

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 (21.8% of state GDP); trade, transportation, and utilities (14.6% of total GDP); professional and business services (12.7% of state GDP); manufacturing (11.1% of state GDP); information (8.5% of state GDP).⁴

Comparison of 2016 GDPs			
Country	GDP	Country	GDP
United States	18.57 trillion	Italy	1.85 trillion
China	11.22 trillion	Brazil	1.80 trillion
Japan	4.94 trillion	Canada	1.53 trillion
Germany	3.47 trillion	Korea	1.41 trillion
United Kingdom	2.63 trillion	Russia	1.28 trillion
California*	2.60 trillion	Australia	1.26 trillion
France	2.46 trillion	Spain	1.23 trillion
India	2.26 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 19.4 million workers in the California labor force in March 2018 with 18.6 million individuals employed, a month-over increase of 2,000 jobs. This represents a 290,000 (1.6%) increase in jobs over the prior 12-month period.⁶
- In March 2018, nonfarm employment rose in three sectors. The sectors with increased employment were: education and health services (4,600); manufacturing (1,900); and mining and logging (200). The sectors that lost jobs were: other services (4,600); construction (4,400); trade, transportation, and utilities (1,900); financial activities (1,200); professional and business services (800); information (800); leisure and hospitality (100); and government (100).⁷
- California exported \$171.9 billion in products in 2017 to over 220 foreign countries. Mexico (\$26.7 billion) and Canada (\$16.8 billion) are the state's largest export markets.⁸ California imported \$440.7 billion in products from other countries, accounting for 18.8% of total U.S. imports in 2017. China (\$159.2 billion) and Mexico (\$46.4 billion) are the state's largest import markets.⁹
- California median household income was \$63,783 (\$55,322 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

March 2018 Unemployment

- In March 2018, the California seasonally adjusted unemployment rate was 4.3%, which represents no change from the prior month. This figure represents approximately 827,000 unemployed workers reflecting a labor force participation rate of 62.2%.¹⁴ Over the same period, the comparable national unemployment rate was 4.1%.¹⁵
- For March 2018, the counties with the highest not seasonally adjusted unemployment were Colusa (18.9%) and Imperial (15.3%). Eight counties had unemployment under 3% including: San Mateo (2.2%), Marin (2.3%), San Francisco (2.4%), Santa Clara (2.6%), Sonoma (2.8%), San Luis Obispo (2.9%), and Alameda (2.9%). The comparable non-seasonally adjusted state unemployment rate was 4.2%.¹⁶
- The highest not seasonally adjusted unemployment rates by race and ethnicity were among blacks (7.0%), Hispanics (5.4%), and whites (4.5%) in March 2018. The comparable state non-seasonally adjusted 12-month moving average unemployment rate was 4.6%.¹⁷
- Most Californians, 81.6%, generally worked full time. There were 769,000 persons in California who worked part time involuntarily in March 2018, comprising 4.2% of all employed workers during the survey week and down 14.7% from the prior 12-month period. Persons not in the labor force were approximately 11,725,000, which is an increase of 61,000 from the prior 12-month period.¹⁸
- By age group, the highest unemployment group was among workers 16 to 19 (16.7%).¹⁹ The largest group of unemployed persons, when sorted by duration, were those unemployed for less than 5 weeks, which represented 289,000 persons or 32.9% 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 April 5, 2018

² Department of Finance, CA World Ranking 2016, http://www.dof.ca.gov/Forecasting/Economics/Indicators/Gross_State_Product/, accessed April 5, 2018

³ Department of Finance, CA World Ranking 2016, http://www.dof.ca.gov/Forecasting/Economics/Indicators/Gross_State_Product/, accessed April 5, 2018

⁴ Bureau of Economic Analysis, "Regional Data: GDP by State" <https://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=2016&7093=levels>, accessed April 5, 2018

⁵ 2015 U.S. and State Industry Totals Data, Statistics of U.S. Businesses, U.S. Census https://factfinder.census.gov/faces/tableservices/jsf/pages/productview.xhtml?pid=NES_2015_00A1&prodType=table and https://factfinder.census.gov/faces/tableservices/jsf/pages/productview.xhtml?pid=ASE_2015_00CSA04&prodType=table, accessed April 5, 2018

⁶ EDD, Labor Market Review, February 2018, <http://www.labormarketinfo.edd.ca.gov/Publications/Labor-Market-Analysis/calmr.pdf>, accessed April 5, 2018

⁷ EDD, Labor Market Review, February 2018, <http://www.labormarketinfo.edd.ca.gov/Publications/Labor-Market-Analysis/calmr.pdf>, accessed April 5, 2018

⁸ "Global Patterns of a State's Exports," TradeStats Express, International Trade Administration <http://tse.export.gov/tse/MapDisplay.aspx>, accessed April 5, 2018

⁹ U.S. Census "State Imports California 2017", <http://www.census.gov/foreign-trade/statistics/state/data/imports/ca.html>, accessed April 5, 2018

¹⁰ U.S. Census "Household Income: 2016" https://factfinder.census.gov/faces/tableservices/jsf/pages/productview.xhtml?pid=ACS_16_5YR_DP03&prodType=table, accessed April 5, 2018.

¹¹ U.S. Census "Poverty: 2015&2016", ACS Brief September 2017 <https://www.census.gov/content/dam/Census/library/publications/2017/acs/acsbr16-01.pdf> accessed April 9, 2018

¹² U.S. Census "Supplemental Poverty Measure: 2016", ACS Briefing September 2017 <https://www.census.gov/content/dam/Census/library/publications/2017/demo/p60-261.pdf> accessed April 9, 2018

¹³ EDD, Industry Projections 2014-2024, <http://www.labormarketinfo.edd.ca.gov/file/indproj/calSindnarr-2014-2024.pdf> accessed April 9, 2018

¹⁴ EDD, Labor Market Review, February 2018, <http://www.labormarketinfo.edd.ca.gov/Publications/Labor-Market-Analysis/calmr.pdf>, accessed April 9, 2018

¹⁵ EDD, Labor Market Review, February 2018, <http://www.labormarketinfo.edd.ca.gov/Publications/Labor-Market-Analysis/calmr.pdf>, accessed April 9, 2018

¹⁶ EDD, Labor Market Review, February 2018, <http://www.labormarketinfo.edd.ca.gov/Publications/Labor-Market-Analysis/calmr.pdf>, accessed April 9, 2018

¹⁷ EDD, Labor Market Review, February 2018, <http://www.labormarketinfo.edd.ca.gov/Publications/Labor-Market-Analysis/calmr.pdf>, accessed April 9, 2018

¹⁸ EDD, Labor Market Review, February 2018, <http://www.labormarketinfo.edd.ca.gov/Publications/Labor-Market-Analysis/calmr.pdf>, accessed April 9, 2018

¹⁹ EDD, Labor Market Review, February 2018, <http://www.labormarketinfo.edd.ca.gov/Publications/Labor-Market-Analysis/calmr.pdf>, accessed April 9, 2018

²⁰ EDD, Labor Market Review, February 2018, <http://www.labormarketinfo.edd.ca.gov/Publications/Labor-Market-Analysis/calmr.pdf>, accessed April 9, 2018