



LAEDC

COVID-19 Economic Implications Briefing

April 27, 2020



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Confirmed COVID-19 Cases

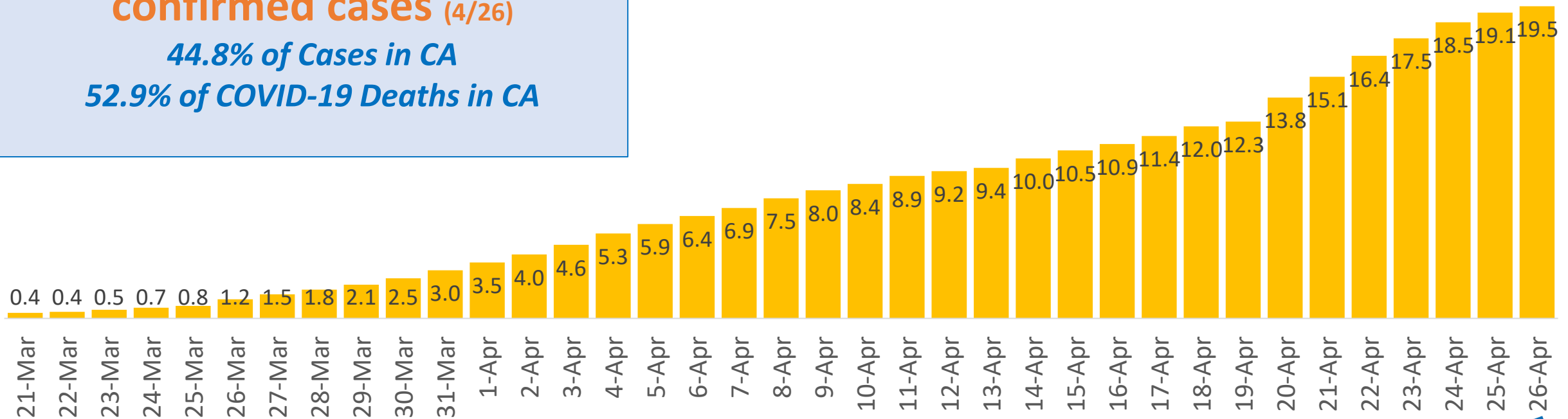
in LA County (4/26)

COVID-19 Cases in LA County (000s)

LA County now has 19,528 confirmed cases (4/26)

44.8% of Cases in CA

52.9% of COVID-19 Deaths in CA



Source: LA County

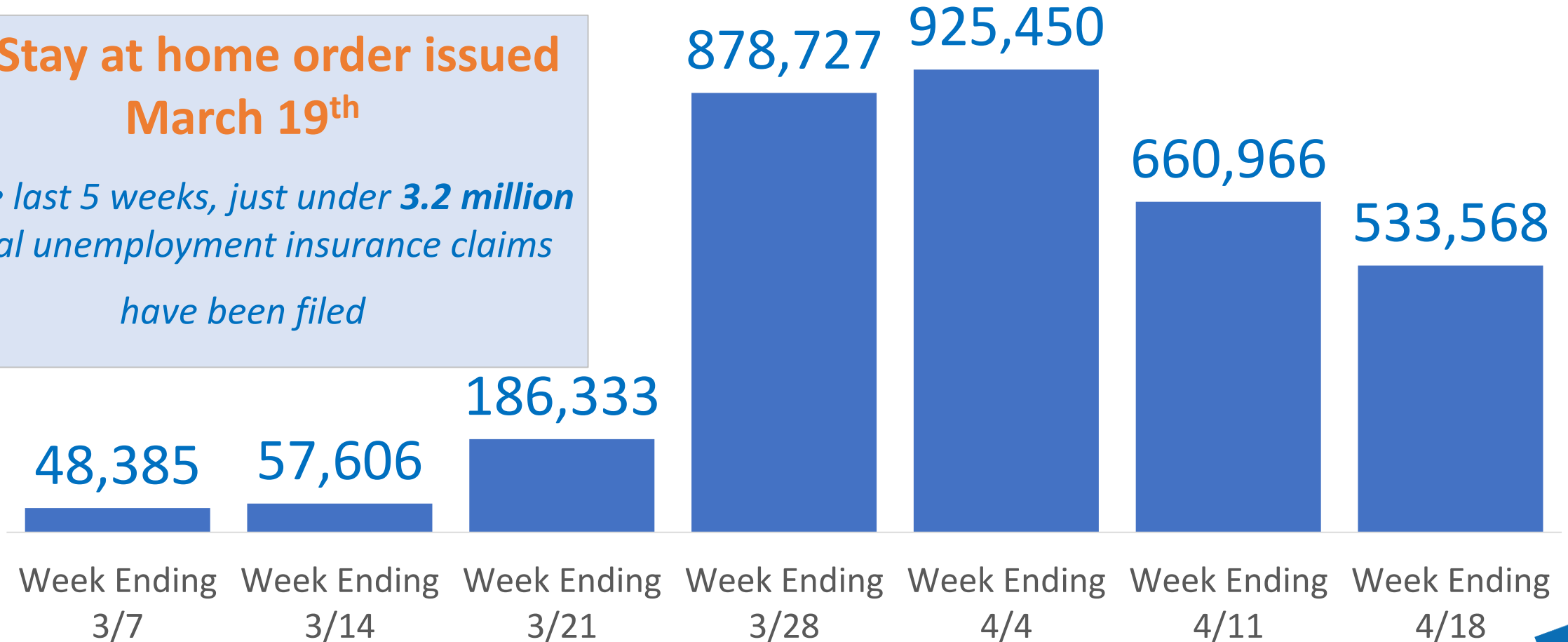


Unemployment Insurance Weekly Claims

Initial Claims in California

**CA Stay at home order issued
March 19th**

*In the last 5 weeks, just under 3.2 million
initial unemployment insurance claims
have been filed*

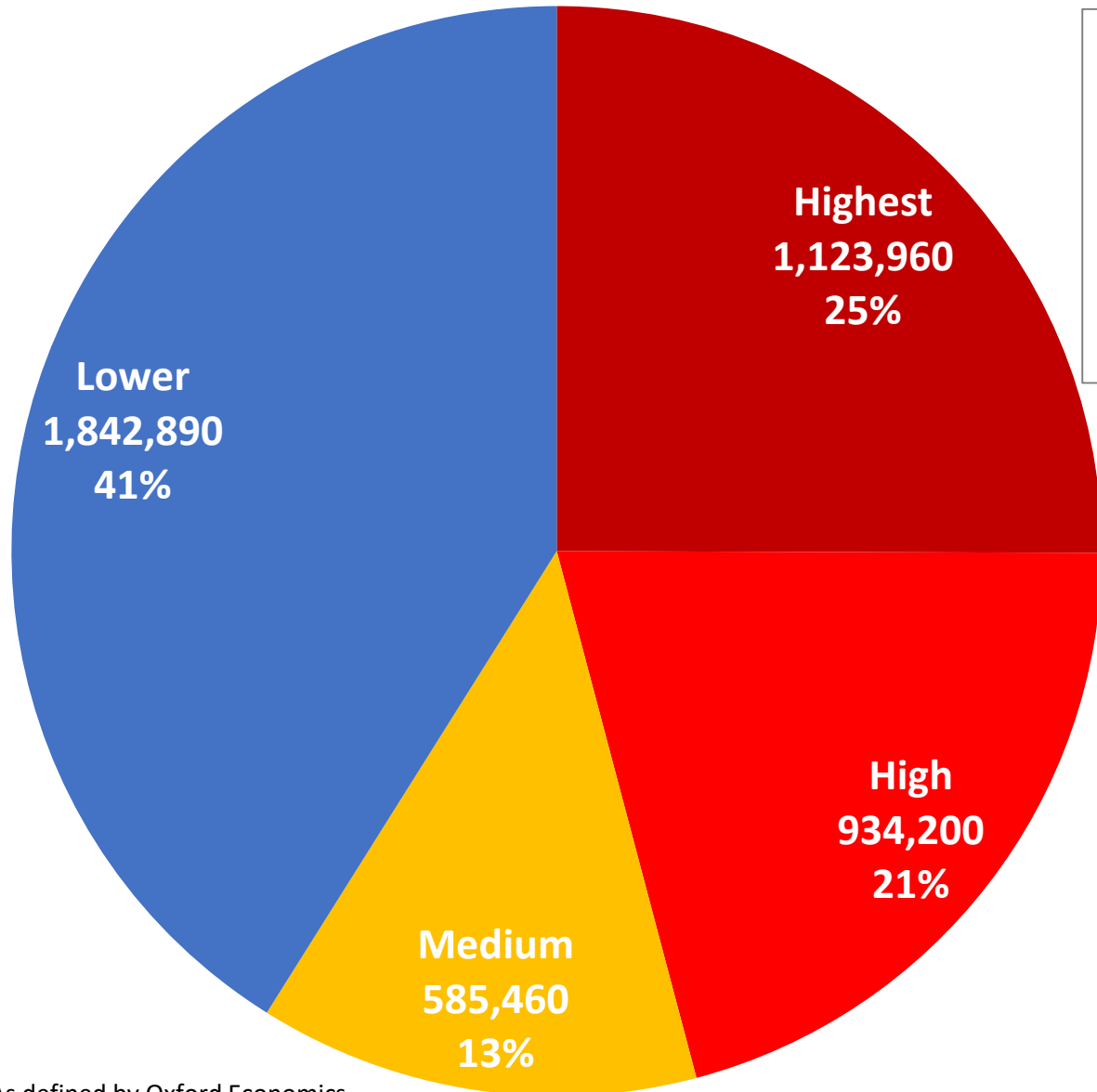


EMPLOYMENT IMPACT OF COVID-19: SOUTHERN CALIFORNIA

LAEDC INSTITUTE FOR APPLIED ECONOMICS

Released: April 21, 2020

At Risk Jobs in LA County*



Total Jobs in LA County:
4.5 million

High Risk Job Share:
45.9%

Highest Risk

- Retail Trade
- Arts, Entertainment, and Recreation
- Accommodation and Food Services
- Other Services (except Public Administration)

High Risk

- Construction
- Manufacturing
- Wholesale Trade
- Transportation and Warehousing

Medium Risk

- Mining, Quarrying, and Oil and Gas Extraction
- Information
- Real Estate and Rental and Leasing
- Professional, Scientific, and Technical Services

Lower Risk

- Agriculture, Forestry, Fishing and Hunting
- Utilities
- Management of Companies and Enterprises
- Administrative and Support and Waste Management and Remediation Services
- Educational Services
- Health Care and Social Assistance
- Public Administration

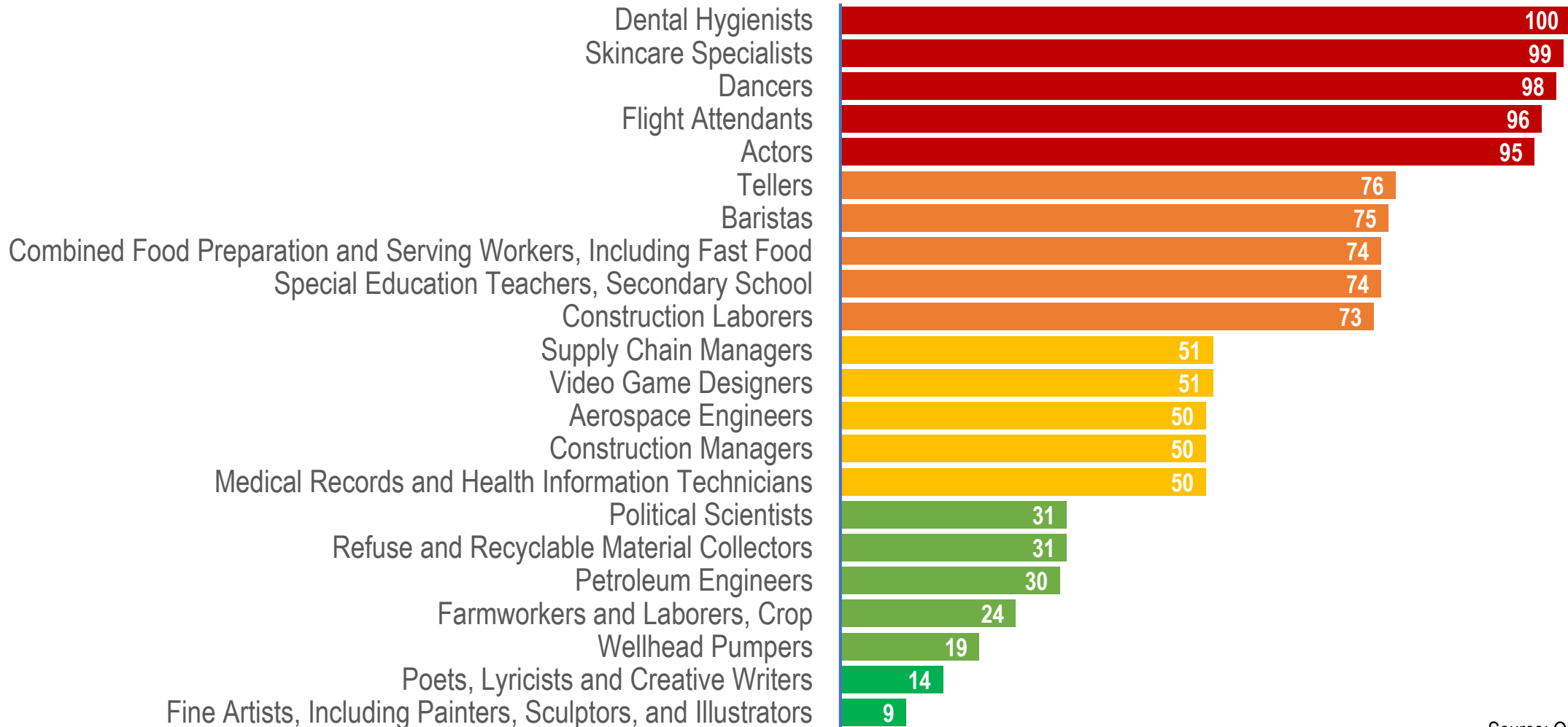


*As defined by Oxford Economics

Work Context: Physical Pro



Extent this job requires workers to perform job tasks in close physical proximity to others

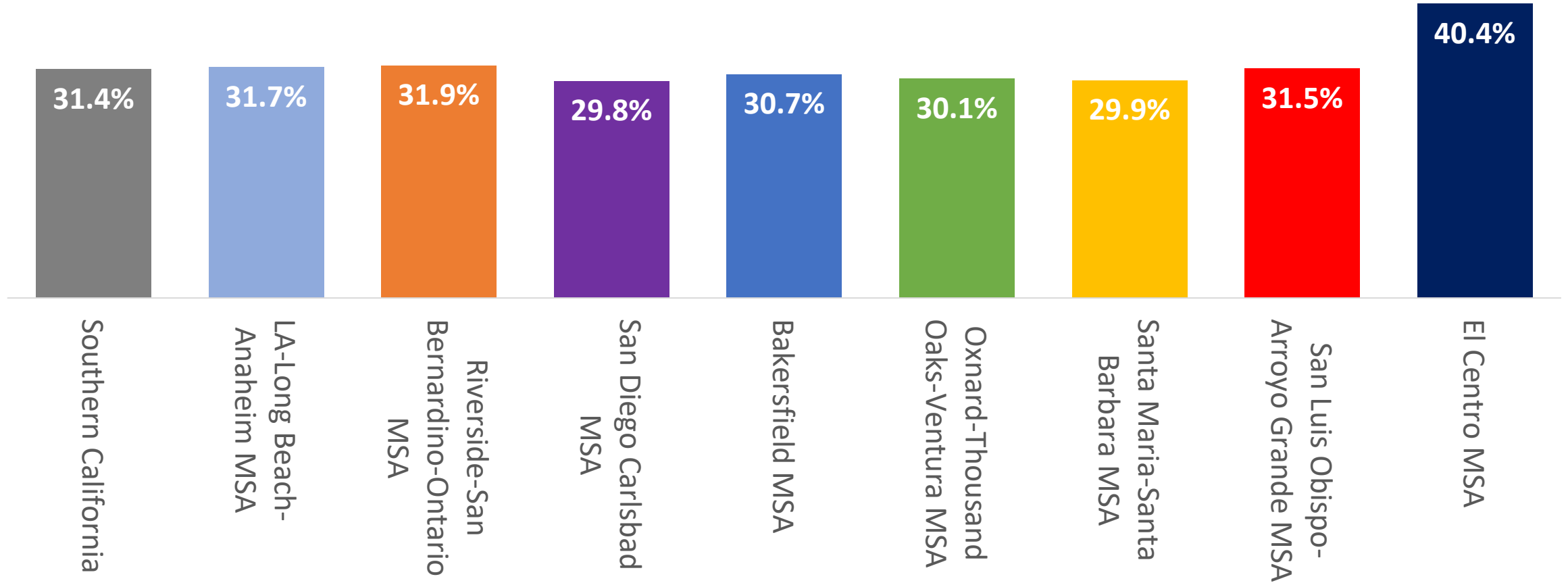


Southern California MSAs

- ❖ Los Angeles-Long Beach-Anaheim
- ❖ Riverside-San Bernardino-Ontario
- ❖ San Diego-Carlsbad
- ❖ Bakersfield
- ❖ Oxnard-Thousand Oaks-Ventura
- ❖ Santa Maria-Santa Barbara
- ❖ San Luis Obispo-Arroyo Grande
- ❖ El Centro

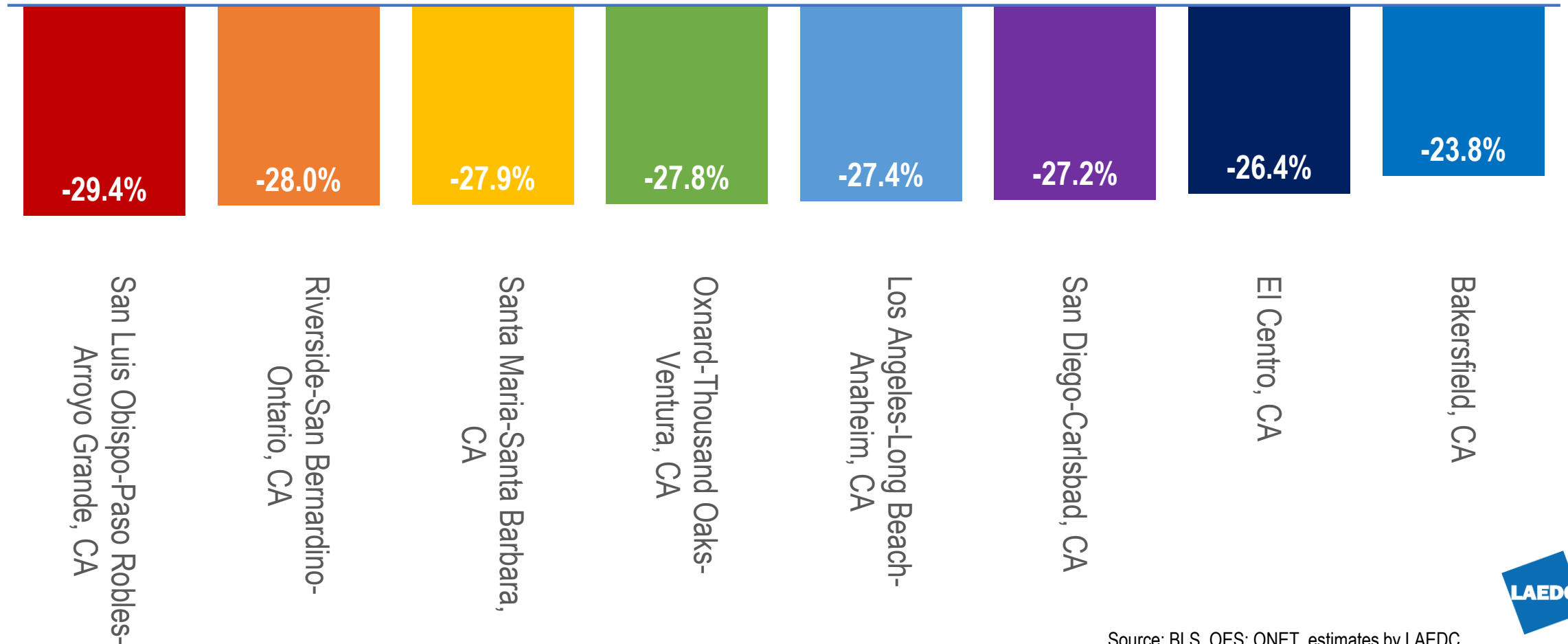
We Expect the Unemployment Rate to Spike Across Southern California

Preliminary Projection of the Unemployment Rate, May 2020



What Initial Job Loss Related to the COVID-19 Stay At Home Order Could Look Like Across Southern California

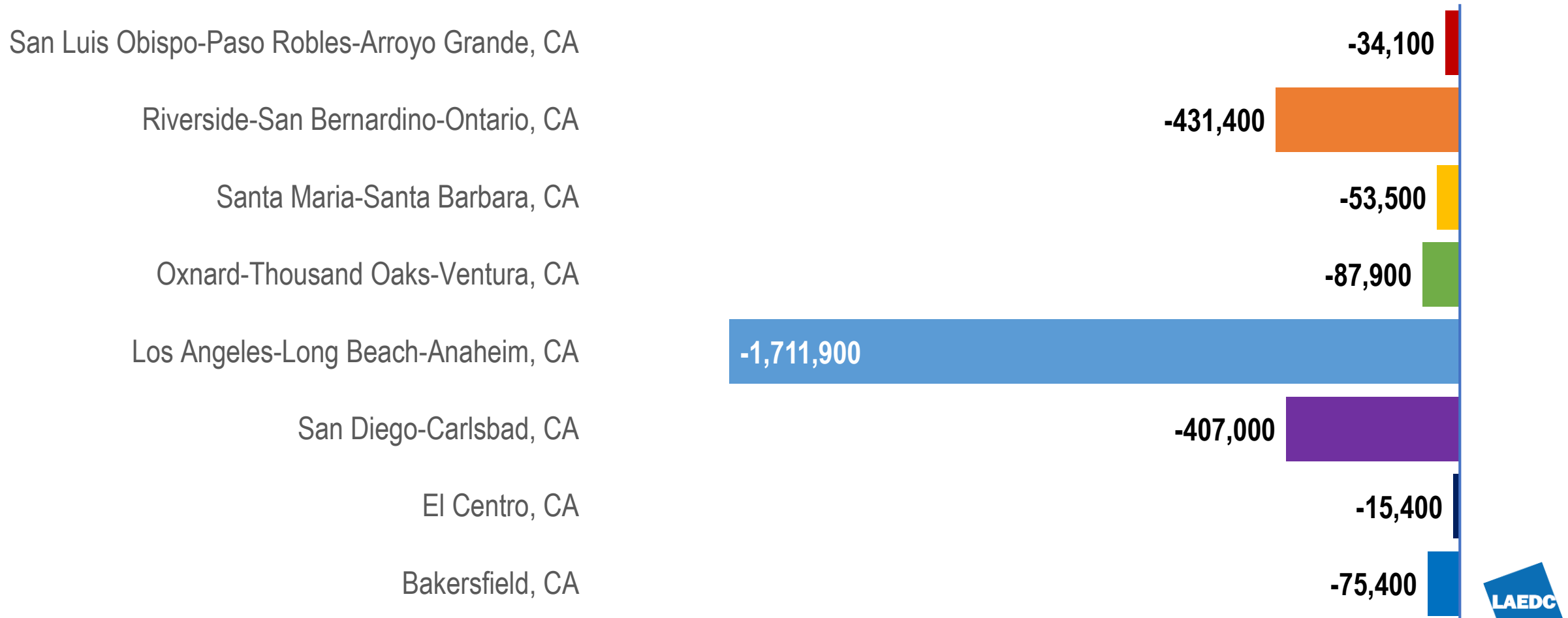
Preliminary Projections for May 2020, Year-Over-Year Change in Jobs



Source: BLS, OES; ONET, estimates by LAEDC

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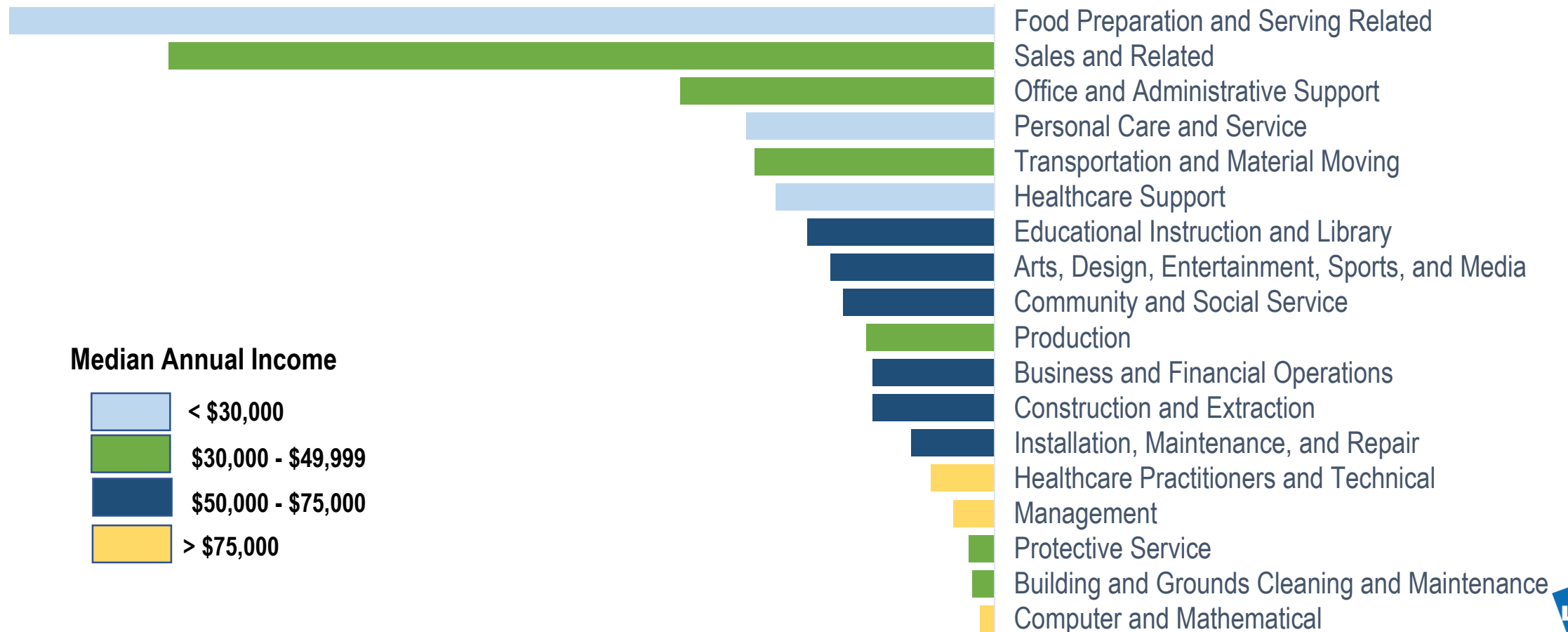


EMPLOYMENT IMPACT OF COVID-19

LOS ANGELES-LONG BEACH-ANAHEIM MSA

What Initial Job Loss Related to the COVID-19 Stay At Home Order Could Look Like in the Los Angeles-Long Beach-Anaheim MSA

Projected Number of Jobs Lost by Occupational Group, Southern California, May 2020

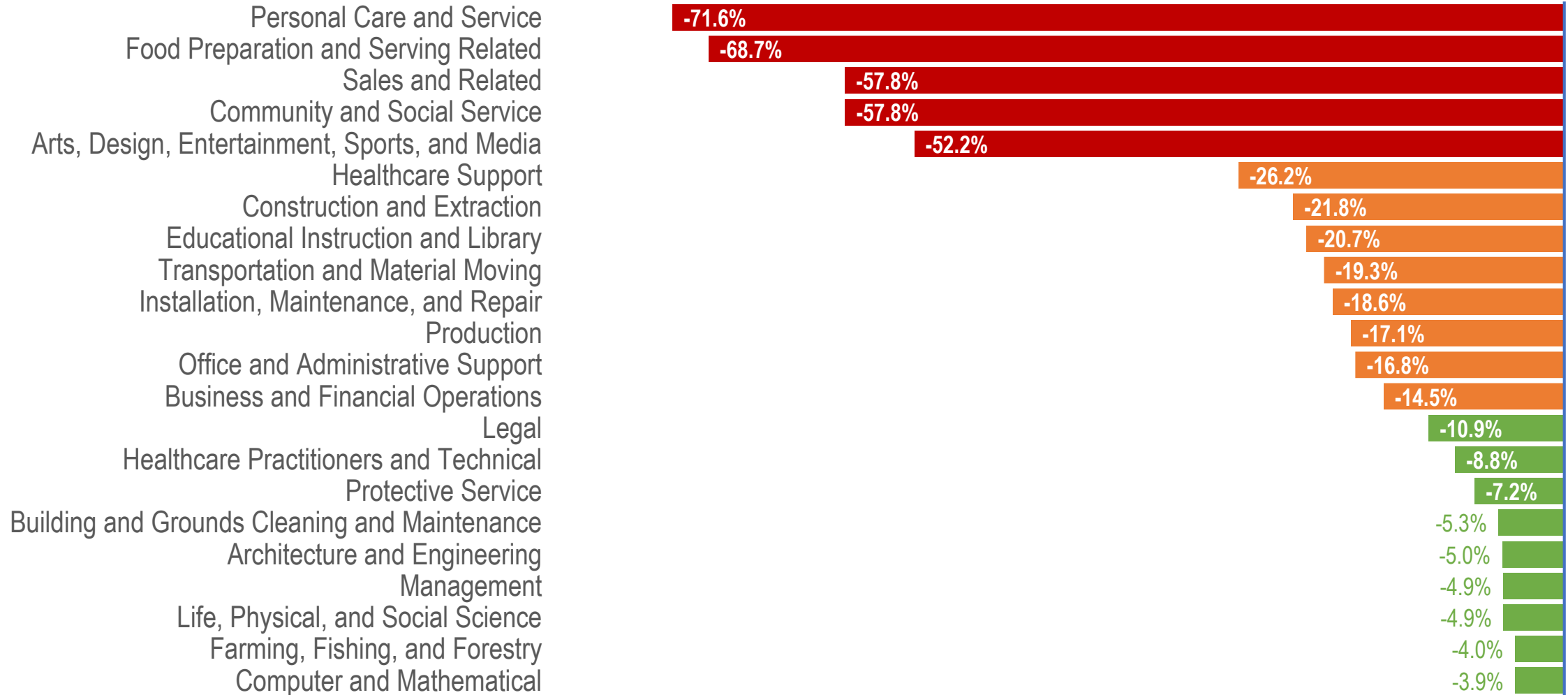


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What Initial Job Loss Related to the COVID-19 Stay At Home Order Could Look Like in the Los Angeles-Long Beach-Anaheim MSA

Preliminary Projections for May 2020, Year-Over-Year Change



Source: BLS, OES, ONET, estimates by LAEDC



What Initial Job Loss Related to the COVID-19 Stay At Home Order Could Look Like in the Los Angeles-Long Beach-Anaheim MSA

Distribution of Projected Job Loss, May 2020
Year-over-year change

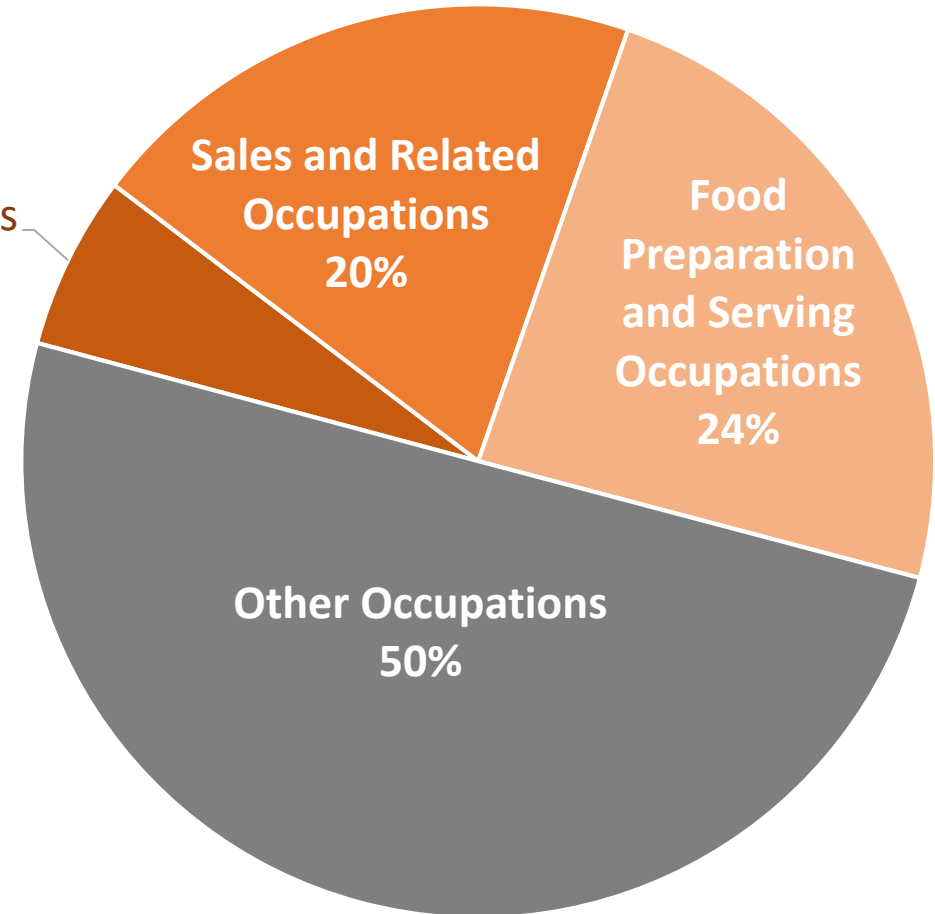
Personal Care and
Service Occupations
6%

Sales and Related
Occupations
20%

Food
Preparation
and Serving
Occupations
24%

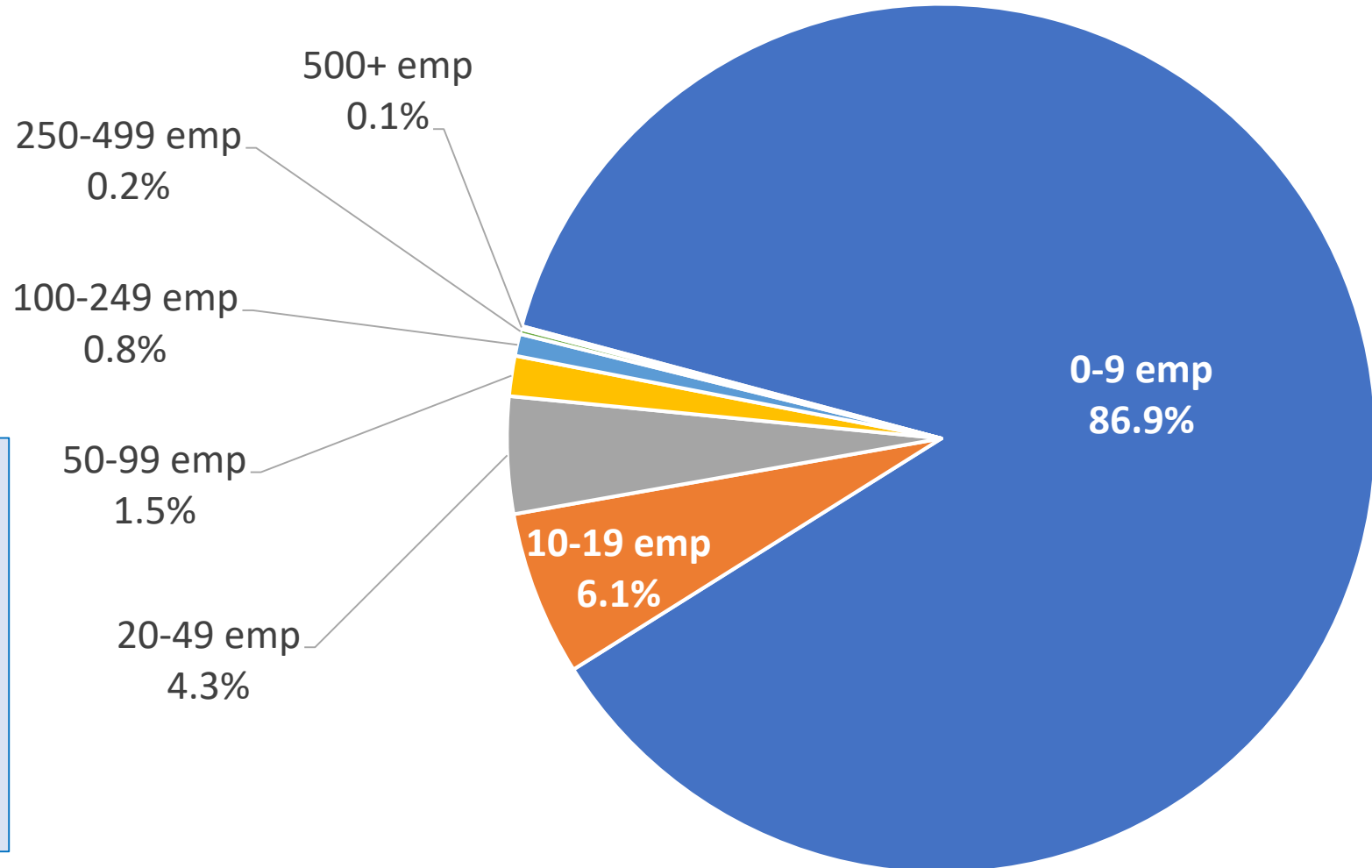
Other Occupations
50%

Half of all projected job loss will occur across three major occupation groups: Food Preparation and Serving; Sales and Related; and Personal Care and Service Occupations.



Small Businesses in LA County

Number of Businesses by Employment Size



**93% of
Businesses in
LA County have
less than 20
employees**

Final Thoughts

- ❖ Small businesses will face liquidity issues
- ❖ Layoffs have begun and are expected to significantly increase
- ❖ Households will be without steady incomes and will require immediate assistance
- ❖ Immediate economic effects of COVID-19 have not been equally distributed
- ❖ Additional uncertainties -- lack of a clear timetable for when businesses can expect to resume operations and workers to leave their homes
- ❖ Employment figures will take time to recover -- composition of workforce may look different



LAEDC | Mission

LAEDC works with business, education and government partners to collectively advance opportunity and prosperity for all L.A. County residents.

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QUESTIONS

Thank you!

- Next week we will cover more of how the Coronavirus is impacting our local economy.
- Do you have questions you would like answered on these webinars? Please send to shane.cullen@laedc.org.