



A Merced County Labor Market Review

The QuickLook: Welcome to the Merced County labor market summary. The QuickLook has been developed by the Department of Workforce Investment staff for the Merced County Local Workforce Investment Board. The data and information is provided by the California Employment Development Department. Questions can be referred to the Department of Workforce Investment, 1880 W. Wardrobe Ave., Merced, CA 95340. Telephone (209) 724-2042. Email: pitd26@co.merced.ca.us

Merced County

Industry Employment & Labor Force March 2002 Benchmark

Data Not Adjusted for Seasonality

	Oct 02	Aug 03	Sep 03 Revised	Oct 03 Prelim.	PercentChange	
					Month	Year
Civilian Labor Force (1)	90,300	93,900	92,400	94,800	2.6%	5.0%
Civilian Employment	80,600	83,200	83,200	84,000	1.0%	4.2%
Civilian Unemployment	9,700	10,700	9,300	10,800	16.1%	11.3%
Civilian Unemployment Rate	10.8%	11.4%	10.0%	11.4%		
(CA Unemployment Rate)	6.6%	6.6%	6.2%	6.4%		
(U.S. Unemployment Rate)	5.3%	6.0%	5.8%	5.6%		

Total, All Industries (2)	70,100	71,000	71,700	72,100	0.6%	2.9%
Total Farm	13,900	13,600	14,300	14,500	1.4%	4.3%
Total Nonfarm	56,200	57,400	57,400	57,600	0.3%	2.5%
Total Private	42,900	44,400	44,200	44,300	0.2%	3.3%
Goods Producing	13,800	14,800	15,000	14,500	(3.3%)	5.1%
Natural Resources, Mining and Construction	2,500	2,600	2,600	2,700	3.8%	8.0%
Manufacturing	11,300	12,200	12,400	11,800	(4.8%)	4.4%
Durable Goods	1,800	2,000	2,000	1,900	(5.0%)	5.6%
Nondurable Goods	9,500	10,200	10,400	9,900	(4.8%)	4.2%
Food Man & Beverage & Tobacco	7,500	8,300	8,500	8,000	(5.9%)	6.7%
Residual-Textile Mills	2,000	1,900	1,900	1,900	0.0%	(5.0%)
Service Providing	42,400	42,600	42,400	43,100	1.7%	1.7%
Trade, Transportation and Utilities	11,500	12,100	11,900	12,200	2.5%	6.1%
Wholesale Trade	1,500	1,800	1,700	1,700	0.0%	13.3%
Retail Trade	7,400	7,700	7,500	7,800	4.0%	5.4%
Food and Beverage Stores	1,800	2,000	2,000	2,000	0.0%	11.1%
General Merchandise Stores	1,500	1,600	1,500	1,600	6.7%	6.7%
Residual-Miscellaneous Store Retailers	4,100	4,100	4,000	4,200	5.0%	2.4%
Transportation, Warehousing and Utilities	2,600	2,600	2,700	2,700	0.0%	3.8%
Information	500	500	500	500	0.0%	0.0%
Financial Activities	1,800	1,900	1,900	1,800	(5.3%)	0.0%
Finance and Insurance	1,000	1,100	1,100	1,100	0.0%	10.0%
Real Estate and Rental and Leasing	800	800	800	700	(12.5%)	(12.5%)
Professional and Business Services	3,400	3,500	3,400	3,400	0.0%	0.0%
Educational and Health Services	5,500	5,300	5,300	5,400	1.9%	(1.8%)
Leisure and Hospitality	4,500	4,500	4,400	4,600	4.5%	2.2%
Food Services and Drinking Places	3,700	3,700	3,700	3,800	2.7%	2.7%
Residual-Arts, Entertainment, and Recreation	800	800	700	800	14.3%	0.0%
Other Services	1,900	1,800	1,800	1,900	5.6%	0.0%
Government	13,300	13,000	13,200	13,300	0.8%	0.0%
Federal Government	900	1,000	1,000	1,000	0.0%	11.1%
State and Local Government	12,400	12,000	12,200	12,300	0.8%	(0.8%)
State Government	600	600	600	600	0.0%	0.0%
Local Government	11,800	11,400	11,600	11,7020	0.9%	(0.8%)

The QuickLook: The County continues with one of the highest unemployment rates in the State, ranking 50th out of 58 counties in the month of October. The preliminary October result is an increase of 1.4 percentage points in the unemployment rate from the revised September rate. This preliminary figure is an increase of 0.8% in the unemployment rate of one year ago.

Overall, the County saw an increase of 400 jobs in October following a 700 jobs increase in September. The increase was a result of Total Farm with 200 new jobs created. Goods Producing industries realized a decrease of 500 jobs, mainly from Nondurable Goods in Manufacturing. The Service Providing industries saw an increase of 700 jobs, most of these new jobs were from Retail Trade. Government saw an increase of 100 jobs.

Merced County Current Labor Force and Industry Employment

The QuickLook At: California's seasonally adjusted unemployment rate was 6.6 percent in October. This was up 0.1 percentage point from the rate in September. The State rate was down 0.2 percentage point from one year ago for the second consecutive month. These were the first positive year-ago comparisons since April 2001. In comparison, the U.S. unemployment rate was 6.0 percent in October. It moved contrary to the California rate, falling 0.1 percentage point over the month, but rising 0.2 percentage point from one year ago.

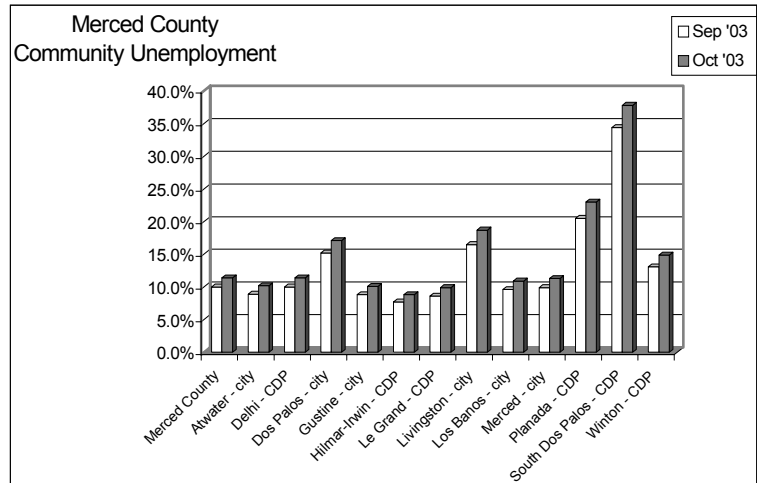
There were 14,459,600 jobs in total nonfarm industries (seasonally adjusted) in October, 34,800 jobs more than last month. This was the first month-over job gain since payrolls rose 6,400 jobs in June 2003. The gain followed a 10,900-job loss in September and a 7,800-job loss in August. In the first 10 months of 2003, California's total nonfarm employment fell 5,300 jobs, for an average monthly loss of 500 jobs. This compares to an average month-over increase of 600 jobs in 2002 and an average month-over decline 21,200 jobs per month in 2001.

The actual California nonfarm job count (not seasonally adjusted) increased 72,600 jobs in October. Within nonfarm industries, five sectors had month-over job gains, one sector remained the same, and five sectors had month-over job declines. Sectors recording job increases were: government (50,900); trade, transportation and utilities (33,600); educational and health services (14,500); professional and business services (4,800); and, other services (1,100). The natural resources and mining sector remained unchanged in October. Job losses were recorded in the following sectors: manufacturing (16,400); leisure and hospitality (13,300); information (1,700); financial activities (600); and, construction (300).

Average hourly earnings for California production workers in manufacturing were \$15.02 in October. Average weekly earnings were \$597.80, a decrease of \$1.99 from September. Average weekly hours were 39.8, remaining unchanged from the prior month. Average weekly overtime hours decreased 0.3 of an hour in October to 3.9 hours. (Data are not seasonally adjusted.)

The QuickLook At: Sub County average unemployment rates for the county, cities and municipalities saw an overall 2.3 percent decrease this month. All communities noted a decrease in unemployment, led by South Dos Palos with a 4.9 percent decrease. Planada was close behind with a 3.9 percent decrease.

Area Name	Unemployment			
	Labor Force	Employment	Number	Rate
Merced County	94,800	84,000	10,800	11.4%
Atwater - city	11,170	10,030	1,140	10.2%
Delhi - CDP	1,730	1,530	200	11.4%
Dos Palos - city	2,140	1,770	370	17.1%
Gustine - city	2,110	1,900	210	10.1%
Hilmar-Irwin - CDP	1,960	1,790	170	8.8%
Le Grand - CDP	570	510	60	9.9%
Livingston - city	4,350	3,540	810	18.7%
Los Banos - city	8,080	7,200	880	10.9%
Merced - city	28,790	25,540	3,250	11.3%
Planada - CDP	1,890	1,460	430	23.0%
South Dos Palos - CDP	560	350	210	37.8%
Winton - CDP	3,750	3,190	560	14.9%



The QuickLook At The Seven Counties: Merced County's workforce has grown over the past 20 years reflecting improvement of the County's economic well being; however, unemployment remains a consistent barrier to greater prosperity. Average Unemployment has fluctuated from a yearly low of 11.1 percent in 1988 to a yearly high of 17.1 percent in 1995. Between the years 1983 to 2002 Merced County's average unemployment was 14.3 percent.

The county's unemployment rate is the ninth highest in the state. Fresno County saw the greatest increase in unemployment at 2.5% percentage points above September's unemployment rate. Merced County saw a 1.4 percent increase. All seven counties' unemployment rate increased in month-over average unemployment (Merced, Mariposa, Fresno, Madera, San Benito, Stanislaus, and San Joaquin). Mariposa County's unemployment rate at 5.5 percent remains below the State unemployment rate (6.4%) for the sixth straight month.

COUNTY	RANK	LABOR FORCE	EMPLOYMENT	UNEMPLOYMENT	RATE
MERCED	5	94,800	84,000	10,800	11.4%
MADERA	47	57,000	51,200	5,800	10.2%
MARIPOSA	18	7,510	7,090	410	5.5%
FRESNO	53	406,700	353,600	53,100	13.0%
SAN BENITO	44	28,400	26,000	2,410	8.5%
SAN JOAQUIN	46	286,200	260,000	26,300	9.2%
STANISLAUS	48	220,500	197,600	22,900	10.4%

