

# California Payroll Data for November 2016

## Summary

California has added 13,600 new jobs in November creating 2,417,100 positions since the recovery began in February 2010. The state has added 377,200 jobs or 2.3 percent increase from a year ago. The CA unemployment rate fell to 5.3 percent in November compared to the national rate of 4.6 percent. The CA unemployment rate a year ago was 5.9 percent. Information, leisure and hospitality, education and health, the traditional bulwark of employment gains, lost jobs. Trade, transportation and utilities added jobs. Mining, manufacturing, government also contributed.

## Analysis

The powerful economic engine of the Golden State has lost some steam accounting for only 7.6 percent of the nation's employment gains compared to almost 20 percent in October and 29 percent in August.

Labor force decreased by 1107,000 in November indicating that fewer people think this is a good time to look for jobs. The labor force rose at a hefty pace during the summer months. In October labor force rose nearly 90,000 on the heels of 118,000 rise in September. The decrease in the labor force is the main reason for the decline in the jobless rate despite the lackluster employment gains.

The decrease in jobs related to information was notable. Silicon Valley, which has provided a large portion of jobs in the past has begun to slow, though still growing at a healthy pace. Global economic slowdown and the strength in the value of the dollar could represent headwinds.

Construction jobs fell as well. In the past a significant portion of economic activities in the state was fueled by housing-related activities. Housing affordability in the state has decreased causing potential home buyers to think twice about purchasing homes.

Southern California continue to be job-creation machines. Southern California includes vibrant industries including motion pictures, music, tourism, etc. Southern California is also the home for people in arts, design, entertainment, sports and media. well. The Bay Area, with its high concentration of high technology, have been the leader in the state's job growth in this recovery.