

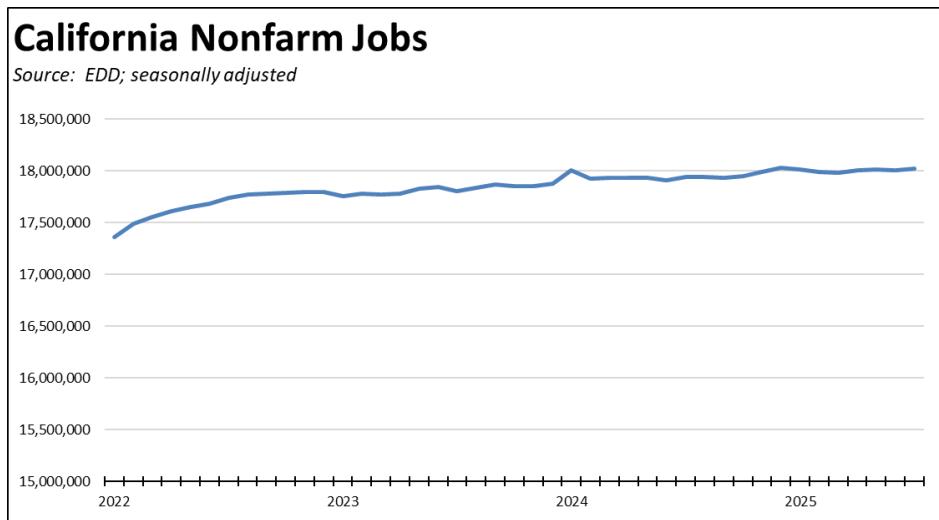
## California Employment Report for July 2025

The Center for Jobs and the Economy has released our initial analysis of the July Employment Report from the California Employment Development Department. The EDD and BLS releases are again on different schedules. Data for the other states will be addressed in our Full Jobs Report after it is released by Bureau of Labor Statistics next Tuesday. For additional information and data about the California economy visit [www.centerforjobs.org/ca](http://www.centerforjobs.org/ca).

### Nonfarm Jobs Rise 15,000 in the Preliminary Estimate; 9,700 Loss to Date for 2025

Nonfarm wage and salary jobs (seasonally adjusted) rose 15,000 in the preliminary estimate for July. The 6,100 loss in June was revised lower to a loss of 9,500. The cumulative result to date in 2025 is a loss of 9,700 nonfarm jobs. All of these numbers are subject to change in the annual revisions to be released in early 2026.

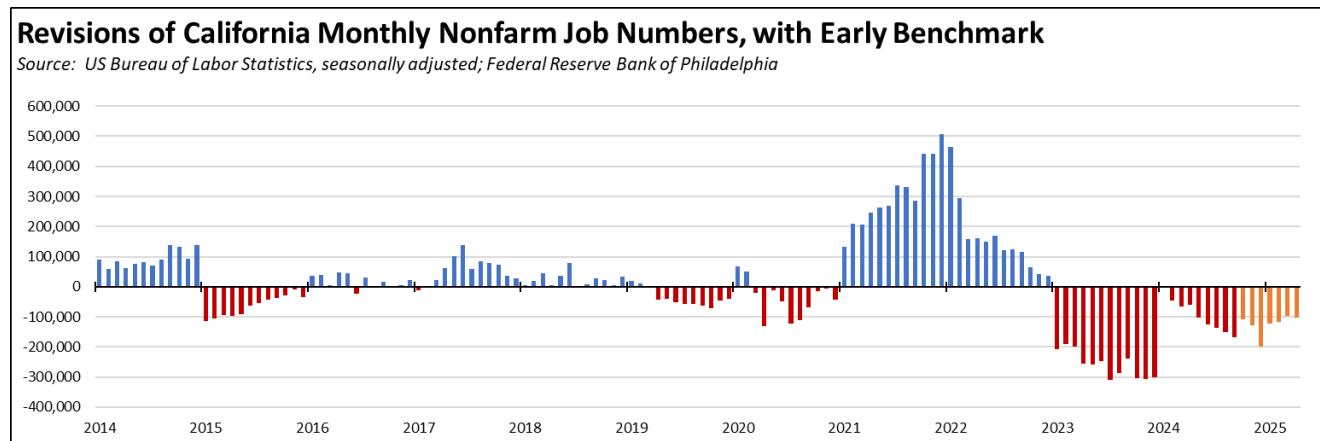
Regardless of the final revisions, the jobs data continues to indicate the state's economy has essentially stalled, and these conditions have existed well before the current tariff and immigration enforcement actions. Compared to the previous peak in January 2024, the preliminary numbers indicate nonfarm jobs have only grown by only 12,700 over the 18 months.



### Uncertainty in the Monthly Preliminary Estimates

As covered in a number of recent articles and as will be detailed in a forthcoming Substack piece, concerns have been increasing over the extent to which the monthly preliminary estimates now deviate from the subsequent revisions. These include both the monthly revisions as the underlying survey data response rate improves over a three-month period and the annual benchmark revisions based on the complete counts in the Quarterly Census of Employment & Wages (QCEW). For example, the Legislative Analysts' Office now reports a "Hybrid Measure" that combines the results from the establishment survey used to estimate wage and salary jobs and the household survey used to estimate the labor force numbers.

In the case of California, the cumulative effect of these revisions since 2023 has been almost uniformly negative and substantial. The chart below tracks the cumulative changes by comparing the preliminary monthly release with the current estimates incorporating both the annual and monthly revisions. Also shown are the preliminary estimates of what next year's annual revisions will produce, taken from the Philadelphia Federal Reserve Bank [Early Benchmark](#) series.



The monthly estimates, consequently, also have to be considered from this perspective—they likely are too high and under the current QCEW results are likely to be lowered by just over 100,000 in next year's revisions. Additional information on the likely outcome will be gleaned from the release of the first quarter data—which provides the data benchmark in the job estimation model—now scheduled for September 9 followed shortly by the BLS preliminary benchmark revision information for the US and the states.

To help put the preliminary monthly estimates in perspective, the following chart will be used to track both the monthly and annual revisions. Under the Early Benchmark column, both the early benchmark calculations from the Philly Fed are shown along with their extended forecast months (shaded). All the Change columns are calculated as the difference from the Preliminary Estimates.

### Comparison of Preliminary Nonfarm Job Estimates to Subsequent Revisions

Source: EDD, seasonally adjusted; Philadelphia Federal Reserve Bank

		Preliminary Estimate	Monthly Revision	Change	Annual Revision	Change	Early Benchmark	Change
2024	Jan	18,007,000	17,974,500	-32,500	18,010,000	3,000		
	Feb	17,971,100	17,967,900	-3,200	17,925,300	-45,800		
	Mar	17,996,200	17,986,100	-10,100	17,931,100	-65,100		
	Apr	17,991,300	17,990,200	-1,100	17,932,100	-59,200		
	May	18,033,900	18,033,500	-400	17,930,300	-103,600		
	Jun	18,033,900	18,054,300	20,400	17,910,000	-123,900		
	Jul	18,075,400	18,084,200	8,800	17,938,900	-136,500		
	Aug	18,091,000	18,083,000	-8,000	17,941,700	-149,300		
	Sep	18,097,700	18,095,700	-2,000	17,930,800	-166,900		
	Oct	18,090,200	18,104,800	14,600	17,951,300	-138,900	17,981,531	-108,669
	Nov	18,115,900	18,114,400	-1,500	17,993,400	-122,500	17,987,510	-128,390
	Dec	18,129,400	18,032,400	-97,000	18,032,400	-97,000	17,929,699	-199,701
2025	Jan	18,032,400	18,011,000	-21,400			17,908,971	-123,429
	Feb	18,003,500	17,989,200	-14,300			17,887,435	-116,065

Mar	17,977,600	17,982,400	4,800	17,880,966	-96,634
Apr	18,000,100	18,005,500	5,400	17,898,634	-101,466
May	18,023,200	18,017,200	-6,000		
Jun	18,011,100	18,007,700	-3,400		
Jul	18,022,700				

By industry, jobs growth continued to be dominated by government and government-supported Healthcare & Social Assistance. Other private industries saw a loss of 15,600 for the month and 132,500 for the year, although the trade related industries and real estate posted some gains within this total. Overall, other private industries have experienced the loss of 390,000 jobs since their peak in September 2022. Federal government jobs were off 400 for the month, and off 4,700 since their peak last October.

### Change in Nonfarm Jobs by Industry

Source: EDD, seasonally adjusted

	From Jun 2025	From Jul 2024
<b>Total Nonfarm</b>	<b>15,000</b>	<b>83,800</b>
<b>Government &amp; Government Supported</b>	<b>30,600</b>	<b>216,300</b>
Government	7,200	59,400
Health Care & Social Assistance	23,400	156,900
<b>Other Private</b>	<b>-15,600</b>	<b>-132,500</b>
Mining & Logging	100	-200
Construction	-3,300	-18,200
Manufacturing	300	-32,500
Wholesale Trade	1,400	-6,400
Retail Trade	-1,400	1,400
Transportation, Warehousing & Utilities	1,300	4,600
Information	-1,000	-12,400
Finance & Insurance	0	-10,700
Real Estate & Rental & Leasing	1,300	-5,100
Professional, Scientific & Technical Services	-5,700	-37,100
Management of Companies & Enterprises	700	-400
Administrative & Support & Waste Management & Remediation Services	-2,100	-16,400
Private Educational Services	-300	11,800
Arts, Entertainment & Recreation	100	16,700
Accommodation & Food Services	-4,600	-24,800
Other Services	-2,400	-2,800

### California Labor Force

Seasonally Adjusted	California	US	
Jul 2025	Change from Jun 2025	Jul 2025	Change from Jun 2025

Unemployment Rate	5.5%	0.1	4.2%	0.1
Labor Force	19,851,700	0.1%	170,342,000	0.0%
Participation Rate			62.2%	-0.1
Employment	18,763,000	0.0%	163,106,000	-0.2%
Unemployment	1,088,600	1.7%	7,236,000	3.2%

# 5.5%

CA Unemployment  
Rate

California's reported unemployment rate (seasonally adjusted) rose 0.1 point to 5.4%. The US rate rose by the same amount to 4.2%.

# -7.6k

CA Employment

Employment notched down 7,600 (seasonally adjusted) in July, while US employment edged down by 260,000.

California unemployment rose again by 18,200, while US unemployment was up by 221,000. **California unemployment has been above 1 million every month since January 2024, the highest levels since the pandemic period in 2021.**

## Nonfarm Jobs

# 15.0k

Nonfarm Jobs  
Change

Nonfarm wage and salary jobs in the preliminary estimate rose 15,000, resulting in a cumulative loss of 9,700 year to date.

For the US as a whole, nonfarm jobs rose 73,000 in July and 597,000 year to date.

## Counties with Double-Digit Unemployment

# 5

Counties with  
Unemployment Above  
10%

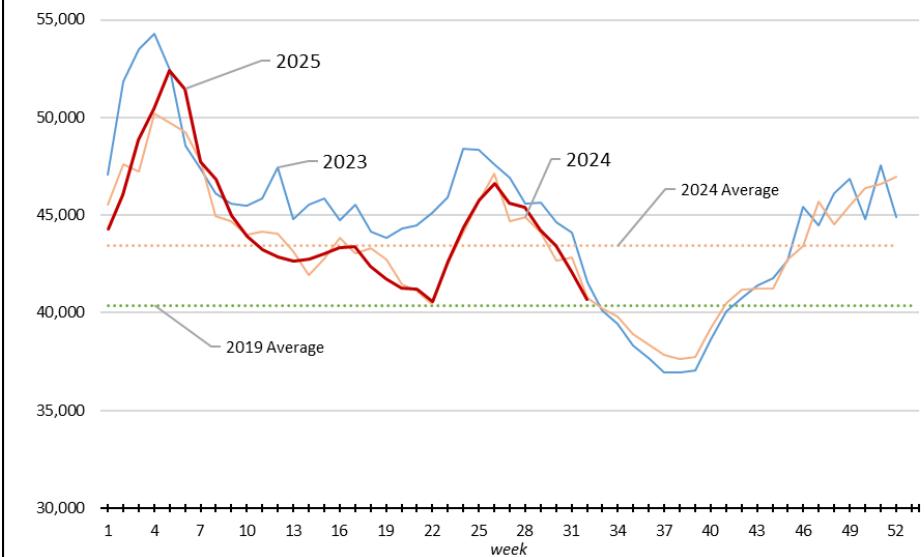
The number of counties with an unemployment rate (not seasonally adjusted) at 10% rose to 5. The unadjusted rates ranged from 4.1% in Mono to 20.2% in Imperial.

## Unemployment Insurance Claims Continue to Follow 2024 Trend

Initial claims continue to largely follow the 2024 trend.

### California Weekly Initial Claims

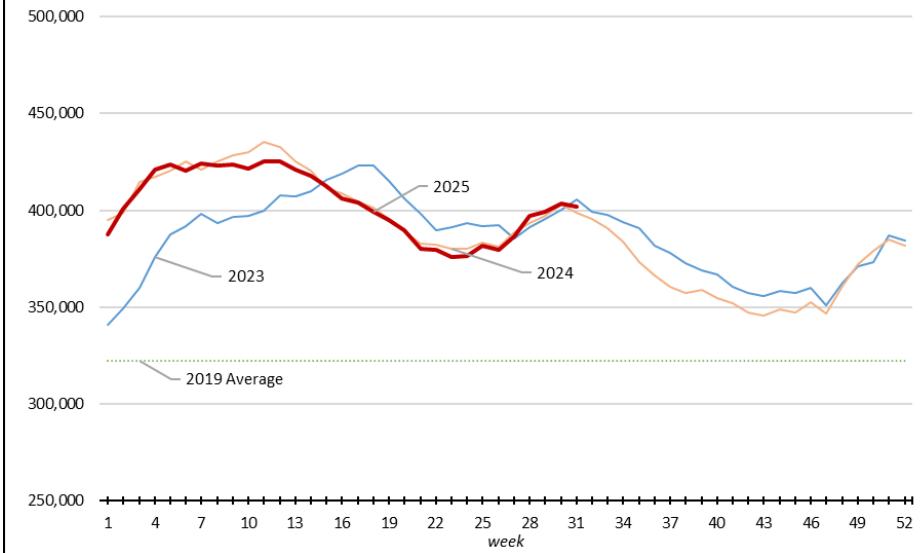
Source: US Department of Labor; 4-week moving average



As does insured unemployment, a proxy for continuing claims.

### California Insured Unemployment

Source: US Department of Labor; 4-week moving average



Combined, California's poor job creation performance continues to keep workers far more reliant on unemployment insurance benefits than in other states. Using the 4-week moving averages compared to its overall 11.3% of all nonfarm jobs, California in the latest data contained 20.8% of initial claims and 19.8% of all insured unemployment.

