



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	Oct 01	Aug 02	Sep 02 Revised	Oct 02 Prelim.	Percent Month	Change Year
Civilian Labor Force (1)	17,518,700	17,647,200	17,595,000	17,660,800	0.4%	0.8%
Civilian Employment	16,520,700	16,538,000	16,503,000	16,573,600	0.4%	0.3%
Civilian Unemployment	998,000	1,109,200	1,092,000	1,087,200	-0.4%	8.9%
Civilian Unemployment Rate	5.7%	6.3%	6.2%	6.2%	0.0%	0.5%
(CA Unemployment Rate)	5.7%	6.3%	6.2%	6.2%	0.0%	0.5%
(U.S. Unemployment Rate)	5.0%	5.7%	5.4%	5.3%	-0.1%	0.3%

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California's unemployment rate was 6.4 percent in October, unchanged from a revised 6.4 percent in September, the state Employment Development Department (EDD) reported today. A year ago, in October 2001, California's unemployment rate was 5.9 percent.

According to EDD's survey of employers, payroll employment in California grew by 19,800 jobs over the month, for a total of 14,665,400 and the number of people unemployed in California was 1,122,000 - a decline of 7,000 over the month, but up by 90,000 compared with October of last year. Of the unemployed, 655,300 were laid off, 98,100 left their jobs voluntarily, and the remaining were either new entrants or reentrants into the labor market.

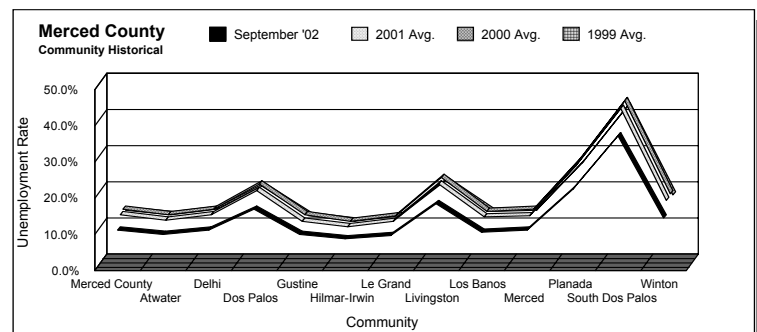
There were 471,881 people receiving regular unemployment insurance benefits during the October survey week. This compares with 480,550 last month and 463,668 last year. At the same time, new claims for unemployment insurance were 60,803 in October 2002, compared with 53,347 in September and 67,526 in October of last year.

EDD's report on payroll employment (wage and salary jobs) in the nonfarm industries of California totaled 14,665,400 in October, a net gain of 19,800 jobs since the September survey.

Seven industry divisions (mining; transportation and public utilities; wholesale trade; retail trade; finance, insurance and real estate; services; and government) added jobs over the month, gaining 32,700 jobs. Two industry divisions (construction and manufacturing) reported job declines this month, down 12,900 jobs.

County Data are for September 2002

Area Name	Labor Force	Unemployment		
		Employment	Number	Rate
Merced County	11.1%	14.0%	14.4%	13.3%
Atwater	9.9%	12.5%	12.9%	11.9%
Delhi	11.1%	14.0%	14.4%	13.4%
Dos Palos	16.7%	20.7%	21.3%	19.8%
Gustine	9.8%	12.4%	12.8%	11.8%
Hilmar-Irwin	8.5%	10.8%	11.2%	10.3%
Le Grand	9.6%	12.2%	12.5%	11.6%
Livingston	18.2%	22.5%	23.1%	21.5%
Los Banos	10.6%	13.5%	13.8%	12.8%
Merced	11.0%	13.9%	14.3%	13.2%
Planada	22.4%	27.4%	28.1%	26.3%
South Dos Palos	37.0%	43.5%	44.3%	42.1%
Winton	14.4%	18.1%	18.6%	17.3%



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 saw an overall increase of one and three tenths percent this month. All communities noted increases in unemployment, led by South Dos Palos, Livingston, Winton Planada, Dos Palos and Gustine, all with increases over one percent. The County municipal unemployment will continue to grow due to the closing of the harvesting season.

**For the Month of:
October 2002**

Merced County Current Labor Force and Industry Employment

March 2001 Benchmark	Oct 01	Aug 02	Sep 02	Oct 02	Monthly Change				
Data Not Adjusted for Seasonality			Revised	Prelim.					
Civilian Labor Force	84,100	84,000	82,800	82,500	(300)				
Civilian Employment	75,200	75,000	74,400	73,400	(1,000)				
Civilian Unemployment	8,900	9,000	8,400	9,100	700				
Civilian Unemployment Rate	10.6%	10.7%	10.1%	11.1%	1.0%				
(CA Unemployment Rate)	5.7%	6.3%	6.2%	6.2%	0.0%				
(U.S. Unemployment Rate)	5.0%	5.7%	5.4%	5.3%					
						Employment by Industry			Monthly Change
						Oct 01	Aug 02	Sep 02	Oct 02
Total, All Industries	66,000	65,300	65,700	64,400	6,600	8,620	7,030	6,504	525
Total Farm	13,000	12,300	12,600	12,100	1,300	1,624	1,348	1,222	126
Farm Production	9,100	8,300	8,400	8,500	910	1,096	899	859	40
Farm Services	3,900	4,000	4,200	3,600	390	528	449	364	86
Total Nonfarm	53,000	53,000	53,100	52,300	5,300	6,996	5,682	5,282	399
Goods Producing	12,700	13,200	13,100	12,000	1,270	1,742	1,402	1,212	190
Construction & Mining	2,500	2,700	2,700	2,700	250	356	289	273	16
Manufacturing	10,200	10,500	10,400	9,300	1,020	1,386	1,113	939	174
Durable Goods	1,700	1,800	1,800	1,700	170	238	193	172	21
Nondurable Goods	8,500	8,700	8,600	7,600	850	1,148	920	768	153
Food & Kindred Products	6,200	6,500	6,400	5,400	620	858	685	545	139
Other Nondurable Goods	2,300	2,200	2,200	2,200	230	290	235	222	13
Service Producing	40,300	39,800	40,000	40,300	4,030	5,254	4,280	4,070	210
Transportation & Public Utilities	1,800	1,900	2,000	1,900	180	251	214	192	22
Transportation	1,400	1,500	1,600	1,500	140	198	171	152	20
Communications & Public Util.	400	400	400	400	40	53	43	40	2
Trade	12,800	12,800	12,800	12,900	1,280	1,690	1,370	1,303	67
Wholesale Trade	1,800	1,900	1,900	1,900	180	251	203	192	11
Retail Trade	11,000	10,900	10,900	11,000	1,100	1,439	1,166	1,111	55
General Merchandise	1,600	1,500	1,500	1,600	160	198	161	162	(1)
Food Stores	1,800	1,900	1,900	1,900	180	251	203	192	11
Eating & Drinking Places	3,900	3,700	3,700	3,700	390	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	11,000	11,000	11,100	11,000	1,100	1,452	1,188	1,111	77
Hotels & Other Lodging Places	400	400	400	400	40	53	43	40	2
Business Services	1,900	1,700	1,800	1,700	190	224	193	172	21
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 Service & Member Organizations	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	13,100	12,500	12,500	12,900	1,310	1,650	1,338	1,303	35
Federal Government	700	800	800	800	70	106	86	81	5
State & Local Government	12,400	11,700	11,700	12,100	1,240	1,544	1,252	1,222	30
State Government	600	600	600	600	60	79	64	61	4
Local Government	11,800	11,100	11,100	11,500	1,180	1,465	1,188	1,162	26

The QuickLook:

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 in spite of an 11.1 percent unemployment rate.

The preliminary October result is a gain of one percent in the unemployment rate from the revised September rate and is one half a percentage point higher than one year ago.

These numbers remain somewhat in line with the 20 year average for the month of October. However, predictors continue to indicate the unemployment rate will continue to rise over the remaining months in 2002 to a yearly average of 14.6 percent.

Overall, Merced County saw an increase of 525

Those unemployed increased in all industry classifications, led by Nonfarm industries with an increase of almost 400 workers.

Farm workers saw 126 fall from those employed.

The largest increase came in service producing industries (increase of 210 unemployed), and specifically in trade (67) and service (77) type jobs.

Jobs in the more stable workforce industries (retail trade, eating establishments and health services) took the brunt of the job losses, while state and local government also saw increases of unemployed of 30 workers.

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.

