

Workforce Review

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

July 2010

Did you know?

Seniors Outnumber Teenagers in Job Force

Thanks in part to the recession, for the first time on record there are more seniors than teenagers in the American labor force. Starting last fall the number of older workers surpassed the number of teenage workers for the first time since at least 1948, when the Labor Department first began collecting statistics. If you look at just the employment of older workers versus teenagers — that is, how many workers actually have jobs — you will also find that older people surpassed teenagers for the first time recently, in mid-2008.

So what accounts for the flip?

For one, the baby boom generation has been aging. There was always a certain percentage of older people who would continue to work; even if that percentage stayed absolutely constant, as the overall pool of older people grew, the number of those older people who sought to work would also grow. Additionally, the job market has been shifting away from defined-benefit pensions and toward defined-contribution pension plans.

This shift into more variable pension income, plus Americans' general preference for investing in stocks rather than less volatile options like bonds and annuities, plus the sharp declines in equities since the financial crisis have all conspired to make it more difficult for older people to retire. Hence, older people are having to work longer.

Meanwhile, teenagers have been having an especially rough time in the job market partly because the economy is still weak and partly, some economists argue, because employers may be discouraged from hiring teenage workers because of recent minimum-wage increases. As a result, many are unemployed, and many others have given up looking for work altogether. This lowers their labor-force participation rate, which had already been declining even before the recession began.

More older people needing work + more younger people giving up on work = grandparents surpassing grandchildren in the labor force.

Source: New York Times (07/15/10)



Developing a skilled workforce for Silicon Valley

July 2010

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

Civilian Unemployment Rate	July 2009	June 2010	July 2010	Percentage Point Change	
				Monthly	Annual
San José–Sunnyvale MSA	11.7%	11.4%	11.5%	+ 0.1	- 0.2
California	12.0%	12.2%	12.8%	+ 0.6	+ 0.8
United States	9.4%	9.5%	9.5%	0.0	+ 0.1

Civilian Labor Force	July 2009	June 2010	July 2010	Percentage Change	
				Monthly	Annual
San José–Sunnyvale MSA	911,000	904,500	911,900	+ 0.8%	+ 0.1%
Civilian Employed	804,500	801,500	806,900	+ 0.7%	+ 0.3%
Civilian Unemployed	106,500	103,000	105,000	+ 1.9%	- 1.4%

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

Greatest Change in Employment	July 2009	June 2010	July 2010	Percentage Change	
				Monthly	Annual
Total Nonfarm	847,400	851,900	846,300	- 0.7%	- 0.1%
Computer & Periph. Equip.	37,700	38,800	39,500	+ 1.8%	+ 4.8%
Construction	33,500	30,600	31,000	+ 1.3%	- 7.5%
Educational Services	30,100	34,300	32,100	- 6.4%	+ 6.6%
Employment Services	15,800	17,800	18,100	+ 1.7%	+ 14.6%
Health Care	75,200	75,900	75,400	- 0.7%	+ 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	
	July 2009	July 2010	Annual		July 2009	July 2010	Annual		July 2009	July 2010
California	18,392,800	18,370,300	- 0.1%	16,177,500	16,026,100	- 0.9%	12.0%	12.8%		
Alameda	769,800	760,500	- 1.2%	681,600	670,200	- 1.7%	11.5%	11.9%		
Contra Costa	530,200	525,200	- 0.9%	471,900	464,000	- 1.7%	11.0%	11.7%		
Marin	133,300	131,400	- 1.4%	122,100	120,200	- 1.6%	8.4%	8.6%		
Napa	78,400	76,300	- 2.7%	71,800	69,100	- 3.8%	8.5%	9.4%		
San Francisco	464,600	457,600	- 1.5%	419,800	413,100	- 1.6%	9.6%	9.7%		
San Mateo	378,000	372,900	- 1.3%	343,400	337,900	- 1.6%	9.1%	9.4%		
Santa Clara	886,300	886,300	0.0%	783,000	785,300	+ 0.3%	11.7%	11.4%		
Solano	217,200	216,600	- 0.3%	192,700	189,800	- 1.5%	11.3%	12.4%		
Sonoma	256,700	252,900	- 1.5%	230,000	225,500	- 2.0%	10.4%	10.8%		
San Francisco Bay Area	3,714,500	3,679,700	- 0.9%	3,316,300	3,275,100	- 1.2%	10.7%	11.0%		

NOTE: Totals may not add correctly due to rounding

Source: California Employment Development Department, LMID

Regional Layoff Activity

Company	WARN **	City	Affected	Cause
City of Palo Alto	No	Palo Alto	14	RIF
Company Confidential	No	Santa Clara	18	RIF
IAMAW	No	Sunnyvale	10	RIF
Symantec Corp.	No	Mountain View	20	RIF
			62	

WARN Summary	
Individuals Affected YTD †:	62 ‡
WARN Current YTD:	0
WARN Previous YTD:	8

** 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