



California's Improving Unemployment Rate is the Lowest Since 2008

To see the job report from California's Employment Development Department, visit

http://www.edd.ca.gov/about_edd/pdf/urate201307.pdf

This is a great sign for California, as it marks the lowest unemployment rate for the state since late 2008. Additionally, California has created jobs at a higher rate than the country as a whole for most of the past 12 months, which is another good sign. However, many of these jobs are part-time, so the long-term effect on California's economy remains to be seen. But it's also important to note that many of the job gains were in the wholesale and retail sectors, meaning that consumer spending was a driving factor.

There is one other drawback to the lowering unemployment rate. If the three-month average for unemployment drops below 9% - which could happen in the very near future - unemployment benefits would be reduced, which would negatively affect approximately 100,000 California residents.

Although the national unemployment rate didn't change in the month of June, any positive sign out of California has to be good for the national economy. It's the largest state economy in the country, and just a few years ago there was talk of federal assistance to California. That seems largely unnecessary now, especially because of the job growth. It looks like California has finally turned the corner.

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