

# Losses signal possible job recession

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The East Bay has lost nearly 12,000 jobs so far in 2008 — including thousands more last month — in an ominous indication that an employment recession has descended on the region's struggling economy.

In recent years, the East Bay was an economic engine that helped power California's growth. But during the past 12 months, the East Bay accounted for two out of every three jobs lost in the Golden State, according to a report released Friday by the state's Employment Development Department.

"The East Bay is in tough shape this year," said Jon Haveman, a Beacon Economics co-owner and economist. "Financial services and construction in the East Bay are getting big hits."

In the 12 months that ended in May, the East Bay lost 12,100 jobs, the EDD reported. During the same yearlong period, California lost 18,600 jobs.

"California looks like an economy that continues to sputter," said Howard Roth, chief economist with the state Finance Department. During May, California lost 10,900 jobs.

California's hardest hit regions appeared to be the East Bay, the Central Valley and parts of Southern California.

"The areas that are getting hammered are the ones that had a lot of home building and still have a lot of land for housing," Roth said. The East Bay fits that pattern, he added.

Economic woes began to savage the East Bay with real ferocity starting this year, the EDD data showed.

So far in 2008, the East Bay has lost 11,800 jobs, adjusted for seasonal changes. The region lost a seasonally adjusted 3,600 jobs in May. The East Bay has suffered job losses in every month of 2008.

San Joaquin County struggled during May. The San Joaquin area lost 1,100 jobs, seasonally adjusted, last month. In the past year, San Joaquin County has gained 2,500 jobs.

Employment losses have surfaced in Solano County. In the past year, Solano has lost 3,100 jobs, and in May, that region lost 700 jobs.

Job seekers say they have encountered an increasingly difficult environment when it comes to finding employment.

"It's very tough to find work," said Carie Collins-Noonkester, a San Ramon resident who has been looking for work in the clerical or administrative field for three weeks. "I keep getting told there are a lot of people who have applied for the same sort of job."

Greg Platis of Fremont is trying to find work as a consultant who helps companies control their inventory. Platis currently has a consulting job and hopes to land another contract with a company in Santa Cruz. But he said the job market is tight.

"Most companies are building their inventory offshore," Platis said. "They don't have a lot around here."

The collapse of the housing market has convinced Stephanie Hamett, an Oakley resident, to abandon her career in the mortgage industry. She worked in the mortgage sector for four years.

"I want to change careers and I'm open to anything," Hamett said. "I don't want to sit here and wait it out. But it's kind of frustrating to find something new."

Hamett is skeptical that housing will rebound any time soon.

"This is worse than we all thought it would be and it's probably going to deteriorate even more," Hamett said of the housing market. "It's a bigger mess than people imagine."

Staffing professionals say it appears that more employers have lost their appetite to hire a lot of workers.

"For every 10 people who leave a company, employers now are asking for only six or seven to fill those positions," said Jonathan Rodriguez, an Oakland-based branch manager for Spherion, a staffing services provider.

Oakland, Emeryville, Concord, San Ramon, Pleasanton and Livermore are among the more sluggish markets. Walnut Creek, Richmond, Fremont, Hayward and Newark are brisk, Rodriguez said.

"Employers still want to hire people, but they are moving slowly to make decisions," said Kerry Kiley, regional operations manager for staffing company Adecco. "Employers are hesitant."

Job seekers said they remain determined.

"I'll just keep plugging away" Collins-Noonkester said. "I won't get discouraged."