

November 2011 California Jobs Report

The California economy continued to grow in November and outpace the nation in job growth over the past 12 months.

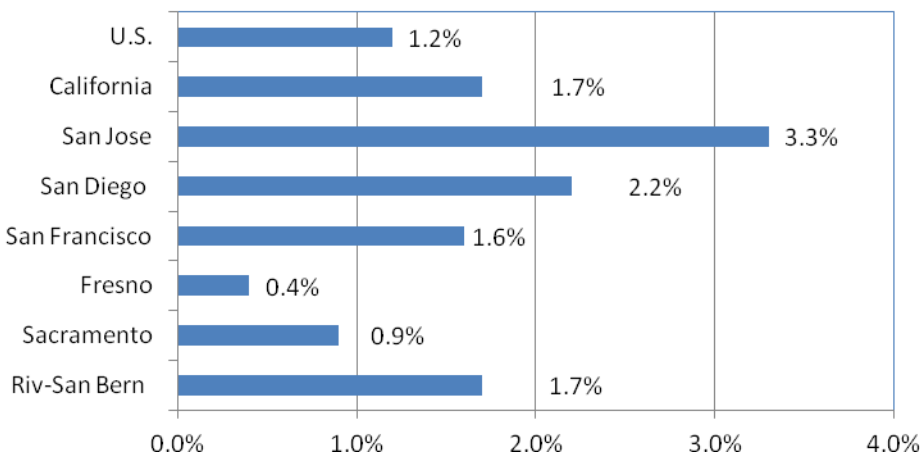
The best news is that the unemployment rate fell to 11.3% from 12.5% a year ago. The number of unemployed residents dropped by more than 200,000 over the past year.

And, unlike the nation where people dropped out of the labor force in November, California's unemployment rate drop occurred while the labor force increased.

The California story is still a tale of two economies—by geography and by industry.

Job growth remains centered in the urban coastal regions and in the technology, trade and tourism sectors. The San Jose and San Diego metro areas lead the large employment centers in percentage job gains. The San Francisco Area is close behind. Most inland areas, particularly in the Central Valley, still lag in job growth as a result of the continuing low levels of construction and government job losses.

Job Growth Nov 2010-Nov 2011



These coastal technology areas, particularly in Silicon Valley, are seeing a flurry of start-ups, IPOs coming to market, expanding exports and a rising level of optimism about the future.

November did see the beginnings of job recovery in areas that had been lagging including the Sacramento region, the East Bay in the Bay Area, the Riverside-San Bernardino area and selected central valley counties.

The strong job growth sectors are a mixture of high wage jobs in professional, scientific and information services, and jobs in health services, food services and retail trade where more seasonal workers than normal were hired in November.

Manufacturing and construction lost jobs in November reversing earlier gains.

Job growth in November was modest (6,600) according to the payroll survey with an additional 11,900 jobs added to the October total. However, the household survey, which fluctuates from month to month but does include self-employed workers, recorded a gain of more than 100,000 jobs.

November's good news is tempered by the realization that there are still 1 million jobs to recover in California from before the recession and that the process of recovery is underway but still much slower than hoped for or needed.

And political gridlock in the state and nation together with economic turmoil and a likely recession in Europe provide headwinds for the state's now expanding economy.