

Area jobless rate nears 13 percent

Economist sees little relief ahead

By Matt Wrye, Staff Writer

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With only so many jobs left to lose, will the bleeding stop any time soon?

Data released Friday by the California Employment Development Department shows the unemployment rate in the San Bernardino-Ontario-Riverside region increased to 12.9 percent in March.

It means four residents out of every 30 who were looking for work weren't employed. In February, unemployment stood at 12.4 percent.

Unemployment is a "lagging indicator," which economists say drops significantly once it stops rising, sometimes within a couple of months. It means there's hope - if history is your guide.

But these days, hope is stretched pretty thin.

The economy's slide into the abyss is so deep that economist Brad Kemp is revising his Inland Empire unemployment forecast before his company makes a presentation to local officials in mid-May.

"It's a little soon to be saying we're reaching the peak," said Kemp, director of regional research at the Los Angeles office of San Rafael-based Beacon Economics. "Maybe we're at the bottom as far as cutting the fat, but there may be an overreaction (by companies) to a degree. The Inland Empire has a ways to go."

Inland Empire unemployment won't peak until December, Kemp said, or possibly the first quarter of 2010. His original prediction called for a peak of 12.4 percent between July and September.

When unemployment does reach its peak, it's likely to stay flat for a longer period than expected, he says.

But there's good news.

"Will the Inland Empire's rate drop faster than other areas? I think so," Kemp said. "I think it'll be a landslide."

Not a steady drop. A landslide.

No one knows the exact dollar amount San Bernardino and Riverside counties will receive from the federal stimulus funds now making their way through Sacramento, but some of the money will be used to start one major infrastructure project as early as July, and that could mean thousands of new jobs for the region.

Officials at San Bernardino Associated Governments, the transportation agency for San Bernardino County known as Sanbag, said this

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week they secured the last round of stimulus funds for the first phase of contractor bids, totalling \$436million, going out in May on a 215 Freeway construction project in San Bernardino.

Almost \$130million of that \$436million are federal stimulus dollars.

"About 8,000 people are going to need to be employed overall," said Duane Baker, director of management services for Sanbag. "This is a big project. You've got the concrete pourers, the steel fabricators, the civil engineers - it goes on and on."

Between now and summer of 2013, one lane will be added on a 5-mile stretch of the 215 between Rialto Avenue and University Parkway. Freeway connector ramps will be constructed where the 215 meets the 210 Freeway. Off-ramps, on-ramps and bridges will also be upgraded or replaced.

Not only is it just the first phase - it's just one of several projects that Rep. Joe Baca, D-San Bernardino, says should be "regionalized" by cities, counties and agencies that should speak as one voice to state legislators.

The state is getting \$26billion from the federal stimulus to distribute to various agencies, along with \$8billion to help shore up its massive budget deficit.

"It's important for us to jump on this so we're not the Johnny-come-lately," Baca said. "If we're not on the radar screen, we'll get less money."

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