

County unemployment rate drops in last month

By GWEN MICKELSON

SENTINEL STAFF WRITER

SANTA CRUZ — The county's unemployment rate decreased from 8.2 percent in April to 6.2 percent in May, according to preliminary numbers released by the state.

The unemployment figure is also an improvement compared to the same period a year ago, when the number was 7.5 percent.

"California's unemployment rate went from 6.5 percent last year to 5.8 percent this year — down 0.7 of a percentage point," said Eric Alexander, labor market consultant for the Monterey Bay at the Employment Development Department in Capitola. "Here in Santa Cruz, though, you drop from 7.5 percent (last year) to 6.2 percent

(this year). The rate in Santa Cruz County is dropping at a faster rate than nationally. That should be an indication of some health."

Labor force data for areas within the county showed Freedom and Watsonville with the highest unemployment rates, at 13.8 percent and 13 percent, respectively.

"That's always true," said Alexander of the high unemployment rates. "The nature of the work there is agricultural; it's seasonal. But even in summer, they still have a higher than usual unemployment rate."

The total number of jobs in all industries in the county increased 3.8 percent compared to April, and 1.1 percent compared to last year.

Total farm employment increased 40.8 percent compared to April, and 1.9 percent compared

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to last year.

"That's a classic run-up between March and May for harvest," said Alexander of the 40 percent jump from the previous month.

Other areas of improvement in the county were leisure, retail merchandise and food manufacturing.

"We're continuing to expand in food processing," said Alexander. "That's been getting kicked in the head for the last 20 years."

The sector that experienced the biggest loss was information, with a 15 percent drop compared to a year ago. That category includes database publishers, sound record-

ing and information services such as Internet service providers.

Alexander says that the Santa Cruz figures for May point out an ongoing shift in the local employment scene.

"We gained 1,800 people in the labor force in the county and only 1,100 jobs, but the unemployment rate is declining," he said. "That implies that the self-employment sector is adding in there. It seems that there's a continuing trend in Santa Cruz County for the independent self-employed worker."

Contact Gwen Mickelson at gmickelson@santacruzsentinel.com.