

Central San Joaquin Valley unemployment continues year-over-year drop

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Unemployment in Fresno County fell below 10% last month for the first time since last fall, dipping to 9.8% on the strength of a seasonal rise in farm employment.

Figures released Friday by the California Employment Development Department also show that May was the 44th consecutive month in which the county's unemployment rate has fallen from the prior year — a long-term trend that reflects a slowly improving jobs picture for the Valley.

Work on Fresno County farms grew by 10,400 between April and May, while non-farm jobs rose by about 400, the EDD reported. The job growth helped drive the unemployment rate down from 10.1% in April and 11% from May 2014.

"This is a normal drop that we see this time of year," said Steven Gutierrez, an EDD labor market analyst in Fresno. "There's a surge of work in farms, food packing and food manufacturing, and those will probably continue to gain throughout the summer." Agriculture employers reported having 58,100 workers on their payrolls, compared to 47,700 in April and 57,800 a year ago. The manufacturing industry in Fresno County, which includes food packing and processing, had about 11,400 employees last month, up from both April and from May 2014.

798,100 people employed across the five-county central San Joaquin Valley region

91,500 people in the region who want jobs but are unemployed

Other industry sectors reporting significant year-over-year gains were trade/transportation/utilities, professional/business services (including specialties such as legal, accountancy, engineering, scientific, waste management and other technical services for business clients) and education/health services. Employment in trade/transportation/utilities — which includes wholesalers, retailers, trucking, warehousing and utilities — ballooned to 64,600 people last month, a gain of about 3,200 jobs from a year earlier. "In fact, this is the highest May job total for trade, transportation and utilities going back to 1990," Gutierrez said.

Month-over and year-over unemployment rates also fell in neighboring Madera, Kings, Merced and Tulare counties. Madera was the only other central San Joaquin Valley county reporting unemployment under 10%, falling to 9.8%. Total employment across the five-county region was estimated at 798,100, compared to 91,500 people who want jobs but are unemployed.

California is one of 25 states in which unemployment rose in May, to 6.4%, a slight increase from 6.3% in April but down from 7.6% in May 2014. The national rate also inched up from 5.4% in April to 5.5% in May. The state and national rates rose despite adding jobs, but the uptick in unemployment rates was attributed to more people re-entering the labor force faster than employers are hiring. The calculations of unemployment rates are based on people who are working or actively looking for work. People who are not part of the labor force, including students, retirees and "discouraged" workers who have given up their search for jobs, are not counted in the unemployment rates until they rejoin the workforce.

Gutierrez said the Valley could experience something similar as the summer continues: "We could see a slight uptick next month; normally we see the June rate go up when we see students who are out of school, retirees and others reentering the workforce for the summer."

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