

~~R R S C Industries~~

Sentinel Editorial

Employment

# Unemployment Rise

A new and somewhat questionable system put into use by the Employment Development Department gives Santa Cruz County an unemployment rate of 11 per cent for February, up from 7.8 per cent in December.

By comparison in February, 1973, the jobless rate was 10.2 per cent.

The new system uses revised methods prescribed by the U.S. Department of Labor, Bureau of Labor Statistics to bring state and local data into closer agreement with the concepts of national figures.

Basically, what the new figures represent is estimates of employment, labor force and unemployment by place of residence. Thus, if you work out of the county, but reside within the county you are listed in the county data now.

According to the new data, Santa Cruz county includes more than 13,000 persons who live in the county and work elsewhere, a figure that is far higher than any previous estimates of commuters.

It also puts the labor force at 62,500, a figure that seems exceptionally high, based on past information.

The EDD report continues to report on the breakdown of jobs within the county by fields of work.

The latter report shows employment of 42,-

200 in the county last month compared to 39,800 in February a year ago, an increase of 2400 jobs.

Unemployment is listed at 6900 compared to 6000 a year ago and 4900 in December.

The out-of-county work total is 13,400 last month compared to 13,200 a year ago and 13,900 in December which doesn't exactly coincide with labor force and local employment information.

It would appear that the new data is based on an assumption that 24 per cent of the labor force is employed out of the county and their jobs are not as affected as work within the county.

There seem to be some other factors which don't make much sense in the latest report including a fact that employment in the construction trades has remained stable at 1800, including in February of 1973, December of 1973 and February of 1974.

It is our belief that employment in the building trade is down drastically from a year ago.

In other data, the EDD reports that 5500 were employed in manufacturing, up 200 from a year ago.

Employment in transportation, communications and utilities was set at 2000, an increase of 100 in the past year.

Trade accounted for 9900 workers, the top employer in the county and up 700 from a year ago, all at the retail level.

Finance, insurance and real estate accounted for 1500 jobs, up 200 from a year ago while there were 8800 at work in services, an increase of 800.

Government employment was set at 9300, an increase of 200 in the past year.

There were 3300 employed in agriculture, up 200 from the 1973 data.

On the bright side of the picture, the department predicted employment increases in food processing, agriculture and tourist-related industries in the next few months.

The manufacturing growth has taken place in electrical equipment companies during the past year.

Admittedly, Santa Cruz County is not one of the easy counties to estimate employment and unemployment because of a higher-than-average number of senior citizens, a large number of out-of-county students, and many part-time residents.

And while the new system may correspond with the Bureau of Labor Statistics, it doesn't correspond with previous data.

Perhaps, in the months ahead it may become a better indicator of the total labor market picture.