

# California unemployment rate climbs to 11.9 pct.

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SAN FRANCISCO – California's unemployment rate climbed to 11.9 percent in July, the highest number in modern record-keeping.

That's an increase from 11.6 percent in June and considerably higher than the jobless rate of 7.3 percent a year ago.

The U.S. Department of Labor also reported Friday that 87,000 Californians lost jobs last month.

The state continued to see declines in the construction, manufacturing, transportation, trade, finance, education and health and government sectors. The trade, transportation and utilities sectors posted the largest drop, losing 15,900 jobs.

California is among 15 states and the District of Columbia that have jobless rates above 10 percent.

Unemployment rose in 26 states in July, but the national jobless rate notched down to 9.4 percent, from 9.5 percent in June.

California lost fewer jobs than in June, when it shed 66,100 jobs and also saw new unemployment claims fall.

Stephen Levy, senior economist at the Palo Alto-based Center for Continuing Study of the California Economy, says the decline in job losses is a sign the state is "edging" toward the end of the recession.

"But we are still in recession," he said. "Job losses are job losses."

Gov. Arnold Schwarzenegger said Friday the numbers indicate the state still has work to do to "get California moving forward again."

"We must fix what is broken in this state," he said.

The hardest-hit county in the state was Imperial with an unemployment rate of 30.2 percent, followed by Yuba, Merced and Trinity counties.

The state has lost 760,200 jobs since July 2008, a drop of 5.1 percent, according to the state's survey of 42,000 California businesses.

A smaller federal survey of households found a loss of 798,000 jobs since last July.