

# **Fast Facts on the California Economy**

Compiled by: Assembly Committee on Jobs, Economic Development, and the Economy  
Assemblymember Sabrina Cervantes, Chair

## **California Gross Domestic Product (GDP)**

- California had a \$3.1 trillion economy in 2019. Compared to GDP of nations, this ranks California's 2019 GDP as 5<sup>th</sup> largest in the world.<sup>1</sup>
- Real GDP increased in 37 of all 50 states and DC for a total US third quarter 2021 increase of 2.3% (most recent data). Real GDP in California increased by 2.9%, with Hawaii experiencing the highest increase of 6% and a decrease of -3.3% in New Hampshire and North Dakota being the lowest.<sup>2</sup>

## **Firms, Employment, and Wages**

- 2018 Data by Establishments: There were 3,453,769 establishments in California that had no employees in 2018, representing 78.3% of all establishments in California (4,408,401 in total). These nonemployer businesses received \$189.3 billion in revenues. There were 954,632 establishments that employed 15,223,664 workers and paid over \$1 billion for payroll in 2018.<sup>3</sup>
- 2018 Data by Firm (one firm may have multiple establishments) – is the most recent data available by state and size of business by employment. Of the 779,825 employer firms (including 954,632 total establishments), 62.2% had less than 5 employees, 88.7% had less than 20 employees, 97.4% had less than 100 employees, and 99.1% had less than 500 employees (federal small business definition). Approximately 6,439 firms in California had 500 employees or more.<sup>4</sup>
- There were 19 million workers in the California labor force in January 2021 with 17.9 million individuals employed, a month-over increase of 109,000 (0.6%). This represents an increase of 940,000 jobs (5.5%) over the prior 12-month period.<sup>5</sup>
- Nonfarm payroll increased in all 11 industry sectors between January 2021 and January 2022. Year-over changes based on number of jobs are as follows: leisure and hospitality employment increased by 584,700 jobs (43.3%); professional and business services increased by 142,000 jobs (5.4%); education and health services increased by 108,700 jobs (3.9%); trade, transportation, and utilities increased by 106,900 (3.6%); other services increased by 93,000 jobs (21.3%); government increased by 71,000 (2.9%); information increased by 59,900 jobs (11.3%); manufacturing increased by 29,100 jobs (2.3%); construction increased by 10,300 jobs (1.2%); financial activities increased by 8,000 jobs (1.0%); and mining and logging by 200 jobs (1.0%).<sup>6</sup>
- California exported \$175.1 billion in goods in 2021 to over 220 foreign markets, representing 12.3% of total US exports (\$1.7 trillion).<sup>7</sup> California's largest export market in 2021 was Mexico (\$27.2 billion), followed by China and Hong Kong (\$23.4 billion), and Canada (\$17.8 billion).<sup>8</sup> California imported \$470.7 billion in products from other countries, accounting for 16.6% of total US imports (\$2.8 trillion) in 2021. China (\$145.9 billion) and Mexico (\$57.6 billion) are the state's largest import markets.<sup>9</sup>
- California's median household income was \$78,672 for all households (\$64,994 for US) and \$50,894 for nonfamily households.<sup>10</sup> Eleven percent (11.0%) of Californians (11.2% in the US) lived on incomes at or below the federal poverty designation in 2020 using a three-year average.<sup>11</sup> Using the federal Supplemental Poverty Measure, which accounts for the cost of living using a range of family needs and resources, 17.2% of Californians (11.7% for US) had income insufficient to meet their basic housing needs in 2019.<sup>12</sup> An estimated 161,548 individuals experienced homelessness in 2020, based on single-night survey method.<sup>13</sup>

## **Future California Job Market (2018 to 2028)**

- Total civilian employment (including self-employment, farm employment, and private household workers) is estimated to reach 20.4 million, an increase of 1.6 million jobs (8.4%) over the 10-year projected period of 2018-2028 in California. The chart on the next page displays details of this estimate.<sup>14</sup>

**Projected Job Growth in Employment 2018-2028 (ranked by number of jobs and including new and replacement jobs)**

	Industry Sector	Percent Change	Increase in Jobs		Industry Sector	Percent Change	Increase in Jobs
1	Educational Services, Health Care, and Social Assistance	19.3%	524,600	7	Government	3.0%	78,500
2	Professional and Business Services	10.1%	270,400	8	Other Services (excludes private household services)	5.2%	29,800
3	Leisure and Hospitality	13.0%	258,200	9	Financial Activities	3.0%	25,300
4	Trade, Transportation, and Utilities	5.2%	158,400	10	Total Farm	2.3%	9,600
5	Information	15.6%	85,000	11	Mining	-5.9%	-1,300
6	Construction	9.8%	84,400	12	Manufacturing	-1.7%	-22,000

**January 2022 Unemployment** (most recent data as of March 16, 2022)

- In January 2022, the California seasonally adjusted unemployment rate was 5.8%, essentially the same as the adjusted rate from the prior month. This unemployment rate represents approximately 1.1 million unemployed people.<sup>15</sup> Over the same period, the comparable national unemployment rate was 4.0%.<sup>16</sup>
- The unemployment rate increased in all 58 counties between December 2021 and January 2022. The county with the highest non-seasonally adjusted unemployment was Imperial (15.6%). The lowest unemployment rates in California in January 2022 were Marin (3.1%), San Mateo (3.1%), Santa Clara (3.5%), and San Francisco (3.4%). The comparable state (not seasonally adjusted) overall unemployment rate for January 2022 was 5.5%.<sup>17</sup>
- The highest non-seasonally adjusted 12-month moving average unemployment rates in January 2022 by race and ethnicity were among individuals identified as black (11.3%), Hispanic (7.6%), and white (6.5%). The comparable state 12-month moving average unemployment rate was 6.9%.<sup>18</sup>
- The majority (82.2%) of employed individuals in January 2022 (12-month moving average) reported working full time. There were 812,000 (4.6%) employees in California who worked part time involuntarily during the survey week.<sup>19</sup> The Labor Force Participation Rate was 61.5%. Individuals not in the labor force but wanting a job decreased by -7,000 (-0.7%) from the prior month and increased by 12,000 (1.2%) to 1.04 million people over the prior 12 months.<sup>20</sup>
- By age group, the highest unemployment group (12-month moving average) in January 2022 were workers 16 to 19 years of age (14.9%), followed by 20 to 24 year old workers with a 10.9% unemployment rate.<sup>21</sup> The largest group of unemployed persons when sorted by duration were individuals unemployed for 52 weeks and over, which comprised 387,000 individuals (29.5% of all unemployed).<sup>22</sup>

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<sup>1</sup> Department of Finance, "Comparison to Other Major Countries," [http://www.dof.ca.gov/Forecasting/Economics/Indicators/Gross\\_State\\_Product/](http://www.dof.ca.gov/Forecasting/Economics/Indicators/Gross_State_Product/), accessed February 7, 2022

<sup>2</sup> US Bureau of Economic Analysis, [https://www.bea.gov/sites/default/files/2021-12/qgdpstate1221\\_1.pdf](https://www.bea.gov/sites/default/files/2021-12/qgdpstate1221_1.pdf), accessed Jan 17, 2022

<sup>3</sup> US Census Bureau, "2018 CBP and NES Combined Report," <https://www.census.gov/data/tables/2018/econ/nonemployer-statistics/2018-combined-report.html>, accessed November 2021

<sup>4</sup> US Census Bureau, "2018 County Business Patterns," <https://www.census.gov/data/datasets/2018/econ/cbp/2018-cbp.html>, accessed November 2021

<sup>5</sup> EDD, "Labor Market Review," January 2022, <https://www.labormarketinfo.edd.ca.gov/Publications/Labor-Market-Analysis/calmr.pdf>, accessed March 16, 2022

<sup>6</sup> EDD, "Labor Market Review," January 2022, <https://www.labormarketinfo.edd.ca.gov/Publications/Labor-Market-Analysis/calmr.pdf>, accessed March 16, 2022

<sup>7</sup> ITA, "2021 Exports of NAICS Total All Merchandise" & "2021 NAICS Total All Merchandise Exports from California," <https://www.trade.gov/tradestats-express-national-and-state-trade-data>, accessed March 4, 2022

<sup>8</sup> ITA, "2021 NAICS Total All Merchandise Exports from California," <https://www.trade.gov/tradestats-express-national-and-state-trade-data>, accessed March 4, 2022

<sup>9</sup> ITA, "2021 NAICS Total All Merchandise Imports from California," and "2021 Imports of NAICS Total All Merchandise," <https://www.trade.gov/tradestats-express-national-and-state-trade-data>, accessed March 4, 2022

<sup>10</sup> US Census, "Household Income: 2020 ACS five-year estimates," <https://data.census.gov/cedsci/profile?g=0400000US06>, accessed March 22, 2022.

<sup>11</sup> US Census, "Income and Poverty in the United States: 2020," <https://www.census.gov/data/tables/2021/demo/income-poverty/p60-273.html>, accessed December 7, 2021

<sup>12</sup> US Census, "Supplemental Poverty Rate 2019" based on 3-year ACS, <https://www.census.gov/content/dam/Census/library/publications/2020/demo/p60-272.pdf>, accessed Oct. 6, 2020

<sup>13</sup> US Department HUD, [https://files.hudexchange.info/reports/published/CoC\\_PopSub\\_State\\_CA\\_2020.pdf](https://files.hudexchange.info/reports/published/CoC_PopSub_State_CA_2020.pdf), accessed Mar. 26, 2020

<sup>14</sup> EDD, "2018-2028 Statewide Employment Projections Highlights," <https://www.labormarketinfo.edd.ca.gov/data/employment-projections.html>, accessed Mar. 26, 2021

<sup>15</sup> EDD, "Labor Market Review," January 2022, <https://www.labormarketinfo.edd.ca.gov/Publications/Labor-Market-Analysis/calmr.pdf>, accessed March 16, 2022

<sup>16</sup> EDD, "Labor Market Review," January 2022, <https://www.labormarketinfo.edd.ca.gov/Publications/Labor-Market-Analysis/calmr.pdf>, accessed March 16, 2022

<sup>17</sup> EDD, "Labor Market Review," January 2022, <https://www.labormarketinfo.edd.ca.gov/Publications/Labor-Market-Analysis/calmr.pdf>, accessed March 16, 2022

<sup>18</sup> EDD, "Labor Market Review," January 2022, <https://www.labormarketinfo.edd.ca.gov/Publications/Labor-Market-Analysis/calmr.pdf>, accessed March 16, 2022

<sup>19</sup> EDD, "Labor Market Review," January 2022, <https://www.labormarketinfo.edd.ca.gov/Publications/Labor-Market-Analysis/calmr.pdf>, accessed March 16, 2022

<sup>20</sup> EDD, "Labor Market Review," January 2022, <https://www.labormarketinfo.edd.ca.gov/Publications/Labor-Market-Analysis/calmr.pdf>, accessed March 16, 2022

<sup>21</sup> EDD, CA Demographic Labor Force Sum Chart, December 2021, [https://www.labormarketinfo.edd.ca.gov/specialreports/CA\\_Employment\\_Summary\\_Table.pdf](https://www.labormarketinfo.edd.ca.gov/specialreports/CA_Employment_Summary_Table.pdf), accessed March 16, 2022

<sup>22</sup> EDD, Labor Market Review, January 2022, <https://www.labormarketinfo.edd.ca.gov/Publications/Labor-Market-Analysis/calmr.pdf>, accessed March 16, 2022