

Local employment plans mixed

Jobless rate climbs, but outlook improves

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SANTA CRUZ — Despite a 23 percent increase in unemployment rates in Santa Cruz County in January, employers say they are hopeful for a good spring.

Ten percent of the 30 employers surveyed by Manpower Inc. said they will recruit more workers in April, May and June, according to Jackie Mahoney of the Capitola staffing agency.

Another 10 percent said they expect job cuts,

according to the survey released Monday. Seventy-seven percent plan no changes.

That's nowhere near the enthusiasm level from last year's survey when 37 percent of employers forecast adding staff and just 3 percent planned to reduce jobs.

Three months ago, Manpower's survey for the first quarter of 2002 found the outlook of employers was weak. Thirteen percent expected to hire, 20 percent to cut.

None of this is great news for the 14,400 people

in Santa Cruz County who don't have jobs. That's up 2,700 from December and means more than 10 percent of county residents are jobless.

All job categories dropped, said Janice Shriver, a labor market consultant for the state's Employment Development office.

"Seasonally that's what you see because of the weather and the post-holiday."

The job markets hardest hit were agriculture, retail and government.

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Manpower Inc. second-quarter employer survey:

10 percent expect to cut jobs.

10 percent plan to add jobs.

77 percent plan no changes.

3 percent don't know.

Santa Cruz County January unemployment rate, 10.2 percent.

14,400 people jobless in January, up 2,700 from December.

* Survey includes 30 local businesses

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"What we're starting to see is that a lot of companies are bottoming out, including ours, thank God," said Bob Lee, chief executive officer of Manpower Inc. on the California peninsula. "... now we're starting to go up."

While Lee sounds optimistic, Manpower notes its forecast shows employer indecision.

At Hall Kinion, a local job-recruiting firm, Joyce Collins said "We're still feeling a tightening in the market, but it is picking up."

While many employers have stopped hiring, they're starting to hire temporary project help.

"We're seeing a lot of high-quality peo-

ple out there now, through no fault of their own. When it picks up they'll find jobs no doubt about it," Lee said. Unemployment in the agriculture sector jumped 38 percent in January. But Nita Gizdich, Santa Cruz County Farm Bureau Board president, said that's about the same as it was last January.

"It's been raining every other day, so we can't get out in the fields, and there's no crops so we can't get out to harvest," she said from Gizdich Ranch in Watsonville, which specializes in apple and berry production.

Gizdich said farm jobs will increase in March as strawberries mature.

While many retailers saw a downturn in sales after September, Watsonville-based West Marine, one of the nation's largest boating retailers, is going strong.

"We're the antithesis of what's going on in retail," Kelly Purves, human resources director, said.

Compared to the industry, West Marine boasts lower employee turnover. Their Watsonville support center employs 500.

Software developer Borland is "cherry picking" employees.

"Borland is continuing to hire, and we're fortunate that the talent pool is strong. As a result of the dot-com era, we're seeing a strong pool of possible employees," said Becky Wood DiSorbo, company spokeswoman.

Borland, which employs 1,140 worldwide with 450 at the company's Scotts Valley headquarters, boasts one of the strongest pulses in the ailing high-tech industry. Thanks to Chief Executive Office Dale Fuller, the company dug itself back from the brink of bankruptcy in the 1990s to posting revenues of \$221 million in 2001, a 16 percent increase from 2000.

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