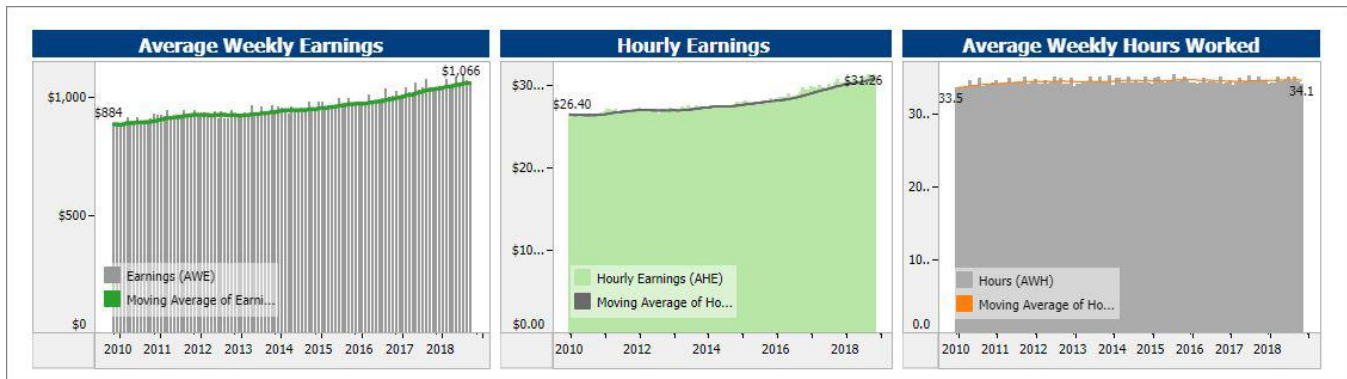
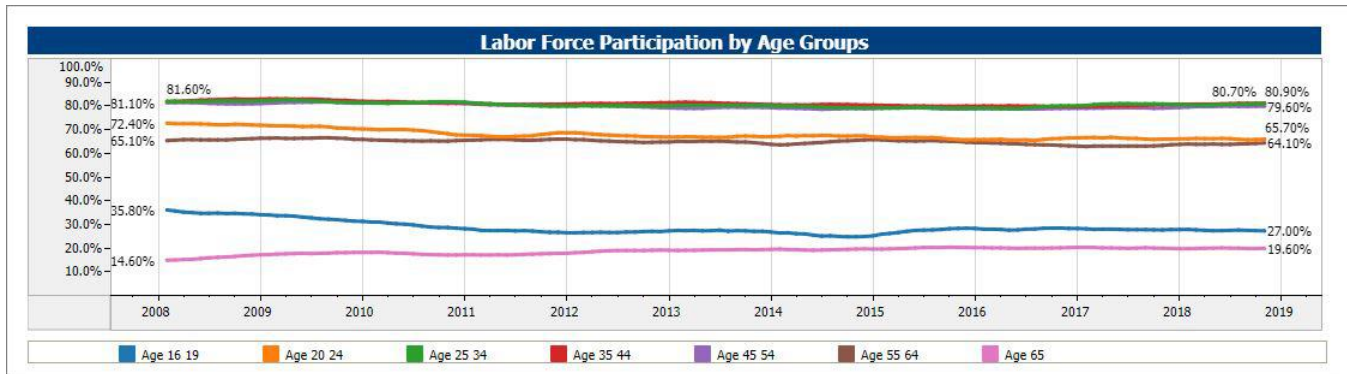


Workforce Development Board of Ventura County Job Outlook Report December 2018

STATE OF CALIFORNIA EMPLOYMENT DEVELOPMENT DEPARTMENT (EDD) LABOR MARKET MONTHLY

RELEASE: Statewide Labor Market Review <http://www.labormarketinfo.edd.ca.gov/>

CA NSA = 4.1%
US NSA = 3.7%



Month-over Job Gains - Nine of California's eleven industry sectors added a total of 26,100 jobs in December. Leisure and hospitality reported the largest increase with a gain of 9,500 jobs, followed by educational and **health services** which gained 7,900 jobs. Other sectors adding jobs over the month were government, **professional and business services**, **financial activities**, **manufacturing**, information, trade, transportation and utilities, and mining and logging.

Month-over Job Losses - Two of California's industries reported job losses over the month. Construction reported the largest decrease with a loss of 1,300 jobs, followed by other services which lost 300 jobs.

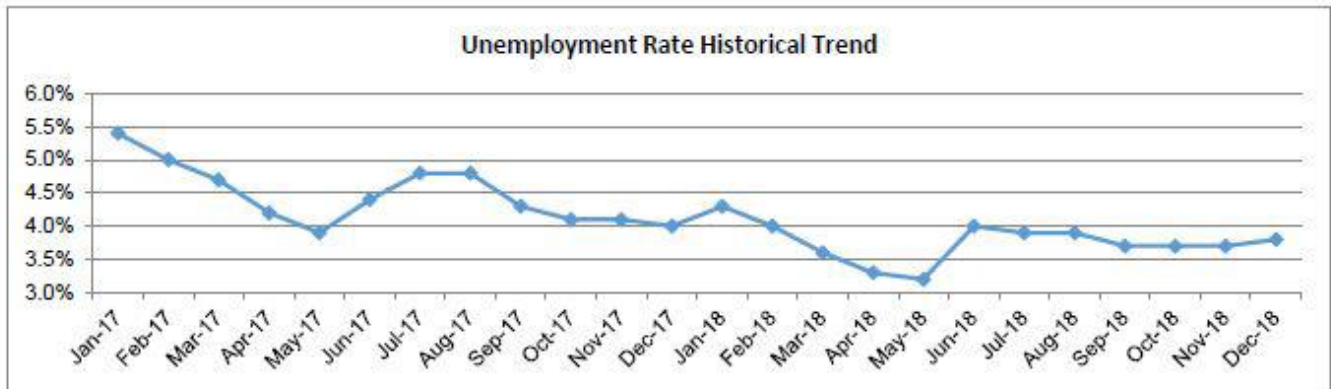
Year-over Job Gains - Nonfarm payroll employment in California increase by 284,300 jobs (a 1.7 percent increase). Ten of California's eleven industry sectors added a total of 288,200 jobs over the year. The largest job gains were in **professional and business services**, up 82,500 (a 3.2 percent increase), educational and **health services**, up 67,900 jobs (a 2.5 percent increase) and **leisure and hospitality**, up 56,300 (a 2.8 percent increase). Other sectors adding jobs over the year were government, construction, trade, transportation and utilities, **information**, **manufacturing**, **financial activities**, and mining and logging.

Year-over Job Losses - The only industry that posted a year-over-year decline was **other services** with a job loss of 3,900.

LABOR MARKET INFORMATION DIVISION MONTHLY RELEASE Ventura County:

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

The unemployment rate in the Ventura County was 3.8 percent in December 2018, up from a revised 3.7 percent in November 2018, and below the year-ago estimate of 4.0 percent. This compares with an unadjusted unemployment rate of 4.1 percent for California and 3.7 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	January 12	January 5	Change	December 29	Prior Year¹
Initial Claims (SA)	213,000	216,000	-3,000	233,000	226,000
Initial Claims (NSA)	344,916	348,131	-3,215	327,501	354,050
4-Wk Moving Average (SA)	220,750	221,750	-1,000	219,250	240,750
WEEK ENDING	January 5	December 29	Change	December 22	Prior Year¹
Insured Unemployment (SA)	1,737,000	1,719,000	+18,000	1,750,000	1,944,000
Insured Unemployment (NSA)	2,172,396	2,076,795	+95,601	1,798,738	2,416,486
4-Wk Moving Average (SA)	1,728,500	1,720,500	+8,000	1,706,000	1,911,000
<u>Insured Unemployment Rate (SA)²</u>	1.2%	1.2%	0.0	1.2%	1.4%
<u>Insured Unemployment Rate (NSA)²</u>	1.5%	1.5%	0.0	1.3%	1.7%

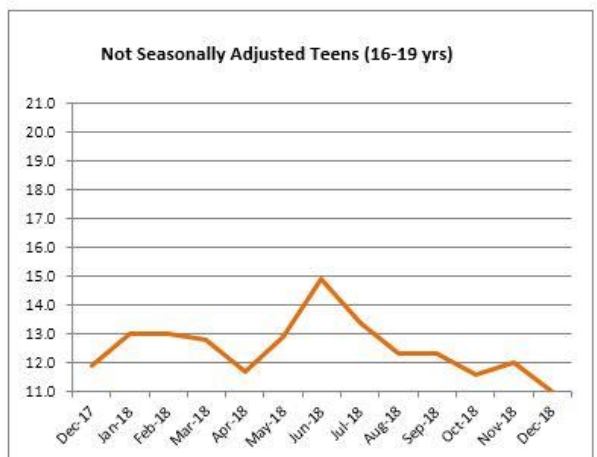
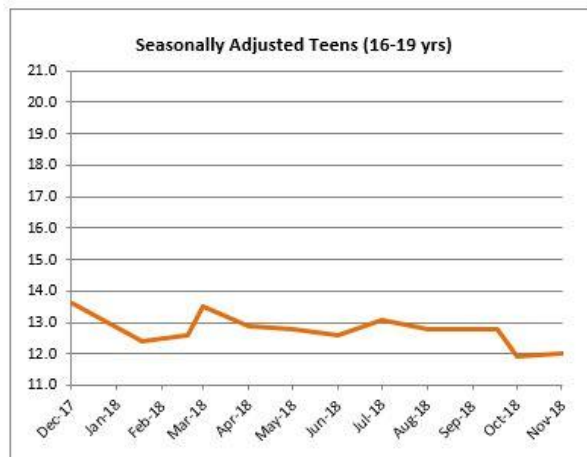
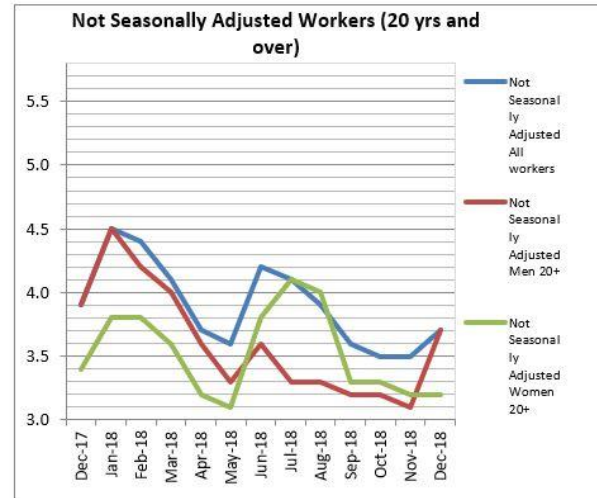
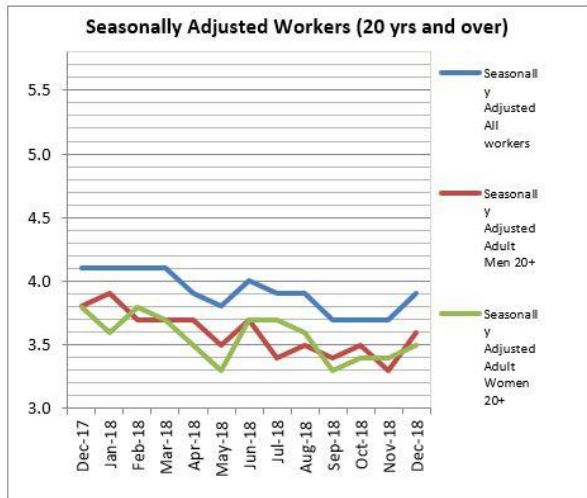
UNITED STATES DEPARTMENT OF LABOR – THE EMPLOYMENT SITUATION: DECEMBER 2018

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>

Summary Statement:

Total **nonfarm payroll employment** increased by 312,000 in December. Job gains occurred in health care, food services and drinking places, construction, manufacturing, and retail trade. Payroll employment rose by 2.6 million in 2018, compared with a gain of 2.2 million in 2017.

- Employment in **health care** rose by 50,000 in December. Within the industry, job gains occurred in ambulatory health care services (+38,000) and hospitals (+7,000). **Health care** added 346,000 jobs in 2018, more than the gain of 284,000 jobs in 2017.
- In December, employment in food services and drinking places increased by 41,000. Over the year, the industry added 235,000 jobs, similar to the increase in 2017 (+261,000).
- Construction employment rose by 38,000 in December, with job gains in heavy and civil engineering construction (+16,000) and nonresidential specialty trade construction (+16,000). The construction industry added 280,000 jobs in 2018, compared with an increase of 250,000 in 2017.
- **Manufacturing** added 32,000 jobs in December. Most of the gain occurred in the durable goods component (+19,000), with job growth in fabricated metal products (+7,000) and in computer and electronic products (+4,000). Employment in the nondurable goods component also increased over the month (+13,000). **Manufacturing employment increased by 284,000** over the year, with about threefourths of the gain in durable goods industries. Manufacturing had added 207,000 jobs in 2017.
- In December, employment in retail trade rose by 24,000. Job growth occurred in general merchandise stores (+15,000) and automobile dealers (+6,000). These gains were partially offset by a job loss in sporting goods, hobby, book, and music stores (-9,000). Retail trade employment increased by 92,000 in 2018, after little net change in 2017 (-29,000).
- Over the month, employment in **professional and business services** continued to trend up (+43,000). The industry added 583,000 jobs in 2018, outpacing the 458,000 jobs added in 2017.
- Employment in other major industries, including mining, wholesale trade, transportation and warehousing, **information, financial activities**, and government, showed little change over the month.
- The **average workweek for all employees** on private nonfarm payrolls increased by 0.1 hour to 34.5 hours in December. In manufacturing, both the workweek and overtime increased by 0.1 hour to 40.9 hours and 3.6 hours, respectively. The average workweek for **production and nonsupervisory employees** on private nonfarm payrolls held at 33.7 hours.
- In December, **average hourly earnings for all employees** on private nonfarm payrolls rose 11 cents to \$27.48. Over the year, average hourly earnings have increased by 84 cents, or 3.2 percent. Average hourly earnings of private-sector **production and nonsupervisory employees** increased by 9 cents to \$23.05 in December.



CONFERENCE BOARD - HELP WANTED ONLINE DATA SERIES DECEMBER 2018 REPORT

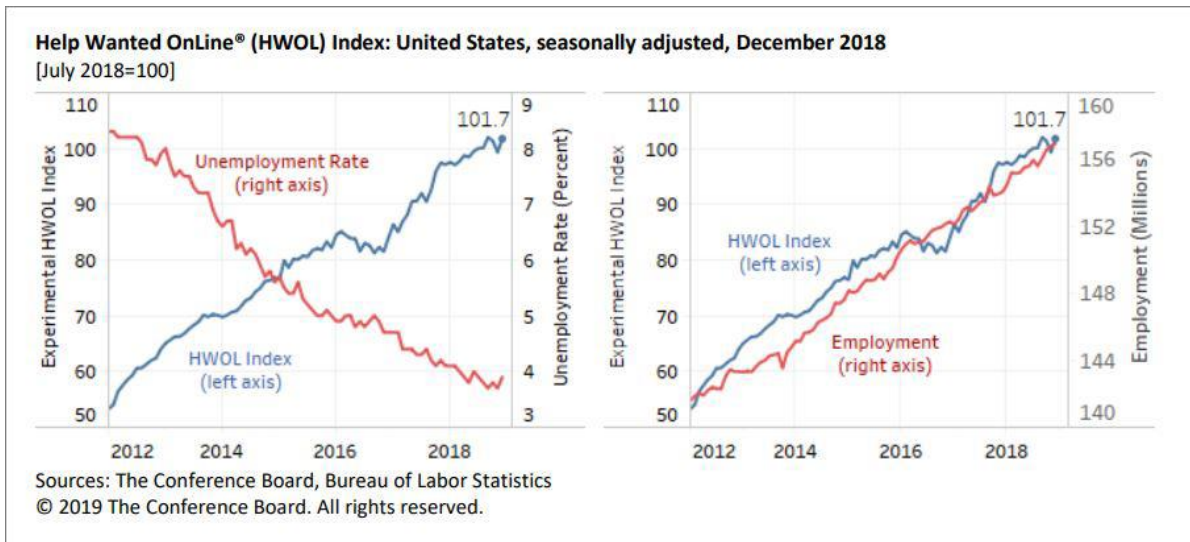
<https://www.conference-board.org/data/helpwantedonline.cfm>

Online Labor Demand Increased in December

- December Gain Reverses October and November Declines
- In December, online labor demand increased in nearly every state and metro area
- Among occupation groups, computer, engineering and legal related ads experienced the fastest growth in the past 12 months

The Conference Board **Experimental Help Wanted OnLine (HWOL) Index** increased in December. The Index now stands at 101.7 (July 2018=100), up from 99.3 in November.

“December’s increase in the HWOL Index reversed the declines in October and November,” said Gad Levanon, Chief Economist, North America, at The Conference Board. “As of mid-December, the negative developments in financial markets show no signs of significantly impacting recruiting activity. Online job ads grew during 2017 and the first half of 2018 but then started to slow up through December. This supports our forecast of a moderate slowdown in 2019 GDP growth. In periods of economic slowdown, the number of job ads tends to flatten or even moderately decline. HWOL trends suggest continued recruiting difficulties, with more people joining the labor force and faster wage growth.”



THE CONFERENCE BOARD - EMPLOYMENT TRENDS INDEX – DECEMBER 2018

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 December, following a minor decline in November. The index now stands at 111.61, up from 110.23 in November. The increase marks a 5.4 percent gain in the ETI over the past 12 months.

“The Employment Trends Index rose sharply in December, reversing the declines in recent months, suggesting that employment will continue to expand in the coming months,” said Gad Levanon, Chief Economist, North America, at The Conference Board. “With gloom and doom views dominating the news in recent weeks, it is somewhat reassuring that leading indicators of employment are growing. While employment growth could slow down in 2019, it is still likely to expand fast enough to further tighten the labor market. All the main measures of wages are now rapidly accelerating, suggesting that more people from the sidelines will return to the labor force in 2019. The improving labor force participation rate in December led to an increase in the unemployment rate to 3.9 percent. The expansion in labor supply is allowing employers to more easily expand their workforce and meet demand for their goods and services.”

EDD Oxnard/T-O/Ventura MSA Job Ads – DECEMBER 2018

This report is a local snapshot of job ads vs. the number of unemployed, occupational and employer data and cities with most job ads. Sources include: EDD, LMID, The Conference Board and WANTED Tech. https://www.labormarketinfo.edd.ca.gov/file/hwol_lad/Oxnard_ThousandOaks_Ventura_MSA_37100_HWOL.pdf

RELEVANT NEWS ARTICLES

January 17, 2019, "U.S. labor market strong; mid-Atlantic factory activity improves."

By Lucia Mutikani, Reuters

<https://www.reuters.com/article/us-usa-economy/u-s-labor-market-strong-mid-atlantic-factory-activity-improves-idUSKCN1PB1KR>

- The number of Americans filing applications for jobless benefits unexpectedly fell last week, pointing to sustained labor market strength that should continue to underpin the economy.
- Other data on Thursday showed factory activity in the mid-Atlantic region rebounded in January from near a 2-1/2-year low, driven by a surge in new orders, which could allay concerns that manufacturing production was slowing sharply.
- While the data so far suggest the economy is in relatively good shape, there are concerns an ongoing partial shutdown of the federal government could erode both business and consumer confidence, leading to cuts in spending.
- Initial claims for state unemployment benefits decreased 3,000 to a seasonally adjusted 213,000 for the week ended Jan. 12, the Labor Department said on Thursday. Economists polled by Reuters had forecast claims would rise to 220,000 last week.
- Some 800,000 government workers missed their first paycheck last Friday because of the partial shutdown, which started on Dec. 22 as President Donald Trump demanded that Congress give him \$5.7 billion this year to help build a wall on the country's border with Mexico.
- "The federal government shutdown could make the payroll jobs number a walking disaster," said Chris Rupkey, chief economist at MUFJ in New York. "Payroll employment is likely to dive in January with perhaps 300 or 400 thousand jobs lost."

January 8, 2019, "U.S. job openings drop, but still at lofty levels."

By Lucia Mutikani, Reuters

<https://www.reuters.com/article/us-usa-economy-employment/us-job-openings-drop-but-still-at-lofty-levels-idUSKCN1P21ON>

- U.S. job openings fell in November, pulled down by sharp declines in construction and other services, but did little to change views that the economy is facing a shortage of workers.
- Job openings, a measure of labor demand, dropped by 243,000 to a seasonally adjusted 6.9 million, the Labor Department said in its monthly Job Openings and Labor Turnover Survey, or JOLTS, on Tuesday. Despite November's drop, job openings outpaced the number of unemployed people that month by 870,000.
- "We see no change in the big picture labor market story from the latest job openings data," said John Ryding, chief economist at RDQ Economics in New York.
- Job openings hit a record high of 7.3 million in August. The decline in job openings in November was led by a 66,000 drop in the other services category.
- Anecdotal evidence has been growing of companies experiencing difficulties finding workers, a phenomenon that economists expect will slow down job growth this year.
- A survey from the NFIB on Tuesday showed the share of small business owners reporting job openings they could not fill surged five points to a record high of 39 percent in December. Most of these vacancies were in manufacturing.
- "It won't get easier for small businesses to fill open positions but it's premature to conclude there are significant labor supply issues," said Ryan Sweet, as senior economist at Moody's Analytics in West Chester, Pennsylvania.
- The government reported last Friday that nonfarm payrolls increased by 312,000 jobs last month, the largest gain since February. Job growth averaged 220,000 per month in 2018. Job gains are expected to slow to around 150,000 per month this year as workers become more scarce.

January 7, 2019, "2019 Job Outlook for Workers."

By Rebecca Koenig, Staff Writer, U.S. News & World Report

<https://money.usnews.com/careers/applying-for-a-job/articles/2019-job-outlook-for-workers>

- It's been nearly a decade since the end of the Great Recession, and unemployment in the U.S. has reached historic lows, giving workers the upper hand in the job market.
- "Maybe we're finally getting to that point where demand for labor and supply of labor have met," says Andy Challenger, vice president of Challenger, Gray & Christmas, an executive outplacement firm. "Wages hopefully will begin to rise at a quicker pace."
- While most workers would appreciate higher salaries, that's not the only development to look out for as the new year unfolds.
- Here are job outlook trends to watch in 2019:
 - Rising wages.
 - Bolstered benefits.
 - Relaxed hiring standards.
 - New recruiting techniques.
 - Diverse employment opportunities at technology companies.
 - Sexual harassment policy changes.
- After several years of economic growth yet stagnant salaries, wages are finally starting to rise. That's true for workers who switch jobs and stay at jobs, though the former set have typically seen larger salary increases, Challenger says.
- "Job switchers get the majority of increases when companies need to get people in. Job stayers start to get more of the wage increases when companies are focused on retention, making sure the employees they have are happy and staying," he explains. "We might be seeing a little bit of a switch toward companies saying we're worried about our employees getting poached, and we need to retain people on our payrolls."

January 3, 2019, " Upbeat employment report underscores U.S. economic strength."

By Lucia Mutikani, Reuters

<https://www.reuters.com/article/us-usa-economy/u-s-job-growth-surges-in-december-unemployment-rate-rises-idUSKCN1OY0AU>

- U.S. employers hired the most workers in 10 months in December while boosting wages, pointing to sustained strength in the economy that could ease fears of a sharp slowdown in growth.
- The upbeat employment report from the Labor Department on Friday stood in stark contrast with reports this week showing Chinese factory activity contracting for the first time in 19 months in December and weak manufacturing across much of Europe.
- Concerns about the U.S. economy heightened following surveys showing sharp declines in consumer confidence and manufacturing activity last month, which roiled financial markets. Both were seen as more red flags that the economic expansion, now in its ninth year and the second longest on record, is losing steam.
- "The jump in payrolls in December would seem to make a mockery of market fears of an impending recession," said Paul Ashworth, chief economist at Capital Economics in Toronto. "This employment report suggests the U.S. economy still has considerable forward momentum."
- Nonfarm payrolls surged by 312,000 jobs last month, the largest gain since February, as employment at construction and leisure and hospitality locations snapped back after being restrained by unseasonably cold temperatures in November.
- Job gains were reported across all industries, with the exception of the information sector, which shed employment for the second straight month. Data for October and November were revised to show 58,000 more jobs added than previously reported.