

Solano, Sonoma counties propel North Bay job growth

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Annual job growth in the North Bay's largest counties — Sonoma and Solano — accelerated in November after easing in previous months, and unemployment rates mostly decreased throughout the North Bay last month, according to the latest state estimates.

Sonoma County

The unemployment rate in the North Bay's largest county was estimated to be 6.0 percent in November (6.2 percent, on a seasonally adjusted basis), tying with Napa and San Luis Obispo counties for the fifth-lowest rate in the state, according to data released Dec. 20 by the Employment Development Department. The Sonoma County jobless rate last month was down from a revised 6.1 percent in October and 7.7 percent from the previous November.

Based on half-century-old economics rule of thumb by Artur Okun, that every 1 percentage point decrease in the unemployment rate roughly suggests a 2 percentage point increase in gross domestic product, or GDP, the 1.8 percentage-point drop in Sonoma County's seasonally adjusted rate from a year before portends a 3.6 percent increase in the county's gross measure of economic activity, according to Robert Eyler, PhD, director of the Center for Regional Economics at Sonoma State University.

"With the best GDP for the nation for one quarter since 2007, we look at the signs in Sonoma County with the lower unemployment rate and growth in real GDP as really good signs going into 2014," Dr. Eyler said.

Net job growth for the county over 12 months was 2.0 percent, or 3,600 positions, increasing the total to 183,800 jobs last month. Leading job-creation industries were business and professional services with 1,100 more over 12 months; government, 1,000; leisure and hospitality, 700; retail-dominated trade, transportation and utilities, 500; and health care-related, 400.

That boost in government employment largely came from hiring at Graton Resort & Casino in Rohnert Park, because employees of Indian tribes are tallied under special government districts, according to Dr. Eyler.

State figures included a 1,400-position increase in Sonoma County special districts starting in October. The casino opened Nov. 5.

The 3.7 percent increase in tourism-related jobs over 12 months could be a sign of things to come, according to Dr. Eyler.

"Likely, tourism will continue to grow, based on demand in Sonoma County," he said.

The only major industry with job growth in the red from a year before was manufacturing, with 200 fewer positions. Farming, construction and information services had no net growth.

Though construction employment has been about level for two years, employment for specialty contractors grew about 7 percent in the past year, or by 400 jobs, Dr. Eyler noted.

Solano County

The jobless rate for Solano County was 7.6 percent in November, down from a revised 7.7 percent in October and 9.2 percent from a year before.

Solano had net annual industry job growth of 3.6 percent, or 4,400 positions, bringing the estimated total to 127,300 jobs in November. Leading industries for that growth were retail, with a net gain of 800, or 4.5 percent; health care, also 800, 5.0 percent; leisure and hospitality, 900, 6.7 percent; financial and business services, each with 400, 8.0 percent and 4.6 percent, respectively; and construction, 200, 2.4 percent.

While no major industries had a net loss of jobs over 12 months, government, manufacturing and farming had no growth in Solano.

"You are starting to see a little shift from external markets to internal markets when you see more internal demand," Dr. Eyler said. "A lot of counties are starting to go into a peaking of the cycle, from export-serving to more local-serving, and that's what it looks like in Solano."

Marin County

Marin County held its title of having the state's lowest jobless rate, at 4.6 percent last month. That's down slightly from a revised 4.7 percent in October and more than a percentage point improved from 5.7 percent the previous November.

Industry employment data for Marin this year isn't yet available.

Napa County

The unemployment rate for Napa County was 6.0 percent in November, up from a revised 5.4 percent in October but well below the year-ago estimate of 7.3 percent.

Over 12 months, the number of industry jobs increased by 1.6 percent, or 1,100 positions, to 69,500.

There is no standout industry that is surging, except for leisure and hospitality.

Hospitality and tourism, added 800, or 7.2 percent growth; manufacturing, which includes wine production, 400, 4.5 percent; and government, retail as well as construction, each with 200.

"Wineries are hiring," Dr. Eyster said.

Those gains offset net losses of 400 in health care, 200 in professional and business services, and 100 in farming.

Mendocino County

The official jobless rate for Mendocino County was 7.4% in November, up from 7.0 percent the previous month but down 1.4 percentage points from a year before.

Industry jobs declined 0.3 percent, or by 100 positions, over 12 months to 29,440. The biggest industry growth came from a net gain of 50 jobs in retail.

Lake County

In Lake County, the jobless rate increased to 12.2 percent in November from 11.6 in October but was down significantly from 14.2 percent a year before.

Lake had a 1.1 percent, or 140-job, decline in net industry employment over 12 months. A net loss of 180 jobs in construction, logging and mining over the year overcame small net gains in other industries, according to the figures.

Unemployment rates in the North Bay

Area	November	revised	preliminary	State ranking
	2012	October	November	
	2013	2013	2013	
Lake County	14.2%	11.6%	12.2%	50
Marin County	5.7%	4.7%	4.6%	1
Mendocino County	8.8%	7.0%	7.4%	16
Napa County	7.3%	5.4%	6.0%	5
Solano County	9.2%	7.7%	7.6%	18
Sonoma County	7.7%	6.1%	6.0%	5
California	9.6%	8.3%	8.3%	—
U.S.	7.4%	7.0%	6.6%	—

Source: California Employment Development Department.

Link to article: <http://www.northbaybusinessjournal.com/85065/north-bay-jobless-rates-mostly-dip-in-november-2013/>

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