

N E W S R E L E A S E

News Release

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California's unemployment rate decreases to 6.9 percent
Nonfarm payroll jobs increase by 67,300

NOTE TO EDITORS: *This release incorporates revised historical labor force numbers and industry employment data. Each year our labor force and employment data are updated to reflect additional data inputs and estimation techniques. These data are produced in cooperation with the U.S. Bureau of Labor Statistics, based on the same methodology used by all states.*

SACRAMENTO – California's unemployment rate decreased to 6.9 percent in January, and nonfarm payroll jobs increased by 67,300 during the month for a total gain of 1,806,700 jobs since the recovery began in February 2010, according to data released today by the California Employment Development Department (EDD) from two separate surveys.

The U.S. unemployment rate increased in January to 5.7 percent.

In December 2014, the state's unemployment rate was 7.1 percent, and in January 2014, the unemployment rate was 8.1 percent. The unemployment rate is derived from a federal survey of 5,500 California households.

Nonfarm jobs in California totaled 15,928,000 in January, an increase of 67,300 jobs over the month, according to a survey of businesses that is larger and less variable statistically. The survey of 58,000 California businesses measures jobs in the economy. The year-over-year change, January 2014 to January 2015, shows an increase of 498,000 jobs (up 3.2 percent).

EMPLOYMENT AND UNEMPLOYMENT IN CALIFORNIA

The federal survey of households, done with a smaller sample than the survey of employers, shows an increase in the number of employed people. It estimates the number of Californians holding jobs in January was 17,620,000, an increase of 54,000 from December 2014, and up 441,000 from the employment total in January of last year.

(more)

The number of people unemployed in California was 1,316,000 – down by 31,000 over the month, and down by 194,000 compared with January of last year.

PAYROLL EMPLOYMENT DETAIL (SEASONALLY ADJUSTED)

EDD's report on payroll employment (wage and salary jobs) in the nonfarm industries of California totaled 15,928,000 in January, a net gain of 67,300 jobs since the December survey. This followed a gain of 19,800 jobs (as revised) in December.

Eight categories (construction; trade, transportation and utilities; information; financial activities; professional and business services; educational and health services; leisure and hospitality; and government) added jobs over the month, gaining 72,300 jobs. Information posted the largest increase over the month, adding 14,000 jobs.

Three categories (mining and logging; manufacturing; and other services) reported job declines over the month, down 5,000 jobs. Manufacturing posted the largest decrease over the month, down 4,200 jobs.

In a year-over-year comparison (January 2014 to January 2015), nonfarm payroll employment in California increased by 498,000 jobs (up 3.2 percent).

Ten categories (construction; manufacturing; trade, transportation and utilities; information; financial activities; professional and business services; educational and health services; leisure and hospitality; other services; and government) posted job gains over the year, adding 498,300 jobs. Professional and business services posted the largest gains on numerical basis, adding 111,900 jobs (up 4.7 percent). Construction posted the largest gains on a percentage basis, up 5.7 percent (adding 37,800 jobs).

One category, mining and logging, posted job declines over the year, down 300 jobs (a 1.0 percent decrease).

UNEMPLOYMENT INSURANCE CLAIMS (NOT SEASONALLY ADJUSTED)

In related data, the EDD reported that there were 397,142 people receiving regular Unemployment Insurance benefits during the January 2015 survey week. This compares with 436,034 in December and 495,273 in January of last year. At the same time, new claims for Unemployment Insurance were 40,989 in January 2015, compared with 47,858 in December and 73,040 in January of last year.

Seasonally adjusted payroll detail follows:

PAYROLL EMPLOYMENT, SEASONALLY ADJUSTED DATA²
(Amounts in thousands)

Industrial Classification	January 2015 (prelim.)	December 2014 (revised)	January 2014	Change Over 12 Months (percent)
Nonagricultural Wage and Salary Workers	15,928.0	15,860.7	15,430.0	3.2
Mining and logging	30.7	31.1	31.0	-1.0
Construction	698.2	686.5	660.4	5.7
Manufacturing	1,267.5	1,271.7	1,264.8	0.2
Trade, transportation and utilities	2,917.1	2,914.3	2,831.5	3.0
Information	476.0	462.0	453.3	5.0
Financial activities	797.8	793.0	780.5	2.2
Professional and business services	2,497.2	2,493.4	2,385.3	4.7
Educational and health services	2,457.7	2,443.9	2,375.5	3.5
Leisure and hospitality	1,794.7	1,784.5	1,726.8	3.9
Other services	548.2	548.6	528.5	3.7
Government*	2,442.9	2,431.7	2,392.4	2.1
Agriculture	410.2	414.7	415.8	-1.3

*Includes all civilian employees of federal, state, and local governments.

TABLE A
EMPLOYMENT AND UNEMPLOYMENT IN CALIFORNIA, SEASONALLY ADJUSTED DATA²

	January 2015 (prelim.)	December 2014 (revised)	November 2014	January 2014
Civilian labor force ^a	18,936,000	18,914,000	18,901,000	18,688,000
Total civilian employment	17,620,000	17,566,000	17,545,000	17,179,000
Unemployment	1,316,000	1,347,000	1,356,000	1,510,000
Seasonally adjusted rate %	6.9	7.1	7.2	8.1
US seasonally adjusted rate %	5.7	5.6	5.8	6.6

TABLE B
EMPLOYMENT AND UNEMPLOYMENT IN CALIFORNIA, UNADJUSTED DATA

	January 2015 (prelim.)	December 2014 (revised)	November 2014	January 2014
Civilian labor force ^a	18,889,000	18,856,000	18,941,000	18,647,000
Total civilian employment	17,518,000	17,578,000	17,600,000	17,071,000
Unemployment	1,371,000	1,277,000	1,341,000	1,576,000
Unadjusted rate %	7.3	6.8	7.1	8.5

^a Labor force by place of residence, including workers involved in trade disputes.

² Seasonal adjustment is a statistical method that removes typical employment patterns that occur at various times throughout the year (e.g., additional retail hiring during the holiday season).

NOTE TO EDITORS: The local county-specific labor force and industry employment data scheduled to be released today will now be released on **Tuesday, March 10**. The delay is due to the complexity associated with completing the annual benchmarking process. However, data for the larger Los Angeles County will still be released today.

Benchmarking is the once-a-year revision process in which monthly estimates of labor force and payroll employment by industry are updated when more complete employment and unemployment information is available. In addition to other updates, this year more recent 2010 census data is being introduced to update prior census data used in the process.

There are additional tasks surrounding the annual benchmarking process, which is why California and all other states issue employment data at a later date than in a typical month throughout the year.

More information on the annual benchmarking process is available online:

- www.labormarketinfo.edd.ca.gov/article.asp?ARTICLEID=123

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