

# INSTITUTE OF REGIONAL AND URBAN STUDIES

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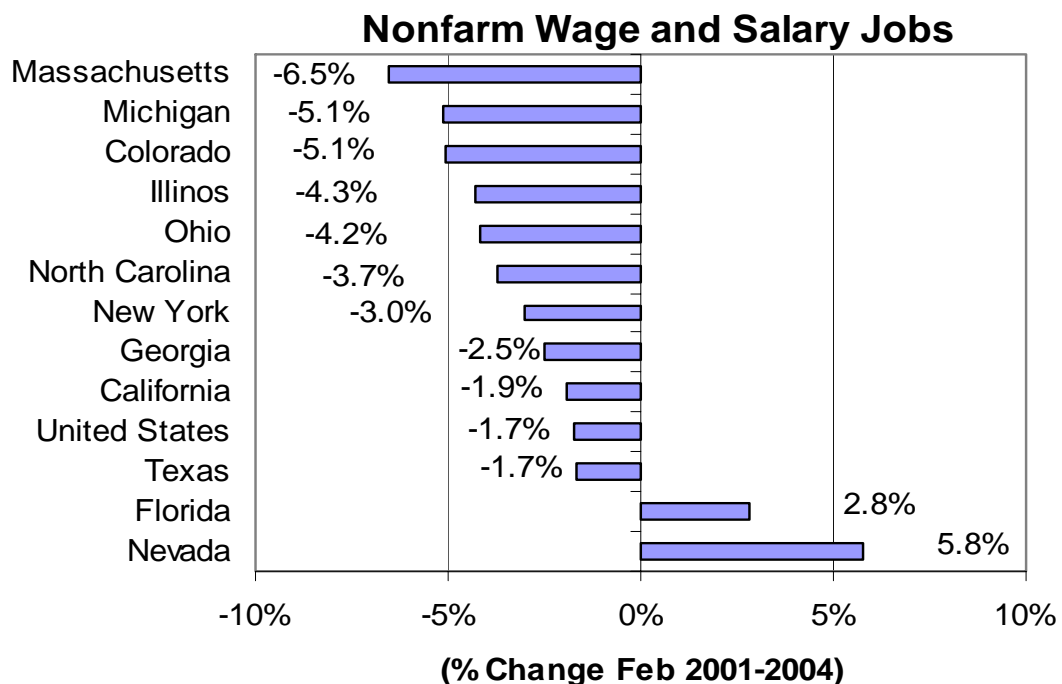
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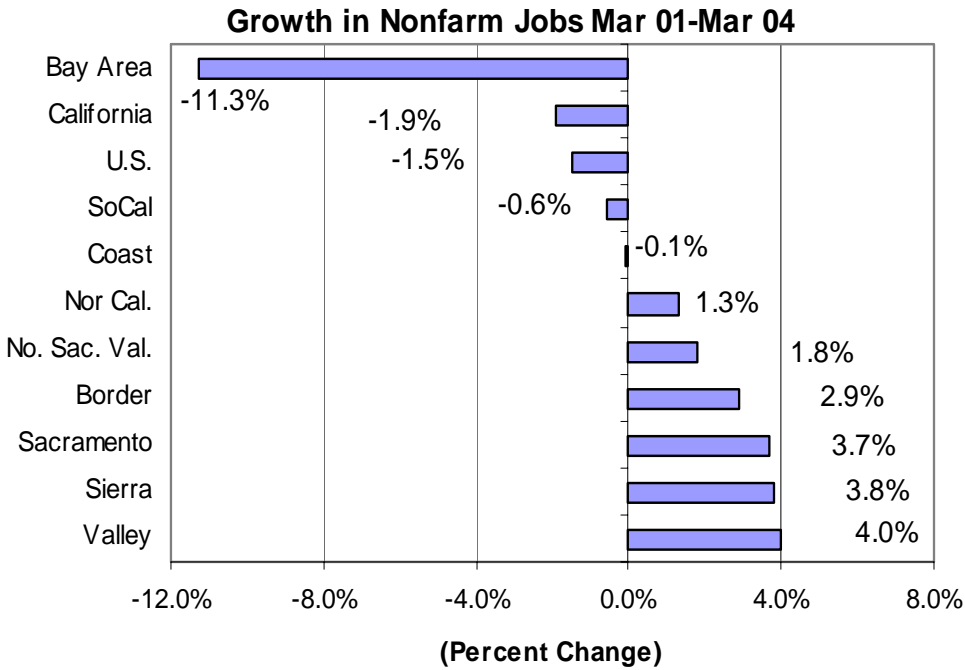
## JOBS, JOBS, JOBS

California's job losses are less than those for many industrial and high tech states and close to average for the nation as a whole according to a report released today by the Institute of Regional and Urban Studies in Palo Alto. Moreover, eight of the state's nine economic regions are outpacing the nation in job performance and six regions have actually added jobs during the past three years while the nation has lost nearly 2 million jobs.

California lost 1.9% of the state's non-farm wage and salary jobs during the past three years, slightly worse than the national average. But several states had job losses exceeding 3% including the high-tech centers of Massachusetts (-6.5%), Colorado (-5.1%) and North Carolina (-3.7%). In a recent study the Milken Institute ranked Massachusetts, California and Colorado as the top three states on their state technology and science index and California has far outperformed the other two states in recent job data.



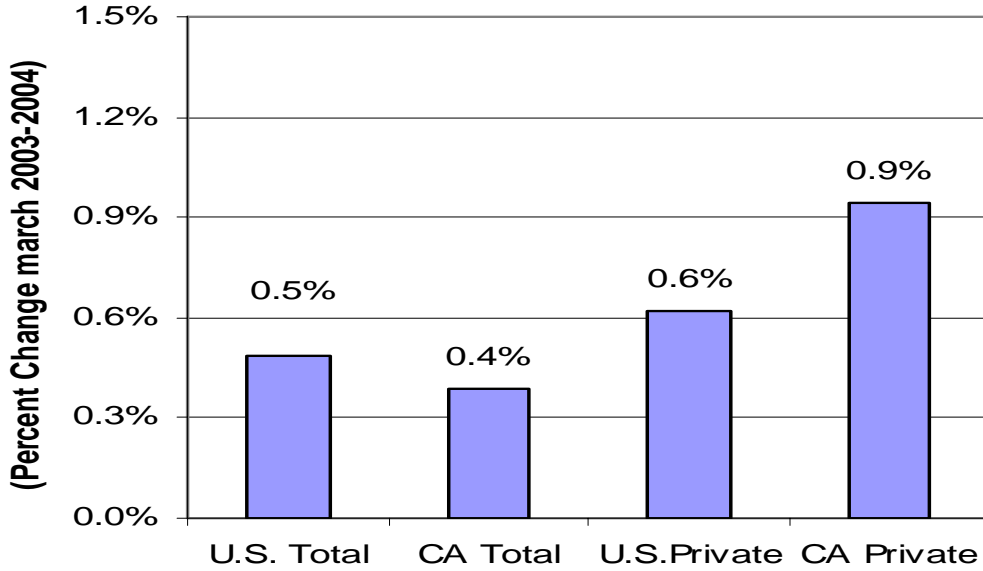
“The data clearly refute the allegation that California is “hemorrhaging” jobs”, according to Stephen Levy, the Institute’s director and author of the report. The data show clearly that the state’s job losses are centered in one region—the Bay Area. The Bay Area has lost 416,000 jobs (-11.3%) in the past three years while the state has lost 282,000 jobs, Levy said. That means that the other eight regions have **added** 134,000 jobs.



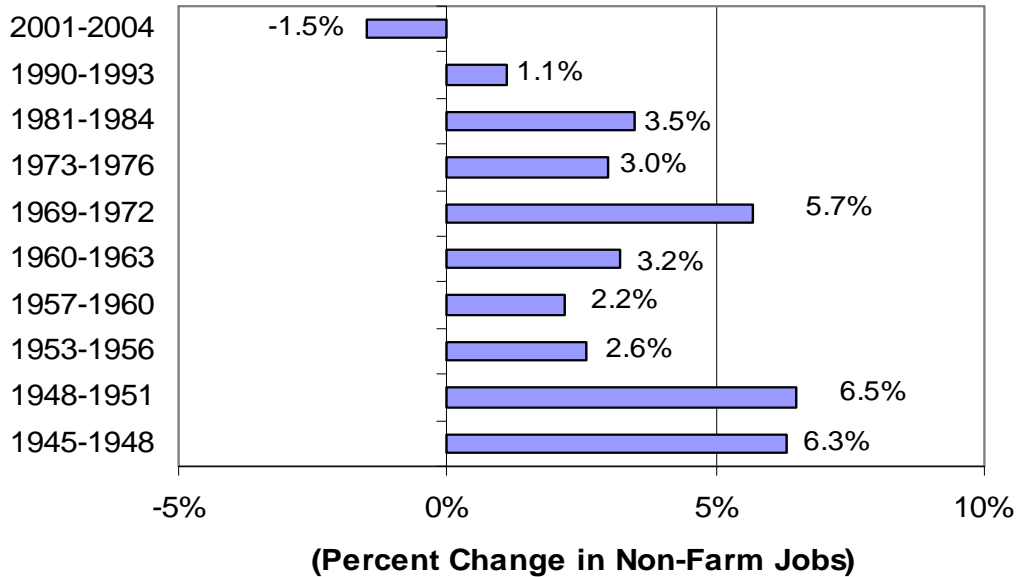
“The impact of government job losses is beginning to affect the California job results”, Levy noted. The California Employment Development Department (EDD) reported that the state lost 56,900 government jobs for the year ending in March 2004. As a result, private sector job growth was 112,400 or 0.9% for the year, outpacing the nation’s 0.6% private sector job gain. “The data clearly show that spending cuts in the public sector lead to layoffs just like those in the private sector”, Levy said.

The California job picture is being affected by the weakest national jobs recovery since the Great Depression. “In a typical post-recession recovery, the nation would now have 6 million more jobs than were reported in March 2004,” Levy noted, “and California’s share would be nearly 700,000 extra jobs.”

### Job Growth Comparison 2003-2004



### Job Gains 3 Years After Recession Starts



The Institute of Regional and Urban Studies is the non-profit affiliate of the Center for Continuing Study of the California Economy (CCSCE). The report cited above is part of a series of memo reports on the California budget and economy, supported by a grant from The James Irvine Foundation. All of the budget series memos are publicly available at [www.ccsce.com](http://www.ccsce.com).