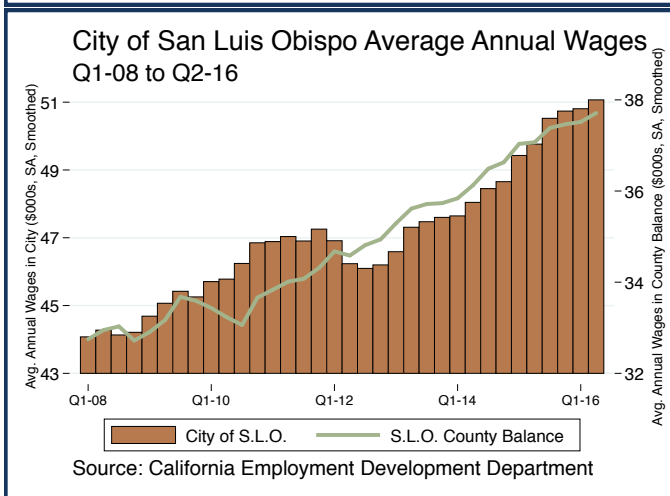
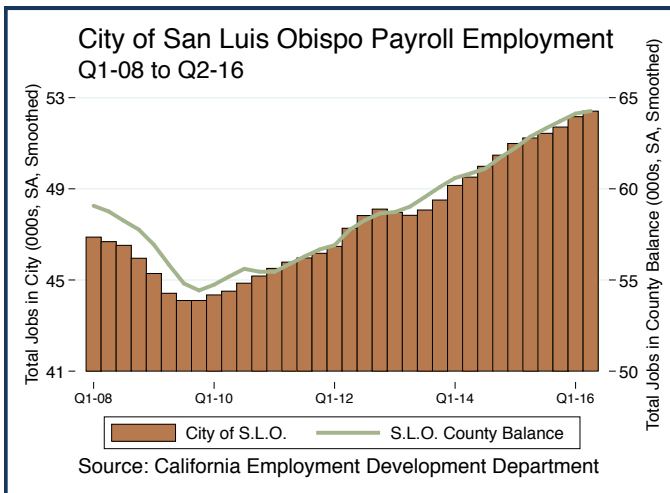


# City of San Luis Obispo Employment Report Card



### Establishment Births/Deaths: FY2010/11 to FY2015/16

Fiscal Year	Firm Births	Firm Deaths	Net Total	Total Firms*
2011	80	59	+21	1,943
2012	96	39	+57	2,000
2013	103	56	+47	2,047
2014	94	44	+50	2,097
2015	109	82	+27	2,124
2016	95	57	+38	2,162

\*Establishments with 3 or more employees

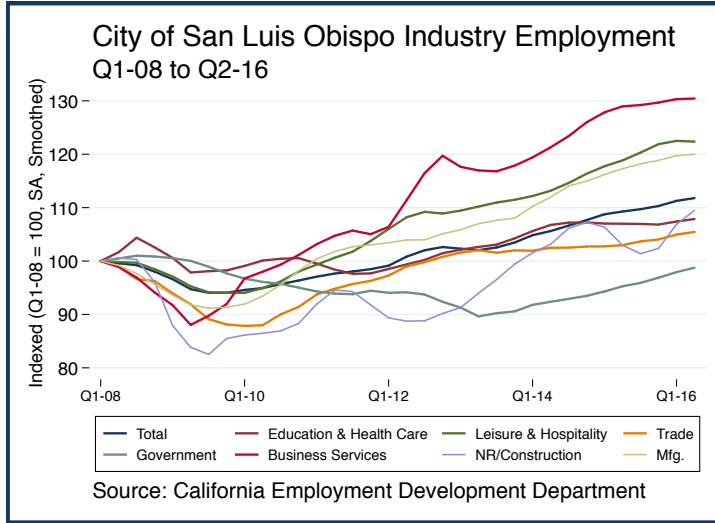
### Employment Growth in FY2015/16 by Establishment Size

Establishment Type	Total Employment (#)	Growth Since FY14/15 (%)
Less than 50 Employees	25,054	1.9
50 to 250 Employees	14,887	2.5
More than 250 Employees	13,530	4.0

## SUMMARY

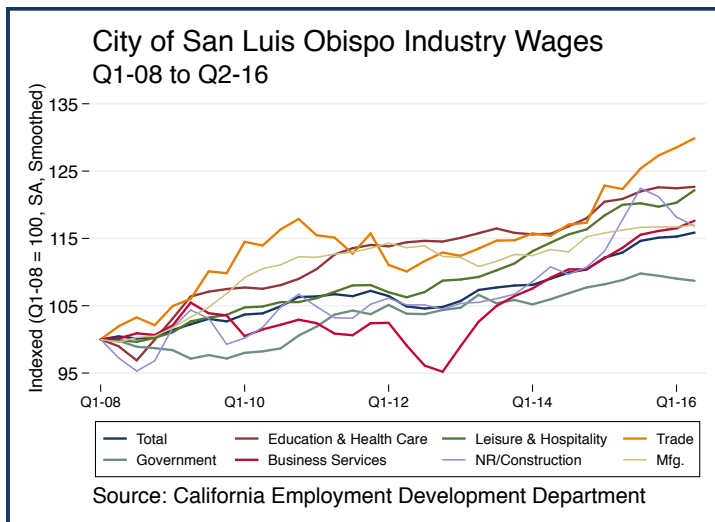
- Payrolls in the City of San Luis Obispo grew 2.5% from fiscal year 2014/15 to fiscal year 2015/16, trailing the 3.1% mark set in the rest of San Luis Obispo County.
- Wages in the City of San Luis Obispo have also increased over the last year, with the average annual wage across all sectors growing by 5.2%, compared to 3.5% in the rest of the county.
- The Professional, Scientific, Technical, and Management sector (8.4%), Leisure and Hospitality sector (4.4%), and Transportation and Warehousing sector (3.9%) led industry level job growth during this time period.
- Over the last year, the Manufacturing sector, Wholesale Trade sector, Retail Trade sector, and Government sector also added a significant number of new jobs in the City of San Luis Obispo.
- At the subsector level, Truck Transportation, Heavy and Civil Engineering Construction, and Management of Companies led job growth from fiscal year 2014/15 to fiscal year 2015/16.
- Over the last year, wage growth in the Transportation and Warehousing, Education, and Information sectors led the way in the City of San Luis Obispo.
- Large firms continue to drive much of the growth in the City of San Luis Obispo, as firms with more than 250 employees have increased their payrolls by 4.0% from fiscal year 2014/15 to fiscal year 2015/16.

# City of San Luis Obispo Employment Report Card



## Employment by Industry: FY2015/16

Industry	Employment (000s)	Growth Since FY14/15		City Share of County (%)
		City (%)	County Balance (%)	
Health Care	6.0	+0.2	+2.8	44.9
Leisure and Hospitality	5.7	+4.4	+4.9	31.7
Retail Trade	5.5	+1.4	+0.7	39.4
Admin Support	4.1	+1.2	+5.9	60.9
Prof, Sci, Tech, and Mgmt	4.1	+8.4	+3.6	64.6
Other Svcs.	3.5	+1.2	+9.8	65.1
Transport/Warehouse	3.2	+3.9	-3.3	79.1
Manufacturing	2.2	+3.1	-2.0	31.6
NR/Construction	1.9	-0.8	+3.6	16.3
Fin. Svcs. and Real Estate	1.7	-2.4	-1.9	41.8
Wholesale Trade	1.0	+1.2	+7.1	34.8
Information	0.9	-8.5	+0.6	62.3
Education	0.3	-3.2	+3.5	50.5
<b>Total Private</b>	<b>40.1</b>	<b>+2.1</b>	<b>+3.1</b>	<b>41.9</b>
<b>Government</b>	<b>11.9</b>	<b>+3.8</b>	<b>+2.8</b>	<b>58.8</b>
<b>Total</b>	<b>52.0</b>	<b>+2.5</b>	<b>+3.1</b>	<b>44.8</b>

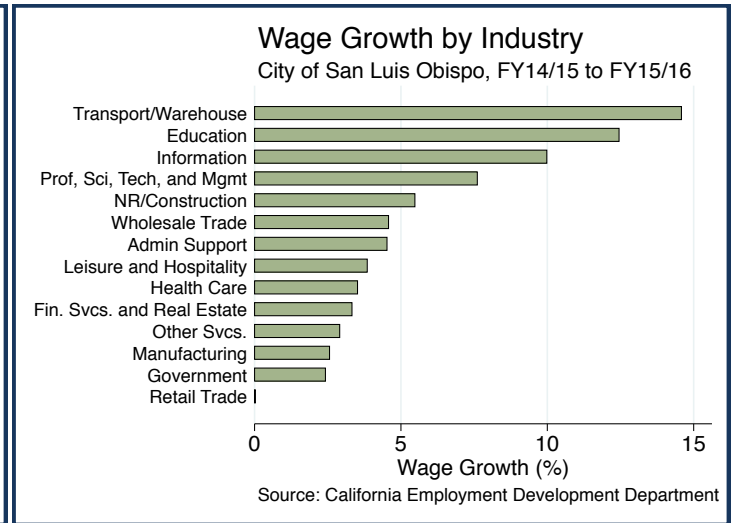
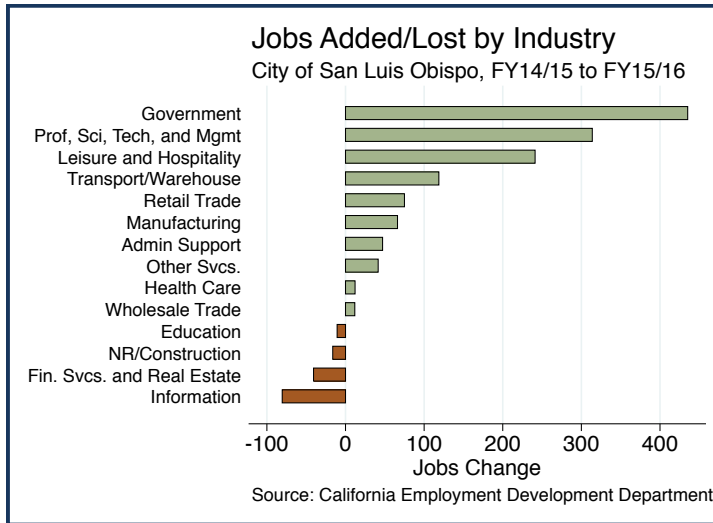


## Average Wages by Industry: FY2015/16

Industry	Avg. Wage (\$000s)	Growth Since FY14/15		City vs. County Balance (%)*
		City (%)	County Balance (%)	
Transport/Warehouse	118.3	+14.6	-2.1	125.9
Information	70.5	+10.0	+2.7	41.6
Fin. Svcs. and Real Estate	66.6	+3.3	+4.0	25.3
Prof, Sci, Tech, and Mgmt	66.5	+7.6	-0.4	30.3
NR/Construction	58.8	+5.5	+3.7	37.9
Wholesale Trade	57.8	+4.6	+3.3	20.0
Health Care	54.7	+3.5	+5.0	44.9
Manufacturing	48.8	+2.6	+4.1	-3.4
Retail Trade	34.9	+0.0	+3.4	20.7
Education	32.7	+12.5	+4.5	30.6
Admin Support	28.1	+4.5	+3.0	-9.1
Other Svcs.	20.2	+2.9	+1.9	-31.0
Leisure and Hospitality	19.0	+3.8	+8.9	-8.8
<b>Total Private</b>	<b>48.0</b>	<b>+6.1</b>	<b>+3.6</b>	<b>34.0</b>
<b>Government</b>	<b>60.5</b>	<b>+2.4</b>	<b>+2.8</b>	<b>21.6</b>
<b>Total</b>	<b>50.9</b>	<b>+5.2</b>	<b>+3.5</b>	<b>35.2</b>

\*Industry wage relative to the average annual wage for the industry in the County Balance

# City of San Luis Obispo Employment Report Card



### One-Year Employment Growth

#### Fastest Growing Subsectors with 250+ employees: FY2015/16

Region	Total Emp.	Growth (%)	Wage (\$000s)
Truck Transportation	354	+25.6	27.7
Heavy and Civil Engineering Construction	267	+17.7	69.0
Mgmt of Companies	272	+14.7	56.5
Food Mfg	370	+8.4	34.7
Prof and Technical Svcs.	3,780	+8.0	67.2
Food Svcs. and Drinking Places	3,912	+7.0	18.2

### One-Year Wage Growth

#### Fastest Growing Subsectors with 250+ employees: FY2015/16

Region	Wage (\$000s)	Growth (%)	Total Emp.
Publishing Industries, Except Internet	79.1	+17.8	440
Nursing and Residential Care	34.8	+13.9	752
Prof and Technical Svcs.	67.2	+8.5	3,780
Real Estate	41.9	+7.6	505
Heavy and Civil Engineering Construction	69.0	+7.5	267
Personal and Laundry Svcs.	20.6	+6.9	328

## DISCLAIMER ON CONFIDENTIALITY

The publication of data that would disclose an individual firm's employment or wage information is prohibited under the Bureau of Labor Statistic's guidelines of confidentiality. Aggregate data is not published if it represents fewer than three private employers or if one private employer represents 80% or more of the data.

## CONTACTS

### City of San Luis Obispo

**Lee Johnson**

Economic Development Manager

(805) 781-7164

[ljohnson@slocity.org](mailto:ljohnson@slocity.org)

### Beacon Economics

**Sherif Hanna**

Managing Partner

(424) 646-4656

[Sherif@BeaconEcon.com](mailto:Sherif@BeaconEcon.com)

## Data Description

The data contained within this report are derived from establishment-level payroll data furnished by the California Employment Development Department (EDD). The EDD collects employment and wage data for every establishment enrolled in the State's Unemployment Insurance program. Entities such as nonprofit organizations that employ less than 4 workers, railroad workers, and workers in school systems that are owned and operated by religious institutions are omitted from this data set.

Each record typically represents an individual establishment. In some instances, larger firms with several establishments in a region report payroll information for all establishments as one record. To this end, Beacon Economics only considers single establishment employers and firms that report each establishment separately when analyzing employment by establishment size.

In order to link individual establishments from one quarter to the next, Beacon Economics developed a method of cleaning, processing, and linking the raw data provided by the EDD. This process amends, adds, or deletes data items, so there will not be a one-to-one relationship between the raw EDD data and the post-process data. Here is a list of a few key steps and assumptions made by Beacon Economics while processing the data.

Beacon Economics' methods explained below are continually being improved and the current data may be subject to revision as the methodology is refined.

- **Matching individual establishment records over time.** Data are merged/joined with the most recent quarter's data on a number of characteristics. Only data with exact matches along all selected criteria are merged at this stage, in order to isolate firms/establishments with identical information from quarter to quarter. The observations with exact matches are then incorporated into the database as a consistent time series of observations for that establishment.
- **Re-examining records without exact matches.** Any observations that do not have an exact match in future or previous quarters of data are flagged for a secondary, manual clerical review. To do this, Beacon estimates the missing data by calculating the employment/payroll growth from the quarters before and after the "hole" to interpolate the missing data based upon trends observed for that firm in surrounding quarters. Then, Beacon Economic investigates each firm individually to ensure every establishment's data is current, correct, and geographically relevant.
- **Creating consistent industry codes for establishments over time.** Many observations first enter the data under the catchall "999999" classification until EDD investigators are able to assign the establishment the correct industry/NAICS code. If the EDD finds that they have been misclassifying a particular establishment, the establishment's industry is re-coded from one NAICS code to another. However, the EDD does not update historical data to reflect these re-classifications, which can cause erroneous increases/decreases for the impacted industries.

A common classification issue involves government employment (2-digit NAICS 92). Some government establishments (e.g. public schools) are occasionally classified in the private sector, so employment figures for certain sectors will unintentionally include public sector employment. As a result, both public- and private-sector employment jumps around from quarter to quarter as these establishments move in and out of the public sector. To eliminate the artificial changes in employment caused by re-classifications, Beacon relies on the most recent classification for each establishment and applies that to the historical records for that establishment going back in time.