March 2019 California Employment Highlights

OVERVIEW

- California’s seasonally adjusted unemployment ticked up to 4.3 percent in March 2019.
- Nine of California’s 11 major industry sectors added jobs in March and two lost jobs.
- Construction (9,400) gained the most jobs of any other sector in March. This gain negated a weather-induced loss of 9,300 jobs in February (revised). Four additional industry sectors added more than 2,000 jobs in March: professional and business services (5,900), manufacturing (4,700), educational and health services (3,800), and information (2,300). Other services (1,600), leisure and hospitality (1,500), government (900), and mining and logging (300) also added jobs in March.

EMPLOYMENT AND UNEMPLOYMENT

- California’s seasonally adjusted unemployment rate rose by 0.1 percentage point to a still low 4.3 percent in March 2019. This was the state’s second unemployment rate increase in the last three months.

Prior to January 2019, California went 90 straight months without an unemployment rate increase. There were multiple months in which the rate was unchanged.
- The number of unemployed Californians rose by 15,000 persons to 839,000 in March. Civilian unemployment has now risen in six consecutive months, with the increase over the period totaling 42,000 persons.

- The number of employed Californians fell by 17,000 persons to 18,742,000 in March 2019. This was only California’s second civilian employment loss in the last 101 months, but it’s largest since November 2009. The other loss occurred in December 2018.
• California’s labor force shrank by 3,000 persons to 19,580,000 in March 2019. This was only the state’s second labor force decrease since August 2015, a stretch of 43 months.

• California’s labor force participation rate held steady at 62.8 percent in March 2019, but was up 0.5 percentage point over the year.
**Nonfarm Payroll Employment**

- California gained 24,500 nonfarm jobs in March 2019, following a gain of 20,900 jobs in February (revised). The state has now gained jobs in eight consecutive months.

- California’s year-over nonfarm job gains totaled 238,500 (1.4 percent) in March 2019. This was the state’s weakest year-over job gain in March since early in the expansion in 2011.
However, the pace of job growth in California was stronger over the six months ending in March 2019 than it was over the prior six months.

- California gained a total of 3,163,900 nonfarm jobs from the recessionary low in February 2010 through March 2019, adding an average of 29,000 jobs per month over the entire 109-month period. Already the state’s second longest expansion in the post-World War II era, the current expansion is just four months shy of equaling California’s longest expansion on record, which lasted 113 months from July 1960 through December 1969.
**California Industry Trend Highlights**

- California’s construction sector added 9,400 jobs this month, the most of any industry sector. This sector has rebounded from back-to-back months. However, collectively over the past three months, the sector has lost 2,200. This is in contrast to the collective gain experienced over the first three months of 2018, 7,200 jobs.

- In March 2019, the professional and business services sector added 5,900 jobs. Over the past three months, the sector has added 19,500 jobs. This total was off the job creating pace experienced between January and March of 2018, the gain of 34,200 jobs. Each of the professional and business services subsectors added jobs in March. The professional, scientific, and technical services sector added 2,800 jobs this month, the largest gain amongst the professional and business services subsectors. The administrative and support and waste services added 2,700 jobs this month and has recorded a month-over gain for the past three months. The management of companies and enterprises subsector added 400 jobs this month.

- The state’s manufacturing sector added 4,700 jobs this month, rebounding from a month-over loss in February of 2,700 jobs. Job creation over the past three months (3,600) is on a pace comparable to that of 2018 (3,700). The nondurable goods subsector added 2,600 this month and the durable goods subsector added 2,100 jobs. The durable goods subsector has added jobs for seven consecutive months.

- California’s educational and health services added 3,800 jobs and had month-over jobs gains for the past six months. However, year-to-date job gains for 2019 have only totaled 12,900, 6,100 jobs off the pace set in 2018 through the first three months (19,000). The health care and social assistance subsector added 4,100 jobs this month and has had consecutive month-over jobs gains since November 2018. The educational services subsector lost 300 jobs this month and registered a collective loss of 2,500 jobs for 2019.

- The state’s information sector added 2,300 jobs in March and has added 2,400 jobs over the past three months. The collective gains of 2019 are off the pace set in 2018 in which the sector added 4,900 jobs over the first three months.

- In March 2019, the state’s other services sector added 1,600 jobs and has collectively added 500 jobs over the past three months. The start to 2019 for this sector contrasted the three-month kick off to 2018 in which the sector added 2,200.

- California’s leisure and hospitality sector added 1,500 jobs this month and has added jobs consecutively between the months of September 2018 and March 2019. Year-to-date for 2019 this sector has added 10,700 jobs, besting the total through the first three months of 2018 (9,600). The arts, entertainment, and recreation subsector added 1,100 jobs and have added jobs for the first three months of 2019. The accommodation and food services subsector added 400 jobs this month.

- In March 2019, the government sector added 900 jobs and gains over the past three months have summed to 8,000 jobs. The state and local subsectors added jobs in March with the state government subsector adding 700 jobs and the local subsector adding 500. Neither the state nor local government subsectors have lost jobs since July 2018. The federal government subsector had a month-over loss of 300 jobs, but despite this
loss its collective gain over the past three months (400) bested the collective loss the subsector experienced in the first three months of 2018 (900).

- California's mining and logging sector added 300 jobs this month and year-to-date for 2019, added 200 jobs. The jobs gains for 2019 are comparable to 2018 (300).

- The trade, transportation, and utilities (TTU) sector lost 5,800 jobs and each of the TTU subsectors lost jobs this month. The retail trade subsector lost 2,200 jobs this month a significant drop from last month's gain of 10,400 jobs. The transportation, warehousing, and utilities subsector lost 1,800 jobs this month and have lost jobs in every month in 2019. The wholesale trade subsector lost 1,800 jobs and has extended its streak of month-over losses to five months (November 2018-March 2019).

- The state's financial activities sector lost 100 jobs this month. Back-to-back months have led to a collective loss of 500 jobs for the sector in 2019. The real estate, rental, and leasing subsector added 500 jobs this month, rebounding from a loss of 400 jobs in February. The finance and insurance subsector lost 600 jobs this month and hasn't had a month-over job gain in 2019.