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LA's Job Market

January 2021

LA's job market, and the universe it's part of, are transforming

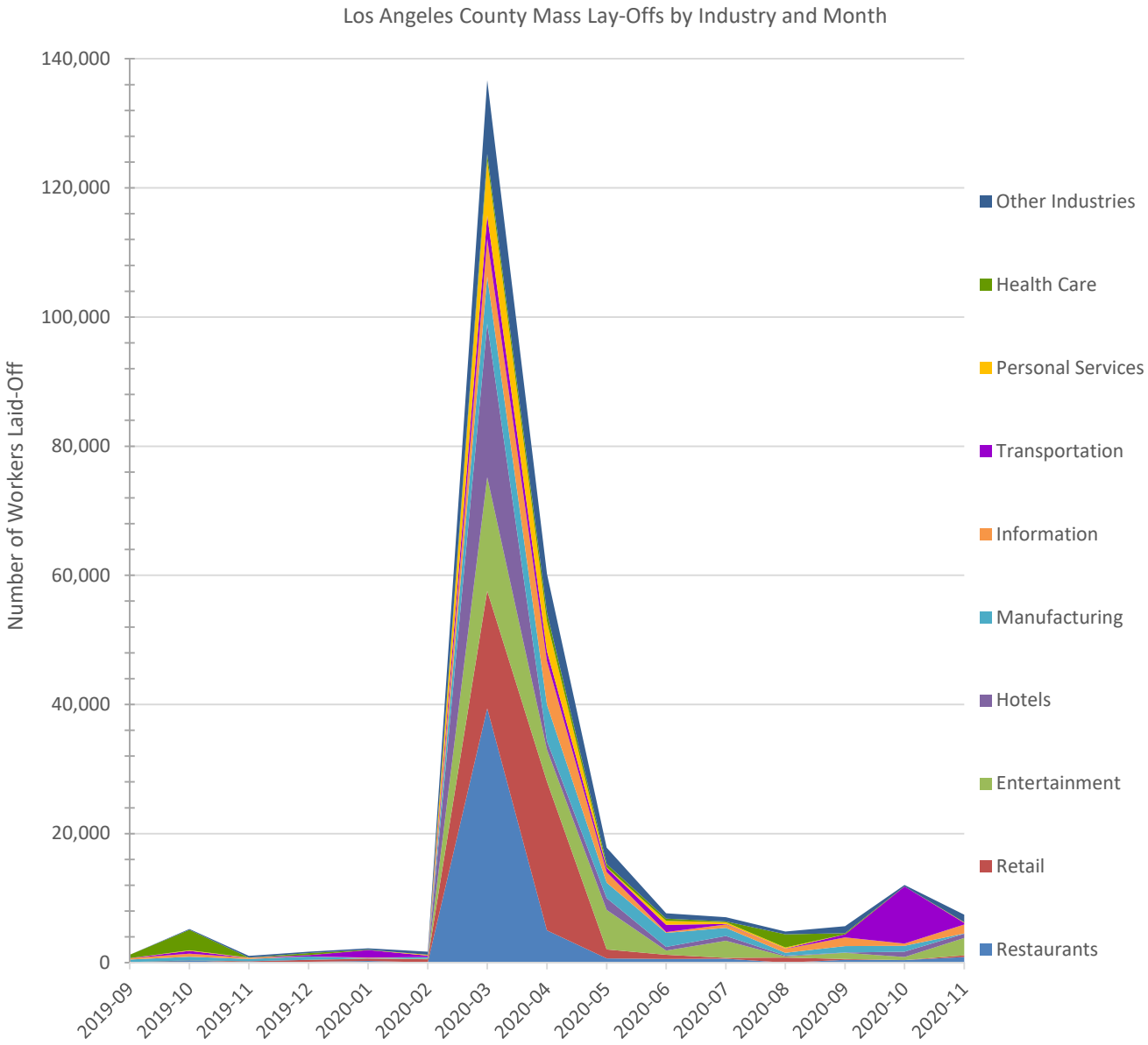
- Luminous gas expelled by the explosion of a dying star creates vast molecular clouds.
- Stars form inside these clouds of interstellar gas and dust.
- The cloud is a jumble of smaller clouds that eventually collapse into small groups of stars orbiting each other.

Source: Astronomy Picture of the Day, "Colorful Clouds Near Rho Ophiuchi," https://apod.nasa.gov/apod/ap150706.html. Fine dust illuminated from the front by starlight produces blue reflections. Clouds excited by ultraviolet starlight produce reddish emissions. Backlit dust clouds block starlight and so appear dark.

Abrupt surge of mass layoffs in March 2020

Monthly distribution of 262,501 post-Covid mass layoffs:

2020-03	52%
2020-04	23%
2020-05	7%
2020-06	3%
2020-07	3%
2020-08	2%
2020-09	2%
2020-10	5%
2020-11	3%
2020-12	1%



ECONOMIC ROUNDTABLE

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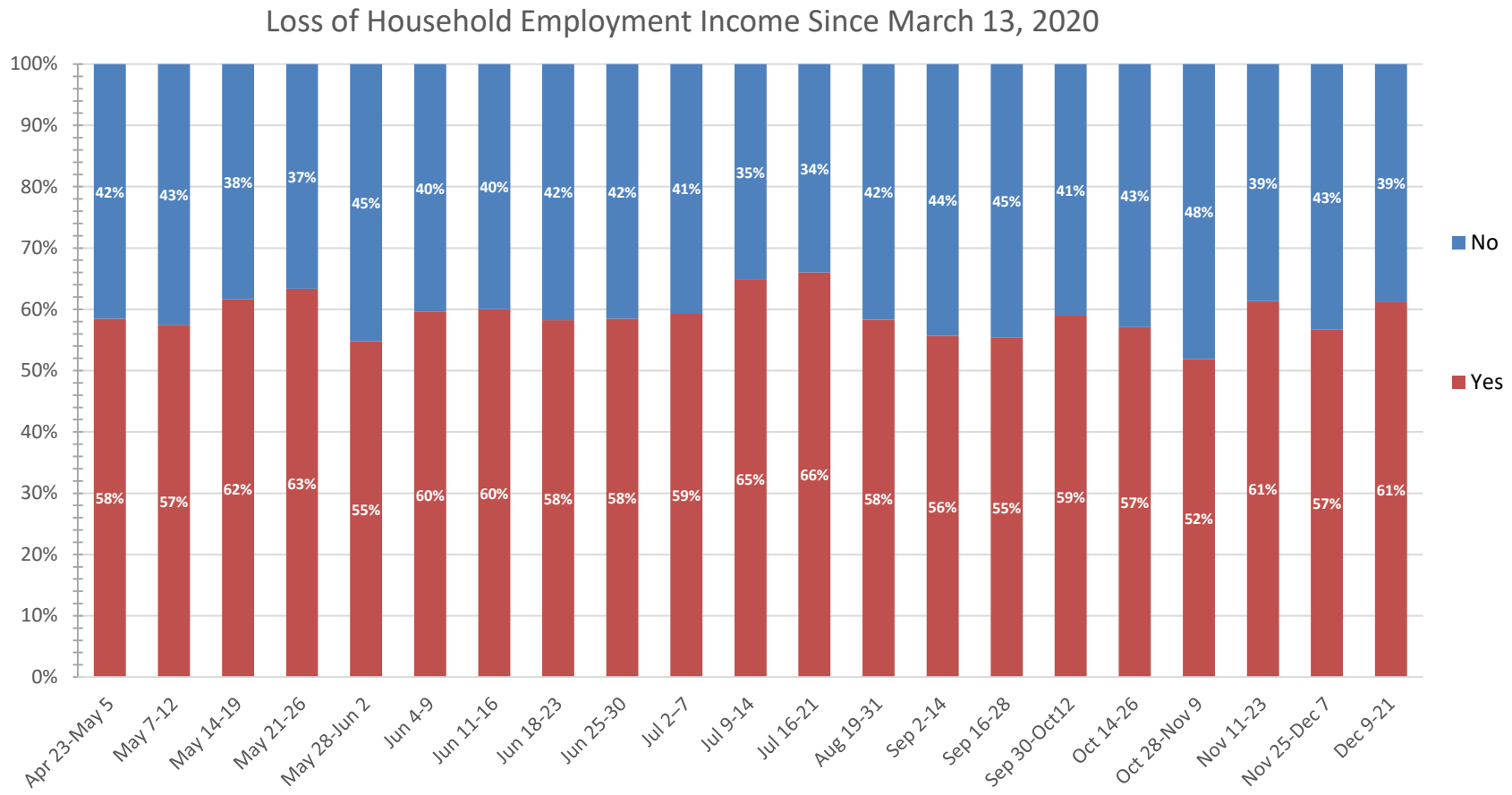
Source: California Employment Development Department, Labor Market Information Division, Listing of Filed WARN Notices through January 6, 2020. Effective dates of mass layoffs are shown. Data is for employers located in Los Angeles County.

59% of Los Angeles and Orange County residents say that their households have lost employment income since March 13, 2020

This could result from unemployment, reduced work hours or reduced wage rates for any worker in the household



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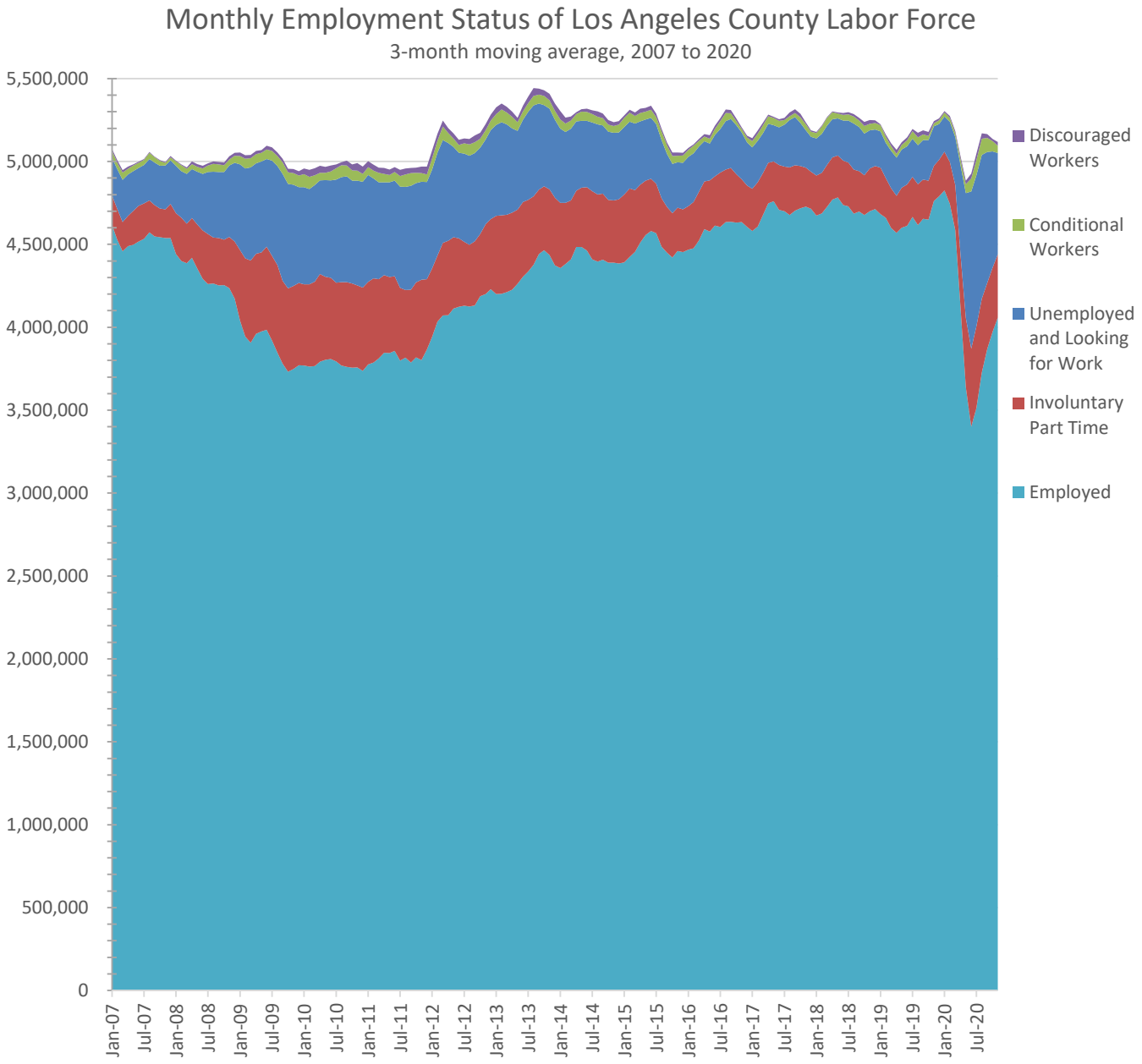
Source: U.S. Census Bureau, Weekly/Bi-Weekly Household Pulse Survey, Public Use Files. Data shown is for Los Angeles and Orange Counties.

Under-employment is 2/3 as large as the official unemployment rate

Affected Workers:

- *Involuntary part-time* – have fewer hours of work than they want
- *Unemployed* and looking for work
- *Conditional* – want to work but have a barrier such as lack of child care
- *Discouraged* – want to work but have given up on looking



Source: U.S. Census Bureau and U.S. Bureau of Labor Statistics, Current Population Survey (CPS) basic monthly data for Los Angeles County, not seasonally adjusted. Three-month moving average, January 2007 to November 2020.

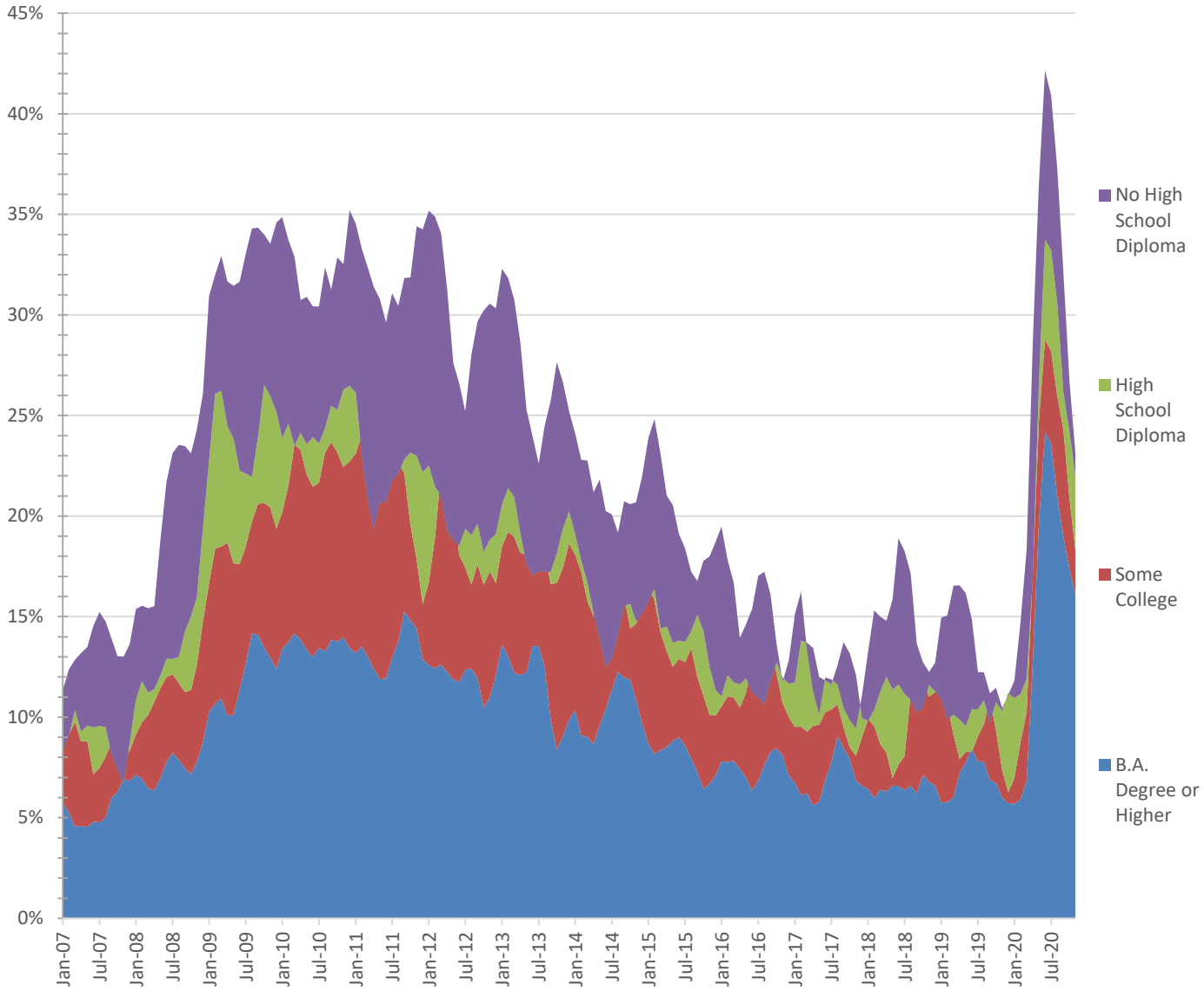
Workers without a high school diploma have the greatest risk of under-employment

Compared to workers with a B.A. degree, the likelihood of under-employment in the Pandemic Recession is:

- 2 x greater for workers without a high school diploma

Los Angeles Co. Monthly Under-Employment Rate by Level of Education 2007-2020

Unemployed, involuntary part-time, conditional and discouraged workers - 3-month moving average

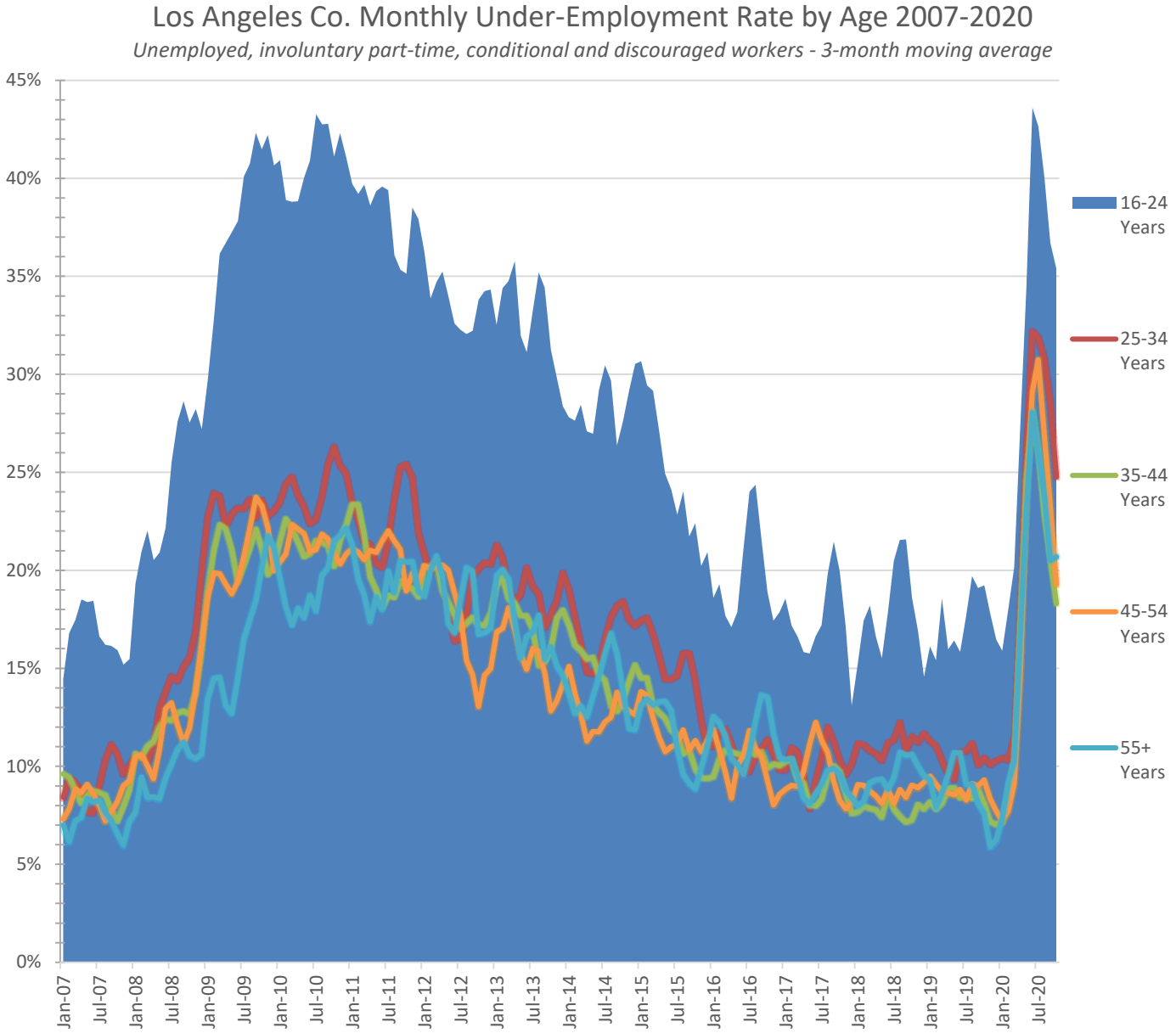


Source: U.S. Census Bureau and U.S. Bureau of Labor Statistics, Current Population Survey (CPS) basic monthly data for Los Angeles County, not seasonally adjusted. Three-month moving average of total unemployed, involuntary part-time, conditional, and discouraged workers, January 2007 to November 2020.

Young adults have the greatest risk of under-employment

Compared to workers 45 to 54 years of age, the likelihood of under-employment in the Pandemic Recession is:

- 1.6 x greater for workers 18-24



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Source: U.S. Census Bureau and U.S. Bureau of Labor Statistics, Current Population Survey (CPS) basic monthly data for Los Angeles County, not seasonally adjusted. Three-month moving average of total unemployed, involuntary part-time, conditional, and discouraged workers, January 2007 to November 2020.

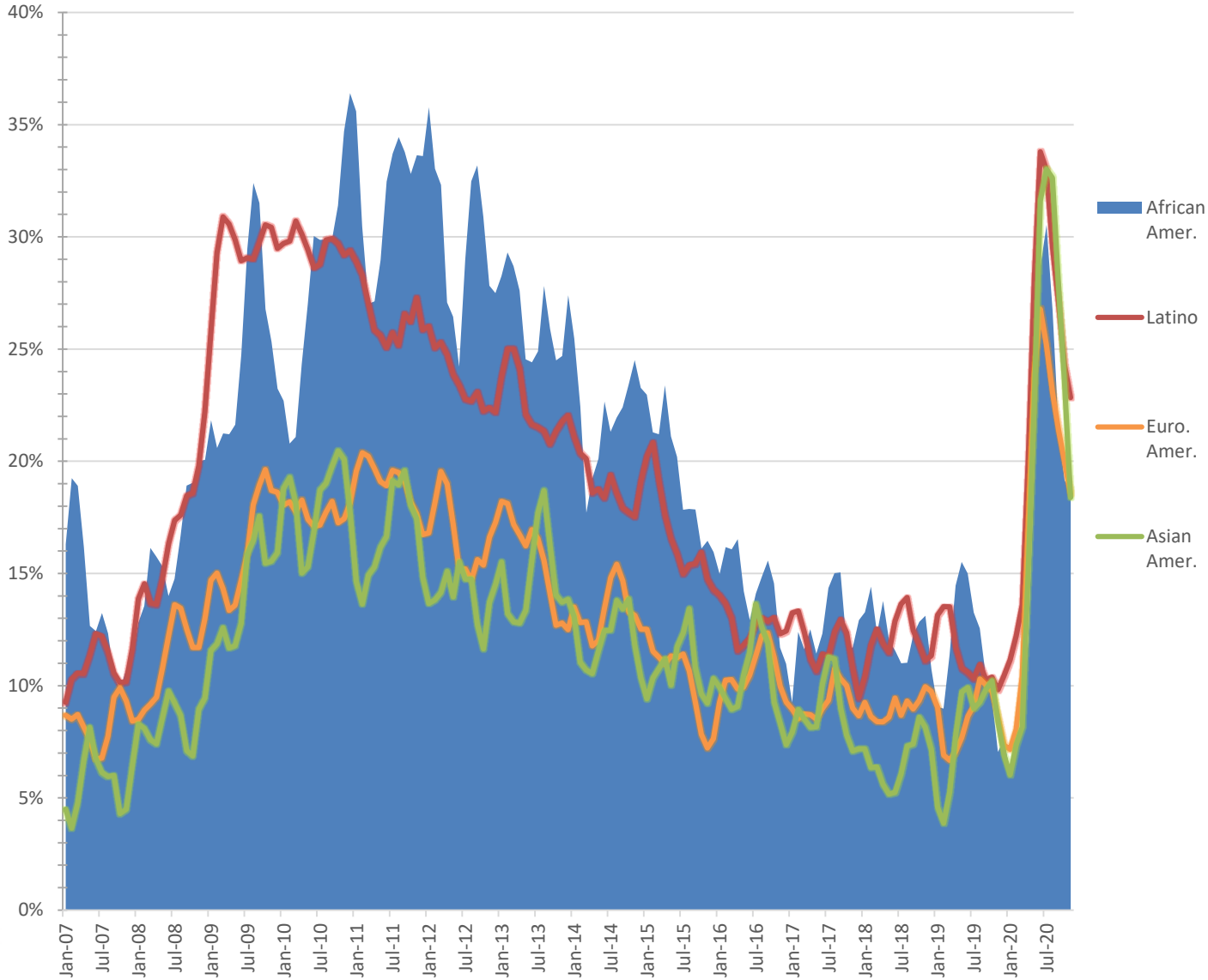
European Americans have the least under-employment

Compared to European Americans, the likelihood of under-employment in the Pandemic Recession is:

- 1.3 x greater for Latinos

Los Angeles Co. Monthly Under-Employment Rate by Ethnicity 2007-2020

Unemployed, involuntary part-time, conditional and discouraged workers - 3-month moving average



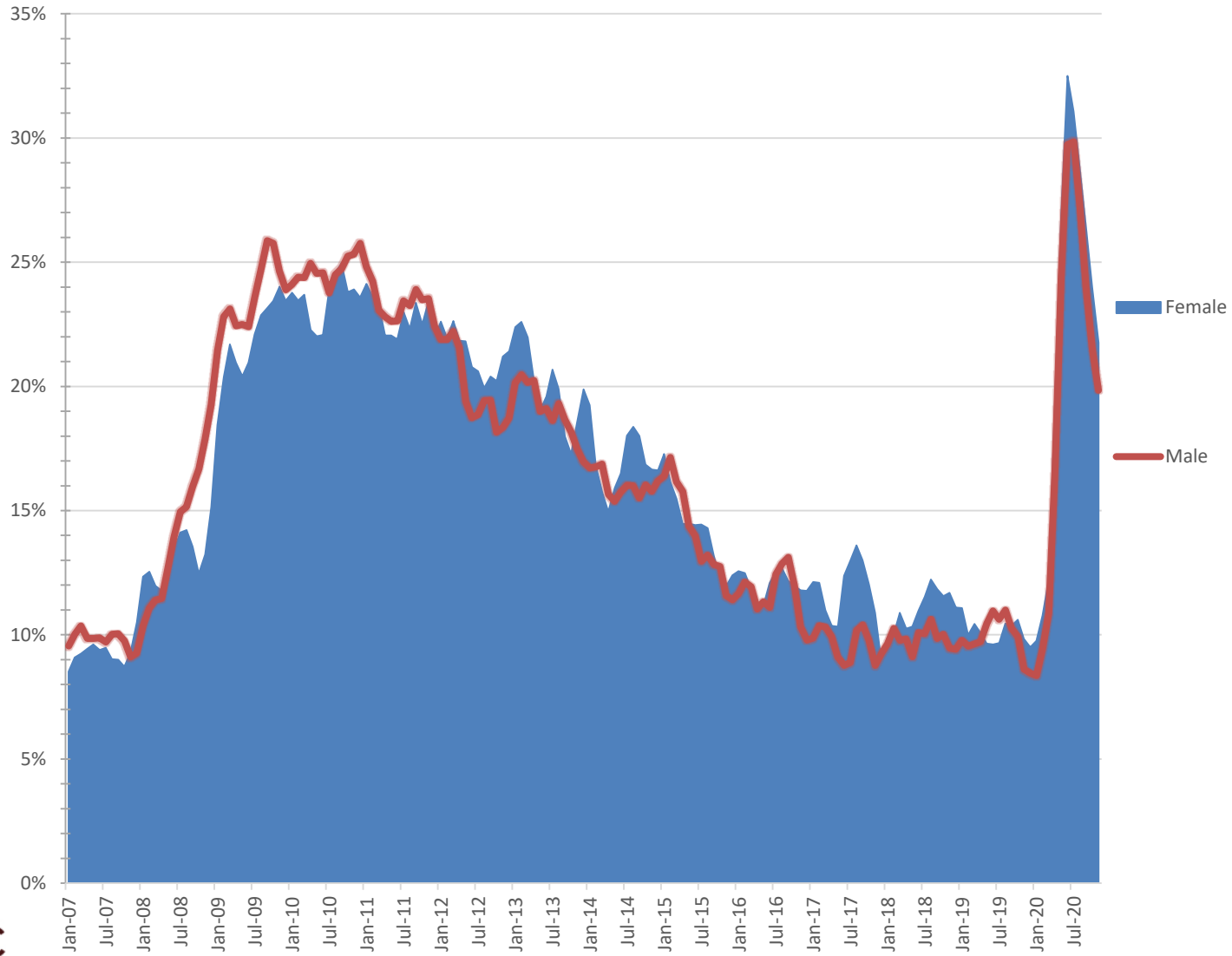
Source: U.S. Census Bureau and U.S. Bureau of Labor Statistics, Current Population Survey (CPS) basic monthly data for Los Angeles County, not seasonally adjusted. Three-month moving average of total unemployed, involuntary part-time, conditional, and discouraged workers, January 2007 to November 2020.

Women are more likely than men to be under-employed

- The under-employment rate for women has exceeded the rate for men since August 2012
- Risk in the Pandemic Recession is 1.1 x greater for women

Los Angeles Co. Monthly Under-Employment Rate by Gender 2007-2020

Unemployed, involuntary part-time, conditional and discouraged workers - 3-month moving average



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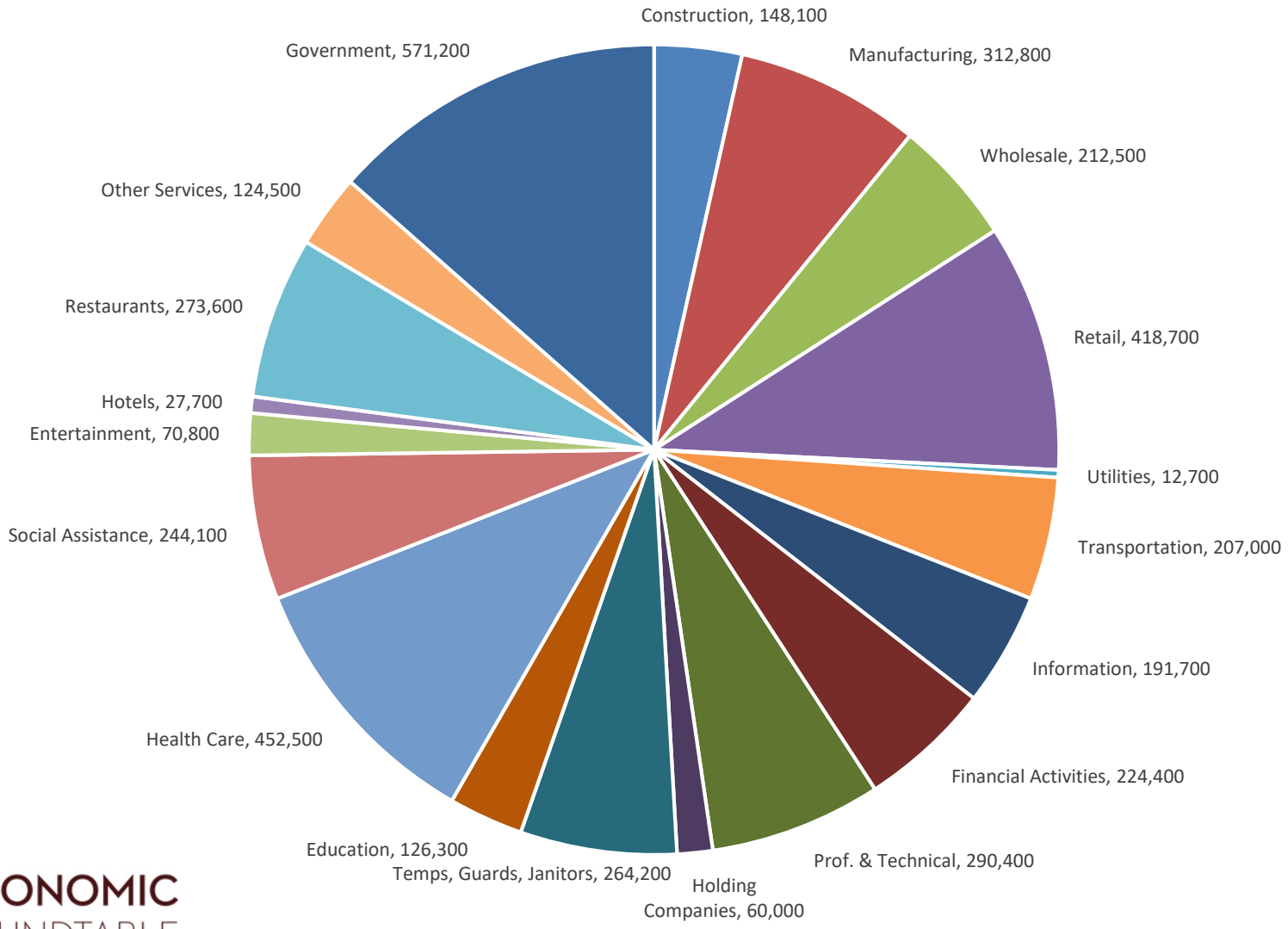
Source: U.S. Census Bureau and U.S. Bureau of Labor Statistics, Current Population Survey (CPS) basic monthly data for Los Angeles County, not seasonally adjusted. Three-month moving average of total unemployed, involuntary part-time, conditional, and discouraged workers, January 2007 to November 2020.

Los Angeles County Employment December 2020

Wage and Salary Employment by Industry



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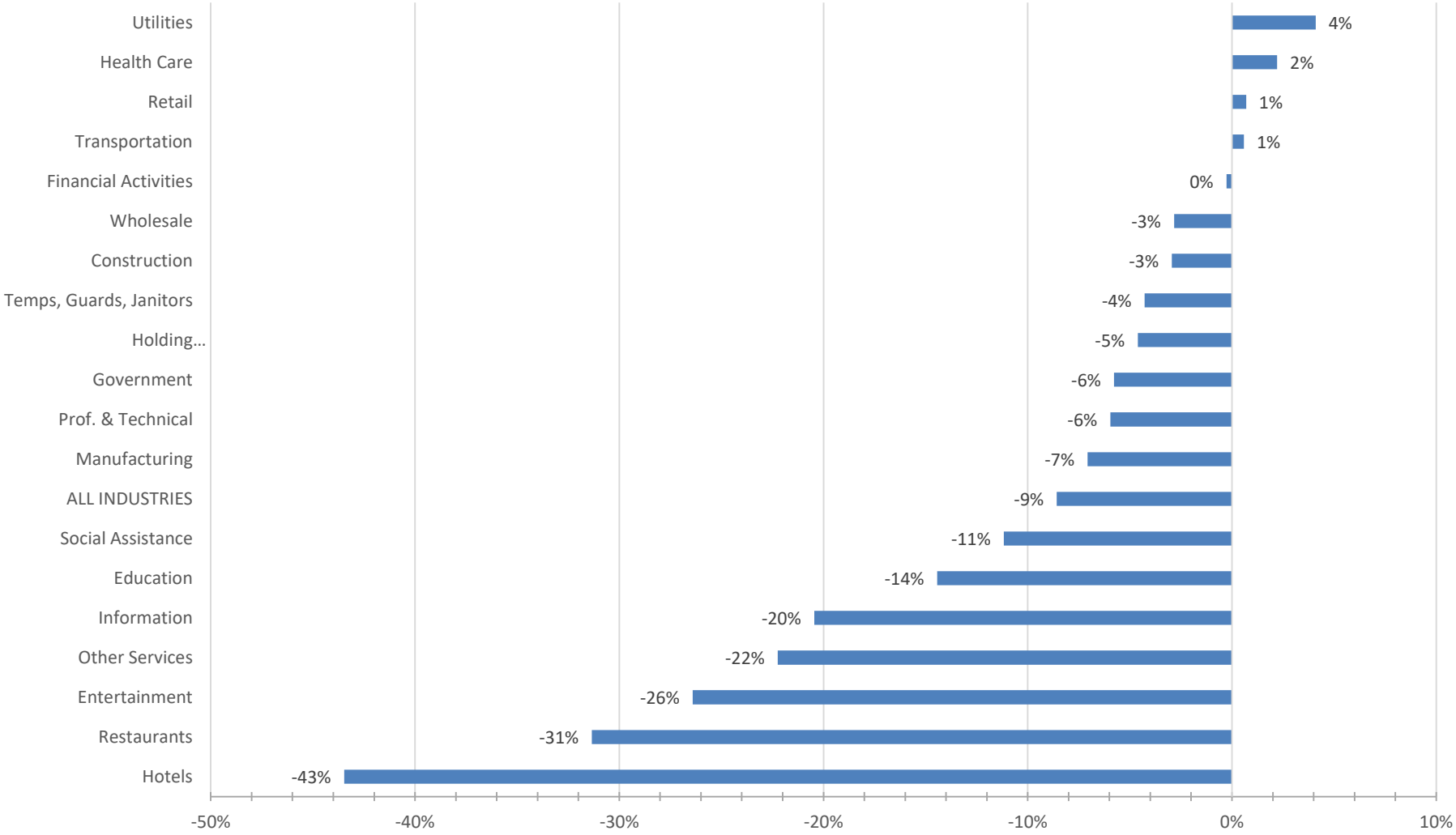
Source: California Employment Development Department, Labor Market Information Division.

Change in L.A. County Employment - February to December 2020



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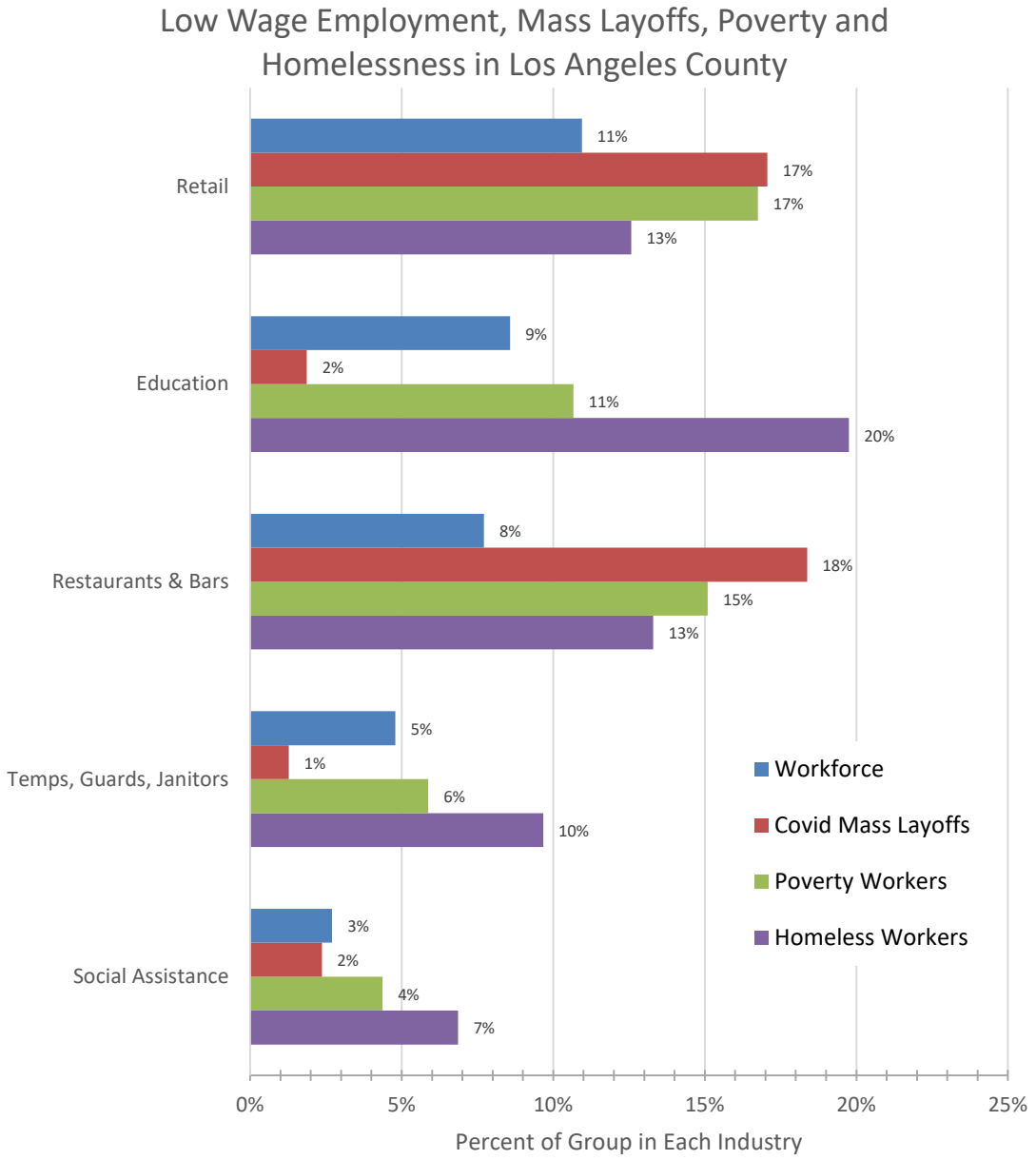
Source: California Employment Development Department, Labor Market Information Division.

5 industries account for most distressed workers in LA County:

- 35% of the workforce
- 41% of Covid mass layoffs
- 53% of poverty workers
- 62% of homeless workers



Sources: U.S. Census Bureau American Community Survey Public Use Microdata Sample 2014-2018; California Employment Development Department, Labor Market Information Division, Listing of Filed WARN Notices through January 6, 2021.

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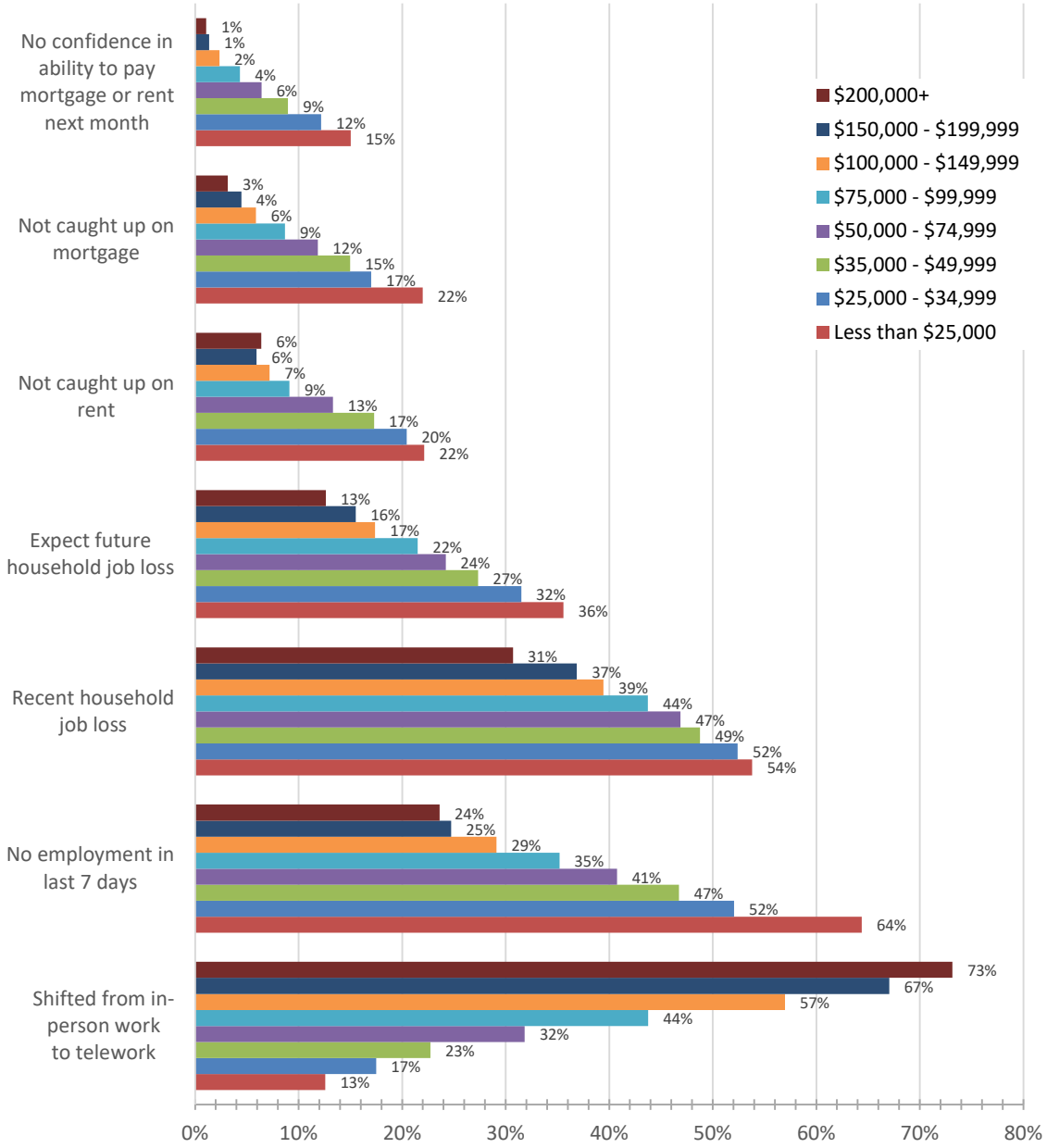
Lower income, higher unemployment and greater housing insecurity are interlocking hazards

Household Income, Employment and Housing Security



Source: U.S. Census Bureau, Weekly Household Pulse Survey, Public Use Files. Data shown is average of six surveys of United States residents from August 19 to November 9, 2020. Total household income is shown.

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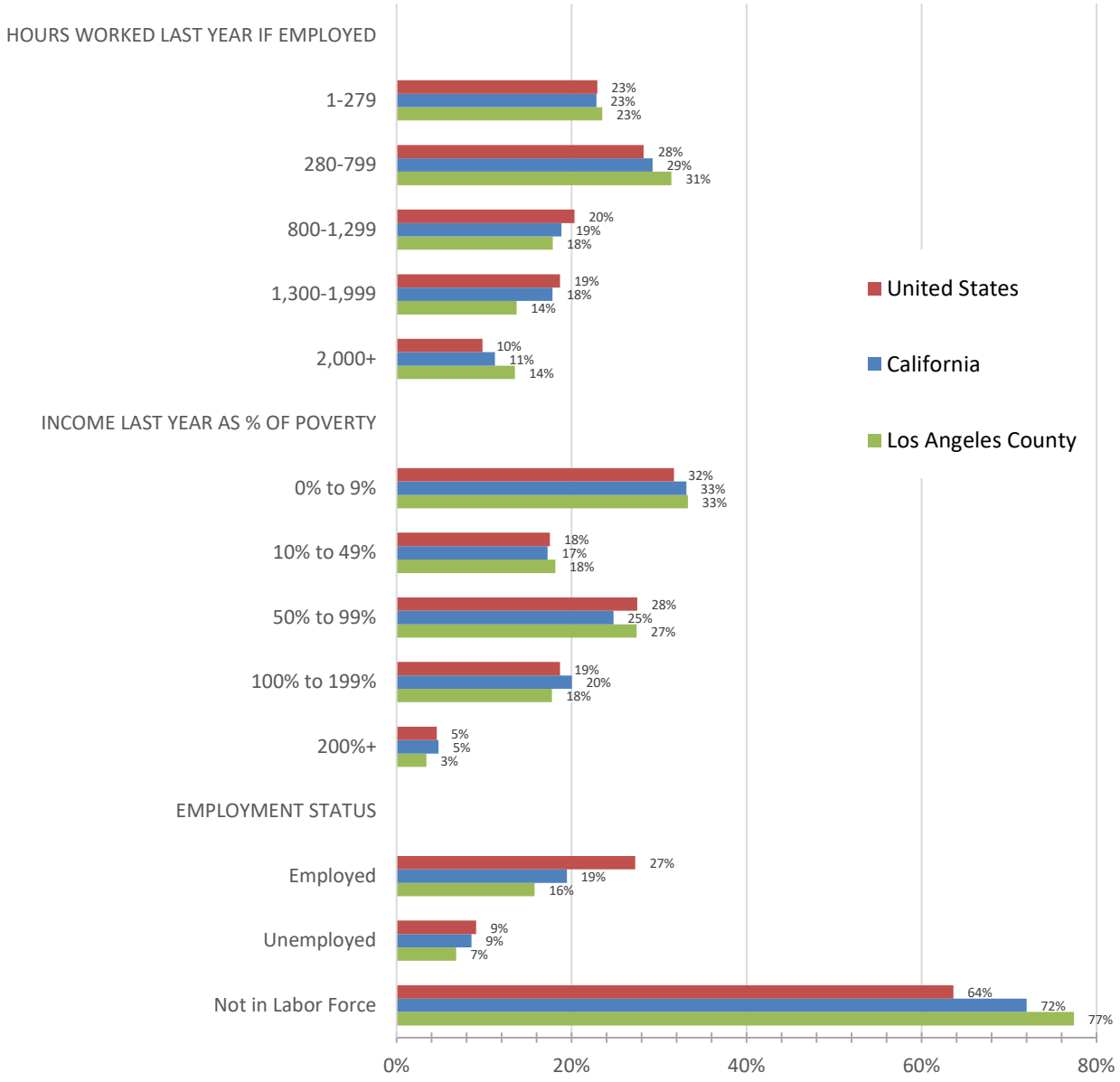
Limited hours of work are linked to low earnings and inability to afford housing

Employment and Income of Homeless Adults 18 to 64 Years Old



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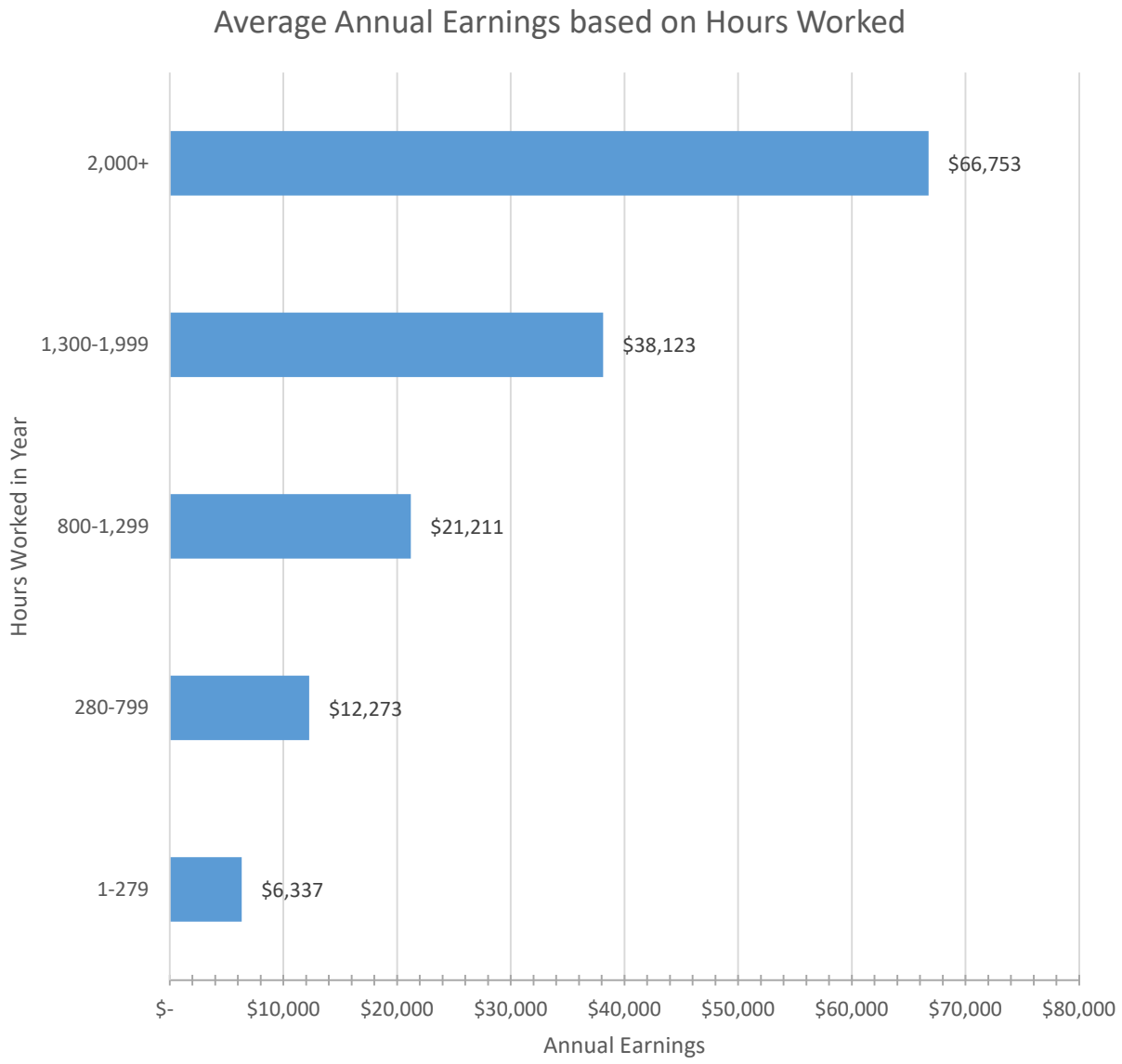
Source: U.S. Census Bureau American Community Survey, Public Use Microdata Sample 2014-2018. Data is from records of individuals flagged as homeless who were 18 to 64 years of age.

Full time jobs provide higher earnings!

- And they require stronger qualifications



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Source: U.S. Census Bureau American Community Survey, Public Use Microdata Sample 2014-2018. Data is from records of Los Angeles County workiers who were 18 to 64 years of age.