



Economic Overview And Outlook: California

JOBS

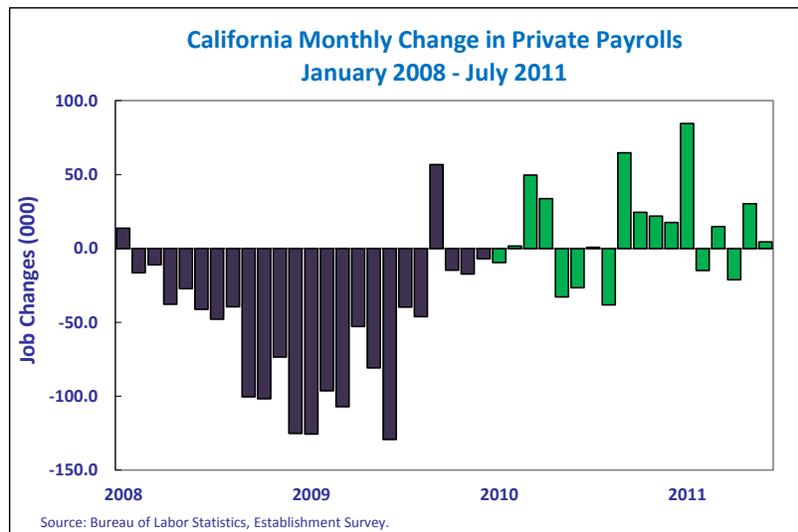
- Including July, the private sector has gained jobs nationwide for 17 consecutive months.
- In California, private sector employment fell by 9.5 percent from January 2008 to February 2010. Since February 2010, private sector employment has grown by 2.4 percent.
- In California, employees in the construction, manufacturing, and financial activities sectors faced the largest job losses (as a percent of employment within an industry) over the recession. Since the beginning of 2010, the following sectors in California have experienced the greatest employment increases: mining; professional and business services; and education and health services.*
- As the economy recovers from the Great Recession, service-providing industries are projected to add the most jobs between 2008 and 2018, with the largest gains in professional and business services, education, health care and social assistance, and State and local government. Within the goods-producing sector of the economy, only the construction industry is projected to add jobs above its 2008 level.

EMPLOYMENT

- The unemployment rate in California was 12.0 percent in July 2011, up 6.2 percentage points from December 2007, but down from its most recent peak of 12.5 percent in December 2010.
- 2,167,000 California residents were counted among the unemployed in California during July 2011.

EARNINGS

- Between the start of the recession in the 4th quarter of 2007 and the 3rd quarter of 2009, inflation-adjusted total personal income in the United States declined 2.2 percent. Most recently, in the 1st quarter of 2011, total personal income is 1.1 percent above its 4th quarter of 2007 level.
- Real per capita personal income (in 2005 \$) in California was \$39,489.60 in the 1st quarter of 2011, up from \$39,327.60 in the 1st quarter of 2009.



HOUSING

- National home prices, including distressed sales, saw a decrease of 6.8 percent in June 2011 from June 2010 compared to a 6.7 percent decrease in May. In California, home prices saw a decrease of 6.7 percent in June 2011 from June 2010 following May's year over year decrease of 6.4 percent.
- The median price of single-family homes in California was \$330,037 in the second quarter of 2010, compared to \$180,176 nationwide.
- As of the 1st quarter of 2011, 4.0 percent of all mortgages, including 12.2 percent of subprime mortgages, were in foreclosure in California.
- Housing starts in California totaled 48,210 units (seasonally adjusted annual rate) in June 2011, an increase of 0.9 percent from May.
- Within the West census region, which includes California, sales of new single-family homes totaled 69,000 units in June 2011, a decrease of 12.7 percent from May. Sales of existing single-family homes decreased 12.8 percent to 950,000 units (at seasonally adjusted annual rates) from June to July 2011.

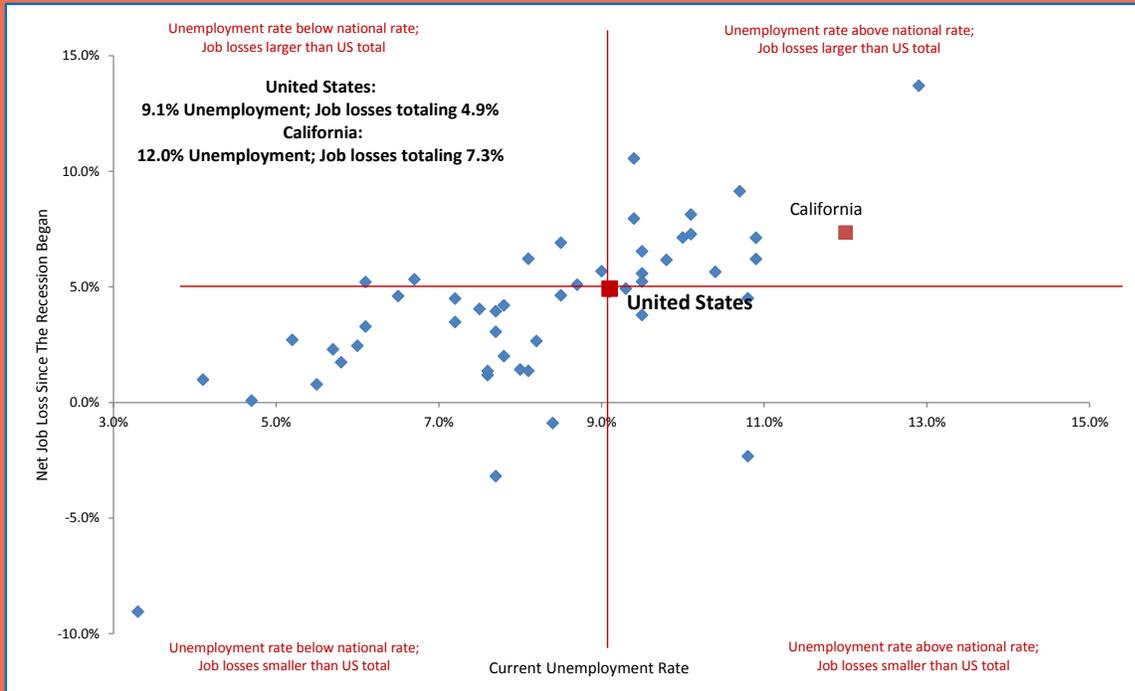
* For California-specific labor sector statistics, please refer to the California office: <http://www.labormarketinfo.edd.ca.gov/>

How Does California Compare To Other States?

Workers across the country were hard hit during the Great Recession. Although labor markets in many states have started recovering, employment in most states still remains below pre-recession levels. The chart below allows you to compare California to other states using two metrics.

The current unemployment rate (measured along the horizontal axis) serves as a gauge of current labor market conditions faced by residents, while the proportion of jobs lost within California since the start of the recession (shown along the vertical axis) measures the toll the recession took on the job supply in California.

States falling in the upper right quadrant have lost a disproportionate share of jobs, relative to the total United States, and have unemployment rates higher than the national unemployment rate. States falling in the lower left quadrant have unemployment rates job losses (or even gains) lower than the national average.



STATE QUICK FACTS

| | | California | United States |
|---|----------------|------------|---------------|
| Unemployment Rates | July 2008 | 7.3% | 5.8% |
| | July 2009 | 11.7% | 9.5% |
| | July 2010 | 12.4% | 9.5% |
| | July 2011 | 12.0% | 9.1% |
| Percent of Population Who Are Veterans | 2009 | 4.8% | 7.1% |
| All Veterans' Unemployment Rate | 2010 | 9.8% | 8.7% |
| Post-9/11 Veterans' Unemployment Rate | 2010 | 12.4% | 11.5% |
| Median Household Income | 2007 | \$ 57,656 | \$ 51,965 |
| | (2009 \$) 2009 | \$ 56,134 | \$ 49,777 |
| Poverty Rate | 2007 | 12.7% | 12.5% |
| | 2009 | 15.3% | 14.3% |
| No Health Insurance | 2007 | 18.2% | 15.3% |
| | 2009 | 20.0% | 16.7% |