

Saturday, July 22, 2006

Brevard's jobless rate rises again

Unemployment climbs to 3.2% from May's 2.9

By Scott Blake
FLORIDA TODAY

Brevard County's unemployment rate rose to 3.2 percent in June, edging up from a record low in April, according to preliminary statistics released Friday by the state's labor agency.

The local unemployment rate was up from a record low 2.7 percent in April and 2.9 percent in May, reflecting state and national trends, according to the Florida Agency for Workforce Innovation.

The rates are not seasonally adjusted, so they include gains and losses of seasonal jobs. However, the rates do not include unemployed people who are not actively looking for work.

How healthy the labor market is remains a matter of interpretation.

David Scott, executive director of the Dr. Phillips Institute for the Study of American Business Activity at the University of Central Florida, said the increase in unemployment rates in Brevard and elsewhere in June largely reflects teachers and other government workers who have the summer off from work.

In many cases, they are counted as unemployed, even though they still have jobs, he said.

"It happens almost every June," Scott said about an increase in jobless rates. "In general, this is a very healthy and strong employment situation for the state."

Although unemployment rates increased in June from previous months, a better comparison is June 2005, when jobless rates were higher than they are now, Scott said.

Brevard's unemployment rate was 3.9 percent in June 2005, state statistics show.

Scott said Brevard's job growth has been good -- an additional 4,100 nonagricultural jobs, for a 1.9 percent gain, from June 2005 to June 2006.

But that was less than job growth in the Orlando area, which added 41,400 jobs, for a 4.0 percent gain, during the same time.

Still, "this is a solid report" for Brevard, Scott added. "There is nothing here to get concerned about. There's no reason to be looking for shadows in the closet."

However, Bruce Nissen, director of research at the Center for Labor Research and Studies at Florida International University, has noticed some weak points.

Florida's unemployment rate of 3.3 percent in June again was below the national average of 4.8 percent.

But Florida wages remain below the national average, in line with wages in the South, the nation's lowest-paying region, according to Nissen.

jobs in low-wage industries," Nissen wrote in his report titled "State of Working Florida – 2005."

Glenn Sandler, owner of House of Power, a shop in Palm Bay that sells motorcycles, all-terrain vehicles, boats and other recreational vehicles, said he analyzes local wages, and adjusts his wages to ensure that his pay is competitive. That's especially useful in a tight labor market, like Brevard, where unemployment is low.

He said he is trying to fill several positions -- both new jobs and vacant jobs.

"I don't want to lose anybody over a few dollars," said Sandler, whose business has about 70 employees . "If you have good employees, you pay them to stay."

According to the Florida Agency for Workforce Innovation, Florida continues to add more jobs than any other state in the nation -- adding 248,100 nonagricultural jobs from June 2005 to June 2006 for a 3.2 percent gain.

In Indian River County, the unemployment rate was 4.1 percent in June, up from 3.4 percent in May, but down from 5.1 percent in June 2005.
