate of \$6.00. There were 3,062 benefit payments for total unemployment at the maximum rate of \$18.00.

TABLE 14—COMPARISON OF NEW INITIAL CLAIMS DISPOSED OF BY INITIAL AUTHORITY DURING 1942 AND 1941

New Claims Disposed of	1942	1941
TOTAL.....	26,548	40,109
A. Allowed.....	23,205	34,496
1. First determination.....	22,938	34,148
2. Previously disallowed.....	114	122
3. Previously allowed.....	153	226
B. Disallowed.....	3,259	5,516
1. First determination.....	3,069	5,216
a. No wage record.....	1,625	2,892
b. Insufficient wage credits.....	1,444	2,924
c. Other.....	0	0
2. Previously allowed.....	11	0
3. Previously disallowed.....	179	300
C. Other reasons.....	84	97

TABLE 15—INITIAL CLAIMS TAKEN AT LOCAL OFFICE LEVEL BY YEAR 1938 TO 1942 INCLUSIVE

Local Office	Initial claims received				
	1942	1941	1940	1939	1938
TOTAL.....	33,816	56,457	104,726	104,037	120,708
Augusta.....	2,221	3,659	7,363	6,882	5,421
Bangor.....	4,319	7,133	13,953	13,738	13,724
Bath.....	399	1,033	2,066	1,819	3,433
Biddeford.....	1,761	3,847	9,847	9,861	10,730
Calais.....	3,791	3,621	6,768	5,131	5,945
Caribou.....	2,630	5,358	6,821	6,903	7,683
Houlton* **.....	671	0	0	0	1,050
Lewiston.....	5,127	10,835	21,562	22,956	20,304
Portland.....	4,041	7,795	11,924	11,419	13,498
Rockland.....	1,496	2,263	5,280	4,077	6,342
Rumford.....	1,246	1,904	2,945	3,141	3,671
Sanford.....	3,141	4,593	7,710	8,465	6,100
Skowhegan.....	1,118	2,348	4,065	4,932	4,792
Waterville.....	1,855	2,068	4,422	4,713	6,879
Norway**.....					2,704
Farmington**.....					1,610
Millinocket**.....					597
Ellsworth**.....					2,688
Dover-Foxcroft**.....					2,140
Fort Kent**.....					1,397

*Houlton Office reopened for claims-taking in 1942.

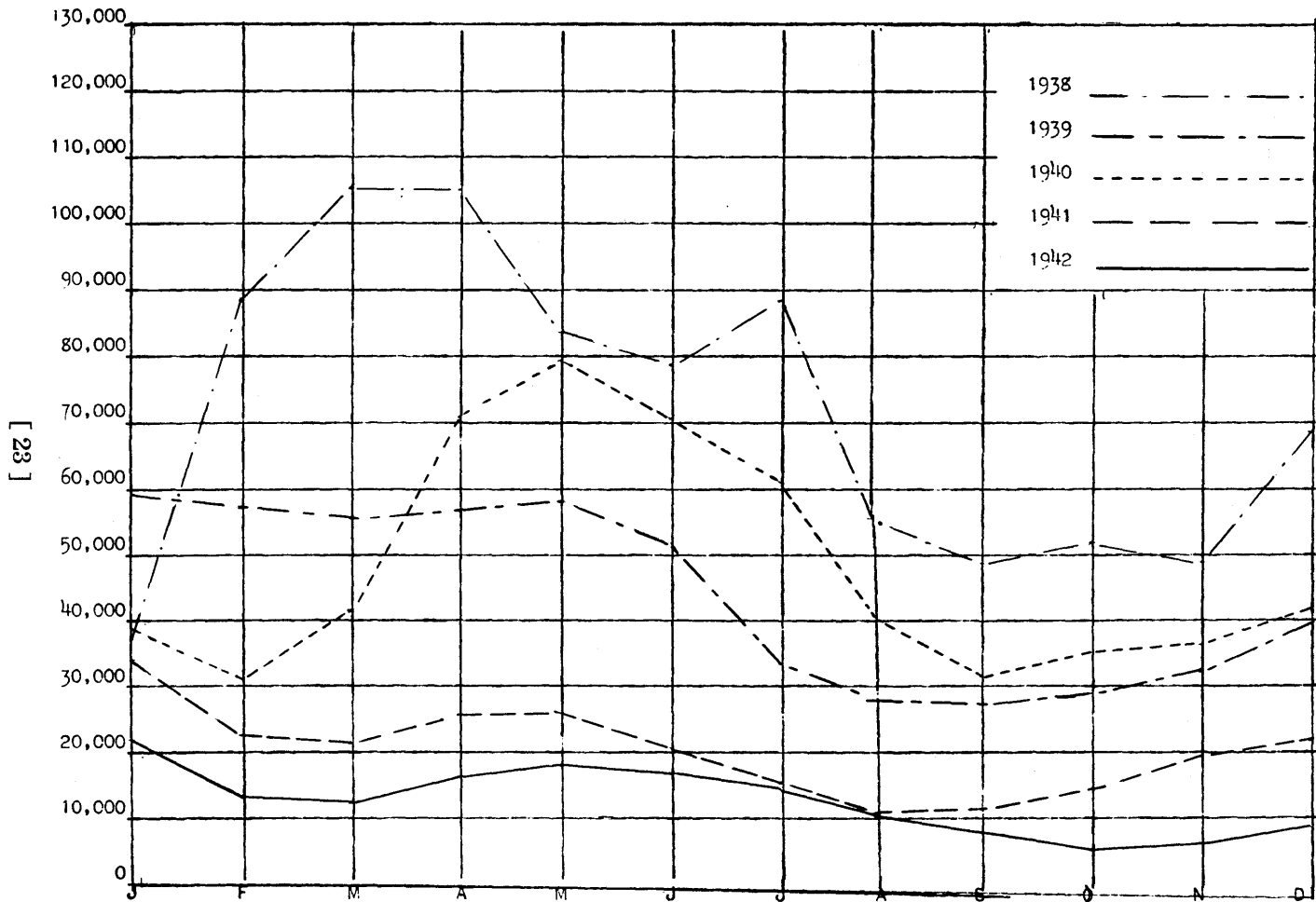
**These offices closed December, 1938.

TABLE 16—CONTINUED CLAIMS TAKEN AT LOCAL OFFICE LEVEL BY YEAR
1938 TO 1942 INCLUSIVE

Local Office	Continued Claims Received				
	1942	1941	1940	1939	1938
TOTAL.....	162,582	256,269	679,532	656,699	778,398
Augusta.....	11,356	16,907	47,296	43,306	38,860
Bangor.....	23,428	33,989	76,859	89,178	88,395
Bath.....	2,650	5,472	12,794	10,819	17,797
Biddeford.....	4,853	12,533	52,394	48,380	78,684
Calais.....	19,352	16,254	44,578	32,399	38,273
Caribou.....	9,759	21,586	36,256	47,870	46,859
Houlton* **.....	2,462	0	0	0	4,336
Lewiston.....	23,458	49,581	159,086	137,386	118,171
Portland.....	22,677	41,714	82,622	80,482	80,229
Rockland.....	8,283	10,038	33,485	27,845	36,203
Rumford.....	7,542	8,107	16,102	19,487	25,906
Sanford.....	11,692	20,319	52,805	55,577	67,480
Skowhegan.....	6,573	8,833	33,059	35,110	30,648
Waterville.....	8,497	10,936	32,196	28,860	47,567
Norway**.....					15,462
Farmington**.....					6,826
Millinocket**.....					2,689
Ellsworth**.....					14,208
Dover-Foxcroft**.....					14,722
Fort Kent**.....					5,083

*Houlton Office re-opened for claims-taking in 1942.

**These offices closed December, 1938.



* Includes Interstate Continued Claims Received for Which Maine Was the Liable State

Adjustment Section

From January 1, 1942 to December 31, 1942, 9,275 Deputies' Decisions were rendered by all Deputies.

Of these, 4,026 involved disqualifications and reductions in benefit amounts available, totaling \$37,912.31.

The total cases involved in the 9,275 decisions were distributed as follows:

(a)	Voluntary Quit		Total	2,636
	Allowed	1,699		
	Disqualified	937		
(b)	Misconduct		Total	788
	Allowed	444		
	Disqualified	344		
(c)	Failure to Accept or Apply		Total	980
	Allowed	670		
	Disqualified	310		
(d)	Able or Available		Total	4,394
	Allowed	1,959		
	Disallowed	2,435		
(e)	Not Unemployed		Total	254
	Allowed	28		
	Disallowed	226		
(f)	Labor Disputes		Total	223
	Allowed	203		
	Disallowed	20		

In addition to handling and keeping records of all the above decisions the Adjustment Section received 3,306 letters of inquiry or complaint which necessitated 3,351 replies.

It also adjusted 392 cases involving disputes relative to or questions concerning wage credits or coverage. Of this number, 114 cases were reversed. The remaining 278 cases were either upheld or modified.

In carrying out the program of co-operation with the Works Projects Administration, 759 predeterminations of benefit amounts were made with respect to potential claimants seeking referral to W. P. A. projects within this state.

At the request of the proper city or town officials, the potential benefit status of 15 cases were also predetermined.

For the local office deputies requesting it, 316 predeterminations of potential benefits were made in cases involving possible disqualifications.

Between January 1, 1942 and December 31, 1942, 70,592 separation notices were received by the Adjustment Section, necessitating making out an equal number of stop orders to prevent collection of benefits during a potential disqualification or disallowance period.

In comparing records, it is interesting to note that the number of decisions decreased only 16% as compared with 1941, whereas the number of claims taken at the local office level decreased 40% in 1942 as compared with 1941. This indicates an increasing trend in 1942 for claims to be filed after separation from work for reasons other than lack of work, than existed in 1941.

The amount of reductions in benefit amounts, resulting from disqualifications, increased \$225.81 over the 1941 figure.

In comparing the types of cases, it is interesting to note that the **voluntary quit, misconduct, failure to accept or apply and not unemployed** cases remained in about the same proportion to one another as in 1941. The **able or available** cases, instead of reflecting the general decrease in number of cases, actually increased 318 in number. This may be due, in part, to the retirement of the wives of defense workers from the labor market, either voluntarily or involuntarily, due to changed economic conditions in the home. The greatest decrease was in the labor dispute cases. In 1941, there were 1206 labor dispute cases, but, in 1942, there were only 223.

There were marked decreases in the number of cases requiring adjustment because of questions concerning wage credits or coverage, predetermination in respect to potential claimants seeking referral to W. P. A. projects, predeterminations of eligibility in cases involving possible disqualifications and predeterminations requested by the proper city or town officials. There was, however, a very marked increase in the amount of correspondence handled.

A new item is included in this report which was not included

in the 1941 report; namely, the separation notices received. Therefore, no comparison can be made in respect to this item.

Interstate Unit

During the Calendar Year 1942, the Interstate Unit of the Adjustment Section received from other States 1,859 Initial claims and 9,293 Continued Claims filed against Maine as the liable state.

A total of \$72,511.90, in benefits, was paid to the Interstate claimants who filed these claims.

During 1942, 1,324 Initial Claims and 8,801 Continued claims were filed in our Local Offices and forwarded by Maine as the Agent state to other states in the Union.

The Interstate Claims Section paid 7,416 claims to residents of other states during the Calendar year 1942, totalling \$72,511.90. Payments to claimants residing in other New England States predominated, being approximately 67% of all payments made to out-of-state claimants.

State	No. of Claims Paid	Total Amount Paid
Connecticut	426	\$ 3,786.80
Massachusetts	2,912	27,363.20
New Hampshire	1,506	14,791.00
Rhode Island	183	1,505.80
Vermont	116	1,036.50
	<hr/> 5,143	<hr/> \$48,483.30

The number of Initial and Continued Interstate claims, taken by the local offices and forwarded to other states, decreased greatly. Likewise, the number of Initial and Continued claims received in the Interstate Section from other states decreased in line with the general trend.

FIELD ADVISORY SERVICE

The Field Advisory Service is for the purpose of making educational contacts to explain the coverage and contribution provisions of the Maine Unemployment Compensation Law and rules and regulations of the Maine Unemployment Compensation Commission. Advising and assisting employers in setting up essen-

tial pay roll records and making proper reports. Investigations to determine liability or to correct reports submitted. Follow-up on delinquents upon notifications from the Accounting Department. Conducting Field Audits of employer pay rolls and related records. Collection of overdue accounts.

Due to the rubber and gasoline shortages the travel of the Field Advisory Service was considerably curtailed during 1942. Changes have been made locating Field personnel as near as possible to cities and towns where the majority of employers operate. This reduced the miles travelled during 1942 as compared to 1941 approximately 25%. However, the number of visits was only reduced 10% for the same period.

The Field Advisory Service has been under the supervision of the Unemployment Compensation Director during 1942, making it possible to delete the position of Chief Field Advisor. During December two Field Advisors resigned to take more remunerative positions, leaving a personnel of 7 Field Advisors and one Senior Stenographer as of December 31, 1942.

During the year, 7381 audits were performed, revealing 287 accounts where the employer had not included taxable pay roll. The amount of contributions due on this additional pay roll amounted to \$5,242.80, while 119 accounts had overpaid \$2,387.45 on wages that were not taxable. Two hundred seventy-four quarterly reports were not filed on due dates, the total amount of contributions due on these reports being \$18,946.39.

Considerable time has been spent by the Field Advisors during the past year for the purpose of fully acquainting all employers in all phases of the Act. There have been 3759 calls of this nature.

During the year, 388 calls were made on employers relative to claimants' earnings which had not been reported, and for the purpose of checking with the employer as to his liability under the Maine Unemployment Compensation Law.

Collections during 1942 reveal that the Field Advisors by making 2842 calls collected \$101,088.11. It is apparent that this type of collection is well worth while.

Field Advisors have checked 1925 employers for liability, and have secured 140 new accounts, showing a total amount of contributions due of \$27,013.70.

As of January 1, 1942 there were 3955 active employer accounts. During 1942, 465 new accounts were set up and 43 accounts were reopened. During the same period, 271 accounts were closed and 273 accounts were placed inactive, leaving a balance of 3919 active accounts as of December 31, 1942. Of the 508 new accounts, 140 have been established by the Field Advisors and the balance (325) by the Director at the Central Office level.

REPORT OF THE APPEAL DIVISION—YEAR 1942

At the beginning of the year there were 25 active cases carried over from the previous year. 439 appeals were received in 1942, making a total case load of 464 cases, which was 15% more than the case load, 403, for the year 1941. In these 464 cases, decisions were rendered in 375 cases, 79 cases were withdrawn before hearing, 1 case was removed to the Commission and 9 remain undecided and pending as of December 31, 1942.

Of the 439 appeals received during the year, 70 were filed by employers, 354 were filed by claimants and 15 cases were referred to the appeal tribunal before the deputy had made any prior decision. The 424 appeals, filed by the employers and claimants, represent approximately 4.6% of the 9,275 deputy's decisions rendered during the year. Of course, 79 of these appeals were withdrawn before hearing, and, if this is considered, would reduce this percentage to about 3.7%.

The personnel of the division was slightly increased during the latter half of the year by the addition of a part-time reporter. The division at the present time consists of one chief appeals referee, one appeals referee, one reporter, one part-time reporter and one senior stenographer.

In all appeal cases, except those which were withdrawn by the appellant, an opportunity for fair hearing has been duly afforded the interested parties. Notices of these hearings were forwarded to the last employer and the claimant, and in most cases appearances were made by both sides. We have continued to have these hearings conducted in each case by an appeals referee, rather than a three member tribunal, which has resulted in more economical administration, and we believe that this arrangement has been quite satisfactory to all concerned.

Below is submitted a table indicating the issue involved and the disposition of all appeal cases by the appeal tribunal.

TABLE I
 APPEAL TRIBUNAL DECISIONS
 January 1, to December 31, 1942

Issues Involved	Total Decisions	Prior Determination							
		Affirmed				Modified			
		Allowed		Disallowed		Allowed		Disallowed	
		No.	%	No.	%	No.	%	No.	%
Able and Available.....	206	7	3.4	89	43.2	85	41.3	25	12.1
Determination and Coverage.....	5			3	60.0	2	40.0		
Misconduct.....	33	5	15.2	8	24.2	11	33.3	9	27.3
Suitable Work.....	29	1	3.4	10	34.5	12	41.4	6	20.7
Total and Partial Unemployment.....	15	1	6.7	5	33.3	8	53.3	1	6.7
Voluntary Quit.....	84	24	28.6	11	13.1	23	27.4	26	30.9
Labor Disputes.....	3	3	100						
TOTALS.....	375	41	10.9	126	33.6	141	37.6	67	17.9

Total Deputy's Determinations Affirmed—44.5%

Total Deputy's Determinations Modified—55.5%

COMMISSION REVIEW

At the beginning of the year 1942, two appeals filed in the previous year were pending before the Commission. During the year 28 applications for leave to appeal to the Commission were filed. On December 31, 1942, one case was still pending before the Commission. During the year four cases were withdrawn prior to the Commission's decision. The Commission, therefore, rendered its decision in 25 of the cases. The Appeal

Tribunal's decision was affirmed in 17 cases, and modified in 8 cases.

The Commission rendered its decision with respect to the issues involved in labor disputes in 10 cases, in accordance with Section 5 (d) of the act.

There is submitted herewith a table indicating the issues involved and the disposition of all cases decided by the Commission.

TABLE II
COMMISSION DECISIONS
January 1, to December 31, 1942

Issues Involved	Total Decisions	Prior Determination							
		Affirmed				Modified			
		Allowed		Disallowed		Allowed		Disallowed	
		No.	%	No.	%	No.	%	No.	%
Able and Available.....	19	0	.....	8	42.1	11	57.9	0	.....
Determination and Coverage.....	0	0	.....	0	.....	0	.....	0	.....
Misconduct.....	2	0	.....	0	.....	2	100	0	.....
Suitable Work.....	0	0	.....	0	.....	0	.....	0	.....
Total and Partial Unemployment.....	1	0	.....	0	.....	1	100	0	.....
Voluntary Quit.....	3	0	.....	0	.....	3	100	0	.....
TOTALS.....	25	0		8	32.0	17	68.0	0	

LABOR DISPUTE DECISIONS

The Commission rendered its decision on the issues involved in 10 labor dispute cases. In one case the Commission found that no stoppage of work existed because of a labor dispute and in 9 cases that a stoppage of work did exist because of a labor dispute.

LEGAL DEPARTMENT

The duties of the legal department are:

1. To answer all legal questions of the Commission in interpreting and administering the Maine Unemployment Compensation Law.
2. To attend hearings and appeals held before the Commission.
3. To advise on the legality of the requisites of rules and regulations of the Commission.
4. To assist in collecting delinquent accounts.
5. To report each month to the Regional Office of the Social Security Board.

Legal action is not used in the collection of delinquent accounts unless it appears to be absolutely necessary.

The legal department has nine cases pending in the Superior Courts of the State. Reasonable means are being used to encourage the payment of all delinquent accounts. The final quarterly payment for 1942 is payable at any time prior to January 30, 1943, so it is not possible to write in this report what the total delinquent accounts will be at that time. There are indications that they will be smaller than in previous years.

The legal department has drafted proposed legislation under the direction and recommendations of the members of the Commission and the Advisory Council which is designed to:

1. Clarify some of the ambiguities in the law.
2. Write the law to read according to the adopted procedures.
3. Eliminate unnecessary provisions in the law.
4. To make the law more humanly workable.

The legal department has reviewed proposed legislation not promulgated by the Maine Unemployment Compensation Commission for the purpose of ascertaining whether such proposed legislation was couched in such language as would be workable if adopted. Considerable work, study and effort has been made during the latter part of 1942 and early 1943 on such proposed legislation.

REPORT OF FRAUDULENT CLAIMS UNIT FOR YEAR 1942

During the year 1942, the Fraudulent Claims Unit had referred to it for special investigation 1,015 cases. In this figure were included cases that contained misstatements and misrep-

resentation of facts, erroneous debits, cases where claimants were paid during period of disqualification, and cases where claimants drew unemployment compensation benefits through misunderstanding of the Law.

At the beginning of the year, the unit inaugurated a new and complete follow-up system for the control of outstanding cases which has assisted in accomplishing the excellent results achieved during 1942. As of January 1, 1942, this unit carried from the previous year, as pending, 116 cases not completed; as of the 31st day of December, the unit has pending 134. In addition to this figure, the unit is carrying in a special account, 101 cases where we are unable to contact the claimant due to the fact that he is in the armed forces at the present time and as we are unable to forecast for how long a period, we felt that we should include this in a special account to be cleared at some later date.

During the year 1942 we had a decided decrease in the number of cases presented for prosecution, referring only 14 to the courts for action and in these cases favorable awards were given to the Maine Unemployment Compensation Commission from which we received \$602.60 in restitution. The reason for the decline in number of prosecutions in 1942 over 1941 was due to the fact that our claim load had lessened and because of the fact that fewer people were filing for unemployment benefits, more time was taken in explaining to claimants facts surrounding unemployment compensation insurance.

Relative to the remaining 998 cases, the claimants were contacted in person and through a carefully planned educational program were explained by representatives of this unit the facts pertaining to their irregularities which we found through investigations. As these irregularities were for minor infractions against the Maine Unemployment Law, claimants were asked to make restitution and were placed in a collection file and followed up periodically. As of December 31, the department had closed 663 cases of this type handled during the year 1942; 394 claimants cleared their account by making cash restitution amounting of \$6,196.55 and 269 claimants cleared their accounts by compensating claims amounting to \$4,029.69. In addition, this unit cleared through restitution \$994.57 which represents refunds of unemployment compensation checks returned to this Commission by claimants who filed during

periods of disqualification and returned their benefit checks for cancellation. This made a total of \$11,220.74 returned by claimants as a result of investigations made by this unit.

During the year 1942 there has been much discussion between all of the states relative to the control of fraudulent claims and several studies have been completed through the Interstate Conference Committee in an endeavor to bring to the attention of each of the various states methods used in the control of misstatements. This State has assisted by furnishing information at various times to the Interstate Committee and has received many ideas of value which are now in operation with this Commission. The unit has also been called upon to assist neighboring states in completing investigations on claimants filing against their state who are residing in our State. During the year 1942, we completed 18 such investigations representing an increase of 300 percent of the previous year.

The result obtained from the operation of this unit has been catalogued into two groups; namely, fraud prevention and fraud detection. This information will be of tremendous value in the future when preparing new procedures, forms, etc. as it will be possible to incorporate from the compilation of this information, preventatives that will make the fund more theft proof.

EXPERIENCE RATING

For a period of four years charge backs to employers' accounts of all payments made to their employes for unemployment benefits have been made. On January 15, 1941, a supplement to the Commission's annual report was made to your Excellency, embodying a study of Merit Rating, later known as Experience Rating, this supplemental report was required by Section 7 (c) (2) of the Maine Unemployment Compensation Law as enacted in December 1936.

In this report recommendations were unanimously made by the Commission as follows:

“(1) Adopt experience rating in principle as part of the Maine Unemployment Compensation Law but defer its effective date until the present reserve fund is built up to a much safer margin; or,

(2) Adopt experience rating in principle and direct the

Commission to continue its study of the subject and report to the next regular legislative session as to the feasibility of adopting a system based on the cumulative benefit payment experience of at least three full years.

Either recommendation, we believe, would have two highly desirable effects, first, by encouraging employers to more fully stabilize their employment, and second, by discouraging a practice prevalent among some employers of 'rotating' their work so that employes are forced to accept lay offs and draw unemployment benefits in lieu of regularized employment.

The accomplishment of these two objectives is highly to be desired and, in our opinion, are the greatest benefits held out by any effective plan of experience rating."

A complete experience rating record has been made for every employer in the State, including contributions for the years 1936, 1937, 1938, 1939, 1940, 1941; and the unemployment benefits paid to his employes for the years 1938, 1939, 1940, 1941.

The Maine Legislature, at its regular session in 1941, appointed a Legislative Research Committee. Among other things this Committee was asked to make a study of experience rating and report their findings to the next regular session. The Committee, after an exhaustive study, has drafted a bill amending the Unemployment Compensation Law to provide for employers' contribution rates based on benefit experience. If the proposed amendment is adopted by the Legislature as submitted, it would become operative on July 1, 1943. At the present rate of contributions from the employers and benefits paid to the employes, the benefit fund should have a balance of approximately \$18,000,000.00 at the end of the second quarter of 1943. This amount would be four and a quarter times the largest amount of benefits that have been paid in any one year or six times the yearly average amount of benefits paid covering the same period.

The following table indicates what the effect on the benefit fund would have been had experience rating been in force during the year 1942 and in accord with the proposed experience law:

EXPERIENCE RATING ANALYSIS

[35]

Number of Accounts	Per cent of Total Accounts	Proposed Rate	Total Contributions 1941—2.7	Total Contributions Under Proposed Rate	Total Decrease in Contributions	Per Cent of Decrease
440	10.56%	1.5%	\$191,072.78	\$106,151.54	\$ 84,921.24	.....
637	15.28	1.8	1,266,718.09	844,478.73	422,239.36	.....
586	14.06	2.1	1,124,890.79	874,915.06	249,975.73	.....
353	8.45	2.4	765,159.87	680,142.11	85,017.76	.....
2,154	51.65	2.7	2,158,646.70	2,158,646.70	None	.....
4,170	100.00%		\$5,506,488.23	\$4,664,334.14	\$842,154.09	15.29%

Figures based on 1941 payroll of employers involved.

FISCAL DIVISION

By executive order of the President of the United States, the Employment Service Division was taken over by the Social Security Board as of January 1, 1942 under Federal supervision for the duration of the war, plus six months. This action automatically cancelled the use of all State appropriations for the period subsequent to January 1, 1942. Therefore, the appropriation of \$9,750 for the period January 1 to June 30, 1942 was transferred to the General Fund and the appropriation of \$19,500 for period July 1, 1942 to June 30, 1943 is available for transfer, which, in effect, means no State funds were used for administration of this Agency for the calendar year nineteen hundred and forty-two.

Grants received under Title III of the Social Security Act totalling \$269,997.64 to cover administrative costs of this Agency were as follows:

Social Security Board	\$250,875.40
Reallotted from prior years	19,038.63
Miscellaneous receipts	83.61

Commitments for the calendar year 1942 totalled \$256,907.21 leaving balance in the amount of \$13,090.43 available for reallocation to subsequent periods.

The ratio of cost of operations (\$256,907.21) to the net amount of contributions received (\$7,443,402.90), during the calendar year 1942 was 3.45 per cent. The ratio of cost in 1941 was 9.19 per cent and for 1940 12.02 per cent.

Employees of the Commission numbered 124 at the close of business December 31, 1942 as against 268 at the close of business December 31, 1941, the latter figure including the personnel of the employment service who were transferred to Federal supervision January 1, 1942.

All commitments were made in accordance with the rules and regulations of the State of Maine and the Federal Bureau of Employment Security. All records pertaining to the administrative accounts have been audited by representatives of the Federal Bureau of Accounts and Audits up to July 1, 1942, said accounts having been approved without exception.

A trial balance reflecting the financial position of the administrative section of this Agency, a summary of expenditures, and schedule of personnel and payrolls are submitted as part of this report.

TRIAL BALANCE

Assets

Cash	\$38,362.83
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Liabilities

Unallotted Grants	\$19,500.00
Unencumbered Allotments	13,090.43
Unliquidated Encumbrances	5,772.40

\$38,362.83

Summary

Total funds available for period January 1-December 31, 1942	\$269,997.64
Less total expenditures for period January 1-December 31, 1942	256,907.21
Funds available for reallocation	\$ 13,090.43

Grants

Social Security Board	\$250,875.40
Reallotted from prior years	19,038.63
Miscellaneous Receipts	83.61

\$269,997.64

Expenditures

January 1, 1942-December 31, 1942

Personal Service	\$187,921.83
Consumable Supplies	13,108.92
Telephone	7,547.31
Telegraph	214.30
Postage	53.96
Travel Expense	11,182.42
Transportation of Things	194.82
Advertising	141.76
Printing and Binding	27.50
Heat, Light and Water	5,165.99
Rent of Premises	24,354.41
Rent of Equipment	3,852.00
Repairs and Alterations	1,507.21
Miscellaneous	1,402.03
Equipment	232.75

\$256,907.21

Schedule of Personnel and Payrolls

For Period January 1 to December 31, 1942

Month ending	No. of Employees	Amount of Payroll
January 31	138	\$ 15,923.23
February 28	142	15,063.07
March 31	144	16,715.79
April 30	139	16,270.55
May 31	136	15,902.90
June 30	128	15,780.00
July 31	128	15,804.39
August 31	126	14,883.58
September 30	141	15,935.96
October 31	138	16,130.22
November 30	127	14,800.68
December 31	124	14,711.46
		\$187,921.83

Net contributions applicable to 1942 received during the year totaled \$5,790,555.39 as against net contributions received during 1941 totaling \$3,861,547.93 applicable to that year resulting in an increase of \$1,929,007.46. The foregoing items actually reflect contributions for a period of only nine months as the contributions for the final quarter of any calendar year are not payable or collected until the end of the first month of the following calendar year.

The total contributions and interest received during 1942, applicable to years 1936 to 1942, inclusive, totaled \$7,448,402.90 as against contributions and interest received during 1941, applicable to years 1936 to 1941, totaling \$5,008,384.41, showing an increase for 1942 of \$2,440,018.49.

We are submitting as part of this report, a statement reflecting the condition of the compensation fund as of the close of business December 31, 1942.

Assets

Unemployment Compensation Clearing Account		\$13,035.09
Trust Fund in U. S. Treasury		14,029,905.36
Benefit Payment Account		15,331.32
Contributions Receivable		
Dishonored checks	327.78	
Delinquent employers	95,810.32	
Underpayment-Contributions	11,597.13	
Interest and Penalties	8,709.67	116,444.90
		\$14,174,716.67

Liabilities

Contributions overpaid	\$1,151.11
Interest and Penalties overpaid	58.57
Benefits Account (Amount available for benefit-payments)	14,051,580.59
Reserve for unclaimed and unredeemed benefit checks	5,481.50
Suspense Account (unrealized contributions)	116,444.90
	<hr/>
	\$14,174,716.67