



# THE LATEST ECONOMIC 411

BY BRUCE STENSLIE, EDC PRESIDENT/CEO

## Labor Market Report for April 2021

The California Labor Market Information Division (LMID) released its April 2021 report earlier today, showing a small improvement in Ventura County's unemployment rate, from 6.4% in March to 6.2% in April. While this is our best rate since March 2020, our unemployment rate's been mostly flat since November. The good news this month is we added 7,000 industry jobs, 3,000 in Farm, 4,000 in Nonfarm, with 3,200 of those 4,000 Nonfarm jobs in Leisure & Hospitality. For the data, go [here](#).

**More on Industry Employment:** As we move further into recovery we're now past looking at how much we lost in jobs and workers and we're more intent on looking at our share of recovery, on what we're gaining back. Most national and regional projections suggest it will take at least until 2023 to recover the jobs lost—and longer too of course to get to where we'd have grown to had there been no recession. Still, there's enough now in a trend for recovery to track it.

For example, at our lowest point, in April 2020, Ventura County had lost 43,500 industry jobs, or 12.9% of all payroll employment. As of April 2021, we're now down only 16,600 jobs from pre-pandemic levels. Or stated another way, we've recovered some 62% of the jobs lost, and we're down "only" 5% from March 2020.

In April, we saw encouraging gains of 400 jobs in Professional and Business Services and 500 in Health Services, these sectors now down from pre-pandemic levels by only 1,000 and 1,700 jobs respectively. We're optimistic that by fall these sectors may be fully back to pre-pandemic levels.

That's essentially the good news. What we're anticipating now is that closing all of this last 5% gap is likely going to be a challenge. On the upside, the economy will be re-opening more fully come mid-June, so there should be a lot of jobs restored and available. Two other observations, however, suggest caution:

1. We lost a lot of jobs in Retail during the pandemic, down 7,300 at its low point. Earlier in the pandemic recovery we gained a lot of those back, closing the gap to about 2,500 jobs. But for three months in a row now, February through April, we're back to losing a few hundred Retail jobs per month. That returns us to our pre-pandemic trend of small but steady *losses* as we shift to more of an on-line economy. That noted, for Ventura County to get back to pre-pandemic levels of industry employment, we likely can't count on Retail to help get us there.
2. We've all heard about the numbers of jobs in restaurants and hotels going unfilled. The larger Leisure & Hospitality sector was down 17,100 jobs at its low point a year ago, and is now back to some 7,500 jobs lost. For trending in recovery, in April alone we added 3,100 hospitality jobs, an enormous amount of hiring that has been lost in the headline stories of jobs going unfilled. So, two thoughts on this sector. First, we will certainly see more hiring in May and June and after, but there will be some limit to Hospitality hiring simply owing to the number of firms and jobs that didn't make it through the recession. Second, workers that lost jobs in hospitality during the pandemic have in many cases moved on to other industries or are simply staying out of the labor market.

The rest of our major industry sectors in April were essentially unchanged. Somewhat discouragingly we saw no gains at all in Public Education, where we had hoped to see some hiring with schools getting back on track. It appears that we'll have to wait at least until the Fall to see any more significant recovery in Education jobs.

**Employment, Unemployment and Labor Force:** The data here too remains a mixed bag. We didn't in April have any real positive movement in pulling more workers back into the labor market. We're still down 16,200 workers in our total labor force, that is, the total of folks either working or looking for work, compared to March 2020. Adding to that 16,200 outside looking in, we have 25,000 officially unemployed, though that's only 7,100 more unemployed workers than we had pre-pandemic. What the data shows still is there is both a lack of jobs—at least across all sectors—drawing workers back into employment and a reluctance or inability to come back.

The reluctance and/or inability is a complex story. We think some small share of it is that at least temporarily low wage workers may be better off with unemployment insurance and federal and state payouts, but that's not even remotely the whole story. Rather what we have is the greatest labor market disruption of our lifetimes, with nearly half of all workers in the last year either having lost work or changed jobs. Women are remaining home in huge numbers, caring for kids and family. Some workers are reluctant to expose themselves to COVID. Employers are reporting that laid off workers found other employment and aren't coming back to old jobs. LinkedIn reports that 48% of all job searchers are expecting to find higher paying jobs upon their return. A disruption of this scale will take time to shake out. Expecting workers simply to come back to pre-pandemic work and work patterns isn't reasonable. The work environment has changed both for workers—labor supply—and business—worker demand.

**Unemployment Rate in the Statewide Context:** Looking at statewide standing, Ventura County fell four slots in April, now at 15th among California's 58

counties.

- Ventura County's 6.2% places us ahead of California's unadjusted rate of 8.1% though a fair bit behind the national unadjusted rate of 5.7%.
- Looking at our neighboring counties, Santa Barbara County gained five slots to 11th, now at 6.0%; San Luis Obispo remained in 6th place though improved from 5.8% to 5.6%; Los Angeles fell three slots to 55th, at 11.0%; and Kern remained at 53rd, at 10.7%.
- The Bay Area continues to hold the top slots, with Marin 1st at 4.6%, San Mateo 2nd at 4.8%, Santa Clara 3rd at 5.0%, Placer 4th at 5.3%, and San Francisco 5th at 5.4%.

Unemployment rates by county are variously displayed in the state's [mapping resources](#). For the table display on January unemployment rates for all counties, go [here](#).

Questions, comments, please let us know.

[Visit Our Website](#)



Was this email forwarded to you? Sign Up for Our Newsletter!  
[CLICK HERE](#)