



LAEDC

COVID-19 Economic Implications Briefing

June 22, 2020

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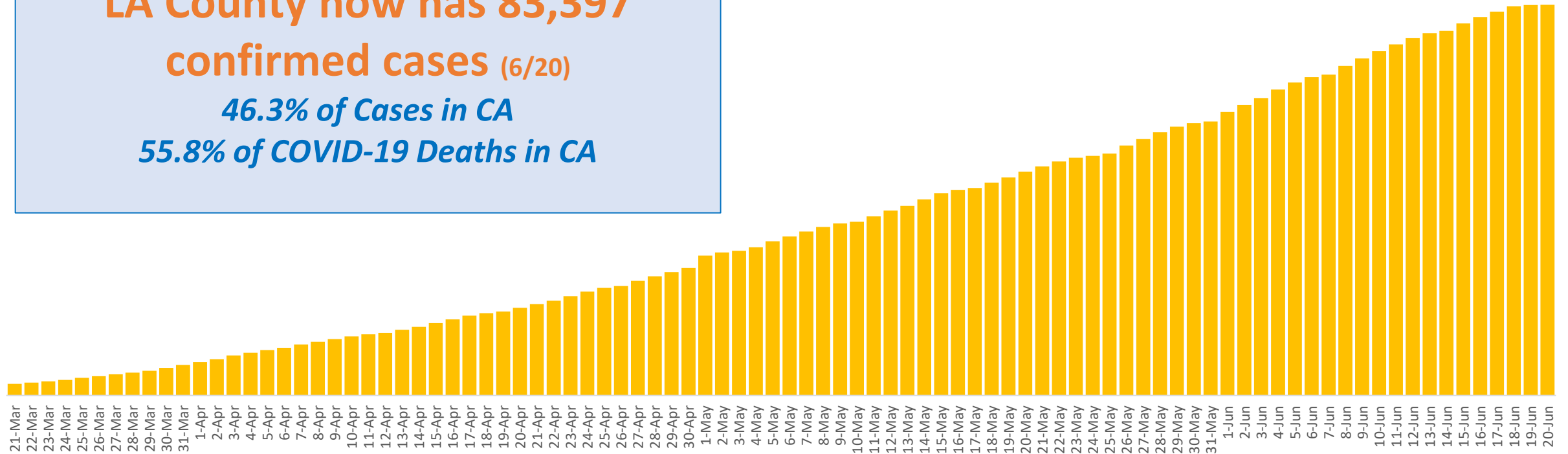
LA County - Closed for Now:

- Arcades, Bowling Alleys, and Movie Theaters
- Baseball and Soccer Fields
- Basketball and Volleyball Courts
- Festivals and Theme/Amusement Parks (including Water Parks and Splash Pads in these Parks)
- Hot Tubs, Jacuzzis, and Spa Pools not on Residential Property
- Live Performance Theaters and Concert Venues
- Lounges and Nightclubs
- Stadiums and Arenas (Closed to the Public)
- Youth Sports Leagues

Confirmed COVID-19 Cases in LA County (6/20)

COVID-19 Cases in LA County (000s)

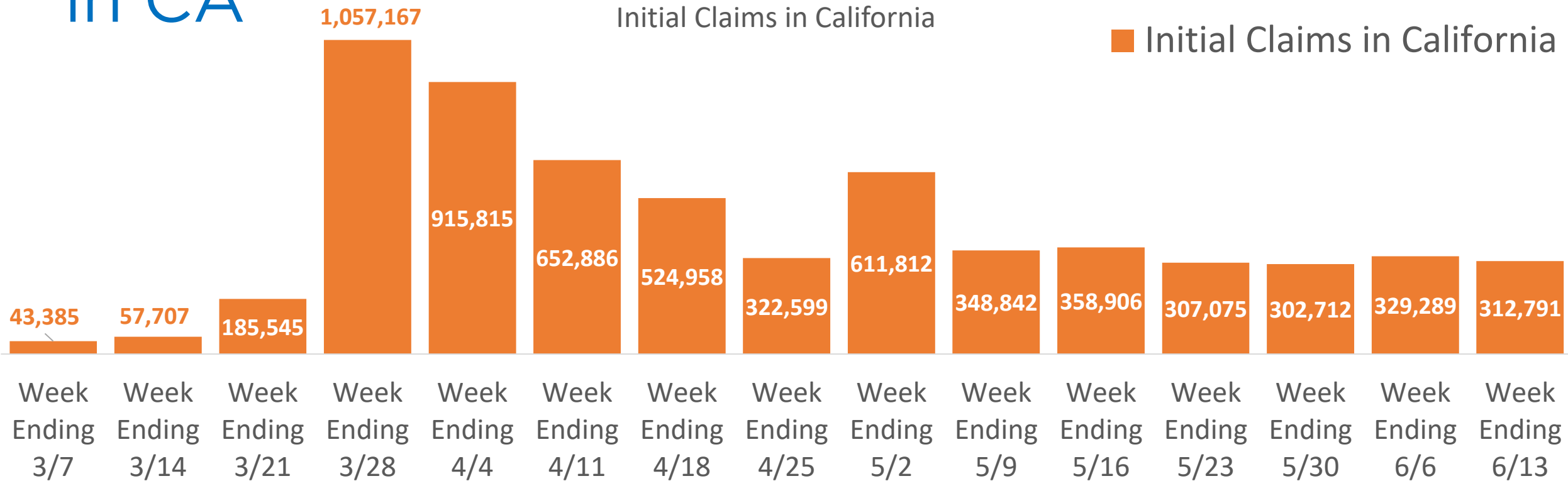
**LA County now has 83,397
confirmed cases (6/20)**
46.3% of Cases in CA
55.8% of COVID-19 Deaths in CA



Source: LA County



Unemployment Insurance Weekly Claims in CA



CA Stay at home order issued March 19th

- More than **6.3 million** initial unemployment insurance claims have been filed since the pandemic began (3/14/20).
- Total unemployment benefits paid to workers through the pandemic soared past **\$30 billion**.
- Unemployment benefits paid by the CA EDD in the highest entire year of demand during the last recession was **\$22.9 billion in calendar year 2010**



May 2020 Employment in Los Angeles County

Employment and Unemployment Data: *Where Does it Come From?*

- Is collected via household and establishment surveys
 - *Data for the month is taken from the survey week/pay period including the 12th*
 - *Labor force status (employment & unemployment) based on a monthly federal survey of 5,100 households in CA*
 - *Payroll jobs by Industry data comes from a monthly survey of approximately 80,000 businesses in CA*
- Increased sampling errors and nonsampling errors from COVID-19

Employment and Unemployment Data: *Issues with the Monthly Data.*

- Rapidly changing conditions and local data lags a month behind
- March 2020
 - Monthly data didn't capture effects of COVID-19
 - Stay at Home Order issued March 19th
 - Data for the month taken from the survey week including March 12th
 - *March 8th through March 14th for the household survey*
 - *All or any part of the pay period including the 12th of the month for the establishment survey*

Issues with the Monthly Data

➤ April 2020

- First month to capture effects of COVID-19
- Census workers misclassified furloughed workers and skewed the unemployment rate lower than it should have been
- Rapidly-evolving data prompted a statistical revision to a larger than initially estimated April job loss and an upward-revised unemployment rate
- BLS made changes to the establishment survey net birth-death model to better reflect the net effect of the contribution of business births and deaths to the estimates

➤ May 2020

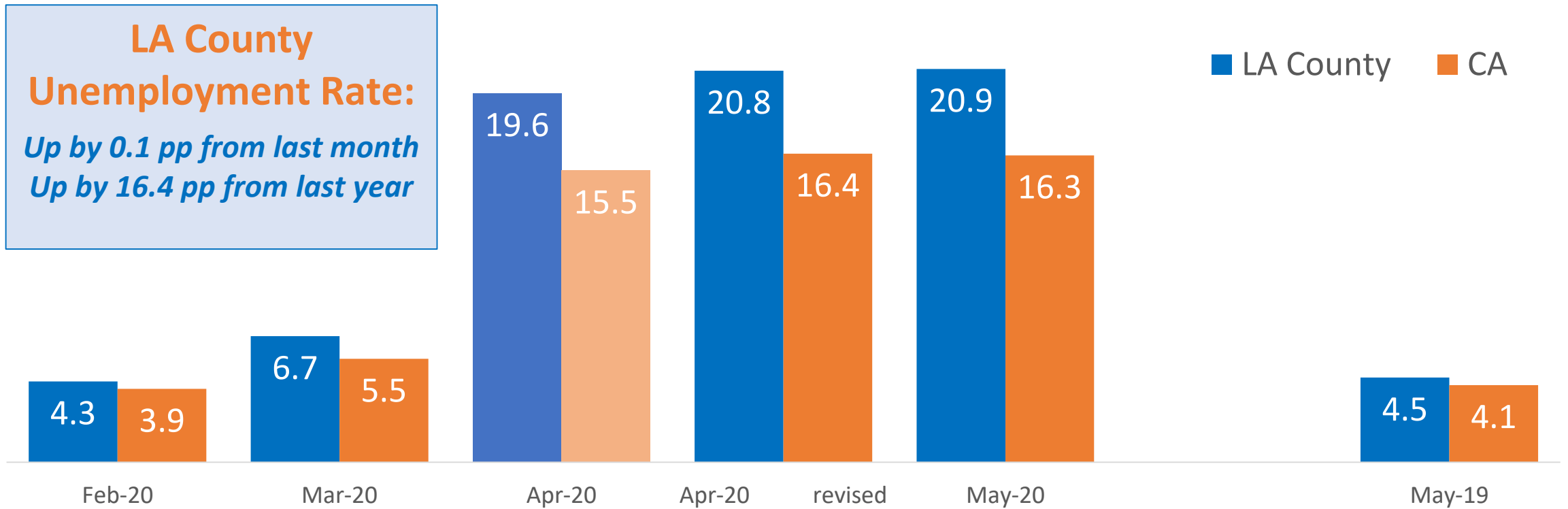
- April revisions released with may numbers
- BLS encouraged businesses to report electronically by web this month.
- Census workers misclassified furloughed workers, unemployment rate likely lower than it should have been
- Census Bureau putting measures into place this month to prevent further misclassification of workers

Labor Force Data, May 2020

	<u>California</u>	<u>LA County</u>	<u>LAC Share</u>
• Labor Force:	18,405,800	4,707,700	25.6%
• Employment:	15,120,600	3,737,600	24.7%
• Unemployment:	2,921,200	970,100	33.2%
• Unemployment Rate (SA):	16.3%	20.9%	4.6 pp <i>higher</i>

Unemployment Rate May 2020

Unemployment Rate (SA)

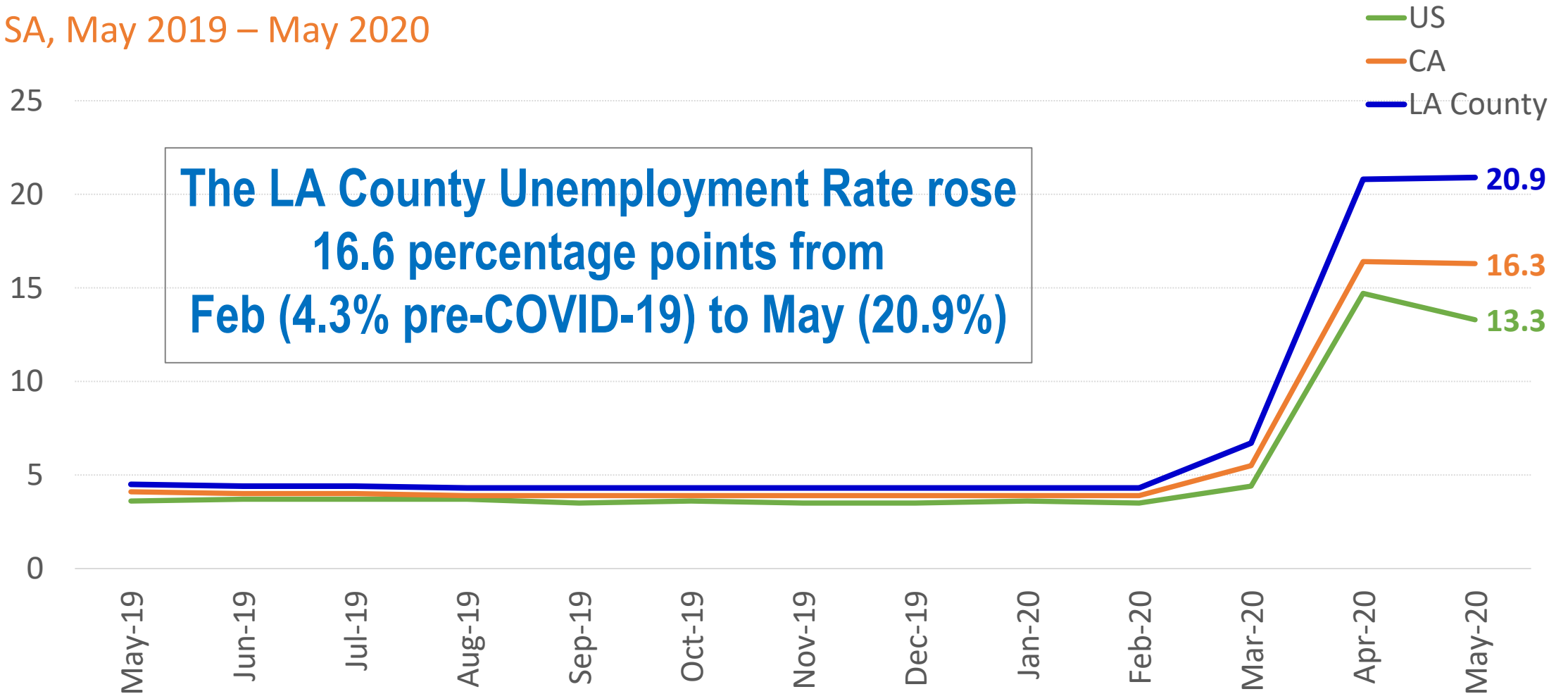


Source: CA EDD



Monthly Unemployment Rates

SA, May 2019 – May 2020



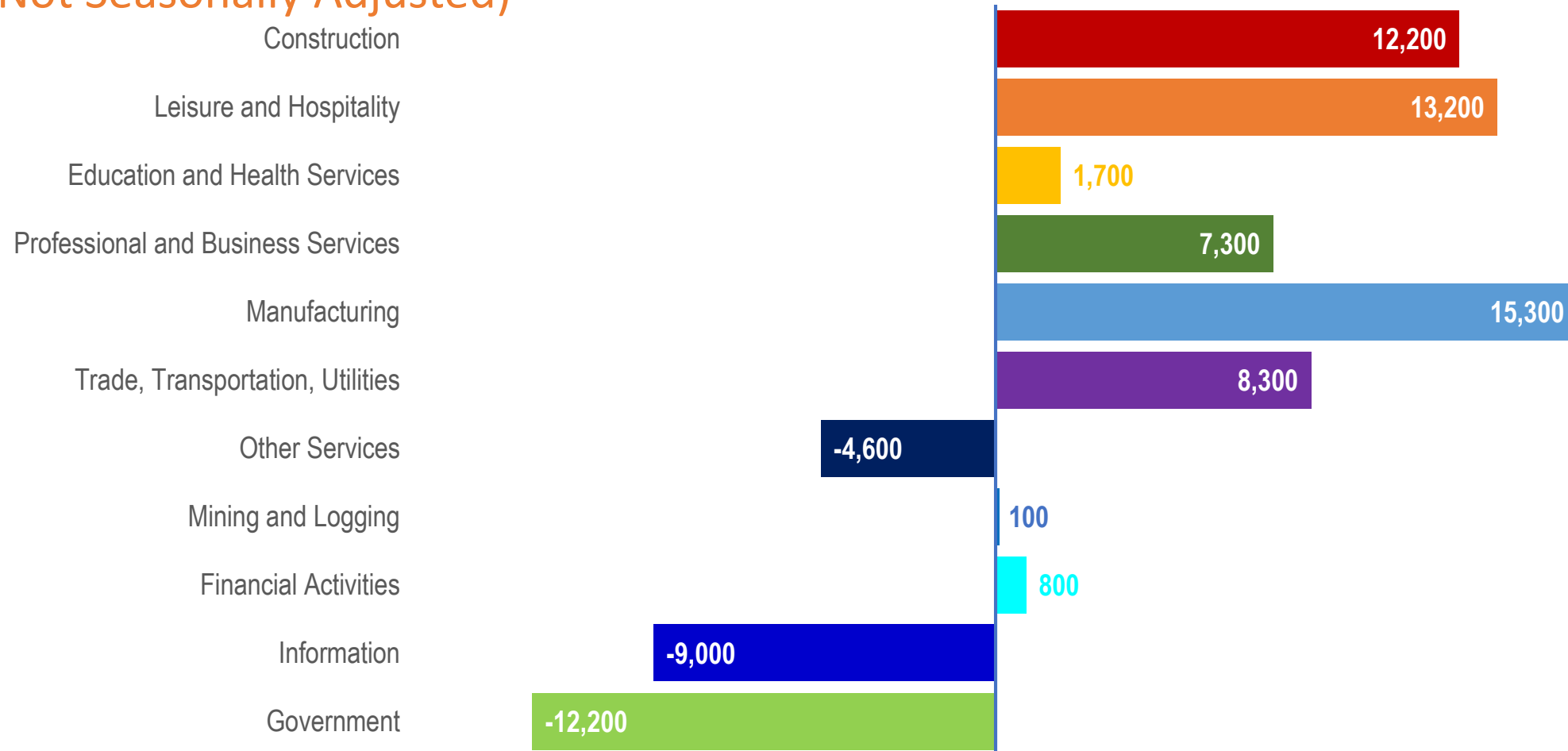
Source: BLS



Monthly Change in LA County Payroll Employment by Sector

Month-Over-Month Change in Jobs by Industry, May 2020

(Not Seasonally Adjusted)

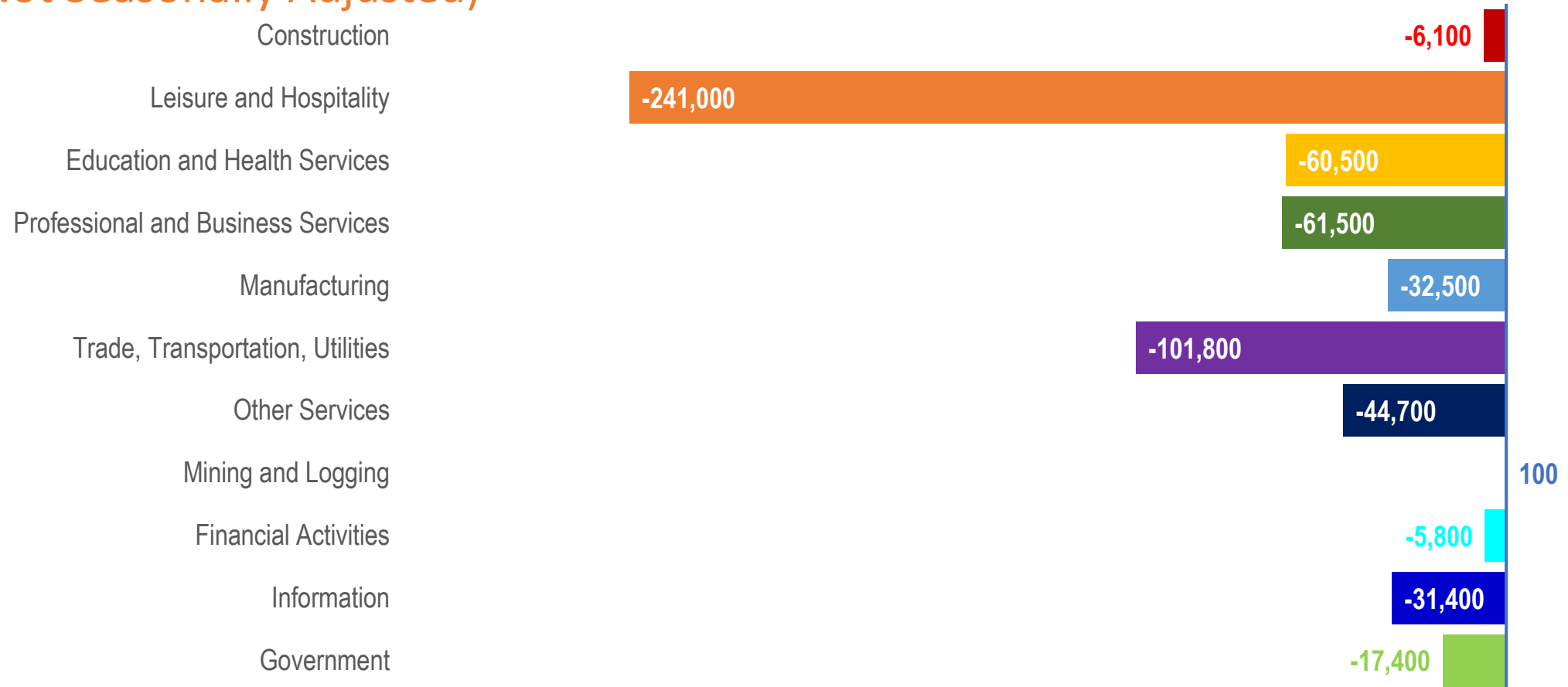


Source: BLS



Yearly Change in LA County Payroll Employment by Sector

Year-Over-Year Change in Jobs by Industry, May 2020
(Not Seasonally Adjusted)



Source: BLS





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!

- 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.