

17. Unemployment Rate

What It Is

The unemployment rate is measured by the number of people who are unemployed as a percentage of the labor force. The unemployed include all uninstitutionalized people who are over 16, are not employed, previously worked a full-time job and are available to work, and have sought work at some point during the previous 4 weeks.

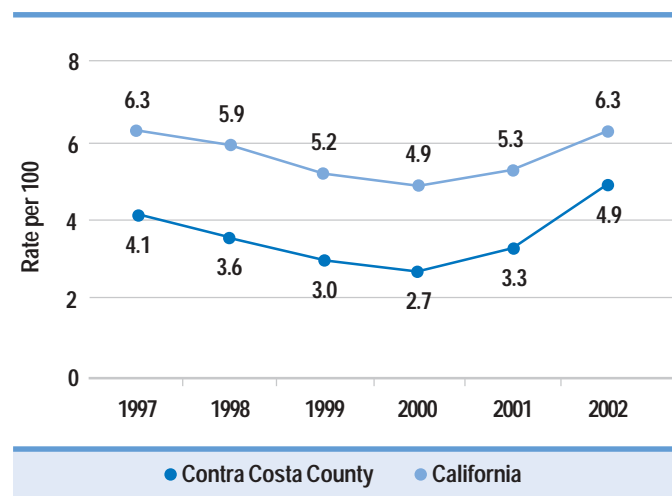
Why It Is Important

The unemployment rate is a measure of the economy's health. A robust economy can provide more job opportunities for those who seek to work. Because of its diversified economy, the unemployment rate in Contra Costa County and the San Francisco Bay Area is generally below the statewide unemployment rate. However, this area is currently one of the most costly areas to live in the entire country, driven in large part by the high cost of housing. When unemployment increases, more families find themselves struggling to meet the basic necessities of housing, food, and healthcare

How We Are Doing

For the past six years the unemployment rate in Contra Costa County has been consistently below the statewide rate. The local unemployment rate decreased from 4.1% in 1997 to a low of 2.7% in 2000. During this same period, the state unemployment rate decreased from 6.3% to 4.9%. With the weakened economy during the past two years, the unemployment rate has risen to 4.9% in Contra Costa County and 6.3% statewide.

Figure 17.1 — Annual Average Unemployment Rates



Source: California Employment Development Department, Labor Market Information Division, 2003.

Note: Data for 2002 reflects the month of December only. All other data are based on an annual average.