

## PUBLIC AND PRIVATE SECTOR JOB GROWTH

*Two-thirds of the Region's new jobs are in the Private Sector*

### WHAT IS THE INDICATOR?

This indicator summarizes net job gains and losses by major industries, in both the private and public sectors, for 2000 through 2003. This data uses the new North American Industrial Classifications System (NAICS) to classify industry sectors, replacing the Standard Industrial Classification (SIC) system. NAICS identifies hundreds of new emerging and advanced technology industries, and reorganizes industries into more meaningful sectors than SIC codes, especially in the service producing segments of the economy. The nonprofit sector is included in various industries throughout the private sector.

### WHY IS THIS IMPORTANT?

Private sector job growth indicates economic and job diversification, reducing the Region's historic dependence on government as its predominant employer. However, government jobs are also important as they can provide good wages and benefits and stability during economic downturns.

### HOW ARE WE DOING?

Two-thirds of the net 45,200 new jobs were created in the private sector. The Construction sector had the largest gain overall, with 12,900 new jobs. The second largest gain was in Local Government, due in large part to increased spending on public school system initiatives in the early part of this decade. The next largest growth sectors were the Education and Health Services sector and the Financial Activities sector. Growth in the leading sectors was driven by the growth in population, construction and business-serving activities.

The largest net job losses were in the Professional and Business Services and the Manufacturing sectors. Manufacturing has experienced a decline throughout the nation, and job growth has not yet picked up due to high productivity rates, among other factors. The Government sector sustained the greatest losses in 2003, due to the State budget predicament and resulting cutbacks on local spending and education initiatives.

The Region's public universities are key economic drivers. The University of California, Davis and its medical center is the second largest employer in the Region, with nearly 24,000 employees. California State University at Sacramento provides nearly 16,000 jobs, most of them on campus or in services directly related to operations.

Employment is fast growing at the two Tribal gaming casinos in Yolo and Placer counties, especially with new resort and entertainment facilities being added. More than 4,200 jobs have been added in the past few years. Under the NAICS, these jobs are categorized under local government.

Beale Air Force Base in Yuba County is the employer of 3,911 military personnel and 237 civilians and home to an additional 3,415 dependents. The Base is a major underpinning of the local economy, and could be affected by the next round of federal base closures.

### Job Gains and Losses by Sector 2000–2003

| SECTOR                                   | GAINS/LOSSES | % CHANGE |
|--|--------------|----------|
| <b>Private</b>                           |              |          |
| Construction                             | 12,900       | 23.3%    |
| Education & Health Services              | 11,000       | 14.8%    |
| Financial Activities                     | 7,800        | 14.6%    |
| Leisure and Hospitality                  | 7,200        | 9.8%     |
| Retail Trade                             | 5,200        | 5.5%     |
| Information                              | 2,900        | 15.3%    |
| Other Services                           | 1,500        | 5.4%     |
| Wholesale Trade                          | 1,100        | 4.2%     |
| Natural Resources & Mining               | (100)        | -16.7%   |
| Transportation, Warehousing, & Utilities | (1,500)      | -6.1%    |
| Agriculture                              | (2,200)      | -14.7%   |
| Manufacturing                            | (6,500)      | -11.8%   |
| Professional & Business Services         | (9,000)      | -8.3%    |
| Subtotal                                 | 30,300       | 4.8%     |
| <b>Public</b>                            |              |          |
| Federal Government                       | (2,500)      | -14.6%   |
| State Government                         | 5,200        | 5.1%     |
| Local Government                         | 12,200       | 11.9%    |
| Subtotal                                 | 14,900       | 6.7%     |
| <b>Total</b>                             | 45,200       | 5.3%     |

Source: California Employment Development Dept.