

MONTEREY COUNTY LABOR MARKET QUARTERLY SNAPSHOT January - March 2018

American businesses big and small increasingly have the same problem: They can't find workers

The unemployment rate in Monterey County for February 2018 was 10.3%



The U.S. unemployment rate continues to sink, hitting a 17-year low lowest since 1976, and job seekers are finding work more easily than at any time since the mid-'90s. Openings in the United States have now topped roughly 6 million for five months in a row, a record streak, according to the Bureau of Labor Statistics.

Normally, such a stretch would inspire applause. But Wayne Winegarden, an economist and senior fellow at the Pacific Research Institute, a California think tank, said the trend should concern policymakers.

“If you have less labor, you’re going to have less growth,” he said, “unless it’s compensated by more technology or higher productivity.”

The job market is so hot that employers are struggling to handle the consequences.

A Federal Reserve survey released in January found labor shortages all over the country. And more businesses said they had no choice but to pay more to attract and keep the workers they want, a sign that wage growth may finally be picking up.

But companies are also losing out on business. That's not an immediate problem for the economy, but it could hurt economic growth in the long term. The survey showed worker shortages increased significantly at the end of last year.

On the West Coast...Widespread reports of labor shortages forced bosses to hike wages. From farms to factories, employers said they couldn't find enough people, or enough skilled people. West Coast banks also reported prolonged job vacancies and searches for qualified candidates.

CNNMoney
<http://money.cnn.com/2018/01/17/news/economy/us-worker-shortage/index.html>

MONTEREY COUNTY LABOR MARKET QUARTERLY SNAPSHOT March 2018



We're hiring!



RESKILL OR UPSKILL



Jobs market: Labor shortage means longer hours but more cash for workers

[Paul Davidson](#), USA TODAY

In an ever-tightening labor market, many employers are following a simple credo: If you can't find enough workers, give the ones you have more work.

While worker shortages are frustrating businesses, they've quietly provided a financial boon to many full-time employees, who are notching lots of overtime, and part-timers, who are toiling more hours or shifting to full time.

That's lifting weekly paychecks, and the broader economy, even as average hourly earnings have increased only modestly. Yet some firms are starting to worry about the effects of pushing staffers too hard.

Private-sector workers put in an average 34.5 hours a week for the second consecutive month in December, the busiest such stretch since early 2016, Labor Department figures show.

The trend is more pronounced for production employees in industries such as manufacturing and construction. In November and December, those production workers on average logged the most hours since the final two months of 2014.

And factory-floor workers clocked an average of about 42 hours weekly in the second half of 2017, behind only 2014 as the most work-intensive six-month stretch for that group since 1945.

"There just aren't enough people to do the job anymore," says Peter Guarraia, manufacturing practice leader for consulting firm Bain & Co. "And so workers are getting more hours."

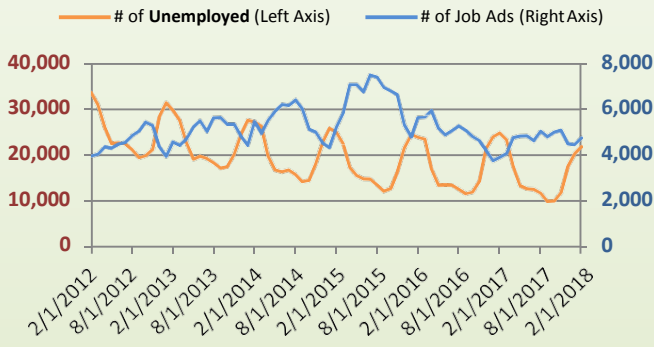


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JOB POSTNGS FEBRUARY 2018

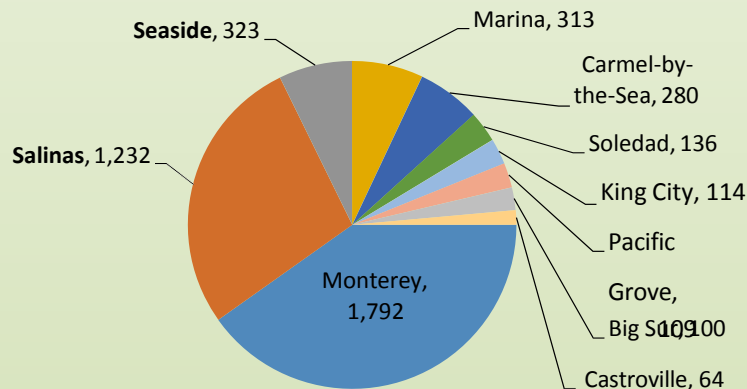
Number of Job Ads vs. Number of Unemployed



Employers with Most Job Ads

- Robert Half International - 134
- Destination Hotels - 115
- County of Monterey - 114
- California State University System - 58
- Salinas City Elementary - 56
- Marriott - 54
- Army - 54
- Hyatt - 50
- Starbucks - 47
- Community Hospital of The Monterey Peninsula - 45

Cities with Most Job Ads



Occupations with Most Job Ads

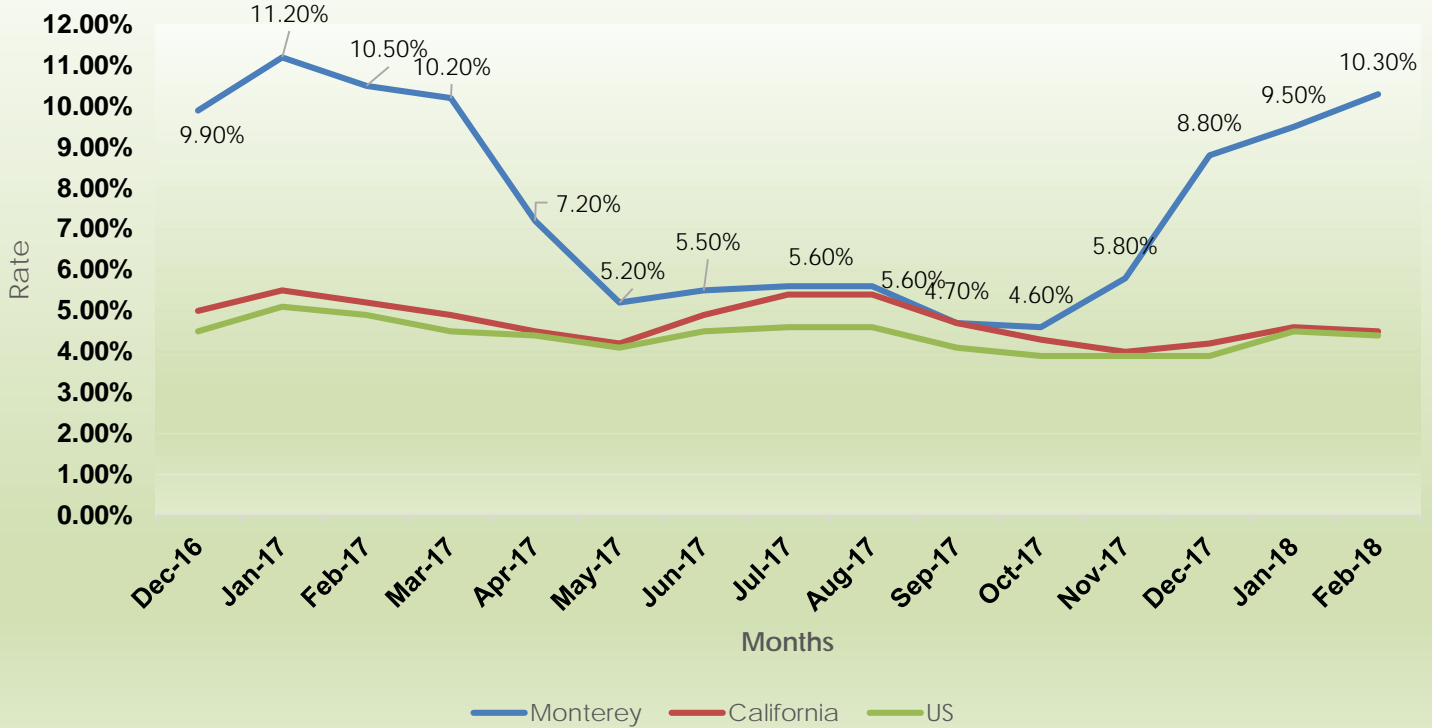
- Registered Nurses - 258
- Retail Salespersons - 179
- First-Line Supervisors of Food Preparation and Serving Workers - 157
- First-Line Supervisors of Retail Sales Workers - 123
- Bookkeeping, Accounting, and Auditing Clerks - 117
- First-Line Supervisors of Office and Administrative Support Workers - 99
- Maintenance and Repair Workers, General - 88
- Maids and Housekeeping Cleaners - 84
- Accountants - 83
- Waiters and Waitresses - 72

Note: The data provided does not suggest that the occupations of the unemployed directly align with the occupations of the advertised vacancies.
Sources: Employment Development Department, Labor Market Information Division; Help Wanted Online from The Conference Board and WANTED Technologies February 2018

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Monterey County Unemployment Rate



Employment Gains

Job Growth by Sector February 2017-February 2018



The unemployment rate in Monterey County was 10.3% in February 2018, up from a revised 9.7% in January 2018, and below the year-ago estimate of 11.8%. This compares with an unadjusted unemployment rate of 4.5% for California and 4.4% for the nation during the same period.

Labor Force	Employment	Unemployment	
		Number	Rate
212,900	190,900	21,900	10.3%

*Data Released on March 2018 for February 2018

Source: EDD Labor Market Information Division

MCWDB Special Projects

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Occupational Snapshot



The largest major occupation group in Monterey County, California is Farming, Fishing, and Forestry Occupations, employing 38,523 workers. The next-largest occupation groups in the region are Office and Administrative Support Occupations (21,796 workers) and Food Preparation and Serving Related Occupations (17,827). High location quotients (LQs) indicate occupation groups in which a region has high concentrations of employment compared to the national average. The major groups with the largest LQs in the region are Farming, Fishing, and Forestry Occupations (LQ = 29.48), Education, Training, and Library Occupations (1.20), and Building and Grounds Cleaning and Maintenance Occupations (1.11).

Over the next 5 years, the fastest growing occupation group in Monterey County, California is expected to be Personal Care and Service Occupations with a +2.3% year-over-year rate of growth. The strongest forecast by number of jobs over this period is expected for Farming, Fishing, and Forestry Occupations (+1,411 jobs) and Food Preparation and Serving Related Occupations (+879). Over the same period, the highest separation demand (occupation demand due to retirements and workers moving from one occupation to another) is expected in Farming, Fishing, and Forestry Occupations (29,795 jobs) and Food Preparation and Serving Related Occupations (15,685).

Occupation groups in Monterey County, California with the highest average wages per worker are Healthcare Practitioners and Technical Occupations (\$105,800), Management Occupations (\$98,500), and Architecture and Engineering Occupations (\$94,800). The unemployment rate in the region varied among the major groups from 1.8% among Management Occupations to 8.4% among Farming, Fishing, and Forestry Occupations.

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Industry Snapshot

The largest industry sector in Monterey County, California is Agriculture, Forestry, Fishing and Hunting, employing 53,095 workers. The next-largest sectors in the region are Accommodation and Food Services (21,845 workers) and Health Care and Social Assistance (21,497). High location quotients (LQs) indicate sectors in which a region has high concentrations of employment compared to the national average. The sectors with the largest LQs in the region are Agriculture, Forestry, Fishing and Hunting (LQ = 18.98), Public Administration (1.48), and Accommodation and Food Services (1.22).



Sectors in Monterey County, California with the highest average wages per worker are Utilities (\$113,267), Mining, Quarrying, and Oil and Gas Extraction (\$112,684), and Finance and Insurance (\$93,359). Regional sectors with the best job growth (or most moderate job losses) over the last 5 years are Health Care and Social Assistance (+5,510 jobs), Agriculture, Forestry, Fishing and Hunting (+4,532), and Accommodation and Food Services (+2,791).

Over the next 5 years, employment in Monterey County, California is projected to expand by 9,124 jobs. The fastest growing sector in the region is expected to be Health Care and Social Assistance with a +2.1% year-over-year rate of growth. The strongest forecast by number of jobs over this period is expected for Health Care and Social Assistance (+2,374 jobs), Agriculture, Forestry, Fishing and Hunting (+2,073), and Accommodation and Food Services (+878).

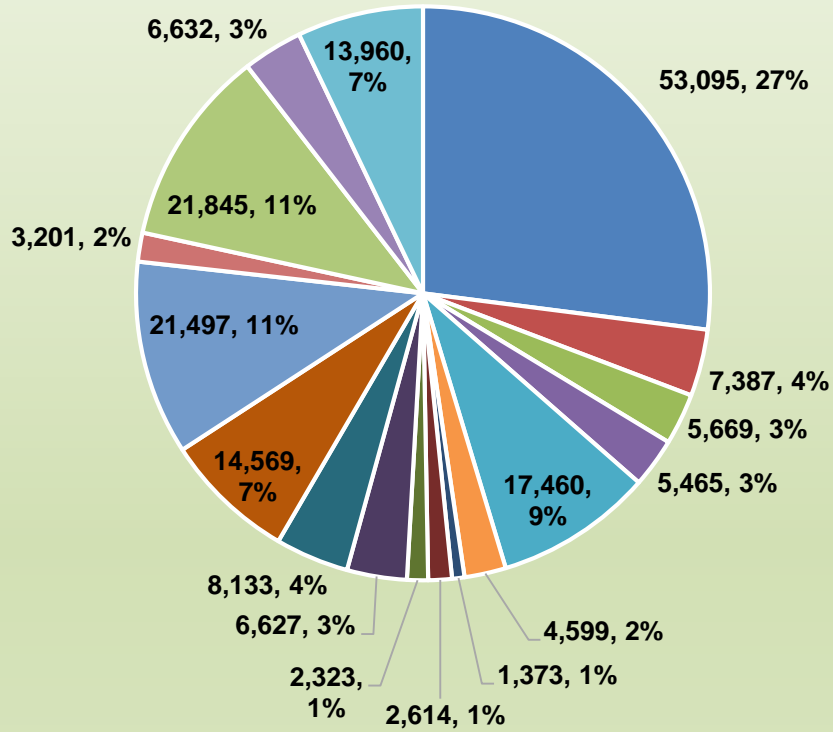


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Industry Snapshot

Workers for Monterey County, California by Industry



- Agriculture, Forestry, Fishing and Hunting
- Construction
- Manufacturing
- Wholesale Trade
- Retail Trade
- Transportation and Warehousing
- Information
- Finance and Insurance
- Real Estate and Rental and Leasing
- Professional, Scientific, and Technical Services
- Administrative and Support and Waste Management and Remediation Services
- Educational Services
- Health Care and Social Assistance
- Arts, Entertainment, and Recreation
- Accommodation and Food Services
- Other Services (except Public Administration)
- Public Administration