



Manpower Employment Report

“The San Diego regional economy continues to hum along at a steady pace. The unemployment rate is the lowest it has been in nearly seven years while we continue to add good jobs in our innovation and building industries each year. There are plenty of reasons to remain optimistic about 2015.”

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

The California Employment Development Department (EDD) released statewide county employment data today for the February 2015 period. This month’s data shows that unemployment was down in February as the economy continued to grow at a steady pace.

The unemployment rate is likely the big story this month since at 5.3 percent, it is the lowest it has been in nearly seven years (April 2008). This is roughly 1.8 points lower than the previous year and 0.5 points lower than the previous month. San Diego’s unemployment rate remained below the U.S. average of 5.8 percent and well-below the California average of 7.1 percent.

When looking at monthly or seasonal employment, San Diego County employers added 6,200 jobs from January to February. Much of this growth came from the government sector, mostly from state and local education. Tourism and private education industries also experienced seasonal growth, while retail trade and construction experienced slight seasonal declines.

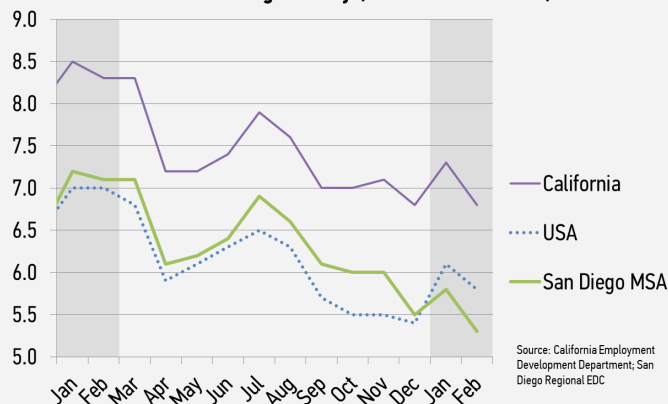
From an year-to-year or non-seasonal perspective, the region’s economy continued its steady post-recession growth. Total non-farm employment grew by 39,700 jobs from February 2014 to February 2015—a 3.0 percent growth rate. This exceeds the U.S. growth rate of 2.4 percent.

The private sector economy accounted for 90 percent of the year-to-year job growth and grew by 3.3 percent. This rate also outpaced the U.S. growth rate, which was 2.8 percent over that same period.

HIGHLIGHTS

-  **EMPLOYMENT** grew by **39,700 jobs** or 3.0 percent from the previous year.
-  **UNEMPLOYMENT** declined to 5.3 percent, the **lowest since April 2008**.
-  **PRIVATE SECTOR** jobs accounted for **90 percent** of the annual growth.
-  **STAFFING** industry added **400 jobs** from January to February.
-  **SCIENTIFIC R&D** employment **grew by more than seven percent** from last year.

**Monthly Unemployment (Seasonally Unadjusted)
for San Diego County (01/2014 to 02/2015)**



Year-to-year job growth continued to be fueled by key sectors. Construction jobs grew by 5.2 percent and added 3,200 jobs, despite the small 400 job seasonal decline. Manufacturing growth has slowed since 2014, and recent EDD adjustments indicate that growth was lower than previously thought. However, one of the region's key manufacturing sectors ship and boat building grew by more than 15 percent.

Innovation service sectors also continued to show high job growth. The professional, scientific and technical services (PST) sector grew by 6.4 percent year-to-year. 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 7.7 percent since last February. Professional and business services overall accounted for one quarter of all year-to-year private job growth.

The region's tourism sector was one of the few seasonal growth industries and also experienced high year-to-year growth. The leisure and hospitality industry added 8,200 jobs over that period, which is about 4.9 percent growth. Food service and drinking places accounted for most of the growth. Private and public education services experienced high seasonal and non-seasonal growth. Colleges, universities and professional schools added 1,300 year-to-year jobs (9.3 percent growth) while state and local government education added 3,200 year-to-year jobs (3.0 percent growth).

EDD released adjustments to 2014 data earlier this month. Those adjustments indicate that 2014 growth wasn't quite as high as expected, with annual job growth from ranging from 2.2 to 2.4 percent throughout 2014. Therefore, while some of the growth figures for February 2015 in this report appear lower than the growth rates shown in previous monthly reports, the region is actually growing faster than it was throughout 2014. Unemployment is the lowest it has been in nearly seven years and employment growth has consistently outpaced the national average. This is a positive sign as the region continues to steadily grow post-recession.

