

# Local economy still on the skids

The economic situation in the Pajaro Valley, which hasn't been good all year, worsened slightly in the third quarter (July-September.)

Unemployment was up, more people are in debt, and the slumping home sales market showed no improvement.

At the Watsonville office of the state Employment Development Department, the number of new unemployment claims jumped from 3,283 in the third quarter of 1981 to 4,144 in this year's third quarter.

Office Manager Arnold Hamilton said 342 of the new claims in this year's third quarter were extensions of previous unemployment claims. In times of high unemployment, the federal government grants extensions of up to 10 weeks. The extensions were not available in the third quarter last year.

The number of unemployment claims (in weeks) was up from 14,333 last year to 18,407 this year. "About 1,200 (in this year's third quarter) were extensions," Hamilton said.

"The food processing firms weren't hiring as many people" as last year, Hamilton said, noting that the heavy rains this year have meant fewer jobs in the fields.

David Hemrick, manager of the Collection Bureau of Watsonville, said his agency volume of new cases jumped 50.2 percent in this year's third quarter over the same period last year.

Hemrick can't figure out the reason for the huge jump, other than to note that the third was the Collection Bureau's worst quarter last year for new cases and that this year's third quarter was the firm's best ever. He noted that the overall increase in new cases for the year is up 28 percent.

Part of the increase can be attributed to the firm's ability to get new clients, Hemrick said. While the percentage of debts collected slipped 12.8 percent in the third quarter, Hemrick noted that the collection ratio for the year has slipped only from 35.8 percent to 31.4 percent.

The real estate market maintained its sluggish pace. With so few homes being sold, the sale of a few expensive homes throw the figures out of whack. In third quarter '81, three homes sold for a combined \$787,000, an average of \$262,000. The highest sale in third quarter '82 was \$177,000.

# Pajaro Valley economic survey

	3rd Qtr. '82	3rd Qtr. '81
<b>Home sales/avg. price.</b> Homes sold by Watsonville Board of Realtors members. Does not include mobile homes.	52/\$93,210	53/\$102,415
<b>Unemployment rate</b> Santa Cruz County Residents, includes self-employed, unpaid family workers and those on strike.	9.98%	7.2%
<b>Agricultural work force</b> Average number employed for Santa Cruz County, based on place of work, not including self-employed. Category includes fishing and forestry industries, but most are farm workers.	6,933	7,100
<b>Food product workers</b> Average number employed in Santa Cruz County in the state's "Food and kindred products" category, of which about 70 percent is food processing. Not including self-employed.	4,433	4,466
<b>Unemployment claims</b> New claims, Watsonville office, State Employment Development Department (includes Freedom, La Selva Beach, Watsonville, Corralitos and part of North Monterey County).	4,144	3,283
<b>Unemployment payments (in weeks)</b> Watsonville office.	18,407	14,333
<b>Debts</b> Volume of new assignments, Collection Bureau of Watsonville.	3 qtrs. '82 vs. '81: Up 28%	
<b>Debt collection</b> Percentage of debts collected by Collection Bureau of Watsonville.	31%	43%
<b>At the bar</b> How bar patrons are reacting to the economy, perceived by Jeff Hansen, owner of Wooden Nickel Too.	"Things are about the same as they were three months ago. Nobody wants to talk about the economy."	