Latest Labor Market Data for California

The Employment Development Department (EDD) recently released the May 20, 2016 Monthly Labor Statistics Press Release for the month of April in California. The monthly release provides revised and preliminary civilian labor force, unemployment rates, and industry employment for California, metropolitan areas, counties, and sub-county areas. Highlights from the May 20th release include:

- California’s seasonally adjusted unemployment rate fell 0.1 percentage point to 5.3 percent in April 2016.

- California’s unemployment rate decreased by 6.9 percentage points from its most recent peak of 12.2 percent in October 2010 through April 2016. The rate has closed to within 0.4 percentage points of its pre-recession low of 4.9 percent. The U.S. unemployment rate was unchanged in April at 5.0 percent.

- The number of unemployed Californians fell by 1,218,000 (52.8 percent) from the recessionary peak in October 2010 through April 2016. This was just 154,000 persons higher than the pre-recession low in September 2006.

- California total nonfarm payrolls increased by 59,600 jobs in April 2016, almost double the next highest state in the nation (Florida gained 31,100 jobs). Year-over, total nonfarm payrolls grew by 450,200 jobs (2.8 percent) in April 2016 compared to the nation’s 1.9 percent year-over job gain. Florida had the next highest gain with 254,500 jobs.

- California added 2,195,000 total nonfarm jobs from the recessionary low in February 2010 through April 2016, for an average gain of 29,700 nonfarm jobs per month over the course of the more than six-year expansion. Job gains in California’s private sector totaled 2,138,800 over the same 74-month period, for an average gain of 28,900 jobs per month.
Unemployment Insurance (UI) Program

Workload Levels
California’s economy has shown steady improvement over the past year and overall UI claims and benefit levels are trending downward compared to the same period of time last year. Workload levels have decreased primarily due to the sunset of the federal extension program on December 28, 2013; however, UI claims and benefit levels are still higher than pre-recessionary years.

- The **number of claims** processed by the EDD in 2015 totaled 2,875,071 which is 18 percent lower compared to the total of 3,513,907 claims processed in 2014. Year-to-date through February 2016, the number of claims processed by the EDD totaled 514,095, which is 3 percent lower compared to the total of 531,176 claims processed in the same period in 2015.

  o In 2015, the total claims processed (2,875,071) were 65 percent lower compared to the total claims processed in 2010 (8,149,117) during the peak of the recession. Year-to-date through February 2016, the total claims processed (514,095) were 61 percent lower compared to the total claims processed for the same period in 2010 (1,329,005) during the peak of the recession.

  o In 2015, the total claims processed (2,875,071) were 16 percent higher when compared to 2007 claim totals (2,476,682) prior to the recession. Year-to-date through February 2016, the total claims processed (514,095) were 19 percent higher when compared to 2007 claims totals (432,639) for the same period prior to the recession.

- The **UI benefits paid** in 2015 totaled approximately $5.5 billion (averaging approximately $22 million a day) and have decreased 13 percent compared to 2014 when the EDD paid approximately $6.3 billion (averaging approximately $25 million a day). Year-to-date through February 2016, the UI benefits paid total approximately $1.0 billion (averaging approximately $26 million a day) and has increased 1 percent compared to the same period in 2015 when the EDD paid approximately $992 million (averaging approximately $25 million a day).

  o Total UI benefits paid in 2015 ($5.5 billion) is 76 percent lower than the total benefits paid during the peak of the recession in 2010 when the EDD paid $22.9 billion in total benefits (averaging approximately $91 million a day). Year-to-date through February 2016, total UI benefits paid ($1.0 billion) is 75 percent lower than the total benefits paid during the same period in 2010 during the peak of the recession when the EDD paid $4.0 billion in total benefits (averaging approximately $106 million a day).
Total UI benefits paid in 2015 ($5.5 billion) are 7 percent higher than 2007 prior to the recession when the EDD paid $5.1 billion in total benefits (averaging approximately $21 million a day). Year-to-date through February 2016 ($1.0 billion), total UI benefits paid are 11 percent higher than the same period in 2007 prior to the recession when the EDD paid $906 million in total benefits (averaging approximately $23 million a day).

**Staff Hiring and Customer Service Level Goals**

The $110.6 million in supplemental state funding received in the spring 2014 allowed the EDD to begin hiring additional staff in March 2014 to improve customer service levels. The EDD continues to hire and fills approximately half of the vacancies as staff leave. This allows the UI program to continue meeting the service level agreements while staying within our hiring budget.

The additional staff hired in spring 2014 and to date have had an immediate and continued impact on EDD’s service levels and in meeting or making progress toward the following service level goals the EDD committed to the Legislature:

1. Answer more than 50,000 calls per week
2. Process 100 percent of initial claims within three days of receipt
3. Process 100 percent of online inquiries within five days of receipt
4. Schedule timely at least 95 percent of the eligibility determination appointments requested weekly

**Initial Claims**

The additional capacity gained from hiring new claim filing staff resulted in meeting the weekly goal in processing 100 percent of the initial claims within three days of receipt for most of 2015. The only exceptions were in January 2015, which was before the trainees completed their training, and in November 2015 due to multiple holidays.

**Calls Answered**

During calendar year 2015, the EDD answered on average more than 51,000 calls per week, which exceeds the legislative goal. During that time, the number of times a caller had to dial to access the call center decreased to an average of fewer than five attempts, which represents an 84 percent decrease from January 2014.

**Online Inquiries**

During calendar year 2015, the EDD achieved the goal of processing 100 percent of online inquiries within five days each week for 83 percent of the weeks. In the weeks when online inquiries were not processed within five days, one-third was due to State holidays. The additional capacity gained from the new claim filing trainees that were released from review in January 2015 has been invaluable in meeting this goal. Due to increased seasonal workload related to school employee recesses, the weekly response timeliness declined slightly in July (93 percent of online inquiries processed within five days).
Eligibility Determinations
The EDD UI Branch continued to improve the timely scheduling of eligibility determination interviews as more staff were trained to perform determinations of eligibility. The increase in determination capacity gained by these trainees eventually eliminated the need for overtime, while allowing the Department to meet its weekly goal of scheduling 95 percent or more of all interviews timely. The Department has maintained an average of 95 percent of all determinations being scheduled timely on a week-to-week basis during the months of March through December 2015, with the exception of August and September due to school employee recesses and November due to the three State holidays. During calendar year 2015, the Department scheduled over 1.1 million determination interviews.

Automation Enhancements

UI OnlineSM and UI Online MobileSM
In less than one year, UI Online has already proven to be a customer favorite. Since implementation of the new system on April 25, 2015, over 443,000 UI claimants have registered to use UI Online. Additionally, over 40 percent of UI claimants actively certifying for UI benefits use UI Online or UI Online Mobile to certify resulting in the faster delivery of benefit payments.

Claimants are benefiting by having access to many self-service capabilities. This includes the ability for customers to update their own address and/or phone number, the ability to view payment information, the ability to view scheduled appointments, and the ability to view their 1099G tax information. The EDD implemented a phased roll-out and as of July 2015, all claimants could register and utilize the many features of UI Online and UI Online Mobile.

Below are some key statistics covering the period of July 2015 through February 2016:

- 3,641,957 weeks submitted through UI Online for certification
- 331,168 weeks submitted through UI Online Mobile for certification
- 2,638,436 views for payment information
- 1,779,345 views for claim information
- 339,559 views for Form 1099G information (this includes 4,463 requests for an official, duplicate copy)
- 262,844 updates to contact information and personal preferences
- 3,962 reschedule phone appointments
- 32,946 reopened or additional claims to reactivate an existing claim

Since the initial implementation of UI Online, the EDD continues to enhance the system to improve the customer experience and reduce costs. In August 2015, we changed the default setting for all new customers who register to stop the mailing of the paper continued claim forms and we added an email notification to
inform customers when weeks are available to certify. In January 2016, we added the ability for customers to submit questions through UI Online.

**State Information Data Exchange System**
The State Information Data Exchange System (SIDES) was developed through a strategic partnership between the United States Department of Labor and State UI agencies.

The SIDES system provides a secure and timely way for employers and third party administrators (TPA) to electronically receive and respond to the EDD’s Notice of Unemployment Insurance Claim Filed (DE 1101CZ).

Benefits of SIDES:

- Streamlines communication to improve timeliness.
- Transmits confidential information securely.
- Reduces errors common with paper forms.
- Uses standard industry format for all participating states.
- Sends notifications faster, allowing more time to gather information.
- Allows customers to upload supporting documentation.
- Saves time, administrative costs, and mailing expenses.
- Reduces improper payments.

The SIDES project is being implemented in a phased approach and started with a pilot in June 2015, with the full release available in spring 2016. As of the end of January 2016, the SIDES pilot has sent 8,002 electronic requests and received 7,998 timely responses from participating TPAs, resulting in a 99.95% timely response rate with a 5.3 day average turnaround.

The EDD is currently preparing to roll out a SIDES Technical Support Center to troubleshoot technical issues and an outreach and marketing campaign to inform California employers of the convenience and many benefits of SIDES.

**Treasury Offset Program**
The Treasury Offset Program (TOP) is a federally mandated program that enables California to offset federal income tax refunds to collect delinquent UI benefit fraud overpayment liabilities. The EDD implemented TOP in September 2014 and as of February 2016, the EDD has collected over $223 million in federal tax return refunds to offset outstanding overpayments, penalties, and interest balances.

TOP Collection Data:

- In calendar year (CY) 2014, the EDD collected approximately $2.3 million from the federal income tax refunds.
- In CY 2015, the EDD collected approximately $183.4 million from the federal income tax refunds.
• Year-to-date through February 2016, the EDD collected approximately $37.9 million in federal income tax refunds.

The total collections from TOP alone have already exceeded the $119.3 million in SFY 2014-15 collected from all of the offset programs combined, including the Franchise Tax Board, the California State Lottery, and the State Controller’s Office Unclaimed Property.

**Efforts to Improve Customer Service**

The EDD continuously looks for new and innovative ways to enhance the customer experience by engaging claimants and keeping them well-informed. The EDD believes that it’s not enough just to connect to our customers, but to also form a connection with them and their communities. The following efforts support the EDD’s improved communication with claimants:

- **UI Online℠ Videos:** A complete video library in English and Spanish is available to educate customers on the ease and convenience of using UI Online℠. These videos not only market the product, but offer step-by-step instruction on how to use all key features of the system. The “UI Online Overview and Registration” video is also available in Cantonese, Mandarin and Vietnamese. Efforts are underway to translate other UI Online℠ videos into these three Asian languages.

- **UI Online℠ Quick Reference Guide:** The EDD recognizes that adults learn in different ways. To support this, the UI Online℠ Quick Reference Guide was created to provide customers with another way to learn how to use the system. In addition to sample screen shots, the guide uses step-by-step instruction to inform the reader. This nicely complements the popular UI Online℠ video series.

- **Rate Your UI Online℠ Experience:** This quick and optional feedback tool asks customers to rate their experience when customers have successfully certified for benefits using UI Online℠ or UI Online Mobile℠ or reopened a claim using UI Online℠. Customers using the full site can also provide optional comments. Since implementation in mid-February 2016, over 160,000 customers have responded with 9 out of 10 rating the system as “Good” or “Excellent”. Perhaps this quote best sums it up, “Ease of use and access to account data is excellent! Thank you for investing in the technology to make this process as painless as possible, making the best out of a bad situation. Thank you!”

- **Multi-cultural Outreach:** Efforts to reach a larger number of non-English speaking customers began last year when some of the most commonly used UI forms and notices were translated into 10 additional languages: Cantonese, Mandarin, Vietnamese, Hmong, Laotian, Russian, Korean, Armenian, Punjabi, and Tagalog. Efforts are currently underway to add all UI Online℠ marketing print materials to this extensive list.
Email Notification - Certify for Benefits: UI Online\textsuperscript{SM} customers now receive an email notification when it’s time to certify for benefits. This new customer convenience has helped reduce late claim forms and encourages customers to certify for benefits at the first possible opportunity. Prior to this enhancement, 30% of UI Online\textsuperscript{SM} customers certified for benefits on the same day their weeks were made available in the system. Post-implementation, this number has grown significantly to 45%. This reminder helps claimants get paid faster.

Social Media: The EDD continues to reach customers using Facebook and Twitter. Posts are sent once or twice per week and include important reminders such as when Form 1099G tax information is available for the previous tax year or when system or program enhancements are released. A good example is a recent change to the California Training Benefits (CTB) program as a result of Assembly Bill 1514. Due to the elimination of the training provider’s signature, CTB participants can now certify for benefits by phone using EDD Tele-Cert\textsuperscript{SM}.

In addition to communicating important messaging to claimants, excellent insight is gained from our customer’s social media posts on the EDD’s Facebook and Twitter pages. This feedback is often the basis for additional communication or recommendations for potential system enhancements.

List-Serv: There are over 17,500 subscribers to the EDD’s email subscription service, List-Serv. These subscribers receive email updates on the UI program on a regular basis. Messaging is often in tandem with, and mirrors, social media messaging.

Call Center Service Improvements

Virtual Hold
Virtual Hold provides claimants the convenience of requesting an automated call-back appointment when calling the EDD. This feature has been implemented in a phased approach. To maximize access to EDD’s diverse customer base, the virtual hold enhancement has been designed to accept call backs in English, Spanish, Vietnamese, Cantonese, and Mandarin.

- In September 2014, the EDD implemented the As Soon as Possible (ASAP) feature of virtual hold. This enhancement allows callers using the main UI Toll-free number to hang up after accepting the call back option without losing their place in line. They are then called back in the order they were received. As of January 2016, the acceptance rate of callers offered a call back was 39 percent.

- In May 2015, the EDD implemented the Scheduled Call Back (SCB) feature of virtual hold. This feature allows callers the opportunity to schedule an appointment to be called back later in the afternoon on the
day the individual contacts the department. As of January 2016, the acceptance rate for callers offered a scheduled call back appointment was 30 percent.

**Proactive Notification**
The Proactive Notification enhancement sends UI claimants with a scheduled eligibility determination interview a reminder of their upcoming appointment or notification of cancelled appointments. This feature should help decrease the number of missed eligibility determination appointments. Missed calls require that a message be left for claimants to call back within 48 hours. This can further delay the EDD from issuing a timely determination.

The automated contact calls were implemented in a phased approach:

- In November 2015, the EDD began sending cancellation notifications to claimants with a scheduled eligibility determination interview.

- In January 2016, the EDD began sending automated reminder calls of upcoming telephone interviews to claimants.

To maximize access to the EDD’s diverse customer base, the proactive notification calls are delivered in English and Spanish. Additional languages will be added in the future.

Since January 2016, approximately 19,200 notifications have been made each week. The EDD expects the number of notifications to increase when Cantonese, Mandarin, and Vietnamese languages are implemented in spring 2016.

**State Disability Insurance (SDI) Program**
SDI Online is the EDD’s electronic claim filing system for Disability Insurance (DI) and Paid Family Leave (PFL) benefits. The system allows claimants, physicians/practitioners, physician/practitioner representatives, employers, and voluntary plan administrators to file claims, submit forms, and view claim information conveniently and securely online. SDI Online has improved program efficiency and effectiveness by streamlining and automating claims processing and promoting self-help service.

- The SDI program has authorized payment of approximately $18.7 billion in DI and PFL benefits since the launch of SDI Online in October 2012.

- In February 2016, 93.4 percent of initial DI claims were paid by the 14th day after receipt, which exceeds the 86 percent timeliness goal of the SDI program. PFL claims processing was impacted by an increase in claims filed in the last three months, resulting in 84.5 percent of initial PFL claims paid by the 14th day after receipt in February 2016.
As of March 1, 2016, more than 1,776,000 customers created accounts and used SDI Online, with more than 7,025,000 initial and continued claims received electronically since the launch of SDI Online.

In May 2015, the EDD launched SDI Online Mobile in English and Spanish for smartphone and tablet users. Claimants now have a mobile-friendly option to certify for continued DI benefits; get a quick snapshot of their DI claim summary including the last payment made, weekly benefit amount, and claim balance; and receive messages and notifications from the EDD. As of March 1, 2016, over 19,900 continued claim certifications were submitted through SDI Online Mobile.

In State Fiscal Year (SFY) 2014-2015, the EDD used the PFL outreach funding provided by the Legislature to:

- Conduct market research to identify motivating factors behind Californians’ choice to use or not use PFL, populations and/or areas to target for outreach, and effective channels for communication. This report was released on the EDD website in December 2015 and will guide future PFL outreach efforts.

- Distribute PFL material via 2,500 educational toolkits to a variety of community partners, support organizations, hospital social workers, county social services, and legislative offices. The toolkits help organizations better assist their customers looking for PFL guidance.

- Add information text and questions to various SDI Online screens to inform users that they or an eligible family member may qualify for PFL benefits. Customers filing for DI benefits now receive electronic notifications about the availability of PFL allowing them to plan their time off.

With the passage of Assembly Bill 93, Budget Act of 2015, the EDD is using the $2.5 million provided for PFL outreach funding in SFY 2015-16 to obtain a vendor to develop and implement a statewide public outreach, education, and media campaign to inform Californians about the availability of PFL benefits. The campaign will be responsive to the EDD’s PFL market research report. The Request for Proposal for marketing and consulting services was released in February 2016, and the EDD anticipates the contract to commence in May 2016.
**Tax Branch - Payroll Taxes**
Revenue associated with California's employment tax program increased during the second half of 2015. A total of $30.8 billion in tax revenue was cashiered for the period of July to December 2015. The tax revenue includes Unemployment Insurance, Employment Training Tax, State Disability Insurance, and Personal Income Tax. For the same period last year (July to December 2014), the EDD cashiered a total of $28.9 billion in tax revenue.

In addition to cashiering employment tax revenues, the EDD Tax Branch is also responsible for processing payroll tax reporting forms and benefit claim forms. For the period July to December 2015, EDD processed 21.8 million documents (12.9 million electronic documents and 8.9 million paper documents). For the same period last year (July to December 2014), the EDD processed a total of 24.1 million documents (13.3 million electronic documents and 10.8 million paper documents).

**Workforce Services**

**Workforce Innovation and Opportunity Act (WIOA)**
On July 22, 2014, President Barack Obama signed the Workforce Innovation and Opportunity Act (WIOA) into law. The WIOA replaces the Workforce Investment Act of 1998 and retains and amends the Adult Education and Family Literacy Act, the Wagner-Peyser Act, and the Rehabilitation Act of 1973. The WIOA is designed to help job seekers access employment, education, training, and support services to succeed in the labor market and to match employers with the skilled workers they need to compete in the global economy.

Effective July 1, 2015, WIOA provisions took effect, unless otherwise noted in the legislation. The EDD's Workforce Services Branch (WSB) continues to participate and engage in strategic planning with stakeholders to implement the WIOA within the California workforce system.

**New CalJOBSSM**
In May 2014, the EDD integrated the Workforce Investment Act program elements into the CalJOBS™ system providing staff with case-management access to over one million job seekers, employers, training providers, and partner agencies. Effective July 1, 2015, the CalJOBS™ system began administering the WIOA and the transition funds from WIA. Full implementation of the WIOA will take effect July 2016. As of February 2016, the CalJOBS™ system is running version 16.0, which helps the EDD comply with the new WIOA requirements.

The CalJOBS™ system, developed in partnership with EDD’s vendor Geographic Solutions, continues to see its usage grow since its launch in March 2013. The state-of-the-art system provides universal access to online services for individuals seeking jobs, and employers seeking employees, as well as a
wide array of employment-related services. The final phase completed another milestone in modernizing the EDD’s workforce service delivery and reporting systems by integrating software supporting the various programs the WSB is tasked with managing. The updated CalJOBS™ system allows the department to significantly improve its service delivery to job seekers and employers. For staff, it serves as an effective case management tool, designed to efficiently facilitate the job matching and referral process.

From its launch in March 2013 through the end of February 2016, the following occurred:

- More than 3,215,000 job seekers have used CalJOBS™. In total, these job seekers have created or updated more than 4.3 million résumés.

- More than 56,000 new employers have registered in CalJOBS™, in addition to the 45,000 returning employers. Those employers have posted over 756,000 new job orders and edited more than 953,000 existing job orders. These job orders represent more than 1.7 million job openings available to job seekers. In addition to our internal job postings, job postings from other external job banks and employer Web sites increase the total by approximately 100,000 per week.

In 2015, the EDD implemented the following enhancements to the CalJOBS™ system:

- **Document Management**
  The Document Management Module was implemented into CalJOBS™ on August 31, 2015. This module allows scanned documents to be captured and viewed online and stored securely and electronically in the central database. The functionality includes the ability to attach documents to case notes and program verifications, as well as tagging and retrieving digital documents associated with a user record. This allows individuals to visit any Local Area and only provide verification once, expediting service delivery and improving staff efficiency.

- **Customer Relationship Management Module (CRM)**
  The CRM is designed to manage staff interaction with current and future employers. It is an employer outreach tool that combines the best features of contact management, account management, lead management and follow-up, calendaring, appointments and tasks. The CRM integrates employer services functionality into a user-friendly system allowing staff to be more productive. This module was implemented statewide in CalJOBS™ on December 31, 2015.

In early 2015, the EDD also implemented the Full Spidering and Mobile App Modules.
The EDD piloted the following modules in 2015 and they were recently implemented statewide:

- **VOScan Module**
  The VOScan Module was implemented into CalJOBS\textsuperscript{SM} statewide on April 1, 2016. This module is a fully integrated, user-friendly scan card system that tracks and records universal services provided to customers. The VOScan Module allows Local Areas to improve their service delivery and help reduce foot traffic at the front desk. Individuals who visit the EDD or Local Area offices are enrolled into Wagner-Peyser and can be enrolled into only three activity codes. The Scan Card technology logs services received and events attended by job seekers throughout the state into one state database. The system uses scan-card readers and automatically posts the activities into a jobseeker’s CalJOBS\textsuperscript{SM} account in real time.

- **Generic Module**
  This module allows Local Areas to establish local programs that address their customer needs. Local Areas can track their programs from the application, to enrollment, to program exits using forms similar to those in WIOA. Local Areas can also establish unique eligibility rules for each program and create unique eligibility questions. State Administrators set up the programs, questions, and services. Each Local Area will only have access to their programs, and can establish durations for each. This module was implemented in CalJOBS\textsuperscript{SM} on April 1, 2016.

**Reemployment and Eligibility Assessment (REA) Services**
California provides Reemployment Services and Eligibility Assessments (RESEA) to UI claimants in the initial weeks of their UI claims through a grant from the U.S. Department of Labor (DOL). From July through December 2015, the EDD conducted 69,776 interviews and provided reemployment services at 62 America’s Job Centers of California (AJCC) throughout the state. The EDD received $5.6 million from DOL to continue the RESEA program and is awaiting a final decision on its $17.6 million grant proposal for 2016. During January and February of 2016, the EDD conducted 18,635 interviews and provided reemployment services for UI claimants at 69 AJCCs throughout the state.

**Regional Planning Units**
The Labor Market Information Division (LMID) has released data via its Economic Analysis tool for the California Workforce Development Board’s 14 Regional Planning Units. This tool provides an interface that allows customers to view all available industry clusters for a particular area, the associated occupations, occupational-specific wage data, and the total projected job openings for each occupation. All data available within the Economic Analysis tool can be sorted and downloaded to meet customer needs. The LMID produced this new data to assist local boards with WIOA mandated local and regional planning requirements. This information helps identify industries and associated occupations in the state’s economy as potential targets for workforce investment.
**Workforce Metrics Dashboard**

The LMID is providing analytical assistance to support the implementation of Assembly Bill 2148 (2014), which requires the State to create an annual workforce metrics dashboard. The dashboard is intended to serve as a tool to evaluate and compare credential and degree attainment and wage gain outcomes of participants of the following workforce education and training programs:

- Title I and Title II of WIOA
- Trade Adjustment Assistance
- Employment Training Panel
- Community college career technical education
- State apprenticeship programs

Though the California Workforce Development Board will be the primary agency responsible for AB 2148’s implementation, the other state programs participating include the California Community Colleges Chancellor’s Office, the Employment Training Panel, the California Department of Education, the California Department of Industrial Relations, and the EDD’s Workforce Services Division. It is anticipated that the first dashboard will be released later this year, and then updated and reissued annually thereafter.

**Upcoming Events in the State**

Every month, the EDD staff is engaged in providing services and information to our valued customers through various workshops, seminars, webinars, and job fairs. Such events are held throughout the state. Event details and locations are listed on the EDD website and broken down by region at:

**Job Fairs:**
http://www.edd.ca.gov/Jobs_and_Training/Job_Fairs_and_Events.htm

**Tax Seminars:**
The EDD also offers seminars and workshops for employers:
http://www.edd.ca.gov/Employer_Services.htm