



# LABOR REPORT

June 2021



# IN THIS REPORT

- Labor Market Highlights
- Job Gains
- Unemployment Rates
- Unemployment by  
County/Cities
- Expert Insights





# LABOR MARKET HIGHLIGHTS



**1,456,900**

**Unemployed**



**7.7 %**

**Unemployment  
Rate**



**73,500**

**Jobs Added**



**61.1**

**Labor  
Participation**

# California



## California Unemployment Rate: 7.7%

<b>Goods-Producing Sector</b>	<b>Service-Providing Sector</b>
Construction (-3,000)	Financial Activities (-1,700)
Manufacturing (+4,200)	Leisure & Hospitality (+44,400)
Natural Resources & Mining (-200)	Health Care & Social Assistance (+6,000)
	Professional & Business Services (+3,400)
	Government (+7,400)
	Trade, Transportation, Utilities (+5,300)



# UNEMPLOYMENT RATES

## California Unemployment Rates

### MoM Data

7.9 % May 2021

7.7 % June 2021

-2.53% Change

### YoY Data

14.1 % June 2020

7.7 % June 2021

-45.39% Change



***UNEMPLOYMENT  
RATES  
BY COUNTY***





# NAPA COUNTY: 5.2 %

Napa County	
Napa	6.3 %
Yountville	7.5 %
St. Helena	4.6 %
Calistoga	7.1 %
American Canyon	7.0 %
Angwin	6.5 %



# SONOMA COUNTY: 6.4 %

<b>Sonoma County</b>	
<b>Sonoma</b>	8.9 %
<b>Santa Rosa</b>	6.2 %
<b>Petaluma</b>	5.1 %
<b>Healdsburg</b>	3.8 %
<b>Rohnert Park</b>	5.8 %
<b>Sebastopol</b>	9.4 %
<b>Windsor</b>	5.9 %
<b>Bodega Bay</b>	6.2 %





# MARIN COUNTY: 3.95 %

Marin County	
Larkspur	3.3 %
Mill Valley	2.9 %
Novato	4.9 %
San Rafael	4.7 %



# SOLANO COUNTY: 7.7 %

<b>Solano County</b>	
<b>Fairfield</b>	7.5 %
<b>Vacaville</b>	6.5 %
<b>Vallejo</b>	9.3 %
<b>Benicia</b>	5.5 %
<b>Suisun City</b>	8.3 %
<b>Dixon</b>	7.4 %
<b>Rio Vista</b>	9.6 %



# ALAMEDA COUNTY: 6.25 %

Alameda County	
Alameda	6.2 %
Oakland	7.6 %
Hayward	7.7 %
Berkeley	5.3 %
San Leandro	8.0 %
Livermore	5.0 %
Pleasanton	5.0 %
Dublin	5.2 %



# SACRAMENTO COUNTY: 6.5 %

<b>Sacramento County</b>	
<b>Sacramento</b>	7.7 %
<b>Elk Grove</b>	6.6 %
<b>Rancho Cordova</b>	7.6 %
<b>Folsom</b>	5.0 %
<b>Citrus Heights</b>	7.2 %
<b>Fair Oaks</b>	5.1 %



# YOLO COUNTY: 6.0 %

Yolo County	
Davis	4.2 %
West Sacramento	6.2 %
Woodland	7.7 %



# SAN JOAQUIN COUNTY: 7.8 %

San Joaquin County	
Stockton	10.3 %
Lodi	7.7 %
Tracy	7.4 %
Manteca	8.2 %
Ripon	5.7 %
Lathrop	7.7 %



***EXPERT INSIGHTS***





# INTERESTING STATS

- The national unemployment rate **increased** slightly from 5.2% to 5.9% in June. 7 states had decreases, 3 states increased, 40 (including CA) remained about the same at 7.7%.
- Nationwide, 69.8% of jobs have been recovered since the start of the pandemic. California has **recovered** 54.2%.
- While California had its official re-opening on June 15th, it had **little impact** on the unemployment rate.
- 92% of the jobs created in the Bay Area in June were in the hospitality industry.





# EDD STATS

- The California June 2021 unemployment rate is nearly half of June 2020's, but still 3.4% **higher** than pre-pandemic levels.
- California has regained 54.2% of the jobs lost in March and April 2020.
- California is tied for the **3rd highest** unemployment rate in the nation at 7.7%
- Eight of California's 11 industry sectors gained jobs in June. Leisure and Hospitality lead the way with the largest growth for the 5th month in a row.



**California stopped giving unemployment benefits to people who are not *actively* applying for jobs on July 11th. *What does this mean for employers?***

- We will likely 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.
- This also begs the question, will EDD be able to manage this challenge?



# HIRING TRENDS

- Hiring difficulties continue to be the #1 challenge for most businesses this month.
- Employers will need to go to extensive lengths to attract and retain employees.
- The Wall Street Journal reports that many large employers are going back 4 years in their application database to contact possible job seekers.



# HIRING TRENDS

- While not the "solve all", raising wages and providing hiring bonuses continue to be the most successful solution for companies who are hiring.
- Nationwide, job openings have increase by 35% while job applications have decreased by 20%. \*
- Wages jumped for the 3rd month in a row, a sign that employers are trying to attract applicants with higher pay and workers are gaining bargaining power. \*

- \* According to NY Times
- \*\* According to LA Times



# THERE'S HOPE!!

- Despite conflicting narratives over the impact of business closures, mask mandates, and social distancing rules, states with stringent interventions such as CA generally have a more robust economic recovery than states with looser rules, according to economist Jerry Nickelsburg.
- Scott Anderson, the Chief Economist at Bank of the West in San Francisco, said, "The US and California pandemic recovery is expected to be as exceptional as the pandemic was dire."

**Overall:** There is much to be optimistic about, especially when it comes to hiring and staffing, even as new information and data comes to light.

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HIRING CHALLENGES***

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