

Bay Area added 13,100 jobs in October, one-third of statewide gains

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The Bay Area gained 13,100 jobs in October, state officials announced Friday, extending a pattern of strong growth throughout the year and keeping the region in the forefront of employment expansion in California.

Employment gains in the nine-county Bay Area last month accounted for one-third of the 38,900 jobs created statewide, this newspaper's analysis of the numbers released by the state's Employment Development Department show.

"The Bay Area is carrying the California recovery," said Stephen Levy, director of the Palo Alto-based Center for Continuing Study of the California Economy. "Without the Bay Area, California would be lagging the nation's job recovery."

For the first 10 months of this year, the Bay Area gained more than 74,000 jobs, the seasonally adjusted figures from the EDD reveal. That's fewer than the 101,000 jobs added during the first 10 months of 2012, but is the second-best performance since 2000, when the region added 118,000 positions during the first 10 months of the year.

Job growth last year was especially strong because it was the first year of the rebound and there was strong pent-up demand among employers to hire.

"This isn't temporary," said Michael Bernick, a fellow with the Milken Institute and a former EDD director. "The economic fundamentals are very strong in the Bay Area. The job growth is sturdy and will continue that way."

The booming tech sectors of social networking, the Internet, mobile communications and software have driven the job growth and put Santa Clara County and the San Francisco-San Mateo-Marín region at the forefront of the expansion in the Bay Area. But the East Bay, which has lagged in job growth over the past year, had a healthy surge of nearly 5,000 new jobs in October.

"It comes back to the innovation industries in the Bay Area," said Scott Anderson, chief economist with San Francisco-based Bank of the West.

The gains of 13,100 in October came on the heels of 2,300 new jobs for the region in September.

Santa Clara County added 1,400 jobs in October, after gaining 2,000 in September and 8,500 in August. The East Bay gained 4,900 jobs during October, more than reversing a loss of 4,400 jobs in September, the EDD reported. The San Francisco-San Mateo-Marín metro area added 5,600 jobs in October and 2,500 in September.

California's addition of nearly 40,000 jobs in October represented a strong rebound from a loss of 2,900 jobs in September.

Job markets in the tech-centric regions of the Bay Area are now at 12-year highs. Employment totals in

the South Bay are the highest since August 2001, while the San Francisco job market is the best it's been since September 2001. In contrast, the East Bay is merely back to its early 2009 job levels.

"The East Bay has been up and down all year long," said Jeffrey Michael, director of the Business Forecasting Center at University of the Pacific. "The East Bay hasn't been able to sustain a consistent string of job growth."

Jobless rates in the Bay Area and statewide were left unchanged in October. The unemployment rates were 8.7 percent for California, 7 percent for the East Bay, 6.5 percent for Santa Clara County and 5.2 percent for the San Francisco-San Mateo-Marín area, a Beacon Economics analysis of the EDD figures showed.

"We are very optimistic about the Bay Area," said Jordan Levine, an economist and Beacon's director of economic research. "The high-tech strength is spreading to other industries in the Bay Area -- retail, hotels, restaurants, construction and real estate."

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