

State and National

N.C. unemployment drops, reflects recent national trend

By **BOB LUKEFAHR**
Staff Writer

The North Carolina unemployment rate dropped to its lowest point since 1973 in June, from 3.5 percent to 3.2 percent, the N.C. Department of Commerce announced Friday. The drop coincides with a drop in the national rate from 5.6 percent to 5.3 percent.

Greg Sampson, research director for the N.C. Employment Security Commission (ESC), said the drop was largely due to an increase in foreign exports. While the nation has a large trade deficit, North Carolina has been running a healthy trade surplus in recent years, and the low unemployment

rate is a reflection of that surplus, he said.

With fewer people looking for jobs, some businesses around the state are having problems finding qualified workers to fill vacant positions, and the ESC has received calls from employers concerned about the shortage, Sampson said.

Sampson disagreed with the prediction that a significant rise in inflation will occur as workers demand higher salaries.

"It hasn't really materialized as it has during past recoveries," he said. "Within the state, you don't see any sharp rise at all." Sampson also pointed to low interest rates as an indication that inflation

remains in check, and noted that "by pre-1980 standards, interest rates are extraordinarily low."

Both candidates for governor welcomed the news. Gov. Jim Martin's assistant campaign manager, Jeff Merritt, said Martin helped in what he called "a net gain of 330,000 new jobs created since 1984."

Phil Wells, press secretary for Lt. Gov. and gubernatorial candidate Bob Jordan, said, "The economy does look good, but he's taking credit for a lot of jobs brought here by the previous administration."

The rate will probably not be able to go any lower, Sampson said.

Candidates make plans for looming Election Day

By **BOB LUKEFAHR**
Staff Writer

With only four and one-half months until Election Day, North Carolina political races are beginning to heat up, as candidates get busy raising money and defining their positions on the major issues.

In the gubernatorial race, Democratic Lt. Gov. Bob Jordan is squaring off against Republican Gov. Jim Martin in what both campaigns agree is going to be a very close race. The most recent poll, conducted by The Charlotte Observer, has Jordan with 47 percent and Martin with 46 percent (a difference that is within the poll's margin of error), according to Phil Wells, Jordan's campaign press secretary.

"He (Martin) has accomplished almost nothing as governor," said Wells in a telephone interview Friday. "His record on education is horrible

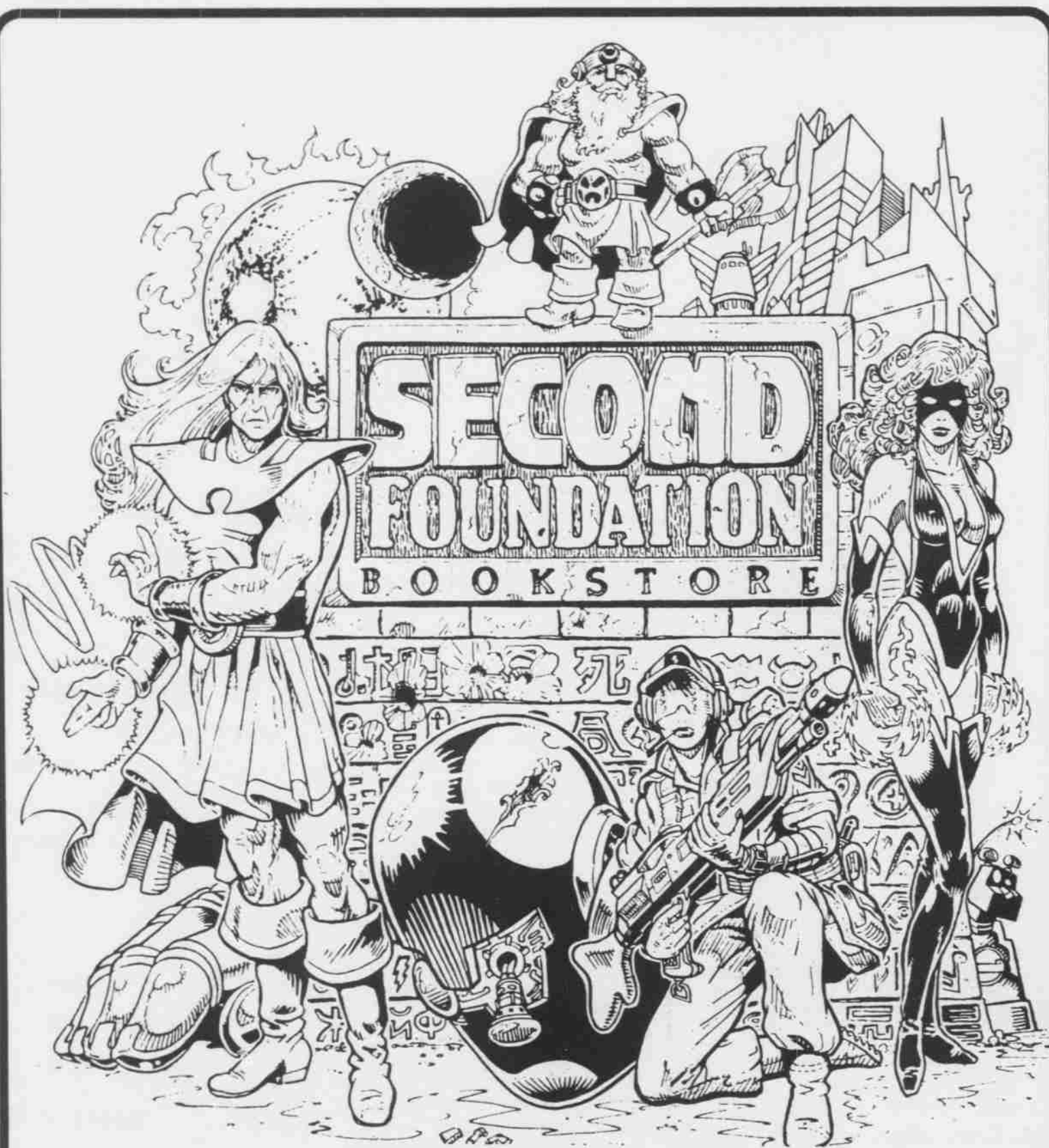
... he opposed the Basic Education Plan and the School Construction Bill." He said Jordan had "fought hard" in the state Senate for both.

But Martin's campaign denies the charges, saying Martin had first proposed the school construction plan, but didn't support the version Jordan had been working on in the Senate because it would raise taxes.

"The most important reform which can be enacted is the governor's program of better pay for better teachers," said Jeff Merritt, Martin's assistant campaign manager. He characterized Wells comments as "just the disinformation of a desperate campaign."

Merritt said he expected the major issues of the campaign to be education, roads and jobs. He noted the Interstate 40 additions and the 3.2

See CAMPAIGNS page 6



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