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Labor Market Report for November 2021

The California Labor Market Information Division (LMID) released its November 2021 report on Friday the 17th, revealing a strong three-month trend of improvements in Ventura County's unemployment rate, now at 4.4%, down from 5.0% in October. Also showing some positive movement, employment gains were a bit more widely distributed than in prior months, though up in only six of the twelve major subsectors.

What's a bit more disappointing, however, is the lackluster showing in holiday Retail hiring. While Retail gained 900 jobs in November, we're actually showing 300 fewer Retail jobs this November than last and we're off by 3,600 jobs since November 2019. None of this is surprising given the movement to on-line purchasing, but it's worth reminding that the loss of these temporary holiday jobs has taken a ton of work experience opportunities away from young workers and has reduced opportunity for a boost in family incomes during the holidays. For more commentary on the data, see below; for the monthly detail, the LMID release is [here](#).

Labor Force & Unemployment Rate: As strong as a 4.4% unemployment rate may be, it remains artificially low, failing to account for the 9,000 workers that are still dropped out of the labor force since the onset of the pandemic. The monthly data for Ventura County shows only 18,300 officially unemployed workers, a number only about 3,000 off from our pre-COVID levels. Though if you added in the 9,000 that have dropped out since COVID, the unemployment rate would bump up to 6.5%.

Further on the Labor Force and the drop-out issue, we've gained back only just half of the 17,700 workers that dropped out early during the pandemic. Just to be clear, by "dropped out," we mean residents that are neither working nor looking for work, so not considered unemployed and not included in the calculation for the unemployment rate. There are a lot of reasons for dropping out—taking an early retirement, anxiety about workplace safety, inability to secure child care, reluctance to accept low wage work. What we know for sure is that this loss of 9,000 workers continues to compound our last decade's slow growth in workers, undermining our region's overall productivity and wealth creation.

Industry Jobs: Ventura County had a relatively strong recovery in jobs in November, up by 2,300 NonFarm jobs, though offset by a decline by 1,000 in Farm. The loss in Farm jobs appears seasonal, however, now at 23,400 putting us even with one year ago and fully recovered—at least numerically—from pre-COVID levels.

Our overall jobs picture, however, still shows that we're a long way off from full recovery. Ventura County remains down by 15,100 jobs since prior to the pandemic, or down by 4.4%. The good news is we've gained back some 19,800

jobs, or roughly two-thirds of the loss. The losses remain concentrated in Retail, Leisure & Hospitality and Other Services. Following is more detail on the larger industry subsectors.

- Construction gained 100 jobs in November, though is up only 100 year-over-year and at 16,800 is still off by 800 jobs compared to November 2019, prior to the pandemic.
- Manufacturing lost 100 jobs, and while up 1,000 year-over-year, at 26,500 jobs remains 300 jobs shy of our pre-COVID level in November 2019.
- Retail Trade was up by 900 jobs in November, but as noted above, at 36,600 jobs remains 3,600 jobs below November 2019. With the now long-standing and accelerated trend for on-line orders, there's little reason to believe we'll ever get back to the 2019 level.
- Financial Activities was unchanged for the second month in a row, also unchanged year-over-year and now at 15,800 jobs is down only 100 over the two years.
- Professional and Business Services continues to be our strongest performing sector, gaining 400 jobs in November and at 45,100 is up 2,000 year-over-year, up 200 since November 2019 and off only by 400 from the sector's all-time high in December 2019.
- Private Education and Health Services had no change in November, though at 49,200 is down 400 from one year ago and off by 1,600 from November 2019, prior to the pandemic. The impacts of COVID-19 are hard to gauge for this sector, as while health services are in extraordinary demand, the disruptions to its labor force and operations are nearly incalculable.
- Leisure & Hospitality gained 200 jobs in October, and at 45,900 jobs is up a whopping 5,000 year-over-year. Nevertheless, this sector remains our most impacted, as that one-year gain by 5,000 is just barely over half of the jobs lost since November 2019, and the sector remains down by 4,800.
- Other Services gained 100 jobs in November, at 8,500 is up 600 year-over-year though remains down by 1,300 since November 2019. While 1,300 isn't an enormous number, on a percentage basis the loss is significant, at 13.3%.
- Local Government Education gained 400 in November, at 19,700 is up 900 year-over-year though still off by 2,200 since November 2019. Schools are re-opening but still have a long way to go for recovery.

Unemployment Rate in the Statewide Context: Looking at statewide standing, Ventura County gained one slot, to 20th among California's 58 counties. For a broader comparison, our 4.4% unemployment has us a full point ahead of California, at 5.4%, though behind the U.S. as a whole, at 3.9%.

- Looking at our neighboring counties, Santa Barbara County gained one slot to 9th, in a tie with Nevada County, at 3.9%, and San Luis Obispo gained a slot to 6th, at 3.6%. Los Angeles remained in 52nd at 7.1% and Kern gained a slot to 54th, at 7.4%.
- The top five counties remain unchanged, Marin holding on to number 1 at 2.9%, San Mateo 2nd at 3.1%, Santa Clara 3rd at 3.2%, San Francisco 4th at 3.3 and Placer 5th at 3.5%. Completing the top ten are San Luis Obispo in 6th at 3.6%, Sonoma 7th at 3.7%, Lassen 8th at 3.8% and Santa Barbara and Nevada tied for 9th at 3.9%.
- On the other end of the spectrum, Imperial is 58th at 15.5%, Colusa 57th at 10.3%, Tulare 56th at 8.2%, and Merced 55th at 7.6%.

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

Questions, comments, please let us know, bruce@edcollaborative.com.

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