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LAEDC
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DIRECTOR
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Five-Stage Reopening Process Based On Risk

Source: County of LA Public Health

**Stage One**
Now
Safer at Home Order Planning for Recovery

**Stage Two**
Soon
May 8th
- Florists, some retailers, car dealerships, golf courses and trails

Soon
- Other low-risk businesses (manufacturers, offices, retail)
- Essential health care
- Outdoor recreation and libraries
- Museums, cultural centers, galleries

**Stage Three**
TBD
- Higher-risk businesses (body art, massage, bars/nightclubs)
- Movie theatres and bowling alleys
- K-12 Schools
- Colleges and universities

**Stage Four**
TBD
- Highest risk businesses (entertainment venues)
- Large conventions
- Sporting and spectator events

**Stage Five**
TBD
Fully normal operations
Confirmed COVID-19 Cases in LA County (5/17)

LA County now has 37,974 confirmed cases (5/10)
48.2% of Cases in CA
55.8% of COVID-19 Deaths in CA

COVID-19 Cases in LA County (000s)

Source: LA County
CA Stay at home order issued March 19th

- In the last 8 weeks, just over 4.0 million initial unemployment insurance claims have been filed.
- Between April 28th and May 9th, an additional 298,00 new PUA claims have been processed.
- From 3/14 to 5/2, The CA EDD paid more than a third of what was paid in benefits during the highest year of demand during the last recession, which was $22.9 billion in calendar year 2010.
Trade and Logistics
What was happening before the pandemic...

➢ The UK Parliament had passed the EU departure deal January 2020; the UK scheduled to officially leave the Union at midnight, December 31st.

➢ USMCA had been ratified by the governments of the U.S., Canada and Mexico as of March 2020; set to be effective July 1st.

➢ The U.S. and China had reached a Phase One deal to deescalate trade tension, but most tariffs remain
  ➢ New IP protection requirements on China
  ➢ Chinese promise to purchase $200 billion on U.S. goods and services on top of 2017 levels
  ➢ Address barriers to U.S. agricultural exports to China

Source: US Trade Representative
Anticipating the USCMA, bilateral trade w/Canada and Mexico

**Los Angeles Customs District**

### Total Value of Trade ($ millions), LA Customs District

<table>
<thead>
<tr>
<th>Year</th>
<th>Canada</th>
<th>Mexico</th>
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<tbody>
<tr>
<td>2002</td>
<td>2,000.0</td>
<td>3,000.0</td>
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<tr>
<td>2004</td>
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<td>10,000.0</td>
</tr>
<tr>
<td>2018</td>
<td>10,000.0</td>
<td>11,000.0</td>
</tr>
</tbody>
</table>

Source: USA Trade Online

### Difference in Total Trade Value ($ millions), 2019 vs. 2020

<table>
<thead>
<tr>
<th>Month</th>
<th>Canada</th>
<th>Mexico</th>
</tr>
</thead>
<tbody>
<tr>
<td>January</td>
<td>-15.0</td>
<td>-10.0</td>
</tr>
<tr>
<td>February</td>
<td>-5.0</td>
<td>0.0</td>
</tr>
<tr>
<td>March</td>
<td>25.0</td>
<td>30.0</td>
</tr>
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</table>

Source: USA Trade Online
Assessing the USCMA in context

Key points of the agreement and LA exports to Mexico and Canada

- Better access to Canadian dairy, poultry and eggs markets
- Data protections for agrichemicals
- Higher regional manufacturing requirements for autos and auto parts
- Longer copyright lives and digital IP protections
- Raises export value to which shipment is not subject to duty

LA Customs District 2019 goods exports to Canada & Mexico, by Category

- Computers & Electronics: 10.7%
- Petroleum & Coal Products: 50.3%
- Transport Equipment: 4.3%
- Machinery, Except Electrical: 4.1%
- Agriculture: 3.4%
-其它: 10.8%
- Misc Manufactured: 9.4%
- Chemicals: 7.1%

Source: USA Trade Online
At Risk Jobs in LA County*

- **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

Total Jobs in LA County: 4.5 million

- **High Risk Job Share:** 45.9%
- **Lower Risk Job Share:** 25%
- **Medium Risk Job Share:** 13%
- **Total Jobs Share:** 41%

*As defined by Oxford Economics*
U.S. Unemployment in Trade, Transportation & Utilities

U.S. Unemployment Rate & Unemployed Persons by Industry
April 2020, NSA

Wholesale & Retail Trade
17.1%
(3.2 mil)

Transportation & Utilities
13.5%
(1.0 mil)

Share of Jobs Lost by Sector
April 2020

Trade, transportation and utilities, 14.9%
3.06 mil

All Other Industries
85.1%
17.4 mil

Source: BLS
COVID-19: UI Claims in CA: By Industry

UI Claims as a Share of the Industry’s Labor Force from Mid-March to April 25th

- Arts, Entertainment & Recreation: 45.3%
- Accommodation & Food Services: 34.1%
- Educations Services: 28.1%
- Other Services: 28.0%
- Retail Trade: 25.7%
- Construction: 21.6%
- Admin. Support, Waste Mgmt.: 17.7%
- Real Estate & Leasing: 17.7%
- Wholesale Trade: 16.3%
- Information: 16.2%
- Health Care & Social Assistance: 14.4%
- Manufacturing: 14.1%
- Transport., Warehousing, Utilities: 13.7%
- Mining, Oil & Gas: 13.7%
- Prof., Scientific, Techn. Services: 10.6%
- Agriculture, Forestry & Fishing: 6.9%
- Management of Companies: 5.7%
- Finance & Insurance: 5.4%

Source: CA Policy Lab & CA EDD LMID
What Initial Job Loss Related to the COVID-19 Stay At Home Order Could Look Like in the Los Angeles-Long Beach-Anaheim MSA

<table>
<thead>
<tr>
<th>Projected Number of Jobs Lost by Occupational Group, May 2020 (jobs in 000s)</th>
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<tbody>
<tr>
<td>-407.4</td>
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<tr>
<td>-342.2</td>
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<tr>
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<td>-8.8</td>
</tr>
<tr>
<td>-6.8</td>
</tr>
</tbody>
</table>

Source: BLS, OES, ONET, estimates by LAEDC
Total Freight Flow in U.S. by Mode

Total Volume of Trade: 18.6 trillion tons
Total Value of Trade: $18.9 trillion

2018 Volume in billions of tons; value in $2012 trillions

Source: DOT
Transportation Mode: Water

Container Trade in TEUs (thousands)
Port of Los Angeles & Port of Long Beach

Source: POLA; POLB

Transportation Mode: Water

Container Trade in TEUs (thousands)
Port of Los Angeles & Port of Long Beach

Source: POLA; POLB
Transportation Mode: Air

Total Air Cargo (Freight and Mail) at LAX

- Domestic
- International
- Year over Year Change

Source: LAWA
Transportation Mode: All

California Exports, Year-Over-Year Change

Source: US Census Bureau
Transportation Mode: Rail

Union Pacific Railroad Total Carload Traffic

YTD Total carloads have declined 10% from 2019

Source: Union Pacific weekly reporting
Union Pacific Railroad Total Intermodal Containers and Trailers

YTD Total intermodal containers and trailers have declined 16% from 2019

Source: Union Pacific weekly reporting

Transportation Mode: Rail
Transportation Mode: Truck

California Truck Activity Index

Source: American Transportation Research Institute
LAEDC | Mission

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

WWW.LAEDC.ORG
QUESTIONS
Thank you!

• Visit the LAEDC COVID-19 Response page for additional resources at https://laedc.org/coronavirus/.

• Do you have questions you would like answered on these webinars? Please send to shane.cullen@laedc.org.