

# Workforce Review

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

## February 2009

### *Did you know?*

#### **U.S. workers on jobless benefits hit record high**

The number of U.S. workers drawing state unemployment benefits scaled another record high early this month, according to government data that highlighted the difficulties of getting new jobs in the recession-hit economy. However, the number of people filing new claims for jobless benefits fell to a seasonally adjusted 646,000 in the week ended March 14, the Labor Department said, still at levels consistent with a distressed labor market. The prior week's number was revised up to 658,000 from 654,000. Analysts polled by Reuters had forecast 652,000 new claims.

Analysts had estimated the so-called continued claims would be 5.33 million. "From a longer term perspective what concerns me about the U.S. economy ... (is) the grinding nature of this slowdown and how slow moving the effects of the financial crisis are proving to be," said T.J. Marta, founder and market strategist at Marta on the Markets, in Scotch Plains, New Jersey. "The job market downturn will last longer than any other job downturn in recent history." Companies are responding to the severe downturn in demand that is squeezing their profit margins by cutting jobs, exacerbating the burden of households already staggering from a rapid decline net worth. Since the recession started in December 2007, over 4 million jobs have been lost. The unemployment rate is at 8.1 percent, the highest level in 25 years. The four-week moving average for new claims, considered to be a better gauge of underlying trends as it irons out week-to-week volatility, rose to 654,750, the highest since October 1982, from 651,000 in the week ended March 7.

Source: Reuters (03/19/09)



Developing a skilled workforce for Silicon Valley

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

Civilian Unemployment Rate	February 2008	January 2009	February 2009	Percentage Point Change	
				Monthly	Annual
San José–Sunnyvale MSA	5.1%	9.5%	10.0%	+0.5	+4.9
California	6.2%	10.6%	10.9%	+0.3	+4.7
United States	5.2%	8.5%	8.9%	+0.4	+3.7

  

Civilian Labor Force	February 2008	January 2009	February 2009	Percentage Change	
				Monthly	Annual
San José–Sunnyvale MSA	890,300	921,500	923,600	+0.2%	+3.7%
Civilian Employed	844,800	834,000	830,800	- 0.4%	- 1.7%
Civilian Unemployed	45,500	87,500	92,800	+6.1%	+104.0%

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

Where the Jobs Are	February 2008	January 2009	February 2009	Percentage Change	
				Monthly	Annual
<b>Total Nonfarm</b>	<b>914,200</b>	<b>890,400</b>	<b>887,300</b>	<b>- 0.3%</b>	<b>- 2.9%</b>
Construction	44,600	40,800	40,000	- 2.0%	- 10.3%
Health Care	74,100	76,600	76,900	+0.4%	+3.8%
Leisure/Hospitality	75,600	75,700	76,200	+0.7%	+0.8%
Manufacturing	167,200	164,500	162,600	- 1.2%	- 2.8%
Retail Trade	84,900	81,600	80,200	- 1.7%	- 5.5%

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 High-Tech Region (Metropolitan Statistical Area)

	Labor Force			% Change Annual	Employed			% Change Annual	Unemployment Rate	
	February 2008	February 2009	February 2009		February 2008	February 2009	February 2008		February 2009	
<b>United States</b>	<b>152,503,000</b>	<b>153,804,000</b>	<b>153,804,000</b>	<b>+0.9%</b>	<b>144,550,000</b>	<b>140,105,000</b>	<b>- 3.1%</b>	<b>5.2%</b>	<b>8.9%</b>	
California	18,180,900	18,548,600	18,548,600	+2.0%	17,050,400	16,521,200	- 3.1%	6.2%	10.9%	
Austin, TX	859,312	877,361	877,361	+2.1%	826,633	822,478	- 0.5%	3.8%	6.3%	
Boston, MA	2,481,617	2,485,373	2,485,373	+0.2%	2,374,531	2,300,420	- 3.1%	4.3%	7.4%	
Portland, OR	1,156,766	1,192,449	1,192,449	+3.1%	1,094,937	1,064,414	- 2.8%	5.3%	10.7%	
San Diego	1,543,000	1,581,000	1,581,000	+2.5%	1,456,700	1,442,600	- 1.0%	5.0%	8.8%	
San Francisco	957,000	978,200	978,200	+2.2%	917,900	901,900	- 1.7%	4.1%	7.8%	
Seattle, WA	1,450,270	1,494,760	1,494,760	+3.1%	1,391,620	1,368,200	- 1.7%	4.0%	8.5%	
<b>San José–Sunnyvale</b>	<b>890,300</b>	<b>923,600</b>	<b>923,600</b>	<b>+3.7%</b>	<b>844,800</b>	<b>830,800</b>	<b>- 1.7%</b>	<b>5.1%</b>	<b>10.0%</b>	

NOTE: Totals may not add correctly due to rounding

Source: Multiple states' employment development departments (CA, MA, NC, OR, TX)

## Regional Layoff Activity

Company	WARN**	City	Affected	Cause
Community Foundation of S.V.	No	Mountain View	15	RIF
KLA Tencor	Yes	Milpitas	1	RIF
Magnolia Audio/Video	No	Palo Alto	18	Closure
Marvell Semiconductor, Inc.	Yes	Santa Clara	46	RIF
Network Appliance	Yes	Sunnyvale	251	RIF
One Workplace	No	Milpitas	35	RIF
OpVista, Inc.	No	Milpitas	69	Closure
PLX Technology, Inc.	No	Sunnyvale	15	RIF
Silicon Storage Technology, Inc.	Yes	Sunnyvale	60	RIF
Telik	No	Palo Alto	43	RIF
Vishay-Siliconix, Inc.	Yes	Santa Clara	97	RIF
Yahoo!	Yes	Multiple Cities	468	RIF

**1,118**

## WARN Summary

Individuals Affected YTD†:	5,619 ‡
WARN Current YTD:	71
WARN Previous YTD:	24

\*\* **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