

Fast Facts on the California Economy

Compiled by: Assembly Committee on Jobs, Economic Development, and the Economy
Jose Medina, Chair

California's economy is the ninth largest in the world with a 2011 gross state product (GDP) of \$1.95 trillion.¹ In December 2012, the California unemployment rate was 9.8%, unchanged from November. This figure represents 1.8 million unemployed workers. Over the same period, the national unemployment rate also held steady at 7.8%.²

California's Global Economy

- In 2011, California's total GDP was \$1.95 trillion, as compared to the U.S. total GDP of \$15 trillion.³
- If California were a country, its 2011 GDP would place it 9th in the world, worldwide GDP ranking are as follows: United States (\$15 trillion), China (\$7.29 trillion), Japan (\$5.86 trillion), Germany (\$3.57 trillion), France (\$2.77 trillion), Brazil (\$2.47 trillion), United Kingdom (\$2.43 trillion), Italy (\$2.19 trillion), India (\$1.86 trillion), the Russian Federation (\$1.85 trillion), and Spain (\$1.49 trillion).⁴
- There were nearly 2.7 million home foreclosures across the U.S. in 2011, a 34% reduction from the prior year. California registered the 3rd highest foreclosure rate in the country with 1 in every 31 housing units having at least one foreclosure filing during the year. Ten of the top metro areas were in California, led by Stockton (2nd nationally) with 1 in 18 housing units with at least one foreclosure filing in the year. Other California metro areas significantly impacted include: Modesto (3rd nationally), Vallejo-Fairfield (4th nationally), Riverside-San Bernardino (5th nationally), Merced (7th nationally), Bakersfield (9th nationally), Sacramento (10th nationally), Fresno (11th nationally), Visalia (13th nationally), and Ventura (16th nationally).⁵

Job Market in December 2012

- California civilian employment in December 2012 was up by 73,000 workers from the prior month, increasing the total civilian employment in the state to 16,663,000 persons. Between December 2011 and December 2012, civilian employment was up 248,000 persons, an increase of 1.5%.⁶
- In December 2012, nonfarm jobs rose in three of the major industry sectors: educational and health services (+9,200); construction (+4,100); and information (+3,500). However, eight sectors lost jobs: trade, transportation, and utility (-11,200); professional and business services (-8,800); other services (-5,300); leisure and hospitality (-3,800); manufacturing (-2,600); government (-1,800); financial activities (-700); and mining and logging (-100).⁷

Unemployment December 2012. *The following figures are not seasonally adjusted (as compared to the seasonally adjusted unemployment number above.) Monthly unemployment numbers by their nature are not seasonally adjusted.*⁸

- | | | |
|-----------------------------|---------------------------|---|
| • Statewide: 9.7% | • Riverside County: 11.1% | • Riverside-San Bernardino-Ontario: 10.9% |
| • Alameda County: 8.2% | • Sacramento County: 9.9% | • Sacramento-Arden Arcade-Roseville: 9.8% |
| • Colusa County: 23.7 % | • San Diego: 8.1% | • Oakland-Fremont-Hayward: 8.2% |
| • Contra Costa: 8.2% | • Sonoma: 7.7% | • L.A.-Long Beach-Glendale: 10.2% |
| • Fresno County: 14.9% | • Tulare: 15.7% | |
| • Imperial County: 25.5% | • Tuolumne: 11.2% | |
| • Los Angeles County: 10.2% | | |

The highest unemployment rates by race and ethnicity was among blacks (17.3%), then Hispanics (12.7%), and then whites (10.1%). By age group, the highest unemployment was among workers 16 to 19 (34.6%).⁹ By duration, the largest group of unemployed persons was those who had been unemployed 52 weeks or more (657,000 persons or 34.1% of all unemployed).¹⁰ The number of persons not in the labor force that want a job increased by 5,000 (0.5%) in December to 990,000.¹¹

Foreign Investment & U.S. Based Subsidiaries

- California has the highest rate of employment by U.S. subsidiaries of foreign companies.¹²
- In 2009, insourcing companies employed 594,100 Californians and accounted for 4% of the state's total private sector employment.¹³ More than 32% of all subsidiaries in California are in the manufacturing industry and account for 193,300 jobs.¹⁴

Energy Market

- In 2010, California produced 12% of the natural gas, 71% of the electricity, and 38.11% of the crude oil it consumes.¹⁵ The remaining electricity and natural gas was purchased from Canada, the Pacific Northwest, the Rocky Mountain States and the Southwest. Remaining crude oil was imported from Alaska and abroad.¹⁶
- In 2010, 53.4% of California's electricity came from burning natural gas, 15.7% from nuclear energy, 14.6% was generated in large hydroelectric dams, 14.6% from renewable sources, and 1.7% came from coal.¹⁷
- Since 1978, energy efficient building and appliance standards have saved \$66 billion in electricity and natural gas costs. The 2013 Energy Efficient Standards (Standards) will result in 25% less energy for lighting, heating, cooling, ventilation, and water heating than the 2008 standards. Additionally, the Standards will save 200 million gallons of water per year (equal to more than 6.5million wash loads) and avoid 170,500 tons of greenhouse gas emissions per year.¹⁸
- The West Coast price for Alaskan North Slope crude oil peaked at \$125.48 per barrel on April 29th, but has since decreased to \$115.30 per barrel as of July 13, 2011. This is \$37.80 higher than July 2010.¹⁹
- Reformulated gasoline production in California for the week ending July 8th decreased 6.5% from the previous week to 6.6 million barrels, remaining within the five-year range and 4% higher than a year ago. Inventories for California reformulated gasoline decreased 3.4% but remains within the five-year range.²⁰

California's Innovation Economy

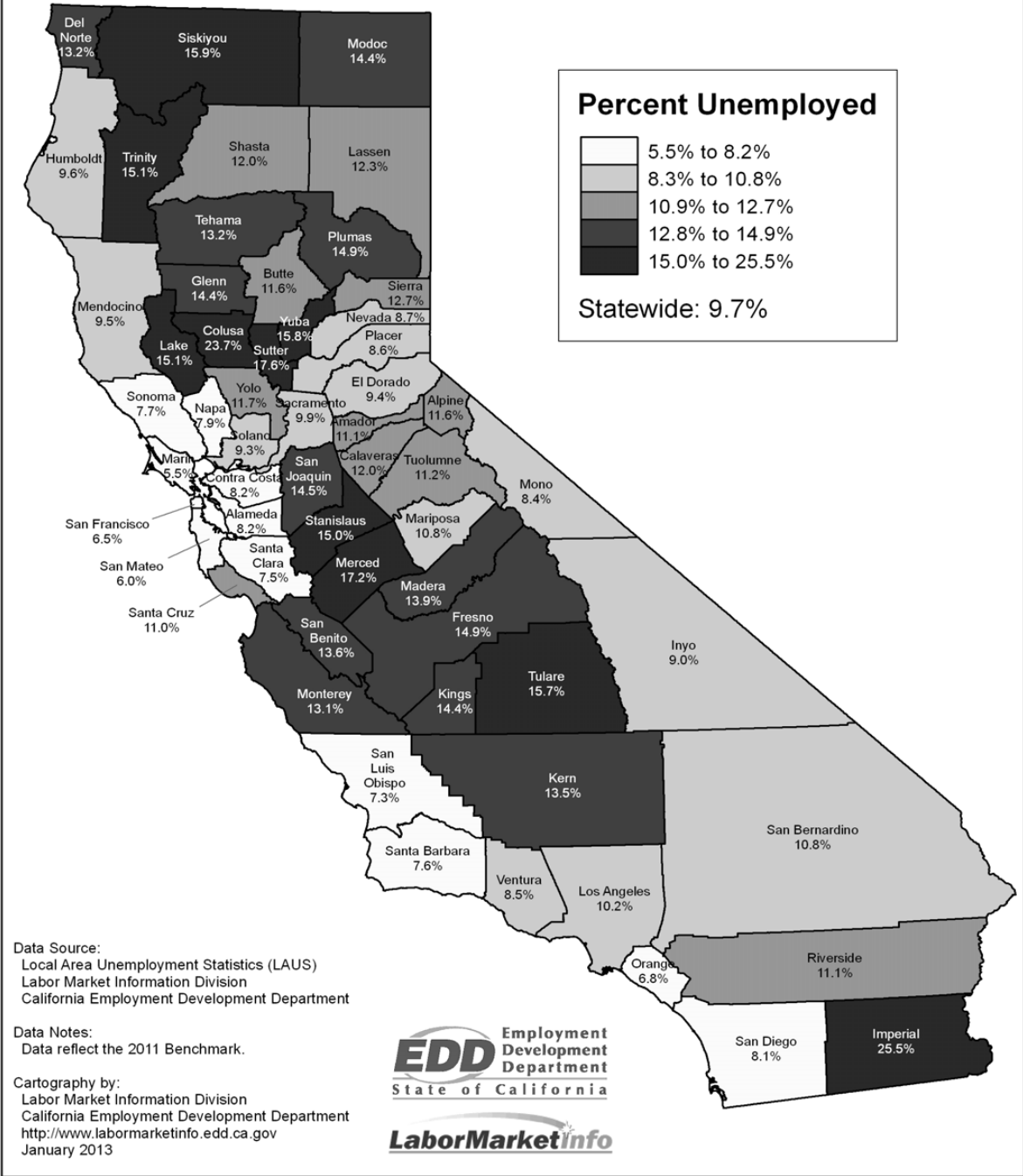
- The University of California System is a leader in university research and ranks 1st in technology transfer and commercialization among all U.S. universities. The California Institute of Technology and Stanford University are ranked among the top ten.²¹
- The San Jose-Sunnyvale-Santa Clara region, also known as Silicon Valley, was #1 in the Best-Performing Cities Index over 2012. This region accounts for more than 40% of all venture capital placements in the U.S., has the highest high-tech GDP concentration in the nation, and recorded the fastest wage growth in the U.S. over 2010. The next ranked in-state regions are: Bakersfield-Delano (#19), San Francisco-San Mateo-Redwood City (#36), Santa Barbara-Santa Maria-Goleta (#66), and San Diego-Carlsbad-San Marcos (#73)²²
- California ranked 1st in the nation in patents by the U.S. Patent and Trademark Office in 2011 with 28,148 patents granted. This accounts for roughly 12.5% of all patents issued in the world.²³

California Trade and Foreign Investment Activity

- California exported \$159 billion in products in 2011. This is up from 2010 (\$143.1billion).²⁴
- California's largest export market is Mexico, where the value of exports totaled \$26 billion in 2011. After Mexico, California's top export markets in 2011 were: Canada (\$17.1billion), China (\$14.1 billion), Japan (\$13 billion), and South Korea (\$8.4 billion).²⁵
- California's top five exports in 2011 were: Computer & Electronic Products (\$46 billion); Transportation Equipment (\$14.9 billion); Machinery, Except Electrical (\$14.7 billion); Miscellaneous Manufactured Commodities (\$13 billion) Chemicals (\$12.4 billion).²⁶
- China is the largest source of imports into California; the 2011 value of Chinese imports was \$120 billion. China is followed by Japan (\$39.7 billion); Mexico (\$33.6 billion); Canada (\$20.4 billion); and South Korea (\$11.7 billion).²⁷
- California's top five imports in 2011 were: Computer & Electronic Products (\$107.6 billion); Transportation Equipment (\$48.8 billion); Oil & Gas (\$30 billion); Miscellaneous Manufactured Commodities (\$19.1 billion); and Apparel & Accessories (\$18.9 billion).²⁸
- As global demand recovered from the financial crisis, increased trade volumes in 2010 compensated for nearly all losses in 2009, according to the Kyser Center for Economic Research.²⁹
- Exports to China have grown more rapidly than those to Japan. In the first quarter of 2011, state exports to China (\$3.4 billion) exceeded those to Japan (\$3.2 billion) for the first time in California trade history.³⁰

County Unemployment Rates

December 2012 (Not Seasonally Adjusted)



Compliments of Assemblymember Jose Medina

- ¹ http://www.dof.ca.gov/HTML/FS_DATA/LatestEconData/FS_Misc.htm ; California's World Ranking 2011 GDP, accessed August 6, 2012
- ² <http://www.calmis.ca.gov/file/lfmonth/calmr.pdf> EDD "California Labor Market Review" December 2012, pg 1, accessed January 29, 2013
- ³ http://www.dof.ca.gov/HTML/FS_DATA/LatestEconData/FS_Misc.htm ; California's World Ranking 2011 GDP, accessed August 6, 2012
- ⁴ http://www.dof.ca.gov/HTML/FS_DATA/LatestEconData/FS_Misc.htm ; California's World Ranking 2011 GDP, accessed August 6, 2012
- ⁵ <http://www.realtytrac.com/content/foreclosure-market-report/2011-year-end-foreclosure-market-report-6984> RealtyTrac Accessed May 11, 2012
- ⁶ <http://www.calmis.ca.gov/file/lfmonth/calmr.pdf> EDD "California Labor Market Review" December 2012, pg 2, accessed January 29, 2013
- ⁷ <http://www.calmis.ca.gov/file/lfmonth/calmr.pdf> EDD "California Labor Market Review" December 2012, pg 8, accessed January 29, 2013
- ⁸ <http://www.calmis.ca.gov/file/lfmonth/calmr.pdf> EDD "California Labor Market Review" December 2012, pg 10-12, accessed January 29, 2013
- ⁹ <http://www.calmis.ca.gov/file/lfmonth/calmr.pdf> EDD "California Labor Market Review" December 2012, pg 2, accessed January 29, 2013
- ¹⁰ <http://www.calmis.ca.gov/file/lfmonth/calmr.pdf> EDD "California Labor Market Review" December 2012, pg 3, accessed January 29, 2013
- ¹¹ <http://www.calmis.ca.gov/file/lfmonth/calmr.pdf> EDD "California Labor Market Review" December 2012, pg 4, accessed January 29, 2013
- ¹² <http://www.ofii.org/jobs/ca>; Organization for International Investment, accessed August 6, 2012
- ¹³ <http://www.ofii.org/jobs/ca>; Organization for International Investment, accessed August 18, 2011
- ¹⁴ <http://www.ofii.org/jobs/ca>; Organization for International Investment, accessed August 18, 2011
- ¹⁵ http://energyalmanac.ca.gov/overview/energy_sources.html ; California Energy Commission, "Total Electricity System Power" accessed August 6, 2012
- ¹⁶ http://energyalmanac.ca.gov/overview/energy_sources.html; California Energy Commission, "California's Major Sources of Energy Sources," accessed August 6, 2012
- ¹⁷ http://energyalmanac.ca.gov/overview/energy_sources.html; California Energy Commission, "California's Major Sources of Energy Sources," accessed August 6, 2012
- ¹⁸ http://www.energy.ca.gov/title24/2013standards/rulemaking/documents/2013_Building_Energy_Efficiency_Standards_FA_Q.pdf, Accessed July 27, 2012
- ¹⁹ http://www.energyalmanac.ca.gov/petroleum/petroleum_watch/2011-07-15_Petroleum_Watch.pdf , California Energy Commission, "Petroleum Watch," July 15, 2011, accessed August 18, 2011
- ²⁰ http://www.energyalmanac.ca.gov/petroleum/petroleum_watch/2011-07-15_Petroleum_Watch.pdf , California Energy Commission, "Petroleum Watch," July 15, 2011, accessed August 18, 2011
- ²¹ Milken Institute's (<http://www.milkeninstitute.org>) University Technology Transfer and Commercialization Index (2005-2007); accessed August 18, 2011
- ²² <http://www.milkeninstitute.org/pdf/Best-Performing-Cities-Report-2012.pdf>; The Milken Institute, "Best-Performing Cities 2012", pg 11, January 2013; accessed January 29, 2013
- ²³ http://www.uspto.gov/web/offices/ac/ido/oeip/taf/cst_utl.pdf; Patents by Country/State and year, all patents, all types, January 1, 1963 to December 31, 2011; accessed January 29, 2012
- ²⁴ <http://www.census.gov/foreign-trade/statistics/state/data/ca.html#com>; State Exports for California, March 12, 2012
- ²⁵ <http://www.census.gov/foreign-trade/statistics/state/data/ca.html#com>; State Exports for California, March 12, 2012
- ²⁶ State Exports by NAICS Commodities; USATradeOnline, accessed March 12, 2012
- ²⁷ <http://www.census.gov/foreign-trade/statistics/state/data/imports/ca.html>; State Imports for California, March 12, 2012
- ²⁸ State Imports by NAICS Commodities; USATradeOnline, accessed March 12, 2012
- ²⁹ <http://laedc.org/newsroom/pdf/TradeOutlookReport.pdf>; International Trade Trends, The Southern California Region 2010 Review and 2011 Outlook; accessed July 25, 2011
- ³⁰ <http://tse.export.gov/TSE/MapDisplay.aspx> ; Office of Trade and Industry Information (OTII), Manufacturing and Services, International Trade Administration, U.S. Department of Commerce, "2010 NAICS Total All Merchandise Exports from California"; accessed July 18, 2011
- ³¹ <http://www.calmis.ca.gov/file/lfmonth/calmr.pdf> EDD "California Labor Market Review" December 2012, accessed January 29, 2013