

Economy
1980-1989

Expert predicts job picture will remain bright in county

By NANCY BARR

The recent drop in the Santa Cruz County unemployment rate is the beginning of a trend that is expected to continue at least until the end of 1985, according to a report prepared by the state Employment Development Department.

The unemployment rate for December 1985 is forecast at 8.5 percent, which although higher than the May 1984 rate of 7.2 percent — a drastic decrease from the May 1983 rate of 10.8 percent — is lower

than the county's December unemployment rate of the last five years.

Because of the county's large tourism and agriculture industries, much local employment is seasonal. Unemployment is usually at its highest during the winter months.

The forecast comes from the Annual Planning Information report, prepared by the EDD's employment and data research division in San Francisco, under the direction of Jeanette Miller.

"For the forecast, I looked at trends for each industry," Miller said. "We looked at population growth trends and the number of people commuting over the hill."

She also operated on the assumption that the number of women entering the workforce will continue to increase.

Her analysis of the available information led Miller to conclude that there will be far more jobs available over the next year and a half as a result of people leaving their current

jobs than from new jobs that will be created.

A total of 33,000 jobs will or have become available in Santa Cruz County between December 1983 (when the figures were gathered) and December 1985 as a result of people leaving the labor force for one reason or another, according to the EDD report. However, over the same period, there will be only 7,600 new jobs created in the county.

The highest turnover is predicted among service workers (which includes restaurant

workers, security guards, etc.) and craft, production and maintenance workers, (which includes electronic assembly jobs, factory jobs, custodians, etc.) In each of those categories, the EDD forecasts more than 8,000 jobs will be available over the two year period.

The bulk of the new jobs will be for professional, technical, sales and clerical workers, according to the report.

By looking at the trends in the different sectors of the county's economy, the EDD

forecasted the growth in each specific area, predicting the bulk of new jobs will come from growth among the county's manufacturers.

"This industry sector will contribute almost half of the county's new jobs," the report says, "and growth in the electronics industry will account for most of it. Expansion will occur among local firms and new employers (are) expected to locate in the area."

The employment gains in

manufacturing will occur largely in Scotts Valley and Watsonville, according to the report, because those two cities have the most industrial buildings and available space in industrial parks.

The other area which will show substantial growth, the EDD predicts, is in service businesses.

"Business service job gains will lead the group," the report predicts. "Employment in business services is concentrated in computer programming and software development firms, temporary help agencies, various protective services and commercial cleaning firms."

The local tourist industry is expected to continue to grow,

according to the report, because of improving economic conditions and low fuel prices, and therefore there will be a corresponding growth in employment among the tourist-oriented service businesses, such as restaurants.

An increase in the population, both by births and people moving into the county, will lead to some growth in employment in public education and other areas of government, the report says.

Building trade payrolls will continue an upward trend of recent months, the report fore-

casts, because building is expected to proceed at a "moderate rate."

However, agricultural employment will remain fairly steady, the report says, excluding the normal seasonal fluctuations in the agricultural work force.

REFERENCE

GREEN SHEET
July 11, 1984