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GDP growth is the single most important measure of Ventura County's economy, as it provides a breadth and depth that no other economic measure can match. The first estimate of Ventura County's 2021 GDP was released December 8th by the U.S. Bureau of Economic Analysis (BEA). This release consists of data on every county in the U.S., and also includes revisions to previously released estimates of 2017 to 2020 GDP. This data release adds further evidence of the County's economic under-performance. While California's economy is 41 percent larger than it was in 2007, Ventura County's economy is still 12.3 percent smaller than it was in 2007.

Ventura County GDP from 2017 through 2019

The BEA's revisions to Ventura County's 2017 through 2019 GDP growth are not numerically large, nor do they change our understanding of the County's economic history. Ventura County's growth rate was revised up two tenths of a percent in 2017, was unrevised in 2018, and was revised down by 3 tenths of a percent in 2019. Despite these revisions, the 2017 through 2019 3-year average growth rate of 1.2 percent did not change following these revisions. This Ventura County three-year average of 1.2 percent compares to 3.0 percent for Los Angeles County, 4.0 percent for the California state average, and 2.5 percent for the national average. The County's economic growth was substantially slower than the comparison set in Table 1, which was also true in the BEA's previous estimates.

Table 1

| Economic Growth Revisions: Ventura County, the Region, and the United States | | | | | | | | | |
|---|-----------------|-----------------|--------------------|-----------------|-----------------|-----------------|-----------------|-----------------|--|
| | Ventura County | | Los Angeles County | | California | | United States | | |
| | 2021 Vintage | 2022 Vintage | 2021 Vintage | 2022 Vintage | 2021 Vintage | 2022 Vintage | 2021 Vintage | 2022 Vintage | |
| <i>Growth or Average Growth (percent change)</i> | | | | | | | | | |
| 2016 | -0.7 | -0.7 | 1.8 | 1.8 | 3.0 | 3.0 | 1.7 | 1.7 | |
| 2017 | 0.6 | 0.8 | 3.5 | 3.2 | 4.7 | 4.5 | 2.3 | 2.2 | |
| 2018 | 0.3 | 0.3 | 2.9 | 3.4 | 4.0 | 4.2 | 2.9 | 2.9 | |
| 2019 | 2.7 | 2.4 | 3.3 | 2.5 | 3.6 | 3.2 | 2.3 | 2.3 | |
| 2020 | -2.6 | -1.3 | -6.3 | -5.7 | -2.8 | -2.3 | -3.4 | -2.8 | |
| 2021 | n/a | 3.0 | n/a | 7.9 | n/a | 7.8 | n/a | 5.9 | |
| 2017 to 2019 | 1.2 | 1.2 | 3.2 | 3.0 | 4.1 | 4.0 | 2.5 | 2.5 | |

Source: U.S. Bureau of Economic Analysis. 2021 is the latest data available as of 12/8/2022; 2020 was the latest data available as of 12/8/2021. Revisions start in 2017.

Ventura County GDP in 2020

The revision for Ventura County's 2020 GDP was a substantial and positive *improvement* of 1.3 percent, from -2.6 to -1.3. Virtually all U.S. counties contracted in 2020 due to the Pandemic. With the previous estimate, we knew that Ventura County's economy fared substantially better than most other counties in 2020. With the recent revisions, we now understand that Ventura County's growth premium during the pandemic year 2020 was even larger than previously understood.

The updated data indicate that the County contracted fairly mildly in 2020, by 1.3 percent, compared with contractions of 5.7, 2.3, and 2.8 percent for Los Angeles County, California, and the U.S., respectively (Table 1). This makes sense. As CERF pointed out during its March 2022 Ventura County *Economic Forecast* event, our county's leaders *led the state* in efforts to re-open small businesses and schools earlier and to keep these establishments open longer in the face of subsequent waves of COVID transmission.

Ventura County GDP in 2021

The BEA's preliminary estimate of 2021 Ventura County economic growth is 3 percent, a measure that is substantially lower than the estimates of 2021 growth in the Table 1 comparison set. Los Angeles County's 2021 growth is estimated to have been 7.9 percent, the state's was 7.8 percent, and the nation's was 5.9 percent. The relatively slow 2021 Ventura County growth is in line with other measures of the County's economy. The county's most recent population figures indicate that the County's population contraction, that started in 2017, is ongoing and in its sixth year. As well, the county's labor force has been declining since 2012, and in 2021 was almost 30,000 workers lower than its peak level.

As for GDP, we see that by 2021, the size of Ventura County's economy had indeed eclipsed its pre-pandemic level, as it is up 1.7 percent. However, the County's economy has not yet recovered to a size it had in 2007, prior to the Great Recession. It is still down from that level by a shocking 12.3 percent. By comparison, California's 2021 economy was 41 percent larger than it was in 2007. There are only 4 of California's 58 counties that were substantially smaller in 2021 than they were back in 2007, including Ventura County. And Ventura is the only urban county where this is so.

Regional Comparison

Ventura County economic growth continues to be slow relative to its peers, with average annual growth during the 2016 to 2021 period of only 0.8 percent, compared to an average across the other Southern California counties of 2.5 percent (Table 2). Many of the regional counties grew by about seven percent or higher in 2021, compared with just three percent for Ventura County.

Table 2

| Economic Growth: Ventura County, Southern California Counties, U.S. | | | | | | |
|--|--|--------------------|---------------|------------------|-----------------------|------------------|
| | Ventura County | Los Angeles County | Orange County | Riverside County | San Bernardino County | San Diego County |
| | <i>Growth or Average Growth (percent change)</i> | | | | | |
| 2016 | -0.7 | 1.8 | 2.0 | 2.1 | 2.3 | 0.8 |
| 2017 | 0.8 | 3.2 | 4.0 | 3.0 | 2.7 | 3.6 |
| 2018 | 0.3 | 3.4 | 2.9 | 3.9 | 3.3 | 2.6 |
| 2019 | 2.4 | 2.5 | 2.1 | 2.9 | 3.9 | 2.0 |
| 2020 | -1.3 | -5.7 | -3.5 | -2.3 | -0.8 | -2.5 |
| 2021 | 3.0 | 7.9 | 7.0 | 6.8 | 5.5 | 7.8 |
| 2016 to 2019 | 0.8 | 2.2 | 2.4 | 2.7 | 2.8 | 2.4 |

Source: U.S. Bureau of Economic Analysis as of 12/8/2022.

Looking Forward

CERF will provide greater depth and breadth of analysis of the County’s economy, including analysis of other measures of demographic, financial, and economic characteristics, at our Ventura County *Economic Forecast* event on February 21 at the Thousand Oaks Civic Arts Plaza.