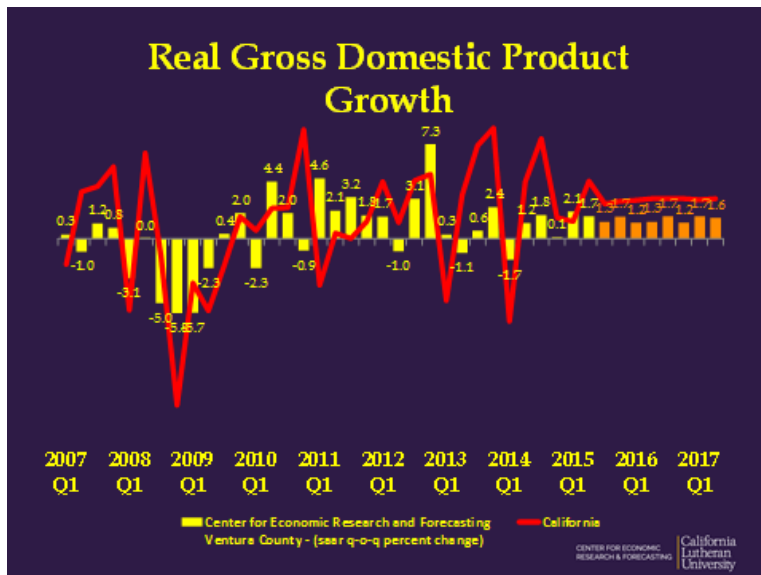


Bill Watkins  
November 2, 2015

We provide a two-year forecast of Ventura County non-farm job growth and GDP growth. We also provide a ten-year forecast of non-farm jobs along with two alternative scenarios, a pessimistic scenario and an optimistic scenario. The long-term non-farm jobs forecast includes a detailed forecast by occupation.

We hasten to add that current technology does not allow great confidence in long-term forecasts. We are not aware of anyone who ten years ago forecasted both the Great Recession and its subsequent Dismal Recovery.

Our short-term forecast for Ventura County jobs and economic growth is significantly below our forecast of California. Given our low forecast of California, that's significant:





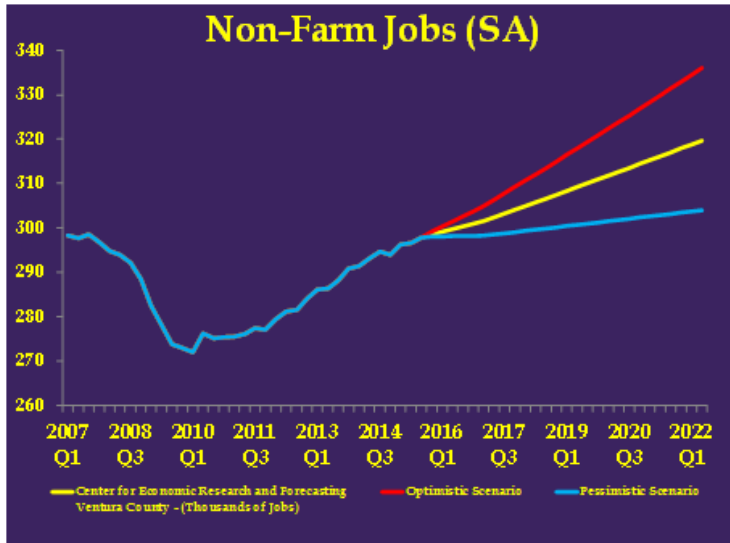
Our long-run forecasts are similarly slow. Our baseline forecast anticipates an average annual growth rate of Ventura County jobs of 1.1 percent. This is about the average for Ventura County since 1990. Our optimistic scenario is very optimistic. It anticipates an average annual Ventura County jobs growth rate of 1.8 percent. Our pessimistic forecast is for only 0.3 percent annual County job growth.

Under the baseline forecast, Ventura County will reach its pre-recession high of 299,867 jobs in 2016:Q3. This is exactly ten years from the quarter that number was originally seen, 2006:Q3. The optimistic scenario moves that date forward two quarters, to 2016:Q1. The pessimistic scenario moves the baseline date out two years, to 2018:Q3.

We believe the distribution of scenarios is not symmetric. The pessimistic forecast is more likely than the optimistic forecast.

Ventura County is more likely to see the pessimistic forecast because population growth is slowing, migration is near-zero or negative, housing costs are high, and few new housing units are being constructed.

Perhaps the most salient reason is that Ventura County’s political class does not want to see job growth. We see this every time a proposal is made for a significant housing project. We see this with the various SOAR (Save Our Agricultural Resources) initiatives. It is now the case that no significant change in Ventura County is non-controversial. This is not a political environment conducive to rapid employment growth.



### Ventura County 10-Year Employment by Occupation Forecast

	<u>2004</u>	<u>2014</u>	<u>2015</u>	<u>2025</u>	<u>2004-14</u>	<u>2015-25</u>	<u>2004-14</u>	<u>2015-25</u>
	<i>no. of jobs</i>	<i>no. of jobs</i>	<i>no. of jobs</i>	<i>no. of jobs</i>	<i>change</i>	<i>change</i>	<i>percent change</i>	<i>percent change</i>
<b>Total: All occupations</b>	<b>294,850</b>	<b>295,980</b>	<b>299,823</b>	<b>334,933</b>	<b>1,130</b>	<b>35,110</b>	<b>0.4</b>	<b>11.7</b>
Management	15,230	16,950	17,171	18,771	1,720	1,600	11.3	9.3
Business and Financial Operations	14,400	16,790	17,158	21,486	2,390	4,328	16.6	25.2
Computer and Mathematical	7,820	6,960	7,066	8,526	-860	1,460	-11.0	20.7
Architecture and Engineering	8,680	7,130	7,087	6,373	-1,550	-715	-17.9	-10.1
Life, Physical, and Social Science	4,950	4,490	4,566	5,359	-460	793	-9.3	17.4
Community and Social Services	2,690	4,110	4,196	4,873	1,420	677	52.8	16.1
Legal	1,730	1,830	1,872	2,109	100	237	5.8	12.7
Education, Training, and Library	17,830	18,190	18,450	20,989	360	2,539	2.0	13.8
Arts, Design, Entertainment, Sports, and Media	3,730	3,210	3,296	3,689	-520	393	-13.9	11.9
Healthcare Practitioners and Technical	9,640	12,830	13,173	16,312	3,190	3,139	33.1	23.8
Healthcare Support	5,950	7,910	8,013	9,961	1,960	1,948	32.9	24.3
Protective Service	6,630	4,310	4,415	5,346	-2,320	931	-35.0	21.1
Food Preparation and Serving-Related	23,970	29,470	29,844	32,472	5,500	2,629	22.9	8.8
Building and Grounds Cleaning and Maintenance	10,350	8,470	8,574	10,263	-1,880	1,689	-18.2	19.7
Personal Care and Service	5,170	9,040	9,146	12,798	3,870	3,652	74.9	39.9
Sales and Related	32,060	34,180	33,876	36,715	2,120	2,839	6.6	8.4
Office and Administrative Support	53,560	46,060	46,662	41,917	-7,500	-4,745	-14.0	-10.2
Farming, Fishing, and Forestry	6,130	6,480	6,351	5,060	350	-1,291	5.7	-20.3
Construction and Extraction	15,010	10,760	11,154	12,900	-4,250	1,746	-28.3	15.7
Installation, Maintenance, and Repair	9,220	10,020	10,503	15,095	800	4,592	8.7	43.7
Production	22,030	18,960	18,845	19,624	-3,070	779	-13.9	4.1
Transportation and Material Moving	18,050	17,830	18,406	24,295	-220	5,889	-1.2	32.0

Date: October 27, 2015

Source: CA-EDD (OES data program) and CERF