

QUARTERLY LABOR MARKET REPORT



MARCH 2020

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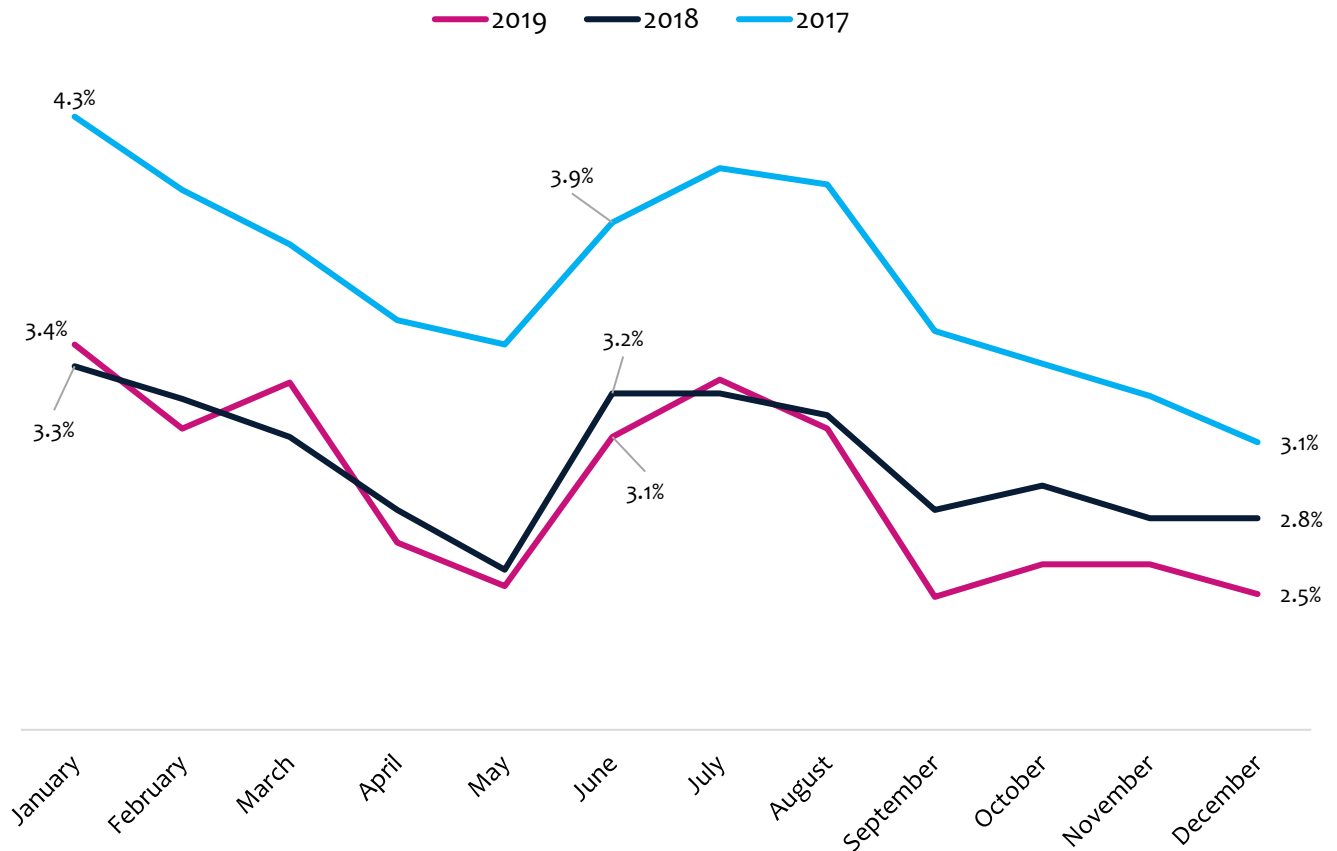
Alameda County Unemployment

Consistent with a general downward unemployment rate trend in the state (due to a longstanding economic expansion), the current unemployment rate in Alameda County was 2.5% in December 2019 compared to 2.8% in December 2018.ⁱ

The unemployment rate in 2019 was higher than the unemployment rate in 2018 only during a few months: January, March, and July. Consistent with the three-year trendline, the month of May generally marks the last month when unemployment remains below 3%, and then it hikes from June to July before coming down in August. At that point, there is a more drastic spike in the unemployment rate in September.

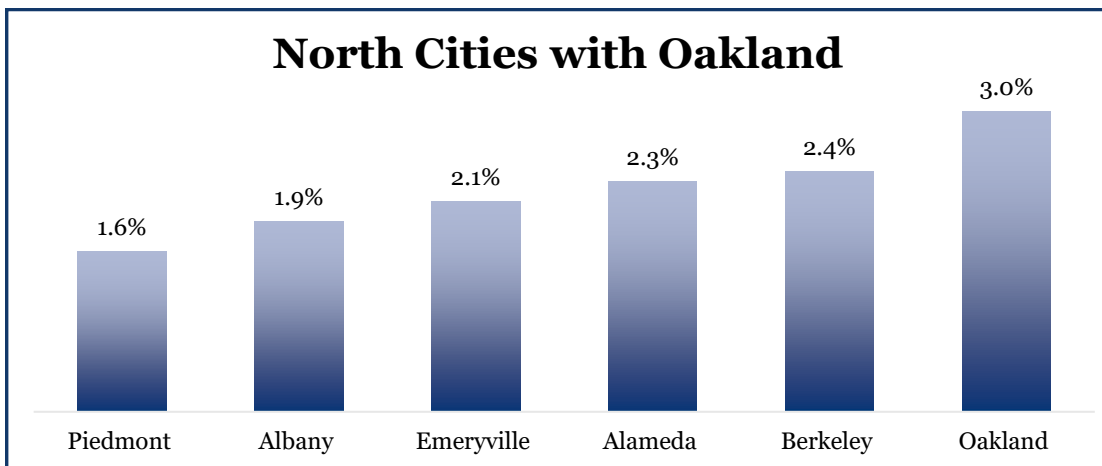
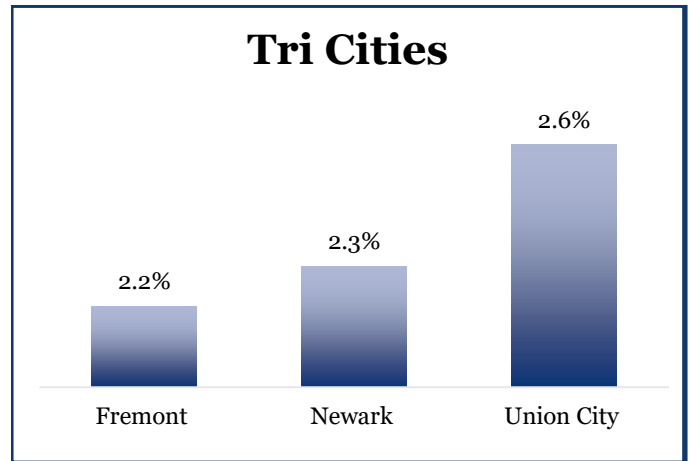
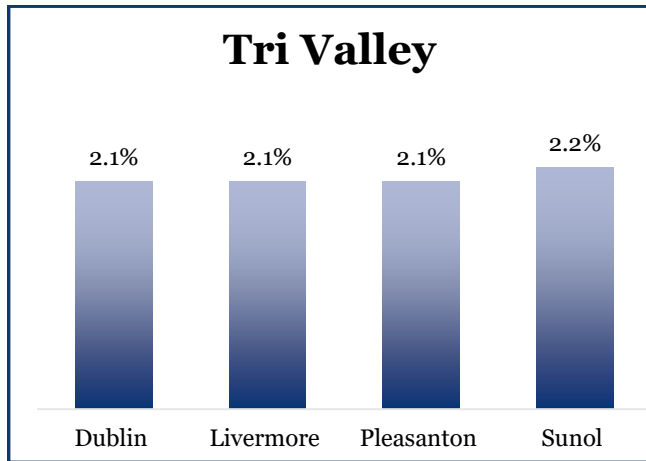
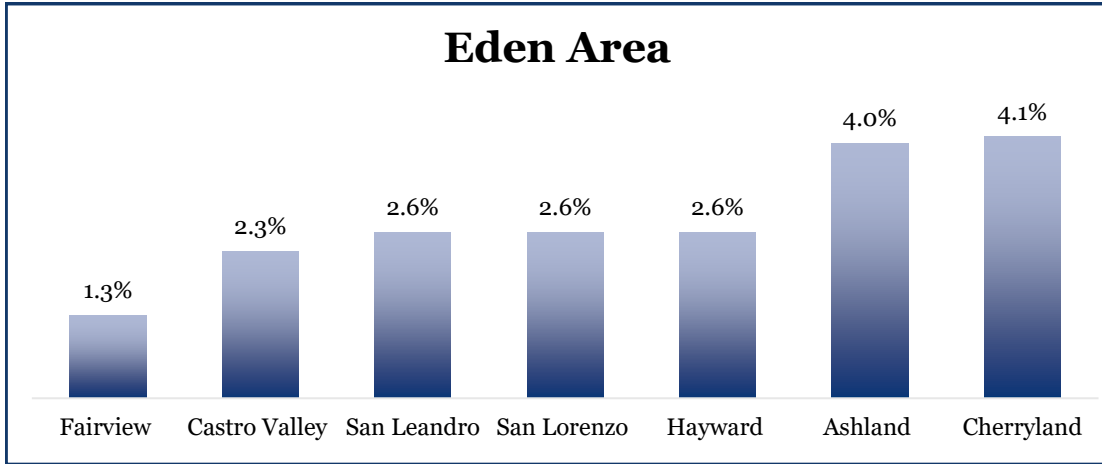
Since the data points reflected in the line graph below are not seasonally adjusted, the hike in the unemployment rate in the summer and winter are not due to seasonal employment dynamics. The data suggest that other factors are at play and may be related to company downsizing leading up to the summer and winter seasons.

Alameda County Three-Year Unemployment Trend Line



Alameda County Sub-Regional Unemployment

The December 2019 unemployment rates across the sub-regions have generally declined from December 2018. Unemployment was below 3% across all of the sub-regions, except for the unincorporated areas of Ashland and Cherryland at 4% and 4.1% respectively, and the city of Oakland at 3.0%.ⁱⁱ Cherryland had the sharpest decline (0.5%) in the unemployment rate from last December followed by Dublin, Ashland, and Hayward at a 0.4% decline. See bar graphs below.



Private Quarterly Establishments – Top Ten

Most of the top ten industries in Alameda County have grown in terms of establishments from quarter 1 (January 2019 to March 2019) to quarter 2 (April 2019 to June 2019). At the end of quarter 2, the Services for the Elderly and Disabled (SFED) had the most growth, **adding 90 additional establishments** in Alameda County, while Offices of Lawyers experienced no establishment growth.ⁱⁱⁱ

Growth to the SFED industry *may* be indicative of an aging population in Alameda County fueled by individuals and companies looking to expand markets and services to this population. While expansion in this sector is steady, it is not yet clear if market saturation has occurred given the sheer number of establishments.

The SFED sector is prone to worker turn-over partially due to individuals seeking to move into better paying mid-level health care positions after gaining more training and experience. Therefore, the SFED sector *likely* provides entry-level opportunities for aspiring health care professionals and *may* be well-suited for those seeking supplemental incomes, youth/young adults, and aspiring health care professionals. While several occupations are entry-level, the sector is also occupationally representative of administrative, finance, and managerial positions, as well as other helping professionals such as social workers and nutritionists.

In addition to the SFED sector, full-service restaurants, and limited service restaurants **added 20 establishments** at the close of quarter 2. The establishment growth in the restaurant sector *may* suggest increased consumer confidence in the market resulting in greater consumer spending.^{iv} See Table 1 for more information.

Table 1. Establishment Growth in Top Ten Industries

Industry	Quarterly Establishments Q1	Quarterly Establishments Q2	Quarter-to-Quarter Change
Services for the Elderly and Disabled	22,637	22,727	90
Full-service Restaurants	1,557	1,573	16
Limited-service Restaurants	1,341	1,345	4
Private Households	1319	1,338	19
Offices of Real Estate Agents and Brokers	608	625	17
Computer Systems Design Services	896	903	7
Custom Computer Programming Services	890	897	7
Offices of Physicians, except mental health	854	860	6
Offices of Dentists	958	960	2
Offices of Lawyers	728	728	0

Private Quarterly Establishments – Additional Sectors

Collectively, construction/housing-related sectors **added 28 new establishments** from among the top industries (by number of establishments) in Alameda County: residential remodelers, residential property managers, and new single-family general contractors, *suggestive of the overall need and demand of housing and property development, as well as increased consumer spending on home improvement and remodeling projects.*

Table 2. Establishment Growth in Additional High Growth Sectors

Industry	Quarterly Establishments Q1	Quarterly Establishments Q2	Quarter-to-Quarter Change
Beauty Salons	410	425	15
Residential Remodelers	579	591	12
New Single-family General Contractors	396	406	10
Administrative Management Consulting Services	496	503	7
Residential Property Managers	460	466	6
Snack and Non-alcoholic Beverage Bars	554	558	4
Engineering Services	465	468	3
Insurance Agencies and Brokerages	444	446	2
Other Technical Consulting Services	506	508	2
Child Day Care Services	619	620	1
General Automotive Repair	467	467	0

Quarterly Employment and Wages

Employment Growth - Among the top industries (by number of establishments) restaurants, food, and beverage establishments drove employment in Alameda County collectively adding 1,767 jobs by the end of the quarter 2 (June 2019). The following industries trailed the food industry in terms of employment growth:

- STEM-related (computer systems design services and engineering) added 646 jobs;
- Health care collectively added 637 jobs;
- Real estate and construction added 185 jobs; and,
- Professional services (i.e. insurance agencies, administrative management consulting, lawyer offices, etc.) added 163 jobs.

Employment Decline - The largest employment declines occurred in the following sectors: custom computer programming services, physician offices, child day care services, new single-family general contractors, and general automotive repair. See Table 3.

Table 3. Industry Employment Growth and Decline

Industry	January 2019 Employment	June 2019 Employment	6-month Change	Average Weekly Wage (in dollars)
Limited-service Restaurants	19,544	20,169	625	433
Full-service Restaurants	25,795	26,377	582	534
Services for the Elderly and Disabled	27,426	28,001	575	344
Snack and Non-alcoholic Beverage Bars	6,140	6,700	560	389
Computer Systems Design Services	7,517	7,856	339	2,261
Engineering Services	7,049	7,356	307	2,221
Residential Remodelers	3,024	3,168	144	1,213
Offices of Dentists	6,028	6,090	62	964
Beauty Salons	1,808	1,869	61	486
Administrative Management Consulting Services	2,714	2,773	59	2,271
Insurance Agencies and Brokerages	1,555	1,592	37	1,353
Offices of Lawyers	4,320	4,354	34	1,747
Other Technical Consulting Services	2,354	2,387	33	1,870
Residential Property Managers	2,404	2,430	26	1,051
Offices of Real Estate Agents and Brokers	1,781	1,796	15	1,923
Private Households	1,587	1,582	-5	584
General Automotive Repair	2,038	1,988	-50	973
New Single-family General Contractors	1,719	1,629	-90	1,454
Child Day Care Services	4,693	4,566	-127	640
Offices of Physicians, except mental health	7,672	7,544	-128	2,073
Custom Computer Programming Services	8,716	8,559	-157	3,418

Featured Occupation – Engineers

Engineering

Opportunities in engineering are wide-ranging. The ONET Online database^v contains 386 engineering or engineering-related occupations from Managerial roles to Technicians and Technologists roles.

Engineering job titles vary across the board: i.e. Robotics Engineers, Automotive Engineering Technicians, Water/Waste-Water Engineers, Survey Engineers, Sound Engineers, etc.

Generally, Engineer Technicians and Technologists are entry-level professionals, skilled at interpreting blueprints, troubleshooting, testing, and repairing products associated with a specific type of engineering (equipment, electronics, parts, circuits, etc.). Manufacturing and STEM-related industries are top employers of Technicians/Technologists according to ONET Online.

A Manufacturing Pathway to Engineering

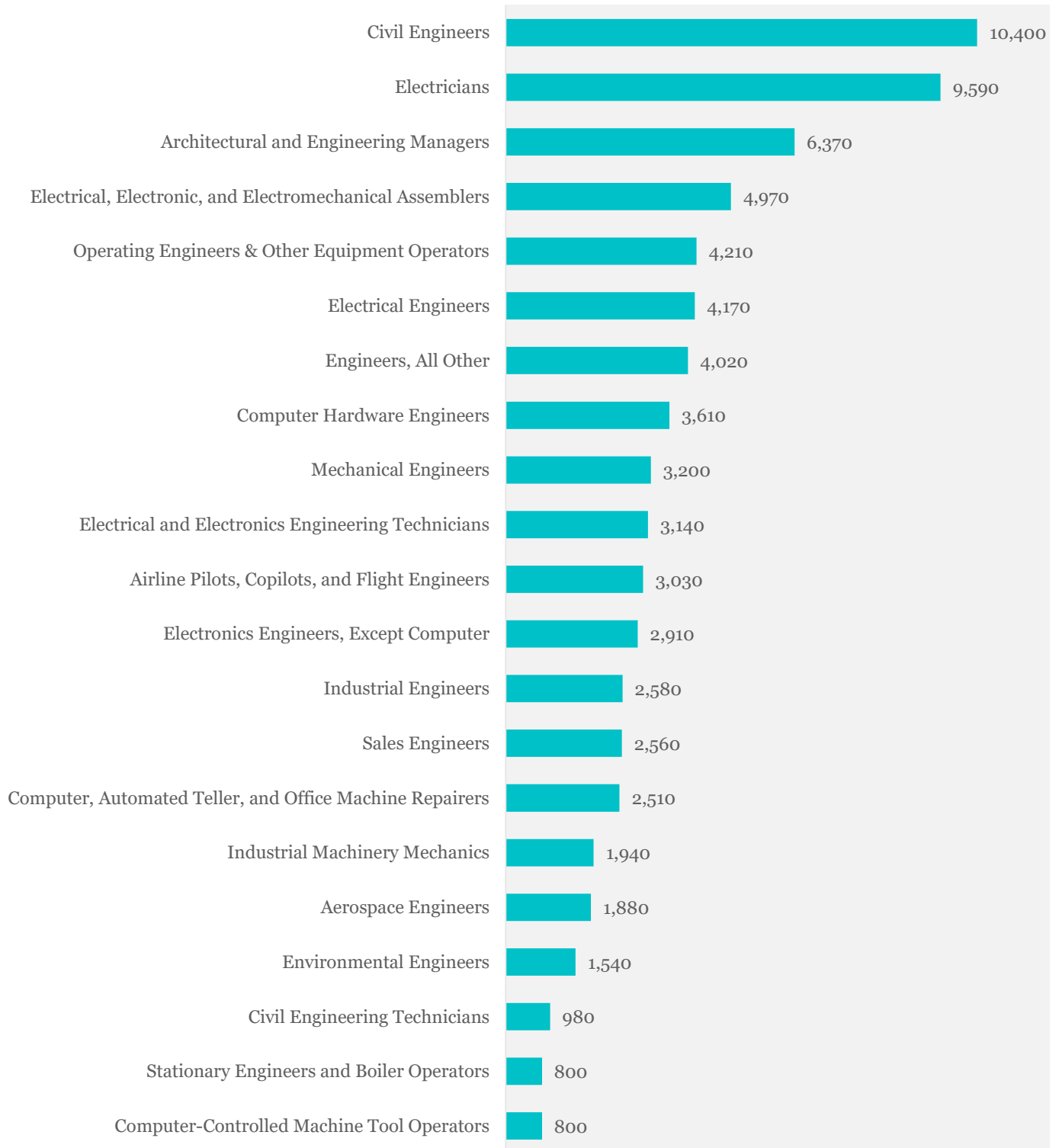
Approximately 5,000 or 9% of workers in Architecture/Engineering occupations in the San Francisco-Oakland-Hayward Metropolitan Division in 2018 were employed as entry-level professionals: Electrical, Electronic, and Electro-mechanical Assemblers (manufacturing sector). With targeted, intentional, and strategic planning, the manufacturing sector can be an entry point for an engineering career pathway for youth, young adults, under-represented populations, and/or those simply desiring a career change.

Engineers are advanced level professionals generally engaged in the design, constructing, oversight, and testing of products in their area of specialty - (aerospace, mechanical, civil, biomedical, chemical, etc.). Government, Manufacturing, and STEM-related industries are top employers of Engineers.

Within the San Francisco-Oakland-Hayward Metropolitan Division, 54,950 people were employed in Engineering/Architecture occupations in 2018. A vast majority (41% or 22,390 individuals) of those were employed as Civil Engineers, Electrical Engineers, Operating Engineers, and Computer Hardware Engineers.^{vi} See bar graph on page 8 for more information.

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Engineer Employment Bay Area 2018



End Notes

ⁱ Source: Employment Development Department's Labor Market Information Division.

ⁱⁱ Source: Employment Development Department's Labor Market Information Division.

ⁱⁱⁱ Source: Quarterly Census of Employment and Wages – Quarters 1 and 2.

^{iv} According to the Conference Board, the Consumer Confidence Index (CCI) increased in January 2020 from December 2019. The CCI is measured by the Consumer Confidence Survey.

^v ONET Online includes information about occupational knowledge, skills, abilities, and other occupation-related information at the national level.

^{vi} Source: Occupational Employment Statistics for San Francisco-Oakland-Hayward Metropolitan Division – 2018.