

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 state GDP of \$1.96 trillion.¹ In March 2013, the California unemployment rate was 9.4%, a slight drop from the previous month's 9.6%. This figure represents 9.6 thousand unemployed workers. Over the same period, the national unemployment rate also experienced a slight drop from 7.7% to 7.6%.²

California's Global Economy

- In 2011, California's total GDP was \$1.96 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); Canada (\$1.73 trillion); and Spain (\$1.49 trillion).⁴
- There were nearly 2.3 million home foreclosures across the U.S. in 2012, a 3% reduction from the prior year. Seven of the top metro areas were in California, led by Stockton (1st nationally) with 1 in 25 housing units with at least one foreclosure filing in the year. Other California metro areas significantly impacted include: Riverside-San Bernardino (2nd nationally); Modesto (3rd nationally); and Vallejo-Fairfield (4th nationally). Nonetheless, all seven California metro areas in the top 20 reported decreasing foreclosure activity from the previous year.⁵

Job Market in March 2013

- California civilian employment in March 2013 was up by 30,000 workers from the prior month, increasing the total civilian employment in the state to 16,880,000 persons. Between March 2012 and March 2013, civilian employment was up 378,000 persons, an increase of 2.3%.⁶
- In March 2013, nonfarm jobs rose in seven of the major industry sectors: professional and business services (+15,800); information (+11,700); leisure and hospitality (+7,600); construction (+3,800); educational and health services (+800); government (+800); and financial activities (+600). However, four sectors lost jobs: trade, transportation, and utility (-8,400); other services (-3,800); manufacturing (-3,300); and mining and logging (-100).⁷
- In 2012, California's major industry sectors accounted for \$140 billion worth of wages: professional and business services (\$38.6 billion); government (\$34.3 billion); trade, transportation, and utilities (\$29.5 billion); education and health services (\$23.6 billion); leisure and hospitality (\$9.3 billion); and other services (\$4.8 billion).⁸

Unemployment Rates for Largest Areas: March 2013. *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.*⁹

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| • Statewide: 9.4% | San Francisco-San Mateo-Redwood City: 5.8% |
| • Los Angeles-Long Beach-Glendale: 9.9% | Oakland-Fremont-Hayward: 7.8% |
| • Santa Ana-Anaheim-Irvine: 6.3% | San Jose-Sunnyvale-Santa Clara: 7.3% |
| • San Diego-Carlsbad-San Marcos: 7.7% | Sacramento-Arden Arcade-Roseville: 9.2% |
| • Riverside-San Bernardino-Ontario: 10.5% | Fresno: 14.9% |
| • Oxnard-Thousand Oaks-Ventura: 7.7% | |

The highest unemployment rates by race and ethnicity was among blacks (17.5%), then Hispanics (11.9%), and then whites (9.6%). By age group, the highest unemployment was among workers 16 to 19 (33.3%), a 1.2% decrease from the prior month.¹⁰ By duration, the largest group of unemployed persons was those who had been unemployed 52 weeks or more (600,000 persons or 32.6% of all unemployed).¹¹ The number of persons not in the labor force increased by 21,000 (0.2%) in February to 10,863,000.¹²

Small Business in California (2010)

- There were approximately 3.7 million businesses in the state.¹³
- Of the 3.7 million businesses, 2.8 million (76.8%) were non-employer firms and 431,635 (11.8%) were microbusinesses (with less than 4 employees), accounting for 3.2 million (89%) of business in the state.¹⁴
- There were 3.4 million (92%) businesses with 9 or less employees; 3.44 million (94%) with 19 or less employees; and 3.5 million (96%) with 99 or less employees. Businesses with 100-499 employees accounted for 36,877 (1%) of businesses and businesses with 500+ employees accounted for 117,747 (3.2%), accounting for only 4.2% of business in the state.¹⁵

Foreign Investment & U.S. Based Subsidiaries

- California has the highest rate of employment by U.S. subsidiaries of foreign companies.¹⁶
- In 2010, insourcing companies employed 567,000 Californians and accounted for 5% of the state's total private sector employment.¹⁷ More than 30% of all jobs in California are in the manufacturing industry and account for 178,600 jobs.¹⁸

Energy Market

- In 2010-11, California produced 12% of the natural gas, 71% of the electricity, and 38% of the crude oil it consumes.¹⁹ 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.²⁰
- 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.²¹
- 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 6.5 million wash loads) and avoid 170,500 tons of greenhouse gas emissions per year.²²

California's Innovation Economy

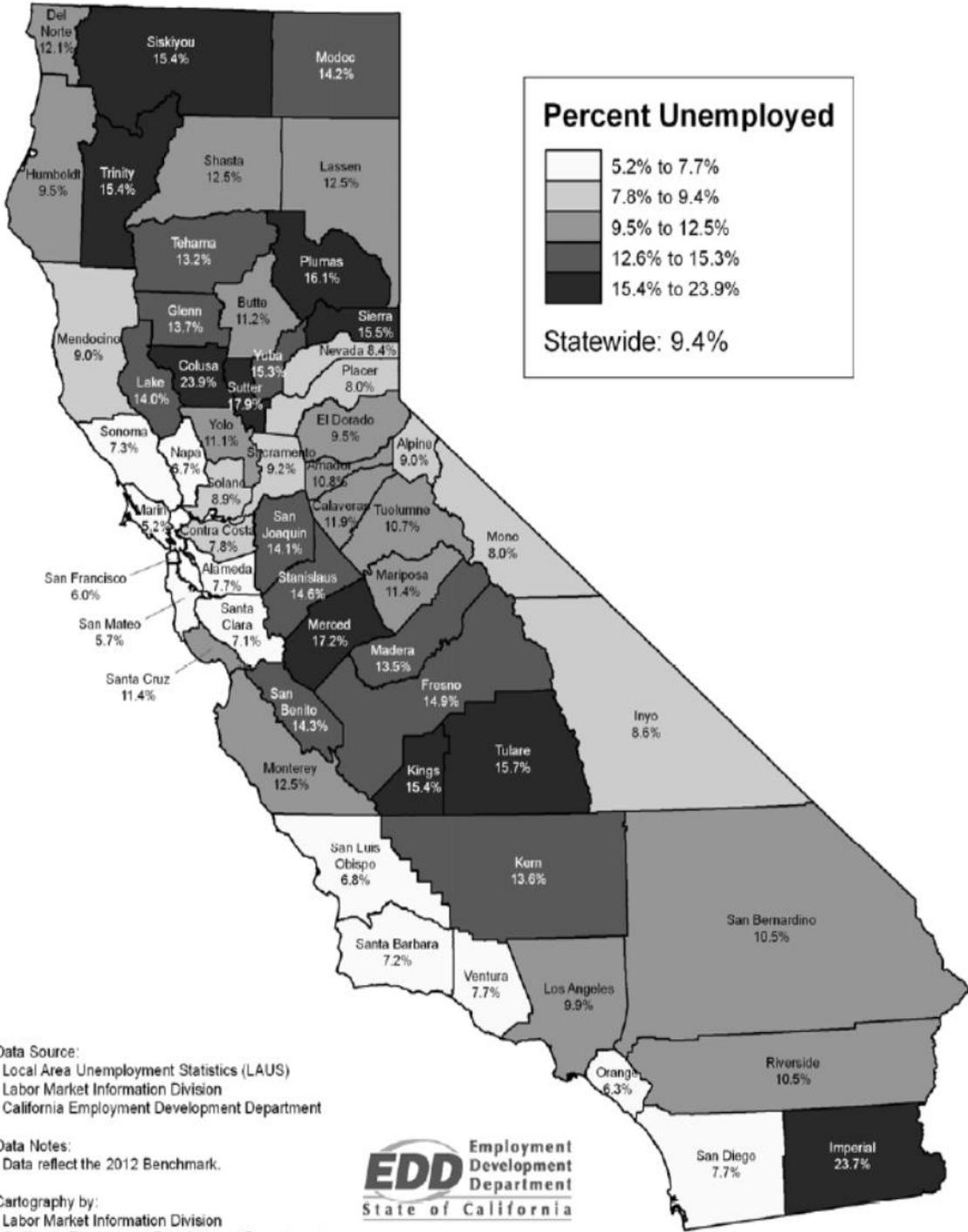
- The San Jose-Sunnyvale-Santa Clara region, also known as Silicon Valley, ranked #1 in the Best-Performing Cities Index over 2012. This region accounts for more than 40% of all venture capital placements in the U.S., has the highest high-tech GDP concentration in the nation, and recorded the fastest wage growth in the U.S.²³
- California ranked 1st in the nation in patents by the U.S. Patent and Trademark Office in 2012 with 34,660 patents granted. This accounts for roughly 12.5% of all patents issued in the world.²⁴
- The University of California system is one of the leading academic research enterprises in the world. UC research has contributed to California's emergence as the intellectual and economic power that it is today.
- In 2011, UC research produced 1,581 new inventions (an average of four a day).²⁵
- The UC system develops more patents than any other university in the nation. Currently holding 3,900 active U.S. patents, many of which have led to the creation of today's leading industries.²⁶

California Trade and Foreign Investment Activity

- California exported \$161 billion in products in 2012. This is up from 2011 (\$159.1 billion).²⁷
- California's largest export market is Mexico, where the value of exports totaled \$26.3 billion in 2012. After Mexico, California's top export markets in 2012 were: Canada (\$17.3 billion); China (\$13.9 billion); Japan (\$13 billion); and South Korea (\$8.2 billion).²⁸
- California's top five exports in 2012 were: Computer & Electronic Products (\$44.5 billion); Transportation Equipment (\$16.1 billion); Machinery, Except Electrical (\$15 billion); Miscellaneous Manufactured Commodities (\$14 billion); and Chemicals (\$13 billion).²⁹
- China is the largest source of imports into California; the 2011 value of Chinese imports was \$128 billion. China is followed by Japan (\$41.5 billion); Mexico (\$36 billion); Canada (\$25.7 billion); and South Korea (\$12.2 billion).³⁰
- California's top five imports in 2012 were: Computer & Electronic Products (\$112 billion); Transportation Equipment (\$60 billion); Oil & Gas (\$32 billion); Miscellaneous Manufactured Commodities (\$19.3 billion); and Apparel & Accessories (\$19 billion).³¹

County Unemployment Rates

March 2013 (Not Seasonally Adjusted)



Percent Unemployed

- 5.2% to 7.7%
- 7.8% to 9.4%
- 9.5% to 12.5%
- 12.6% to 15.3%
- 15.4% to 23.9%

Statewide: 9.4%

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

Data Notes:
 Data reflect the 2012 Benchmark.

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