

Job market has little oomph

By George Avalos / MediaNews Group and Jessica A. York / Times-Herald staff writer

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Mike Howey talks about his search for employment as his 3-year-old daughter tries to get his attention outside the Vallejo Employment Development Office on Tuesday. (Chris Riley/Times-Herald)

California's ailing job market is much more feeble than analysts thought was the case a few weeks ago, according to a new report that provides an early glimpse into statewide employment trends.

"The economy was a lot worse than everybody thought," said Howard Roth of the state's Department of Finance. "The job market is weaker than we figured."

It appears California lost 871,000 jobs in 2009, suggests an estimate provided by the state Employment Development Department.

"This is the worst recession for California since the Great Depression," said Brad Kemp, director of

regional research with Beacon Economics.

If those estimates hold up when final revisions are released this month, the actual job losses in the state would be far more grim than first believed. In the initial EDD estimate, released Jan. 22, the EDD reported California employers chopped 579,000 jobs from payrolls in 2009.

"We will have a really big downward revision," Roth said.

That would translate into an 292,000 more jobs that were lost, on top of the prior losses.

"If it comes to that number, it would be one of the biggest revisions ever," said Paul Wessen, an economist with the state EDD. Wessen prepares an interim revision with regular snapshots about the California job market.

"I can't remember a revision this big since the early 1990s, when we lost a lot of aerospace jobs," Roth said.

The state EDD is due to officially release its annual revised figures for California payroll employment this month. Those numbers could differ from the unofficial estimate.

Bleak economic conditions come as no surprise for Vallejo job-seekers.

Mike Howey, 42, is a single parent looking for a job as an automotive technician with 23 years experience. He was laid off in mid-November when his company did not pick up as much business from closing car dealerships as expected, he said. Howey said he is limited in how far away he can job-search because he needs to stay close to his daughter's

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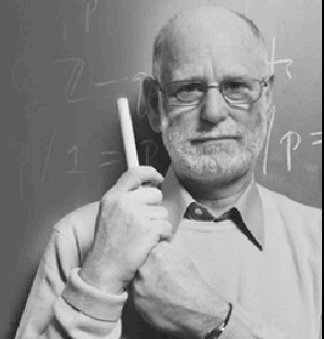


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Vallejo pre-school. And despite being a certified automotive technician, most companies are not offering the minimum standard of pay Howey said his experience generally earns.

"I'm half-tempted to change careers ... and become a nurse," Howey said. "It's a lot less expensive to buy scrubs .. than having to keep updating my (automotive) tools."

Josh Stewart, 22, is looking into going back to school as his landscape jobs dry up, while his friend Justin McGay, 21, is eying the National Guard after bouncing from temp job to temp job following his layoff more than a year ago.

"I'm trying to do just whatever pays the bills," McGay said.

Howey nodded in agreement, saying he is finding himself doing "weird stuff that we never used to do," like tiling and construction, while construction workers resort to landscaping.

The EDD's monthly estimates depend in part on the number of employers it believes exist in California at a given time. The recession has erased numerous companies.

If the job erosion intensifies, that could force state officials to revamp estimates for economic growth -- and the amount of cash expected to enrich state coffers.

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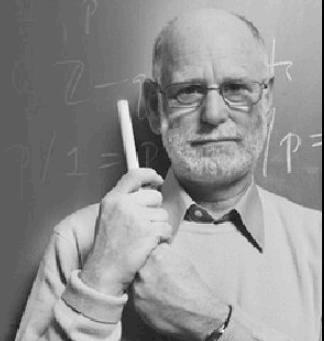


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