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# THE LATEST ECONOMIC 411

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## Labor Market Report for September 2020

The California Labor Market Information Division released its September 2020 report earlier today, confirming what we'd expected, that **our economic recovery has largely stalled, our unemployment rate improving very little, from 8.7% in August to 8.4% in September.** While it's a move in the right direction, that gain pales in comparison to the prior month-over-month improvement, from an adjusted 11.4% in July all the way down to 8.7% in August. Still, our current 8.4% is dramatically better than our worst month, back in April, at 13.5%. For the summary detail, [CLICK HERE](#).

**Continuing Lack of Job Opportunity:** Ventura County businesses in September managed to add back a total of only 2,600 jobs in September, a small step in the right direction but leaving us still down 25,400 jobs from one year ago. As a matter of worker impact, we have 34,100 officially unemployed workers in Ventura County, barely improved from 35,300 a month ago and, again, a long way from our level of 14,100 one year ago.

Those 2,600 new job opportunities helped draw 2,700 workers back into the labor force, but now at 407,300 we're still at the lowest total labor force level we've seen since September 2003. Combined with a ton of still forced part-time employment owing to essential COVID-19 health safety protocols, that constitutes a massive amount of lost earnings only partially replaced by unemployment insurance.

And while we wholly appreciate that for the businesses looking to hire, competing with unemployment insurance may be a challenge, but the over-arching story remains that there just aren't enough jobs available to employ our workers. We should also consider that for now the extra federal unemployment benefits are exhausted, so unemployment insurance doesn't remotely match a paycheck for our enormous number of unemployed workers.

**Industry Employment:** Looking at employer-reported data, our gains in September were concentrated in only a couple of major industry sectors:

- Private Education & Health Services continued its monthly ups and downs, up this month by 1,000 jobs, though still down 700 year-over-year. The good news is that Health Services is down only 1.4% since a year ago. Along with Professional & Business Services (see further below) this is one of our two strongest recovering major sectors.

- Local Government Education continued a steady trend toward recovery, gaining 1,600 jobs in September jobs but is still down 2,800 year-over-year. The good news here is that as the County continues to move in the right direction on health outcomes, we're getting closer to re-opening schools and recovering those jobs.

On a smaller scale, several other major sectors also added jobs:

- Farm gained 200, but the sector's overall condition is worrisome for workers, down 2,800 jobs year-over-year.
- Manufacturing gained 100 jobs, down 1,700 year-over-year.
- Retail Trade gained 200 jobs, but still down 5,000 year-over-year. Among our major sectors, Retail has nearly the most to gain as we recently moved into the Red Tier and are edging toward Orange in the state's risk assessment system. For now, Retail is still limited to 50% building occupancy, cutting deeply in the job opportunities.
- Professional & Business Services continued its relatively strong performance, adding 200 jobs, now down only 200 jobs year-over-year. Unlike the higher risk environments of Retail, Hospitality and Other Services, these are mostly the types of jobs that can be conducted remotely or in controlled offices.
- Leisure & Hospitality gained just 200 jobs, still down 7,200 jobs year-over-year. For another bit of good news, no single major sector lost more than 200 jobs in September (Construction and Financial Activities both lost 200) and several sectors—Mining, Information and Other Services—all remained steady, with no change.

### Unemployment Rate in the Statewide Context:

Looking at statewide standing, Ventura County gained back four slots in September, now at 25<sup>th</sup> among California's 58 counties.

- Ventura County's 8.4% places us ahead of California's unadjusted rate of 10.8% though still behind the national unadjusted rate of 7.7%.
- Looking regionally, Santa Barbara County remained in 14<sup>th</sup>, now at 7.4%, San Luis Obispo improved from 13<sup>th</sup> to 10<sup>th</sup>, now at 7.2%, Los Angeles remained 57<sup>th</sup> at 15.1%, and Kern fell one slot to 56<sup>th</sup>, at 12.4%.
- Last month we noted that two normally high performing counties—Orange and San Diego—had fallen into the lower tier, last month tied for 37<sup>th</sup>. Their improvement this month was moderate at best, moving to a tie for 35<sup>th</sup>, now at 9.0%.
- The number 1 county in the state continues to be Lassen, at 6.3%, followed by Marin and Modoc tied for 2<sup>nd</sup> at 6.5%, with Sierra and Trinity tied for 4<sup>th</sup> at 6.7%.
- Overall, with only a few exceptions (e.g., Marin in 2<sup>nd</sup>, Santa Clara in 6<sup>th</sup>), most of the top performing counties are small and remote, communities more readily able to manage pandemic.
- For a shout out to our peers in Sonoma, we honor their stalwart performance, 7.2%, good for 10<sup>th</sup> place, even while their communities continue to be battered by wildfire. From our direct knowledge locally of that kind of disaster, godspeed to their recovery as well as ours.

Unemployment rates by county are variously displayed in the state's mapping tool at [CLICK HERE](#).

For the table display on September unemployment rates, [CLICK HERE](#).

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