

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
- California's largest private industry sectors in 2017 were: Finance, insurance, real estate, rental, and leasing (21.6% of state GDP); trade, transportation, and utilities (14.5% of total GDP); professional and business services (12.8% of state GDP); manufacturing (10.9% of state GDP); information (8.7% of state GDP); tourism and arts (4.2%); and construction (3.9%).³

Comparison of 2017 GDPs			
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.⁴
- There were 19.3 million workers in the California labor force in September 2018 with 18.5 million individuals employed, a month-over increase of 34,000 jobs. This represents an 81,000 (0.4%) increase in jobs over the prior 12-month period.⁵
- In September 2018, nonfarm employment rose in four sectors. The sectors with increased employment were: professional and business services (11,800); leisure and hospitality (8,500); government (5,100); and mining and logging (100). The sectors that lost jobs were: education and health services (3,700); information (3,000); construction (2,000); other services (1,800); manufacturing (1,500); and trade, transportation, and utilities (300). Financial activities remained unchanged from the prior month.⁶
- 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.⁷ 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.⁸
- California median household income was \$71,805 (\$60,336 for U.S.)⁹ with 13.3% of individuals in the state (13.4% for U.S.) living on incomes at or below the federal poverty designation.¹⁰ Using the federal Supplemental Poverty Measure, which accounts for geographic differences, transfer payments, and out-of-pocket expenses, 19% of California residents live in poverty, as compared to 14.1% nationally using a three-year average of 2015 through 2017.¹¹

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.¹²

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

September 2018 Unemployment

- In September 2018, the California seasonally adjusted unemployment rate was 4.1%, which represents a 0.1% decrease from the prior month. This unemployment rate represents approximately 803,000 unemployed workers reflecting a labor force participation rate of 61.9%.¹³ Over the same period, the comparable national unemployment rate was 3.7%.¹⁴
- For September 2018, the counties with the highest not seasonally adjusted unemployment were Imperial (20.4%), Tulare (8.7%), and Colusa (8.1%). Six out of 58 counties had unemployment rates of 3% or less including: San Mateo (2.3%), San Francisco (2.1%), and Marin (2.5%). The comparable non-seasonally adjusted state unemployment rate was 4.3%.¹⁵
- The highest not seasonally adjusted unemployment rates by race and ethnicity were among blacks (6.6%), Hispanics (5.2%), and whites (4.0%) in September 2018. The comparable state non-seasonally adjusted 12-month moving average unemployment rate was 4.2%.¹⁶
- Most Californians, 82.0%, generally worked full time. There were 731,000 persons in California who worked part time involuntarily in September 2018, comprising 3.9% of all employed workers during the survey week and down 10.5% from the prior 12-month period. Persons not in the labor force were approximately 11,776,000, which is an increase of 51,000 from the prior 12-month period.¹⁷
- By age group, the highest unemployment group was among workers 16 to 19 (16.1%).¹⁸ The largest group of unemployed persons, when sorted by duration, were job losers, which represented 426,000 persons or 52% of those unemployed. These are not seasonally adjusted rates.¹⁹

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

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

³ 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 November 10, 2018

⁴ 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

⁵ EDD, Labor Market Review, September 2018, <http://www.labormarketinfo.edd.ca.gov/Publications/Labor-Market-Analysis/calmr.pdf>, accessed November 14, 2018

⁶ EDD, Labor Market Review, September 2018, <http://www.labormarketinfo.edd.ca.gov/Publications/Labor-Market-Analysis/calmr.pdf>, accessed November 14, 2018

⁷ "Global Patterns of a State's Exports," TradeStats Express, International Trade Administration <http://tse.export.gov/tse/MapDisplay.aspx>, accessed November 14, 2018

⁸ U.S. Census "State Imports California 2017", <http://www.census.gov/foreign-trade/statistics/state/data/imports/ca.html>, accessed April 5, 2018

⁹ U.S. Census "Household Income: 2017" <https://www.census.gov/library/publications/2018/acs/acsbr17-01.html>, accessed November 14, 2018.

¹⁰ U.S. Census "Poverty: 2016&2017", ACS Brief September 2018 <https://www.census.gov/library/publications/2018/acs/acsbr17-02.html> accessed November 14, 2018

¹¹ U.S. Census "Supplemental Poverty Measure: 2017", ACS Briefing September 2018 <https://www.census.gov/library/publications/2018/demo/p60-265.html> accessed November 14, 2018

¹² EDD, Industry Projections 2014-2024, [http://www.labormarketinfo.edd.ca.gov/file/indproj/cal\\$indnarr-2014-2024.pdf](http://www.labormarketinfo.edd.ca.gov/file/indproj/cal$indnarr-2014-2024.pdf) accessed April 9, 2018

¹³ EDD, Labor Market Review, September 2018, <http://www.labormarketinfo.edd.ca.gov/Publications/Labor-Market-Analysis/calmr.pdf>, accessed November 14, 2018

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

¹⁵ EDD, Labor Market Review, September 2018, <http://www.labormarketinfo.edd.ca.gov/Publications/Labor-Market-Analysis/calmr.pdf>, accessed November 14, 2018

¹⁶ EDD, Labor Market Review, September 2018, <http://www.labormarketinfo.edd.ca.gov/Publications/Labor-Market-Analysis/calmr.pdf>, accessed November 14, 2018

¹⁷ EDD, Labor Market Review, September 2018, <http://www.labormarketinfo.edd.ca.gov/Publications/Labor-Market-Analysis/calmr.pdf>, accessed November 14, 2018

¹⁸ EDD, Labor Market Review, September 2018, <http://www.labormarketinfo.edd.ca.gov/Publications/Labor-Market-Analysis/calmr.pdf>, accessed November 14, 2018

¹⁹ EDD, Labor Market Review, September 2018, <http://www.labormarketinfo.edd.ca.gov/Publications/Labor-Market-Analysis/calmr.pdf>, accessed November 14, 2018