

Unemployment rate stable for now

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SANTA CRUZ — The unemployment rate fell less than half a percent to 6.9 percent in June from a revised 7.3 percent in May.

That's the second smallest monthly drop recorded this year. Between January and February, unemployment dropped .10 percent to 11.1 percent.

"It's a definite downward trend since the first of the year," said Janice Shriver, a state labor market analyst.

The .40 percent drop is typical for this time of year, experts say. During the same period last year, unemployment fell .10 percent.

June saw 10,200 of the county's 148,300 workers unemployed. Still, the unemployment rate continued to fall as the county's work force grew by 1.8 percent, or about 2,600 workers.

With Santa Cruz's economy so seasonally dependent, it's difficult to say whether rates will remain static or continue to drop in the near future, according to Shriver. When late-year rains start, construction, farm and leisure services employment tend to suffer, she said.

"The last couple of months have looked good for Santa Cruz," she said. "Unemployment appears to be stabilizing, though that may change in the fall when peak farm

Jobless rate

SANTA CRUZ COUNTY

June 2003: 6.9 percent

May 2003: 7.3 percent

April 2003: 9.2 percent

March 2003: 10.6 percent

February 2003: 11.1 percent

January 2003: 11.2 percent

December 2002: 9.8 percent

season drops off."

As in recent months, the farm and leisure and hospitality sectors experienced the largest gains.

The farm sector added 2,400 jobs — an increase of 24.2 percent to 12,300 workers. That's in line with the 2,200 and 2,400 jobs gained during the same period in 2001 and 2002, respectively.

The leisure and hospitality industry gained 500 jobs, a 4.1 percent increase for the month. The category includes arts, entertainment, recreation, food service and lodging workers.

Small but "healthy" increases were reported in the professional and business service sector, said Shriver. That area gained 200 jobs, an increase of 1.9 percent, and includes legal, engineering, computer systems, management, administrative and

November 2002: 8.5 percent

October 2002: 6.5 percent

September 2002: 6.1 percent

August 2002: 5.9 percent

July 2002: 6.4 percent

June 2002: 6.4 percent

2002 Annual Unemployment Average: 8 percent

Source: Employment Development Dept.
revised data, 2003

other workers who provide services to businesses.

At Adecco staffing service in Santa Cruz, demand from businesses for temporary workers in accounting and clerical support has been on the rise recently, according to Kari Stubblefield, branch manager.

"We're hopeful the drop in the unemployment rate coupled with the increase in the number of positions we're placing is a sign the job market is getting better," she said.

California's unemployment rate remained flat in June at 6.7 percent, unchanged from a revised 6.7 percent rate in May, but other job and unemployment data hints at a positive trend in the number of people employed, state officials reported Friday.

Last month's unemployment rate was the same as June 2002.

Data culled from separate surveys of employers and households show the state's payroll employment rose 5,100 jobs and the number of people who had jobs last month increased by 58,000, for a total of 16.453 million, the state Economic Development Department said.

The number of people without a job in June dropped 6,000 from May, but was up 14,000 when compared to June 2002.

Over the 12 months ending in June, California had a net loss of 51,300 jobs, or about less than half a percent, the state said.

The manufacturing sector continued to lead all other industries in job losses during that time period with 66,300. Trade, transportation and utilities, information and business services, and government, were among those industries with the biggest job losses, the state said.

Most of the new jobs were generated in construction, financial activities, educational and health services, and leisure and hospitality.

Educational and health services had the most significant increase: 30,700 jobs, the state said.

The Associated Press contributed to this report.

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