



California Employment Report

Joint Economic Committee

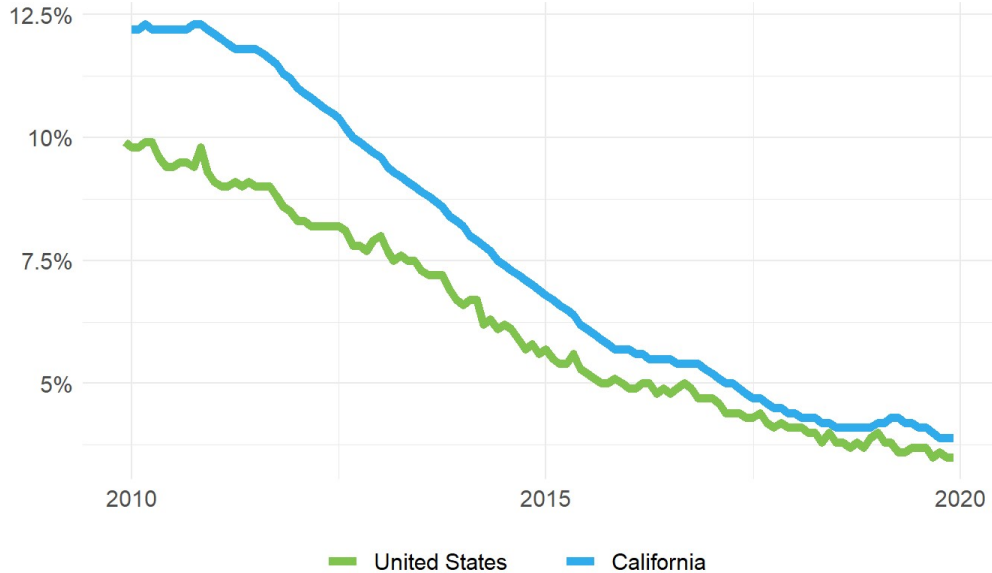
Senator Mike Lee, Chairman

January 24, 2020

Summary

- **California added 12,600 net jobs and the unemployment rate remained unchanged at 3.9 percent in December**, according to Bureau of Labor Statistics (BLS) data released at 10:00am on January 24, 2020.
- **Over the past twelve months, California added 310,300 payroll jobs** and the unemployment rate fell by 0.2 percentage point from 4.1 percent.
- **In December, California's private sector added 9,200 net private payroll jobs** and over the past twelve months it added 270,000 private payroll jobs in the establishment survey.
- In the household survey, the number of **unemployed fell by 4,037 on net in December**, and over the past year employment rose by 81,795.
- California's **labor force participation rate rose to 62.4 percent** in December from 62.2. Since last year, the labor force participation rate fell by 0.2 percentage point.
- The national unemployment rate **remained unchanged in December**. State employment and unemployment data for January is scheduled for release March 16, 2020. The national employment situation report for January will be released February 07, 2020.

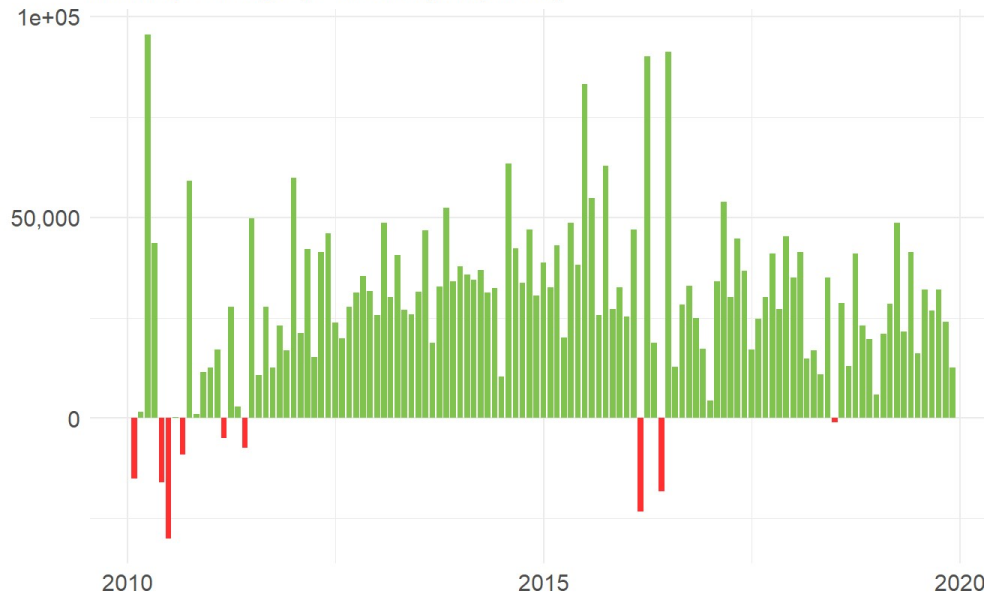
California and U.S. Unemployment Rates (Percent, Seasonally Adjusted)



Source: Bureau of Labor Statistics

California Payroll Employment

California Nonfarm Payroll Jobs Monthly Change (Seasonally Adjusted)



Source: Bureau of Labor Statistics

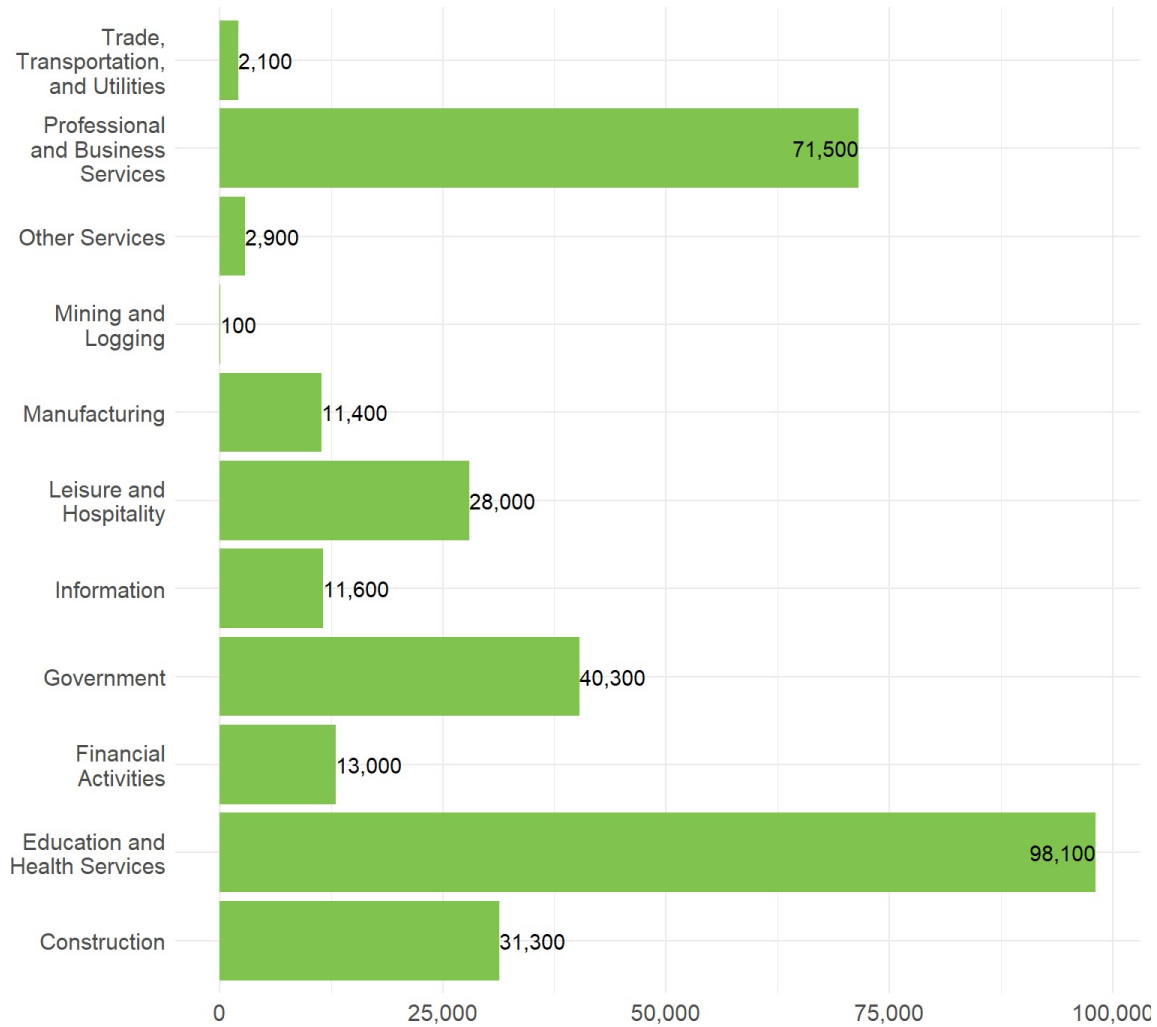
California added 12,600 net payroll jobs, or 0.1 percent, on a seasonally adjusted basis during December. In the prior month, California added 24,000 jobs. Over the past twelve months, California added 310,300 payroll jobs, or 1.8 percent. California nonfarm payroll employment had increased in each of the past 12 months.

Nationally, nonfarm payrolls rose by 145,000 in December, or rose by 0.1 percent. Over the 12-month period ending with December, nonfarm payrolls rose by 2,108,000 jobs, or 1.4 percent. California is tied for 12th among the 50 states and the District of Columbia for percentage gain in nonfarm payroll employment over the past 12 months.

During December, California's private-sector added 9,200 jobs, or approximately 0.1 percent. The private-sector in California added 21,200 jobs in the prior month. Over the past twelve months, private-sector payrolls in California added 270,000, or 1.8 percent. California private-sector payroll employment has increased in each of the past 12 months.

Nationally, private-sector payroll jobs rose by 139,000 jobs in December, or 0.1 percent. Over the past 12 months, the national payroll rose by 1,947,000 jobs in the private sector, or rose by 1.5 percent. California is tied for 14th among the 50 states and the District of Columbia for a percentage gain in private-sector payroll employment over the past 12 months.

Change in California Payroll Employment by Sector over Past 12 Months



Source: Bureau of Labor Statistics, seasonally adjusted

The best performing sectors on a seasonally adjusted basis during December were Professional and Business Services (6,500) and Education and Health Services (5,200). The poorest performing sectors during the month were Leisure and Hospitality (-2,400) and Information (-3,900).

The best performing sectors during the last twelve months were Education and Health Services (98,100) and Professional and Business Services (71,500). The poorest performing sectors during the last twelve months were Trade, Transportation, and Utilities (2,100) and Mining and Logging (100).

California Labor Force Statistics

Labor Force Participation

The labor force participation rate in California rose to 62.4 percent in December from 62.2 percent in the prior month. At a labor force participation rate of 62.4 percent, California ranks 32nd in the nation. The labor force participation rate in California fell by 0.2 percentage point 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 64.9 percent in March 2010. 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 percent, last occurring in September 2019. This also represents the series low for the labor force participation rate in California.

The national labor force participation rate remained steady at 63.2 percent in December. That rate rose by 0.2 percentage point from a year earlier. The all-time high for the national labor force participation rate was 67.3 percent in April 2000. The 10-year high for the national labor force participation rate was 65.2 percent in April 2010. The recent 10-year low occurred in September

2015 at a level of 62.4 percent. The series low for the national labor force participation rate was 58.1 percent in December 1954.

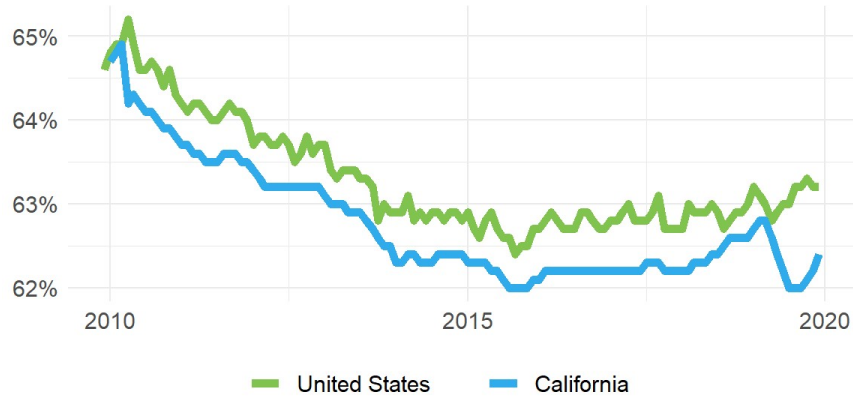
Employment-to-Population Ratio

The employment-to-population ratio, or the percentage of the California civilian noninstitutionalized population 16 years and older counted as employed, in December rose to 59.9 from 59.8 percent in the prior month. At 59.9 percent, California ranks 34th among state employment-to-population ratios in the nation. The employment-to-population ratio in California fell by -0.1 percentage point from a year earlier.

The 10-year high for the employment-to-population ratio in California was 60.2 percent in February 2019. The series high for the employment-to-population ratio in California last 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 56 percent last occurring in July 2011. This also represents the series low for the employment-to-population ratio in California.

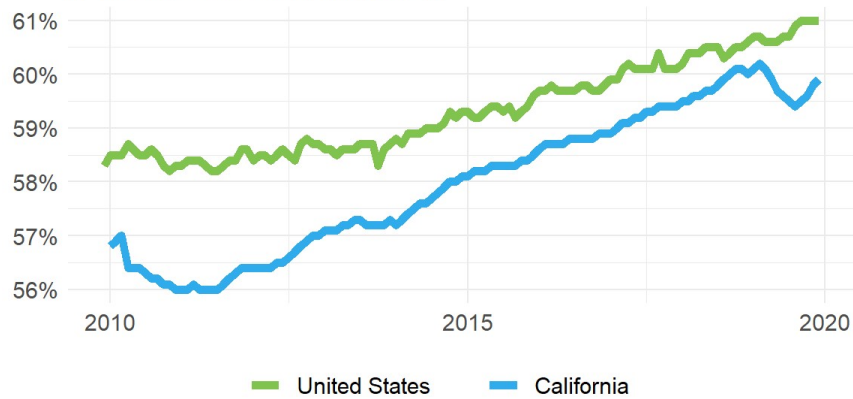
The national employment-to-population ratio remained steady at 61 percent in December. That rate rose by 0.4 percentage point from a year earlier. The all-time high for the national employment-to-population ratio was 64.7 percent in April 2000. The 10-year high for the national employment-to-population ratio was 61 percent in December 2019. The recent 10-year low occurred in July 2011 at a level of 58.2 percent. The series low for the employment-to-population ratio was 54.9 percent in October 1949.

California and U.S. Labor Force Participation Rates (Percent, Seasonally Adjusted)



Source: Bureau of Labor Statistics

California and U.S. Employment-to-Population Ratios (Percent, Seasonally Adjusted)



Source: Bureau of Labor Statistics