

## SOUTH BAY HOPES TO RECOVER ALL JOBS LOST IN THE NEXT TWO YEARS



Because the economy is starting to boom, South Bay is expected to recover all of the jobs lost by the year 2014, which is approximately two years from now. During the recession, which took place in 2007 and lasted until 2009, many jobs in the area and all around the United States were lost. Unfortunately, this left a lot of people out of work and unemployed. The economy is finally in a recover process and in some areas; the economy seems to be booming. South Bay is expecting to recover by 2014 but some economists believe that a full recovery of all lost jobs will take place by 2015. Jon Haveman says, "Every industry in the South Bay is growing except for construction and retail." He also says, "The East Bay is very much hurting, and it may continue to do so for a while." There are quite a few reasons as to why different areas recover faster than some other areas. For one, East Bay had a lot more economic issues than South Bay, which was reported by an analysis that provides figures from the Employment Development Department. Payroll employment had first peaked in East Bay during August of 2007 but since then, the area has lost a little over 100,000 jobs. In the meantime, the employment peak for South Bay took place in March of 2008 and since then, the area lost about 38,000 jobs. An economist for Beacon Economics, Brad Kemp, has said, "The South Bay will come through this like a champ and get back to the peak pretty quick." He also says, "The East Bay has had almost no recovery whatsoever." For East Bay, a high number of jobs that have been lost along with the limitation of the kind of jobs that can be created have caused recovery to be a challenge for the area. For South Bay, the tech sector can offer a number of different services along with products that are in demand right now. East Bay, however, does not have a sector like that to help during the recovery. Kemp says, "For the East Bay, the real issue is the area's economy is being redefined." He also stated, "Who is it? What is it? That's what the East Bay is trying to find out." East Bay was depending very heavily on construction and the mortgage industry to help employment growth take place in the past. However, a lot of the housing problems and meltdowns have pretty much made those jobs disappear for good. With the number of tech companies growing in South Bay, the rent in the area is actually rising so some people and some offices might migrate over to East Bay which could end up helping the recovery process in that area.