

# Workforce Review

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

## May 2010

### *Did you know?*

#### **Recovery to remain lukewarm, economists say**

The economy is slowly improving but the outlook remains tepid for both the nation and California, according to a report from the UCLA Anderson Forecast to be released today. "We are just beginning the economic recovery," said Jerry Nickelsburg, senior economist for the forecasting group, speaking specifically about California. "The good news is that for the past few months California has been adding jobs, but the number of new jobs has been extremely modest compared to the 1.3 million lost in the recession. We're getting going but, oh, so slowly."

The report predicted that California unemployment, currently at 12.6 percent, would average 12.1 percent for the year and would not fall below double digits until 2012. California's growth will lag that of the nation this year, and then surpass it starting next year, the report said. Restructuring in government, pullback in construction and modest consumer spending would rein in the state's jobs expansion, he said, while robust growth is likely to come from health care, professional and business services, exports and technology-related manufacturing.

The Bay Area is relatively well poised for a comeback, according to Nickelsburg, because its housing markets weren't as devastated as those in the Inland Empire, and the technology sector is now adding jobs. Recent surveys showing increased confidence among Bay Area executives, as well as various national surveys showing more consumer confidence, "seem to provide evidence that people are beginning to believe that the recovery is taking hold and is here to stay," he said. "Actual data on how they're acting says they're getting more optimistic but not wildly so."

The housing market remains a big economic impediment, the report said, calling this "a homeless recovery" because real estate and residential construction remain in the doldrums. Edward Leamer, director of the Anderson Forecast, said frugal consumers and cautious employers are holding back recovery. "If the next year is going to bring exceptional growth, consumers will need to express their optimism in the way that really counts — buying homes and cars," he wrote. "And that is not going to happen if businesses continue to express their pessimism in the way that really counts — by not hiring workers."

Source: San Francisco Chronicle (06/15/10)



Developing a skilled workforce for Silicon Valley

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

Civilian Unemployment Rate	May 2009	April 2010	May 2010	Percentage Point Change	
				Monthly	Annual
San José–Sunnyvale MSA	11.0%	11.6%	11.2%	- 0.4	+ 0.2
California	11.0%	12.2%	11.9%	- 0.3	+ 0.9
United States	9.1%	9.5%	9.3%	- 0.2	+ 0.2

  

Civilian Labor Force	May 2009	April 2010	May 2010	Percentage Change	
				Monthly	Annual
San José–Sunnyvale MSA	898,400	901,700	898,900	- 0.3%	+ 0.1%
Civilian Employed	799,700	796,700	798,300	+ 0.2%	- 0.2%
Civilian Unemployed	98,600	105,000	100,600	- 4.2%	+ 2.0%

  

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

Greatest Change in Employment	May 2009	April 2010	May 2010	Percentage Change	
				Monthly	Annual
<b>Total Nonfarm</b>	<b>859,100</b>	<b>843,900</b>	<b>847,900</b>	<b>+ 0.5%</b>	<b>- 1.3%</b>
Construction	34,300	29,400	29,900	+ 1.7%	- 12.8%
Government: Federal	10,800	11,300	12,900	+ 14.2%	+ 19.4%
Government: State	7,200	6,600	6,600	0.0%	- 8.3%
Hospitality: Accommodation	7,700	7,700	7,900	+ 2.6%	+ 2.6%
Publishing: Newspapers	1,700	1,500	1,500	0.0%	- 11.8%

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	
	May 2009	May 2010	May 2009		May 2010	May 2009		May 2010	
	<b>United States</b>	<b>154,336,000</b>	<b>153,866,000</b>		<b>- 0.3%</b>	<b>140,363,000</b>		<b>139,497,000</b>	<b>- 0.6%</b>
California	18,243,600	18,231,400	+ 2.4%	16,245,600	16,059,400	+ 2.7%	11.0%	11.9%	
Austin, TX	882,808	910,255	+ 3.1%	824,224	847,033	+ 2.8%	6.6%	6.9%	
Boston, MA	2,518,573	2,528,474	+ 0.4%	2,329,140	2,320,424	- 0.4%	7.5%	8.2%	
Portland, OR	1,180,931	1,166,139	- 1.3%	1,053,181	1,046,838	- 0.6%	10.8%	10.2%	
San Diego	1,549,100	1,566,300	+ 1.1%	1,404,600	1,409,300	+ 0.3%	9.3%	10.0%	
San Francisco	962,800	955,000	- 0.8%	881,300	870,400	- 1.2%	8.5%	8.9%	
Seattle, WA	1,503,850	1,491,930	- 0.8%	1,373,590	1,371,600	- 0.1%	8.7%	8.1%	
<b>San José–Sunnyvale</b>	<b>898,400</b>	<b>898,900</b>	<b>+ 0.1%</b>	<b>799,700</b>	<b>798,300</b>	<b>- 0.2%</b>	<b>11.0%</b>	<b>11.2%</b>	

NOTE: Totals may not add correctly due to rounding

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

## Regional Layoff Activity

Company	WARN**	City	Affected	Cause
Applied Materials	Yes	Santa Clara	48	RIF
Symantec Corporation	Yes	Mountain View	124	RIF
XenoPort	Yes	Santa Clara	107	RIF

## WARN Summary

Individuals Affected YTD †:	5,250 ‡
WARN Current YTD:	67
WARN Previous YTD:	105

\*\* 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

279

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

Source: NOVA's internal Rapid Response database