



**WORKFORCE
INVESTMENT BOARD**
MERCED COUNTY

The QuickLook

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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) 724-2152. Email: PITD222@co.merced.ca.us

Merced County						
Data Not Adjusted for Seasonality						
	May 02	Mar 03	Apr 03	May 03		
			Revised	Prelim.		
Civilian Labor Force	87,800	94,000	94,200	93,100		
Civilian Employment	75,900	77,600	79,100	80,000	Employed Increase (DECREASE)	Percent Increase DECREASE (-)
Civilian Unemployment	11,900	16,400	15,100	13,000	From Previous Month	Previous Month
Merced County Civilian Unemployment Rate	13.5%	17.4%	16.0%	14.0%		
(CA Unemployment Rate)	6.2%	6.9%	6.7%	6.3%		
(U.S. Unemployment Rate)	5.5%	6.2%	5.8%	5.8%		
Total, All Industries	65,900	65,100	67,200	68,700	1,500	2.23%
Total Farm	10,900	8,400	10,200	11,500	1,300	12.75%
Total Nonfarm	55,000	56,700	57,000	57,200	200	0.35%
Total Private	41,300	42,700	43,000	43,300	300	0.70%
Goods Producing	13,300	13,500	13,500	13,900	400	2.96%
Natural Resources, Mining and Construction	2,400	2,500	2,500	2,600	100	4.00%
Manufacturing	10,900	11,000	11,000	11,300	300	2.73%
Durable Goods	1,900	1,900	2,000	2,100	100	5.00%
Nondurable Goods	9,000	9,100	9,000	9,200	200	2.22%
Food Man & Beverage & Tobacco	7,000	7,200	7,100	7,300	200	2.82%
Residual-Textile Mills	2,000	1,900	1,900	1,900	0	
Service Providing	41,700	43,200	43,500	43,300	(200)	-0.46%
Trade, Transportation and Utilities	10,800	11,800	11,800	11,900	100	0.85%
Wholesale Trade	1,400	1,600	1,600	1,600	0	
Retail Trade	7,200	7,600	7,600	7,700	100	1.32%
Food and Beverage Stores	1,600	1,900	1,900	1,900	0	
General Merchandise Stores	1,500	1,500	1,500	1,500	0	
Residual-Miscellaneous Store Retailers	4,100	4,200	4,200	4,300	100	2.38%
Transportation, Warehousing and Utilities	2,200	2,600	2,600	2,600	0	
Information	500	500	500	500	0	
Financial Activities	1,700	1,800	1,900	1,900	0	
Finance and Insurance	1,000	1,000	1,100	1,100	0	
Real Estate and Rental and Leasing	700	800	800	800	0	
Professional and Business Services	3,300	3,700	3,800	3,700	(100)	-2.63%
Educational and Health Services	5,400	5,200	5,300	5,200	(100)	-1.89%
Leisure and Hospitality	4,600	4,400	4,400	4,400	0	
Food Services and Drinking Places	3,800	3,700	3,700	3,700	0	
Residual-Arts, Entertainment, and Recreation	800	700	700	700	0	
Other Services	1,700	1,800	1,800	1,800	0	
Government	13,700	14,000	14,000	13,900	(100)	-0.71%
Federal Government	800	1,000	1,000	1,000	0	
State and Local Government	12,900	13,000	13,000	12,900	(100)	-0.77%
State Government	600	600	600	600	0	
Local Government	12,300	12,400	12,400	12,300	(100)	-0.81%

The QuickLook: The County continues with one of the highest unemployment rates in the State, ranking 53rd out of 58 counties. The preliminary May result is a decline of 2 percentage points in the unemployment rate from the revised April rate. This preliminary figure is 0.5 percentage point higher than one year ago; however the result is equal to the 20-year average unemployment rate for April.

Overall, the County saw a gain of 1,500 jobs in May following 2,100 new jobs created in April. The gain was led by total farm with 1,300 jobs while the additional 200 were found in durable goods with the largest gain in manufacturing occupations. Any substantial gains in this area were offset by a loss of 300 jobs in Professional and Business Services, Leisure and Hospitality and local government.

Merced County Current Labor Force and Industry Employment

The QuickLook At: California's seasonally adjusted unemployment rate was 6.6 percent in May. This was down 0.2 percentage point from the rate in April and was unchanged from one year ago. In comparison, the U.S. unemployment rate was 6.1 percent in May. This was up 0.1 percentage point from April, but up 0.3 percentage point from one year ago.

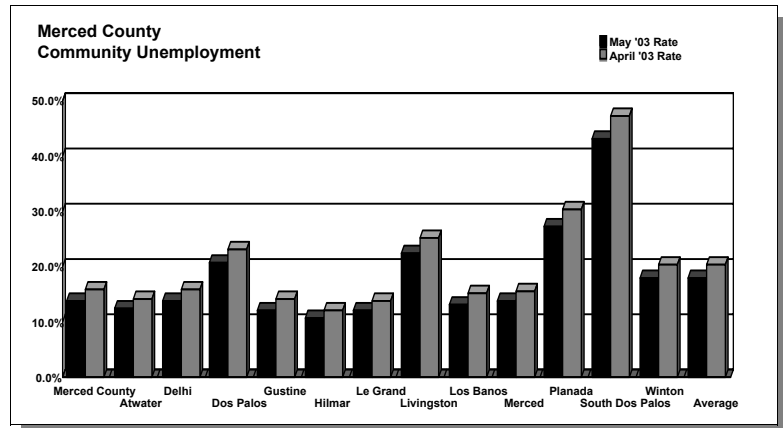
There were 14,439,000 jobs in total nonfarm industries (seasonally adjusted) in May, 21,500 jobs fewer than in April. Nonfarm payrolls have fallen in four consecutive months with losses totaling 54,300 jobs. However, year-to-date in 2003, California's total nonfarm employment has fallen 25,900 jobs, for an average monthly loss of 5,200 jobs. This is worse than the average monthly gain of 600 jobs in 2002, but much better than the average monthly loss of 18,300 jobs in 2001.

The actual California nonfarm job count (not seasonally adjusted) increased 19,500 jobs in May. Within nonfarm industries, six sectors had month-over job gains and five sectors had month-over job declines. Job increases were recorded in leisure and hospitality (13,400), construction (11,700), trade, transportation and utilities (5,000), other services (1,700), financial activities (1,600), and natural resources and mining (800). Job losses were recorded in professional and business services (4,800), government (4,600), information (2,300), educational and health services (2,200), and manufacturing (800).

Average hourly earnings for California production workers in manufacturing were \$14.94 in May. Average weekly earnings were \$591.62, an increase of \$3.77 from April. Average weekly hours increased 0.2 of an hour to 39.6 hours, and average weekly overtime hours was 3.7, increasing 0.2 of an hour from the prior month. (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. The decline in the unemployment rate can be attributed to the beginning of the growing season in the county. All communities noted decreases in unemployment, led by South Dos Palos with a 3.9 percent decrease. Planada was close behind with a 3.2 percent decline.

Area Name	Labor Force	Employment	Unemployment	
			Number	Rate
Merced County	93,000	80,000	13,000	14.0%
Atwater - city	10,940	9,570	1,370	12.5%
Delhi - CDP	1,700	1,460	240	14.0%
Dos Palos - city	2,120	1,680	440	20.7%
Gustine - city	2,070	1,810	260	12.4%
Hilmar-Irwin - CDP	1,910	1,700	210	10.8%
Le Grand - CDP	560	490	70	12.1%
Livingston - city	4,350	3,370	980	22.5%
Los Banos - city	7,920	6,860	1,060	13.4%
Merced - city	28,270	24,350	3,920	13.9%
Planada - CDP	1,910	1,390	520	27.4%
South Dos Palos - CDP	580	330	250	43.4%
Winton - CDP	3,710	3,040	670	18.1%



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 sixth highest in the state, in spite of a 2.0 percent improvement over the revised April rate. Fresno County saw the greatest decline at 2.3 percent. All counties' unemployment rate improved in month-over average unemployment. Mariposa County's 1.4 percent decrease lowered its rate to below the state's unemployment for the first time this year.

San Joaquin County's rate dropped below double digits while the remaining counties continue to see rates at 10 percent or more.

COUNTY	RANK	LABOR FORCE	EMPLOYMENT	UNEMPLOYMENT	RATE
MERCED	53	93,100	80,000	13,000	14.0%
FRESNO	50	402,500	348,700	53,800	13.4%
MADERA	49	57,900	50,500	7,400	12.8%
STANISLAUS	46	218,300	192,700	25,600	11.7%
SAN BENITO	44	27,640	24,890	2,750	10.0%
SAN JOAQUIN	43	278,400	251,600	26,700	9.6%
MARIPOSA	22	7,670	7,200	470	6.1%

