

Fast Facts on the California Economy

Compiled by: Assembly Committee on Jobs, Economic Development, and the Economy
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California's economy is one of the ninth largest in the world with a 2010 gross state product (GDP) of \$1.9 trillion.¹ In May, the California unemployment rate decreased to 10.8%.² The figure represented 1.9 million unemployed workers, a decrease of 12,000 from the prior month.³ The national unemployment rate increased to 8.2% over the same period.⁴

California's Global Economy

- In 2010, California's total GDP was \$1.9 trillion, as compared to the U.S. total GDP of \$14.5 trillion.⁵
- If California were a country, its 2010 GDP would place it 9th in the worldwide GDP ranking as follows: United States (\$14.5 trillion), China (\$5.87 trillion), Japan (\$5.49 trillion), Germany (\$3.30 trillion), France (\$2.56 trillion), United Kingdom (\$2.25 trillion), Brazil (\$2.09 trillion), Italy (\$2.05 trillion), India (\$1.73 trillion), Canada (\$1.34 trillion) the Russian Federation (\$1.48 trillion), and Spain (\$1.41 trillion).⁶ 2011 numbers will be available in June 2012
- 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 foreclose 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).⁷

Job Market

- In May 2012, there were 14,276,400 jobs in California's nonfarm industries, an increase of 33,900 over the prior month. On a year over year basis (May 2011 to May 2012), non-farm jobs grew by 221,500 or 1.6%.⁸
- Sectors with increased employment in May 2012 were: mining and logging (200); leisure and hospitality (13,200); professional and business services (10,500); educational and health services (10,500); manufacturing (3,000); construction (2,600); financial activities (1,100); and information (1,000).⁹
- Sectors that lost jobs in May 2012 were: government (3,300); trade, transportation, and utilities (3,300); and other services (1,600).¹⁰
- From May 2011 to May 2012, nonfarm jobs rose in eight of the eleven major industry sectors: mining and logging (4.6%); information (4.4%); professional and business services (4.1%); educational and health services (3.0%); leisure and hospitality (2.5%); construction (2.1%); trade, transportation, and utilities (1.7%); and financial activities (1.4%).¹¹

Unemployment May 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.*¹²

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|-----------------------------|----------------------------|
| • Statewide: 10.4% | • Imperial County: 26.8% |
| • Alameda County: 9.1% | • Riverside County: 11.8% |
| • Colusa County: 19.2% | • Sacramento County: 10.5% |
| • Contra Costa: 9.0% | • San Diego: 8.8% |
| • Fresno County: 14.9% | |
| • Los Angeles County: 11.1% | |

Foreign Investment & U.S. Based Subsidiaries

- California has the highest rate of employment by U.S. subsidiaries of foreign companies.¹³
- In 2009, insourcing companies employed 594,100 Californians and accounted for 4% of the state's total private sector employment.¹⁴ More than 32% of all subsidiaries in California are in the manufacturing industry and account for 193,300 jobs.¹⁵

Energy Market

- In 2008, California produced 13% of the natural gas¹⁶, 38% of the crude oil¹⁷, and 68% of the electricity¹⁸ it consumes. 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.¹⁹
- In 2009, 56.7% of California's electricity came from burning natural gas, 15.3 % from nuclear fission, 12.2% was generated in large hydroelectric dams, 13.9% from renewable sources, and 1.8% came from coal.²⁰
- In 2007, California's renewable energy came from geothermal (4.5% of total electricity)²¹, wind (2.3%)²², waste-to-energy and biomass (2.1%)²³, and solar (0.22%)²⁴ sources.
- 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 2010.²⁵
- 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.²⁶

California's Innovation Economy

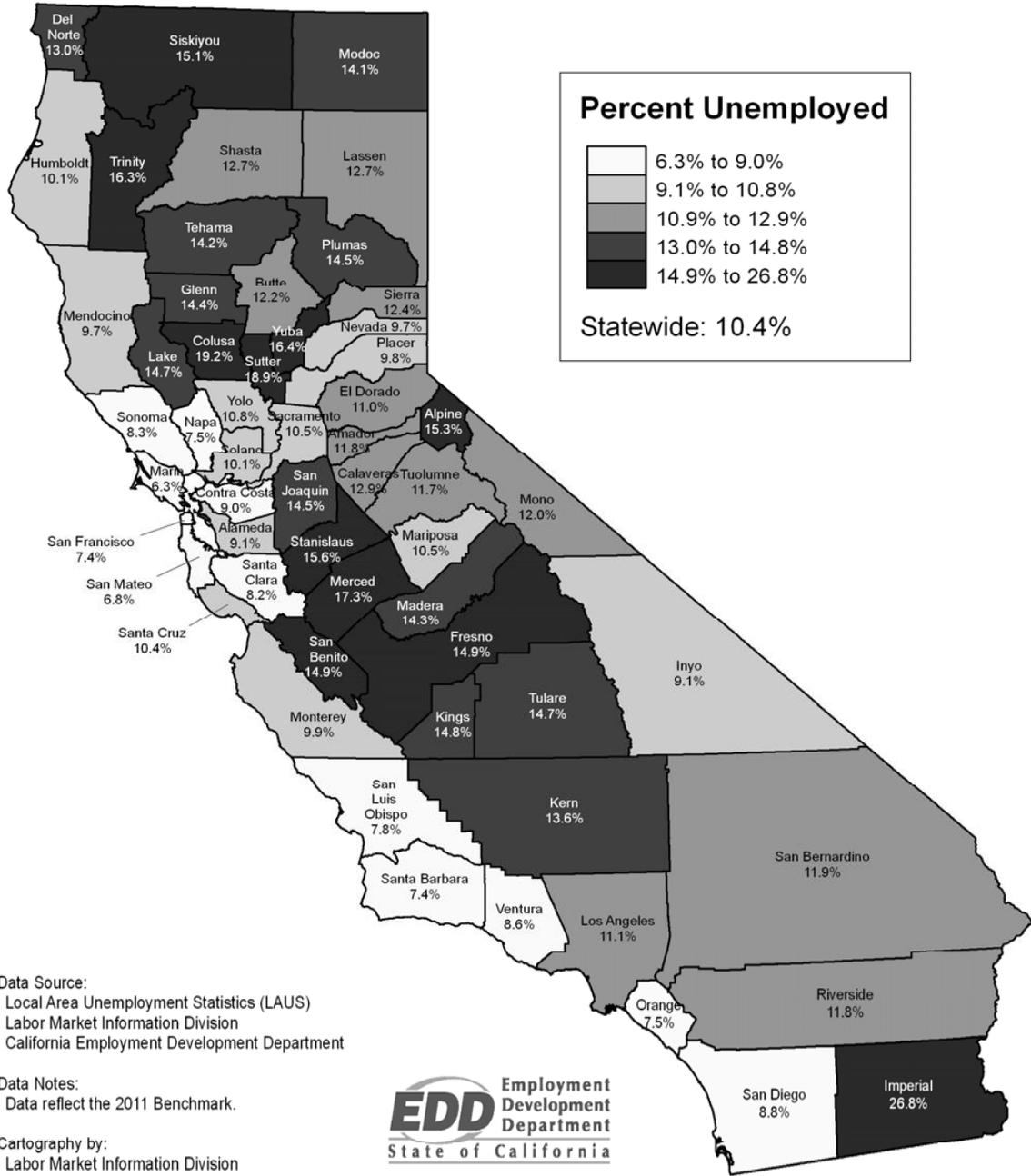
- California ranks 4th among the 50 states in science and technology. Other top states include Massachusetts (1st), Maryland (2nd), Colorado (3rd), Utah (5th), Washington (6th), and New Hampshire (7th). The Milken Science and Technology index ranks states based on research and development dollars, number of patents issued, venture capital investment, and business starts.²⁷
- California ranked 1st among 50 states in patents issued in 2010 with 30,080 patents granted. Other top performing states include New York (8,095 patents), Texas (8,027 patents), Washington (5,810 patents), and Massachusetts (5,261 patents).²⁸
- California ranks 3rd in start-ups and 1st in new branches in high-tech manufacturing. Other top ranking states include Florida, Texas, and Washington for start-ups and Texas, Florida, and Washington for new branches.²⁹
- The Milken Institute ranks the University of California System first in technology transfer and commercialization among all U.S. universities. The California Institute of Technology and Stanford University are ranked among the top ten.³⁰

California Trade and Foreign Investment Activity

- California exported \$159 billion in products in 2011. This is up from 2010 (\$143.1billion).³¹
- 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).³²
- 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)³³
- 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).³⁴
- 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).³⁵
- 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.³⁶
- 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. Exports to Japan have grown by \$200 million over the past year (\$3 billion in 2010 to \$3.2 billion in 2011).³⁷
- California's export of goods totaled \$13.2 billion in May 2011, up \$1.3 billion from May 2010, marking the eighteenth consecutive month of year-over-year increases in California trade, according to an analysis of today's U.S. Commerce Department trade figures by Beacon Economics.

County Unemployment Rates

May 2012 (Not Seasonally Adjusted)



Percent Unemployed

- 6.3% to 9.0%
- 9.1% to 10.8%
- 10.9% to 12.9%
- 13.0% to 14.8%
- 14.9% to 26.8%

Statewide: 10.4%

Data Source:
 Local Area Unemployment Statistics (LAUS)
 Labor Market Information Division
 California Employment Development Department

Data Notes:
 Data reflect the 2011 Benchmark.

Cartography by:
 Labor Market Information Division
 California Employment Development Department
<http://www.labormarketinfo.edd.ca.gov>
 June 2012



Compliments of Assemblyman V. Manuel Pérez

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