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FEDERAL WORKS AGENCY WORK PROJECTS ADMINISTRATION

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JULY UNEMPLOYMENT 5,600,000 AS EMPLOYMENT GROWS FASTER THAN LABOR FORCE

Unemployment totaled 5,600,000 in July, a decline of 300,000 from June, according to a monthly report of the Work Projects Administration made public today for the first time by Assistant WPA Commissioner Corrington Gill.

The drop in unemployment was considerably less than the rise in employment between the two months. A seasonal expansion in the size of the labor force acted as a partial offset to an increase of 600,000 in employment in July. The total labor force of the nation in July was placed by the WPA report at 56,000,000 and employment at 50,400,000.

Clearly reflecting the rising tempo of industrial activity during the past 12 months, the WPA report shows a decline of nearly 4,000,000 in unemployment between July, 1940, and July of this year, and a drop of 2,000,000 since January, 1941. The largest changes during any of the past 12 months occurred between April and May of this year, when a reduction of nearly 1,000,000 was reported.

Although a large part of the changes that occurred in employment, unemployment and the labor force in July were described in the report as "essentially seasonal in character," they serve to illustrate the rapid changes that take place month to month in the nation's labor force. Between March and July of the year, the labor force alone showed an increase of 3,600,000 persons.

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Seasonal changes in employment, although modified by pressure to expand defense industry, also are illustrated in the monthly reports. Employment rose 2,700,000 from July, 1940, to July, 1941, or from a total of 47,700,000 to 50,400,000, but seasonal influences brought a decline in the winter, and a low of 45.200,000 was reached in January.

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"There is only one way of getting an accurate picture of the rapidly changing unemployment situation today," Mr. Gill pointed out, "and that is by personal interview with a representative cross-section of America's work force. Each month we get a direct report from the workers themselves, and therefore our figures are not affected, as are all other current estimates of unemployment, by assumption as to how many workers there are."

Initiated early in 1940 under the direction of Howard B. Myers, Director of the WPA Division of Research, the system was in full operation by April, 1940, when the decennial census was conducted, and employed the same definitions as the Bureau of the Census. Although both the census and WPA figures on employment and unemployment were based on different national samples, the agreement of results was striking. After repeated tests revealed the accuracy of the WPA surveys, publication of the monthly series was authorized.

(A table from the monthly report, covering April, 1940, to July, 1941, is attached. The complete report is available on request.)

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Month and Year	Labor Force		Employment		Unemployment	
	As a per- cent of the popu- lation 14 years and older <u>1</u> /	In millions of persons	As a per- cent of the popu- lation 14 years and older $\underline{1}/$	In millions of persons	As a per- cent of the popu- lation 14 years and older <u>1</u> /	In million of persons
1940						
April	54.3	53.9	45.4	45.1	8.9	8.8
May	55.0	54.7	46.5	46.3	8.5	8.4
June	56.6	56.3	47.2	47.7	8.7	8.6
July	57.3	57.0	47.9	47.7	9.4	9.3
August	57.0	56.7	43.0	47.8	9.0	8.9
September	55.4	55.2	48.3	48.1	7.1	7.1
October	55.1	54.8	47.6	47.4	7.5	7.4
November	54.0	53.9	46.4	46.3	7.6	7.6
December	53.4	53.2	46.3	46.1	7.1	7.1
1941						
January	53.0	52.8	45.4	45.2	7.6	7.6
February	52.8	52.7	45.6	45.5	7.2	7.2
March	52.6	52.4 .	45.8	45.6	6.8	6.8
April	53.7	53.3	47.0	46.7	6.7	6.6
May	54.4	54.0	48.7	48.3	5.7	5.7
June	56.2	55.7	50.2	49.8	6.0	5.9
July	56.5	56.0	50.9	50.4	5.6	5.6

Absolute and Percentage Estimates of the Labor Force, Employment and Unemployment April 1940 to July 1941

1/ Excludes institutional population, and estimated number of persons in the armed forces.