

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 5th largest in the world.¹
- 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.²
- New business applications, considered a leading indicator, were up 19.9% (436,730 applications) in California in 2020, as compared to 2019.³

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 2018.⁴
- 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.⁵
- There were 19 million workers in the California labor force in December 2021 with 17.8 million individuals employed, a month-over increase of 117,000 (0.7%). This represents an increase of 880,000 jobs (5.2%) over the prior 12-month period.⁶
- Nonfarm payroll increased in all 11 industry sectors between December 2020 and December 2021. Year-over changes based on number of jobs are as follows: leisure and hospitality employment increased by 416,200 jobs (31.4%); professional and business services increased by 164,800 jobs (6.3%); education and health services increased by 88,800 jobs (3.2%); trade, transportation, and utilities increased by 82,700 (2.8%); other services increased by 67,000 jobs (15.2%); government increased by 50,800 (2.1%); information increased by 41,600 jobs (8.0%); manufacturing increased by 27,800 jobs (2.2%); construction increased by 9,900 jobs (1.1%); financial activities increased by 4,500 jobs (0.6%); and mining and logging by 300 jobs (1.6%).⁷
- California exported \$175.1 billion in goods in 2021 to over 220 foreign markets, representing 12.3% of total US exports (\$1.7 trillion).⁸ 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).⁹ 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.¹⁰
- California's 2019 median household income was \$80,440 for all households (\$65,712 for US) and \$39,871 for nonfamily households.¹¹ 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.¹² 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 2019.¹³ An estimated 161,548 individuals experienced homelessness in 2020, based on single-night survey method.¹⁴

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.¹⁵

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

December 2021 Unemployment (most recent data as of March 4, 2022)

- In December 2021, the California seasonally adjusted unemployment rate was 6.5% (down -6.6% from the prior month). This unemployment rate represents approximately 1.2 million unemployed people.¹⁶ Over the same period, the comparable national unemployment rate was 3.9%.¹⁷
- The unemployment rate in 37 of the 58 counties decreased between November 2021 and December 2021. The county with the highest non-seasonally adjusted unemployment was Imperial (14.7%). The lowest unemployment rates in California in December 2021 were Marin (2.7%), San Mateo (2.8%), Santa Clara (2.9%), San Francisco (3.0%), and Placer (3.3%). The comparable state (not seasonally adjusted) overall unemployment rate for December 2021 was 5.0%.¹⁸
- The highest non-seasonally adjusted 12-month moving average unemployment rates in December 2021 by race and ethnicity were among individuals identified as black (12.0%), Hispanic (7.9%), and white (6.8%). The comparable state 12-month moving average unemployment rate was 7.2%.¹⁹
- The majority (82.2%) of employed individuals in December 2021 (12-month moving average) reported working full time. There were 825,000 (4.7%) employees in California who worked part time involuntarily during the survey week.²⁰ The Labor Force Participation Rate was 61.3%. Individuals not in the labor force but wanting a job decreased by -9,000 (-0.9%) from the prior month and increased by 45,000 (4.4%) to 1.0 million people over the prior 12 months.²¹
- By age group, the highest unemployment group (12-month moving average) in December 2021 were workers 16 to 19 years of age (15.6%), followed by 20 to 24 year old workers with an 11.2% unemployment rate.²² The largest group of unemployed persons when sorted by duration were individuals unemployed for 52 weeks and over, which comprised 376,000 individuals (27.5% of all unemployed).²³

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¹ Department of Finance, "Comparison to Other Major Countries", http://www.dof.ca.gov/Forecasting/Economics/Indicators/Gross_State_Product/, accessed February 7, 2022

² US Bureau of Economic Analysis, https://www.bea.gov/sites/default/files/2021-12/qgdpstate1221_1.pdf accessed Jan 17, 2022

³ US Census, Data - Geographical Visualization, "Business Applications," <https://www.census.gov/econ/bfs/index.html>, accessed Jan 17, 2022

⁴ 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

⁵ US Census Bureau, "2018 County Business Patterns," <https://www.census.gov/data/datasets/2018/econ/cbp/2018-cbp.html>, accessed November 2021

⁶ EDD, Labor Market Review, December 2021, <https://www.labormarketinfo.edd.ca.gov/Publications/Labor-Market-Analysis/calmr.pdf>, accessed March 4, 2022

⁷ EDD, Labor Market Review, December 2021, <https://www.labormarketinfo.edd.ca.gov/Publications/Labor-Market-Analysis/calmr.pdf>, accessed March 4, 2022

⁸ 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

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

¹⁰ 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

¹¹ US Census, "Household Income: 2019 ACS one-year average", <https://www.census.gov/acs/www/data/data-tables-and-tools/>, accessed Oct. 6, 2020. Due to the impact of the pandemic, the Census Bureau changed the 2020 ACS release schedule.2020 and identified it as an "experimental data" release.

¹² 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

¹³ 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

¹⁴ US Department HUD, https://files.hudexchange.info/reports/published/CoC_PopSub_State_CA_2020.pdf, accessed Mar. 26, 2020

¹⁵ EDD, "2018-2028 Statewide Employment Projections Highlights", <https://www.labormarketinfo.edd.ca.gov/data/employment-projections.html>, accessed Mar. 26, 2021

¹⁶ EDD, Labor Market Review, December 2021, <https://www.labormarketinfo.edd.ca.gov/Publications/Labor-Market-Analysis/calmr.pdf>, accessed March 4, 2022

¹⁷ EDD, Labor Market Review, December 2021, <https://www.labormarketinfo.edd.ca.gov/Publications/Labor-Market-Analysis/calmr.pdf>, accessed March 4, 2022

¹⁸ EDD, Labor Market Review, December 2021, <https://www.labormarketinfo.edd.ca.gov/Publications/Labor-Market-Analysis/calmr.pdf>, accessed March 4, 2022

¹⁹ EDD, Labor Market Review, December 2021, <https://www.labormarketinfo.edd.ca.gov/Publications/Labor-Market-Analysis/calmr.pdf>, accessed March 4, 2022

²⁰ EDD, Labor Market Review, December 2021, <https://www.labormarketinfo.edd.ca.gov/Publications/Labor-Market-Analysis/calmr.pdf>, accessed March 4, 2022

²¹ EDD, Labor Market Review, December 2021, <https://www.labormarketinfo.edd.ca.gov/Publications/Labor-Market-Analysis/calmr.pdf>, accessed March 4, 2022

²² EDD, CA Demographic Labor Force Sum Chart, December 2021, https://www.labormarketinfo.edd.ca.gov/specialreports/CA_Employment_Summary_Table.pdf, accessed March 4, 2022

²³ EDD, Labor Market Review, December 2021, <https://www.labormarketinfo.edd.ca.gov/Publications/Labor-Market-Analysis/calmr.pdf>, accessed March 4, 2022