February 2019 California Employment Highlights

OVERVIEW

- California’s seasonally adjusted unemployment held steady at 4.2 percent in February 2019. The rate fell by just 0.1 percentage point over the year in February. This was the state’s smallest year-over rate decrease since January 2011.

- Six of California’s 11 major industry sectors added jobs in January and five lost jobs. The industry sectors that added the most jobs were professional and business services (12,500) and leisure and hospitality (6,600). The industry sectors that lost the most number of jobs in February 2019 were construction (7,700) and manufacturing (5,400).

EMPLOYMENT AND UNEMPLOYMENT

- California’s seasonally adjusted unemployment rate held steady at 4.2 percent in February 2019 and remained just 0.1 percentage point higher than the record low rate of 4.1 percent that occurred in the last half of 2018.

The state’s unemployment rate has been in record low territory since July 2017.
The number of unemployed Californians rose by 6,000 persons to 824,000 in February. Civilian unemployment has now risen in five consecutive months, with the increase over the period totaling 27,000 persons.

Figure 3
California Civilian Unemployment
Eight-Year Trend
February 2019; Seasonally Adjusted Data
• The number of employed Californians rose by 18,000 persons to 18,758,000 in February 2019, following a 35,000-person increase in January. Civilian employment in California has now grown in 99 of the last 100 months.

Figure 4

![California Civilian Employment: Eight-Year Trend](image)

• California’s labor market continues to attract people at a pretty brisk pace. California’s labor force grew by 24,000 persons to 19,582,000 in February 2019, following a very large, 50,000-person increase in January 2019.

Figure 5

![Month-Over Changes in the California Labor Force Over the Last Year](image)
California’s labor force participation rate rose by 0.1 percentage point to 62.8 percent in February 2019. This is the highest California’s labor force participation rate has been since August 2013. The LFPR rose 0.6 percentage point over the year ending in February 2019. This was the state’s largest year-over LFPR increase since December 2000.

**Figure 6**

**California Labor Force Participation Rate**

**Six-Year Trend**

February 2019; Seasonally Adjusted Data

**NONFARM PAYROLL EMPLOYMENT**

California gained 14,600 nonfarm jobs in February 2019, following an upwardly revised gain of 5,900 jobs in January. The state has now gained jobs in 89 of the last 92 months.

**Figure 7**

**California Total Nonfarm Employment: Ten-Year Trend**

February 2019; Seasonally Adjusted Data
• California gained a total of 20,500 nonfarm jobs in January and February 2019 combined. In contrast, the state added 76,400 nonfarm jobs during the first two months of 2018.

Figure 8

Month-Over Changes in California Total Nonfarm Employment
February 2019; Seasonally Adjusted Data

• California gained 3,133,100 nonfarm jobs (22.1 percent) from the recessionary low in February 2010 through February 2019, adding an average of 29,000 jobs per month over this period. California’s nonfarm job gains have not met this average for four consecutive months.

Figure 9

Nonfarm Payroll Jobs in California Economic Expansions Since 1960
As Measured by Trough-to-Peak in Nonfarm Employment
February 2019; Seasonally Adjusted Data
California continued to experience broad-based job growth across industry sectors over the year ending in February 2019, with 10 of the 11 major industry sectors adding jobs. Financial activities was the only sector that had a year-over job loss.

**CALIFORNIA INDUSTRY TREND HIGHLIGHTS**

- The State’s professional and business services sector added 12,500 jobs in February 2019. The gains were across all of the sector’s subsectors this month. The professional, scientific, and technical services subsector added 10,800 jobs this month and the last time this subsector added over 10,000 jobs in one month was back in July 2011 (16,500). The administrative and support and waste services subsector added 1,500 jobs this month and has recorded month-over gains in back-to-back months. The management of companies and enterprises subsector added 200 jobs this month, rebounding from a month-over loss of 400 jobs in January.

- California’s leisure and hospitality sector added 6,600 jobs this month and over the past two months has added 11,400 jobs. Each of the sector’s subsectors added over 1,500 jobs this month. The accommodation and food services subsector added 4,700 jobs this month and has had continuous month-over gains since September 2018. The arts, entertainment, and recreation subsector added 1,900 jobs this month and, like the accommodation and food services subsector, has had consecutive month-over gains since September 2018.

- In February 2019, the State’s trade, transportation, and utilities (TTU) sector added 5,600 jobs. However, over the past two months the TTU sector has a collective loss of 500 jobs. The retail trade subsector added 7,400 jobs this month, its largest month-over gain since January 2017 (7,400). The transportation, warehousing, and utilities subsector lost 1,500 jobs this month and has recorded losses over the past two months.
The wholesale trade subsector lost 300 jobs this month and consecutive losses have extended to four straight months (November 2018-February 2019).

- The State’s educational and health services sector added 4,100 jobs this month and has extended its streak of month-over job gains to five straight months. The health care and social assistance subsector accounted for a bulk of the gains this month, with a month-over gain of 3,800 jobs. The educational services subsector added 300 in February 2019. In 2018, this subsector added 3,600 jobs over the first two months and in 2019 over this same period of time, the sector had a collective loss of 2,000 jobs.

- California’s government sector added 1,400 jobs this month and has added jobs since August 2018. Between August 2018 and February 2019, month-over gains ranged from 900 in September 2018 to 11,300 in October 2018. Each of the government sector’s subsectors added jobs this month with the state government subsector adding the most with 900 jobs gains this month. The federal government subsector added 400 jobs this month besting February’s month-over loss of 700 jobs in 2018.

- In February 2019, the information sector 700 rebounding from a loss of 500 jobs in the previous month. The information is off its pace of nominal job growth that was exhibited in 2018 with the addition of 800 through the first two months.

- The construction sector led all of the State’s eleven sectors in terms of job loss this month with a loss of 7,700 jobs. Through the first two months, this sector has lost 10,000 jobs. This collective loss through the first two months, contrasts with the gain of 21,400 jobs through the first two months of 2018. The last time the sector started the year with two consecutive months of job losses was back in 2018.

- In February 2019, the manufacturing sector lost 5,400 jobs and both of the sector’s subsectors lost jobs this month. The nondurable goods subsector lost 4,800 jobs this month and has a collective loss to start the year (-3,800). The durable goods subsector lost 600 jobs this month erasing all job gains for the subsector the month before. The sector, on the whole, had a collective gain of 700 jobs through the first two months of 2018. However, in 2019, the sector has a collective loss of 3,800 due to relatively heavy job losses in February 2019.

- The State’s financial activities sector lost 1,900 jobs in February 2019. This month’s losses came about from losses in both of the sector’s subsectors. The finance and insurance subsector lost 1,000 jobs this month, a loss that was ten times higher than the one exhibited a year earlier (100). Year-to-date for 2019, this subsector has a collective loss of 1,000 jobs. The real estate and rental and leasing subsector lost 900 jobs this month and had a collective loss of 300 jobs through the year.

- California’s other services sector lost 1,100 jobs this month, the second consecutive month in which this sector lost 1,100 jobs. The other services sector started 2018 with a collective gain of 1,600 jobs.

- In February 2019, the State’s mining and logging sector lost 200 jobs and collective losses for 2019 stood at 100 jobs. The first two months started with consecutive gains of 200 jobs in January and 100 jobs in February.