

CALIFORNIA

2010 ECONOMIC PROFILE

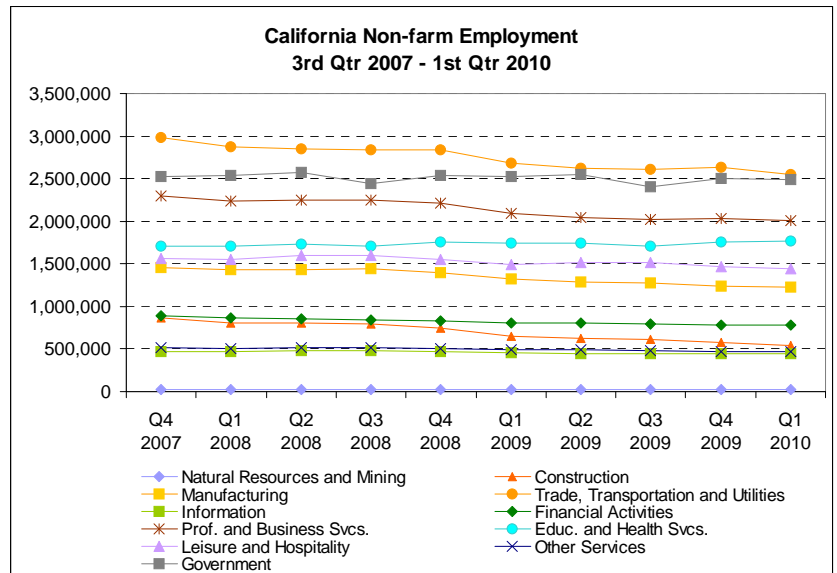
CALIFORNIA HIGHLIGHTS



- California has 58 counties.
- The California Economic Strategy Panel has identified nine economic regions.
- Statewide, total Nonfarm¹ jobs grew by 21.1% from 1995-2008, but declined in 2009, resulting in net growth of just 10.7% from 1995-2009. Nonfarm jobs declined by 4.2% from March 2008 to March 2009 and again by 3.1% from March 2009 to March 2010.
- The state's population grew 6% while total employment (including Farm jobs) grew 6% and the average annual wage grew by 24.6% (2001-2008), although total employment declined from 2001 to 2003, followed by four years of growth through 2007, and then losses (-1%) from 2007 to 2008.
- 96.4% of all businesses have fewer than 50 employees, and those businesses provide 44.5% of the region's jobs.
- 8.5% of the state's population reported as self-employed.
- California's Gross Domestic Product (GDP) grew 25.3% in seven years (2001-2008).

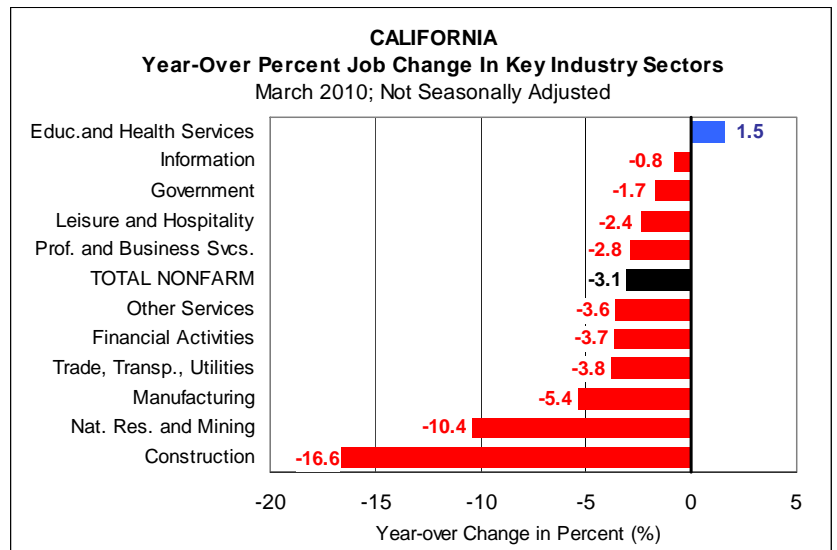
SINCE THE START OF THE RECESSION:

- Since the fourth quarter of 2007, California lost 10.1% of its Nonfarm jobs, with losses reported in all but one super-sector; only Education & Health Services experienced growth (up 3.4%).
- The most jobs were lost in Trade, Transportation & Utilities, followed by Construction and Professional & Business Services.



YEAR-OVER CHANGE:

- All but one of the Nonfarm industry super-sectors reported job losses from March 2009 to March 2010; only Education & Health Services reported growth (up 1.5%).
- The greatest losses were seen in Construction, down 16.6%; Natural Resources & Mining down 10.4%; and Manufacturing, down -5.4%.





INDICATORS

INNOVATION

Venture Capital (VC) Funding (2009)*	\$8,857,774,100	Scientists & Engineers (including Computer) - <i>Projections</i>	
Number of VC Deals (2009)*	1,137	- In the Workforce 2006-2016	428,800 – 525,400
Small Business Innovation Research (SBIR) Grant Awards		- As a percentage of all occupations (2016)	2.7%
Total SBIR Funding (2009)	\$117,026,100		
Number of SBIR Grants (2009)	313		

* The statewide total is a sum of the regional totals; data not available for all regions.

BUSINESS & INDUSTRY

Nonfarm Job Growth ¹ (1995-2009)	10.7%	Average Wage (2008, Private Industry)	\$ 50,710
Job Growth, including Farm Jobs (2001-2008)	6.0%	Wage Growth (2001-2008)	24.6%
Establishment Growth (2001-2008, Private Industry)	33.7%	% of Firms with fewer than 100 employees (2008)	98.5%
GDP Growth ² (2001-2008)	25.3%	% of Firms with fewer than 50 employees (2008)	96.4%
Self-employed, not incorporated (2008)	8.5%		

WORKFORCE

Unemployment Rate* (March, 2010)	13.0%	High School Graduate or higher (2008)	
Population Growth (2001-2008)	6.0%	- Of population age 25 and older	80.2%
Per Capita Income (2008)	\$ 43,852	Bachelor's Degree or higher (2008)	
Families Living in Poverty (2008)	10.0%	- Of population age 25 and older	29.6%

* Not seasonally adjusted

QUALITY OF PLACE

Air Quality Index (2008 Median AQI) ³	15 to 78	Housing Opportunity Index ⁴ (Qtr 4, 2009)*	22.3% to 83.9%
Average Commute Time (2008)	27 min.		

¹ Nonfarm Jobs do not include Agriculture-related or Private Household jobs.

² GDP = Gross Domestic Product; the data is available by MSA, which is used to approximate the regional GDP, where available.

³ An AQI value of 50 or lower is Good; 51-100 is Moderate; 101-150 is Unhealthy for Sensitive Groups; and 151 or higher is Unhealthy (includes *unhealthy*, *very unhealthy*, and *hazardous*). Data is not available for all counties.

⁴ Share of homes affordable for median income. Data available for metropolitan areas and may not include all areas in region.

CALIFORNIA



A look at the more detailed historical data for Private Industry. To be listed, the sub-sector must represent at least 0.05% of all Private Industry jobs in the region. Any confidential data has been suppressed.

TOP TEN LARGEST SUB-SECTORS (2008)

- | | |
|--|--|
| 1. Food Services & Drinking Places | 6. Hospitals |
| 2. Professional, Scientific & Technical Services | 7. Merchant Wholesalers, Durable Goods |
| 3. Administrative & Support Services | 8. Food & Beverage Stores |
| 4. Ambulatory Health Care Services | 9. Computer & Electronic Product Manufacturing |
| 5. Specialty Trade Contractors | 10. Private Households |

TOP TEN FASTEST GROWING SUB-SECTORS (2001-2008)

- | | |
|--|--|
| 1. Other Information Services | 6. Funds, Trusts & Other Financial Vehicles |
| 2. Private Households | 7. Beverage Manufacturing |
| 3. Wholesale Electronic Markets & Agents & Brokers | 8. Motion Picture & Sound Recording Industries |
| 4. Support Activities for Mining | 9. General Merchandise Stores |
| 5. Educational Services | 10. Ambulatory Health Care Services |

TOP TEN SUB-SECTORS WITH GREATEST COMPETITIVE ADVANTAGE* (CONCENTRATION) (2008)

- | | |
|--|---|
| 1. Support Activities for Agriculture & Forestry | 6. Other Information Services |
| 2. Private Households | 7. Computer & Electronic Production Manufacturing |
| 3. Motion Picture & Sound Recording Industries | 8. Beverage Manufacturing |
| 4. Apparel Manufacturing | 9. Performing Arts, Spectator Sports & Related Industries |
| 5. Crop Production | 10. Broadcasting (except Internet) |

** Comparing California to the nation.*

TOP TEN SUB-SECTORS WITH THE HIGHEST AVERAGE WAGE (2008)

- | | |
|--|--|
| 1. Oil & Gas Extraction | 6. Computer & Electronic Production Manufacturing |
| 2. Securities, Commodity Contracts & Other Financial Investment Activities | 7. Funds, Trusts & Other Financial Vehicles |
| 3. Other Information Services | 8. Publishing Industries (except Internet) |
| 4. Petroleum & Coal Products Manufacturing | 9. Internet Service Providers, Web Search Portals & Data Processing Services |
| 5. Performing Arts, Spectator Sports & Related Industries | 10. Utilities |

OCCUPATIONAL INFORMATION

For information on the largest and fastest growing occupations in each of the region's counties, and projected growth through 2016, visit the Employment Development Department, Labor Market Information Division's website at www.labormarketinfo.edd.ca.gov/?pageid=1004.

CALIFORNIA

INFORMATION BY INDUSTRY SECTOR

JOB DISTRIBUTION (2008) AND GROWTH BY INDUSTRY SECTOR (2001-2008)

Listed by 2008 employment size

INDUSTRY SECTOR	% OF ALL JOBS	JOB GROWTH	INDUSTRY SECTOR	% OF ALL JOBS	JOB GROWTH
Government (Federal, State & Local)	16.2%	7.2%	Finance & Insurance	3.7%	3.0%
Retail Trade	10.5%	5.6%	Information	3.0%	-7.4%
Manufacturing	9.1%	-19.9%	Transportation & Warehousing	2.8%	-0.7%
Health Care & Social Assistance	9.1%	17.9%	Ag, Forestry, Fishing & Hunting	2.5%	2.9%
Accommodation & Food Services	8.4%	16.2%	Real Estate & Rental & Leasing	1.8%	4.9%
Prof., Scientific & Technical Services	6.9%	16.5%	Educational Services	1.7%	31.2%
Administrative & Waste Services	6.1%	7.4%	Arts, Entertainment & Recreation	1.6%	13.8%
Construction	5.0%	2.6%	Mgmt. of Companies & Enterprises	1.3%	-28.6%
Other Services (except Public Admin)	4.7%	28.5%	Utilities	0.4%	8.4%
Wholesale Trade	4.5%	14.0%	Mining	0.2%	15.3%

AVERAGE ANNUAL WAGE BY INDUSTRY SECTOR (2008)

INDUSTRY SECTOR	ANNUAL AVG. WAGE	INDUSTRY SECTOR	ANNUAL AVG. WAGE
Mining	\$ 116,124	Health Care & Social Assistance	\$ 49,977
Utilities	\$ 94,180	Arts, Entertainment & Recreation	\$ 49,273
Information	\$ 92,864	Real Estate & Rental & Leasing	\$ 49,214
Finance & Insurance	\$ 91,966	Transportation & Warehousing	\$ 44,836
Mgmt of Co.s & Enterprises	\$ 89,149	Educational Services	\$ 40,652
Prof., Scientific & Technical Services	\$ 84,935	Administrative & Waste Services	\$ 35,261
Manufacturing	\$ 65,885	Retail Trade	\$ 30,654
Wholesale Trade	\$ 62,744	Other Services (except Public Admin.)	\$ 25,543
Government (Federal, State & Local)	\$ 55,646	Ag, Forestry, Fishing & Hunting	\$ 24,130
Construction	\$ 54,421	Accommodation & Food Services	\$ 18,806

COMPETITIVE ADVANTAGE/CONCENTRATION (LQ*) BY INDUSTRY SECTOR (2008)

INDUSTRY SECTOR	LQ	INDUSTRY SECTOR	LQ
Ag, Forestry, Fishing & Hunting	2.9	Government (Federal, State & Local)	1.0
Other Services (except Public Admin.)	1.4	Construction	1.0
Information	1.4	Mgmt of Co.s & Enterprises	0.9
Prof., Scientific & Technical Services	1.2	Retail Trade	0.9
Real Estate & Rental & Leasing	1.1	Manufacturing	0.9
Arts, Entertainment & Recreation	1.1	Utilities	0.9
Wholesale Trade	1.0	Transportation & Warehousing	0.9
Administrative & Waste Services	1.0	Finance & Insurance	0.9
Educational Services	1.0	Health Care & Social Assistance	0.8
Accommodation & Food Services	1.0	Mining	0.3

* Concentration is measured by Location Quotient (LQ). An industry sector with a concentration over 1.0 LQ, means that a higher percentage of the state's jobs are concentrated within that industry than found at the national level.

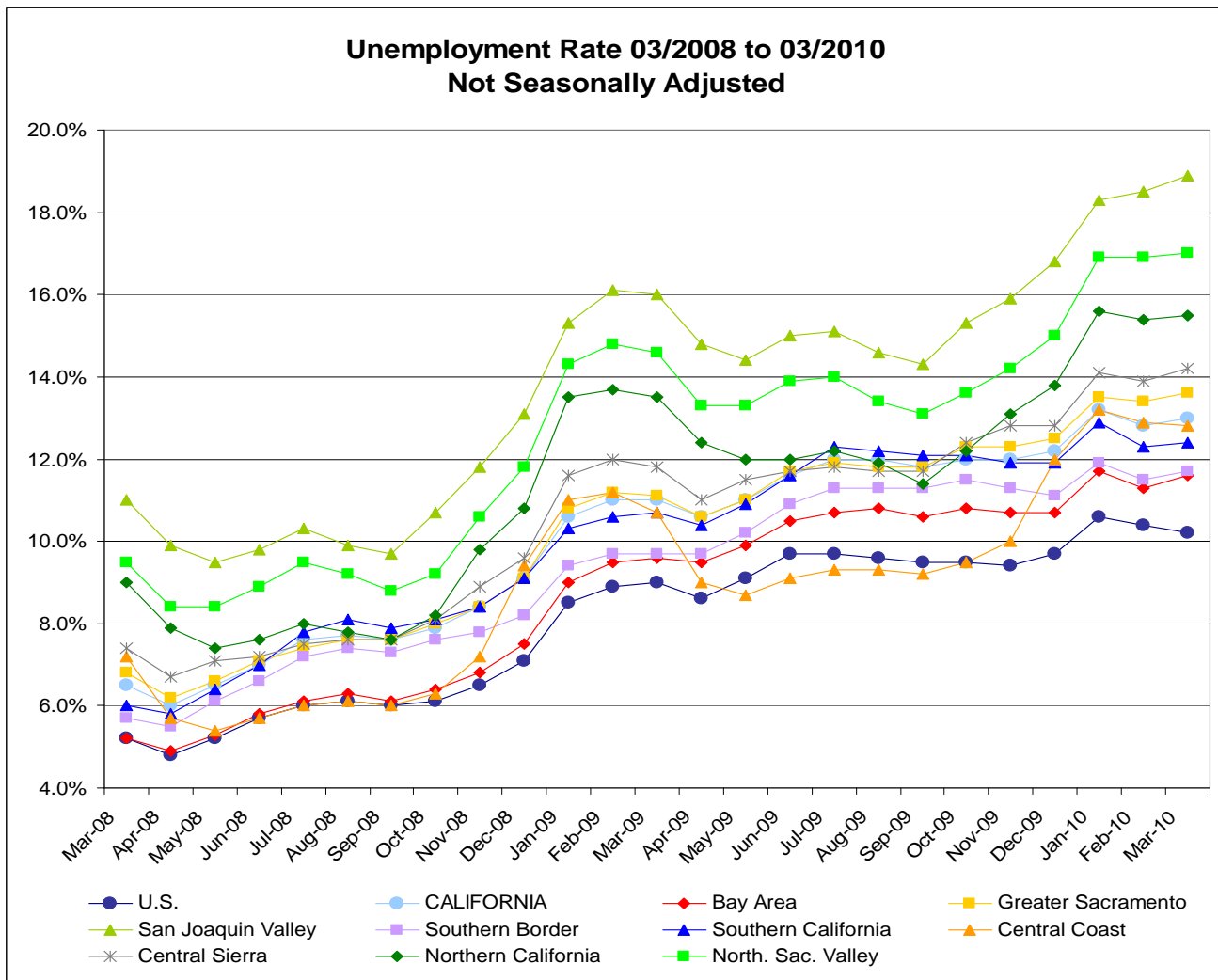
REGIONAL COMPARISONS

UNEMPLOYMENT RATE

MARCH 2010

REGIONAL HIGHS & LOWS:	COUNTY-LEVEL HIGHS:	COUNTY-LEVEL LOWS:
San Joaquin Valley 18.9%	Imperial 27.0%	Mono 8.1%
Bay Area 11.6%	Colusa 26.0%	Marin 8.8%

UNEMPLOYMENT RATE OVER TIME March 2008 – March 2010

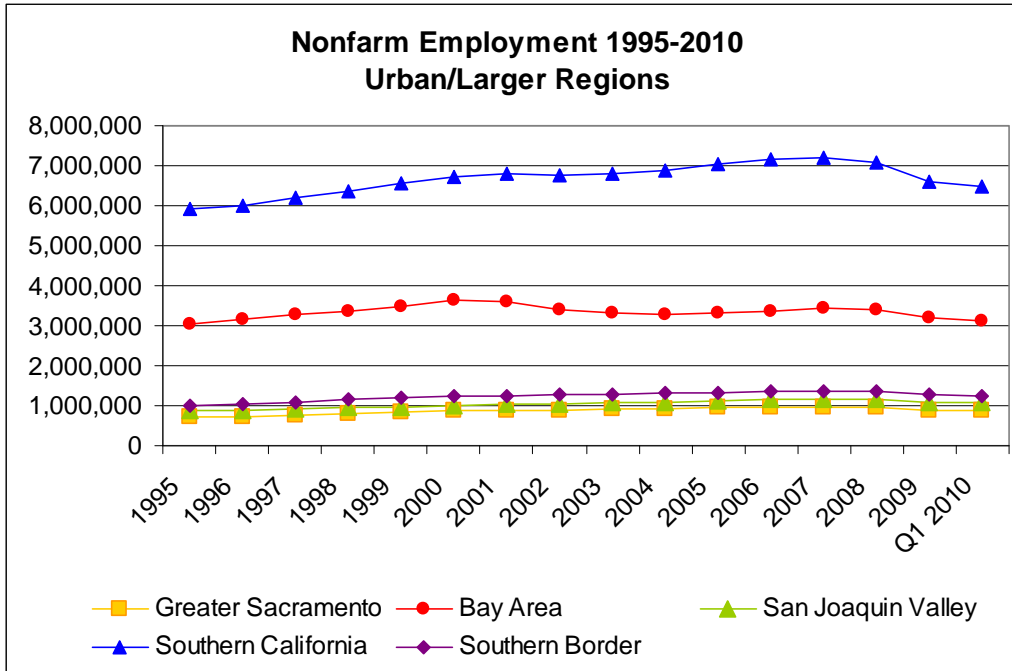


REGIONAL COMPARISONS (Continued)

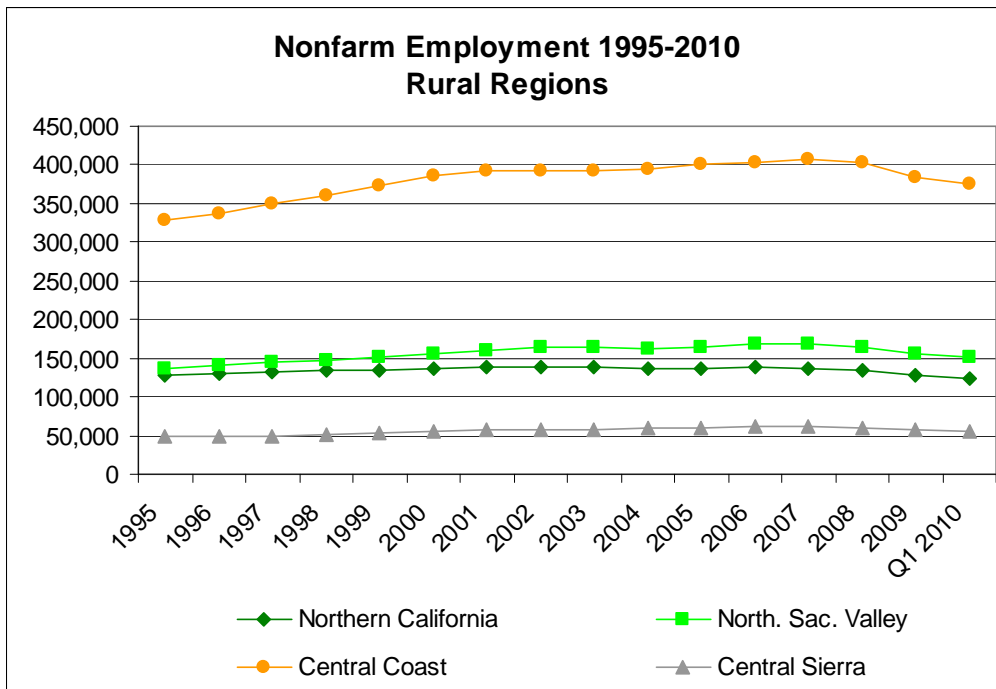
NONFARM JOB GROWTH

Nonfarm Jobs do not include Agriculture-related or Private Household jobs.
 Source: Current Employment Statistics (CES) Data

LARGER REGIONS



SMALLER REGIONS

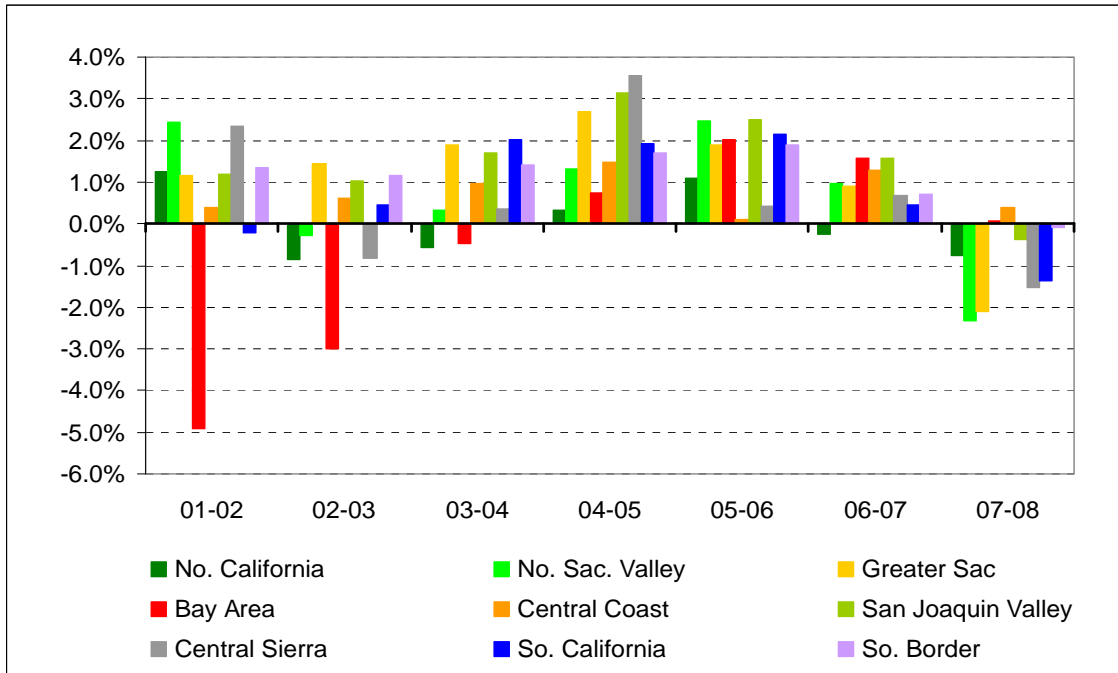


REGIONAL COMPARISONS (Continued)

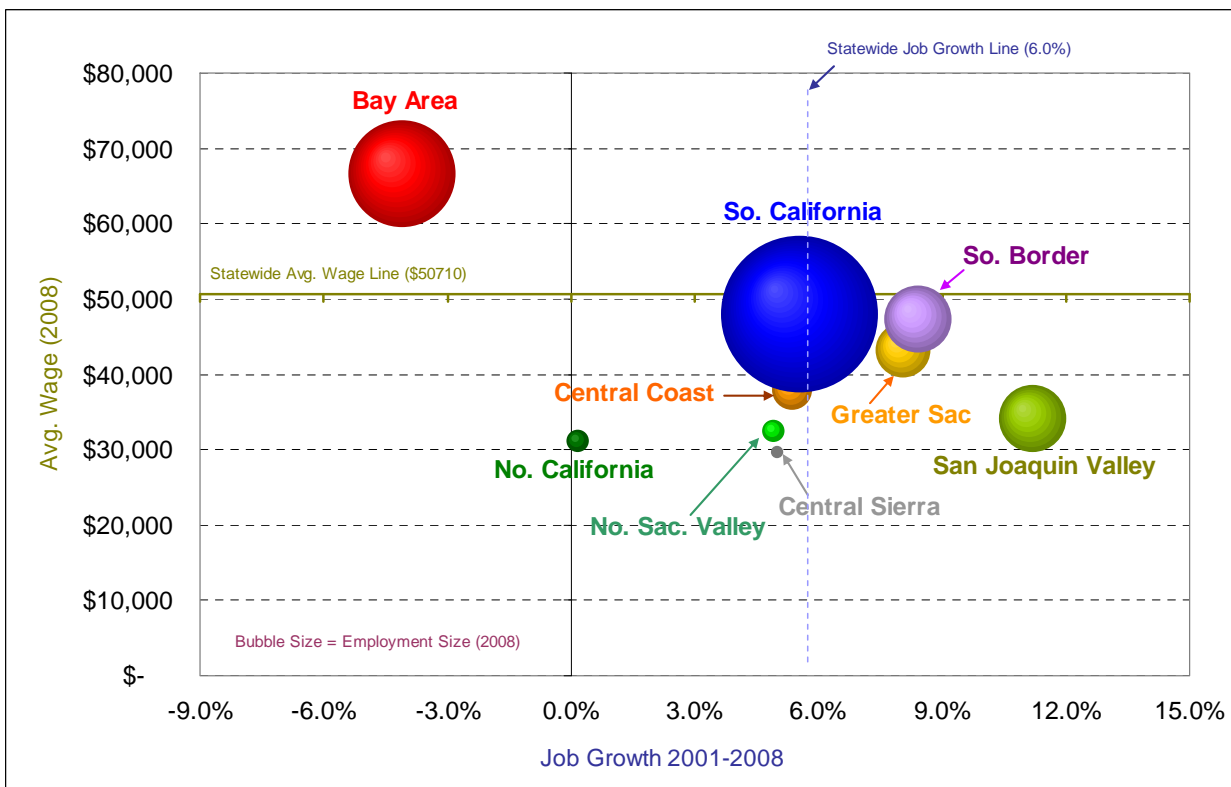
TOTAL EMPLOYMENT

Total Employment includes all private (including Farm and Private Households) and government jobs.
 Source: California Regional Economies Employment Series (CREE) Data

YEAR-OVER CHANGE IN EMPLOYMENT FROM 2001-2008



EMPLOYMENT, JOB GROWTH & AVERAGE ANNUAL WAGE 2001-2008



SOURCES

INNOVATION

Venture Capital Funding
Small Business Innovation Research Grants
Scientists & Engineers in the Workforce
Educational Attainment

PriceWaterhouseCoopers, *MoneyTree Report*
U.S. Health & Human Services/National Institutes of Health
California Employment Development Department (EDD)
US Census/ACS

BUSINESS

Employment, Firm & Wage Data, Private Sector
Employment Data, Government Sector
Nonfarm Employment Data
Size of Firm Data
Self-employed (non-incorporated business)
Gross Domestic Product (GDP)

California Regional Economies Employment Series (CREE)*
Current Employment Statistics (CES)
Current Employment Statistics (CES)
EDD/Labor Market Information Division (LMID), Size of Firm Data
US Census/America's Community Survey (ACS)
US Bureau of Economic Analysis (BEA)

** The CREE data used for the analyses included confidential data; however, the results presented in the economic profiles do not disclose confidential data.*

WORKFORCE

Unemployment Rate
Population Growth
Per Capita Income
Educational Attainment
Median Household Income
Families Living in Poverty

California Employment Development Department (EDD)
US Bureau of Economic Analysis (BEA)
US Bureau of Economic Analysis (BEA)
US Census/ACS
US Census/ACS
US Census/ACS

QUALITY OF PLACE

Air Quality Index (AQI)
Average Commute Time
Housing Opportunity Index

Environmental Protection Agency, AirData
US Census/ACS
Nat'l Assoc. of Home Builders- Wells Fargo Housing Opportunity Index

ABOUT THE PANEL

The California Economic Strategy Panel continuously examines changes in the state's economic base and industry sectors to develop a statewide vision and strategic initiatives to guide public policy decisions for economic growth and competitiveness. The California Regional Economies Project is currently the lead mechanism for these efforts.

The California Regional Economies Project offers new insight into the dynamics of California's economy. The regional perspective provides a better understanding of how the economy is changing, where the changes are concentrated, and what catalysts and conditions are causing those changes. It also shows how change in one region affects other regions and the state as a whole. The annual Regional and Statewide Economic Profiles are a part of this Project.

For more information and publications, go to the Panel's website at www.labor.ca.gov/panel/.

