

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 in 2017 ranks as the fifth largest in the world – larger than the UK, 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

Country	GDP	Country	GDP
United States	19.39 trillion	Brazil	2.06 trillion
China	12.02 trillion	Italy	1.94 trillion
Japan	4.87 trillion	Canada	1.65 trillion
Germany	3.69 trillion	Korea	1.54 trillion
California*	2.75 trillion	Russia	1.53 trillion
United Kingdom	2.63 trillion	Australia	1.38 trillion
India	2.61 trillion	Spain	1.31 trillion
France	2.58 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

May 2018 Unemployment

- In May 2018, the California seasonally adjusted unemployment rate was 4.2%, which represents no change from the prior month. This figure represents approximately 808,000 unemployed workers reflecting a labor force participation rate of 62.0%.¹⁴ Over the same period, the comparable national unemployment rate was 3.8%.¹⁵
- For May 2018, the counties with the highest not seasonally adjusted unemployment were Imperial (15.8%) and Colusa (11.6%). Twelve out of 58 counties had unemployment under 3% including: San Mateo (1.9%), Marin (2.0%), San Francisco (2.1%), Santa Clara (2.3%), Sonoma (2.4%), Napa (2.5%), San Luis Obispo (2.5%), Orange (2.6%), Alameda (2.6%), Contra Costa (2.8%), Placer (2.8%), San Diego (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 May 2018. The comparable state non-seasonally adjusted 12-month moving average unemployment rate was 4.5%.¹⁷
- Most Californians, 81.7%, generally worked full time. There were 757,000 persons in California who worked part time involuntarily in May 2018, comprising 4.1% of all employed workers during the survey week and down 12.2% from the prior 12-month period. Persons not in the labor force were approximately 11,739,000, 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 (15.7%).¹⁹ The largest group of unemployed persons, when sorted by duration, were those unemployed for less than 5 weeks, which represented 288,000 persons or 33% of those unemployed. These are not seasonally adjusted rates.²⁰

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¹ Department of Finance, CA World Ranking 2017, http://www.dof.ca.gov/Forecasting/Economics/Indicators/Gross_State_Product/, accessed May 16, 2018

² Department of Finance, CA World Ranking 2017, http://www.dof.ca.gov/Forecasting/Economics/Indicators/Gross_State_Product/, accessed May 16, 2018

³ Department of Finance, CA World Ranking 2017, http://www.dof.ca.gov/Forecasting/Economics/Indicators/Gross_State_Product/, accessed May 16, 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 4/9/18

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, May 2018, <http://www.labormarketinfo.edd.ca.gov/Publications/Labor-Market-Analysis/calmr.pdf>, accessed July 9, 2018

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

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

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

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

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

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