



Siskiyou County for Smart Workforce Center

Recovery and the Future The Economy 2021 to 2024

January 2021

Robert Eyler, PhD

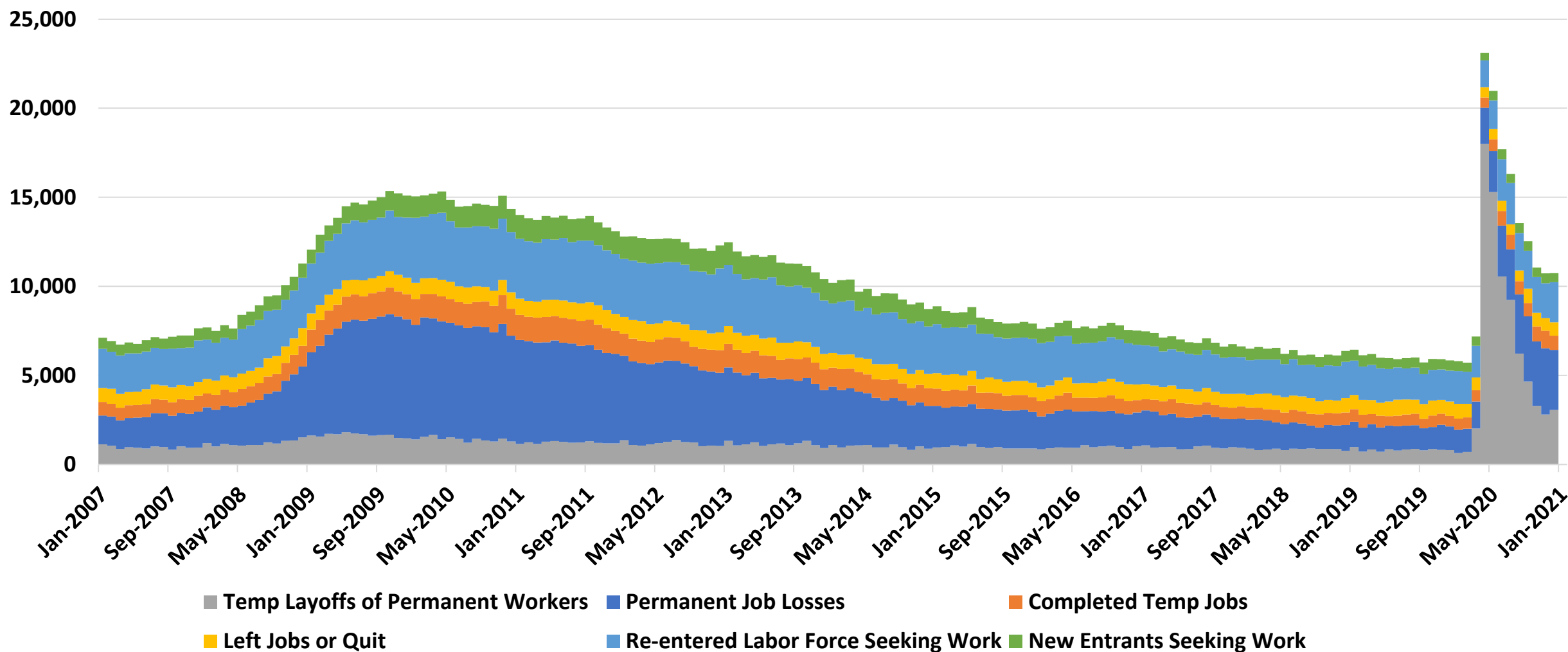
President, Economic Forensics and Analytics
Professor, Economics, Sonoma State University
eyler@econforensics.com



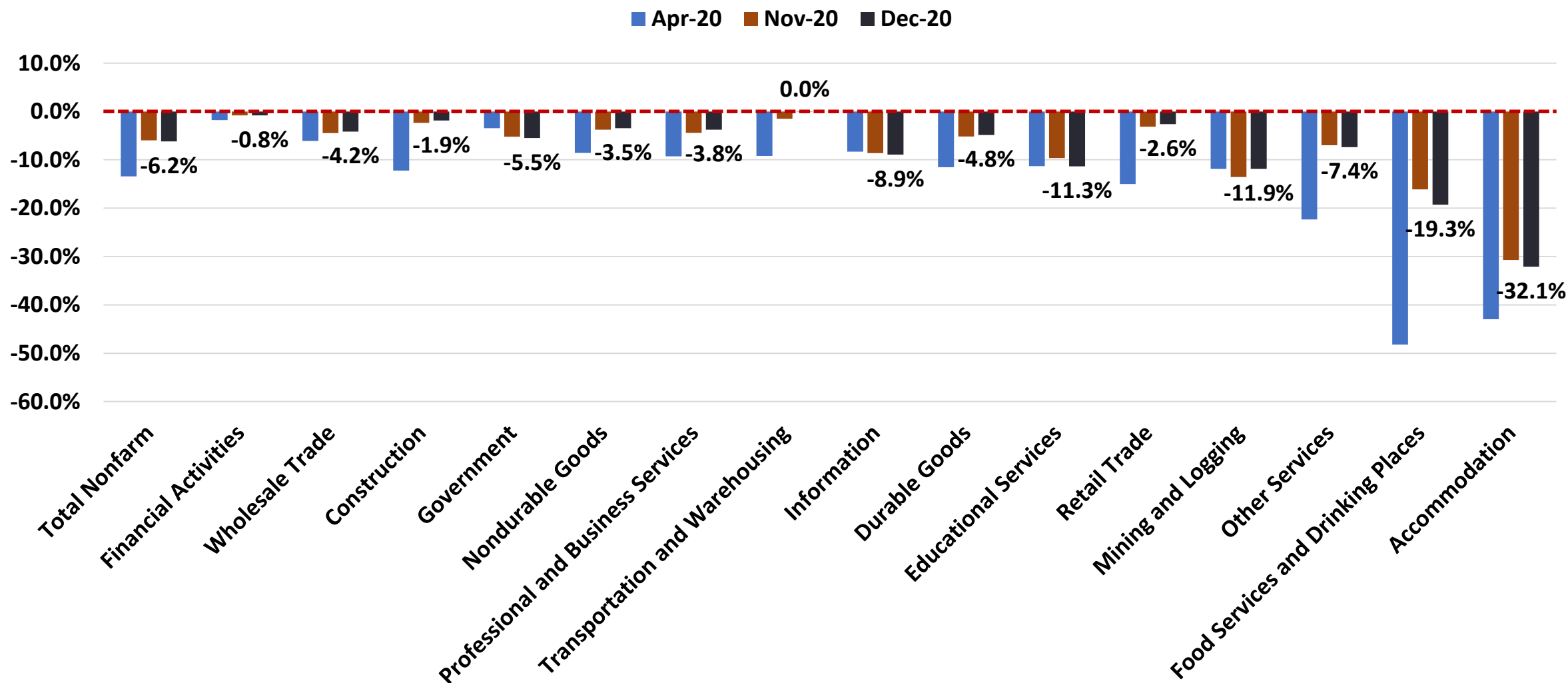
Sources: Getty Images and Google Images



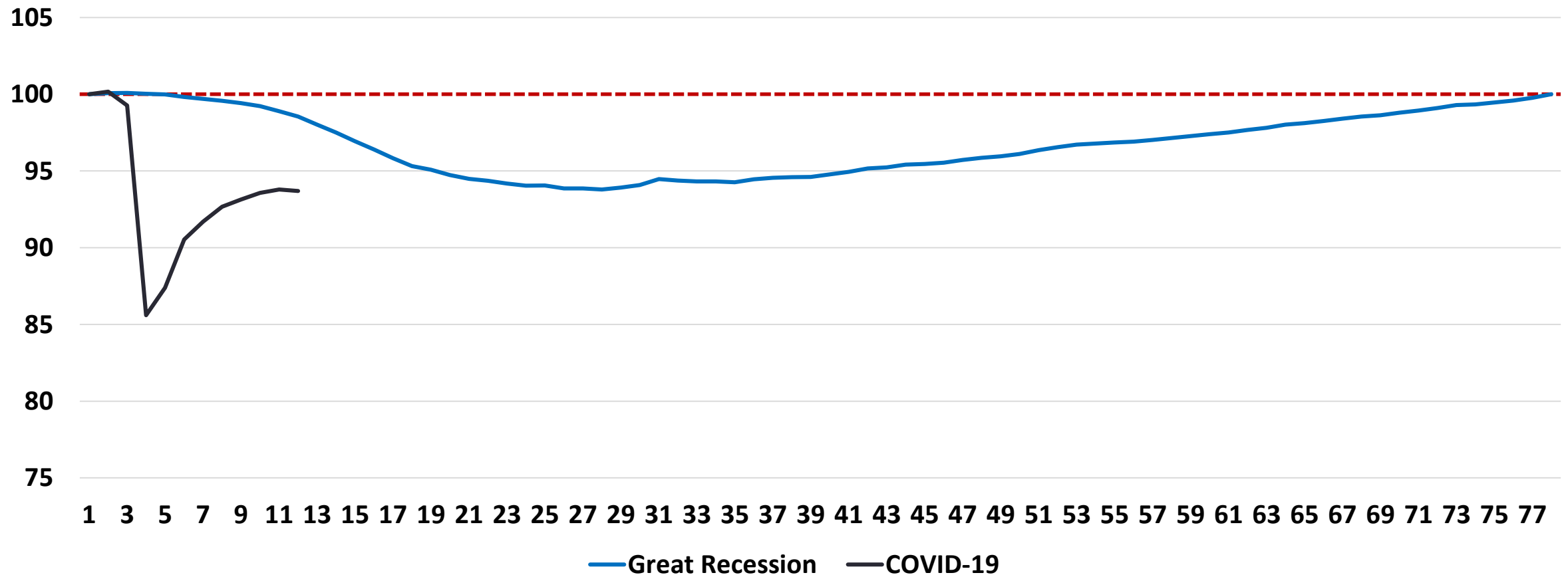
US Labor Force Watch, Thousands of Workers Unemployed, January 2007 to December 2020



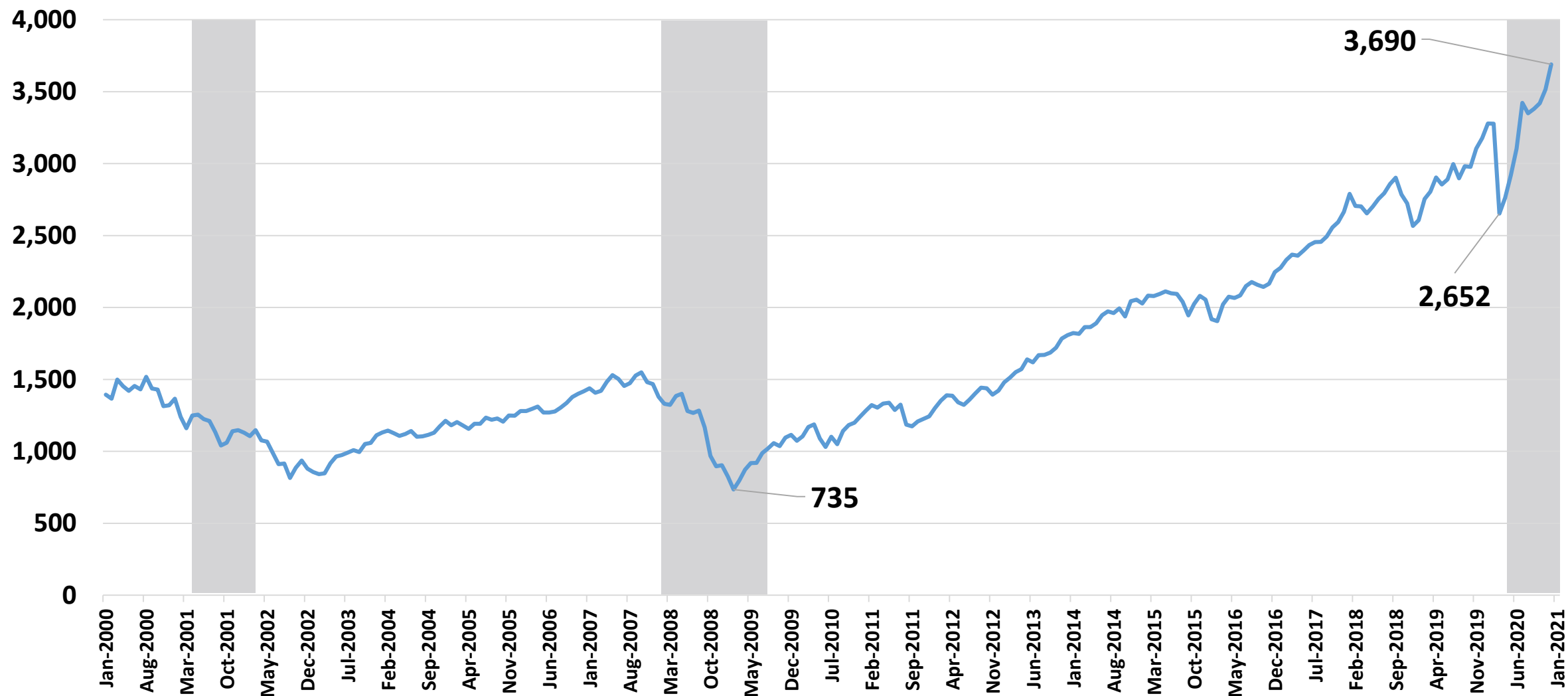
Changes in Jobs, Selected Industries, % Change since previous year, April, November and December 2020, US



Employment Recovery Comparison, United States, Great Recession and COVID-19 Recession, Months from Peak, Index Nov 2007 and Jan 2020 = 100

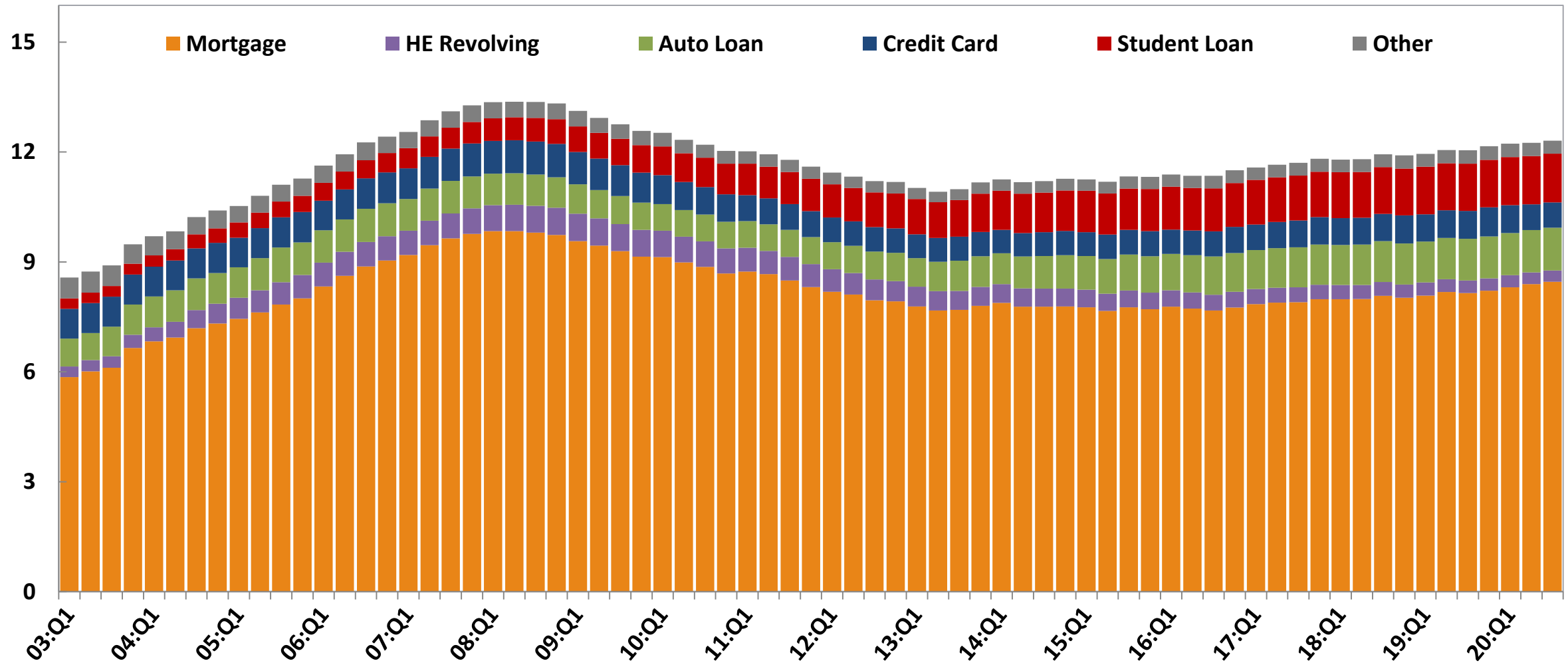


SP 500, Jan 2000 to Dec 2020, Index, Monthly Close or Month to Date (Dec 2020), Shaded Area = Recession



Total Debt Balance and its Composition, US Households, 2003 Q1 to 2020 Q3, Trillions 2012\$

Trillions of Dollars



Source: New York Fed Consumer Credit Panel/Equifax

IMF Forecast to 2022

Latest World Economic Outlook Growth Projections

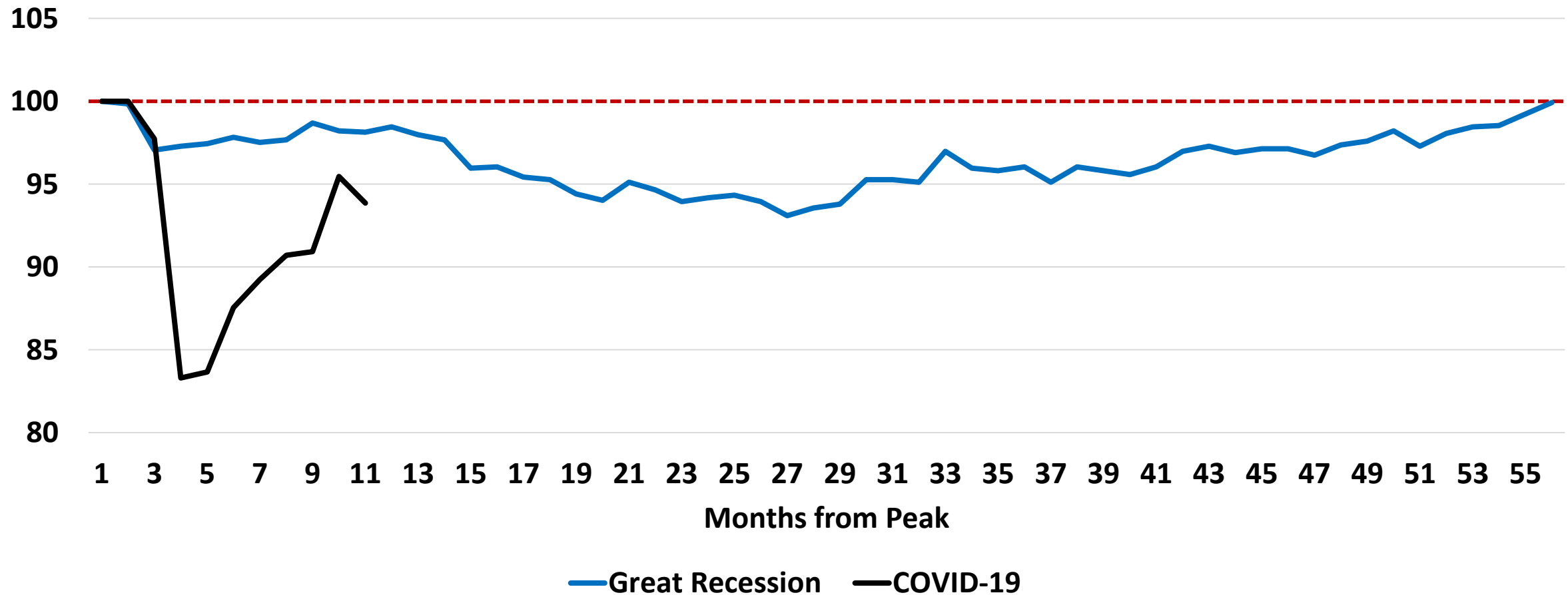
(real GDP, annual percent change)	ESTIMATE	PROJECTIONS	
	2020	2021	2022
World Output	-3.5	5.5	4.2
Advanced Economies	-4.9	4.3	3.1
United States	-3.4	5.1	2.5
Euro Area	-7.2	4.2	3.6
Germany	-5.4	3.5	3.1
France	-9.0	5.5	4.1
Italy	-9.2	3.0	3.6
Spain	-11.1	5.9	4.7
Japan	-5.1	3.1	2.4
United Kingdom	-10.0	4.5	5.0
Canada	-5.5	3.6	4.1
Other Advanced Economies	-2.5	3.6	3.1

California and Siskiyou County

Employment Data, California, Siskiyou County, Shasta and Sacramento Counties, Changes from Dec 2019 and Dec 2020 Unemployment Rate

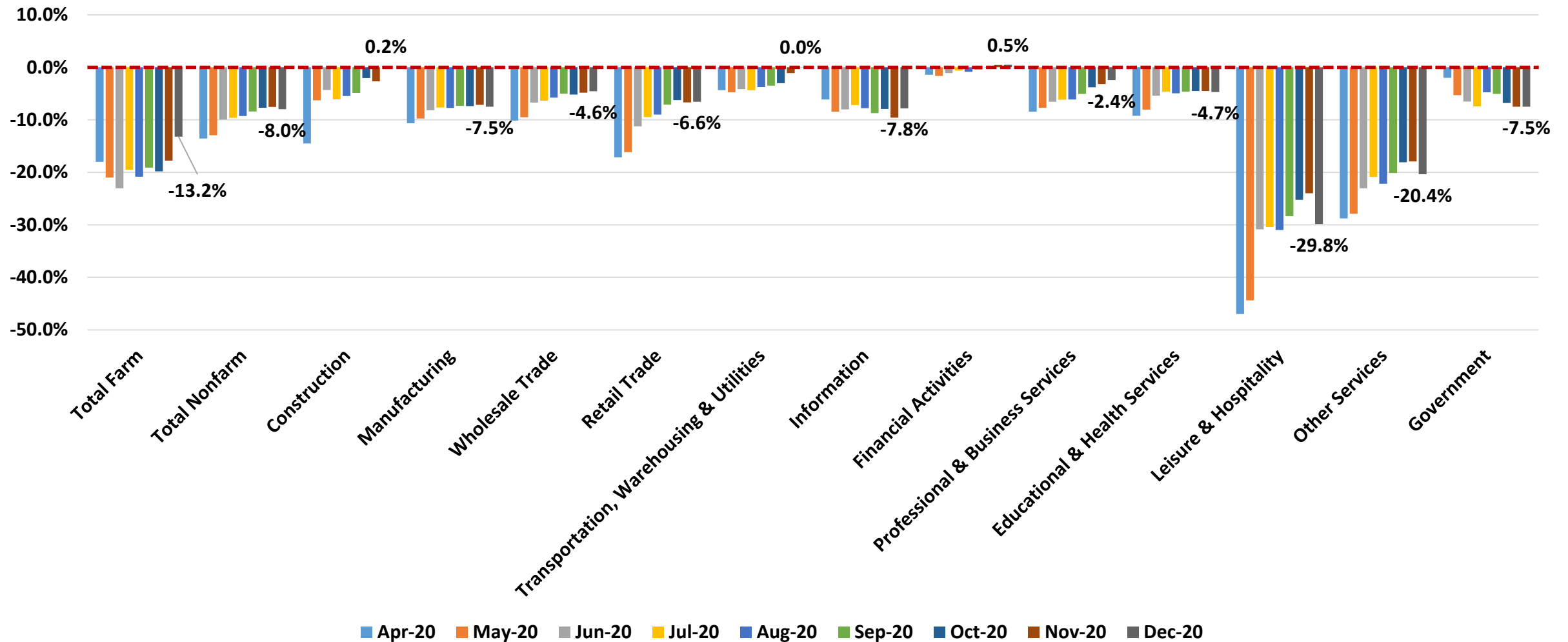
Category	Change California	% Change/ U Rate	Change Siskiyou County	% Change/ U Rate	Change Shasta County	% Change/ U Rate	Change Sac	% Change/ U Rate
Civilian Labor Force	-553,700	-2.8%	-1,690	-10.0%	-700	-0.9%	-7,700	-0.7%
Civilian Employment	-1,512,100	-8.1%	-2,240	-14.2%	-3,500	-4.9%	-59,100	-5.5%
Unemployment Rate		8.8%		10.7%		8.0%		7.9%

Employment Recovery Comparison, California, Great Recession and COVID-19 Recession, Months from Peak, Index Nov 2007 and Jan 2020 = 100

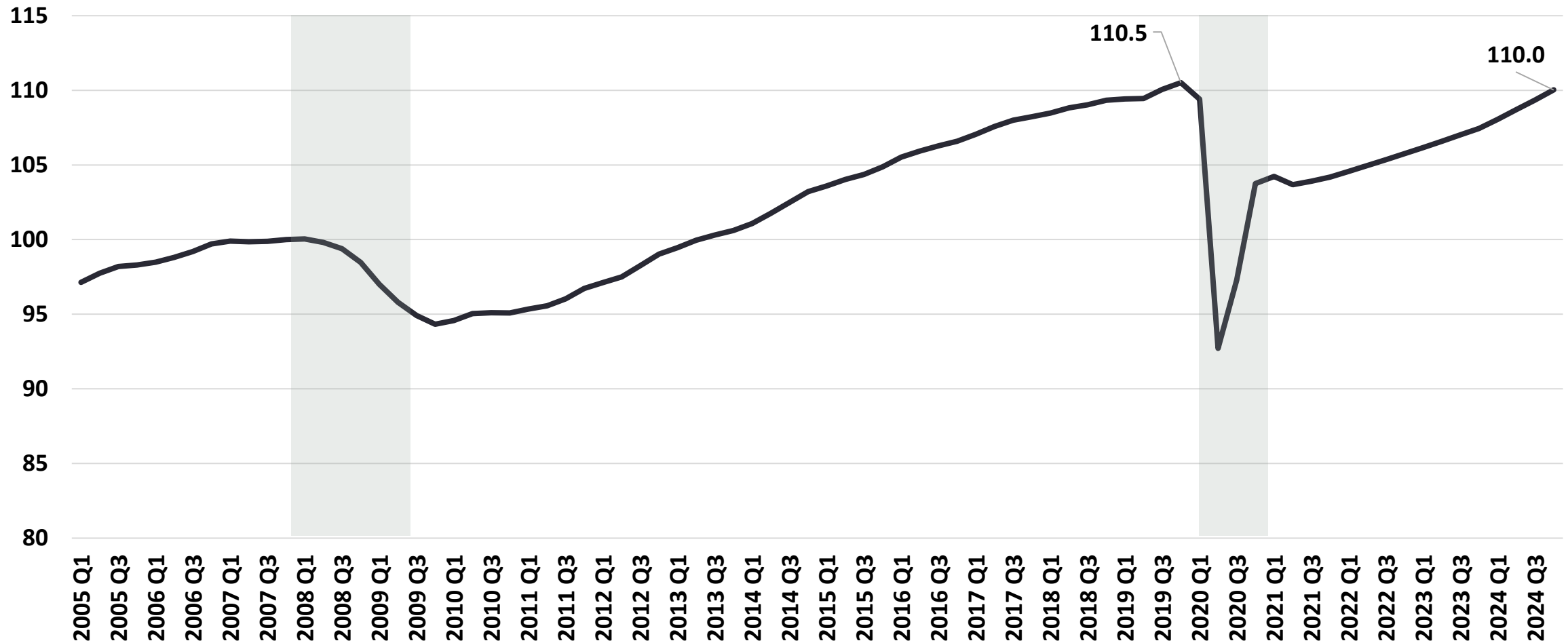


Jobs Lost (% Change from Previous Year), California

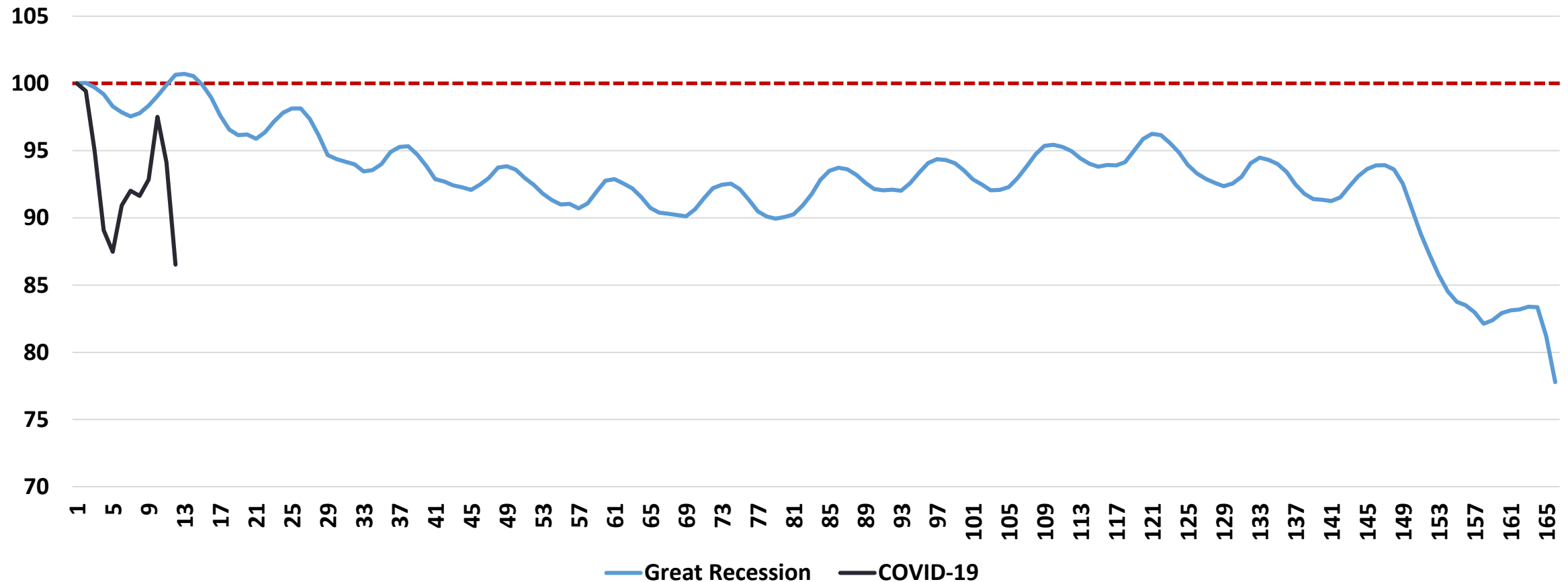
April to Dec 2020



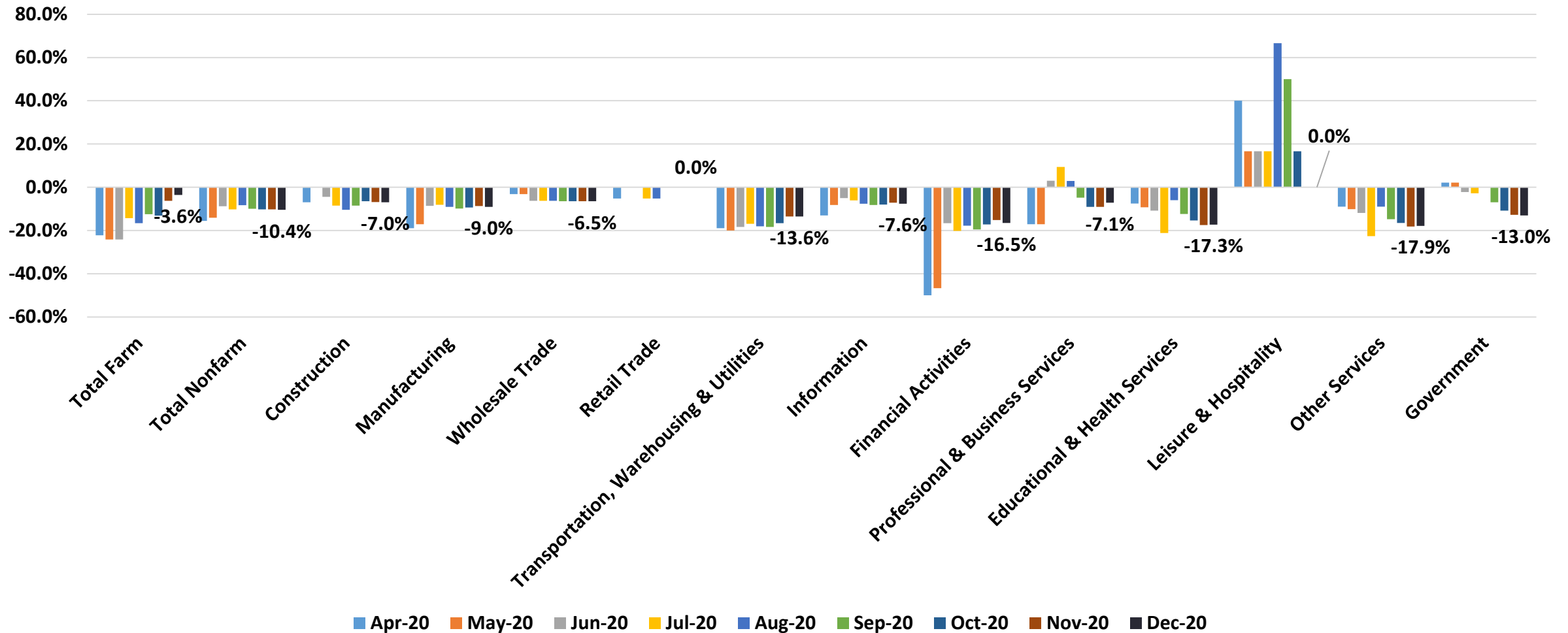
Employment in California, Index November 2007 = 100, Q1 2005 to Q4 2024 (Forecast)



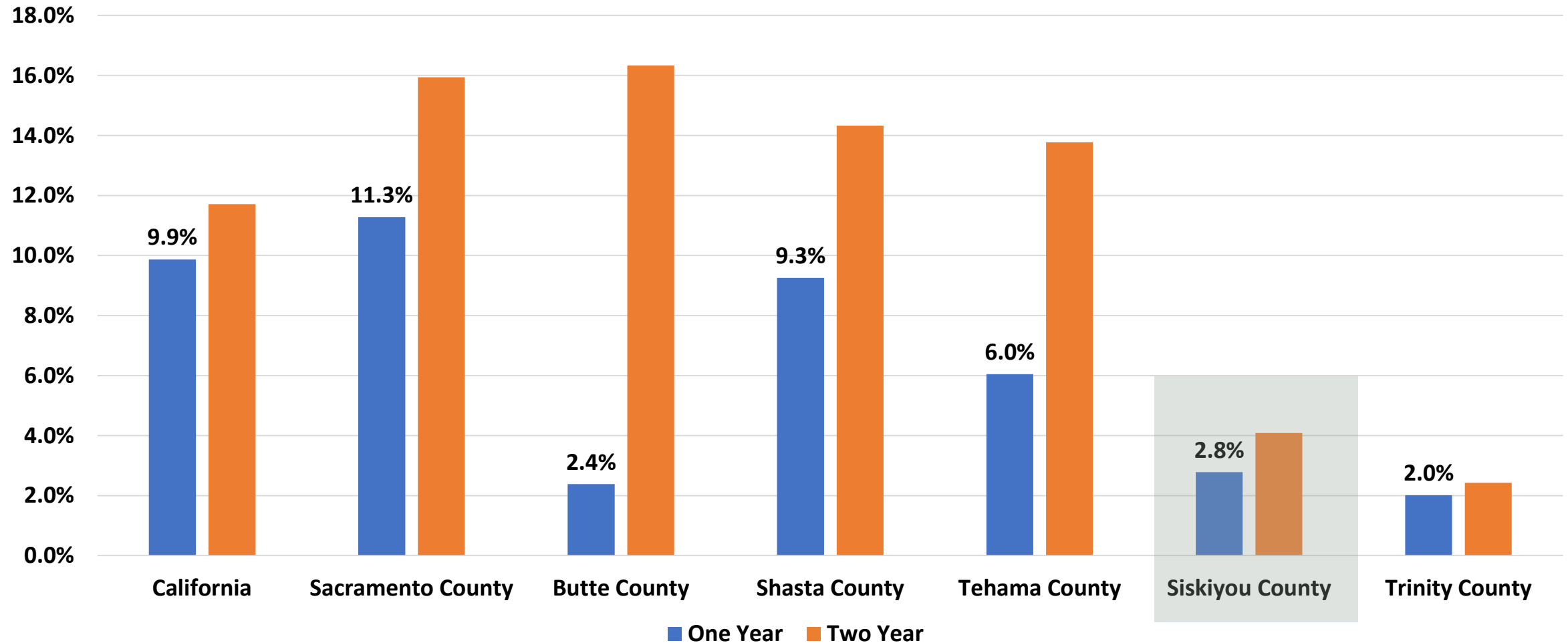
Employment Recovery Comparison, Siskiyou County, Great Recession and COVID-19 Recession, Months from Peak, Index Nov 2007 and Jan 2020 = 100



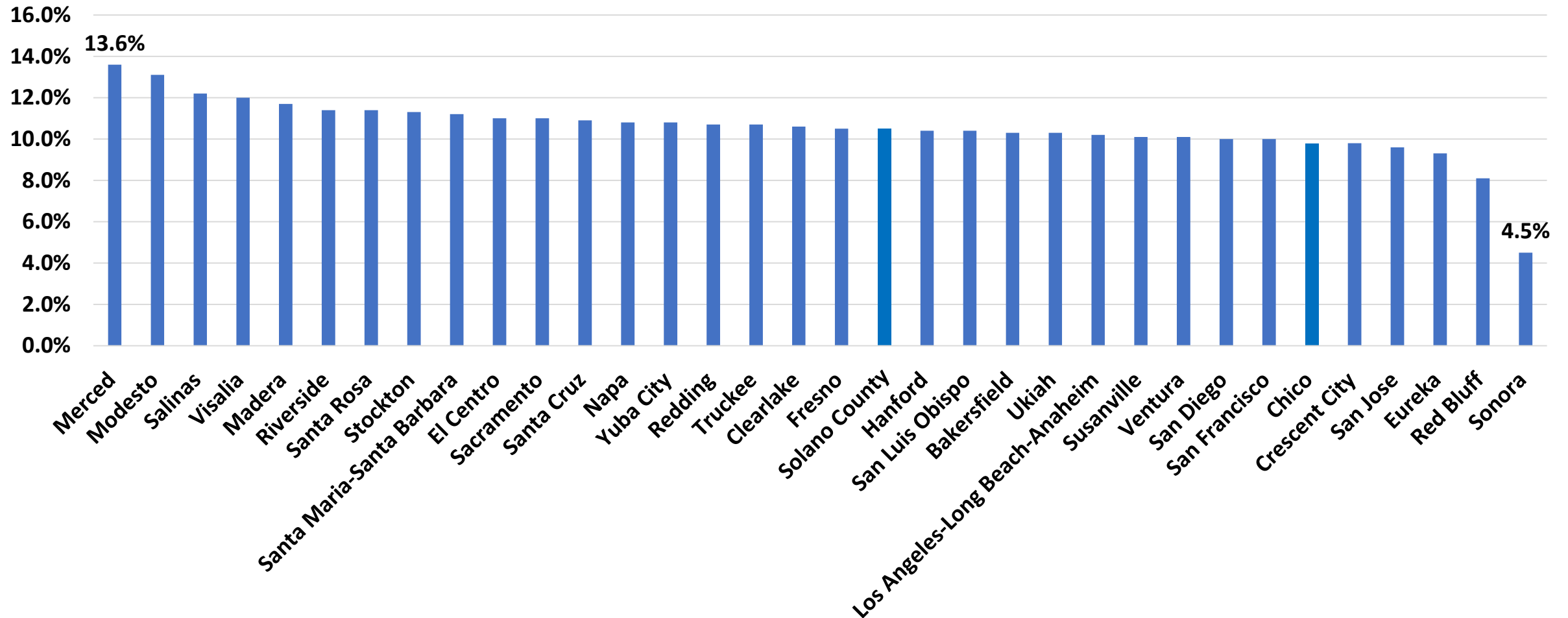
Jobs Lost (% Change from Previous Year), Siskiyou County, April to Dec 2020



Median Housing Price Growth, Dec 2020 as compared to Dec 2018 and Dec 2019, Percent Change



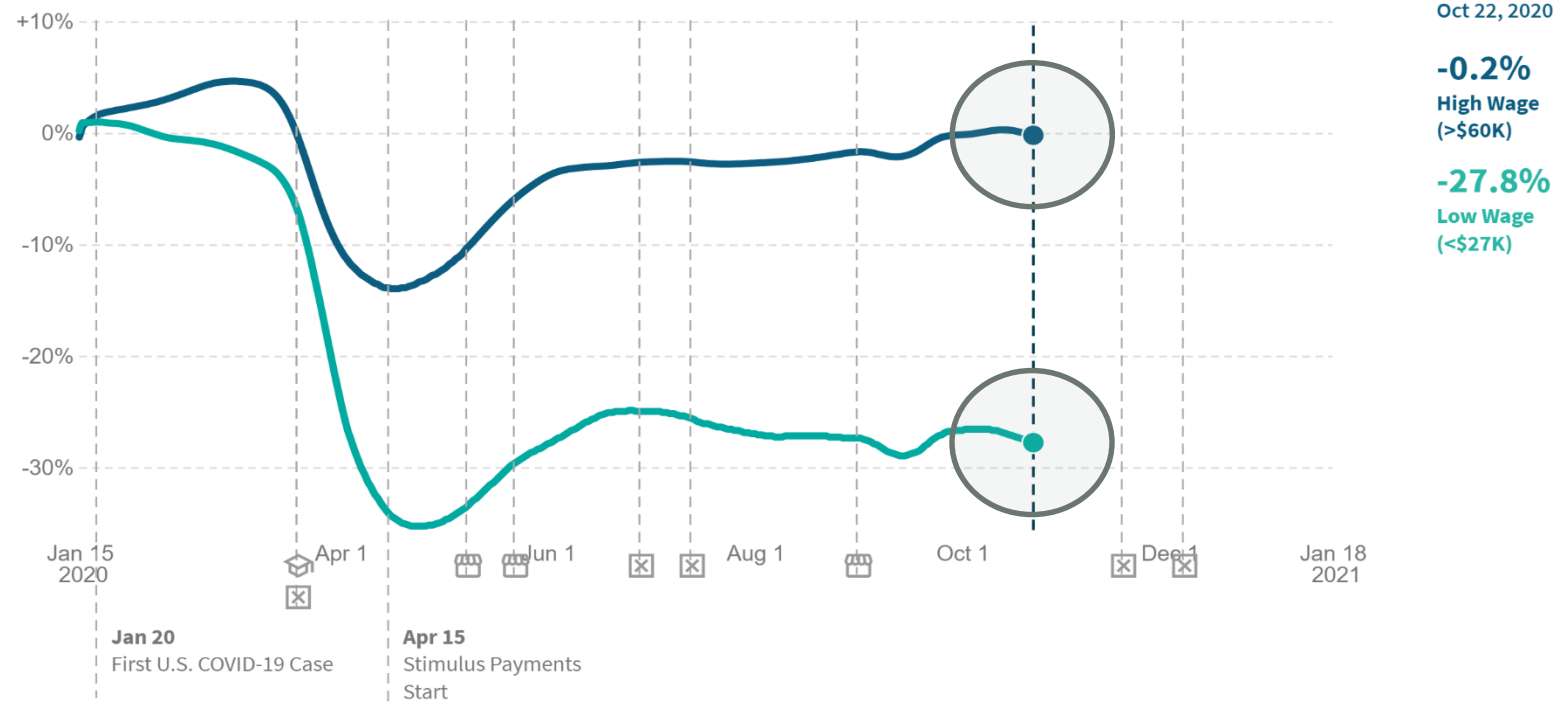
Housing Forecast, Dec 2020, Zillow™ Research, % Change for the coming year to Dec 2021, Median Home Price Growth



K-Shaped Recovery: Different Outcomes for Different Workers, California

Percent Change in Employment*

In **California**, as of **October 22, 2020**, employment rates among workers in the top wage quartile **decreased** by **0.2%** compared to January 2020 (not seasonally adjusted).



*Change in employment rates (not seasonally adjusted), indexed to January 4-31, 2020. This series is based on payroll data from Paychex and Intuit, worker-level data on employment and earnings from Earnin, and timesheet data from Kronos. The dotted line in the low-wage series is a prediction of employment rates based on Kronos data.

last updated: **January 08, 2021** next update expected: **January 20, 2021**

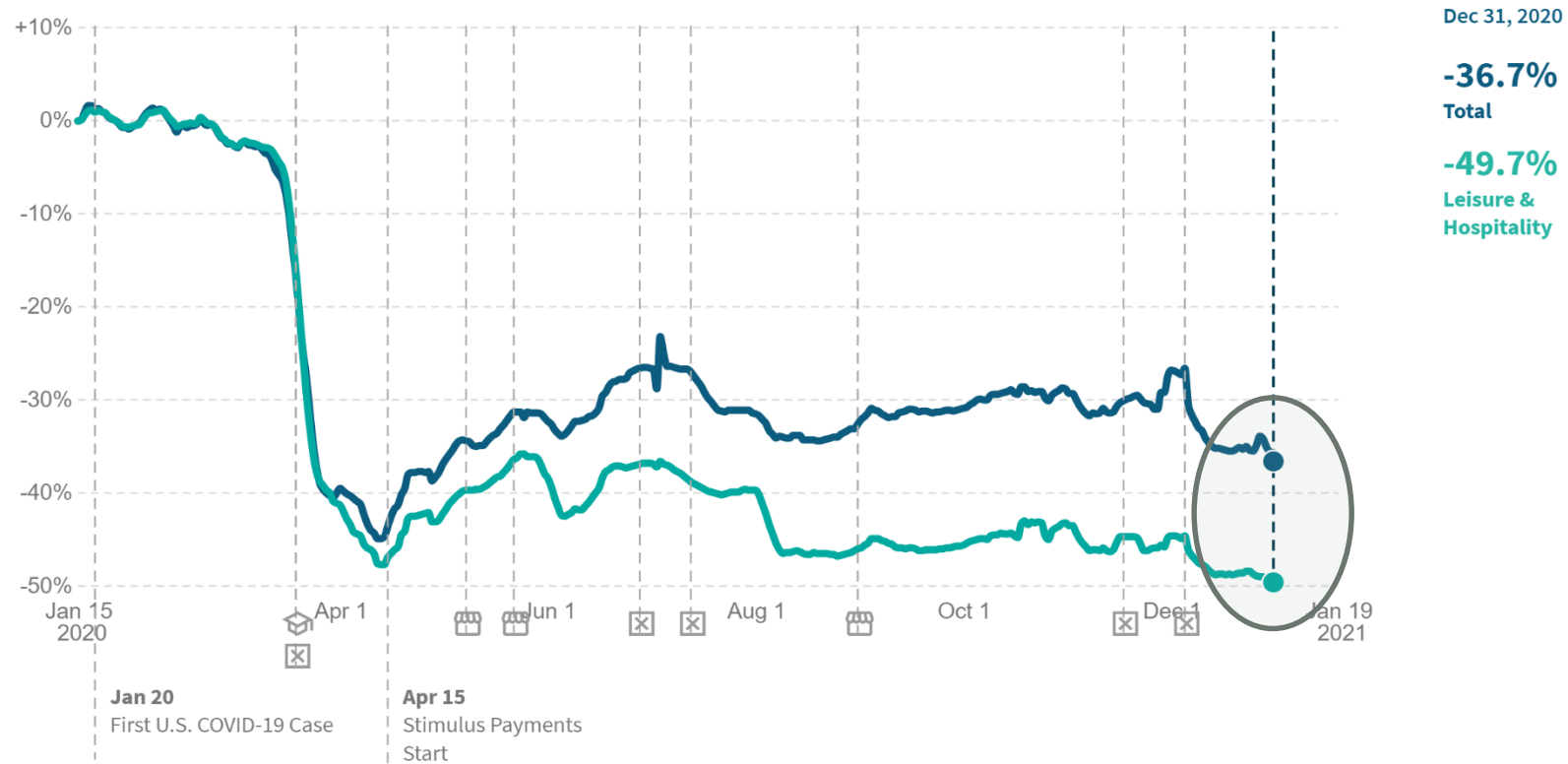
Pressures on:

1. Local government (rising social services demand);
2. Non-profits;
3. Apartments and other rental units; and
4. Ability of local businesses to hire back once cycle turns.

Small Business Recovery? Tourism Concerns

Percent Change in Number of Small Businesses Open*

In **California**, as of **December 31 2020**, the number of small businesses open **decreased** by **36.7%** compared to January 2020.



*Change in small businesses open (defined as having financial transaction activity), indexed to January 4-31 2020 and seasonally adjusted. This series is based on data from Womply.

last updated: **January 16, 2021** next update expected: **January 22, 2021**

Small Business Recovery? Siskiyou County

OPPORTUNITY
INSIGHTS ECONOMIC TRACKER

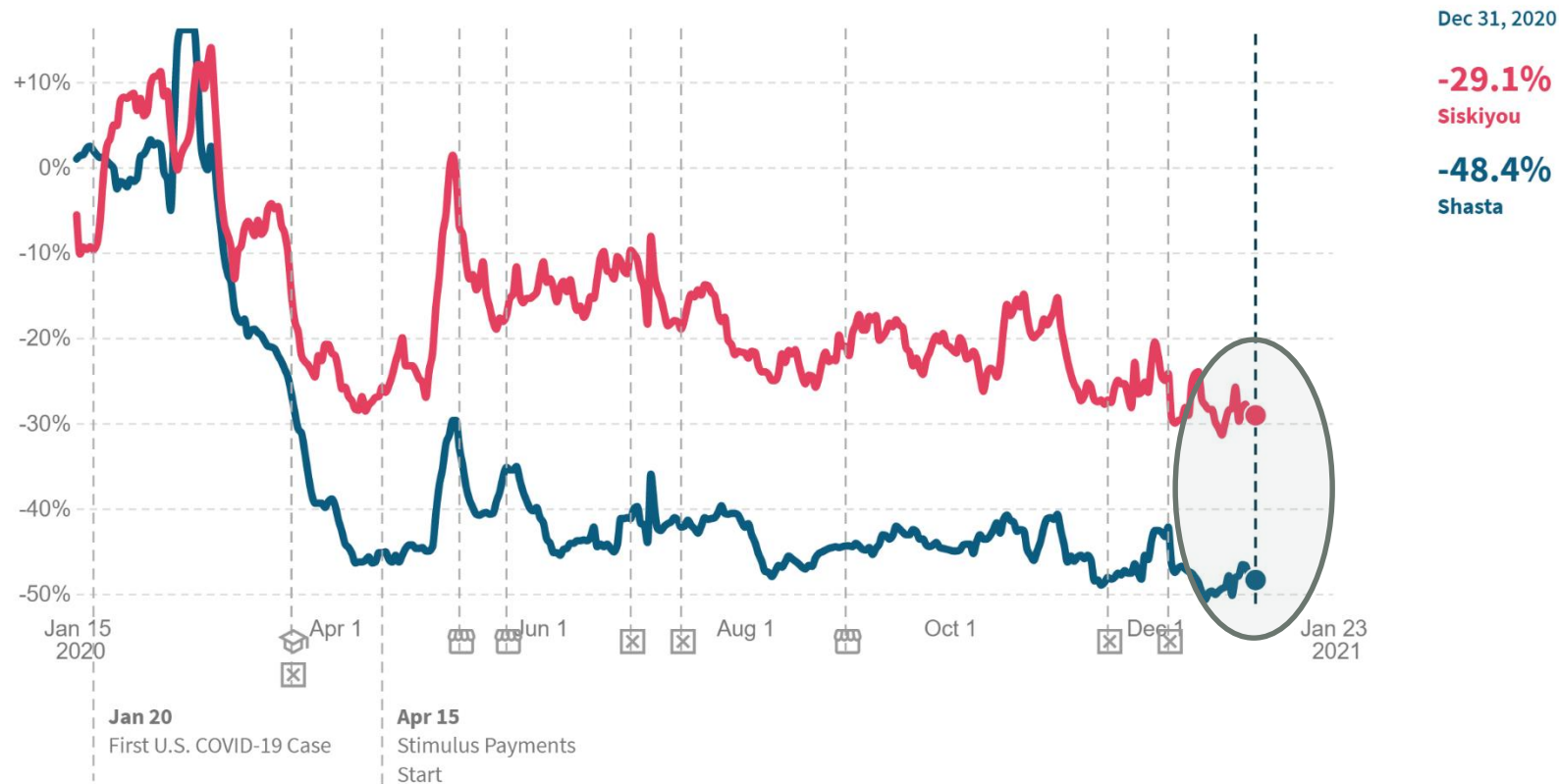
HARVARD
UNIVERSITY

EBAY

BILL CAMERON
LATES

Percent Change in Number of Small Businesses Open*

In **Shasta**, as of **December 31 2020**, the number of small businesses open **decreased** by **48.4%** compared to January 2020.



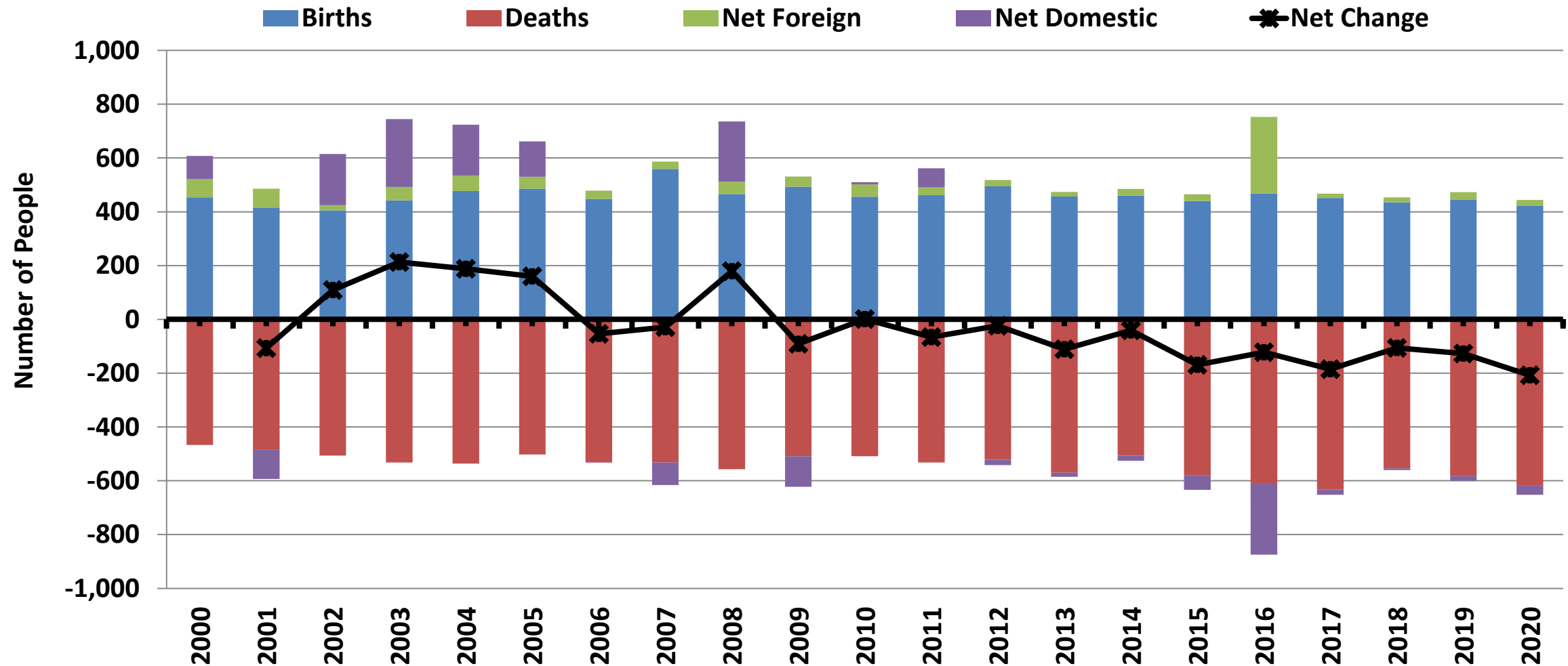
*Change in small businesses open (defined as having financial transaction activity), indexed to January 4-31 2020 and seasonally adjusted. This series is based on data from Womply.

last updated: **January 16, 2021** next update expected: **January 23, 2021**

So what? Why this split needs to fade:

1. Loss of regional restaurants, hotels;
2. Prices will rise initially when demand comes back if fewer players; and
3. Suggests costs of operation (explicit and implicit) too much in leisure and hospitality

Population Components, Fiscal Years 1999-2000 to 2019-20, Siskiyou County



What to Watch

- Low interest rates to continue
 - New presidential regime should not affect rate path by edict
 - Economic growth the main sign of change
- Home prices watch: Urban to suburban and CA to else?
- K-Shaped vs. V-Shaped: low-wage workers remain threatened
 - Lower-wage and entry level industries not at same capacity
 - Hurts urban areas primarily, rural maybe less
- Public sector in CA avoiding issues at state level for now
 - Cities and counties still waiting, but property tax stability helps
- **Key challenge: managing debt as recovery slows**

Thanks!
Questions?
eyler@econforensics.com
[@bobby7007](https://twitter.com/bobby7007)