

### III. Employment Since 1950: Longer-Run Trends

I turn now to a consideration of trends and variations in employment. I should like to comment first on the longer-run trends of the last decade before turning to more recent developments. Employment has, of course, increased substantially since 1950. A million more people are at work this year. At the same time there have been important shifts in the industrial composition of employment. In 1950 twenty out of every hundred people who had civilian jobs were working in agriculture. Another four were engaged in the other primary industries. Manufacturing accounted for twenty-seven and construction for seven. Altogether, fifty-eight percent of civilian workers were engaged in the production of goods. The remaining forty-two percent were to be found in industries producing services. This group includes transportation, communication, public utilities, retail and wholesale trade, and finance. It includes private professional practices, such as those in the legal and medical fields. It includes hotels, restaurants, theatres, barbershops, laundries, and so on. Finally, it includes community service establishments, such as schools and hospitals, as well as the departments of government at all levels. Such, then, was the distribution at the beginning of the last decade—fifty-eight percent in goods-producing industries, forty-two percent in service-producing industries. By the end of the 1950's the pattern had changed markedly.

Table 9

The Percentage Distribution of Employment by Industrial Groups:  
1950 and 1959

	1950 %	1959 %
<b>I. Goods—Producing Industries</b>		
Agriculture .....	20.4	11.8
Other Primary .....	3.9	3.4
Manufacturing .....	26.6	25.5
Construction .....	6.7	7.6
Total .....	57.6	48.3
<b>II. Service—Producing Industries</b>		
Government and Community Service .....	10.7	14.4
Other .....	31.7	37.3
Total .....	42.2	51.7
<b>TOTAL, ALL INDUSTRIES</b> .....	<u>100.0</u>	<u>100.0</u>

Agriculture's share had fallen to twelve percent and there had been declines in some of the other primary industries. Manufacturing's share had dropped a little. There had been gains in the construction industry, but in the aggregate the goods-producing group now accounted for less than half of civilian employment. The service-producing industries had increased their share from forty-two percent to fifty-two percent, a very considerable shift in such a short period of time.

It is convenient to classify industries into four groups: those in which there was a "rapidly rising" employment trend (I shall refer to these as the "A" group); those in which there was a "moderately rising" trend (the "B" group); those in which there was little or no trend in either direction (the "C" group); and those in which there was a significant downward trend (the "D" group). A classification of this kind is provided in Table 10. The classification, although not exhaustive, includes most of the major industries. Any industry in which there was an increasing employment trend of two and one-half percent per year or more was placed in the "A" group. If the rate of increase was between one-half and two and one-half percent the industry was