

Fast Facts on the California Economy

Compiled by: Assembly Committee on Jobs, Economic Development, and the Economy
Assembly Member Sharon Quirk-Silva, Chair

California Gross Domestic Product (GDP)

- California’s economy is the sixth largest in the world – larger than Russia, Italy, India, and Canada.¹

- In 2016, California GDP grew from \$2.4 trillion to \$2.6 trillion.³ California's largest private industry sectors were: Finance, insurance, real estate, rental, and leasing (21.7% of state GDP); trade, transportation, and utilities (14.4% of total GDP); professional and business services (12.94% of state GDP); manufacturing (11.1% of state GDP); information (8.3% of state GDP).⁴

Comparison of 2016 GDPs			
Country	GDP	Country	GDP
United States	8.56 trillion	Italy	85 trillion
China	11.22 trillion	Brazil	79 trillion
Japan	94 trillion	Canada	53 trillion
Germany	47 trillion	Korea	41 trillion
United Kingdom	62 trillion	Russia	28 trillion
California*	60 trillion	Australia	26 trillion
France	46 trillion	Spain	23 trillion
India	26 trillion		

Source: Department of Finance²

Firms, Employment and Wages

- There were 3,206,958 firms in California that had no employees in 2015, representing 82% of all firms in California (3,906,497 in total). Of firms which have employees (699,539 in total) 49.9% had 1 to 4 employees, 78.0% had less than 20 employees, 87.0% had less than 100 employees, and 89.0% had less than 500 employees (federal small business definition). Approximately 6,115 firms in California had 500 employees or more.⁵
- There were 19.3 million workers in the California labor force in January 2018 with 18.5 million individuals employed, a month over increase of 17,000 jobs. This represents a 342,000 (1.9%) increase in jobs over the prior year.⁶
- In January 2018, nonfarm employment rose in eight sectors. The sectors with increased employment were: construction (11,100); trade, transportation, and utilities (10,800); educational and health services (10,700); leisure & hospitality (6,400); manufacturing (2,100); other services (1,100); government (1,100); and financial activities (1,00).); The sector losing the most jobs was: professional and business services (7,300); information. Mining and logging remained unchanged.⁷
- California exported \$171.9 billion in products in 2017 to over 220 foreign countries. Mexico (\$26.7 billion) and Canada (\$16.7 billion) are the state's largest export markets.⁸ California imported \$440.7 billion in products from other countries, accounting for 18.7% of total U.S. imports in 2017. China (\$159.1 billion) and Mexico (\$46.4 billion) are the state's largest import markets.⁹
- California median household income was \$61,818 (\$53,889 for U.S.)¹⁰ with 14.3% of individuals in the state (14.0% for U.S.) living on incomes at or below the federal poverty designation.¹¹ Using the federal Supplemental Poverty Measure, which accounts for geographic differences, transfer payments, and out-of-pocket expenses, 20.4% of California residents live in poverty, as compared to 14.7% nationally averaged from 2014 to 2016.¹²

Future California Job Market

- The Employment Development Department is responsible for assessing future employment needs based on regional industry clusters. By 2024, it is estimated that total industry employment (including self-employment, farm employment and private household workers) will reach 19.7 million, an increase of 15.1% over the 10-year projected period of 2014-2024. The increase in nonfarm employment is estimated to be over 2.3 million jobs. The chart displays projected growth in nonfarm employment for 2014-2024, including new and replacement jobs.¹³

Projected Job Growth in Employment from 2014-2024 (ranked by number of jobs)

	Industry Sector	Percent Change	Increase in Jobs		Industry Sector	Percent Change	Increase in Jobs
	Educational Services, Health Care, and Social Assistance	24.8%	586,600	7	Transportation, Warehousing, and Utilities	18.6%	97,200
	Professional and Business Services	19.4%	471,200	8	Information	17.0%	78,900
	Leisure and Hospitality	22.8%	400,100	9	Wholesale Trade	10.3%	73,400
	Construction	32.1%	216,700	10	Financial Activities	8.1%	63,600
	Government	6.8%	164,600	11	Other Services (excludes private household services)	8.0%	43,100
	Retail Trade	8.7%	142,000	12	Manufacturing	1.3%	17,200

Source: Employment Development Department

January 2018 Unemployment

- In January 2018, the California seasonally adjusted unemployment rate was 4.4%, down 0.1% from the prior month. This figure represents approximately 866,000 unemployed workers reflecting a labor force participation rate of 62.3%.¹⁴ Over the same period, the national unemployment rate was 4.1%.¹⁵
- For January 2018, the counties with the highest not seasonally adjusted unemployment were Colusa (18.5%) and Imperial (17.0%). Six counties had unemployment under 3% including: San Mateo (2.1%), Marin (2.3%), and San Francisco (2.4%). The comparable non-seasonally adjusted state unemployment rate was 4.6%.¹⁶
- The highest not seasonally adjusted unemployment rates by race and ethnicity were among blacks (6.9%), Hispanics (5.6%), and whites (4.7%) in January 2018. The comparable non-seasonally adjusted state unemployment rate was 4.6%.¹⁷
- Most Californians, 81.6%, generally worked full time. There were 775,000 persons in California who worked part time involuntarily, comprising 4.2% of all employed workers during the survey week and down 15.7% from the prior year. Persons not in the labor force were approximately 11,704,000, which is an increase of 33,000 from the prior year. ¹⁸
- By age group, the highest unemployment group was among workers 16 to 19 (17.7%).¹⁹ The largest group of unemployed persons, when sorted by duration, were those unemployed for less than 5 weeks, which represented 301,000 persons or 33.2% of those unemployed. These are not seasonally adjusted rates.²⁰

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¹ Department of Finance, CA World Ranking 2016, http://www.dof.ca.gov/Forecasting/Economics/Indicators/Gross_State_Product/ accessed 7/12/17

² Department of Finance, CA World Ranking 2016, http://www.dof.ca.gov/Forecasting/Economics/Indicators/Gross_State_Product/ accessed 7/12/17

³ Department of Finance, CA World Ranking 2016, http://www.dof.ca.gov/Forecasting/Economics/Indicators/Gross_State_Product/ accessed 7/12/17

⁴ Bureau of Economic Analysis, "Regional Data: GDP by State"

<http://bea.gov/iTable/iTable.cfm?reqid=70&step=1&isuri=1&acrdn=2#reqid=70&step=10&isuri=1&7003=200&7035=-1&7004=naics&7005=-1&7006=06000&7036=-1&7001=1200&7002=1&7090=70&7007=2015&7093=levels> accessed 7/28/16

⁵ 2014 U.S. and State Industry Totals Data, Statistics of U.S. Businesses, U.S. Census <http://www.census.gov/econ/susb/> or

http://www2.census.gov/econ/susb/data/2012/us_state_totals_2012.xls, accessed 3/14/17

⁶ EDD, Labor Market Review, January 2018, <http://www.labormarketinfo.edd.ca.gov/Publications/Labor-Market-Analysis/calmr.pdf>, accessed March 16, 2018

⁷ EDD, Labor Market Review, January 2018, <http://www.labormarketinfo.edd.ca.gov/Publications/Labor-Market-Analysis/calmr.pdf>, accessed March 16, 2018

⁸ "Global Patterns of a State's Exports," TradeStats Express, International Trade Administration <http://tse.export.gov/TSE/MapDisplay.aspx> ; accessed March 10, 2018

⁹ U.S. Census "State Imports California 2017", <http://www.census.gov/foreign-trade/statistics/state/data/imports/ca.html>, accessed March 10, 2018

¹⁰ U.S. Census "Household Income: 2015" https://factfinder.census.gov/faces/tableservices/jsf/pages/productview.xhtml?pid=ACS_15_5YR_DP03&src=pt accessed 11/29/17.

¹¹ U.S. Census "Poverty: 2014&2015, ACS Brief September 2017 <http://www.census.gov/content/dam/Census/library/publications/2016/demo/acsbr15-01.pdf> accessed 1/3/2017

¹² U.S. Census "Supplemental Poverty Measure: 2016, ACS Briefing Sept 2017 <https://www.census.gov/content/dam/Census/library/publications/2016/demo/p60-258.pdf> 1/3/17

¹³ EDD, Industry Projections 2014-2024, <http://www.labormarketinfo.edd.ca.gov/Publications/REA-Reports/California-REAP2015.pdf> accessed March 16, 2018

¹⁴ EDD, Labor Market Review, January 2018, <http://www.labormarketinfo.edd.ca.gov/Publications/Labor-Market-Analysis/calmr.pdf>, accessed March 16, 2018

¹⁵ EDD, Labor Market Review, January 2018, <http://www.labormarketinfo.edd.ca.gov/Publications/Labor-Market-Analysis/calmr.pdf>, accessed March 16, 2018

¹⁶ EDD, Labor Market Review, January 2018, <http://www.labormarketinfo.edd.ca.gov/Publications/Labor-Market-Analysis/calmr.pdf>, accessed March 16, 2018

¹⁷ EDD, Labor Market Review, January 2018, <http://www.labormarketinfo.edd.ca.gov/Publications/Labor-Market-Analysis/calmr.pdf>, accessed March 16, 2018

¹⁸ EDD, Labor Market Review, January 2018, <http://www.labormarketinfo.edd.ca.gov/Publications/Labor-Market-Analysis/calmr.pdf>, accessed March 16, 2018

¹⁹ EDD, Labor Market Review, January 2018, <http://www.labormarketinfo.edd.ca.gov/Publications/Labor-Market-Analysis/calmr.pdf>, accessed March 16, 2018

²⁰ EDD, Labor Market Review, January 2018, <http://www.labormarketinfo.edd.ca.gov/Publications/Labor-Market-Analysis/calmr.pdf>, accessed March 16, 2018