TESLA Menu

Tesla's California Footprint

The Tesla Team, January 3, 2023

In the 20 years since Tesla was founded in San Carlos, California, we have grown from a long-shot startup to the state's largest manufacturing employer and the world's leading electric vehicle maker.

Our exponential growth has been made possible by the hard work of the Tesla team, the loyalty of our customers and climate policy leadership in California. Our impact on the Golden State is not just measured by our environmental achievements, but also by the positive economic growth we have been able to share with the state of California and its residents.

Tesla's footprint in California is made up of Megapack production and vehicle castings in Lathrop, hardware and software engineering in Palo Alto, vehicle and battery manufacturing in Fremont, battery development and testing in San Diego and vehicle design in Hawthorne.

These efforts have a large impact on California's employment, wages, gross state product and tax base.

Over the past decade, many manufacturing jobs have been exported outside of the U.S., and international supply chains have been disrupted, yet Tesla has defied national trends by increasing domestic employment and production. Tesla-supported jobs in California increased by 40% from 2018 to 2021, and 2021 wages exceeded the state average by 50%, offering the highest compensation in our sectors.

A recent economic impact assessment conducted by IHS Markit indicates that Tesla's economic impacts in California include:

- Tesla-supported California jobs (direct and indirect) exceeded 80,000 in 2021. Over 43,000 of these stemmed from $1.6 billion in expenditures with California suppliers.
- For every 100 direct Tesla jobs, 50 more were supported in the supply chain and 68 by follow-on consumer activity.
- From 2018 to 2021, Tesla paid an average of $1 billion in federal, state and local taxes annually, with approximately $400 million going toward state and local taxes in 2021.
- Tesla's average contribution to the gross state product (GSP) rose by 42% between 2018-2021, while the state's GSP grew by 16%.
- Wages from Tesla and Tesla-connected jobs resulted in $16.6 billion in economic activity, or $44.4 million injected into California's economy each day.

In 2022, we grew to 47,000 employees (direct employment) in California, and our production footprint continued to increase as our 2 millionth vehicle rolled off the lines in Fremont. Since 2016, we have made over $5 billion in capital investments in our facilities. We are confident that these trends will