



LABOR REPORT

May 2021



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LABOR MARKET HIGHLIGHTS



1,489,600

Unemployed



7.9 %

**Unemployment
Rate**



104,500

Jobs Added



60.9

**Labor
Participation**

California



California Unemployment Rate: 7.9%

Goods-Producing Sector	Service-Providing Sector
Construction (-1,600)	Financial Activities (+1,200)
Manufacturing (+2,400)	Leisure & Hospitality (+62,300)
Natural Resources & Mining (-300)	Health Care & Social Assistance (+16,500)
	Professional & Business Services (+7,300)
	Government (+1,700)
	Trade, Transportation, Utilities (+1,100)



UNEMPLOYMENT RATES

California Unemployment Rates

16.3 % May 2020

8.3 % April 2021

7.9 % May 2021



***UNEMPLOYMENT
RATES
BY COUNTY***





NAPA COUNTY: 5.5 %

Napa County	
Napa	5.9 %
Yountville	6.8 %
St. Helena	4.2 %
Calistoga	6.5 %
American Canyon	6.4 %
Angwin	5.9 %



SONOMA COUNTY: 5.3%

Sonoma County	
Sonoma	5.3 %
Santa Rosa	5.6 %
Petaluma	4.7 %
Healdsburg	3.5 %
Rohnert Park	5.4 %
Sebastopol	8.7 %
Windsor	5.5 %
Bodega Bay	5.8 %



MARIN COUNTY: 4.3 %

Marin County	
Larkspur	3.1 %
Mill Valley	2.7 %
Novato	4.3 %
San Rafael	4.3 %



SOLANO COUNTY: 7.2 %

Solano County	
Fairfield	7.2 %
Vacaville	6.0 %
Vallejo	8.5 %
Benicia	5.0 %
Suisun City	7.7%
Dixon	6.9 %
Rio Vista	8.9 %



ALAMEDA COUNTY: 6.0 %

Alameda County	
Alameda	5.6 %
Oakland	7.0 %
Hayward	7.2 %
Berkeley	4.6 %
San Leandro	7.3 %
Livermore	4.7 %
Pleasanton	4.3 %
Dublin	4.6 %



SACRAMENTO COUNTY: 6.8 %

Sacramento County	
Sacramento	6.8 %
Elk Grove	6.0 %
Rancho Cordova	6.9 %
Folsom	4.3 %
Citrus Heights	6.7 %
Fair Oaks	4.7 %



YOLO COUNTY: 5.6 %

Yolo County	
Davis	3.6 %
West Sacramento	5.8 %
Woodland	7.2 %



SAN JOAQUIN COUNTY: 8.3 %

San Joaquin County	
Stockton	9.7 %
Lodi	7.2 %
Tracy	6.3 %
Manteca	7.3 %
Ripon	5.3 %
Lathrop	7.1 %



EXPERT INSIGHTS





INTERESTING STATS

- Despite record job growth, California's labor force only grew by 12,400 workers — meaning thousands of open jobs are going unfilled.
- The Golden State has only regained 51.8% of jobs lost since the onset of the pandemic, far below the national rate of 66%.
- 25 states decided in May and June to prematurely cut off the sweetened aid, which provided an extra \$300 on top of regular state unemployment benefits.
 - Some include: Alabama, Alaska, Arizona, Arkansas, Georgia, Idaho, Indiana, Iowa, Maryland, Mississippi, Missouri, Montana, Nebraska, North Dakota, Ohio, Oklahoma, South Carolina, South Dakota, Tennessee, Texas, Utah, West Virginia and Wyoming



EDD STATS

- California has processed more than 20 million unemployment claims and paid out more than \$128 billion in benefits.
- California accounted for 38% of all new jobs added in the United States.
- California still has the second-highest unemployment rate in the country at 8.3%
- California's 45 workforce development boards, which aim to get people placed in jobs, says fewer people have been coming to them seeking jobs.



California will stop giving unemployment benefits to people who are not actively applying for jobs. So, *what does this mean for employers?*

- Most likely, we will see an influx of candidates applying strictly to receive benefits with no intention of working. This means more time spent on vetting candidates and thus, a higher rate of no shows to jobs or interviews potentially.
- This also begs the question, will EDD be able to manage this?



HIRING DIFFICULTIES

- Reports of hiring difficulties are rampant and the number of hires per open position is near historic lows.
- Many employers are wondering what they have to do to attract job seekers.
- **One answer is clear:** Raising wages remains a powerful tool.



HIRING SPIKES

Companies that publicized large wage increases have seen big jumps in Indeed searches.

- Job seeker interest in companies rose dramatically after public announcements of broad-based wage increases, though interest faded over time, Indeed search data show.
- These increases in attention varied significantly even for large companies, with Bank of America's share of searches rising 370% and Amazon's 24%.
- Heightened job seeker interest after pay hike announcements suggests that companies competing for workers can attract employees by taking measures to let them know about wage increases.



HIRING INCENTIVES GROW

As labor demand strengthens, businesses are finding it difficult to recruit workers. As a result, many employers are turning to creative ways of attracting job candidates.

- The share of job postings advertising hiring incentives, such as signing bonuses, retention bonuses, and cash incentives, has doubled since last July.
- Many sectors have seen growth in these incentives, including childcare and driving.
- Job searches for hiring incentives have jumped 134% since the beginning of the year.

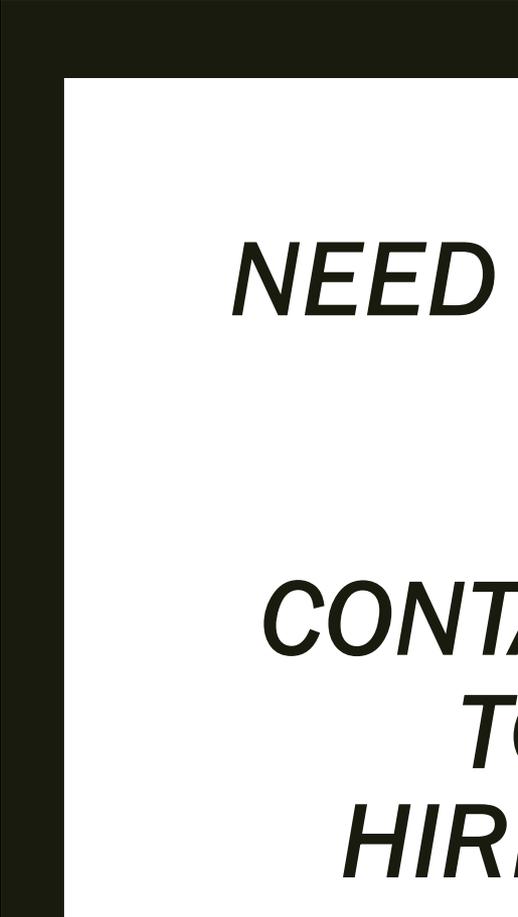


"THE GREAT RESIGNATION"

Remote work availability and pandemic-driven reflection has caused many workers to become more selective in their job search:

- Companies that require employees in-person 100% of the time are losing employees at a record rate.
- Remote work that replaces long commutes are starting to trump in-person culture benefits.
- Job seekers report flexibility as a top requirement for their next role.

* According to Forbes.com



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HIRING CHALLENGES***



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