Manpower Employment Report

"San Diego's unemployment rate is the lowest in nearly eight years as tens of thousands of San Diegans are finding jobs thanks to steady economic growth. We are seeing fewer unemployment claims as thousands return to the labor force."

Phil Blair, President and CEO
Manpower San Diego

The California Employment Development Department (EDD) released statewide county employment data today for the April 2015 period. This month's data shows that unemployment continued to fall in April, as the economy continued to grow at a steady rate.

The unemployment rate fell below five percent for the first time since December 2007 and it is the lowest it has been since June 2007. At 4.8 percent, the rate is 1.3 points lower than the previous year and 0.3 points lower than the previous month. The U.S. and California average rates also fell substantially to 5.1 percent and 6.1 percent respectively.

Unemployment fell so sharply from March to April because the labor force fell by 3,200 and unemployment claims fell by 4,900. While it is concerning that the labor force fell over the monthly period, it isn't uncommon for the period due to seasonal forces. More importantly, the labor force increased by 17,400 and unemployment claims decreased by 18,900 from April 2014 to April 2015.

When looking at monthly or seasonal employment, San Diego County employers added 4,900 jobs from March to April. Goods-producers like construction and manufacturing experienced slight seasonal decline, while tourism and health care accounted for nearly all of the seasonal growth.

From a year-to-year or non-seasonal perspective, the region's economy continued to grow around 3.0 percent, adding 38,300 jobs from April 2014 to April 2015. The year-to-year growth rate has been consistently above the 2014 annual average of 2.2 percent. So far in 2015, that annual average is at 3.1 through April.

HIGHLIGHTS

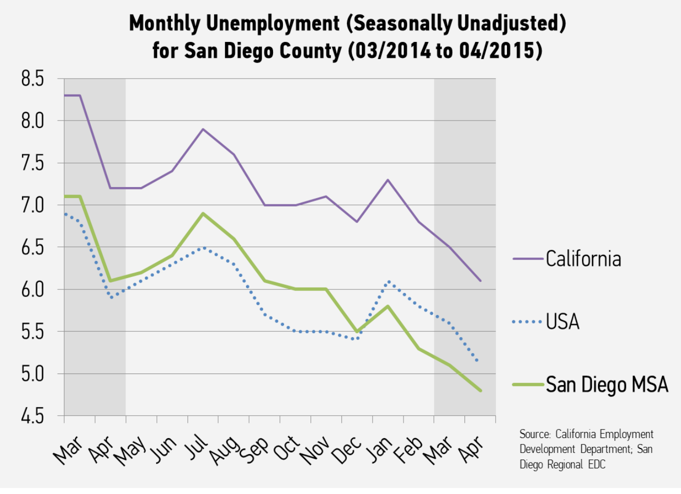
EMPLOYMENT grew by **38,800 jobs** or 2.9 percent from the previous year.

UNEMPLOYMENT declined to 4.8 percent, **the lowest since June 2007.**

PRIVATE SECTOR jobs accounted for more than **93 percent** of the annual growth.

STAFFING industry added **500 jobs** from March to April.

SHIP AND BOAT BUILDING employment **grew by 18 percent** from last year.



San Diego Regional Economic Development Corporation

Manpower

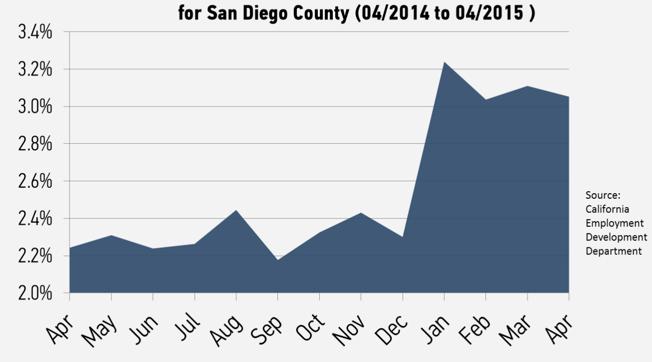
The private sector economy accounted for 93.6 percent of the year-to-year job growth and grew by 3.4 percent. This rate also outpaced the U.S. growth rate, which was 2.6 percent over that same period. This job growth continued to be fueled by key sectors. Construction grew by 5.3 percent and added 3,300 jobs, despite a mild seasonal decline. One of the region's key manufacturing sectors ship and boat building grew by 18.6 percent and added 1,100 jobs. However, manufacturing growth continued to grow at a slow pace of 1.8 percent, which remains a concern given the importance of the industry to the region's economy.

Innovation service sectors have continued to show high job growth through 2015. The professional, scientific and technical services (PST) sector grew by 6.39 percent year-to-year, and accounted for approximately one-fifth of the annual job growth. This sector represents many of our innovation employers. More specifically, scientific research and development services, a subsector of PST that represents many cleantech and life science companies, grew by 5.26 percent since last March.

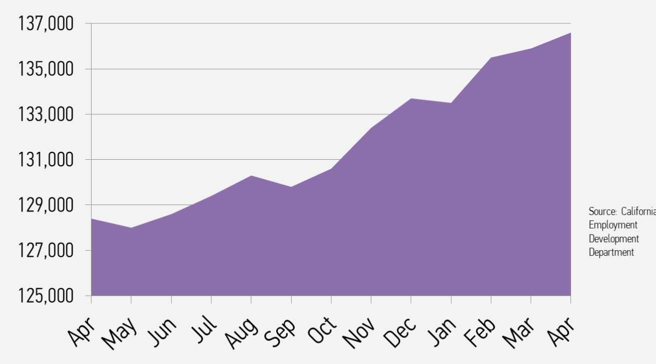
The region's tourism continued to show high year-to-year growth as well. The leisure and hospitality industry added 6,500 jobs over that period, which is about 3.72 percent growth. Food service and drinking places accounted for 6,500 of those jobs. Health care services experienced high seasonal and non-seasonal growth. Education & Health services added 400 jobs from March to April and 5,900 jobs since the previous year.

The April labor market report continued to show positive indicators about the health of our regional economy. The unemployment rate fell below five percent for the first time since 2007. There remains concern about the slow return of the labor force from year-to-year since the recession, but unemployment claims are consistently falling and firms are steadily adding jobs. Growth remains concentrated in our traded economy sectors and in middle-wage industries like health care and construction. It will be interesting to see if this steady growth encourages greater labor force participation in the coming months.

Year-to-Year %Growth in Total Employment for San Diego County (04/2014 to 04/2015)



Monthly Professional, Scientific and Technical Services Employment for San Diego County (04/2014 to 04/2015)



Percentage Growth in Employment in San Diego County, Select Growth Sectors (04/2014 to 04/2015)