

Fresno County unemployment rate dips under 9 percent

By Tim Sheehan
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Fresno County's unemployment rate dipped to under 9 percent in August, marking the first time in almost eight years that the jobless mark has been that low.

The figures released Friday by the state [Employment Development Department](#) show that the unemployment rate last month was 8.9 percent. That was down from 9.5 percent in July, and well below the rate of 10.4 percent from a year ago. It is the fourth month in a row in which the county's unemployment rate has been under 10 percent – and that hasn't happened since the fall of 2007, near the start of the Great Recession.

"It's important improvement that Fresno and the Valley have been able to get unemployment down," said Jeffrey Michael, director of the [Center for Business and Policy Research](#) at the University of the Pacific in Stockton. "We think Fresno County is going to come in at under 10% for the year as a whole, and the only other time that Fresno has achieved that in the last 25 years is during the peak of the housing bubble" from 2005 through 2006, before the recession.

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Jeffrey Michael, director, Center for Business and Policy Research, University of the Pacific

The August rate is far below what it was during the trough of the region's economic turmoil in 2010 and 2011, when unemployment rates occasionally exceeded 18 percent. And it could fall even more in September, said Steven Gutierrez, an EDD labor market analyst in Fresno.

"August and September are historically the months reflecting the lowest unemployment rates each year because of seasonal swings in agriculture employment and school starting up again in the fall," Gutierrez said. "If the trend holds, we should see it go down a little bit more in September."

Fresno County's month-over-month improvement in the jobless rate was fueled by substantial hiring in several industry sectors. Farm employment grew by about 1,400 jobs between July and August, climbing to about 61,000 workers following normal seasonal trends as the summer harvest season for crops such as almonds and grapes was in full swing, Gutierrez said. Professional and business services – which include specialties such as legal, accountancy, engineering, scientific, waste management and other technical services for business clients – added about 1,100 jobs in the month. The sector also registered the largest year-over-year job growth with about 2,300 positions since August 2014, driving the total number of jobs in the industry to nearly 35,000.

Other industries that added sizable numbers of jobs between July and August were manufacturing, private-sector education/health services, and leisure/hospitality, each growing by about 400 positions during the month.

The EDD reported that about 408,700 people were employed in Fresno County in August – the highest total of any month since at least 1990. The 40,000 estimated to be out of work is the smallest count since mid-2008, and less than half of the peak jobless tally of 80,800 in January 2011. Across the five-county Valley region, employment was estimated at more than 797,000, while the number of unemployed was reported at 83,700.

Neighboring counties in the central San Joaquin Valley also registered month-to-month and year-over-year declines in their unemployment rates.

Even with the improvement, Valley counties continue to have higher jobless rates than the state and national averages.

“We’d really like to see the rate around 6 or 7 percent, but it’s good to see it back into single digits. The region has been growing employment in a lot of ways,” Michael said. “I feel pretty good about the current direction of the economy.”

California’s unemployment rate fell to 6.1 percent in August, compared to 6.2 percent in July and down from 7.4 percent in August 2014. This was the state’s lowest unemployment rate since January 2008. Nationally, unemployment was estimated at 5.1 percent, down from 5.3 percent in July and the lowest it’s been since May 2008, according to data from the [U.S. Bureau of Labor Statistics](#).

Across the nation, unemployment rates fell in 29 states and held steady in 11 others. Rates rose in 10 other states. Nebraska had the nation’s lowest rate in August at 2.8 percent, while the highest rate was in Nevada at 6.8 percent.

The official unemployment rate is based on the percentage of the total workforce (people who are available and willing to work). But workforce figures don’t include people who had stopped looking for work, including retirees, students returning to school or people who have given up their search. “There has been a little slowdown in population and labor force growth, so that helps job growth catch up,” Michael said.

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