



# SCAG REGION ECONOMIC UPDATE



The Fifth Annual Southern California  
**ECONOMIC RECOVERY &  
JOB CREATION SUMMIT**

# SCAG's Economic Team

## IMPERIAL COUNTY

- Michael Bracken, M.P.A. • Development Management Group, Inc.

## LOS ANGELES COUNTY

- Christine Cooper, Ph.D. • Los Angeles County Economic Development Corporation

## ORANGE COUNTY

- Wallace Walrod, Ph.D. • Orange County Business Council

## RIVERSIDE/SAN BERNARDINO COUNTIES

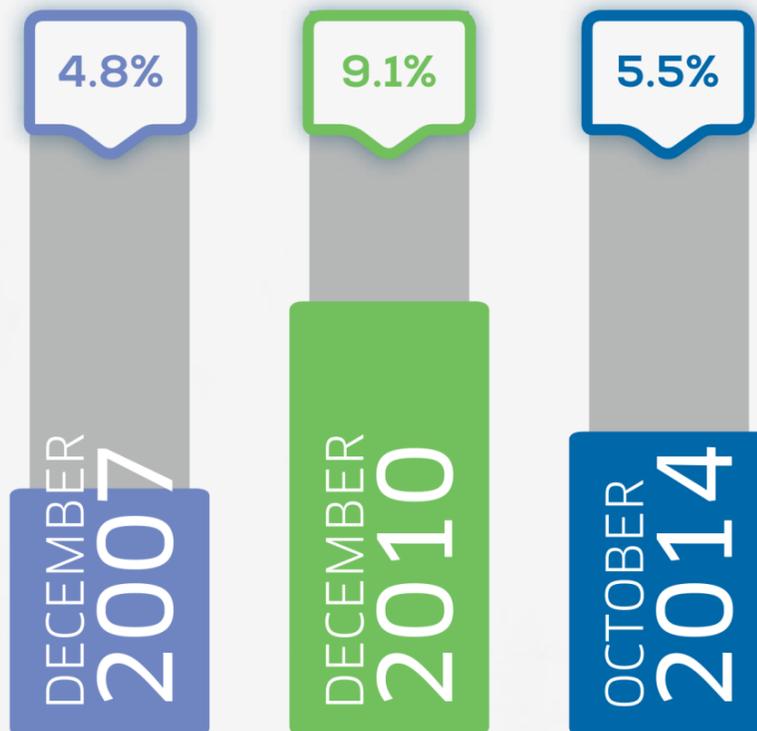
- John Husing, Ph.D. • Economics & Politics, Inc.

## VENTURA COUNTY

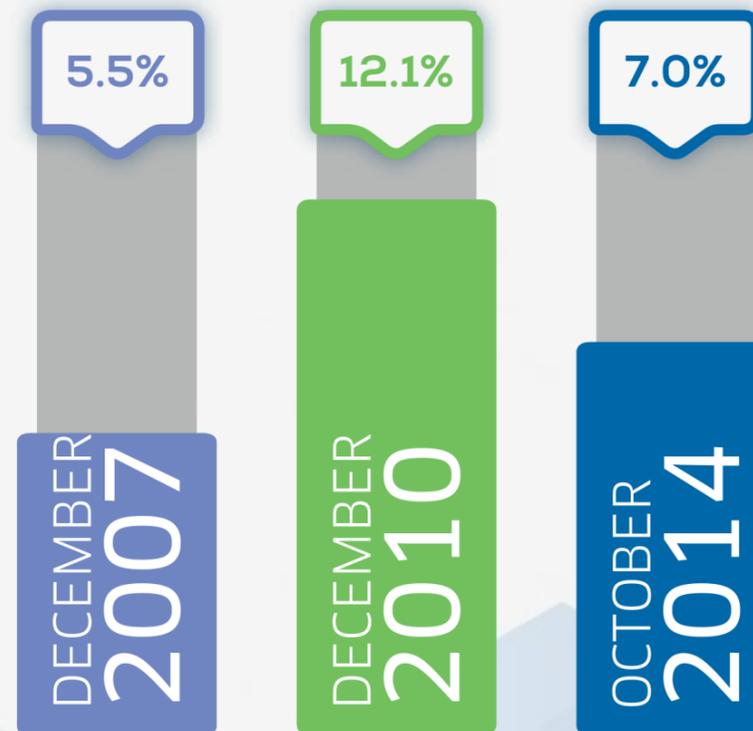
- Bill Watkins, Ph.D. • California Lutheran University

# Unemployment at a Glance

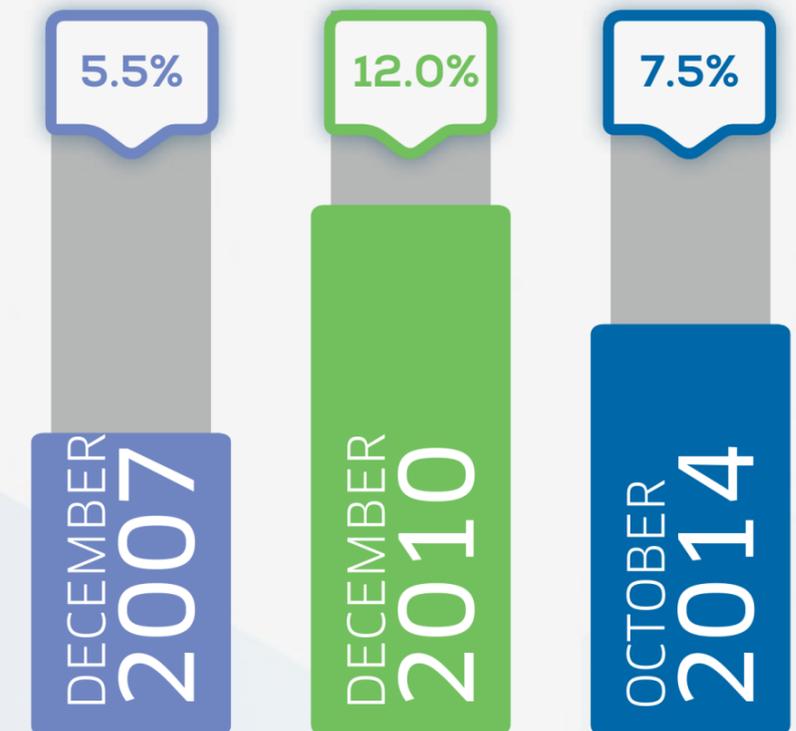
## United States



## California



## SCAG Region



# Outlook On Recovery in 2010 & 2013

## Los Angeles

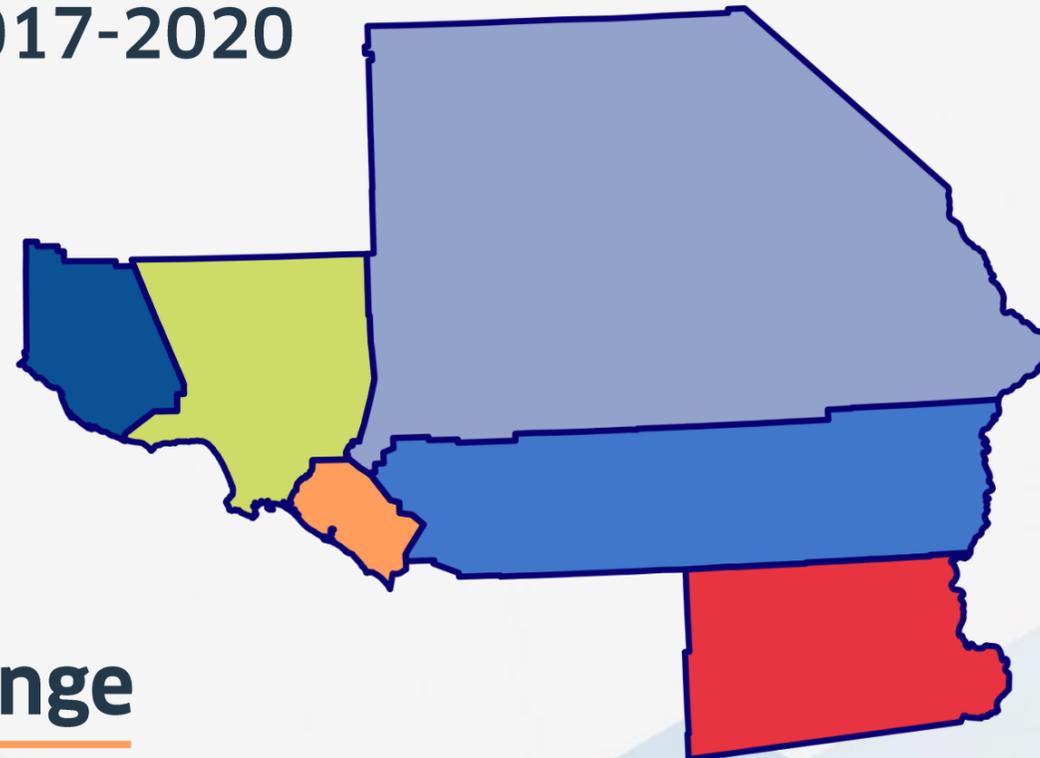
2010 Forecast: 2016-2018

2013 Forecast: 2017-2020

## Ventura

2010 Forecast: 2015-2016

2013 Forecast: 2017-2019



## Riverside + San Bernardino

2010 Forecast: 2015-2016

2013 Forecast: 2016-2018

## Orange

2010 Forecast: 2014-2016

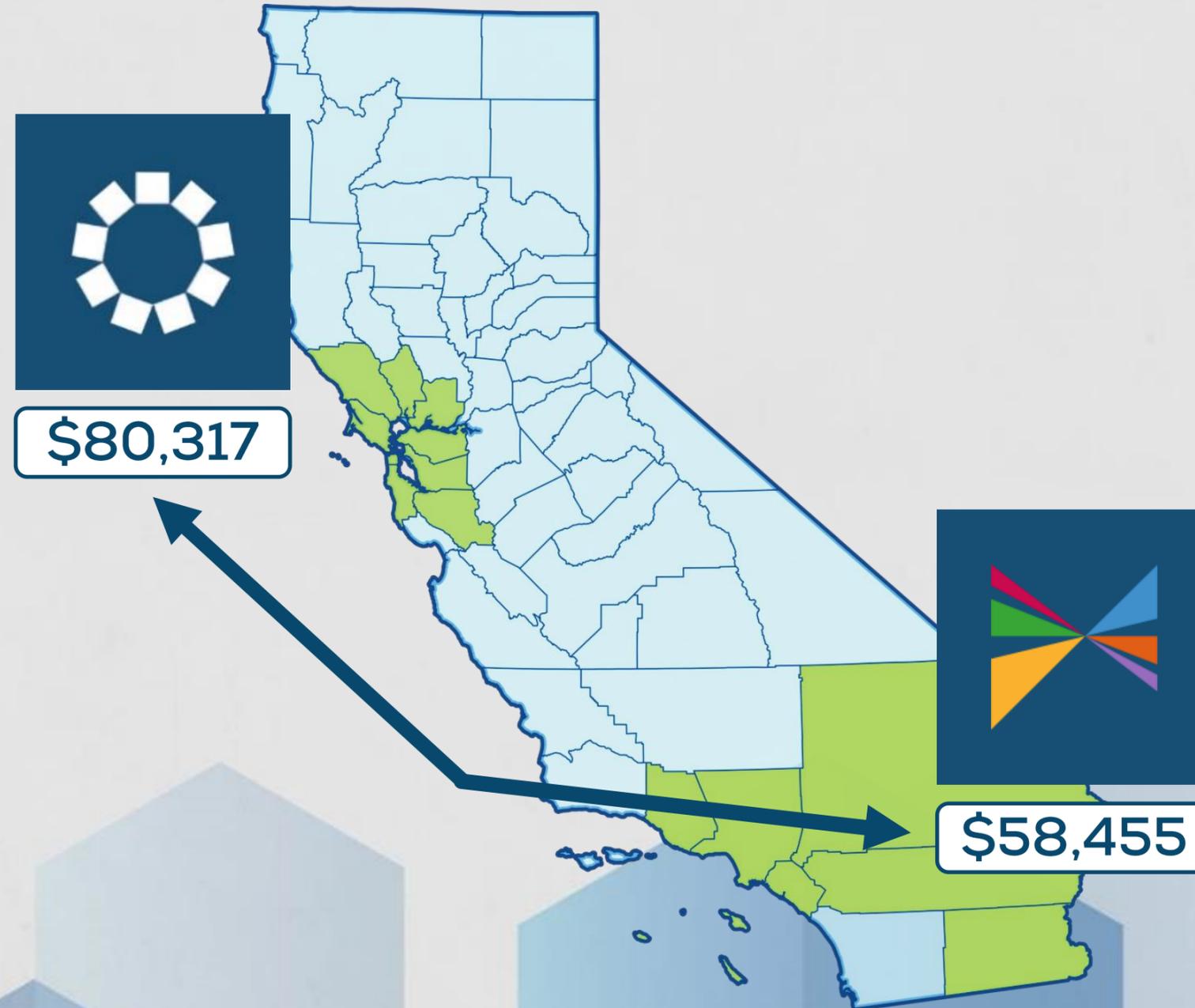
2013 Forecast: 2014-2016

## Imperial

2010 Forecast: 2013-2015

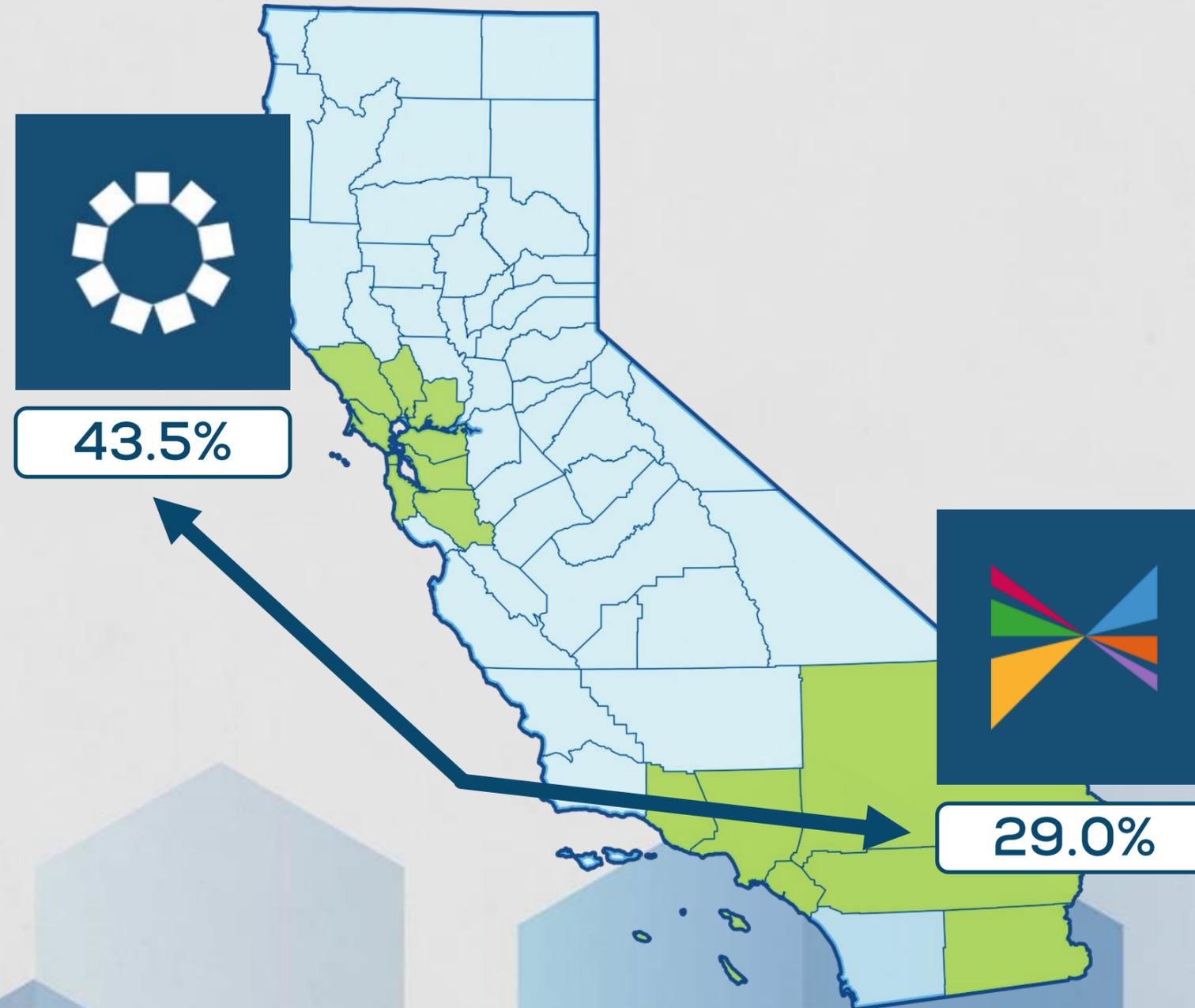
2013 Forecast: 2013-2014

# Median Household Income

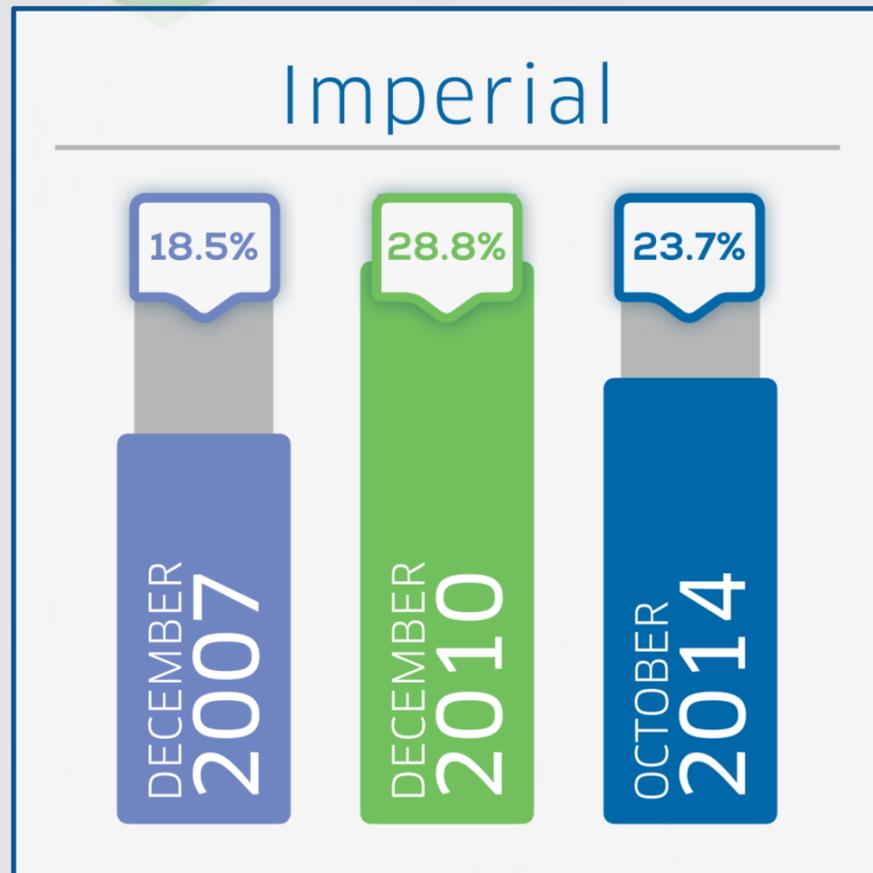


# California Education Levels

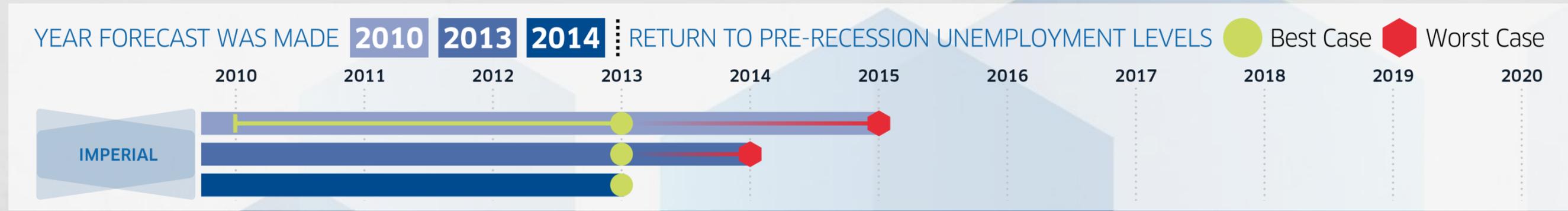
## Bachelor's Degree or Higher



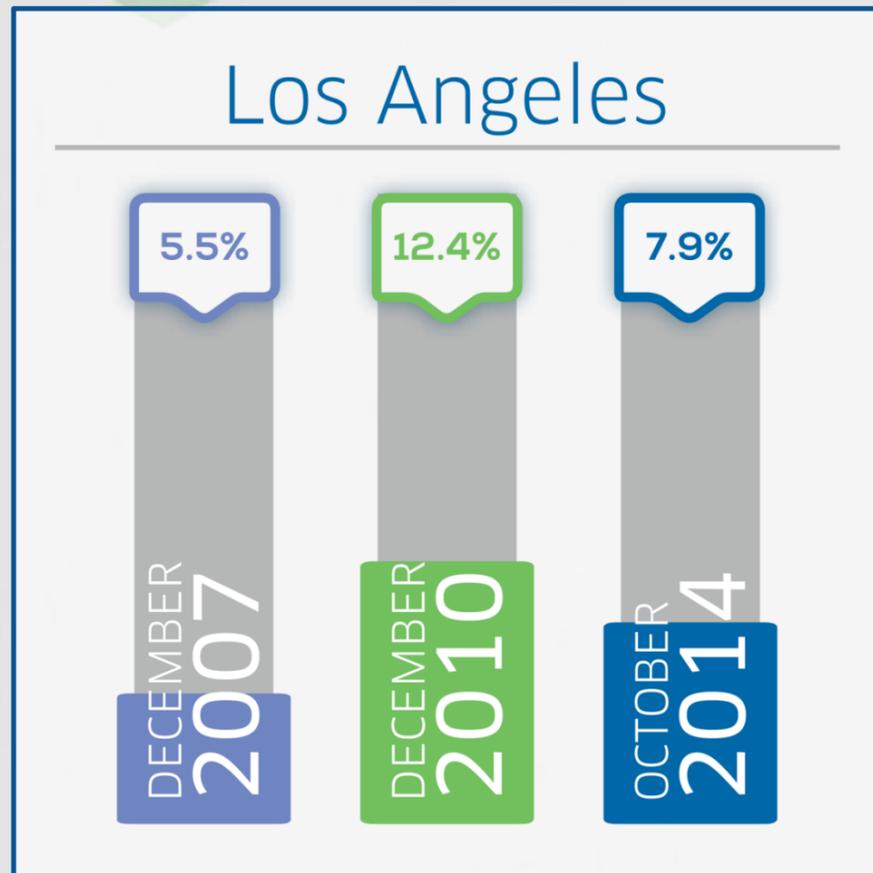
# Imperial County



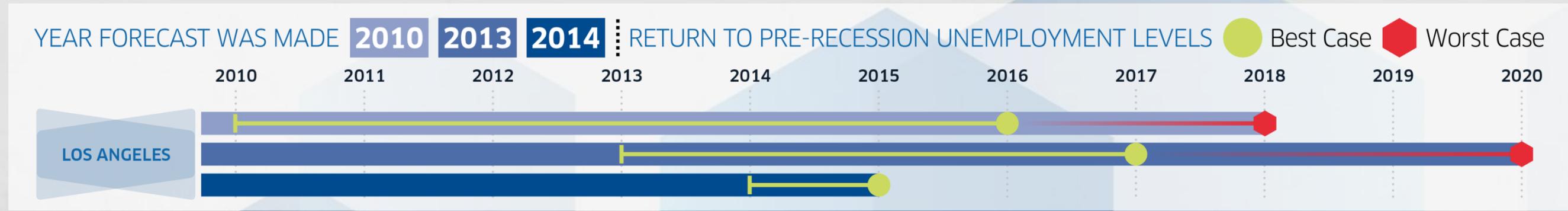
- Total Employment is 60,100 (3,900 MORE jobs than the pre-recession high in early 2008).
- Labor Force has increased by about 14,000 in the last 7 years (from 65,000 to 79,000).
- Agriculture production for 2013 was \$2.1 billion. Unfortunately this included \$552 mm from feedlot cattle, an industry that left the region in 2Q14. 2014 Agriculture production is estimated to be \$1.7 billion.
- New and Existing Home sales are stable (200 and 1,500 annually). Median home price is up almost 20% from a year ago (now stands at \$169,000).



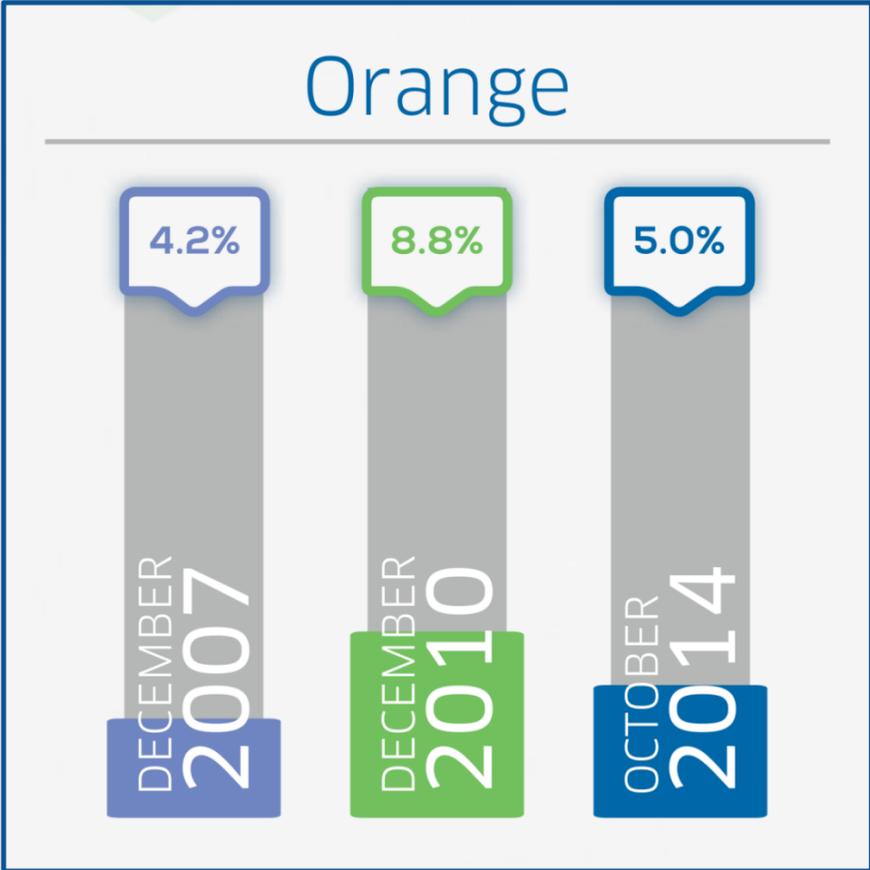
# Los Angeles County



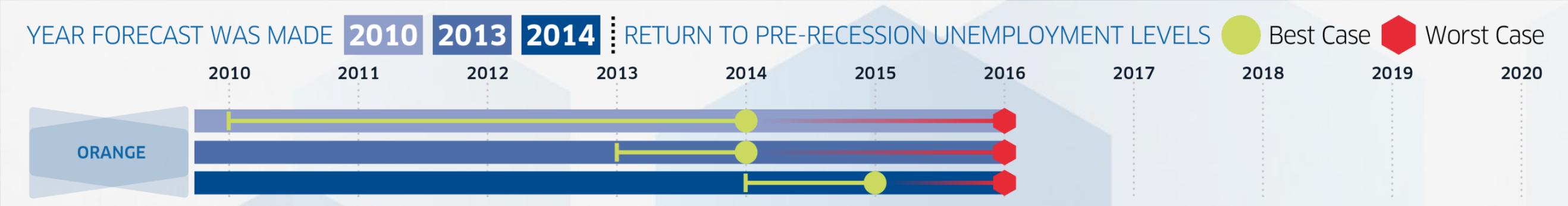
- Although not all jobs lost during the recession have yet been recovered, the county is on track to exceed its prior peak employment in 2015.
- Job growth will continue to be in primarily lower-paying occupations, such as those in administrative services, health care and social assistance, and food services.
- While still high, it appears that poverty rates may have finally turned a corner and are in decline.
- The housing market has been very slow to recover, with permit activity well below pre-recession peak levels.
- Sustained economic recovery will ultimately hinge on the success of traded industry clusters, such as entertainment, international trade, aerospace and fashion.



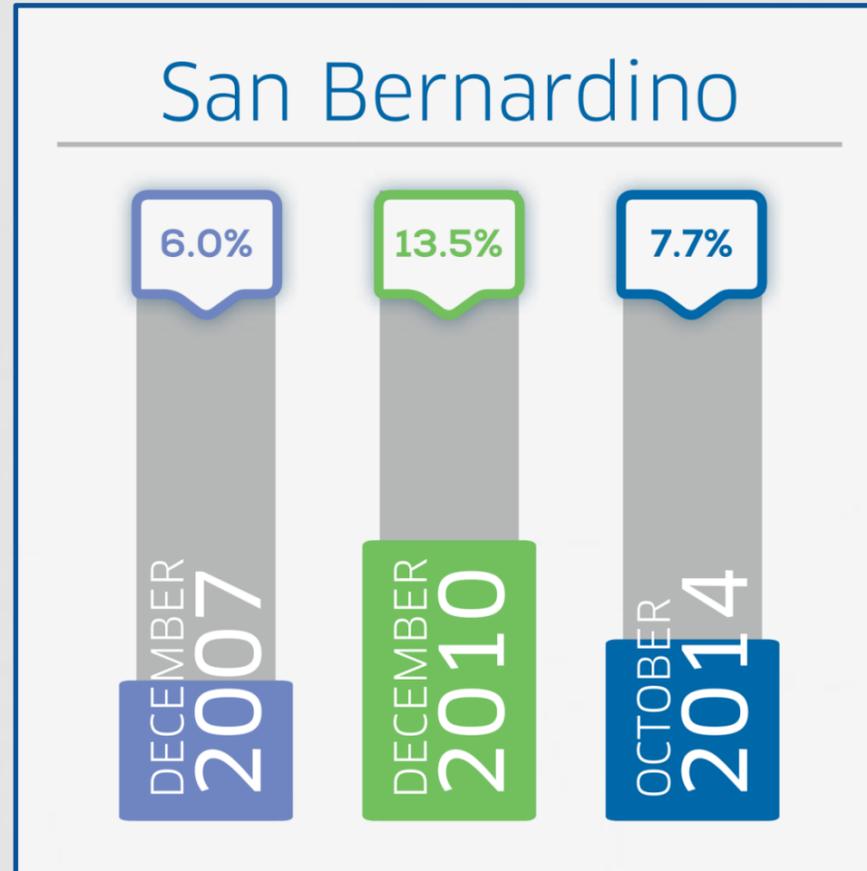
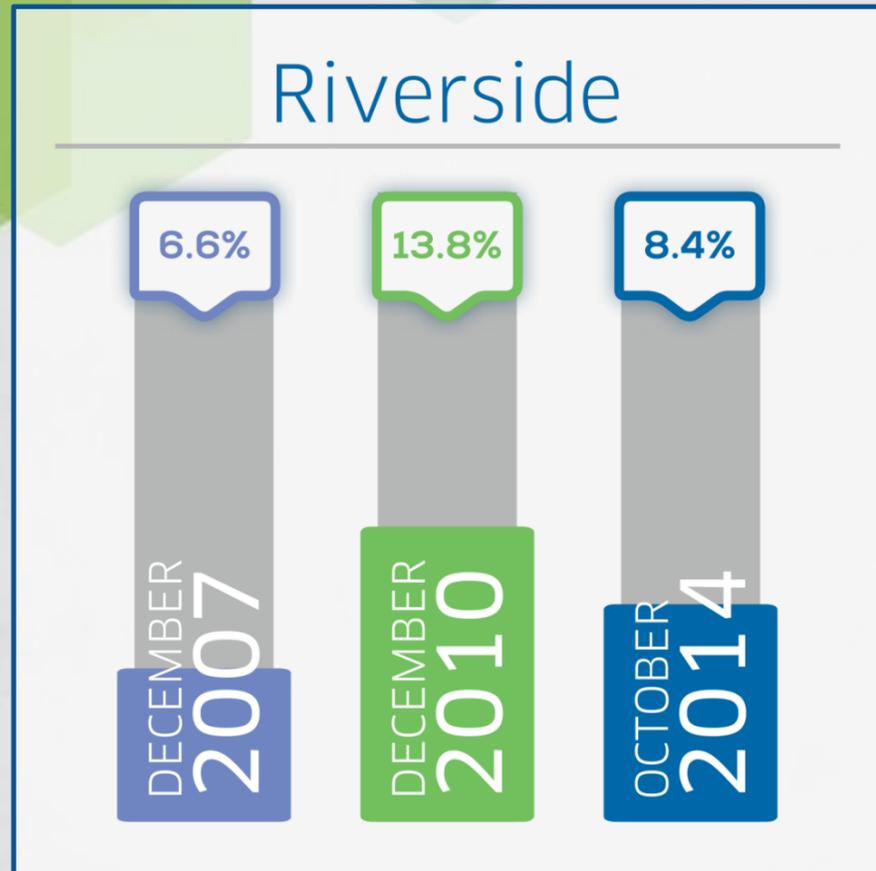
# Orange County



- Orange County’s economic recovery continues to build momentum, with job growth of over 30,000 in the last year.
- Leading contributors to employment growth in the last year Education & Health Services, Construction, Professional & Business Services, Leisure & Hospitality, and Trade, Transportation, and Utilities.
- International Trade, IT, and Advanced Manufacturing also key drivers leading economic and job growth
- Consumer confidence has increased considerably, leading to greater consumer retail spending, rising auto sales, and a strong housing market.



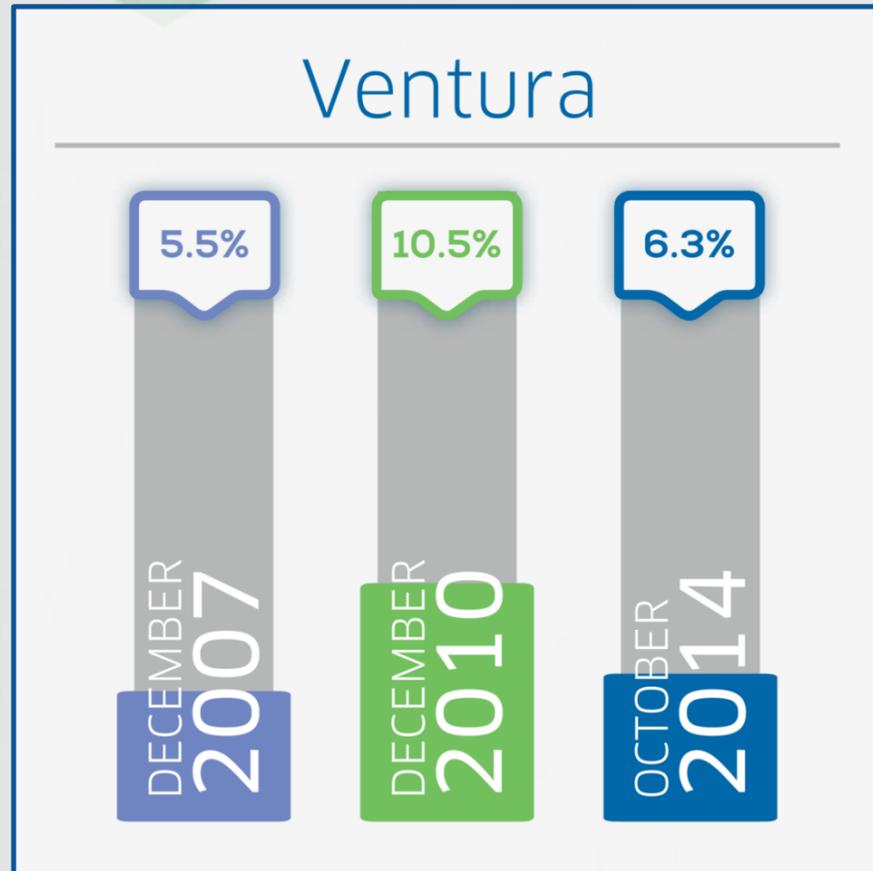
# Riverside & San Bernardino Counties



- Employment level will exceed pre-Recession level in early 2015.
- BLS data shows job gain in 2014 should be 48,000 once EDD revisions are made (3.9%)
- Economic base led by growth of logistics, construction, and healthcare.
- Unemployment at 8.1% still exceeds other U.S. metro areas of 1 million or more.
- Share of Adults, high school or less education: San Bernardino (47.1%); Riverside (45.7%).



# Ventura County



- Job growth was 1.1% during the year ending in August compared with 2.1% for California.
- Non-farm job level remains down about 6,600 jobs from the pre-recession peak.
- New data show that real 2013 GDP growth was weaker than in 2012 and weaker than forecasted.
- Ventura County faces significant risks, including possible job losses by major employers and weakness in the Agriculture sector.



# When Will We Recover Lost Jobs?

## Los Angeles

2010 Forecast: 2016-2018

2013 Forecast: 2017-2020

2014 Forecast: 2015

## Ventura

2010 Forecast: 2015-2016

2013 Forecast: 2017-2019

2014 Forecast: 2017-2020

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2014 Forecast: 2015-2016

## Riverside + San Bernardino

2010 Forecast: 2015-2016

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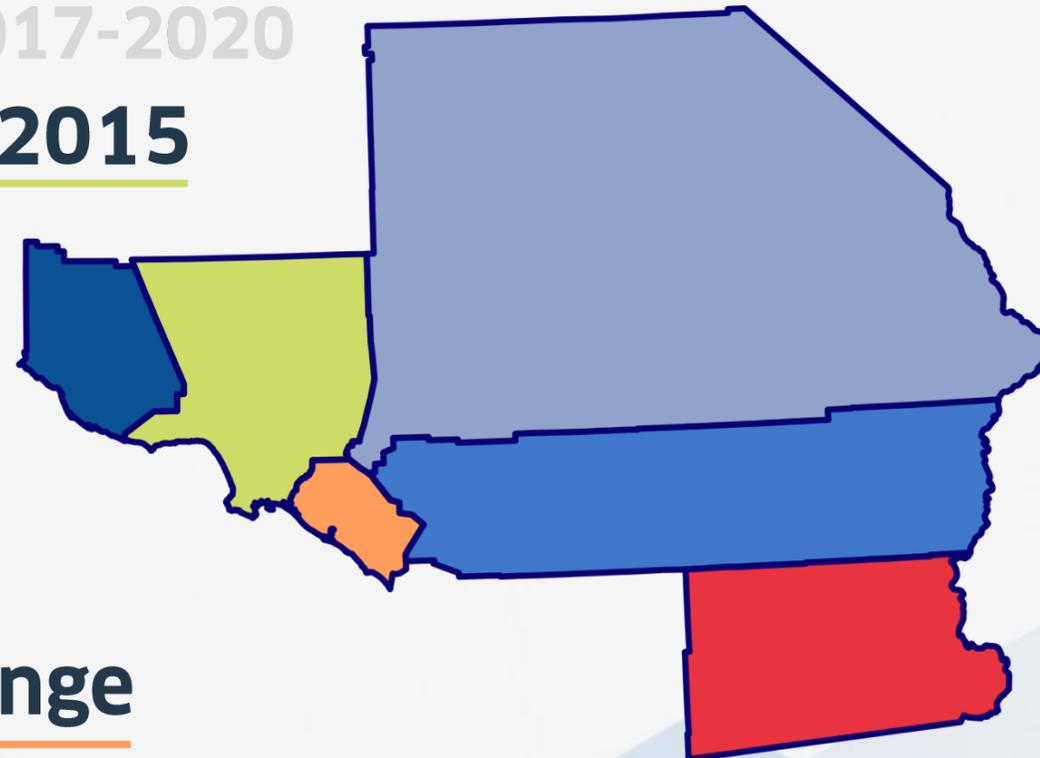
2014 Forecast: 2015

## Imperial

2010 Forecast: 2013-2015

2013 Forecast: 2013-2014

2014 Forecast: 2013



# Sectors with Lower Educational Requirements are Candidates for Good-Paying Job Growth

**THE  
CORE FIVE**  
LOWER  
EDUCATIONAL  
REQUIREMENTS,  
GOOD-PAYING  
JOB SECTORS

	% of Workers with a HS Diploma or less	New Jobs Forecasted, 2012-2020	Median Income
<b>Construction</b> 	84%	61,600	\$53,036
<b>Logistics</b> 	80.2%	143,100	\$44,291
<b>Finance, Insurance, &amp; Real Estate</b> 	74.8%	53,000	\$48,010
<b>Manufacturing</b> 	68.0%	13,600	\$50,597
<b>Health Care</b> 	43.9%	133,100	\$57,444

**TODAY'S MATERIALS ARE  
AVAILABLE FOR DOWNLOAD AT:**

<http://economy.scag.ca.gov>

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