

June 2013 California and Southern California Summary of Labor Markets

LAEDC KYSER CENTER FOR ECONOMIC RESEARCH

“Both the statewide and Southern California labor markets continued to improve in June, enabling the state and local county economies to make significant headway in bringing down their unemployment rates,” said Robert Kleinhenz, the LAEDC’s Chief Economist. “The ongoing decline in the unemployment rate at the state level coupled with steady gains in nonfarm jobs over the past several months show that the statewide labor market is headed in the right direction. Year-to-year job gains occurred in most private sector industries ranging from leisure and hospitality to the professional, scientific, and technical services industry.”

California Summary (Seasonally Adjusted Numbers)

Indicator	Yr Ago	Prior Month (May)	This Month (June)	MTM ⁺	YTY ⁺
Unemployment Rate in %	10.6	8.6	8.5	-0.1%	-2.1%
Nonfarm Jobs	14,394,800	14,618,500	14,648,700	+0.2% or 30,200 jobs	+1.8% or 253,900 jobs

⁺ MTM = month-to-month, YTY = year-to-year

- **Unemployment rate fell 2.1% from 10.6% a year ago to 8.5% in June 2013, and declined 0.1% from 8.6% a month earlier.**
- The labor force grew by 174,400 persons year-to-year, but total civilian employment grew by 547,700, contributing to the decline in the unemployment rate.
- Nonfarm (wage and salary) jobs grew by 253,900 YTY, including a 14,800 increase in government sector payrolls.
- Most segments of the economy added jobs on a year-to-year basis, **led by Leisure & Hospitality (70,800 or 4.4%), Prof Sci & Tech (+32,600 or 2.9%) and Const (+32,600 or 5.5%). The biggest gain in percentage terms occurred in Education Services with a 6.1% increase (+20,300).**
- However, Mining & Logging, Manufacturing, Information, and Other Services all lost jobs in year-to-year terms. Retail Trade was flat
- **California’s 1.8% year-to-year increase in nonfarm jobs slightly outpaced the U.S., which added jobs at a 1.7% rate in June.**

Southern California

“Despite an uptick in the unemployment rate(s) here in Los Angeles County (and elsewhere in Southern California), local labor markets continue to register year-to-year declines in unemployment rates,” said Robert Kleinhenz, Chief Economist of the LAEDC. “Nonfarm (wage and salary) employment has also increased compared to a year ago. While this report is encouraging, there is some concern that federal budget cuts in the next couple of months will trigger federal government job losses as well as job losses in those private sector industries that rely on federal funds.”

Los Angeles County (Seasonally Adjusted Numbers)

Unemployment Rates:

- This Month: 9.7%
- Last Month: 9.6%
- Same Month Year Ago: 11.1%

Los Angeles County (Not Seasonally Adjusted Numbers*)

- For June 2013, the Los Angeles labor market continued to improve on a **year-to-year** basis:
- The unemployment rate fell a total of 0.9% from 11.1% a year earlier to 10.2%.
- The **private sector added 49,100 jobs**, offset in part by government losses totaling 9,300, for a net increase of 39,800 in nonfarm jobs. This was equivalent to a 1.5% year-to-year gain for the private sector and a 1.0% gain for nonfarm jobs overall.
- Job gains occurred in most major industries. Leisure & Hospitality saw the largest numeric increase on a YTY basis with 18,400 jobs added, followed by Construction (9,200), Health Care (8,700), Administrative Support and Waste Services (8,700) and Professional Scientific & Technical Services (8,000). Retail jobs, which had been declining in recent months, edged up in June.
- The largest year-to-year percentage increases were in Construction (+8.4%), Education (+6.9%), Real Estate Rental & Leasing (+5.3%), and Leisure & Hospitality (+4.4%).
- **Job losses occurred in Government, Manufacturing, Transportation, Warehousing & Utilities, and Information.**
- The decrease in Information was driven by volatile employment in Motion Picture and Sound Recording employment. The figure in June was 107,600, down from 113,900 in May and down from 115,200 a year earlier. So far this year (January through June), monthly employment in this industry has ranged from a low of 106,500 to a high of 131,600. However, on a year-to-date basis through June, average monthly employment is up from 116,180 last year to 118,400 during the first six months of 2013.

- The increase in Administrative, Support, & Waste Services was due almost entirely to an increase in **Temporary Employment which added 10,400 jobs**.

Southern California Counties (Not Seasonally Adjusted Numbers*)

Current Month: **June 2013**

County/ Metro Area	Last Yr U-Rate %	Last Month U-Rate %	Current Month U-Rate %	YTY % Change in Nonfarm Jobs
Orange County	8.0	5.5	6.1	+1.8
Inland Empire	12.7	9.3	10.2	0.7
Ventura County	9.2	6.7	7.4	+1.5

*NOTE: Detailed numbers at the county level are not seasonally adjusted. This may give rise to large swings from one month to the next. For that reason, this report generally emphasizes year-to-year changes over month-to-month changes, except where the monthly changes are noteworthy.