



SAN GERMÁN - CABO ROJO MSA

October to December, 2011

LABOR MARKET INFORMATION NEWSLETTER

Overview



DEPARTMENT OF
LABOR
AND HUMAN RESOURCES
GOVERNMENT OF PUERTO RICO

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Hon. Miguel Romero

- ◆ The information on this report refers to the San Germán - Cabo Rojo Metropolitan Statistical Area (MSA) includes the municipalities of Cabo Rojo, Lajas, San Germán and Sabana Grande.
- ◆ The estimates of population was 137,462. The largest number of population was registered in Cabo Rojo municipality with 50,917.
- ◆ The Civilian Labor Force for the area was estimated at 49,700 during the month of December, 2011 and the estimate numbers of persons who did not have a job was 6,700.
- ◆ The Nonagricultural Wage and Salary (nonfarm) Employment was estimated during the quarter at 21,600 remained the same from the corresponding report last year ago.
- ◆ The average number of claimants according to the Unemployment Insurance Program, was divided into 949 males and 725 females, during the fourth quarter of 2011.

Basic Concepts of Employment and Unemployment

Civilian noninstitutional population:

included are persons 16 years of age and older who are not inmates of institutions (for example, penal and mental facilities, homes for the aged), and who are not on active duty in the Armed Forces.

The sum of the employed and the unemployed constitutes the civilian labor force. People who are neither employed nor unemployed are not in the labor force.

Employed persons are:

- ◆ All persons who did any work for pay or profit during the survey reference week. This includes all part-time and temporary work as well as regular full-time, year-round employment
- ◆ All persons who did at least 15 hours of unpaid work in a family-owned enterprise operated by someone in their household.
- ◆ All persons who were temporarily absent from regular jobs because of illness, vacation, bad weather, industrial dispute, or various personal reasons, whether or not they were

paid for the time off.

Unemployed persons are:

- ◆ All persons who did not have a job at all during the survey reference week, made at least one specific active effort to find a job during the prior 4 weeks, and were available for work (unless temporarily ill). Actively looking for work may consist of any of the following activities:

Contacting: An employer directly or having a job interview; A public or private employment agency; Friends or relatives; A school or university employment center.

Sending out resumes or filling out applications; Placing or answering advertisements; Checking union or professional registers; Some other means of active job search.

- ◆ All persons who were not working and were waiting to be called back to a job from which they had been laid off (they need not be looking for work to be classified as unemployed).

Reason for unemployment:

Unemployment also is categorized according to the

status of individuals at the time they began to look for work. The reasons for unemployment are divided into five major groups: (1) *Job losers* comprising (a) persons on *temporary layoff*, who have been given a date to return to work or who expect to return within 6 months (persons on layoff need not be looking for work to qualify as unemployed) and (b) *permanent job losers*, whose employment ended involuntarily and who began looking for work; (2) *Job Leavers*, persons who quit or otherwise terminated their employment voluntarily and immediately began looking for work; (3) *Persons who completed temporary jobs*, who began looking for work after the jobs ended; (4) *Reentrants*, persons who previously worked but who were out of the labor force prior to beginning their job search; and (5) *New entrants*, persons who had never worked. Each of these five categories of the unemployed can be expressed as a proportion of the entire civilian labor force; the sum of the four rates thus equal the unemployment rate for all civilian workers.

I. Employment Trends



The civilian labor force in Puerto Rico was estimated in this fourth quarter at 1,288,000 from that total the average number of employed persons was 1,118,000. The number of civilian force went down by 11,000 jobs compared to a year ago and the number of employed persons grow 28,000 compared to the same time last year.

At the same quarter, San Germán - Cabo Rojo MSA Civilian Labor Force shows a level of 49,700 persons.

The employment data reflect an

increase of 1,300 workers in comparison to December 2010. The jobless rate go down to 13.5 percent this December from 14.3 a year ago. The unemployment rate decreased by 1.8 points percent in relation to November and 3.0 points percent a sizeable reduction when it's compared to the first month of the quarter October.

On December, 2011 the municipalities of San Germán reported the highest unemployment rate in the area with 15.6 percent, Sabana Grande posted the second highest rate (15.4), Lajas the third (15.2) and Cabo Rojo the lowest rate for the area (10.5).

**II. Population, Civilian Labor Force,
Puerto Rico and San Germán - Cabo Rojo MSA
Fourth Quarter 2011**

*Civilian Labor Force**

Puerto Rico and San Germán - Cabo Rojo MSA ^{1/}	Population Estimates ^{2/}	December 2011	November 2011	October 2011	December 2010
Puerto Rico	3,725,789	1,288,000	1,285,000	1,287,000	1,277,000
San Germán - Cabo Rojo MSA	137,462	49,700	49,700	49,500	48,400
Cabo Rojo	50,917	20,000	20,000	19,800	19,500
Lajas	25,753	8,400	8,400	8,400	8,200
Sabana Grande	25,265	8,800	8,700	8,800	8,500
San Germán	35,527	12,600	12,600	12,500	12,200

The Local Area Unemployment Statistics (LAUS) program is a Federal-State cooperative effort in which monthly estimates of total employment and unemployment are prepared for the areas.

Employment

Puerto Rico and San Germán - Cabo Rojo MSA	December 2011	November 2011	October 2011	December 2010
Puerto Rico	1,118,000	1,090,000	1,077,000	1,090,000
San Germán - Cabo Rojo MSA	43,000	42,100	41,400	41,500
Cabo Rojo	17,800	17,500	17,200	17,200
Lajas	7,100	7,000	6,900	6,900
Sabana Grande	7,400	7,300	7,100	7,200
San Germán	10,600	10,400	10,200	10,200

*Revised according to new benchmarks. Figures may not add to totals because of rounding.

**Preliminary Data.

Source: 1/ Bureau of Labor Statistics

2/ U.S. Census Bureau, 2010 Census.

III. Unemployment Data
Puerto Rico and San Germán - Cabo Rojo MSA
Fourth Quarter 2011

Unemployment

Puerto Rico and Guayama MSA ^{1/}	December 2011	November 2011	October 2011	December 2010
Puerto Rico	170,000	195,000	209,000	187,000
San Germán - Cabo Rojo MSA	6,700	7,600	8,200	7,000
Cabo Rojo	2,100	2,500	2,700	2,300
Lajas	1,300	1,500	1,500	1,300
Sabana Grande	1,300	1,400	1,600	1,400
San Germán	2,000	2,200	2,300	2,000

Unemployment Rate

Puerto Rico and Guayama MSA	December 2011	November 2011	October 2011	December 2010
Puerto Rico	13.2	15.2	16.3	14.7
San Germán - Cabo Rojo MSA	13.5	15.3	16.5	14.3
Cabo Rojo	10.5	12.7	13.4	11.8
Lajas	15.2	17.3	18.3	16.2
Sabana Grande	15.4	16.6	18.7	15.9
San Germán	15.6	17.3	18.6	16.1

*Revised according to new benchmarks. Figures may not add to totals because of rounding.

**Preliminary Data.

Source: 1/ Bureau of Labor Statistics

2/ U.S. Census Bureau, 2010 Census.

Population Division, U.S. Census Bureau

IV. Nonagricultural Wage and Salary Employment Data

The Nonagricultural Wage and Salary Employment is an estimate of all part- and full-time wage and salary employees who worked during , or received pay from the pay period that included the 12th day of the month. Estimates measure the number of jobs by industry and reflect employment by place of work.

Total nonagricultural wage and salary estimated employment in the San Germán - Cabo Rojo

Metropolitan Statistical Area rose to 21,600 workers in December, 2011. Based mainly on a monthly survey of Puerto Rico establishments, the number of nonagricultural and salaried workers remained the same from the corresponding report last year ago. When compared with the previous month show an increase of one hundred, at the same time when compared with October reflected an increase of four hundred.

All Employees

Net Change to:

Industry Title	December 2011	November 2011	October 2011	December 2010	November 2011	October 2011	December 2010
Total Nonfarm ^{1/2/}	21,600	21,500	21,200	21,600	100	400	0
Goods Producing	4,500	4,600	4,400	4,800	-100	100	-300
Service-Providing	17,100	16,900	16,800	16,800	200	300	300

1/ Revised according to new benchmarks.

2/ This estimate measures the numbers of jobs by industry and reflects employment by place of work.

Therefore, this figure is not strictly comparable with the employment data which represents persons by place of residence.

3/ Other industries employment shown only in total nonagricultural.

Source: Current Employment Statistics Program (CES)

V. Characteristics of the Insured Unemployed

San Germán - Cabo Rojo MSA

Average Fourth Quarter 2011

The Bureau of Employment Security manages the **Unemployment Insurance Program** established by the Employment Security Act of 1956.

Unemployment Insurance (UI) it's a program which encompasses all state and federal unemployed compensation laws and related programs administered by the state and federal Unemployed Insurance Services.

The term **insured unemployed** is used to define those individuals claiming unemployment compensation benefits. Under Law 74 the employers pay a premium to insure an income to the jobless workers without fault of their own.

The following tables show the characteristics of the insured unemployed by gender, age, industry and occupational:

By Gender

Gender	December 2011	November 2011	October 2011	Quarter Average	Percent Distribution
Total	1,546	1,682	1,793	1,674	100.0
Male	882	960	1,005	949	56.7
Female	664	722	788	725	43.3

The total average of unemployed beneficiaries during the week including the 19th of the fourth quarter amounted to 1,674 going down by 91 when compared to the three months ago level (September, 2011 report).

The beneficiaries were distributed into 949 male and 725 female. The male group represents the highest number in the gender category. It turned up by 13.4 percent over the female group.

By Age Group
Average Fourth Quarter 2011

Age Group	December 2011	November 2011	October 2011	Quarter Average	Percent Distribution
Total	1,546	1,682	1,793	1,674	100.0
Under 22	49	58	59	55	3.3
22-24	130	144	156	143	8.5
25-34	480	540	568	529	31.6
35-44	390	425	463	426	25.4
45-54	295	301	319	305	18.2
55-59	111	114	127	117	7.0
60-64	66	69	70	68	4.1
65 and over	25	31	31	31	1.9

The rates for the figure age groups between 22 to 59 years ranged from 7.0 percent to 31.6 percent.

Showing that, the age group of 25 to 34 registered the highest percentage with 529 individuals for a 31.6 points percent of the total age group distribution and the lower percentage group was represented by 65 and over with 1.9 points percentage .

By Industrial Category
Average Fourth Quarter 2011

Industrial Category	December 2011	November 2011	October 2011	Quarter Average	Percent Distribution
Total	1,546	1,682	1,793	1,674	100.0
Mining	2	3	5	3	0.2
Construction	157	162	155	158	9.4
Manufacturing	245	305	380	310	18.5
<i>Durable</i>	83	131	185	133	7.9
<i>Nondurable</i>	162	174	195	177	10.6
Utilities	25	23	31	26	1.6
Trade	215	240	263	239	14.3
Finance, Insurance and Real Estate	19	22	23	21	1.3
Services	308	304	326	313	18.7
Local Government	117	117	119	118	7.0
Agriculture, Forestries and Fisheries	28	32	35	32	1.9
Information Not Available*	430	474	456	454	27.1

*Claimants not classified

On the industry category, 18.7 percent of the San German - Cabo Rojo Area insured unemployed workers came from the Services sector. There were also 18.5 (310 individuals) with a an attachment to the Manufacturing sector, this group is subdivided into durable and nondurable manufacturing. An additional large number (14.3 percent) were reported in the Trade sector. Those three group are the largest percentage in this category.

By Occupational Category
Average Fourth Quarter 2011

Occupational Category	December 2011	November 2011	October 2011	Quarter Average	Percent Distribution
Total	1,546	1,682	1,793	1,674	100.0
Management	51	51	55	52	3.1
Business and financial	22	19	20	20	1.2
Computer and mathematical	5	8	8	7	0.4
Architecture and engineering	15	18	18	17	1.0
Life, physical and social science	9	14	15	13	0.8
Community and social services	8	7	11	9	0.5
Legal	0	2	3	2	0.1
Education, training and library	53	41	44	46	2.7
Arts, design, entertainment, sports and media	23	31	36	30	1.8
Healthcare practitioner and technical	39	45	49	44	2.6
Healthcare support	40	38	36	38	2.3
Protective service	66	62	57	62	3.7
Food preparation and serving related	67	58	59	61	3.6
Building and grounds cleaning and maintenance	46	47	43	45	2.7
Personal care and service	22	23	18	21	1.3
Sales and related	147	167	191	168	10.0
Office and administrative support	166	202	232	200	12.0
Farming, fishing and forestry	45	45	45	45	2.7
Construction and extraction	196	199	202	199	11.9
Installation, maintenance and repair	61	68	72	67	4.0
Production	340	421	464	408	24.4
Transportation and material moving	110	104	106	107	6.4
Military specific	13	10	9	11	0.7
INA*	2	2	0	2	0.1

*Claimants not classified

VI. Outlook



A. Employment

The local labor market area is anticipated to move up during this quarter, Christmas seasonal jobs on the services area, will help the economy on this recession time. While construction and manufacturing projects are anticipated to increase in the area too. The following projects are listed below are reference of local newspapers, magazines and government offices.

- ◆ Improvements to highways with an investment of 4 million - Cabo Rojo
- ◆ MM Manufacturing, a company engaged in the manufacture of uniforms, clothing and accessories, created in coordination with PRIDCO 325 jobs under an investment of \$ 245.740 in the town of Lajas.
- ◆ The municipality of San German projected the Surf and Fun Water Park it will be built with an investment of 11.5 million and 77 jobs during the construction phase and 100 during the operational phase. Opening it's planned in 2013.
- ◆ The town of Sabana Grande plans to build a Municipal Coliseum with the investment of \$ 10 million.
- ◆ The municipality of Lajas plans to build a new house city hall and other facilities with a total investment of \$ 4 million
- ◆ The executive of the municipality of Cabo Rojo, announced the construction of a convention center with investment of \$ 14 million
- ◆ Under the economic stimulus proposed The American Recovery and Reinvestment Act, abbreviated ARRA funds and the investment of \$ 174,000, the municipality of San Germán install security cameras to work on the problem of crime in the town.
- ◆ • The municipality of Lajas invested \$ 195,000 in the refurbishment of the pier, sanitary, roundabouts and vigilant cabin Playita Rosada.

Outlook

Housing projects:

- ◆ Náutica del Mar - Cabo Rojo
- ◆ Hacienda de la Baume - Cabo Rojo
- ◆ Paraíso Escondido - Cabo Rojo
- ◆ Paseos de Plan Bonito - Cabo Rojo
- ◆ Boquerón Country - Cabo Rojo
- ◆ Combate del Mar - Cabo Rojo
- ◆ Paseo del Faro - Cabo Rojo
- ◆ Quintas de la Reina - San Germán
- ◆ Pedregal - San Germán

B. Unemployment



During this quarter, one firm record mass lay off, releasing 30 workers in the area. The reason of ending contract affect the municipality of Cabo Rojo.

Although, this event affects the labor market area, but seasonal jobs will help improve the area's unemployment.

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