

State, East Bay post record jobless numbers

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The job markets in California and the East Bay plummeted to new lows in June, with both regions posting 11 percent-plus jobless rates that were the worst on record.

"This is bad right now," said Steve Reimers, a Walnut Creek resident who is trying to find work in the carpentry business. "It's worse than I've seen in my 10 years in construction."

The East Bay lost 3,700 jobs in June, adjusted for seasonal changes, the state Employment Development Department reported Friday. The Bay Area lost 18,300 jobs, Beacon Economics and the EDD estimated. California lost 66,500 jobs during June.

Job losses battered other metro areas:

The San Mateo-San Francisco-Marin region lost 3,900 jobs in June.

San Joaquin County lost 1,600 jobs.

"I can't find a job," said Rhiannon Dieffenbach, a Dublin resident who has plenty of experience in health care but must instead work at a clothing store because she can't land employment in her chosen field.

"I thought it would have been easier to find work

because I have experience. But I guess not." Dieffenbach has worked for several years as a phlebotomist.

The East Bay's jobless rate soared to 11.1 percent in June. California's jobless rate hit 11.6 percent.

"The 11.1 percent unemployment rate for the East Bay is the highest since comparable records began in 1990," said Justin Wehner, EDD labor market consultant. The statewide jobless rate of 11.6 percent, reached in May after a revision and June on a preliminary basis, also was the worst in modern record keeping.

"Just about everything is negative," said Jeffrey Michael, director of the Stockton-based Business Forecasting Center at the University of the Pacific. "All I see is red" for the job market.

If there were any bright spots it was that the East Bay job erosion appears to be slightly less severe than what is going on statewide. During the one-year period that ended in June, California lost 766,300 jobs, a 5.1 percent decline. Over the same 12-month period, the East Bay lost 46,300 jobs, a 4.4 percent decline.

And the job losses in the East Bay have been protracted. The Alameda County-Contra Costa County region has lost jobs for 19 consecutive months and for 21 of the past 22 months.

"The East Bay is being heavily affected by the housing downturn and will be dragged down by that for some time to come," said Brad Kemp, director of regional research with Beacon Economics, which tracks regional economies.

The big problem for the East Bay is the effects from the housing slump continue to hound the region.

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"Even when there is a recovery, it will not be robust," Kemp said. "This downturn is going to be heavily felt for some time to come."

The statewide jobless rate was technically unchanged from May. But that was only because the prior estimate of an 11.5 percent jobless rate was revised upward to 11.6 percent.

"California remained in full recession mode in June," said Steve Levy, director of the Center for Continuing Study of the California Economy. "Do not be fooled by the month-to-month stability of the unemployment rate at 11.6 percent. June was a terrible month for the state economy."

Job seekers were surprised by the severity of the regional slump.

"Everybody was saying things were going to be fine because of the stimulus package," Reimers, the carpenter, said.

"But it hasn't helped at all. There is no construction work going on."

During the one year that ended in June, construction was the hardest-hit industry in the East Bay with a loss of 9,900 jobs. Retail had the next biggest job loss over the year with a decline of 6,600 jobs. Manufacturing lost 5,600 jobs. Employment services lost 3,600 jobs. Finance and insurance companies shed 3,500 jobs.

The strongest industry was health care, which added 1,100 jobs.

Of the East Bay's 30 private-sector industries, 24 eliminated jobs during the most recent 12 months, four added jobs, and two were unchanged.

"It's going to be years before it gets better," Michael,

the economist, said. "You don't recover from a blow like that in a short time. The economy still has a lot of issues."

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