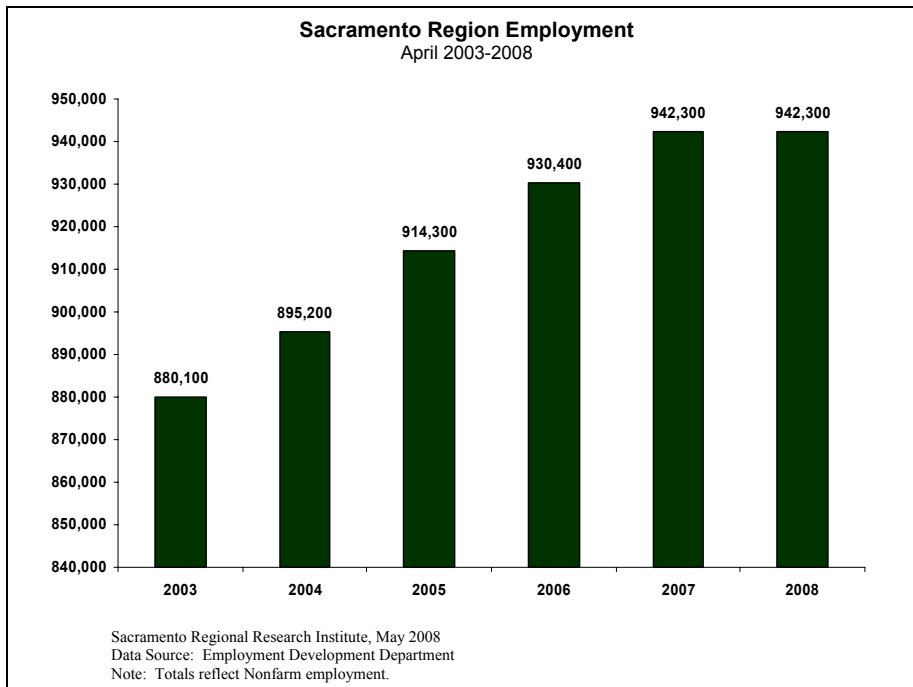
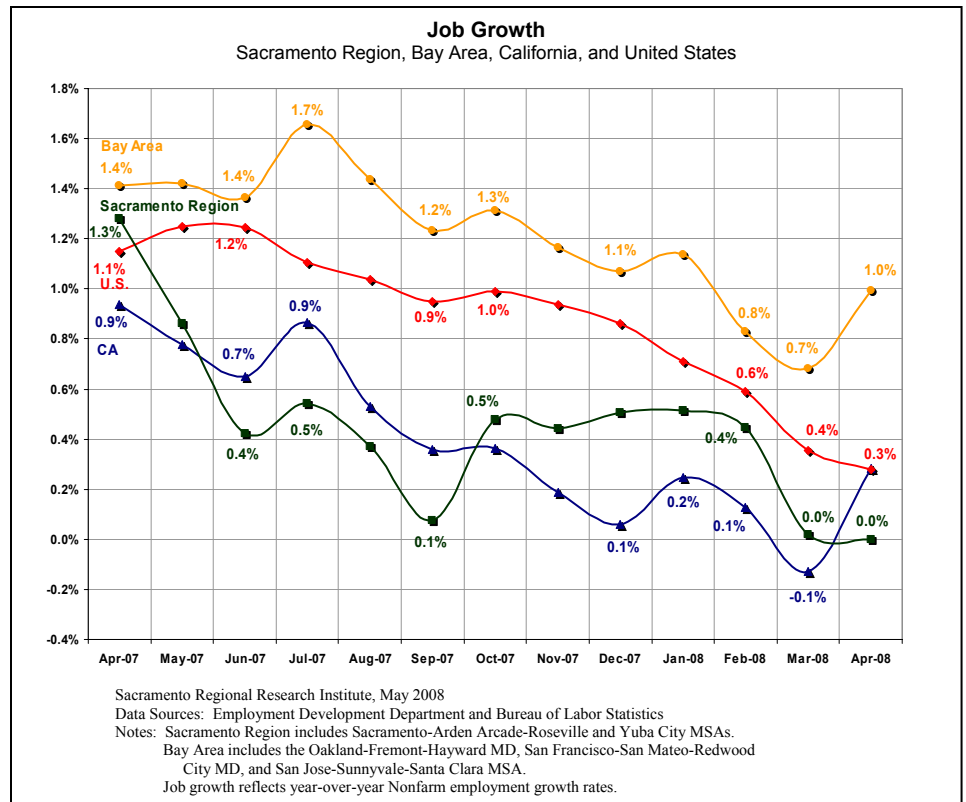


EMPLOYMENT GROWTH IN THE SACRAMENTO REGION, THE BAY AREA, CALIFORNIA, AND THE UNITED STATES

Sluggish job growth continued in the Sacramento Region, dropping it below the statewide and national averages.

The six-county Sacramento Region's job growth remained at a level of no growth in April 2008. Preliminary data show the Region maintained the same number of jobs as it had 12 months ago. Continued losses in the housing-related and Trade, Transportation, & Utilities sectors along with slowing growth in other large sectors have led to the lowest job growth in over a decade. This stagnant growth also puts the Region in a weaker position than both the statewide and national averages.

The state jumped back up to minimal job growth in April 2008 after dropping into negative growth in March 2008. California reached the same level as the nation, which continued its gradual decreasing job growth pattern resulting from the housing downturn and credit crunch. Between April 2007 and 2008, both geographies posted 0.3 percent employment growth with the state adding 43,000 jobs and the nation gaining 381,000 jobs.



Like California, the Bay Area also saw a slight jump in its job growth in April 2008. Over the last 12 months the Bay Area posted 1.0 percent job growth (outpacing the statewide and national averages), reflecting a gain of 29,000 jobs. Despite this recent blip, the Bay Area's job growth is at a notably lower level than it was at the same time last year as job growth in many of its major sectors has slowed.

The Sacramento Region experienced notable losses in four major sectors that offset the healthy gains in a few of its key sectors.

Relatively heavy job losses in the Sacramento Region’s Construction; Trade, Transportation, & Utilities; Financial Activities; and Manufacturing sectors negated employment gains in the leading sectors including Government; Educational & Health Services; and Professional & Business Services. During the 12 months ending April 2008, the Region’s public sector added 5,100 jobs while the private sector experienced an equivalent net loss, leading to no growth overall.

The state also saw the greatest gains in the Government; Educational & Health Services; and Professional & Business Services sectors, posting a combined year-over-year increase of 141,800 jobs. Only the Construction; Financial Activities; and Manufacturing sectors shed jobs at the statewide level, posting a total loss of 134,300 jobs. Similar to the Sacramento Region, California’s private sector produced a net job loss in the last year.

The Bay Area experienced the greatest employment increases between April 2007 and 2008 in the same three sectors as the state and Sacramento Region—Professional & Business Services; Government; and Educational & Health Services. These three sectors combined generated a gain of 26,200 jobs. Only the Bay Area’s housing-related sectors (Construction and Financial Activities) shed a substantial amount of jobs in the past year with an overall loss of 8,500 jobs. Overall, both the public and private sectors in the Bay Area posted a net employment gain.

Major Sector Employment Gains and Losses Sacramento Region, California, and Bay Area			
April 2007-2008			
Sector	Sacramento Region	California	Bay Area
Total Nonfarm	0	43,000	29,000
Private Sector	-5,100	-5,400	20,500
Public Sector	5,100	48,400	8,500
Government	5,100	48,400	8,500
Edu. & Health Svcs.	3,200	56,600	6,400
Prof. & Business Svcs.	1,200	36,800	11,300
Other Services	800	9,100	2,400
Leisure & Hospitality	400	20,700	4,600
Nat. Res. & Mining	100	500	200
Information	-100	300	1,300
Manufacturing	-1,600	-19,400	3,100
Financial Activities	-1,700	-34,300	-6,200
Trade, Trans., & Util.	-2,300	4,900	-300
Construction	-5,100	-80,600	-2,300

Sacramento Regional Research Institute, May 2008
Data Source: Employment Development Department

Employment Gains and Losses Components of Sacramento Region and Bay Area		
Area	April 2007-2008	
	Absolute	Rate
Sacramento Region	0	0.0%
Sacramento-Arden Arcade-Roseville MSA	800	0.1%
Yuba City MSA	-800	-1.9%
Bay Area	29,000	1.0%
San Francisco-San Mateo-Redwood City Div.	22,700	2.3%
San Jose-Sunnyvale-Santa Clara MSA	12,100	1.3%
Oakland-Fremont-Hayward Div.	-5,800	-0.6%

Sacramento Regional Research Institute, May 2008
Data Source: Employment Development Department
Note: Gains and losses reflect Nonfarm employment.

The Sacramento Region’s largest component, the Sacramento-Arden Arcade-Roseville Metropolitan Statistical Area (MSA—El Dorado, Placer, Sacramento, and Yolo Counties), experienced minimal job growth in April 2008 (0.1 percent equating to an increase of 800 jobs). Government and Educational & Health Services led the way in this MSA while the housing-related sectors posted the greatest job losses. The smaller Yuba City MSA (Sutter and Yuba Counties) canceled out the gains in the Sacramento-Arden Arcade-Roseville MSA with a year-over-year loss of 800 jobs (a -1.9 percent employment growth rate). This MSA posted the most losses in the Trade, Transportation, & Utilities sector while Government and Professional & Business Services showed nominal gains.

The San Francisco-San Mateo-Redwood City Metropolitan Division (MD—Marin, San Francisco, and San Mateo Counties) continued its healthy performance and remained the strongest component of the Bay Area. During the 12 months ending April 2008, this MD added 22,700 jobs (reflecting 2.3 percent job growth) with positive growth in every major sector besides Financial Activities (Professional & Business Services showed the largest increase). The San Jose-Sunnyvale-Santa Clara MSA (San Benito and Santa Clara Counties) also preserved its positive job growth with a boost of 12,100 jobs (a 1.3 percent year-over-year employment growth rate). Manufacturing and Educational & Health Services added the most jobs in the Silicon Valley while three sectors lost jobs (Financial Activities, Construction, and Leisure & Hospitality). For the third month in a row, the Oakland-Fremont-Hayward MD (Alameda and Contra Costa Counties) posted negative job growth (-0.6 percent) with a loss of 5,800 jobs. Government and Educational & Health Services were the only two sectors to show notable gains in the last year while six sectors lost jobs (led by the housing-related sectors).

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