

Opinion

Editorial

1-25-78 Employment

The Job Outlook

ough employment took its seasonal decline in Santa Cruz County in November and December, it still held well above job levels of a year ago.

The December report, just issued by the state Employment Development Department, shows that the improved employment outlook continued for the 22nd consecutive month.

The seasonally adjusted unemployment rate increased from 7.4 percent in November to 9.1 percent in December, but it was still well below the 11.3 percent in December, 1976.

On a month-to-month basis, employment dropped by 1,200 jobs while the number of jobless increased by 1,400. But when you look back to a year ago, employment increased by an amazing 4,300 jobs while unemployment declined by 1,300, reflecting the remarkable change in the past 12 months.

Farm employment declined slightly from November with a loss of 200 jobs from November, but down 2,050 from the harvesting peak in October.

The report on people at work in Santa Cruz County showed the normal seasonal decline of 1,200 jobs between November and December, but almost all of the drop took place in seasonal food processing or those affected by the Lockheed strike.

Otherwise, there were no significant changes in the job picture on the month-to-month comparison.

On the year-to-year comparison, there was an increase of 1,825 jobs in non-farm employment in the county.

Manufacturing accounted for 7,200 jobs, up 375 for the year, despite the strike. Transportation and public utility employment remained stable at 2,425.

Wholesale trade increased slightly to 1,325 jobs while retail trade accounted for 375 new jobs in the year, up to a new high of 11,450.

There were an additional 100 jobs in finance,

insurance and real estate for a total of 1,800 while the services gained 425 jobs in 1977, up to 10,075.

Government employment increased by 425 to a new high of 11,750 jobs within the county.

We still have our problems trying to reconcile the total employment report for the county compared to the use of employment by place of residence, rather than place of work.

It becomes even more difficult in the year-to-year comparisons, for the December report shows an increase in the labor force of 3,000, a gain in employment of 4,300 and a drop of 1,300 in the number of jobs.

If this report is correct, it would mean of those 4,300 persons, three out of seven got a job in the county, but four out of seven got a job outside the county while still maintaining their residence here.

It is possible, of course, that the system is correct but it will take more information than we have been able to receive to make us believe the data.

We might be convinced if other information such as the census or highway traffic checks would confirm the information. On the contrary, the other data tends to place the employment report on commuters way too high.

Nevertheless, the place of residence system remains in operation as dictated by the federal government, so we have to live with the statistical data which does not seem solid.

However, on the plus side the new system has now been in effect for enough time that comparisons are meaningful.

The net result provides a fairly reliable barometer on one of our most critical economic sectors, the field of employment and unemployment.

And, again on the plus side, employment is increasing regularly and unemployment, while still high, is far better (i.e. less) than it was two and three years ago.