

# Inland Empire/Desert Center of Excellence Newsletter and Labor Market Update



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Today's labor market release highlights the Inland Empire/Desert Region's employment trends in July 2022.

The region's unemployment rate decreased slightly to 3.9% in July 2022, down from 4% last month and down from 8% in July 2021. In just one year, the total number of unemployed residents has fallen by nearly 50% (down by over 84,000), and employed residents have increased by almost 131,000.

The bad news, nonfarm employers reported 4,000 fewer jobs in July 2022. On the bright side, the month-over employment loss appears to be seasonal. Farm employment was cut by 11.6% over the month, a loss of 2,100 jobs.

The good news, year-over regional nonfarm employment has increased by over 84,000 jobs, up by 5.4%. Farm employment has grown by 17.6% over the year, reporting 2,400 more jobs.

## INLAND EMPIRE/DESERT LABOR MARKET UPDATE

July 2022



Unemployment Rate  
Decreased to  
**3.9%**

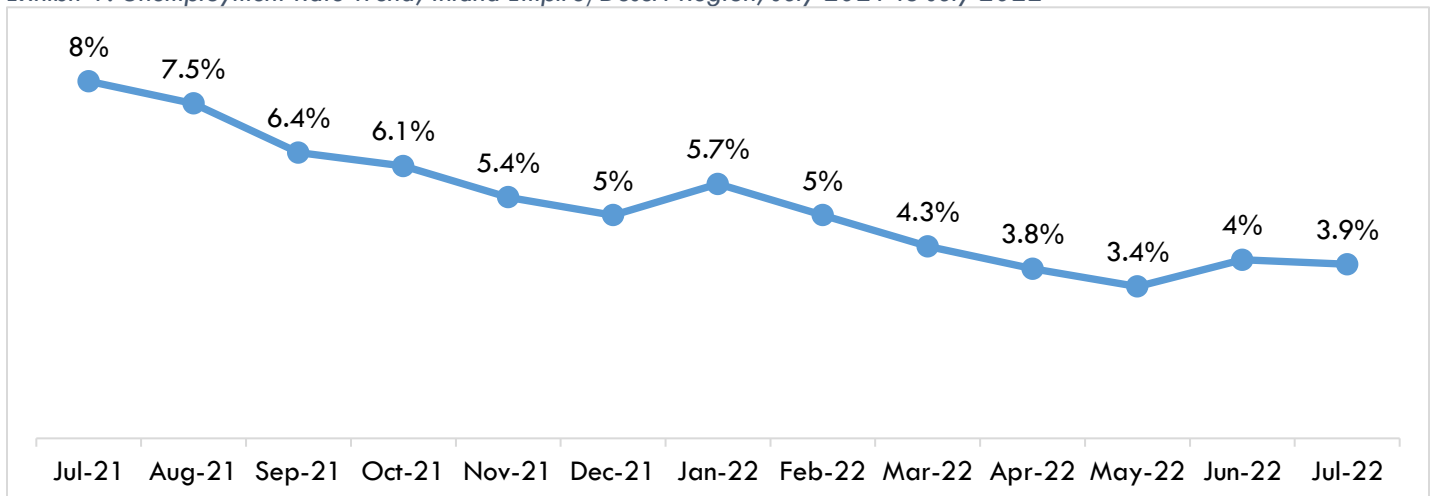


Nonfarm Employers  
Reported a Loss of  
**4,000 jobs**  
over the month

### Civilian Labor Force and the Unemployment Rate

The civilian labor force is the total count of resident workers, 16 years and older, working or actively seeking work. The unemployment rate represents the number of unemployed expressed as a share of the total labor force.

Exhibit 1. Unemployment Rate Trend, Inland Empire/Desert Region, July 2021 to July 2022



- In July 2022, the region's unemployment rate decreased to 3.9%, down slightly from 4% in July 2022. The unemployment rate was 8% one year ago, in July 2021.
- Over the month, the region's total labor force increased by 18,400 for a total of 2.169 million labor force participants. The labor force represents the total number of residents employed and unemployed (and seeking work). An increasing labor force provides employers with a larger supply of potential workers.
  - The region's labor force has increased by about 2% since the COVID-19 pandemic (February 2020). Since January 2022 (year to date), the labor force has grown by 4,200 participants:
    - Employment (residents reporting work) increased by 41,500.
    - Unemployment (residents actively seeking work and able to work) decreased by 37,300.
- Year-over (July 2021 to July 2022), employment increased by 130,700 residents, up by 6.7%, and unemployment fell by 84,100 (down by about 50%). The total labor force has raised by 46,600 residents, up by 2.2%.

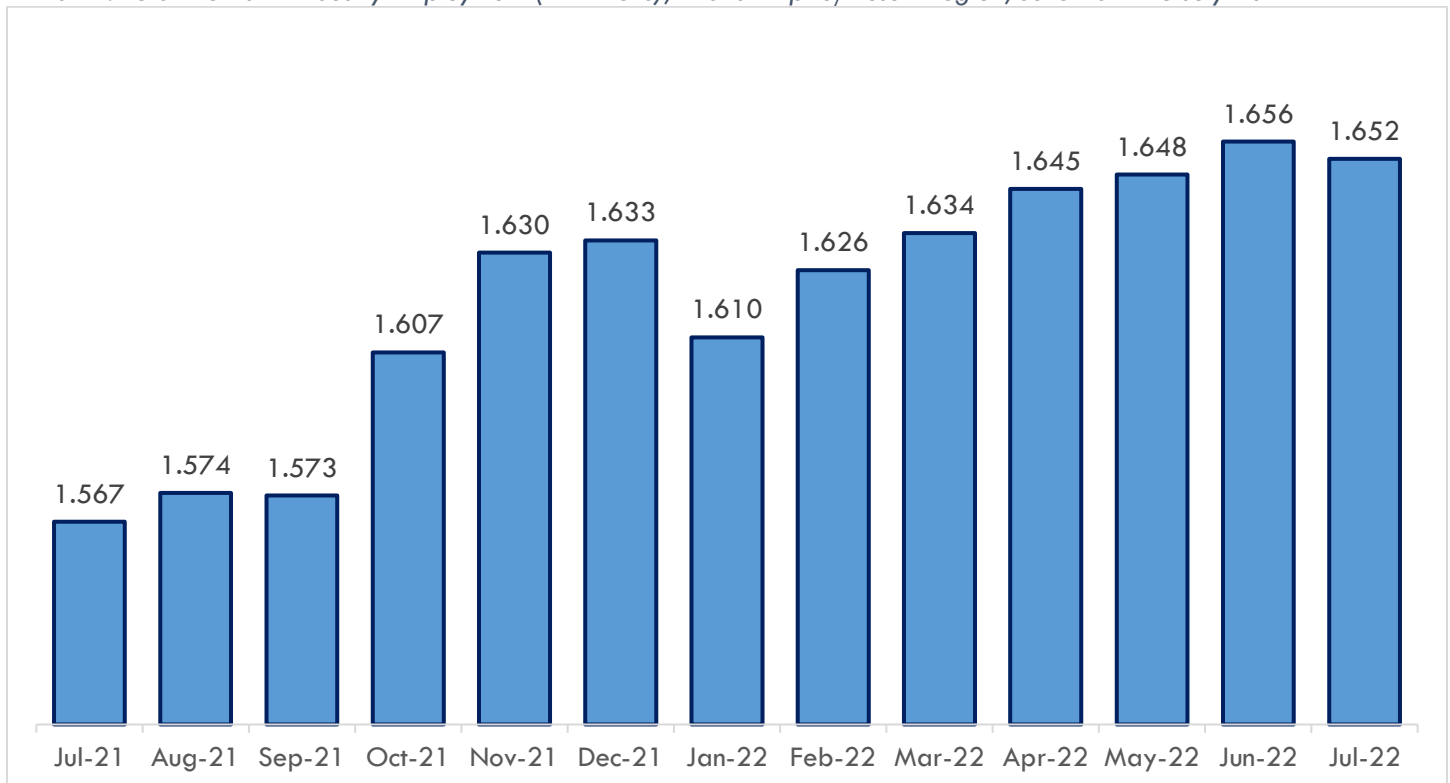
### Industry Employment and Jobs

Industries are groups of employer establishments categorized by their primary business activity; what they produce, sell, or the services they provide.

In July 2022, nonfarm employers reported a total of 1.652 million jobs in the region. Over the month, these employers reported a net loss of 4,000 jobs or a 0.2% decline in total jobs. This year's June to July month-over employment decline appears to be primarily seasonal when reviewing the last five years of data (2016 to 2021, not including the 2020 pandemic year). Farm employers cut 2,100 jobs; this decline also appears to be seasonal.

Year-over, from June 2021 to July 2022, nonfarm employers added 84,400 jobs, up 5.4% over the year. Farm employment has increased 17.6% over the year, adding 2,400 jobs.

Exhibit 2. Total Nonfarm Industry Employment (in millions), Inland Empire/Desert Region, June 2021 to July 2022



Notable month-over nonfarm job change was recorded in the following sectors:

- **Government** sector employers reported a net loss of 13,500 jobs over the month, down by 5.2%. On the bright side, government employment increased by 9,800 jobs over the year, up by 4.2%.
  - Most of the month-over job losses in this sector were reported within the local government education subsector (down 12,000 jobs, or 9.6%). The state government education subsector lost 1,100 jobs, a 7.7% decline. Job losses in these subsectors are typical for this time of year and align with June to July employment trends over the last five years (2016-2021, excluding 2020).
  - Year-over, the local government education subsector reported a net increase of 8,800 jobs, and state government education reported an increase of 1,700 jobs.
  - City and county government employers reported notable month-over job cuts. City government reported 800 fewer jobs, down by 5.2% and county government reported 200 fewer jobs, down by 1%.
- **Arts, entertainment & recreation** employers (live entertainment) cut 400 jobs from their payrolls, down by 2.3%. Employment in this sector has declined by 2,900 jobs since March 2022.
- The **accommodations and food services sector** added the most jobs over the month, up 2,400 jobs (or by 1.5%).
  - Limited-service eating places (pay before you eat) added 1,200 jobs, and full-service restaurants (pay after you eat) added 1,100 jobs. Accommodations employers boosted their employment by 100 jobs.
- **Health care & social assistance** employers reported an increase of 1,400 jobs over the month, up by 0.6%.
  - Social services subsector employment increased by an estimated 800 jobs. The social services subsector provides a wide variety of services directly to their clients, including individual and family services, community food and housing, vocational rehabilitation, and child day care services. Monthly data does not provide growth details in this subsector.
  - Private health care employers reported a net increase of 600 jobs over the month.
- **Construction** employers boosted their payrolls by 2,100 jobs, up by 1.9%.
  - The specialty trade contractors subsector added 1,600 jobs. Specialty trade contractors are employers performing specific activities but are not responsible for the entire project (e.g., pouring concrete, site preparation, plumbing, painting, and electrical work).
  - The construction of buildings subsector (up 300 jobs) and the heavy & civil engineering construction subsector (up 200 jobs) also reported notable job increases.

*Exhibit 3. Industry Sector Month-over and Year-over Job Change, Inland Empire/Desert Region, July 2022 reference*

<b>Industry Sector</b>	<b>July 2022 Total Jobs</b>	<b>Month-over Change (Jun-Jul 22)</b>	<b>Month-over % Change</b>	<b>Year-over Change (Jul 21-Jul 22)</b>	<b>Year-over Job % Change</b>
Total Farm	16,000	-2,100	-11.6%	2,400	17.6%
Total Nonfarm	1,651,500	-4,000	-0.2%	84,400	5.4%
Health Care & Social Assistance	245,600	1,400	0.6%	8,400	3.5%
Government	243,900	-13,500	-5.2%	9,800	4.2%
Transportation & Warehousing	210,500	200	0.1%	24,700	13.3%
Retail Trade	183,300	1,500	0.8%	6,700	3.8%
Accommodation & Food Services	164,500	2,400	1.5%	16,000	10.8%
Administrative & Support & Waste Services	119,000	1,100	0.9%	2,600	2.2%
Construction	114,100	2,100	1.9%	2,500	2.2%
Manufacturing	99,400	0	0%	4,200	4.4%

Industry Sector	July 2022 Total Jobs	Month-over Change (Jun-Jul 22)	Month-over % Change	Year-over Change (Jul 21-Jul 22)	Year-over Job % Change
Wholesale Trade	70,700	600	0.9%	2,900	4.3%
Professional, Scientific & Technical Services	48,400	0	0%	2,900	6.4%
Other Services	44,600	100	0.2%	0	0%
Finance & Insurance	23,800	-100	-0.4%	-700	-2.9%
Real Estate & Rental & Leasing	23,600	800	3.5%	2,600	12.4%
Educational Services	17,900	-200	-1.1%	1,600	9.8%
Arts, Entertainment & Recreation	17,200	-400	-2.3%	200	1.2%
Information	10,000	0	0%	0	0%
Management of Companies & Enterprises	8,600	0	0%	100	1.2%
Utilities	5,000	0	0%	-100	-2%
Mining and Logging	1,400	0	0%	0	0%

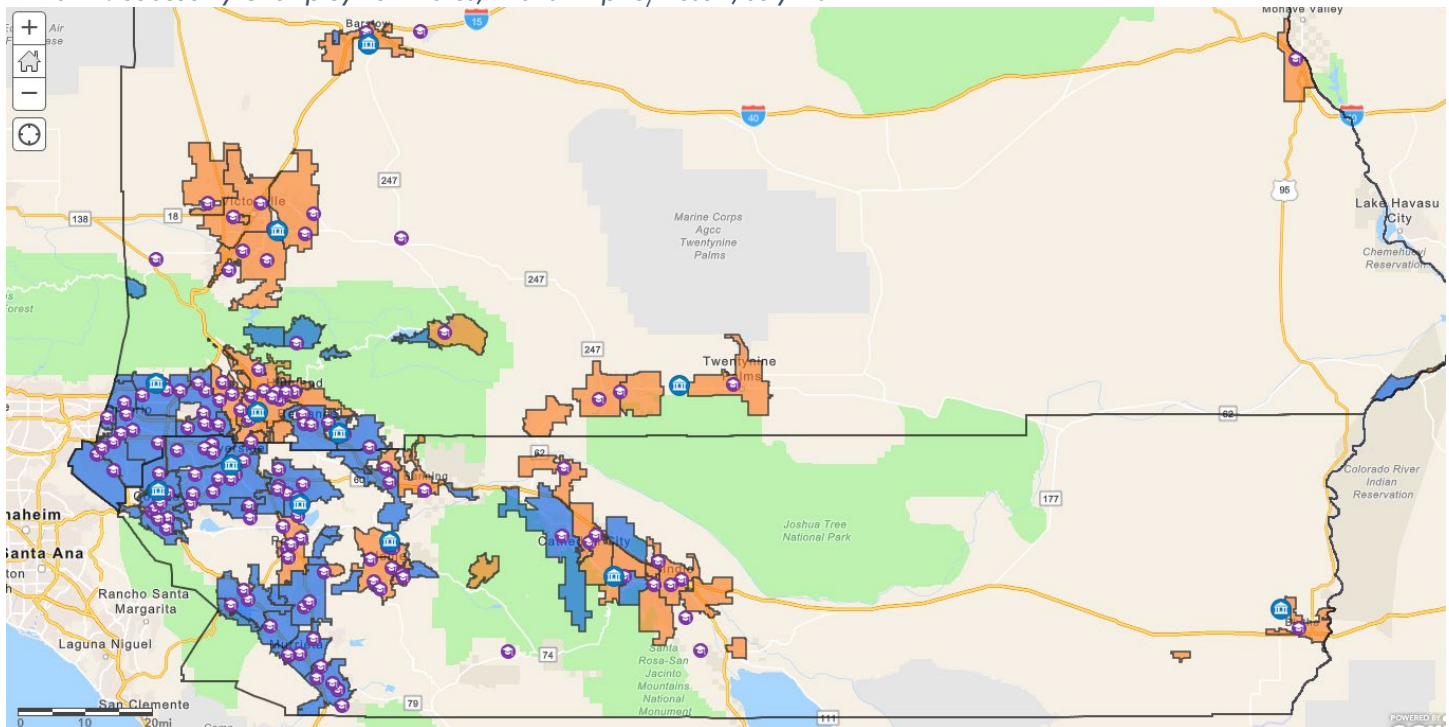
## Regional City and Community Unemployment Rate Map

The COE's July 2022 Inland Empire/Desert Subcounty map displays the unemployment rates for 87 regional cities and census-designated places. Each city and community is shaded based on its relationship to the region's July 2022 unemployment rate of 3.9%.

- **Blue-shaded** communities have an unemployment rate at or below the regional unemployment rate
- **Orange-shaded** communities have an unemployment rate above the regional unemployment rate

View the Map here: [https://bit.ly/IED\\_UnempMap\\_July2022](https://bit.ly/IED_UnempMap_July2022)

Exhibit 4. Subcounty Unemployment Rates, Inland Empire/Desert, July 2022



Reviewing the region's four subcounty areas, the High Desert and Low Desert subregions experienced greater variation in community unemployment rates compared to the Inland Empire-Riverside and Inland Empire-San Bernardino subregions, which had a narrower range of local unemployment rates.

- High Desert-San Bernardino County subregion
  - Low: 4.4% in Twentynine Palms
  - High: 8.9% in Adelanto.
- Low Desert-Riverside County subregion
  - Low: 2.2% in Indian Wells
  - High: 9.5% in Coachella
- Inland Empire-San Bernardino County subregion
  - Low: 2.4% in Chino Hills
  - High: 4.9% in San Bernardino
- Inland Empire-Riverside County subregion
  - Low: 2.1% in Calimesa
  - High: 5.3% in Hemet

What is the unemployment rate in your community?

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Welcome back to campus. We wish you and your students a stellar fall term.



Inland Empire/Desert Center of Excellence for Labor Market Research

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Source: California Employment Development Department, Labor Market Information Division, July 2022. Retrieved from <https://www.labormarketinfo.edd.ca.gov/>