

Employment

Job Improvement

17/7/76

The unemployment rate dropped below 10 per cent in Santa Cruz County during the month of May, the sharpest decline in the number of jobless in the past year, according to the Employment Development Department.

The jobless rate was set at 9.1 per cent, still high but far better than the 11.5 per cent rate in April or the 13.3 per cent rate in March.

In comparison to a year ago, the rate was 10.3 per cent.

There were several bright spots to the labor market bulletin.

In the year-to-year review, there was a gain of 1400 jobs and 800 less unemployed, but the most remarkable factor was the limited growth in the total labor force, less than one per cent or a gain of 600 persons.

The labor force change was in direct opposition to the gain in total population for the year which was estimated at more than 5000 persons by the state report.

The report on work within the county was even brighter.

It showed a gain of 1600 nonagricultural jobs and an increase of 300 workers in agriculture compared to May, 1975.

It also marked the first time that total employment in the county surpassed the 50,000 mark at this time of year. The state said there were 44,900 persons at work in nonfarm jobs and 5200 in agriculture.

In April there were 48,300 persons at work in the county while a year ago the job total was 48,200.

Trade and government accounted for the most jobs in the county with 11,300 workers in each field. Another 9400 were at work in the service field and 7800 in manufacturing.

In the manufacturing field there was a gain of 200 jobs, 2400 compared to 2200 in durable goods while the number of persons at work in food and kindred products was 4200 compared to 3300 a year ago and a gain of 100 jobs, from 1100 to 1200 in other nondurable manufacturing.

Some of the gain in food production was the result of the opening of the Richard Shaw food plant in Watsonville.

There was an increase of 200 jobs in retail trade and 100 jobs in financial work.

Services provided an additional 300 jobs while work in government declined by 200 in the year-to-year comparison, due to the drop in the CETA program.

The employment department forecast a

continued gain in employment in the months ahead with more work in agriculture and food production along with the seasonal increase in tourist-oriented fields.

Normally, employment reaches its peak in the county in October.

If the labor force change reflects past records, the labor force will show a marked increase due to the influx of students seeking summer work.

However, no matter how you look at the total job picture, the May report was the most encouraging in many months.

The general economic outlook has been improving in the area all year with major increases in most fields, especially in retail trade and industrial activity.

Unfortunately, the outlook in agriculture is not so good although the announcement of a delay in any strike in the canning field Tuesday night was encouraging.

The drought conditions have wreaked havoc in the county growers have faced heavy irrigation costs.

What will happen in the months ahead remains to be determined, but the extraordinary weather conditions have created mixed results, great for visitors but not so good for growers.