

SAN DIEGO

Workforce Index



San Diego's Little Workforce Engine That Could Keeps Chugging Uphill

Key signs of improvement bloomed with the onset of summer this year. Overall job growth was up by over 7,000 new jobs in May. While some seasonal hiring is expected, these findings were bolstered by a similar drop in the number of first-time filers for unemployment and an additional .2% drop in the unemployment rate. In addition the USD Economic Index of leading indicators ticked up a strong .7% for May.

While national and international economic news continues to be bad, the local picture is rosier. This is not a speeding train, but a chugging workforce engine that has maintained steady improvement for the past 12 months.

June

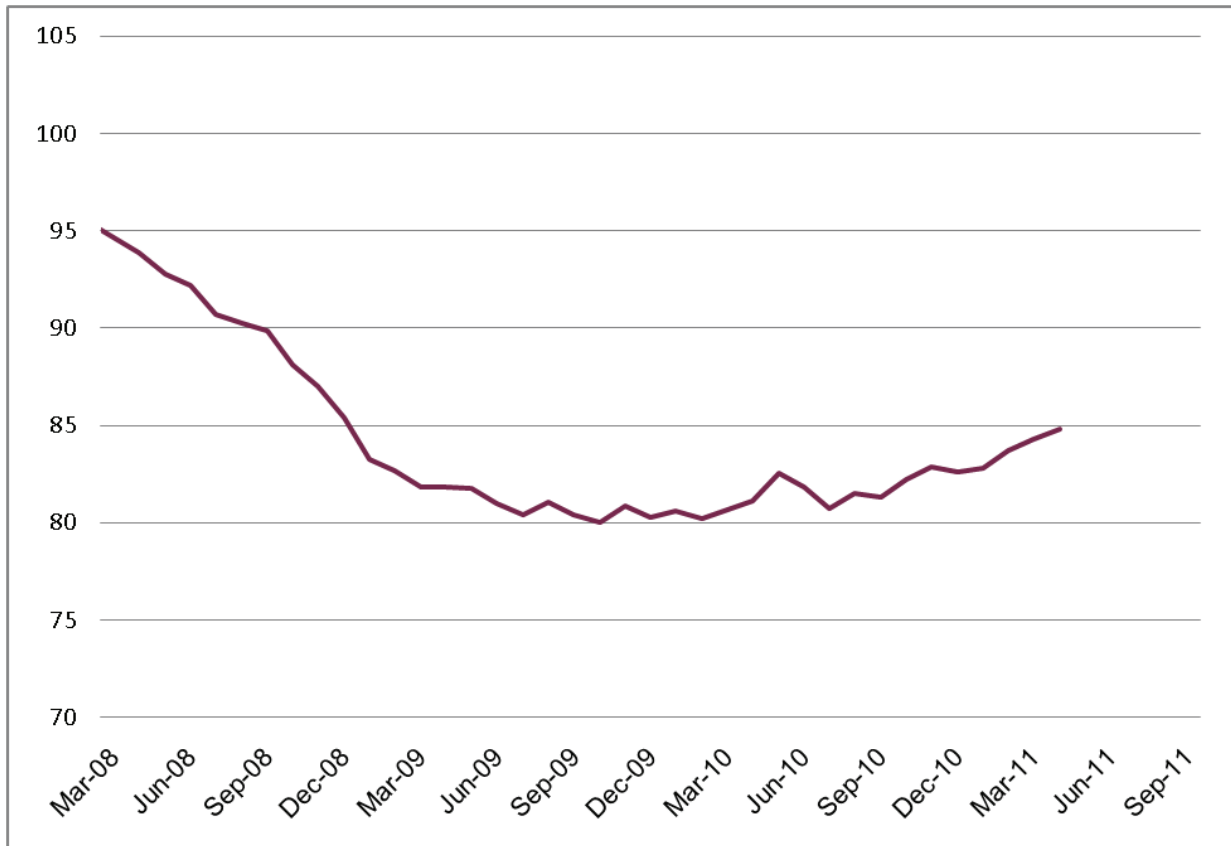
Release Date 6.30.2011

Compiled By Chuck Flacks

The jump to 85.38 in May from April's 84.83 (adjusted) was led by continued local economic improvement, the drops in unemployment already mentioned, significant drops in first-time unemployment filing and fairly robust (though seasonal) job growth. This increase continued amidst falling consumer confidence, a slowdown in temporary employment and a drop of over 10% in Indeed.com total job listings.

"With local companies like NASSCO getting new contracts and avoiding layoffs, the signs of recovery are more positive locally than what we are seeing nationally," remarked Gary Moss, Labor Market Specialist for the San Diego Workforce Partnership, "We worry that consumer confidence is down and governmental budgets are in turmoil, but the sun is still shining here."

The Index is a compilation of a range of economic indicators that provide a month-to-month record of the status of the workforce in San Diego County. A reading of 100 indicates "full employment" where the labor market is in equilibrium. A reading greater than 100 might indicate a shortage of workers or an overheated economy. A reading of less than 100 would indicate a slowdown in the local economy and might reflect a shortage of employment opportunities.



The changes in the measures used to calculate the San Diego Workforce Index are:

| Measure | April 2011 (adjusted) | May 2011 | Indexed Change ¹ |
|--|------------------------------|-----------------|------------------------------------|
| Indeed.com Total Jobs Available² | 62,919 | 56,758 | -10.98 |
| USD Index of Leading Economic Indicators³ | 116.3 | 117.2 | .63 |
| Conference Board Pacific Region Consumer Confidence Index⁴ | 67.4 | 65.5 | -1.78 |
| San Diego County Unemployment Rate⁵ | 9.8 | 9.6 | 4.88 |
| San Diego County First-Time Filers for Unemployment Insurance⁶ | 45,188 | 40,599 | 37.73 |
| Total Non-Farm Employment - San Diego County⁷ | 1,205,400 | 1,212,800 | .59 |
| Temporary Employment - San Diego County (excluded from total non-farm employment)⁸ | 28,200 | 28,100 | -.27 |

This index is a measure of the current state of the San Diego County workforce. The measures that make up this index were chosen using the following criteria:

- Local – the measure targets San Diego County;
- Monthly – the measure is updated on a monthly basis; and,
- Current Impact – the measure shows current conditions that impact the state of the workforce.

¹ Changes are indexed to the whole table. Size of the change is averaged across all numbers to take into account the volatility of each measure.

² Indeed.com – provided directly by San Diego representatives.

³ University of San Diego Index of Leading Economic Indicators – San Diego County: <http://home.sandiego.edu/~agin/usdlej/>

⁴ Conference Board Consumer Confidence Survey for Pacific Region – Used by permission.

⁵ California EDD Monthly Unemployment rate – San Diego County

⁶ California EDD monthly report, first-time filers for Unemployment Insurance – San Diego County

⁷ California EDD monthly report, total non-farm employment – San Diego County

⁸ California EDD monthly report, temporary workers – San Diego County