Employment Sentinel Editorial

Job Outlook Uncertain

Unemployment increased in the nation, the state and in Santa Cruz County during the summer despite the fact that more people are at work this year.

The increases were greater in California than in the nation, probably due to the fact that the seasonal change in more pronounced in the West due to the high number of students who become a part of the labor force during the nonschool period.

The national jobless rate increased from 7.8 to 7.9 per cent between July and August while in California the rate jumped from 9.4 per cent to 9.9 per cent.

Local data is a month belated with the jobless rate set at 10.2 per cent in July compared to 9.5 per cent in June and 9.1 per cent in May.

However, in the year-to-year comparison, there was a slight improvement in the county as the jobless rate was 10.4 per cent a year ago.

As we have stated previously, we have some-serious doubts about the reliability of the jobless data.

The California unemployment rate, for example, went up about two percentage points when the state changed its employment information system yo comply with the federal standards.

Ever since the jobless rate in California has ranged about two points higher than the national figures.

Santa Cruz County, which has been an area of persistent unemployment (more than 6 per cent) for so long we can hardly remember when we were not so listed. generally runs at a jobless rate higher than the state.

There were more people at work in the county this year than last year although the July employment was below June's due to drops in government employment and the seasonal fluctuation in the county's food processing facilities.

On employment within the county, nonagricultural jobs totalled 44,100 in July compared to 43,000 a year ago with gains in manufacturing, retail trade and the services.

Agricultural employment declined from 5800 to 5400 due to changes in harvesting.

The total job figure on the year-to-year basis was 49,500 compared to 48,800.

Job experts believe employment will continue to go up in the months ahead with anticipated declines in the number of jobless.

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The outlook in the Santa Cruz area is also expected to improve with some major changes in manufacturing work along with contined gains in the retail field and a gain in government jobs.

Intel will open later in the year while there should be some gains in employment in existing local industries. Employment in the retail field where there has been a gain of about 300 jobs in the past year will be bolstered by the opening of new facilities at the Capitola Mall next spring.

There will also be a nominal increase in education jobs this fall due to increased enrollment in some school districts and in our higher education facilities.

The tourist and recreation business declined in recent weeks due to inclement weather, especially in August, normally the peak of the tourist season.

However, if good weather should prevail the season will be extended as it has

been the past few years.

The overall job outlook appears to be better than the statistics show. While the unemployment data continues to be dismal. the fact that we continue to show an increase in the number of people at work remains encouraging.