Unemployment hits new high

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BATON ROUGE — The unemployment rate in Lafayette and the entire state hit an all-time high in January — more than double the national average.

Figures released by the state Department of Labor Tuesday show 16.6 percent of the workforce was out of work in the Lafayette district, which includes St. Martin Parish. That’s an increase of 1.3 percent from December 1986.

Statewide, 284,100 were jobless, pushing unemployment to 14.7 percent. The prior record since the state started keeping unemployment records in 1959 was 13.8 percent set in June 1986.

The state rate is double the national average of 7.36 percent.

The worst unemployment in the state is in Assumption Parish, where 32.6 percent of workers are without jobs. Sixteen parishes have unemployment of more than 20 percent.

The lowest unemployment (7.1 percent) is in Lincoln Parish, which is home to Louisiana Tech University, Grambling State University and a state mental hospital.

Commenting on the new figures, Gov. Edwin Edwards said “It is sickening to think that we have that many people out of work.”

He said that every one job created this year, two have been lost.

In the oil industry, Edwards said, a $1 drop in oil prices translates to 3,000 jobs lost and every time one job is lost, two other jobs are lost in related industries.

The fall of the oil and gas industry in Lafayette is primarily responsible for the overall high rate, says Labor Market Analyst Rachel Travis, but seasonal layoffs in retail sales and construction added to the total.

“Since the area has been so dependent upon the oil and gas industry, the businesses that depended on that industry are now losing workers,” Travis said. “And it does not seem to be picking back up. It is having a pyramid effect.”

A year ago, Lafayette’s un-

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employment rate was 9.6 percent — the lowest in state’s major market areas.

Now, its 16.6 percent is the second highest in the state — second only to Houma-Thibodaux, which has 20.5 percent unemployment.

It is estimated that the non-agriculture employment in the Lafayette district is 82,000 — down 2,600 from December 1986 and 13,300 below the January 1986 figure.

Not surprisingly, the oil and gas industry dropped the highest percentage of employees during 1986 in the Lafayette area. More than 4.7 percent of that industry’s employees were laid off during the year.

It is estimated that 10,700 Lafayette people are still employed in the oil and gas industry (classified ‘mining’ in state records), which is down 700 from December and down 4,700 from January 1986.

Wholesale and retail trade, the largest employer in Lafayette, dropped 3.3 percent, followed by service industries, which lost 2.6 percent of their workers.

Overall, 13.3 percent of the area’s jobs were lost in 1986.

The only growth in non-agricultural employment was shown in manufacture of non-durable goods (including food) and state govern-

ment.

An increase of one-half percent in state government employees was offset by an identical decrease in local government payrolls.

Statewide, oil and gas employment dropped 300 jobs in January and a total of 19,900 since 1986.

Construction was down 1,600 in January, bringing the yearly total to 10,500 jobs lost.

Transportation, which includes Lafayette’s helicopter bases, dropped 700 jobs in January, down 7,400 for the year.

Manufacturing dropped 2,100 jobs in January; 3,700 from a year ago.

Retail sales employment was down 8,700 jobs from December; 7,200 for the year.

Analysts predict unemployment in Lafayette will remain the same next month but statewide, it is expected to increase slightly.

Unemployment in major metropolitan areas is as follows:

Alexandria — 11.8, up from 10.4
Baton Rouge — 11.9, up from 10.7
Houma-Thibodaux — 20.5, up from 18.7
Lafayette — 16.6, up from 15.3
Lake Charles — 15.2, up from 14.4
Monroe — 12.1, up from 10.5
New Orleans — 11.6, up from 10.9
Shreveport — 13.8, up from 12.2.