

Inland Empire/Desert Center of Excellence Newsletter & Labor Market Update

June 18th, 2021

The May 2021 regional labor market update, released on June 18th, 2021, shows the COVID-19 pandemic jobs recovery in the Inland Empire/Desert Region. This data was collected the week of May 12th, before the state [Governor terminated the Stay Home Order and Blueprint for a Safer Economy](#) executive orders on June 15th.

In May 2021:



Unemployment Rate
Decreased to
7.2%

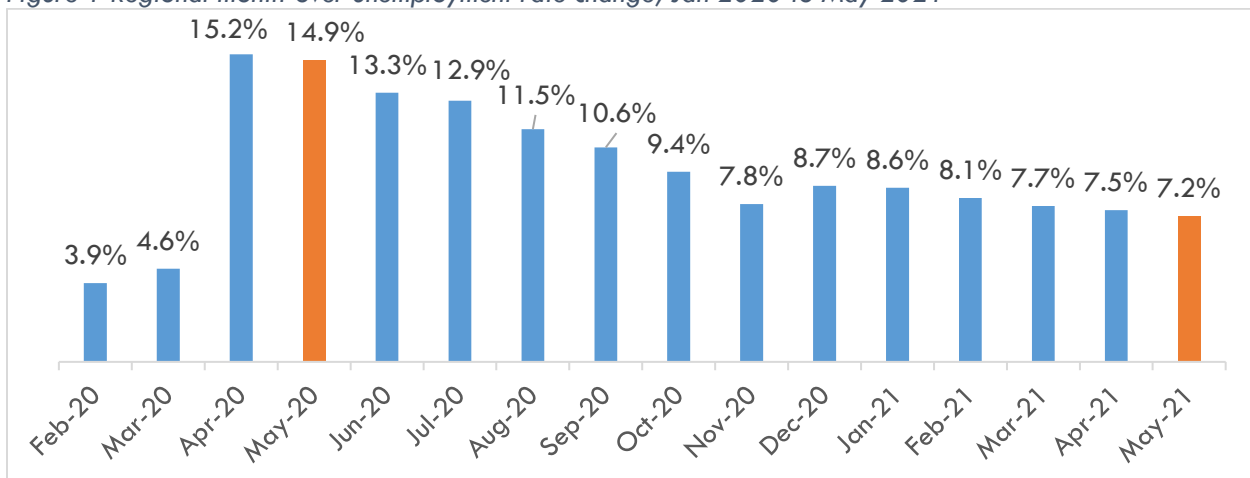


Nonfarm Employment
Increased by
9,600 jobs

Regional Labor Force and the Unemployment Rate

The regional unemployment rate decreased to 7.2% in May 2021, the lowest recorded unemployment over the last year. The May unemployment rate dropped from 7.5% last month in April and down from 14.9% in May 2020, one year ago. The region's total labor force, the total sum of residents employed and unemployed, increased by 15,800 residents to 2,078,400 total residents or 0.8% over the month. The number of employed residents increased by 20,700, and unemployed residents fell by 5,000. Figure 1 displays the regional unemployment rate trend over the last 15 months, from February 2020, generally considered the last month employment was not impacted by the pandemic, through the current month.

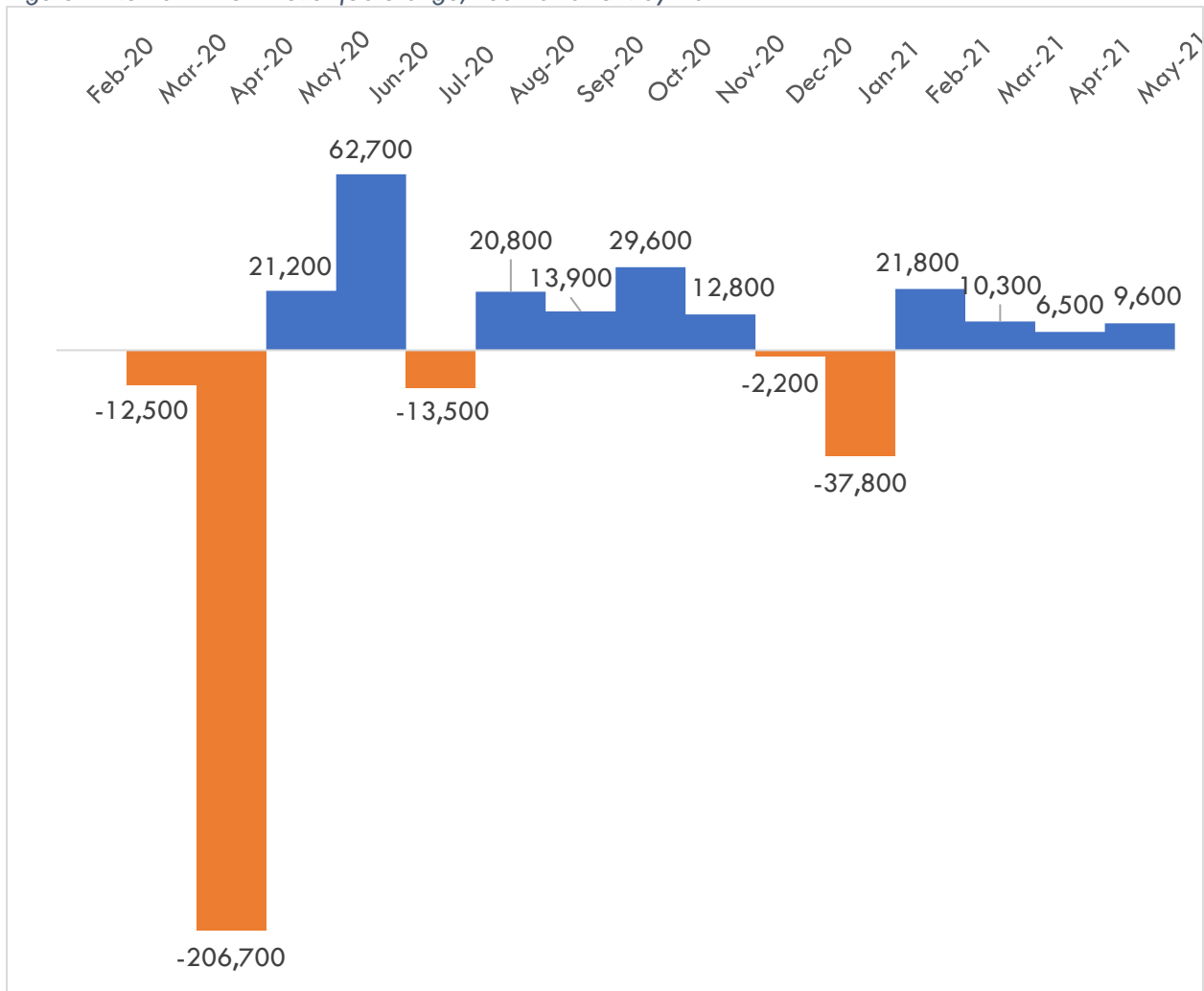
Figure 1 Regional month-over unemployment rate change, Jan 2020 to May 2021



Regional Industry Employment

Industry employment is a count of jobs organized by groups of businesses producing or sharing similar production processes for creating goods and services. The region's nonfarm employers reported a net increase of 9,600 jobs (1,523,600 total nonfarm jobs in the region) in May 2021, or 7.4% of the total jobs added in the state in May. Regional farm employers added 1,400 jobs over the month, increasing employment by 10.4%. Figure 2 displays month-over nonfarm job change from February 2020, generally considered the last month employment was not impacted by the pandemic, to May 2021.

Figure 2 Nonfarm month-over job change, Feb 2020 to May 2021



Regional total Nonfarm employers reported 96% of their pre-pandemic employment levels, down 63,500 total nonfarm jobs since February 2020. Major industry sectors within nonfarm employment have experienced various levels of recovery since the beginning of the pandemic. Transportation and warehousing employers reported 18.2% job growth since February 2021. Utilities, construction, health care and social assistance employers also reported increased job counts since the beginning of the pandemic. Arts, entertainment, and recreation (primarily live performances, events, and amusement activities) reported 50.2% fewer jobs since February 2020, down 11,200 jobs. Figure 3 displays the share of job growth for each major nonfarm industry sector by percentage since February 2020.

Figure 3 Employment recovery by major industry sector, Feb 2020 – Apr 2021

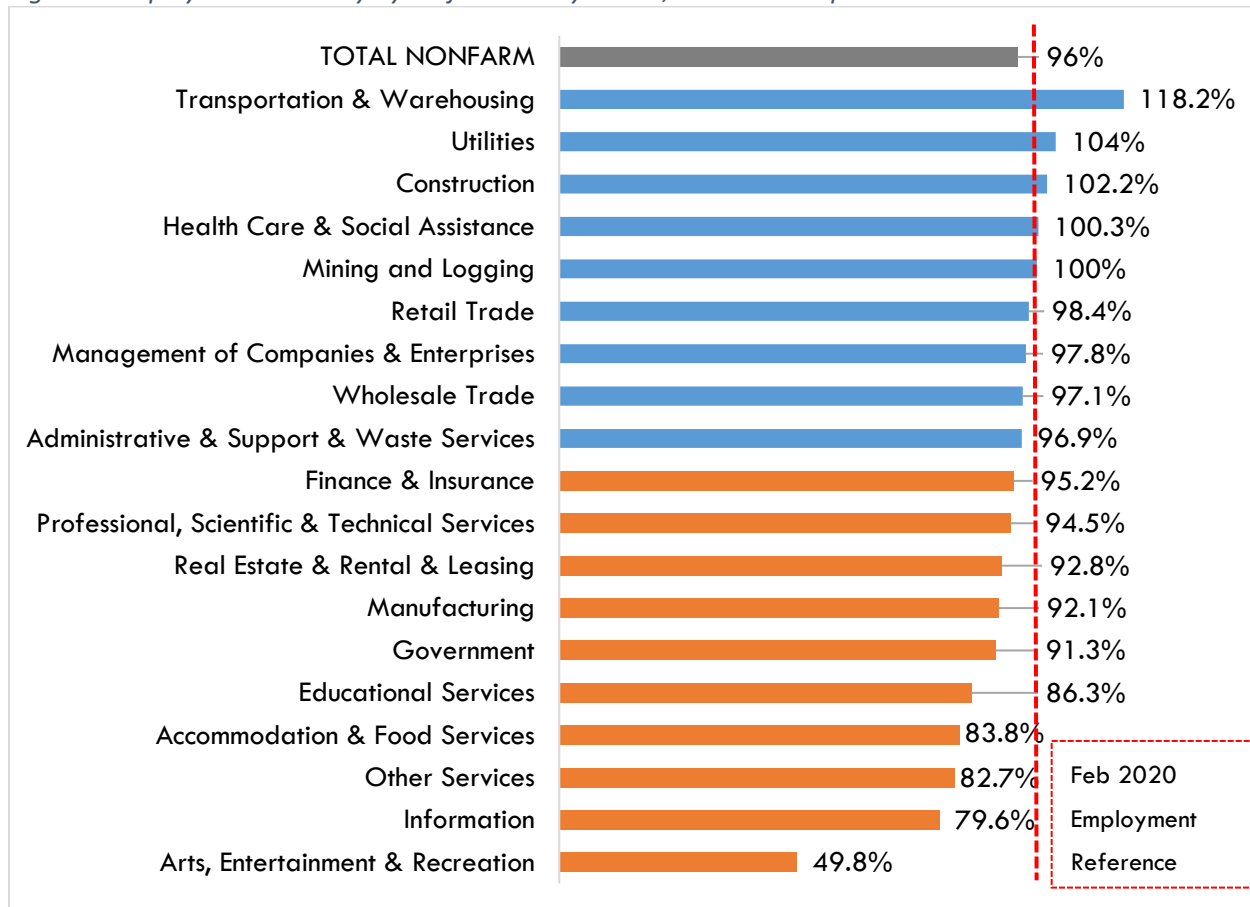


Figure 4 displays month-over and year-over job change for all major industry sectors. The following major industry sector employers reported notable month-over job changes between April and May 2021.

- Accommodation & Food Services (up 3,800 jobs)
- Construction (up 1,600 jobs)
- Manufacturing (up 1,300 jobs)
- Real Estate & Rental & Leasing (up 600 jobs)
- Arts, Entertainment & Recreation (down 500 jobs)

Accommodations & food services employment increased by 3,800 jobs between April and May 2021, up 3%. The restaurants subsector added 3,000 jobs; full-service restaurants added 1,800 jobs (up 5.1% over the month) and limited-service eating places added 1,200 jobs (up 1.5%). The accommodations and food services sector is at 83.8% of its pre-pandemic employment level, a deficit of 25,400 jobs since February 2020.

Construction employers tallied 1,600 more jobs in May, up 1.5%. Specialty trade contractors, employers performing specific activities but are not responsible for the entire project (e.g., pouring concrete, site preparation, plumbing, painting, and electrical work) contributed nearly 88% of this sector's job growth by adding 1,400 jobs. Heavy & civil engineering construction added 200 jobs. Construction employment is up 9.2% since May 2020 and up 2.2% since February 2020.

Manufacturing employers reported a 1.4% increase in employment in May, up 1,300 jobs. Nearly all the reported job growth was in the durable goods subsector, adding 1,000 jobs. The manufacturing sector is down 500 jobs over the year and down 7,900 jobs since February 2020.

Real estate & rental & leasing was the fastest-growing sector over the month, increasing employment by 3.2%, adding 600 jobs. This sector is up 800 jobs over the year but down 1,500 jobs since February 2020, or 92.8% of its pre-pandemic employment level.

Arts, entertainment & recreation employers reported a decline of 500 jobs between April and May 2021, down 4.3%. Over the year, this sector added 2,000 jobs, up 22% since May 2020.

Figure 4 month-over and year-over changes for each major industry sector.

Industry Sectors	May 2021	Month-over Change	Month-over % Change	Year-over Change	Year-over % Change
Total Nonfarm	1,523,600	9,600	0.6%	134,500	9.7%
Farm	14,900	1,400	10.4%	-500	-3.2%
Government	242,800	1,800	0.7%	800	0.3%
Health Care & Social Assistance	238,500	500	0.2%	17,200	7.8%
Transportation & Warehousing	180,800	700	0.4%	26,600	17.3%
Retail Trade	174,100	-200	-0.1%	26,000	17.6%
Accommodation & Food Services	131,400	3,800	3.0%	28,900	28.2%
Construction	111,300	1,600	1.5%	9,400	9.2%
Administrative & Support & Waste Services	106,100	300	0.3%	11,500	12.2%
Manufacturing	92,200	1,300	1.4%	-500	-0.5%
Wholesale Trade	65,900	300	0.5%	3,600	5.8%
Professional, Scientific & Technical Services	43,300	-800	-1.8%	1,500	3.6%
Other Services	39,800	600	1.5%	4,900	14.0%
Finance & Insurance	24,000	-300	-1.2%	-300	-1.2%
Real Estate & Rental & Leasing	19,200	600	3.2%	800	4.3%
Educational Services	18,900	-200	-1.0%	1,300	7.4%
Arts, Entertainment & Recreation	11,100	-500	-4.3%	2,000	22.0%
Information	9,000	200	2.3%	300	3.4%
Management of Companies & Enterprises	8,700	0	0.0%	300	3.6%
Utilities	5,200	-100	-1.9%	200	4.0%
Mining and Logging	1,300	0	0.0%	0	0.0%

Labor Market in the News

[Almost Half of Older Millennials Wish They'd Chosen a Different Career Path—What They'd Do Differently](#)

[Quits Are at Their Highest Levels Since Reporting Began In 2000](#)

[Employees Are Quitting Instead Of Giving Up Working from Home](#)

[Pandemic Could Cost Typical American Woman Nearly \\$600,000 in Lifetime Income](#)

[LAUSD Lands Deal with Amazon to Employ Students Headed For College](#)

[National: 15 Million Infrastructure Jobs](#)

[America's Largest Cities Saw the Sharpest Population Losses During the Pandemic](#)

Have a great summer!

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