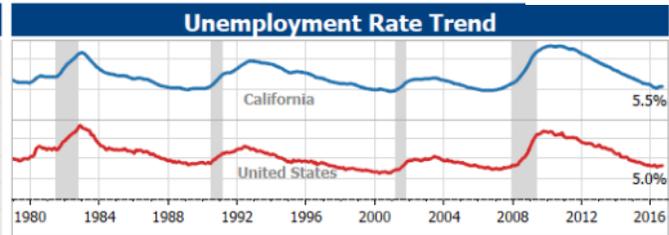


# Workforce Development Board of Ventura County Job Outlook Report September 2016

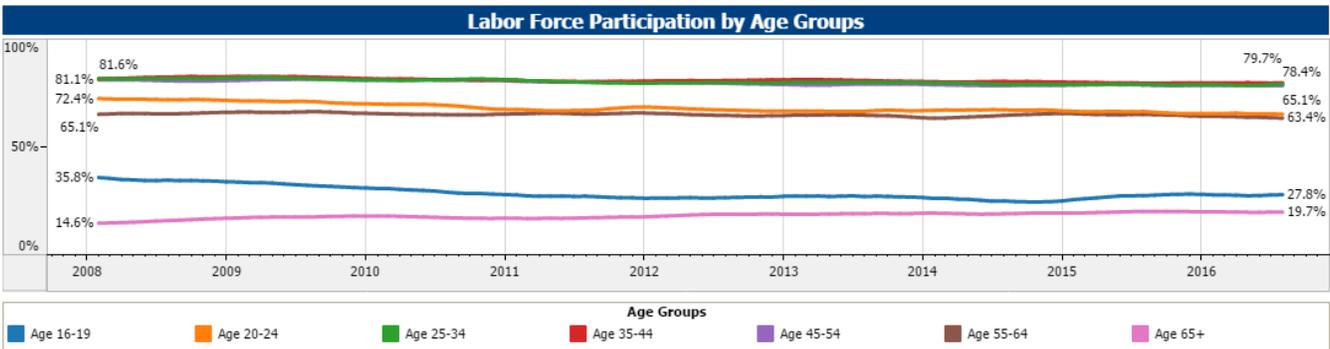
**STATE OF CALIFORNIA EMPLOYMENT DEVELOPMENT DEPARTMENT (EDD) LABOR MARKET MONTHLY RELEASE: Statewide Labor Market Review** <http://www.labormarketinfo.edd.ca.gov/>

CA NSA = 5.3%  
US NSA = 4.8%

California Labor Market Indicators			
Metrics	August, 2016	September, 2016	Change
Unemployment Rate	5.5%	5.5%	0.0
Labor Force	19,231,100	19,348,900	117,800
Employment	18,169,900	18,278,500	108,600
Unemployment	1,061,200	1,070,400	9,200
Non Farm Jobs	16,519,600	16,549,600	30,000
UI Initial Claims	189,163	163,591	-25,572



Data Source: EDD Labor Market Information Division; Note: August 2016 data is revised and September 2016 is preliminary



- California employers added 30,000 nonfarm payroll jobs in September, for a total gain of 2,363,100 jobs since the expansion began in February 2010, and the unemployment rate held steady at 5.5 percent for the third month in a row, according to data released October 21<sup>st</sup> by the California Employment Development Department from two surveys.
- The 30,000 job gain came as employers nationwide were adding 156,000 jobs in September.
- The California unemployment rate was 5.5 percent in August and 6.0 percent in September, 2015. The unemployment rate is derived from a federal survey of 5,500 households in the state.
- The addition of 30,000 jobs last month brought the number of nonfarm payroll jobs in the state to 16,549,600, according to a survey of businesses that is larger and less variable statistically than the household survey.
- Employers in the state added 379,800 jobs from September 2015 to September 2016, a 2.3 percent increase, according to the survey of 58,000 California businesses.
- The household survey shows 18,279,000 people were employed in California in September, up 109,000 from August, and up 444,000 from September 2015.
- The survey shows 1,070,000 people were unemployed in the state last month, up 9,000 from August, but down 65,000 from September 2015.



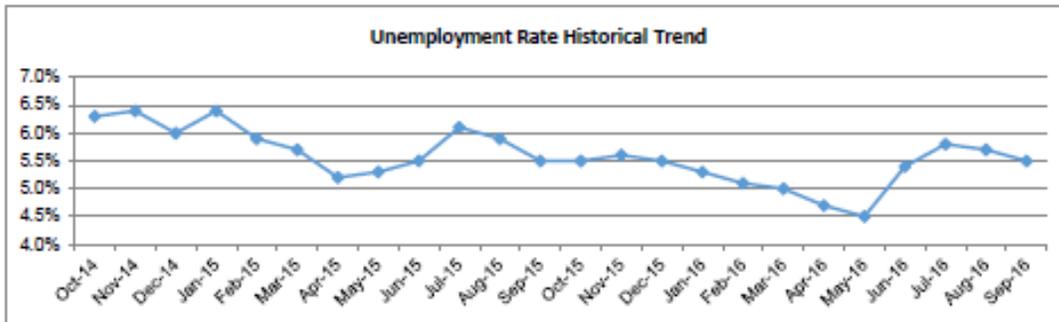
# Workforce Development Board of Ventura County Job Outlook Report September 2016

- Seven sectors added jobs in September, led by leisure and hospitality with a gain of 13,600 (up 0.7%). Three other sectors added 5,000 or more jobs each. Government gained 7,200 jobs (up 0.3%), educational and **health services added 6,200 (up 0.2%)**, and construction added 5,000 (up 0.7%).
- Four industry sectors lost jobs from August to September **Manufacturing took the biggest loss: 8,000 jobs (down 0.6%)**, followed by trade, transportation and utilities with a decline of 3,200 (down 0.1%). Financial activities lost 1,200 jobs (down 0.1%). **Manufacturing was one of two sectors that lost jobs on a year-over basis: 17,500 (down 1.4%)**.

## LABOR MARKET INFORMATION DIVISION MONTHLY RELEASE Ventura County:

[http://www.calmis.ca.gov/file/lfmonth/vent\\$pdps.pdf](http://www.calmis.ca.gov/file/lfmonth/vent$pdps.pdf)

The unemployment rate in the Ventura County was 5.5 percent in September 2016, down from a revised 5.7 percent in August 2016, and unchanged the year-ago estimate of 5.5 percent. This compares with an unadjusted unemployment rate of 5.3 percent for California and 4.8 percent for the nation during the same period.



## UNITED STATES DEPARTMENT OF LABOR - UNEMPLOYMENT INSURANCE WEEKLY CLAIMS REPORT:

Weekly national tracking of insured unemployment statistics comparing current week to previous week, month and year. DOL Claims Report - <http://www.dol.gov/ui/data.pdf>

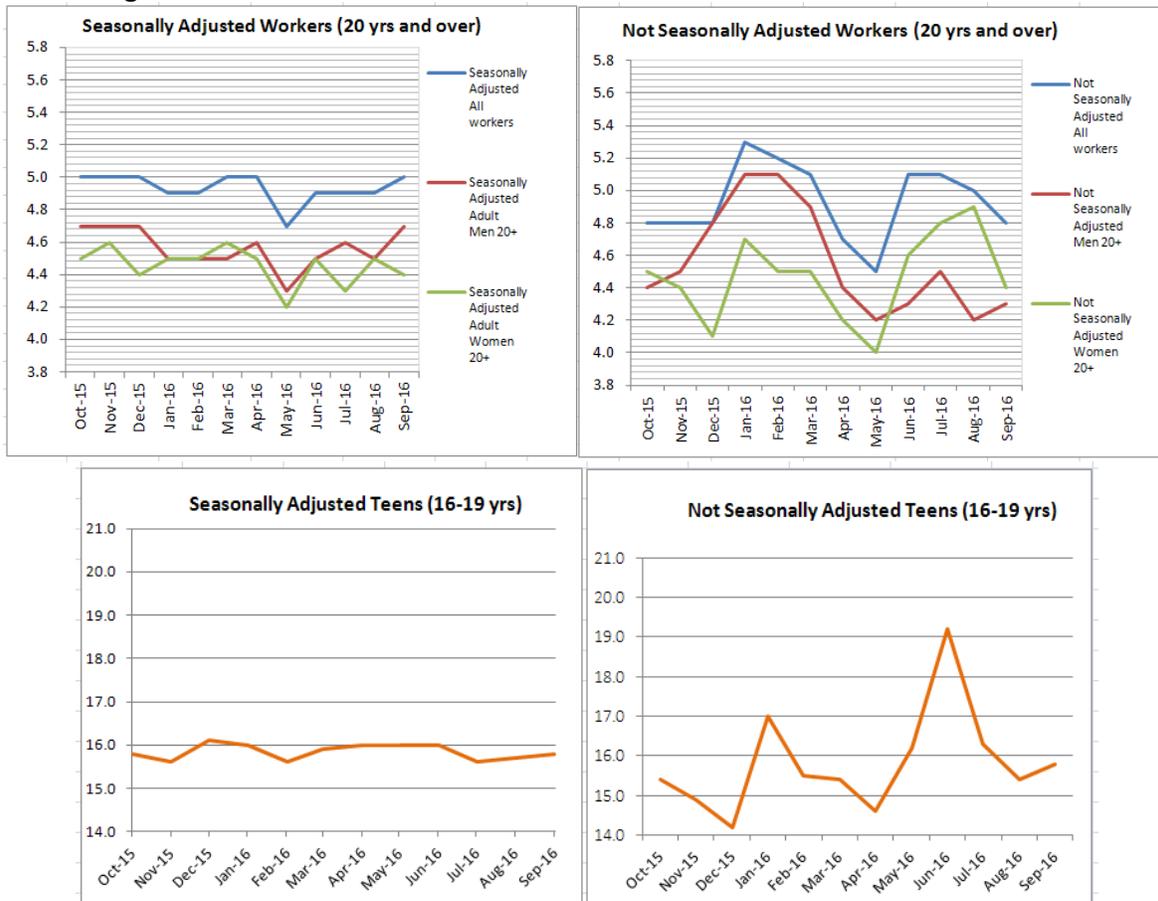
### UNEMPLOYMENT INSURANCE DATA FOR REGULAR STATE PROGRAMS

WEEK ENDING	October 15	October 8	Change	October 1	<u>Prior Year</u>
Initial Claims (SA)	260,000	247,000	+13,000	246,000	265,000
Initial Claims (NSA)	233,181	238,581	-5,400	200,456	232,860
4-Wk Moving Average (SA)	251,750	249,500	+2,250	252,750	267,750
WEEK ENDING	October 8	October 1	Change	September 24	<u>Prior Year</u>
Insured Unemployment (SA)	2,057,000	2,050,000	+7,000	2,062,000	2,188,000
Insured Unemployment (NSA)	1,709,147	1,709,974	-827	1,744,083	1,826,779
4-Wk Moving Average (SA)	2,058,250	2,071,000	-12,750	2,095,750	2,199,500
<u>Insured Unemployment Rate (SA)<sup>2</sup></u>	1.5%	1.5%	0.0	1.5%	1.6%
<u>Insured Unemployment Rate (NSA)<sup>2</sup></u>	1.2%	1.2%	0.0	1.3%	1.3%

## UNITED STATES DEPARTMENT OF LABOR – THE EMPLOYMENT SITUATION: SEPTEMBER 2016

Monthly national data by industry on employment, hours, and earnings of workers on the payrolls of nonfarm establishments. DOL Release - <http://www.bls.gov/news.release/pdf/empst.pdf>

- Total nonfarm payroll employment increased by 156,000 in September, and the unemployment rate was little changed at 5.0 percent, the U.S. Bureau of Labor Statistics reported October 7th.
- **Employment gains occurred in professional and business services and in health care.**
- The unemployment rate, at 5.0 percent, and the number of unemployed persons, at 7.9 million, changed little in September. Both measures have shown little movement, on net, since August of last year.
- Among the major worker groups, the unemployment rate for Hispanics increased to 6.4 percent in September, while the rates for adult men (4.7 percent), adult women (4.4 percent), teenagers (15.8 percent), Whites (4.4 percent), Blacks (8.3 percent), and Asians (3.9 percent) showed little or no change.
- In September, both the labor force participation rate, at 62.9 percent, and the employment population ratio, at 59.8 percent, changed little. The number of persons employed part time for economic reasons was little changed in September at 5.9 million.
- Thus far this year, job growth has averaged 178,000 per month, compared with an average of 229,000 per month in 2015.
- **Professional and business services employment rose by 67,000 in September and has risen by 582,000 over the year. Over the month, job gains occurred in management and technical consulting services (+16,000), and employment continued to trend up in administrative and support services (+35,000).**
- **Health care added 33,000 jobs in September. Ambulatory health care services added 24,000 jobs over the month, and employment rose by 7,000 in hospitals. Over the past 12 months, health care has added 445,000 jobs.**
- The average workweek for all employees on private nonfarm payrolls increased by 0.1 hour to 34.4 hours in September. **In manufacturing, the workweek increased by 0.1 hour to 40.7 hours, while overtime was unchanged at 3.3 hours.**



## CONFERENCE BOARD - HELP WANTED ONLINE DATA SERIES SEPTEMBER 2016 REPORT

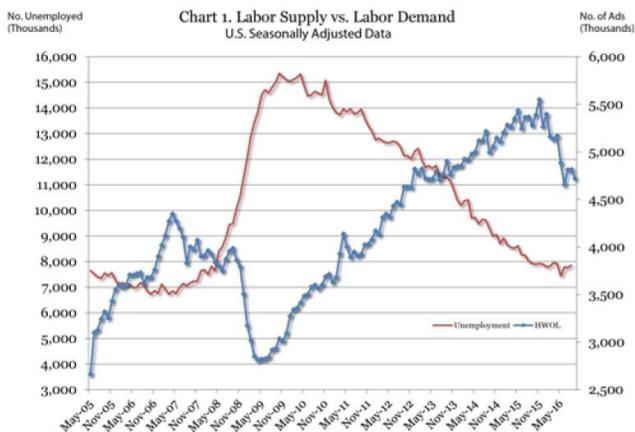
Measures the number of new, first-time online jobs and jobs reposted from the previous month on more than 1,200 major Internet job boards and smaller job boards that serve niche markets and smaller geographic areas. <https://www.conference-board.org/data/helpwantedonline.cfm>

Region	Number of unemployed people per online job posted
USA	1.63
California	1.88
Los Angeles	1.85

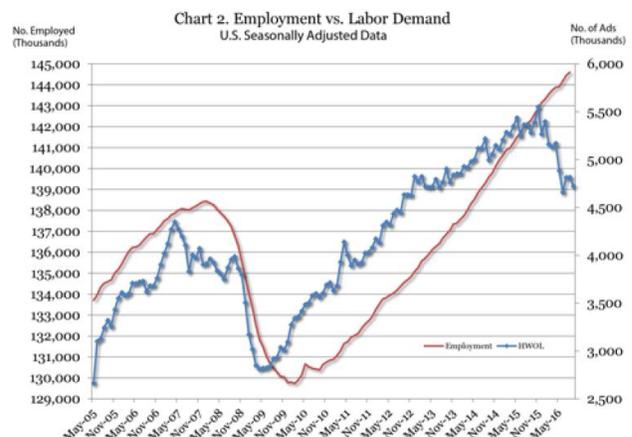
- Online advertised vacancies decreased 93,800 to 4,722,300 in September, according to *The Conference Board Help Wanted OnLine® (HWOL) Data Series*, released October 5, 2016.
- The August Supply/Demand rate stands at 1.63 unemployed for each advertised vacancy with a total of 3.0 million more unemployed workers than the number of advertised vacancies. The number of unemployed was approximately 7.8 million in August.
- The September loss followed little change in August
- “The third quarter showed a small gain of 64,800 following large losses in the second quarter,” said Gad Levanon, Chief Economist, North America, at The Conference Board. “There has been no sign of a bounceback from the sudden steep losses in May and June.”
- The West decreased 36,600 in September. California decreased 17,600 to 547,000. Los Angeles decreased 3,300 to 165,700.

### Sector/Occupational Changes

- The Professional category saw large losses in Computer/Math (-17.8) and Healthcare (-23.7) with the other areas primarily also showing losses.
- The Services/Production category saw large losses in Sales (-22.1) and Transportation (-12.0) with a mixture of smaller gains and losses in other areas.
- Healthcare practitioners and technical ads decreased 23,700 to 619,600. The supply/demand rate for these occupations lies at 0.24, i.e. 4 advertised openings per unemployed job-seeker.
- Business and finance ads decreased 9,000 to 283,000. The supply/demand rate lies at 0.85, i.e. more than 1 advertised opening per unemployed job-seeker.



Source: The Conference Board, BLS



Source: The Conference Board, BLS

Red - Unemployment  
Blue - Help Wanted Online

## **THE CONFERENCE BOARD - EMPLOYMENT TRENDS INDEX – SEPTEMBER 2016**

This report offers a short-term, forward look at employment on its own. It gives economists and investors a new forecasting tool. It also helps business executives sharpen their short- to medium-term hiring and compensation planning. <http://www.conference-board.org/press/>

- The Conference Board Employment Trends Index™ (ETI) increased in September, after a slight decline in the prior month. The index now stands at 128.51, up from 127.96 (a downward revision) in August. The change represents a 1.1 percent gain in the ETI compared to a year ago.
- “The Employment Trends Index increased to 128.51 in September, despite a large decline in one component, NFIB, and suggests moderate job growth through the first quarter of 2017,” said Gad Levanon, Chief Economist, North America, at The Conference Board. “Despite the recent declines in corporate profits, employers are not showing any signs of reducing payrolls.”
- September’s improvement in the ETI was fueled by positive contributions from seven of the eight components. In order from the largest positive contributor to the smallest, these were: Percentage of Respondents Who Say They Find “Jobs Hard to Get,” Ratio of Involuntarily Part-time to All Part-time Workers, Initial Claims for Unemployment Insurance, Number of Employees Hired by the Temporary-Help Industry, Real Manufacturing and Trade Sales, Job Openings, and Industrial Production.

## RELEVANT NEWS ARTICLES

**October 18, 2016, Reuters, “Once jobless and uncouneted, eager workers could slow Fed rate hike,” Howard Schneider, <http://www.reuters.com/article/us-usa-fed-jobs-insight-idUSKCN1210AY>**

- The crammed-to-capacity parking lot at a job training center in this St. Louis suburb is exhibit A for why the U.S. Federal Reserve remains at odds over the health of the U.S. labor market and how quickly interest rates should rise.
- Among those in the building on a recent fall day, 23-year-old Joshua Goodson described his recent work history as a "dead end." Motivated by the prospect of a firm career foothold, he is now in a program at the Family and Workforce Centers of America that includes both a curriculum in heating and air conditioning installation, and the "soft" social skills needed to keep steady employment.
- As the nation's six year run of job creation reaches deeper into neighborhoods like Wellston and nearby Ferguson -- site of a police shooting two years ago that highlighted the depressed economic conditions in some U.S. neighborhoods -- Goodson is among a pool of sidelined workers returning to the labor force in unexpected numbers and more readily landing jobs.
- A Reuters analysis of federal labor flow data shows workers are moving from outside the labor force directly into jobs at a record pace. That is what Fed Chair Janet Yellen and others hoped would take hold as the economy rebounded from a crisis that left millions jobless or caused them to stop looking for work and leave the labor force altogether.
- It is also something trainees in this high unemployment pocket northwest of St. Louis hope will continue as they learn construction, business administration and other skills, confident there will be steady jobs at the end.

**October 7, 2016, Bloomberg, “Payrolls in U.S. Rise 156,000 as More Americans Seek Work,” Sho Chandra, <http://www.bloomberg.com/news/articles/2016-10-07/payrolls-in-u-s-rise-156-000-as-more-americans-go-back-to-work>**

- Employers continued to add to payrolls in September as record openings drew more Americans into the workforce and most found jobs, indicating the U.S. labor market is settling into a pace that will support the economy.
- The 156,000 increase followed a 167,000 rise in August that was more than previously estimated, a Labor Department report showed Friday in Washington.
- While the September figure was weaker than the 172,000 median forecast of economists, payrolls included the biggest drop in government employment in a year. The jobless rate rose to 5 percent as the labor participation rate ticked up to a six-month high.
- Companies face a limited pool of available and qualified workers at the same time that improving prospects for employment are drawing more people into the labor force.
- The unemployment rate, which is derived from a separate Labor Department survey of households, rose as employment increased by 354,000. The jobless rate was projected to hold at 4.9 percent, according to the survey median, close to the lowest since 2007.
- The participation rate, which shows the share of working-age people in the labor force, increased to 62.9 percent, from 62.8 percent. It has been hovering close to the lowest level in more than three decades.

**October 5, 2016, The Washington Post, “America’s ‘quiet catastrophe’: Millions of idle men, George F. Will, [https://www.washingtonpost.com/opinions/americas-quiet-catastrophe-millions-of-idle-men/2016/10/05/cd01b750-8a57-11e6-bff0-d53f592f176e\\_story.html?utm\\_term=.8777ba09c015&wpisrc=nl\\_headlines&wpmm=1](https://www.washingtonpost.com/opinions/americas-quiet-catastrophe-millions-of-idle-men/2016/10/05/cd01b750-8a57-11e6-bff0-d53f592f176e_story.html?utm_term=.8777ba09c015&wpisrc=nl_headlines&wpmm=1)**

- It is this: After 88 consecutive months of the economic expansion that began in June 2009, a smaller percentage of American males in the prime working years (ages 25 to 54) are working than were working near the end of the Great Depression in 1940, when the unemployment rate was above 14 percent. If the labor-force participation rate were as high today as it was as recently as 2000, nearly 10 million more Americans would have jobs.
- Since 1948, the proportion of men 20 and older without paid work has more than doubled, to almost 32 percent. This “eerie and radical transformation” — men creating an “alternative lifestyle to the age-old male quest for a paying job” — is largely voluntary. Men who have *chosen* to not seek work are two-and-a-half times more numerous than men who government statistics count as unemployed because they are seeking jobs.

**September 22, 2016, CBSNews.com, “Older workers and the search for “good” jobs,” Steve Vernon,**  
<http://www.cbsnews.com/news/older-workers-and-the-search-for-good-jobs/>

- Working longer is becoming the go-to retirement plan for millions of older Americans who report they expect to keep working well into their retirement years. Many say they need the money and benefits, and most likely they’re right.
- The Schwartz Center for Economic Policy Analysis (SCEPA) publishes a monthly report on unemployment for workers age 55 and over. Its August “older worker at a glance” brief noted that the unemployment rate for these older workers, as reported by the U.S. Bureau of Labor Statistics (BLS), is 3.5 percent, a historical low. This low rate is often cited as evidence that older people can continue working if their retirement income falls short.
- The SCEPA brief also reports a total unemployment rate of 8.7 percent for workers age 55 and older. This rate is the sum of the BLS unemployment rate, workers who are working part-time but would rather work full-time and unemployed people who’ve recently given up looking for work. When you add jobless older workers who gave up looking after more than four weeks, the resulting unemployment rate is actually 12 percent. For these 12 percenters, just about any job might be considered a good one.
- The SCEPA brief goes on to report that an increasing share of older workers are in “bad” jobs -- 29.1 percent in July 2016 compared to 27 percent in July 2006. SCEPA defines a “bad” job strictly in financial terms. It’s a job for people working 30 hours per week or more that pays less than two-thirds of the median wage for such workers. In July, this median wage was \$880 per month.

**September 22, 2016, Marketwatch, “Jobless claims fall to lowest level since July,” Greg Robb,**  
<http://www.marketwatch.com/story/jobless-claims-fall-to-lowest-level-since-july-2016-09-22>

- Initial claims for U.S. unemployment-insurance benefits fell to the lowest tally since July, signaling a strong labor market, according to government data released Thursday.
- The number of people who applied for U.S. unemployment-insurance benefits fell by 8,000 to 252,000 in the week that ended Sept. 17, the Labor Department reported. Economists polled by MarketWatch expected 260,000 claims.
- That is the lowest level since mid-July and only modestly above the four-decade low of 248,000 hit in April.
- The government said there were no special factors in the report. This marks 81 weeks that initial claims are below the key 300,000 level, the longest streak since 1970.
- Economists say few layoffs alongside steady hiring rates implies that solid payroll employment growth lies ahead.