



## N E W S R E L E A S E

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*Video of Unemployment Insurance (UI) call centers and UI check operations will be available today. Details to follow.*

### California's Unemployment Rate Increases To 9.3 Percent

**SACRAMENTO** – California's unemployment rate was 9.3 percent in December, and nonfarm payroll jobs declined by 78,200 during the month<sup>1</sup>, according to data released today by the California Employment Development Department (EDD) from two separate surveys.

The U.S. unemployment rate also increased in December to 7.2 percent.

In November, the state's unemployment rate was 8.4 percent, and in December 2007, the unemployment rate was 5.9 percent. The unemployment rate is derived from a federal survey of 5,500 California households.

Nonfarm jobs in California decreased by 78,200 over the month, for a total of 14,913,600, according to an EDD survey that is larger and less variable statistically. The survey of 42,000 California businesses measures jobs in the economy. The year-over-year (December 2007 to December 2008) change shows a decrease of 257,400 jobs (down 1.7 percent).

#### EMPLOYMENT AND UNEMPLOYMENT IN CALIFORNIA

The federal survey of households, done with a smaller sample than the state employer study, also shows a decrease in the number of employed people. It estimates the number of Californians holding jobs in December was 16,917,000, a decrease of 100,000 from November, and down 323,000 from the employment total in December of last year.

(more)

<sup>1</sup> **NOTE TO EDITORS:** The U.S. Bureau of Labor Statistics (BLS) has changed some of its prescribed methods for estimating state job losses and gains in order to try to better match the estimates that come from the larger national sample of businesses. The BLS' new methodology gives less significance to historical data and more significance to sample data from similar industries, as well as extreme high- and low-end survey responses from employers. The BLS hopes these changes will better capture the magnitude of job change during a time of rapid economic change. For many states, including California, the adoption of those changes means a much higher revision in announced job loss estimates for November than usual for any given month. It also means significant job loss estimates for the month of December.

Since these estimates are based on recent survey data, the degree to which these new methods better reflect actual economic events will not be known until the monthly estimates are compared to the universe data reported with employers' quarterly Unemployment Insurance tax returns in the annual benchmarking process that will be conducted in early 2010.

The number of people unemployed in California was 1,732,000 – up by 166,000 over the month, and up by 653,000 compared with December of last year.

Of the unemployed, 785,200 were laid off, 125,300 left their jobs voluntarily, and the remaining were either new entrants or reentrants into the labor market, or persons who completed temporary jobs, according to the federal household survey.

### **PAYROLL EMPLOYMENT DETAIL (SEASONALLY ADJUSTED<sup>2</sup>)**

EDD's report on payroll employment (wage and salary jobs) in the nonfarm industries of California totaled 14,913,600 in December, a net loss of 78,200 jobs since the November survey. This followed a loss of 73,500 jobs (as revised) in November.

One category, **educational and health services**, added jobs over the month, gaining 2,300 jobs. Ten categories (**natural resources and mining; construction; manufacturing; trade, transportation and utilities; information; financial activities; professional and business services; leisure and hospitality; other services; and government**) reported job declines this month, down 80,500 jobs. Trade, transportation and utilities posted the largest decline over the month, down by 25,400 jobs.

In a year-over-year comparison (December 2007 to December 2008), nonfarm payroll employment in California decreased by 257,400 jobs (down 1.7 percent).

Three industry divisions (**natural resources and mining; educational and health services; and government**) posted job gains over the year, adding 58,700 jobs. Educational and health services showed the strongest gain on a numerical basis, adding 51,600 jobs (a 3.1 percent increase). On a percentage of growth basis, natural resources and mining showed the strongest gain, up 4.3 percent (adding 1,100 jobs).

Eight categories (**construction; manufacturing; trade, transportation and utilities; information; financial activities; professional and business services; leisure and hospitality; and other services**) posted job declines over the year, down 316,100 jobs. Construction employment showed the largest decline on both a numerical and percentage basis, down by 92,600 jobs (a decline of 10.8 percent).

### **UNEMPLOYMENT INSURANCE CLAIMS (NOT SEASONALLY ADJUSTED)**

In related data, the EDD reported that there were 655,445 people receiving regular unemployment insurance benefits during the December survey week. This compares with 593,670 last month and 451,098 last year. At the same time, new claims for unemployment insurance were 87,979 in December 2008, compared with 80,920 in November and 56,984 in December of last year.

**NOTE TO EDITORS:** *EDD encourages those who are filing for unemployment insurance benefits to do so on-line through our Web site at [www.edd.ca.gov](http://www.edd.ca.gov). On-line claim filing is the fastest, most convenient way to apply for unemployment benefits, and is available 24 hours a day, 7 days a week.*

Seasonally adjusted payroll detail follows:

**PAYROLL EMPLOYMENT, SEASONALLY ADJUSTED DATA<sup>2</sup>**  
(Amounts in thousands)

Industrial Classification	December 2008 (prelim.)	November 2008 (revised)	December 2007	Change Over 12 months (Percent)
Nonagricultural Wage and Salary Workers . . . . .	14,913.6	14,991.8	15,171.0	-1.7
Natural resources and mining . . . . .	26.6	26.9	25.5	4.3
Construction . . . . .	763.4	780.0	856.0	-10.8
Manufacturing . . . . .	1,405.4	1,414.9	1,452.1	-3.2
Trade, transportation and utilities . . . . .	2,815.9	2,841.3	2,908.3	-3.2
Information . . . . .	468.8	476.5	475.0	-1.3
Financial activities . . . . .	857.0	860.3	887.1	-3.4
Professional and business services . . . . .	2,252.0	2,260.5	2,276.4	-1.1
Educational and health services . . . . .	1,738.2	1,735.9	1,686.6	3.1
Leisure and hospitality . . . . .	1,543.3	1,550.1	1,561.9	-1.2
Other services . . . . .	513.6	514.5	518.7	-1.0
Government* . . . . .	2,529.4	2,530.9	2,523.4	0.2
Agriculture . . . . .	396.2	396.0	394.2	0.5

\*Includes all civilian employees of federal, state, and local governments.

**TABLE A**  
**EMPLOYMENT AND UNEMPLOYMENT IN CALIFORNIA, SEASONALLY ADJUSTED DATA<sup>2</sup>**

	December 2008 (prelim.)	November 2008 (revised)	October 2008	December 2007
Civilian labor force <sup>a</sup> . . . . .	18,648,000	18,584,000	18,582,000	18,320,000
Total civilian employment . . . . .	16,917,000	17,017,000	17,051,000	17,240,000
Unemployment . . . . .	1,732,000	1,566,000	1,530,000	1,079,000
Seasonally adjusted rate % . . . . .	9.3	8.4	8.2	5.9
US seasonally adjusted rate % . . . . .	7.2	6.8	6.6	4.9

**TABLE B**  
**EMPLOYMENT AND UNEMPLOYMENT IN CALIFORNIA, UNADJUSTED DATA**

	December 2008 (prelim.)	November 2008 (revised)	October 2008	December 2007
Civilian labor force <sup>a</sup> . . . . .	18,613,000	18,579,000	18,608,000	18,353,000
Total civilian employment . . . . .	16,925,000	17,033,000	17,118,000	17,272,000
Unemployment . . . . .	1,688,000	1,547,000	1,490,000	1,080,000
Unadjusted rate % . . . . .	9.1	8.3	8.0	5.9

<sup>a</sup> Labor force by place of residence including workers involved in trade disputes.

<sup>2</sup> Seasonal adjustment is a statistical method that removes typical employment patterns that occur at various times throughout the year (e.g., additional retail hiring during the holiday season).

**MONTHLY LABOR FORCE DATA FOR COUNTIES  
DECEMBER 2008 (Preliminary); 2007 BENCHMARK  
NOT SEASONALLY ADJUSTED**

COUNTY	LABOR FORCE	EMPLOYMENT	UNEMPLOYMENT	RATE
<b>STATE TOTAL</b>	<b>18,612,800</b>	<b>16,924,700</b>	<b>1,688,000</b>	<b>9.1%</b>
ALAMEDA	773,900	713,700	60,200	7.8%
ALPINE	600	530	60	10.7%
AMADOR	18,620	16,890	1,730	9.3%
BUTTE	106,700	95,700	11,000	10.3%
CALAVERAS	21,650	19,310	2,350	10.8%
COLUSA	10,970	8,600	2,370	21.6%
CONTRA COSTA	538,200	497,200	41,000	7.6%
DEL NORTE	11,920	10,700	1,220	10.2%
EL DORADO	96,700	88,700	8,100	8.3%
FRESNO	450,100	390,700	59,400	13.2%
GLENN	13,010	11,380	1,630	12.5%
HUMBOLDT	61,800	56,200	5,500	8.9%
IMPERIAL	73,800	57,100	16,600	22.6%
INYO	9,480	8,710	770	8.1%
KERN	376,100	331,600	44,500	11.8%
KINGS	61,300	53,400	7,900	12.9%
LAKE	26,180	22,750	3,430	13.1%
LASSEN	13,590	12,100	1,490	11.0%
LOS ANGELES	4,965,000	4,491,600	473,500	9.5%
MADERA	67,200	59,200	8,000	11.9%
MARIN	140,300	132,800	7,500	5.4%
MARIPOSA	9,290	8,370	930	10.0%
MENDOCINO	44,720	40,830	3,890	8.7%
MERCED	108,800	92,000	16,800	15.5%
MODOC	4,000	3,510	490	12.2%
MONO	8,200	7,580	610	7.5%
MONTEREY	209,700	181,000	28,700	13.7%
NAPA	74,400	68,900	5,500	7.4%
NEVADA	51,930	47,580	4,350	8.4%
ORANGE	1,648,500	1,540,800	107,700	6.5%
PLACER	178,800	164,300	14,500	8.1%
PLUMAS	10,740	9,330	1,410	13.1%
RIVERSIDE	937,400	839,600	97,900	10.4%
SACRAMENTO	708,200	646,600	61,600	8.7%
SAN BENITO	26,600	23,400	3,200	12.1%
SAN BERNARDINO	909,700	821,300	88,400	9.7%
SAN DIEGO	1,590,400	1,473,300	117,100	7.4%
SAN FRANCISCO	449,300	419,900	29,500	6.6%
SAN JOAQUIN	306,800	266,800	40,000	13.0%
SAN LUIS OBISPO	138,900	129,100	9,800	7.1%
SAN MATEO	392,800	369,600	23,200	5.9%
SANTA BARBARA	221,300	205,400	15,800	7.2%
SANTA CLARA	887,000	818,800	68,200	7.7%
SANTA CRUZ	152,900	137,700	15,300	10.0%
SHASTA	86,900	76,300	10,600	12.2%
SIERRA	1,720	1,500	220	13.0%
SISKIYOU	19,660	16,910	2,750	14.0%
SOLANO	217,800	199,200	18,700	8.6%
SONOMA	270,500	251,400	19,100	7.0%
STANISLAUS	240,900	208,100	32,900	13.6%
SUTTER	43,400	36,800	6,600	15.3%
TEHAMA	25,740	22,790	2,950	11.5%
TRINITY	5,140	4,400	740	14.4%
TULARE	203,500	174,400	29,100	14.3%
TUOLUMNE	27,110	24,480	2,630	9.7%
VENTURA	434,500	399,800	34,700	8.0%
YOLO	99,900	90,100	9,800	9.8%
YUBA	28,300	24,300	4,100	14.4%