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With the job market continuing to strengthen, unemployment fell to its lowest level in 51/2years in California last month. But for many government workers, who make up an oversized portion of Sacramento's economy, it still feels a lot like the economic recovery has barely begun.

The latest monthly snapshot of California's economy released Friday showed statewide unemployment dropping to 8 percent in February, down a tenth of a point. Payrolls grew by 58,800 jobs. Sacramento's unemployment rate also fell a tenth of a point, to 8.2 percent, the Employment Development Department reported.

Last month's hiring means California has now recaptured 95 percent of the nearly 1.4 million jobs it lost during the recession. Private hiring is responsible for almost all of that, and private payrolls have fully recovered from the downturn, according to separate analyses by the state Department of Finance and Palo Alto's Center for Continuing Study of the California Economy.

“The private sector has regained all the jobs it lost during the recession,” said Irina Asmundson, chief economist at the Finance Department. “The private sector is right back to where it was.” The unemployment rate is still considerably higher than it was before the recession because the population and labor force have grown substantially, leaving more Californians out of work.

The public sector is more problematic. While it was the collapse of the real estate and financial markets that triggered the recession, a continued slump in public-sector

employment is a key reason why the overall job market hasn't completely bounced

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recouped just 6 percent of their lost jobs, Asmundson said. That leaves well more than 100,000 jobs that haven't returned yet.

She said it isn't surprising that the public sector is lagging the private sector. Mass layoffs hit the private sector first, which dried up tax payments. That led to dramatic cutbacks among teachers, firefighters, probation officers and others drawing public paychecks.

Now the private sector has rebounded; a recovery that was sparked initially by the tech sector has now spread to most segments of the economy. Still, government treasuries are only recently starting to feel the benefit.

The sluggishness of the public sector helps explain why Sacramento in particular has been slow to join the recovery. About 26 percent of the region's workforce draws a government paycheck, vs. the statewide average of 15 percent.

Sacramento has also suffered because of the incomplete comeback in the construction industry, another key sector of the regional economy. All told, Sacramento still lags the statewide recovery even though the region has made progress in the past year.

Sacramento "had both of the hard-hit sectors," said Stephen Levy, director of the Center for Continuing Study of the California Economy.

The construction industry is finally adding back jobs at a healthy clip, both in Sacramento and statewide, but the public sector is just now starting to firm up. The improvement in the economy, coupled with statewide tax increases approved by voters in 2012, have helped government budgets. Total government employment at all levels reached nearly 2.4 million last month, a 0.3 percent gain from a year earlier.

"The bleeding has stopped for government," Levy said.

But the patient is still convalescing. The California Teachers Association, citing data

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1,209 fewer full-time equivalent workers than it did six years ago. That amounts to a 29 percent cutback.

“Some departments took 50 percent hits, 40 percent hits,” said city spokeswoman Amy Williams.

The EDD's jobs report released Friday at first glance suggests a dramatic resurgence in the job market last month. After a difficult January, when payrolls shrank by 32,000, the EDD said employers added 58,800 jobs during February.

Asmundson, however, said the whipsaw effect was probably caused at least partly by issues related to how the statistics are calculated. In reality, she said, January probably wasn't as bad as earlier believed, and February probably wasn't quite as strong as the numbers show.

Nonetheless, she and other economists said the overall trend remains encouraging. Over the past year, California payrolls have increased by a healthy 2.2 percent.

The Sacramento region added 11,900 jobs in the past year, a 1.4 percent growth rate.

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