

# Economy Improving, Challenges Remain

## A Regional Economic Update

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CEHD Meeting

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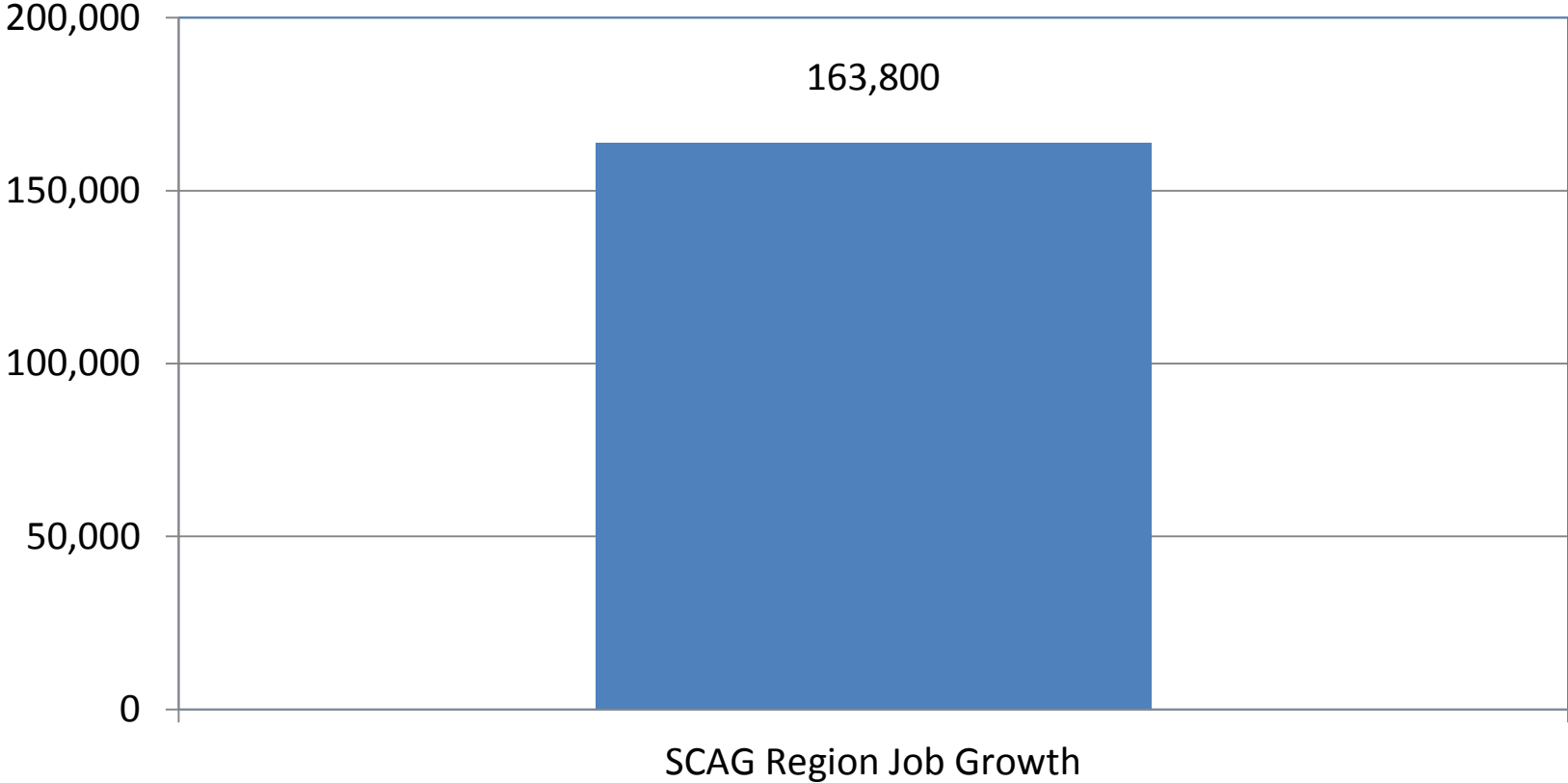
# Topics

- Regional Job Trends
- Sub Regional Job Trends
- Industry Job Trends
- Unemployment Trends
- Other Economic Indicators
- Challenges

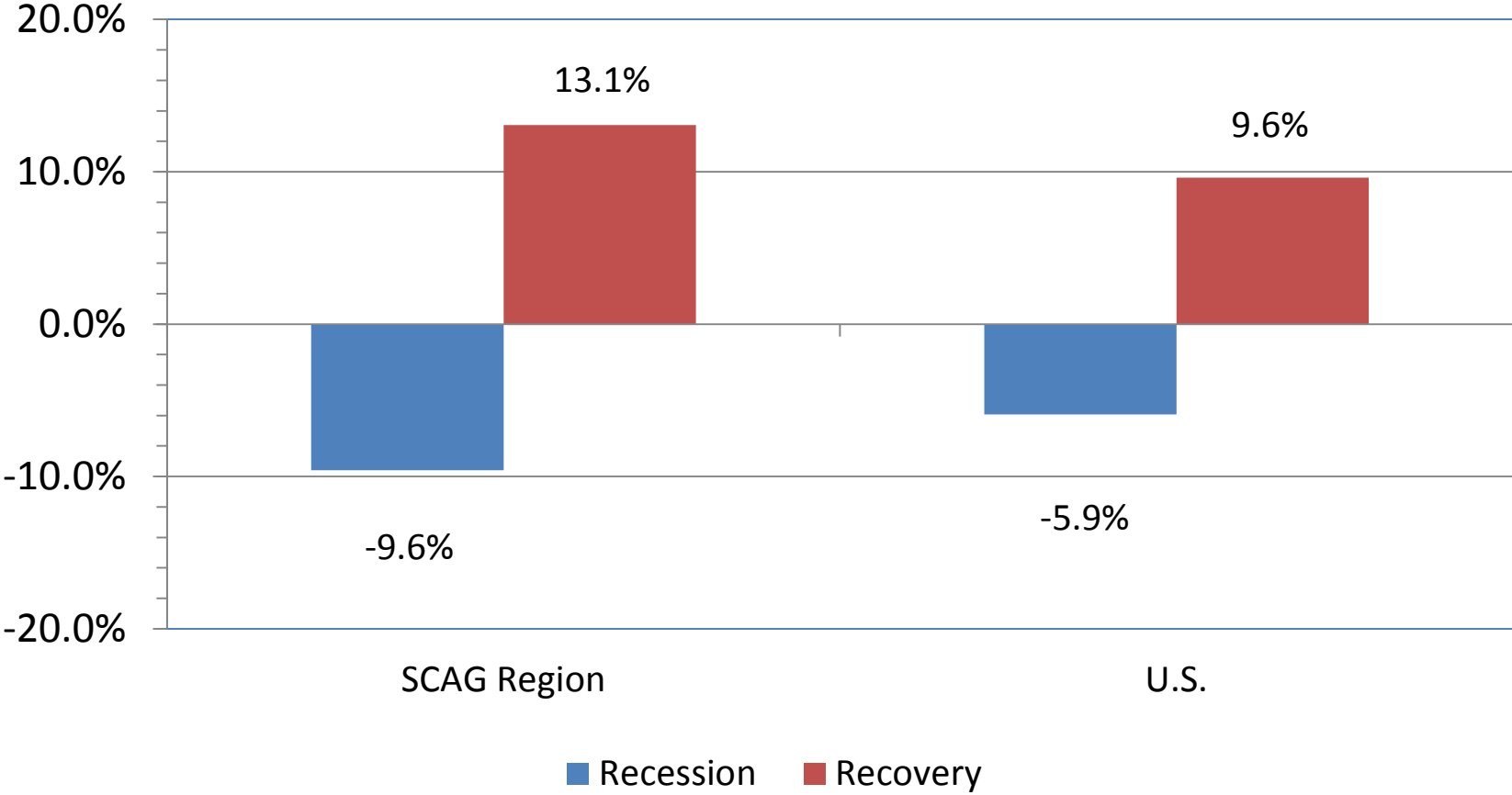
# Regional Job Trends

- The SCAG region has recovered all the jobs lost during the recession and is now 200,000 jobs above the pre-recession peak
- The region was hit harder than the nation by the recession but has outpaced the nation in job growth during the recovery period.
- From 2007 through 2015 the region and nation have similar growth rates

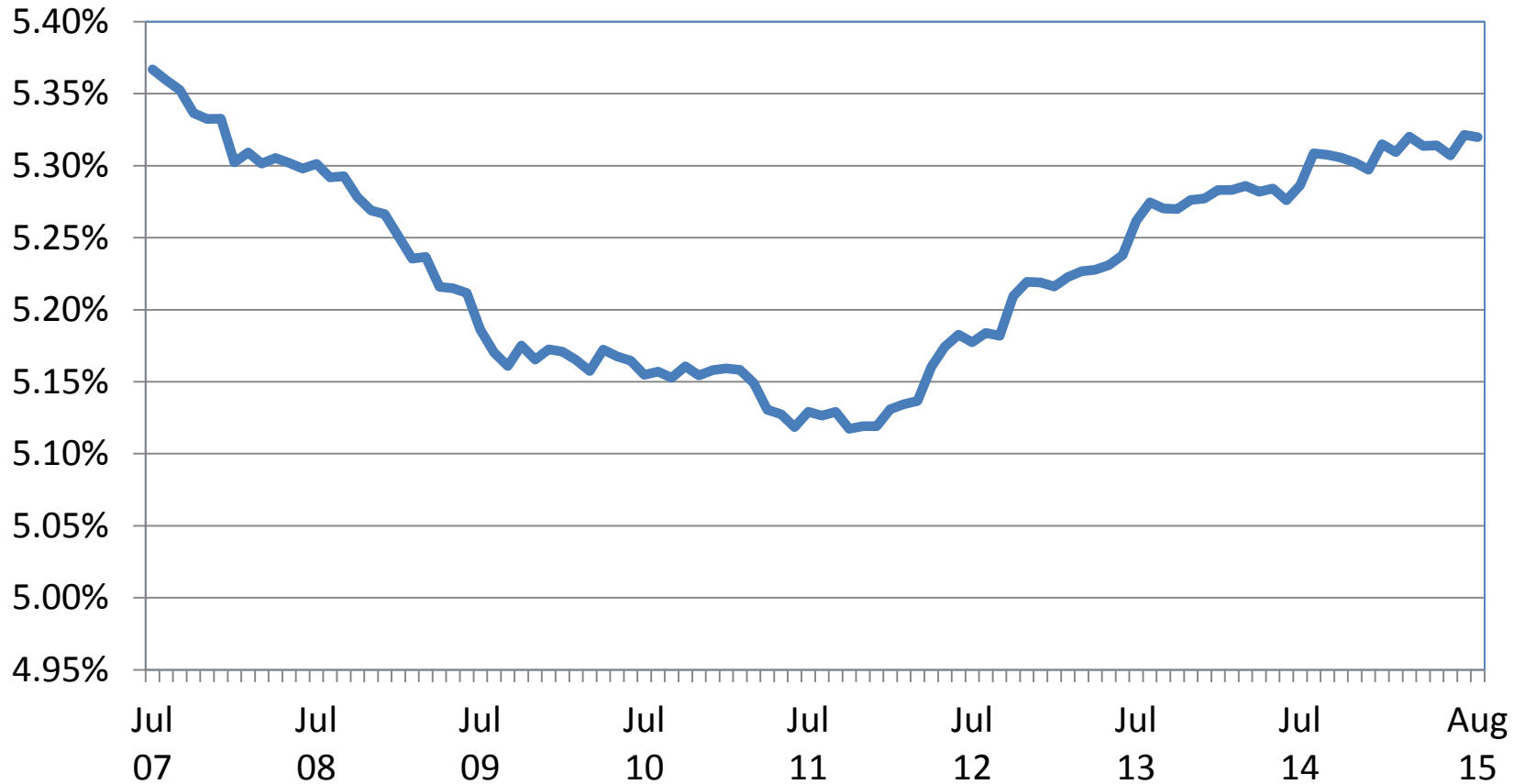
# July 2007 (Pre-recession Peak) to August 2015



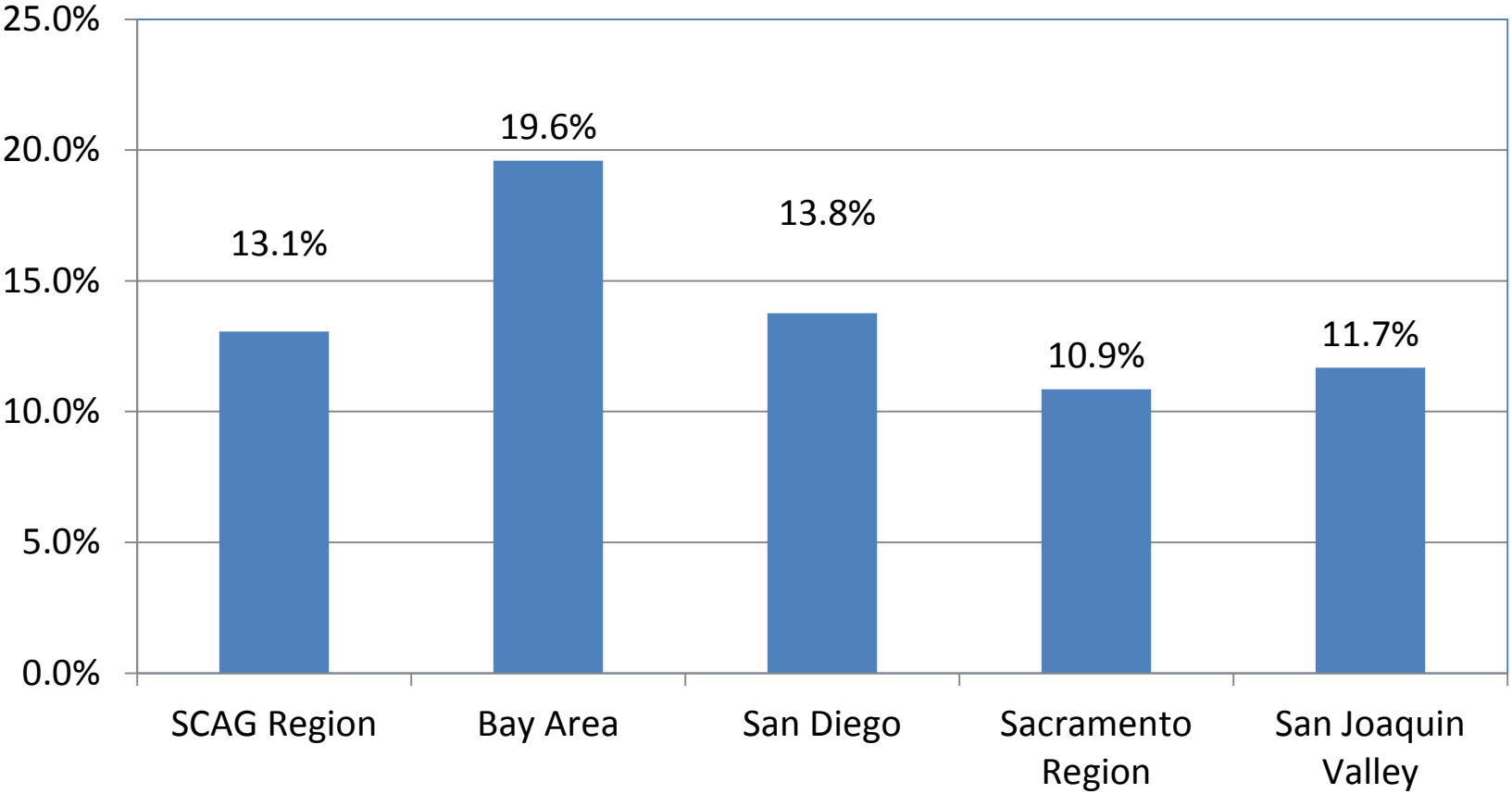
# Job Growth Rates During Recession and Recovery Years



# SCAG Region Share of U.S. Jobs



# Regional Job Growth Rates During the Recovery Years

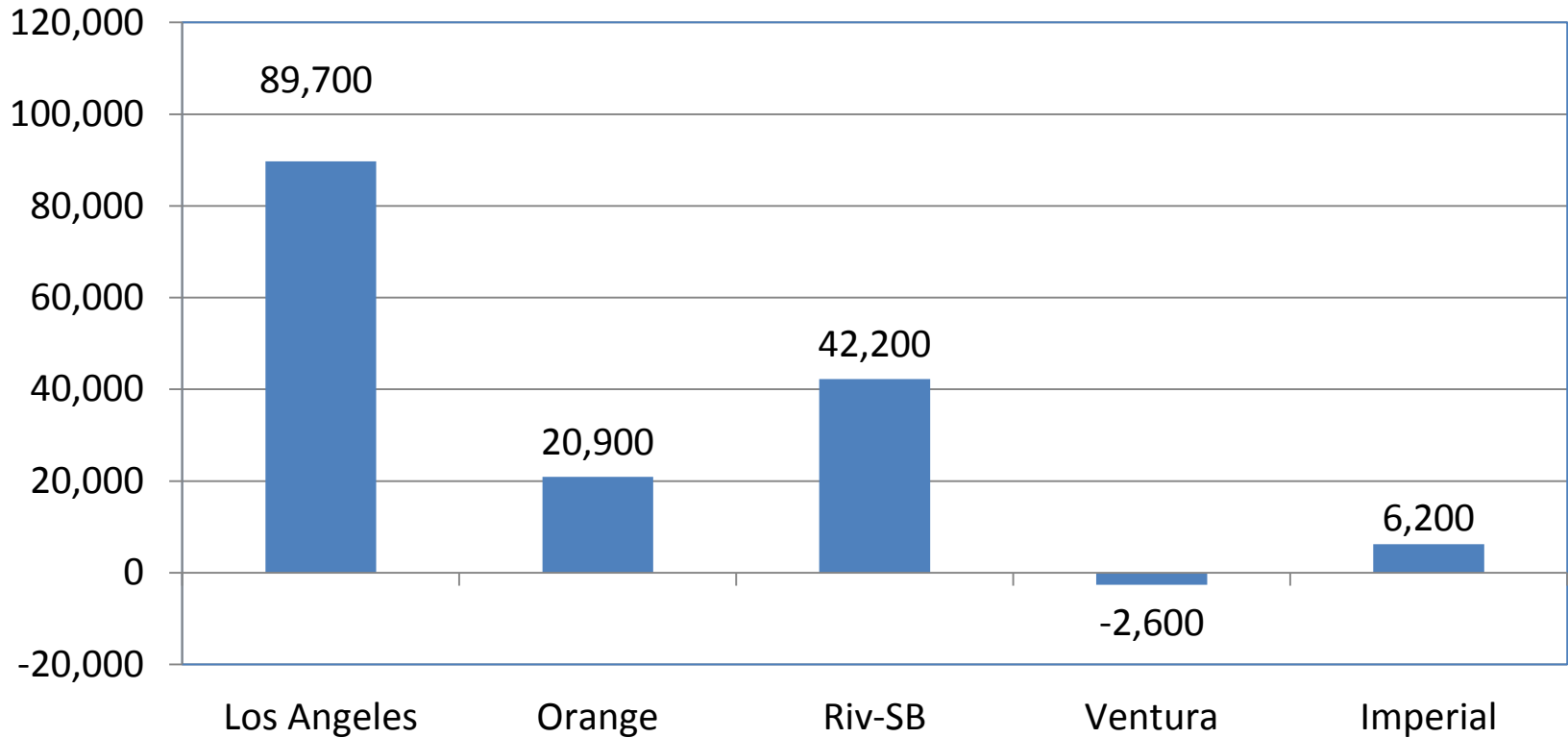


# Sub Regional Job Trends

- All metro areas except Ventura have surpassed pre-recession peak job levels.



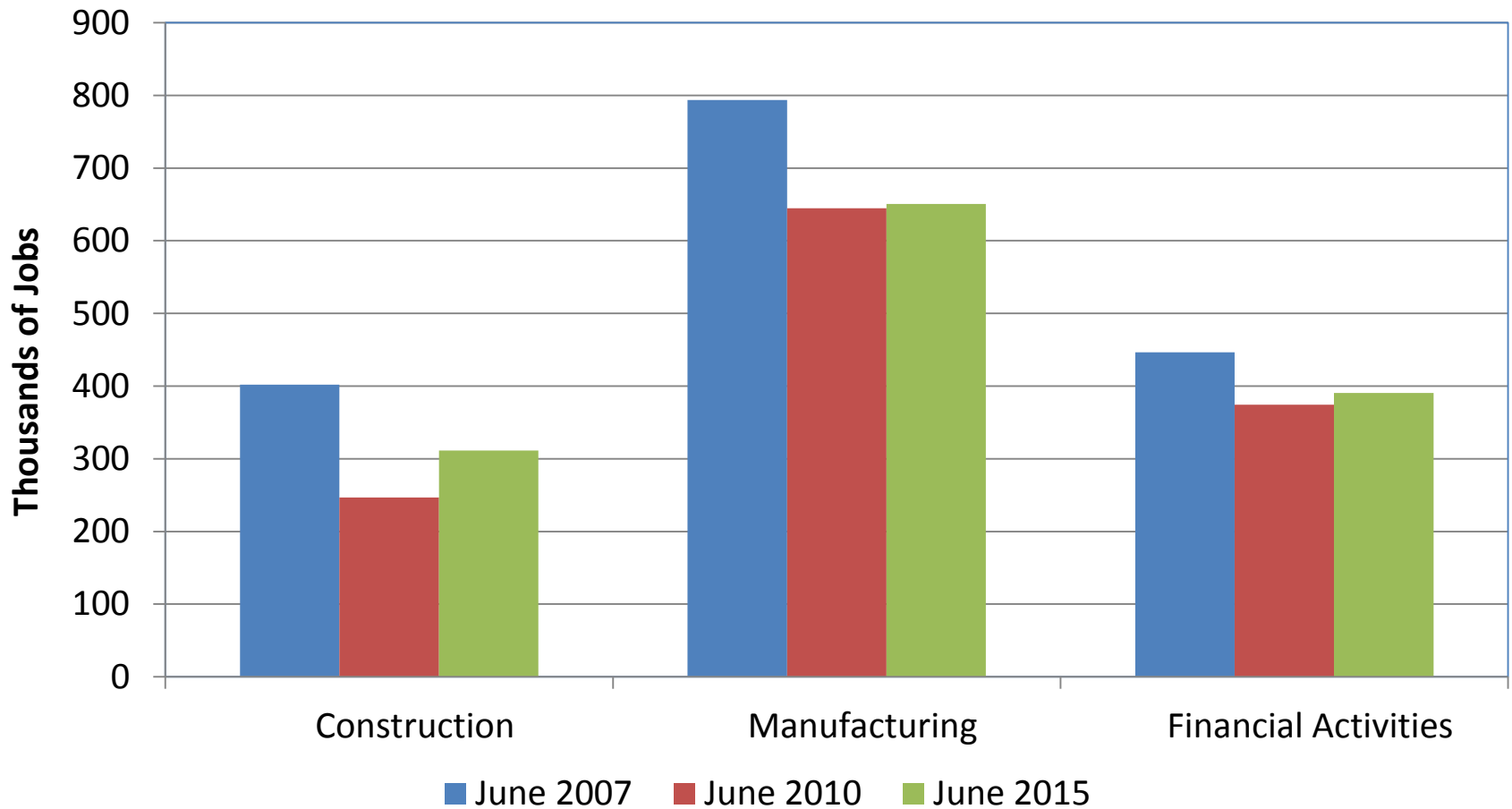
# Job Growth Since Pre-Recession Peak



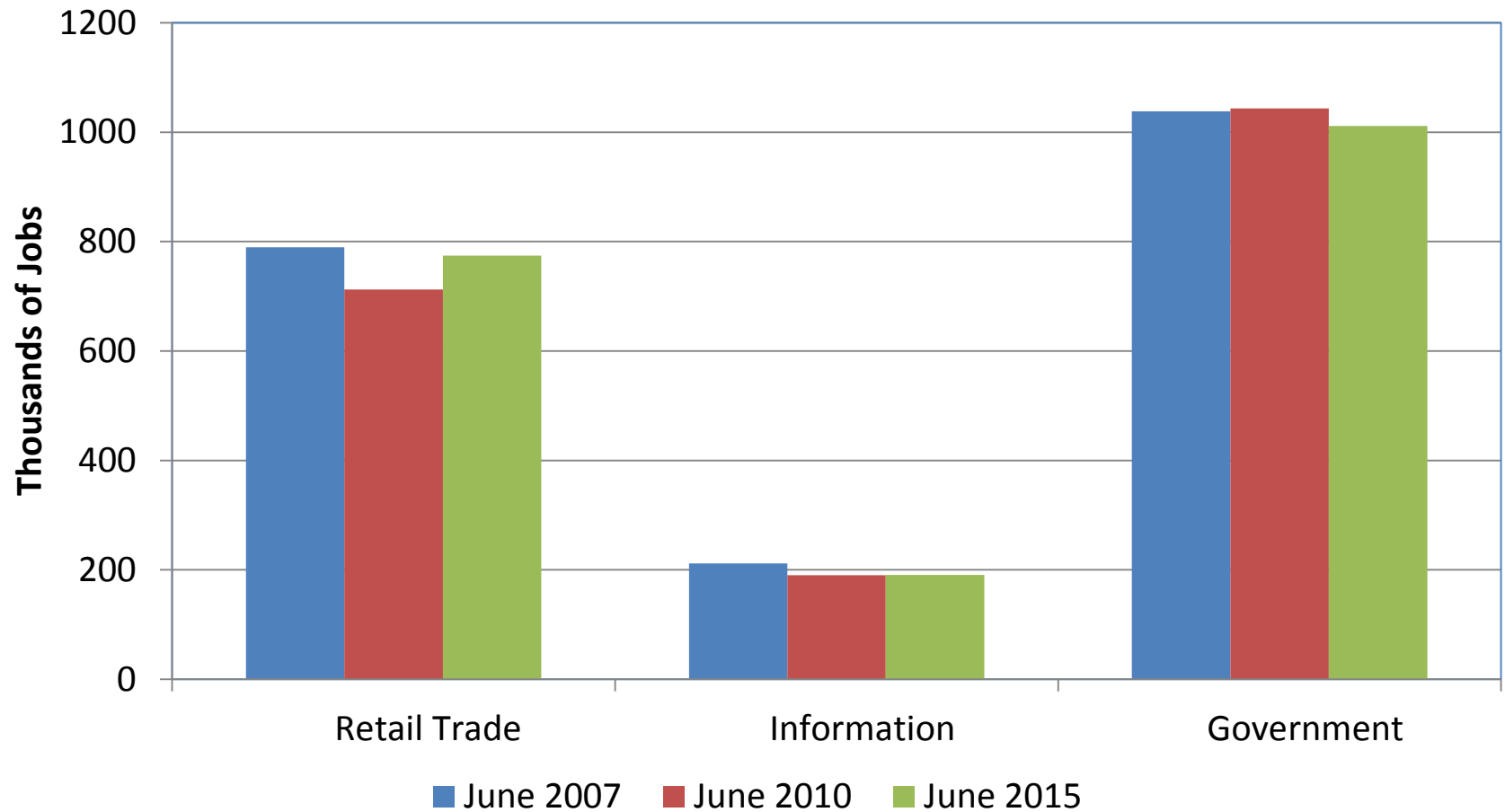
# Industry Trends

- A mixed industry picture for the region
- Large losses in Manufacturing, Finance and Construction (some recovery here)
- Gains in health care, leisure and hospitality, professional services and wholesale trade
- A large pleasant surprise in the Inland Empire
- The future can be different

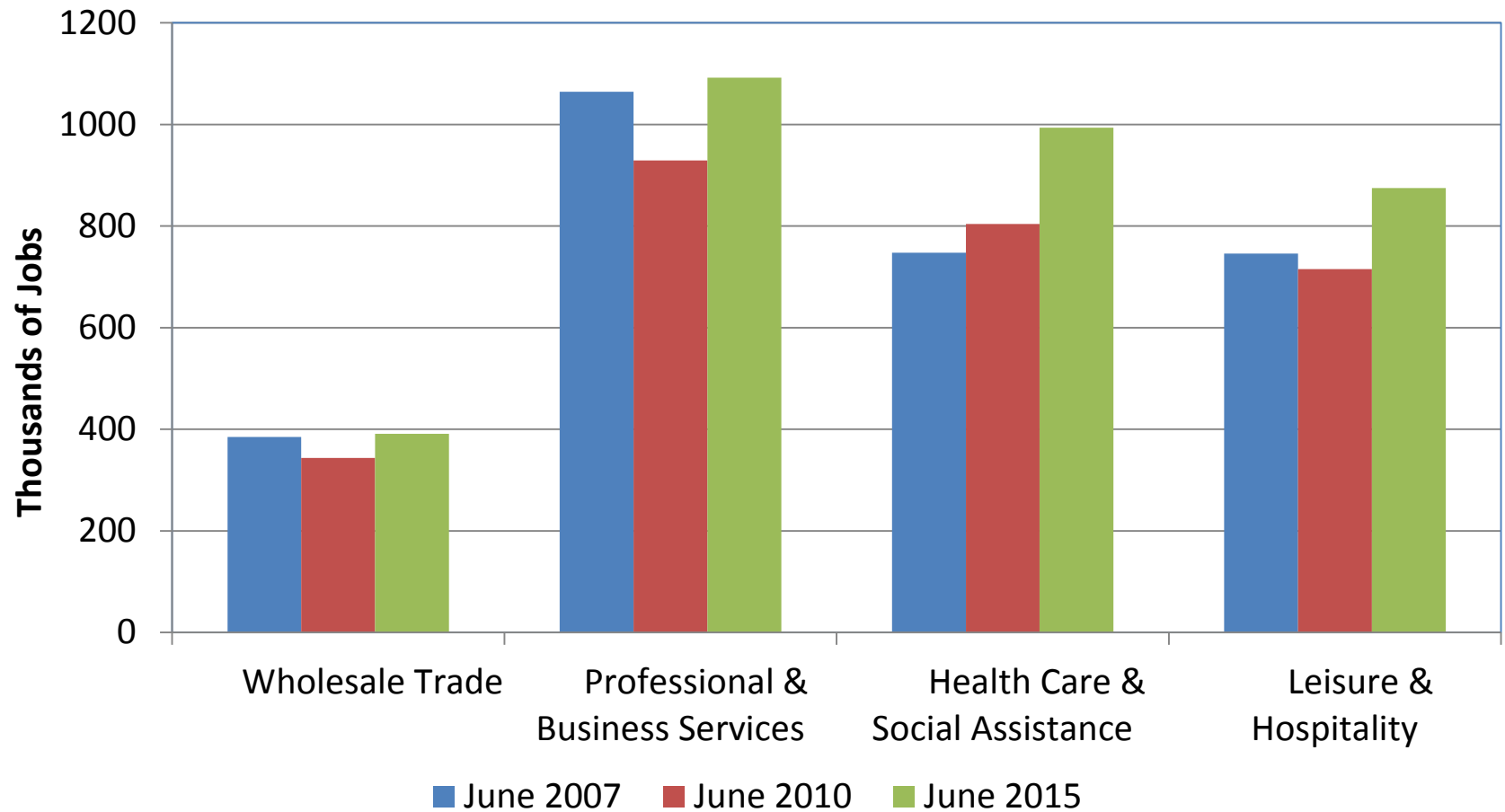
# Large Job Losses, Small Recovery; Future Depends on Construction Surge



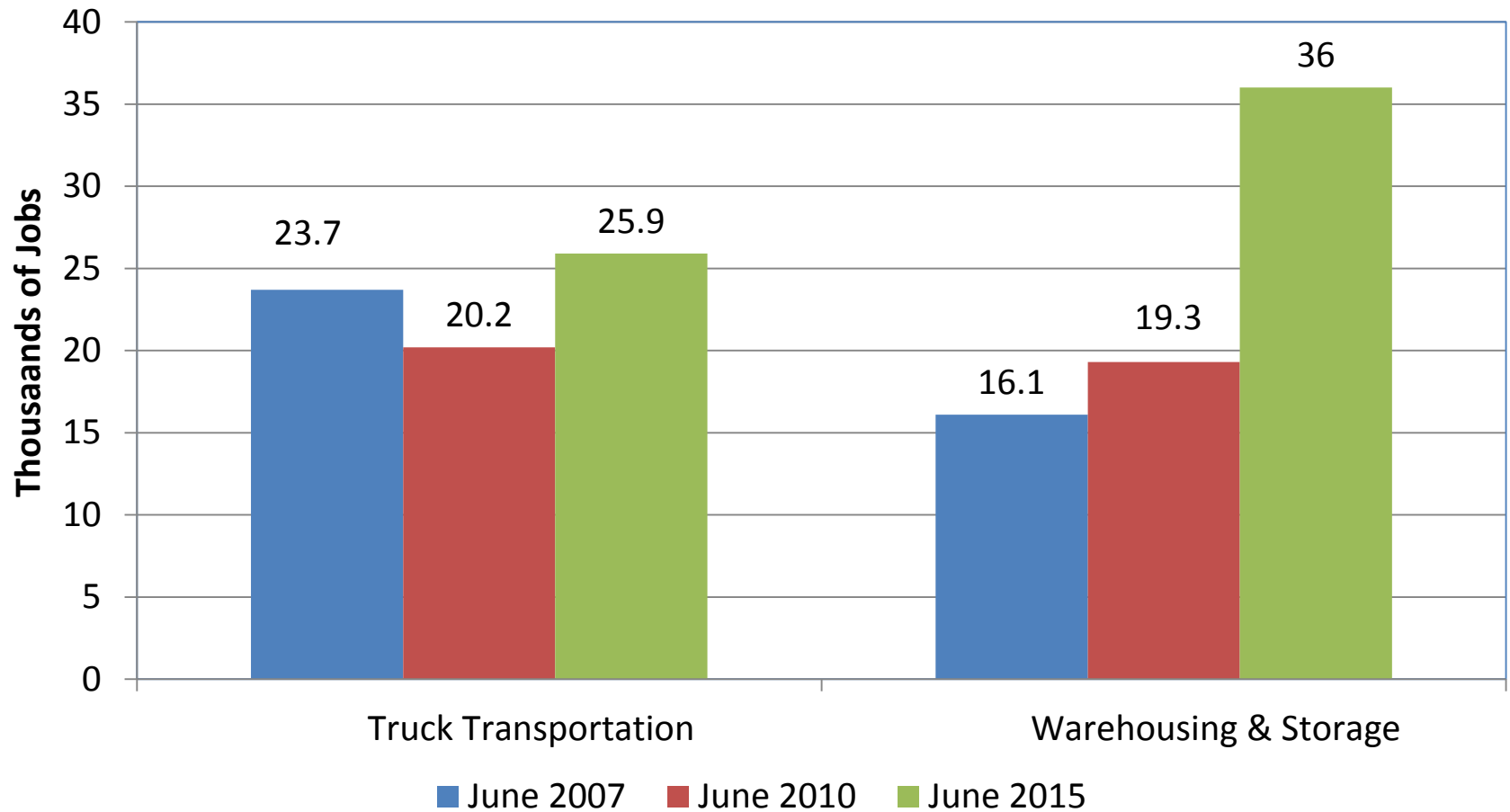
# Some Job Losses; Future Gains Likely



# Sectors with Continuing Growth Prospects



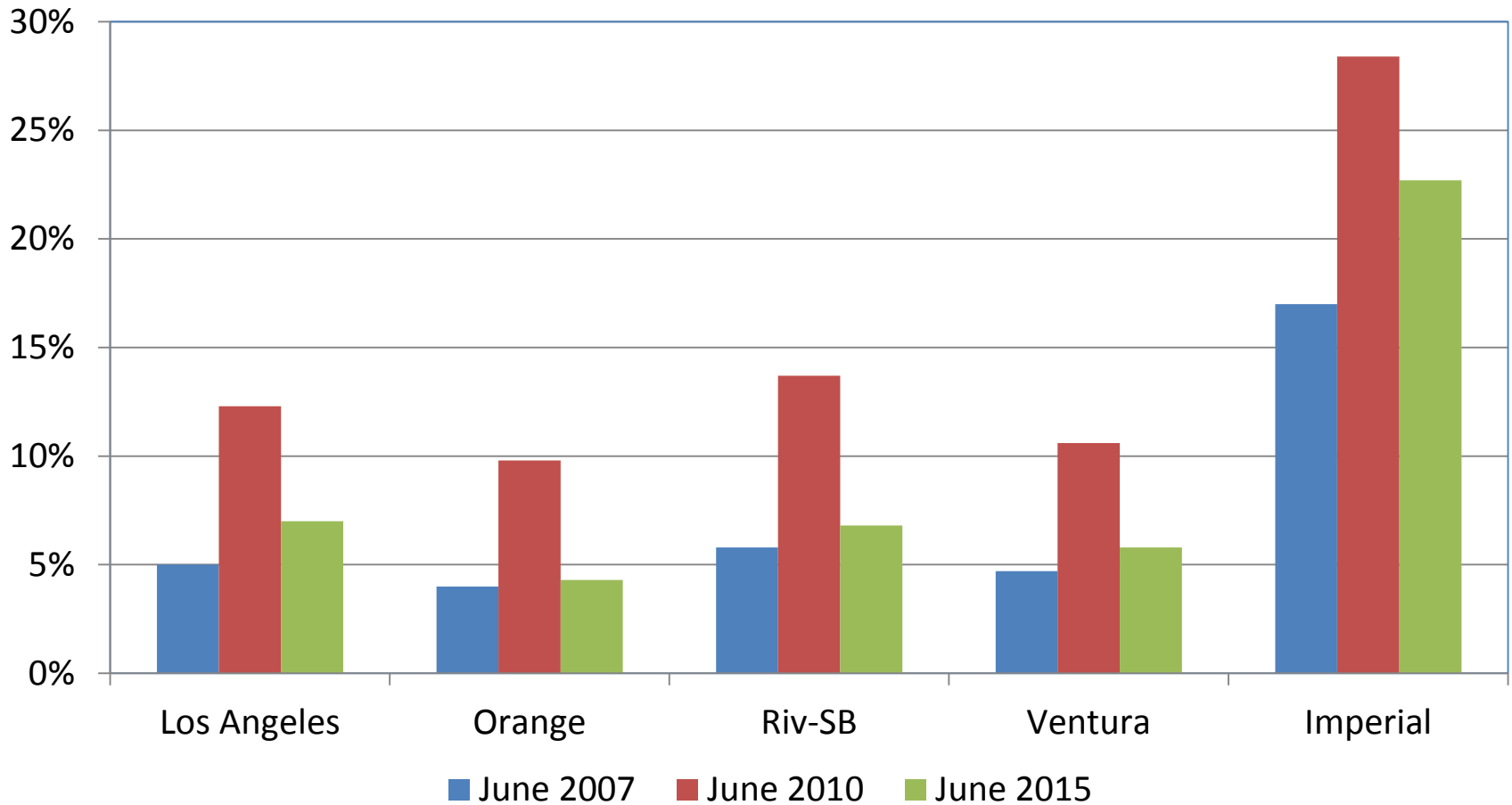
# An Inland Empire Surge



# Unemployment Rate Trends

- Unemployment rates have fallen substantially since 2010
- But are still higher than before the recession

# SCAG Region Unemployment Rates

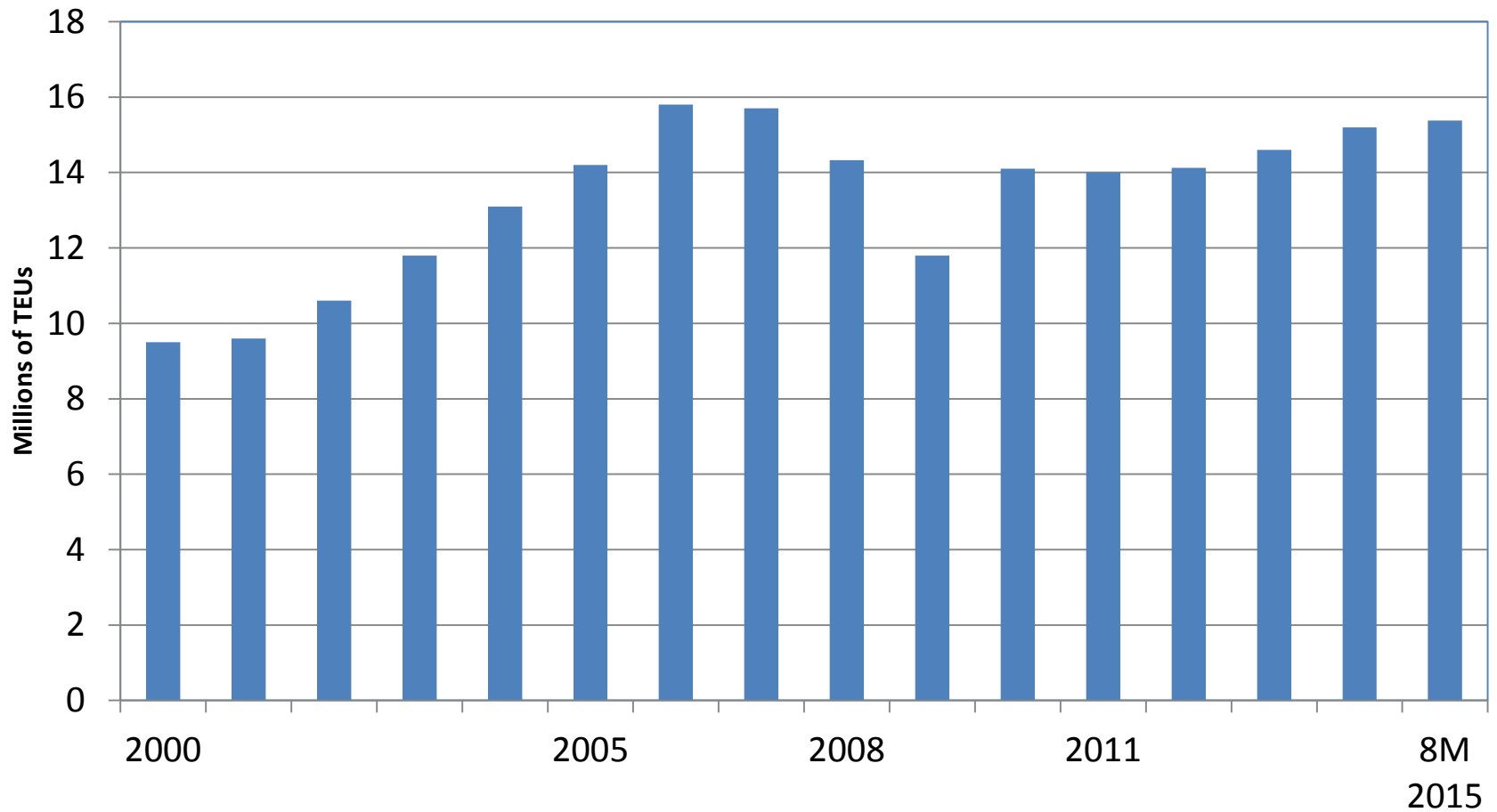




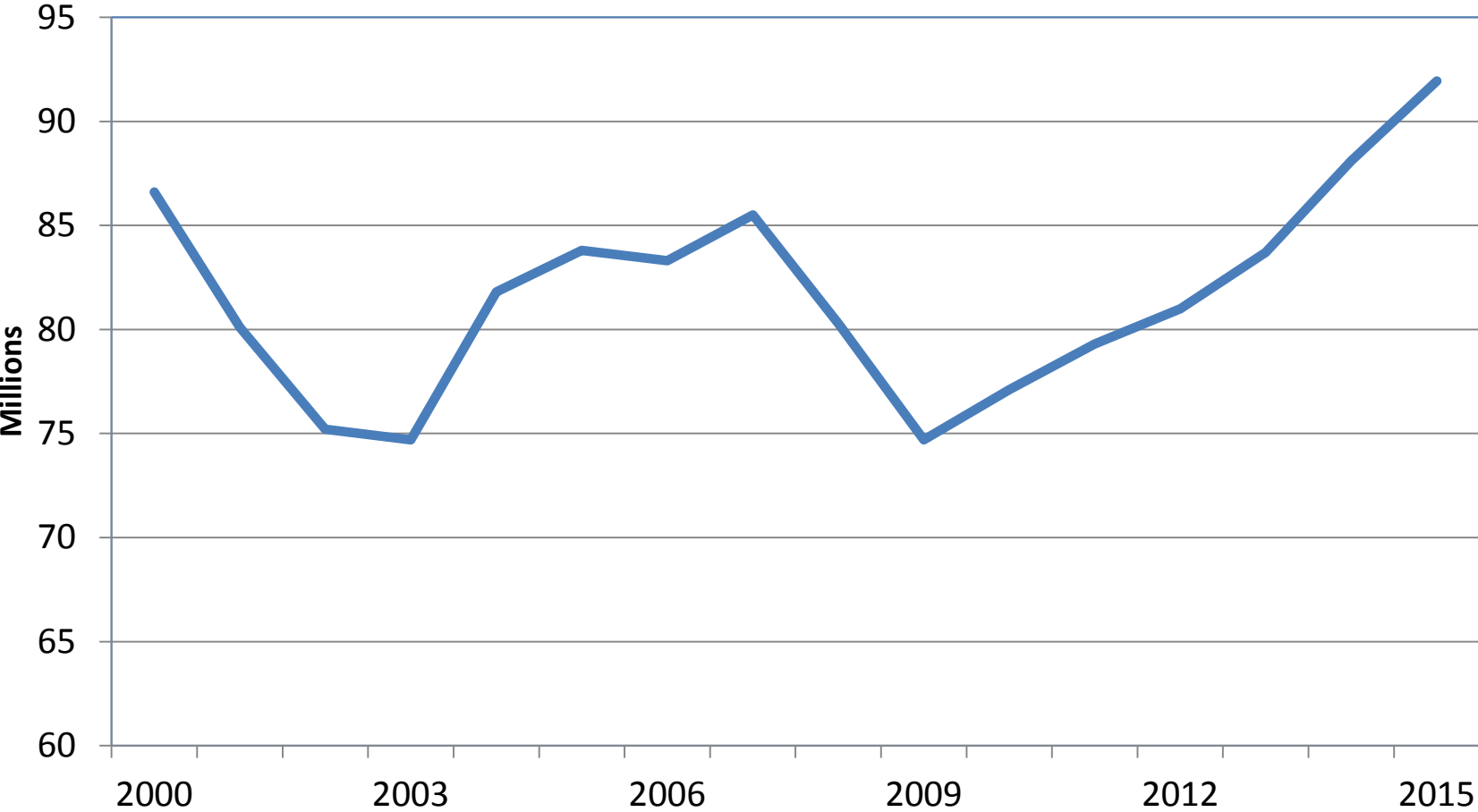
# Other Economic Indicators

- Port traffic
- Air travel
- VC Funding
- Poverty Rates
- Assessed Value
- Housing Indicators

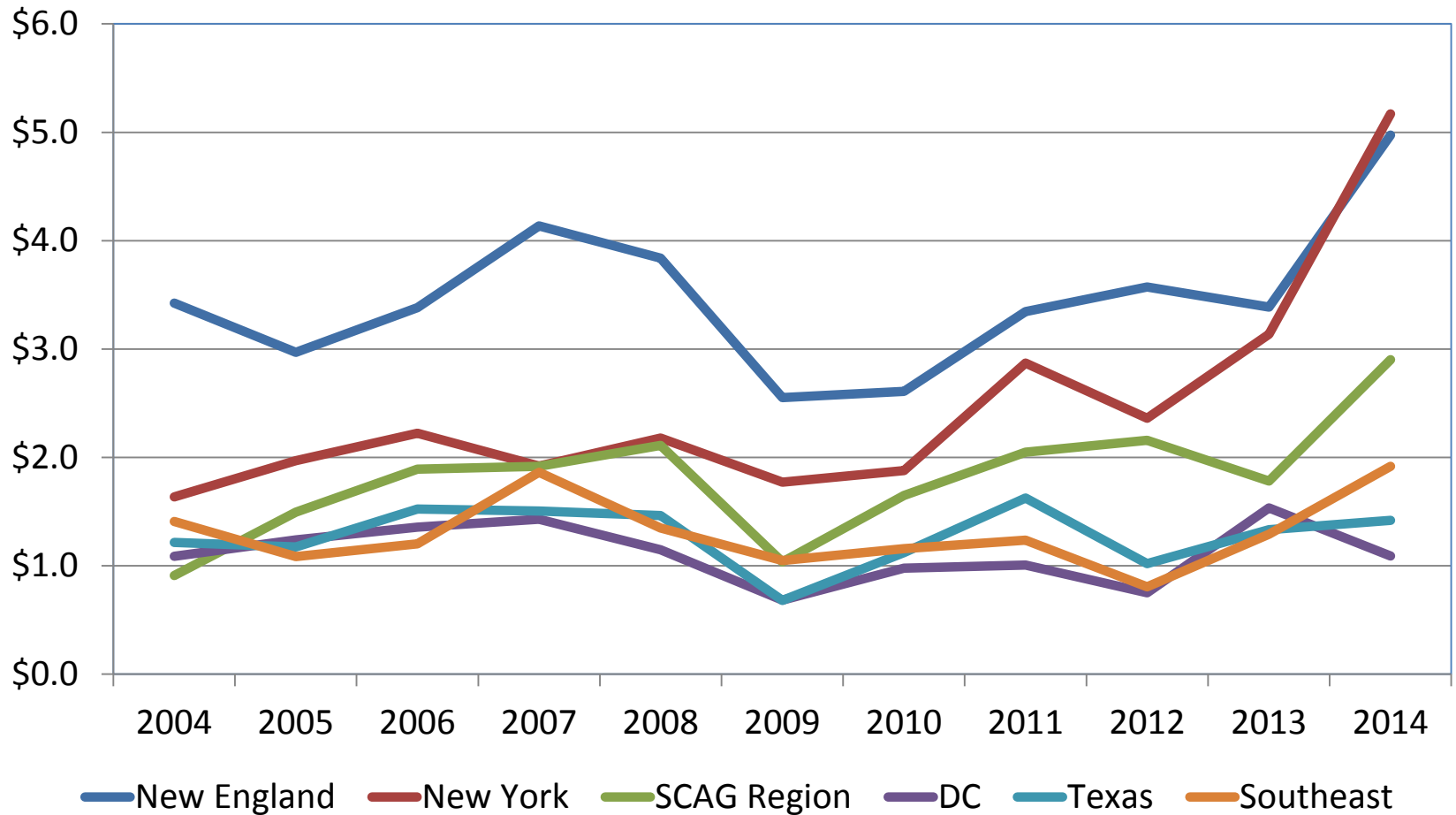
# Container Shipments Ports of Los Angeles and Long Beach



# Passengers at Major SCAG Region Airports



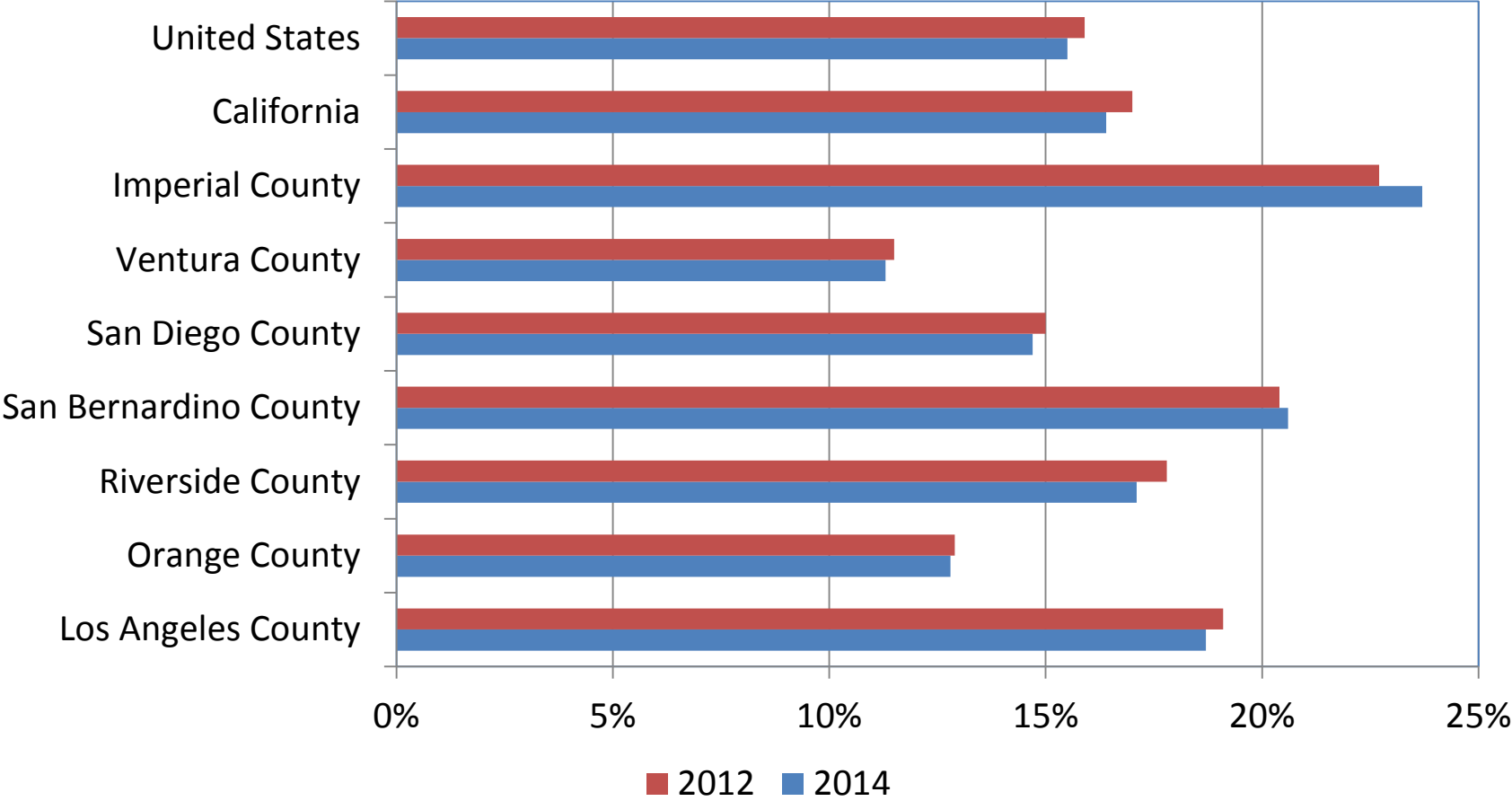
# VC Funding (\$Billions)—Bay Area Leads, SCAG Region 4<sup>th</sup>, 1<sup>st</sup> Half 2015 Region Funding Surpasses 2014 Total



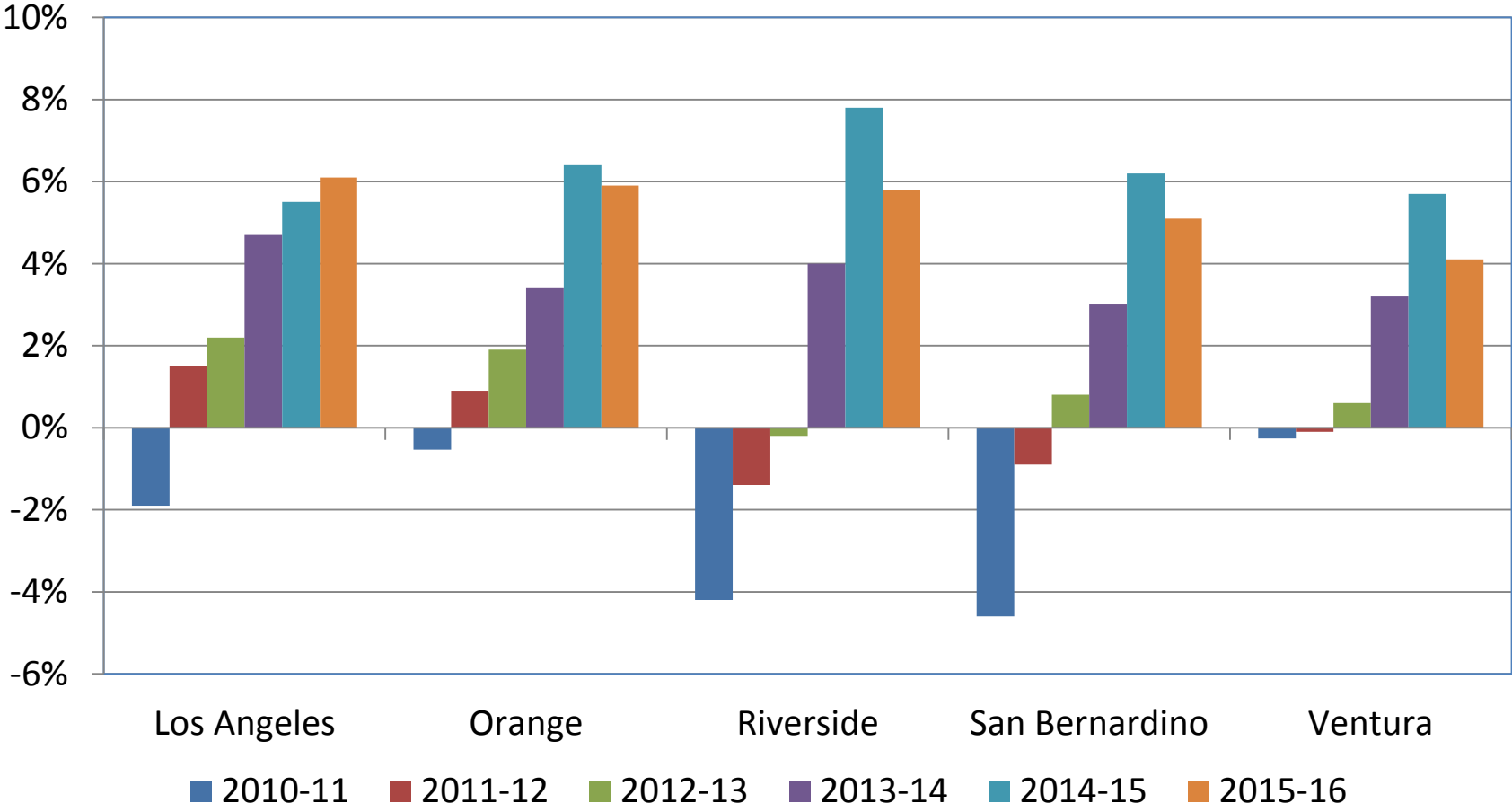
# Poverty Rates

- Poverty rates remain high despite job growth
- Orange, San Diego and Ventura County rates slightly below the state and national average
- Imperial, Los Angeles, Riverside and San Bernardino County rates much higher

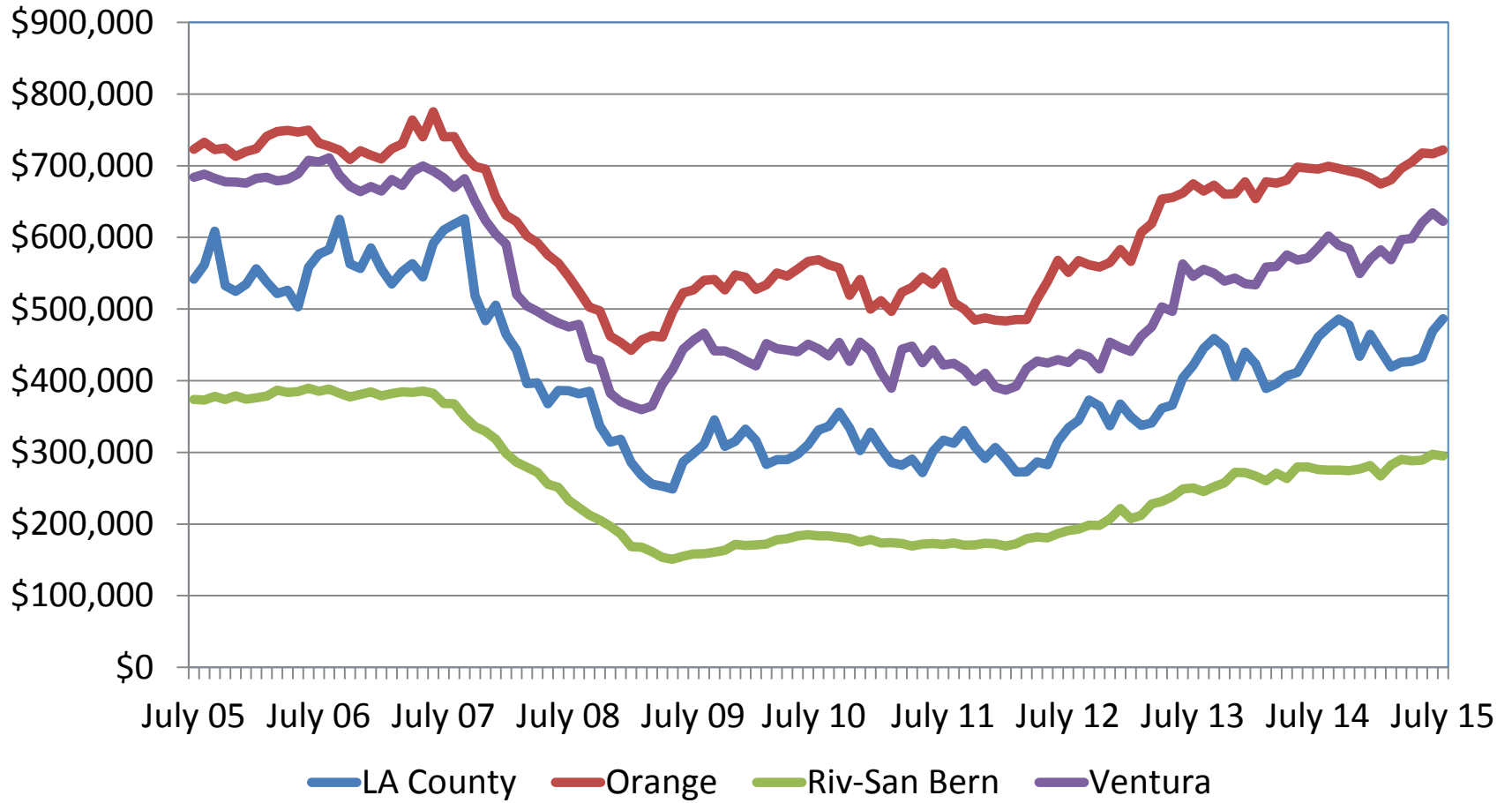
# Poverty Rates for All Residents



# Change in Assessed Value

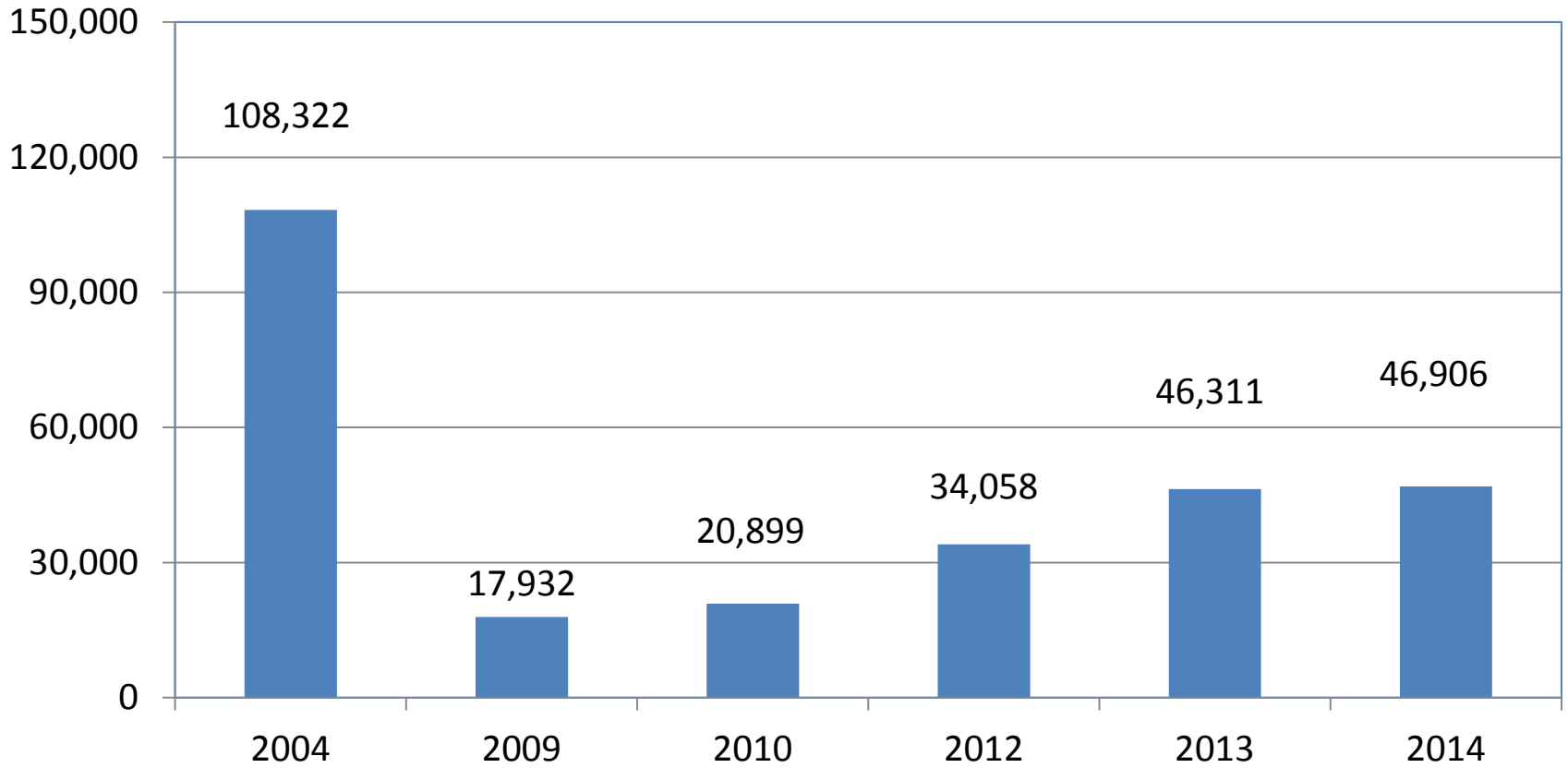


# Median Home Prices Rising; Still Below Pre-Recession Peak





# Residential Building Unit Permits



# Challenges From the Data

- An ongoing shortage of housing
- The need for infrastructure to support a competitive port and warehousing complex
- Increasing education and training (plus immigration reform) necessary to prepare a competitive workforce and prepare for baby boomer retirement
- Regional opportunities exist but need investment and hard work to capture