

## EMPLOYMENT AND INCOME

Employment

---

Largest Employers

---

Average Salaries

---

Employment Outlook

---



## Labor Markets

### Employment

#### California

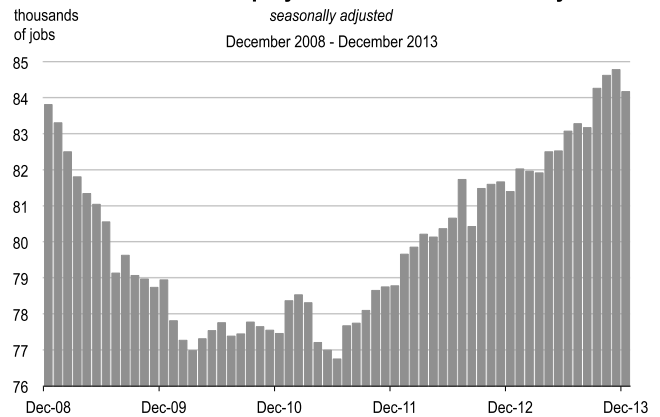
- In 2013, the labor market recovery slowed across California.
- After increasing by 2.1 percent in 2012, total non-farm employment grew by 1.7 percent in 2013.
- This growth was led by healthcare, technology, and other professional services jobs, as well the construction and tourism industries.

#### Santa Clarita Valley

##### Primary Industries

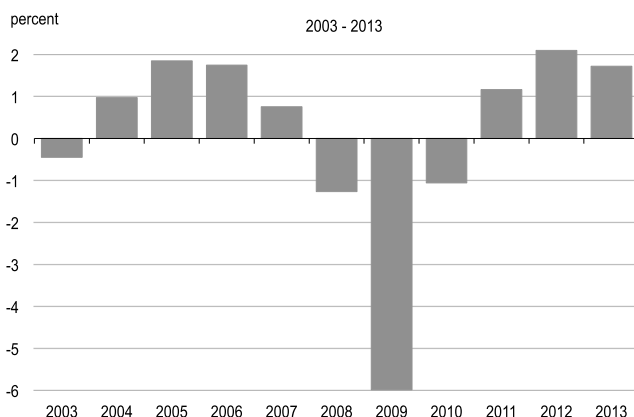
- In the Santa Clarita valley, the labor market is heavily concentrated in manufacturing, retail trade, hotels and restaurants, and professional services. These sectors account for 51 percent of all jobs in the region.
- Total non-farm employment increased by 2.8 percent in 2013. This exceeds the rate observed for the general labor market of California, but is slower than the 4.2 percent that the Valley experienced in 2012.

#### Non-Farm Employment / Santa Clarita Valley

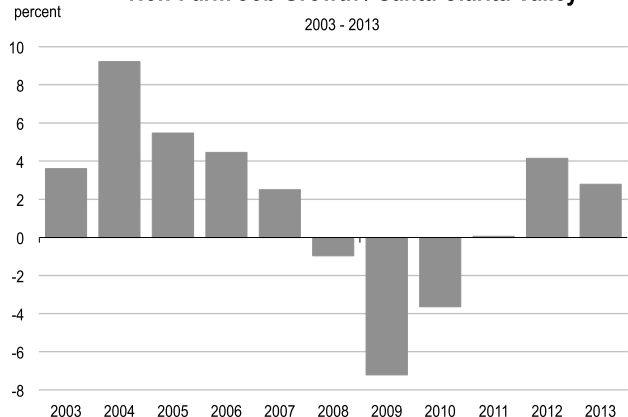


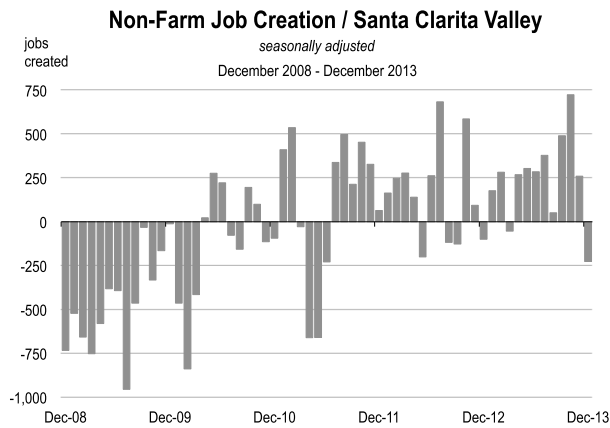
- Several industries grew at rapid rates, including construction (+8.3 percent), and professional and business services (+4.2 percent).
- The largest declines were observed in information (-8.1 percent) and the federal government (-5.1 percent).
- After several years of strong growth, healthcare employment was flat in 2013.

#### Non-farm Job Growth / California



#### Non-Farm Job Growth / Santa Clarita Valley





Seasonally adjusted job creation in the Santa Clarita Valley has been positive for 18 of the past 24 months. Over this time period, the region has gained almost 6,900 new jobs.

### Composite Industries

In the Santa Clarita Valley, there are six principal sectors that have been targeted as key industries for growth and recruitment. Composite industries are comprised of sectors with strong vertical or horizontal relationships. According to AngelouEconomics, an economic development organization, these industries present actionable growth opportunities for the Santa Clarita Valley.

### Wage & Salary Employment / Santa Clarita Valley

Sector	2012	2013	change	% change
Agriculture, Forestry & Fishing	84	91	7	8.4
Mining	4	4	0	0.0
Utilities	342	331	-11	-3.2
Construction	4,942	5,507	565	11.4
Manufacturing	10,078	10,419	341	3.4
Wholesale Trade	3,860	3,944	84	2.2
Retail Trade	11,177	11,340	162	1.5
Transportation & Warehousing	816	863	47	5.7
Information	1,185	1,089	-96	-8.1
Finance & Insurance	2,202	2,235	33	1.5
Real Estate & Rental Leasing	1,374	1,462	89	6.5
Professional, Scientific & Technical	3,643	3,867	224	6.2
Mgmt of Companies & Enterprises	529	522	-7	-1.3
Admin & Support & Waste Mgmt	7,417	7,684	267	3.6
Educational Services	1,379	1,470	91	6.6
Health Care & Social Services	7,605	7,581	-24	-0.3
Arts, Entertainment & Recreation	3,410	3,499	89	2.6
Accommodation & Food Services	8,635	8,893	258	3.0
Other Services	2,404	2,696	293	12.2
Federal Government	1,053	999	-53	-5.1
State Government	40	38	-2	-5.8
Local Government	8,288	8,394	106	1.3

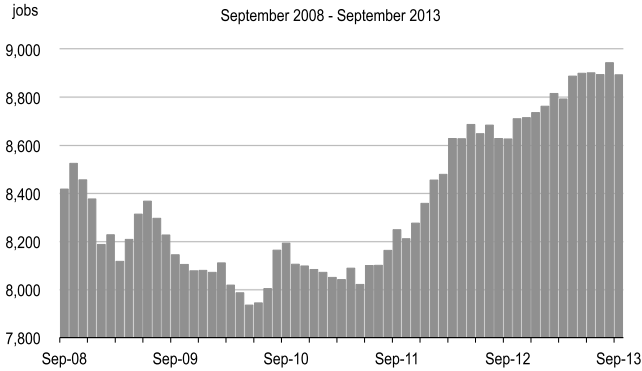
<b>Total Non-Farm</b>	<b>80,779</b>	<b>83,035</b>	<b>2,256</b>	<b>2.8</b>
<b>Total, All Industries</b>	<b>80,863</b>	<b>83,122</b>	<b>2,259</b>	<b>2.8</b>

Source: Labor Market Information Division  
and the California Economic Forecast

### Employment in Leisure and Hospitality Santa Clarita Valley

*seasonally adjusted*

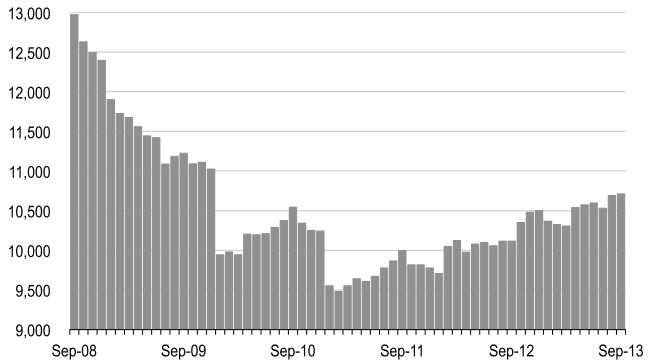
September 2008 - September 2013



### Employment in Professional & Business Services Santa Clarita Valley

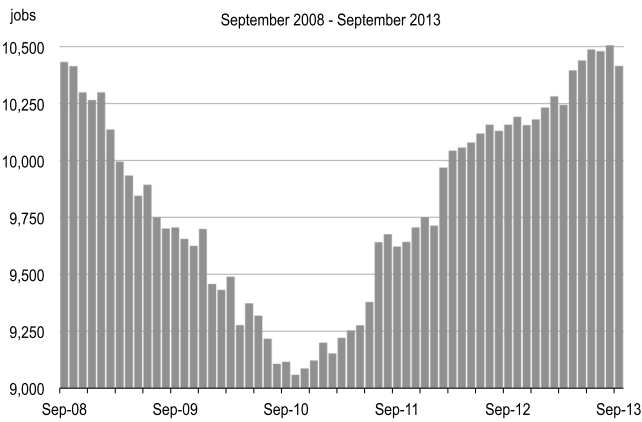
jobs

September 2008 - September 2013



### Employment in Manufacturing / Santa Clarita Valley

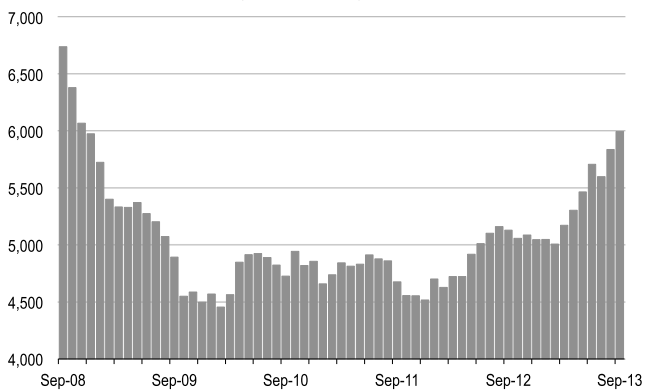
September 2008 - September 2013



### Employment in Construction / Santa Clarita Valley

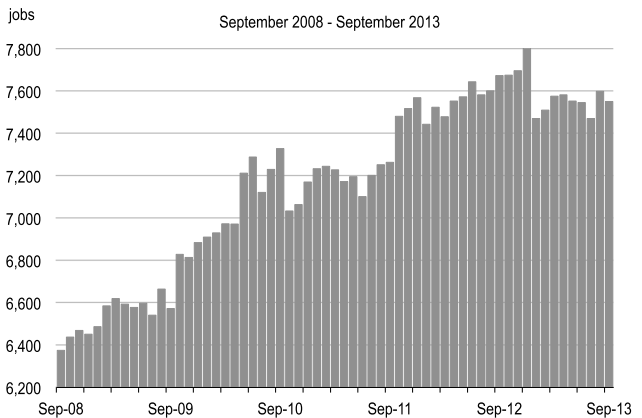
jobs

September 2008 - September 2013



### Employment in Healthcare / Santa Clarita Valley

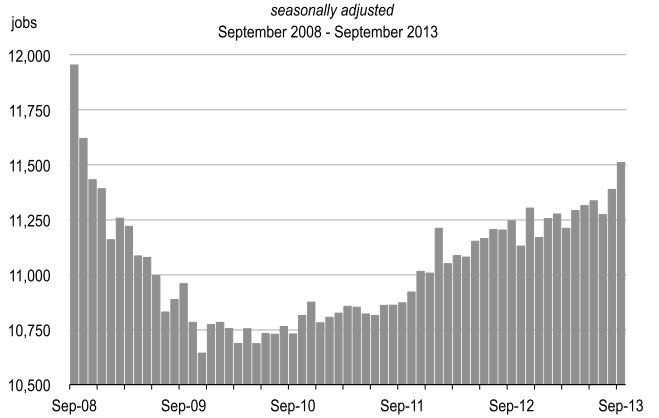
September 2008 - September 2013



### Employment in Retail Trade / Santa Clarita Valley

*seasonally adjusted*

September 2008 - September 2013



- Over the past year, employment has risen in all composite sectors except information technology.
- The largest gains were observed in tourism, which added 280 workers. However, this represents an increase of only 1.6 percent.
- Almost 260 jobs were created in advanced manufacturing, and 100 jobs were gained in medical devices.
- In information technology, employment has been declining since late 2011. In 2013, the sector lost 60 jobs.
- In 2013, there were 851 companies in the leisure, hospitality, recreation, and visitor-serving retail sectors of the Santa Clarita Valley. On average, each company employed 21 workers. There were only 18 aerospace and defense companies, but with an average of 75 employees, this industry is generally comprised of larger firms.

### Composite Industries / Santa Clarita Valley

#### Composite Industries and Sub-Industries

##### Digital media and entertainment

Software and Internet services  
Graphic design  
Motion picture and sound recording  
Advertising and public relations

##### Aerospace and defense

Aerospace manufacturing  
Space research and technology  
National defense

##### Medical devices

Electromedical manufacturing  
Medical equipment manufacturing  
Scientific research services

##### Advanced manufacturing

Plastics and rubber  
Fabricated metals  
Commercial machinery  
Air-Conditioning, refrigeration, and related products  
Metal working machinery  
Power equipment  
Computers and electrical equipment  
Transportation equipment  
Furniture

##### Information technology

Software services  
Telecommunications  
Data services  
Custom systems design and custom IT services

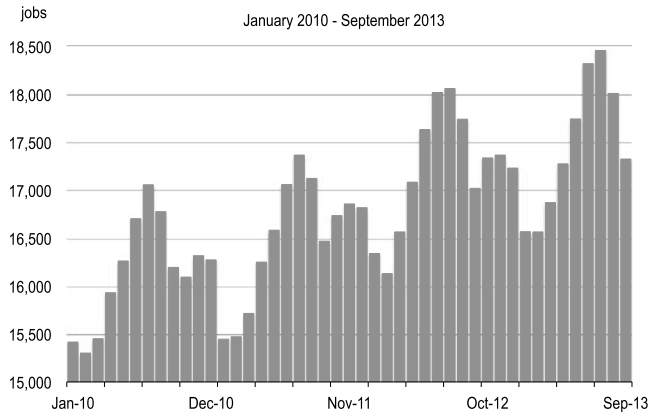
##### Tourism

Electronics and appliance stores  
Clothing stores  
Sporting goods, book, and music stores  
Department stores  
Tour operators  
Art, entertainment, and recreation services  
Restaurants and hotels

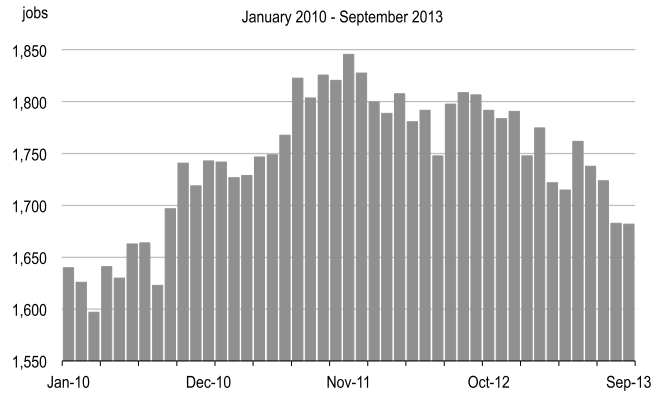
Composite Industries / Santa Clarita Valley					2012 - 2013	
Industry	Employment 2012	Employment 2013	Change	Percent Change	Number of Companies 2013	Workers Per Company 2013
	-----jobs-----					
Advanced Manufacturing	8,345	8,604	259	3.1	217	40
Aerospace and Defense	1,287	1,348	61	4.8	18	75
Digital Media Entertainment	470	508	38	8.1	116	4
Information Technology	1,792	1,727	-65	-3.6	139	12
Medical Devices	1,069	1,169	99	9.3	25	47
Tourism	17,211	17,494	283	1.6	851	21

Source: Labor Market Information Division and the California Economic Forecast

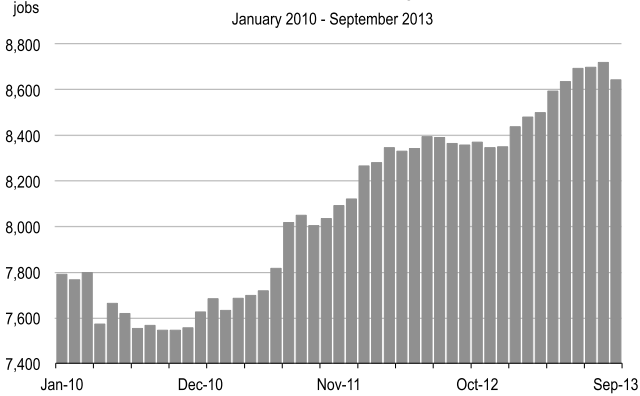
### Employment in Tourism / Santa Clarita Valley



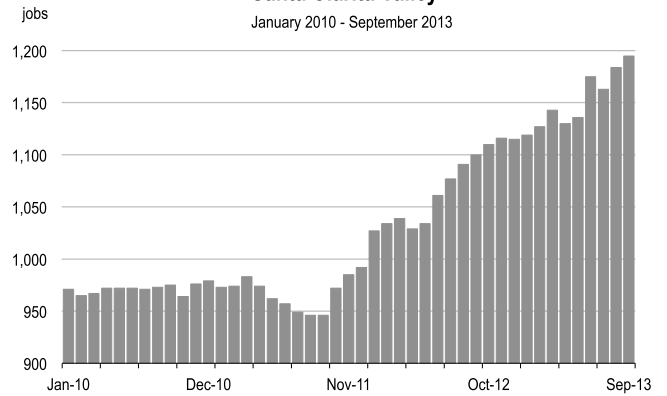
### Employment in Information Technology Santa Clarita Valley



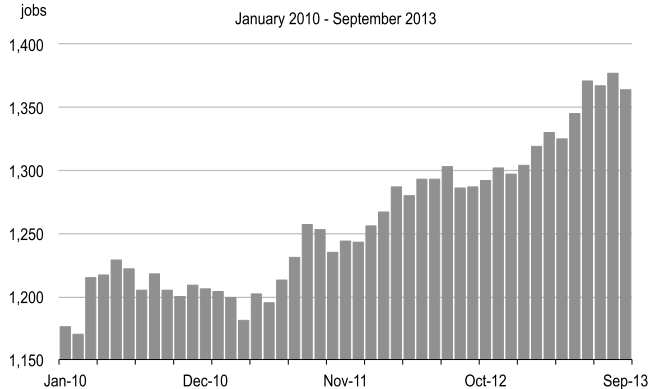
### Employment in Advanced Manufacturing Santa Clarita Valley



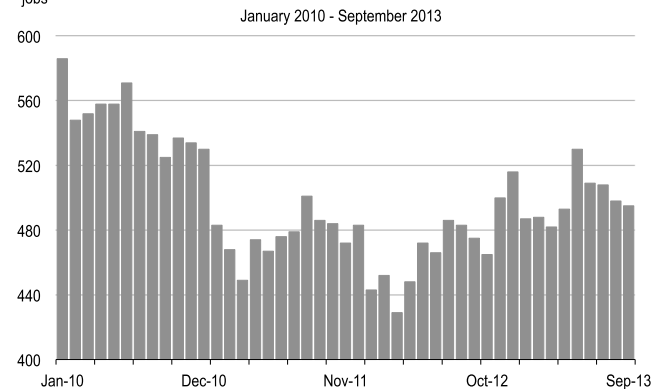
### Employment in Medical Devices Santa Clarita Valley



### Employment in Aerospace and Defense Santa Clarita Valley



### Employment in Digital Media Entertainment Santa Clarita Valley



## Largest Employers

Every year, we conduct a survey of the largest employers in the Santa Clarita Valley. The information is carefully limited to the number of workers physically employed at locations within the region.

### Santa Clarita

- In the Santa Clarita Valley, there are 53 organizations with at least 100 workers.
- For the 52 largest employers, there were 26,258 workers last year and 26,864 this year. This represents an increase of 606 workers for a gain of 2.3 percent.
- The 10 largest employers account for 58 percent of all workers in the survey.
- Among public institutions, employment increased by only nine workers. In general, K-12 school districts shed jobs, while the remaining institutions added employees.
- Within the public sector, the largest gain occurred at the College of the Canyons. As a direct result of Proposition 30, they were able to hire additional faculty members and support staff, and were able to offer more classes.
- In the private sector, 15 organizations added new employees over the past year. Eleven reduced their payrolls, while the remainder had no change or did not report in 2012.
- Henry Mayo Newhall Memorial Hospital had the largest gain, creating 210 new jobs.
- A number of companies indicated that business conditions had improved, leading directly to new hires. These include Advanced Bionics, Contractors Wardrobe, and Honda Performance, among others.
- Wesco Aircraft, which provides supply-chain management for the aerospace industry, created 119 jobs over the past year. In

addition to an increase in business, Wesco also acquired another company, adding to its headcount.

- The greatest loss among private firms took place at AMS Fulfillment, which saw a reduction of 196 employees. A large client – Toms Shoes – vacated warehouse space, causing AMS to reduce its staffing levels.
- Pharmavite saw a drop of 80 workers, largely the result of relocating a manufacturing facility to Alabama.

## Average Salaries

- During 2013, the average salary was largely unchanged in the Santa Clarita Valley. Adjusted for inflation, average salaries declined slightly.
- The highest paying sectors in the region are utilities, finance and insurance, manufacturing, information, and professional and technical services. In these industries, the average worker earns more than \$60,000 per year.
- In the composite sectors, salaries are highest in the medical devices industry, where workers earn more than \$86,000 per year. Aside from Tourism and Digital Media Entertainment, all composite sectors have average salaries that are above the Valley average.



Top Employers		Santa Clarita Valley			February 2014	
Rank	Company or Organization	Location	2013	2014	change 2013 to 2014	percent change
<b>Public</b>			– headcount of employees –			
2	College of the Canyons	Valencia	1,725	1,847	122	7.1
3	William S. Hart Union School District	Santa Clarita Valley	1,919	1,822	-97	-5.1
4	Saugus Union School District	Santa Clarita	1,840	1,747	-93	-5.1
7	U.S. Postal Service	Santa Clarita	1,035	1,111	76	7.3
9	Newhall School District	Valencia	824	841	17	2.1
14	City of Santa Clarita	Santa Clarita	666	653	-13	-2.0
23	Castaic Union School District	Valencia	339	336	-3	-0.9
<b>Public Total</b>			<b>8,348</b>	<b>8,357</b>	<b>9</b>	<b>0.1</b>
<b>Private</b>			– headcount of employees –			
1	Six Flags Magic Mountain	Valencia	4,500	4,500	0	0.0
5	Princess Cruises	Valencia	1,600	1,700	100	6.3
6	Henry Mayo Newhall Memorial Hospital	Santa Clarita	1,400	1,610	210	15.0
8	Quest Diagnostics	Valencia	850	850	0	0.0
10	The Master's College	Santa Clarita	800	800	0	0.0
11	Boston Scientific	Valencia	n/a	770	n/a	n/a
12	Woodward HRT	Valencia	772	738	-34	-4.4
13	California Institute of the Arts	Santa Clarita	500	690	190	38.0
15	Wal-Mart	Santa Clarita	624	624	0	0.0
16	Aerospace Dynamics International	Valencia	548	613	65	11.9
17	Advanced Bionics	Valencia	483	608	125	25.9
18	ITT Aerospace Controls	Valencia	450	530	80	17.8
19	Pharmavite	Valencia	567	487	-80	-14.1
20	Wesco Aircraft	Valencia	342	461	119	34.8
21	Arvato Digital Services	Valencia	400	400	0	0.0
22	Contractors Wardrobe	Valencia	300	400	100	33.3
24	Bayless Engineering & Manufacturing	Valencia	n/a	300	n/a	n/a
25	The Home Depot	Valencia/Canyo Country	n/a	278	n/a	n/a
26	Stay Green, Inc.	Santa Clarita	270	270	0	0.0
27	Remo, Inc.	Valencia	270	267	-3	-1.1
28	Shield Healthcare	Valencia	260	260	0	0.0
29	McDonald's	Santa Clarita Valley	238	260	22	9.2
30	TA Manufacturing	Valencia	255	254	-1	-0.4
31	Solid Concepts	Valencia	n/a	250	n/a	n/a
32	Regent Aerospace Corporation	Valencia	n/a	220	n/a	n/a
33	Costco Wholesale	Canyon Country	239	218	-21	-8.8
34	AMS Fulfillment	Valencia	400	204	-196	-49.0
35	Triumph Actuation Systems	Valencia	n/a	200	n/a	n/a
36	Precision Dynamics Corporation	Valencia	n/a	194	n/a	n/a
37	Flextronics (Stellar Microelectronics)	Valencia	250	189	-61	-24.4
38	B & B Manufacturing Co.	Santa Clarita	188	188	0	0.0
39	Honda Performance	Valencia	130	180	50	38.5
40	Novacap	Valencia	184	173	-11	-6.0
41	Andy Gump Temporary Site Services	Santa Clarita	153	155	2	1.3
42	Del West Engineering	Valencia	132	152	20	15.2
43	Scorpion Design	Valencia	n/a	140	n/a	n/a
44	John Paul Mitchell Systems	Santa Clarita	n/a	137	n/a	n/a
45	Donaldson Company, Inc.	Valencia	n/a	130	n/a	n/a
46	Aquafine	Valencia	120	110	-10	-8.3
47	Trinity Classical Academy	Valencia	92	108	16	17.4
48	Hyatt Regency Valencia	Valencia	135	105	-30	-22.2
49	Delta Printing Solutions	Valencia	100	103	3	3.0
50	Santa Clarita Christian School	Santa Clarita	100	100	0	0.0
51	Explorer Insurance	Valencia	180	100	-80	-44.4
52	Blue Cross Labs	Santa Clarita	78	100	22	28.2
53	Curtiss-Wright Corporation	Valencia	n/a	100	n/a	n/a
<b>Private Total*</b>			<b>17,910</b>	<b>18,507</b>	<b>597</b>	<b>3.3</b>
<b>Overall Total*</b>			<b>26,258</b>	<b>26,864</b>	<b>606</b>	<b>2.3</b>

\*For companies reporting in both 2013 and 2014

Note: n/a denotes information not available

Source: California Economic Forecast and the Santa Clarita Valley Economic Development Corporation. Headcount for Boston Scientific comes from the Los Angeles Business Journal Book of Lists 2014.



Average Salary Per Worker / All Industries	Santa Clarita Valley	2012-2013	
Industry	2012	2013	% change
	– dollars per worker –		
Utilites	103,331	111,478	7.9
Construction	55,534	57,006	2.7
Manufacturing	63,172	62,670	-0.8
Wholesale Trade	56,835	59,271	4.3
Retail Trade	28,980	28,914	-0.2
Transportation & Warehousing	58,436	58,087	-0.6
Information	62,948	64,268	2.1
Finance & Insurance	66,014	64,772	-1.9
Real Estate & Rental & Leasing	43,694	45,048	3.1
Professional, Scientific, & Technical Skills	57,794	60,761	5.1
Management of Companies and Enterprises	51,424	58,405	13.6
Admin & Support & Waste Mgmt	26,629	26,656	0.1
Educational Services	31,928	31,693	-0.7
Health Care & Social Assistance	50,275	48,954	-2.6
Arts, Entertainment, & Recreation	22,262	21,963	-1.3
Accommodation & Food Services	16,241	16,451	1.3
Other Services	27,263	27,570	1.1
Federal Government	58,294	58,985	1.2
State Government	24,214	28,004	15.6
Local Government	46,102	45,785	-0.7
Total, All Industries	44,012	44,083	0.2

Source: Labor Market Information Division, State of California, and California Economic Forecast

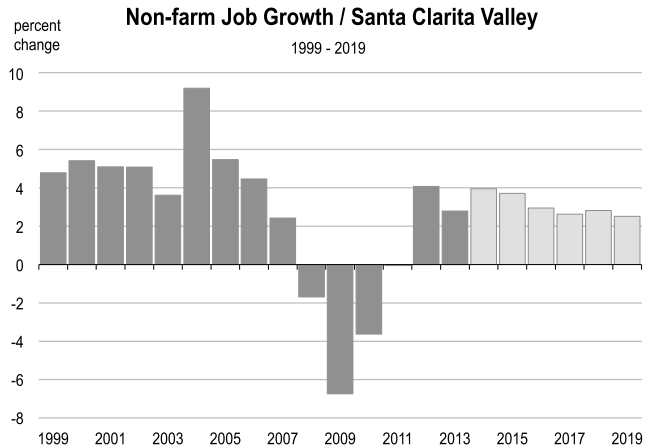
Average Salary Per Worker / Composite Industries		Santa Clarita Valley		2010-2013	
Composite Industry	2010	2011	2012	2013	2012 to 2013 % change
		– dollars per worker –			
Digital Media Entertainment	38,505	46,475	44,678	43,610	-2.4
Aerospace and Defense	63,592	66,797	65,916	65,310	-0.9
Medical Devices	88,631	82,904	84,400	86,057	2.0
Advanced Manufacturing	57,948	62,452	62,453	61,937	-0.8
Information Technology	60,960	69,360	68,512	70,194	2.5
Tourism	17,966	18,602	19,964	19,737	-1.1

Source: Labor Market Information Division, State of California, and California Economic Forecast

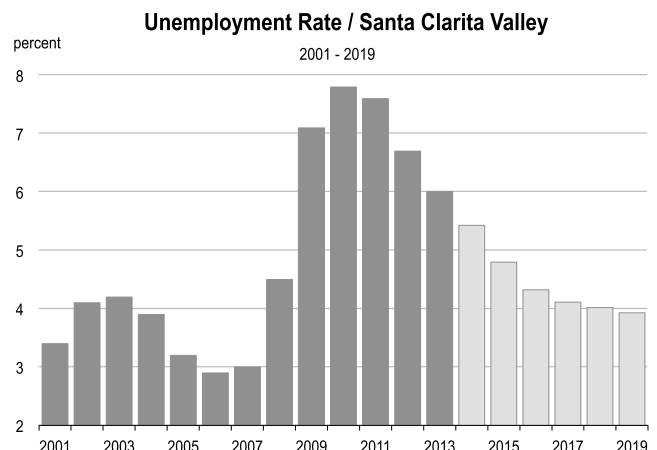
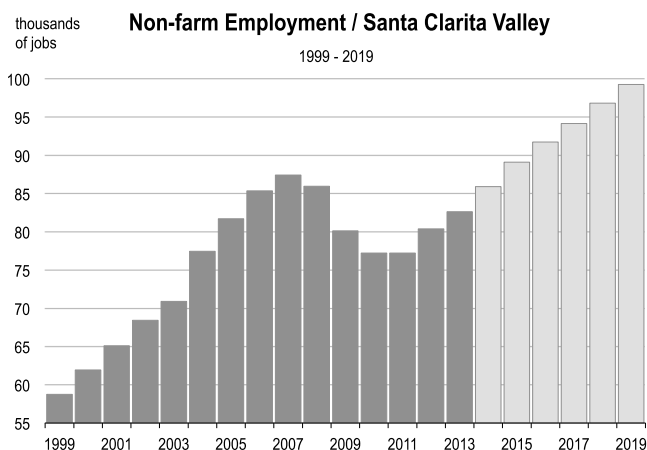
## Employment Outlook

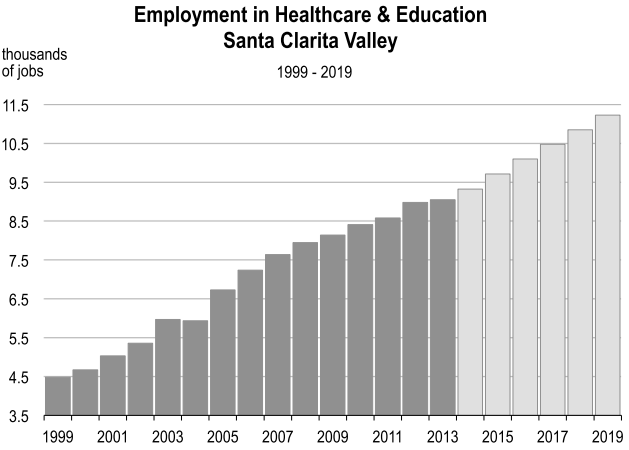
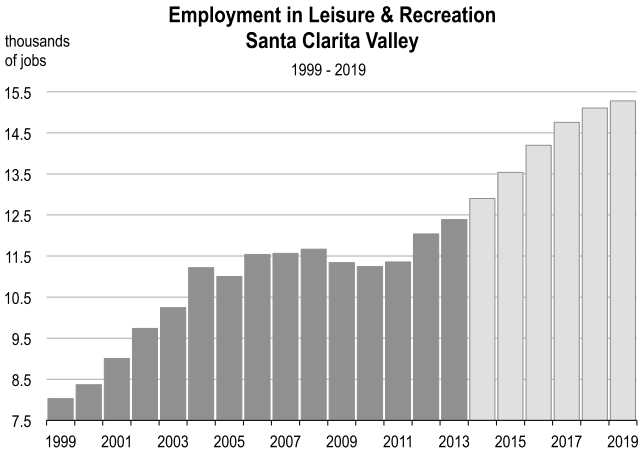
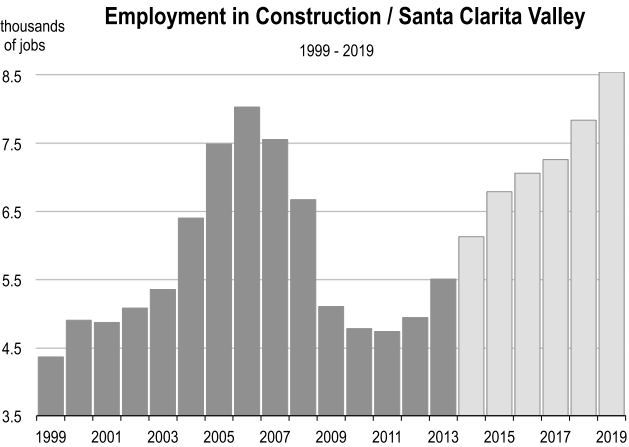
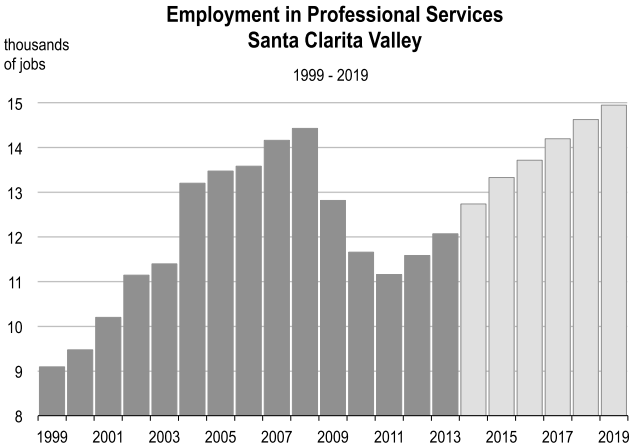
The Santa Clarita Valley labor market improved moderately in 2013, with employment rising by 1.7 percent. Over the next few years, growth is expected to remain robust, as the Valley adds jobs across all industries.

- Non-farm employment in the Santa Clarita Valley is expected to increase by 4.0 percent in 2014, adding almost 3,300 jobs.
- Over the next six years, annual job growth will average 3.1 percent. This will result in 18,900 new jobs in the region.
- Professional services, leisure and hospitality, and education and healthcare will continue to drive much of the employment growth.
- The unemployment rate should fall steadily, averaging 5.4 percent in 2014 and dropping below 5 percent in 2015.
- The weakness in the information sector will prove temporary, and growth will be stronger in 2014. However, total employment will remain below 1,300 workers throughout the forecast period.

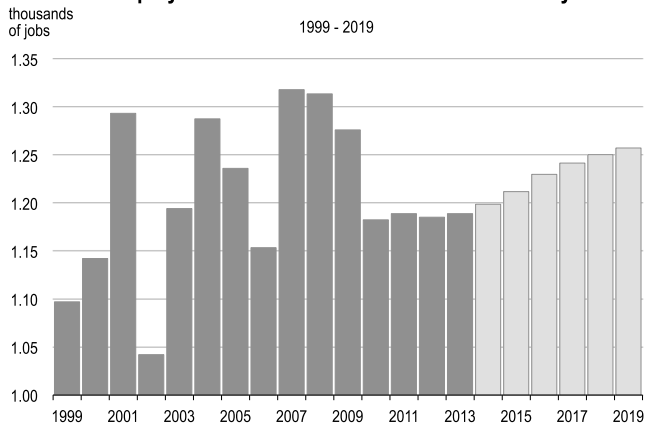


- The recent strength in manufacturing will also prove temporary. By 2016, employment will be declining, following the state-wide trend.
- Real (inflation-adjusted) earnings per worker are expected to rise substantially over the forecast period, growing by an average of 2.3 percent per year.

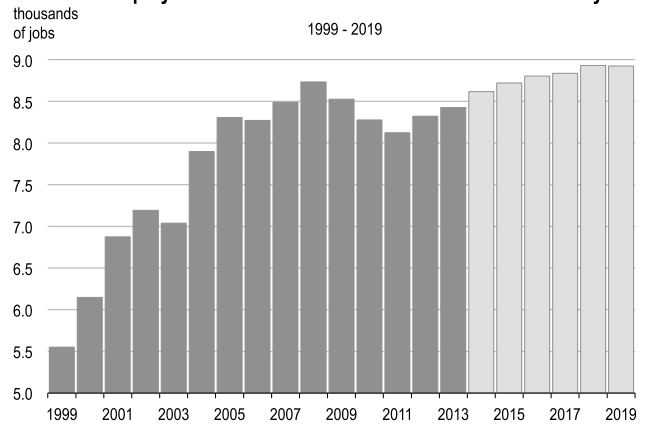




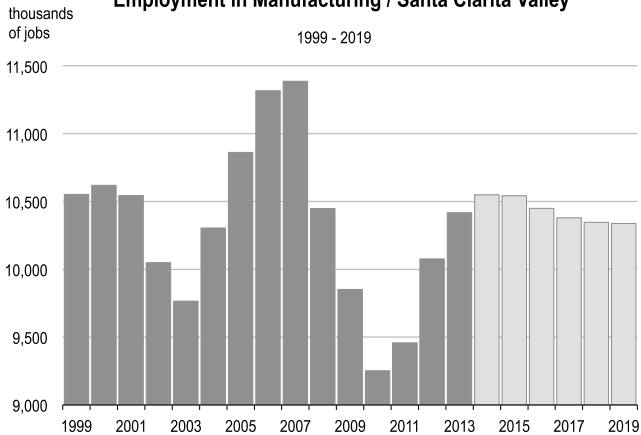
**Employment in Information / Santa Clarita Valley**



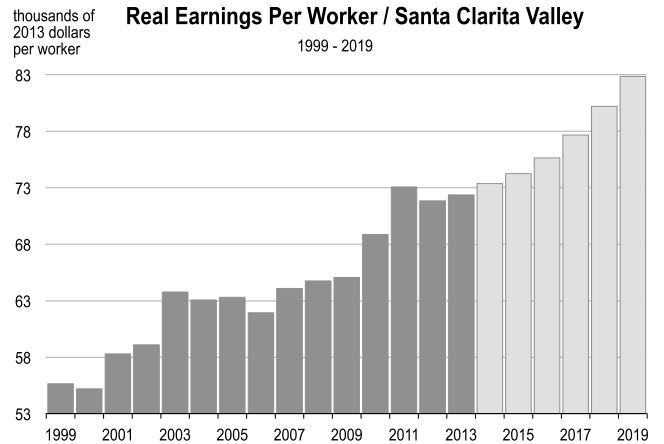
**Employment in State & Local Gov't / Santa Clarita Valley**



**Employment in Manufacturing / Santa Clarita Valley**



**Real Earnings Per Worker / Santa Clarita Valley**



Labor Market and Income Forecast		Santa Clarita Valley			History: 2008 - 2013	
	2008	2009	2010	2011	2012	2013
Employment						
Sector	– jobs –					
Farm	41	54	40	42	84	91
Mining	4	4	4	4	5	4
Construction	6,677	5,105	4,779	4,737	4,942	5,507
Manufacturing	10,450	9,852	9,253	9,459	10,078	10,419
Transportation & Utilities	1,632	1,462	1,113	1,119	1,159	1,094
Wholesale/Retail Trade	15,345	14,312	14,166	14,535	15,037	15,284
Retail	11,748	10,969	10,758	10,878	11,177	11,340
Wholesale	3,598	3,343	3,409	3,658	3,860	3,944
Financial Activities	3,789	3,695	3,700	3,557	3,576	3,698
Professional Services	14,435	12,823	11,662	11,164	11,589	12,074
Information	1,314	1,276	1,183	1,189	1,185	1,189
Healthcare & Education	7,948	8,142	8,414	8,582	8,984	9,051
Leisure & Recreation	11,671	11,344	11,246	11,360	12,045	12,393
Other Services	2,524	2,274	2,222	2,278	2,404	2,497
Government	10,170	9,857	9,488	9,239	9,381	9,431
Federal	1,429	1,325	1,204	1,109	1,053	999
State & Local	8,741	8,533	8,283	8,130	8,328	8,432
Total Wage & Salary	86,000	80,200	77,268	77,265	80,467	82,730
percent change	-1.7	-6.7	-3.7	0.0	4.1	2.8
Total Non-farm Jobs Created	-1,482	-5,813	-2,918	-4	3,160	2,256
Unemployment Rate (percent)	4.5	7.1	7.8	7.6	6.7	6.0
Income – dollars per worker or person –						
Average earnings per worker						
current dollars	60,552	60,356	64,644	70,419	70,642	72,361
constant 2013 dollars	64,747	65,055	68,851	73,050	71,821	72,361
Average per capita income						
current dollars	59,289	56,202	57,658	61,158	63,220	65,872
constant 2013 dollars	63,396	60,577	61,410	63,443	64,275	65,872
– billions of dollars –						
Total Personal Income	15.55	14.90	15.58	16.68	17.47	18.42
percent change	4.22	-4.15	4.53	7.09	4.72	5.44
Income from Wages and Salaries	5.25	4.86	5.01	5.46	5.71	6.01
Income from Property and Assets	3.07	2.74	2.78	3.03	3.23	3.48
Income earned from outside the County	3.32	3.18	3.36	3.56	3.71	3.88
Income from Public and Private Transfers	2.31	2.59	2.88	2.94	3.06	3.20
Proprietor Income	1.60	1.54	1.55	1.68	1.76	1.85

Source: California Economic Forecast, March 2014

Labor Market and Income Forecast		Santa Clarita Valley			Forecast: 2014 - 2019		
		2014	2015	2016	2017	2018	2019
Employment							
Sector		– jobs –					
Farm		92	92	92	92	92	92
Mining		7	7	8	8	8	7
Construction		6,131	6,793	7,065	7,265	7,845	8,554
Manufacturing		10,551	10,544	10,451	10,381	10,348	10,340
Transportation & Utilities		1,166	1,235	1,297	1,354	1,406	1,452
Wholesale/Retail Trade		16,000	16,572	17,202	17,801	18,471	19,116
Retail		11,856	12,263	12,709	13,134	13,608	14,063
Wholesale		4,144	4,309	4,492	4,667	4,863	5,053
Financial Activities		3,695	3,704	3,768	3,835	3,875	3,958
Professional Services		12,742	13,334	13,721	14,203	14,633	14,956
Information		1,199	1,212	1,230	1,242	1,251	1,257
Healthcare & Education		9,326	9,715	10,101	10,480	10,853	11,231
Leisure & Recreation		12,908	13,544	14,205	14,764	15,113	15,287
Other Services		2,578	2,727	2,879	2,981	3,065	3,131
Government		9,616	9,731	9,828	9,863	9,973	9,995
Federal		992	1,003	1,016	1,018	1,035	1,063
State & Local		8,624	8,728	8,811	8,845	8,939	8,932
Total Wage & Salary		86,010	89,211	91,847	94,268	96,932	99,375
percent change		4.0	3.7	3.0	2.6	2.8	2.5
Total Non-farm Jobs Created		3,279	3,201	2,636	2,420	2,664	2,444
Unemployment Rate (percent)		5.4	4.8	4.3	4.1	4.0	3.9
Income		- dollars per worker or person -					
Average earnings per worker							
current dollars		75,007	77,962	81,052	84,713	88,994	93,583
constant 2013 dollars		73,358	74,236	75,630	77,656	80,198	82,844
Average per capita income							
current dollars		69,108	72,676	76,039	79,277	82,826	86,434
constant 2013 dollars		67,589	69,203	70,953	72,673	74,640	76,515
		– billions of dollars –					
Total Personal Income		19.62	20.97	22.29	23.59	25.03	26.60
percent change		6.50	6.88	6.29	5.86	6.11	6.24
Income from Wages and Salaries		6.45	6.96	7.44	7.99	8.63	9.30
Income from Property and Assets		3.75	4.03	4.32	4.59	4.86	5.13
Income earned from outside the County		4.08	4.32	4.53	4.72	4.92	5.13
Income from Public and Private Transfers		3.32	3.50	3.70	3.87	4.09	4.34
Proprietor Income		2.01	2.17	2.30	2.42	2.54	2.69

Source: California Economic Forecast, March 2014

Data sources for this chapter principally include the California Employment Development Department, Labor Market Information Division. They provide us the monthly information on employment and payrolls by category. Largest Employers is a survey conducted by the California Economic Forecast with support from the Santa Clarita Valley Economic Development Corporation. The U.S. Department of Commerce is the source of the personal income data.