



California Economic Update

April 21, 2015

Summary

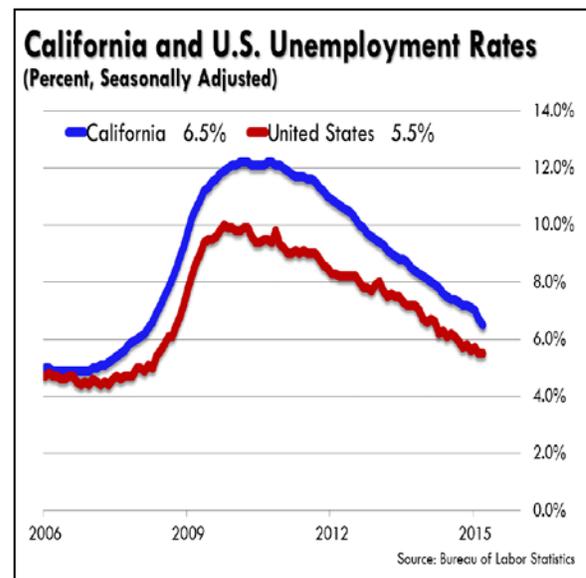
Nonfarm payroll employment in California increased by 39,800 jobs and the unemployment rate fell to 6.5 percent in March according to data released by the Bureau of Labor Statistics (BLS).

California Unemployment Rate

During March, the unemployment rate in California declined by 0.2 percentage point to 6.5 percent. The number of people counted as unemployed fell by 53,259 in March to 1,223,133, while the labor force fell by 7,957 to 18,936,127. Among the 50 states and the District of Columbia, 42 posted lower unemployment rates for the month than California. A year earlier, the unemployment rate in California stood at 7.9 percent.

The 10 year peak for the unemployment rate in California was 12.2 percent in October 2010. This also represents the series high for the unemployment rate in California. The 10 year low for the unemployment rate in California was 4.9 percent in December 2006. The series low for the unemployment rate in California occurred in December 2000 when the unemployment rate reached 4.7 percent. BLS began publishing the state unemployment rate series in 1976.

The national unemployment rate was unchanged at 5.5 percent in March. March's unemployment rate was 1.1 percentage points lower than a year earlier when the rate stood at 6.6 percent. The ten year high for the national unemployment rate was 10.0 percent in October 2009. The ten year low was 4.4 percent in May 2007.



California Payroll Employment

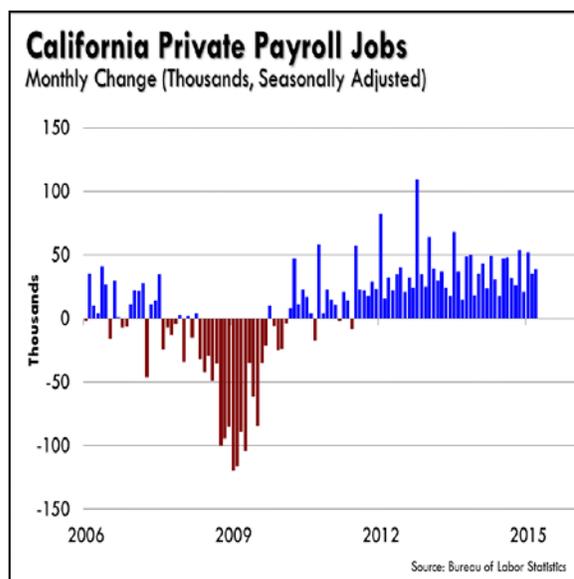
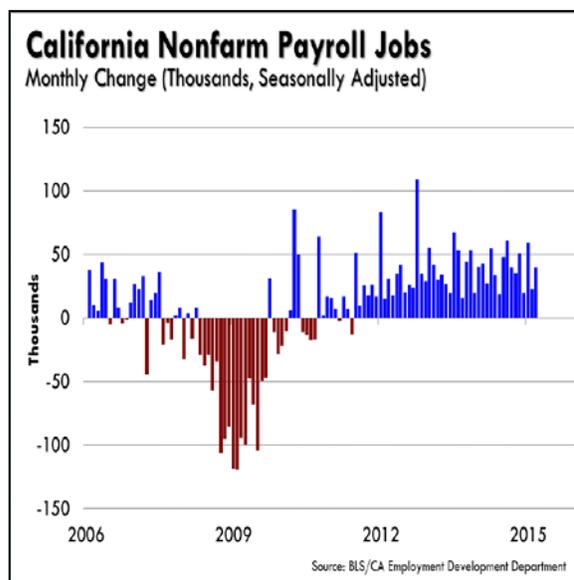
California nonfarm payrolls increased by 39,800 jobs, or 0.25 percent, on a seasonally adjusted basis during March. In the prior month, nonfarm payrolls increased by 22,400. Over the past 12 months nonfarm payrolls in California increased by 481,900, or 3.11 percent. California nonfarm payroll employment has increased in each of the past 36 months.

Nationally nonfarm payrolls increased by 126,000 jobs in March, or 0.09 percent. Over the 12 month period ending in March 2015, nonfarm payrolls grew by 3,128,000 jobs, or 2.27 percent. California ranks 6th among the 50 states and the District of Columbia for percentage gain in nonfarm payroll employment over the past 12 months.

During March, California private sector payrolls increased by 38,900, or 0.29 percent. Private sector payrolls increased by 35,300 jobs in the prior month. Over the past 12 months, private sector payrolls in California increased by 450,600, or 3.44 percent. California private sector payroll employment has increased in each of the past 36 months.

Nationally, private sector payroll jobs increased by 129,000 in March, or 0.11 percent. Over past 12 months, the nation's economy has added 3,056,000 private sector payroll jobs, an increase of 2.63 percent. California ranks 7th among the 50 states and the District of Columbia for percentage gain in private sector payroll employment over the past 12 months.

During March, total government payroll employment in California increased by 900, or 0.04 percent. Federal government payroll employment increased by 600, or 0.25 percent. State government payroll employment declined by 300, or 0.06 percent, while local government payroll employment increased by 600, or 0.04 percent.



Over the past year, total government payroll employment increased by 31,300, or 1.31 percent. State government payroll employment increased by 11,100, or 2.25 percent. Local government payroll employment increased by 21,400, or 1.29 percent.

The best performing sectors on a seasonally adjusted basis during March were Professional & Business Services (+16,900) and Trade, Transportation & Utilities (+11,900). The poorest performing sectors during the month were Information (-3,200) and Leisure & Hospitality (-3,000).

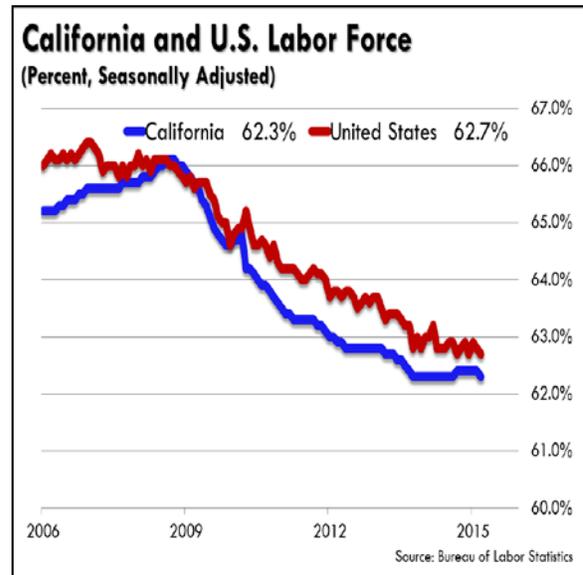


The best performing sectors during the last twelve months were Professional & Business Services (+123,900) and Trade, Transportation & Utilities (+84,600). The poorest performing sectors for the year were Mining & Logging (-900) and Manufacturing (+5,200).

Other California Labor Force Statistics

The labor force participation rate in California declined to 62.3 percent in March from 62.4 percent the prior month. Among the 50 states and the District of Columbia, 30 have a higher labor force participation rate than California. The labor force participation rate in California is unchanged from a year earlier. The labor force participation rate is the percentage of the civilian noninstitutionalized population age 16 and older who are employed or actively looking for work.

The 10 year high for the labor force participation rate in California was 66.1 percent in October 2008. The series high for the labor force participation rate in California occurred in December 1989 when the labor force participation rate hit 67.9 percent. The 10 year low for the labor force participation rate was 62.3 percent in March 2015. This also represents the series low for the labor force participation rate in California.



The national labor force participation rate declined by 0.1 percentage point to 62.7 percent in March, equaling the ten year low last reached in December 2014. That rate is 0.5 percentage point below the March 2014 level of 63.2 percent.

The employment-to-population ratio, or the percentage of the California civilian noninstitutionalized population 16 years and older counted as employed, rose to 58.3 percent in March from 58.2 percent the prior month. Among the 50 states and the District of Columbia, 34 have higher employment-to-population ratios than California. The employment-to-population ratio in California is 0.9 percentage point higher than a year earlier.

The 10 year high for the employment-to-population ratio in California was 62.3 percent in March 2007. The series high for the employment-to-population ratio in California occurred in December 1989 when the employment-to-population ratio hit 64.4 percent. The 10 year low for the employment-to-population ratio was 55.9 percent in July 2011. The series low for the employment-to-population ratio occurred in August 2011 when the employment-to-population ratio hit 55.9 percent.

The national employment-to-population ratio was unchanged at 59.3 percent in March. At 59.3 percent, the national employment-to-population ratio is still below the level of 59.4 percent when the recession ended in June 2009. The all-time high for the employment-to-population ratio was 64.7 percent in April 2000. The 10 year high for the employment-to-population ratio was 63.4 percent in December 2006. The recent low occurred in October 2013 when the employment-to-population ratio dipped to 58.2 percent. The last time the employment-to-population posted a reading lower than 58.2 percent was July 1983.

State employment and unemployment data for April is scheduled for release on Wednesday, May 27. The national employment situation report for April is scheduled for release on Friday, May 8.

