



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 10.1 Percent

NOTE TO EDITORS: *This release incorporates revised labor force and unemployment numbers from 2004 to 2008. Each year, our labor force and unemployment data are updated to reflect additional data inputs and estimation techniques. These data are produced in cooperation with the U.S. Bureau of Labor Statistics, based on the same methodology used by all states. Because the update of historical data uses slightly different methods than the current month estimates, users should be cautious about comparing labor force and unemployment estimates for the current year to those for prior years.*

SACRAMENTO – California's unemployment rate was 10.1 percent in January, and nonfarm payroll jobs declined by 79,300 during the month, according to data released today by the California Employment Development Department (EDD) from two separate surveys.

The U.S. unemployment rate also increased in January to 7.6 percent.

In December, the state's unemployment rate was a revised 8.7 percent, and in January 2008, the unemployment rate was 6.1 percent. The unemployment rate is derived from a federal survey of 5,500 California households.

The number of nonfarm jobs in California decreased by 79,300 over the month, for a total of 14,648,100, according to the survey of 42,000 California businesses which measures jobs in the economy. This survey is larger and less variable statistically than the household survey. The year-over-year (January 2008 to January 2009) change shows a decrease of 494,000 jobs (down 3.3 percent).

EMPLOYMENT AND UNEMPLOYMENT IN CALIFORNIA

The federal survey of households shows a decrease in the number of employed people. It estimates the number of Californians holding jobs in January was 16,668,000, a decrease of 283,000 from December, and down 437,000 from the employment total in January of last year.

(more)

The number of people unemployed in California was 1,863,000 – up by 257,000 over the month, and up by 754,000 compared with January of last year.

Of the unemployed, 990,600 were laid off, 126,700 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 ADJUSTED²)

EDD's report on payroll employment (wage and salary jobs) in the nonfarm industries of California totaled 14,648,100 in January, a net loss of 79,300 jobs since the January survey. This followed a loss of 84,400 jobs (as revised) in December.

Four categories (**natural resources and mining; educational and health services; leisure and hospitality; and government**) added jobs over the month, gaining 7,400 jobs. Educational and health services posted the largest gain over the month, up by 3,900 jobs. Seven categories (**construction; manufacturing; trade, transportation and utilities; information; financial activities; professional and business services; and other services**) reported job declines this month, down 86,700 jobs. Information posted the largest decline over the month, down by 27,700 jobs.

In a year-over-year comparison (January 2008 to January 2009), nonfarm payroll employment in California decreased by 494,000 jobs (down 3.3 percent).

Three industry divisions (**natural resources and mining; educational and health services; and government**) posted job gains over the year, adding 43,000 jobs. Educational and health services showed the strongest gain on both a numerical and percentage basis, adding 39,600 jobs (a 2.3 percent increase).

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 537,000 jobs. Trade, transportation and utilities employment showed the largest decline on a numerical basis, down by 145,000 jobs (a decline of 5.0 percent). Construction posted the largest decline on a percentage basis, down by 15.5 percent (a decrease of 130,800 jobs).

UNEMPLOYMENT INSURANCE CLAIMS (NOT SEASONALLY ADJUSTED)

In related data, the EDD reported that there were 717,525 people receiving regular unemployment insurance benefits during the January survey week. This compares with 655,445 last month and 480,858 last year. At the same time, new claims for unemployment insurance were 75,514 in January 2009, compared with 87,979 in December and 57,364 in January 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. 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 DATA²
(Amounts in thousands)

Industrial Classification	January 2009 (prelim.)	December 2008 (revised)	January 2008	Change Over 12 months (Percent)
Nonagricultural Wage and Salary Workers	14,648.1	14,727.4	15,142.1	-3.3
Natural resources and mining	28.5	28.3	27.9	2.2
Construction	712.4	722.6	843.2	-15.5
Manufacturing	1,370.4	1,384.8	1,451.7	-5.6
Trade, transportation and utilities	2,759.9	2,767.0	2,904.9	-5.0
Information	440.3	468.0	459.2	-4.1
Financial activities	825.3	829.2	873.5	-5.5
Professional and business services	2,190.4	2,212.3	2,267.0	-3.4
Educational and health services	1,745.6	1,741.7	1,706.0	2.3
Leisure and hospitality	1,547.2	1,545.0	1,578.7	-2.0
Other services	511.8	513.3	516.5	-0.9
Government*	2,516.3	2,515.2	2,513.5	0.1
Agriculture	395.0	394.5	383.0	3.1

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

TABLE A
EMPLOYMENT AND UNEMPLOYMENT IN CALIFORNIA, SEASONALLY ADJUSTED DATA²

	January 2009 (prelim.)	December 2008 (revised)	November 2008	January 2008
Civilian labor force ^a	18,531,000	18,557,000	18,537,000	18,214,000
Total civilian employment	16,668,000	16,951,000	16,998,000	17,105,000
Unemployment	1,863,000	1,606,000	1,538,000	1,109,000
Seasonally adjusted rate %	10.1	8.7	8.3	6.1
US seasonally adjusted rate %	7.6	7.2	6.8	4.9

TABLE B
EMPLOYMENT AND UNEMPLOYMENT IN CALIFORNIA, UNADJUSTED DATA

	January 2009 (prelim.)	December 2008 (revised)	November 2008	January 2008
Civilian labor force ^a	18,487,000	18,551,000	18,516,000	18,200,000
Total civilian employment	16,532,000	16,862,000	16,968,000	17,038,000
Unemployment	1,955,000	1,689,000	1,548,000	1,162,000
Unadjusted rate %	10.6	9.1	8.4	6.4

^a Labor force by place of residence including workers involved in trade disputes.

² 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 CALIFORNIA AND LOS ANGELES COUNTY
JANUARY 2008 (Preliminary); 2008 BENCHMARK
NOT SEASONALLY ADJUSTED**

COUNTY	LABOR FORCE	EMPLOYMENT	UNEMPLOYMENT	RATE
STATE TOTAL	18,486,800	16,531,800	1,954,900	10.6%
LOS ANGELES	4,960,300	4,423,300	537,000	10.8%

NOTE TO EDITORS: State and Los Angeles County data are being released today. (Because of the size of its labor force, Los Angeles County is treated as if it were a state by the U.S. Bureau of Labor Statistics. Data for the remainder of the counties is estimated through a different process.)

EDD's Labor Market Information Division (LMID) plans to release industry and labor force data for all other Metropolitan Statistical Areas, counties and cities on Thursday, March 5, 2009. EDD will distribute this revised localized data next week and it will be available on our Web site at: <http://www.labormarketinfo.edd.ca.gov/>.

EDD derives its industry jobs and labor force data using nationally mandated statistical models. These models rely on several data inputs which are updated during our annual benchmark. Nationwide, processing of these inputs has proved to be more time consuming than expected, resulting in a later release of local area information.

We appreciate your patience and understanding. If you have any additional questions, please contact your nearest LMID Labor Market Consultant. An on-line staff directory is available at: <http://www.calmis.ca.gov/file/resource/LMIConsultants.pdf>

More information on the annual benchmark process is available at: <http://www.labormarketinfo.edd.ca.gov/article.asp?ARTICLEID=123>

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