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Jobless rate still faltering in county

Employment related to housing most affected

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Job growth in San Diego County lagged behind the population growth rate in September, as the decline in the real estate industry continued to weigh down the local economy, according to a report yesterday by the California Employment Development Department.

With home-building plans stalled and sales continuing to falter, construction and real estate firms shed 1,000 jobs last month, which helped keep the unemployment rate at a three-year high.

“If it weren't for the declines in construction and real estate, San Diego would be having a better growth rate than we did last year,” said Alan Gin, an economist at the University of San Diego.

Thanks to the real estate decline, jobs in the county have grown by only 0.9 percent since September 2006, lagging the population growth rate of 1.4 percent.

The county added 4,000 jobs in September, but most of the growth came from seasonal hiring at schools and colleges.

Government-run and private educational services added 8,900 jobs as they revved up from the summer vacation, but that hiring spurt was offset by an end-of-vacation decline of 4,100 leisure and hospitality jobs.

Outside of the seasonal hiring, the main movement in employment came at construction and real estate firms. Over the past year, housing-related employment in San Diego County has

dropped by 5.9 percent, with the loss of 5,600 construction jobs and 1,900 real estate jobs.

As a result, the unemployment rate stayed at 4.8 percent in September for the third month in a row, slightly above the national average of 4.5 percent but well below the statewide average of 5.4 percent, not adjusted for seasonal fluctuations.

After adjusting for seasonal hiring patterns, the jobless rate is 4.7 percent for the nation and 5.6 percent for the state.

The Employment Development Department does not provide seasonal adjustments for San Diego or other counties except Los Angeles. Beacon Economics, an economic firm in Los Angeles, estimates that San Diego had a seasonally adjusted jobless rate of 4.9 percent.

With seasonal adjustments, California added an anemic 9,300 jobs last month. The strongest growth came in the information sector, which added 7,900 jobs. The growth in high-tech jobs was tempered by a loss of 5,000 construction jobs. Over the past year, the construction sector has shed 28,600 jobs statewide.

“We've been saying for a while that the housing market was going to have an impact on the economy, and that's exactly what we're seeing now,” said Christopher Thornberg, a former UCLA economist who co-founded Beacon. “We're seeing the weaknesses spread from construction and real estate into retail and transportation and, most disturbingly, a lot of temporary jobs. Temporary workers are usually the first who get hired when the economy's doing well and the first to go when it's doing poorly.”

Last month, San Diego lost 100 jobs in employment services, the category that includes most temporary jobs. Over the past year, 2,200 employment services jobs have disappeared.

In the meantime, employers have been cutting back on their hiring plans, according to the latest survey by Monster.com, the online career network.

Online job postings in San Diego dipped last month to their lowest level since January 2006, according to the Monster survey. Year-over-year, online job postings in San Diego have declined more than any other metro market tracked by the company, which monitors 1,500 employment Web sites throughout the nation.

The Monster survey found slight upticks in job postings for scientists, education workers, security guards and truck drivers but sharp declines for maintenance and repair workers. In general, the survey found, there was “softer demand for both skilled and unskilled tradesmen and laborers.”

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