



Manpower Employment Report

“We continue to find ourselves in a much better position than the year before, as our labor force and employment base continue to grow. Job seekers are not only finding opportunities, but in industries that pay well.”

**Phil Blair, President and CEO
Manpower San Diego**

The California Employment Development Department (EDD) released statewide county employment data today for the October 2014 period. At **5.8 percent**, San Diego County’s unemployment rate **dropped 0.1 points** from September to October, and fell by 1.6 points from this time last year. The unemployment rate in the region remained **1.2 points below California’s** 7.0 percent rate and tracked just above the U.S. average of 5.5 percent.

While a 0.1 point decrease may not seem particularly outstanding, the unemployment rate continued its descent while the labor force added 14,900 job-seekers this month. **Unemployment claims remained flat**, meaning there was one job for every one person who re-entered the labor force. This is a great sign moving forward, since it shows that **workers are encouraged and finding jobs**.

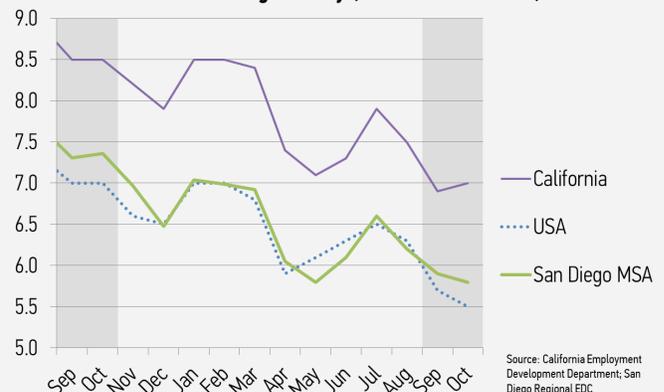
When looking at employment changes, we see a **mix of private and public sector growth**, the latter due mostly to the return of public school employees. From September to October, the region’s total employment grew by 12,500 jobs, with the private sector accounting for 5,700 jobs.

Monthly private sector gains were partially offset by the continued seasonal decline of accommodation, recreation and food service workers that support our **visitor and convention economy**. These changes happen every year, as the summer travel season winds down. Much of this employment is made up for with **seasonal gains in the retail trade sector**, as businesses begin serving back-to-school and holiday shoppers.

HIGHLIGHTS

-  **EMPLOYMENT** grew by **12,500 jobs** this month and **34,600 jobs** from the prior year.
-  **UNEMPLOYMENT** fell to **5.8 percent**, down **1.6 points** from October 2013.
-  **PRIVATE SECTOR** jobs grew by **three percent** from the previous year.
-  **STAFFING** industry employment grew by more than **6.1 percent** from the prior year.
-  **HEALTH CARE** and **education** drove 61 percent of **private job growth** in October.

**Monthly Unemployment (Seasonally Unadjusted)
for San Diego County (09/2013 to 10/2014)**



Perhaps more importantly, San Diego's total and private employment **growth continued to outpace the U.S. average**. Since October 2013, San Diego's employment grew by 2.6 percent compared to 2.0 percent nationally. Likewise, the region's private sector grew by 3.0 percent compared to 2.3 percent nationally.

Most of the private growth from September to October came from a handful of industries. **Health care, education, retail trade** and **administrative services** alone added more jobs than the net private sector, meaning the 7,300 jobs added in those industries were offset by losses elsewhere in the private sector, mostly in tourism-related industries.

San Diego's **construction** and **manufacturing** industries had a slow month, but that is typical for this period. These industries are still producing high year-over-year employment gains. Construction and manufacturing added a combined **8,000 jobs** since October 2013, and both are growing well above the private sector average.

Innovation sectors continued to show annual job growth. **Ship and boat building** grew by more than 11 percent and is a critical component of our **maritime** cluster. The **professional, scientific and technical services** sector grew by 5.0 percent and represents many of our innovation employers. More specifically, **scientific research and development** services, which represents many **cleantech** and **life science** companies, grew by 4.2 percent since last October.

The numbers from October's report are **promising**. We don't entirely know the deeper causes behind the labor force and unemployment numbers, so optimism should be tempered in that regard. However, San Diego continues to experience **above average annual job growth** driven by its core industries like health care, advanced manufacturing and science-related services, which is clearly something to remain optimistic about.

