

California Employment Report for August 2026

The Center for Jobs and the Economy has released our initial analysis of the August labor force and jobs data. For additional information and data about the California economy visit www.centerforjobs.org/ca.

Nonfarm Jobs Rise 39,400; Employment Again Shows Losses

After 4 months of extremely weak results, nonfarm jobs rose 39,400 in August while the July number was revised upward to a loss of 15,700. With the preliminary August figure the sole bright spot, nonfarm jobs overall have risen only 32,900 since January. California's job gains were the highest among the states, followed by Florida (21,800) and Wisconsin (11,800).

Looking at net total nonfarm job gains compared to pre-pandemic peaks, California remained in 3rd place while gaining some ground on much smaller North Carolina.

	Nonfarm
Texas	
Florida	
California	
North Carolina	
Georgia	

Source: *US Bureau of Labor*

By industry, government and government-supported Health Care & Social Assistance still predominated in the gains especially in the year-to-date numbers, but the Other Private Industries again showed some signs of life. Gains were seen particularly in Private Educational Services (6,700), Accommodation & Food Services (5,500), and Retail Trade (4,500). Strongest losses were in Finance & Insurance (-1,800) and the two High Tech containing industries, Professional, Scientific & Technical Services (-1,400) and Information (-900).

Change in Nonfarm Jobs by Industry

Source: *EDD, seasonally adjusted*

	From Jul 2026	From Aug 2025
Total Nonfarm	39,400	138,500
Government & Government Supported	21,700	108,200
Government	9,800	-3,600

Health Care & Social Assistance	11,900	111,800
Other Private	17,700	30,300
Mining & Logging	-100	-300
Construction	-600	-6,900
Manufacturing	800	-10,100
Wholesale Trade	200	-1,800
Retail Trade	4,500	22,400
Transportation, Warehousing & Utilities	2,200	5,800
Information	-900	-22,600
Finance & Insurance	-1,800	-15,500
Real Estate & Rental & Leasing	1,100	2,500
Professional, Scientific & Technical Services	-1,400	2,900
Management of Companies & Enterprises	200	-5,600
Administrative & Support & Waste Management & Remediation Services	-600	-12,800
Private Educational Services	6,700	19,700
Arts, Entertainment & Recreation	2,300	8,900
Accommodation & Food Services	5,500	36,800
Other Services	-400	6,900

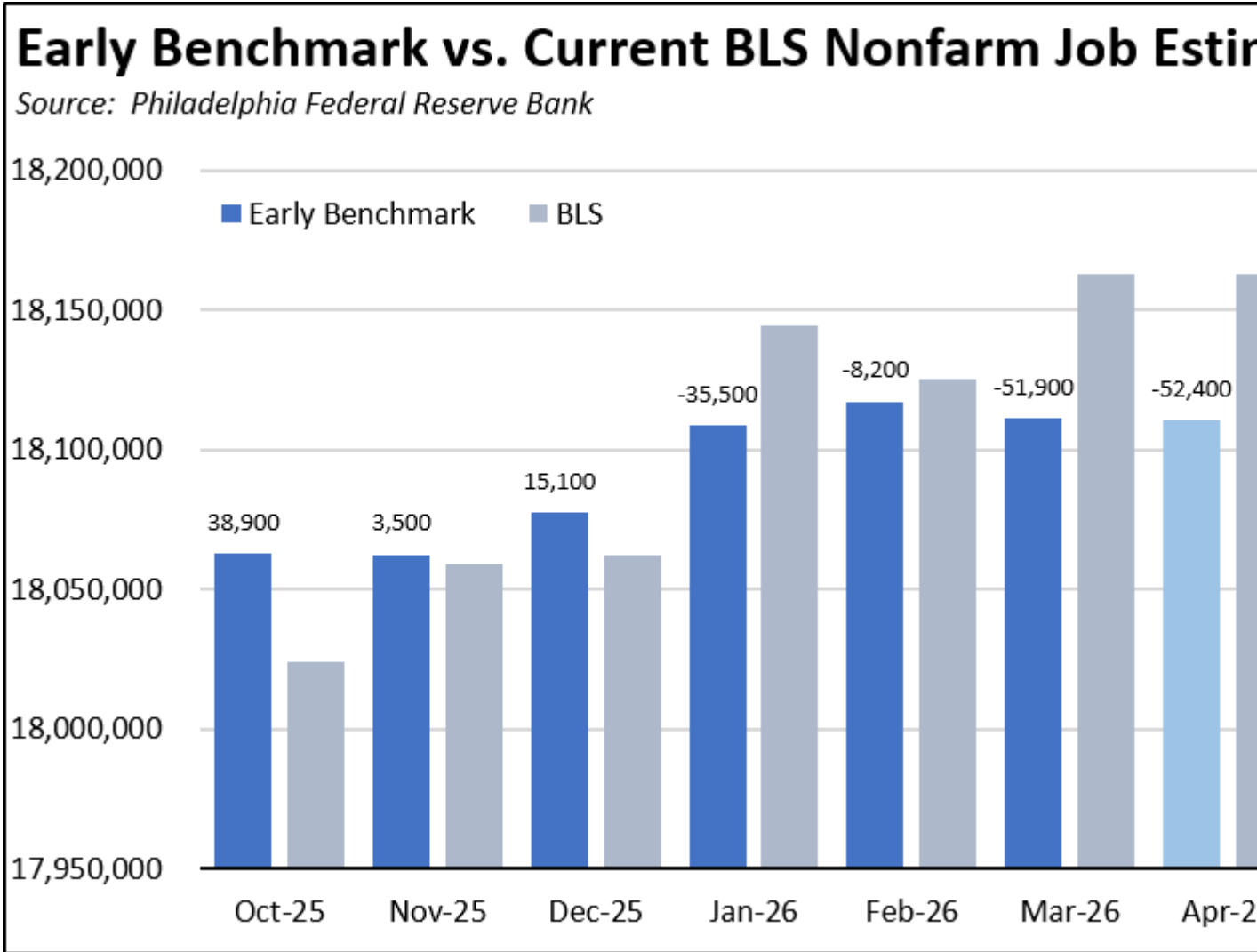
The labor force numbers continued to show losses. The number of employed workers dropped by another 36,500, bringing total losses over the year to 278,500 or a drop of 1.5%. After previous gains, **the number of workers employed in the state is now 263,700 lower than the peak prior to the pandemic.**

Preliminary Benchmark Revisions

Each year, BLS issues preliminary estimates of the upcoming data revisions that will be released next March. In this year's release (<https://www.bls.gov/news.release/presae.nr0.htm>), California again shows a minor (0.2%) upward revision in the March 2026 nonfarm number by 43,400. This change applies to the not seasonally adjusted series, however, and the eventual revisions to the seasonally adjusted number reported each month will likely vary as it has in the past.

Likely revisions to the seasonally adjusted numbers are instead indicated by the Philadelphia Federal Reserve Bank Early Benchmark Revisions (<https://www.philadelphiafed.org/surveys-and-data/regional-economic-analysis/early->

benchmark-revisions). This series provides estimates using the BLS method and applies the just-released March Quarterly Census of Employment & Wages data for March 2026, which will also form the basis for the final BLS revisions. These results indicate that the seasonally adjusted March 2026 number may be lowered by 51,500, dropping the current estimate of the annual gain by a third. In the chart, the solid Early Benchmark bars show the estimated revisions. The lighter shaded portion of the series show an extended forecast period based on those estimates. As with the BLS estimates, the final revisions are likely to differ from what is shown.



California Unemployment Rate Tied for Highest Among the States

Seasonally Adjusted	California		US	
	Aug 2026	Change from Jul 2026	Aug 2026	Change from Jul 2026
Unemployment Rate	5.1%	0.0	4.1%	0.0
Labor Force	19,499,100	-0.3%	169,777,000	0.4%
Participation Rate	61.5%	-0.1	61.6%	0.2
Employment	18,506,300	-0.2%	162,746,000	0.4%
Unemployment	992,800	-1.4%	7,031,000	1.7%

Not Seasonally Adjusted	California		US	
	Jul 2026	Change from Jul 2025	Jul 2026	Change from Jul 2025
Unemployment Rate	5.3%	-0.6	4.4%	-0.2
Labor Force	19,360,400	-2.4%	170,235,000	-0.8%
Participation Rate	61.0%	-1.4	61.8%	-0.9
Employment	18,336,200	-1.8%	162,800,000	-0.6%
Unemployment	1,024,200	-11.9%	7,435,000	-5.3%

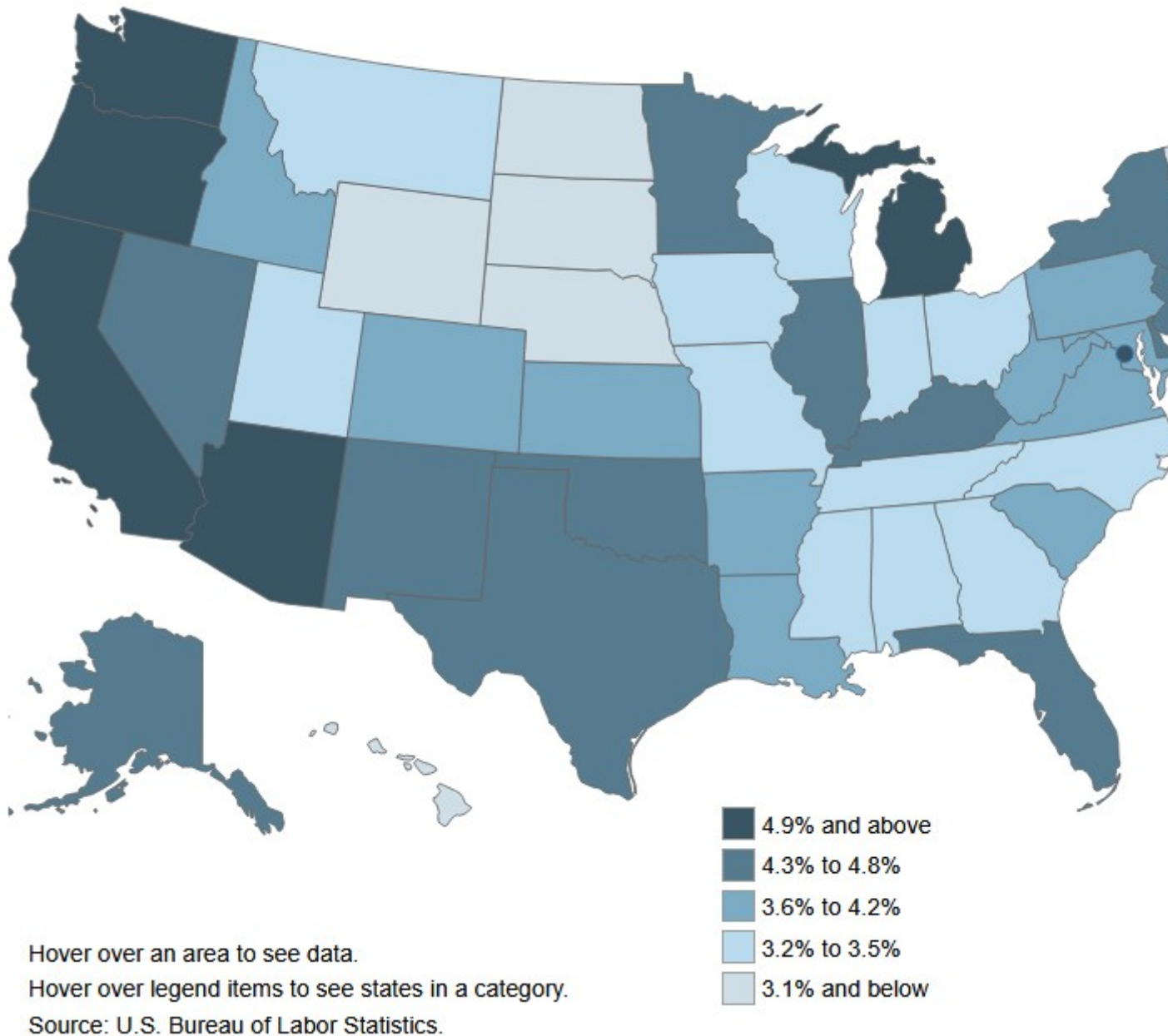
5.1%

CA Unemployment Rate

California's seasonally adjusted unemployment rate was unchanged at 5.1% as the labor force continued to shrink by another 50,500 workers. California tied with Oregon for the highest rate among the states (DC was again higher at 5.7%). The US unemployment rate was unchanged at 4.1% as the labor force grew by 683,000.

Total number of unemployed also continued to contract. The number of unemployed dropped by 14,000 putting the number below the 1 million level for the first time since January 2024. This milestone was passed not because workers are finding jobs. It is because they have given up on the search and instead left the labor force. The number of unemployed nationally grew by 115,000 as part of a stronger expansion of the labor force.

State unemployment rates, August 2026, seasonally adjusted



Interactive Original:

<https://www.bls.gov/charts/state-employment-and-unemployment/state-unemployment-rates-map.htm>

5.5%

Latino Unemployment Rate

The Latino unemployment rate was unchanged at 5.5%, but remained higher than the comparable rates for the state (5.1%), Whites (4.9%), and Asians (3.9%). Blacks retained the highest unemployment rate at 8.1%.

The demographic data, which is taken from a 12-month moving average of the Current Population Survey data (currently, 11 months since the October survey was not done), is not directly comparable to the headline monthly data which is based on the same survey data but which is estimated using labor force models. The demographic data, however, is useful for showing the relative labor force status of these groups.

39.4k

CA Employment

Employment fell by 36,500 (seasonally adjusted) in the preliminary estimate and was down 278,500 for the year.

Nationally, total employment rose 569,000 in the preliminary estimate for the month, but was off 624,000 for the year.

61.5%

CA Labor Force Participation Rate

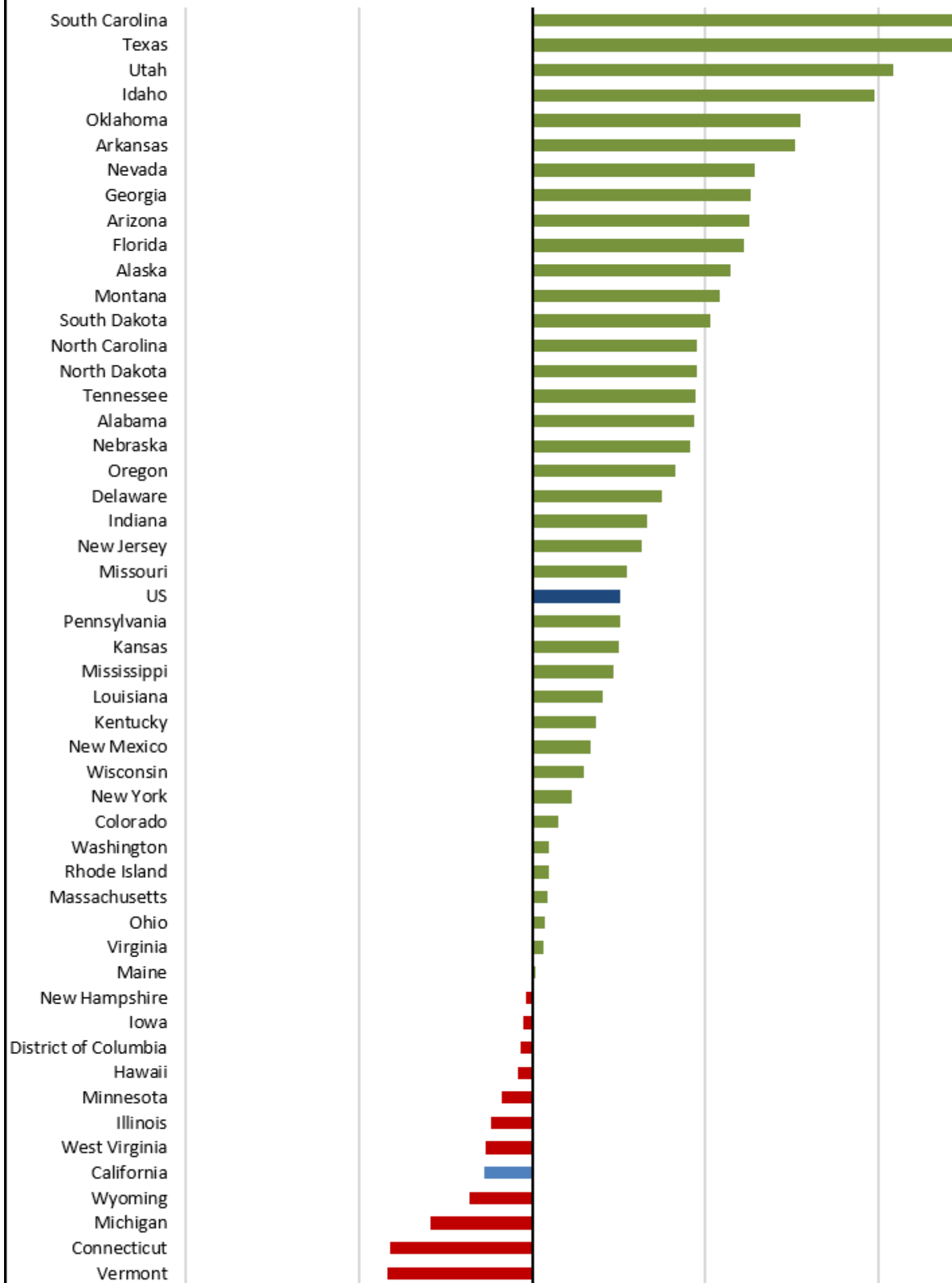
California labor force (seasonally adjusted) was down by 50,500, with the labor force participation rate level dipping 0.1 point to 61.5%. The US labor force was up 683,000, pushing the participation rate up 0.2 point to 61.6%.

Employment Recovery Progress

Due to the weak labor force numbers, California again remained below its pre-pandemic employment levels, off 263,700 from the peak. Adjusted by size, California's performance dipped to 46th worst among the states and DC. As indicated in the chart, states with lower tax and lower regulatory burdens—including several adopting lower individual and business tax rates in recent years—have been far more successful in expanding employment opportunities for their populations.

Employment: August 2026 vs. February 2020

Source: BLS, seasonally adjusted



Nonfarm Jobs

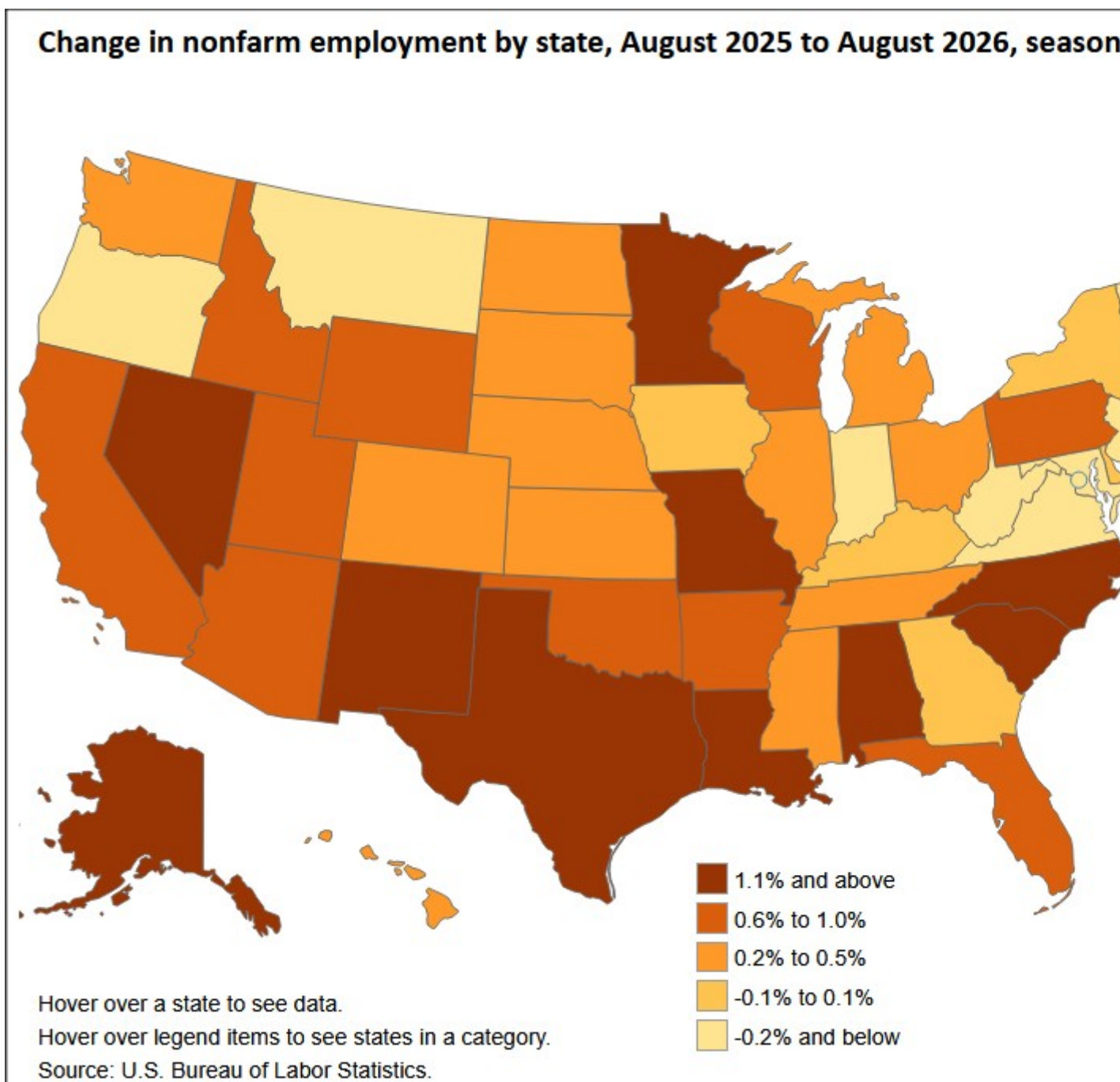
39.4k

Nonfarm Jobs Change

Nonfarm wage and salary jobs (seasonally adjusted) rose 39,400, while July was revised to a loss of 15,700.

For the US as a whole, nonfarm jobs rose 162,000.

Recovery Progress: CA Nonfarm Jobs vs. Other States



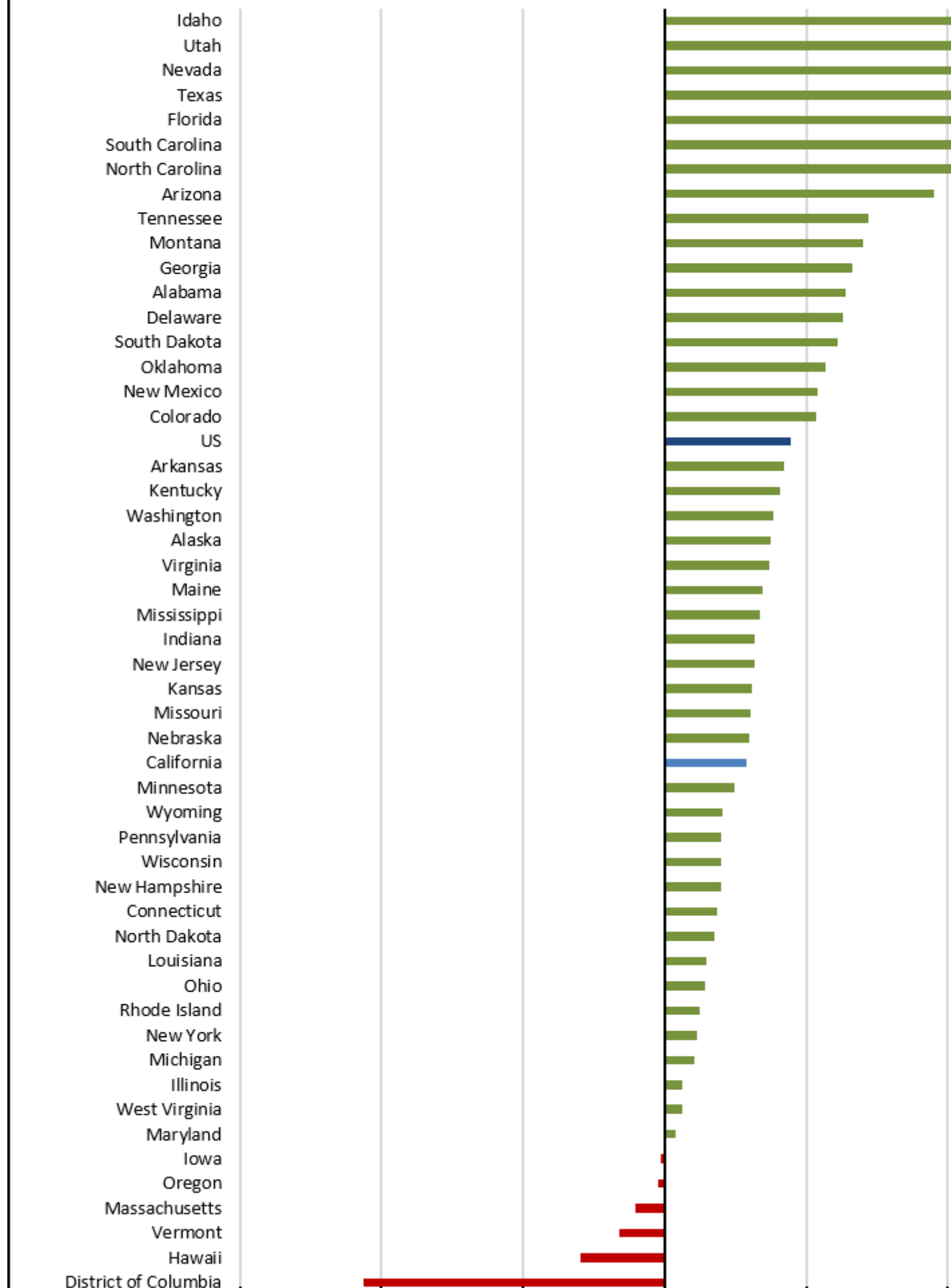
Interactive Original:

<https://www.bls.gov/charts/state-employment-and-unemployment/change-in-nonfarm-employment-by-state-map.htm>

California's monthly job performance in August was the highest among the states and DC. Adjusted for size, California's recovery level compared to the pre-pandemic peaks remained at 30th highest, while only 5 states and DC have yet to show positive recovery.

Nonfarm Jobs: August 2026 vs. February 2020

Source: BLS, seasonally adjusted



Wages & Hours

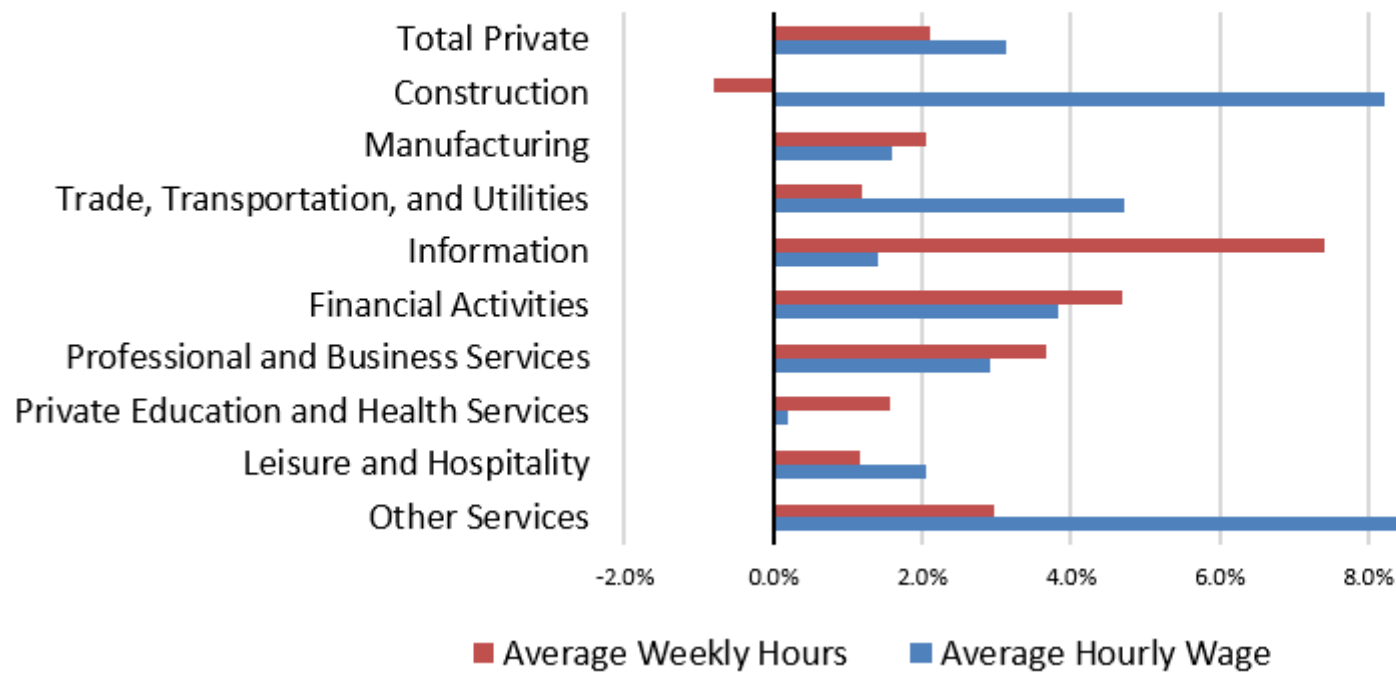
3.1%

12-month Change in Average Hourly Wage

In the seasonally unadjusted data, both private average hourly wage and weekly hours worked rose over the year. Private wages were up 3.1%, ranging from 0.2% in Private Education to 10.9% in Other Services. The wage gain, however, fell below inflation which as measured by the CPI-U was 3.4%. The change in weekly hours ranged from -0.8% in Construction, the only industry to show a retrenchment, to 7.4% in Information.

Average Hours & Wages by Industry, Aug 2025-Aug 2026

Source: US Bureau of Labor Statistics



Unemployment Rates by Region

Unemployment rates (not seasonally adjusted) ranged from 4.4% in Orange County to 8.0% in the Central Valley.

Unemployment Rate by Region

Source: EDD, not seasonally adjusted

	Aug-26	Feb-20
California	5.4	4.3
Orange County	4.4	2.8
Bay Area	4.5	2.7

Los Angeles	4.9	4.3
Sacramento	5.2	3.7
Central Coast	5.4	7.0
Central Sierra	5.6	4.5
San Diego/Imperial	5.7	3.8
Inland Empire	5.9	3.9
Upstate California	6.3	6.3
Central Valley	8.0	8.4

Counties with Double-Digit Unemployment

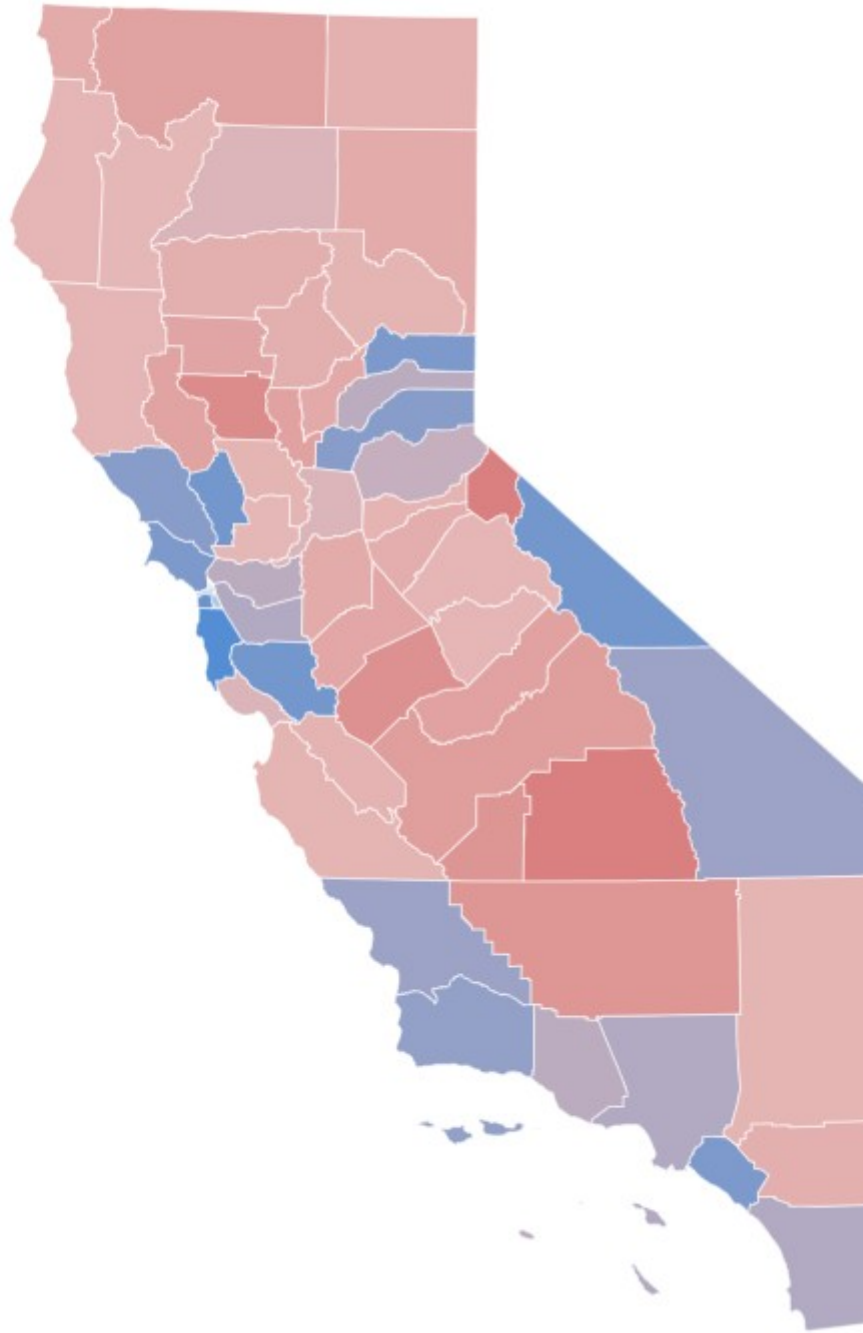
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Counties with Unemployment Above 10%

The number of counties with an unemployment rate (not seasonally adjusted) at 10% remained at 3. The unadjusted rates ranged from 4.0% in San Mateo to 21.9% in Imperial.

County Unemployment Rates,

Source: EDD; not seasonally adjusted



Unemployment Rate by Legislative District

The estimated unemployment rates are shown below for the highest and lowest districts. The full data and methodology are available on the Center's website.

Lowest	SD30 Archuleta (D)	3.8	AD76 Patel (D)	3.7
	SD40 Jones (R)	3.9	AD23 Berman (D)	3.7
	SD13 Becker (D)	3.9	AD56 Calderon (D)	3.7
	SD11 Wiener (D)	4.2	AD19 Stefani (D)	3.8

SD38 Blakespear (D)	4.2	AD66 Muratsuchi (D)	3.8
SD25 Pérez (D)	4.2	AD16 Bauer-Kahan (D)	3.9
SD37 Choi (R)	4.4	AD49 Fong (D)	3.9
SD15 Cortese (D)	4.4	AD72 Dixon (R)	4.0
SD10 Wahab (D)	4.5	AD26 Ahrens (D)	4.0
SD34 Umberg (D)	4.5	AD21 Papan (D)	4.1

Highest SD28 Smallwood-Cuevas (D)	5.8	AD57 Elhawary (D)	6.8
SD23 Valladares (R)	5.9	AD32 Ellis (R)	7.0
SD19 Bogh (R)	6.1	AD22 Alanis (R)	7.1
SD01 Dahle (R)	6.1	AD60 Jackson (D)	7.2
SD31 Cervantes (D)	6.2	AD39 Carrillo (D)	7.2
SD04 Alvarado-Gil (R)	6.3	AD27 Soria (D)	8.9
SD12 Grove (R)	6.4	AD35 Bains (D)	9.2
SD18 Padilla (D)	9.2	AD31 Arambula (D)	9.6
SD14 Caballero (D)	9.4	AD33 Macedo (R)	10.8
SD16 Hurtado (D)	10.2	AD36 Gonzalez (R)	12.2