

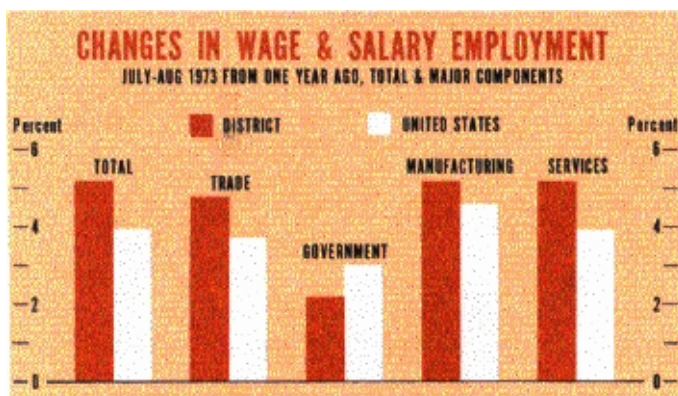
*Outgoing 10-18-73*

**Montana**  
**North Dakota**  
**South Dakota**  
**Minnesota**  
**Northwestern Wisconsin**  
**Upper Michigan**

## **NINTH DISTRICT CONDITIONS** **federal reserve bank of minneapolis**

### **LABOR: Skilled Workers Hard to Find**

According to the data, district business activity has expanded significantly over the past year. Wage and salary employment grew 5.2 percent from a year earlier in July and August, as new workers were added to manufacturing, trade and service industry payrolls.



But the data tend to be somewhat misleading. When adjusted for the labor disputes that depressed third quarter district construction and transportation employment last year, district employment growth was probably closer to the 3.9 percent increase nationally.

Even this adjustment does not tell the whole story. Despite substantial year-to-year gains, employment growth has actually slowed in recent months. District employment increased very rapidly between the fourth quarter of 1972 and the first of this year but has not changed much since then. National wage and salary employment, seasonally adjusted, was up only 0.5 percent from the second quarter in July and August after gains of 0.9 and 1.1 percent, respectively, in the two preceding quarters.

Some slowing had been expected in the district between the first and second quarters. Since the seasonal drop in employment was less than usual in early 1973, employment gains in the first quarter were extremely large and hard to match. Nevertheless, the seasonal rise in district payrolls between the second quarter and July and August was smaller than normal. Employment in Minnesota's food processing industries, for example, was down from a year ago, and no

gains occurred in district construction industries.

To keep the employment situation in perspective, it should be noted that some of this slowing is probably due to a shortage of trained or skilled workers, particularly in durable goods industries. Labor market indicators like help wanted advertising and job vacancy statistics show that employers are still looking for workers.

The district's unemployment rate reflects the hiring slowdown of recent months. Although unemployment in July and August was 11 percent lower than a year ago, most of the 16,000 new jobs this figure represents were added in early 1973. The unemployment rate itself has jumped around over the last 12 months: unemployment, seasonally adjusted, fell sharply from 5.6 percent in the fourth quarter of 1972 to 5.0 percent in the first quarter of 1973 and 4.8 percent in the second. It then rose in July and August to 5.1 percent.

No major fourth quarter developments are expected to spur district employment growth. The shortage of skilled workers and capacity constraints will hold down hirings, especially in durable goods manufacturing. Nondurable goods employment, however, may increase as the food and kindred products industry recovers from the price freeze. No exceptional advances in trade, service or government employment are foreseen, and an anticipated softening in residential construction will rule out gains in construction employment. Consequently, the district's unemployment rate will probably remain at about 5.0 percent in the fourth quarter.

### **CONSUMERS: Gas Shortage Affects Spending**

Ninth District consumers continued to spend freely in the late summer and early fall, using installment credit to finance many of their purchases.

District retail stores surveyed by our bank reported that summer sales were as much as 10 percent higher than last year. Several stores reported, though, that almost half of their sales increase was due to higher prices, and a few noted that sales receipts have tapered off in recent weeks. Apparently none of the

stores surveyed have moved to restrict installment purchases.

Vehicle sales continued to rise strongly throughout the summer, departing from the usual pattern of slower sales in the months before the new models come out. Small cars and trucks were the biggest sellers. The highly publicized gasoline shortage was generally credited with spurring sales of small cars and also with holding down sales of intermediate and large models. The reported 20 to 50 percent increases in truck sales were attributed to sharply higher farm incomes.

Both commercial banks and specialized auto finance companies raised interest rates on auto installment loans by as much as 1 percent in the last few months, with little or no impact on the volume of loan demand.

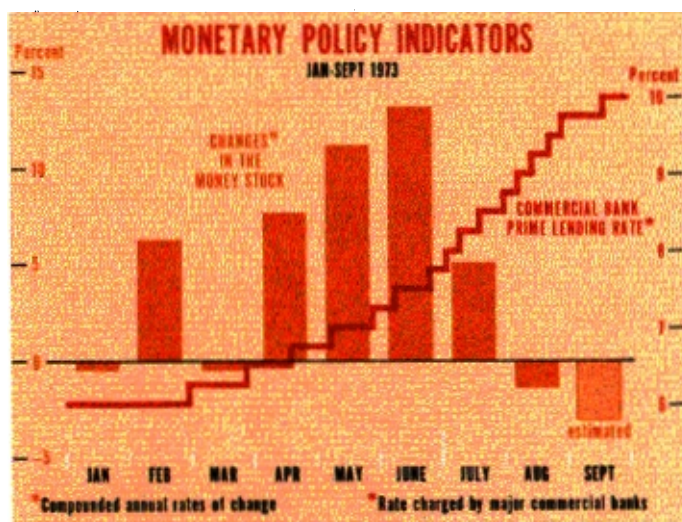
Most resort owners surveyed reported "good to excellent" business this summer. Year-round resorts were anticipating more reservations than usual for fall hunting and winter sports. Several resort owners did report that they were adversely affected by rumors of a gasoline shortage this summer. They complained that many out-of-state tourists cancelled reservations, fearing that gasoline shortages would prevent them from either reaching the resort area or returning home. These cancellations were largely offset, however, by increases in tourists from the surrounding neighborhood, many of whom were also afraid to travel long distances. Only a few resort owners mentioned gasoline rationing in their immediate areas.

According to a selected panel of district member banks, consumer installment credit extended this summer continued to rise faster in the district than in the nation. During May, June and July, total consumer installment credit in the district was up 13 percent from the three preceding months, compared with a 5.5 percent increase nationally. District installment loans to finance mobile homes and other consumer goods have risen sharply over the last year.

A survey of nonbank consumer financial institutions indicated little change in interest rates during the summer since they were already at legal maximums. These organizations also reported "unchanged to substantially higher" volumes of loan demand over the past year.

## FINANCE: Money Tightens, but Loans Grow

The Federal Reserve's restrictive monetary posture of the past few months appears to be taking effect: growth of the money supply almost stopped completely and interest rates peaked at record levels in September. During a two-month period ending in early September, the nation's money stock increased at an annual rate of only 0.9 percent, well under the 5.9 percent expansion rate for the year.

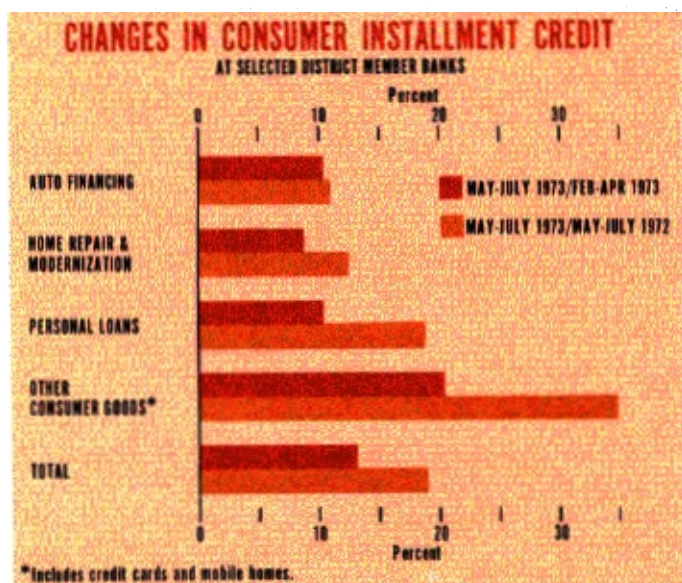


At the same time, interest rates continued their record-breaking climb. Many large commercial banks, including several in the Ninth District, boosted their prime lending rate to 10 percent in September. The more recent announcement of a slightly lower rate at a few banks is the first reversal in the series of almost weekly upward revisions since early spring.

## New CDs Attract Deposits

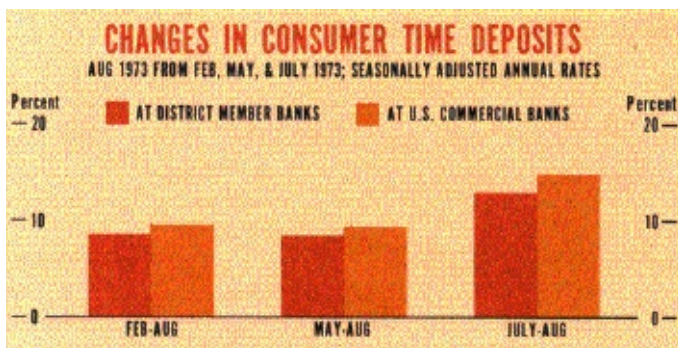
Commercial banks have generally remained competitive with securities markets in the quest for funds. Savings at district member banks increased more rapidly in July and August than in earlier months.

Two midsummer actions by the Board of Governors of the Federal Reserve System made savings and time deposits more attractive investments for consumers. Effective July 1, maximum permissible rates paid on most savings and time deposits were raised. Simultaneously, banks were permitted to make available to the public the new four-year, unlimited interest certificates of deposit known as "wild-card" certificates. Shortly after these changes, withdrawal provisions were modified to permit withdrawal of various time deposits before the stated maturity date, subject to forfeiture of some interest. Despite the penalty, this move eliminated some of the risk for the





saver by making longer-term CDs more easily convertible to cash.



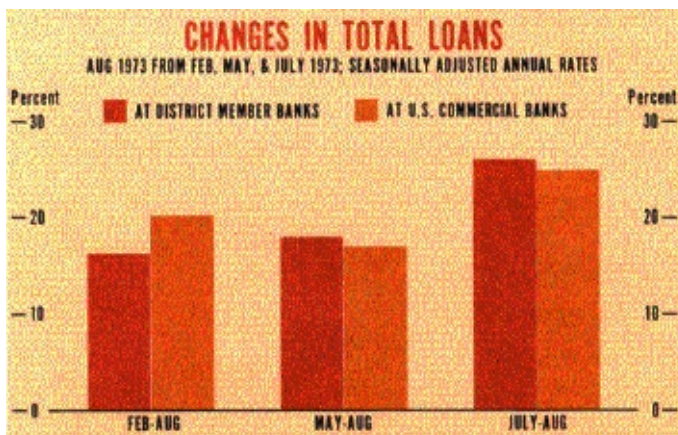
The resulting shift of funds into time and savings deposits was so rapid that it threatened a larger increase in bank credit than monetary authorities intended. Since commercial banks are required to retain only a small part of such deposits as reserves to meet unexpected withdrawals (currently 5 percent), the rest can be loaned out.

To counteract the expansionary potential of time and savings deposit growth, including certificates of deposit, the Federal Reserve effected two measures designed to reduce the supply of CDs. The first one restricted a commercial bank's holding of the very popular "wild-card" CDs to 5 percent of the bank's total time and savings deposits. And the second, effective the week of October 4-10, raised the reserve requirement on large CDs issued since May 16 from 8 to 11 percent. Although these measures alone will not reduce the attractiveness of CDs to purchasers, they should inhibit banks' aggressiveness in seeking funds from this source.

Congress also responded recently to the use of this new competitive device: legislation was enacted which requires rate ceilings on all consumer-type deposits, including "wild-cards."

### Loans Respond to Deposit Growth

Lending by district member banks increased at a 26 percent seasonally adjusted annual rate from July to August, well above the February-to-August rate of 16 percent. The local increase was comparable to the 25 percent rate for the nation as a whole. This surge



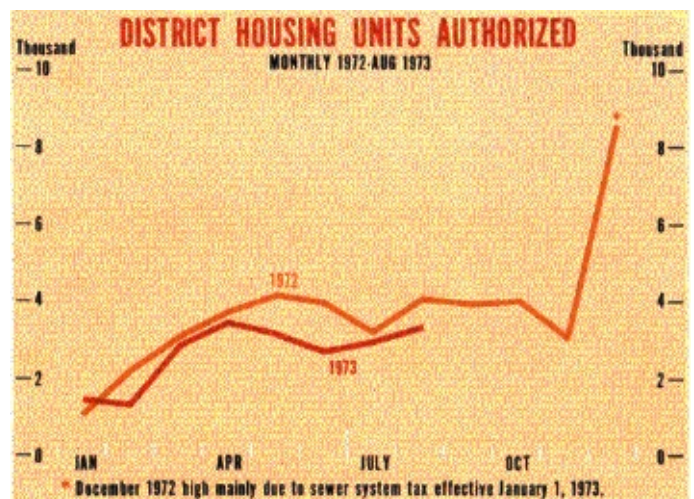
in lending no doubt represents a response to the increased availability of loan funds. If Federal Reserve policy has the desired effect, however, loan growth should moderate.

### CONSTRUCTION: Permits Fall 4% in August

Residential construction continues to soften. New housing permits issued in the district averaged only 1,866 units per month in the first quarter of 1973, compared to 2,155 units last year, for a decline of 13 percent. In the second quarter, permits for 3,091 units were authorized, but this was an even larger drop of 22 percent from a year ago. Authorizations in July and August averaged 3,121 units, yet another 14 percent setback.

The housing industry is experiencing declines throughout the nation. New private housing authorizations nationally grew at a seasonally adjusted annual rate of 2.4 million units in December 1972. But by July, the rate had slipped to 1.8 million units, its lowest since April 1971.

Unadjusted housing starts in the nation, which peaked at 234,000 units in May, slipped to 202,000 units in July. It should be remembered, though, that housing is coming off a tremendous boom. The July figure is still above monthly starts for January, February and March and the average monthly figures for 1972, the year a record total of 2.4 million units were started.



However, since starts lag slightly behind permits, and since permits declined a dramatic 4 percent in August, less homebuilding activity is likely in the months ahead. The continued shortage of home mortgage money will probably exacerbate the homebuilding situation.

As far as building costs are concerned, the Department of Commerce's construction cost index continued to climb during the first half of the year, standing at 149 in June (1967=100). Compared to 138 a year ago, this represents an increase of 8 percent. Wholesale lumber prices appear to be receding from the peak reached in May, but they are still 28 percent higher than last year.



# NINTH DISTRICT income and finance

I N D I C A T O R	UNIT	1973			1972	Percent Change	
		SEPTEMBER	AUGUST	JULY	AUGUST	AUG.-AUG.	
MEASURES OF CONSUMER INCOME & FINANCIAL POSITION	Total Personal Income *						
	Nonagricultural Personal Income *						
	Average Weekly Earnings in Manufacturing <sup>1</sup>	Dollars	n.a.	168.62e	169.75p	160.94	+ 4.8
	Consumer Installment Credit Outstanding <sup>2</sup>	Million \$	n.a.	1,995	1,963	1,662	+20.0
	Time and Savings Deposits at Member Banks	Million \$	8,297	8,319	8,141	7,024	+18.4
	Savings Balances at Savings & Loan Assoc. <sup>3</sup>	Million \$	n.a.	5,554	5,556	4,939	+12.5
	Cash Farm Receipts <sup>3</sup>	Million \$	n.a.	860	488	440	+95.5
MEASURES OF FINANCIAL CONDITION OF MEMBER BANKS	CITY BANKS <sup>4,5</sup>						
	Adjusted Loans and Discounts <sup>6</sup>	Million \$	3,917	3,897	3,853	3,078	+26.6
	Commercial and Industrial Loans	Million \$	1,780	1,780	1,783	1,372	+29.7
	Real Estate Loans	Million \$	690	678	659	585	+15.9
	Gross Demand Deposits	Million \$	2,129	2,042	2,065	2,031	+ 0.5
	Time Deposits	Million \$	2,455	2,504	2,377	1,929	+29.8
	U.S. Government Securities	Million \$	358	354	399	405	-12.6
	Other Securities	Million \$	895	922	832	731	+26.1
	COUNTRY BANKS <sup>4,7</sup>						
	Loans and Discounts	Million \$	5,788	5,778	5,693	4,882	+18.4
	Gross Demand Deposits	Million \$	2,897	2,847	2,816	2,550	+11.6
	Time Deposits	Million \$	5,841	5,813	5,763	5,096	+14.1
	U.S. Government Securities	Million \$	1,018	1,011	1,033	1,129	-10.5
	Other Securities	Million \$	1,888	1,860	1,810	1,575	+18.1
MEASURES OF RESERVE POSITION AND "LIQUIDITY" OF MEMBER BANKS	Total Reserves <sup>8</sup>	Million \$	783	767	751	801	- 4.2
	Required Reserves	Million \$	778	762	745	797	- 4.4
	Excess Reserves	Million \$	5	5	6	4	+25.0
	Borrowings from FRB	Million \$	31	38	29	3	+1,166.7
	Ratio of Loans to Total Deposits—City Banks <sup>4</sup>	Percent	86.9	87.6	89.0	78.4	+11.7
	Ratio of Loans to Total Deposits—Country Banks <sup>4</sup>	Percent	66.2	66.7	66.2	63.8	+ 4.5
MEASURES OF PRICE LEVELS	Consumer Price Index—Minneapolis <sup>9,10</sup>	Index	n.a.	n.a.	133.1	n.a.	
	Prices Received by Farmers—Minnesota <sup>9</sup>	Index	200	231	182	127	+81.9

## NOTES

- e—Partially estimated; not all data available  
n.a.—Not available  
p—Preliminary; subject to revision  
r—Revised  
sa—Seasonally adjusted  
\*—District and U.S. data not comparable  
saar—Seasonally adjusted annual rate

## FOOTNOTES

- Excluding Northwestern Wisconsin
- All commercial banks; estimated by sample
- Excluding Northwestern Wisconsin and Upper Michigan
- Last Wednesday of the month figures
- Selected banks in major cities
- Net loans and discounts less loans to domestic commercial city banks
- All member banks, excluding the selected major city banks
- Average of daily figures of the four or five weeks ending on Wednesday which contain at least four days falling within the month
- Index: 1967 Base Period
- Quarterly

# UNITED STATES income and finance

Percent Change AUG.-AUG.	1973			1972	UNIT	I N D I C A T O R	
	SEPTEMBER	AUGUST	JULY	AUGUST			
+10.7	n.a.	1,045.7p	1,035.1	944.4	Billion \$, saar	Total Personal Income	MEASURES OF CONSUMER INCOME & FINANCIAL POSITION
+10.3	n.a.	1,011.6p	1,001.8	917.3	Billion \$, saar	Nonagricultural Personal Income	
+ 7.1	n.a.	165.24p	165.24	154.28	Dollars	Average Weekly Earnings in Manufacturing	
+16.7	n.a.	67.4	66.1	56.8	Billion \$	Consumer Installment Credit Outstanding <sup>2</sup>	
+19.4	n.a.	278.5	270.5	233.2	Billion \$	Time and Savings Deposits at Member Banks	
+12.3	n.a.	220.8	222.0	196.6	Billion \$	Savings Balances at Savings & Loan Assoc.	
+54.2	n.a.	7.4	6.2	4.8	Billion \$	Cash Farm Receipts	
+24.4	n.a.	256.8	253.8	206.4	Billion \$	CITY BANKS <sup>4,5</sup>	MEASURES OF FINANCIAL CONDITION OF MEMBER BANKS
+25.8	n.a.	106.9	106.9	85.0	Billion \$	Adjusted Loans and Discounts <sup>6</sup>	
+19.6	n.a.	51.9	50.9	43.4	Billion \$	Commercial and Industrial Loans	
+ 2.2	n.a.	143.5	151.0	140.4	Billion \$	Real Estate Loans	
+22.7	n.a.	190.8	183.8	155.5	Billion \$	Gross Demand Deposits	
-14.0	n.a.	22.1	22.7	25.7	Billion \$	Time Deposits	
+ 3.7	n.a.	56.4	56.0	54.4	Billion \$	U.S. Government Securities	
						Other Securities	
+36.2	n.a.	109.1	92.7	80.1	Billion \$	COUNTRY BANKS <sup>4,7</sup>	
+ 5.8	n.a.	56.2	56.9	53.1	Billion \$	Loans and Discounts	
+13.0	n.a.	87.7	86.7	77.6	Billion \$	Gross Demand Deposits	
- 5.8	n.a.	16.1	16.6	17.1	Billion \$	Time Deposits	
+10.5	n.a.	33.6	33.1	30.4	Billion \$	U.S. Government Securities	
						Other Securities	
+ 1.8	n.a.	33,670	33,487	33,065	Million \$	Total Reserves <sup>8</sup>	MEASURES OF RESERVE POSITION AND "LIQUIDITY" OF MEMBER BANKS
+ 1.9	n.a.	33,531	33,166	32,902	Million \$	Required Reserves	
-14.7	n.a.	139	321	163	Million \$	Excess Reserves	
+475.9	n.a.	2,154	1,996	374	Million \$	Borrowings from FRB	
+10.6	n.a.	81.4	80.1	73.6	Percent	Ratio of Loans to Total Deposits—City Banks <sup>4</sup>	
+ 6.2	n.a.	65.1	64.5	61.3	Percent	Ratio of Loans to Total Deposits—Country Banks <sup>4</sup>	
+ 7.5	n.a.	135.1	132.7	125.7	Index	Consumer Price Index <sup>9</sup>	MEASURES OF PRICE LEVELS
+61.7	191	207	172	128	Index	Prices Received by Farmers <sup>9</sup>	

## SOURCES

PERSONAL INCOME: U.S. Department of Commerce, Bureau of Economic Analysis

AVERAGE WEEKLY EARNINGS: Michigan, Minnesota, Montana, North Dakota, and South Dakota Employment Security Departments; U.S. Department of Labor, Bureau of Labor Statistics

COMMERCIAL BANK FINANCIAL DATA: Federal Reserve Bank of Minneapolis; Board of Governors of Federal Reserve System

SAVINGS AND LOAN DATA: Federal Home Loan Bank Board

CASH RECEIPTS FROM FARM MARKETINGS: U.S. Department of Agriculture

CONSUMER PRICE INDEX: U.S. Department of Labor, Bureau of Labor Statistics

PRICES RECEIVED BY FARMERS: U.S. Department of Agriculture; Minnesota Farm Price Report



# NINTH DISTRICT production and employment

I N D I C A T O R		UNIT	1973		1972	Percent Change AUG. -AUG.
			AUGUST	JULY	AUGUST	
MEASURES OF PRODUCTION AND FACTOR INPUTS TO PRODUCTION	Total Industrial Production*					
	Electrical Energy Consumption: Mfg. and Mining	Index, sa	145	149	135	+ 7.4
	Production Worker Manhours: <sup>1</sup>	Index, sa	n.a.	107p	100	
	Manufacturing	Index, sa	n.a.	108p	103	
	Mining	Index, sa	n.a.	100p	80	
	Total Construction Contracts Awarded	Million \$, sa	n.a.	282.8	205.5	
	Residential Buildings	Million \$, sa	n.a.	112.1	79.1	
	Nonresidential Buildings	Million \$, sa	n.a.	110.1	49.6	
	All Other Construction	Million \$, sa	n.a.	60.6	76.8	
	Bldg. Permits: New Housing Units <sup>2</sup>	Number	3,296	2,947	4,070	-19.0
MEASURES OF MANPOWER UTILIZATION	Civilian Work Force <sup>3</sup>	Thousands, sa	2,709p	2,690	2,642	+ 2.5
	Total Civilian Employment	Thousands, sa	2,571p	2,554	2,488	+ 3.3
	Number Unemployed	Thousands, sa	138p	136	154	-10.4
	Unemployment Rate <sup>3</sup>	Percent, sa	5.1p	5.1	5.9	-13.6
	Average Weekly Hours in Manufacturing <sup>3</sup>	Hours, sa	41.0e	41.3p	41.1	- 0.2
	EMPLOYMENT BY INDUSTRY SECTOR	Wage and Salary Employment, Nonfarm <sup>3</sup>	Thousands, sa	2,088p	2,081	1,997
Manufacturing		Thousands, sa	393p	394	374	+ 5.1
Mining		Thousands, sa	31p	31	26	+19.2
Construction		Thousands, sa	97p	98	96	+10.4
Transport., Comm., & Public Utilities		Thousands, sa	136p	136	129	+ 5.4
Trade		Thousands, sa	519p	516	494	+ 5.1
Finance, Insurance & Real Estate		Thousands, sa	97p	96	94	+ 3.2
Service Industries		Thousands, sa	375p	373	355	+ 5.6
Government		Thousands, sa	440p	437	429	+ 2.6
MEASURES OF SPENDING		Total Retail Sales*	Thousands, sa	n.a.	n.a.	n.a.
	New Passenger Car Registrations	Billion \$, saar	n.a.	278.8	210.7	
	Bank Debits <sup>4</sup>					

## NOTES

- e—Partially estimated; not all data available  
n.a.—Not available  
p—Preliminary; subject to revision  
r—Revised  
sa—Seasonally adjusted  
\*—District and U.S. data not comparable  
saar—Seasonally adjusted annual rate

## FOOTNOTES

1. Index: 1967 Base Period; Weights: 1967
2. A sample of permit-issuing centers
3. Excluding Northwestern Wisconsin
4. Six standard metropolitan statistical areas
5. A sample of centers blown up to represent total permits issued
6. 226 standard metropolitan statistical areas, excluding the seven leading centers

# UNITED STATES production and employment

Percent Change AUG. -AUG.	1973		1972	UNIT	I N D I C A T O R	
	AUGUST	JULY	AUGUST			
+ 8.5	126.2p	126.5	116.3	Index, sa	Total Industrial Production	MEASURES OF PRODUCTION AND FACTOR INPUTS TO PRODUCTION
+ 5.2	102p	103p	97	Index, sa	Electrical Energy Consumption: Mfg. and Mining*	
+ 5.2	102p	102p	97	Index, sa	Production Worker Manhours: <sup>1</sup>	
+11.5	107p	105p	96	Index, sa	Manufacturing	
					Mining	
+17.4	9,283.1	8,254.6	7,907.3	Million \$, sa	Total Construction Contracts Awarded	
- 8.2	3,782.8	3,758.0	4,121.6	Million \$, sa	Residential Buildings	
+33.2	3,026.1	2,574.0	2,271.7	Million \$, sa	Nonresidential Buildings	
+63.4	2,474.2	1,922.6	1,514.0	Million \$, sa	All Other Construction	MEASURES OF MANPOWER UTILIZATION
	n.a.	n.a.	208.5	Thousands	Bldg. Permits: New Housing Units <sup>5</sup>	
+ 2.0	88,651p	88,810	86,941	Thousands, sa	Civilian Work Force	
+ 2.9	84,434p	84,614	82,061	Thousands, sa	Total Civilian Employment	
-13.6	4,217p	4,196	4,880	Thousands, sa	Number Unemployed	
-14.3	4.8p	4.7	5.6	Percent, sa	Unemployment Rate	
- 0.2	40.5p	40.8	40.6	Hours, sa	Average Weekly Hours in Manufacturing	
+ 3.8	75,807p	75,515	73,037	Thousands, sa	Wage and Salary Employment, Nonfarm	EMPLOYMENT BY INDUSTRY SECTOR
+ 4.4	19,811p	19,798	18,975	Thousands, sa	Manufacturing	
+ 5.0	633p	631	603	Thousands, sa	Mining	
+ 4.1	3,688p	3,679	3,544	Thousands, sa	Construction	
+ 2.8	4,614p	4,599	4,487	Thousands, sa	Transport., Comm., & Public Utilities	
+ 3.7	16,346p	16,273	15,762	Thousands, sa	Trade	
+ 3.2	4,066p	4,047	3,940	Thousands, sa	Finance, Insurance & Real Estate	
+ 4.2	12,921p	12,831	12,403	Thousands, sa	Service Industries	
+ 3.0	13,728p	13,657	13,323	Thousands, sa	Government	MEASURES OF SPENDING
+12.4	42.7p	42.7	38.0	Million \$, sa	Total Retail Sales	
	n.a.	1,023.5	905.7	Thousands, sa	New Passenger Car Registrations	
	n.a.	5,555.1	4,584.6	Billion \$, saar	Bank Debits <sup>6</sup>	

## SOURCES

INDUSTRIAL PRODUCTION: Board of Governors of Federal Reserve System

ELECTRICAL ENERGY CONSUMPTION: Federal Reserve Bank of Minneapolis

PRODUCTION WORKER MANHOURS: Federal Reserve Bank of Minneapolis

CONSTRUCTION CONTRACTS AWARDED: Board of Governors of Federal Reserve System; F. W. Dodge Corporation

NEW HOUSING UNITS AUTHORIZED: Federal Reserve Bank of Minneapolis; U.S. Department of Commerce, Bureau of Census

EMPLOYMENT, UNEMPLOYMENT, AND HOURS: Michigan, Minnesota, Montana, North Dakota, and South Dakota Employment Security Departments; U.S. Department of Labor, Bureau of Labor Statistics

RETAIL SALES: U.S. Department of Commerce, Bureau of Census

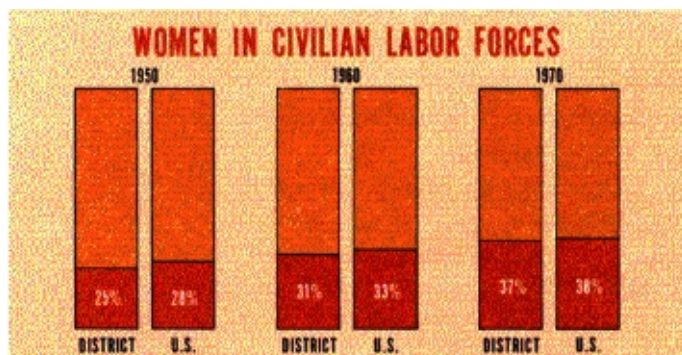
NEW PASSENGER CAR REGISTRATIONS: Automotive News Magazine

BANK DEBITS: Board of Governors of Federal Reserve System



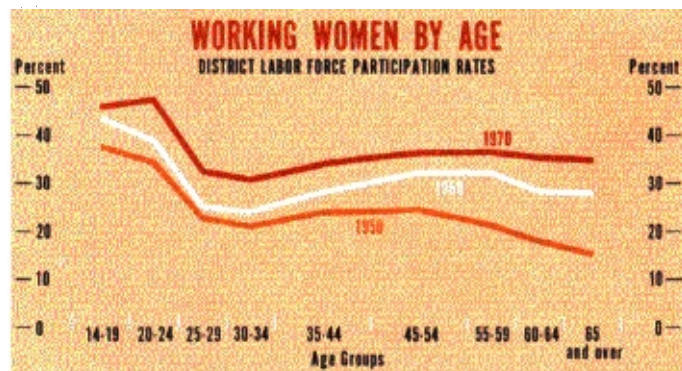
# WOMEN IN THE DISTRICT'S LABOR FORCE

The Women's Movement has focused considerable attention on women's economic status in this country. To find out how women fare in the Ninth District,\* we've charted their participation in the labor force from 1950 to 1970.



## Who Are They?

Between 1950 and 1970, women—particularly married women—accounted for just about all the district's labor force growth. By 1970, the number of married women working had increased from 19 to 40 percent of all married women.

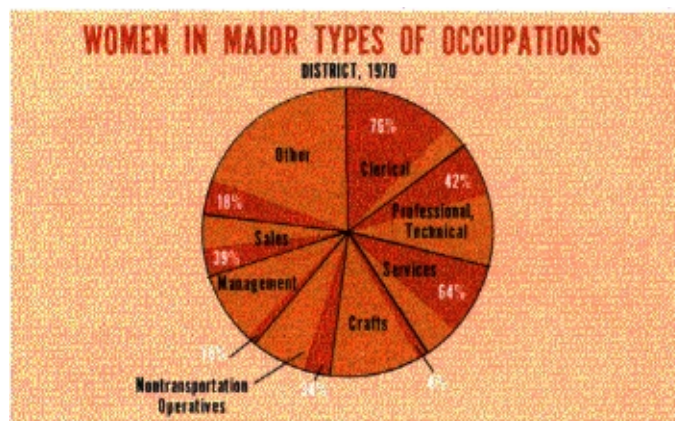


But not only were most of the new women workers married, many of them were also young—between 20 and 44. This combination has noticeably altered the composition of the labor force, for until the sixties, most working wives were past their child-rearing years.

What happened to draw all these young married women into the business world? Apparently a number of sociological factors—women stayed in school longer and had fewer babies—and economic factors—women wishing to augment family incomes could find better jobs than before—combined to make careers for women both possible and attractive.

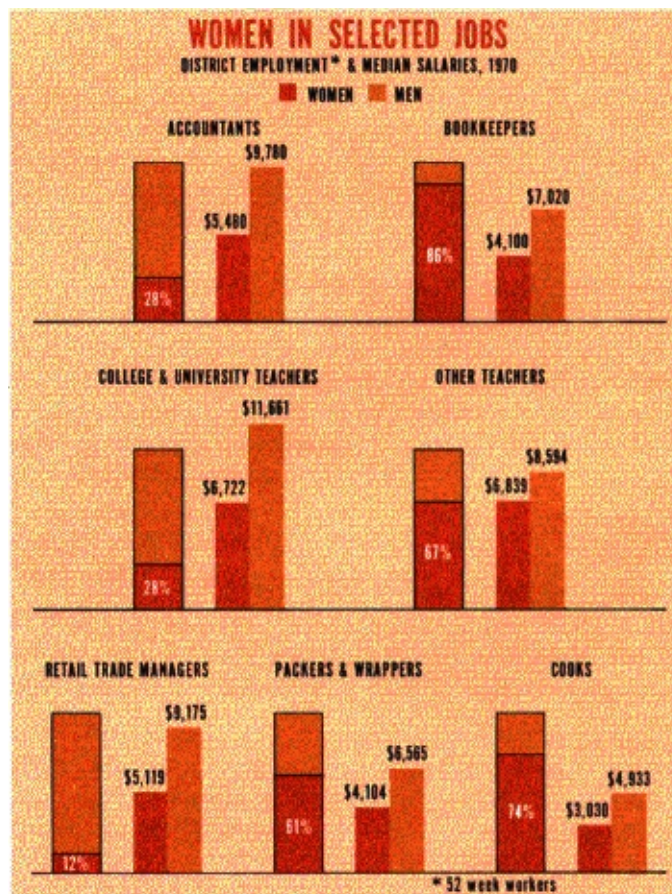
## What Do They Do?

District statistics seem to indicate, however, that there is still a difference between "men's work" and "women's work." Jobs traditionally filled by women—teachers, nurses and clerical workers—are still dominated by women, while the more professional and better paying jobs—professors, doctors and managers—are still filled mostly by men.



## How Much Are They Paid?

As might be expected, therefore, women's incomes are considerably below men's. This disparity appears even in comparable occupations because men tend to have more work experience than women of the same age. (Even today, few men interrupt their careers to bring up their children.) These income differences probably also reflect discrimination, which is very hard to measure.



The Bureau of Labor Statistics estimates that women's participation in the labor force will continue to increase, but not as rapidly as in the fifties and sixties. Unfortunately, though, it will be some time before the statistics show that women have achieved economic equality.

\*For this article: Minnesota, Montana, North and South Dakota.



News Release

Highlights of October  
Ninth District Conditions

WOMEN WORKERS NOT YET EQUAL

(10/18/73) A recent article by the Federal Reserve Bank of Minneapolis traces women's participation in this area's economy from 1950 to 1970. It concludes that although women accounted for just about all the labor force growth during this period, they have not yet achieved economic equality.

By 1970, 37 percent of all workers and job seekers in Minnesota, Montana, North and South Dakota were women. Most of the women entering the labor were married, and many were young--between the ages of 20 and 44. The presence of young, married women in the labor force is new, for until the sixties, most working women were either single or past their child-rearing years.

What happened to draw these women into the business world? According to the Fed's report, a number of sociological and economic factors combined to make careers for women both possible and attractive. Women not only stayed in school longer and had fewer babies, but apparently they were able to choose from a wider selection of jobs than in the past.

Despite their progress, however, few women have crossed the line dividing "men's work" and "women's work." Jobs traditionally filled by women--teachers, nurses and clerical workers--are still dominated by women, while the more professional and better paying jobs--professors, doctors and managers--are still filled mostly by men.

One result of this de facto job segregation is that women's incomes are considerably below men's. But even in comparable occupations gross income



disparities exist. The median salary for women bookkeepers in 1970, for example, was \$4,100, compared to \$7,020 for their male counterparts. The salary differential is even greater in professions such as accounting and university teaching that are almost 75 percent filled by men.

The Fed explained that these differences arise partly because men tend to start their careers younger and pursue them without interruption. Even today, few men drop out of the labor force to raise children. But these figures also reflect sex discrimination which, the Fed admits, is very hard to measure.