California Monthly Employment Change

California Employment Growth By Industry

California vs. U.S. Unemployment Rate

November Gain for California Payrolls

Nonfarm employers added a solid 28,400 new jobs to payrolls during November. As 2019 comes to a close, hiring appears to gaining some momentum, with payrolls up 1.9% over the year. The jobless rate held at 3.9%.

Hiring Picks Up in the Golden State

Job growth appears to be gaining some momentum at the tail end of the year. Nonfarm payrolls rose by a sturdy 28,400 net new jobs during November and overall job growth picked up to a 1.9% year-over-year pace. Furthermore, the state appears to be on pace to add over 320,000 new jobs for 2019 as whole, which would mark a solid improvement from the 278,400 jobs added the previous year.

The solid monthly rise in total payrolls was helped by a 14,000-job increase in the health care & social assistance sector. Even though it is one of the state’s largest industries, hiring has outpaced every other major sector so far this year, with payrolls up 3.7% over the past 12 months. Given the state’s rapidly aging demographic, demand for healthcare services should remain robust in coming years.

The information sector was another bright spot, adding 8,600 new jobs during the month, while financial activities advanced by 1,400. The professional & business services sector gained 3,100 new jobs. The increase, however, was entirely the result of a similar 3,100 rise in administrative & support and waste services. The professional, scientific & technical services sector posted its second straight monthly decline and slipped by 100 jobs, while management of corporate enterprises rose by 100.

Manufacturing employment rose modestly during the month, with durable goods producers adding 4,900 jobs and nondurables losing 2,700 jobs. Wholesale trade trimmed payrolls by 4,900 jobs, while hiring at hotels, bars & restaurants fell by 1,600. Retail trade also lost 100 jobs. We suspect that there was less hiring that usual going into the holiday season. Higher labor costs have led to a shift from full-service toward quick-service restaurants, which tend to employ fewer workers. Retailers also staffed less than usual this holiday season, as more and more sales have gone online.

Employment growth continues to be fairly widespread throughout the state. The Los Angeles-Long Beach metro division led all areas in November, with a 15,200-job increase. Hiring was weaker in Anaheim-Santa Ana, with payrolls dropping by 3,600. The Bay Area saw modest gains—employers in San Francisco and San Jose added a respective 2,000 and 2,100 to payrolls, while Oakland declined by 1,600. Through the ebbs and flows of the monthly data, every major metro area has added jobs over the past year, with the greater Los Angeles area (≈92,500) just ahead of the Bay Area (≈90,000).

Over the past 12 months, California has seen its jobless rate fall to a record low of 3.9% from 4.1%. Civilian employment, which measures the number of employed Californians, increased 53,700 in November. The civilian labor force, which includes those employed and those looking for work, rose by 41,000. The number of unemployed fell by the difference, 3,700 persons. San Mateo County has the lowest unemployment rate in the state (1.8%), followed by San Francisco (2.0%) and Marin (2.0%) Counties. Imperial County has the state’s highest unemployment rate at 20.6%.

Source: U.S. Department of Labor, U.S. Department of Commerce and Wells Fargo Securities