

SAN BENITO COUNTY ECONOMIC FORECAST

San Benito County is located in Central California, south of Santa Clara County and east of Monterey County. San Benito County has one of the highest rates in California of workers who reside in the county, but commute outside the county for work. San Benito County has a population of 57,534 people and 15,990 wage and salary jobs. The per capita income in San Benito County is \$31,267, and the average salary per worker is \$43,373.

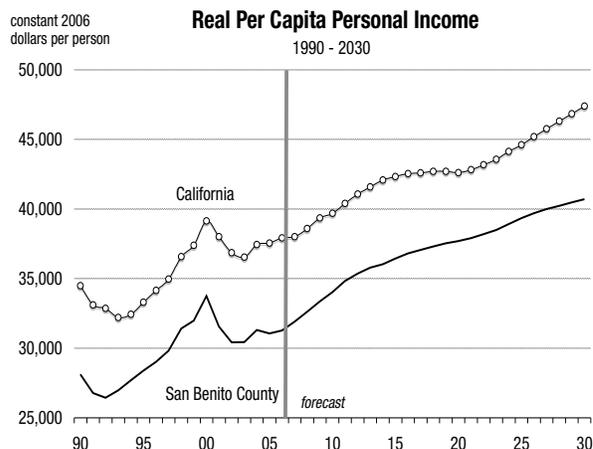
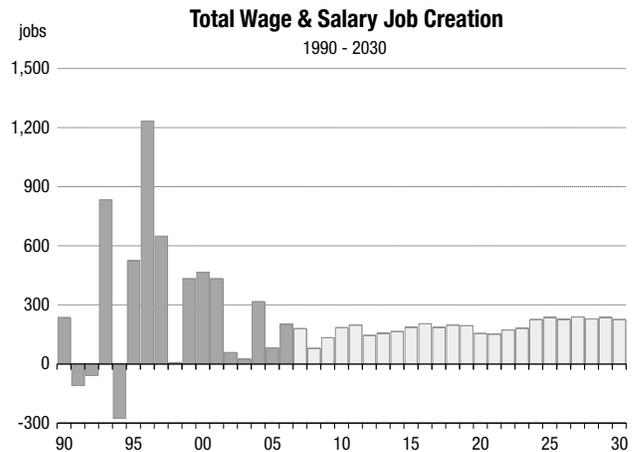
In 2006, 203 total wage and salary jobs were created in San Benito County, representing an increase in employment of 1.3 percent. Non-farm employment increased 282 jobs. This represents an increase in employment of 2.1 percent. The farm sector lost 79 jobs—representing a decline of 3.0 percent. The unemployment rate fell sharply to 7.0 percent in 2006.

The principal sectors that are producing jobs in San Benito County are construction, wholesale and retail trade, and leisure services. Construction added 94 jobs in 2006, the most of any sector. Since 2002, 80 percent of all net job creation has occurred in the construction sector. In addition to the farm sector, only manufacturing, and transportation and utilities had no job gains in 2006.

During 2006, the population grew in San Benito County at a rate of 0.5 percent. Nearly two thirds of the population lives in Hollister, which grew 0.3 percent from January 2006 to January 2007. There was an estimated 578 net migrants leaving the county in 2006, the largest out-migration on record.

FORECAST HIGHLIGHTS

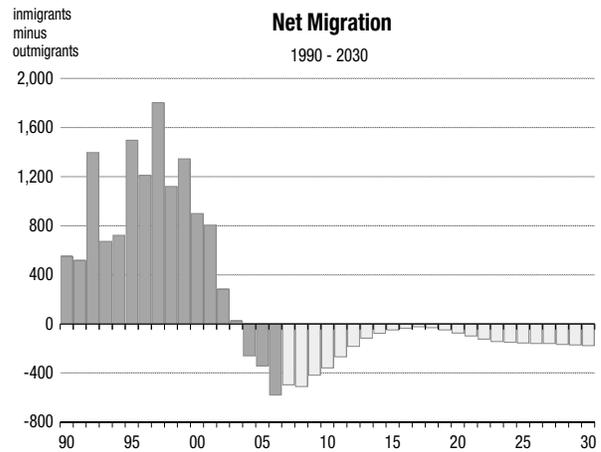
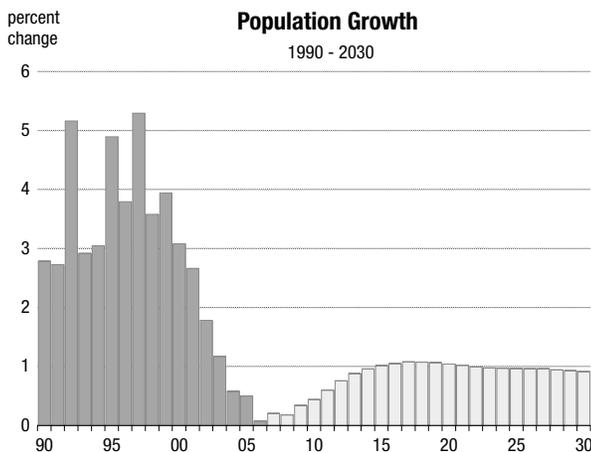
- Job growth averages 1.1 percent in 2007. Over the next five years, annual growth rate is forecast to average 1.0 percent. Non-farm employment will also increase by an average of 1.0 percent over the same period.
- Average salaries adjusted for inflation are currently below the California state average, and will remain so over the forecast period. Inflation adjusted salaries are expected to rise an average of 1.1 percent per year over the next 5 years.
- Between 2007 and 2011, the momentum for employment growth occurs in leisure services, wholesale and retail trade, and government. These sectors account for 60 percent of all jobs created in the county over the next five years. Employment in the construction sector is expected to decline, as new housing permits remain low.
- Population growth will be a scant 0.2 percent in 2007. Annual growth in the 2007 to 2011 period averages 0.4 percent per year.
- Net migration will remain negative over the next five years. In 2007, there is expected to be nearly 500 net migrants leaving the county. Over the next five years net migration is expected to average over 400 out-migrants per year.
- Real per capita income is forecast to rise 2.0 percent in 2007. Over the next five years, the growth in real per capita income will average approximately 2.2 percent per year.
- Total taxable sales, adjusted for inflation, are forecast to rise 0.3 percent in 2007. Over the next five years real taxable sales are forecast to increase at an average rate of 1.4 percent per year.
- Industrial production is forecast to increase 4.7 percent in 2007. Over the next five years the growth rate of industrial production averages 4.1 percent per year. Total crop production, adjusted for inflation, is expected to increase an average of 1.1 percent per year between 2007 and 2011.



San Benito County Economic Forecast

1997-2006 History, 2007-2030 Forecast

	Population (people)	Net Migration (people)	Registered Vehicles (thousands)	Households (thousands)	New Homes Permitted (homes)	Total Taxable Sales (billions)	Personal Income (billions)	Real Per Capita Income (dollars)	Inflation Rate (% change in CPI)	Real Farm Crop Value (millions)	Real Industrial Production (millions)	Unemploy- ment Rate (percent)
1997	48,469	1,802	37.9	13.8	630	\$0.36	\$1.11	\$29,825	3.4	215.3	210.6	11.3
1998	50,205	1,121	41.9	14.4	745	\$0.38	\$1.25	\$31,407	3.2	203.4	209.8	10.6
1999	52,185	1,345	44.9	14.9	581	\$0.42	\$1.37	\$31,973	4.2	218.5	247.3	8.1
2000	53,794	899	49.0	15.9	541	\$0.48	\$1.56	\$33,743	4.5	242.9	289.1	6.0
2001	55,227	804	52.2	16.1	340	\$0.50	\$1.58	\$31,559	5.4	230.3	247.7	6.3
2002	56,212	282	53.6	16.6	148	\$0.47	\$1.58	\$30,420	1.6	233.2	246.5	8.9
2003	56,872	25	52.9	16.8	98	\$0.50	\$1.62	\$30,441	1.8	254.6	255.7	9.9
2004	57,203	-260	56.2	16.9	112	\$0.53	\$1.70	\$31,310	1.2	280.4	298.3	9.5
2005	57,490	-341	55.9	17.0	126	\$0.54	\$1.73	\$31,053	2.0	277.7	316.4	8.1
2006	57,534	-578	56.3	17.0	34	\$0.54	\$1.80	\$31,267	3.3	283.9	320.3	7.0
2007	57,652	-496	56.8	17.1	19	\$0.56	\$1.89	\$31,897	2.9	289.8	335.3	6.8
2008	57,757	-509	57.3	17.2	37	\$0.57	\$1.98	\$32,611	2.0	293.8	349.9	7.5
2009	57,954	-417	57.7	17.2	58	\$0.59	\$2.07	\$33,351	2.0	296.8	363.1	7.9
2010	58,208	-357	58.1	17.2	101	\$0.62	\$2.18	\$34,031	2.5	298.9	378.4	7.8
2011	58,559	-268	58.6	17.3	147	\$0.65	\$2.29	\$34,824	2.4	300.5	392.4	7.7
2012	59,003	-182	59.1	17.5	181	\$0.68	\$2.40	\$35,352	2.2	301.9	407.1	8.0
2013	59,523	-116	59.7	17.6	198	\$0.71	\$2.51	\$35,787	2.3	303.0	423.0	8.1
2014	60,094	-76	60.3	17.8	212	\$0.75	\$2.61	\$36,039	2.3	304.0	441.3	8.2
2015	60,705	-49	61.0	18.0	223	\$0.79	\$2.73	\$36,440	2.6	305.0	459.4	8.1
2016	61,342	-34	61.7	18.3	232	\$0.83	\$2.86	\$36,812	2.7	306.0	474.9	8.1
2017	62,005	-23	62.5	18.5	240	\$0.87	\$2.99	\$37,064	2.7	306.9	492.8	8.0
2018	62,673	-32	63.3	18.8	241	\$0.92	\$3.12	\$37,303	2.5	307.7	513.3	8.0
2019	63,343	-48	64.1	19.0	241	\$0.96	\$3.25	\$37,538	2.5	308.6	533.6	7.9
2020	64,003	-74	64.8	19.2	238	\$1.01	\$3.38	\$37,693	2.5	309.5	556.1	7.8
2021	64,656	-98	65.5	19.5	230	\$1.06	\$3.52	\$37,910	2.4	310.3	574.4	7.7
2022	65,299	-123	66.2	19.7	223	\$1.11	\$3.67	\$38,194	2.5	311.1	587.5	7.6
2023	65,936	-142	66.7	20.0	220	\$1.16	\$3.83	\$38,500	2.5	311.9	602.3	7.6
2024	66,579	-149	67.1	20.2	218	\$1.21	\$4.00	\$38,916	2.3	312.7	618.2	7.6
2025	67,223	-156	67.5	20.4	222	\$1.26	\$4.18	\$39,346	2.4	313.5	633.2	7.4
2026	67,871	-158	67.8	20.6	224	\$1.32	\$4.36	\$39,694	2.4	314.2	647.5	7.3
2027	68,524	-159	68.1	20.9	224	\$1.39	\$4.54	\$39,992	2.5	314.9	659.2	7.3
2028	69,172	-166	68.4	21.1	224	\$1.45	\$4.73	\$40,230	2.7	315.6	673.7	7.2
2029	69,817	-170	68.7	21.3	223	\$1.52	\$4.93	\$40,468	2.7	316.3	689.7	7.1
2030	70,457	-176	69.0	21.6	223	\$1.59	\$5.14	\$40,699	2.6	316.9	705.0	7.1



San Benito County Employment Forecast

1997-2006 History, 2007-2030 Forecast

	Total Wage & Salary	Farm	Mining & Construction	Manufacturing	Transportation & Utilities	Wholesale & Retail Trade	Financial Activities	Professional Services	Information	Health & Education	Leisure	Government
-----employment (thousands of jobs)-----												
1997	14.0	2.25	1.11	2.18	0.18	2.17	0.40	0.60	0.10	0.68	1.57	2.43
1998	14.0	2.00	1.18	2.08	0.18	2.33	0.40	0.61	0.10	0.69	1.54	2.58
1999	14.4	1.97	1.39	2.30	0.18	2.43	0.40	0.54	0.10	0.62	1.50	2.68
2000	14.9	1.93	1.50	2.47	0.17	2.62	0.40	0.52	0.10	0.69	1.42	2.77
2001	15.3	2.35	1.32	2.49	0.16	2.74	0.33	0.55	0.10	0.65	1.36	2.81
2002	15.4	2.44	1.27	2.39	0.15	2.38	0.40	0.65	0.12	0.60	1.42	3.04
2003	15.4	2.38	1.44	2.25	0.15	2.33	0.30	0.74	0.10	0.60	1.50	3.05
2004	15.7	2.57	1.58	2.39	0.28	2.30	0.30	0.63	0.10	0.63	1.48	3.01
2005	15.8	2.60	1.68	2.51	0.29	2.18	0.30	0.60	0.06	0.78	1.38	2.93
2006	16.0	2.52	1.77	2.51	0.29	2.23	0.31	0.62	0.06	0.81	1.43	2.95
2007	16.2	2.59	1.68	2.51	0.29	2.27	0.30	0.64	0.07	0.85	1.45	3.01
2008	16.2	2.58	1.63	2.51	0.29	2.31	0.30	0.66	0.07	0.86	1.47	3.03
2009	16.4	2.60	1.64	2.50	0.29	2.37	0.31	0.67	0.07	0.87	1.49	3.05
2010	16.6	2.61	1.68	2.50	0.29	2.42	0.31	0.67	0.08	0.87	1.51	3.05
2011	16.8	2.61	1.73	2.51	0.30	2.49	0.32	0.68	0.09	0.88	1.53	3.07
2012	16.9	2.61	1.73	2.52	0.30	2.55	0.32	0.68	0.09	0.88	1.54	3.09
2013	17.1	2.62	1.74	2.52	0.30	2.61	0.32	0.68	0.10	0.88	1.56	3.12
2014	17.2	2.62	1.77	2.53	0.30	2.66	0.33	0.68	0.10	0.88	1.57	3.16
2015	17.4	2.63	1.81	2.54	0.30	2.72	0.33	0.68	0.11	0.88	1.58	3.20
2016	17.6	2.64	1.85	2.55	0.30	2.77	0.33	0.68	0.11	0.88	1.60	3.25
2017	17.8	2.63	1.88	2.56	0.31	2.83	0.34	0.68	0.12	0.88	1.61	3.30
2018	18.0	2.64	1.91	2.58	0.31	2.88	0.34	0.68	0.12	0.88	1.62	3.36
2019	18.2	2.64	1.92	2.59	0.31	2.93	0.34	0.68	0.13	0.88	1.63	3.42
2020	18.4	2.65	1.91	2.60	0.31	2.98	0.35	0.68	0.13	0.88	1.64	3.49
2021	18.5	2.64	1.90	2.61	0.31	3.03	0.35	0.68	0.13	0.89	1.65	3.56
2022	18.7	2.65	1.90	2.63	0.32	3.08	0.35	0.68	0.14	0.89	1.65	3.63
2023	18.9	2.64	1.91	2.64	0.32	3.13	0.36	0.68	0.14	0.89	1.66	3.71
2024	19.1	2.65	1.94	2.65	0.32	3.19	0.36	0.68	0.15	0.89	1.67	3.80
2025	19.3	2.66	1.96	2.67	0.32	3.25	0.36	0.68	0.15	0.89	1.67	3.89
2026	19.6	2.66	1.99	2.68	0.32	3.31	0.37	0.68	0.15	0.90	1.68	3.99
2027	19.8	2.66	2.03	2.70	0.32	3.37	0.37	0.68	0.16	0.90	1.68	4.08
2028	20.0	2.66	2.07	2.71	0.33	3.43	0.37	0.68	0.16	0.90	1.69	4.17
2029	20.3	2.67	2.11	2.73	0.33	3.48	0.37	0.68	0.17	0.90	1.70	4.26
2030	20.5	2.67	2.15	2.74	0.33	3.53	0.37	0.68	0.17	0.91	1.70	4.35

