

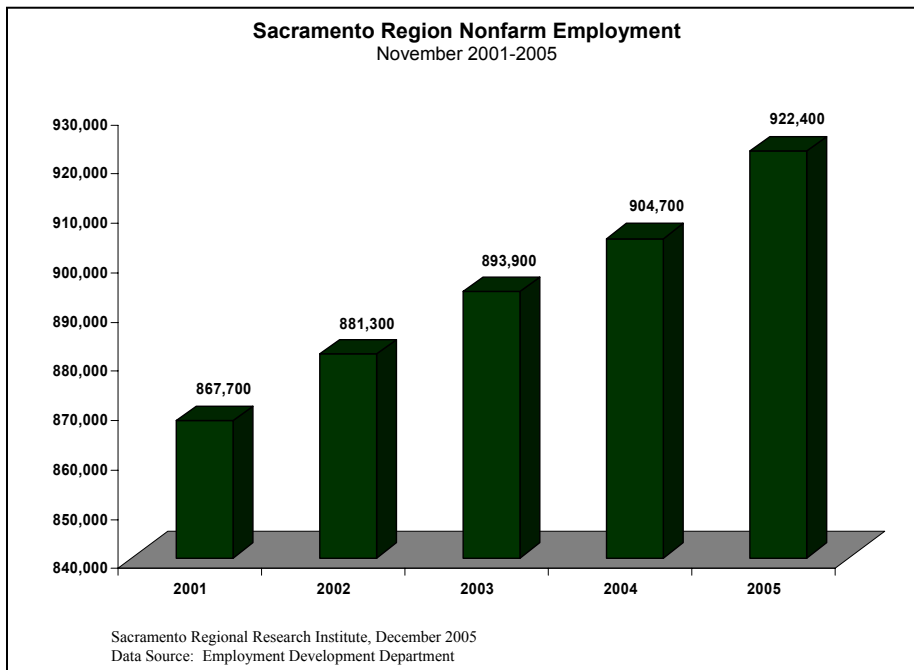
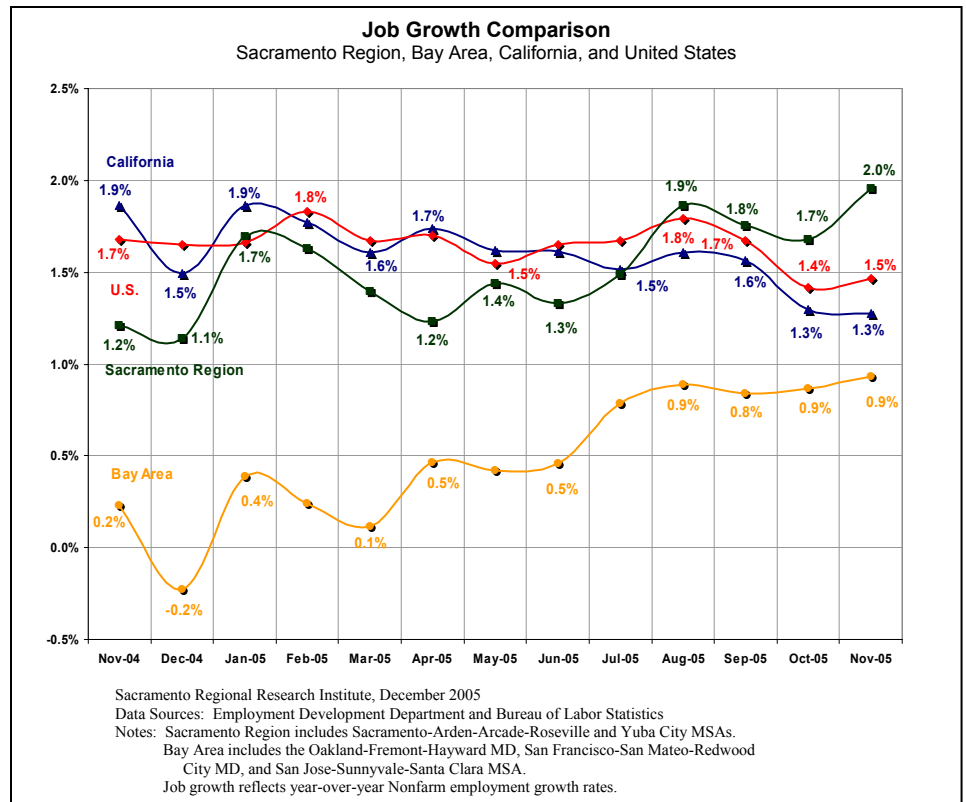
EMPLOYMENT GROWTH IN THE SACRAMENTO REGION, THE BAY AREA, CALIFORNIA, AND THE UNITED STATES

Job growth in the Sacramento Region reached 2.0 percent in November 2005.

The Sacramento Region posted the highest job growth seen over the past five months in November 2005. With 2.0 percent growth, the Region saw a year-over-year increase of 17,700 jobs. The last time Sacramento experienced job growth around this level was at the beginning of 2003. For the past four months, employment growth in the Sacramento Region has tracked above both the statewide and national averages.

Recently, the state has seen some of the lowest job growth since the summer of 2004, continuing the trend of generally declining job growth over the past year. In November 2005, the state posted a 1.3 percent year-over-year employment growth rate, reflecting a gain of 187,900 jobs.

The nation is also experiencing relatively low job growth over the past few months compared to the past year. Between November 2004 and 2005, the nation gained close to 2.0 million jobs with a growth rate of 1.5 percent. Since June 2005, the nation's job growth has tracked above California—as the state is seeing declining job growth, the nation's trend has remained fairly flat with only the recent months pushing it to a slightly declining pattern.



Compared to a year ago, the Bay Area is seeing decent job growth. Employment growth rates for the past four months have placed close to 1.0 percent. With a growth rate of 0.9 percent, the Bay Area gained 26,500 jobs over the 12 months ending in November 2005.

The Region's Trade, Transportation, & Utilities and Construction sectors saw the greatest employment gains over the past 12 months.

Lately, the Trade, Transportation, & Utilities; Government; and Construction sectors have placed near the top of the list in year-over-year employment gains in the Sacramento Region. Between November 2004 and 2005, these three sectors added 12,500 jobs, close to 71 percent of the Region's net job gains during this time. The year-over-year job losses in Sacramento's Information sector that began in the summer of 2002 continued in November 2005—this was the only sector that posted employment losses.

The state experienced the greatest job gains in the Construction; Professional & Business Services; and Leisure & Hospitality sectors. Combined, these three sectors added 131,500 jobs over the past 12 months, accounting for about 70 percent of the state's net job gains between November 2004 and 2005. Like Sacramento, the state posted employment declines in only one sector, Information.

In the Bay Area, the Educational & Health Services; Construction; and Financial Activities sectors saw the largest job gains—these sectors posted a total gain of close to 20,000 jobs over the past year. Unlike the past few months when the Bay Area experienced year-over-year job losses in only the Information sector, in November 2005 the region also saw declines in the Professional & Business Services and Other Services sectors.

Major Sector Employment Gains and Losses Sacramento Region, Bay Area, and California			
November 2004-2005			
Sector	Sacramento	California	Bay Area
Total Nonfarm	17,700	187,900	26,500
Private Sector	14,900	179,200	26,300
Public Sector	2,800	8,700	200
Trade, Trans., & Util.	5,200	15,000	3,000
Construction	4,500	66,000	6,400
Government	2,800	8,700	200
Prof. & Business Svcs.	2,200	32,100	-1,000
Edu. & Health Svcs.	1,300	22,500	8,600
Manufacturing	1,200	3,300	1,400
Leisure & Hospitality	1,000	33,400	4,600
Other Services	400	2,100	-100
Financial Activities	100	12,200	4,900
Nat. Res. & Mining	0	200	0
Information	-1,000	-7,600	-1,500

Sacramento Regional Research Institute, December 2005
Data Source: Employment Development Department

Employment Gains and Losses Components of Sacramento Region and Bay Area		
Area	November 2004-2005	
	Absolute	Rate
Sacramento Region	17,700	2.0%
Sacramento-Arden Arcade-Roseville MSA	15,100	1.7%
Yuba City MSA	2,600	6.7%
Bay Area	26,500	0.9%
Oakland-Fremont-Hayward Div.	18,500	1.8%
San Francisco-San Mateo-Redwood City Div.	7,300	0.8%
San Jose-Sunnyvale-Santa Clara MSA	700	0.1%

Sacramento Regional Research Institute, December 2005
Data Source: Employment Development Department
Note: Gains and losses reflect Nonfarm employment.

The Yuba City Metropolitan Statistical Area (MSA), consisting of Yuba and Sutter Counties, continued to post robust job growth in November 2005 with 6.7 percent growth. However, the Sacramento Region's job growth was primarily driven by the larger Sacramento-Arden Arcade-Roseville MSA (El Dorado, Placer, Sacramento, and Yolo Counties) which saw 1.7 percent job growth and accounted for over 85 percent of the Region's total year-over-year gains in November 2005.

The Oakland-Fremont-Hayward Metropolitan Division (Contra Costa and Alameda Counties) continued to act as the strongest economy in the Bay Area in November 2005 with close to 70 percent of the net job gains and the healthiest growth rate. The San Francisco-San Mateo-Redwood City Metropolitan Division (Marin, San Francisco, and San Mateo Counties) and the San Jose-Sunnyvale-Santa Clara MSA (Santa Clara County) also

posted overall employment gains, but with much lower absolute and percentage growth than the Oakland-Fremont-Hayward Metropolitan Division.

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