

# Local employment to remain steady

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SANTA CRUZ — The majority of Santa Cruz businesses are not planning to hire or fire this fall, according to a recent hiring survey by Manpower Inc., a worldwide employment agency.

Sixty-three percent of businesses in Santa Cruz County surveyed by the Milwaukee-based agency said they did not expect changes in personnel for the final quarter of 2002. Twenty percent said they plan to expand their work force, while 17 percent said they would cut back. These numbers suggest more employment opportunity than existed a year ago, when 30 percent of employers surveyed by the company reported plans to diminish payrolls.

The survey, however, does not reflect temporary-worker hiring, which typically increases after recessions, according to Jackie Mahoney of

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TOM GIBBONS;  
RMC PACIFIC  
MATERIALS

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Manpower in Santa Cruz. The personnel agency conducts a quarterly nationwide hiring survey.

"In some sectors we are seeing people hiring on a temporary basis," Mahoney said. "During a recession companies cut back so far, and when business starts to pick up, because they're not sure if it's over, they say, 'Let's bring in a temp.'"

Education employers and area manufacturers of nondurable goods such as books and clothing reported the best hiring prospects, while manufacturers of durable goods such as iron and concrete planned the most cutbacks.

Tom Gibbons, plant manager at RMC Pacific Materials in Davenport, said he cut three positions. Hiring at the company's

affiliated plants also has declined, he said, because of the economic slowdown.

He wasn't sure about the outlook for fall hiring, but said, "Our genuine hope is that we won't have to make any more cuts. If you can tell me what the economy's going to do, I'm all ears."

Ranking as the county's largest employer with a work force of 6,000, UC Santa Cruz and the education sector as a whole topped the survey's list of predictions for fall hiring. University spokesperson Jim Burns said cuts probably would be made after the state budget is passed. It already has set the record for the longest-delayed budget in state history.

UCSC had been in a hiring freeze for months and employees at the UC system statewide are striking for better wages and benefits. Given that the state is the university's main source of funding, the outlook

isn't great for employees.

"The likelihood (is) that the budget picture will not be brightening in the near future," Burns said. "At this point we're unsure about the level of cuts that we will be asked to absorb. Everything we hear about the state budget suggests there will be some level of cuts in virtually all operations that are funded by the state, as we are."

Hiring in county government isn't expected to increase, either, according to public information officer Dinah Phillips. The county employs 2,965, that's down 140 positions since June budget hearings. Phillips cited the loss of utility-tax revenue and the general economic downturn as reasons for these cuts.

Wholesale/retail merchants and service employers reported mixed hiring intentions in the survey.

Jayne Rogers, a manager at Target in

Watsonville, said she plans to hire up to 50 employees this fall, citing increased sales and the upcoming holiday season.

"I've brought on 18 people just in the last two weeks," she said. "Being in retail, we have to go with the trends and our Christmas season will be our biggest."

Santa Cruz's survey numbers were consistent with those of businesses nationwide, 62 percent of which reported no plans to change staffing for the fall.

Mahoney said many businesses included in the survey reported hiring intentions for 2003.

"Businesses across the board are looking at the first and second quarter of 2003 for things to turn around, so it's not a big surprise that they're not turning around for the fourth quarter (of 2002)," she said.

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