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El informe económico 411 del mercado laboral de la EDC del mes de junio se publicará en español en agosto.



THE LATEST ECONOMIC 411

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Labor Market Report for June 2022

The California Labor Market Information Division (LMID) released its June 2022 report on Friday, Ventura County losing a bit of ground from our unprecedented low unemployment rates the last two months, slipping up in June to 3.2%, from our low of 2.7% in May. While our overall job gains in June were low, which is somewhat discouraging, our rise in the unemployment rate is mostly seasonal, from a drop in Farm jobs and also tied to the summer slowdown in education.

On net, we lost 200 industry jobs in June, comprised of a decline by 1,100 jobs in Farm (about average for the change in May to June going back several years), a drop of 700 jobs Government (comprised entirely by job losses in Local Public Sector Education), and a total gain of 1,500 jobs in all other private industry sectors combined. For more on the labor force and specific gains and losses in jobs, see below; for the June data, click [here](#).

Labor Force and Employment: Though as we've often reported that it remains important to track the unemployment rate, it's far more interesting and informative to look at the overall movement in the labor force data that is used to calculate the rate. For this month there are two notable items.

The first is the increase in the total number of officially unemployed workers. For the first time in several months, that number has increased, from an exceptionally low 11,000 in May to 12,900 in June. While the numbers are small in the grand scheme of the economy, the percentage increase, by 17.3%, catches the eye. That noted, we can see mostly where these unemployed workers came from—specifically, the loss in June of 1,100 Farm jobs and some 800 jobs in Local Government Education. In any case, the number is notable for a couple of reasons. One, even with the increase, it's a very small number (thus the still low 3.2% unemployment rate), and two, the large percentage increase suggests there's still a lot of volatility in the market.

The second, as noted routinely over the last several years, is the still incredibly low number of employed workers in Ventura County. The June total is 394,600, down 10,000 from June 2019 and down 16,300 from the month prior to the pandemic. It's the loss of these workers—not accounted for in the ranks of the unemployed as they've retired, dropped out waiting for better opportunities, still impacted by COVID, or left the area—that's mostly responsible for keeping our unemployment rate low. The real concern is that this is a loss of regional

productivity, of earnings and overall economic activity.

Industry Jobs/Job Creation: As noted above, we had a net loss of 200 jobs in June, down 1,100 in Farm, offset partially by a gain of 900 in the Nonfarm sectors. We're not particularly concerned by the loss in Farm jobs, appearing to be mostly seasonal. The sector appears to have gained back just about all of its ground lost during COVID. But that doesn't mean we're not concerned by the larger context impacting the Farm economy, that is, by potential water shortages, encroaching urbanization, lack of labor owing to immigration policy, and potential global disruptions to food systems everywhere.

In terms of overall industry recovery, we do remain concerned about the lack of recovery of jobs lost during the pandemic. At a current total of 333,700 (June, all industries), we're still down 6,100 jobs since June 2019, and down 5,500 since the month before the pandemic, in February 2020. The following summarizes the June data for each of the major reported sectors:

- Mining and Logging (Oil & Gas in Ventura County) remained unchanged at 900 direct jobs. By labor force data, this sector has had little change through the pandemic, at 1,000 in February 2000 and stable at 900 since with only a couple of months down to 800.
- Construction lost 100 jobs in June, down to 17,400, though is one of our few sectors to have gained back all the jobs lost through COVID. Construction is up 100 jobs since June 2019 (that is, since the best month-to-month comparison for pre-COVID data) and up 200 since February 2020, just prior to the pandemic. On the upside, COVID had little apparent impact on Construction jobs; on the downside the sector continues to struggle to add jobs.
- Manufacturing gained 300 jobs, to 26,800, up 300 from one year ago. This sector has also shown a lot of stability through COVID, up 300 from June 2019 and exactly even from February 2020.
- Retail Trade gained 500 jobs in June, an unusually positive movement for a sector that continues to struggle with the shift to on-line sales. Still, the overall trend remains for job loss, not gains, and the best we might hope for is a slowdown or stop to the losses.
- Information, a relatively small sector including publishing, recording and broadcasting, gained 100 jobs, now at 4,200, up 200 year-over-year though still down 1,200 from June 2019.
- Financial Activities dropped 100 jobs again in June, at 15,300, down 200 year-over-year and still down 400 from June 2019. That noted, this sector's employment is one of the least impacted by COVID, with options for workers to socially distance, in the workplace or remote.
- Professional & Business Services had no change in June, at 44,000 jobs, up 400 year-over-year and down by 500 since June 2019. Like Financial Activities, this sector too has been able to remain relatively stable through the pandemic.
- Private Education & Health Services continues to struggle with the disruption of COVID, though gained 100 jobs in June, now at 49,400, unchanged year-over year though, encouragingly, up by 300 since June 2019.
- Leisure & Hospitality was again our big winner, adding 700 jobs in June, on top of 1,200 gained in May. These gains are encouraging, offsetting our largest losses through COVID. Now at 38,400 we're up 4,500 year-over-year and down only 700 from June 2019. That's a strong recovery considering at the low point of COVID the sector was all the way down to 25,200.
- Other Services gained 100 jobs in June, now at 9,500, up 600 year-over-year and just off 200 since June 2019. While also a relatively small sector, this recovery is encouraging too, as at its low point it was all the way down to 6,700 jobs.
- Local Public Education dropped 800 jobs, now at an even 20,000, up 700 year-over-year, yet still down 1,200 from June 2019. As we noted last month, we routinely see job declines in this sector going into summer, so it won't truly be until September and October that we'll be able to tell how

well it's recovering.

Unemployment Rate in the Statewide Context: Ventura County's 3.2% unemployment rate puts us ahead of both California and the nation as a whole, the U.S. at 3.8% and California at 4.0% (unadjusted for seasonality). In the broader context of California's 58 counties, we dropped three slots this month, from 14th in May to 17th in June.

- Looking at our neighboring counties, Santa Barbara County held on to 9th, now at 2.8%. San Luis Obispo tied for 5th, at an 2.6%. Los Angeles fell back one slot, to 47th, at 5.2%, and Kern remained in 54th, at 6.8%.
- The top tier again had little change, with San Mateo remaining 1st at 2.0%, Marin, Santa Clara and San Francisco tied for 2nd at 2.2%, and San Luis Obispo and Placer again tied for 5th, now at 2.6%. Completing the top ten are Sonoma and Napa again tied for 7th, at 2.7%, Santa Barbara alone in 9th at 2.8%, and Alameda, El Dorado, Nevada and Orange counties tied for 10th at 2.9%.
- Rounding out the several to get to Ventura, Inyo is 14th at 3.0%, Calaveras and Mono are tied for 15th at 3.1% and Contra Costa, San Diego and Sierra are all tied with Ventura, in 17th, at 3.2%.

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

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

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