

Workforce Review

A monthly review of labor market information for Northern Santa Clara County

January 2010

Did you know?

Who's poor in America? US tweaks how it defines poverty.

For the first time in nearly 45 years, the US is changing the way it defines poverty.

The Obama administration announced [March 2] a new formula that will take into account a wider range of factors in determining who is poor. The Supplemental Poverty Measure will provide a more accurate portrait, the administration says, of how many Americans are struggling financially, though it will not entirely replace the existing poverty measure in use since the mid-1960s.

In addition to simply calculating a family's income and cost of food, as the current formula does, the new measure will take into account modern expenses and in-kind benefits. Among those modern expenses: the higher cost of healthcare, childcare, housing, and utilities, "plus a little more," a "new category for other expenses that provides a little extra padding," says Vanessa Wight, a demographer at the National Center for Children in Poverty, a public policy center at Columbia University in New York.

The new formula will also adjust for geographic location, acknowledging that \$1,000 in New York doesn't have the same purchasing power as \$1,000 in, say, Des Moines, Iowa. It will also take into account government benefits like food stamps, housing subsidies, and tax credits.

Experts say it's a giant step forward from the old poverty threshold, which is based on a 1955 cost of an emergency food diet and does not factor in medical care, transportation, child care, or geographical variations in cost of living. The old poverty threshold is about \$22,050 in annual income for a family of four.

Experts expect the new poverty measure will increase the percentage of people classified as poor, especially among elderly Americans. Poverty rates will probably increase from 13.2 percent, or 39.8 million people, to 15.8 percent, or 47.4 million, reports the Associated Press. The new measure may bring about a more dramatic change in the senior citizen poverty rate because of rising medical expenses, says Wight.

The Supplemental Poverty Measure, which will be used in fall 2010 in a Census Bureau report, will not completely replace the old measure. It will be used to calculate an alternative poverty rate, but the new formula will not be used to determine eligibility for government programs.

Source: The Christian Science Monitor (03/03/10)



Developing a skilled workforce for Silicon Valley

January 2010

Labor Force Statistics (San José–Sunnyvale–Santa Clara MSA)

Civilian Unemployment Rate	January 2009	December 2009	January 2010	Percentage Point Change	
				Monthly	Annual
San José–Sunnyvale MSA	9.2%	11.5%	12.4%	+ 0.9	+ 3.2
California	10.3%	12.2%	13.2%	+ 1.0	+ 2.9
United States	8.5%	9.7%	10.6%	+ 0.9	+ 2.1

Civilian Labor Force	January 2009	December 2009	January 2010	Percentage Change	
				Monthly	Annual
San José–Sunnyvale MSA	907,800	890,200	897,600	+ 0.8%	- 1.1%
Civilian Employed	823,800	787,700	786,400	- 0.2%	- 4.5%
Civilian Unemployed	83,900	102,500	111,200	+ 8.5%	+ 32.5%

Industry Statistics (San José–Sunnyvale–Santa Clara MSA)

Greatest Change in Employment	January 2009	December 2009	January 2010	Percentage Change	
				Monthly	Annual
Total Nonfarm	878,800	846,100	834,900	- 1.3%	- 5.0%
Construction	37,800	30,400	29,300	- 3.6%	- 22.5%
Semiconductor Mfg.	43,400	39,600	39,500	- 0.3%	- 9.0%
Manufacturing	162,300	151,600	152,100	+ 0.3%	- 6.3%
Health Care	75,400	75,600	75,000	- 0.8%	- 0.5%
Educational Services	33,100	33,000	33,000	0.0%	- 0.3%

NOTE: San José-Sunnyvale-Santa Clara MSA (Metropolitan Statistical Area) = Santa Clara and San Benito Counties

Source: California Employment Development Department, LMID

Labor Force by County (San Francisco Bay Area)

	Labor Force			% Change Annual	Employed			% Change Annual	Unemployment Rate	
	January 2009	January 2010	Annual		January 2009	January 2010	Annual		January 2009	January 2010
California	18,296,200	18,125,400	- 0.9%	16,410,300	15,732,700	- 4.1%	10.3%	13.2%		
Alameda	774,200	753,300	- 2.7%	702,100	664,000	- 5.4%	9.3%	11.9%		
Contra Costa	532,800	522,700	- 1.9%	484,700	459,700	- 5.2%	9.0%	12.1%		
Marin	137,100	130,200	- 5.0%	128,000	118,600	- 7.3%	6.6%	8.9%		
Napa	74,100	73,900	- 0.3%	67,800	65,800	- 2.9%	8.5%	11.1%		
San Francisco	453,500	454,600	+ 0.2%	417,100	407,700	- 2.3%	8.0%	10.3%		
San Mateo	385,700	369,200	- 4.3%	357,900	333,500	- 6.8%	7.2%	9.7%		
Santa Clara	895,100	871,000	- 2.7%	811,500	765,400	- 5.7%	9.3%	12.1%		
Solano	215,700	213,400	- 1.1%	193,900	185,800	- 4.2%	10.1%	13.0%		
Sonoma	263,300	254,000	- 3.5%	240,300	225,300	- 6.2%	8.7%	11.3%		
San Francisco Bay Area	3,731,500	3,642,300	- 2.4%	3,403,300	3,225,800	- 5.2%	8.8%	11.4%		

NOTE: Totals may not add correctly due to rounding

Source: California Employment Development Department, LMID

Regional Layoff Activity

Company	WARN**	City	Affected	Cause
Blockbuster Video	No	Sunnyvale	9	Closure
Blue Coat Systems, Inc.	Yes	Sunnyvale	135	RIF
Intuit	Yes	Mountain View	11	RIF
Lifescan	Yes	Milpitas	16	RIF
Owens Corning	No	Santa Clara	55	RIF
Skyline Solar	No	Mountain View	20	RIF
Spansion	No	Sunnyvale	19	RIF
Sun Microsystems	Yes	Santa Clara	108	RIF
Company Confidential	No	Sunnyvale	32	RIF
			405	

WARN Summary

Individuals Affected YTD †:	2,578 ‡
WARN Current YTD:	47
WARN Previous YTD:	70
** WARN: Worker Adjustment and Retraining Notification (notice of mass layoff or closure)	
† YTD: Year to Date (Fiscal year: July 1 - June 30)	
‡ Summary Total may not equal sum of monthly numbers due to internal adjustments	

NOTE: Layoff data are preliminary and should be considered an estimate of monthly regional activity

Source: NOVA's internal Rapid Response database