



## October Jobs Report

**By Stephen Levy**

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The California economy regained momentum in October with an increase of 45,800 jobs and an upward revision to 32,000 jobs gained for September. The unemployment rate fell to 10.1% and there are now nearly 300,000 fewer unemployed Californians than a year ago as a result of the 295,300 jobs added during the past 12 months.

The best news in the October report is that job growth strengthened outside the Bay Area and broadened beyond the tech sector. October was a true recovery month for Southern California, led by Los Angeles County and the Inland Empire; the East Bay in the Bay Area and areas outside the large coastal regions including Sacramento and some San Joaquin Valley counties. Moreover, there were increases in retail jobs, finance jobs and jobs in construction and tourism to go along with job growth associated with technology and foreign trade.

The state as a whole is now in recovery from the deep recession of recent years.

All of these gains come despite continued job losses in government jobs -- 8,600 last month and 37,800 for the year, centered in schools and local government.

The Bay Area's high-tech centers are likely to be among the nation's job growth leaders when the October data is compiled nationally, with very strong gains of 3.5% in the San Jose metro area and 3.4% in the San Francisco area, more than double the national growth rate.

Manufacturing continues to show small job losses, which is disappointing in light of the national manufacturing job gains.

The good job growth news comes right after an encouraging report from the Legislative Analyst finding that the state can look forward to possible budget surpluses depending on the strength of economic recovery. The October jobs report plus continuing good news about housing gives hope that the state's budget problems can finally become a part of history and not our future.