



The QuickLook

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 (WI) 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 PITD, 1880 W. Wardrobe Ave., Merced, CA 95340. Telephone (209) 724-2152. Email: PITD222@co.merced.ca.us

Current Labor Force & Unemployment Rates						
California				October 9, 2002		
March 2001 Benchmark Data Not Adjusted for Seasonality	Sep 01	Jul 02	Aug 02 Revised	Sep 02 Prelim.	Percent Month	Change Year
Civilian Labor Force (1)	17,450,300	17,750,300	17,647,200	17,573,900	-0.4%	0.7%
Civilian Employment	16,500,300	16,557,600	16,538,000	16,503,500	-0.2%	0.0%
Civilian Unemployment	950,000	1,192,700	1,109,200	1,070,400	-3.5%	12.7%
Merced County (CA Unemployment Rate)	9.7%	14.2%	13.2%	10.1%		
(U.S. Unemployment Rate)	5.4%	6.7%	6.3%	6.1%		
	4.7%	6.0%	5.7%	5.4%		

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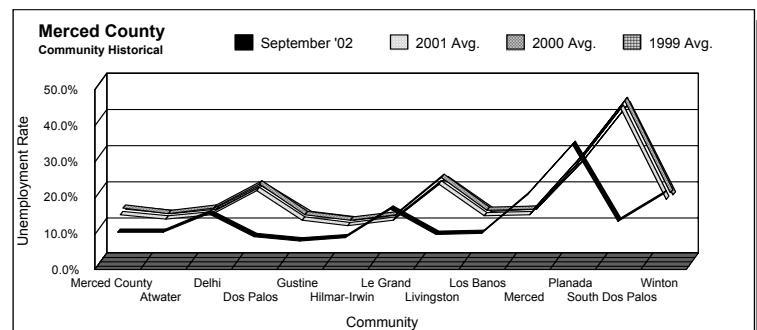
The U.S. unemployment rate for September dropped from 5.7 percent to 5.4 percent; however, the result is up seven tenths of one percent from one year ago.

California's revised unemployment rate for August was 6.3 percent, down four tenths of one percent from the preliminary numbers reported in the August preliminary result. The September preliminary rate was down 0.2 percentage points from the revised August rate. The State's preliminary unemployment rate was up 0.8 percentage points from one year ago.

In Merced County, the revised August unemployment rate jumped over two percent from the August preliminary number. The preliminary September rate of 10.1 percent is up four tenths of one percent from September 2001.

Merced County continues with one of the highest unemployment rates in the Central Valley. Only Fresno Kings and Tulare Counties have a higher rate. Merced County's unemployment trends indicate September will be the last month of decreased unemployment. Historically, October marks the beginning of the end of higher farm labor employment and the overall unemployment rate will start a slow climb to almost 15 percent by December.

County Data are for September 2002				
Area Name	Labor Force	Employment	Unemployment	
			Number	Rate
Atwater - city	9,760	8,880	880	9.0%
Delhi - CDP	1,510	1,360	150	10.1%
Dos Palos - city	1,840	1,560	280	15.3%
Gustine - city	1,840	1,680	160	8.9%
Hilmar-Irwin - CDP	1,710	1,580	130	7.7%
Le Grand - CDP	500	460	40	8.7%
Livingston - city	3,760	3,130	630	16.7%
Los Banos - city	7,050	6,370	680	9.7%
Merced - city	25,120	22,610	2,510	10.0%
Planada - CDP	1,630	1,290	340	20.6%
South Dos Palos - CDP	470	310	160	34.6%
Winton - CDP	3,260	2,830	430	13.2%



The seasonality of the workforce is reflected by the difference from current month to yearly average unemployment numbers.

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At the Sub County: Unemployment rates for county cities and municipalities dropped at every location, led by South Dos Palos, down by 1.5 percent. The City of Merced saw unemployment drop by 0.6 percent, Livingston by 0.9 percent and Atwater by 0.5 percent. The labor force increased by 770 at these localities while the number employed increased by 290 employees and the number unemployed showed a increase of 480.

**For the Month of:
September 2002**

Merced County Current Labor Force and Industry Employment

March 2001 Benchmark	Sep 01	Jul 02	Aug 02	Sep 02	Monthly Change	Unemployment by Industry				
Data Not Adjusted for Seasonality			Revised	Prelim.		Sep 01	Jul 02	Aug 02	Sep 02	Monthly Change
Civilian Labor Force	84,200	85,000	84,000	82,600	(1,400)					
Civilian Employment	75,800	73,800	75,000	74,300	(700)					
Civilian Unemployment	8,400	11,200	9,000	8,300	(700)					
Civilian Unemployment Rate	10.0%	13.2%	10.7%	10.1%	-0.6%					
(CA Unemployment Rate)	5.4%	6.7%	6.3%	6.1%	-0.2%					
(U.S. Unemployment Rate)	4.7%	6.0%	5.7%	5.4%						
Total, All Industries	67,000	64,500	65,300	65,700	6,700	8,514	6,987	6,636	351	
Total Farm	13,600	12,100	12,300	12,600	1,360	1,597	1,316	1,273	43	
Farm Production	9,000	7,700	8,300	8,400	900	1,016	888	848	40	
Farm Services	4,600	4,400	4,000	4,200	460	581	428	424	4	
Total Nonfarm	53,400	52,400	53,000	53,100	5,340	6,917	5,671	5,363	308	
Goods Producing	13,700	12,700	13,200	13,100	1,370	1,676	1,412	1,323	89	
Construction & Mining	2,400	2,600	2,700	2,700	240	343	289	273	16	
Manufacturing	11,300	10,100	10,500	10,400	1,130	1,333	1,124	1,050	73	
Durable Goods	1,800	1,700	1,800	1,800	180	224	193	182	11	
Nondurable Goods	9,500	8,400	8,700	8,600	950	1,109	931	869	62	
Food & Kindred Products	7,200	6,200	6,500	6,400	720	818	696	646	49	
Other Nondurable Goods	2,300	2,200	2,200	2,200	230	290	235	222	13	
Service Producing	39,700	39,700	39,800	40,000	3,970	5,240	4,259	4,040	219	
Transportation & Public Utilities	1,800	1,800	1,900	2,000	180	238	203	202	1	
Transportation	1,400	1,400	1,500	1,600	140	185	161	162	(1)	
Communications & Public Util.	400	400	400	400	40	53	43	40	2	
Trade	12,700	12,900	12,800	12,800	1,270	1,703	1,370	1,293	77	
Wholesale Trade	1,900	1,900	1,900	1,900	190	251	203	192	11	
Retail Trade	10,800	11,000	10,900	10,900	1,080	1,452	1,166	1,101	65	
General Merchandise	1,500	1,600	1,500	1,500	150	211	161	152	9	
Food Stores	1,800	1,900	1,900	1,900	180	251	203	192	11	
Eating & Drinking Places	3,800	3,700	3,700	3,700	380	488	396	374	22	
Other Retail Trade	3,700	3,800	3,800	3,800	370	502	407	384	23	
Finance, Insurance & Real Estate	1,600	1,600	1,600	1,600	160	211	171	162	10	
Finance	700	700	700	700	70	92	75	71	4	
Other Fin., Ins. & Real Estate	900	900	900	900	90	119	96	91	5	
Services	10,900	10,900	11,000	11,100	1,090	1,439	1,177	1,121	56	
Hotels & Other Lodging Places	400	400	400	400	40	53	43	40	2	
Business Services	1,800	1,600	1,700	1,800	180	211	182	182	0	
Amusement & Recreation Serv.	500	600	600	600	50	79	64	61	4	
Health Services	4,200	4,300	4,300	4,300	420	568	460	434	26	
Social Serv. & Member Orgn	1,900	1,900	1,900	1,900	190	251	203	192	11	
Other Services	2,100	2,100	2,100	2,100	210	277	225	212	13	
Government	12,700	12,500	12,500	12,500	1,270	1,650	1,338	1,263	75	
Federal Government	700	800	800	800	70	106	86	81	5	
State & Local Government	12,000	11,700	11,700	11,700	1,200	1,544	1,252	1,182	70	
State Government	600	600	600	600	60	79	64	61	4	
Local Government	11,400	11,100	11,100	11,100	1,140	1,465	1,188	1,121	67	

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At the Industries: The County continues with one of the highest unemployment rates in the State, and Merced did remain 51st out of 58 counties at 10.1 percent unemployment moving past Fresno, Kings and Tulare Counties, respectively.

The preliminary September result is a drop of over three percent from July and is down six tenths of one percent from the revised August rate. These numbers remain in line with the 20 year average for the month of September. However, predictors indicate the unemployment rate should begin a slow rise beginning in October to a high of over 15 percent in December.

Those unemployed increased in the number nonfarm occupations by 308 while farm production and services saw an increase of 43.

Other than transportation occupations, all industry clusters saw an increase in job seekers.

Service producing occupations saw the greatest increase in unemployed with 219 in the labor force still looking for work.

Interestingly enough, government occupations saw an increase of 75 without employment. The teaching occupation, which is part of this cluster is predicted to have the greatest demand for workers over the next several years.

The QuickLook:

At the Summary: Merced County's workforce has steadily grown over the past 20 years reflecting the steady improvement of the County's economic situation. Employment has increased from approximately 65,700 in 1983 to over 83,000 in 2002. Recently though, this growth has begun to level off.

Unemployment, however has fluctuated from 19 percent in 1983 to a high of 20.8 percent in 1993 and averaging 17.3 percent over that span of time.

The County will continue to see unemployment well above that of the State given the large seasonal agricultural employment base that exists here. The overall situation should improve somewhat, in the next five years with the expected increase in service related jobs in most occupational groups precipitated by the building of the 10th University of California campus.

The building and opening of the campus should bring about a resurgence of the growth noted during the early 1990's.

