

NEWS RELEASE

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AS LOCAL ECONOMIC RECOVERY ACCELERATES, REPORT HIGHLIGHTS WORKFORCE NEEDS

The 2023 State of the Workforce report by the Santa Cruz County Workforce Development Board (WDB) shows that our local economy is experiencing a robust recovery in the wake of the COVID-19 pandemic, recovering faster than the state and the rest of the country.

Overall, Santa Cruz County has seen a 9 percent growth in employment from 2021 to 2022, higher than the state's 4 percent and the national 3 percent averages. The report also finds that our workforce composition is beginning to shift. According to the report, recent job upticks have primarily been in higher-paying industries, with companies like Joby Aviation expanding employment opportunities in our county. However, the report also finds that Santa Cruz County's unemployment rate has been higher than the statewide and national averages, and that average rates of pay for those employed here are lower than the the rest of the state.

Housing continues to be a central issue, according to the report. Four-in-ten residents are renters, with nearly half (45 percent) spending 35 percent or more of their total income on housing. Much like other coastal communities, Santa Cruz County saw a decline in residents between 2020 and 2021, with 4,800 people leaving the county, largely moving out of state. These and other challenges impact our county's workforce.

"The local economy is experiencing a fairly robust recovery from the COVID-19 pandemic," said Santa Cruz County WDB Director Andy Stone. "However, the high cost of living and a severe housing crisis continue to make it difficult for local employers to attract and retain workers."

The report asserts that to meet these challenges, the County has made sizable increases in infrastructure and housing investments, and that these investments will also drive demand for more workers in these sectors. This may pose a future workforce challenge however, with the average age for more than a quarter of our current transportation, water, housing, and energy sector workforce being over the age of 55. Retirements are likely on the horizon, and drawing in new workers will be essential.

The report also includes industry and workforce deep dives, as well as demographic, economic, climate and migration impacts. To read the full report, visit: [Santa-Cruz-State-of-the-Workforce-2023-Final-Rev-3.pdf \(workforcescc.com\)](https://www.workforcescc.com/Santa-Cruz-State-of-the-Workforce-2023-Final-Rev-3.pdf)