

Ventura County has an increasingly large and diverse economy. The size and growth of that economy; the number and pay of jobs in each sector; and the infrastructure investment that undergirds it are all of paramount importance.

As the county has grown, its economy has evolved. The overall size of the county's economy is growing rapidly, but its components are changing. As the county originally developed, the economy was heavily dependent on oil and agriculture. During the era of rapid suburbanization, many workers left the county for employment, and public employment emerged as one of the largest and best-paying economic sectors.

Today, the county still exports workers (we have 400,000 workers and 300,000 jobs). The overall size of the county's economy is growing rapidly and the job mix is changing, as both high-paying and low-paying sectors are among the fastest-growing parts of the county's economy.



# GROSS COUNTY PRODUCT

## WHAT IS THE MEASURE?

The Gross County Product (GCP), similar to our U.S. Gross Domestic Product (GDP), is calculated by adding together the market values of all of the final goods and services produced in a year. GCP is a good measurement of the final goods produced in the county because it does not include the value of a good when sold by a producer, again when sold by the distributor, and once more when sold by the retailer to the final customer. The measure only counts the final sale.

## WHY IS THE MEASURE IMPORTANT?

Gross County Product allows us to evaluate the health of the Ventura County economy, including our investment and saving patterns, the quality of our technological advances, and our material well-being. While rates of inflation and unemployment, and changes in our income distribution provide us additional measures of the successes and weaknesses of our economy, none is a more important indicator of our economy's health than rates of change in GCP.

## HOW ARE WE DOING?

The region's GCP was \$43 billion in 2001 (\$40 billion in constant 1996 dollars). In the five years since the end of the recession in 1995, the GCP had doubled in actual dollars and increased by 84% in constant dollars. This represents a dramatic turnaround from the early '90s, when the GCP was stagnant at around \$21 billion in constant dollars.

## GROSS COUNTY PRODUCT - VENTURA COUNTY

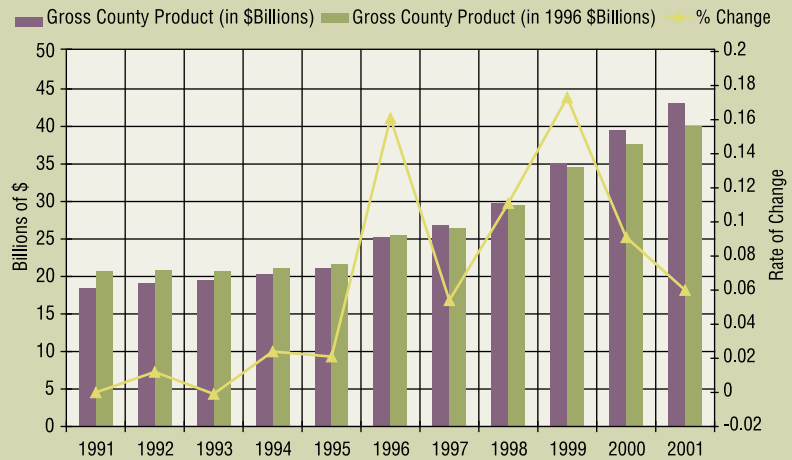


Chart EC-1

# EMPLOYMENT GROWTH

## WHAT IS THE MEASURE?

The measure is the annual increase in the number of employed persons in Ventura County.

## WHY IS THE MEASURE IMPORTANT?

Job and productivity growth are the economy's most powerful tools for raising incomes and reducing poverty. More individuals are helped by high economic growth rates than by all public programs aimed at reducing poverty. Moreover, public programs, including welfare reform, are much more likely to succeed in a strong economy. Strong economic growth also provides the context for expanding indirect income support programs like increases in the minimum wage and assistance for health care and childcare access. Economic growth also makes training efforts more likely to result in improved jobs and earnings.

## HOW ARE WE DOING?

In 2001, the Ventura County economy supported approximately 300,000 jobs, an increase of 2.1% from 2000. The 2001 growth rate was lower than the growth rate for the previous three years,

which hovered in the range of 4%. Nevertheless, recent job growth rates have been very strong compared with the recession of the early and mid 1990s, when some years saw virtually no job growth at all.

## EMPLOYMENT GROWTH IN VENTURA COUNTY 1991 - 2001

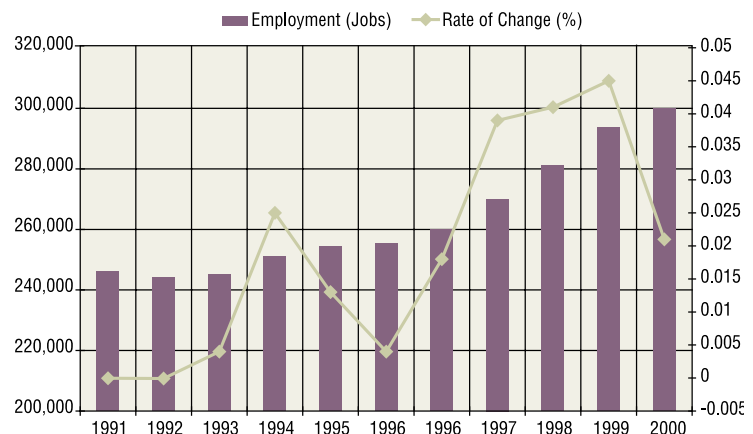


Chart EC-2

# EMPLOYMENT BY SECTOR

## WHAT IS THE MEASURE?

The measure is a breakdown of employment in Ventura County by industrial sector.

## WHY IS THE MEASURE IMPORTANT?

The focus of public sector workforce policy has been employment – meaning helping people find jobs. However, just as important is the quality of jobs; i.e., compensation, benefits, on-the-job learning, and/or promotional opportunities. Employment by industrial sector is a good indicator of the quality (i.e., wages and salaries paid, required skill levels) of jobs at a point in time, as well as over a period of time. This measure can also indicate shortages of certain types of workers (e.g., highly skilled technology workers) in particular industrial sectors.

## HOW ARE WE DOING?

In 2000, three sectors -- services (a very broad sector), public agencies, and retail trade -- accounted for more than half the jobs in the county. Between 1991 and 2000, the number of jobs increased in all sectors except mining (which includes oil production) and transportation/utilities. Public employment, which has high salaries generally, was stagnant. (See the following indicator for more information about salaries by sector.)

In numerical terms, the service sector, which includes many different types of jobs, accounted for almost half of all job growth during this period.

The largest percentage increase occurred in non-durable manufacturing (79%), which is, on average, one of the highest-paying economic sectors. In addition to services, other sectors that saw a large percentage increase were finance, construction, and agriculture and retail (the two lowest-paying sectors).

Overall, the county has seen a healthy increase in many sectors, including both high-paying and low-paying areas.

### EMPLOYMENT GROWTH (1991 TO 2000) AND 2000 AVERAGE ANNUAL SALARIES

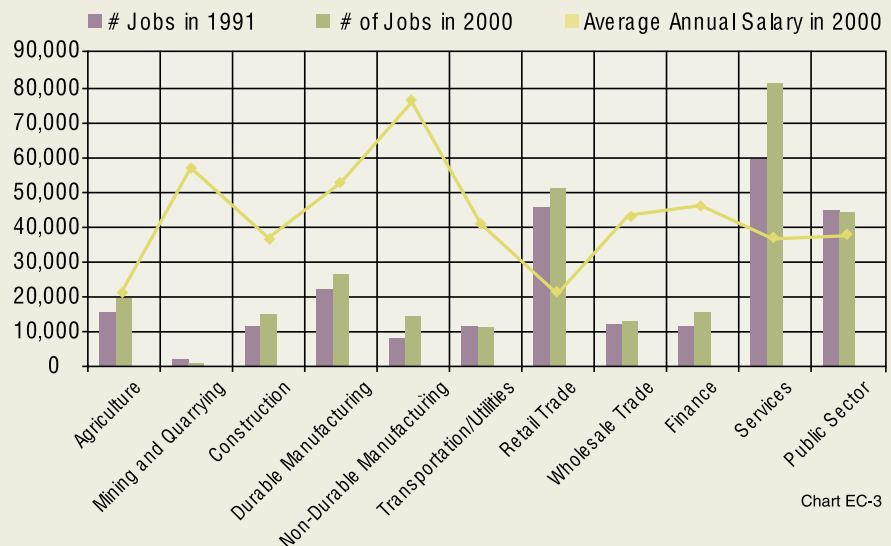


Chart EC-3

## SALARIES BY SECTOR

### WHAT IS THE MEASURE?

Salary is a term used to define all remuneration (pay, wages) of a worker or group of workers for services performed during a specific period of time.

### WHY IS THE MEASURE IMPORTANT?

This is an extremely important measurement of rising living standards and opportunities. Throughout Southern California, the number of jobs is on the rise, but often those jobs pay so little that many employed workers are classified as poor. This measure is a powerful indicator of workers' ability to move beyond poverty toward a life of increasing opportunities.

### HOW ARE WE DOING?

The average salary in Ventura County in 2000 was \$38,808. Salaries vary dramatically by sector in Ventura County, as they do everywhere in the United States. In general, manufacturing, utilities, communications, and mining pay the highest wages, while agriculture and retail trade pay the lowest.

On average, the average salary paid in Ventura County grew by 44.3% in the nine-year period between 1991 and 2000. All sectors experienced an increase of at least 26%. Non-durable manufacturing saw by far the highest increase, growing from \$22,333 in 1990 to \$77,000 by 2000. Other large salary increases came in finance and wholesale trade. The smallest increases came in construction, agriculture, and the public sector.

## UNEMPLOYMENT

### WHAT IS THE MEASURE?

The unemployment rate represents the number of unemployed workers, as a percent of the labor force.

### WHY IS THE MEASURE IMPORTANT?

Public policy, both in the state and the nation, has two main goals relative to the economy; (1) maintain high rates of economic growth so that living standards can rise, and (2) ensure the widest possible participation in prosperity and rising living standards. Unemployment is an indicator of this latter economic goal.

### HOW ARE WE DOING?

The unemployment rate reached a high of almost 9% during the recession of the early '90s. Since then it has declined gradually to approximately 4.5%. Despite the declining rate, the number of unemployed people has remained constant at between 25,000 and 30,000.

UNEMPLOYMENT IN VENTURA COUNTY  
# OF PEOPLE AND RATE - 1991 - 2000

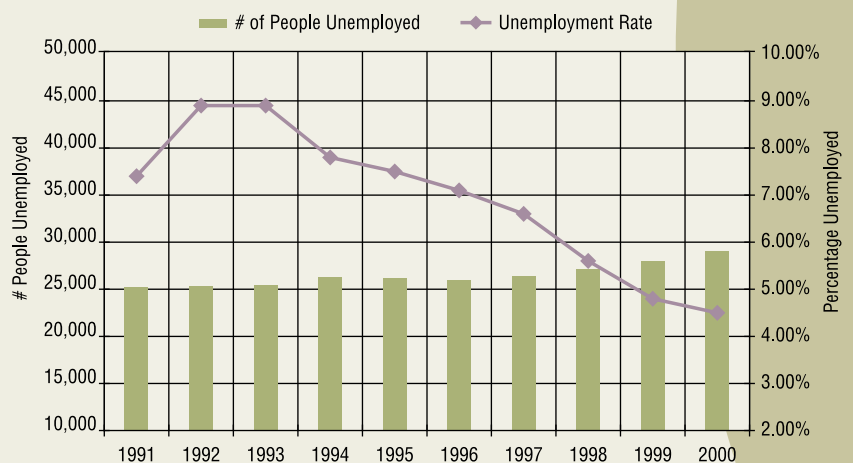


Chart EC-4