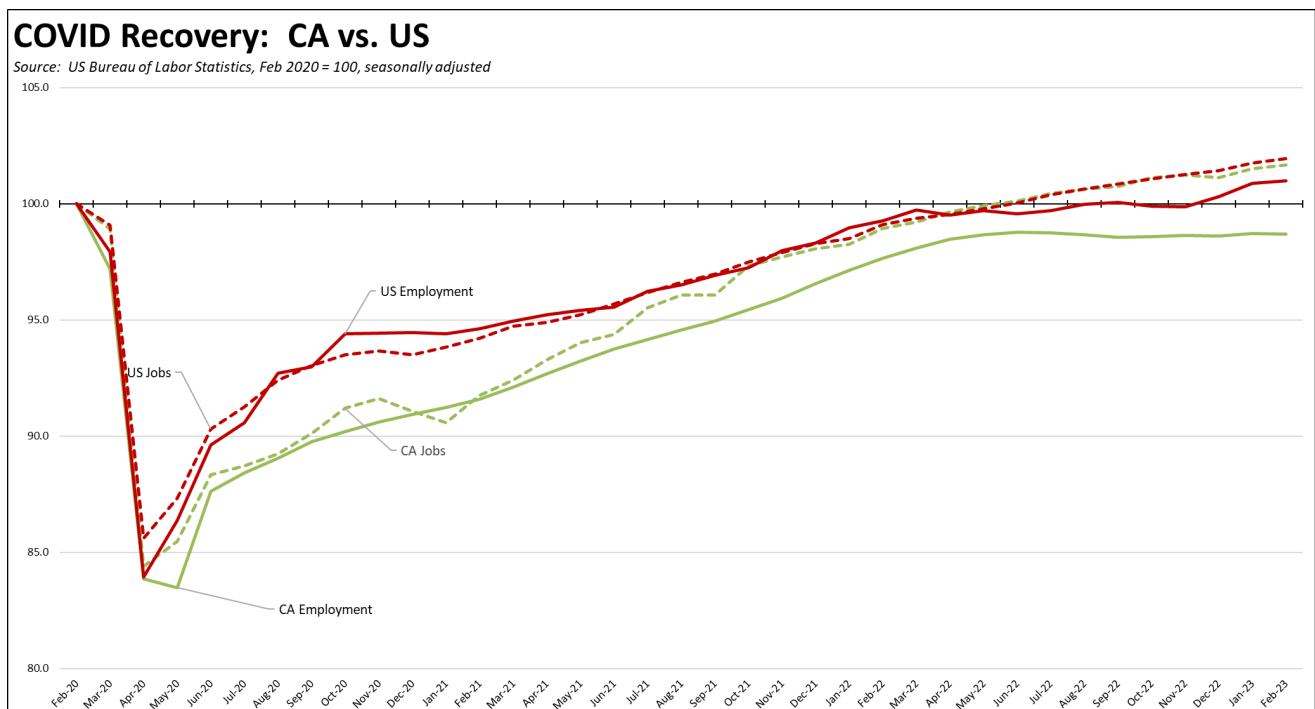


California Employment Report for February 2023

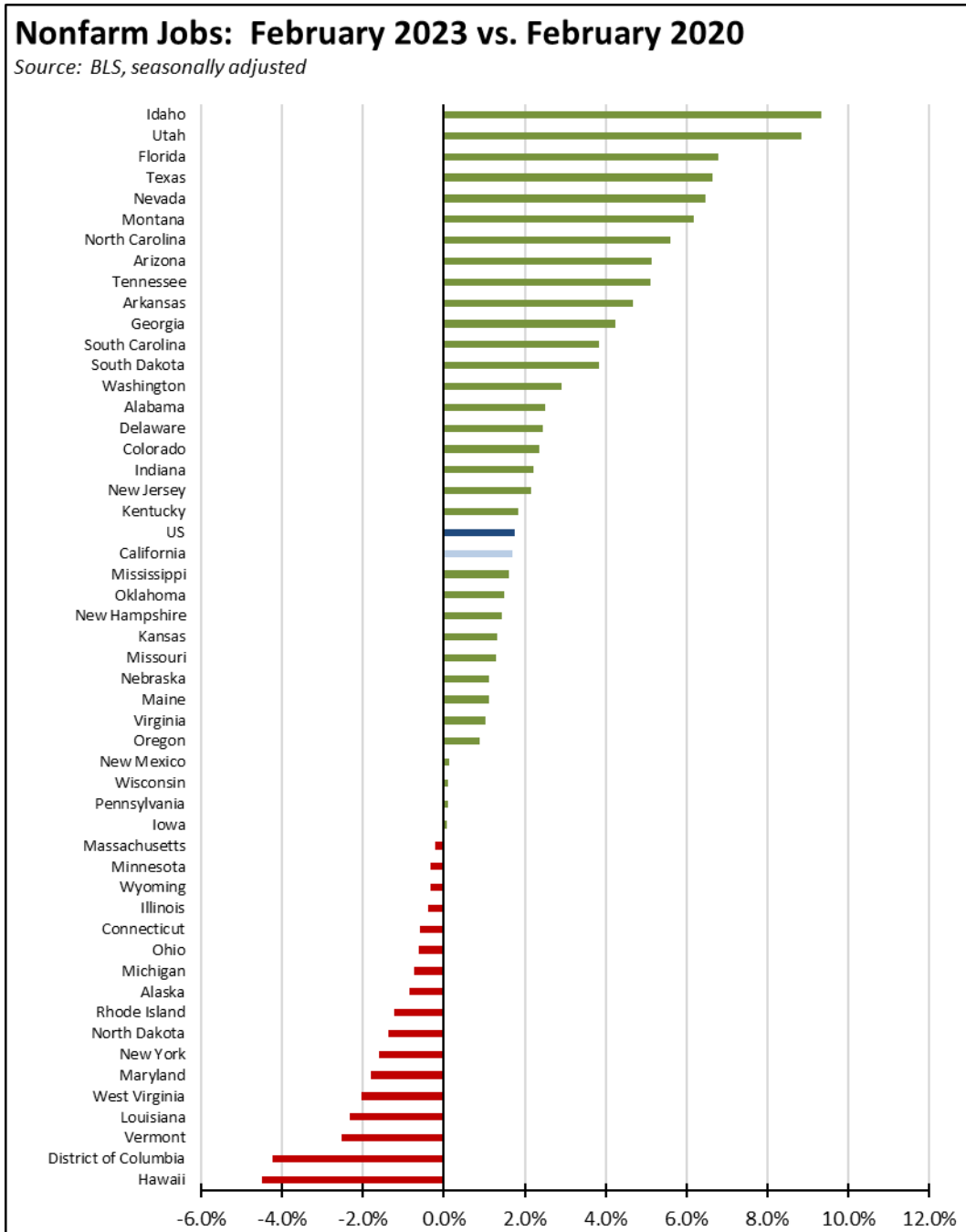
The Center for Jobs and the Economy has released our initial analysis of the January Employment Report from the California Employment Development Department. For additional information and data about the California economy visit www.centerforjobs.org/ca.

Recovery Progress

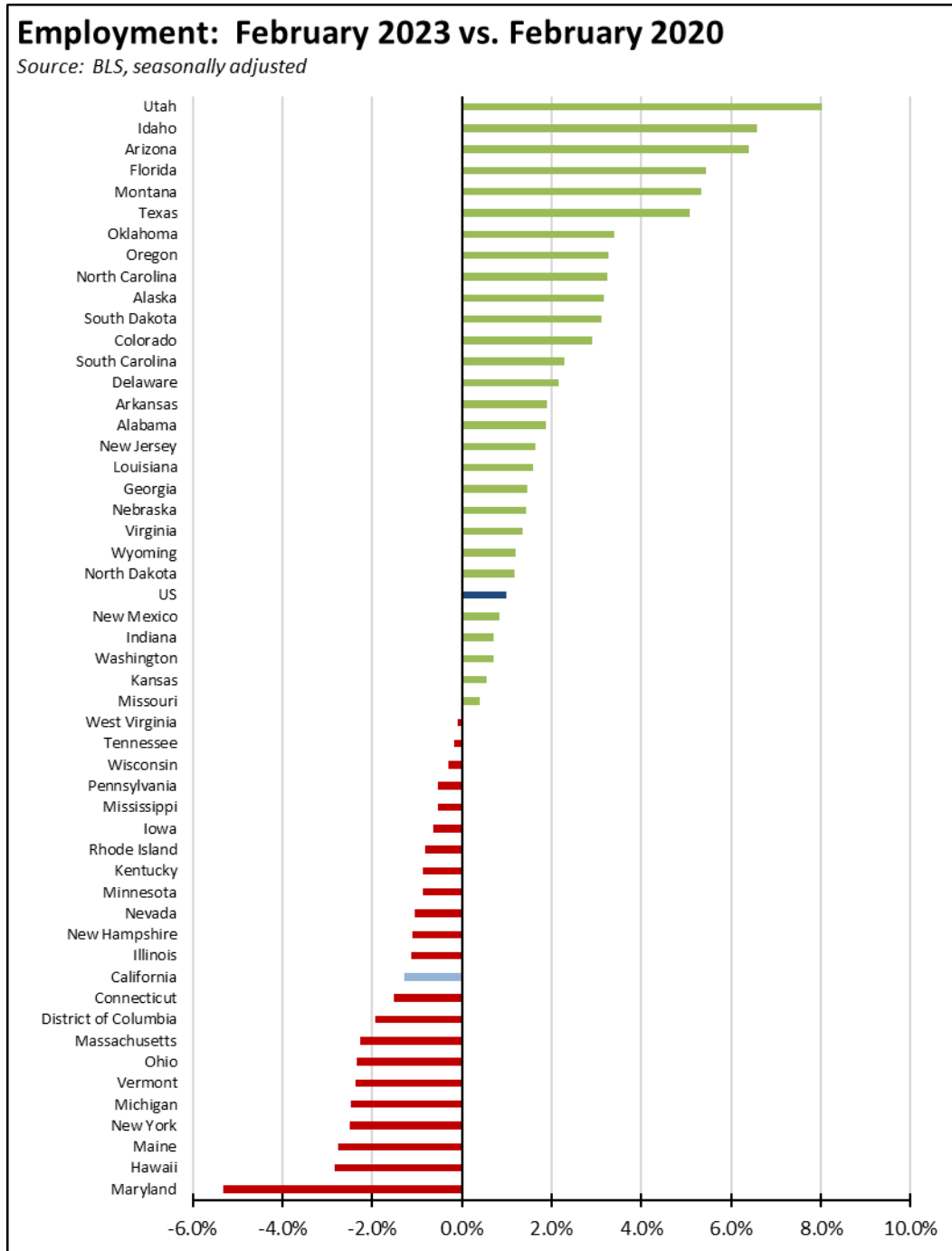
The February data again showed mixed results for the state. Nonfarm jobs (seasonally adjusted) showed a strong gain of 32,300, and even with a sharp downward adjustment, the revised January gains of 67,600 were still the highest since last April. Overall, nonfarm jobs came in 1.7% ahead of the pre-pandemic peak in February 2020. The number of employed, however, has essentially leveled out since last May, leaving the state about a quarter million below the pre-pandemic peak.



On a comparative basis, California's 32,300 jobs gain came in third, behind Texas (58,200) and Florida (38,800). For the year since February 2022, California (486,500) posted second, behind Texas (611,400) and barely ahead of Florida (427,000). On a comparative basis, California's recovery rate was the 21st highest among the states. Sixteen states and DC remained below their pre-pandemic peaks.

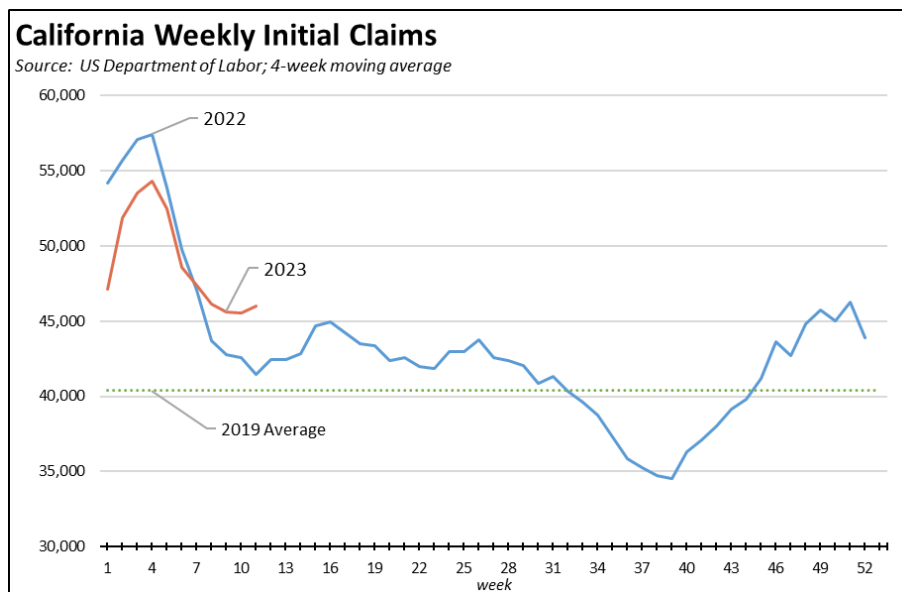


Measured by the number of persons employed, California continued dropping to 41st highest among the states and DC.



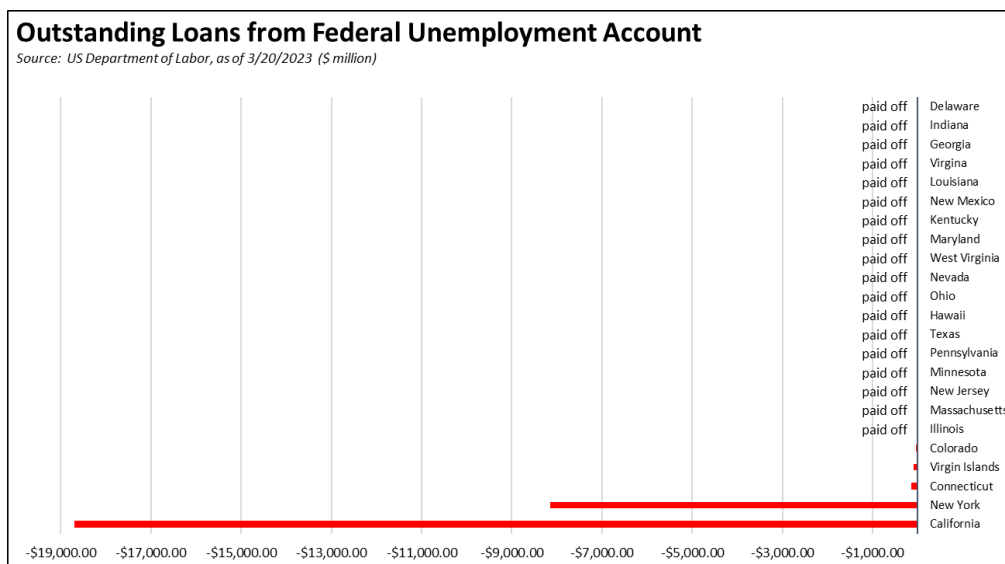
Unemployment Insurance Claims

Using a four-week moving average, initial unemployment claims are now trending higher than for the same period last year. California initial claims (not seasonally adjusted) were 22% of the national total for the four weeks ending March 18. Insured unemployment—a proxy for continuing claims—as of the week ending March 11 were 21% of the national total.



California & New York Rely on Federal Trust Fund Debt to Pay Unemployment Insurance Claims

With almost all of the other states paying off their pandemic debt—including use of federal pandemic assistance funds specifically earmarked for this purpose—the remaining Federal Unemployment Insurance Fund debt essentially comes down to California and New York. At \$18.7 billion as of March 20, California accounts for 69% of the total.



CA Unemployment Rate

4.3%

CA Unemployment
Rate

California's reported unemployment rate (seasonally adjusted) in February notched up to 4.3% as the result of minor gains in the labor force.

Employment was largely unchanged with a dip of 5,400. Unemployment rose 26,700. The labor force grew 21,200. The labor force participation rate improved 0.1 point to 62.2%.

California had the 8th highest unemployment rate among the states and DC.

US Unemployment Rate

3.6%

US Unemployment
Rate

The reported national numbers show US unemployment rate (seasonally adjusted) grew to 3.6% in February as the national labor force continued to show somewhat stronger gains. Employment was up 177,000, unemployment up 242,000, and the labor force up 419,000. The labor force participation rate improved 0.1 point to 62.5%.

Nonfarm Jobs

32.3k

Nonfarm Jobs
Change

Nonfarm wage and salary jobs were up 32,300, while the previously reported January gains were scaled back 29,100 to 67,600.

Nonfarm jobs nationally were up 311,000 in February.

The seasonally adjusted numbers for California showed gains in all but 5 industries, with the increases led by Accommodation & Food Services (9,100), Construction (7,600), and Health Care & Social Assistance (7,300). Losses were led by Information (-2,900), Administrative and Support and Waste Services (-2,900), and Wholesale Trade (-2,300).

Job Openings

1.06 mil

Job Openings

California unfilled job openings at the end of January dropped 163,000 to 1.056 million, the largest drop for any state that month. Nationally, job openings dropped 410,000 to 10.8 million.

Counties with Double-Digit Unemployment

5

Counties with
Unemployment Above
10%

The number of counties with an unemployment rate at 10% or more grew to 5. The unadjusted rates ranged from 2.8% in San Mateo to 18.3% in Colusa.

