

THE LATEST ECONOMIC 411

BY BRUCE STENSLIE, EDC PRESIDENT/CEO

March 30, 2020, Labor Market Report for February 2020

The California Labor Market Information Division released its February 2020 report yesterday, reflecting the healthy condition of an economy that already seems like a distant memory. Following is a just a brief summary of the February data, understanding that its best use will be as a benchmark against which we may measure our decline and recovery in the months to come.

Our unemployment rate in February was 3.7%, improved over January's 3.9%, and showed job growth in nearly every industry sector. The County even experienced growth by 1,100 workers in the Labor Force, with workers responding positively to job opportunities, helping to push every key labor market indicator in the right direction.

Of the major industry sectors, only Retail was negative in February, dropping 400 jobs. Of the several gains, some of the most noteworthy include: Farm, up 1,700; Health Services gained 400; Leisure & Hospitality 500; and Local Public Education 800.

For broader comparison, Ventura County's 3.7% placed us 13th among California's 58 counties, improved from 16th in January and our strongest competitive placement in well more than a year. The County's 3.7% kept us ahead of California's unadjusted rate of 4.3% and of the U.S. rate of 4.0%.

For the February data, go to

[www.labormarketinfo.edd.ca.gov/file/lfmonth/vent\\$pds.pdf](http://www.labormarketinfo.edd.ca.gov/file/lfmonth/vent$pds.pdf), for the comparative standings

www.labormarketinfo.edd.ca.gov/file/lfmonth/2002pcou.pdf. For interactive maps and data tools, go to

www.labormarketinfo.edd.ca.gov/data/interactive-labor-market-data-tools.html.

Our New Reality, COVID-19: For moving forward however, we estimate that by April Ventura County, and surely the rest of California and the nation, will be well above 20% unemployment, with 30% a real possibility, with such high rates and wide distribution maybe never previously contemplated.

As essential for public and personal health as they are, the state and county "stay at home" orders have separated workers from their jobs in unprecedented numbers.

Most severely impacted are the consumer dependent sectors, Retail, Arts & Entertainment, Food Services, Accommodation and Other Services. We consider two points most worrisome here: 1) these sectors together represent an enormous share of our payroll jobs, some 27%, and contribute enormously to regional quality of life, and 2) many of these workers are marginally attached, with high rates of part-time and casual hours and thus few benefits and little in

reserve.

Fortuitously for these workers and others, federal legislation has established new sick leave and family medical leave benefits and enhanced disaster unemployment assistance that will contribute significantly to wage replacement. Even with all that, however, the ranks of the jobless will grow—and are already growing—at a pace never before seen.

Beyond these sectors, several others are impacted too. Manufacturing and Warehousing, for example—generally higher paying sectors for whose workers may be more stability in the safety net—are also impaired by interruptions to supply chains, domestically and internationally, and by a lack of consumer capacity to purchase higher priced items such as autos, appliances and electronics. Construction is down too, as investors are anxious about both consumer and financial markets and workers are advised to stay home. Real estate sales are also in a slump.

It remains too early to know how long the stay at home orders may last and how robust will be our recovery. While we are now in the midst of the crisis, we move ahead with three points to share:

1) We are both enormously grateful for the front line workers that are keeping us safe and healthy and have in our hearts and minds our neighbors whose health and well-being are harmed.

2) We are fortunate to have the opportunity and responsibility to support our business community, through access to robust SBA and other loan programs, efficient connection to partner organizations both public and private, in-depth professional technical assistance to help navigate and adapt to fast changing business conditions and models. For more on all that, we maintain and update daily a comprehensive set of COVID-19 Business Resources at <https://edcollaborative.com/covid19/>.

3) What we learned over and over again through the not-so-distant Thomas and Hill/Woolsey incidents, is that our businesses and workers are dependably committed to and adept at adapting to disruption and fortified by the spirit of resilience. We will all get through this, stronger than ever.

Questions, comments, please let us know.

[Visit Our Website](#)

