



SAN LUIS OBISPO COUNTY

2020 LABOR MARKET REPORT

PREPARED BY:
SLO COUNTY WORKFORCE DEVELOPMENT TASKFORCE



INTRODUCTION

This report was developed by the following members of the Workforce Development Taskforce, Executive Director Michael Specchierla of San Luis Obispo County Office of Education and SLO Partners; Gayla Jurevich Regional Director for Business and Entrepreneurship hosted at Cuesta College; Sarah Hayter Program Manager and Diana Marin Business Services Specialist of the San Luis Obispo County Workforce Development Board.

In light of the dramatic effect that the COVID-19 pandemic is having on employment across the United States, the Workforce Development Taskforce is focused on providing labor market information for local leaders to assist in their response and decisions to move forward. The largest industry sectors in SLO County are Accommodation and Food Services, employing 18,451 workers; followed by the Health Care and Social Assistance sector with 18,041 workers; and the Retail Trade sector with 14,925 workers.

For the purpose of this report the County has been divided into four sub-regions: North County, SLO City, Coastal, and South County. Last year SLO County accounted for 130,921 jobs.

Points to consider:

- 39,874 jobs in North County
- 48,744 jobs in SLO City
- 11,189 jobs in the Coastal area
- 27,609 jobs in South County

The March 18, 2020 Shelter at Home order forced many local businesses to close. The closures have resulted in unprecedented Unemployment Insurance (UI) Claims filed with the Employment Development Department (EDD). The most recent UI data shows that effective the week ending March 14, 2020 and through the week ending May 2, 2020 SLO County has had **25,120 UI claims- an average of 3,140 per week**. Prior to COVID-19, between the weeks ending January 4, 2020 through the week ending March 7, 2020, UI weekly claims were at an average of 130 per week. On April 28, 2020, as part of the federal CARES Act, EDD began accepting applications for the new Pandemic Unemployment Assistance (PUA) program. PUA helps unemployed business owners, self-employed individuals, independent contractors, individuals with limited work history, and others not usually eligible for regular state UI benefits who have been affected as a direct result of the pandemic. In it's first week, the week ending May 5, 2020, SLO County had **2,292 PUA UI claims**. The following week **PUA claims dropped to 811 in SLO County**.

The Worker Adjustment and Retraining Notification (WARN) Act has a 60-day noticing requirement for an employer that orders a mass layoff, relocation, or termination at a covered establishment. Typically, this applies for employers with more than 50 employees. On March 4, 2020, Governor Newsom issued Executive Order N-31-20, which temporarily suspends the 60-day notice requirement in the California WARN Act for those employers that give written notice to employees and satisfy other conditions. The suspension was intended to permit employers to act quickly in order to mitigate or prevent the spread of COVID-19.

Historically, the SLO County Workforce Development Board receives few WARN notices during a program year due to the large number of small business. In SLO County 97.5% of businesses have 50 or fewer employees, therefore the triggering of a WARN notice is seldom. Since the onset of COVID-19, many employers in SLO County who would not have otherwise been required to file a WARN notice are acting on the side of caution by issuing a notice despite having less than 50 employees. However, many larger businesses in SLO County that have had workforce reductions have not issued them. As a result WARN notices are not a true count, but rather a triggering public event of a closure and an additional way of tracking the impact of COVID-19.

NORTH COUNTY FACTS

For the sake of this report, the northern most area in San Luis Obispo County will be referred to as North County and consists of the areas north of the Cuesta Grade including Atascadero, Paso Robles, Creston, San Miguel, Santa Margarita, Shandon and Templeton.

Regional Facts:

- Population is 97,091 (per American Community Survey data for 2014-2018)
- Total Employment 39,874 (2019Q4 based on a four-quarter moving average)
- Civilian Labor Force 49,150 with a participation rate of 62.5%
- Average earned annual wages \$36,218 per capita (2019Q4)
- Median household income \$72,560

Largest Industry Sectors:

- Health Care and Social Assistance - 7,185 workers
- Retail Trade - 4,542 workers
- Manufacturing - 4,415 workers

Largest Industry Sector Location Quotients* :

- Agriculture, Forestry, Fishing and Hunting LQ 5.89
- Utilities LQ 3.25
- Construction LQ 1.83

Largest Occupation Groups:

- Office and Administrative Support Occupations - 4,371 workers
- Food Preparation and Serving Related Occupations - 4,157 workers
- Sales and Related Occupations - 3,992 workers

Largest Occupation Group Location Quotients* :

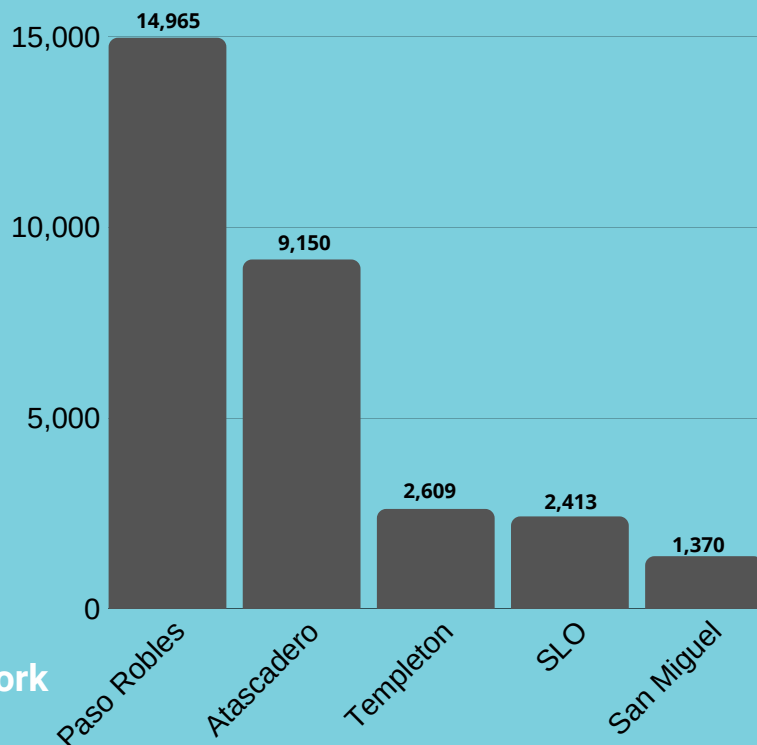
- Farming, Fishing, and Forestry Occupations LQ 8.62
- Construction and Extraction Occupations LQ 1.59
- Personal Care and Service Occupations LQ 1.40

* High location quotients (LQs) indicate sectors in which a region has high concentrations of employment compared to the national average.

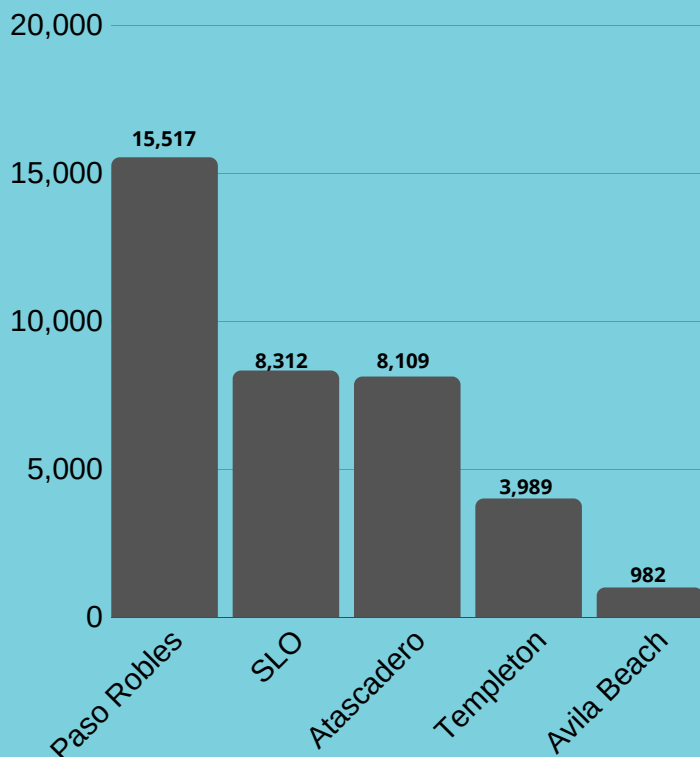
NORTH COUNTY COMMUTE PATTERNS

Of the 39,427 workers commuting into North County, 71% live within the North County region. Most of the workers who live out of the North County region are commuting from SLO City. However, those workers only make up about 6% of the commuters into North County.

Workers in North County and Where They Live



Residents in North County and Where They Work



About 63% of the 46,693 residents in North County commute within the region for work. Approximately 18% of the residents commute to SLO City. Nearly 6% of the residents commute to South County and just over 4% commute to the Coastal region.

SLO CITY FACTS

Regional Facts:

- Population is 64,973 (per American Community Survey data for 2014-2018)
- Total Employment 48,744 (2019Q4 based on a four-quarter moving average)
- Civilian Labor Force of 30,384 with a participation rate of 52.0%
- Average earned annual wages of \$29,277 per capita (2019Q4)
- Median household income of \$57,449

The Largest Industry Sectors:

- Health Care and Social Assistance (6,819 workers)
- Educational Services (5,777 workers)
- Retail Trade (5,492 workers)

Largest Industry Sector Location Quotients :

- Public Administration LQ 2.06
- Educational Services LQ 1.46
- Other Services (except Public Administration) LQ 1.43

Largest Occupation Groups:

- Office and Administrative Support Occupations (6,670 workers)
- Sales and Related Occupations (4,775)
- Food Preparation and Serving Related Occupations (4,708 workers)

Largest Occupation Group Location Quotients :

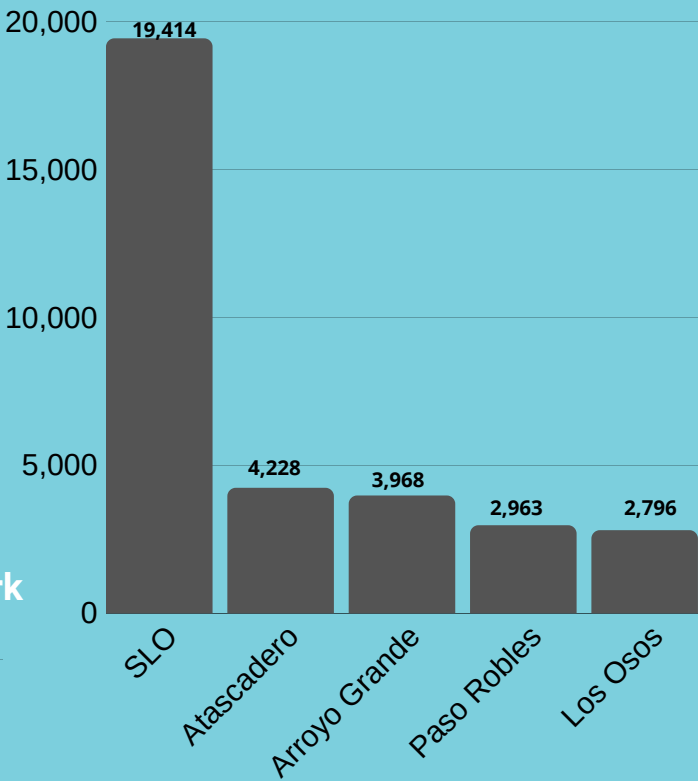
- Life, Physical, and Social Science Occupations LQ 1.62
- Protective Service Occupations LQ 1.55
- Community and Social Service Occupations LQ 1.46

* High location quotients (LQs) indicate sectors in which a region has high concentrations of employment compared to the national average.

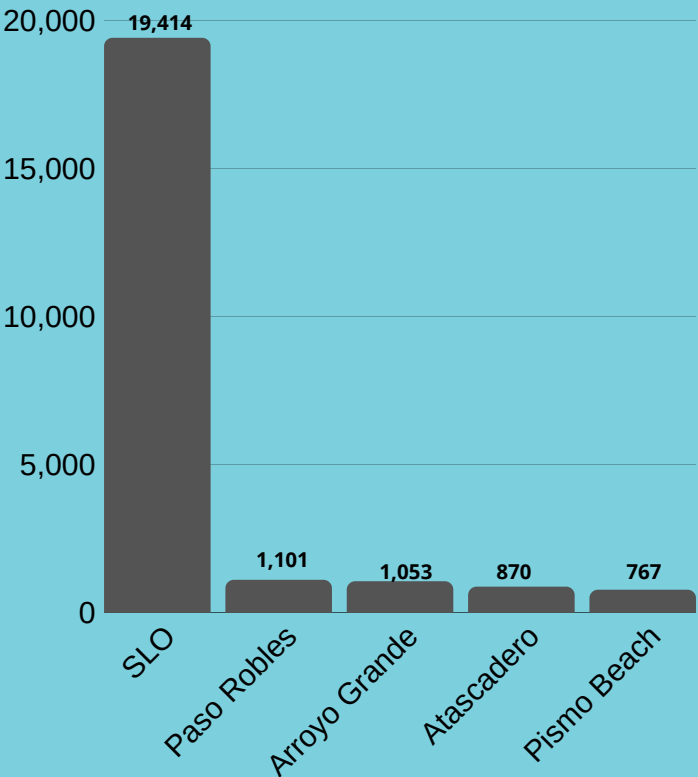
SLO CITY COMMUTE PATTERNS

Approximately 40% of the 48,332 workers commuting into SLO City live in the region. Most of the workers who live out of the SLO City region are commuting from South County. Those workers make up nearly 22% of the commuters into SLO City. About 18% commute from North County and nearly 11% travel from the Coastal region.

Workers in SLO City and Where They Live



Residents in SLO City and Where They Work



Of the 29,555 residents who commute in SLO City, nearly six-in-ten travel within SLO City for work. Approximately 11% of the residents commute to South County. Nearly 8% of the residents commute to North County and just over 3% travel to the Coastal region.

COASTAL FACTS

For the sake of this report, the Coastal area in San Luis Obispo County will consist of the following areas: Cambria, Cayucos, Los Osos, and Morro Bay.

Regional Facts:

- Population is 37,049 (per American Community Survey data for 2014-2018)
- Total Employment 11,189 (2019Q4 based on a four-quarter moving average)
- Civilian Labor Force of 17,383 with a participation rate of 54.5%
- Average earned annual wages of \$39,337 per capita (2019Q4)
- Median household income of \$69,705

Largest Industry Sectors:

- Accommodation and Food Services - 3,310 workers
- Retail Trade - 1,442 workers
- Health Care and Social Assistance - 988 workers

Largest Industry Sector Location Quotients:

- Agriculture, Forestry, Fishing and Hunting LQ 5.89
- Utilities LQ 3.25
- Construction LQ 1.83

Largest Occupation Groups:

- Food Preparation and Serving Related Occupations - 2,451 workers
- Office and Administrative Support Occupations - 1,272 workers
- Sales and Related Occupations - 1,137

Largest Occupation Group Location Quotients:

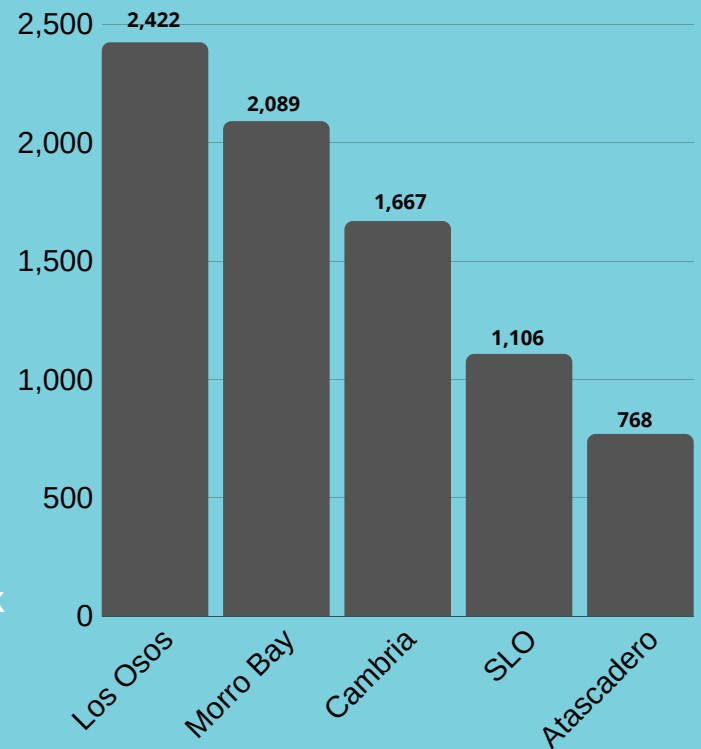
- Farming, Fishing, and Forestry Occupations LQ 2.68
- Food Preparation and Serving Related Occupations LQ 2.55
- Building and Grounds Cleaning and Maintenance Occupations LQ 2.17

* High location quotients (LQs) indicate sectors in which a region has high concentrations of employment compared to the national average.

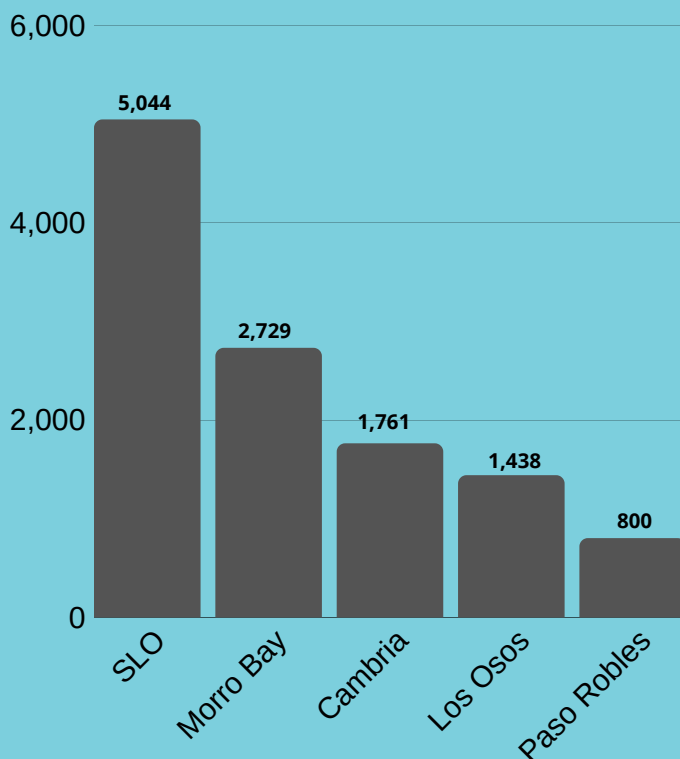
COASTAL COMMUTE PATTERNS

Over 60% of the 10,922 workers commuting into the Coastal region live in the region. Just over 10% of the workers are commuting from SLO City and about 14% travel from the North County region.

Workers in Coastal Region and Where They Live



Residents in Coastal Region and Where They Work



Just over 40% of the 16,578 residents in the Coastal region commute within the region for work. However, over 30%, of the residents commute to SLO City. Another 11% travel to the North County region for work and about 9% of the residents commute to the South County region.

SOUTH COUNTY FACTS

For the sake of this report, South County will include the southern most area in San Luis Obispo County, covering the areas south of Avila Beach beginning at the northern most point of Shell Beach Road, Arroyo Grande, Grover Beach, Pismo Beach, Oceano and Nipomo, and ends at the county border south of Nipomo.

Regional Facts:

- Population is 79,948 (per American Community Survey data for 2014-2018)
- Total Employment 48,744 (2019Q4 based on a four-quarter moving average)
- Civilian Labor Force of 38,573 with a participation rate of 58.3%
- Average earned annual wages of \$39,072 per capita (2019Q4)
- Median household income of \$79,705

Largest Industry Sectors:

- Accommodation and Food Services - 4,936 workers
- Retail Trade - 3,379 workers
- Health Care and Social Assistance - 2,989 workers

Largest Industry Sector Location Quotients:

- Agriculture, Forestry, Fishing and Hunting LQ 4.34
- Utilities LQ 4.50
- Accommodation and Food Services LQ 1.98

Largest Occupation Groups:

- Food Preparation and Serving Related Occupations - 4,061 workers
- Office and Administrative Support Occupations - 3,163 workers
- Sales and Related Occupations - 2,917

Largest Occupation Group Location Quotients:

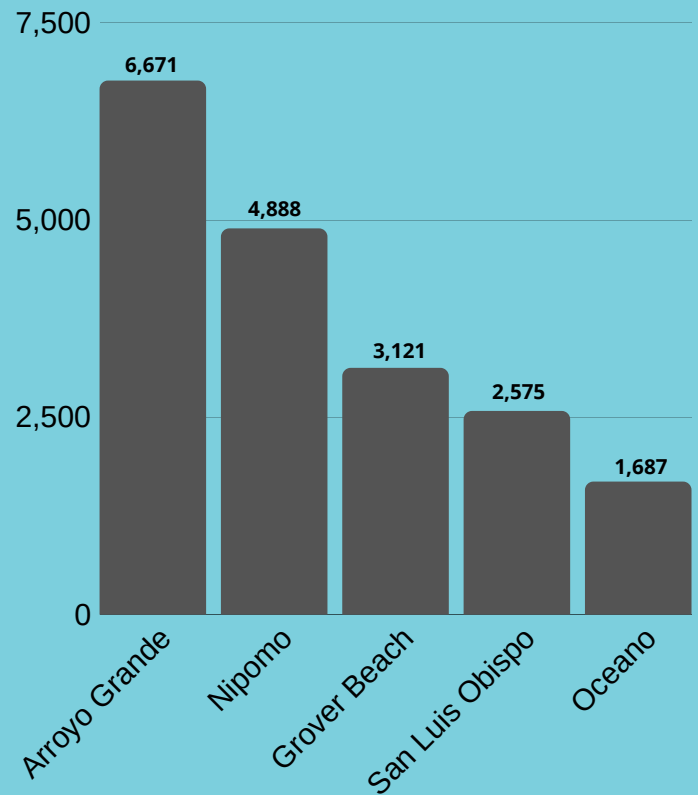
- Farming, Fishing, and Forestry Occupations LQ 8.86
- Construction and Extraction Occupations LQ 1.71
- Personal Care and Service Occupations LQ 1.40

* High location quotients (LQs) indicate sectors in which a region has high concentrations of employment compared to the national average.

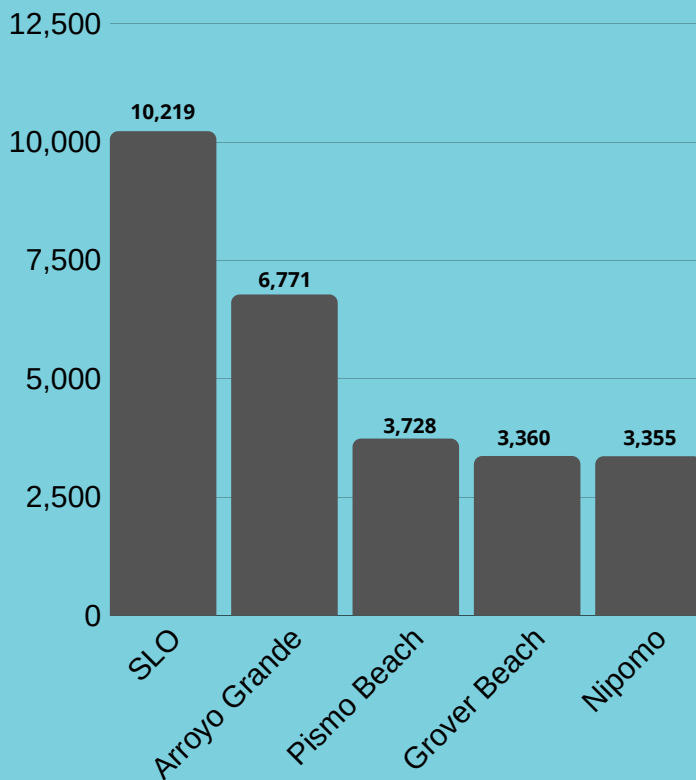
SOUTH COUNTY COMMUTE PATTERNS

Nearly seven-in-ten of the 27,222 workers commuting into South County live within the region. Of the workers who live out of the South County area, most are commuting from SLO City. Furthermore, those workers make up almost 11% of the commuters into South County. Just over 7% of the workers travel from North County.

Workers in South County and Where They Live



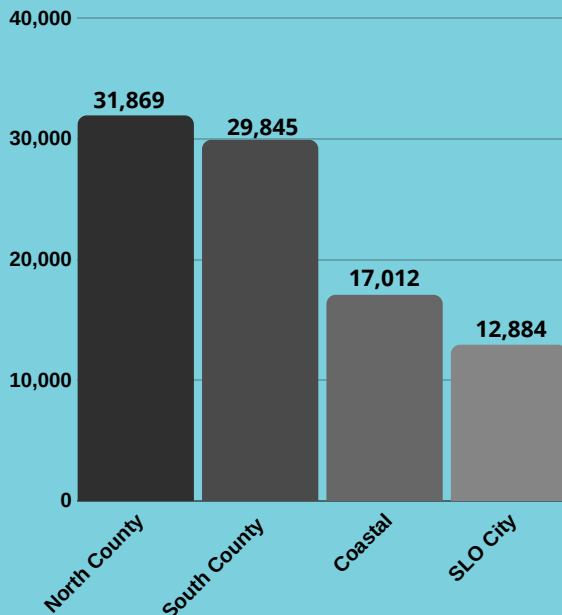
Residents in South County and Where They Work



More than 51% of the 37,117 residents in South County commute within the region. About 28% of the residents in South County commute to SLO City and about 6% travel to the North County region for work.

DEMOGRAPHICS

FIG. 1 POPULATION OVER 55



HIGH RISK POPULATIONS

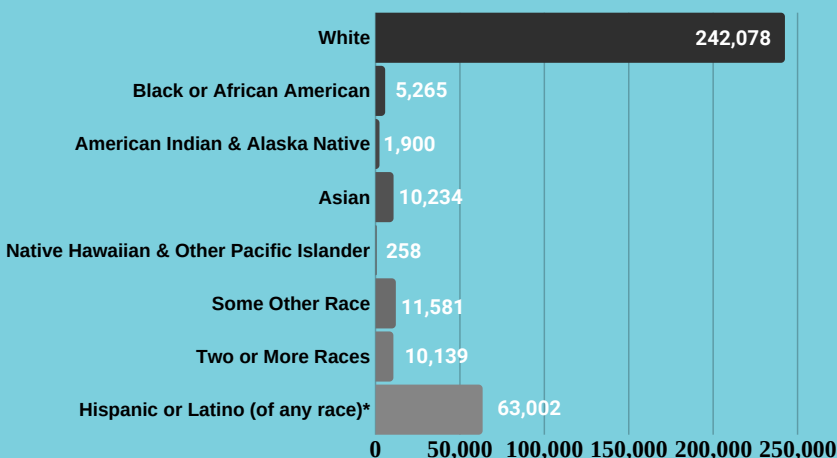
As older individuals are encouraged to shelter at home, long and short-term industry slowdown will be seen if the work they perform can't be done remotely.

Out of 130,921 jobs in SLO County, 50,140 jobs are held by individuals in the high risk by age population. That is 38.2% of the job population in SLO County. Fig. 1 provides a break down of the population by region that fall within the 55 and over age group.

REGIONAL DEMOGRAPHICS: RACE

- North County:
 - White 87,568 (90.2%)
 - Black or African American 929 (1%)
 - American Indian & Alaska Native 691 (0.7%)
 - Asian 1,147 (1.2%)
 - Native Hawaiian & Other Pacific Islander 23 (0%)
 - Some Other Race 3,458 (3.6%)
 - Two or More Races 3,275 (3.4%)
 - Hispanic/Latino(any race)* 24,018 (24.7%)
- SLO City:
 - White 51,547 (79.3%)
 - Black or African American 2,856 (4.4%)
 - American Indian & Alaska Native 304 (0.5%)
 - Asian 4,741 (7.3%)
 - Native Hawaiian & Other Pacific Islander 15 (0%)
 - Some Other Race 2,871 (4.4%)
 - Two or More Races 2,639 (4.1%)
 - Hispanic/Latino(any race)* 11,411 (17.6%)
- Coastal:
 - White 33,553 (90.6%)
 - Black or African American 161 (0.4%)
 - American Indian & Alaska Native 226 (0.6%)
 - Asian 1,115 (3%)
 - Native Hawaiian & Other Pacific Islander 0 (0%)
 - Some Other Race 1,051 (2.8%)
 - Two or More Races 943 (2.5%)
 - Hispanic/Latino (any race)* 5,840 (15.8%)
- South County:
 - White 67,466 (84.4%)
 - Black or African American 1,073 (1.3%)
 - American Indian & Alaska Native 681 (0.9%)
 - Asian 3,181 (4%)
 - Native Hawaiian & Other Pacific Islander 220(0.3%)
 - Some Other Race 4,101 (5.1%)
 - Two or More Races 3,226 (4%)
 - Hispanic/Latino (any race)* 21,012 (26.3%)
- SLO County
 - White 242,078 (86.0%)
 - Black or African American 5,265 (1.9%)
 - American Indian & Alaska Native 1,900 (0.7%)
 - Asian 10,234 (3.6%)
 - Native Hawaiian & Other Pacific Islander 258(0.1%)
 - Some Other Race 11,581 (4.1%)
 - Two or More Races 10,139 (3.6%)
 - Hispanic/Latino (any race)* 63,002 (22.4%)

FIG. 2 SLO COUNTY DEMOGRAPHICS: RACE



*Hispanic/Latino counts may fall under any race category and therefore percentages may not add up.

INDUSTRY/LABOR FORCE

INDUSTRY CONCENTRATION

Of the 21 industry classifications, totaling 130,921 jobs in SLO County, 56% or 73,308 jobs fall in the top 5 industries represented in Fig. 3.

Top Industries by Region

- North County-
 - Health Care and Social Assistance - 7,185
- SLO City-
 - Health Care and Social Assistance - 6,819
- Coastal-
 - Accommodation and Food Services - 4,936
- South County-
 - Accommodation and Food Services - 3,310

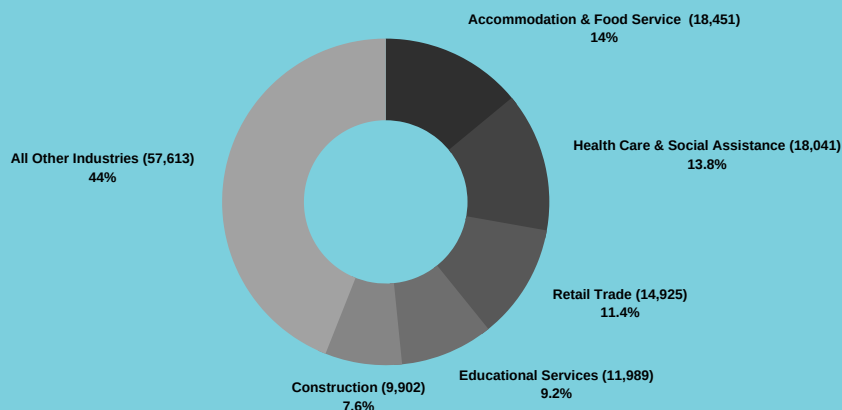


FIG. 3 TOP INDUSTRIES IN SLO COUNTY

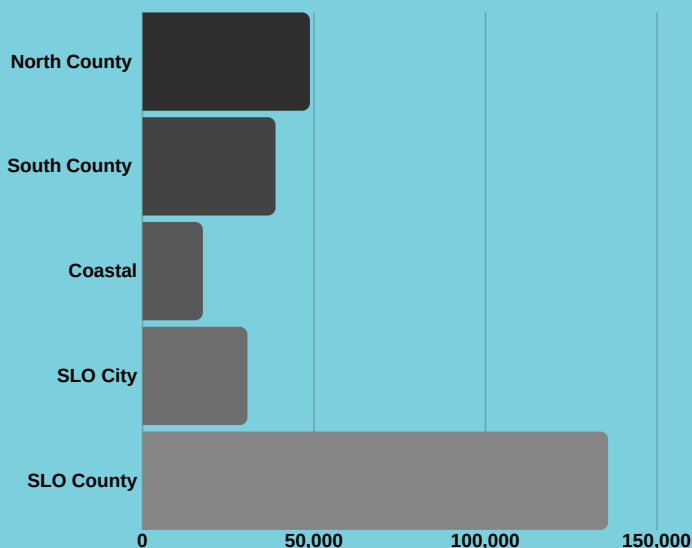


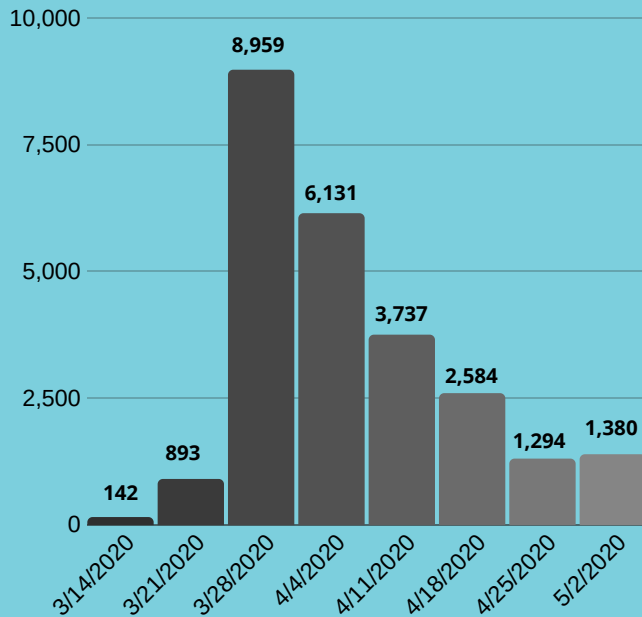
FIG. 4 LABOR FORCE PARTICIPATION RATE

LABOR FORCE PARTICIPATION RATE

- North County has a labor force participation of 48,599 or 62.5%, of the 97,091 population.
- South County has a labor force participation of 38,573 or 58.3%, of the 79,948 population.
- SLO City has a labor force participation of 30,384 or 52%, of the 64,973 population
- Coastal area has a labor force participation of 17,383 or 54.5%, of the 37,049 population.
- SLO County has a labor force participation of 135,533 or 57.7%, of the 283,111 population.

SAN LUIS OBISPO (SLO) COUNTY/CA UI CLAIMS

FIG. 5 SLO COUNTY UI CLAIMS



UNEMPLOYMENT INSURANCE (UI) CLAIMS

The data presented in Fig. 5 and Fig. 6 represent the UI Claims filed in SLO County and CA respectively from 3/14/20 - 5/2/2020. Since the onset of COVID-19 and the Shelter at Home order, there have been an average of 3,140 UI claims filed per week in SLO County. During the same time period, an average of 468,851 UI claims were filed per week in the state as a whole.

FIG. 6 CALIFORNIA UI CLAIMS

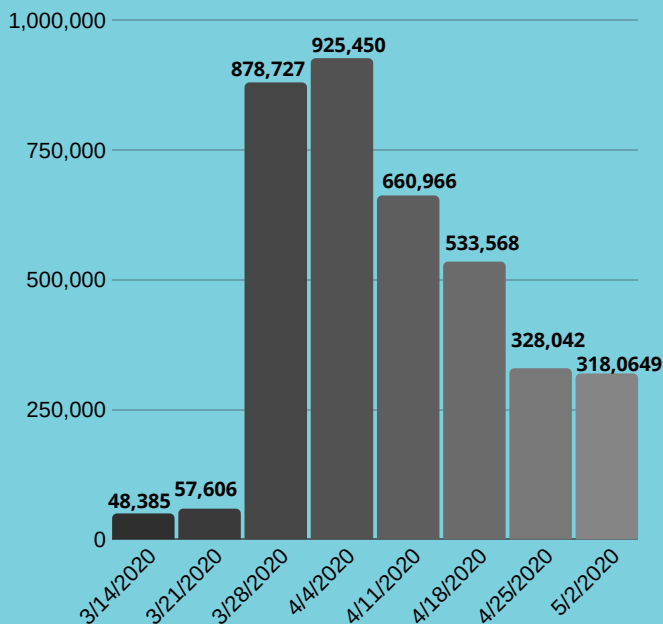
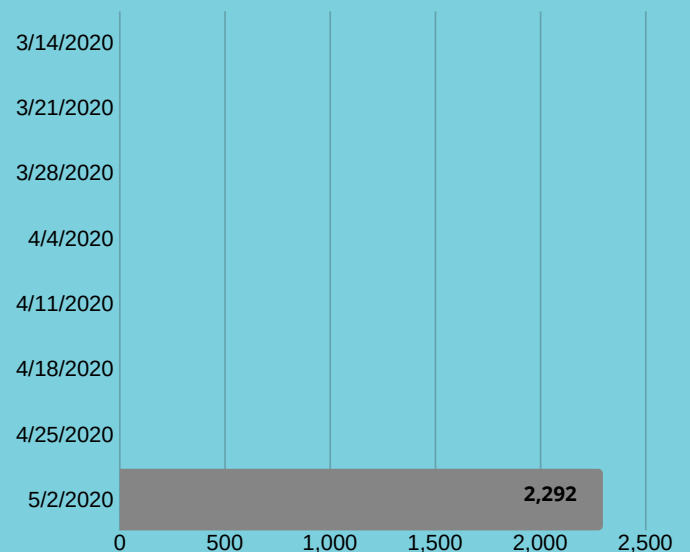


FIG. 7 SLO COUNTY PUA CLAIMS



PANDEMIC UNEMPLOYMENT ASSISTANCE (PUA) CLAIMS

The data presented in Fig. 7 reflects the number of PUA Claims since its release on April 28, 2020. In the first week SLO County had 2,292 PUA claims.

OTHER FACTS TO CONSIDER

The inter-county commute patterns are another key factor to consider especially as counties reopen. The data shows that **most out-of-county commuters travel into SLO County from cities in the northern part of Santa Barbara County** including Santa Maria (93458, 93455, 93454) and Lompoc (93436, 93438). Of the 2,760 commuters from Northern Santa Barbara County, over eight-in-ten workers, approximately **82%, travel to South County and SLO City**; 998 and 1,331 respectively. About 13% of the commuters work in North County and another 2% work in the Coastal Region. The data also shows that although SLO County has a fair amount of non-county residents commuting into SLO County, an even higher number of SLO County residents are commuting to Northern Santa Barbara County for work. Of the **3,758 residents commuting to Northern Santa Barbara County**, over 61% live in South County. Just over 17% reside in North County and nearly 15% in SLO City. Roughly 7% live in the Coastal Region. The data in Fig. 8 and Fig. 9 illustrate the commute patterns to and from Northern Santa Barbara County.

Fig. 8 Where Workers in Northern Santa Barbara County Commute To

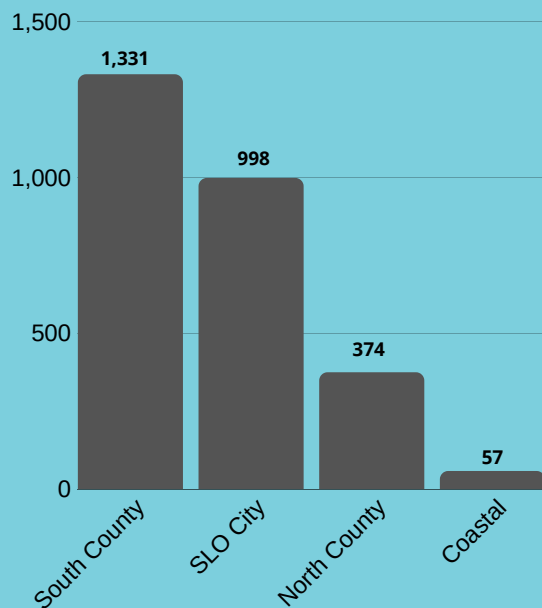
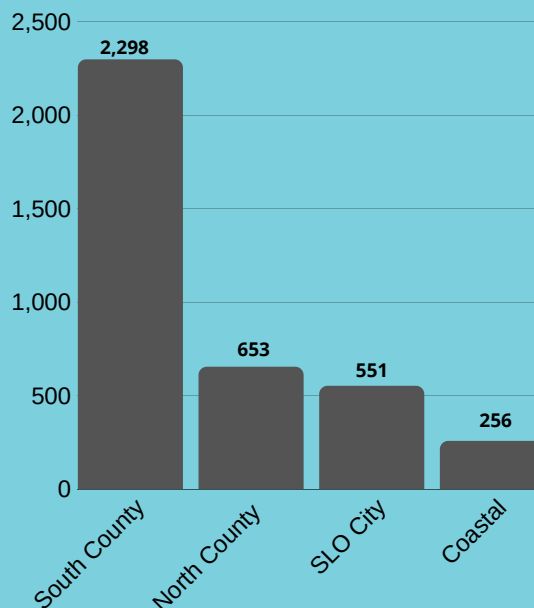


Fig. 9 Where SLO County Residents that Work in Northern Santa Barbara County Commute From



OTHER FACTS TO CONSIDER

SLO County job listings offer an insight to industries and occupations that may be most impacted by growth or contraction. Job postings data may be skewed, however considering shelter at home rules. As counties reopen and move from stage 1 to 2 and 3, job postings data may be an indicator of growing, healthy industries. On the contrary, a decrease in the number of job postings can suggest a struggling industry. Since the March 18th Shelter at Home order, there have been 2,430 total online job posts. Of those job posts, 1,367 are currently active. The active job posts are for 281 occupations. The top 10 occupations are illustrated in Fig. 10. Most of the jobs posted are in San Luis Obispo. The employers with the most job posts are listed in Fig. 11. Job posting data will continue to be tracked for trends. More detailed job listing information can be provided upon request.

Fig. 10 Top 10 Occupations

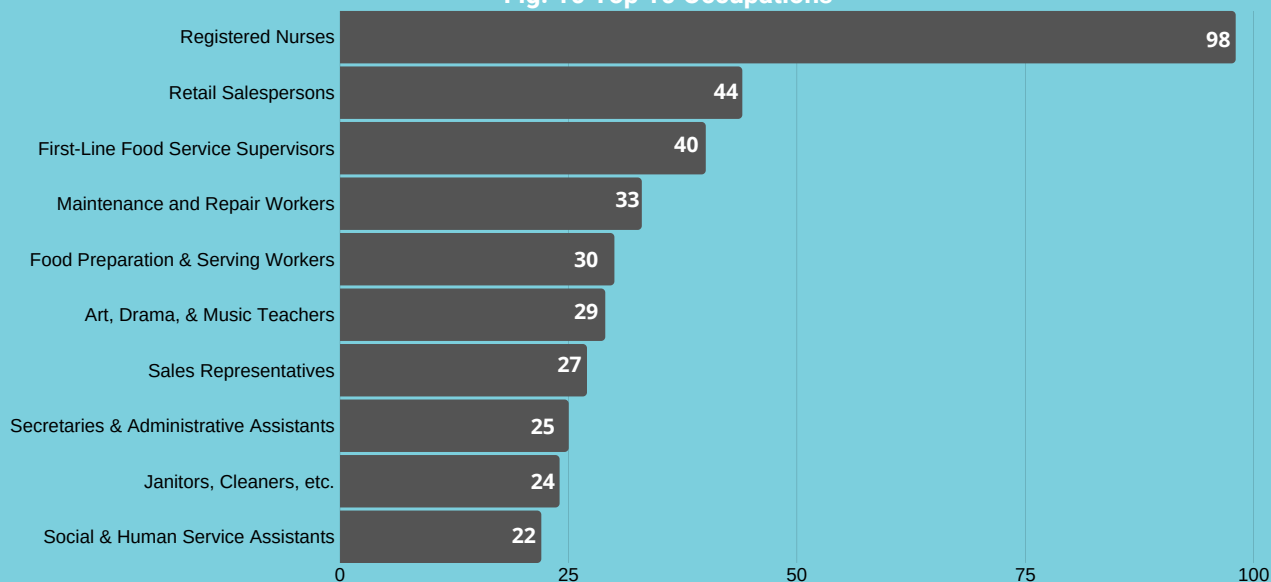
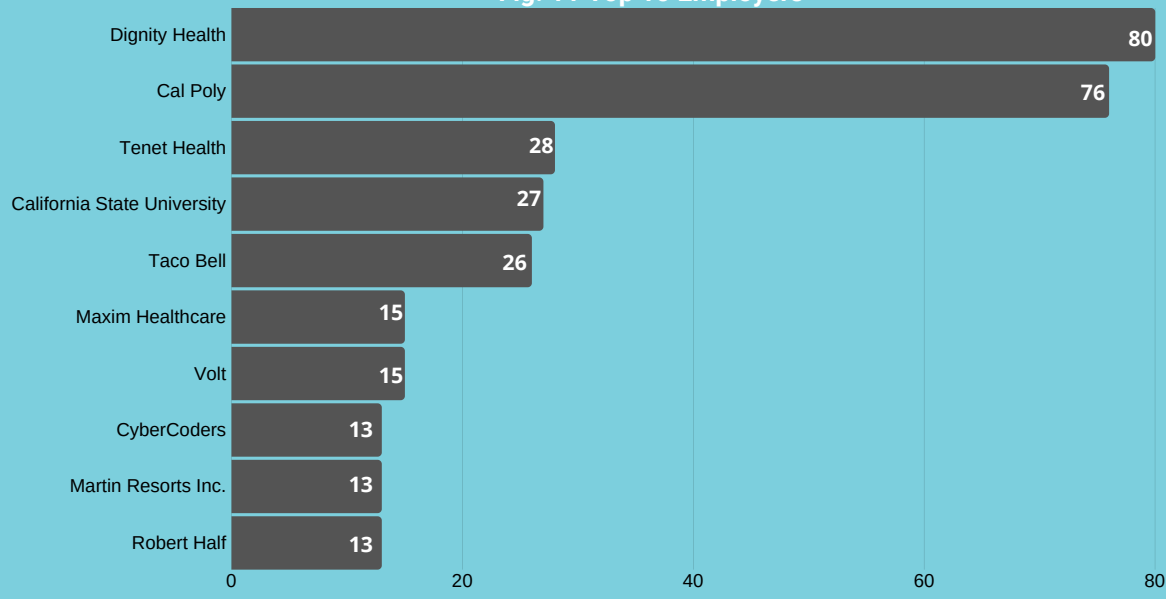


Fig. 11 Top 10 Employers



CONCLUSION

In conclusion, as the nation begins to rebuild and the state provides guidance, it is important to consider the local nuances of where people live and work. The pandemic has created much uncertainty and questions such as: Which occupations and industries are most vulnerable? What type of workers does an expanding industry need? How can changes in one industry impact other industries in our region? How has hiring activity changed as the coronavirus impacts our region?

The data provided is a representation of the four sub-regions in San Luis Obispo County. As each county in the state will have a plan for recovery, each sub-region may consider evaluating its own area based on its unique local economy and population. The data will help provide clarity and answers to some of the questions at hand. As leaders advocate for the specific needs of their communities, the labor market information can give insight about how the COVID-19 pandemic has affected their area; assisting in both identifying areas for economic development and addressing workforce issues alike.

This report is intended to create awareness of workforce, industry and demographic data for decision makers in moving forward. The Workforce Development Taskforce is committed to assisting county and local leaders to build prosperity within our county. The organizations on the Taskforce will provide current data as needed to foster job growth, expand workforce development, and improve quality of life for residents across San Luis Obispo County.



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