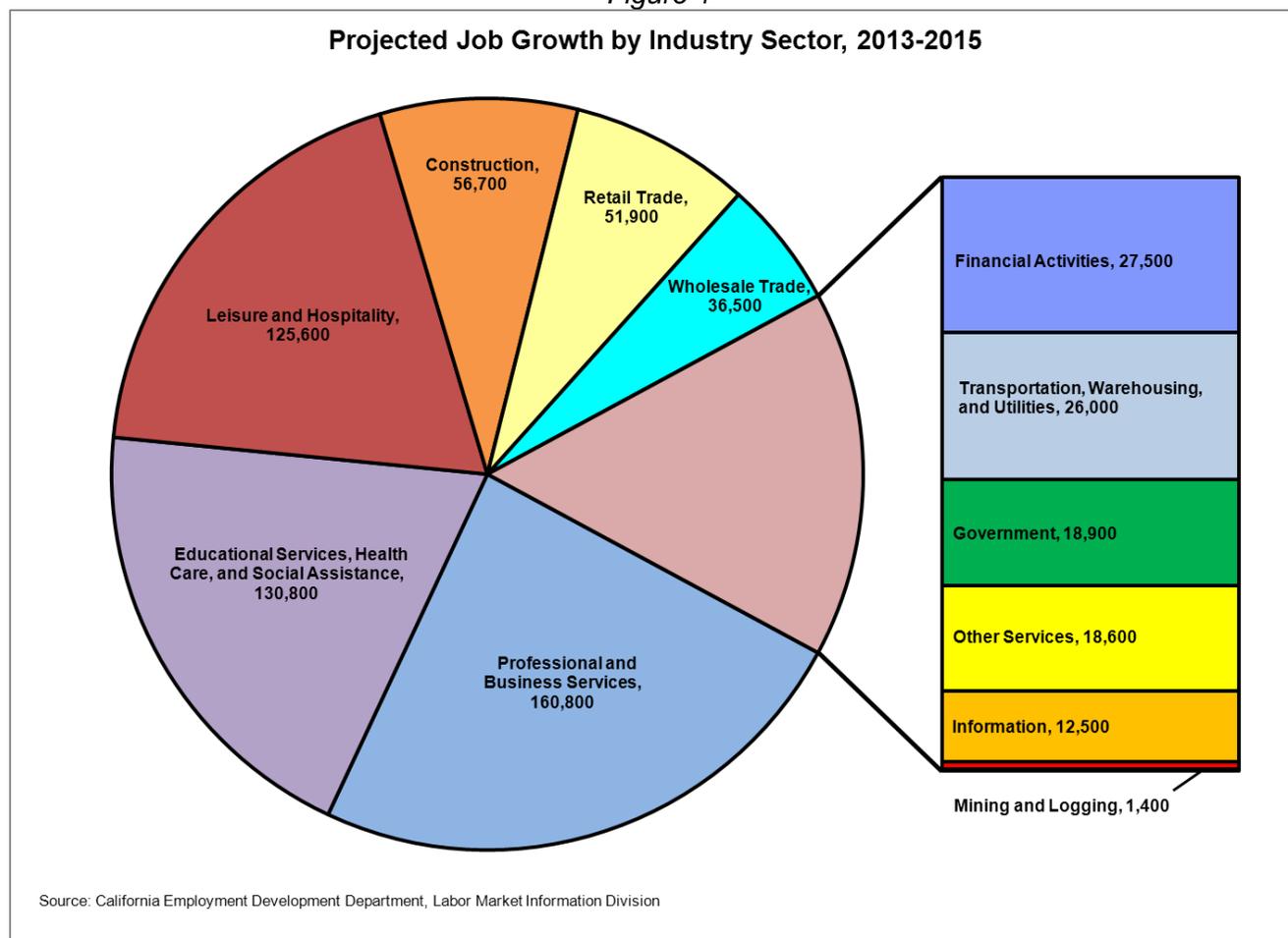


California Industry Employment Projections 2013 Second Quarter – 2015 Second Quarter

Total industry employment in California, which includes self-employment, unpaid family workers, private household workers, farm employment, and nonfarm wage and salary employment, is expected to reach 17,286,300 in the second quarter of 2015, an increase of 4.3 percent over the two-year projection period. Total nonfarm employment is projected to add 667,000 jobs over the same period. A breakout of growth by industry is seen in *Figure 1*.

Figure 1



Total goods producing employment which includes mining and logging, construction, and manufacturing, is expected to reach 1,946,200 in the second quarter of 2015, an increase of 3.1 percent over the two-year projection period.

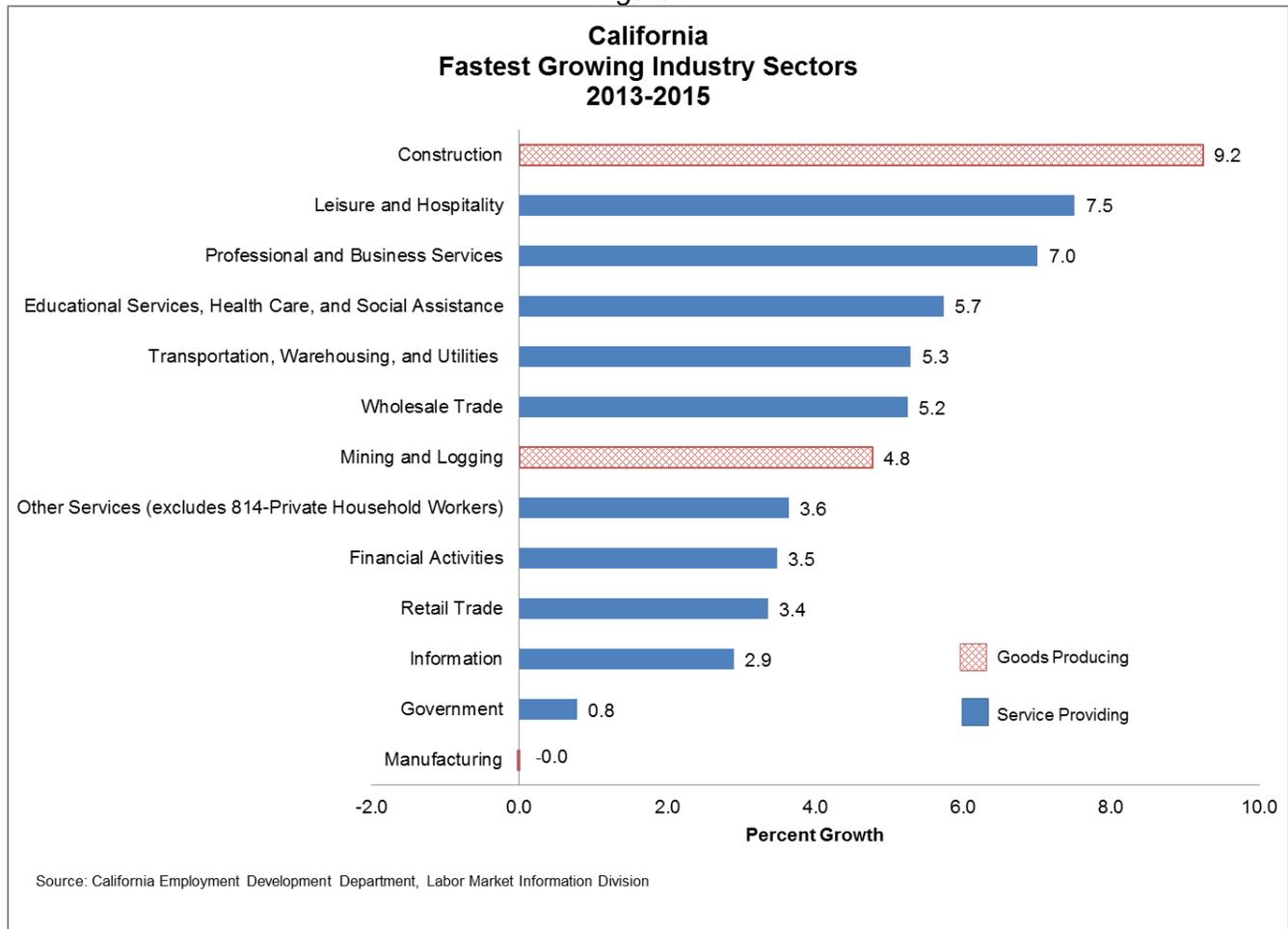
The increase in employment is primarily led by the growth in the construction sector. Employment is expected to grow 9.2 percent over the projection period which is the fastest growth rate among the major industry sectors, as seen in *Figure 2*. The expected job gain of 56,700 is due to the improving housing market across California. Within this sector, the greatest concentration of job gain is

projected to occur in building equipment contractors (15,800), building finishing contractors (12,700), and residential building construction (11,600).

The mining and logging sector has the smallest increase in employment through the projection period of 1,400 jobs led by an employment increase of 800 jobs in support activities for mining.

The manufacturing sector is expected to lose 300 jobs through the projection period. Manufacturing has a long history of declining employment due to increases in automation and outsourcing. Manufacturing has lost 568,200 jobs from January 2000 to December 2012. Nondurable goods manufacturing is leading the decline in manufacturing with a loss of 3,000 jobs during the projection period.

Figure 2



Private service providing sectors are projected to add 590,200 jobs, accounting for 88 percent of all nonfarm growth. Seventy-one percent of growth in private service providing sectors (and 63 percent of growth in nonfarm jobs) is forecasted to occur in professional and business services (160,800); educational services, health care, and social assistance (130,800); and leisure and hospitality (125,600).

The professional and business services sector is projected to have an annual growth rate of 3.5 percent. Within this sector, employment services is projected to add 38,300 jobs while growing at a

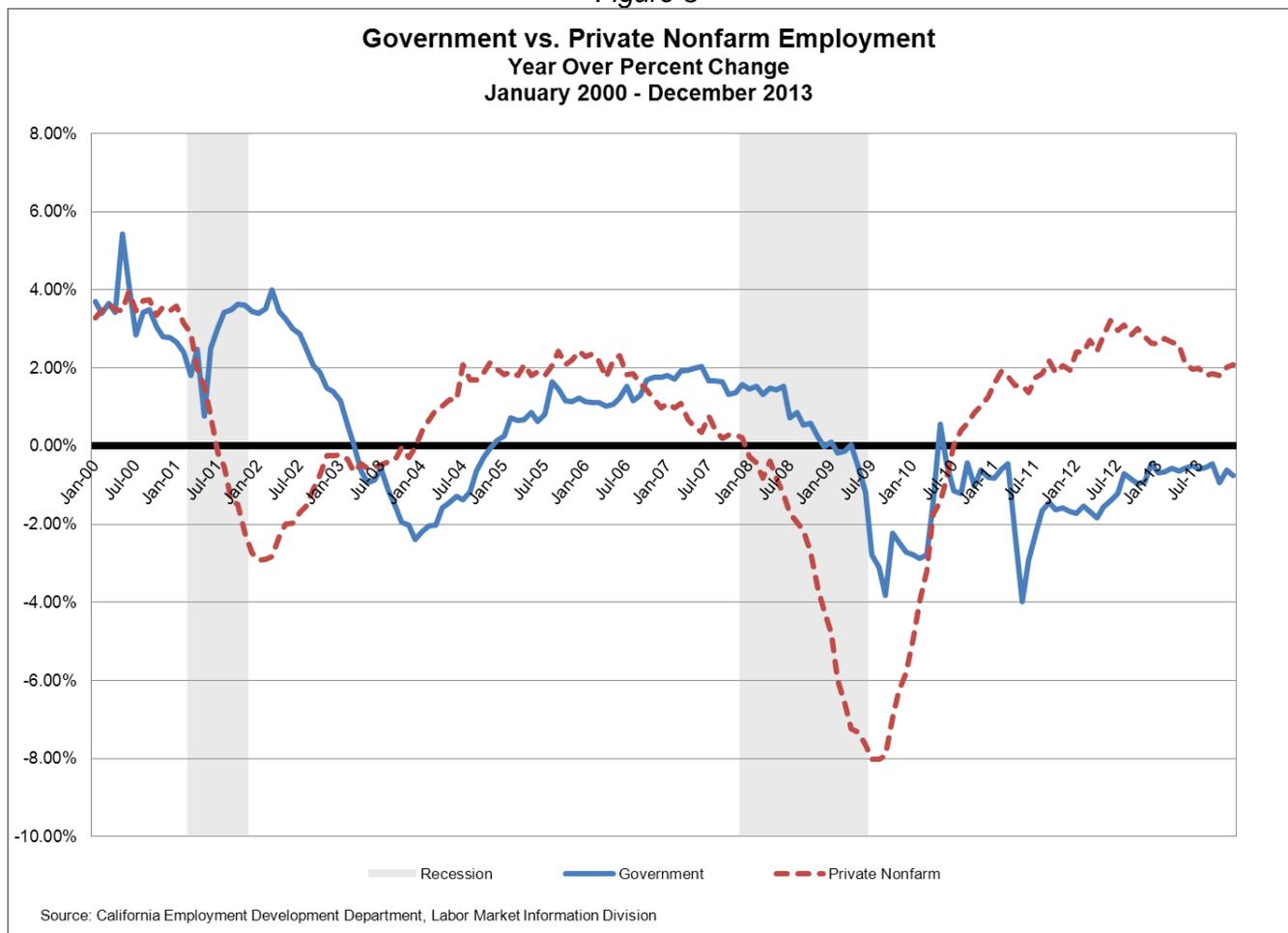
4.9 percent annual rate. Management, scientific, and technical consulting services (32,300 jobs) and computer systems design and related services (23,500 jobs) are also expected to have sizeable job gains.

An annual growth rate of 3.8 percent is projected for the leisure and hospitality sector. Within this sector, full-service restaurants is forecast to grow at a 4.3 percent annual rate while adding 49,500 jobs. Limited-service eating places will show similar growth, adding 44,100 jobs while growing at a 4.1 percent annual rate.

In the educational services, health care, and social assistance sector, individual and family services is projected to lead job gains by adding 43,500 jobs while growing at an annual rate of 4.5 percent.

Government employment growth is expected to be minimal, adding 18,900 jobs for a growth rate of 0.8 percent over the projection period. Government employment tends to lag behind the growth and decline experienced in the private sector is mainly due to the nature of the annual budget cycle, as seen in *Figure 3*. The most growth will be at the local level, which is projected to gain 22,500 jobs for an annual growth rate of approximately 0.7 percent. Local government contains approximately 70 percent of the 2.4 million public sector employment in California.

Figure 3



The Employment Development Department's Labor Market Information Division (LMID) developed these employment projections for the second quarter of 2013 to the second quarter of 2015. Because the second quarter (April-June) is used to develop California's employment projections, seasonal industries, such as farming, may be slightly higher or lower than annual average employment estimates for the same industries published elsewhere.

The complete [2013-2015 California industry and occupational projections](#) are available online.

Produced by: Employment Development Department
Labor Market Information Division
www.labormarketinfo.edd.ca.gov/LMID/ContactUs.html