



Manpower Employment Report

The California Employment Development Department (EDD) released statewide county employment data today for June in addition to revised data for May 2016. This month's data shows that San Diego's economy has slowed during the summer months; unemployment experienced an increase while total regional employment grew more slowly than previous months.

June's unemployment rate climbed back to 5.1 percent for the first time since October 2015; up 0.9 percentage points from a revised 4.2 percent in May. The unemployment rate is down 0.1 points from the previous year. San Diego's unemployment rate continues to remain lower than statewide unemployment and is now on par with national unemployment rates of 5.7 and 5.1 percent, respectively.

San Diego's rate rose in part due to an increase in the labor force. A familiar trend in the region this time of year as many public and private seasonal educational workers tend to lose employment during the summer months. Education accounted for nearly 1,000 jobs lost during May and June combined. Although a seasonal uptick in unemployment is common during the summer, the increase of 0.9 percentage points is significantly higher than seen in recent years. Additional job losses in finance and insurance in addition to health care and social assistance also contributed to the increase in unemployment.

Total nonfarm employment increased steadily since May, adding 8,000 jobs. More importantly, year-over-year nonfarm employment went up by 37,600, a 2.7 percent increase. The private sector drove employment growth in June, as private employment accounted for nearly 83.2 percent, or an increase of 31,300 jobs, of all employment growth over the year. The total private sector grew by 2.7 percent year-over-year.

At the height of summer and peak tourism season, the region's leisure and hospitality industry was the largest driver of regional employment growth, adding 5,400 jobs since May. Leisure and hospitality experienced strong year-over-year growth, adding

"While June's unemployment rate climbed – a typical trend as educational workers tend to lose employment during summer – key sectors like leisure and hospitality, PST and PBS all experienced strong year-over-year growth. San Diego's unemployment rate continues to remain lower than statewide unemployment."

**Phil Blair, Executive Officer
Manpower San Diego**

HIGHLIGHTS

-  **EMPLOYMENT** grew by 37,600 since June 2015, a 2.7 percent increase
-  **PRIVATE SECTOR** firms accounted for 83.2 percent of job growth
-  **HEALTH CARE & SOCIAL ASSISTANCE** added 6,300 jobs since June 2015
-  **TOURISM** added 5,400 jobs between June 2015 and June 2016

**Monthly Unemployment (Not Seasonally Adjusted)
for San Diego County (06/2015 to 06/2016)**



7,800 jobs, a 4.2 percent increase over the previous year, and contributing to 24.9 percent of private sector growth.

Professional, scientific and technical services (PST), a subset of Professional and business services (PBS) and strongly associated with the region's innovation economy, accounted for over 11.5 percent of private sector growth, adding 1,000 jobs since May.

While the June report released today showed increased unemployment in the region's economy, which is in line with familiar seasonal trends, overall job growth was solid. Unemployment remains well below the state and year-over growth in the region was spread out across a variety of base sectors.

